



Fusion Balanced GBP

Portfolio report

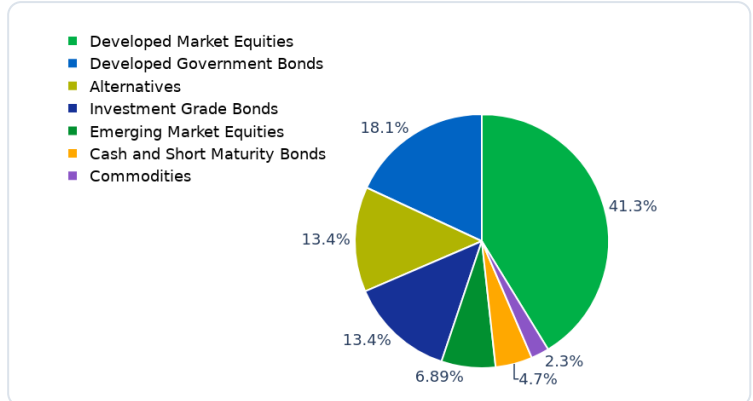
01 Nov 2022



Portfolio Summary

Fusion Balanced portfolio is a medium risk portfolio suitable for investors, who are looking for capital growth through a balanced combination of equity dividends and interest payments of quality debt issuers. The well-diversified portfolio of equities and bonds aims to moderate losses from significant market drawdowns. Fusion Balanced portfolio is designed for investors with an investment horizon of at least 5 years, who seek a balanced mix of income and capital growth through a well-diversified multi-asset portfolio.

A balanced combination of Equities and Bonds in the Fusion Balanced portfolio aims to mitigate significant risks of growth-generated components with income-paying defensive assets.



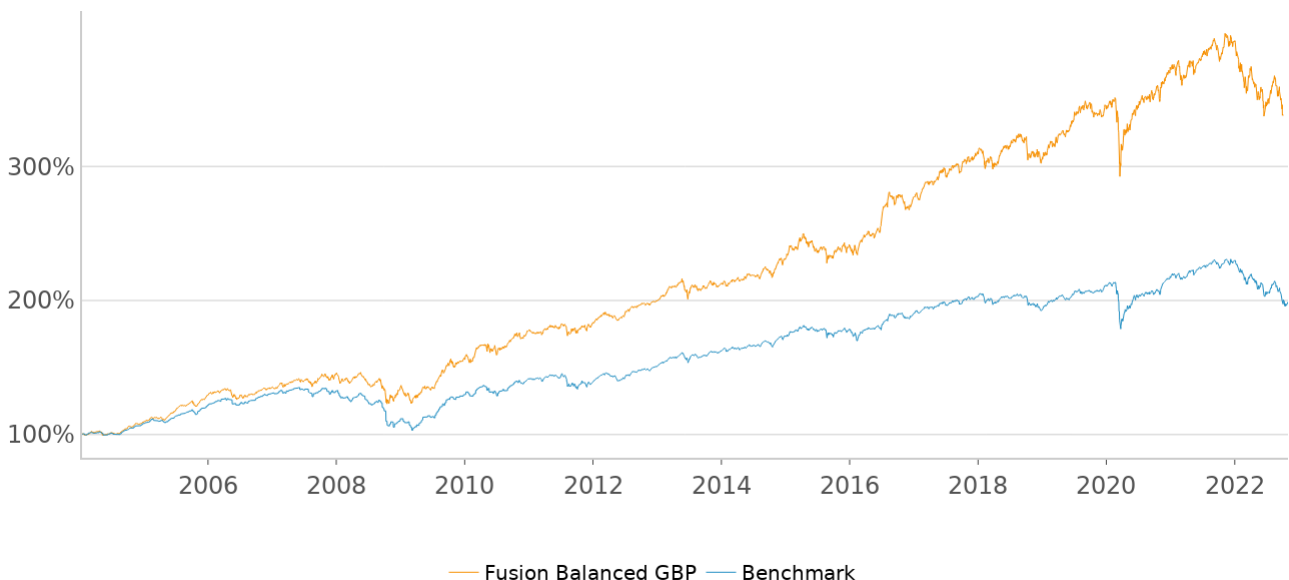
Investment Principles

Fusion Portfolios are based on systematic Strategic Asset Allocation derived from a well-established scientific approach aiming to maximise expected long-term return within well-defined behavioural and risk parameters. The Strategic Asset Allocation assumes that markets are at fair value. Then medium-term market forecast can be overlaid to adjust the allocation by incorporating current market trends. Fusion Portfolio Components for each asset class are carefully selected from a wide range of well-established product providers, targeting outperformance of their respected benchmarks.

