

Harmony Sterling Balanced Fund

month ended 31 December 2018

Fund details

Investment manager: Momentum Global Investment Management	ISIN A Class: LU0651985250	Price per share A Class: GBP 1.4537
Currency: GBP	ISIN B Class*: LU0651985334	Price per share B Class*: GBP 1.3753
Inception date (fund): 12 August 2011	ISIN C Class*: LU0651985417	Price per share C Class*: GBP 1.4129
Structure: SICAV - Part 1 Luxembourg 2002 Law (UCITS)	ISIN D Class*: LU0651985508	Price per share D Class*: GBP 1.3292
Minimum investment: Share classes A, B, C & D: USD 7,500 (GBP equivalent)	Subscriptions / redemptions: daily	Momentum Global Funds AUM: GBP 490.8 million
Investment timeframe: 3 years +	Website: harmonyportfolios.com	Sterling Balanced Fund AUM: GBP 99.4 million

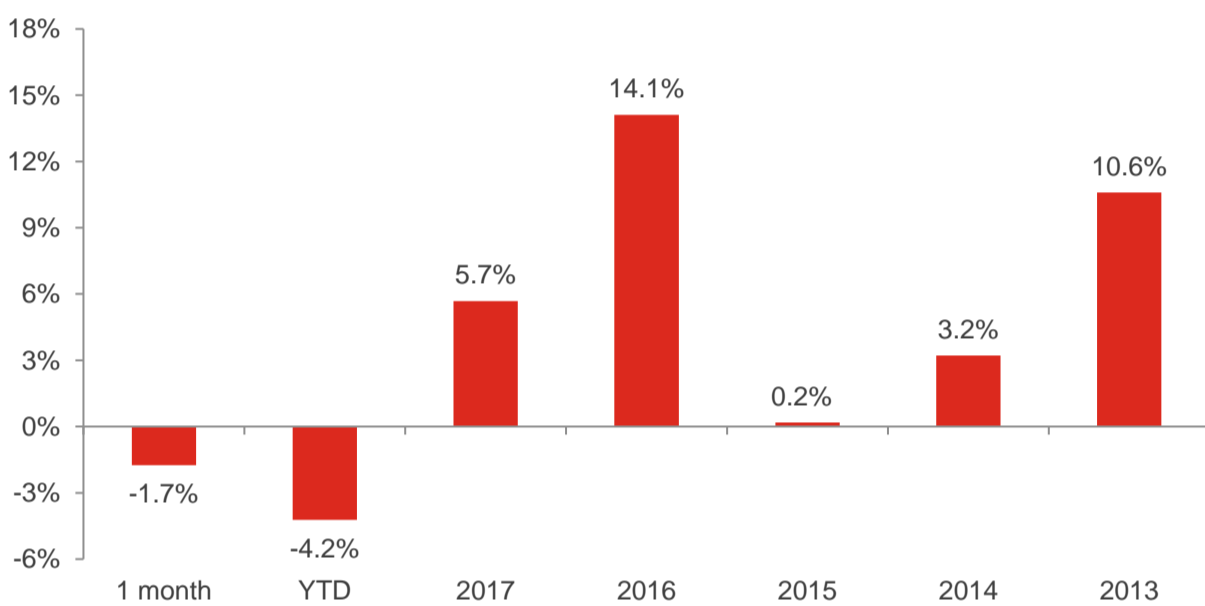
* share class not available for sale in Hong Kong

