

Harmony Euro Balanced Fund

Fund details

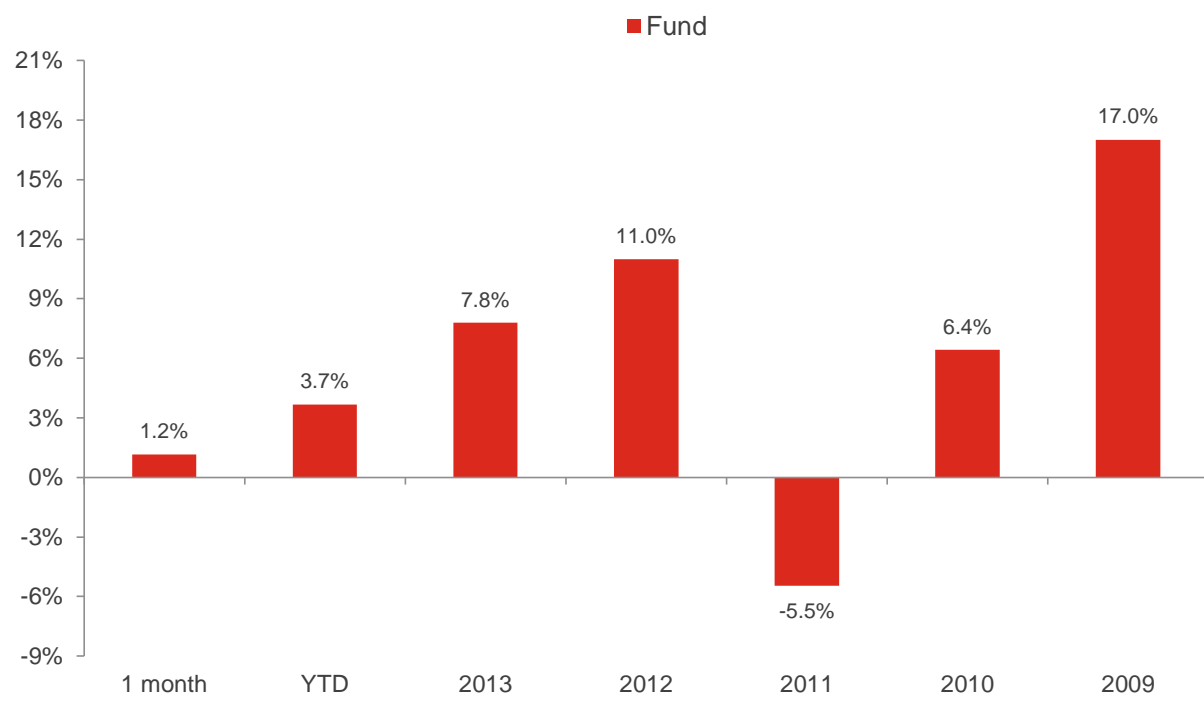
Investment manager: Momentum Global Investment Management	ISIN A Class: LU0651984873	Price per share A Class: EUR 1.0981
Currency: EUR	ISIN B Class: LU0651984956	Price per share B Class: EUR 1.0349
Inception date (fund): 12 August 2011	ISIN C Class: LU0651985094	Price per share C Class: EUR 1.1740
Structure: SICAV - Part 1 Luxembourg 2002 Law (UCITS)	ISIN D Class: LU0651985177	Price per share D Class: EUR 1.2059
Minimum investment: Share Class A: USD 100,000; Classes B, C & D: USD 7,500 (EUR equivalent)		Subscriptions / redemptions: daily
		Investment timeframe: 3 years +

