Harmony US Dollar Balanced Fund (Class E)

month ended 30 December 2022

momentum harmony portfolios

Fund details

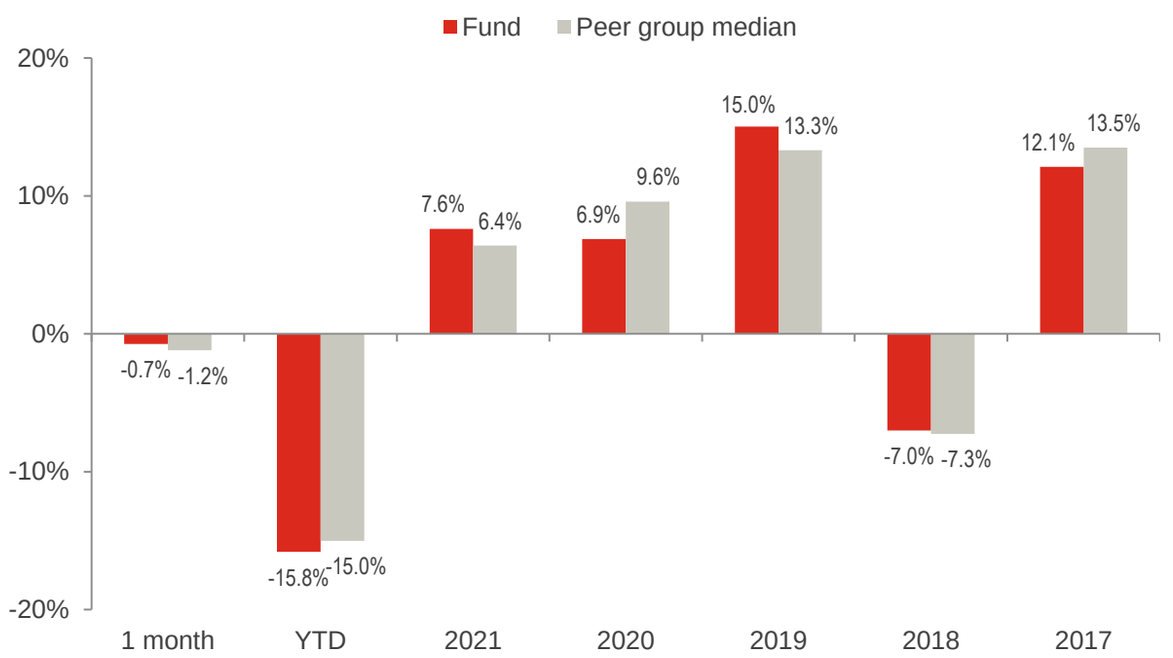
Investment manager: **Momentum Global Investment Management**	ISIN: **LU0795381242**	Price per share: **USD 1.3665**
Inception date (class E): **08 August 2012**	Investment timeframe: **5 years +**	Currency: **USD**
Structure: **SICAV - Part I Luxembourg 2010 Law (UCITS)**	Subscriptions / redemptions: **daily**	Minimum investment: **USD 250,000**
Peer group source: **Bloomberg Finance LP**[1]	Website: **harmonyportfolios.com**	

