

Harmony Portfolios US Dollar Growth Fund

(formerly known as the Harmony US Dollar Growth Fund IC Ltd within the Momentum Mutual Fund ICC until 12 August 2011)

Fund details

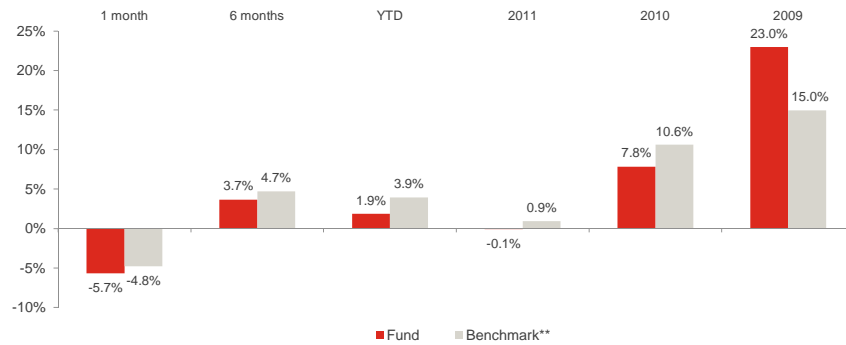
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|--|---|--|--|
| Investment manager: Momentum Global Investment Management Limited | Currency: USD | ISIN A Class: LU0651986571 | Price per share A Class: USD 0.9315 |
| Initial fee: none | Subscriptions / redemptions: daily | Inception date (fund): 12 August 2011 | ISIN C Class: LU0651986738 |
| Structure: SICAV - Part 1 Luxembourg 2002 Law (UCITS) | Investment timeframe: 5 years + | ISIN D Class: LU0651986811 | Price per share C Class: USD 1.0999 |
| Minimum Investment Share Class A: USD 100,000; Share Classes B, C & D: USD 7,500 | | | |
| Prior Form: before the above inception date the fund was managed to the same strategy as an integrated cell within Momentum Mutual Fund ICC Ltd | | | |
| Benchmark: 50% S&P 500, 15% MSCI AC World, 5% Citigroup WorldBIG, 15% JP Morgan US GBI TR, 10% FTSE EPRA/NAREIT Developed, 5% USD 7-Day LIBID | | | |

Investment objective

The portfolio will be biased to investments in the United States, but could also hold investments outside this country. The investment objective is to provide capital growth in US Dollar terms but with a reduced level of volatility via strategic exposures to a wide range of other asset classes.

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

Fund performance*



Source: Lipper Hindsight, JP Morgan Bank (Luxembourg) S.A.

* Prior to the funds inception as a sub fund of the Momentum Global Funds SICAV on 12 August 2011, the fund was managed as the Harmony US Dollar Growth IC Cell within the Momentum Mutual Fund. The historical performance of the Harmony US Dollar Growth IC is shown in the above chart from 1 January 2009 until the inception date of the SICAV. Past performance is not indicative of future returns. The fund performance is calculated on a total return basis, net of all fees and in US Dollar terms.

** From January 2009 to January 2010 the benchmark for the performance comparison provided in this document comprised: 30% S&P 500, 15% MSCI World ex USA, 15% Citigroup US WGBI, 5% JPM EMBI+, 15% Lipper Property Peer Group, 20% US Dollar 7-Day LIBID. From January 2010 to August 2011 the benchmark comprised: 32% S&P 500, 18% MSCI World ex USA, 25% Citigroup US WGBI, 5% JPM EMBI+, 10% FTSE EPRA/NAREIT Developed CR, 10% US Dollar 7-Day LIBID.

All holdings

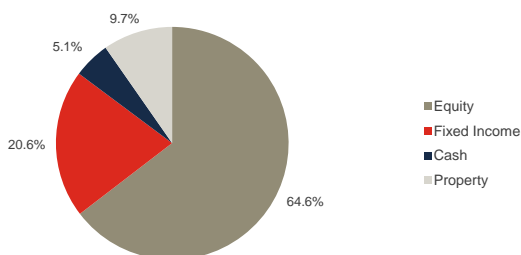
| Holdings | Asset type | Weight |
|--|--------------|--------|
| BlackRock US Index Fund | Equity | 13.7% |
| Yacktman US Equity I | Equity | 12.8% |
| Wells Fargo US All Cap Growth | Equity | 12.3% |
| Cohen & Steers Global Real Estate USD | Property | 9.7% |
| Hotchkis & Whiley US Value | Equity | 9.2% |
| Old Mutual Dublin Global Bond Fund I Acc USD | Fixed Income | 6.3% |
| Momentum IF Global Equity Fund | Equity | 6.1% |
| Artisan Global Value | Equity | 5.5% |
| Cash | Cash | 5.1% |
| RWC Global Convertibles Fund | Fixed Income | 4.8% |
| Morgan Stanley Global Brands Fund | Equity | 3.3% |
| BlackRock US Dollar High Yield Bond Fund | Fixed Income | 3.2% |
| BlackRock US Corporate Bond Index Fund | Fixed Income | 3.2% |
| iShares USD Treasury Bond 7-10 | Fixed Income | 2.1% |
| Momentum IF Global Emerging Markets Fund | Equity | 1.7% |
| iShares USD Treasury Bond 1-3 | Fixed Income | 1.0% |

Source: Momentum Global Investment Management Limited, JP Morgan Bank (Luxembourg) S.A.

