Momentum Global Funds

Société d'Investissement à Capital Variable

Harmony US Dollar Growth Fund

momentum

month ended 30 June 2015

Fund details

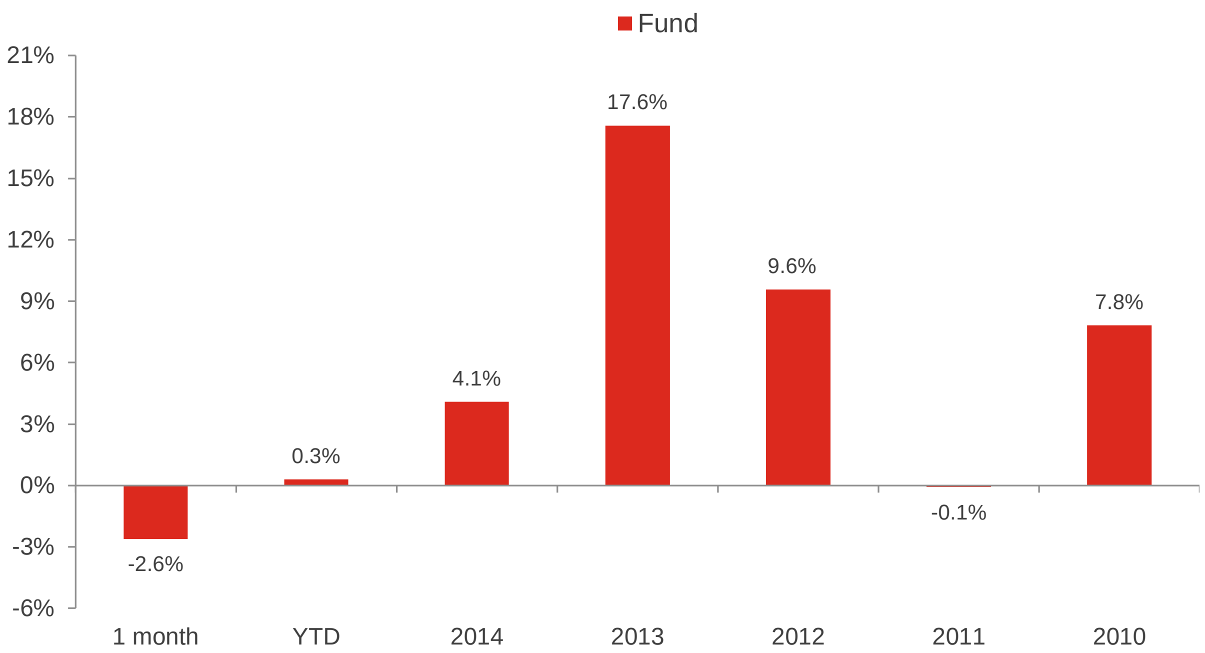
Investment manager: **Momentum Global Investment Management**	ISIN A Class: **LU0651986571**	Price per share A Class: **USD 1.2300**
Currency: **USD**	ISIN B Class: **LU0651986654**	Price per share B Class: **USD 1.1878**
Inception date (fund): **12 August 2011**	ISIN C Class: **LU0651986738**	Price per share C Class: **USD 1.4299**
Structure: **SICAV - Part 1 Luxembourg 2002 Law (UCITS)**	ISIN D Class: **LU0651986811**	Price per share D Class: **USD 1.2969**
Minimum investment: **Share classes A, B, C & D: USD 7,500**	Subscriptions / redemptions: **daily**	Investment timeframe: **5 years +**

