

# Harmony Cautious Income Fund GBP

month ended 29 March 2019

## Fund details

Investment manager: <b>Momentum Global Investment Management</b>	Currency: <b>GBP</b>
Investment timeframe: <b>3 years +</b>	ISIN A Class GBP Dist: <b>LU1926194835</b> Price per share A Class GBP Dist: <b>GBP 1.0055</b>
Inception date (Fund): <b>16 January 2019</b>	ISIN D Class GBP Dist: <b>LU1926195485</b> Price per share D Class GBP Dist: <b>GBP 1.0046</b>
Structure: <b>SICAV - Part 1 Luxembourg 2002 Law (UCITS)</b>	Subscriptions / redemptions: <b>daily</b> Momentum Global Funds AUM: <b>GBP 514.8 million</b>
Minimum investment: <b>Share classes A, D: USD 7,500 (GBP equivalent)</b>	Website: <b>harmonyportfolios.com</b> Cautious Income Fund AUM: <b>GBP 5.8 million</b>

## 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.

Please refer to the Prospectus for full details of the fund, its charges, the investment objective and investment policy.

## Share class details

Class and currency	Date of launch	End of month NAV												
		At launch	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19
A GBP (Distributing)	14-Mar-2019	1.0000	-	-	1.0055	-	-	-	-	-	-	-	-	-
D GBP (Distributing)	18-Feb-2019	1.0000	-	0.9979	1.0046	-	-	-	-	-	-	-	-	-

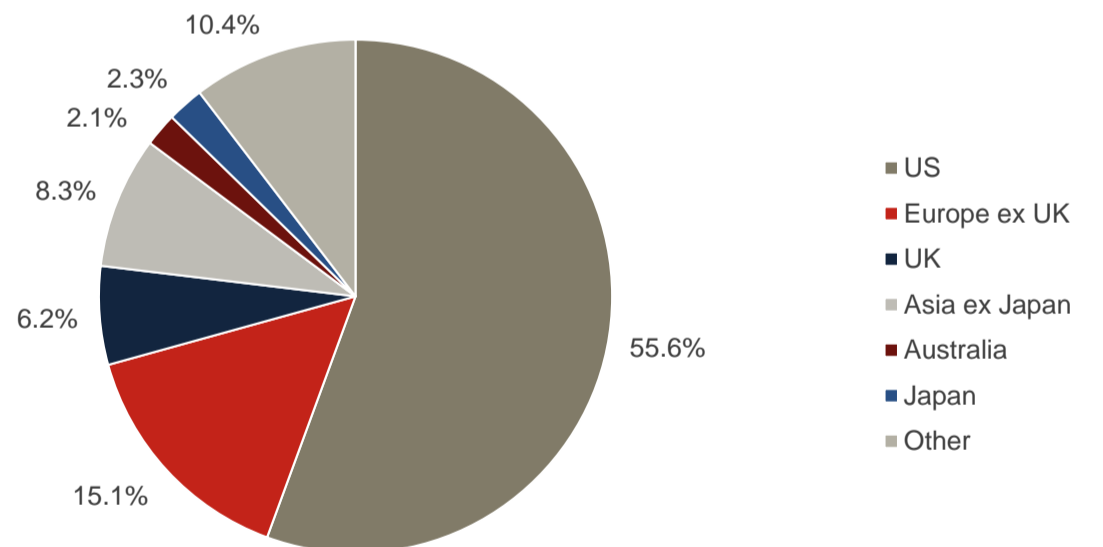
## Investment statistics (since inception)

	Cumulative	Annualised
Current month return		
Year-to-date return		
1 year return		
3 year return		
5 year return		
Since inception return		
Annualised volatility:		

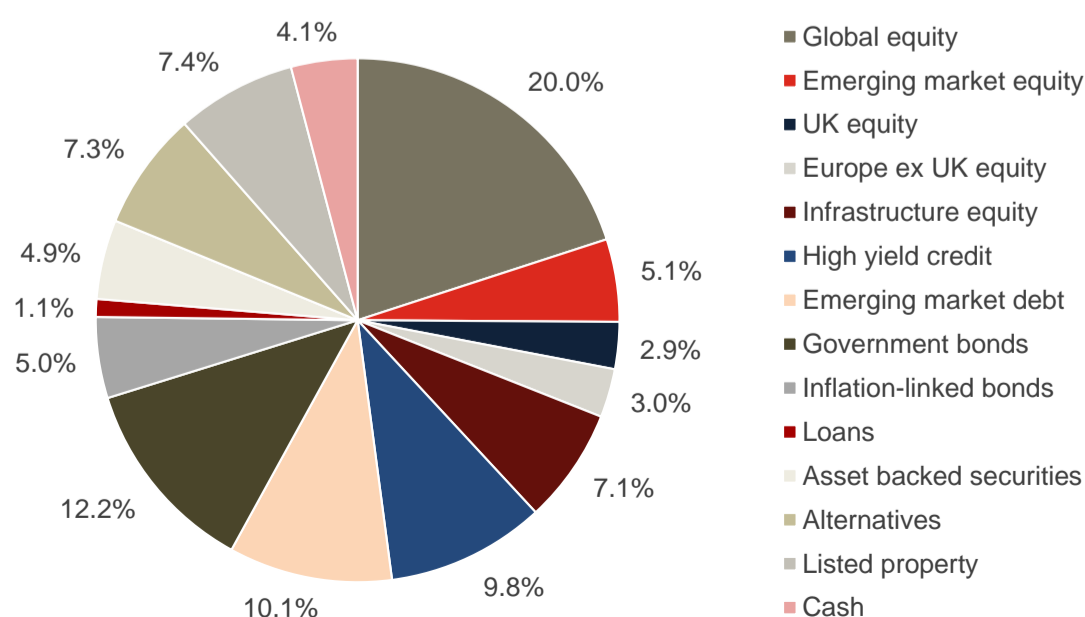
*Return and volatility statistics may only be published 12 months after the inception of the Fund*

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.

