

# Harmony US Dollar Growth Fund

## Fund details

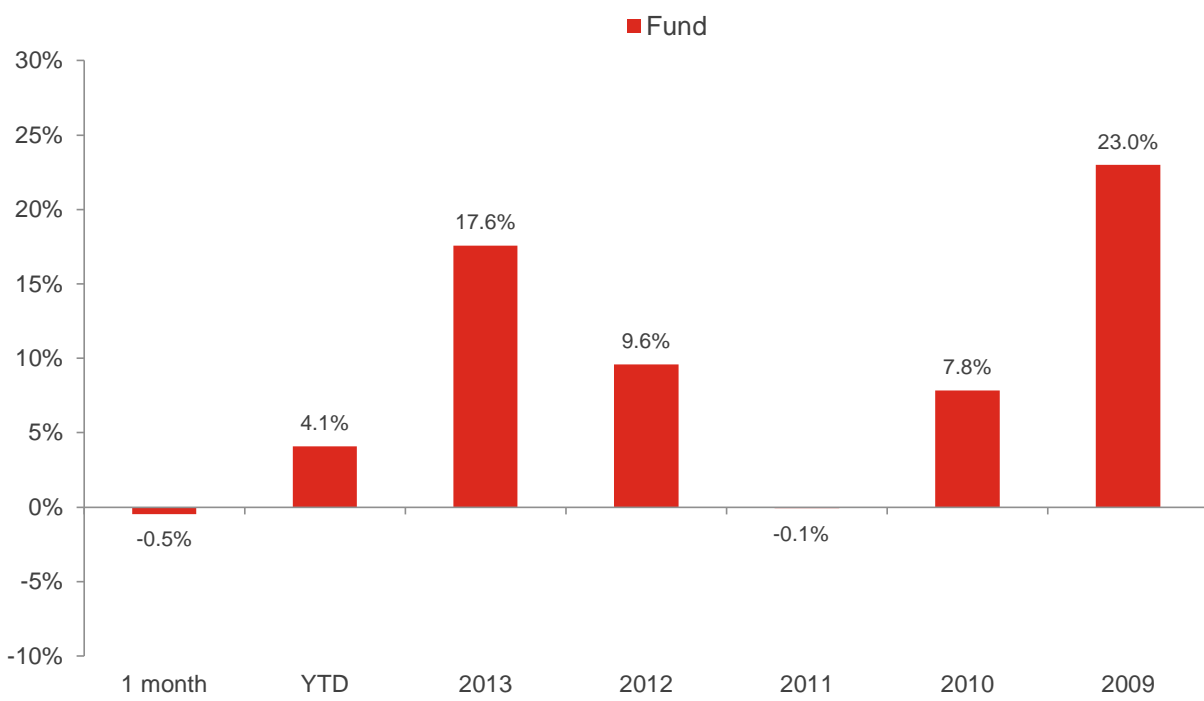
Investment manager: <b>Momentum Global Investment Management</b>	ISIN A Class: <b>LU0651986571</b>	Price per share A Class: <b>USD 1.2263</b>
Currency: <b>USD</b>	ISIN B Class: <b>LU0651986654</b>	Price per share B Class: <b>USD 1.1846</b>
Inception date (fund): <b>12 August 2011</b>	ISIN C Class: <b>LU0651986738</b>	Price per share C Class: <b>USD 1.4293</b>
Structure: <b>SICAV - Part 1 Luxembourg 2002 Law (UCITS)</b>	ISIN D Class: <b>LU0651986811</b>	Price per share D Class: <b>USD 1.2991</b>
Minimum investment: <b>Share classes A, B, C &amp; D: USD 7,500</b>	Subscriptions / redemptions: <b>daily</b>	Investment timeframe: <b>5 years +</b>