Investment objective

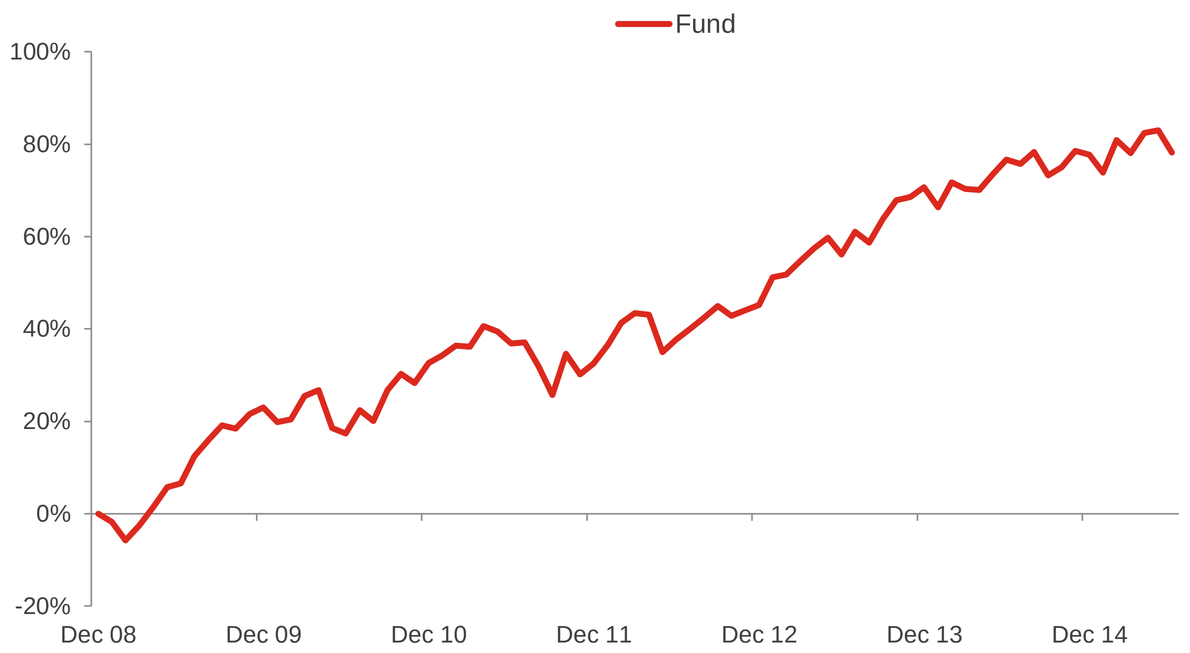
The portfolio will be biased to investments in the United States, but could also hold investments outside this country. The investment objective is to provide capital growth in US dollar terms but with a reduced level of volatility, via strategic exposures to a wide range of asset classes.

