

Strategy details

Inception	1 October 2020
Min. initial investment (direct)	£20,000
Min. initial investment (platform)	£1,000
Rebalancing strategy (min.)	Quarterly
Currency	£ GBP

Charges

Annual management charge (direct)	0.75%
Annual management charge (platform)*	0.30%
Ongoing charges figure	0.38%

*Not including platform fees.

Investment objective

To assist investors in drawdown, 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 in accordance with Dynamic Planner risk profile 5 and is part of their RMD offering. The strategy's expected annual VaR is targeted to stay within the assigned Dynamic Planner risk profile's boundaries. The strategy is categorised as a Bordier Decumulation Risk Profile 2.



About the RTD Service

The service consists of three actively managed investment strategies that are designed for investors in drawdown. The service puts capital preservation first and seeks to minimise the risk of eroding capital in falling markets whilst a fixed regular income is being taken.

Each investment strategy has a different level of risk and expected return, with each targeted to a particular Dynamic Planner Risk Managed Decumulation ('RMD') risk profile (4-6). Each investment strategy is checked by Dynamic Planner on a monthly basis to ensure that it stays within the expected annual Value at Risk ('VaR') boundaries assigned to the corresponding Dynamic Planner risk profile.

Investment update

October proved to be a weaker month for equity markets. Sentiment in the US was impacted by higher-than-expected inflation numbers and uncertainty surrounding the US election. In Europe, the European Central Bank announced a third rate cut, however this was not enough to prevent markets falling. The UK market also fell, albeit the positive effect of a strengthening US dollar provided some support. Japan was the one bright spot, posting a positive return in local currency terms and demonstrating how allocating to the region can provide valuable diversification benefits. Fluctuating rate expectations have caused some recent market volatility however the strategy's base case remains for a 'soft' landing. Further reductions in interest rates are expected across the developed world and the outlook for corporate earnings looks encouraging. This backdrop should be supportive for equity markets, therefore the strategy remains at the upper end of its Dynamic Planner risk profile. We are also positive on the outlook for fixed income assets, where history suggests that attractive returns typically follow after the first rate cut in a loosening cycle. During the month we made a modest change within the fixed interest sector to slightly reduce duration, with our strategic bond managers also making a similar move. We are retaining some exposure to some low volatility absolute return funds, which continue to play a valuable role in portfolios during periods of market weakness.

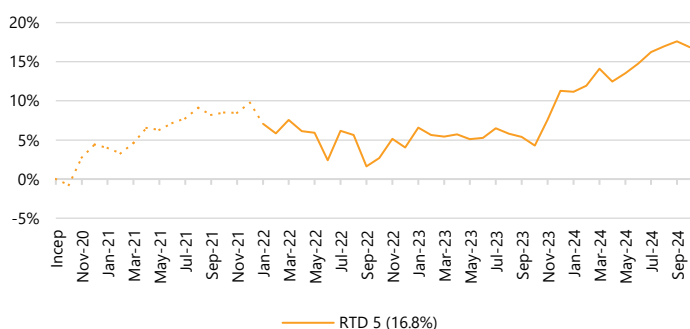
Why decumulation?

Investors drawing on their portfolio for a regular monthly income are in danger of negatively impacting the total return available to them based on the timing of their withdrawals. Known as sequencing risk, this can have a significant impact on an investor who depends on the income and is no longer contributing new capital that could offset losses.

Within a dedicated decumulation strategy, volatility is micro-managed to smooth out monthly performance and mitigate risk. By doing so, investors will experience less frequent volatility spikes, decreasing the speed at which the value of their portfolio shrinks.

Performance

Inception performance

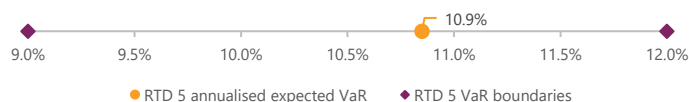


Annualised performance

	1yr	3yr*	5yr*	10yr*
RTD 5	12.0%	2.5%	-	-

Annualised expected loss (Value at Risk)

Value at Risk ('VaR') measures the expected maximum loss of a strategy, given usual market conditions, over a specific time period and at a particular confidence level.



Annualised expected VaR (rounded to 1 d.p.) based on latest Dynamic Planner assumptions. Bordier UK asset allocation as at 31.10.24. Dynamic Planner calculates the strategy's VaR monthly using a 95% confidence level.

Cumulative performance

	1yr	3yr*	5yr*	10yr*
RTD 5	12.0%	7.7%	-	-

Discrete performance

	YTD	2023	2022*	2021*	2020*	2019*
RTD 5	5.0%	7.0%	-5.2%	5.1%	4.4%	-

*Performance from inception (01.10.20) to 31.01.22 is simulated past performance based on back-tested data (represented by the orange dashed line).

Source: Bordier UK & FE Analytics as at 31.10.24.

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

Asset allocation

Sector breakdown

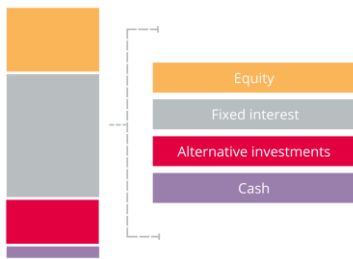


Sector	%
Cash	5
Fixed interest	47
Alternatives	17
UK equity (growth)	5
US equity	10
European equity	3
Asia-Pacific ex Japan equity	6
Japanese equity	2
Thematic and global equity	5

Top 10 holdings

Fund	%
Schroder Strategic Credit	9
Vanguard UK Long Duration Gilt Index	8
TwentyFour Corporate Bond	7
Fidelity Strategic Bond	6
Janus Henderson Absolute Return	6
Janus Henderson Strategic Bond	6
TM Tellworth UK Select	6
Vanguard Global Bond Index	6
Artemis Short-Duration Strategic Bond	5
Cash (deposit)	5

Asset class breakdown



Active/Passive allocation breakdown

Underlying holdings	%
Active allocation	54
Passive allocation	46

Note: For illustrative purposes only.

Source: FE Analytics as at 31.10.24

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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