

Harmony Euro Balanced Fund (Class E)

Fund details

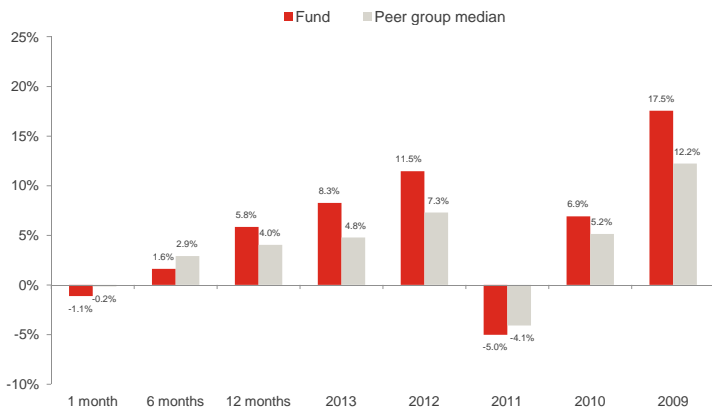
Investment manager: Momentum Global Investment Management	ISIN: LU0795380780
Currency: EUR	Price per share: EUR 1.1059
Inception date (fund): 12 August 2011	Minimum investment: USD 250,000 (EUR equivalent)
Structure: SICAV - Part 1 Luxembourg 2002 Law (UCITS)	Subscriptions / redemptions: daily
Peer group source: Bloomberg¹	Investment timeframe: 3 years +

Investment objective

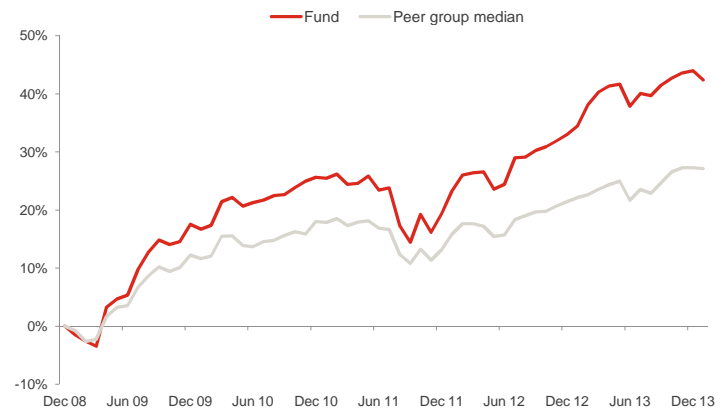
The portfolio will be biased to investments in Europe, but could also hold investments outside this region. The portfolio aims to provide a balance between capital preservation and capital growth in euros with a reduced level of volatility, via strategic exposures to a wide range of asset classes.

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

Fund performance



Cumulative returns



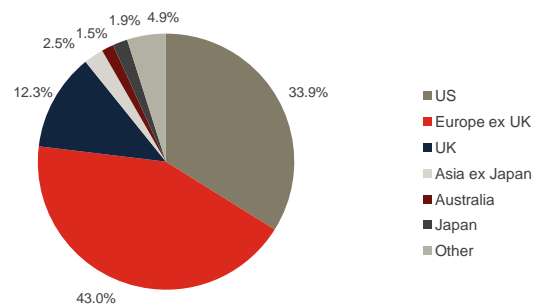
Holdings

Holdings	Asset type	Weight
Cash	Cash	22.1%
Jupiter European Special Situations	Equity	14.6%
Henderson European Special Situations	Equity	13.3%
Old Mutual Dublin Global Bond	Fixed Income	9.5%
Cohen & Steers Global Real Estate	Property	6.7%
RWC Global Convertibles	Fixed Income	5.8%
Jupiter Dynamic Bond	Fixed Income	4.8%
BlackRock European Corporate Bond Index	Fixed Income	3.2%
Muzinich EnhancedYield Short-Term	Fixed Income	3.2%
iShares JP Morgan Emerging Markets Bond	Fixed Income	3.1%
Artisan Global Value	Equity	3.0%
First State Global Listed Infrastructure	Equity	2.8%
iShares MSCI World	Equity	2.5%
Dimensional Emerging Markets Value	Equity	2.2%
Morgan Stanley Global Brands	Equity	2.0%
iShares Gold Producers	Commodities	0.9%
American Century Global Growth	Equity	0.3%

