

Harmony Sterling Balanced Fund

month ended 30 June 2017

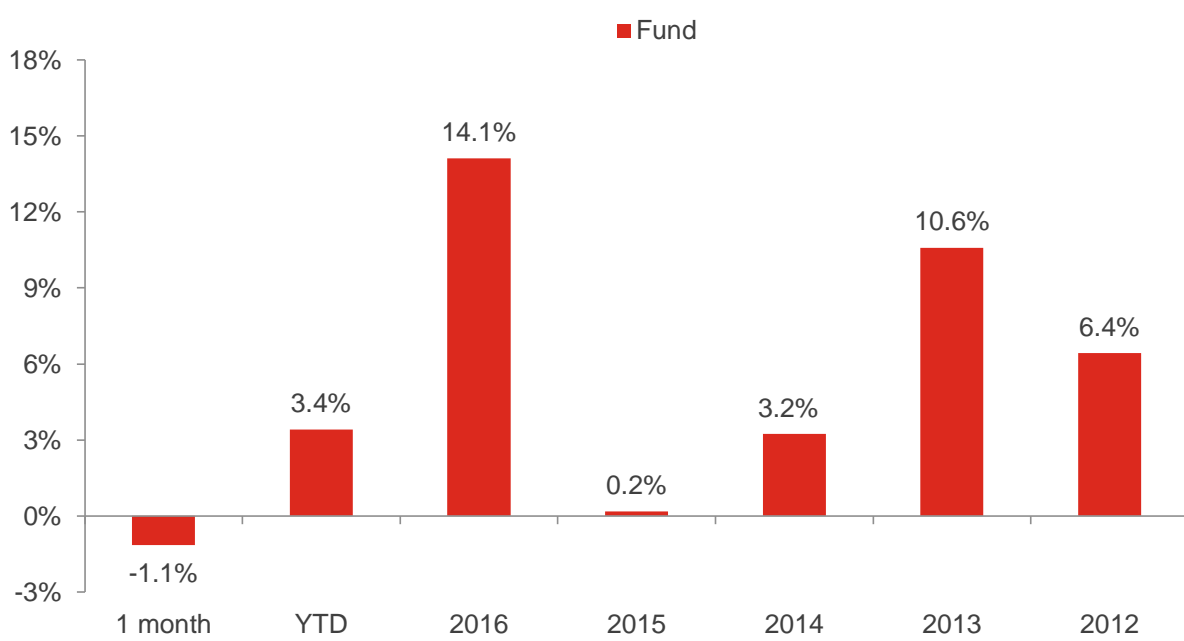
Fund details

Investment manager: Momentum Global Investment Management	ISIN A Class: LU0651985250	Price per share A Class: GBP 1.4854
Currency: GBP	ISIN B Class: LU0651985334	Price per share B Class: GBP 1.4085
Inception date (fund): 12 August 2011	ISIN C Class: LU0651985417	Price per share C Class: GBP 1.4546
Structure: SICAV - Part 1 Luxembourg 2002 Law (UCITS)	ISIN D Class: LU0651985508	Price per share D Class: GBP 1.3789
Minimum investment: Share classes A, B, C & D: USD 7,500 (GBP equivalent)	Subscriptions / redemptions: daily	Momentum Global Funds AUM: GBP 453.5 million
Investment timeframe: 3 years +	Website: harmonyportfolios.com	Sterling Balanced Fund AUM: GBP 99.4 million

