

Harmony US Dollar Growth Fund

Fund details

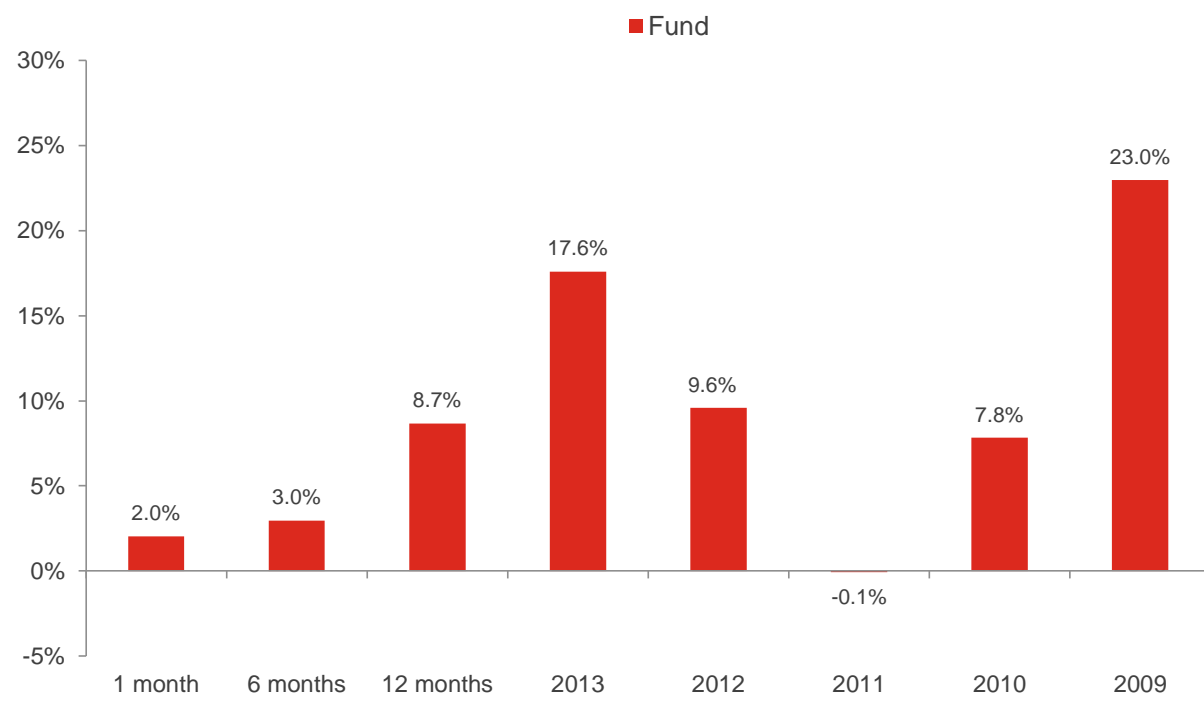
Investment manager: Momentum Global Investment Management	ISIN A Class: LU0651986571	Price per share A Class: USD 1.1976
Currency: USD	ISIN B Class: LU0651986654	Price per share B Class: USD 1.1571
Inception date (fund): 12 August 2011	ISIN C Class: LU0651986738	Price per share C Class: USD 1.4000
Structure: SICAV - Part 1 Luxembourg 2002 Law (UCITS)	ISIN D Class: LU0651986811	Price per share D Class: USD 1.2760
Minimum investment Share Class A: USD 100,000; Classes B, C & D: USD 7,500	Subscriptions / redemptions: daily	Investment timeframe: 5 years +

