

# Harmony US Dollar Balanced Fund

## Fund details

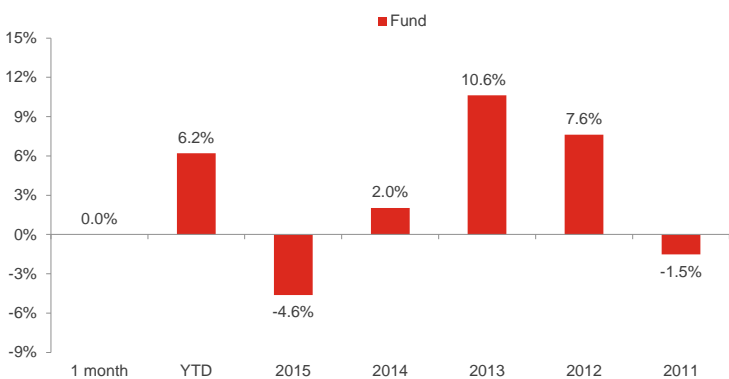
Investment manager: <b>Momentum Global Investment Management</b>	ISIN A Class: <b>LU0651986068</b>	Price per share A Class: <b>USD 1.1272</b>
Currency: <b>USD</b>	ISIN B Class: <b>LU0651986142</b>	Price per share B Class: <b>USD 1.1412</b>
Inception date (fund): <b>12 August 2011</b>	ISIN C Class: <b>LU0651986225</b>	Price per share C Class: <b>USD 1.2435</b>
Structure: <b>SICAV - Part 1 Luxembourg 2002 Law (UCITS)</b>	ISIN D Class: <b>LU0651986498</b>	Price per share D Class: <b>USD 1.1630</b>
Minimum investment: <b>Share classes A, B, C &amp; D: USD 7,500</b>	Subscriptions / redemptions: <b>daily</b>	Investment timeframe: <b>3 years +</b>

## Investment objective

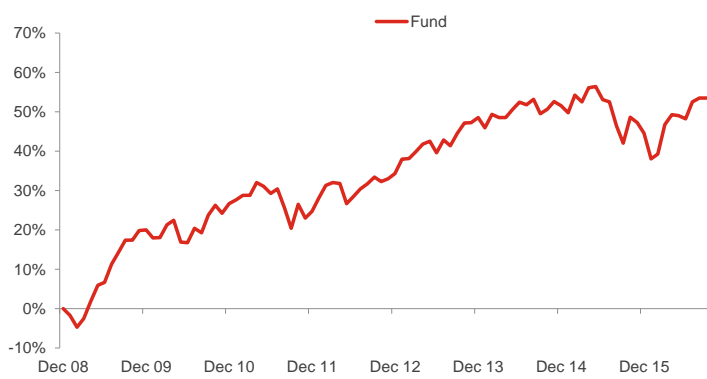
The portfolio will be biased to investments in the United States, but could also hold investments outside this country. The portfolio aims to provide a balance between capital preservation and capital growth in US dollars with a reduced level of volatility, via strategic exposures to a wide range of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



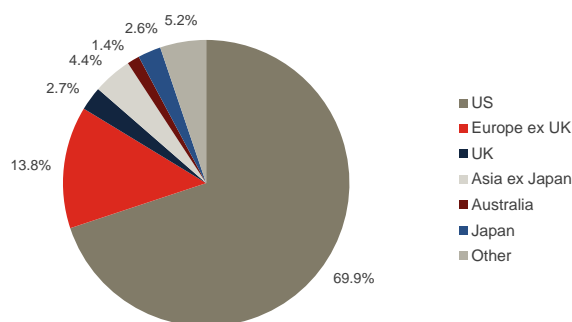
## Holdings

Holdings	Asset type	Weight
Muzinich EnhancedYield Short-Term (USD hedged)	Fixed Income	11.4%
BlackRock US Corporate Bond Index	Fixed Income	10.3%
Artisan Global Value	Equity	7.5%
Cash	Cash	7.0%
Third Avenue Real Estate Value	Property	5.9%
Vulcan Value Equity	Equity	5.5%
AXA US Short Duration High Yield	Fixed Income	4.7%
Wells Fargo US All Cap Growth	Equity	4.6%
iShares JP Morgan Emerging Markets Bond	Fixed Income	3.9%
Westwood Strategic Global Convertibles (USD hedged)	Fixed Income	3.9%
Conventum Lyrical	Equity	3.8%
Yacktman US Equity	Equity	3.7%
Jennison Global Equity Opportunities	Equity	3.2%
AXA US High Yield	Fixed Income	2.9%
RWC Global Convertibles	Fixed Income	2.7%
RWC Asia Convertibles	Fixed Income	2.5%
Heptagon Kopernik Global All-Cap Equity	Equity	2.3%
First State Global Listed Infrastructure	Equity	2.1%
Dimensional Emerging Markets Value	Equity	2.0%
Morgan Stanley Global Brands	Equity	1.9%
Goldman Sachs EFI Long Short Risk Premia Portfolio	Hedge Funds	1.7%
American Century Concentrated Global Growth	Equity	1.5%
Granahan US Focused Growth	Equity	1.4%
BlackRock Developed Real Estate	Property	1.0%
FP Crux European Special Situations	Equity	1.0%
Schroder UK Recovery	Equity	1.0%
iShares Gold Producers	Commodities	0.6%

