

Harmony US Dollar Balanced Fund (Class E)

Fund details

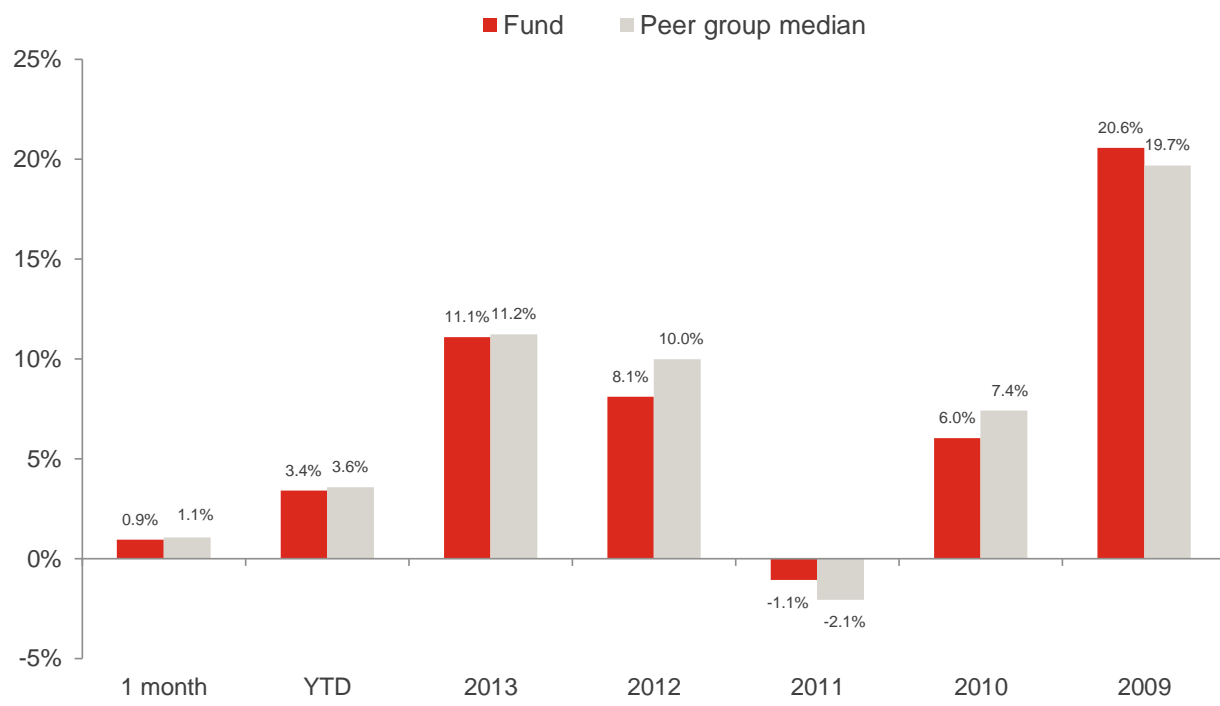
Investment manager: Momentum Global Investment Management	ISIN: LU0795381242
Currency: USD	Price per share: USD 1.1739
Inception date (fund): 12 August 2011	Minimum investment: USD 250,000
Structure: SICAV - Part 1 Luxembourg 2002 Law (UCITS)	Subscriptions / redemptions: daily
Peer group source: Bloomberg¹	Investment timeframe: 3 years +

Investment objective

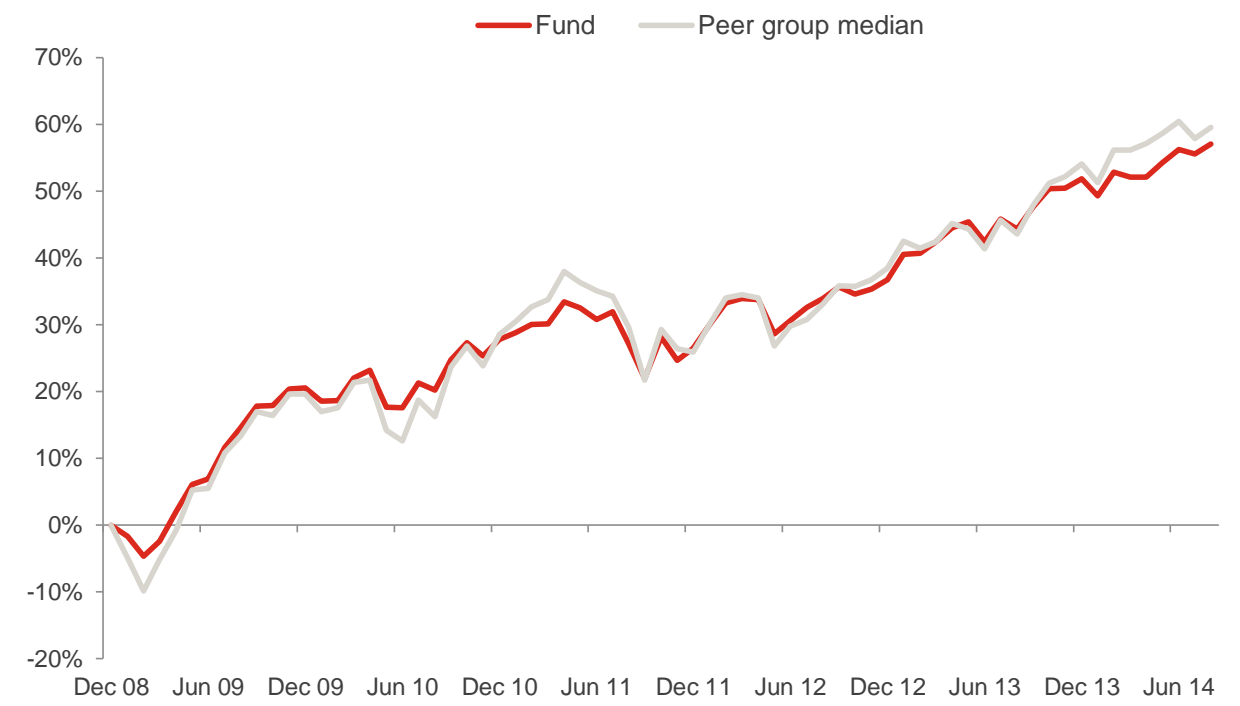
The portfolio will be biased to investments in the United States, but could also hold investments outside this country. The portfolio aims to provide a balance between capital preservation and capital growth in US dollars with a reduced level of volatility, via strategic exposures to a wide range of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



