Fusion Defensive

Factsheet | 01 Sep 2026

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	0.20%
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

JUSTFA

defaqto
DFM MPS on Platform 2026
EXPERT RATED

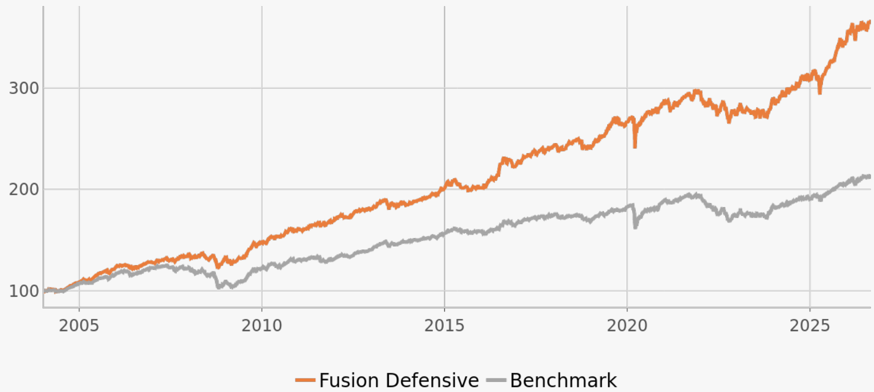
defaqto
DFM MPS (Platform) Family 2026
EXPERT RATED

MARKET COMMENTS

Global markets brushed aside a noisy backdrop in August, delivering a positive month for investors, with global equities rising 1.8% and bonds only marginally detracting from overall performance (-0.3%, GBP terms). The US led the way (+2.1%) as strong corporate results, particularly from technology giants such as Nvidia, boosted optimism around the AI investment cycle. Encouragingly, market gains broadened beyond large technology stocks, with financials, industrials, healthcare and energy companies also attracting investor interest. Japan was a standout performer (+2.8%), as investors welcomed continued corporate governance reforms, higher dividends and a growing focus on shareholder returns. The UK lagged peers, as the main index remained flat (+0.2%). However, there were encouraging signs beneath the surface, with smaller UK companies continuing to outperform (+4.3%) as investors responded to improving economic growth and attractive valuations. Asian equities (+2.8%) delivered positive returns, supported by solid corporate earnings and continued investment in AI and digital infrastructure. China's (-0.8%) stock market bounce proved to be short-lived, with August's activity data highlighting ongoing domestic demand weakness.

Bond markets delivered mixed returns, with corporate bonds, supported by strong fundamentals, generally outperforming government bonds. Inflation concerns, fiscal pressures, increased issuance and shifting central bank expectations pushed long-dated government bond yields to multi-year highs across the US, UK, eurozone and Japan. Commodity markets (+6.7%) rallied over the month. Gold (+9.5%) was a top performer, benefiting from demand for safe-haven assets and concerns about inflation, while agricultural commodities (+11.7%), particularly wheat, rose on supply disruption worries and adverse weather conditions.

PERFORMANCE



CUMULATIVE PERFORMANCE

	1m	3m	1y	3y	5y	SI
Portfolio	2.07%	0.65%	11.51%	32.08%	24.34%	265.74%
Benchmark	0.44%	0.26%	6.39%	21.21%	9.31%	112.67%

RISK CHARACTERISTICS

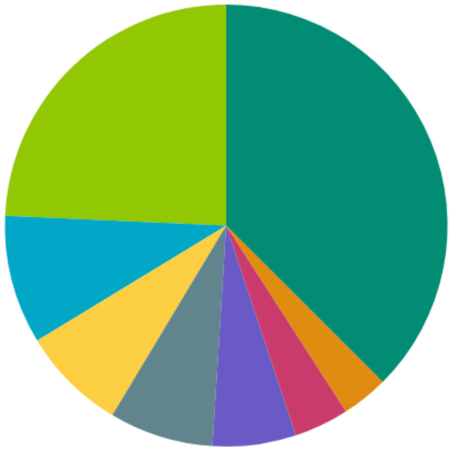
	Volatility			Sharpe Ratio			Maximum Drawdown
	1y	5y	SI	1y	5y	SI	
Portfolio	6.59%	6.13%	5.17%	1.75	0.64	0.85	-11.62%
Benchmark	3.60%	4.58%	4.50%	1.78	0.28	0.42	-17.91%

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

ASSET ALLOCATION



- Developed Government Bonds (37.5%)
- Developed Market Equities (24.3%)
- Investment Grade Bonds (9.4%)
- Emerging Market Equities (7.7%)
- Cash and Short Maturity Bonds (7.6%)
- Commodities (6.1%)
- Alternatives (4.0%)
- High-Yield Bonds (3.4%)

HOW TO ACCESS OUR PORTFOLIOS

abrdn M&G wealth transact take control

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