Systematic management of the Portfolio Drawdown at the level of Strategic Asset Allocation is a distinctive feature of Fusion Portfolios. At times of market crisis, such approach helps to mitigate investment losses intrinsic to traditional portfolios.

The costs of the investments within Fusion Portfolios are minimised mainly by investing in exchange traded instruments with a high level of liquidity and low total expense ratios to significantly reduce future transaction costs.

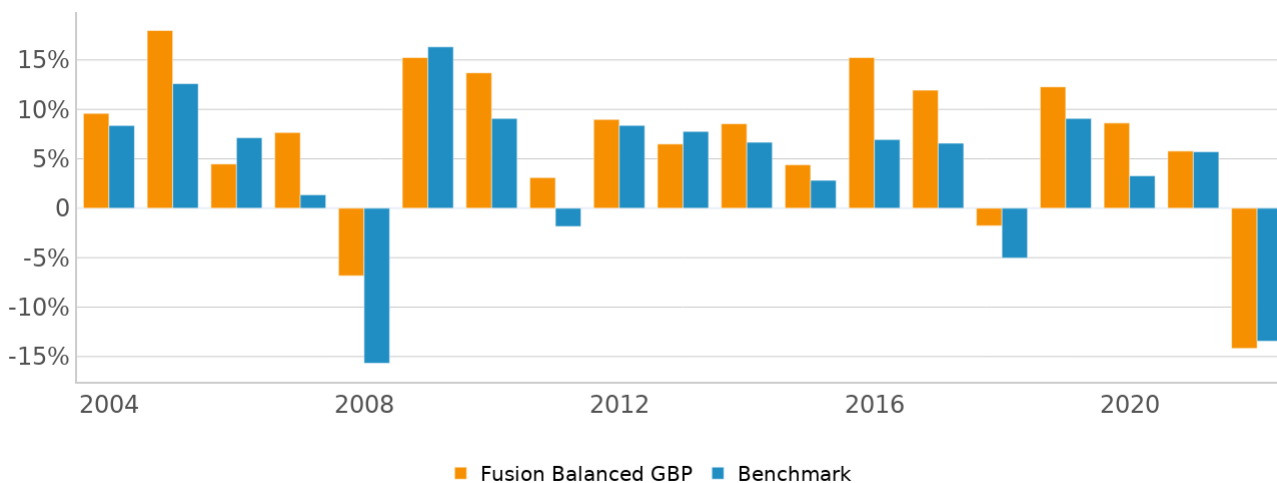
Performance*:



The benchmark is the Abrdn MyFolio Managed II fund which has one of the lowest tracking errors with the IA Mixed investments 20-60 index. Performance prior to April 2013 is reconstructed from the index performance.

*The performance figures in this report are based on the live performance of the portfolio since December 2018. Performance before this date is simulated by applying models and algorithms currently used in the construction of this portfolio.

Historical Performance*



	PERFORMANCE (ANNUALISED)				VOLATILITY (ANNUALISED)				SHARPE RATIO				MAXIMUM DRAWDOWN
	1Y	3Y	5Y	SINCE INCEPTION	1Y	3Y	5Y	SINCE INCEPTION	1Y	3Y	5Y	SINCE INCEPTION	
Portfolio	-11.50%	-0.51%	2.29%	6.72%	9.33%	10.10%	8.72%	7.23%	-1.33	-0.09	0.20	0.69	-16.73%
Benchmark	-12.58%	-1.25%	-0.23%	3.73%	7.09%	8.24%	6.99%	5.98%	-1.93	-0.21	-0.11	0.33	-23.57%

Quarterly Performance

	AVERAGE ANNUAL RETURN	AVERAGE QUARTER RETURN	BEST QUARTER	BEST QUARTER RETURN	WORST QUARTER	WORST QUARTER RETURN
Portfolio	6.72%	1.71%	Q3 2009	13.18%	Q1 2020	-7.98%
Benchmark	3.72%	0.98%	Q3 2009	11.64%	Q1 2020	-11.42%

*The performance figures in this report are based on the live performance of the portfolio since December 2018. Performance before this date is simulated by applying models and algorithms currently used in the construction of this portfolio.



