

## PORTFOLIO SUMMARY

- Low-to-medium risk portfolio within the Optima ETF portfolio range
- Suitable for investors who are prepared to accept some risk, but are uncomfortable with large swings in the value of their portfolio
- Designed to achieve stable income with some participation in capital growth through a well-diversified multi-asset portfolio
- The objective of portfolio is to systematically capture risk premiums while minimizing investment costs. This is accomplished by employing highly liquid ETFs with low charges

## PORTFOLIO INFORMATION

Inception Date	Dec 2018
Investment Horizon	At least 3 years
Total Ongoing charges for underlying funds	0.18%
Management Charge	0.25%

## INVESTMENT PRINCIPLES

Fusion Optima portfolios aim to systematically harvest risk premiums while minimizing the costs of the investments by utilising ETFs with high liquidity and low charges. These are carefully selected from a wide range of well-established product providers, targeting outperformance of their respected benchmarks.

The range is based on systematic Strategic Asset Allocation, aiming to maximise expected long-term return within well-defined risk parameters. Medium-term market forecasts are overlaid to adjust the allocation by incorporating current market trends.

## RISK SCORE



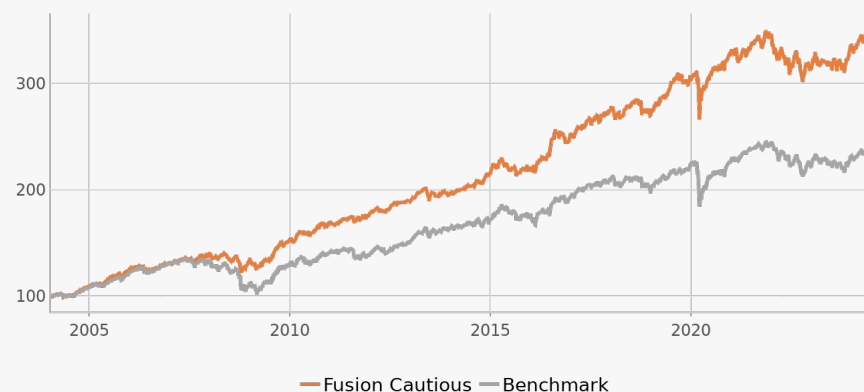
## MARKET COMMENTS

June marked the end of the second quarter with another positive month for portfolio performance, with global equities rising 2.8% and bonds also rising by 0.9% in GBP terms.

Global stocks rose to fresh highs, although this was again largely driven by the US market (+4.3%), and in particular, its AI-related mega-cap names in theme which fails to dissipate. In fact, global stocks excluding the US were flat in June, as was the equal-weighted US index. Emerging markets (+4.8%) outperformed developed markets, driven by the two large semiconductor-intensive nations, Taiwan and Korea, outperforming significantly, up 13% and 9% respectively. Several developed-market central banks began their easing cycles in June, including the European Central Bank which unsurprisingly cut its deposit rate. However, this failed to have its desired effect on markets, as news of a surprise snap French election dominated headlines and fuelled uncertainty. Days after President Macron's announcement, we saw the main French index down by more than 6%, wiping out the majority of gains year to date. This risk-off sentiment was also mirrored in the bond market with the spread between the French and German 10-year government bond yields, seen as a barometer for the risk of holding France's debt, reaching its highest point since February 2017. European equities ended the period -1.7% down.

Commodity prices fell slightly in June, particularly industrial metals and agriculture, however oil rebounded by 6%, benefiting energy positions.

## PERFORMANCE



## CUMULATIVE PERFORMANCE

	1m	3m	1y	3y	5y	SI
Portfolio	1.69%	1.20%	9.78%	4.51%	18.03%	250.09%
Benchmark	1.08%	0.83%	6.80%	0.50%	11.32%	139.36%

