

## PORTFOLIO SUMMARY

- Medium risk portfolio within the Optima ETF portfolio range
- The well diversified portfolio of equities and bonds aims to moderate losses from significant market drawdowns
- Designed to achieve a balanced mix of income and 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 5 years |
| Total Ongoing charges for underlying funds | 0.23%            |
| 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 |
|----|---------|----------|
| 5  | 5       | 6        |



defaqto

★★★★★

DFM MPS on Platform 2026

EXPERT RATED

defaqto

★★★★★

DFM MPS (Platform) Family 2026

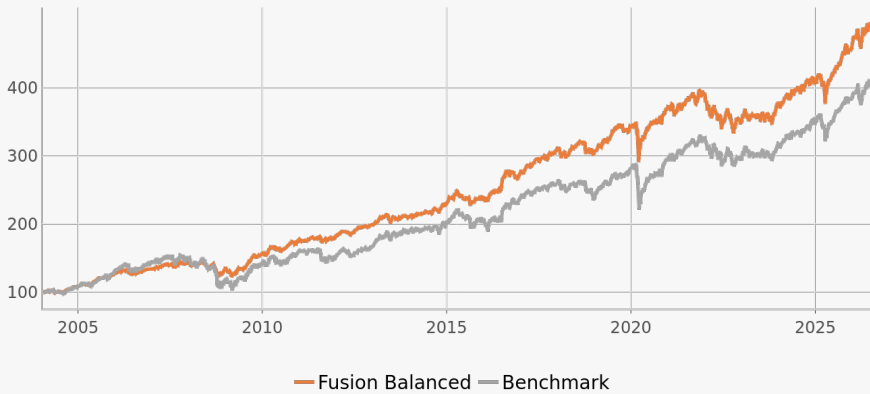
EXPERT RATED

## 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 weakening economic data weighed on investor sentiment. Conversely, Indian equities (+4.4%), which have underperformed 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.

## PERFORMANCE



## CUMULATIVE PERFORMANCE

|           | 1m     | 3m    | 1y     | 3y     | 5y     | SI      |
|-----------|--------|-------|--------|--------|--------|---------|
| Portfolio | -0.56% | 6.59% | 16.54% | 36.91% | 29.28% | 391.30% |
| Benchmark | 0.60%  | 8.97% | 15.74% | 35.37% | 30.25% | 309.80% |

## RISK CHARACTERISTICS

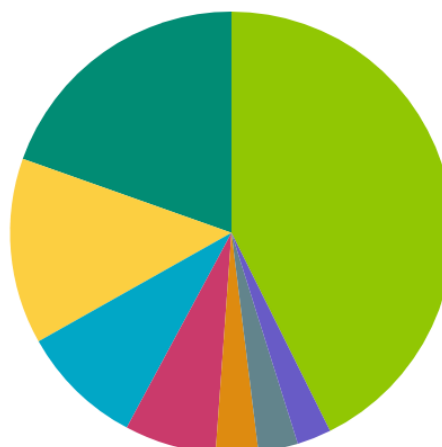
|           | Volatility |       |       | Sharpe Ratio |      |      | Maximum Drawdown |
|-----------|------------|-------|-------|--------------|------|------|------------------|
|           | 1y         | 5y    | SI    | 1y           | 5y   | SI   |                  |
| Portfolio | 8.24%      | 8.22% | 7.34% | 2.01         | 0.58 | 0.79 | -16.73%          |
| Benchmark | 7.43%      | 8.52% | 9.95% | 2.12         | 0.58 | 0.50 | -31.77%          |

\*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 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

- ISHARES CORE FTSE 100 UCITS ETF ACC
- AMUNDI CORE S&P 500 SWAP UCITS ETF ACC
- INVESCO FTSE RAFI US 1000 ETF
- VANECK DEFENCE ETF
- INVESCO FTSE RAFI EMERGING MARKETS UCITS ETF
- SPDR REFINITIV GLOBAL CONVERTIBLE BOND UCITS ETF
- SPDR BLOOMBERG BARCLAYS 1-5 YEAR GILT UCITS ETF
- HSBC MSCI EUROPE ETF
- UBS ETF - BLOOMBERG BARCLAYS MSCI US LIQUID CORPORATES SUSTAINABLE UCITS ETF
- AMUNDI PRIME JAPAN UCITS ETF

## ASSET ALLOCATION



- Developed Market Equities (42.7%)
- Emerging Market Equities (13.6%)
- Alternatives (6.7%)
- Cash and Short Maturity Bonds (2.9%)
- Developed Government Bonds (19.6%)
- Investment Grade Bonds (9.0%)
- High-Yield Bonds (3.1%)
- Commodities (2.5%)

## HOW TO ACCESS OUR PORTFOLIOS



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