

Harmony US Dollar Balanced Fund

Fund details

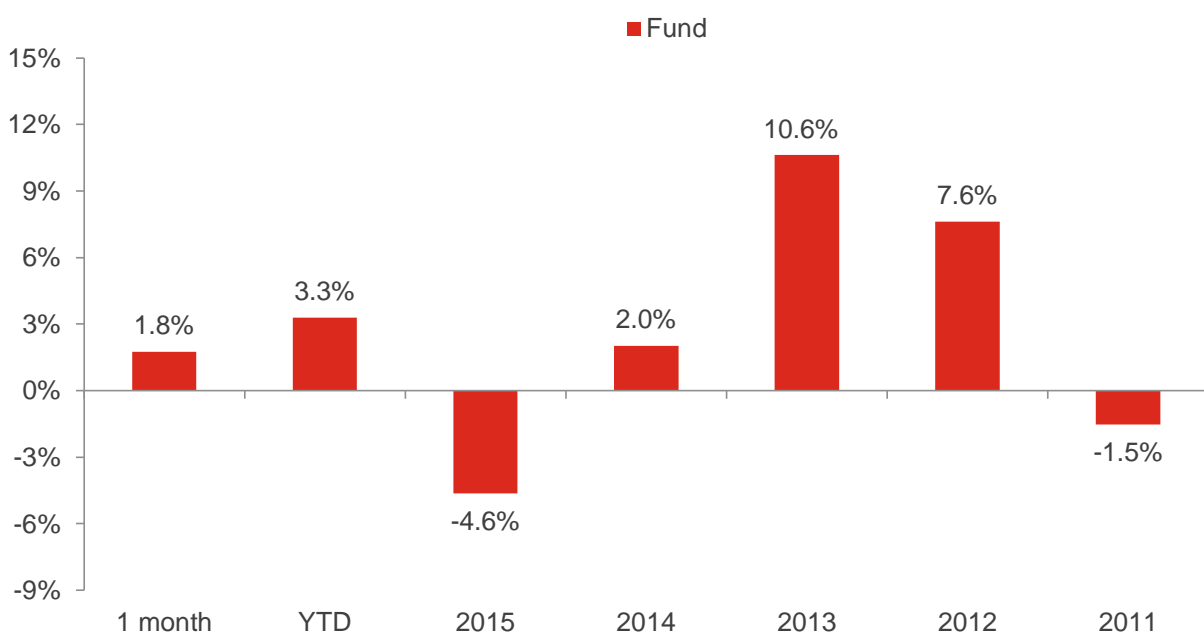
Investment manager: Momentum Global Investment Management	ISIN A Class: LU0651986068	Price per share A Class: USD 1.0963
Currency: USD	ISIN B Class: LU0651986142	Price per share B Class: USD 1.1098
Inception date (fund): 12 August 2011	ISIN C Class: LU0651986225	Price per share C Class: USD 1.2119
Structure: SICAV - Part 1 Luxembourg 2002 Law (UCITS)	ISIN D Class: LU0651986498	Price per share D Class: USD 1.1367
Minimum investment: Share classes A, B, C & D: USD 7,500	Subscriptions / redemptions: daily	Investment timeframe: 3 years +