## RISK CHARACTERISTICS

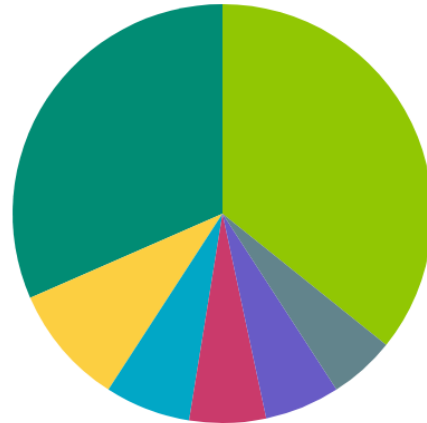
	Volatility			Sharpe Ratio			Maximum Drawdown
	1y	5y	SI	1y	5y	SI	
Portfolio	7.21%	7.85%	6.10%	1.35	0.35	0.76	-14.58%
Benchmark	6.56%	8.06%	6.64%	1.03	0.19	0.41	-23.57%

\*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. The benchmark is the LF Prudential Risk Managed Active 3 Fund which has one of the lowest tracking errors with the IA Mixed Investments 20-60 index. Performance prior to June 2014 is reconstructed from the index performance.

## TOP HOLDINGS

- SPDR FTSE UK ALL SHARE UCITS ETF
- ISHARES CORE S&P 500 UCITS ETF USD DIST
- LYXOR CORE FTSE ACTUARIES UK GILTS DR UCITS ETF
- SPDR BLOOMBERG BARCLAYS GLOBAL AGGREGATE BOND UCITS ETF
- ISHARES GLOBAL GOVT BOND UCITS ETF
- SPDR BLOOMBERG BARCLAYS 15+ YEAR GILT UCITS ETF
- FIDELITY US QUALITY INCOME UCITS ETF
- XTRACKERS MSCI WORLD ESG UCITS ETF
- ISHARES GBP ULTRASHORT BOND UCITS ETF
- HSBC MSCI EMERGING MARKETS UCITS ETF

## ASSET ALLOCATION



- Developed Market Equities (35.8%)
- Emerging Market Equities (9.3%)
- Alternatives (5.9%)
- Cash and Short Maturity Bonds (5.1%)
- Developed Government Bonds (31.6%)
- Investment Grade Bonds (6.6%)
- Commodities (5.8%)

## HOW TO ACCESS OUR PORTFOLIOS



## CONTACT US

### Our address

22 Dartmouth Street,  
London, SW1H 9BP

### Email

info@fusionam.com

### Phone

+44 (0) 207 802 2280

### Web

<http://www.fusiondfm.com>

Past performance is not a reliable indicator of future results. The value of any investment and the income from it is not guaranteed and can fall as well as rise, so that you may not realise the amount originally invested. The performance figures, portfolio components and the corresponding fund fees vary slightly between different investment platforms, depending on the availability of funds. The portfolio components and all the figures presented in this factsheet are based on the portfolio available on the Abrdn platform. Where an investment is denominated in a currency other than sterling, changes in exchange rates between currencies may cause investment values or income to rise or fall. The portfolios may invest in funds or other financial products which have limited liquidity, or which individually have a relatively high-risk profile and/or be unregulated by the Financial Conduct Authority (FCA). This document is issued and approved by Fusion Asset Management LLP ("Fusion"), which is authorised and regulated by the FCA (FRN: 401334). The information and opinions contained in this document are for background purposes only and do not purport to be full or complete. Nor does this document constitute investment advice. No representation, warranty, or undertaking, express or limited is given as to the accuracy or completeness of the information or opinions contained in this document by any of Fusion, its Group Companies, partners or employees and no liability is accepted by such persons for the accuracy or completeness of any information or opinions. As such, no reliance may be placed on the information and opinions contained in this document. This material is directed only at persons in the UK and is not an offer or invitation to buy or sell securities.

Fusion is not registered as an investment advisor with the SEC and therefore this document is neither directed at nor intended for US investors. Nothing in it constitutes advice to undertake a transaction, and professional advice should be taken before investing. This document is not investment research. Opinions expressed (whether in general or both on the performance of individual securities and in a wider economic context) represent the views of Fusion at the time of publication. They should not be interpreted as investment advice. All performance figures are gross of all fees and are as of the publication date of the document.

Fusion Registered Head Office: 22 Dartmouth Street, London, SW1H 9BP. Registered in England and Wales, No: OC308197