

Harmony US Dollar Balanced Fund

Fund details

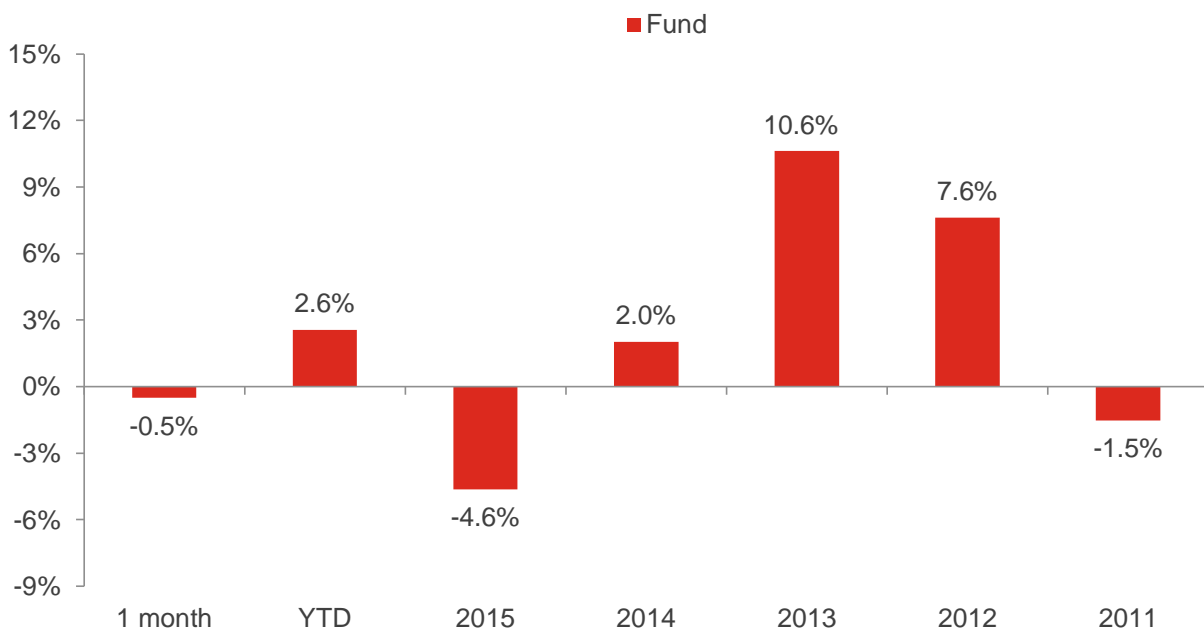
Investment manager: Momentum Global Investment Management	ISIN A Class: LU0651986068	Price per share A Class: USD 1.0885
Currency: USD	ISIN B Class: LU0651986142	Price per share B Class: USD 1.1020
Inception date (fund): 12 August 2011	ISIN C Class: LU0651986225	Price per share C Class: USD 1.2022
Structure: SICAV - Part 1 Luxembourg 2002 Law (UCITS)	ISIN D Class: LU0651986498	Price per share D Class: USD 1.1264
Minimum investment: Share classes A, B, C & D: USD 7,500	Subscriptions / redemptions: daily	Investment timeframe: 3 years +