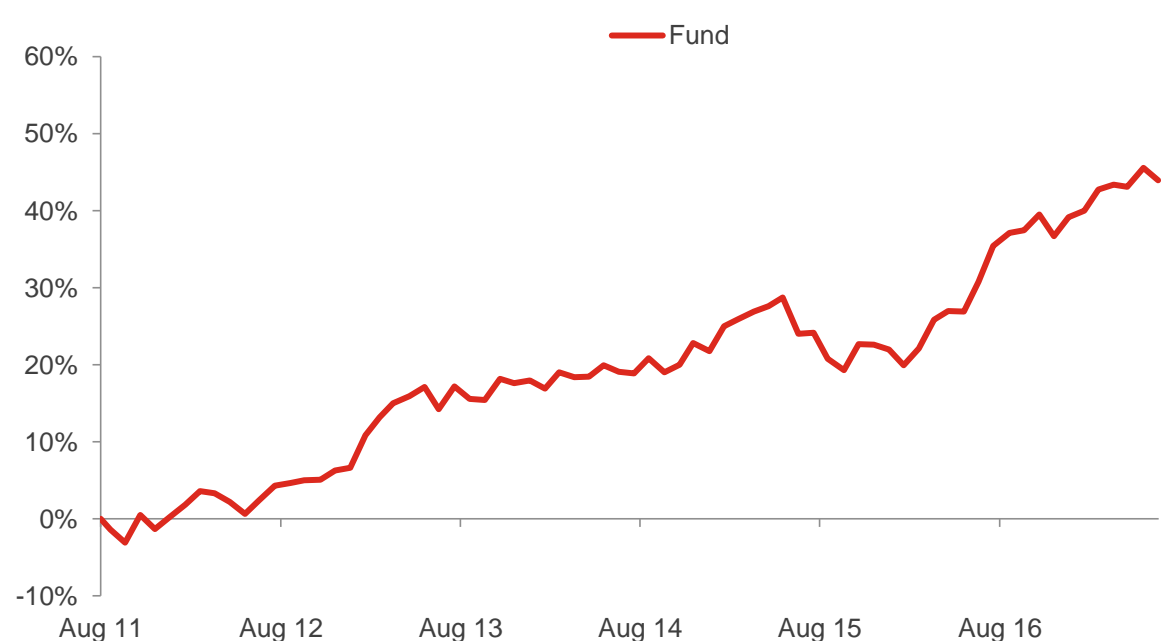
Investment objective

The portfolio will be biased to investments in the United Kingdom, but could also hold investments outside this country. The portfolio aims to provide a balance between capital preservation and capital growth in sterling 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



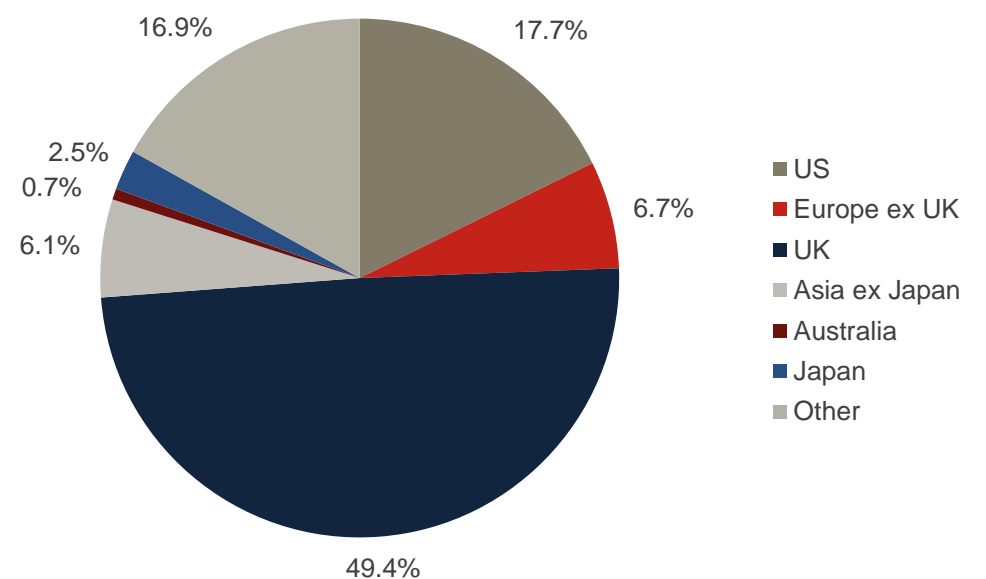
Cumulative returns (since inception, 12 August 2011)



Investment statistics (since inception, 12 August 2011)

