

Strategy details

Inception	2 July 2012
Min. initial investment	£20,000
Rebalancing strategy (min.)	Quarterly
Currency	£ GBP
Annual yield (current)	2.53%
Annualised volatility	6.23%

Annualised 3-year volatility data as at 31.05.24

Charges

Annual management charge	0.75%
Ongoing charges figure	0.63%

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.



About the Managed Portfolio Service

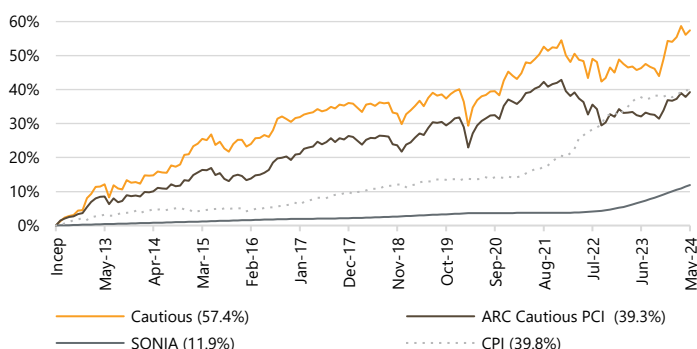
Our Managed Portfolio Service ('MPS') has been awarded the maximum Defaqto 5 stars as a solution for advisers to manage client assets directly with Bordier UK. The service offers five actively managed investment strategies ranging from Defensive to Adventurous. Each strategy has a different level of risk and potential return, with risk categorised by equity market exposure that increases in increments of 20% for each strategy, 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 update

Asset returns were strong over May with both developed market equities and global bonds rising. After a weak April, the US equity market rebounded strongly as rate expectations fell. Uncertainty over the interest rate outlook continues to bring some volatility however market momentum remains positive on the back of a strong corporate earnings season and improving economic data. On the inflation front, data stemming from the US was mixed. While the potential timing of interest rate cuts has been pushed forward, some loosening of policy in the US is still expected this year. European markets also performed well in May as positive GDP growth was confirmed for Q1 and corporate earnings announcements surprised on the upside. Despite a recent modest tick up in inflation the European Central Bank continues to signal a potential rate cut in June. The UK market rose 2.5%, lagging the US and eurozone largely due to its 'value' bias and high exposure to energy stocks, which were impacted by a falling oil price. UK inflation fell to 2.3% and is expected to fall further still in the short term. We continue to see tailwinds, which should be supportive for financial markets in the coming months. As such, no changes were made over the month to the strategy's headline asset allocation, which remains at the top end of its allowable equity range. We expect further reductions in inflation towards central bank targets and a consequent easing of financial conditions as tight monetary policy is unwound. Evidence suggests that economic growth is recovering globally and this should be accompanied by growth in corporate earnings and improved profit margins. In the UK equity sector, TM Crux UK Special Situations was sold. The fund, being smaller in size in terms of assets under management, has experienced significant outflows and we felt it prudent to exit our investment to avoid the potential of any issues exiting the fund in the future. Proceeds have been reinvested into JOHCM UK Growth.

Performance

Inception performance



Cumulative performance

	1yr	3yr	5yr	10yr
Cautious (40% eq.)	8.0%	6.6%	16.6%	35.8%
ARC Cautious PCI (10-50% eq.)	5.1%	0.0%	9.9%	25.4%
SONIA	5.0%	7.9%	8.6%	11.0%
CPI	1.7%	20.5%	23.7%	33.5%

Annualised performance

	1yr	3yr	5yr	10yr
Cautious (40% eq.)	8.0%	2.1%	3.1%	3.1%
ARC Cautious PCI (10-50% eq.)	5.1%	0.0%	1.9%	2.3%
SONIA	5.0%	2.6%	1.7%	1.0%
CPI	1.7%	6.4%	4.3%	2.9%

Discrete performance

	YTD	2023	2022	2021	2020	2019
Cautious (40% eq.)	2.0%	6.4%	-6.1%	6.3%	4.2%	7.5%
ARC Cautious PCI (10-50% eq.)	1.7%	3.7%	-7.6%	4.1%	4.2%	8.1%
SONIA	2.2%	4.4%	1.1%	0.1%	0.2%	0.7%
CPI	1.0%	3.9%	10.5%	5.4%	0.7%	1.3%

Source: Bordier UK & FE Analytics as at 31.05.24.

Bordier UK returns net of 0.75% AMC. VAT applied to AMC from inception (02.07.12) 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

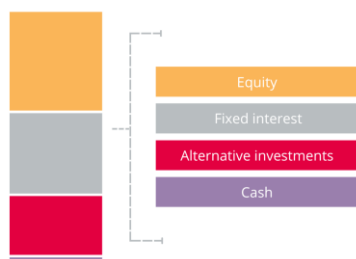


Sector	%
Cash	2
UK fixed interest	8
International fixed interest	17
Strategic bonds	17
Alternatives	16
UK equity (income)	2
UK equity (growth)	6
US equity	13
European equity	4
Asia-Pacific ex Japan equity	6
Japanese equity	2
Thematic and global equity	7

Top 10 holdings

Fund	%
Vanguard UK Long Duration Gilt Index	8
Fidelity Strategic Bond	6
Janus Henderson Absolute Return	6
Janus Henderson Strategic Bond	6
TwentyFour Corporate Bond	6
Man GLG Alpha Select Alternative	5
Premier Miton US Opportunities	5
Schroder Strategic Credit	5
TM Tellworth UK Select	5
Vanguard Global Bond Index	5

Asset class breakdown



Note: For illustrative purposes only.

Source: FE Analytics as at 31.05.24

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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Corporate winner or shortlisted for over 100 prestigious industry awards since 2014

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

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