

December 2022

bordier | 1844

Risk Targeted Managed Service  
Bordier UK Risk Targeted 7 (RT7)

Key information

Strategy details

Inception	1 March 2016
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)	1.71%
Ongoing charges figure ('OCF')	0.78%

\*Not including platform fees

Investment update - December

Equity markets retreated in December in relatively thin trading. Interest rates rose by a further 0.5% in the US and UK. Inflation is receding slightly in most key regions as energy prices fall and supply chains ease. Global manufacturing backlogs are falling quite rapidly and delivery times are improving. Indeed, in the US, the Richmond Manufacturing Index (a key measure of manufacturing activity) indicated the first expansion since April. This is encouraging, albeit not yet sufficient to change the tightening stance of key developed market central banks who may also be looking for evidence of weaker labour markets before changing policy. In the UK, reported pay increases in the private sector and the expanding list of public sector workers taking industrial action is adding to concerns that wage increases could extend the period of heightened inflation. No changes were made to the strategy this month, which remains at the upper end of its corresponding Dynamic Planner risk profile. Equity market exposures have been maintained as the risks of exiting and re-entering markets may be greater than riding out further adjustment in asset prices. Our slight allocation to highly liquid alternative investment funds, that exhibit low levels of volatility, continue to act as an effective risk management tool. 2022 has seen markets attempt to price in a number of headwinds. However, the potential prospect of a significant decline in inflation over the next year, greater visibility on the likely peak in rates, and of an economic and earnings growth recovery into 2024, should provide a more favourable backdrop for markets in 2023.

Discretionary manager

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Risk Targeted Managed Service

Our Risk Targeted ('RT') Managed Service is available directly through our Bordier UK platform or via the Abrdn, Novia and Transact platforms. There are five actively managed investment strategies available, each with different levels of risk and expected return, that are rigorously mapped within a specific Dynamic Planner risk profile tolerance. Each can be held within general investment accounts, ISAs, SIPPs and other wrappers (platform dependent).

Investment objective

To build capital in real (inflation-adjusted) terms over the medium to longer term. Investors should expect a high correlation to stock market behaviour and rewards, and be entirely comfortable with substantial volatility and very limited protection in times of market weakness.

Risk profile

The strategy is managed in accordance with DP risk profile 7 and is part of their Risk Target Managed ('RTM') offering. The strategy's expected volatility is targeted to stay within the assigned DP risk profile's boundaries.



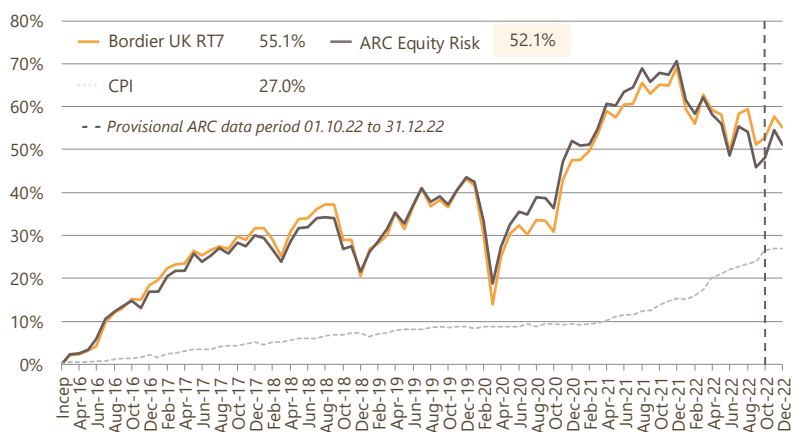
Discrete performance

	YTD	2021	2020	2019	2018	2017
Bordier UK RT7	-8.2%	14.5%	3.1%	18.7%	-8.5%	11.3%
ARC Equity Risk PCI	-10.9%	12.3%	5.8%	18.0%	-6.5%	11.4%
CPI	10.1%	5.4%	0.7%	1.3%	2.1%	2.9%

Cumulative performance

	1yr	3yr	5yr
Bordier UK RT7	-8.2%	8.3%	17.7%

Inception performance



Source: FE Analytics as at 31.12.22.  
Bordier UK figures net of 0.30% AMC. VAT applied to AMC from inception (01.03.16) until 31.08.21.  
Highlighted ARC figures are provisional.  
Past performance is not a guide to future results. See full risk warning 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 £13.4bn for approximately 4,200 families (Source: Bordier & Cie as at 30 June 2022).



## 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 (+)
Fixed interest		Current	
Equities			Current
Property	Current		
Alternative investments			Current
Cash	Current		

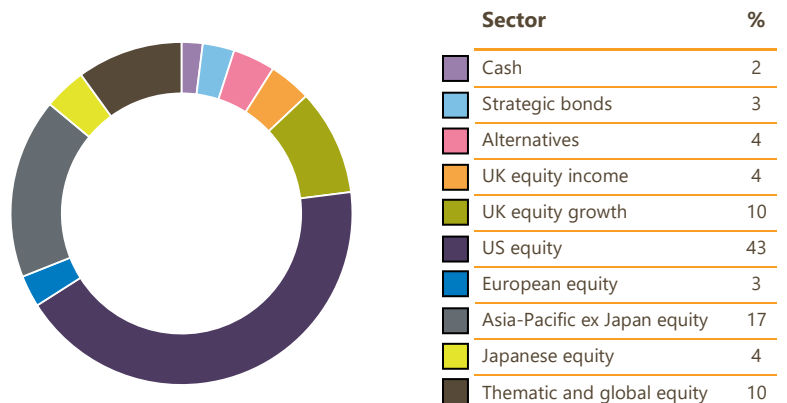
**Key**  
 Current (Orange)  
 UW (-) Underweight  
 N (=) Neutral  
 OW (+) Overweight

As at 31.12.22

## 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 allocation to Asia-Pacific ex Japan, where fundamentals and valuations look fairly attractive, and policy is more supportive for risk assets.
- In our lower risk strategies, we continue to allocate to 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



## Top 10 holdings

Holding	%	Holding	%
Artemis US Select	8	JPM US Equity Income	6
Capital Group Inv. Company of America	8	HSBC American Index	5
M&G North American Dividend	8	Ninety One Global Environment	5
Premier Miton US Opportunities	8	Ninety One UK Alpha	5
Invesco Asian	6	TM Crux UK Special Situations	5

As at 31.12.22

**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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