

Harmony US Dollar Growth Fund

Fund details

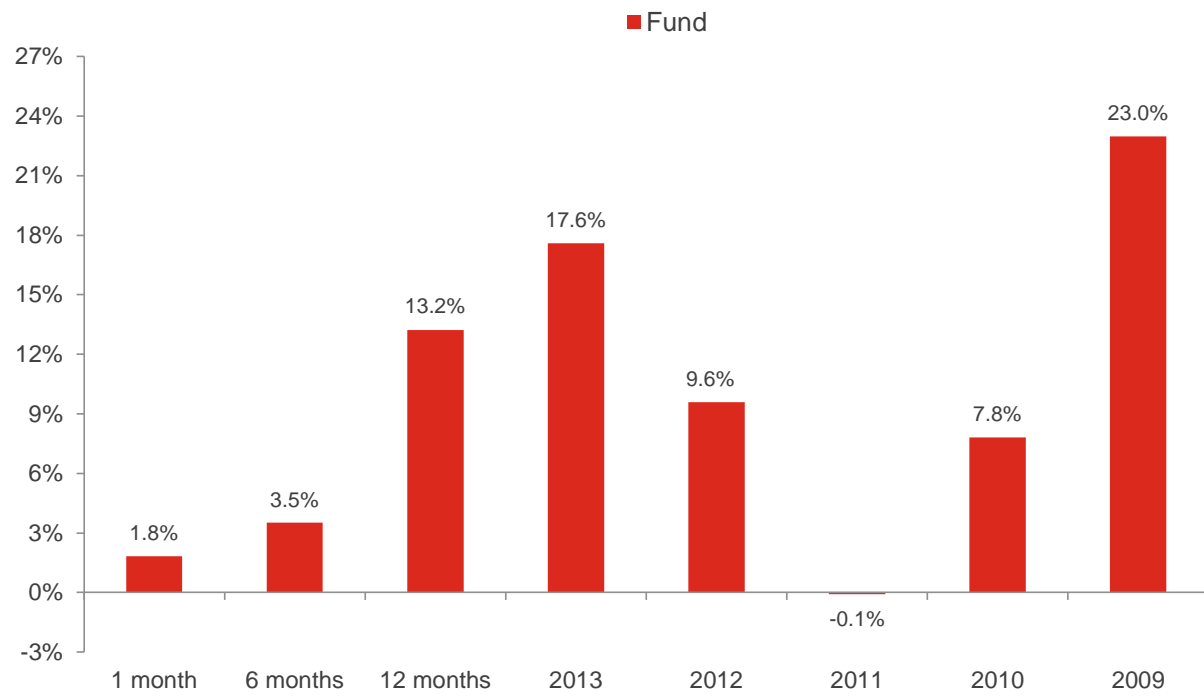
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|---|---|--|
| Investment manager: Momentum Global Investment Management | ISIN A Class: LU0651986571 | Price per share A Class: USD 1.2195 |
| Currency: USD | ISIN B Class: LU0651986654 | Price per share B Class: USD 1.1781 |
| Inception date (fund): 12 August 2011 | ISIN C Class: LU0651986738 | Price per share C Class: USD 1.4251 |
| Structure: SICAV - Part 1 Luxembourg 2002 Law (UCITS) | ISIN D Class: LU0651986811 | Price per share D Class: USD 1.2982 |
| Minimum investment Share Class A: USD 100,000; Classes B, C & D: USD 7,500 | Subscriptions / redemptions: daily | Investment timeframe: 5 years + |

