

Hybrid Passive Managed Service

Balanced Strategy

July 2021

Key information

Strategy details

Start date	15 June 2015
Minimum initial investment (direct)	£20,000
Minimum initial investment (platform)	£1,000
Rebalancing strategy (minimum)	Quarterly
Currency	£ GBP
Annual management charge (direct)	0.75% + VAT
Annual management charge (platform)	0.30% + VAT *
Annual yield (current)	1.64%

*Not including platform charges

Annualised volatility and OCF

Bordier Balanced	8.25%
Ongoing charges figures ('OCF')	0.49%

Annualised 3-year volatility data as at 31.07.21 - Source: FE Analytics

Investment update - July

Economic data and consumer confidence indicators continued to be positive throughout July. Sentiment was impacted, however, by concerns over the rise in case numbers of the COVID-19 Delta variant. This heralded a degree of caution for investors, triggering a decline in bond yields. In terms of equity markets, the US again led the way with the S&P 500 Index reaching new all-time highs. Q2 earnings announcements have also been very encouraging so far, with 90% exceeding expectations. In the eurozone, business activity growth hit a 20-year high in July and earnings expectations are also being widely exceeded. Returns were more muted from the UK where sterling strength impacted those companies with substantial US dollar earnings. It was a very different story across emerging markets, which lagged significantly, weighed down by the announcements from China of greater regulation of the technology and private education sectors. There were no changes made to the strategy during the month as equity exposures were maintained at the top end of the allowable equity range. Despite near-term inflation and policy change risks, substantial monetary and fiscal stimulus is likely to remain in place, underpinning equity markets. Our fixed income exposure is well diversified, with a bias towards both corporate and inflation-linked bonds, and also to strategic managers who can pivot quickly as conditions change. Our Investment Committee continues to favour 'market neutral' alternative investments, which are acting as good portfolio stabilisers in the current environment.

Discretionary manager

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Hybrid Passive Managed Service

The service consists of five actively managed investment strategies, offering lower cost access to our discretionary fund management capabilities, through the combination of active and passive collective investments. The service provides a solution that, when cost considerations are paramount, does not compromise on quality. Investment strategies are monitored by our central Investment Committee to ensure consistency of performance from one portfolio to another. The service is available on the following platforms: Ascentric, Aviva, Embark, Fusion, Hubwise, Novia, Nucleus, Seven IM, Standard Life and Transact.

Investment objective

To build capital in real (inflation-adjusted) terms over the medium to longer term. Investors should expect reasonable correlation to stock market behaviour and rewards, including quite sharp fluctuations in values, but also some protection in times of market weakness.

Risk profile

The strategy is managed with a maximum target of 60% equity market exposure and is categorised as a **Bordier Risk Profile 3**.



Discrete performance

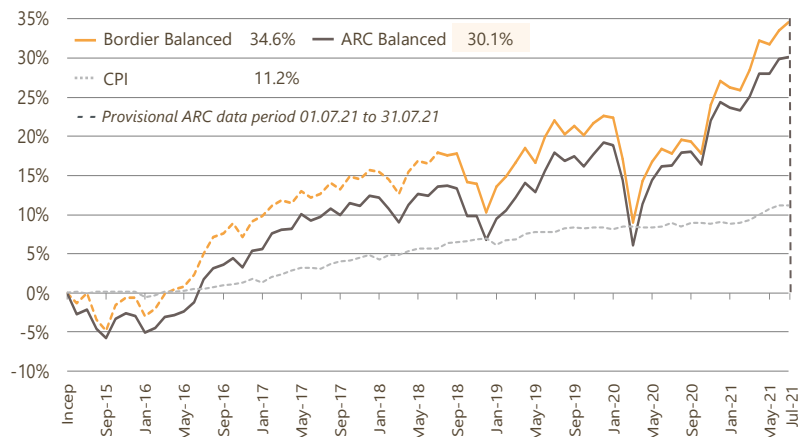
	YTD	2020	2019	2018*	2017*	2016*
Balanced	6.0%	3.6%	11.1%	-4.6%	6.0%	9.8%
ARC Balanced Asset PCI	4.6%	4.3%	11.7%	-5.1%	6.7%	8.6%
CPI	1.9%	0.7%	1.3%	2.1%	2.9%	1.6%

Cumulative performance

	1yr	3yr	5yr*
Balanced	14.3%	14.2%	28.2%

Source: FE Analytics as at 31.07.21.
 *Performance from inception (15.06.15) to 01.08.18 is simulated past performance based on back-tested data. Bordier UK figures net of 0.30% AMC + VAT. Highlighted ARC figure is provisional.

