

Hybrid Passive Managed Service

Balanced Strategy

March 2024

Key information

Strategy details

| | |
|---------------------------------------|--------------|
| Inception | 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) | 2.60% |

#Not including platform charges

Annualised volatility and OCF

| | |
|---------------------------------|-------|
| Bordier Balanced | 7.97% |
| Ongoing charges figures ('OCF') | 0.44% |

Annualised 3-year volatility data as at 31.03.24* - Source: FE Analytics

*VAT applied to AMC from inception (15.06.15) until 31.08.21

Investment update - March

March concluded an excellent first quarter of the year for equity markets with the MSCI World Index up a further 3.4% in sterling terms. Markets remain encouraged by economic data pointing to a resilient economic backdrop, particularly in the US. The Japanese market continues to perform strongly as investors increasingly see value opportunities as the health of the economy and corporate sector continue to improve. Resilient economic data and cautious rhetoric from central banks continues to cause some volatility in fixed income markets. March, however, saw some positive returns across both sovereign and corporate bonds against a mixed inflation backdrop. The European Central Bank has flagged a possible interest rate cut in June, dependent on wage growth continuing to moderate, and the expectation for the number of rate cuts in the US this year has now fallen to three. No changes were made over the month as the strategy remains at the top end of its allowable equity range. The US and Asia, now including Japan, remain our favoured regions for stockmarket exposure – these markets offer the best combination of plentiful and superior growth opportunities, attractive valuations, and access to longer-term beneficiaries of domestic demand and structural recovery potential. Exposure to European markets, including the UK, is also merited based on cheap valuations and future recovery potential. Within fixed income, our shifts made during 2023 and early 2024 to increase exposure to fixed interest investments are beginning to pay off as reductions in inflation and more certainty over interest rate cuts come into view. Exposure to alternative investments has been reduced in the past year to fund increased allocations to bond markets, but they have not lost their fundamental appeal.

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: abrdn, Aviva, Fidelity, Fusion, Hubwise, M&G Wealth, Nucleus, Scottish Widows, 7IM, Quilter, Transact and Wealthtime.

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** and **Defaqto Risk Rating 5 (Balanced)**.



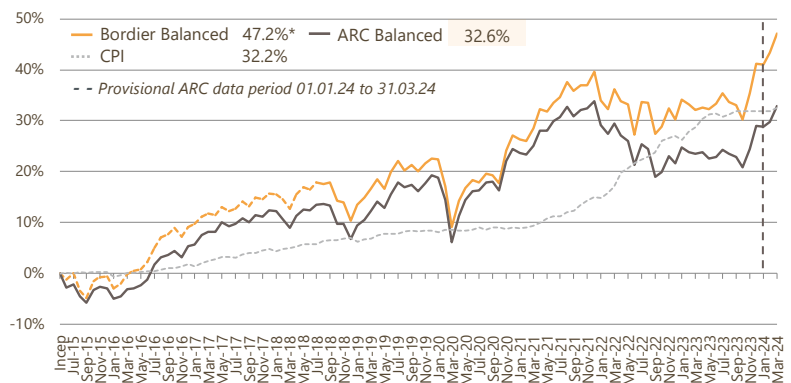
Discrete performance

| | YTD | 2023 | 2022 | 2021 | 2020 | 2019 |
|-------------------------------------|------|------|-------|------|------|-------|
| Balanced (60% eq.) | 4.2% | 8.4% | -6.6% | 9.8% | 3.6% | 11.1% |
| ARC Balanced Asset PCI (30-70% eq.) | 3.0% | 5.8% | -9.1% | 7.6% | 4.3% | 11.7% |
| CPI | 0.1% | 3.9% | 10.5% | 5.4% | 0.7% | 1.3% |

Cumulative performance

| | 1yr | 3yr | 5yr |
|--------------------|-------|-------|-------|
| Balanced (60% eq.) | 11.4% | 14.5% | 26.2% |

Inception performance



*Performance from inception to 01.08.18 is simulated past performance based on back-tested data (represented by orange dashed line).

Source: FE Analytics as at 31.03.24.
 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 35.9%. Established in Geneva in 1844, the Bordier Group operates in six countries across three continents, managing assets of circa £15.2bn for approximately 4,400 families (Source: Bordier & Cie as at 31 December 2023).



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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e: sales@bordieruk.com

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

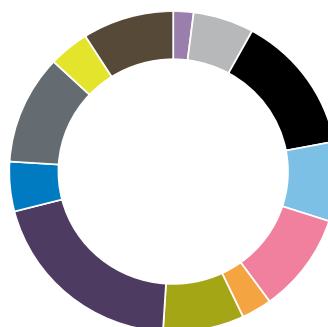
Current
UW (-) Underweight
N (=) Neutral
OW (+) Overweight

As at 31.03.24

Headline positioning

- The strategies remain at the upper end of their allowable equity range as we remain broadly optimistic about the economic outlook for the second half of 2024.
- We have trimmed our commitment to the US market and some thematic funds in favour of exposure to Europe and an increased allocation to Japan (excluding Defensive) where opportunities have arisen.
- 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



| Sector | % |
|------------------------------|----|
| Cash | 2 |
| UK fixed interest | 6 |
| International fixed interest | 14 |
| Strategic bonds | 8 |
| Alternatives | 10 |
| UK equity income | 3 |
| UK equity growth | 8 |
| US equity | 20 |
| European equity | 5 |
| Asia-Pacific ex Japan equity | 11 |
| Japanese equity | 4 |
| Thematic and global equity | 9 |

| Active/Passive split | % |
|----------------------|----|
| Active funds | 50 |
| Passive funds | 50 |

Top 10 holdings

| Holding | % Holding | % | |
|--------------------------------------|-----------|---------------------------------|---|
| TwentyFour Corporate Bond | 7 | HSBC Pacific Index | 5 |
| HSBC American Index | 6 | Janus Henderson Strategic Bond | 5 |
| Vanguard UK Long Duration Gilt Index | 6 | Fidelity Index US | 4 |
| Vanguard US Equity Index | 6 | Janus Henderson Absolute Return | 4 |
| Fidelity Index UK | 5 | Premier Miton US Opportunities | 4 |

As at 31.03.24

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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