

# Hybrid Passive Risk Targeted Managed Service

## Hybrid Passive Risk Targeted 4 (HP RT4)

March 2022

### Key information

#### Strategy details

Launch date	1 March 2016
Minimum initial investment (platform)	£1,000
Minimum initial investment (direct)	£20,000
Rebalancing strategy (minimum)	Quarterly
Currency	£ GBP
Annual management charge (platform)	0.30%*
Annual management charge (direct)	0.75%
Annual yield (current)	1.72%
Ongoing charges figure ('OCF')	0.49%

\*Not including platform fees

#### Investment update - March

Global developed equity markets rallied 2.5% during March, recovering some of the losses seen earlier in the quarter. There was disparity in regional market returns, with the US market gaining over 3% whilst European markets fell. The US Federal Reserve, looking to address inflationary pressures, raised rates (by 0.25%) for the first time since 2018. In the UK, the latest forecasts suggest that inflation might peak at close to 9% before subsiding next year. Focus remains on how central bank policy combats these heightened levels of inflation versus supporting potentially fragile economic growth. The conflict in Ukraine is having a profound effect on energy prices, and in turn on inflation, given Russia's importance as a provider of oil and gas. Food and other commodity prices have also been significantly impacted. Financial markets have experienced a nervy start to the year; however, history dictates that it is often best to sit tight in terms of headline equity exposure during these periods. We continue to maintain equity allocations at their current level, with the strategy remaining at the upper end of its corresponding Dynamic Planner risk profile. We have, however, altered underlying equity positions, removing exposure to Europe – which is currently facing the brunt of the geopolitical conflict between Russia and Ukraine – and topping up allocations to infrastructure, which not only boasts both defensive and inflation-protection characteristics, but also provides greater exposure to regions outside of Europe.

#### Discretionary manager

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#### Hybrid Passive Risk Targeted 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 Aegon, Ascetric, Aviva, James Hay, Old Mutual, Standard Life and Standard Life Elevate platforms.

#### Investment objective

To assist investors looking to preserve their capital in real (inflation-adjusted) terms over the medium to longer term but who feel comfortable with some moderate fluctuation in values.

#### Risk profile

The strategy is managed in accordance with **Dynamic Planner risk profile 4**, with the strategy's expected volatility targeted to stay within the assigned Dynamic Planner risk profile's boundaries.



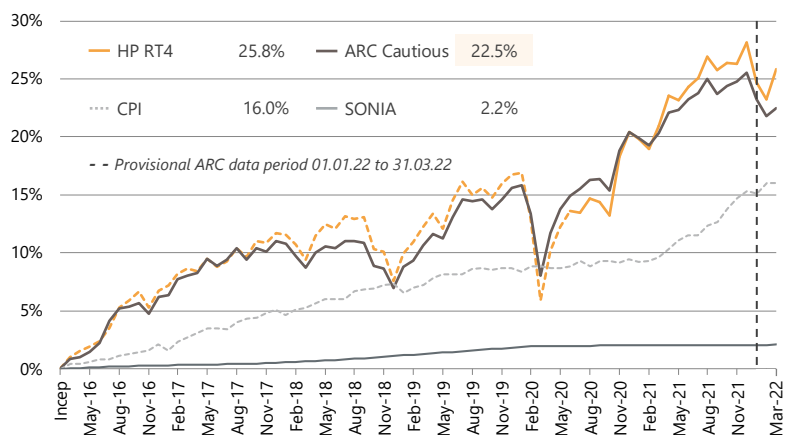
#### Discrete performance

	YTD	2021	2020*	2019*	2018*	2017*
HP RT4	-1.8%	6.5%	3.1%	8.5%	-3.7%	4.7%
ARC Cautious PCI	-2.4%	4.2%	4.2%	8.1%	-3.6%	4.5%
SONIA	0.1%	0.1%	0.2%	0.7%	0.6%	0.3%
CPI	0.6%	5.4%	0.7%	1.3%	2.1%	2.9%

#### Cumulative performance

	1yr	3yr*	5yr*
HP RT4	4.1%	12.1%	15.8%

#### Inception performance



\*Performance from inception (01.03.16) to 30.06.20 is simulated past performance based on back-tested data.

Source: FE Analytics as at 31.03.22.  
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 32.1%. Established in Geneva in 1844, the Bordier Group operates in six countries across three continents, managing assets of circa £13.3bn for approximately 4,200 families (Source: Bordier & Cie as at 31 December 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

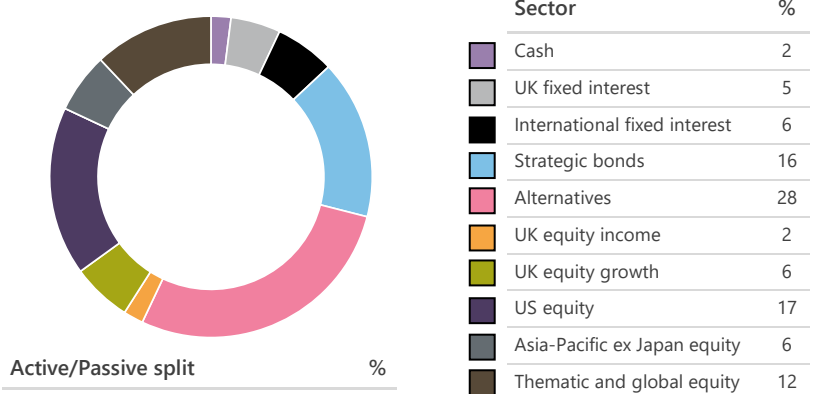
	UW (-)	N (=)	OW (+)	Key
Fixed interest		Current	Previous*	
Equities			Current	
Property	Current			
Alternative investments		Current	Previous*	
Cash	Current			

As at 31.03.22  
\*Positioning prior to last Investment Committee change (November 2021)

## Headline positioning

- The strategies remain at the upper end of their corresponding Dynamic Planner risk profiles with good exposure to those parts of the world less likely to be exposed to the economic fall-out from war in Ukraine.
- We have reduced or removed entirely our exposure to Europe and increased our allocations to infrastructure, which not only boasts both defensive and inflation-protection characteristics, but also provides greater exposure to regions outside of Europe.
- In our lower risk strategies, we continue to favour inflation-linked bond funds, actively managed strategic 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



Active/Passive split	%
Active funds	64
Passive funds	36

## Top 10 holdings

Holding	%	Holding	%
FTF ClearBridge Global Infrastructure Inc.	8	Janus Henderson Strategic Bond	6
Artemis Target Return Bond	7	Premier Miton US Opportunities	6
BlackRock Absolute Return Bond	7	Vanguard Global Short-Term Bond Index	6
Janus Henderson Absolute Return	7	BNY Mellon Global Dynamic Bond	5
TwentyFour Absolute Return Credit	7	Fidelity Strategic Bond	5

As at 31.03.22