Investment objective

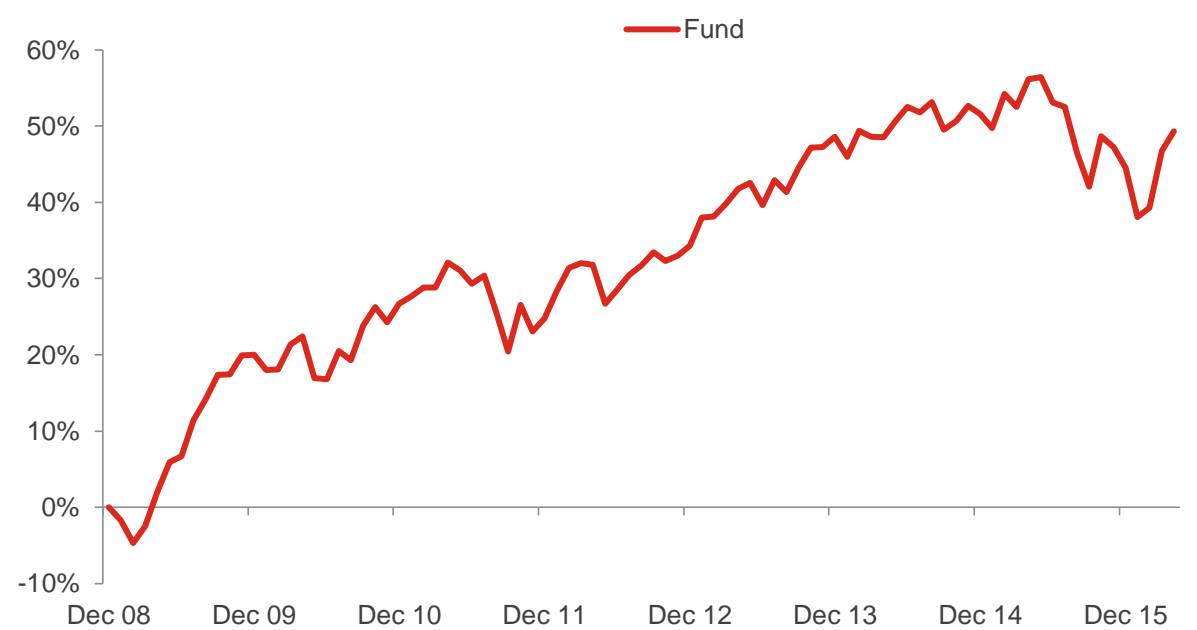
The portfolio will be biased to investments in the United States, but could also hold investments outside this country. The portfolio aims to provide a balance between capital preservation and capital growth in US dollars with a reduced level of volatility, via strategic exposures to a wide range of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



