

# Harmony Sterling Balanced Fund (Class J)

31 December 2024

This is a marketing communication for professional advisors only

## Investment objective\*

The portfolio will be biased to investments in the United Kingdom, but could also hold investments outside this country.

The portfolio aims to provide a balance between capital preservation and capital growth in sterling with a reduced level of volatility, via strategic exposures to a wide range of asset classes.

## Lead portfolio managers



Andrew Hardy  
Director of Investment  
Management

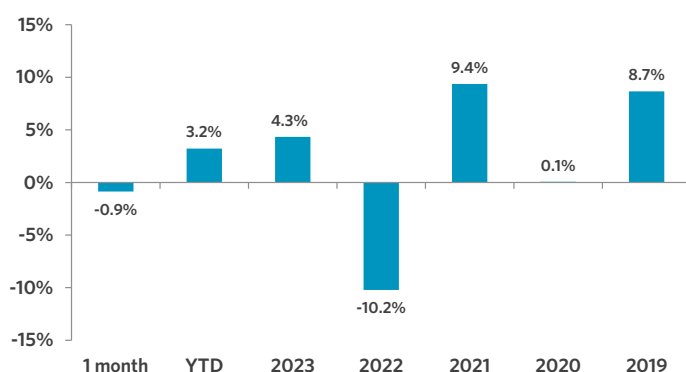


Alex Harvey  
Senior Portfolio Manager  
& Investment Strategist



Lorenzo La Posta  
Portfolio Manager

## Fund performance\*\*



## Cumulative performance (%)\*\*

Performance	Mtd	Ytd	1 yr	3 yrs	5 yrs	Since inception
Cumulative	(0.9)	3.2	3.2	(3.3)	5.8	68.5
Annualised volatility						7.5

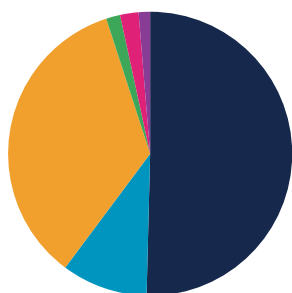
## Cumulative returns (since Fund inception, 12.08.2011) \*\*



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

Dec 23 - 24	Dec 22 - 23	Dec 21 - 22	Dec 20 - 21	Dec 19 - 20
3.2	4.3	(10.2)	9.4	0.1

## Strategy allocation



Equities	50.4%	Fixed income	34.8%
United Kingdom equity	40.8%	Government bonds	13.3%
Asia ex-Japan equity	4.3%	Investment grade credit	6.9%
Europe ex-UK equity	1.6%	Emerging market debt	3.9%
North America equity	1.3%	Inflation-linked bonds	3.6%
Japan equity	1.0%	High yield credit	2.2%
Other equity	0.8%	Convertible bonds	2.0%
Australasia equity	0.6%	Asset backed securities	1.9%
Specialist assets	9.8%	Loans	1.0%
Private equity	3.8%	Commodities	1.6%
Infrastructure	3.8%	Alternatives	2.1%
Property	2.0%	Cash & equivalents	1.3%
Specialist financials	0.3%		

## Manager commentary

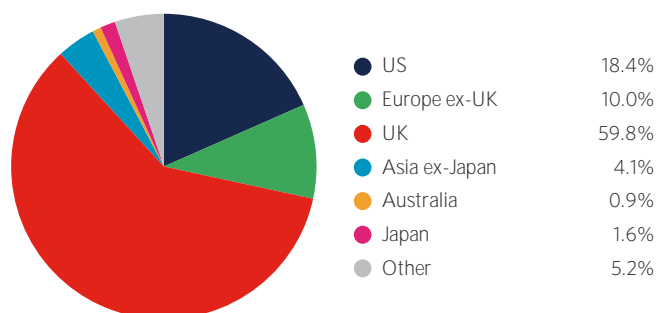
- » In December, portfolio activity was elevated as interesting opportunities as well as new risks presented themselves.
- » Firstly, we were of the view that markets were underestimating the stickiness of inflation and both inflation expectations and bond yields were going to move higher in the coming 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.
- » Still within fixed income, we took from investment grade bonds and reallocated to convertible bonds, a view that both us and our AI-driven allocation tool agreed on. Convertibles are an asset class we have been tactical about for a few years (last held during and after the COVID pandemic), and now they offer good diversification benefits thanks to their convexity (downside protection of a corporate bonds, upside potential of a stock), which comes useful in periods of volatile markets like today.
- » Within equities, we added a new manager, the Schroder Emerging Markets Value fund. Run by an experienced, focused and diverse duo of managers, this strategy aims to outperform markets by selecting stocks that trade at discount to intrinsic value and that can withstand period of volatility through decent cash generation. This new investment was financed by reducing existing managers, to form what we now think being a much better and stable blend of active strategies.
- » 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.

**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 figures, prior to the Inception date of the Class J share and where the Class J share is not active, have been simulated to reflect its lower fees by adjusting the Harmony Sterling Balanced Fund Class A share's past performance. The simulated performance is based on the performance of the longest track record share class since the fund launch. Past performance is not a guide to future performance.

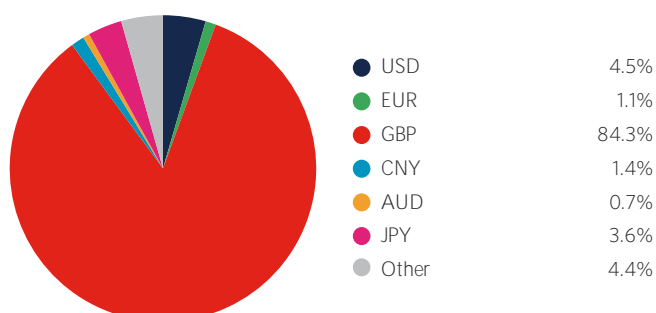
## Portfolio holdings - top 20

Holding	
IFSL Evenlode Income	13.4%
UK Direct Equities <sup>A</sup>	9.4%
TM Redwheel UK Equity Income	7.4%
iShares FTSE 100	7.4%
iShares Global Corp Bond	6.9%
UK Gilts	5.9%
US Treasury Bonds	4.7%
HSBC Global Emerging Market Government Bond Index	3.9%
US TIPS	3.6%
Robeco QI Emerging Markets Enhanced Index Equities	3.1%
iShares EUR Govt Bond Climate	2.7%
Neuberger Berman Uncorrelated Strategies	2.1%
Redwheel Global Convertibles	2.0%
TwentyFour Income	1.9%
Jennison Global Equity Opportunities	1.9%
iShares Core MSCI Europe GBP ETF	1.7%
Hereford Bin Yuan Greater China	1.6%
WisdomTree Core Physical Gold ETC	1.6%
Cash	1.3%
Candriam Global High Yield	1.1%

## Geographic allocation



## Currency allocation



## Key information

Investment manager	Momentum Global Investment Management
Currency	GBP
Inception date (Fund)	12 August 2011
Inception date (Class J)	10 January 2020
Structure	Part I Luxembourg 2010 Law (UCITS)

Minimum investment	USD 7,500 (GBP equivalent)
Investment horizon	5 years +
Subscriptions/redemptions	Daily
ISIN	LU2062918425
Price per share (NAV)	GBP 0.9601

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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.