

## PORTFOLIO SUMMARY

- High-risk portfolio within the ProActive Planet portfolio range
- Suitable for investors seeking capital appreciation, understanding the trade-off with increased investment risk
- Primarily allocated to high-growth and high-risk assets, diversified across risk types and geographical focus
- Combines a systematic asset allocation with ESG active fund manager expertise for market timing and individual asset selection

## PORTFOLIO INFORMATION

Inception Date	Sep 2021
Investment Horizon	At least 7 years
Total Ongoing charges for underlying funds	0.45%
Management Charge	0.20%

## INVESTMENT PRINCIPLES

Fusion ProActive Planet portfolios use a systematic Strategic Asset Allocation approach shared across Fusion Active and Fusion Optima portfolios. The goal is to maximize long-term returns while managing risk. The allocation is adjusted with medium-term market forecasts to incorporate current trends. Fusion Portfolios select components from established providers to outperform benchmarks.

In the Fusion ESG offering, the selected portfolio components are screened to ensure that they have high ESG ratings, provided by MSCI. MSCI ESG fund ratings aim to measure the resilience of funds to financially material environmental, societal and governance (ESG) risks. Where the fund is not rated by MSCI, additional third-party ratings providers are used.

## 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

February provided positive returns for portfolios, as global equities (+2.8%) climbed to a fresh record high. Market leadership broadened as investors continued to rotate away from mega-cap US technology, as enthusiasm is giving way to a more disciplined reassessment of valuations and the sustainability of returns. The market punished AI hyperscalers for announcing yet more seemingly unjustified capital expenditure and the large size of these companies proved a headwind for US equities (+1.1%), which lagged global markets. Investors gravitated toward 'heavy-asset, low-obsolescence companies', and sectors such as materials, energy and utilities outperformed - particularly those that stand to benefit from the ongoing AI buildout, such as manufacturers in Asia (+7.8%) and raw material exporters in Latin America (+5.8%).

Japanese markets (+10.8%) reacted positively to the election victory for Prime Minister Takaichi, who delivered the first two-thirds supermajority since WW2 and investors factored in the increased likelihood of further fiscal stimulus. UK equities (+7%) also performed strongly, driven by their favourable sector mix that benefitted from both the AI rotation and concerns about rising oil prices. Global bonds (+3.2%) benefitted as investors looked to high quality assets amid the growing AI and geopolitical concerns while signs of cooling inflation pressures were well received. Finally, geopolitical angst took hold as tensions between the US and Iran escalated into armed conflict, though hostilities started after markets had closed for the month. We continue to monitor the situation vigilantly and remained poised to adjust portfolios accordingly.

## PERFORMANCE



## CUMULATIVE PERFORMANCE

	1m	3m	1y	3y	5y	SI
Portfolio	3.31%	5.42%	15.05%	34.18%	33.53%	189.47%
Benchmark	3.68%	7.91%	18.96%	37.41%	38.96%	120.07%

## RISK CHARACTERISTICS

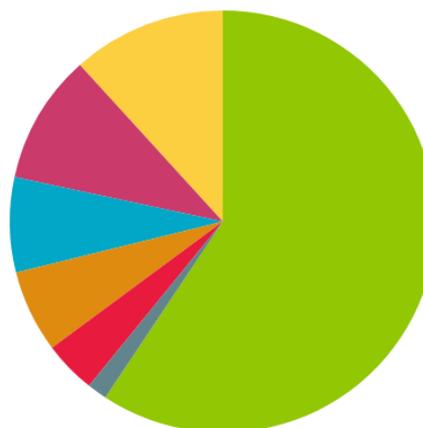
	Volatility			Sharpe Ratio			Maximum Drawdown
	1y	5y	SI	1y	5y	SI	
Portfolio	8.42%	10.16%	10.56%	1.79	0.53	0.86	-21.50%
Benchmark	8.39%	8.50%	9.77%	2.26	0.74	0.67	-23.19%

\*The performance figures in this report are based on the live performance of the portfolio since September 2021. 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

- LEGAL & GENERAL FUTURE WORLD ESG EMERGING MARKETS INDEX FUND C GBP ACC
- LEGG MASON CLEARBRIDGE US EQUITY SUSTAINABILITY LEADERS FUND
- ISHARES US EQUITY ESG INDEX D ACC
- ROYAL LONDON SUSTAINABLE LEADERS TRUST
- LEGAL & GENERAL FUTURE WORLD ESG UK INDEX FUND
- ISHARES CONTINENTAL EUROPE ESG INDEX
- NOMURA SUSTAINABLE GLOBAL HIGH YIELD BOND FUND
- HSBC DEVELOPED WORLD SUSTAINABLE EQUITY INDEX FUND ACCUMULATION C GBP
- DIMENSIONAL - GLOBAL SUSTAINABILITY CORE EQUITY - JUN 13 (JENN)
- JUPITER MERIAN GLOBAL EQUITY ABSOLUTE RETURN I GBP HEDGED ACC

## ASSET ALLOCATION



- Developed Market Equities (59.3%)
- Alternatives (9.9%)
- High-Yield Bonds (6.3%)
- Cash and Short Maturity Bonds (1.5%)
- Emerging Market Equities (11.7%)
- Investment Grade Bonds (7.3%)
- Emerging Market Bonds (4.0%)

## HOW TO ACCESS OUR PORTFOLIOS



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