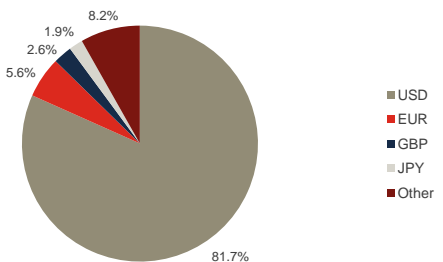
Investment statistics

| | |
|------------------------|-------|
| Current month return: | -5.7% |
| Cumulative return: | 35.0% |
| Annualised return: | 9.2% |
| Annualised volatility: | 11.1% |

Asset allocation



Currency allocation



Source: Momentum Global Investment Management Limited, JP Morgan Bank (Luxembourg) S.A.

■ Market commentary

Concerns over a Greek exit from the Eurozone, softer data from the US and the easing pace of Chinese growth combined to push asset prices down in May. Global equities fell by 8.6% in US dollar terms last month, eroding year to date gains and wiping USD 2.6 trillion off the value of global stocks. In contrast, the price of core developed market government bonds reached historic highs, as investors sought safety in perceived high-quality fixed income securities. As a result, the 12 month trailing dividend yield on the S&P 500 Index is now higher than the yield on 10 year US Treasuries for only the second time since the 1950s. Conditions in Europe may prompt a new round of intervention from policymakers, with more integration as opposed to less still the order of the day despite Germany's continued opposition to joint-liability bonds (eurobonds). The failure of parties to form a coalition government in Greece means that voters will return to the polls on 17 June. The contagion resulting from a disorderly Greek exit from the Eurozone would have wide ramifications, not least in Spain, which is on the verge of a bailout from the European Union as at the time of writing. US payroll data has consistently disappointed economists' forecasts since March, with the private sector adding a mere 69,000 jobs in May. China's official Purchasing Managers Index fell more than expected last month, in keeping with a mixed set of economic releases from the People's Republic. The central bank cut interest rates by 25 basis points to 6.31% post the end of the month, suggestive of Beijing's concerns over the strength of the recovery.

The Harmony USD Growth fund underperformed its benchmark in May with a return of -5.7% (net of all fees) compared to -4.8% for the reference composite. With the return of anxieties over the outlook for global growth, the performance of asset classes was consistent with generally risk averse behaviour by investors. As a result, the current asset allocation policy in the fund added value but also detracted. The fund remains broadly neutral to underweight equity markets following changes made in the early days of April. The fund is underweight sovereign paper which was a beneficiary of investor flows thanks to its status as a perceived safe haven asset, a view we would question at current valuations. This underweight to government paper was, therefore, the main contributor to underperformance in May. The fund's overweight to credit preserved capital better than the equity market, but fared less well than core government securities. Overall, the Harmony USD Growth fund is positioned for a low (but positive) growth environment, and under these conditions the portfolio's underweight to government debt is expected to benefit performance through the cycle. In the short term, however, when markets are impacted by a degree of risk aversion, this positioning will not aid relative performance. Within the fixed income portion of the portfolio use is made of strategic, investment grade, convertible and high yield mandates. From a manager selection perspective the Artisan Global Value fund declined by 6.7% in May in US dollar terms, outperforming the global equity benchmark by 2%. The manager's focus on high quality businesses generally results in them outperforming in down markets. In May the main contributor to outperformance was stock selection within a range of sectors, including consumer staples, consumer discretionary and financials.

Source: Lipper Hindsight, Momentum Global Investment Management Limited, May 2012

■ Risk warnings and important notes

Harmony Portfolios US Dollar Growth Fund is a sub fund of the Momentum Global Funds SICAV which is domiciled in Luxembourg and is an "umbrella" fund which offers a wide range of single-priced, open-ended sub-funds. It is regulated by the Commission de Surveillance du Secteur Financier, the Luxembourg financial services regulator and conforms to the requirements of the European UCITS directive.

Past performance of any investment is not necessarily a guide to the future. All performance is calculated Total Return, Net of all fees and in US Dollar terms.

Fluctuations in the value of the underlying funds and the income from them and changes in interest rates mean that the value of the Fund and any income arising from it may fall, as well as rise, and is not guaranteed. Deductions of charges and expenses mean that you may not get back the amount you invested.

The fees charged within the Fund and by the managers of the underlying funds are not guaranteed and may change in the future.

Notwithstanding ongoing monitoring of the underlying funds within the Fund, there can be no assurance that the performance of the funds will achieve their stated objectives.

The Fund may contain shares or units in underlying funds that invest internationally. The value of your investment and the income arising from it may therefore be subject to exchange rate fluctuations.

This report should not be construed as investment advice or guidance or a proposal or recommendation in any form whatsoever, whether relating to the Fund or its underlying investments. It is for information purposes only and has been prepared and is made available for the benefit of the investors in the Fund and clients of the Distribution Partner.

The appointed Management Company for the Momentum Global Funds SICAV are RBS (Luxembourg) S.A. of 33 Rue de Gasperich, L-5826, Hesperange, Luxembourg.

The appointed Administrator of the Momentum Global Funds SICAV are JP Morgan Bank Luxembourg S.A. of 6 Route de Treves, L-2633 Senningerberg, Luxembourg. The latest copy of the Prospectus can be obtained from the appointed Administrator at this address.

Momentum Global Investment Management Limited (company registration no. 3733094) is the appointed Investment Manager, Promoter and Distributor of the Momentum Global Funds SICAV and are authorised and regulated by the UK Financial Services Authority, with registered address at 20 Gracechurch Street, London, EC3V 0BG. Momentum Global Investment management Limited is an authorised Financial Services Provider pursuant to the Financial Advisory and Intermediary Services Act No. 37 of 2002 in South Africa.

The appointed Depository of the Momentum Global Funds SICAV are JP Morgan Bank Luxembourg S.A. of, 6 Route de Treves, L-2633 Senningerberg, Luxembourg.

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