Investment objective

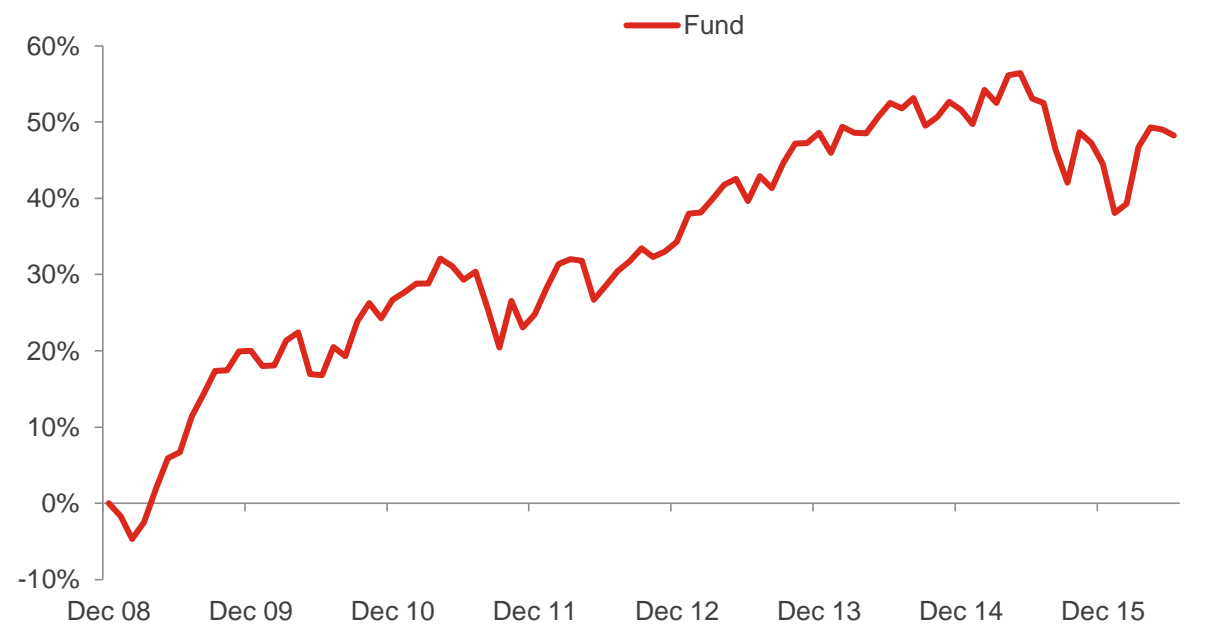
The portfolio will be biased to investments in the United States, but could also hold investments outside this country. The portfolio aims to provide a balance between capital preservation and capital growth in US dollars with a reduced level of volatility, via strategic exposures to a wide range of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