Monthly Performance

		JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	YEAR	OUTPERFORMANCE
2004	Portfolio	-0.48%	1.23%	0.93%	-0.06%	-1.27%	1.18%	-0.66%	1.74%	2.03%	1.14%	1.95%	1.56%	9.60%	1.24%
	Benchmark	-0.14%	1.49%	-0.32%	0.40%	-1.48%	1.35%	-1.22%	1.78%	1.85%	1.13%	1.78%	1.51%	8.36%	
2005	Portfolio	1.35%	1.24%	-0.34%	-1.18%	3.88%	2.65%	3.13%	0.18%	2.55%	-2.42%	2.93%	2.90%	17.98%	5.38%
	Benchmark	1.03%	1.18%	-0.68%	-1.02%	2.21%	2.02%	1.61%	0.89%	1.79%	-2.33%	3.16%	2.21%	12.60%	
2006	Portfolio	1.61%	0.41%	1.36%	-0.74%	-2.92%	0.07%	0.27%	0.47%	1.15%	1.22%	0.62%	0.95%	4.48%	-2.65%
	Benchmark	1.43%	1.37%	0.83%	-0.22%	-2.67%	0.15%	1.07%	0.72%	1.25%	1.19%	0.60%	1.27%	7.14%	
2007	Portfolio	-0.21%	1.10%	1.01%	1.34%	1.29%	-1.04%	-0.03%	-0.23%	1.64%	2.15%	-1.51%	1.95%	7.65%	6.29%
	Benchmark	-0.12%	1.01%	0.27%	1.03%	0.88%	-1.21%	-1.48%	-0.48%	1.51%	1.67%	-2.46%	0.82%	1.36%	
2008	Portfolio	-3.77%	1.45%	-0.86%	1.91%	-0.08%	-3.65%	-0.38%	2.87%	-5.78%	-5.09%	1.35%	5.65%	-6.83%	8.85%
	Benchmark	-4.00%	0.81%	-1.83%	2.32%	0.10%	-3.60%	-1.01%	2.11%	-6.37%	-8.27%	0.03%	3.52%	-15.68%	
2009	Portfolio	-5.22%	-2.80%	2.65%	3.57%	1.60%	0.19%	4.14%	5.20%	3.31%	-1.69%	2.19%	1.66%	15.25%	-1.07%
	Benchmark	-2.69%	-2.85%	0.06%	4.48%	2.48%	0.27%	3.64%	4.44%	3.13%	-0.12%	1.04%	1.66%	16.32%	
2010	Portfolio	-1.17%	3.31%	4.04%	0.53%	-1.73%	-1.42%	1.36%	1.81%	3.20%	0.60%	-0.88%	3.48%	13.70%	4.62%
	Benchmark	-0.79%	1.28%	3.66%	0.12%	-3.10%	-1.07%	2.10%	0.16%	3.35%	1.12%	-0.76%	2.86%	9.08%	
2011	Portfolio	-1.20%	0.49%	1.22%	1.18%	0.29%	-0.20%	0.11%	-1.49%	-0.98%	2.31%	0.01%	1.39%	3.10%	4.94%
	Benchmark	-0.53%	0.55%	0.56%	1.19%	-0.07%	-0.47%	-0.13%	-3.93%	-1.71%	3.57%	-1.98%	1.30%	-1.84%	
2012	Portfolio	1.88%	1.88%	-0.50%	-0.43%	-0.57%	1.29%	2.58%	0.31%	0.87%	-0.02%	1.25%	0.16%	8.98%	0.60%
	Benchmark	2.16%	2.31%	-0.44%	-0.81%	-2.08%	1.20%	2.05%	0.90%	0.81%	0.45%	0.87%	0.73%	8.38%	