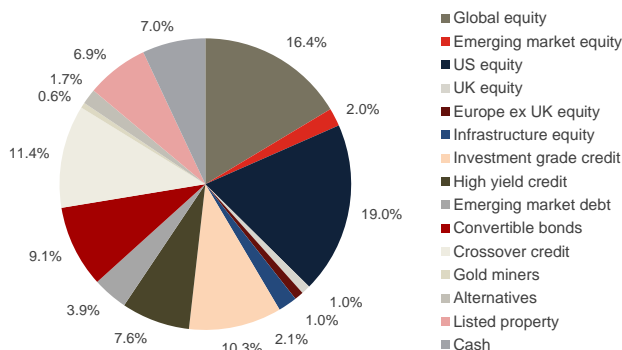
## Investment statistics (since 1 January 2009)

Current month return:	0.0%
Cumulative return:	53.5%
Annualised return:	5.7%
Annualised volatility:	7.6%

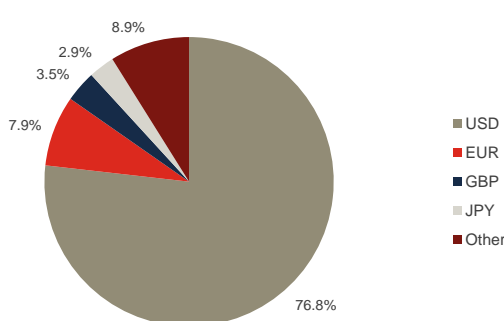
## Regional allocation



## Strategy allocation



## Currency allocation



## ■ Manager commentary

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The modest returns seen in the majority of markets over the month masked some stronger moves over the period. Markets initially sold off quite sharply, disappointed that the European Central Bank failed to loosen policy further, while also becoming increasingly worried that – in the face of broadly positive economic data from the US – the Federal Reserve (Fed) would raise rates at its September meeting. In the event, the Fed not only kept rates on hold but was more dovish than expected on their future course, motivating markets to recover lost ground and end the month largely unchanged. Meanwhile the UK economy continued to surprise on the upside with a series of strong data and growth forecast upgrades. However, PM Theresa May's announcement that Article 50 will be invoked by the end of March 2017, together with signals that the government will prioritise restrictions on immigration over access to the single market, as well as cautious comments from the Chancellor of Exchequer on the future of economy in the short-term, triggered a renewed slide in sterling to a thirty-one year low against the US dollar.

The Harmony US Dollar Balanced fund was broadly flat in September in US dollar terms net of fees, leaving the year to date return broadly unchanged at 6.2%. Both the equity and fixed income portions of the portfolio posted marginally positive returns, supported by reasonable gains from small positions in a Gold Producers ETF and global listed infrastructure. This was offset by declines in the global listed real estate portion of the portfolio. Within the equity portion more growth orientated managers performed best, including Granahan (US small cap) and Jennison (global) whose strategies both gained over 2%, although this was offset by declines from some of the fund's value orientated managers. Within the fixed income portion of the portfolio gains were led by US high-yield and Asian convertible bonds.

Most markets have performed well so far this year. Ultra-expansionary monetary policy has been a driving force for returns as investors seek yield in a very low return environment. The Fed looks set to continue policy normalisation and raise rates in December as economic data improves and inflation begins to pick up, although the US Presidential election introduces uncertainty before any potential hike, with the risk of causing short term market disruption. Meanwhile perpetually loose monetary policy is increasingly being called into question as it puts financial institutions under increasing strain and creates potential asset bubbles. The current cycle has further to run but the rise in markets in the past eight months has taken valuations to levels which are vulnerable to a setback. Investors should remain invested as we believe the global economy will continue to grow modestly without triggering a sharp increase in inflation while central banks will keep policy loose for a long time to come, but short term caution is warranted.

Source: Bloomberg, Momentum Global Investment Management.

## ■ Important Information

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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.