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

Fund performance



Cumulative returns



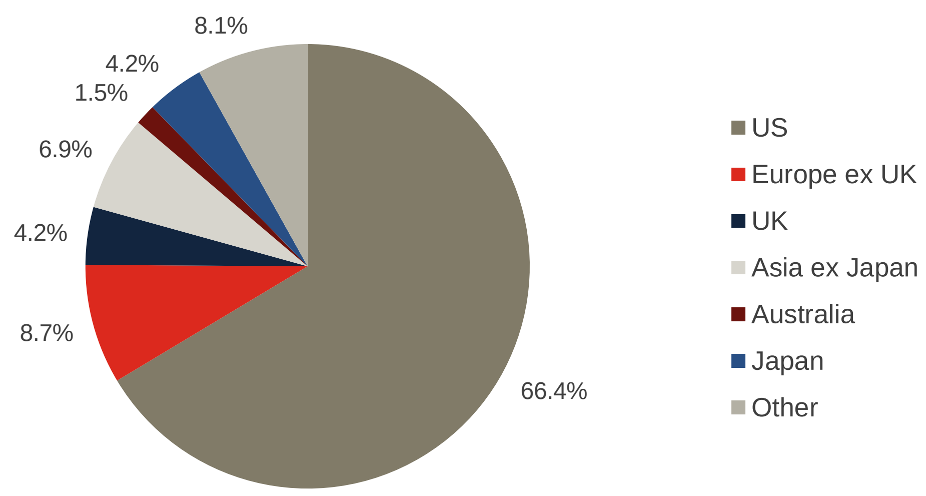
Holdings

Holdings	Asset type	Weight
Harris Associates Concentrated US Equity	Equity	12.9%
Wells Fargo US All Cap Growth	Equity	11.0%
Yacktman US Equity	Equity	8.8%
Vulcan Value Equity	Equity	8.4%
Artisan Global Value	Equity	7.7%
Third Avenue Real Estate Value	Property	5.6%
Dimensional Emerging Markets Value	Equity	4.3%
Cash	Cash	4.1%
Morgan Stanley Global Brands	Equity	4.0%
American Century Concentrated Global Growth	Equity	3.5%
RWC Asia Convertibles	Fixed Income	3.0%
Muzinich EM Short Duration (USD hedged)	Fixed Income	2.9%
AXA US Short Duration High Yield	Fixed Income	2.9%
RWC Global Convertibles	Fixed Income	2.8%
AXA US High Yield	Fixed Income	2.8%
Heptagon Kopernik Global All-Cap Equity	Equity	2.5%
iShares JP Morgan Emerging Markets Bond	Fixed Income	2.3%
Granahan US Focused Growth	Equity	2.2%
Schroder UK Recovery	Equity	2.1%
First State Global Listed Infrastructure	Equity	2.0%
FP Crux European Special Situations	Equity	2.0%
Polar Capital Japan (USD hedged)	Equity	1.4%
iShares Gold Producers	Commodities	0.5%
Westwood Strategic Global Convertibles (USD hedged)	Fixed Income	0.3%

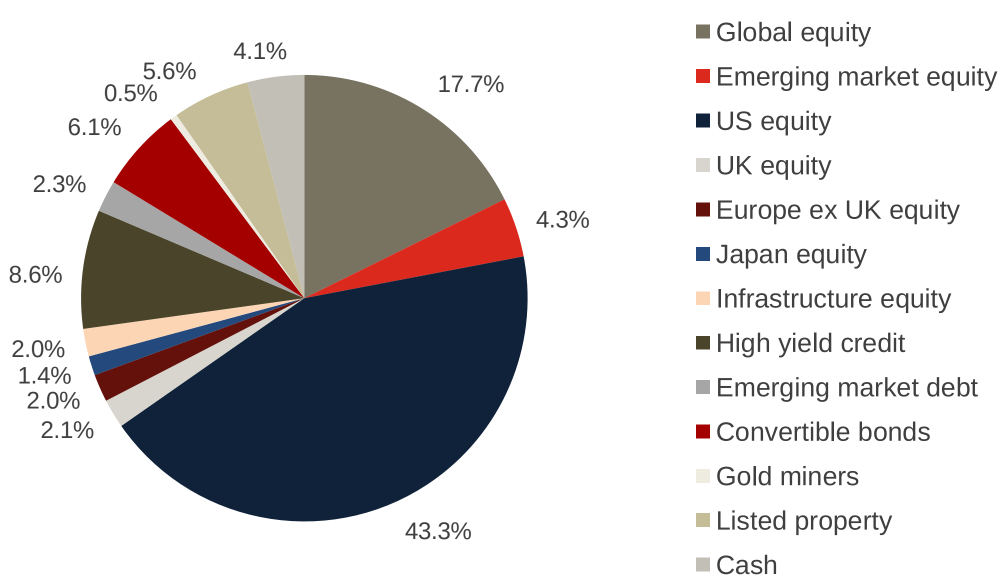
Investment statistics (since 1 January 2009)

Current month return:	-2.6%
Cumulative return:	78.2%
Annualised return:	9.3%
Annualised volatility:	9.2%