2013	Portfolio	1.73%	2.24%	1.41%	0.89%	-0.07%	-3.01%	2.60%	-1.49%	0.46%	2.38%	-0.77%	0.11%	6.50%	-1.26%
	Benchmark	1.83%	1.28%	1.30%	0.63%	0.63%	-2.31%	2.17%	-0.93%	0.83%	1.91%	-0.23%	0.49%	7.77%	
2014	Portfolio	-0.49%	1.72%	0.24%	-0.16%	1.95%	-0.33%	-0.49%	2.61%	-0.56%	0.82%	3.35%	-0.32%	8.55%	1.88%
	Benchmark	0.05%	1.38%	-0.56%	0.12%	1.33%	-0.12%	0.58%	1.28%	-0.34%	0.20%	2.32%	0.26%	6.67%	
2015	Portfolio	4.34%	-0.44%	2.15%	-0.75%	0.42%	-3.19%	1.45%	-2.48%	-0.28%	2.11%	1.48%	-0.23%	4.40%	1.58%
	Benchmark	1.84%	0.81%	0.99%	-0.71%	0.89%	-1.94%	0.98%	-1.42%	-1.81%	2.63%	0.82%	-0.27%	2.82%	
2016	Portfolio	0.16%	0.95%	2.16%	-0.23%	0.77%	4.92%	4.02%	1.41%	-0.11%	-0.09%	-2.42%	2.94%	15.24%	8.30%
	Benchmark	-2.27%	0.64%	1.67%	0.35%	0.91%	-0.19%	3.14%	1.79%	0.26%	-0.06%	-1.35%	1.96%	6.94%	
2017	Portfolio	-0.70%	3.62%	0.61%	0.35%	2.38%	-0.99%	1.63%	1.66%	-0.92%	1.53%	0.24%	2.01%	11.94%	5.36%
	Benchmark	0.09%	1.67%	0.44%	0.22%	1.25%	-0.65%	0.88%	0.86%	-1.10%	1.80%	0.07%	0.89%	6.58%	
2018	Portfolio	-0.75%	-0.92%	-1.11%	1.58%	2.60%	0.27%	1.24%	0.66%	-0.34%	-3.14%	-0.33%	-1.42%	-1.77%	3.25%
	Benchmark	0.22%	-1.14%	-1.44%	1.06%	0.98%	-0.27%	0.90%	0.00%	-0.32%	-3.07%	-0.03%	-1.95%	-5.01%	
2019	Portfolio	2.39%	0.67%	2.30%	1.28%	0.06%	2.54%	2.81%	0.58%	0.47%	-2.22%	0.44%	0.43%	12.28%	3.20%
	Benchmark	2.56%	0.56%	1.39%	0.65%	-1.09%	1.87%	1.70%	-0.77%	0.40%	-0.36%	0.73%	1.15%	9.08%	
2020	Portfolio	0.41%	-3.25%	-5.28%	4.29%	2.89%	1.82%	0.89%	0.82%	0.71%	-1.28%	4.37%	2.34%	8.62%	5.34%
	Benchmark	0.27%	-2.75%	-9.16%	5.28%	2.10%	1.29%	0.13%	1.02%	0.00%	-0.47%	4.74%	1.55%	3.28%	
2021	Portfolio	-1.15%	-0.95%	0.73%	2.96%	-0.43%	1.48%	0.81%	1.87%	-2.20%	1.36%	0.44%	0.85%	5.78%	0.06%
	Benchmark	-0.31%	-0.46%	0.95%	1.99%	0.14%	1.05%	0.52%	1.61%	-1.23%	0.38%	-0.27%	1.27%	5.72%	
2022	Portfolio	-4.80%	-2.33%	1.73%	-2.97%	-1.32%	-3.26%	4.42%	-1.07%	-4.94%	-0.23%			-14.17%	-0.73%
	Benchmark	-3.44%	-2.08%	0.93%	-2.00%	-0.73%	-4.08%	3.21%	-1.27%	-4.95%	0.34%			-13.44%	