Investment objective

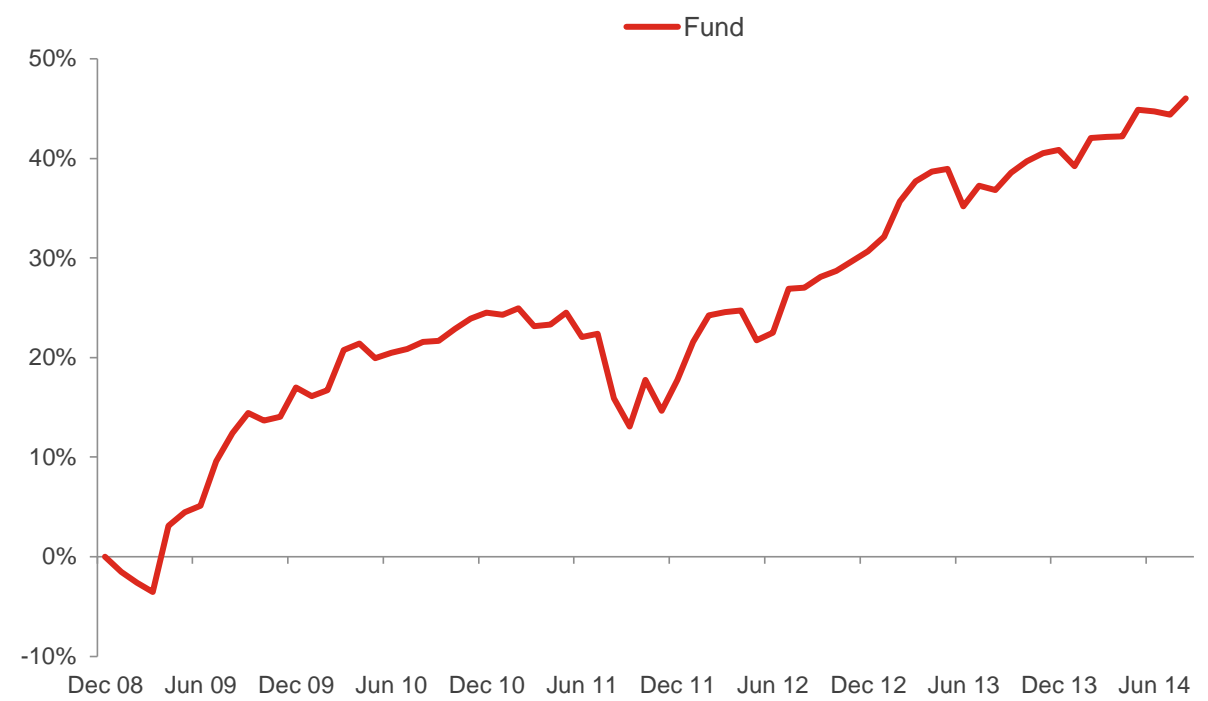
The portfolio will be biased to investments in Europe, but could also hold investments outside this region. The portfolio aims to provide a balance between capital preservation and capital growth in euros with a reduced level of volatility, via strategic exposures to a wide range of asset classes.

