

## PORTFOLIO SUMMARY

- Low-risk portfolio within the Optima ETF portfolio range
- Performance is expected to be quite moderate in return for stability and a low probability of significant drawdowns
- Designed to achieve stable income and some 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	0.22%
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
3	3	4

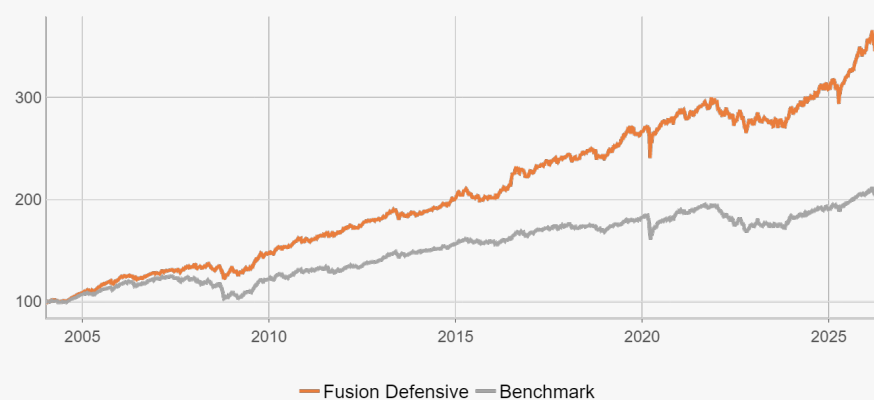


## MARKET COMMENTS

April proved to be a strong month for portfolios overall, in which equity markets looked through considerable geopolitical turbulence to reach new highs. Against a backdrop of the unresolved war in the Persian Gulf, with the Strait of Hormuz remaining severely disrupted, and the lingering shadow of a significant energy price shock, global equities (+6.4%) staged a powerful risk-on rally, driven by a rotation back into artificial intelligence (AI) stocks. The theme returned with a clarity of purpose that swept aside the caution of the previous month, propelling technology-linked indices to record highs. Asian markets were the principal beneficiaries (+12.9%), with the gains concentrated in Taiwan (+18%) and South Korea (+23%), where the AI semiconductor supply chain is most deeply embedded. Within developed markets, the US led the way (+7.8%), driven by technology and boosted by a strong corporate earnings season - 84% of reporting companies beat consensus expectations, well above the historical average of 73%, with earnings growth running at 27.1% year-on-year, the highest level since 2021. The UK market (+2.1%) lagged broader global equities, as its structural tilt toward energy, financials, and defensives worked against it in a month which rewarded growth and technology.

Fixed income markets told a sobering counterpart story. Bonds (-1.7%) came under pressure as elevated energy prices pushed inflation expectations higher. This led investors to rethink the outlook for interest rates, with hopes for near-term rate cuts fading, and in some cases, expectations shifting toward further increases.

## PERFORMANCE



## CUMULATIVE PERFORMANCE

	1m	3m	1y	3y	5y	SI
Portfolio	2.40%	0.21%	15.77%	28.40%	25.10%	257.28%
Benchmark	1.69%	0.48%	7.94%	18.27%	10.08%	108.46%

## RISK CHARACTERISTICS

	Volatility			Sharpe Ratio			Maximum Drawdown
	1y	5y	SI	1y	5y	SI	
Portfolio	6.04%	6.05%	5.17%	2.61	0.67	0.84	-11.62%
Benchmark	3.43%	4.58%	4.52%	2.31	0.31	0.40	-17.91%

\*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 Abrdn MyFolio Market I fund which has one of the lowest tracking errors with the IA Mixed investments 0-35 index. Performance prior to June 2014 is reconstructed from the index performance.

## TOP HOLDINGS

- LYXOR CORE FTSE ACTUARIES UK GILTS DR UCITS ETF
- ISHARES GBP ULTRASHORT BOND UCITS ETF
- SPDR BLOOMBERG BARCLAYS GLOBAL AGGREGATE BOND UCITS ETF
- ISHARES GLOBAL GOVT BOND UCITS ETF
- ISHARES GLOBAL HIGH YIELD CORP BOND UCITS ETF
- INVESCO GBP CORPORATE BOND UCITS ETF
- SPDR BLOOMBERG BARCLAYS 1-5 YEAR GILT UCITS ETF
- ISHARES \$ TREASURY BOND 3-7YR UCITS ETF
- VANECK DEFENCE ETF
- ISHARES CORE FTSE 100 UCITS ETF ACC

## ASSET ALLOCATION



- Developed Government Bonds (31.9%)
- Emerging Market Equities (9.7%)
- Commodities (8.3%)
- High-Yield Bonds (6.2%)
- Developed Market Equities (22.8%)
- Cash and Short Maturity Bonds (9.0%)
- Investment Grade Bonds (7.5%)
- Alternatives (4.6%)

## HOW TO ACCESS OUR PORTFOLIOS



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