Investment objective

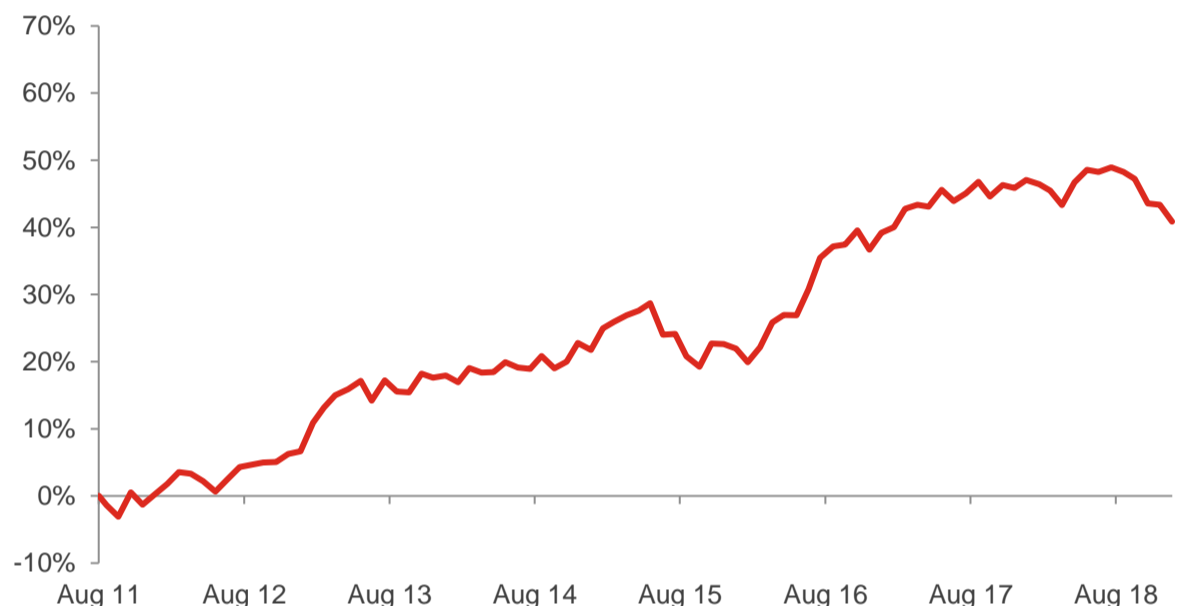
The portfolio will be biased to investments in the United Kingdom, but could also hold investments outside this country. The portfolio aims to provide a balance between capital preservation and capital growth in sterling with a reduced level of volatility, via strategic exposures to a wide range of asset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

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, 12 August 2011)



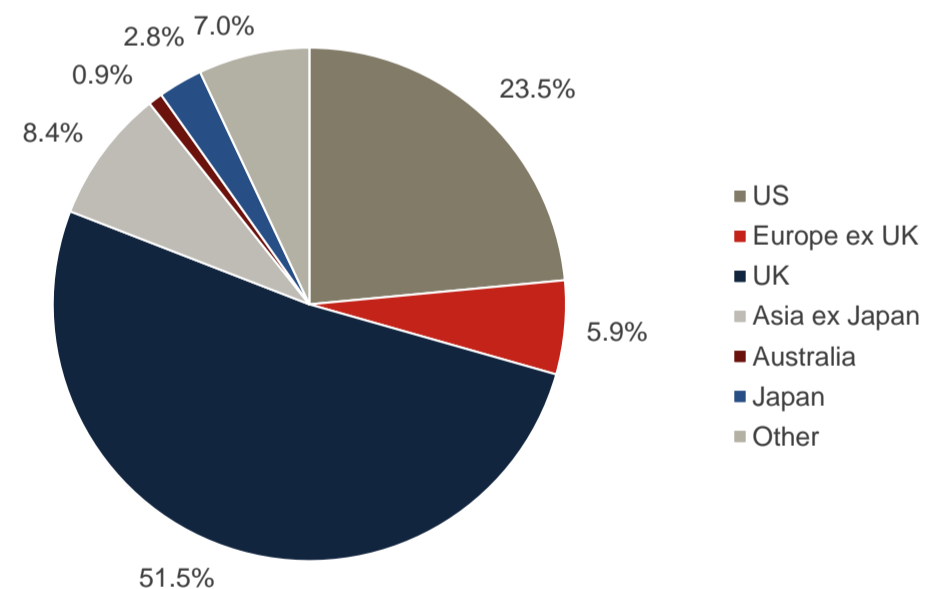
Investment statistics (since inception, 12 August 2011)