Investment objective

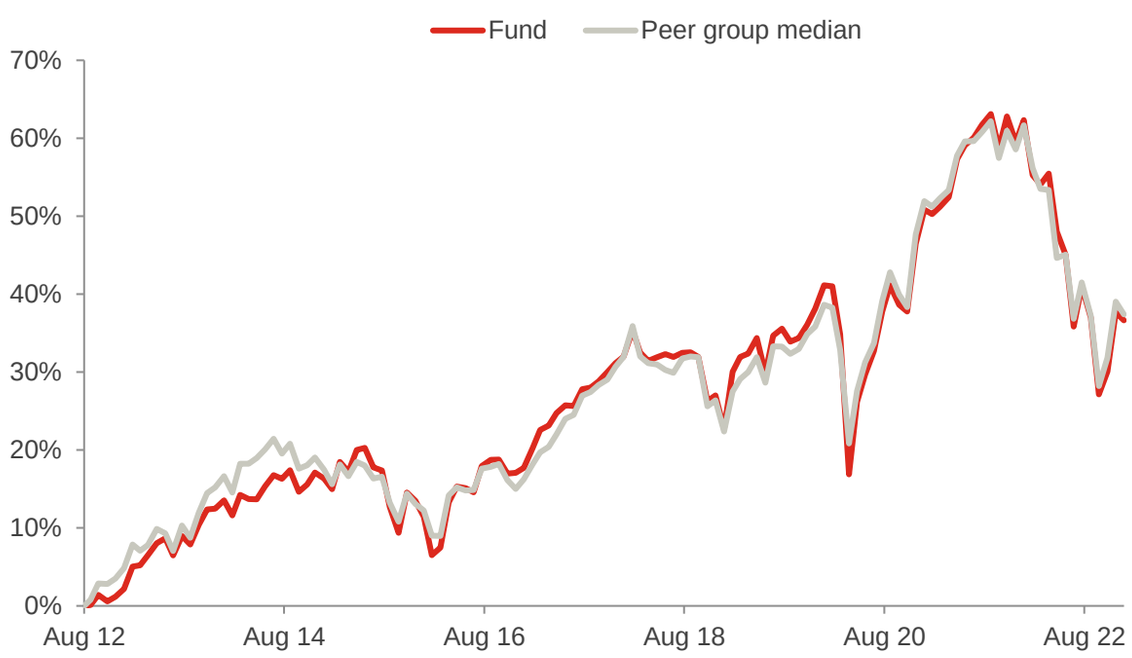
The portfolio will be biased to investments in the United States, but could also hold investments outside this country. The portfolio aims to provide a balance between capital preservation and capital growth in US dollars with a reduced level of volatility, via strategic exposures to a wide range of asset classes. 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.

Fund performance



Cumulative returns (since inception, 08 August 2012)

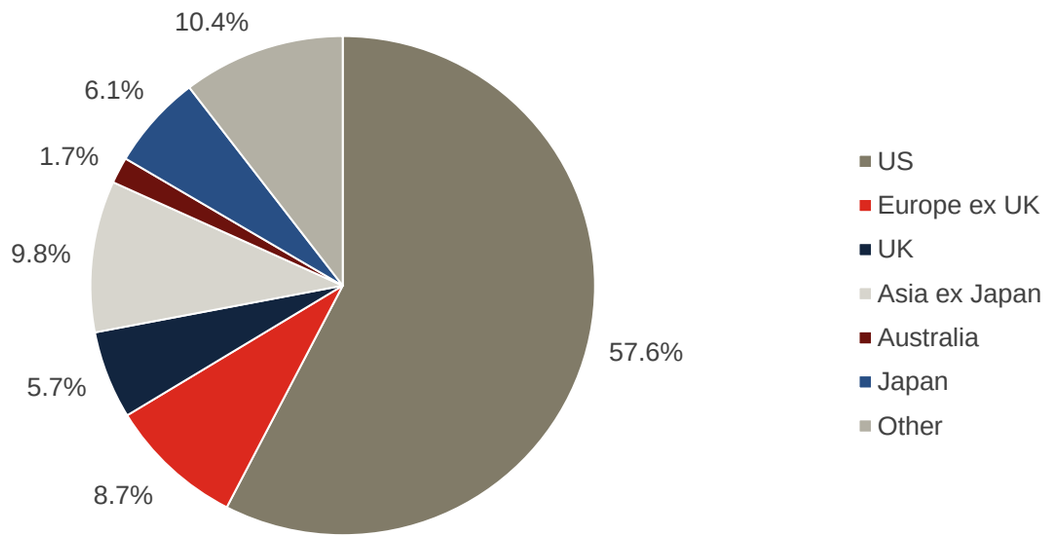


Investment statistics (since inception, 08 August 2012)

