

Harmony Euro Balanced Fund - Class E

Fund details

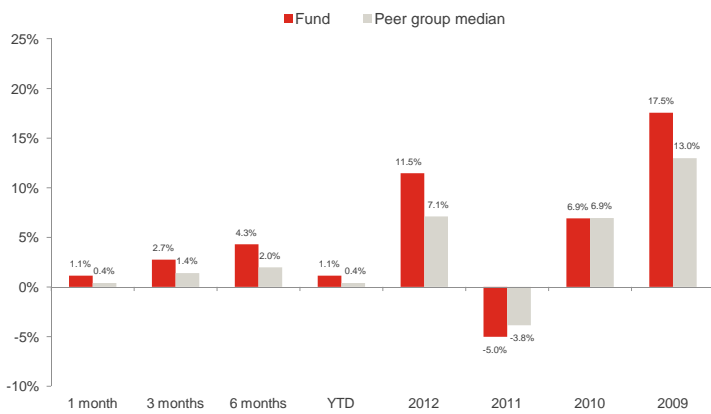
Investment manager: Momentum Global Investment Management Limited	ISIN: LU0795380780
Currency: EUR	Price per share: EUR 1.0448
Inception date (fund): 12 August 2011	Minimum investment: USD 250,000 (EUR equivalent)
Structure: SICAV - Part 1 Luxembourg 2002 Law (UCITS)	Subscriptions / redemptions: daily
Peer group: Bloomberg Active Index for Funds - Global Balanced Offshore Funds (returns in EUR)	Investment timeframe: 3 years +

Investment objective

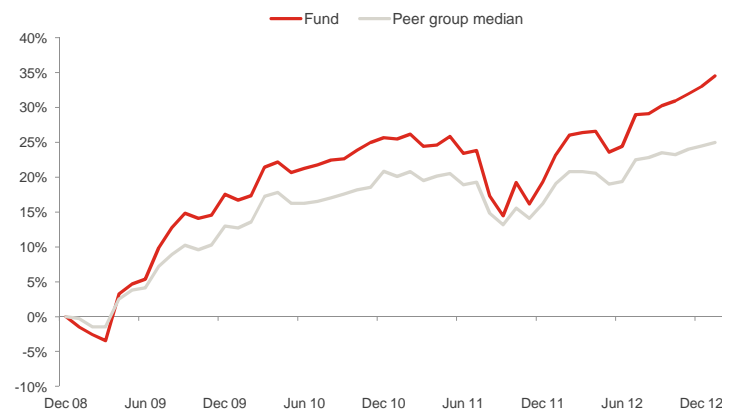
The portfolio will be biased to investments in Europe, but could also hold investments outside this region. The portfolio aims to provide a balance between capital preservation and capital growth in euros with a reduced level of volatility, via strategic exposures to a wide range of asset classes.

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

Fund performance¹



Cumulative returns¹



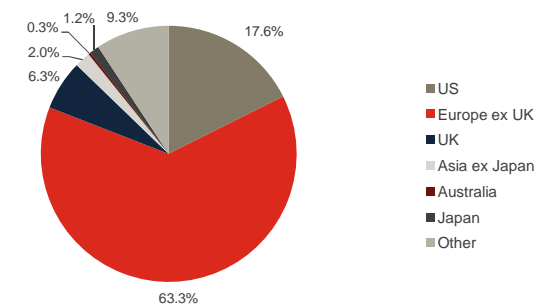
All holdings

Holdings	Asset type	Weight
Jupiter European Special Situations	Equity	16.7%
Henderson European Special Situations	Equity	15.2%
Old Mutual Dublin Global Bond	Fixed Income	10.4%
Cash	Money Market	8.5%
Cohen & Steers Global Real Estate	Property	7.0%
Momentum IF Global Equity	Equity	6.9%
RWC Global Convertibles	Fixed Income	6.3%
BlackRock European Corporate Bond Index	Fixed Income	6.1%
Jupiter Dynamic Bond	Fixed Income	5.1%
Muzinich EnhancedYield Short-Term	Fixed Income	4.6%
Threadneedle European High Yield Bond	Fixed Income	3.9%
First State Global Listed Infrastructure	Equity	2.8%
iShares \$ TIPS	Fixed Income	2.5%
Morgan Stanley Global Brands	Equity	2.1%
Dimensional Emerging Markets Value	Equity	1.3%
iShares MSCI World	Equity	0.6%

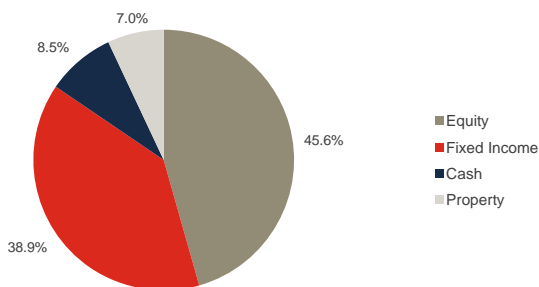
Investment statistics (since 1 January 2009)¹