Investment objective

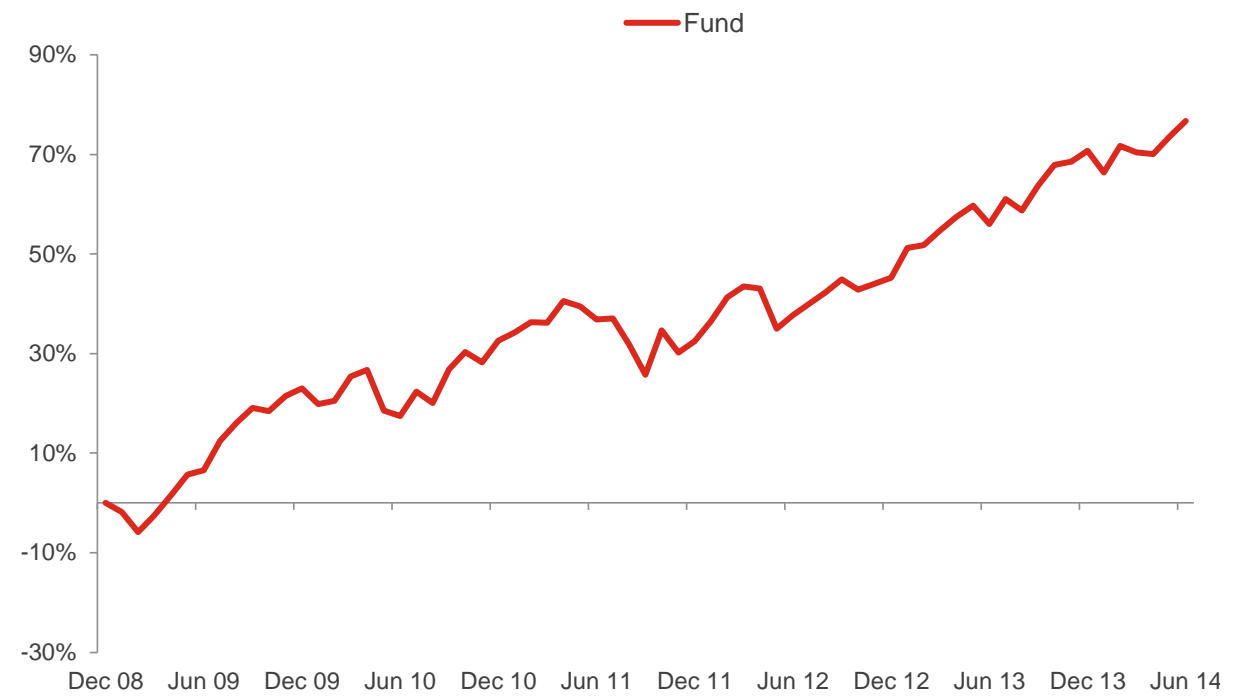
The portfolio will be biased to investments in the United States, but could also hold investments outside this country. The investment objective is to provide capital growth in US dollar terms but with a reduced level of volatility, via strategic exposures to a wide range of asset classes.