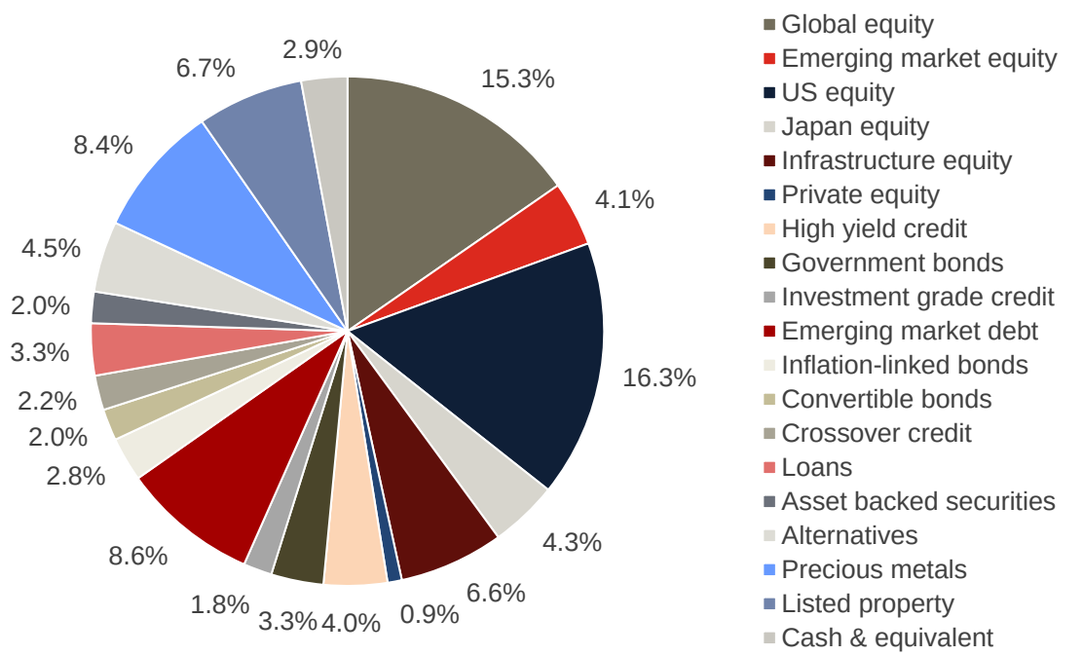
	Cumulative	Annualised
Current month return	-0.7%	-
Year-to-date return	-15.8%	-
1 year return	-15.8%	-
3 year return	-3.2%	-1.1%
5 year return	3.6%	0.7%
Since inception return	36.6%	3.0%
Annualised volatility:	9.3%	

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.

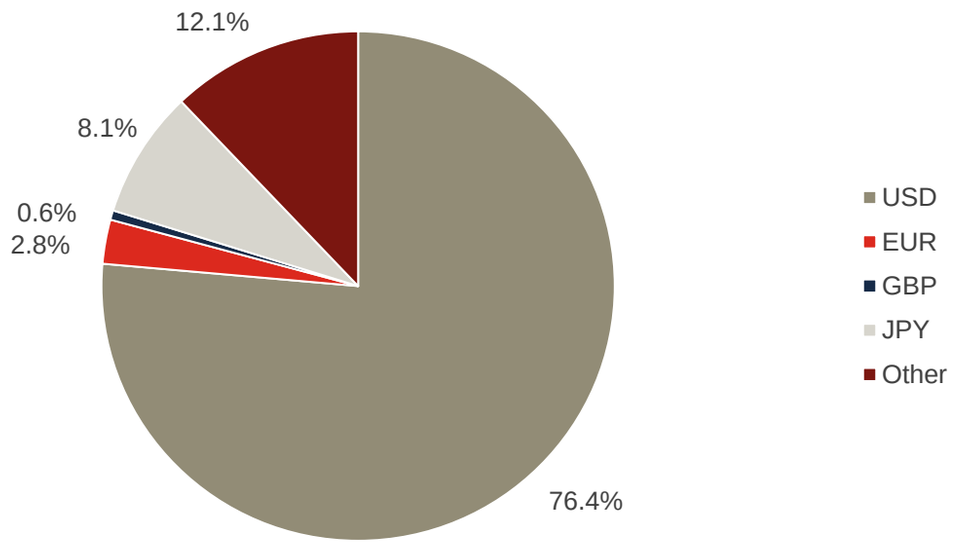
Regional allocation



Strategy allocation



Currency allocation



All data sourced from Momentum Global Investment Management, JP Morgan Bank (Luxembourg) S.A., Bloomberg Finance LP. Allocations subject to change.

