

# Harmony US Dollar Balanced Fund

## Fund details

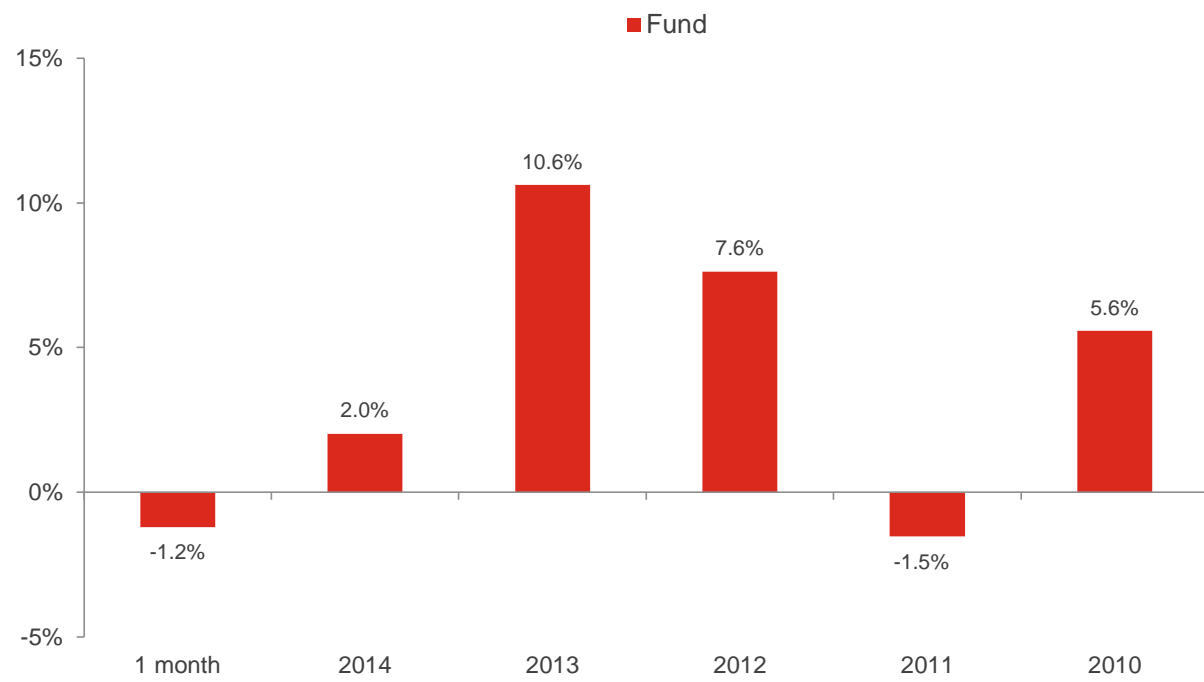
Investment manager: <b>Momentum Global Investment Management</b>	ISIN A Class: <b>LU0651986068</b>	Price per share A Class: <b>USD 1.0994</b>
Currency: <b>USD</b>	ISIN B Class: <b>LU0651986142</b>	Price per share B Class: <b>USD 1.1131</b>
Inception date (fund): <b>12 August 2011</b>	ISIN C Class: <b>LU0651986225</b>	Price per share C Class: <b>USD 1.2228</b>
Structure: <b>SICAV - Part 1 Luxembourg 2002 Law (UCITS)</b>	ISIN D Class: <b>LU0651986498</b>	Price per share D Class: <b>USD 1.1549</b>
Minimum investment: <b>Share classes A, B, C &amp; D: USD 7,500</b>	Subscriptions / redemptions: <b>daily</b>	Investment timeframe: <b>3 years +</b>