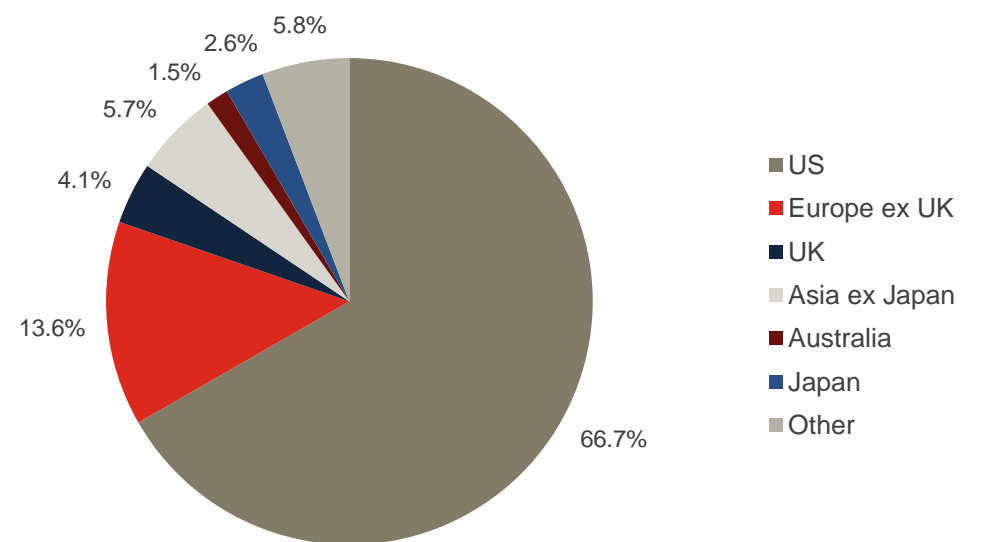
Holdings

Holdings	Asset type	Weight
BlackRock US Corporate Bond Index	Fixed Income	10.3%
Muzinich EnhancedYield Short-Term (USD hedged)	Fixed Income	10.0%
Third Avenue Real Estate Value	Property	6.1%
Artisan Global Value	Equity	6.0%
Vulcan Value Equity	Equity	5.6%
AXA US Short Duration High Yield	Fixed Income	5.0%
iShares JP Morgan Emerging Markets Bond	Fixed Income	4.2%
Yacktman US Equity	Equity	4.0%
Conventum Lyrical	Equity	3.9%
Cash	Cash	3.7%
Harris Associates Concentrated US Equity	Equity	3.4%
Westwood Strategic Global Convertibles (USD hedged)	Fixed Income	3.3%
RWC Asia Convertibles	Fixed Income	3.3%
Jennison Global Equity Opportunities	Equity	3.2%
AXA US High Yield	Fixed Income	3.1%
RWC Global Convertibles	Fixed Income	2.8%
First State Global Listed Infrastructure	Equity	2.8%
Wells Fargo US All Cap Growth	Equity	2.7%
Heptagon Kopernik Global All-Cap Equity	Equity	2.2%
Morgan Stanley Global Brands	Equity	2.0%
Schroder UK Recovery	Equity	2.0%
Dimensional Emerging Markets Value	Equity	2.0%
Goldman Sachs EFI Long Short Risk Premia Portfolio	Equity	1.9%
FP Crux European Special Situations	Equity	1.9%
American Century Concentrated Global Growth	Equity	1.5%
Granahan US Focused Growth	Equity	1.3%
BlackRock Developed Real Estate	Property	1.1%
iShares Gold Producers	Commodities	0.7%

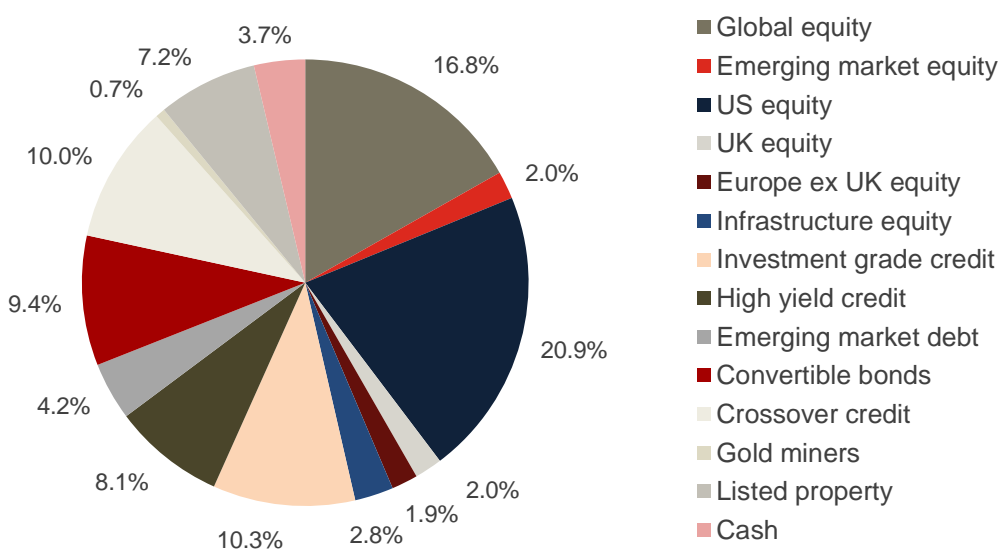
Investment statistics (since 1 January 2009)

Current month return:	-0.5%
Cumulative return:	48.3%
Annualised return:	5.4%
Annualised volatility:	7.6%