Inception performance



Source: FE Analytics as at 31.07.21.
 Bordier UK figures net of 0.30% AMC + VAT. Highlighted ARC figure is provisional.
 Performance from inception (15.06.15) to 01.08.18 is simulated past performance based on back-tested data. Past performance is not a guide to future results. See full risk warning overleaf.

About Bordier UK

Bordier & Cie (UK) PLC ('Bordier UK') is a specialist investment manager that promotes a long-standing culture of consistency and excellence, whether in the performance of our portfolios, the service given by our staff or the quality of our reporting.

Bordier UK focuses on managing the wealth of individuals, families and trustees. We manage portfolios for pensions, trusts, charities, offshore bonds, livery companies, institutions and welfare committees, as well as investments from our own staff. Working alongside professional advisers and managing investment solutions on behalf of their clients is core to the Bordier UK business.

Bordier UK was previously known as Berry Asset Management, one of the country's most widely respected private portfolio management firms. The team that led Berry Asset Management continue to run the business to this day.

Bordier UK is part of the Bordier Group. The Bordier Group is built on solid foundations, with a strong Tier 1 capital ratio of 34.7%. Established in Geneva in 1844, the Bordier Group operates in six countries across three continents, managing assets of circa £11.8bn for approximately 4,200 families (Source: Bordier & Cie as at 31 December 2020).



Contact us

For further information on this strategy or any of our other investment services please contact a member of our sales team:

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e: sales@bordieruk.com

Headline asset allocation

Summary of current Bordier UK Investment Committee positioning

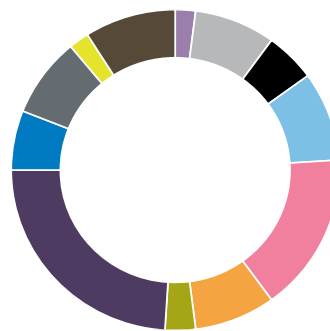
	UW (-)	N (=)	OW (+)
Fixed interest		Current	
Equities		Previous*	Current
Property	Current		
Alternative investments		Current	
Cash	Current	Previous*	

As at 31.07.21
*Positioning prior to last Investment Committee change (December 2020)

Headline positioning

- The strategy's equity positioning remains at the top end of the allowable equity range with a bias to the US and Asia-Pacific ex. Japan.
- We maintain a diversified approach to our fixed income exposure, with increased allocations to corporate and inflation-linked bonds as well as to strategic bond managers.
- Cash levels remain reduced following our allocation to the thematic and global sector in December last year.
- There remains a focus on high levels of liquidity in everything we own.
- Market neutral alternative investments continue to act as stabilisers.

Model asset allocation



Sector	%
Cash	2
UK fixed interest	8
International fixed interest	5
Strategic bonds	9
Alternatives	16
UK equity income	8
UK equity growth	3
US equity	24
European equity	6
Asia-Pacific ex Japan equity	8
Japanese equity	2
Thematic and global equity	9

Top 10 holdings

Holding	%	Holding	%
Premier Miton US Opportunities	8	HSBC Pacific Index	5
Janus Henderson Absolute Return	7	Janus Henderson Strategic Bond	5
Artemis US Select	5	Montanaro UK Income	5
BlackRock Absolute Return Bond	5	Ninety One Global Environment	5
HSBC American Index	5	TwentyFour Corporate Bond	5

As at 31.07.21

Risk warning: The value of an investment and any income from it may fall as well as rise, may be affected by exchange rate fluctuations and you may not get back the amount you originally invested. The information in this factsheet does not constitute an offer of, or an invitation to buy or sell any security. Levels and bases of tax can change. The securities detailed in this factsheet may not be suitable for all investors. The model portfolio is applied to client accounts by the platform provider but it may take some time for the client accounts to mirror the model. Bordier & Cie (UK) PLC recommends that you seek the advice of your financial adviser.

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