

# Harmony Cautious Income Fund (Class D GBP Dist)

30 May 2025

This is a marketing communication for professional advisors only

## Investment objective\*

The portfolio aims to deliver a stable level of income of 3-4% per annum whilst still maintaining the capital value, via strategic exposures to a wide range of global asset classes.

## Lead portfolio managers



Andrew Hardy  
Director of Investment  
Management

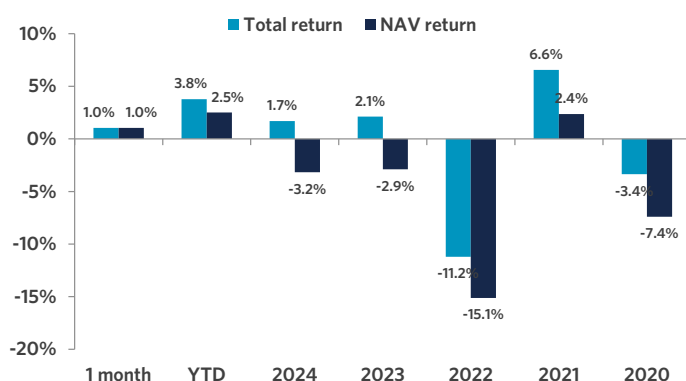


Alex Harvey  
Senior Portfolio Manager  
& Investment Strategist

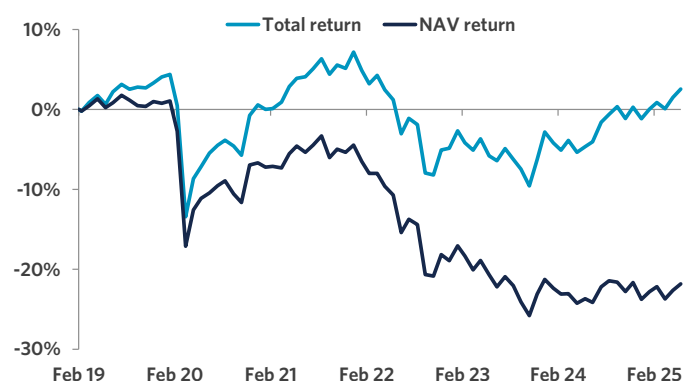


Lorenzo La Posta  
Portfolio Manager

## Fund performance\*\*



## Cumulative returns (since inception, 18.02.2019)\*\*



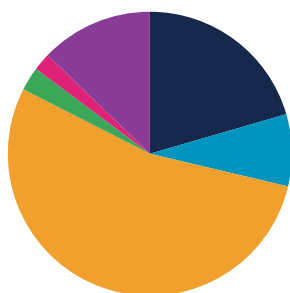
## Cumulative performance (%)\*\*

Performance	Mtd	Ytd	1 yr	3 yrs	5 yrs	Since inception
Cumulative	1.0	3.8	7.6	1.3	10.5	2.6
Annualised volatility						9.2

## Discrete annual performance (%)\*\*

May 24 - 25	May 23 - 24	May 22 - 23	May 21 - 22	May 20 - 21
7.6	1.2	(6.9)	(2.6)	11.9

## Strategy allocation



<b>Equities</b>	<b>20.5%</b>	<b>Fixed income</b>	<b>53.8%</b>
North America equity	9.4%	Government bonds	18.9%
United Kingdom equity	2.8%	Investment grade credit	12.3%
Asia ex-Japan equity	2.4%	Inflation-linked bonds	8.5%
Japan equity	2.3%	Emerging market debt	6.0%
Europe ex-UK equity	2.3%	High yield credit	3.0%
Australasia equity	1.0%	Asset backed securities	3.0%
Other equity	0.3%	Loans	2.1%
<b>Specialist assets</b>	<b>8.2%</b>	<b>Commodities</b>	<b>2.7%</b>
Property	3.7%	<b>Alternatives</b>	<b>2.0%</b>
Infrastructure	3.1%	<b>Cash &amp; equivalents</b>	<b>12.8%</b>
Specialist financials	0.7%		
Private equity	0.7%		

