



Investment innovation. Macro foundations.

[fulcrumasset.com](http://fulcrumasset.com)

**FULCRUM**  
Investment innovation  
Macro foundations



A disciplined balance of innovative research  
and leading risk management

## Welcome

Since formation in 2004, Fulcrum's sole aim has been to put our clients first by delivering stable, positive outcomes for them over the long-term regardless of market direction. Almost two decades later, our core focus remains unchanged and we are proud of the fact that we continue to successfully deliver on these original objectives.

Over the years we have not been alone in witnessing the see-saw effects of the financial markets. From the Global Financial Crisis (GFC) in 2008, the Pandemic in 2021/22 and more recent inflationary pressures, these macro shocks have constantly challenged even the most sophisticated of investment strategies.

At Fulcrum, our strength is understanding the key drivers of asset class returns. We combine our deep macroeconomic research expertise with a rigorous approach to portfolio construction. In doing so, Fulcrum's investment process aims to deliver attractive, risk-managed returns whilst embracing new opportunities as and when they arise.

Our purpose is to make macro relevant for investing which we feel has never been more important.

We hope that you enjoy reading about Fulcrum.

A handwritten signature in black ink, appearing to read 'Joe Davidson'.

Joe Davidson, Managing Partner



## Introducing Fulcrum



### Offering our clients returns that are complementary to traditional equities and bonds

Fulcrum is a highly innovative, independent asset manager with a broad range of investment capabilities. All of our strategies seek to provide returns that are complementary to equities and bonds. Our core investment capabilities include: Macro, Thematic Equities, Risk Premia, Alternative Solutions and Climate-Aligned Investing. Ultimately our aim is to provide balance in an ever-changing world.

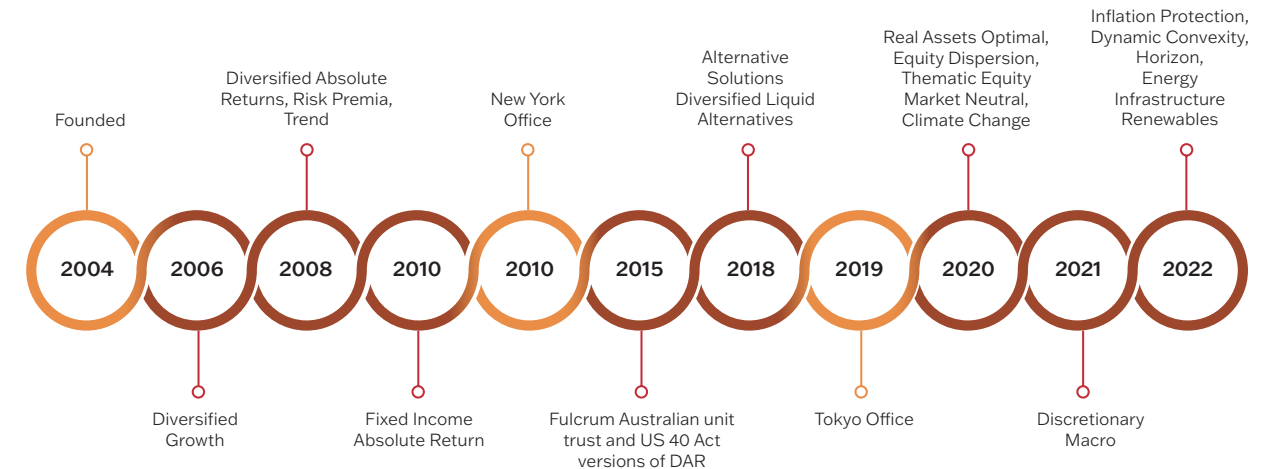
Our people are at the heart of our business and we have built Fulcrum into a team of over 90 people, led by Joe Davidson (Managing Partner). In addition to our main headquarters in the UK, we also have offices in the US, and Japan with a growing presence in Europe.

Over the years, we are proud to have built a strong, experienced investment team with a real passion for investing, led by Suhail Shaikh (CIO) and Nabeel Abdoula (Deputy CIO). Our two founding partners, Gavyn Davies (Chairman) and Andrew Stevens remain within the business today. Fulcrum's AUM currently stands at £5.1bn / US \$6.2bn (figures as at 31.12.22).