## Investment objective

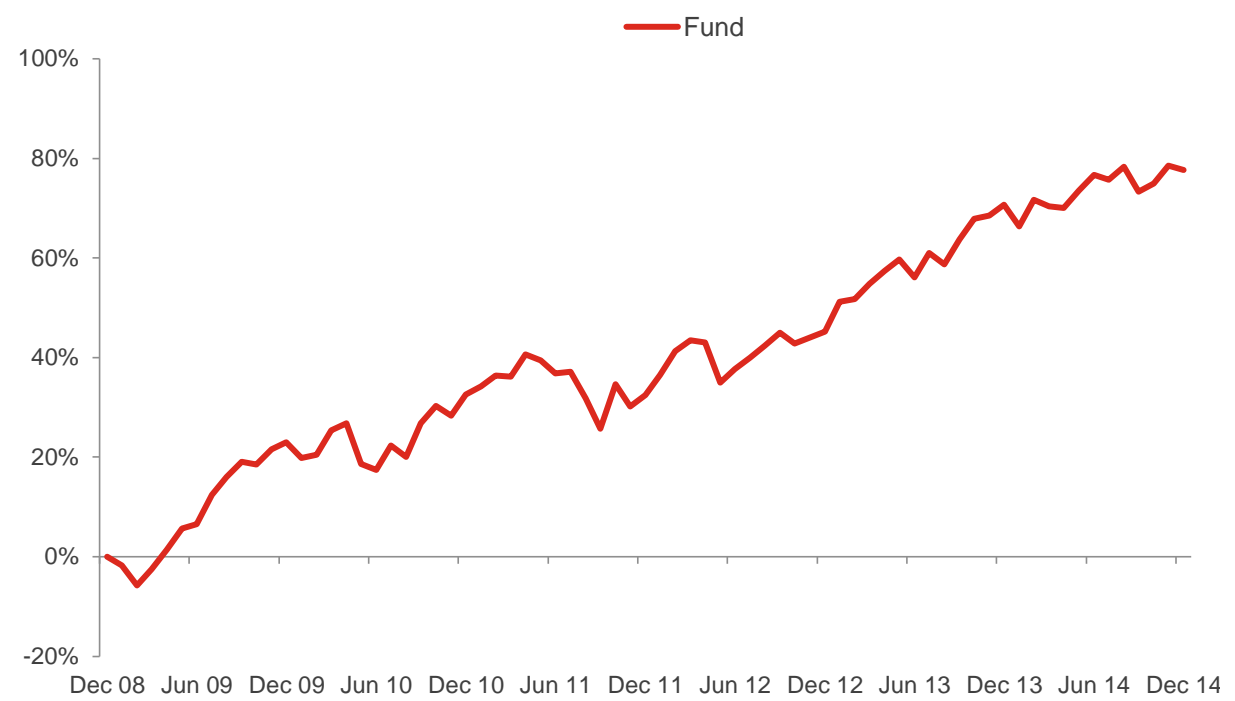
The portfolio will be biased to investments in the United States, but could also hold investments outside this country. The investment objective is to provide capital growth in US dollar terms but with a reduced level of volatility, via strategic exposures to a wide range of asset classes.