Investment objective

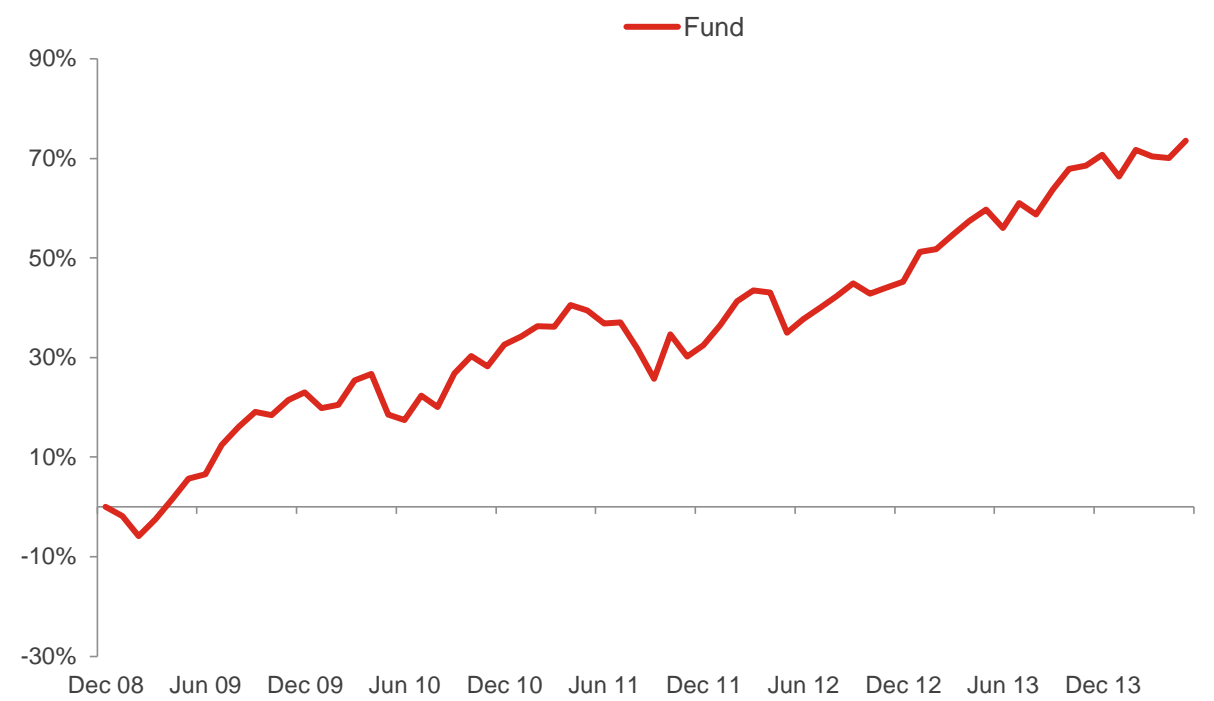
The portfolio will be biased to investments in the United States, but could also hold investments outside this country. The investment objective is to provide capital growth in US dollar terms but with a reduced level of volatility, via strategic exposures to a wide range of asset classes.

