

# Hybrid Passive Managed Service Balanced Strategy

March 2022

## 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)	1.58%

#Not including platform charges

### Annualised volatility and OCF

Bordier Balanced	8.32%
Ongoing charges figures ('OCF')	0.48%

Annualised 3-year volatility data as at 31.03.22\* - Source: FE Analytics  
\*VAT applied to AMC from inception (15.06.15) until 31.08.21

### 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 allowable equity range. We have, however, altered underlying equity exposures, reducing our weighting 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 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**.



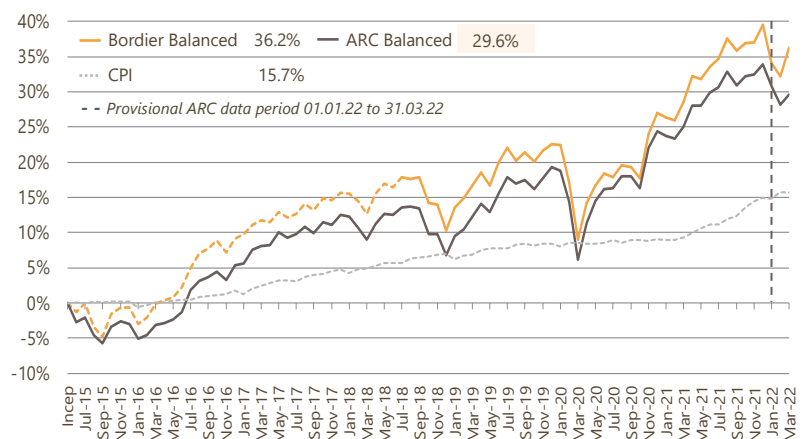
### Discrete performance

	YTD	2021	2020	2019	2018*	2017*
Balanced (60% eq.)	-2.4%	9.8%	3.6%	11.1%	-4.6%	6.0%
ARC Balanced Asset PCI (30-70% eq.)	-3.2%	7.6%	4.3%	11.7%	-5.1%	6.7%
CPI	0.6%	5.4%	0.7%	1.3%	2.1%	2.9%

### Cumulative performance

	1yr	3yr	5yr*
Balanced (60% eq.)	6.0%	16.8%	21.8%

### Inception performance



\*Performance from inception to 01.08.18 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:

**t:** +44 (0)20 7667 6600  
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## Headline asset allocation

Summary of current Bordier UK Investment Committee positioning

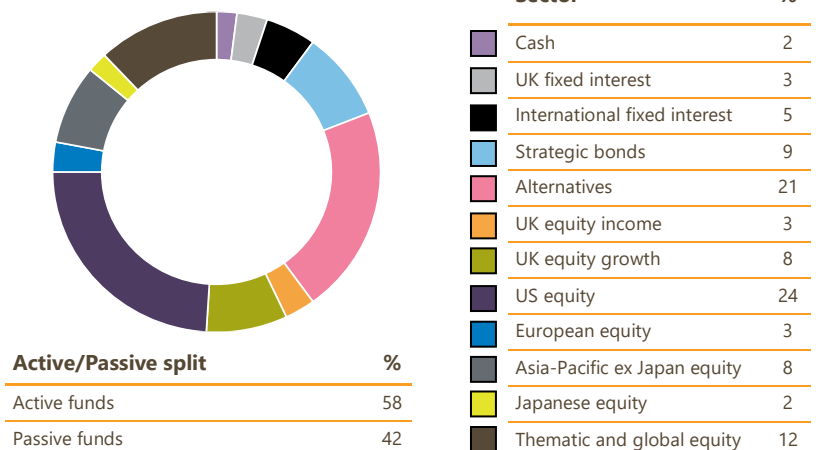
	UW (-)	N (=)	OW (+)
Fixed interest		Current	Previous*
Equities			Current
Property	Current		
Alternative investments		Current	Previous*
Cash	Current		

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

## Headline positioning

- The strategies remain at the upper end of their allowable equity range 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	58
Passive funds	42

## Top 10 holdings

Holding	%	Holding	%
Premier Miton US Opportunities	8	Fidelity Index UK	5
FTF ClearBridge Global Infrastructure Inc.	7	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

As at 31.03.22

**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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