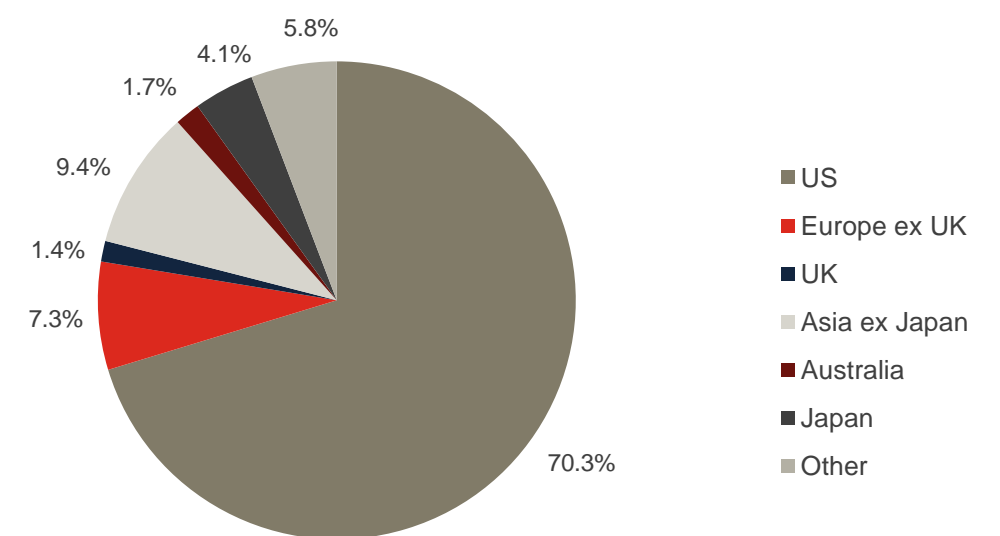
Holdings

Holdings	Asset type	Weight
Cohen & Steers Global Real Estate	Property	8.5%
Harris Associates Concentrated US Equity	Equity	8.3%
Old Mutual Dublin Global Bond	Fixed Income	7.7%
Wells Fargo US All Cap Growth	Equity	7.4%
Cash	Cash	6.5%
RWC Global Convertibles	Fixed Income	6.2%
RWC Asia Convertibles	Fixed Income	6.2%
Artisan Global Value	Equity	6.0%
Vulcan Value Equity	Equity	5.3%
Yacktman US Equity	Equity	5.2%
Muzinich Enhanced Yield Short-Term	Fixed Income	5.1%
BlackRock US Corporate Bond Index	Fixed Income	4.8%
Muzinich EM Short Duration (USD hedged)	Fixed Income	4.7%
iShares JP Morgan Emerging Markets Bond	Fixed Income	3.8%
First State Global Listed Infrastructure	Equity	3.0%
Dimensional Emerging Markets Value	Equity	2.3%
Polar Capital Japan (USD hedged)	Equity	1.9%
Heptagon Kopernik Global All-Cap Equity	Equity	1.9%
Granahan US Focused Growth	Equity	1.5%
American Century Concentrated Global Growth	Equity	1.3%
Morgan Stanley Global Brands	Equity	1.2%
iShares Gold Producers	Commodities	0.7%
Morgan Stanley UK Global Brands	Equity	0.5%