## Manager commentary

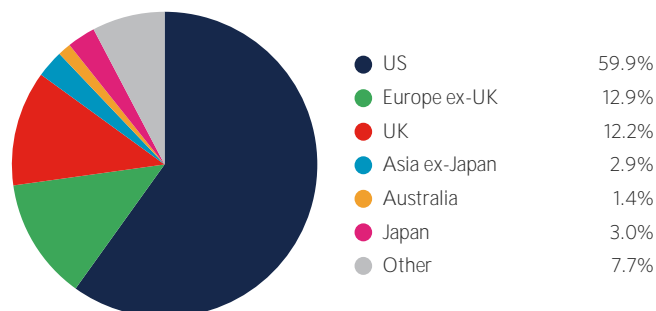
- » In May, markets rallied as fears of a trade war receded, buoyed by positive AI developments. This "TACO" (Trump Always Chickens Out) theme saw US-China tariff de-escalation, boosting equities, particularly US tech giants like Nvidia. However, government debt sustainability concerns in the US, UK, and Japan pushed long-term bond yields to multi-year highs, causing bond markets to struggle. Central banks remain cautious on rate cuts amid resilient economies and persistent inflation. While short-term uncertainty lingers, the corporate sector's strength and the transformative potential of AI provide a more encouraging long-term outlook.
- » Against this backdrop, we implemented two tactical trades in the portfolio.
- » Firstly, in the second half of the month, we reduced some of the equity positions that we had increased allocation to in early April, in the depths of the tariff crash. We had let them successfully run overweight for 6 weeks, after which we thought it prudent to bank the profits and look at opportunities elsewhere.
- » Only a few days later, in fact, we invested in a 30-year inflation-protected US bond. With bond yields spiking and market sentiment probably excessively negative about US fixed income, we thought it prudent to take a contrarian view and took the opportunity to bring the portfolio's interest-rate sensitivity back in line with strategic levels, which increases yield generation and enhances protectiveness.

Important Information - All data sourced from Momentum Global Investment Management, J.P. Morgan SE - Luxembourg Branch. Allocations subject to change. \*There can be no assurance that the Fund will achieve its investment objective. Please refer to the Prospectus for full details of the Fund, its charges, the investment objective and investment policy. \*\*Performance figures comprise two components: i) figures reflect Class D share's returns for the first 5 years after Class D share's inception; ii) Class A share's returns are taken thereafter, to present. Please refer to the Fees and Expenses, Deferred Subscription Charge - Class D section of the Prospectus regarding the conversion to Class A following the five year anniversary of the original subscription into Class D. Performance is calculated on a total return basis, unless otherwise stated. Past performance is not a guide to future performance.

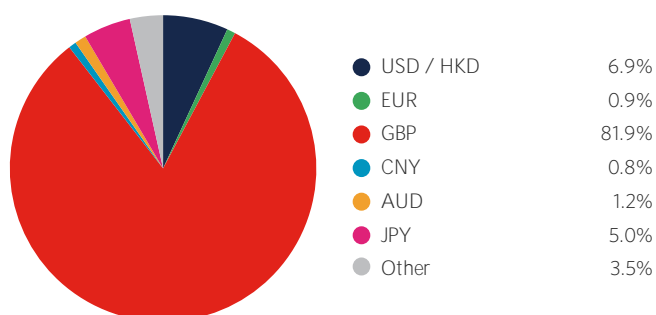
## Portfolio holdings - top 20

Holding	
Cash	12.8%
US Treasury Bonds	9.3%
US TIPS	8.5%
iShares Global Corporate Bond	7.7%
HSBC Global Emerging Market Government Bond Index	6.0%
iShares EUR Govt Bond Climate	5.4%
Direct Investment Grade Credit <sup>A</sup>	4.6%
UK Gilts	4.2%
Robeco QI Global Conservative Equities	4.1%
IFSL Evenlode Global Income	3.0%
TwentyFour Income	3.0%
Momentum Real Assets Growth & Income	2.9%
Robeco Multi-Factor Global Equity	2.8%
WisdomTree Core Physical Gold ETC	2.7%
iShares Developed Real Estate Index	2.2%
Prusik Asian Equity Income	2.1%
Sequoia Economic Infrastructure Income	2.1%
Neuberger Berman Uncorrelated Strategies	2.0%
Morant Wright Fuji Yield	1.7%
iShares FTSE 100	1.6%

