

# Hybrid Passive Managed Service

## Balanced Strategy

November 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%
Annual management charge (platform)	0.30%#
Annual yield (current)	1.49%

#Not including platform charges

#### Annualised volatility and OCF

Bordier Balanced	8.10%
Ongoing charges figures ('OCF')	0.46%

Annualised 3-year volatility data as at 30.11.21\* - Source: FE Analytics  
\*VAT applied to AMC from inception (15.06.15) until 31.08.21

#### Investment update - November

Concerns over the new Omicron variant led to a sharp reversal in equity markets towards the end of November and developed markets ended the month over 2% down. Investors are now looking to ascertain the efficacy of vaccines against the Omicron variant and the potential requirement for further lockdowns and other restrictions globally. However, there appears to be some optimism in terms of the likely protection offered by existing vaccines and also a belief that key economies will be more resilient to potential lockdowns. Nevertheless, central banks face an even more muddled picture in terms of inflation outlook. Prior to the Omicron variant, the rhetoric from the US Federal Reserve was becoming more hawkish in the face of the Consumer Price Index rising above 6%. It remains to be seen to what extent the potentially damaging economic consequences of the new variant might impact that view. During the month, no changes were made to the strategy at a headline level, as equity exposure was maintained at the top end of allowable equity range. With heightened levels of inflation in many developed economies, investors seeking real returns continue to look to equities. We are, as ever, mindful of the current risks and as such have added further diversification, with the addition of the Artemis Target Return Bond fund, to our alternatives exposure, which continues to provide embedded protection in the shape of lower risk and absolute return focused holdings.

#### 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**.



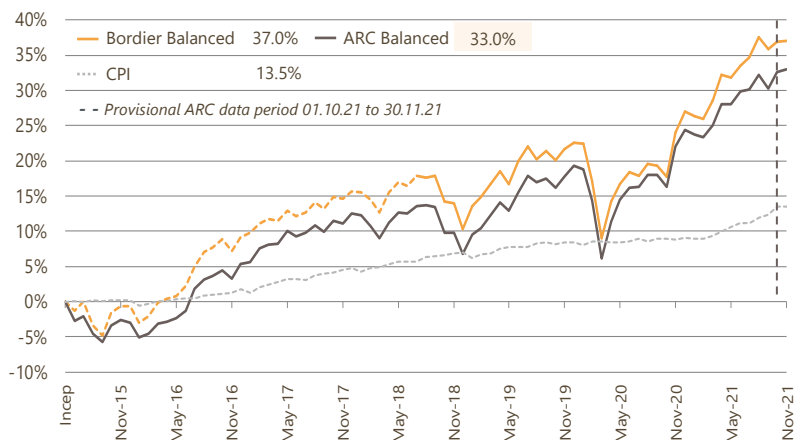
#### Discrete performance

	YTD	2020	2019	2018*	2017*	2016*
Balanced (60% eq.)	7.8%	3.6%	11.1%	-4.6%	6.0%	9.8%
ARC Balanced Asset PCI (30-70% eq.)	6.9%	4.3%	11.7%	-5.1%	6.7%	8.6%
CPI	4.0%	0.7%	1.3%	2.1%	2.9%	1.6%

#### Cumulative performance

	1yr	3yr	5yr*
Balanced (60% eq.)	10.4%	20.2%	27.8%

#### Inception performance



\*Performance from inception to 01.08.18 is simulated past performance based on back-tested data.

Source: FE Analytics as at 30.11.21.  
Bordier UK figures net of 0.30% AMC. VAT applied to AMC from inception until 31.08.21.  
Highlighted ARC figure is provisional.  
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 31.1%. Established in Geneva in 1844, the Bordier Group operates in six countries across three continents, managing assets of circa £12.4bn for approximately 4,200 families (Source: Bordier & Cie as at 30 June 2021).



## 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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**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. Please note that the calculated OCF from FE Analytics may vary from that stated by your chosen platform provider. Bordier & Cie (UK) PLC recommends that you seek the advice of your financial adviser.

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## Headline asset allocation

Summary of current Bordier UK Investment Committee positioning

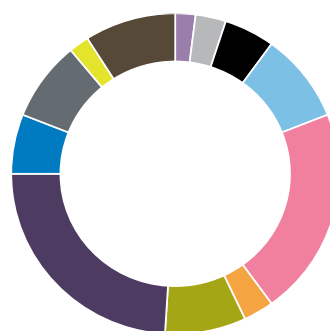
	UW (-)	N (=)	OW (+)
Fixed interest		Current	Previous*
Equities			Current
Property	Current		
Alternative investments		Current	Previous*
Cash	Current		

As at 30.11.21  
\*Positioning prior to last Investment Committee change (October 2021)

## Headline positioning

- Equity exposure remains at the top end of the strategy's allowable equity range with a bias to the US and Asia-Pacific ex. Japan.
- Within our active equity exposure, we maintain a blend of both 'growth' and 'value' investment styles, with a preference towards flexible all-cap managers that can rotate into mid/small caps to help enhance longer term growth.
- In our lower risk strategies, we have reduced exposure to corporate bond funds in favour of flexible strategic bond funds, inflation-linked bond funds and 'market neutral' alternative investments, which continue to act as good portfolio stabilisers, diversifiers of risk and sources of return.
- Cash exposure remains low and there continues to be focus on high levels of liquidity in everything that we own.

## Model asset allocation



Sector	%
Cash	2
UK fixed interest	3
International fixed interest	5
Strategic bonds	9
Alternatives	21
UK equity income	3
UK equity growth	8
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 American Index	5
Janus Henderson Absolute Return	6	HSBC Pacific Index	5
Artemis US Select	5	Janus Henderson Strategic Bond	5
BlackRock Absolute Return Bond	5	Ninety One Global Environment	5
Fidelity Index UK	5	TwentyFour Absolute Return Credit	5

As at 30.11.21