FusionWealth

FW Schroder Blends

Marketing material

A Model Portfolio Service in a single fund

At Fusion Wealth (FW) we see the benefits of both Active and Passive investing. By combining the two, we aim to capture the best of both investment styles in one diversified portfolio. And all in a single fund.

In collaboration with our investment partners we implement this approach through the 'FW Schroder Blend' funds. We use our years of experience and deep resources to determine the allocation between active and passive investment styles throughout market cycles.

Our Investment Partners

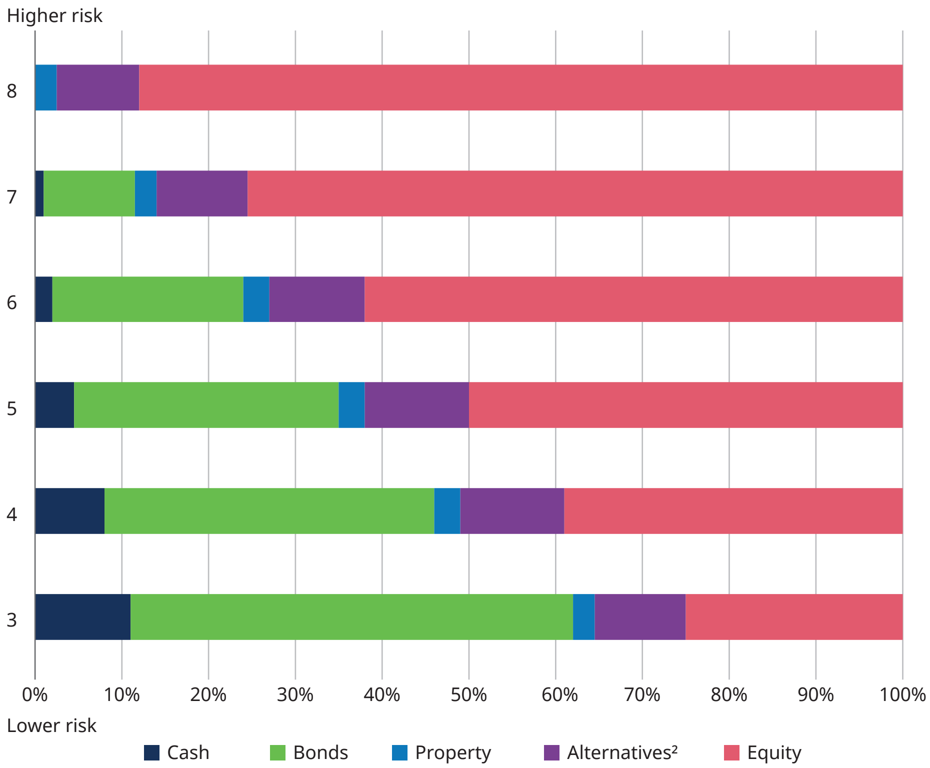
Fusion Wealth have partnered with award-winning[1] FTSE 100 company Schroders and fund research specialists Rayner Spencer Mills Research (RSMR).

Through our partnership with Schroders we have access to their extensive global research and analysis resources. We have also been able to use Schroders' expertise to help develop the long term strategic asset allocation and risk management framework for all of the FW Portfolios.

RSMR are a firm of investment fund research specialists. They provide Fusion Wealth with impartial, whole of market fund research for the full range of FW Portfolios.

[1] Global Fund Manager Group of the Year 2019

A diversified blend of markets across six risk levels



Source: Fusion Wealth. Example data as at 19 March 2020.
[2]Alternatives include non-traditional asset classes for example Commodities, Infrastructure, Real Assets and Emerging Market Debt

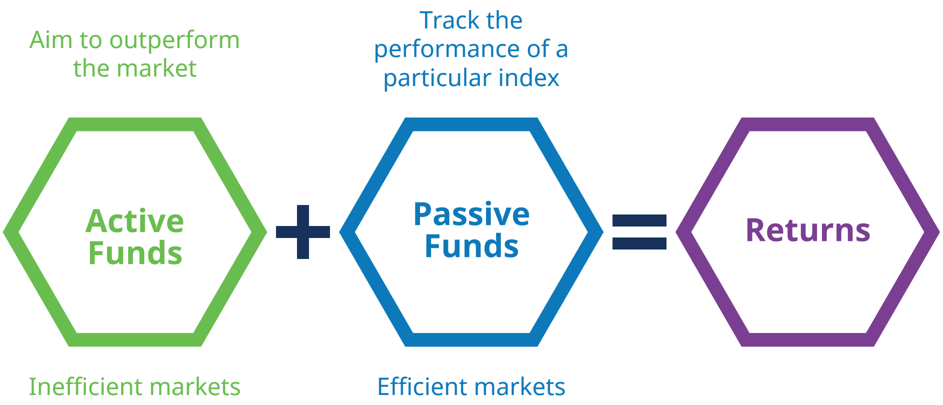
The blend of assets you have in your investment portfolio is likely to be the dominant influence on your long-term returns. So it's important to have a robust asset allocation framework with the right balance between asset classes, sectors and regions. Spreading your investments across a well diversified range of assets also helps to reduce risk.

Your financial adviser will work closely with you to understand what you are aiming to achieve and how much risk you are comfortable with taking. Together, these will determine your risk level from one of six different options (3–8).

Active and Passive funds tend to perform differently over market cycles

We separate those markets that are efficient (for example the US equity market, where information is readily available to everyone) from those that are less efficient (like emerging markets, where research and detailed analysis are key). Then we decide if an active or a passive fund is appropriate for each asset class held in the portfolio. We typically use passive funds in efficient markets and active funds for inefficient markets.