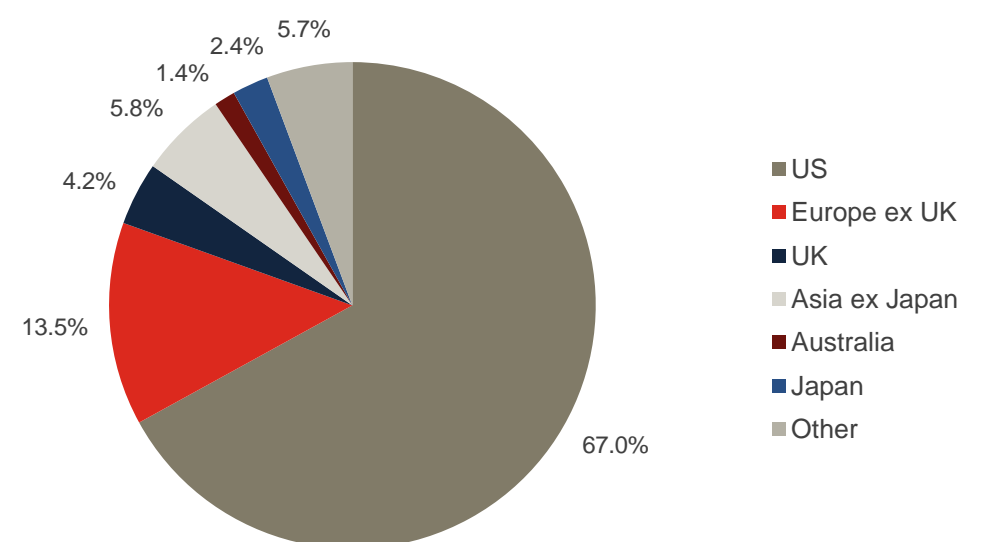
Holdings

Holdings	Asset type	Weight
BlackRock US Corporate Bond Index	Fixed Income	10.2%
Muzinich EnhancedYield Short-Term (USD hedged)	Fixed Income	10.1%
Artisan Global Value	Equity	6.2%
Third Avenue Real Estate Value	Property	6.2%
Cash	Cash	5.4%
AXA US Short Duration High Yield	Fixed Income	5.0%
Vulcan Value Equity	Equity	4.8%
iShares JP Morgan Emerging Markets Bond	Fixed Income	4.1%
Conventum Lyrical	Equity	4.0%
Yacktman US Equity	Equity	4.0%
Harris Associates Concentrated US Equity	Equity	3.5%
Wells Fargo US All Cap Growth	Equity	3.5%
Westwood Strategic Global Convertibles (USD hedged)	Fixed Income	3.4%
RWC Asia Convertibles	Fixed Income	3.4%
First State Global Listed Infrastructure	Equity	3.2%
AXA US High Yield	Fixed Income	3.1%
RWC Global Convertibles	Fixed Income	2.9%
Schroder UK Recovery	Equity	2.3%
Heptagon Kopernik Global All-Cap Equity	Equity	2.1%
Morgan Stanley Global Brands	Equity	2.1%
FP Crux European Special Situations	Equity	2.0%
Jennison Global Equity Opportunities	Equity	2.0%
Dimensional Emerging Markets Value	Equity	2.0%
American Century Concentrated Global Growth	Equity	1.6%
Granahan US Focused Growth	Equity	1.2%
BlackRock Developed Real Estate	Property	1.1%
iShares Gold Producers	Commodities	0.6%

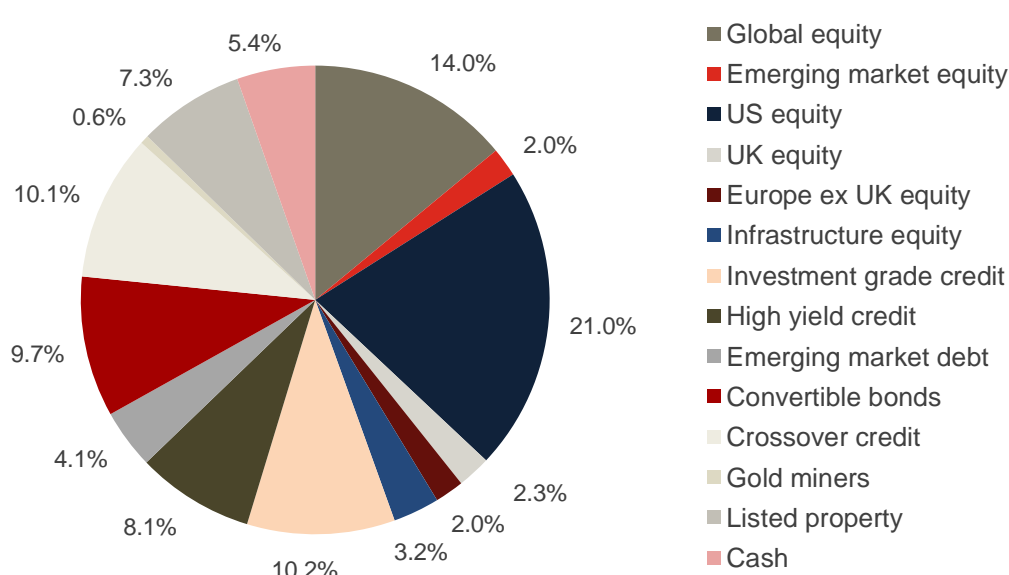
Investment statistics (since 1 January 2009)

Current month return:	1.8%
Cumulative return:	49.3%
Annualised return:	5.6%
Annualised volatility:	7.7%

