

PORTFOLIO SUMMARY

- Medium-to-high risk portfolio within the Active portfolio range
- Suitable for investors seeking long-term capital growth through high-risk equity investments
- Tilted towards growth assets, with active protection overlay to reduce potential losses in market downturns
- Systematic strategic asset allocation, active management, and diverse assets aim to enhance long-term performance through market timing and selection expertise

PORTFOLIO INFORMATION

Inception Date	Dec 2019
Investment Horizon	At least 5-7 years
Total Ongoing charges for underlying funds	0.32%
Management Charge	0.20%

INVESTMENT PRINCIPLES

Fusion Active portfolios are designed for investors who believe that manager's skill in utilising short-term market opportunities and market timing can increase returns.

The range starts with a systematic Strategic Asset Allocation which aims to maximise expected long-term return within well-defined risk parameters. Medium-term market forecasts and short-term tactical tilts are overlaid to exploit current market trends and economic opportunities to derive the Tactical Asset Allocation. This is implemented using actively managed funds, selected from a range of well-established providers who aim to consistently out-perform their benchmarks.

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
6	6	7



MARKET COMMENTS

Holidaymakers didn't miss too much action as August was a relatively flat month for overall portfolio performance, with global equities rising 0.5% yet global bonds retreating -0.6% in GBP terms. The month's top performing region was Japan (+4.8%), where markets were buoyed by the US-Japan trade deal towards the end of July, combined with supportive economic growth data. Significant news came from the US (-0.1%), where a weak labour report featured a steep decline in job creation. The Federal Reserve Chair noted this could justify a change in policy stance, increasing the market's expectations of an interest rate cut at its mid-September meeting. Technology slightly underperformed over the period. While the sector has had an exceptional year, some of that momentum might have been at least temporarily short-circuited by a report from the Massachusetts Institute of Technology that found 95% of corporate AI projects failed to deliver a financial return, questioning the validity of sky-high valuations.

In the UK, the Bank of England cut interest rates to 4%. However, gilts came under further pressure following another upside surprise to inflation, casting doubt on the likelihood of further imminent cuts. Longer-dated gilts also underperformed, with the UK 30-year government bond yield reaching 5.6% (its highest level since 1998) driven by thin liquidity and ongoing fiscal sustainability concerns. Emerging market equities (-0.6%) underperformed, despite strong gains in Latin America (+6.5%) and China (+4%), where US-China trade talks resulted in another 90-day pause on tariffs. Indian markets (-3.5%) were challenged by rising US tariffs, which have increased to 50% in an attempt to discourage its purchasing of Russian oil, and foreign equity outflows.

PERFORMANCE



CUMULATIVE PERFORMANCE

	1m	3m	1y	3y	5y	SI
Portfolio	1.57%	5.88%	9.63%	27.02%	26.97%	117.87%
Benchmark	1.06%	6.34%	9.34%	21.52%	34.95%	91.59%

RISK CHARACTERISTICS

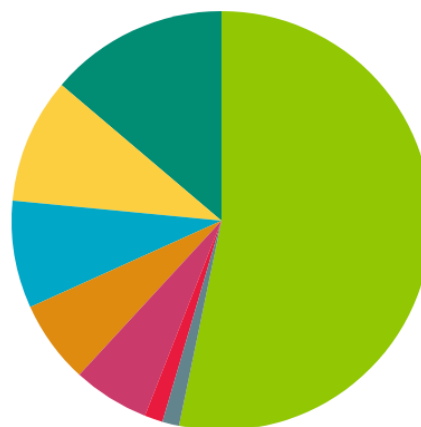
	Volatility			Sharpe Ratio			Maximum Drawdown
	1y	5y	SI	1y	5y	SI	
Portfolio	8.04%	8.87%	8.61%	1.20	0.49	0.78	-19.82%
Benchmark	7.77%	8.57%	10.08%	1.20	0.66	0.55	-23.32%

*The performance figures in this report are based on the live performance of the portfolio since December 2019. Performance before this date is simulated by applying models and algorithms currently used in the construction of this portfolio. The benchmark is the Aviva Multimanager 40-85% Fund which has one of the lowest tracking errors with the IA Mixed investments 40-85 index. Performance prior to June 2014 is reconstructed from the index performance.

TOP HOLDINGS

- HSBC INDEX TRACKER INVESTMENT FUNDS - AMERICAN INDEX FUND
- ISHARES - 100 UK EQUITY INDEX (UK) - JUN 12 (G6VG)
- DIMENSIONAL EUROPEAN VALUE ACC -U
- ISHARES EMERGING MARKETS EQUITY INDEX FUND UK
- AEGON HIGH YIELD BOND FUND GBP B INC
- ROYAL LONDON CORPORATE BOND FUND
- FIDELITY INVESTMENT FUNDS ICVC - INDEX WORLD FUND
- UBS FTSE RAFI DEVELOPED 1000 INDEX ACC
- ISHARES UK GILTS ALL STOCKS INDEX FUND UK
- PIMCO GIS GLOBAL BOND FUND

ASSET ALLOCATION



- Developed Market Equities (53.3%)
- Emerging Market Equities (9.7%)
- High-Yield Bonds (6.4%)
- Emerging Market Bonds (1.4%)
- Developed Government Bonds (13.8%)
- Investment Grade Bonds (8.3%)
- Alternatives (5.9%)
- Cash and Short Maturity Bonds (1.3%)

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 Aviva 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