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

Fund performance



Cumulative returns



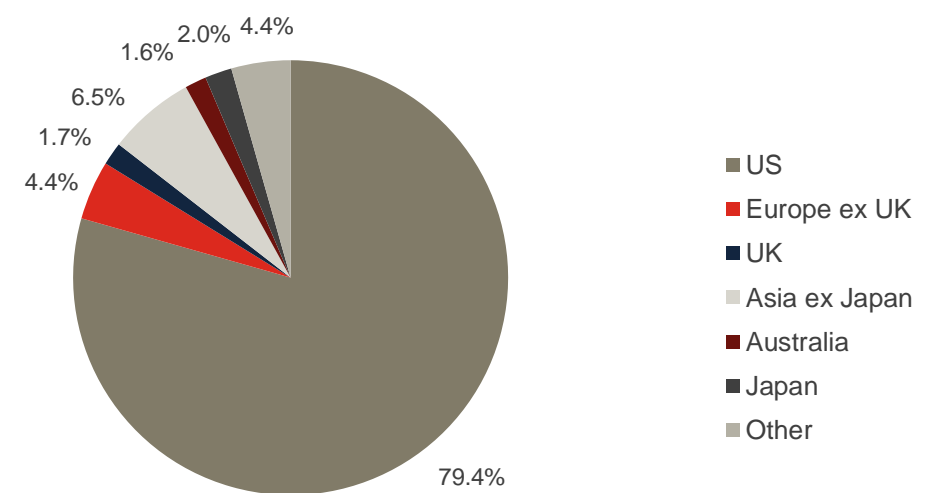
Holdings

| Holdings | Asset type | Weight |
|---|--------------|--------|
| Harris Associates Concentrated US Equity | Equity | 13.9% |
| Wells Fargo US All Cap Growth | Equity | 11.6% |
| Yacktman US Equity | Equity | 9.2% |
| Vulcan Value Equity | Equity | 8.6% |
| Artisan Global Value | Equity | 8.2% |
| Cash | Cash | 8.1% |
| Cohen & Steers Global Real Estate | Property | 6.7% |
| Old Mutual Dublin Global Bond | Fixed Income | 4.4% |
| BlackRock US Corporate Bond Index | Fixed Income | 4.1% |
| RWC Asia Convertibles | Fixed Income | 3.6% |
| American Century Concentrated Global Growth | Equity | 3.4% |
| Morgan Stanley Global Brands | Equity | 3.3% |
| Dimensional Emerging Markets Value | Equity | 3.2% |
| RWC Global Convertibles | Fixed Income | 2.9% |
| First State Global Listed Infrastructure | Equity | 2.9% |
| Granahan US Focused Growth | Equity | 2.2% |
| iShares JP Morgan Emerging Markets Bond | Fixed Income | 2.1% |
| iShares Gold Producers | Commodities | 0.9% |
| Morgan Stanley UK Global Brands | Equity | 0.5% |
| BlackRock US Index | Equity | 0.2% |

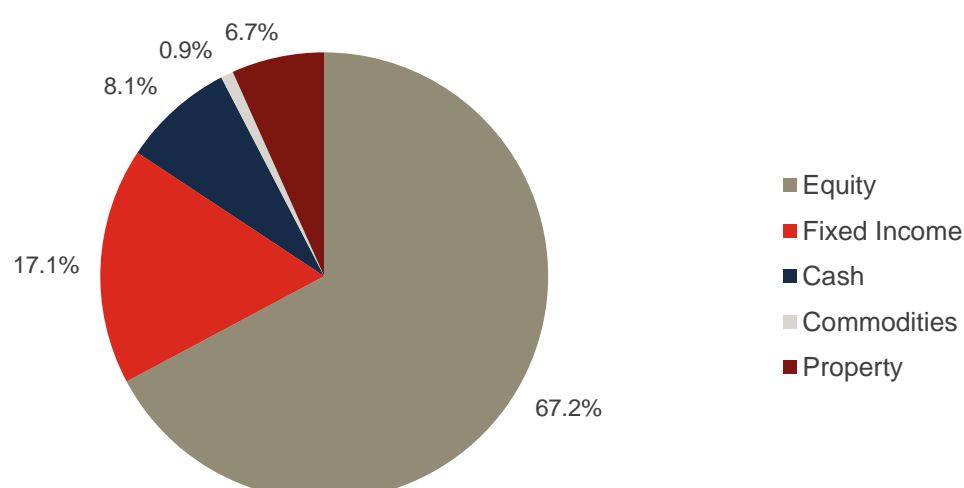
Investment statistics (since 1 January 2009)

| | |
|------------------------|-------|
| Current month return: | 1.8% |
| Cumulative return: | 76.7% |
| Annualised return: | 10.9% |
| Annualised volatility: | 9.5% |

