

# Managed Portfolio Service

## Cautious Strategy

April 2022

### Key information

#### Strategy details

|                                |             |
|--------------------------------|-------------|
| Inception                      | 2 July 2012 |
| Minimum initial investment     | £20,000     |
| Rebalancing strategy (minimum) | Quarterly   |
| Currency                       | £ GBP       |
| Annual management charge       | 0.75%       |
| Annual yield (current)         | 1.58%       |

#### Annualised volatility and OCF

|                                |       |
|--------------------------------|-------|
| Bordier Cautious               | 5.97% |
| Ongoing charges figure ('OCF') | 0.74% |

Annualised 3-year volatility data as at 30.04.22\* - Source: FE Analytics  
 \*VAT applied to AMC from inception (02.07.12) until 31.08.21

#### Investment update - April

April proved to be a difficult month for markets with both global equities and bonds falling 8% and 5% respectively. The continued conflict in Ukraine and the prospect of tightening monetary policy to combat rising inflation weighed heavily on sentiment. With inflation in the US rising to 8.5%, the rhetoric from US Federal Reserve members continues to turn towards further increases in interest rates. This resulted in both shorter- and longer-term bond yields sharply rising. Central banks are facing a difficult balancing act of tightening policy to curb inflationary pressures without causing too much impact on growth and consumption. Weakening economic growth data and rising inflation again impacted growth stocks. The economic backdrop is undoubtedly complicated at present and there is uncertainty across markets. However, we think it is right to maintain stockmarket positions at their current levels, with no changes made to the strategy during the month. The strategy's positioning, which remains at the upper end of its allowable equity range, provides the opportunity to generate returns that can combat rising inflation. Outside of stockmarkets, our strategic bond managers and positions in index-linked bonds are helping to offset the difficulties in conventional bond markets from rising inflation and interest rates, whilst market neutral 'alternative' investment funds are acting as good diversifiers of return during more challenging times for markets.

#### Discretionary manager

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### Managed Portfolio Service

Our Managed Portfolio Service ('MPS') has been awarded the maximum Defaqto 5 stars as a solution for advisers to manage client assets directly with Bordier UK. There are five actively managed investment strategies to choose from, each with its own risk profile and the ability to select an income option to benefit from regular income from the strategy as well as potential long-term capital growth.

#### 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 with a maximum target of 40% equity market exposure and is categorised as a **Bordier Risk Profile 2**.



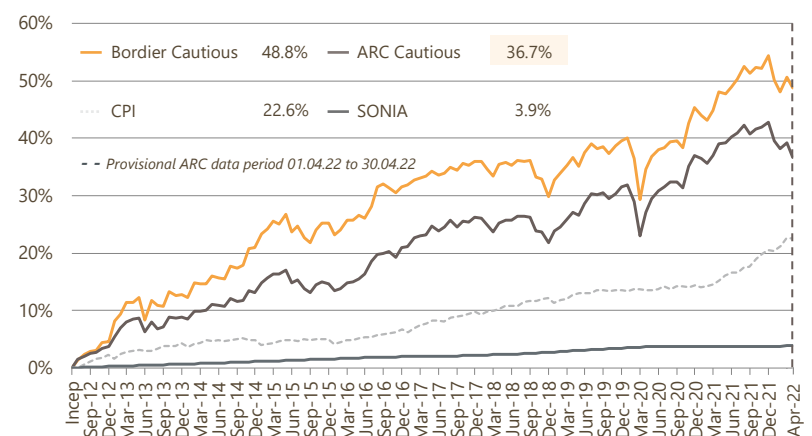
#### Discrete performance

|                               | YTD   | 2021 | 2020 | 2019 | 2018  | 2017 |
|-------------------------------|-------|------|------|------|-------|------|
| MPS Cautious (40% eq.)        | -3.7% | 6.3% | 4.2% | 7.5% | -4.6% | 3.4% |
| ARC Cautious PCI (10-50% eq.) | -4.4% | 4.1% | 4.2% | 8.1% | -3.6% | 4.5% |
| CPI                           | 1.7%  | 4.9% | 0.7% | 1.3% | 2.1%  | 2.9% |
| SONIA                         | 0.1%  | 0.1% | 0.2% | 0.7% | 0.6%  | 0.3% |

#### Cumulative performance

|                        | 1yr  | 3yr  | 5yr   |
|------------------------|------|------|-------|
| MPS Cautious (40% eq.) | 0.5% | 8.8% | 11.6% |

#### Inception performance



Source: FE Analytics as at 30.04.22.  
 Bordier UK figures net of 0.75% 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 warnings 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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 Specialist Investment Manager  
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## Headline asset allocation

Summary of current Bordier UK Investment Committee positioning

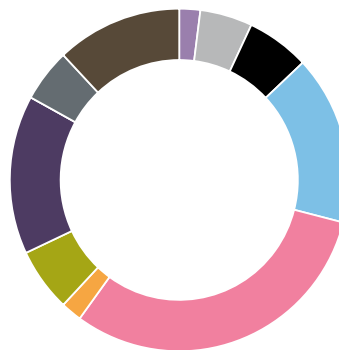
|                         | UW (-)  | N (=)   | OW (+)    | Key |
|-------------------------|---------|---------|-----------|-----|
| Fixed interest          |         | Current | Previous* |     |
| Equities                |         |         | Current   |     |
| Property                | Current |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

As at 30.04.22  
 \*Positioning prior to last Investment Committee change (December 2021)

## Headline positioning

- The strategies remain at the top 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



| Sector                       | %  |
|------------------------------|----|
| Cash                         | 2  |
| UK fixed interest            | 5  |
| International fixed interest | 6  |
| Strategic bonds              | 16 |
| Alternatives                 | 31 |
| UK equity income             | 2  |
| UK equity growth             | 6  |
| US equity                    | 15 |
| Asia-Pacific ex Japan equity | 5  |
| Thematic and global equity   | 12 |

## Top 10 holdings

| Holding                                    | % | Holding                        | % |
|--|---|--------------------------------|---|
| Artemis Target Return Bond                 | 8 | Janus Henderson Strategic Bond | 6 |
| FTF ClearBridge Global Infrastructure Inc. | 8 | Premier Miton US Opportunities | 6 |
| Janus Henderson Absolute Return            | 8 | BNY Mellon Global Dynamic Bond | 5 |
| Man GLG Alpha Select Alternative           | 8 | Fidelity Strategic Bond        | 5 |
| BlackRock Absolute Return Bond             | 7 | Ninety One Global Environment  | 4 |

As at 30.04.22

**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. Bordier & Cie (UK) PLC recommends that you seek the advice of your financial adviser.

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