

## PORTFOLIO SUMMARY

- High risk portfolio within the Optima ETF portfolio range
- Designed to provide long-term growth in line with equity dividend yield and capital market appreciation
- Suitable for investors, who understand that high return comes with increased risk of significant losses and are prepared to sustain the risk of considerable short-term capital loss to achieve long-term capital appreciation
- 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 7 years
Total Ongoing charges for underlying funds	0.21%
Management Charge	0.20%

## 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

Based on our internal analysis, our Investment Team believes this portfolio corresponds to the following risk levels of external risk profiling tools:

DT	Defaqto	Synaptic
7	7	8

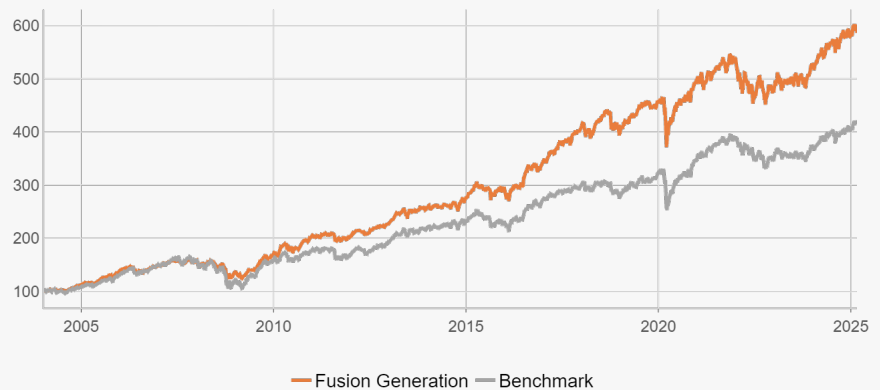


## MARKET COMMENTS

After a strong start to 2025, February delivered slightly negative returns for portfolios overall, as some of the shine came off the US exceptionalism story. Weak US performance dragged on global equities (-2%) as US equities faced significant challenges. Growing uncertainty regarding the impact of the US administration's policy agenda weighed on investor sentiment, and growth concerns re-emerged after softer economic data raised worries over US consumer health. Additionally, US equities were hampered by lingering fears over the sustainability of earnings from US mega cap tech stocks. Global bonds (+0.1%) provided a silver lining for multi-asset investors, which proved to be a diversifier against equity losses. Despite the potential for tariffs to reignite inflation, bond markets focused on US growth risks and allocated to less riskier assets. All major fixed income sectors delivered positive returns over the month, as falling US yields fed through to other parts of the market.

European equities (+2.3%) were the top performing major index as investors increasingly factored in the likelihood of a ceasefire in Ukraine. Financials led the gains with bank shares (+12.3%) continuing to excel amid robust corporate earnings and plans for shareholder returns. Defence stocks (+10.5%) moved markedly on expectations that governments will have to lift military spending. Within the UK, the main index rose (+2%), similarly driven by financials and defence. Despite the BoE cutting rates at the beginning of the month, UK smaller companies underperformed (-2.9%) amid ongoing worries around the domestic economic outlook. Emerging markets remained flat overall, despite continued positive momentum in tech stocks driving Chinese equities to rise 10.5%.

## PERFORMANCE



## CUMULATIVE PERFORMANCE

	1m	3m	1y	3y	5y	SI
Portfolio	-1.33%	-0.65%	8.86%	18.55%	35.63%	486.08%
Benchmark	0.14%	2.12%	9.89%	12.98%	35.05%	314.75%

## RISK CHARACTERISTICS

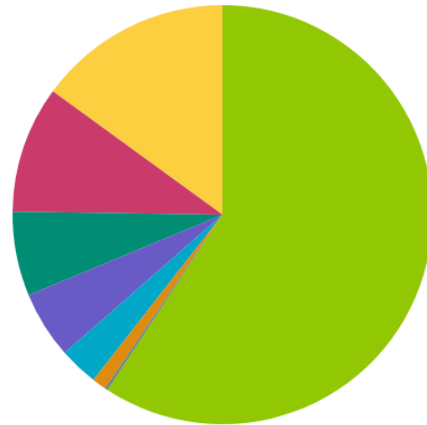
	Volatility			Sharpe Ratio			Maximum Drawdown
	1y	5y	SI	1y	5y	SI	
Portfolio	8.63%	11.33%	9.85%	1.02	0.51	0.72	-23.82%
Benchmark	7.13%	10.78%	10.99%	1.38	0.52	0.49	-36.64%

\*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 Schroder Managed Balanced Fund which has one of the lowest tracking errors with the IA Flexible investment index.

## TOP HOLDINGS

- ISHARES MSCI EUROPE SRI UCITS ETF
- ISHARES CORE S&P 500 UCITS ETF USD DIST
- HSBC MSCI EMERGING MARKETS UCITS ETF
- SPDR RUSSELL 2000 U.S. SMALL CAP UCITS ETF ACC
- ISHARES CORE FTSE 100 UCITS ETF ACC
- XTRACKERS NIKKEI 225 UCITS ETF
- VANGUARD FTSE 250 UCITS ETF
- SPDR REFINITIV GLOBAL CONVERTIBLE BOND UCITS ETF
- ISHARES EDGE MSCI EUROPE QUALITY FACTOR UCITS ETF
- SPDR MORNINGSTAR MULTI-ASSET GLOBAL INFRASTRUCTURE UCITS ETF

## ASSET ALLOCATION



■ Developed Market Equities (59.3%)	■ Emerging Market Equities (15.0%)
■ Alternatives (9.8%)	■ Developed Government Bonds (6.5%)
■ Commodities (5.2%)	■ Investment Grade Bonds (3.0%)
■ High-Yield Bonds (1.1%)	■ Cash and Short Maturity Bonds (0.2%)

## HOW TO ACCESS OUR PORTFOLIOS



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