

Fusion Income H3+ | Euro

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

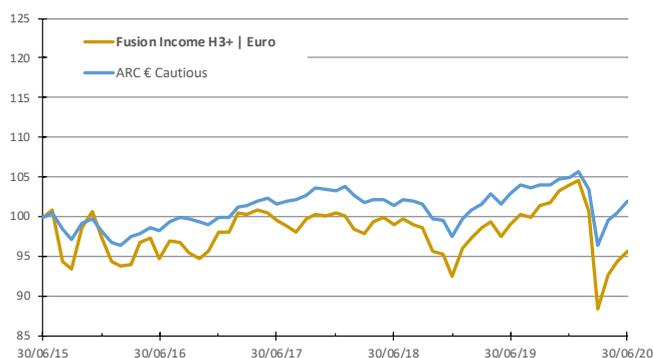
Target Return Range: 6.0% to 7.0%

Expected Volatility Range: 5.0% to 7.0%

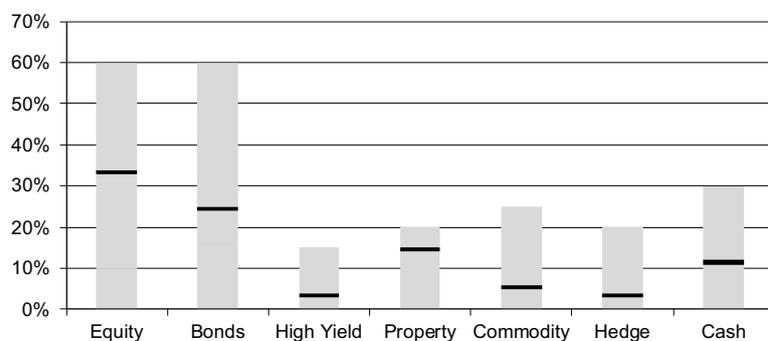
Investment Time Horizon: 3.5 Years (Rolling)

Performance

	Fusion Income H3+ / Euro	ARC Cautious Asset
1 mth	1.27%	1.50%
3 mths	8.22%	5.80%
6 mths	-8.05%	-2.86%
1 year	-3.36%	-0.87%
3 years	-3.93%	0.33%
5 years	-4.37%	2.02%
10 years	-	-

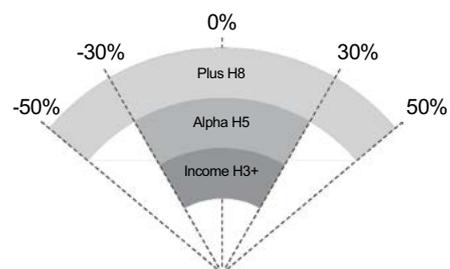


Asset Allocation



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.



Fusion Income

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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 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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