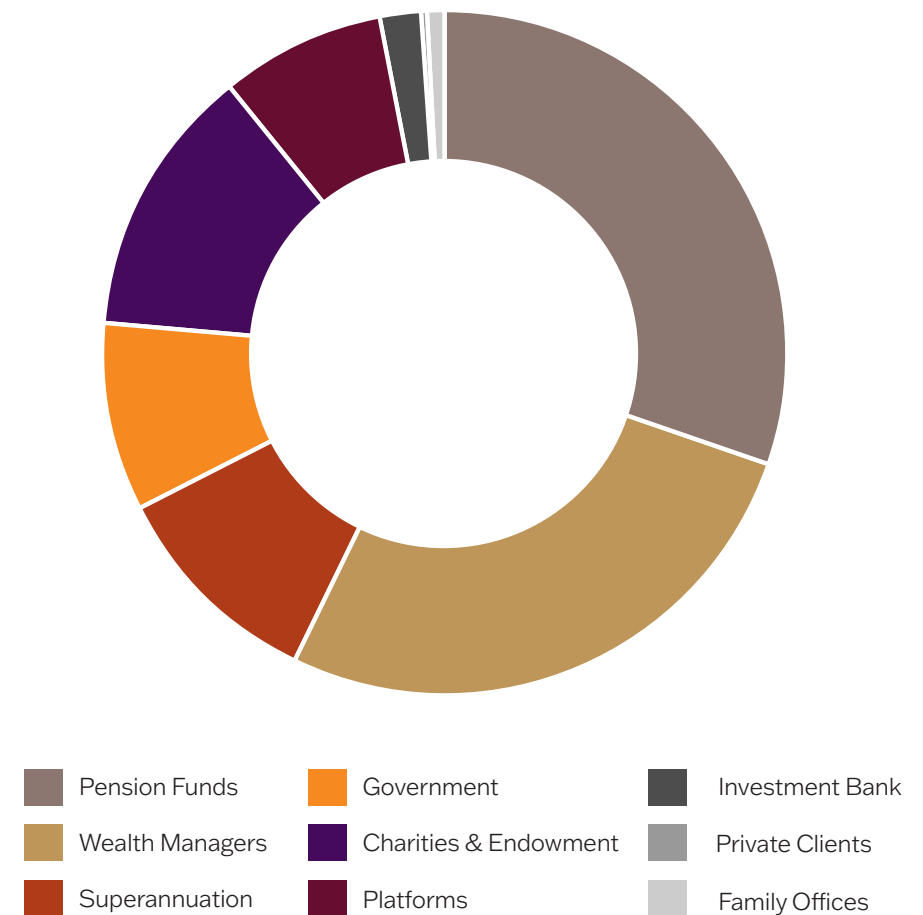
Independently owned, we are large enough to enjoy the economies of scale and breadth of expertise but equally we are nimble enough to be able to respond quickly to market events or alter course whenever we see opportunities. At the same time, we have the ability to adapt and innovate in a way that many larger firms might find challenging.

Through our unique and transparent investment approach, our aim is to build lasting relationships that are aligned with our clients' interests and which seek to deliver on their investment objectives.