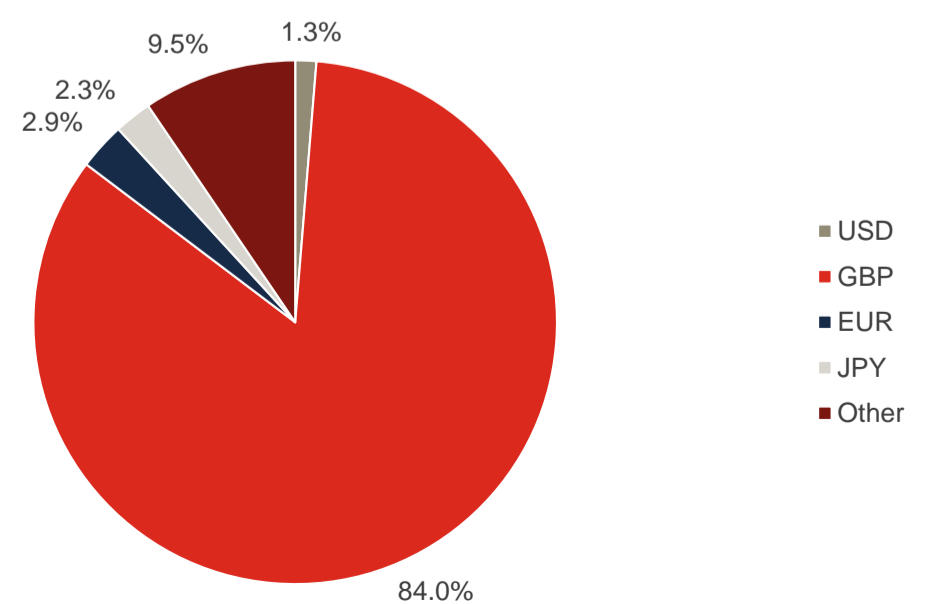
## Regional allocation



## Strategy allocation



## Currency allocation



## ■ Holdings

Holdings	Asset type	Weight
AXA US Short Duration High Yield	Fixed Income	9.8%
US Treasury Bond 12/31/23	Fixed Income	9.3%
Evenlode Global Income	Equity	7.7%
Guinness Global Equity Income	Equity	7.4%
First State Global Listed Infrastructure	Infrastructure	7.1%
iShares JPMorgan \$ Emerging Markets Bond ETF	Fixed Income	5.1%
US TIPS 01/15/25	Fixed Income	5.0%
Jupiter Global Emerging Markets Short Duration Bond	Fixed Income	5.0%
TwentyFour Income	Fixed Income	4.9%
Morgan Stanley Global Brands Equity Income	Equity	4.9%
Cash	Cash	4.1%
Third Avenue Real Estate Value	Property	3.3%
Prusik Asian Equity Income	Equity	3.2%
FP Crux European Special Situations	Equity	3.0%
US Treasury Bond 08/15/20	Fixed Income	2.9%
TM RWC UK Equity Income	Equity	2.9%
Schroder Real Estate Investment Trust	Property	2.4%
JPMorgan Emerging Markets Income	Equity	1.9%
iShares Developed Markets Property Yield	Property	1.7%
Wells Fargo Global Equity Absolute Return	Alternatives	1.6%
F&C Global Equity Market Neutral	Alternatives	1.6%
Aberdeen Alternative Risk Premia Enhanced	Alternatives	1.5%
Neuberger Berman Uncorrelated Strategies	Alternatives	1.5%
Sequoia Economic Infrastructure Income	Fixed Income	1.1%
Allianz Structured Return	Alternatives	1.1%

Source: Bloomberg, Momentum Global Investment Management.

## ■ Manager commentary

We took the decision to adjust asset allocation in the Portfolio during March, taking profits from our equity positions whilst also investing some of the cash balance into a short maturity US Treasury bond. Having benefited from our decision to run a slightly higher equity exposure following the sharp falls in the last quarter of 2018, we felt it appropriate to now reduce those holdings somewhat given stock markets and valuations have recovered materially. Our outlook for equity markets remains constructive but we believe a degree of consolidation is likely, so moderating our exposure now provides room to use any periods of weakness as an opportunity to accumulate risk assets again on lower valuations.

As a reminder, the Cautious Income Fund was launched on 16<sup>th</sup> January 2019 and is the ninth portfolio within the Harmony range. While this addition extends the range of risk profiles offered by the Harmony Portfolios it is also the first in the range to offer regular income distributions. We recently announced the first distributions from those classes for the first quarter based on the current target annual yield of 3.8% (this quarter's distribution was prorated based on the inception date of each share class). Those distributions will be paid out on 10<sup>th</sup> April 2019. The ex-dividend date (beyond which unit holders were not entitled to receive the next distributions) was 29<sup>th</sup> March 2019.

The Harmony Portfolios Cautious Income Fund is available through various share classes, denominated in USD, GBP or EUR with both distributing and accumulating income options. All are majority hedged into the base currency of the share class. Distributing share classes aim to deliver a stable level of income of 3-4% p.a., through quarterly distributions, whilst at least maintaining the capital value. Accumulating share classes will not pay distributions therefore all income received from underlying investments will be retained leading to a higher NAV for those share classes relative to equivalent distributing share classes.

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.

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