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

Fund performance



Cumulative returns



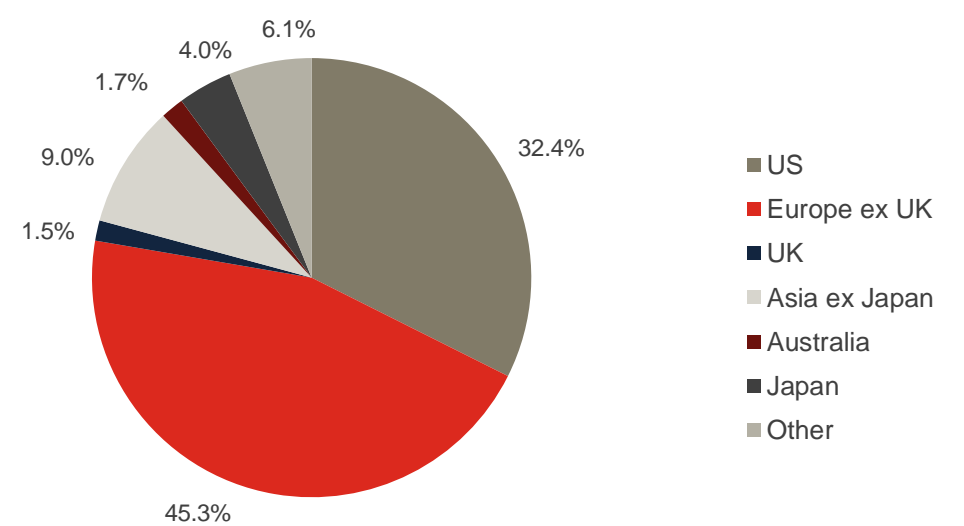
Holdings

Holdings	Asset type	Weight
Henderson European Special Situations	Equity	15.9%
Jupiter European Special Situations	Equity	13.2%
Cohen & Steers Global Real Estate	Property	8.9%
Cash	Cash	7.6%
Old Mutual Dublin Global Bond (EUR hedged)	Fixed Income	6.4%
RWC Global Convertibles	Fixed Income	6.3%
RWC Asia Convertibles	Fixed Income	5.7%
BlackRock European Corporate Bond Index	Fixed Income	4.9%
Muzinich EnhancedYield Short-Term	Fixed Income	4.8%
Muzinich EM Short Duration (GBP hedged)	Fixed Income	4.7%
iShares JP Morgan Emerging Markets Bond	Fixed Income	4.0%
Artisan Global Value	Equity	3.2%
First State Global Listed Infrastructure	Equity	2.9%
American Century Concentrated Global Growth	Equity	2.6%
Dimensional Emerging Markets Value	Equity	2.4%
Polar Capital Japan (USD hedged)	Equity	1.7%
Heptagon Kopernik Global All-Cap Equity	Equity	1.7%
Morgan Stanley Global Brands	Equity	1.4%
Morgan Stanley UK Global Brands	Equity	1.1%
iShares Gold Producers	Commodities	0.6%

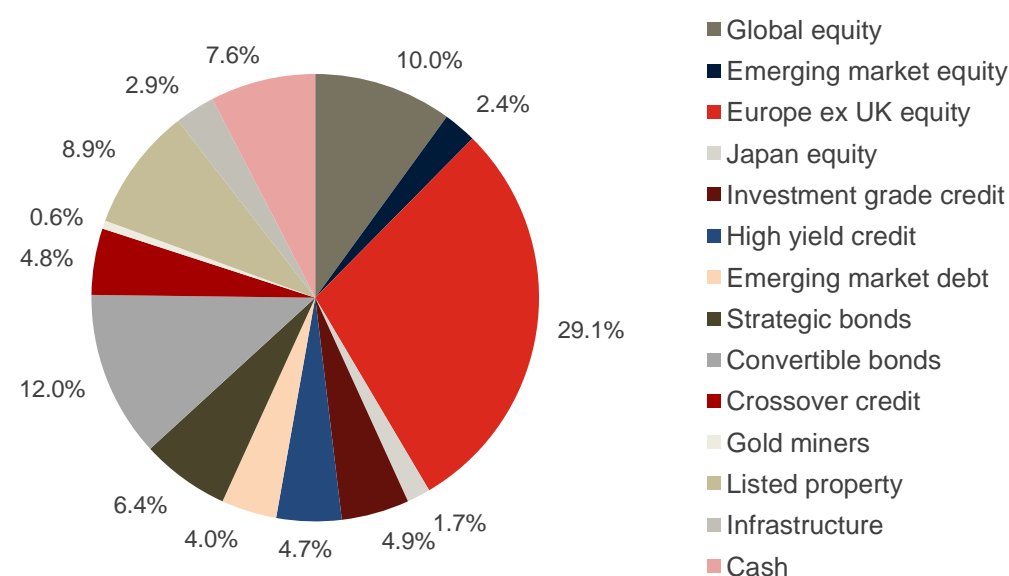
Investment statistics (since 1 January 2009)

Current month return:	1.2%
Cumulative return:	46.0%
Annualised return:	6.9%
Annualised volatility:	6.4%

