

Harmony US Dollar Balanced Fund

Fund details

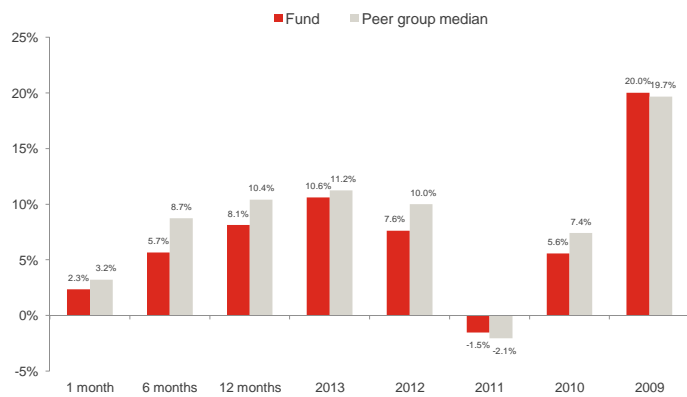
Investment manager: Momentum Global Investment Management	ISIN A Class: LU0651986068	Price per share A Class: USD 1.0968
Currency: USD	ISIN B Class: LU0651986142	Price per share B Class: USD 1.1106
Inception date (fund): 12 August 2011	ISIN C Class: LU0651986225	Price per share C Class: USD 1.2256
Structure: SICAV - Part 1 Luxembourg 2002 Law (UCITS)	ISIN D Class: LU0651986498	Price per share D Class: USD 1.1627
Minimum investment Share Class A: USD 100,000; Classes B, C & D: USD 7,500	Subscriptions / redemptions: daily	
Peer group source: Bloomberg¹	Investment timeframe: 3 years +	

Investment objective

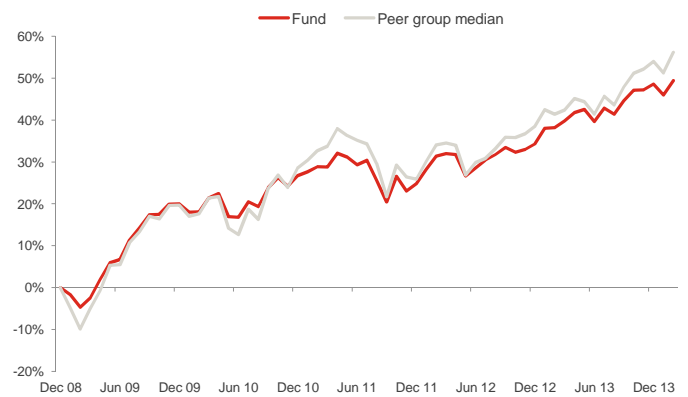
The portfolio will be biased to investments in the United States, but could also hold investments outside this country. The portfolio aims to provide a balance between capital preservation and capital growth in US dollars with a reduced level of volatility, via strategic exposures to a wide range of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



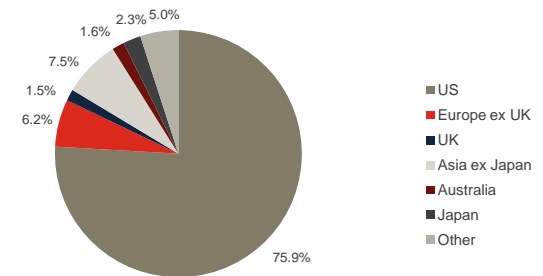
Holdings

Holdings	Asset type	Weight
Cash	Money Market	19.2%
Old Mutual Dublin Global Bond	Fixed Income	9.9%
Wells Fargo US All Cap Growth	Equity	8.3%
Harris Associates Concentrated US Equity	Equity	8.1%
Cohen & Steers Global Real Estate	Property	6.9%
Artisan Global Value	Equity	6.1%
RWC Global Convertibles	Fixed Income	5.9%
Vulcan Value Equity	Equity	5.3%
Yacktman US Equity	Equity	5.1%
RWC Asia Convertibles	Fixed Income	5.1%
Jupiter Dynamic Bond	Fixed Income	4.7%
iShares JP Morgan Emerging Markets Bond	Fixed Income	3.2%
First State Global Listed Infrastructure	Equity	3.1%
Muzinich EnhancedYield Short-Term	Fixed Income	2.9%
Dimensional Emerging Markets Value	Equity	2.2%
American Century Concentrated Global Growth	Equity	1.7%
Morgan Stanley Global Brands	Equity	1.4%
iShares Gold Producers	Commodities	0.9%

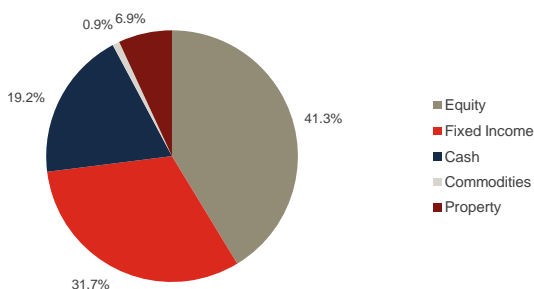
Investment statistics (since 1 January 2009)

Current month return:	2.3%
Cumulative return:	49.4%
Annualised return:	8.1%
Annualised volatility:	7.5%

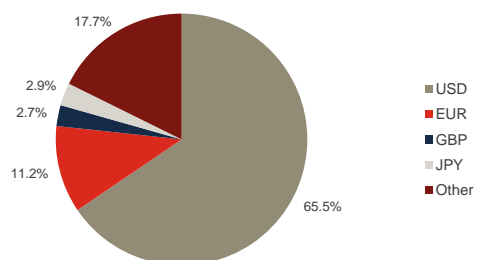
Regional allocation



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 5% in US dollar terms during February, while global emerging markets added 3.3%.

Against this backdrop the Harmony US Dollar Balanced Fund returned 2.3% 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, Wells Fargo US All Cap Growth returned 6.0% in February compared to 4.5% for the S&P 500. Wells has been a key holding within the portfolio since the first quarter of 2012. The managers, based in Milwaukee, look to invest in companies with sustainable growth and to capitalise on opportunities that arise when a 'gap' exists between their assessment of a company's future growth and the market's expectations. An example of a stock where the managers feel this 'gap' is still present is Google, which at a weight of almost 4.6% represented their largest holding at the end of January. Well's approach leads them towards an earnings acceleration investment style, which generally performs well in sharply rising or momentum-driven markets. This strategy has performed very well recently: over twelve months the portfolio has returned 31.6% compared to the market's return of 24.6%. One factor that we believe to be key to ensuring that this manager continues to deliver strong returns going forward, is preventing assets under management from growing to a level at which they have difficulty implementing their all-cap approach effectively. As such it is pleasing that the strategy remains closed to new investors which should help protect future returns, although this does not affect the Harmony US Dollar Balanced Fund given that we are existing investors.

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.