## Geographic allocation



## Currency allocation



## Key information

Investment manager	Momentum Global Investment Management
Currency	GBP
Inception date	18 February 2019
Structure	Part I Luxembourg 2010 Law (UCITS)
Minimum investment	USD 7,500 (GBP equivalent)
Investment horizon	4 years +

MGF SICAV AUM	GBP 2,616.8 million
Fund AUM	GBP 12.7 million
Subscriptions/redemptions	Daily
ISIN	LU1926195485
Distribution frequency	Quarterly
Price per share (NAV)	GBP 0.7699

## Deferred Subscription Charge - Class D only

The Fund is permitted to make a charge on the sale of Shares to an investor of 5 per cent of the amount subscribed. The amount of this charge is paid by the Fund at the time of the subscription and is deferred and amortised over a 5-year period. Shareholders of Share Class D see the cost of this charge reflected in a decreased Net Asset Value price of Share Class D.

Should an investor redeem before the 5-year period has elapsed, the Fund is permitted to deduct the remainder of the Deferred Subscription Charge from the redemption proceeds for the benefit of the relevant Fund. The remaining charge will be calculated on a first in, first out basis and pro-rata dependent upon the number of Shares redeemed.

Charges will be applied to the redemption proceeds as below:

» Within one year of initial subscription	5%
» Between 1 & 2 years of initial subscription	4%
» Between 2 & 3 years of initial subscription	3%
» Between 3 & 4 years of initial subscription	2%
» Between 4 & 5 years of initial subscription	1%
» After 5 years of initial subscription	No charge

At the end of the month following the five-year anniversary of the original subscription, once the initial charge is repaid in full to the Fund, any remaining shareholding will be automatically converted to Share Class A.

Please refer to the Deferred Subscription Charge section of the prospectus for further details.

**Important Information** - All data sourced from Momentum Global Investment Management, J.P. Morgan SE - Luxembourg Branch. Allocations subject to change. The value of the underlying funds and the income generated from them can go down as well as up and is not guaranteed. Investors may not get back the original amount invested. The value of investments involving exposure to foreign currencies can be affected by currency exchange rate fluctuations. Performance is calculated on a total return basis, unless otherwise stated. Past performance is not a guide to future performance. The Fund is not managed with reference to a benchmark, but its performance may be measured against one. <sup>A</sup>Managed internally within Momentum's investment team. Full list of investments available on request.

This is a marketing communication. This document does not provide all the facts needed to make an informed investment decision. Prior to investing, investors should read the Key Information Document (KID) and seek professional investment advice where appropriate. KIDs and the Prospectus are available in English at [momentum.co.uk](http://momentum.co.uk).

Harmony Portfolios are sub-funds of the MGF SICAV, which is domiciled in Luxembourg and regulated by the Commission de Surveillance du Secteur Financier. The fund conforms to the requirements of the European UCITS Directive. Either Momentum Global Investment Management Limited (MGIM) or FundRock Management Company S.A., the management company, may terminate arrangements for marketing under the denotification process in the new Cross-border Distribution Directive (Directive EU) 2019/1160. This financial promotion is issued by MGIM, who is the Investment manager, Promoter and Distributor for the MGF SICAV. MGIM is registered in England and Wales No. 03733094. Registered Office: The Rex Building, 62 Queen Street, London EC4R 1EB. MGIM is authorised and regulated by the Financial Conduct Authority No. 232357.