Fusion Defensive

Factsheet | 01 Jul 2026

FUSION ASSET MANAGEMENT

MARKET COMMENTS

June was a relatively uneventful month for portfolio performance overall, as global equities rose 0.9% and global bonds returned 0.8% (GBP terms). A preliminary peace agreement between the US and Iran signed mid-month created hope for the re-opening of the Strait of Hormuz. The market response was rather anti-climactic – rather than stoking a risk-on rally, an unwinding of geopolitical trades ensued. Commodities (-8.2%) suffered as oil (-21.3%) plummeted on normalizing supply expectations and gold sold (-10.6%) as its safe-haven premium collapsed.

European equities (+3.4%) were month's top performing equity region. As a continent heavily dependent on energy imports, Europe was acutely exposed to the disruption caused by the conflict, and equity markets moved swiftly to price in what normalisation could mean for growth and corporate margins. In the UK, political uncertainty failed to unsettle markets. Keir Starmer announced his resignation as Prime Minister, paving the way for Andy Burnham to take over at No. 10. UK equities were largely unfazed (+1.7%), while the pound and government borrowing costs steadied. Emerging Market Equities fell slightly (-1.0%), as performance diverged across regions. China was a notable laggard (-6.3%), as continuing property sector stress and weaking economic data weighed on investor sentiment. Conversely, Indian equities (+4.4%), which have unperformed for some time, retraced earlier losses due to increased foreign inflows on stabilising currency, supportive policy and normalising energy risks. The period was broadly constructive for bonds, with many major fixed income sectors delivering modest, income-driven positive returns.

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

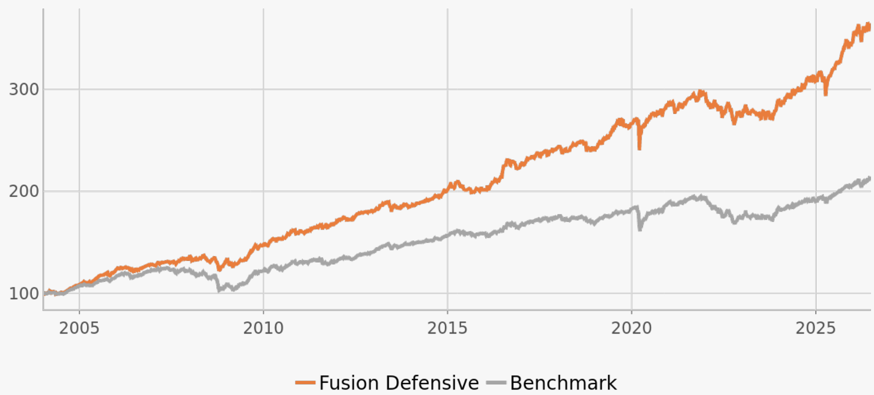
Inception Date	Dec 2018
Investment Horizon	At least 3 years
Total Ongoing charges for underlying funds	0.21%
Management Charge	0.20%

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.

PERFORMANCE



CUMULATIVE PERFORMANCE

	1m	3m	1y	3y	5y	SI
Portfolio	-0.85%	3.55%	12.66%	31.20%	25.30%	261.28%
Benchmark	0.65%	4.25%	8.45%	22.64%	11.67%	113.72%

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

RISK CHARACTERISTICS

	Volatility			Sharpe Ratio			Maximum Drawdown
	1y	5y	SI	1y	5y	SI	
Portfolio	6.29%	6.05%	5.16%	2.01	0.68	0.84	-11.62%
Benchmark	3.46%	4.58%	4.51%	2.44	0.37	0.43	-17.91%

1JUSTFA

defaqto ★★★★★ DFM MPS on Platform 2026 EXPERT RATED

defaqto DFM MPS (Platform) Family 2026 EXPERT RATED

*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.

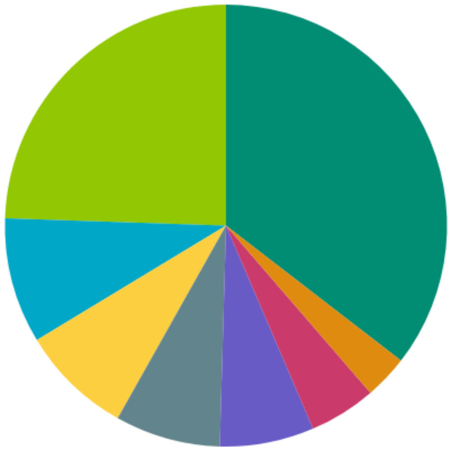
Fusion Defensive

Factsheet | 01 Jul 2026

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 CORE FTSE 100 UCITS ETF ACC
- AMUNDI CORE S&P 500 SWAP UCITS ETF ACC
- SPDR BLOOMBERG BARCLAYS 1-5 YEAR GILT UCITS ETF
- ISHARES $ TREASURY BOND 3-7YR UCITS ETF
- VANECK DEFENCE ETF
- UBS ETF - BLOOMBERG BARCLAYS MSCI US LIQUID CORPORATES SUSTAINABLE UCITS ETF

ASSET ALLOCATION



HOW TO ACCESS OUR PORTFOLIOS

abrdn M&G wealth transact take control

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