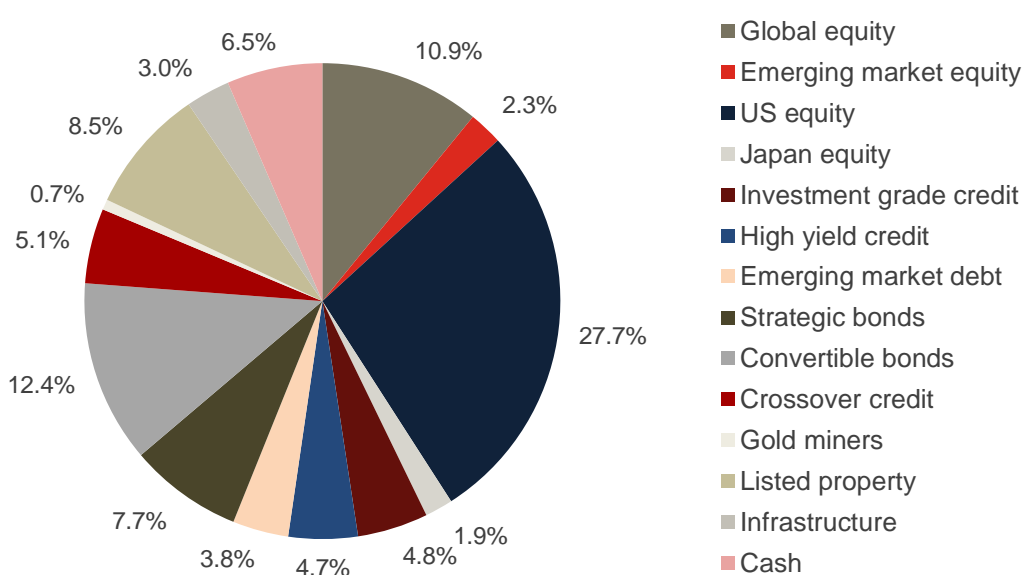
Investment statistics (since 1 January 2009)

Current month return:	0.9%
Cumulative return:	57.0%
Annualised return:	8.3%
Annualised volatility:	7.2%

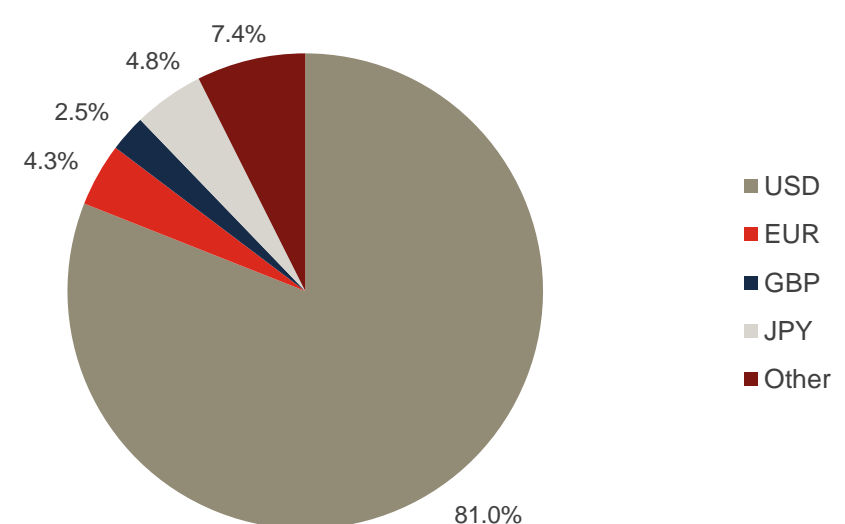
Regional allocation



Strategy allocation



Currency allocation



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

¹ The peer group median return is a composite of (i) global peers and (ii) local peers, in the ratio 1:2. This weighting methodology is consistent with the "normal" asset allocation of the Fund, with a two-thirds bias towards "home" country assets and currencies.

■ 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 2.2% last month in US dollar 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 US Dollar Balanced Fund returned 0.9% net of all fees last month. Over the past three and twelve months the Fund has gained 1.8% and 8.8% respectively in US Dollar terms, net of all fees. Strong returns from both the US and global equity markets as well as global property securities have proved to be the primary drivers of good performance over these periods. The Fund's high equity weighting benefited performance for the month but this was offset to some extent by manager selection as three of the five US equity focused holdings lagged the strong rise in the market. The main detractors from absolute 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.

We recently initiated a small holding in the Kopernik Global All Cap Equity fund. This fund is managed by a highly experienced and well-resourced team based in the US. The investment strategy is driven by Dave Iben, who founded Kopernik in 2013, and he is supported by a team of eleven investment professionals, many of whom he has worked with in the past when managing the same strategy. Indeed he has been investing with an unconstrained deep value approach since the early 1990's. His current portfolio has a significant bias towards both emerging markets and the materials sector – areas which have underperformed significantly in recent years and which offer some of the best value that the manager has ever observed in his career. However, the composition of the portfolio is such that it is heavily exposed to areas that have historically been of a higher risk nature, therefore the manager maintains a highly diversified portfolio consisting of at least 50 stocks. At a time when many assets around the world are priced at or above fair value, we believe this represents an attractive opportunity to gain exposure to a strategy that is investing in areas of the market that are genuinely very cheap.

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.

Performance figures prior to the inception date of the Class E share have been simulated to show its lower fees by adjusting the Harmony US Dollar Balanced Fund Class A share's past performance. Prior to the Class A 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 Class A fund 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.