## Fulcrum Fund Launches & Key Milestones.









### Client Type



Figures correct as at 31.12.22

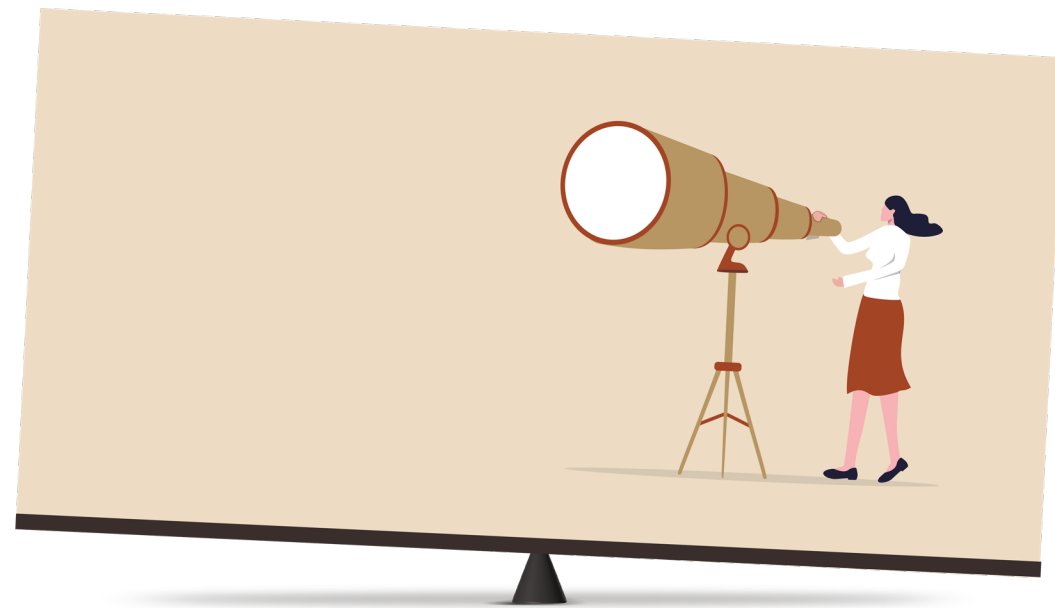
## Investing with Fulcrum



Capability	Capability Description	Fulcrum Strategy
 <b>Macro</b>	<p>These strategies are designed to generate absolute returns, offer downside protection, and provide diversification. We invest globally via index derivatives across equities, bonds, commodities and currencies. These strategies also invest a substantial proportion in our other capabilities listed in this table, including our Climate Change Strategy.</p>	<p><b>Diversified Absolute Return</b> All-weather macro investing</p> <p><b>Diversified Growth</b> Long-only balanced</p> <p><b>Income</b> Unconstrained, enhanced monthly income</p> <p><b>Equity Dispersion</b> Relative value equity volatility</p> <p><b>Fixed Income Absolute Return</b> Global fixed income and FX relative value</p>
 <b>Thematic Equities</b>	<p>We provide exposure to key megatrends through synthetic and physical equity investments. This results in highly diversified long/short portfolios with global, cross-sector exposures to a wide range of socioeconomic themes.</p>	<p><b>Thematic Market Neutral</b> Translating megatrends into investments</p>
 <b>Climate-Aligned Investing</b>	<p>We invest in companies that are taking steps to align their business model to the net zero transition. We aim to balance climate alignment, return expectations and diversification benefits.</p>	<p><b>Fulcrum Climate Change</b> Long only climate-aligned equities</p>
 <b>Risk Premia</b>	<p>A range of systematically implemented, quantitative investment strategies that includes trend following, volatility, carry, value and skewness. We invest globally via derivatives across equities, bonds, commodities and currencies.</p>	<p><b>Multi Asset Trend</b> Pure medium term trend-following</p> <p><b>Risk Premia</b> Trend, value, carry and volatility</p>
 <b>Alternative Solutions</b>	<p>Our guiding objective is to support investors in overcoming the governance challenges of investing in Alternatives. We offer a range of pooled and bespoke solutions with exposure to Real Assets, Alternative Credit and Diversifiers across the liquidity spectrum, largely accessed through external managers.</p>	<p><b>Alternative Managers</b> High conviction hedge funds</p> <p><b>Diversified Liquid Alternatives</b> Real assets, credit and diversifiers</p>

All of our strategies are available in multiple share classes, currencies and structures. These can be found in the Prospectus document for each strategy. Please ask for further information.

## Our Investment Team and Process



### At the frontier of financial research

Fulcrum is founded on an inquisitive, thoughtful, and research-oriented culture. To help our clients meet their objectives, our aim is to remain innovative, identifying the trends reshaping markets and driving investment performance. Since launch, we have operated in a world of constantly and sometimes dramatically changing markets. The consistent application of our robust investment philosophy and process has been at the heart of successfully navigating these markets for our clients.

#### Quality of Team & Stability

Our investment approach is rooted in academic rigour and analytical tenacity. Every member of our investment team brings a high level of intellectual curiosity and investment insight. We believe that a team-based, collaborative approach where ideas are debated and challenged leads to the most effective decisions.

The strength and intensity of our investment team is built on a deep-seated understanding of global macroeconomic and market analysis, and a determination to be the best in the field.

Our analytical edge comes from the collective skillset of our research team, with decades of experience across portfolio construction, all major asset classes and macroeconomics.

