

# Harmony Cautious Income Fund (Class A-B USD Dist)

31 December 2024

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

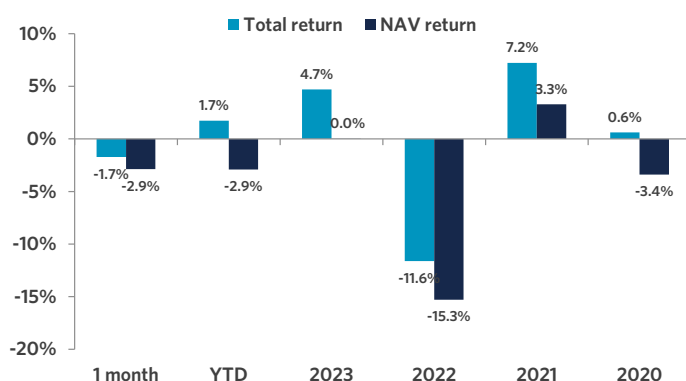


Alex Harvey  
Senior Portfolio Manager  
& Investment Strategist

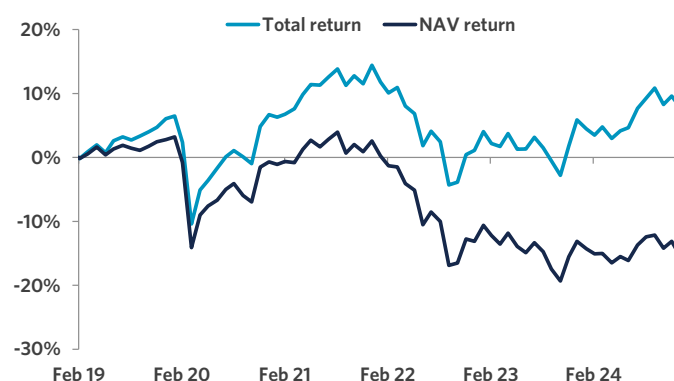


Lorenzo La Posta  
Portfolio Manager

## Fund performance (Class A USD Dist)



## Cumulative returns (Class A USD Dist - since inception, 25.02.2019)



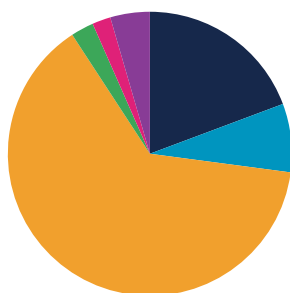
## Cumulative performance (%) (Class A USD Dist)

| Performance           | Mtd   | Ytd | 1 yr | 3 yrs | 5 yrs | Since inception |
|-----------------------|-------|-----|------|-------|-------|-----------------|
| Cumulative            | (1.7) | 1.7 | 1.7  | (5.9) | 1.6   | 7.7             |
| Annualised volatility |       |     |      |       |       | 9.8             |

## Discrete annual performance (%) (Class A USD Dist)

| Dec 23 - 24 | Dec 22 - 23 | Dec 21 - 22 | Dec 20 - 21 | Dec 19 - 20 |
|-------------|-------------|-------------|-------------|-------------|
| 1.7         | 4.7         | (11.6)      | 7.2         | 0.6         |

## Strategy allocation



|                          |              |                               |              |
|--------------------------|--------------|-------------------------------|--------------|
| <b>Equities</b>          | <b>19.3%</b> | <b>Fixed income</b>           | <b>63.7%</b> |
| North America equity     | 8.9%         | Government bonds              | 26.7%        |
| United Kingdom equity    | 2.7%         | Investment grade credit       | 17.1%        |
| Japan equity             | 2.3%         | Inflation-linked bonds        | 6.1%         |
| Asia ex-Japan equity     | 2.1%         | Emerging market debt          | 6.0%         |
| Europe ex-UK equity      | 1.9%         | Asset backed securities       | 3.3%         |
| Australasia equity       | 1.0%         | High yield credit             | 3.0%         |
| Other equity             | 0.4%         | Loans                         | 1.5%         |
| <b>Specialist assets</b> | <b>7.8%</b>  | <b>Commodities</b>            | <b>2.6%</b>  |
| Infrastructure           | 4.2%         | <b>Alternatives</b>           | <b>2.1%</b>  |
| Property                 | 2.8%         | <b>Cash &amp; equivalents</b> | <b>4.5%</b>  |
| Specialist financials    | 0.5%         |                               |              |
| Private equity           | 0.5%         |                               |              |