However, depending on where we are in the economic cycle, we will dynamically shift the allocations between active and passive funds. We would typically allocate more to passive funds in rising markets, to participate in the good years. Conversely, in bad years we allocate more to active funds, with the aim of protecting portfolios and benefiting from the in-depth research of our selected fund managers.

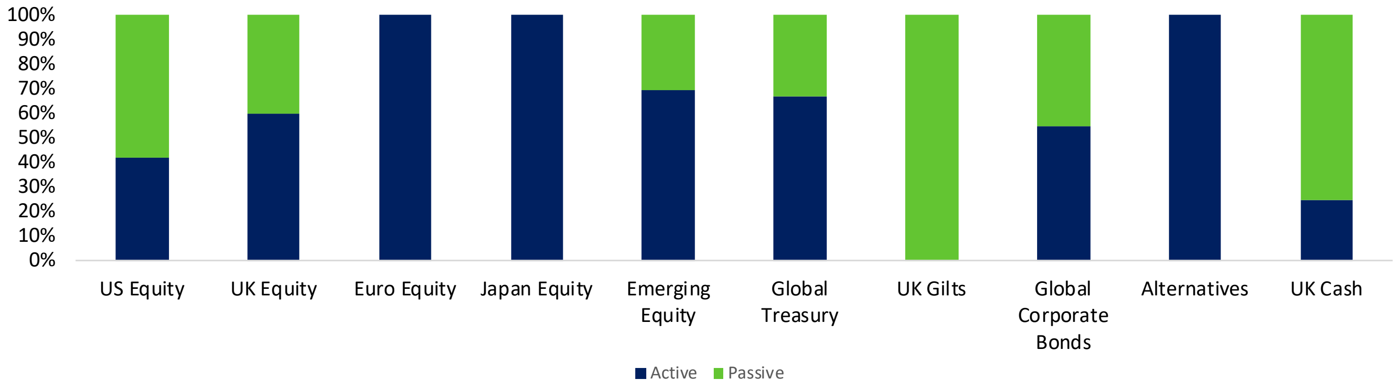


Each of the funds is a 'multi-manager' fund. This provides access to a wide range of investment funds and fund managers. It allows you to benefit from their skills and particular area of expertise.

Fusion Wealth draw on impartial research provided by RSMR to develop a shortlist of funds for inclusion in the FW Schroder Blend funds. RSMR have been independently assessing funds since 2004. Their ratings are widely regarded as a mark of quality.

The Fusion Wealth Investment Committee will use RSMR recommendations to construct the portfolio for each risk profile. They monitor the portfolios on an on-going basis and review them quarterly, alongside our investment partners.

Here is how the allocation might look between active and passive funds – using Risk level 5 as an example



Data as at 19 March 2020. Active and Passive Allocation split is constrained to 40% (minimum) and 60% (maximum).

Key information

Date of inception:
March 2020

Annual Management Charge:
0.25%

Please refer to the latest factsheet for performance information and estimated on-going charge figure[3]

Focus on what you can control

Your financial adviser can guide you through your investment options and help you focus on what is important to you. Helping you to keep your plans on track through market dips and swings.

[3]OCF (Ongoing Charge Figure) is a measure of the total costs associated with managing and operating an investment portfolio. These costs include the Annual Management Charge, and management fees and additional expenses of the underlying funds. As the Fund launched on 19 March 2020, the Ongoing Charge figure will be an estimate and may vary from year to year.

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Risk considerations: Past performance is not a guide to future performance and may not be repeated. The value of investments and the income from them may go down as well as up and investors may not get back the amount originally invested. This information is for illustrative purposes only and is not intended as investment advice, nor a solicitation to invest. You may be exposed to currency risk caused by fluctuations in foreign exchange rates, this can adversely affect the value of your return and the value of your investment. Unless the performance of an investment meets or exceeds the rate of inflation, the real value of that investment will reduce. As a result of fees being charged to capital, the distributable income of the fund may be higher but there is the potential that performance or capital value may be eroded. The fund can be exposed to different currencies. Changes in foreign exchange rates could create losses. Emerging markets, and especially frontier markets, generally carry greater political, legal, counterparty and operational risk. High yield bonds (normally lower rated or unrated) generally carry greater market, credit and liquidity risk. A rise in interest rates generally causes bond prices to fall. A decline in the financial health of an issuer could cause the value of its bonds to fall or become worthless. In difficult market conditions, the fund may not be able to sell a security for full value or at all. This could affect performance and could cause the fund to defer or suspend redemptions of its shares. A derivative may not perform as expected, and may create losses greater than the cost of the derivative.**Important information:** This publication has been prepared solely for informational purposes, and is not an offer or a solicitation of an offer to buy or sell any security, product, service or investment. The opinions expressed in this publication do not constitute investment advice. Should you require advice you should speak to your financial adviser. The value of investments and the income from them may go down as well as up and investors may not get back the amount originally invested. Please note that for your security, calls to Fusion Wealth will be recorded. For further explanation of any financial terms, speak to your wealth manager. A Key Investor Information Document (KIID) is available on request from your wealth manager. The data contained in this document has been sourced by Fusion Wealth Limited and should be independently verified before further publication or use. Third party data is owned or licensed by the data provider and may not be reproduced or extracted and used for any other purpose without the data provider's consent. Third party data is provided without any warranties of any kind. The data provider and issuer of the document shall have no liability in connection with the third party data. Issued in March 2020 by Fusion Wealth Limited, Holmwood House, Broadlands Business Campus, Langhurst Wood Road, Horsham, West Sussex, RH12 4QP. Fusion Wealth Limited is authorised and regulated by the Financial Conduct Authority No.541404. 420533.