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

## Fund performance



## Cumulative returns



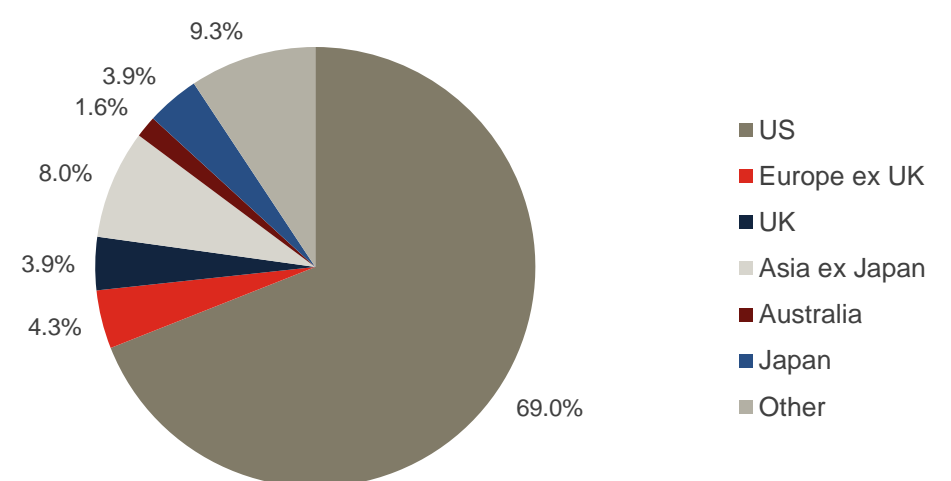
## Holdings

Holdings	Asset type	Weight
Wells Fargo US All Cap Growth	Equity	11.3%
Harris Associates Concentrated US Equity	Equity	10.0%
Yacktman US Equity	Equity	9.1%
Vulcan Value Equity	Equity	8.9%
Artisan Global Value	Equity	8.3%
Cohen & Steers Global Real Estate	Property	7.0%
Cash	Cash	6.2%
Dimensional Emerging Markets Value	Equity	5.5%
Morgan Stanley Global Brands	Equity	3.9%
RWC Asia Convertibles	Fixed Income	3.7%
American Century Concentrated Global Growth	Equity	3.6%
Muzinich EM Short Duration (USD hedged)	Fixed Income	3.4%
RWC Global Convertibles	Fixed Income	3.2%
AXA US Short Duration High Yield	Fixed Income	2.9%
Granahan US Focused Growth	Equity	2.6%
Schroder UK Recovery	Equity	1.9%
First State Global Listed Infrastructure	Equity	1.9%
Heptagon Kopernik Global All-Cap Equity	Equity	1.9%
Polar Capital Japan (USD hedged)	Equity	1.4%
Old Mutual Dublin Global Bond	Fixed Income	1.4%
iShares JP Morgan Emerging Markets Bond	Fixed Income	1.3%
iShares Gold Producers	Commodities	0.6%

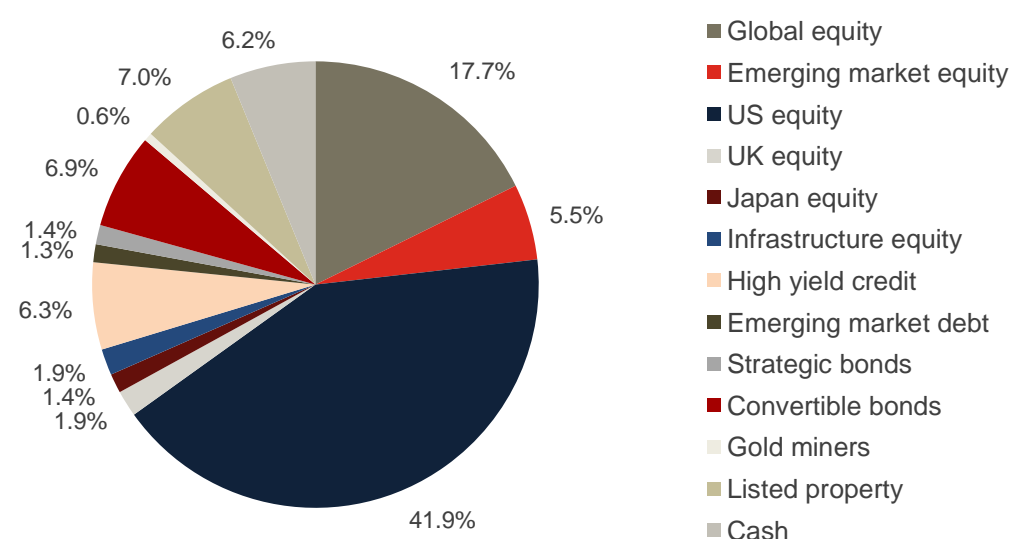
## Investment statistics (since 1 January 2009)

Current month return:	-0.5%
Cumulative return:	77.7%
Annualised return:	10.1%
Annualised volatility:	9.3%