Top 10 Holdings

ASSET CLASS	NAME	RETURN			VOLATILITY		
		1Y	3Y	5Y	1Y	3Y	5Y
Bonds	Invesco GBP Corporate Bond UCITS ETF	-12.87%	N/A	N/A	7.73%	N/A	N/A
	iShares Global Govt Bond UCITS ETF	-8.53%	-1.53%	0.31%	5.36%	4.79%	4.02%
	iShares China CNY Bond UCITS ETF	13.92%	N/A	N/A	6.35%	N/A	N/A
	UBS ETF - Bloomberg Barclays MSCI US Liquid Corporates Sustainable UCITS ETF	-13.76%	-1.42%	N/A	8.62%	13.48%	N/A
	SPDR Bloomberg Barclays Global Aggregate Bond UCITS ETF	-8.03%	-1.25%	0.43%	4.82%	4.34%	3.61%
Equities	iShares Core S&P 500 UCITS ETF USD Dist	7.64%	12.44%	14.07%	15.23%	17.75%	16.32%
	SPDR FTSE UK All Share UCITS ETF	5.18%	2.85%	3.63%	13.22%	20.71%	17.56%
	Xtrackers (IE) Plc MSCI World Quality Factor UCITS ETF (DR) 1C	-0.12%	8.73%	11.11%	14.93%	17.16%	15.46%
	iShares MSCI Europe SRI UCITS ETF	-5.95%	6.49%	6.61%	16.71%	19.51%	16.80%
	iShares MSCI Europe ex-UK UCITS ETF	-7.04%	4.07%	4.38%	17.57%	20.03%	17.40%

Fees & Charges:

Total Ongoing charges for underlying funds **0.25%**

Management Charge **0.30%**

The performance figures, portfolio components and the corresponding fund fees vary slightly between different investment platforms, depending on the funds' availability.

The portfolio components and all the figures presented in this factsheet are based on the portfolio available on **Standard Life Wrap** platform.

Description of Components

INVESCO GBP CORPORATE BOND UCITS ETF

Invesco GBP Corporate Bond UCITS ETF is a UCITS compliant exchange-traded fund incorporated in Ireland. The investment objective of the Fund is to deliver the return of the Reference Index, the Bloomberg Sterling Liquid Corp Index Settlement: ICSD.

ISHARES CORE S&P 500 UCITS ETF USD DIST

iShares Core S&P 500 UCITS ETF USD (Dist) is an exchange-traded fund incorporated in Ireland. The Fund aims to track the performance of the S&P 500 Index. Settlement: ICSD.

SPDR FTSE UK ALL SHARE UCITS ETF

SPDR FTSE UK All Share ETF is an open ended, UCITS IV compliant exchange traded fund, domiciled in Ireland. The fund's objective is to track the performance of FTSE All Share Index. The Fund invests in physical securities in the index. Settlement: ICSD.

XTRACKERS (IE) PLC MSCI WORLD QUALITY FACTOR UCITS ETF (DR) 1C

Xtrackers MSCI World Quality UCITS ETF physically replicates the performance of the MSCI World Sector Neutral Quality Index (Net Total Return). The ETF offers direct investment in Global equities. exposure to Global developed large and mid cap equities, with a Quality Strategy. Settlement: ICSD

ISHARES MSCI EUROPE SRI UCITS ETF

iShares MSCI Europe SRI UCITS ETF is an exchange-traded fund incorporated in Ireland. The Fund aims to track the performance of the MSCI Europe SRI Index. Settlement: ICSD.

ISHARES MSCI EUROPE EX-UK UCITS ETF

iShares MSCI Europe ex-UK UCITS ETF EUR (Dist) is an open-end, UCITS compliant exchange traded fund incorporated in Ireland. The Fund aims to track the performance of the MSCI Europe ex UK Index. The MSCI Europe ex UK Index offers exposure to stocks from developed European countries excluding UK. The fund distributes income received to shareholders.

ISHARES GLOBAL GOVT BOND UCITS ETF

iShares Global Govt Bond UCITS ETF is an exchange-traded fund incorporated in Ireland. The Fund aims to track the performance of the Citigroup Group-of-Seven (G7) Index. The index offers exposure to government bonds from G7 countries: Canada, France, Germany, Italy, Japan, UK and the US. Settlement: ICSD.

ISHARES CHINA CNY BOND UCITS ETF

The investment objective of the Fund is to provide investors with a total return, taking into account both capital and income returns, which reflects the return of the Bloomberg Barclays China Treasury + Policy Bank Index.

UBS ETF - BLOOMBERG BARCLAYS MSCI US LIQUID CORPORATES SUSTAINABLE UCITS ETF

UBS ETF - Bloomberg Barclays MSCI US Liquid Corporates Sustainable UCITS ETF sub-fund is an exchange traded fund incorporated in Luxembourg. The objective of this share class is to deliver the performance of the Bloomberg Barclays MSCI US Liquid Corporates Sustainable (Total Return) and allow intraday trading.

