

Fusion Income H3+ | Sterling

Key Data

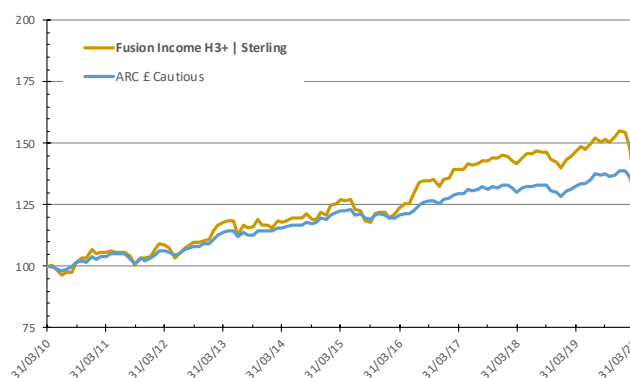
Currency: Sterling | US Dollars | Euro
Minimum Initial Investment: £75,000 | \$150,000 | €150,000
Dealing Frequency: Daily
Initial Charge: Nil
Exit Charge: Nil
Annual Management Charge: 0.75%
Investment Manager: Capital International Limited
Custodian: Capital International (Nominees) Limited

Absolute return profile

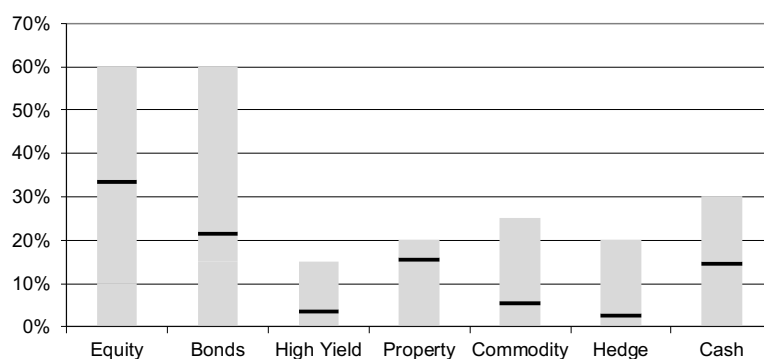
Target Return Range: 6.0% to 7.0%
Expected Volatility Range: 5.0% to 7.0%
Investment Time Horizon: 3.5 Years (Rolling)

Performance

	Fusion Income H3+ / Sterling	ARC Cautious Asset
1 mth	-10.54%	-5.00%
3 mths	-14.18%	-6.33%
6 mths	-12.14%	-5.55%
1 year	-9.12%	-2.13%
3 years	-4.77%	0.20%
5 years	4.42%	5.85%
10 years	33.02%	29.85%

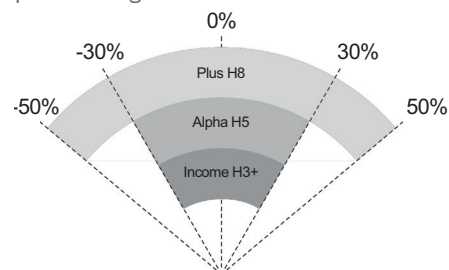


Asset Allocation



Swing Factors

Fusion Income H3+ is actively managed using a 30% swing factor around its strategic targets. This allows us to respond to the investment climate, reducing risk during periods of turbulence and increasing it during periods of growth.



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Investment Commentary

A lack of early testing meant that the scale of the epidemic was not fully recognised until it was too late. As further outbreaks of COVID-19 began to emerge worldwide, the response from governments has been to put their countries in complete lockdown. The response from financial markets has been brutal and astonishingly fast; equity markets fell over 30% and the market for investment grade bonds virtually stopped. Central Banks and Governments across the globe have coordinated and committed to 'do whatever it takes' to keep the economy intact and have already provided fiscal stimulus on a huge scale. This has brought some stability to markets but there will be no clear path forward without signs that the coronavirus is passing or can be managed within a fully operational economy. We have been raising cash from selected positions that have performed relatively well, with a view to positioning more aggressively ahead of any recovery.

Strategy Overview

In pursuit of attractive targeted returns, Fusion invests in a broad range of asset classes designed to maximise its ability to deliver returns whilst minimising the associated risk.

The Fusion Strategies are constructed around a managed portfolio of collective investment schemes, delivering a unique combination of diversification, flexibility and efficiency.

Fusion Income H3+ Strategy focuses on lower risk asset classes in order to achieve its return targets.

Investment exposure is weighted to lower risk asset classes such as fixed interest, arbitrage strategies and commercial property; the strategy includes some exposure to equities and other higher risk investments.

Targets a strategic currency exposure of 89% in the portfolio base currency.

Three and a half year rolling investment horizon and as a result focuses on lower risk asset classes whilst accepting lower returns.

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The information contained herein is believed to be correct, but its accuracy cannot be guaranteed. Performance is calculated based on the average actual performance of Fusion portfolios. Individual Fusion portfolios can vary from the average. Any reference to past performance is not necessarily a guide to the future. The information contained in this document is provided solely to enable the customer to make their own investment decisions. A composite benchmark has been used from inception until December 2011 and from that point a more representative private client index, based on real performance numbers provided by participating investment managers, has been used. This document has been prepared for information purposes only and does not constitute an offer or an invitation, by or on behalf of any company within the Capital International Group of companies or any associated company, to buy or sell any security. Nor does it form a constituent part of any contract that may be entered into between us. The price of a security may go down as well as up and its value may be adversely affected by currency fluctuations. Full terms and conditions of Fusion are contained in the Brochure, Terms of Business and associated literature which is available upon request.

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