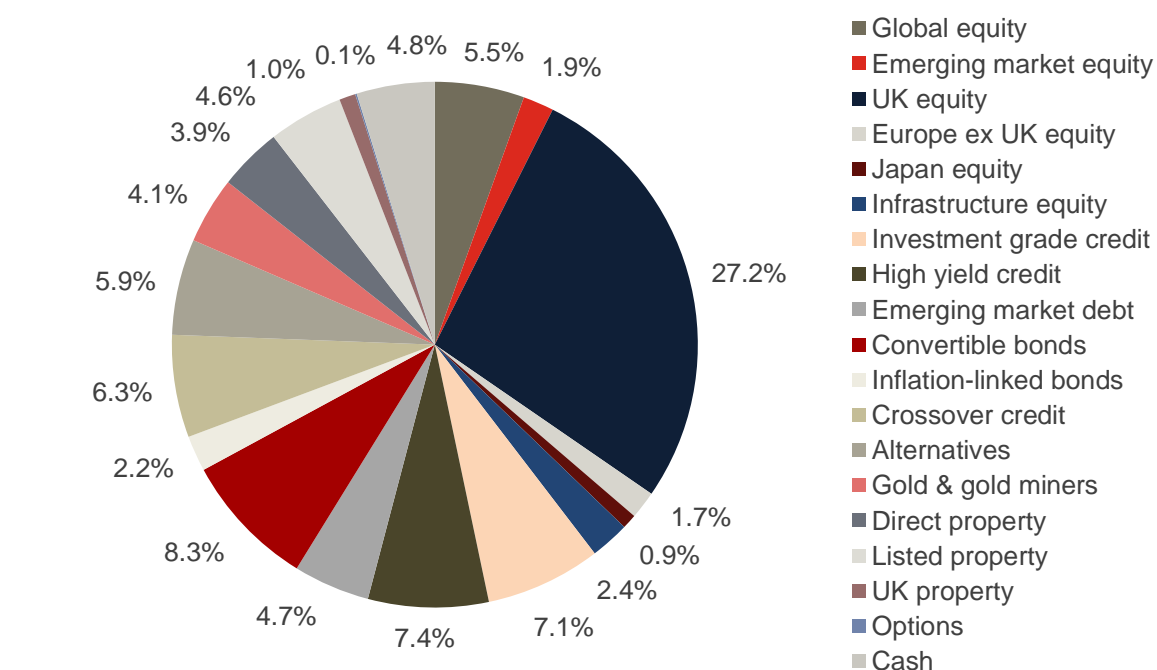
	Cumulative	Annualised
Current month return	-1.1%	-
Year-to-date return	3.4%	-
1 year return	10.0%	-
3 year return	20.8%	6.5%
5 year return	40.6%	7.0%
Since inception return	43.9%	6.3%
Annualised volatility:	5.6%	

Regional allocation

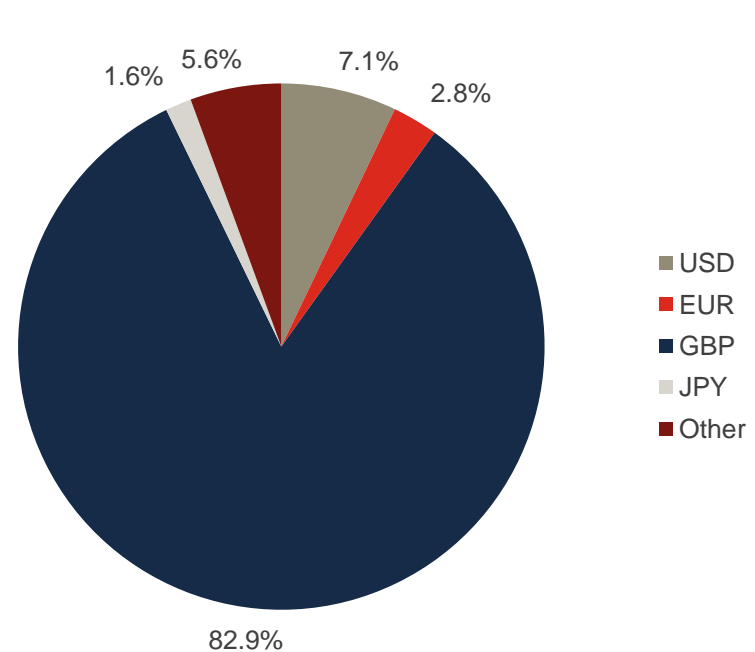


The value of the underlying funds and the income generated from them can go down as well as up, and is not guaranteed. Investors may not get back the original amount invested. The value of investments involving exposure to foreign currencies can be affected by currency exchange rate fluctuations. Past performance is not a guide to future performance.