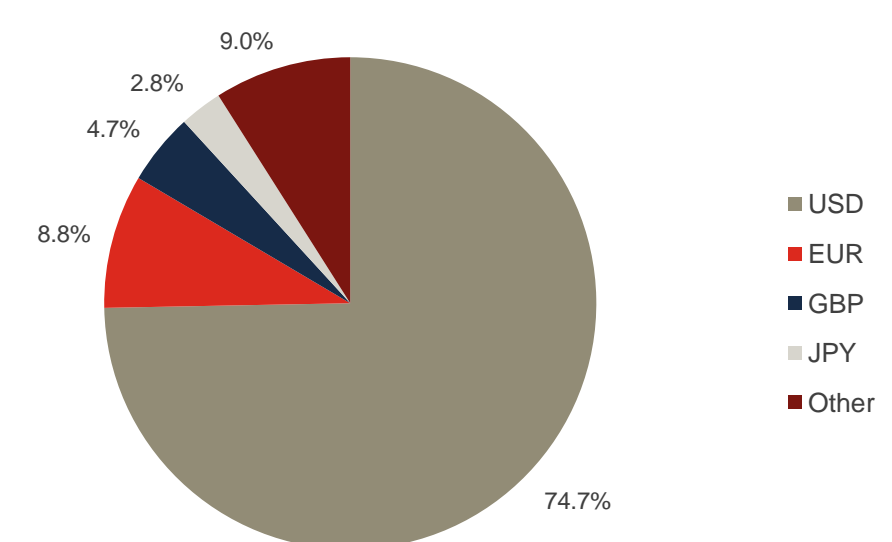
Regional allocation



Strategy allocation



Currency allocation



■ Manager commentary

Markets broadly continued their upward trend in April, extending the rally witnessed from the lows of mid-February. The rises were smaller than in March, however, and returns across various asset classes more mixed. The MSCI World index gain of 0.9% in local currency terms reduced the year to date to just 1.1%, with many of the underlying markets having fully recovered the ground lost in the first six weeks of the year. Japan remains one of the key laggards this year and the market fell by a further 0.4% in April, while other major developed markets posted gains over the month. Credit again participated fully in the rally in risk assets, particularly US high yield where the Barclays index returned 3.9%, while emerging market sovereign debt gained 1.9% in US dollar terms. In contrast, yields on safe haven government bonds rose over the month, so local currency returns from the major markets were generally negative. Commodity markets continued their remarkable rally over the month: Brent crude oil rose by 21.5%, rising almost 30% year-to-date, while iron ore rallied 23.7%. The US dollar remained weak in April with the trade weighted dollar index falling a further 1.6% in the month, taking it to its lowest since early 2015. The year to date decline of the greenback is now 5.6%, which has acted as a tailwind for the returns of most international asset classes when measured in US dollar terms.

The Harmony US Dollar Balanced fund returned 1.8% in US dollar terms in April net of fees, ahead of the S&P 500 index which gained 0.4%. Year to date the fund has gained 3.3% while the US equity market is up 1.5%. Both asset allocation and manager selection contributed meaningfully to performance in April with the underlying drivers being very similar to those that also drove strong performance in March. In terms of asset allocation, the fund benefited from both its developed and emerging market equity holdings, as well as from corporate bond holdings, particularly US high yield. The returns from these asset classes were substantially higher than the areas of the market where we take limited exposure, including cash and government bonds. In terms of manager selection, the main contribution came from the fund's value orientated equity managers which all outperformed their respective benchmarks, by as much as 12% in the case of the Kopernik Global All Cap equity fund. Our decision to increase the fund's equity allocation at the start of February has benefited performance significantly in recent months. Around the middle of April we decided to take some profits from our equity positions in response to the significant market rally we have witnessed since then. We also reduced the US high yield allocation whilst rotating within the asset class away from core (full duration) bonds and towards the existing short duration US high yield holding, which should prove more defensive during market corrections.

After a strong recovery, and with a background of subdued growth, continuing debt overhang and question marks over the impact of monetary policy, markets are entering a more uncertain period. On the positive side, the worst consequences of the crash in oil and commodities are now behind us; developed economies continue to grow, albeit modestly; and with about one third of global government bonds trading with negative yields, risk assets are likely to see continuing support. With these competing forces on markets it is likely that the volatility we have witnessed so far in 2016 will remain a feature in the months if not years ahead. There is also a risk, for the first time since the global financial crisis, that the Federal Reserve (Fed) could be underestimating the pick-up in core inflation in recent months. All eyes will be on the data and the Fed as the year progresses, and there is a distinct possibility that the market's – currently low – expectations for interest rate rises will begin to tick up. This would lead to a recovery in the US dollar after its sharp fall this year, which in turn would provide more of a headwind for markets. Against this background, in the shorter term a period of consolidation in markets is due, but further upward progress is likely over the next 12-18 months. In these conditions we believe it is important to remain patient.

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.