

Managed Portfolio Service Cautious Strategy June 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) | 1.60% |

Annualised volatility and OCF

| | |
|--------------------------------|-------|
| Bordier Cautious | 6.19% |
| Ongoing charges figure ('OCF') | 0.72% |

Annualised 3-year volatility data as at 30.06.22* - Source: FE Analytics
*VAT applied to AMC from inception (02.07.12) until 31.08.21

Investment update - June

Continued concerns over inflation and weakening growth led to a further equity market sell off in June. Global equities have now fallen over 18% in local currency terms this year representing the worst H1 period in over 50 years. Consumer confidence continues to fall in most regions and has hit record lows in the UK, which is facing one of the most acute squeezes in (negative) real wage growth. The Bank of England and the US Federal Reserve once again raised rates whilst the European Central Bank signalled that it would raise rates once it had ceased asset purchases. Equity valuations overall look undemanding and positive economic growth is still widely forecast over the next two or three years in most regions. Taking a medium-term view that the current downturn will be relatively short-lived, we are maintaining our commitment to equities, with the strategy remaining at the upper end of its allowable equity range. With attention potentially turning to protecting growth rather than curbing inflation, an opportunity has arisen to take a little more risk within bond markets. We have therefore reduced some of the more defensive biases to fixed interest positioning. Where appropriate, we have also added to alternative investments, by allocating to the TM Tellworth UK Select fund, at the expense of some fixed interest exposure. Genuinely alternative investments are likely to continue to act as strategy stabilisers and sources of good risk diversification and return if traditional assets continue to come under some pressure.

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**.

2

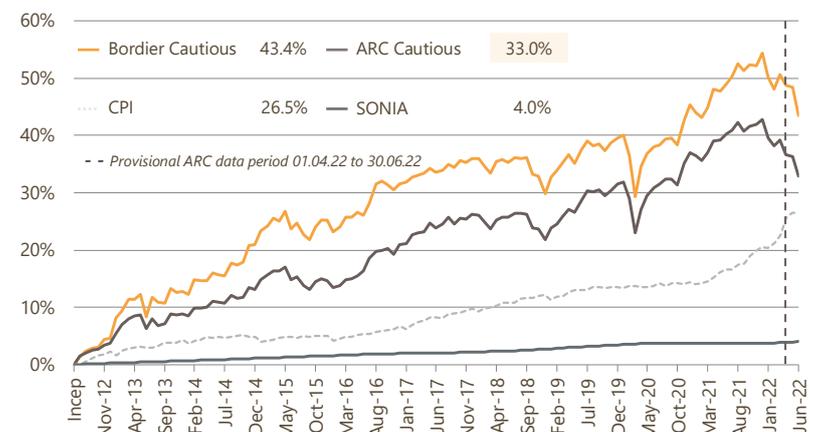
Discrete performance

| | YTD | 2021 | 2020 | 2019 | 2018 | 2017 |
|-------------------------------|-------|------|------|------|-------|------|
| MPS Cautious (40% eq.) | -7.1% | 6.3% | 4.2% | 7.5% | -4.6% | 3.4% |
| ARC Cautious PCI (10-50% eq.) | -6.9% | 4.1% | 4.2% | 8.1% | -3.6% | 4.5% |
| CPI | 5.0% | 4.9% | 0.7% | 1.3% | 2.1% | 2.9% |
| SONIA | 0.2% | 0.1% | 0.2% | 0.7% | 0.6% | 0.3% |

Cumulative performance

| | 1yr | 3yr | 5yr |
|------------------------|-------|------|------|
| MPS Cautious (40% eq.) | -3.7% | 4.3% | 7.4% |

Inception performance



Source: FE Analytics as at 30.06.22.
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.

Bordier & Cie (UK) PLC | Specialist Investment Manager

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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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Headline asset allocation

Summary of current Bordier UK Investment Committee positioning

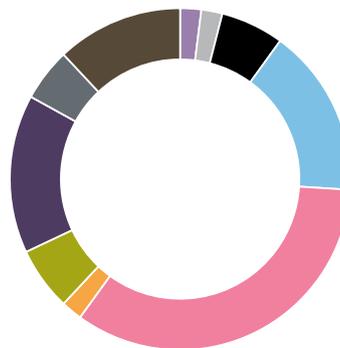
| | UW (-) | N (=) | OW (+) | Key |
|-------------------------|---------|-----------|---------|-----|
| Fixed interest | | Current | | |
| Equities | | | Current | |
| Property | Current | | | |
| Alternative investments | | Previous* | Current | |
| Cash | Current | | | |

As at 30.06.22
 *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 | 2 |
| International fixed interest | 6 |
| Strategic bonds | 16 |
| Alternatives | 34 |
| 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 | Man GLG Alpha Select Alternative | 6 |
| BlackRock Absolute Return Bond | 7 | Premier Miton US Opportunities | 6 |
| TM Tellworth UK Select | 7 | BNY Mellon Global Dynamic Bond | 5 |
| Janus Henderson Absolute Return | 6 | Fidelity Strategic Bond | 5 |

As at 30.06.22

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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