While some of our senior investment team have worked through many global economic cycles since the 1970s, we believe it is important to constantly review and adapt analytical techniques and to keep our minds open as market development challenges established theory. This gives us an edge.

#### Diversified & Complementary Portfolio

Our approach is highly diversified and not solely dependent on positive returns from traditional assets. The strategies offer complementary solutions for a diversified portfolio.

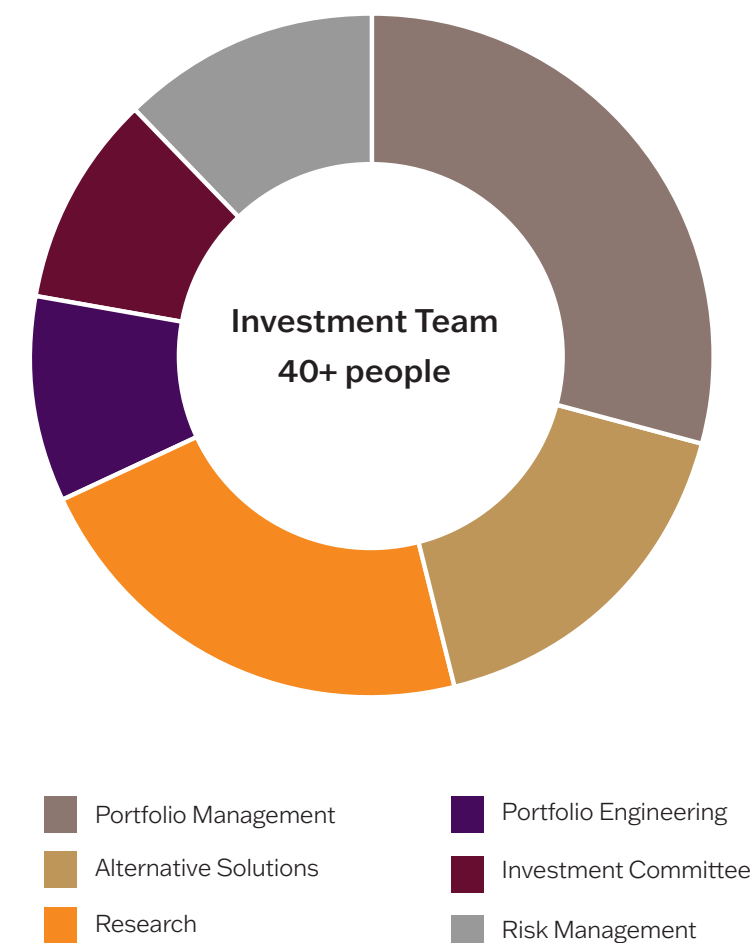
Our strategies seek to meet our clients' requirements for consistent, risk-adjusted returns over the business cycle. We are committed to capital protection - limiting drawdown and delivering stable returns wherever possible. We focus on a concentrated range of strategies where our expertise in implementing global strategic views comes to the fore through the consistent application of a robust investment philosophy and process.

We have a strong track-record, having outperformed most of our major peers with a low correlation to both bonds and equities.

#### Macro Views & Research

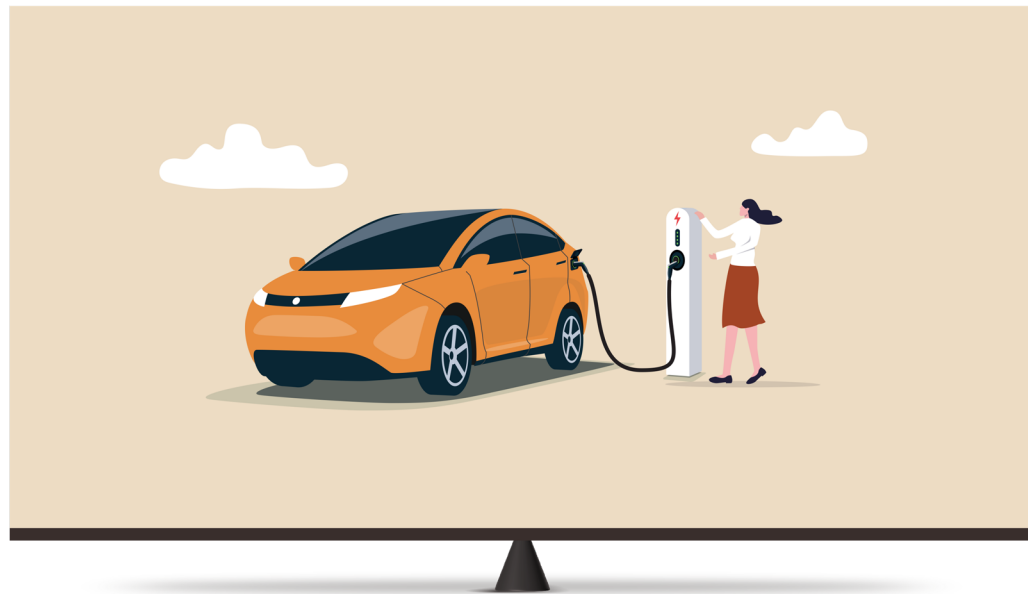
We seek to be at the frontier of knowledge in areas that impact our investment strategy. We have a team of experienced and dedicated macroeconomists and researchers who are experts across all of the major asset classes. We regularly publish our work in top, peer-reviewed academic journals in economics and finance. Ultimately this means our investment decisions are always based on rigorous macroeconomic research.