SPDR BLOOMBERG BARCLAYS GLOBAL AGGREGATE BOND UCITS ETF

SPDR Bloomberg Barclays Global Aggregate Bond UCITS ETF is an open ended, UCITS compliant, physically-backed exchange traded fund, domiciled in Ireland. The fund's objective is to track the performance of investment grade fixed rate bond markets. Settlement: ICSD.

A Guide to Portfolio Report

Portfolio Summary

Portfolio description gives a Portfolio overview, including the description of target investors, portfolio building approach, resulted asset allocation and recommended investment horizon.

Investment Principles

The main principles applied by test to building investment portfolios, including Strategic Asset Allocation methods and investment Component selection process applied to achieve optimal performance for a range of risk profiles.

Historical Performance

Historical performance analysis is based on applying chosen systematic Asset Allocation approach retrospectively on historical market data to determine weightings for a range of Asset Classes on an annual basis. Component selection within Asset Classes is based on matching target portfolio risk level. The prices used in historical valuations are mid-market prices for Components quoted on a stock exchange. For Components that are not quoted on a stock exchange, the valuation has been based on fair value. This is our best judgement of the price likely to be agreed between a willing buyer and willing seller, dealing on an arm's length basis, where both are in possession of all freely available information concerning those Components.

Missing prices for Components with insufficient pricing history are proxied by using corresponding data for the best suitable alternative, which the Component is reasonably assumed to track, and applying reasonable transaction costs.

Portfolio historical performance is displayed on the graphs and its statistical analysis is summarized in the tables showing Performance, Volatility and Sharpe Ratio. The graph and the statistics is shown against the corresponding Portfolio Benchmark. The historical performance is calculated on a daily basis. All Volatility figures are annualized.

All performance is gross of fees.

Portfolio Benchmark

The benchmark is the Abrdn MyFolio Managed II fund which has one of the lowest tracking errors with the IA Mixed investments 20-60 index. Performance prior to April 2013 is reconstructed from the index performance.

Portfolio Asset Allocation

This shows the various Asset Classes that the portfolio is invested in and the percentage allocated to each of them within the portfolio.

Portfolio Components

A table of Components, which the portfolio is invested in, with the proportions of the total portfolio amount and individual Components Performance, Volatility and Sharpe Ratio.

Glossary of Terms

Asset Class

An asset class is a group of securities that exhibits similar characteristics, behaves similarly in the marketplace and is subject to the same laws and regulations. The three main asset classes are equities, or stocks; fixed income, or bonds; and cash equivalents, or money market instruments. Some investment professionals add real estate and commodities, and possibly other types of investments, to the asset class mix.

Asset Allocation

The investment split between various asset classes as a percentage.

Component

A portfolio component represented either by a financial product, which can be traded between financial counterparties, or an index, which can be accurately tracked by a financial product.

Protective Component

A financial product or an index constructed to ensure significant performance increase in times of financial crisis.

Volatility

A common statistical measure used to assess the risk levels of different investments. It is an annualised figure measuring the dispersion of monthly returns around the average monthly return of that security. If a portfolio has a high volatility, this suggests a greater variation of returns.

Drawdown


Drawdown is a measure of the downside risk of a portfolio. It is peak-to-trough decline during a specific recorded period of an investment, fund or commodity. It can be applied directly to the size of the portfolio giving an estimate of how much money you could lose at some intermediate point during the life of the investment strategy. Maximum drawdown is the maximum loss from a peak to a trough of a portfolio.


Sharpe ratio

The Sharpe ratio is a risk-adjusted measure of return that is used to evaluate the performance of a portfolio. The ratio helps to make the performance of one portfolio comparable to that of another by making an adjustment for the level of risk associated with the underlying assets held within the portfolio.

Company Information

Fusion Asset Management LLP (Fusion) is an investment management firm which was set up in 2004. The firm is based in London and is regulated by the FCA. The core of Fusion expertise lies in the combination of extensive market experience with a quantitative approach to portfolio construction and risk management discipline. The firm culture aims at maintaining the stability of the investment and operations teams, helping to preserve the expertise and development of investment know-how. Fusion has a 15+ year track record of managing investment products and providing advisory services, with particular emphasis on protective strategies. Fusion uses its expertise in protective strategies across all Fusion products.

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