## Investment objective

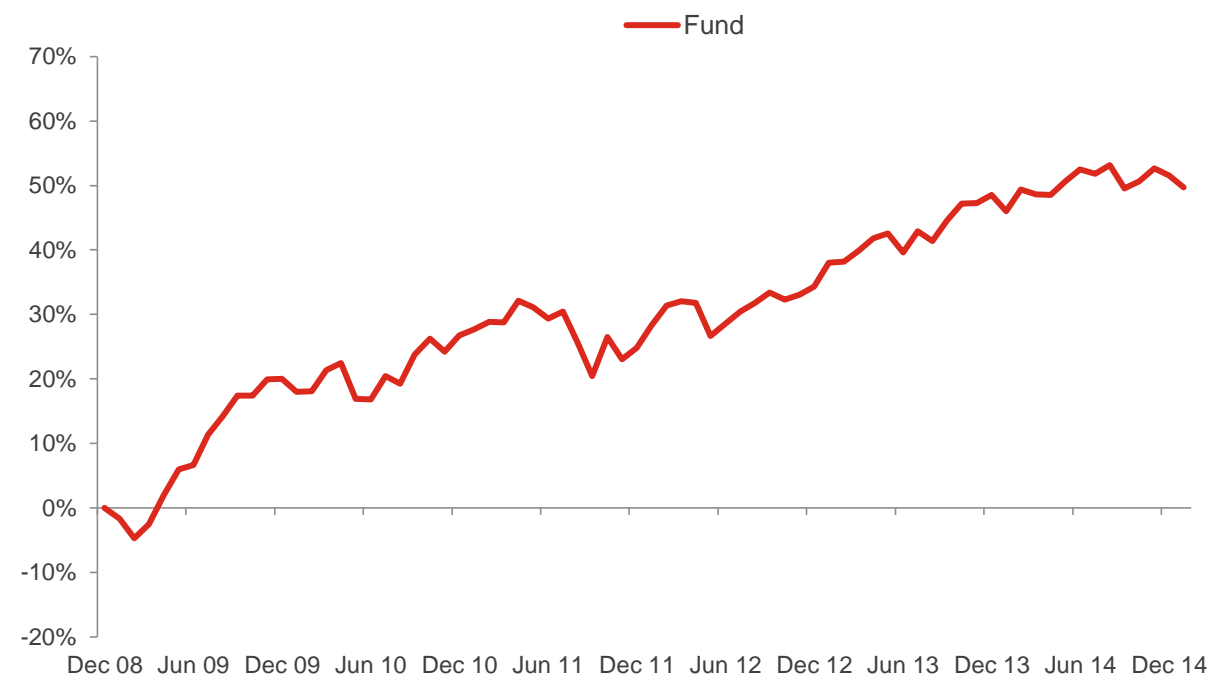
The portfolio will be biased to investments in the United States, but could also hold investments outside this country. The portfolio aims to provide a balance between capital preservation and capital growth in US dollars with a reduced level of volatility, via strategic exposures to a wide range of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