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

Fund performance



Cumulative returns



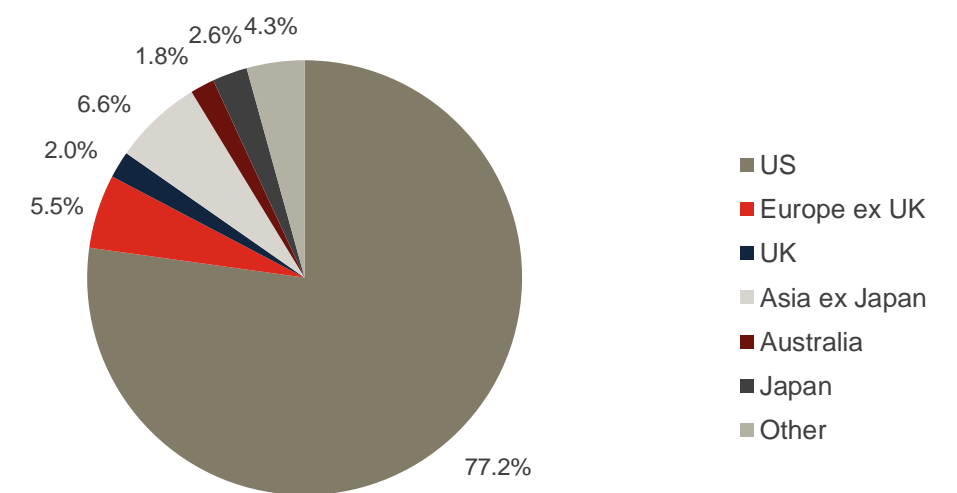
Holdings

Holdings	Asset type	Weight
Harris Associates Concentrated US Equity	Equity	13.8%
Wells Fargo US All Cap Growth	Equity	12.3%
Yacktman US Equity	Equity	9.4%
Vulcan Value Equity	Equity	8.8%
Artisan Global Value	Equity	8.4%
Cash	Cash	7.0%
Cohen & Steers Global Real Estate	Property	6.9%
Old Mutual Dublin Global Bond	Fixed Income	4.6%
BlackRock US Corporate Bond Index	Fixed Income	4.2%
RWC Asia Convertibles	Fixed Income	3.7%
American Century Concentrated Global Growth	Equity	3.5%
Morgan Stanley Global Brands	Equity	3.4%
Dimensional Emerging Markets Value	Equity	3.2%
RWC Global Convertibles	Fixed Income	3.0%
First State Global Listed Infrastructure	Equity	2.9%
iShares JP Morgan Emerging Markets Bond	Fixed Income	2.1%
Granahan US Focused Growth Fund	Equity	1.2%
iShares Gold Producers	Commodities	0.8%
Morgan Stanley UK Global Brands	Equity	0.5%
BlackRock US Index	Equity	0.2%
Jupiter Dynamic Bond	Fixed Income	0.1%

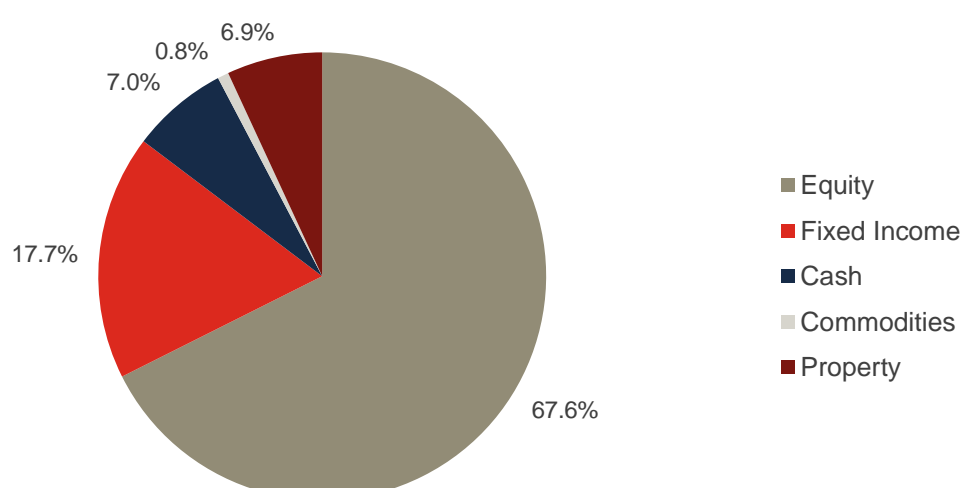
Investment statistics (since 1 January 2009)

Current month return:	2.0%
Cumulative return:	73.5%
Annualised return:	10.7%
Annualised volatility:	9.6%

