



Quarterly Platform Factsheet

Psigma Fusion Growth Portfolio

Quarter 3 2018

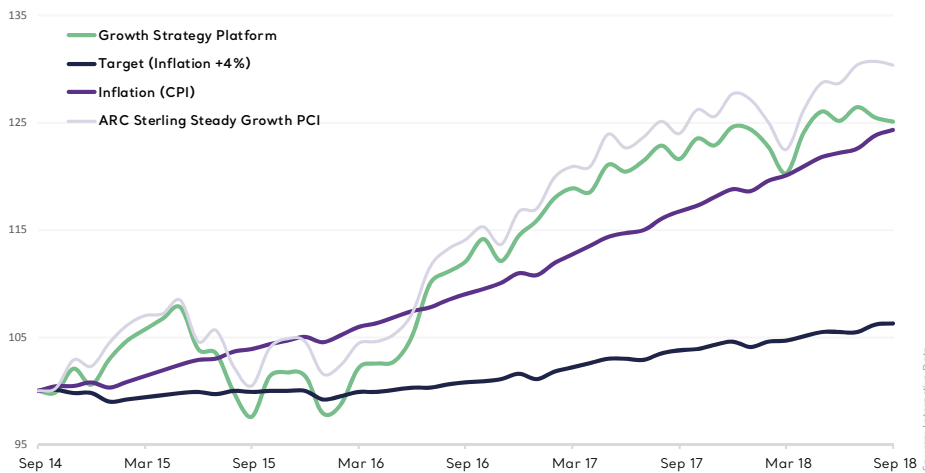
Overview

The Psigma Fusion Growth Portfolio invests in a diverse range of asset classes, where the asset allocation is actively managed. The strategy uses a number of qualitative and quantitative inputs to decide on the asset allocation. The Growth Strategy aims to deliver equity like returns with significantly reduced volatility and a decreased risk of capital loss.

Investment Objective

This strategy aims to preserve your wealth above the rate of inflation. Given this target, it also attempts to generate growth returns through diversified investments with a maximum equity weighting of 75%.

Net Performance Chart



Performance

CUMULATIVE NET PERFORMANCE

	1 Month	3 Months	6 Months	1 Year	ITD*
Strategy	-0.31%	-0.06%	4.01%	2.86%	25.08%
Inflation	0.09%	0.76%	1.52%	2.40%	6.28%

STRATEGY CHARACTERISTICS

Launched	September-2014
Target Return	Inflation +4%
Max Equity	75%
Max Higher Risk Fixed Interest	15%
Estimated Yield	2.43%
Recommended Investment Period	10+ Years
ISA Eligible	Yes

PSIGMA PORTFOLIO CHARGES

Psigma AMC (Ex VAT)	0.40%
Fund Expenses (OCF)#	0.67%
Total Charges (Inc VAT)	1.15%

MINIMUM INVESTMENT

For minimum investment levels please contact Fusion directly

DISCRETE NET PERFORMANCE

	ANNUAL RETURN	ANNUAL VOLATILITY
2014*	0.58%	2.75%
2015	0.82%	7.86%
2016	12.88%	7.50%
2017	8.85%	3.61%
2018	0.39%	5.17%

Inflation Source: CPI from the Office for National Statistics. Crown Copyright material is reproduced with the permission of the Office of Public Sector Information (OPSI). Reproduced under the terms of the Click-Use License.

Annual volatility statistics are reported on a rolling 12 month basis. Annual Volatility is a measure of the price variation of an investment over time. It is a contributor to defining the risk characteristics of a specific asset class or a portfolio of diverse investments.

#OCF is an overall total annual charge for investing in a fund

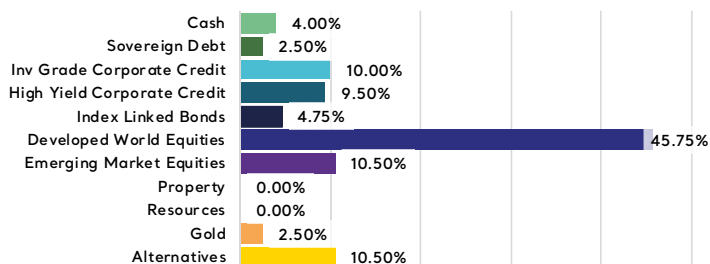
*Inception to Date. Inception from September 2014.