	Cumulative	Annualised
Current month return	-1.7%	-
Year-to-date return	-4.2%	-
1 year return	-4.2%	-
3 year return	15.5%	4.9%
5 year return	19.4%	3.6%
Since inception return	40.8%	4.7%

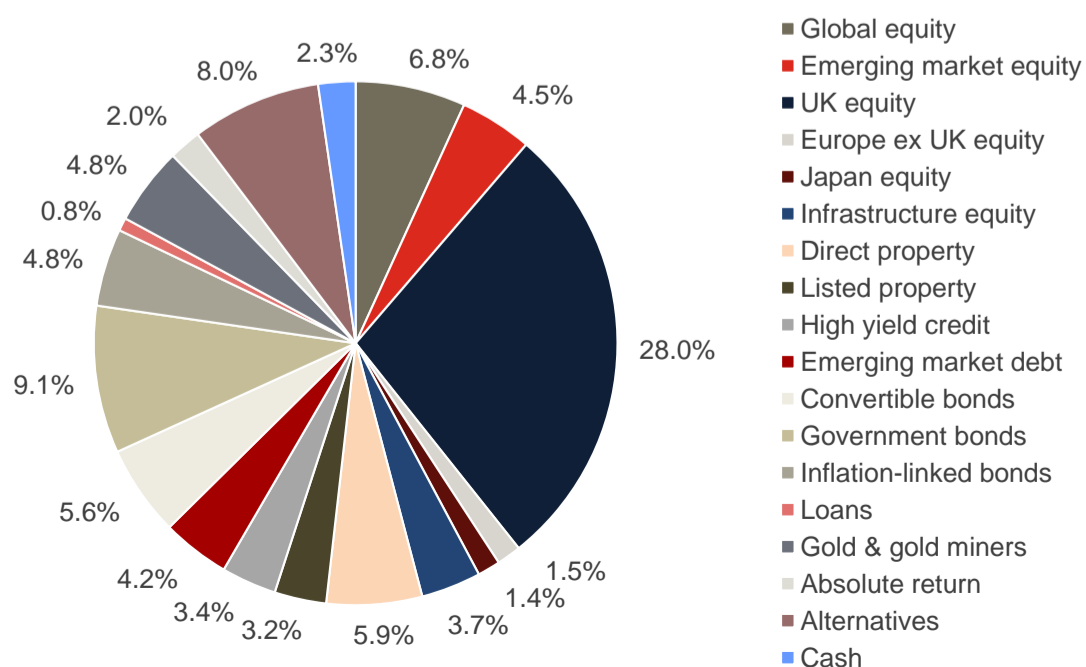
Annualised volatility: 5.4%

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.

