

# Harmony Cautious Income Fund (Class E USD Acc)

31 October 2024

*This is a marketing communication for professional advisors only*

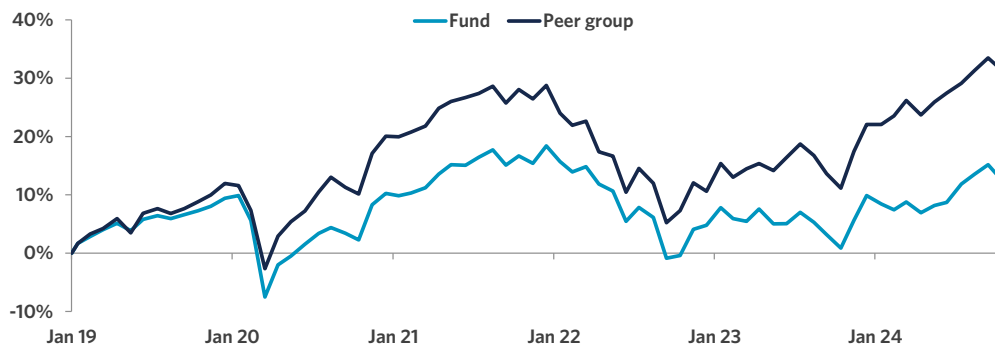
## Investment objective\*

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.

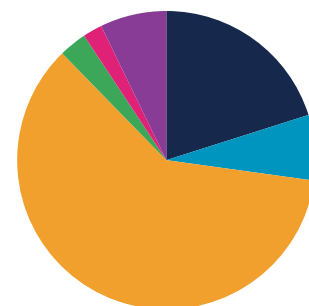
## Manager commentary

- » In October, the most significant shift was a big rise in bond yields, reversing much of the move in Q3, which meant that bonds had a poor month, in turn weighing on valuations across most asset classes (with the notable exception of gold). Against this backdrop, trading activity was significant in October.
- » We added the Candriam Global High Yield fund, a strategy focused on the higher quality, less cyclical and more sustainable parts of the high yield fixed income universe which, coupled with falling inflation, easier monetary policy and a supportive macroeconomic environment, should deliver strong risk-adjusted returns.
- » Early in the month, we switched from US inflation-linked bonds (TIPS) to nominal US treasuries, with the view that inflation expectations being priced in by the bond market were excessive, on a 5 year horizon.
- » We also took profits on some of our Asia exposure. After an incredible rally in late September and a consolidation in early October, we thought it prudent to monetize some and reinvest in other areas that had instead been left behind. We remain overweight China though, conscious that the stimuli and the commitment to the stock market we have seen from the Party and the central bank will provide long-term tailwind to the market.

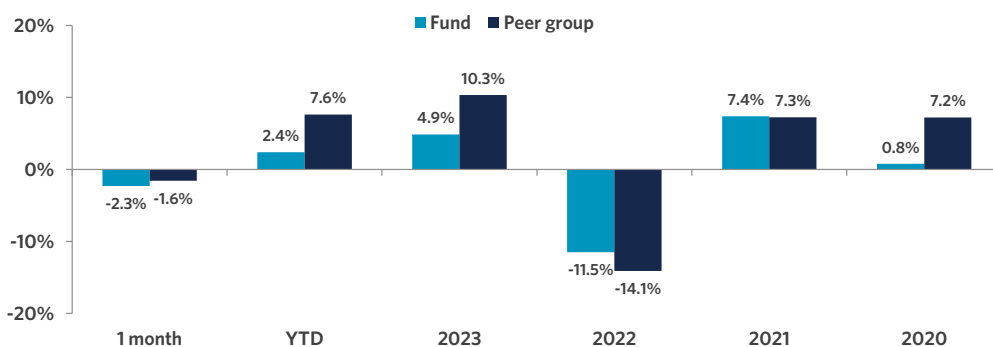
## Cumulative returns (since inception, 17.01.2019)



## Strategy allocation



## Fund performance



Equities	20.1%
North America equity	8.1%
Asia ex-Japan equity	2.9%
United Kingdom equity	2.9%
Japan equity	2.5%
Australasia equity	1.7%
Europe ex-UK equity	1.5%
Other equity	0.5%
Specialist assets	7.1%
Infrastructure	3.8%
Property	2.5%
Specialist financials	0.4%
Private equity	0.4%
Fixed income	60.5%
Government bonds	24.1%
Investment grade credit	18.1%
Emerging market debt	6.0%
Inflation-linked bonds	4.6%
High yield credit	3.2%
Asset backed securities	3.0%
Loans	1.5%
Commodities	3.0%
Alternatives	2.1%
Cash & equivalents	7.2%