Strategy allocation



Currency allocation



■ Holdings

Holdings	Asset type	Weight
Schroder UK Recovery	Equity	8.6%
Muzinich Enhanced Yield Short-Term (GBP hedged)	Fixed Income	6.3%
Evenlode Income	Equity	6.3%
CF Lindsell Train UK Equity	Equity	6.2%
RWC Income Opportunities (GBP hedged)	Equity	6.1%
BlackRock UK Corporate Bond Index	Fixed Income	5.4%
AXA US Short Duration High Yield (GBP hedged)	Fixed Income	5.3%
Cash	Cash	4.8%
iShares JP Morgan Emerging Markets Bond	Fixed Income	4.7%
Ediston Property Investment Co	Property	3.9%
iShares Physical Gold ETC USD	Commodities	3.6%
Third Avenue Real Estate Value	Property	3.3%
RWC Global Convertibles (GBP hedged)	Fixed Income	2.9%
Chinook Global Convertible Bond (GBP hedged)	Fixed Income	2.5%
Maple-Brown Abbott Global Infrastructure	Property	2.4%
US TIPS	Fixed Income	2.2%
Heptagon Kopernik Global All-Cap Equity	Equity	2.2%
Muzinich EM Short Duration (GBP hedged)	Fixed Income	2.1%
F&C Global Equity Market Neutral	Alternatives	2.0%
GSAM Global Strategic Macro Bond (GBP hedged)	Alternatives	2.0%
RWC Asia Convertibles (GBP hedged)	Fixed Income	1.9%
Goldman Sachs EFI Long Short Risk Premia (GBP hedged)	Alternatives	1.9%
BlackRock US Corporate Bond Index	Fixed Income	1.7%
FP Crux European Special Situations	Equity	1.7%
Jennison Global Equity Opportunities	Equity	1.5%
BlackRock Developed Real Estate	Property	1.3%
Sands Capital Emerging Markets Growth	Equity	1.0%
Schroder Real Estate Investment Trust	Property	1.0%
Westwood Strategic Global Convertibles (GBP hedged)	Fixed Income	1.0%
Dimensional Emerging Markets Value	Equity	0.9%
Artisan Global Value	Equity	0.9%
Morgan Stanley Global Brands	Equity	0.9%
Amundi ETF JPX-Nikkei 400 JPY	Equity	0.9%
iShares Gold Producers	Equity	0.5%
S&P 500 Option 30/Nov/2017	Options	0.1%

Source: Bloomberg, Momentum Global Investment Management.

■ Manager commentary

We increased our small position in put options on the S&P 500 during June, after purchasing a similar amount the previous month. The new options will expire one month later at the end of November and have a higher strike level; on both occasions we purchased at-the-money options with approximately six months to expiry. The pay-outs at maturity will be based on the level of the S&P 500 index relative to when we purchased the options. If the index is lower at the expiry date then the pay-out will be positive, otherwise the options will expire worthless. We have taken these positions on the basis that put options offer cheap protection at a time when markets generally appear somewhat complacent, partly evidenced by very low implied volatility (which itself results in option prices being much lower than usual). We believe the current bull market in equities has further to run and so do not intend to reduce our equity holdings, but we would not be surprised to see markets experience a correction before too long. Furthermore, US equity market valuations are relatively high and the S&P 500 options market is one of the most liquid in the world; additional factors that make this an appealing, low-cost protection strategy.

We also increased our weighting in the Ferox Chinook Global Convertible Bond holding, which was first initiated during May. This was funded from the Portfolio's other convertible bond holdings thereby leaving the overall asset allocation unchanged.

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.

The fund is not managed with reference to a benchmark, but its performance may be measured against one.

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 Sterling Balanced Incorporated Cell (IC) within the Momentum Mutual Fund.

This financial promotion is issued by Momentum Global Investment Management Limited (MGIM). MGIM is the Investment Manager, Promoter and Distributor 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.