

Harmony Euro Balanced Fund (Class E)

Fund details

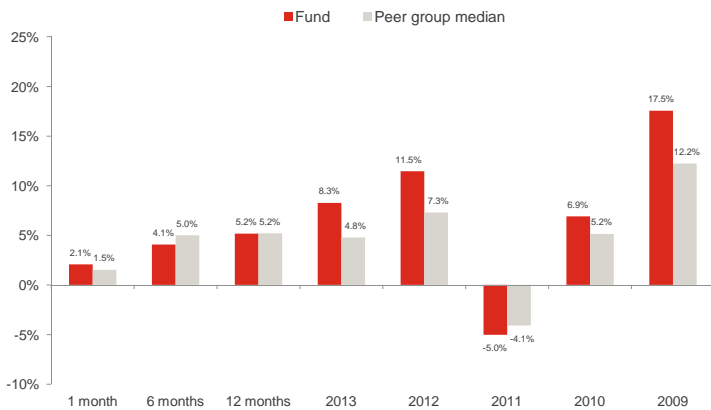
Investment manager: Momentum Global Investment Management	ISIN: LU0795380780
Currency: EUR	Price per share: EUR 1.1289
Inception date (fund): 12 August 2011	Minimum investment: USD 250,000 (EUR equivalent)
Structure: SICAV - Part 1 Luxembourg 2002 Law (UCITS)	Subscriptions / redemptions: daily
Peer group source: Bloomberg¹	Investment timeframe: 3 years +

Investment objective

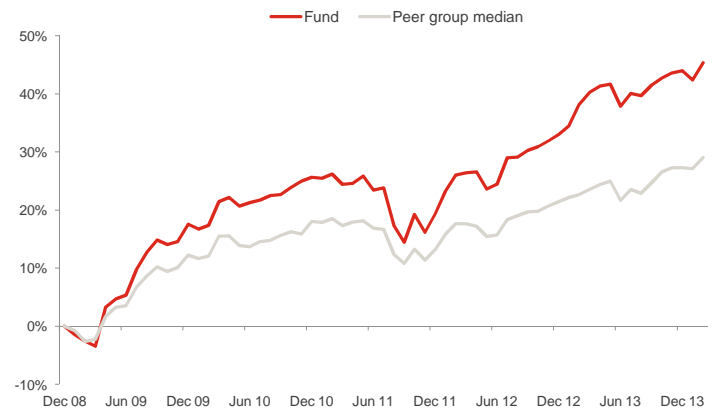
The portfolio will be biased to investments in Europe, but could also hold investments outside this region. The portfolio aims to provide a balance between capital preservation and capital growth in euros with a reduced level of volatility, via strategic exposures to a wide range of asset classes.

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

Fund performance



Cumulative returns



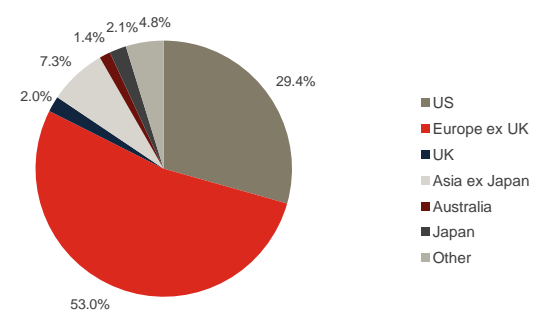
Holdings

Holdings	Asset type	Weight
Cash	Cash	17.6%
Jupiter European Special Situations	Equity	15.5%
Henderson European Special Situations	Equity	14.7%
Old Mutual Dublin Global Bond	Fixed Income	9.8%
Cohen & Steers Global Real Estate	Property	6.6%
RWC Global Convertibles	Fixed Income	6.4%
RWC Asia Convertibles	Fixed Income	5.0%
Jupiter Dynamic Bond	Fixed Income	4.7%
Muzinich EnhancedYield Short-Term	Fixed Income	3.1%
iShares JP Morgan Emerging Markets Bond	Fixed Income	3.0%
Artisan Global Value	Equity	3.0%
First State Global Listed Infrastructure	Equity	2.8%
American Century Concentrated Global Growth	Equity	2.7%
Dimensional Emerging Markets Value	Equity	2.1%
Morgan Stanley Global Brands	Equity	2.1%
iShares Gold Producers	Commodities	0.9%