[1] **The peer group median return is a composite of (i) global peers and (ii) local peers, in the ratio 1:2. This weighting methodology is consistent with the "normal" asset allocation of the Fund, with a two-thirds bias towards "home" country assets and currencies.**

Holdings

Holdings	Asset type	Weight
iShares Developed Real Estate Index	Property	6.7%
iShares Emerging Markets Government Bond Index	Fixed Income	5.6%
Morgan Stanley Global Brands	Equity	5.3%
Robeco Multi-Factor Global Equity	Equity	5.2%
Maple-Brown Abbott Global Infrastructure	Infrastructure	4.8%
Neuberger Berman Uncorrelated Strategies	Alternatives	4.5%
Vulcan Value Equity	Equity	4.5%
iShares Physical Gold ETC	Commodities	4.1%
Artemis Short-Dated Global High Yield Bond	Fixed Income	4.0%
Robeco QI US Conservative Equities	Equity	3.8%
Sequoia Economic Infrastructure Income	Fixed Income	3.3%
Lyrical US Value Equity	Equity	3.2%
Jupiter Global Emerging Markets Short Duration Bond	Fixed Income	3.0%
US TIPS	Fixed Income	2.8%
Allspring US All Cap Growth	Equity	2.6%
Morant Wright Fuji Yield	Equity	2.6%
BlackRock US Dollar Ultra Short Bond	Money Market	2.3%
iShares Physical Silver ETC	Commodities	2.2%
Muzinich EnhancedYield Short-Term (USD hedged)	Fixed Income	2.2%
iShares Gold Producers ETF	Equity	2.1%
Redwheel Asia Convertibles (USD hedged)	Fixed Income	2.0%
TwentyFour Income	Fixed Income	2.0%
iShares Core GBP Corporate Bond ETF	Fixed Income	1.8%
GSAM Access China Government Bond	Fixed Income	1.7%
FSSA Japan Focus	Equity	1.7%
Hereford Bin Yuan Greater China	Equity	1.6%
US Treasury Bonds	Fixed Income	1.6%
Dimensional Emerging Markets Value	Equity	1.6%
Morgan Stanley Global Sustain	Equity	1.6%
Granahan US Focused Growth	Equity	1.5%
Jennison Global Equity Opportunities	Equity	1.0%
International Public Partnerships	Infrastructure	1.0%
Chrysalis Investments	Equity	0.9%
Sands Capital Emerging Markets Growth	Equity	0.9%
Robeco QI US Enhanced Index Equities	Equity	0.7%
Cash	Cash	0.6%
Hotchkis & Wiley Global Value	Equity	0.5%
Artisan Global Value	Equity	0.5%
Cordiant Digital Infrastructure	Infrastructure	0.4%
Paradice Global SMID Cap	Equity	0.4%
Contrarius Global Equity	Equity	0.4%
Digital 9 Infrastructure	Infrastructure	0.4%
Rainier International SMID Cap Growth	Equity	0.3%
Sands Capital Global Leaders	Equity	0.1%

Includes indirect holdings in Momentum GF Global Equity Fund.

Source: Momentum Global Investment Management.

Manager commentary

In December, the “relief rally” that started in October paused, with markets reassessing the status of the economy and central bankers using words of caution. Despite many inflation metrics undershooting expectations and lower pressure on central banks to hike interest rates, investors are now worried about the real consequences of the escalating cost of living and slowing economic activity. Against this backdrop, global bonds ended the month flat whilst equities retraced around 5% in USD terms, with the UK a notable outperformer in the developed world. Emerging markets outperformed, benefitting from a continued depreciation of the US Dollar, now about 10% below its peak in September, and from the significant easing of covid restrictions in China.

Against this backdrop, we added a new investment to the portfolio, the Ashmore Asia High Yield fund. Managed by a team with strong experience in emerging market debt investments, the strategy gives exposure to the more undervalued and higher yielding parts of the Asian corporate bond universe. Under enormous pressure over the past 18 months, these assets are now recovering on the back of lower-than-expected defaults and boosted by the reopening of the Chinese economy. This investment, initiated in December but completed by the first week of January, was financed by reducing exposure to the iShares Developed Real Estate Index fund, as we turned less positive to the real estate sector. This change is marginally risk additive, with meaningfully higher upside potential should the recovery in risk assets generally, and Asian credit in particular, continue in the new year.

Source: Momentum Global Investment Management.

Important Information

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. 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.

This document does not provide all the facts needed to make an informed investment decision. Prior to investing, investors should read the Key Investor Information Document (KIID) and seek professional investment advice where appropriate. KIIDs and the Prospectus are available in English at momentum.co.uk.

Harmony Portfolios are sub-funds of the Momentum Global Funds 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.

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