## Cumulative performance (%)

Mtd	Ytd	1 yr	3 yrs	5 yrs	Since inception
(2.3)	2.4	11.6	(3.6)	4.9	12.5

## Discrete annual performance (%)

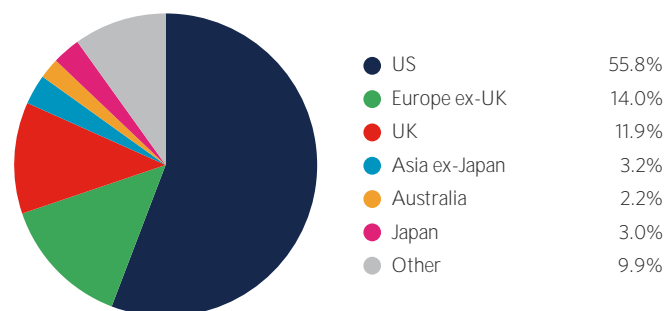
Oct 23 - 24	Oct 22 - 23	Oct 21 - 22	Oct 20 - 21	Oct 19 - 20	Annualised volatility
11.6	1.3	(14.6)	14.1	(4.7)	9.4

Important Information - All data sourced from Momentum Global Investment Management, J.P. Morgan SE - Luxembourg Branch, Bloomberg Finance L.P. 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 is calculated on a total return basis, unless otherwise stated. Past performance is not a guide to future performance.

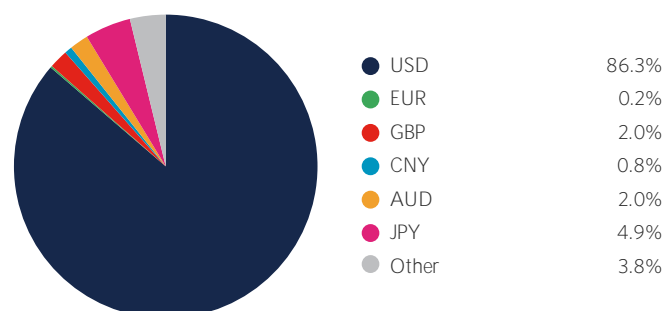
## Portfolio holdings

<b>Equities</b>	<b>20.1%</b>
Robeco QI Global Conservative Equities	3.6%
Robeco Multi-Factor Global Equity	3.0%
Prusik Asian Equity Income	3.0%
IFSL Evenlode Global Income	2.5%
Morant Wright Fuji Yield	2.0%
UK Direct Equities <sup>A</sup>	1.4%
iShares MSCI Australia	1.1%
Morgan Stanley Global Sustain	1.0%
Jennison Global Equity Opportunities	0.9%
Artisan Global Value	0.3%
Hotchkis & Wiley Global Value	0.3%
Paradice Global SMID Cap	0.3%
Contrarius Global Equity	0.2%
Granahan US Focused Growth	0.2%
Rainier International SMID Cap Growth	0.2%
Reckitt Benckiser Group	0.1%
<b>Specialist assets</b>	<b>7.1%</b>
Momentum Real Assets Growth & Income	1.6%
First Sentier Responsible Listed Infrastructure	1.0%
iShares Developed Real Estate Index	1.0%
AEW UK REIT	0.9%
Foresight Environmental Infrastructure	0.6%
Cordiant Digital Infrastructure	0.6%
Digital 9 Infrastructure	0.4%
Gore Street Energy Storage	0.4%
International Public Partnerships	0.2%
Life Science REIT	0.2%
Greencoat UK Wind	0.2%
<b>Fixed Income</b>	<b>60.5%</b>
US Treasury Bonds	14.3%
Direct Investment Grade Credit <sup>A</sup>	10.0%
iShares Global Corporate Bond	8.1%
HSBC Global Emerging Market Government Bond Index	6.0%
iShares EUR Govt Bond Climate	5.8%
US TIPS	4.6%
UK Gilts	4.0%
TwentyFour Income	3.0%
Jupiter Financials Contingent Capital	1.7%
Candriam Global High Yield	1.5%
Sequoia Economic Infrastructure Income	1.5%
<b>Commodities</b>	<b>3.0%</b>
WisdomTree Core Physical Gold ETC	3.0%
<b>Alternatives</b>	<b>2.1%</b>
Neuberger Berman Uncorrelated Strategies	2.1%
<b>Cash &amp; equivalents</b>	<b>7.2%</b>
Cash	7.2%

## Geographic allocation



## Currency allocation



## Key information

Investment manager	Momentum Global Investment Management
Currency	USD
Inception date	17 January 2019
Minimum investment	USD 250,000
Investment horizon	4 years +
Subscriptions/redemptions	Daily
ISIN	LU1922158974
Peer group	Morningstar USD Moderate Allocation
Price per share (NAV)	USD 1.1252

**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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