

Fusion Alpha H5 | US Dollar

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

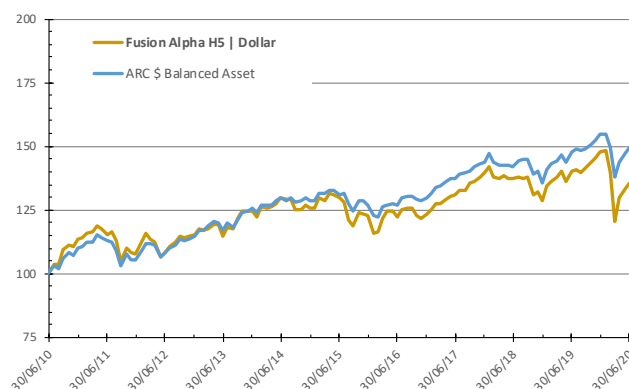
Target Return Range: 7.0% to 9.0%

Expected Volatility Range: 8.0% to 10.0%

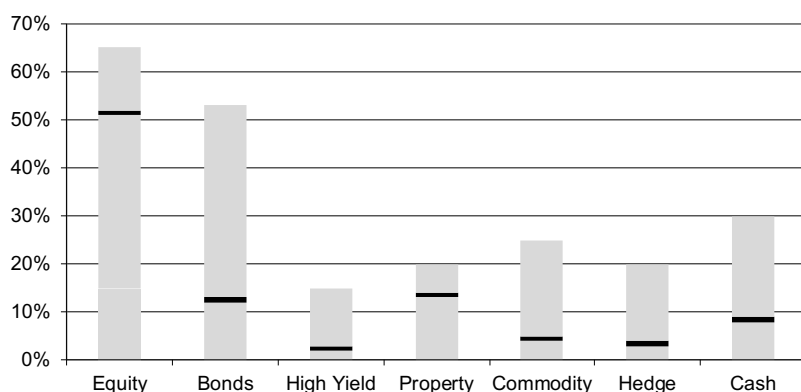
Investment Time Horizon: 5 Years (Rolling)

Performance

	Fusion Alpha H5 / USD	ARC Balanced Asset
1 mth	2.02%	1.80%
3 mths	12.50%	8.61%
6 mths	-8.25%	-3.33%
1 year	-2.98%	1.09%
3 years	3.52%	8.87%
5 years	4.87%	14.35%
10 years	35.82%	49.63%

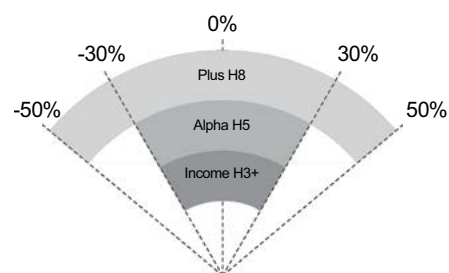


Asset Allocation



Swing Factors

Fusion Alpha H5 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

Global equity markets have overcome their first real test since the March crash, with the S&P 500 steadily recovering from a one day fall of 6% in early June.

The recovery in markets has been spurred by the actions of global central banks and led by the Federal Reserve which has committed to unlimited and open-ended QE with the inclusion of high yield bond purchases for the first time; Reflecting the continued volatility in markets, we have maintained some cash to take advantage of any market setbacks and for select value assets that may present attractive investments should the recovery continue to gain further traction.

In the short term, any signs of economic data topping could dent the sentiment that is driving this market, while the third quarter is likely to see gains being much more muted than the second. On balance, though, we still retain our preferences for risk assets like equities over bonds at this stage, though many risks still remain, not least the danger of a 'second wave' in the virus, and any attendant economic impacts.

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 Alpha H5 Strategy is designed for investors who are prepared to accept a moderate level of risk to achieve higher potential returns:

The strategy balances a strategic exposure to equities and other higher risk investments, with a lesser weighting to lower risk investment asset classes.

Targets a strategic currency exposure of 80% in the portfolio base currency.

Five year rolling investment horizon, allowing for greater exposure to higher risk assets and the potential to achieve higher 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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