### The Fulcrum Investment Team



Figures as at 31.12.222

## Responsible Investment



**Sustainability is plugged into all of our investment decisions**

We are strong supporters of initiatives that create a more sustainable world. Incorporating sustainability considerations into our investment decision making processes, where it is possible and sensible to do so, is an important step towards promoting environmentally and socially responsible practices in the finance industry.

### Our Approach to ESG

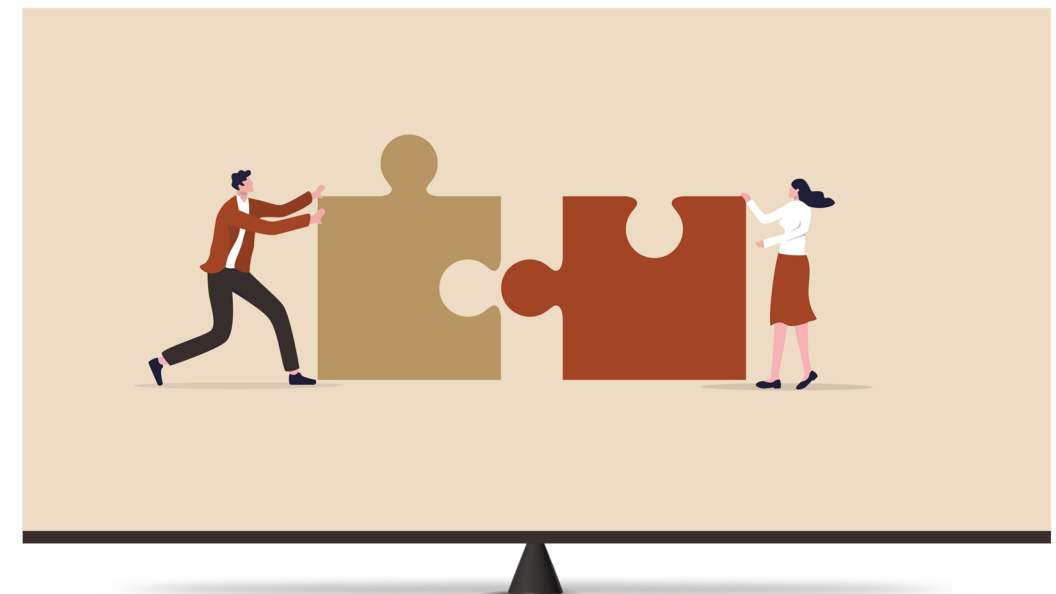
From the ongoing energy transition to the growing concerns around labour rights in the 'gig economy', Environmental, Social and Governance (ESG) risks and opportunities are already shaping capital flows around the world. We have a firm-wide ESG agenda, sharing our research and knowledge as necessary to help provoke thought and drive innovation across the industry. Ultimately, ESG integration enables us to effectively invest in line with our clients' objectives.

### Climate Change

In 2020 we launched the **Fulcrum Climate Change Strategy** - specifically designed to contribute to making financial flows aligned with the Paris Agreement's temperature target. It seeks to generate excess returns above global equity markets as climate-alignment gets priced into the valuation differentials between companies, sectors, and countries. It is highly diversified across sectors and regions and invests in approximately 200 companies.