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

## Fund performance



## Cumulative returns



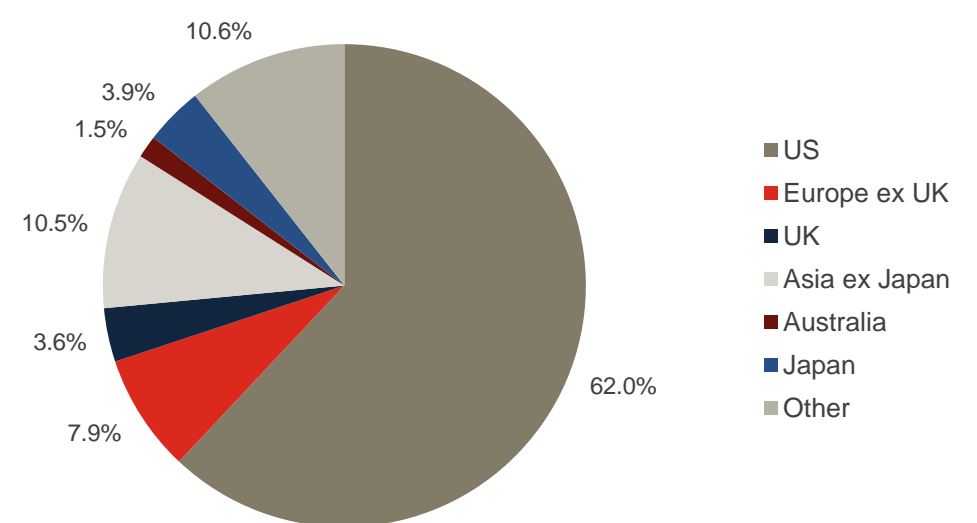
## Holdings

Holdings	Asset type	Weight
Harris Associates Concentrated US Equity	Equity	7.7%
Cohen & Steers Global Real Estate	Property	7.4%
Muzinich EnhancedYield Short-Term (USD hedged)	Fixed Income	7.0%
Wells Fargo US All Cap Growth	Equity	6.7%
RWC Asia Convertibles	Fixed Income	6.7%
Artisan Global Value	Equity	6.2%
RWC Global Convertibles	Fixed Income	6.2%
Yacktman US Equity	Equity	5.5%
Vulcan Value Equity	Equity	5.4%
Muzinich EM Short Duration (USD hedged)	Fixed Income	5.1%
AXA US Short Duration High Yield	Fixed Income	5.0%
Old Mutual Dublin Global Bond	Fixed Income	4.5%
Dimensional Emerging Markets Value	Equity	3.9%
AXA US High Yield	Fixed Income	3.7%
iShares JP Morgan Emerging Markets Bond	Fixed Income	3.7%
Cash	Cash	2.4%
First State Global Listed Infrastructure	Equity	2.0%
Heptagon Kopernik Global All-Cap Equity	Equity	2.0%
Schroder UK Recovery	Equity	2.0%
Polar Capital Japan (USD hedged)	Equity	1.8%
American Century Concentrated Global Growth	Equity	1.7%
Granahan US Focused Growth	Equity	1.4%
Morgan Stanley Global Brands	Equity	1.5%
iShares Gold Producers	Commodities	0.5%

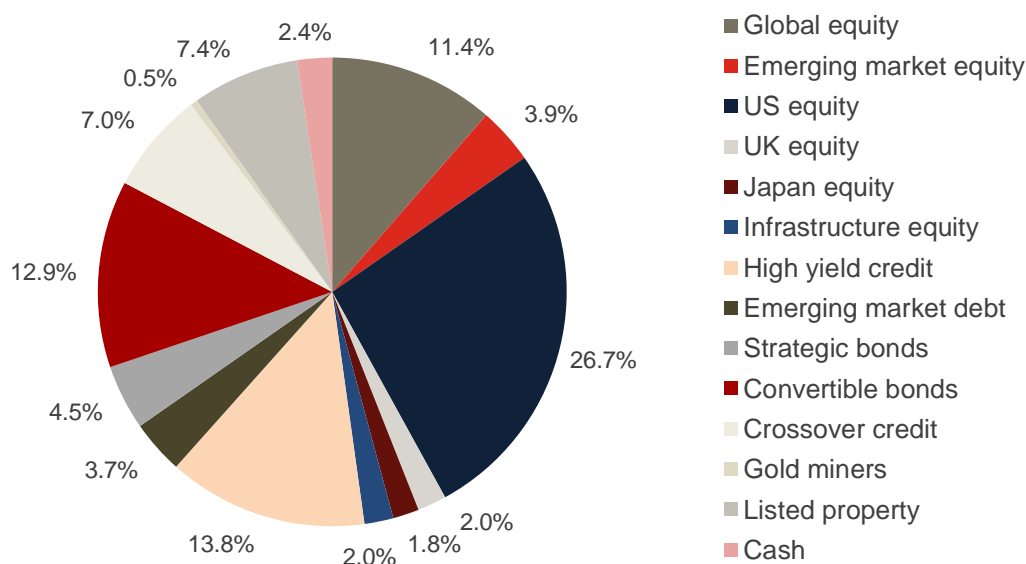
## Investment statistics (since 1 January 2009)