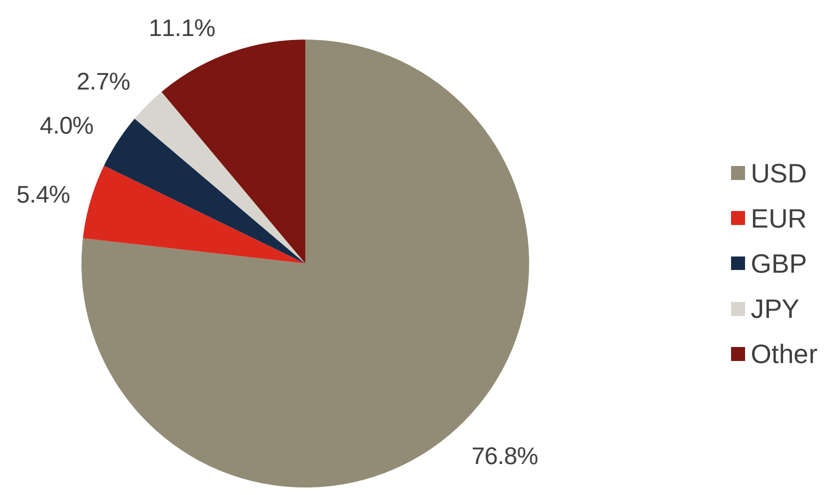
Regional allocation



Strategy allocation



Currency allocation



Sources: Momentum Global Investment Management, JP Morgan Bank (Luxembourg) S.A., Bloomberg.

Manager commentary

Market volatility increased in recent weeks as various factors weighed on investor sentiment, including the ongoing Greek crisis, Chinese equities falling deeper into a bear market and the prospect of the US Federal Reserve's first interest rate hike since the global financial crisis. Equity markets, especially in Europe and the UK, have weakened, and bond markets have sold-off. We view these moves as a healthy correction, however, rather than something more sinister. The supportive monetary environment will ensure continuing high levels of liquidity in global markets, and while there are clear risks, none of these appear to be potentially damaging enough to result in a renewed global bear market. The current period of nervousness and consolidation probably has further to run, but we see an opportunity ahead to add to risk in our portfolios - in particular to equities - as valuations reach more reasonable levels.

Most market indices fell in value during June, with declines largely coming towards the end of the month. Equity markets generally underperformed bond markets; in US dollar terms global equities fell 2.3% versus a 0.5% decline for global bonds. US equities outperformed most other country/ regional equity indices when measured in local currency terms with a fall of just 2.0%. The Asia Pacific ex Japan and Europe ex UK regions both fell by roughly 4% in the month, while the Australian and the UK markets, which are more concentrated and have a greater weighting towards the underperforming mining sector, proved laggards with falls of 5.3% and 6.4% respectively. Interest rate sensitive sectors including listed real estate and listed infrastructure underperformed global equities over the month. This reflected rising yields on high grade bonds across most countries, resulting in government bond indices posting declines of 1-2% in local currency terms, while European bonds fell further by 2.6%. US high yield bonds and global convertible bond indices fell 1.5% and 2.2% respectively. In a departure from the general trend of the last twelve months, the US dollar weakened versus other major currencies including versus Sterling (+2.8%), the euro (+1.5%) and the Australian dollar (+0.8%).

Against this backdrop the Harmony US Dollar Growth Fund returned -2.6% in June, reducing the year-to-date return to 0.3% net of all fees in US dollar terms. Most holdings posted declines but it was the equity portion of the portfolio that drove most of the Fund's fall over the period. Although our continued preference for equities over bonds detracted from performance last month it has benefited returns over longer periods, including year to date. June's performance was also impacted by the aggregate underperformance of our selected US equity managers, which was marginally offset by strong relative performance from our recently appointed listed real estate manager, Third Avenue. The Fund's fixed income holdings also posted declines, albeit significantly smaller than the equity holdings. Within fixed income, our holdings in global and Asian convertible bond strategies detracted most from performance during the month, but they remain among the leading contributors to performance so far this year.

At the end of the month we sold the Fund's holding in the Polar Japan equity strategy. This followed gains of around 30% over the last year, representing significant outperformance versus global equities. We maintained the same overall equity allocation by investing the proceeds of this sale into the Crux European Special Situations fund, which is run by a manager that we have invested with for many years in the Harmony Europe Diversified Fund. This decision followed a period of underperformance for European equities, driven by the ongoing Greek debt crisis, which we believe presented an attractive buying opportunity.

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.