Current month return:	1.1%
Cumulative return:	34.5%
Annualised return:	7.5%
Annualised volatility:	7.1%

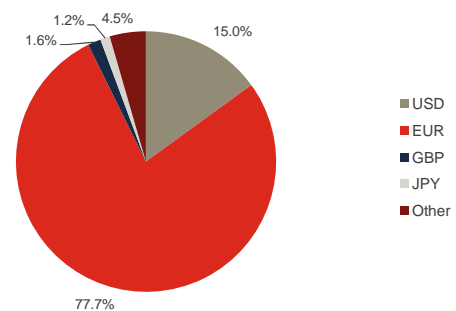
Regional allocation



Asset allocation



Currency allocation



Sources: Momentum Global Investment Management Limited, JP Morgan Bank (Luxembourg) S.A. and Bloomberg.

¹ As a result of its bias to Europe, the fund will tend to perform well versus peers when European securities and currencies outperform. The opposite will also be true when European securities underperform other regions.

■ Manager commentary

Markets picked up where they left off at the end of 2012, with strong returns from assets including equities and high yield credit during January. Global equities added 1.6% last month in euro terms, whilst core government bonds alternatively fell by 4.3%, as investors rotated towards the former. The bond bull market of the past 30 years has seen so-called 'safe haven' government bond yields fall to exceptionally low levels. This raises the risk of capital losses for current bond holders, in the event that interest rates begin to revert back towards their historical norms. Dividend yields in the US have been above long term government bond yields since August 2011, in a sign of the imbalances that exist between asset classes. Following the last minute 'fiscal cliff' deal in the US, the risk of a complete impasse and a fiscal tightening of up to 4% of GDP is now off the table, although negotiations over government spending are set to resume in mid May. This, together with a steady stream of positive numbers from the US economy, helped to lift investor sentiment at the start of the new year. Indeed, the market brushed aside the latest growth figures, which showed the US economy contracting by 0.1% between September and December, marking the first quarter-on-quarter decline in output since 2009. In China, news was also broadly positive last month, after figures showed GDP expanding by 7.9% in 2012, reinforcing the view that Beijing has successfully managed a 'soft landing' for the economy. Japan was once again the best performing region in local currency terms, after the newly elected Liberal Democratic Party moved to fulfil its pre-election commitments to pull the economy out of its deflationary era. The government unveiled a JPY 10 trillion fiscal stimulus programme during January, whilst at the same time the Bank of Japan raised its inflation target to 2% (from 1% previously) and committed to an open-ended asset purchase programme to replace the current programme in January 2014.

January continued to provide strong returns for investors, following a decent second half of the year for global equities in 2012. Over the month the MSCI AC (All Countries) World index returned 1.6% in euro terms, buoyed by progress on the US fiscal cliff and some reasonable macro data releases. Against this backdrop, the Harmony Euro Balanced fund delivered its eighth consecutive positive month. The fund returned 1.1% in euro terms over the period, to bring its 12 month return to 9.1%, net of all fees. From an asset allocation perspective, the fund's underweight to global government bonds and overweight allocation to areas of the credit markets benefited both absolute and relative performance. The fund's holdings in credit securities, as well as the allocation to strategic bond mandates and convertible debt, also provided positive returns. The fund remains underweight to government bonds, as we do not see compelling valuations available in this area of the fixed income markets. Looking ahead in 2013, while a degree of welcome optimism appears to be returning to the markets, it is worth bearing in mind that there are still significant risks for investors to contend with in the medium term. Consequently, while we are cautiously optimistic about the prospects for 2013, investors should look to retain a prudent level of diversification in their portfolios and be careful to avoid complacency.

Source: Lipper Hindsight, Momentum Global Investment Management Limited, January 2013.

■ 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.

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.

Performance figures prior to the inception date of the Class E share have been simulated to show its lower fees by adjusting the Harmony Euro Balanced Fund Class A share's past performance. Prior to the Class A fund's inception as a sub fund of the Momentum Global Funds SICAV on 12 August 2011, the fund was managed as the Harmony Euro Balanced Incorporated Cell (IC) within the Momentum Mutual Fund. The historical performance of the Harmony Euro Balanced IC Class A fund is shown from 1 January 2009 until the inception date of the SICAV. The annualised return figure has been corrected from that shown when this factsheet was first issued.

This financial promotion is issued by Momentum Global Investment Management Limited (MGIM). MGIM is the Investment Manager, Promoter and Distributor for the Momentum Global Funds SICAV. MGIM is registered in England and Wales No. 3733094. Registered Office: 20 Gracechurch Street, London EC3V 0BG. MGIM is authorised and regulated by the Financial Services Authority No. 232357.