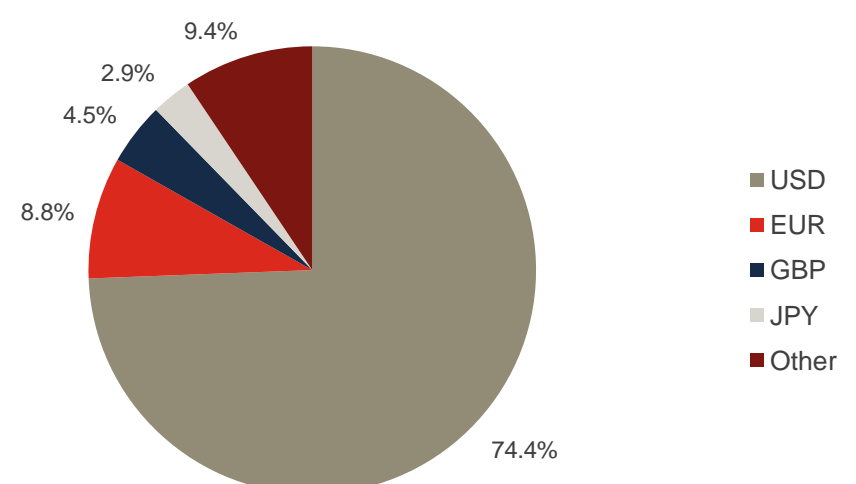
Regional allocation



Strategy allocation



Currency allocation



■ Manager commentary

Events in June, prior to the UK's EU referendum on the 23rd, became somewhat irrelevant following the shock result. The market reaction was instant and dramatic, with sharp falls in sterling, global stock markets, government bond yields (especially those in the UK) and a flight to safe haven assets such as gold. In the UK, domestically exposed companies such as banks, house builders and retailers have fallen particularly steeply. However, the moves were less violent than predictions prior to the vote, and after two days of declines markets recovered as prospects of a global contagion, systemic illiquidity or funding problems for banks became less tangible. By month-end the UK equity market was higher than its pre-referendum level and up 5.0% in June in sterling terms, while US equities were marginally higher over the month (+0.2%). Emerging markets also had a strong month, up 3.5%, but Europe and Japan suffered significant falls in local currency terms, down by 4.6% and 9.8% respectively.

The Harmony US Dollar Balanced Fund returned -0.5% in June in US dollar terms net of fees, compared to a 0.2% gain for the S&P 500 equity index. Over three months and year to date the Fund has gained 1.0% and 2.6% respectively. The main contribution to returns over the last month came from the fixed income portion of the Fund, with our hard currency emerging market bond holding gaining 3.7% and our US investment grade credit holding up by 2.1%. High yield bond positions made a small positive contribution. Strong performance from interest rate sensitive investments was also reflected in the listed real estate and listed infrastructure sectors, with the Blackrock Real Estate and First State Infrastructure holdings gaining 3.6% and 3.0% respectively. The Fund's exposure to gold producing businesses (via an iShares ETF) made a meaningful contribution to performance despite a small position size, given a very strong return of 22% over the month. Exposure to this sector also benefited our holding in the Kopernik Global Equity fund, which outperformed the MSCI World index by almost 10%. Meanwhile our Dimensional holding, which provides value orientated exposure to emerging market equities, returned 5.4%. However, these contributions to performance were more than offset by modest declines from holdings that in aggregate represent a larger weight in the portfolio. The main detractors were among our US and global equity holdings, where our selected managers underperformed their respective benchmarks. However, in most cases such benchmark comparisons are misleading over this particular period as the performance of underlying holdings is underestimated. This is due to a very sharp rally in markets on the afternoon of the last day of the month, which was captured by market indices but not by most fund holdings as they typically calculate their prices earlier in the day. As a result the fund performed well on the first day of July as the underlying pricing caught up with benchmark indices.

Given the high profile closures of several UK property funds during July, it is worth highlighting that the Harmony funds have no exposure to open ended funds investing in direct property because of the obvious liquidity mismatch risks they suffer. Instead we obtain property exposure via global portfolios of listed property securities (mostly REITs) and in the Sterling funds we also have a holding in the Ediston Property Investment Company, a London listed closed ended investment trust.

We strongly believe that the UK will thrive and prosper in the long term whether in or out of the EU. In the shorter term, the inevitable rise in uncertainty will push the risk premium on UK and European assets higher, with the latter facing the additional risk of a weak banking system. Financial market volatility will increase until there is some degree of clarity on how Brexit will unfold, but we believe the likely outcome will be broadly market friendly. We are therefore seeking to use periods of weakness to accumulate assets on more attractive longer term valuations; being patient in this way should help reduce fund drawdowns and ultimately boost returns over time. Furthermore, with global policymakers likely to lean towards more monetary and fiscal accommodation in response to the renewed global growth risks, there should be ongoing support for financial assets going forward.

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.