## Innovative Investment Solutions



**Working together to create bespoke solutions that fit our clients' needs**

Our Investment Solutions Team employs a highly collaborative approach with our strategic partners in order to identify, build and deliver a completely bespoke solution.

We have a long history of working with our strategic partners having managed bespoke mandates since our inception in 2004. Our experience has enabled us to deliver alternative investment solutions to banks, wealth managers and charities. We are also able to develop pooled funds designed to meet specific client needs e.g. to comply with DC charge cap and liquidity requirements. Today, over 25% of our business is managed on a bespoke basis for our strategic partners, including specialist mandates. As with all aspects of our business, we give considerable thought to how we invest responsibly.

### Our Bespoke Strategic Partnership Process

We start by working with our strategic partners in order to determine our role within the client portfolio so that the risk/return objectives of the mandate can then be defined. Having reviewed any regulatory issues and/or constraints, we can begin modelling the solution as well as developing the investment guidelines and risk controls. The next step is to create the investment toolkit and ensure the appropriate documentation/vehicle structure is in place. Once the investment is underway, reporting and risk monitoring is carried out regularly to ensure that the mandate is delivering in line with the agreed objectives.



## Five Reasons to Invest with Fulcrum

Why Fulcrum?	Benefit to you
<p><b>1</b> <b>Independent Boutique</b> Independent and employee owned since our founding in 2004.</p>	<p>Our structure helps eliminate conflicts of interest and as a boutique we are large enough to enjoy economies of scale but nimble enough to respond quickly to market events or alter course.</p>
<p><b>2</b> <b>Diversification</b> Fulcrum provides diversified, risk managed investments covering all the major global asset classes.</p>	<p>Investment returns that are complementary to equities and bonds.</p>
<p><b>3</b> <b>In-depth Research</b> An investment process that is built on detailed research and a strong analytical mindset with a determination to be the best in the field.</p>	<p>Provides our clients with confidence that all of our investment ideas are debated and challenged leading to the most effective capital allocation decisions possible.</p>
<p><b>4</b> <b>Leading Risk Management</b> Disciplined risk management embedded into our investment process.</p>	<p>We maintain strict control over our risk budgets with the overall aim of delivering consistent risk-adjusted returns.</p>
<p><b>5</b> <b>Responsible Investment</b> We have a committed approach to sustainability and responsible investment.</p>	<p>We integrate responsible investment into our investment process, where it is possible and sensible to do so.</p>

## Our Values



### Fulcrum's Five Core Values

Our values inspire our work. They influence us every day in terms of the way we work, how we interact with each other and the relationships we build with our clients. The foundation of our values is built on a commitment to having a positive impact on each other and the world around us. We seek to build a culture that enables each individual to contribute to our company goals, in their own unique way, that harnesses their passion, their beliefs and their skills. At Fulcrum we are more than the sum of our parts.

#### Diversity & Inclusion at Fulcrum

Fulcrum is committed to encouraging equality, diversity and inclusion, recognising that this promotes creativity and innovation, creates a culture of fairness and ensures that staff are not unlawfully discriminated against. We believe that by creating a culture of inclusivity, respect and understanding, employees can bring their whole selves to work, feel respected and be able to give their very best.

We have established a Diversity and Inclusion Committee to develop and implement policies, programmes and initiatives to raise awareness of this across all levels of the firm. This is to ensure, amongst other things, there is a framework to create, retain and develop a diverse talent pool of staff.

## Management Team

Fulcrum's management board oversee the strategic direction and operation of the business.



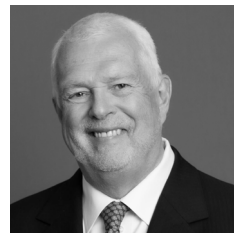
**Joe Davidson**  
Managing Partner



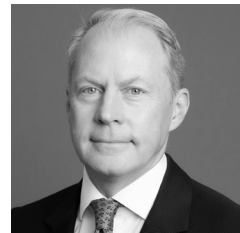
**Suhail Shaikh**  
Chief Investment Officer



**Nabeel Abdoula**  
Deputy Chief  
Investment Officer



**Gavyn Davies**  
Chairman &  
Founding Partner



**Andrew Stevens**  
Founding Partner

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Working in harmony creates a reassuring  
investment process



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