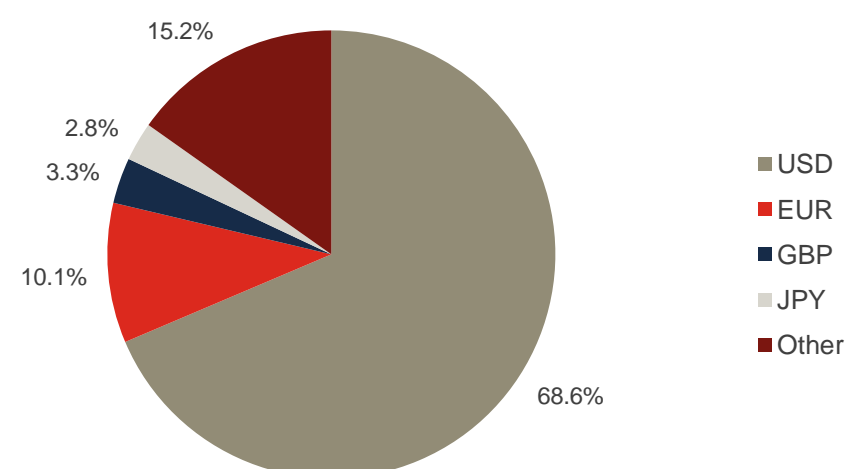
Regional allocation



Asset allocation



Currency allocation



■ Manager commentary

The majority of asset classes followed an upward trend in May. Equities returned 2.0% in developed markets while emerging markets added 3.5% (both in US dollar terms), to move them marginally ahead of their developed counterparts for the year. Bond yields continued on their downward trajectory in May, despite already moving significantly at the beginning of the year. This resulted in government bonds returning around 1% in the US, UK and the euro area (in their respective currencies), to take the year-to-date returns of the Citigroup WorldBIG index to 4.1% in US dollar terms.

An increasingly dovish tone from central banks followed news of generally sluggish, and in some cases, disappointing economic growth. Excluding Germany, where the economy grew by 0.8%, first quarter growth in the euro area registered a disappointing 0.2%. Output fell by 0.1% in the euro area as a whole. In the US, Q1 growth was revised down to -1.0%, well below consensus expectations. However, most of the weakness has been attributed to transitory factors, notably the severe winter weather and reduced inventory accumulation. As expected, Japan produced strong first quarter growth of 6.7% annualised, due to discretionary spending being brought forward ahead of the sales tax increase at the start of April. In the immediate aftermath there has been a sharp drop-off in spending, but anecdotal evidence from Japan suggests that fears of a sustained slump in activity levels are as yet unfounded.

Away from central banks, politics was the other key feature of the month, with important elections in Europe, India and Ukraine, together with a military coup in Thailand. Elections to the European Parliament saw a notable swing towards anti-establishment parties. Although mainstream parties remain in the majority, there is no doubt that euro-sceptic and protest parties will influence policy making at both EU and individual country level going forward.

Despite the weak economic news of late, leading indicators are pointing to improved prospects for a steady pick up in the key US economy, and in Europe through the remainder of 2014. The Federal Reserve's tapering and interest rate policy is now well flagged and discounted in the markets, and its increasingly dovish tone about future interest rate rises (lower for longer) bodes well for more economically sensitive asset classes, notwithstanding the challenges posed by a Chinese slowdown and/or a misstep from policymakers.

Against this backdrop, the Harmony US Dollar Growth Fund returned 2.0% last month. While the Fund has a neutral allocation to equity markets overall, the allocation to global emerging markets (GEM) aided performance as GEM achieved returns in excess of the developed markets. Furthermore, the credit positions taken in the fund aided performance as these asset classes, in aggregate, added more value than government paper. The largest detractor from performance came from the relatively large cash holding, which was a drag on performance in a month where both equity and fixed income markets increased in value.

From a manager selection perspective, the Artisan Global Value fund, which is managed by Dan O'Keefe and David Samra from San Francisco, gained 2.8% in May and 4.8% year to date in US dollar terms, representing outperformance versus their MSCI World benchmark over both periods. Over twelve months the strategy has returned an impressive 20.7%, compared to 18.9% for the benchmark. During May the main contributor to returns was the holding in Royal Bank of Scotland which rose by 15% over the period. Other contributors posting high single digit share price gains included Samsung Electronics and Apple. The managers continue to find it difficult to find new, high quality investment ideas that are available at attractive valuations and as a result cash levels within the portfolio remain elevated. The manager's allocation to emerging markets remains low; their view is that the high quality emerging market businesses they would like to own remain too expensive while those that are available at more attractive valuations are of too low quality.

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