

# Harmony Sterling Balanced Fund (Class H)

31 January 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

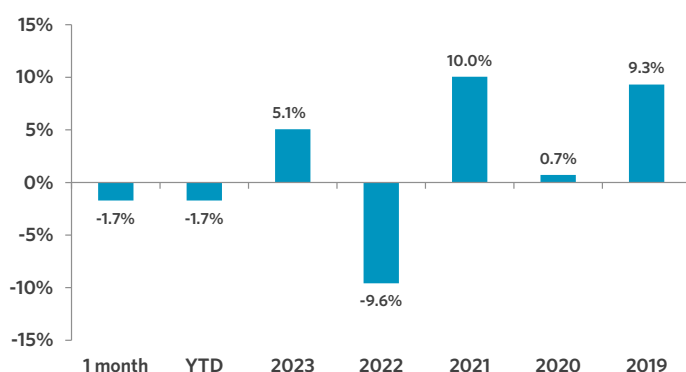


Alex Harvey  
Senior Portfolio Manager  
& Investment Strategist



Lorenzo La Posta  
Portfolio Manager

## Fund performance\*\*



## Cumulative performance (%)\*\*

Performance	Mtd	Ytd	1 yr	3 yrs	5 yrs	Since inception
Cumulative	(1.7)	(1.7)	(0.2)	3.1	10.5	74.1
Annualised volatility						7.7

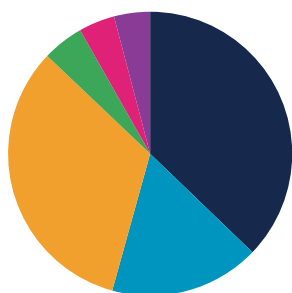
## Cumulative returns (since Fund inception, 12.08.2011) \*\*



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

Jan 23 - 24	Jan 22 - 23	Jan 21 - 22	Jan 20 - 21	Jan 19 - 20
(0.2)	(3.8)	7.4	0.8	6.4

## Strategy allocation



Equities	37.2%	Fixed income	32.8%
United Kingdom equity	25.1%	Government bonds	13.6%
Japan equity	4.5%	Emerging market debt	9.0%
Asia ex-Japan equity	3.3%	High yield credit	3.5%
North America equity	3.1%	Loans	2.7%
Europe ex-UK equity	0.6%	Asset backed securities	2.3%
Other equity	0.5%	Convertible bonds	1.7%
Australasia equity	0.1%	Commodities	4.7%
Specialist assets	17.1%	Alternatives	4.1%
Infrastructure	6.8%	Cash & equivalents	4.1%
Property	6.6%		
Private equity	2.6%		
Specialist financials	1.1%		

## Manager commentary

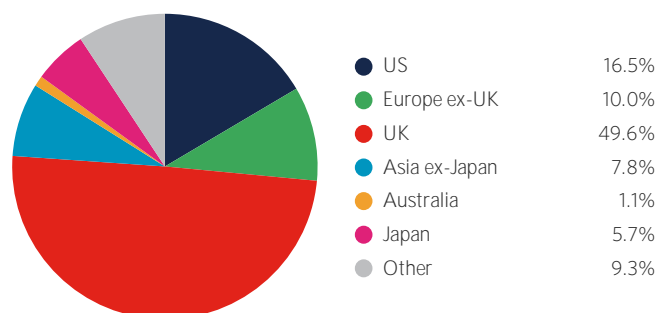
- » Markets began to consolidate in January and returns ended the month in a more mixed fashion, compared to the ' (almost) everything rally' seen in Q4 2023. Global developed and US equities both continued their momentum to reach all-time highs, returning 1.2% and 1.7% respectively. Equity markets in Asia continued to show limited signs of agreement, with Japan posting a 7.8% return, while further challenges in China impacted Emerging Asia, falling 5.2%. UK equities ended the month down 1% after some varied data prints, while European equities outperformed, returning 1.9%. After the bond market rally in December, markets took a step back with global bonds declining 1.3%, following a re-assessment of 2024 interest rate projections. Despite a shaky start, credit markets ended the month undisturbed with a slight 0.2% decline in investment grade. In commodities, a tumultuous month geopolitically, led to a 6.1% rise in oil.
- » Against this backdrop, we left asset allocation unchanged in the portfolio, after a very active last month of the year. On the manager selection front, we exited investments in two UK-focused real estate investment trusts (REITs), namely Ediston Property and LXI. Both had a strong rally since their lows around summer last year, rising by about 20% and 25% respectively, and Ediston announced the disposal of the property portfolio and the voluntary liquidation of the company. We reinvested the proceeds in the iShares Global Real Estate fund, to stay within the asset class but move from a UK to a global exposure.

**Important Information** - All data sourced from Momentum Global Investment Management, JP Morgan Bank (Luxembourg) S.A., 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 H share 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.

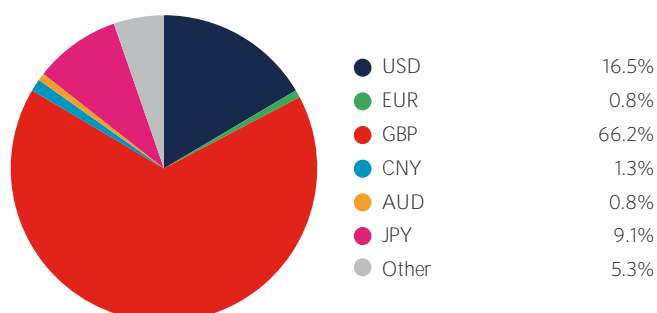
## Portfolio holdings - top 20

Holding	
WS Evenlode Income	9.0%
US Treasury Bonds	6.2%
UK Direct Equities <sup>A</sup>	6.1%
TM Redwheel UK Equity Income	5.5%
iShares Developed Real Estate Index	4.9%
iShares EUR Govt Bond Climate	4.6%
iShares Emerging Markets Government Bond Index	4.3%
Cash	4.1%
Neuberger Berman Uncorrelated Strategies	4.1%
Jupiter Global Emerging Markets Short Duration Bond	4.1%
iShares Physical Gold ETC	3.7%
Schroder UK Recovery	3.6%
Maple-Brown Abbott Global Infrastructure	3.0%
Morant Wright Fuji Yield	2.8%
UK Gilts	2.8%
Sequoia Economic Infrastructure Income	2.7%
TwentyFour Income	2.3%
Chrysalis Investments	2.0%
Artemis Short-Dated Global High Yield Bond (GBP hedged)	2.0%
FSSA Japan Focus	1.8%

## Geographic allocation



## Currency allocation



## Key information

Investment manager	Momentum Global Investment Management
Currency	GBP
Inception date (Fund)	12 August 2011
Inception date (Class H)	15 May 2020
Structure	Part I Luxembourg 2010 Law (UCITS)

Minimum investment	USD 1,500,000 (GBP equivalent)
Investment horizon	5 years +
Subscriptions/redemptions	Daily
ISIN	LU1700369991
Price per share (NAV)	GBP 1.1996

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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).

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