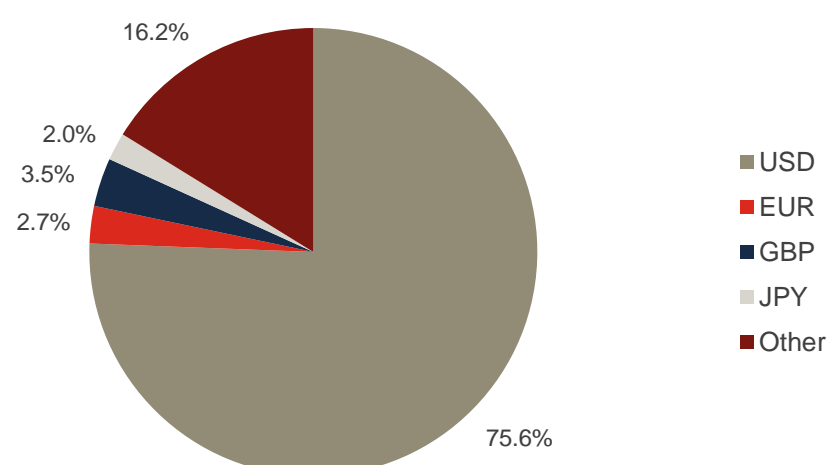
## Regional allocation



## Strategy allocation



## Currency allocation



## ■ Manager commentary

Markets ended the year on a softer note, with the majority of asset classes posting negative returns in December. Oil prices continued to fall and weighed on resources-related assets. Overall global equities declined by 1.6% over the month, with the UK, US, Japan and Europe delivering negative returns in their respective local currencies. Government and investment grade corporate bonds registered small gains in local currency terms. However, continued weakness in most major currencies relative to the US dollar meant that global bond indices delivered negative returns when reported in US dollar terms.

Looking back at the year of 2014, global equities finished in positive territory for the third year in a row with a gain of 4.9% in US dollar terms. Most major equity markets delivered mid-single digit returns in local currency terms. The US market proved to be the standout performer, having regularly tested all-time highs during the second half of the year, while the UK was the key laggard among developed markets with a marginal gain in sterling terms. Emerging market equities fell for the second year in a row, the first time the asset class has posted consecutive negative calendar year returns in 12 years. Global bonds enjoyed a strong year, contrary to our and indeed most of the market's expectations. The UK and European markets stood out with returns of 14.1% and 15.1% respectively for their government bond markets. US Treasuries lagged this somewhat but still delivered a substantial return of 6.1%. However, a key theme of the second half of the year was persistent strength in the US dollar versus all other major currencies. This had the effect of detracting fairly significantly from the return of non-dollar denominated assets and global indices when expressed in US dollar terms; indeed the return from equities on a global ex United States basis was a disappointing -4.3% in US dollar terms.

In December the Harmony US Dollar Growth Fund returned -0.5% net of all fees in dollar terms. This compares to a fall of 0.3% for the US equity market and a gain of 0.3% for US Treasuries. Although our US equity managers all outperformed over the month, the Fund's exposure to global equity markets detracted from returns due to currency effects. Also we continue to have no exposure to those sovereign and investment grade corporate bonds which performed well over the month but are overvalued in our opinion. Our other fixed income holdings, specifically high yield and emerging market bonds, also posted modest losses. The same narrative broadly applies to performance in 2014 as well; the Fund's small gain of 4.1% was supported by strong returns from our US equity, listed property, listed infrastructure and hard currency emerging market debt holdings in particular, but was held back by more modest gains or small declines from both our global and emerging market equity holdings and the Old Mutual strategic bond holding.

We expect equity markets to continue to deliver decent returns over the medium to long term. We have a combination of reasonable (albeit not cheap) valuations, improving growth in large global economies – or supportive monetary policy where this is not the case – and reasonable earnings growth. Markets face challenges – there is renewed speculation over a Greek exit from the Eurozone; Russia's behaviour could become more unpredictable as its economy weakens and ISIL, Ebola and North Korea serve as a salutary reminder that many risks remain in global markets, many of which are inherently unpredictable – which emphasises the need for diversification and prudent risk controls in investors' portfolios.

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.