

# Harmony Cautious Income Fund (Class H USD Acc)

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

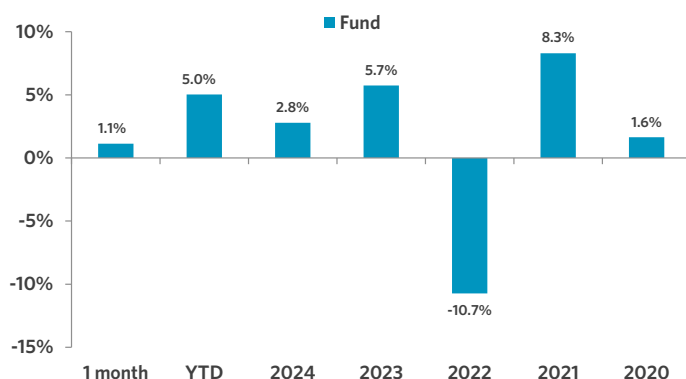


Alex Harvey  
Senior Portfolio Manager  
& Investment Strategist

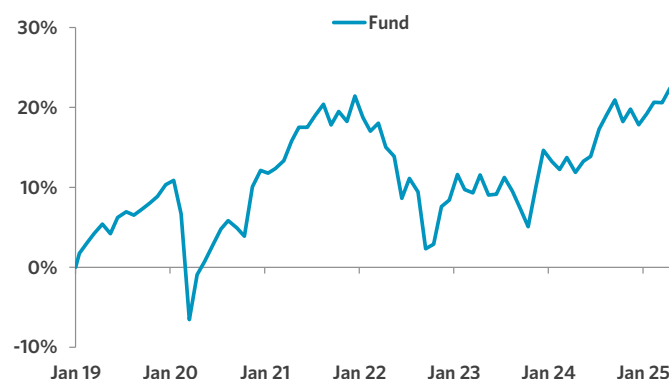


Lorenzo La Posta  
Portfolio Manager

## Fund performance\*\*



## Cumulative returns (since Fund inception)\*\*



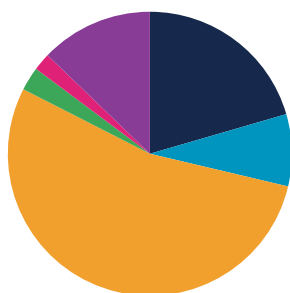
## Cumulative performance (%)\*\*

Performance	Mtd	Ytd	1 yr	3 yrs	5 yrs	Since inception
Cumulative	1.1	5.0	9.3	8.7	22.9	23.8
Annualised volatility						9.0

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

May 24 - 25	May 23 - 24	May 22 - 23	May 21 - 22	May 20 - 21
9.3	3.9	(4.3)	(3.1)	16.7

## 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%		

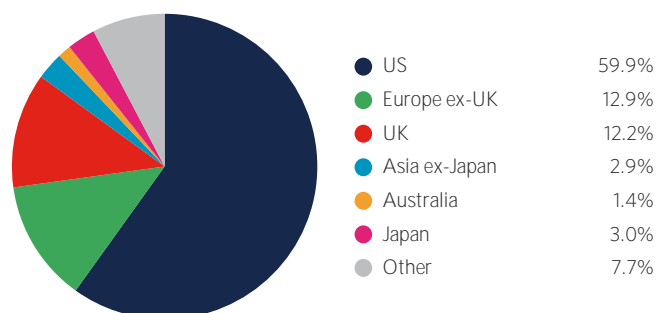
## Manager commentary

- » 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.

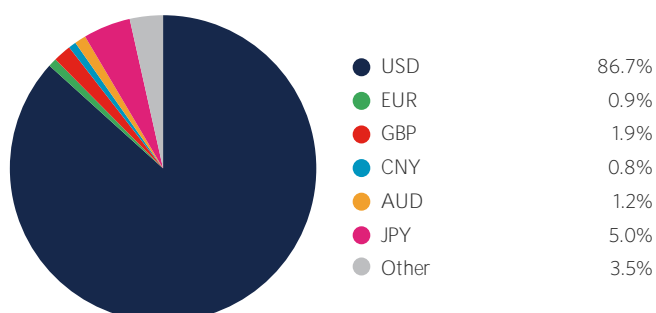
## Portfolio holdings - top 20

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	USD
Inception date (Fund)	16 January 2019
Inception date (Class H)	20 October 2020
Structure	Part I Luxembourg 2010 Law (UCITS)

Minimum investment	USD 1,500,000
Investment horizon	4 years +
Subscriptions/redemptions	Daily
ISIN	LU2049050888
Price per share (NAV)	USD 1.1668

**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](https://momentum.co.uk).

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