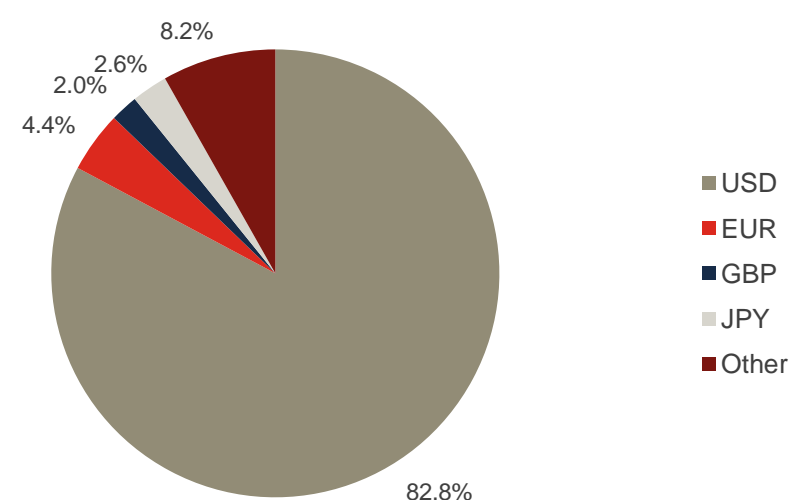
Regional allocation



Asset allocation



Currency allocation



■ Manager commentary

In a loose repeat of May's main market themes, the majority of asset classes followed an upward trend in their respective local currencies in June. Global developed equity markets returned 1.8% in US dollar terms while global government bonds returned 0.7% in US dollars. Year-to-date both of these broadly defined asset classes are also in positive territory with global equity adding 6.2% in USD terms and global government bonds performing similarly with a USD return of 5.0%.

Central banks continued to dominate this investment landscape by providing the liquidity which continues to push up most asset classes. The European Central Bank (ECB) loosened policy further at the beginning of the month, and took the unprecedented measures of imposing a negative interest rate on deposits. It also cut its benchmark interest rate by 0.10% to a historic low of 0.15%. In contrast, the Governor of the Bank of England, Mark Carney, suggested this month that rates could rise before market expectations, implying a possible hike at the end of 2014. Janet Yellen, Chair of the Board of Governors at the US Federal Reserve (Fed), remains dovish on US policy, although 'tapering' of the Fed's asset purchases was reduced by another \$10bn this month, and its asset purchasing programme is on course to end by the end of the year.

June also saw the rise of the militant Islamic State of Iraq and the Levant (ISIS) in Iraq. The audacious and largely unexpected advance in the north of Iraq caused an initial spike in oil prices, but they settled at +2.8% over the month, as ISIS fighters faced greater resistance around Baghdad, and the oil fields in the southernmost part of the country were left unaffected. The situation remains unpredictable, however, and gold prices reflected this uncertainty with a 6.2% rise over the month.

Against this backdrop, the Harmony US Dollar Growth Fund returned 1.8% net of all fees last month. Over the past quarter the Fund has gained 3.7%, and over the past 12 months the Fund has added 13.2%, net of all fees. While the Fund has a reasonable allocation to both local and global equity, it also has a meaningful allocation to emerging markets (EM) which aided absolute performance as EM outperformed the equity market as a whole. Nominal returns were impacted by the decision to avoid government debt which produced positive returns. This was mitigated somewhat by the use of credit strategies, albeit this section of the fixed income market did not outperform the sovereign element meaningfully. As with last month, the cash allocation, which produced 0% in a month where both equity and fixed income markets increased in value, was a detractor from absolute performance.

From a manager selection perspective, the Cohen & Steers Global Real Estate Securities fund holding returned 7.0% in US dollar terms during the second quarter, which represented marginal underperformance versus their listed property benchmark but significant outperformance versus the global equity index which returned the lower 4.9%. Conversely over twelve months the holding has outperformed the property benchmark with a gain of 13.8%, but significantly lagged the MSCI World return of 24.0%. Since late 2012 the portfolio has held a reduced allocation to this asset class in favour of a listed infrastructure equity strategy managed by First State. This positioning benefited performance over the year as the First State infrastructure strategy outperformed Cohen & Steers by over 12% and the global equity index by over 2%.

Presently the markets are experiencing a period of low volatility. This is a condition which has become familiar to investors of late, but we do not believe that this is reflective of a new paradigm in investment markets. We believe that the low levels of volatility will, ultimately, prove transitory. As a result, investment portfolios should remain prudently diversified to reduce the risk of any single, unpredictable volatility spike impacting the portfolio disproportionately. Nevertheless, we believe equity markets still provide a reasonable chance of upside on a medium to long-term basis, and as valuation driven investors, we will look upon bumps in the road as an opportunity to selectively add undervalued assets to the portfolios.

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.