

Strategy details

Inception	1 March 2016
Min. initial investment (direct)	£20,000
Min. initial investment (platform)	£1,000
Rebalancing strategy (min.)	Quarterly
Currency	£ GBP
Annual yield (current)	3.46%

Charges

Annual management charge (direct)	0.75%
Annual management charge (platform)*	0.30%
Ongoing charges figure	0.45%

*Not including platform fees.

Investment objective

To preserve capital in real (inflation-adjusted) terms over the medium to longer term. Investors should expect low levels of reward and a low correlation to stockmarket behaviour, including modest fluctuations in values.

Risk profile

The strategy is managed in accordance with Dynamic Planner risk profile 3, with the strategy's expected volatility targeted to stay within the assigned Dynamic Planner risk profile's boundaries.



About the Hybrid Passive Risk Targeted Managed Service

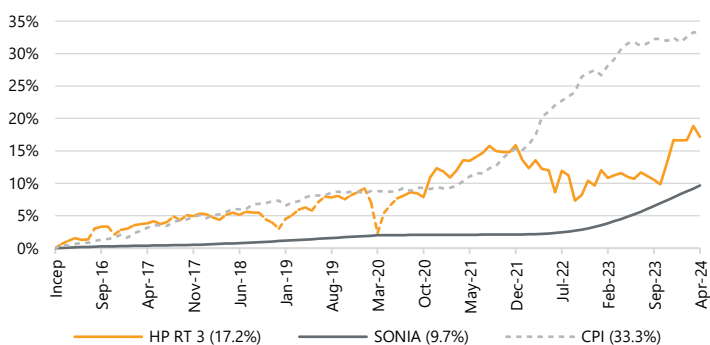
Our Hybrid Passive Risk Targeted ('RT') Managed Service consists of five actively managed investment strategies (Hybrid Passive RT 3-7) that provide lower cost access to our discretionary fund management capabilities through the combination of active and passive collective investments. Each strategy has a different level of risk and expected return, and are rigorously mapped within the volatility boundaries assigned to specific Dynamic Planner risk profiles (RTM 3-7). The service provides a solution that, when cost considerations are paramount, does not compromise on quality.

Investment update

After a strong first quarter of the year, April was a difficult month for investors. The main catalyst for this reversal was a stronger-than-expected inflation number in the US, which, in conjunction with some continuing resilience in the economy, modified the markets' expectations around the timing and extent of potential interest rate cuts. There was an unusually wide dispersion of returns across markets and sectors over the month. Despite some encouraging economic data and a decent first quarter earnings season, the S&P 500 Index was the laggard, falling over 4% during the month. European markets fell 1.5% with the negative impact of 'higher for longer' rate expectations partially offset by some firmer evidence of an improving economic backdrop. The UK market proved to be the strongest developed market in April, rising over 2%. The main driver was the rise in commodity prices as tensions between Israel and Iran rose, which boosted returns given the UK market's heavy weighting in the resources sector. Given the more recent data, markets are now pricing in two rate cuts in the US this year and a similar number in the eurozone and the UK. There is still considerable uncertainty on the timing of a reversal in rate policy. Markets will continue to speculate on the timing of a reversal in interest rate policy and this may cause some volatility in asset prices. We believe that the fundamental backdrop remains supportive for risk assets with positive levels of global economic growth looking ahead, receding inflationary pressures and the prospect of looser monetary policy moving into 2025. As such, no changes were made over the month as the strategy remains at the upper end of its Dynamic Planner risk profile. We see an attractive combination of earnings growth recovery and reasonable valuations across key equity markets, including areas such as Europe and Japan, which now look more compelling on a global scale. Volatility in fixed income markets is currently quite extreme however the thesis for our exposure to both sovereign bonds and corporate credit is very much intact given our views on the economy and the outlook for interest rates.

Performance

Inception performance



Cumulative performance

	1yr	3yr	5yr*	10yr*
HP RT 3	5.0%	3.2%	10.2%	-
SONIA	5.0%	7.4%	8.2%	-
CPI	2.0%	20.8%	23.6%	-

Annualised performance

	1yr	3yr	5yr*	10yr*
HP RT 3	5.0%	1.1%	2.0%	-
SONIA	5.0%	2.4%	1.6%	-
CPI	2.0%	6.5%	4.3%	-

Discrete performance

	YTD	2023	2022	2021	2020*	2019*
HP RT 3	0.4%	6.4%	-5.4%	3.2%	3.4%	5.5%
SONIA	1.7%	4.4%	1.1%	0.1%	0.2%	0.7%
CPI	0.6%	3.9%	10.5%	5.4%	0.7%	1.3%

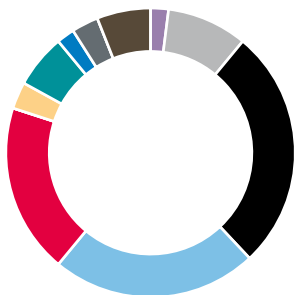
*Performance from inception (01.03.16) to 30.06.20 is simulated past performance based on back-tested data (represented by the orange dashed line).

Source: Bordier UK & FE Analytics as at 30.04.24.

Bordier UK returns net of 0.30% AMC. VAT applied to AMC from inception until 31.08.21. Latest ARC PCI data is provisional. Past performance is not a guide to future results. See full risk warning overleaf.

Asset allocation

Sector breakdown

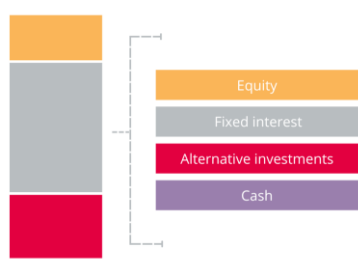


Sector	%
Cash	2
UK fixed interest	9
International fixed interest	27
Strategic bonds	23
Alternatives	19
UK equity (growth)	3
US equity	6
European equity	2
Asia-Pacific ex Japan equity	3
Thematic and global equity	6

Top 10 holdings

Fund	%
Vanguard Global Bond Index	10
Vanguard UK Long Duration Gilt Index	9
Fidelity Strategic Bond	8
Schroder Strategic Credit	8
Janus Henderson Strategic Bond	7
TM Tellworth UK Select	7
Vanguard UK Inv. Grade Bond Index	7
Artemis Target Return Bond	6
HSBC American Index	6
Janus Henderson Absolute Return	6

Asset class breakdown



Active/Passive allocation breakdown

Underlying holdings	%
Active allocation	58
Passive allocation	42

Note: For illustrative purposes only.

Source: FE Analytics as at 30.04.24

Third-party platform availability

We work with the following platforms:



Please enquire about the service for your chosen platform.

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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Important information

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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