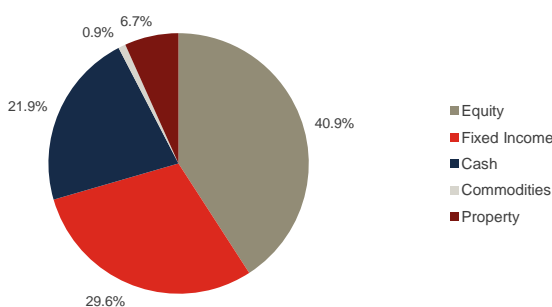
Investment statistics (since 1 January 2009)

Current month return:	-1.1%
Cumulative return:	42.4%
Annualised return:	7.2%
Annualised volatility:	6.7%

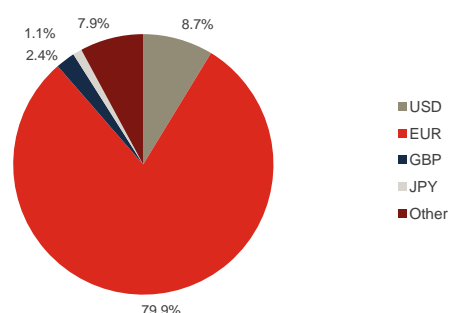
Regional allocation



Asset allocation



Currency allocation



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

¹ The peer group median is a composite of (i) global peers and (ii) local peers, in the ratio 1:2. The return of the global peer group each month receives a weight of one-third, and this is added to the return of the local peer group which receives a weight of two-thirds; together these two numbers produce a single composite peer group return. This weighting methodology is consistent with the "normal" asset allocation of the Fund, with a two-thirds bias towards "home" country assets and currencies.

■ Manager commentary

The first month of 2014 was a more turbulent period compared to the majority of 2013. While developed market equities and fixed income moved in the opposite direction to what we generally observed in 2013, emerging market assets continued to trend downwards (MSCI Emerging Markets -4.5% in euro terms). Despite a reasonable start for global equities, general 'risk off' sentiment weighed on returns with the result that the MSCI AC World index declined by 2.0% over the month. Government bonds, in contrast, benefitted from the rise in risk aversion, with the Citigroup WGBI returning 3.4% in euro terms.

Against this backdrop the Harmony Euro Balanced Fund returned -1.1% during January compared to a return of -1.6% for the European ex UK stock market. The Fund's asset allocation policy had a mixed impact on performance during the month, with the decision to avoid government bonds in favour of various parts of the credit spectrum acting as a headwind to performance, as these assets in aggregate underperformed sovereign paper. While the Fund is neutral to global equity, the small overweight to global emerging markets equity detracted from performance. The Fund is overweight cash which, while a store of value, further detracted from performance in a month where global government bonds rallied.

Going forward, with uncertainty remaining over the strength of economic growth around the world, combined with the potential for tightening credit conditions, investors should look to retain a prudent level of diversification in their portfolios. Overall, we believe that the Fund is well positioned to take advantage of future opportunities in the markets as they present themselves. The past year has been characterised by low volatility in many asset classes, a situation which we do not believe to be sustainable over the longer term. It is important to bear in mind that while occasionally uncomfortable, volatility provides valuation opportunities for disciplined investors and our overweight to cash enables us to take advantage of opportunities as and when they arise.

From a manager selection perspective, we began introducing American Century to the Fund in January. American Century is a multi-discipline, independently owned investment management business that offers a wide range of strategies managed by specialist teams. American Century manage a concentrated, unconstrained global growth strategy focusing on businesses displaying accelerating earnings growth. The strategy is managed by a New York-based investment team, consisting of two co-portfolio managers and supported by seven global sector analysts. They sit within a larger team in New York that consists of portfolio managers and analysts that focus on International strategies across various market cap segments. This gives the global team access to a wide range of ideas and insights. We believe this growth orientated strategy will deliver long term outperformance versus global equity indices, whilst also complementing our existing global equity holdings by improving style diversification.

Source: Bloomberg, 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.

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.

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.