Current month return:	-1.2%
Cumulative return:	49.7%
Annualised return:	6.9%
Annualised volatility:	7.1%

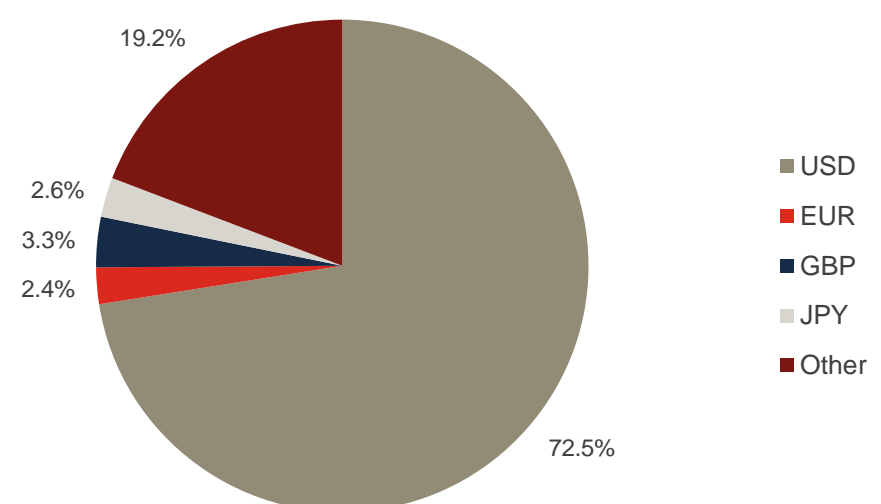
## Regional allocation



## Strategy allocation



## Currency allocation



## ■ Manager commentary

Markets had a mixed and volatile start to the year. Several central banks surprised markets by easing policy with interest rate cuts during the month, but the most significant central announcement came from the European Central Bank with the announcement of a new quantitative easing programme. This drove strong returns from European assets, particularly equity. Meanwhile - breaking from last year's trend - the US equity market underperformed with a 3% decline over the month, although the US dollar broadly continued its recent strength. The euro weakened against most majors, including by 15% in one day against the Swiss franc as the previously prevailing exchange rate peg was abandoned. Oil continued to slide lower with Brent crude ending the month below \$50, while gold rallied to end the month over 8% higher. Meanwhile the election success of the left-wing Syriza party means that Greece is bound to remain a focal point for markets over the coming months. Against this backdrop global equities declined by 1.6% in January in US dollar terms while global bonds lost 0.4%.

The Harmony US Dollar Balanced Fund delivered a return of -1.2% net of all fees in US dollar terms. Notable contributors to performance included our holdings in global listed real estate (+3.6%), global convertible bonds (+1.1%) and emerging market hard currency debt (+1.1%). Our small holding in gold producers equity rallied strongly (+18.9%), although this comes after disappointing returns in 2014. These gains were offset by our US equity manager holdings, particularly Harris (-6.4%), Yacktman (-4.7%) and Vulcan (-4.2%), although these weak returns should be viewed in the context of a return of -3.0% for the US market over the month after strong gains last year.

One notable change was made to the portfolio just after January month end as we further increased the allocation to US high yield bonds. Having previously sold out of the asset class on valuation grounds around the beginning of 2014, we reinvested via a short duration strategy run by Axa Investment Managers towards the end of the year. Since then credit spreads have continued to widen making the asset class yet more attractive and prompting us to further increase exposure, this time by adding a full duration strategy run by the same manager. The fund represents a diversified portfolio of bonds from around 200 corporate issuers rated as sub-investment grade and offers an attractive yield of around 8% which, in our opinion, more than compensates for the inherent risks.

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.

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 US Dollar Balanced Incorporated Cell (IC) within the Momentum Mutual Fund. The historical performance of the Harmony US Dollar Balanced IC 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.