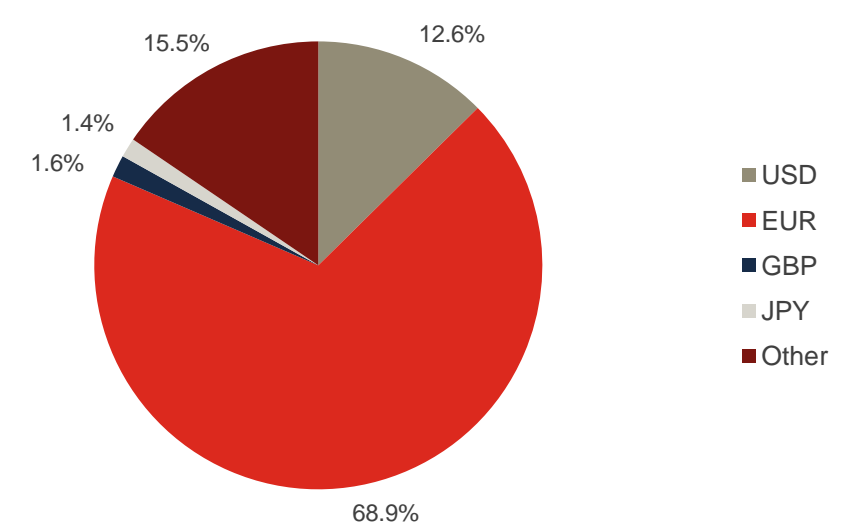
Regional allocation



Strategy allocation



Currency allocation



■ Manager commentary

Despite a deteriorating geopolitical backdrop, markets produced surprisingly strong returns in August, led by the US and a resurgent US dollar. US equities returned 4.0% over the month, with the S&P 500 index passing through 2,000 points for the first time in history. European equities gained 2.0% in local currency terms, but most of this return was eroded by the strength of the US dollar, while Japan declined by 0.9% in yen terms. Overall, global equities added 3.8% last month in euro terms, with emerging markets outperforming developed markets. Global bonds again confounded many commentators' expectations, as yields ground lower. Europe led the way, with yields on most Eurozone government bonds falling sharply as the growth outlook for the region deteriorated and the European Central Bank moved closer to full scale quantitative easing.

Against this backdrop, the Harmony Euro Balanced Fund returned 1.2% net of all fees last month. Over the past three and twelve months the Fund has gained 0.8% and 6.7% respectively in euro terms, net of all fees. Strong returns from global equities and global property securities have proved to be the primary drivers of good performance over these periods, although these asset classes have only performed slightly ahead of European and global bonds over the last year whilst European equities have been a relative laggard. The Fund's high equity weighting benefited performance for the month as did holdings in investment grade bonds, although allocations to the latter remain relatively low on valuation grounds. Manager selection did not have a significant bearing on the Fund's performance in August. The main detractors from performance over the month were holdings in the Polar Japan and Old Mutual Global Bond funds. The Polar fund fell slightly more than the Japanese equity market over the month as their focus on reflationary and pro-cyclical stocks, such as financials and exporters, was not rewarded. Meanwhile the Old Mutual fund retains its short duration positioning, which is likely to deliver negative returns when bond yields in general are falling, as was certainly the case in August.

Considering one of the Fund's underlying holdings in more detail, the Cohen & Steers Global Real Estate Securities fund returned 2.8% in August in euro terms, marginally behind its benchmark at 3.4%. The fund seeks to achieve total returns through investment in a diversified portfolio of real estate investment trusts (REITs) and other publicly traded real estate companies located across the globe. Cohen & Steers employ an integrated, relative value investment process. In pursuing total return, the fund seeks both capital appreciation and current income. This is one of the world's largest teams dedicated to the investment management of publicly traded real estate securities. The fund is currently 47.7% invested in the US, representing a marginal underweight exposure compared to the benchmark. The remaining exposure is diversified across a range of other geographies, with overweight allocations to the UK and Continental Europe. Compared to the previous month, the fund has reduced its Hong Kong allocation back to a neutral position and increases its Japanese exposure. The fund is in line with its benchmark in terms of sector allocations with a small overweight to offices. The managers tend to favour cyclical and short lease duration assets to benefit from the recovery cycle and potential for rents uplifts in countries such as the US and UK.

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 Euro Balanced Incorporated Cell (IC) within the Momentum Mutual Fund. The historical performance of the Harmony Euro 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.