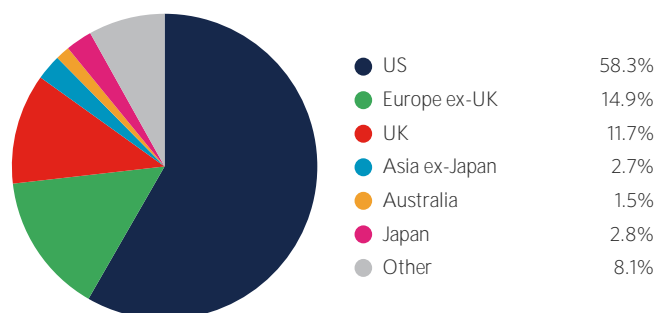
## Manager commentary

- » In December, portfolio activity was elevated as interesting opportunities as well as new risks presented themselves.
- » Firstly, we were of the view that markets were underestimating the stickiness of inflation and both inflation expectations and bond yields were going to move higher in the coming weeks. So, within government bonds, we shifted some exposure from long duration bonds to the central part of the yield curve, lowering the average maturity of our bond allocation and being less exposed to the risk of rising bond yields, whilst also increasing allocation to inflation-linked bonds (US TIPS).
- » The net result, was a reduction in cash, which we had been holding onto in the previous months whilst waiting for the right opportunity to spend it.

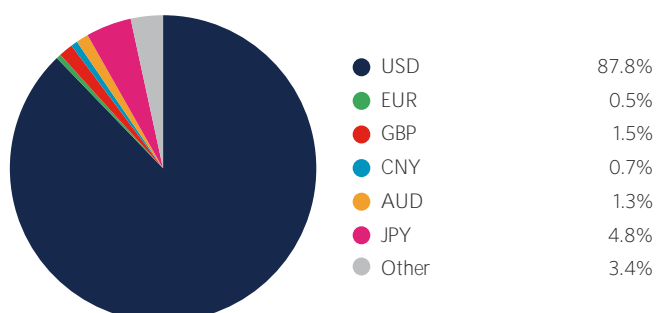
## Portfolio holdings - top 20

| Holding   |       |
|---|-------|
| US Treasury Bonds                                 | 16.8% |
| Direct Investment Grade Credit <sup>A</sup>       | 9.2%  |
| iShares Global Corporate Bond                     | 7.9%  |
| US TIPS   | 6.1%  |
| HSBC Global Emerging Market Government Bond Index | 6.0%  |
| iShares EUR Govt Bond Climate                     | 6.0%  |
| Cash  | 4.5%  |
| UK Gilts  | 3.9%  |
| TwentyFour Income                                 | 3.3%  |
| IFSL Evenlode Global Income                       | 3.0%  |
| Robeco QI Global Conservative Equities            | 3.0%  |
| Robeco Multi-Factor Global Equity                 | 2.8%  |
| WisdomTree Core Physical Gold ETC                 | 2.6%  |
| Neuberger Berman Uncorrelated Strategies          | 2.1%  |
| Prusik Asian Equity Income                        | 2.0%  |
| Momentum Real Assets Growth & Income              | 1.8%  |
| Morant Wright Fuji Yield                          | 1.8%  |
| Candriam Global High Yield                        | 1.6%  |
| Sequoia Economic Infrastructure Income            | 1.5%  |
| iShares Developed Real Estate Index               | 1.5%  |

## Geographic allocation



## Currency allocation



## Key information

|                          |                                       |
|--------------------------|---------------------------------------|
| Investment manager       | Momentum Global Investment Management |
| Currency                 | USD                                   |
| Inception date           | 25 February 2019                      |
| Structure                | Part I Luxembourg 2010 Law (UCITS)    |
| Minimum investment       | USD 7,500                             |
| Investment horizon       | 4 years +                             |
| MGF AUM                  | USD 3,380.2 million                   |
| Cautious Income Fund AUM | USD 20.3 million                      |

|                                  |              |
|----------------------------------|--------------|
| Subscriptions/redemptions        | Daily        |
| ISIN A USD Dist                  | LU1931605148 |
| ISIN B USD Acc                   | LU2198027653 |
| Distribution frequency           | Quarterly    |
| Price per share (NAV) A USD Dist | USD 0.8435   |
| Price per share (NAV) B USD Acc  | USD 0.9415   |

**Important Information** - All data sourced from Momentum Global Investment Management, J.P. Morgan SE - Luxembourg Branch, Bloomberg Finance L.P. 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. Past performance is not a guide to future performance. Performance is calculated on a total return basis, net of all fees. 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).

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