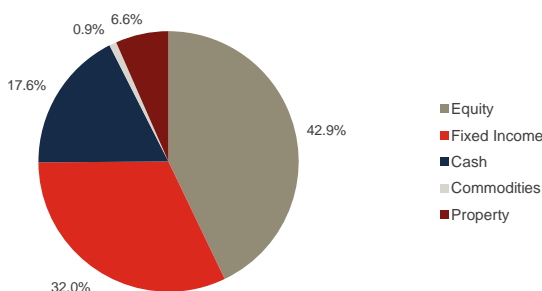
Investment statistics (since 1 January 2009)

Current month return:	2.1%
Cumulative return:	45.3%
Annualised return:	7.5%
Annualised volatility:	6.7%

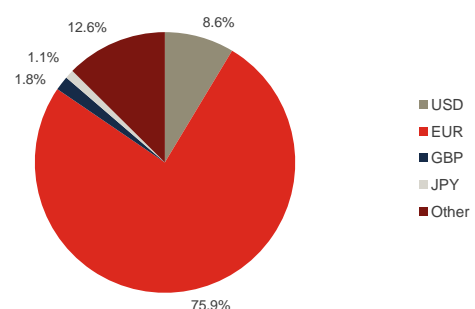
Regional allocation



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

Markets recovered well post January's setback, with a number of major equity markets reaching multi year, and in some cases (notably the US), all time highs during February. A combination of mixed economic data, particularly from the US where severe winter weather has had a significant but as yet unquantifiable impact on growth, and dovish comments from new Fed Chair Janet Yellen, pushed expectations for the first rise in interest rates further out. This, together with greater stability in emerging market currencies, helped asset prices to recover. Stock markets in the US, Europe and the UK all rose by close to 5% in local currency terms, with Japan the only major market not to participate, after prices declined by 0.7% in yen terms. Overall, global equities rallied by 2.7% in euro terms during February, while global emerging markets added 1.0%.

Against this backdrop the Harmony Euro Balanced Fund returned 2.1% last month. While the Fund is neutral to global equity, the small overweight to global emerging markets equity detracted from relative performance as these markets lagged their developed counterparts. The Fund is overweight cash which, while a store of value, further detracted from performance in a month where global government bonds and global equities rallied.

Over the past month our macroeconomic outlook has not changed materially. We still expect modest but positive economic growth in the developed world, and we anticipate that the pace of growth in emerging markets will continue to outstrip the developed world even if it has slowed in recent years. Furthermore, equity valuations remain reasonable and in select pockets we are still able to identify significant value. However, the ongoing tensions between Ukraine and Russia will likely provide a source of uncertainty and volatility in the coming weeks. This is an example of a geopolitical risk that is largely unpredictable, reminding us of the importance of retaining a prudent level of diversification in the portfolio. While the situation in Ukraine may bring uncertainty, volatility also provides valuation opportunities for disciplined investors and our overweight to cash should enable us to take advantage of these opportunities as and when they arise.

From a manager selection perspective, First State Global Listed Infrastructure delivered strong returns in February with gains of 3.5% in euro terms, to bring its six month performance to 10.4%. These returns are ahead of global equities, which have returned 2.7% and 9.7% over these respective periods, reflecting the outperformance of the utilities and infrastructure sectors. The characteristics of infrastructure equities mean they should deliver more stable, defensive returns compared to general equities, with lower correlations to other asset classes. As experienced investors in this area, the First State team implement a conservative approach that focuses on buying the highest quality infrastructure stocks at attractive prices. They look to minimise risk through an in-depth due diligence process that excludes riskier, lower quality businesses, and by constructing a portfolio that is well diversified by sector, geography and economic drivers.

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.