Unless otherwise stated, all data is from Morningstar as at 30/09/2018. All performance figures shown on this factsheet are net of underlying fund charges and net of Psigma Investment Management fees but gross of platform and adviser fees.

Past performance is not a guide to future performance.

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ASSET ALLOCATION



Market View

Risk assets broadly made good ground in the third quarter, as they continued to climb the wall of worry, with seemingly mounting headwinds. Trade war rhetoric remained in the headlines, while investors were also keeping an eye on rising bond yields and the strength of the US dollar. On the positive side, the economic backdrop remained robust, as did the outlook for corporate earnings. US equities were the stand out performer, having their best quarter of performance since 2013 and are head and shoulders above their developed peers over the course of 2018. Japanese equities also had a good quarter, supported by a weaker Yen and confirmation of PM Abe's re-election as leader. Continental European equities were solid, but UK equities finished in negative territory, with the shadow of Brexit continuing to hang over the market. Sterling continued to be at the whim of Brexit chatter, with the currency weakening on the European Union's rejection of PM Theresa Mays Chequers plan. Emerging markets lagged their developed counterparts, with the Asian region dragging the broad index lower. Indian equities had a difficult period, whilst Chinese equities remained under pressure due to trade war rhetoric. The EMEA (Emerging Europe, Middle East and Africa) region was also lower. On the positive side, Latin American equities put in a solid quarter of performance.

As was widely expected, the US central bank raised interest rates from 2% to 2.25%. Rates were raised on the back of an upbeat assessment of the US economy and there are expectations for another rate hike in December. The Bank of England also felt confident enough to raise rates from 0.5% to 0.75%.

TOP FIVE HOLDINGS

FUND	ALLOCATION
L&G UK Index Trust	10.75%
BlackRock Asian Growth Leaders	8.00%
TwentyFour Asset Backed Income	6.00%
Artemis Income	5.50%
Royal London UK Equity Income	5.50%

In the Eurozone, political tensions again reared their ugly head, as concerns over the Italian budget put forward by its new government spooked markets. Italian bond yields moved higher on the concerns, with the ten year bond yield moving north of 3%. With regards to its own monetary policy, the European Central Bank made no changes, noting that rates would be on hold "at least through the summer of 2019". In terms of fixed income markets, core government bond yields moved higher, with the US ten year yield accelerating to close out the quarter above 3%. UK gilt yields also moved out, which spilled into the UK corporate bond markets making small losses. US high yield again put in another solid quarter of performance, aided by the robustness of the US economy and corporate earnings.

Portfolio Activity

We took the decision to tactically tweak our exposures within the developed equity space. We trimmed our position in the L&G US Index Trust, given the strong run of performance of US growth/momentum stocks. This was recycled into River and Mercantile World Recovery, which has a value bias and exposures to areas of the market which have been relative underperformers in 2018. One of our preferred picks, Semper Focus US High Yield also became available in the high yield space, so we added a position in place of Neuberger Berman US High Yield. We also added one of our preferred picks in the equity space, Vermeer Global equity, as it became available on the platform.

In respect of all trading costs, recommended minimum investment levels and all other associated costs above those stated by Psigma, please contact your Financial Adviser or Platform provider. The terms and conditions of each Platform provider differ. You can contact them directly on info@fusionwealth.co.uk.

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Investment risk:

- The value of investments and the income from them can fall as well as rise. An investor may not get back the amount of money that he/she invests. Past performance is not a guide to future performance.
- Foreign currency denominated investments are subject to fluctuations in exchange rates that could have a positive or adverse effect on the value of, and income from, the investment.
- Investors should consult their professional advisers on the possible tax and other consequences of their holding any of the investments contained in this publication.

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