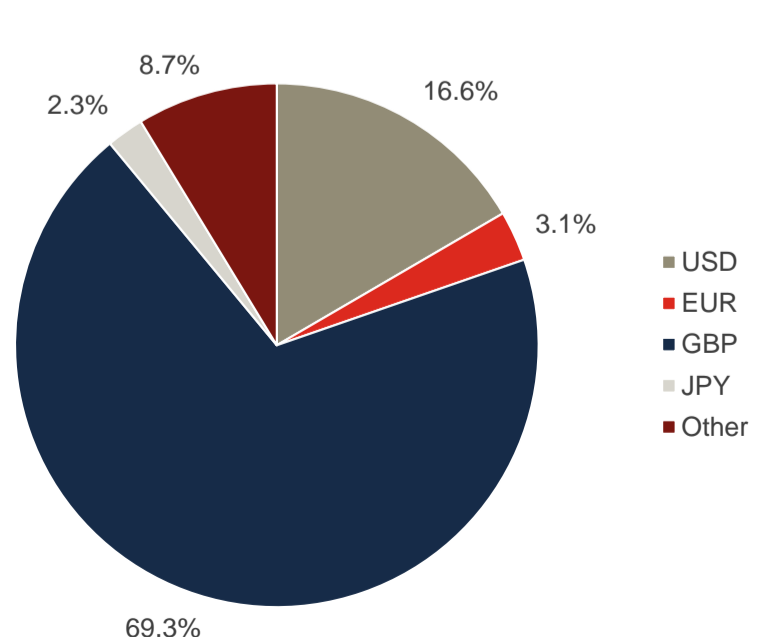
Regional allocation



Strategy allocation



Currency allocation



■ Holdings

Holdings	Asset type	Weight
Schroder UK Recovery	Equity	9.8%
US Treasury Bond	Fixed Income	9.1%
Evenlode Income	Equity	7.4%
iShares FTSE 100	Equity	5.8%
RWC Income Opportunities (GBP hedged)	Equity	5.0%
US TIPS	Fixed Income	4.8%
Ediston Property Investment Company	Property	4.8%
iShares Physical Gold ETC	Commodities	4.3%
Maple-Brown Abbott Global Infrastructure	Infrastructure	3.7%
Third Avenue Real Estate Value	Property	3.2%
Chinook Global Convertible Bond (GBP hedged)	Fixed Income	3.1%
Jupiter Global Emerging Markets Short Duration Bond	Fixed Income	2.7%
Dimensional Emerging Markets Value	Equity	2.5%
Cash	Cash	2.3%
F&C Global Equity Market Neutral	Alternatives	2.2%
Muzinich EM Short Duration (GBP hedged)	Fixed Income	2.2%
Allianz Structured Return	Alternatives	2.1%
Neuberger Berman Uncorrelated Strategies	Alternatives	2.1%
Sands Capital Emerging Markets Growth	Equity	2.0%
Wells Fargo Global Equity Absolute Return	Alternatives	2.0%
RWC Asia Convertibles (GBP hedged)	Fixed Income	2.0%
Artisan Global Value	Equity	1.9%
Jennison Global Equity Opportunities	Equity	1.7%
Aberdeen Alternative Risk Premia Enhanced	Alternatives	1.6%
iShares JPMorgan \$ Emerging Markets Bond ETF	Fixed Income	1.5%
FP Crux European Special Situations	Equity	1.5%
Amundi ETF JPX-Nikkei 400	Equity	1.4%
Contrarius Global Equity	Equity	1.4%
AXA US Short Duration High Yield	Fixed Income	1.2%
Schroder Real Estate Investment Trust	Property	1.1%
Heptagon Kopernik Global All-Cap Equity	Equity	1.0%
Morgan Stanley Global Brands	Equity	0.8%
Sequoia Economic Infrastructure Income	Fixed Income	0.8%
iShares Gold Producers ETF	Equity	0.5%
Aviva Global Convertibles	Fixed Income	0.5%

Source: Bloomberg, Momentum Global Investment Management.

■ Manager commentary

Volatility remained elevated in December as equity markets continued to fall sharply. We used this as an opportunity to increase equity holdings in the Portfolio towards the end of the month, as we had also done in early November. Valuations have improved materially in the past year, given prices have fallen while corporate earnings have generally increased, particularly in the US. We recognise the many risks in markets but believe that current valuations heavily discount many of these already and that increasing exposure to risk assets should enhance returns over time. The 1.5% increase in equity allocations was directed towards UK orientated strategies and was funded by reducing holdings in US high yield bonds.

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.

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.

Prior to the fund's inception as a sub fund of the Momentum Global Funds SICAV on 12 August 2011, the fund was managed as the Harmony Sterling Balanced Incorporated Cell (IC) within the Momentum Mutual Fund.

This financial promotion is issued by Momentum Global Investment Management Limited (MGIM). MGIM is the Investment Manager, Promoter and Distributer for the Momentum Global Funds 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.