

# Harmony US Dollar Balanced Fund

month ended 31 August 2017

## Fund details

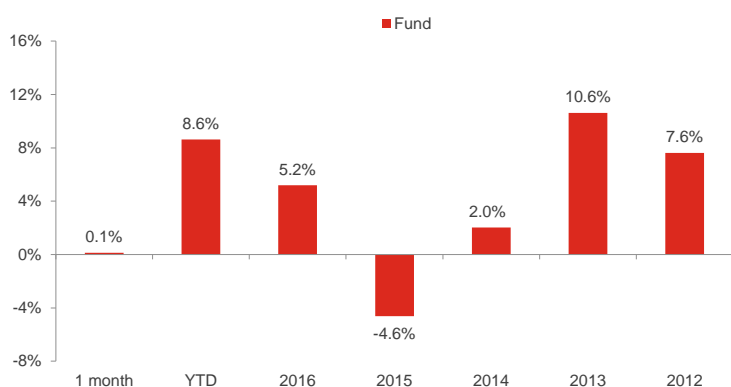
Investment manager: <b>Momentum Global Investment Management</b>	ISIN A Class: <b>LU0651986068</b>	Price per share A Class: <b>USD 1.2127</b>
Currency: <b>USD</b>	ISIN B Class: <b>LU0651986142</b>	Price per share B Class: <b>USD 1.2278</b>
Inception date (fund): <b>12 August 2011</b>	ISIN C Class: <b>LU0651986225</b>	Price per share C Class: <b>USD 1.3316</b>
Structure: <b>SICAV - Part 1 Luxembourg 2002 Law (UCITS)</b>	ISIN D Class: <b>LU0651986498</b>	Price per share D Class: <b>USD 1.2384</b>
Minimum investment: <b>Share classes A, B, C &amp; D: USD 7,500</b>	Subscriptions / redemptions: <b>daily</b>	Momentum Global Funds AUM: <b>USD 610.5 million</b>
Investment timeframe: <b>3 years +</b>	Website: <b>harmonyportfolios.com</b>	US Dollar Balanced Fund AUM: <b>USD 68.8 million</b>

## Investment objective

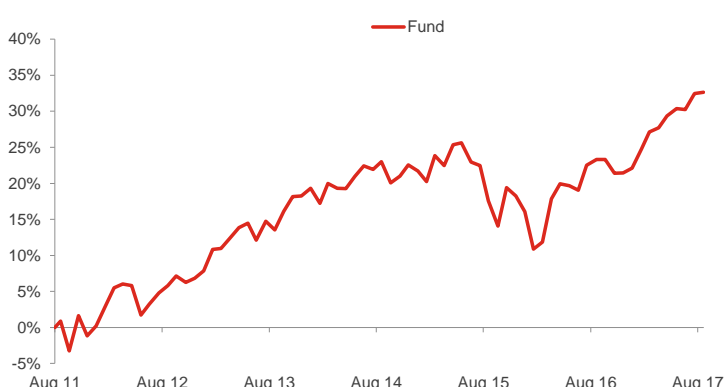
The portfolio will be biased to investments in the United States, but could also hold investments outside this country. The portfolio aims to provide a balance between capital preservation and capital growth in US dollars with a reduced level of volatility, via strategic exposures to a wide range of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

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

## Fund performance



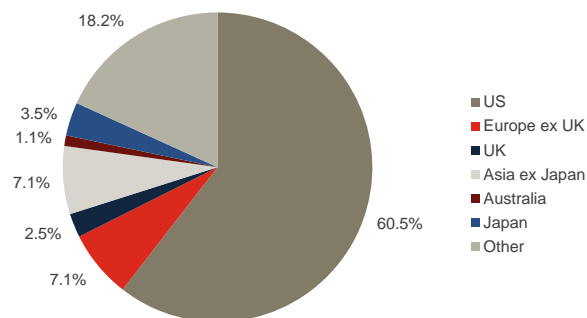
## Cumulative returns (since inception, 12 August 2011)



## Investment statistics (since inception, 12 August 2011)

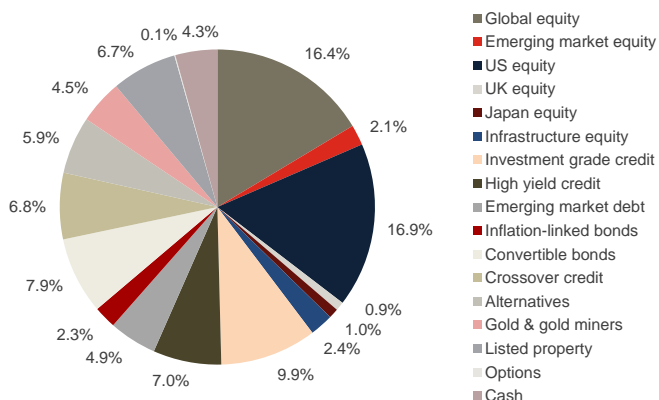
	Cumulative	Annualised
Current month return	0.1%	-
Year-to-date return	8.6%	-
1 year return	7.6%	-
3 year return	7.9%	2.6%
5 year return	25.4%	4.6%
Since inception return	32.7%	4.8%
<hr/>		
Annualised volatility:	6.9%	

## Regional allocation

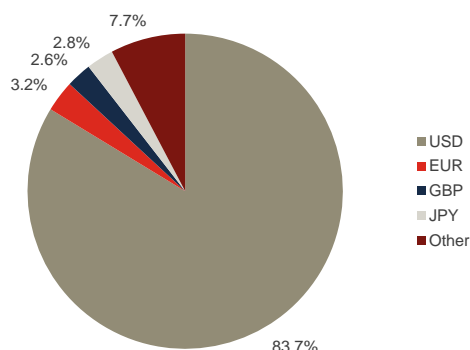


The value of the underlying funds and the income generated from them can go down as well as up, and is not guaranteed. Investors may not get back the original amount invested. The value of investments involving exposure to foreign currencies can be affected by currency exchange rate fluctuations. Past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

## Strategy allocation



## Currency allocation



## ■ Holdings

Holdings	Asset type	Weight
BlackRock US Corporate Bond Index	Fixed Income	9.9%
Artisan Global Value	Equity	7.7%
Muzinich EnhancedYield Short-Term (USD hedged)	Fixed Income	6.8%
Third Avenue Real Estate Value	Property	5.9%
Jennison Global Equity Opportunities	Equity	5.6%
iShares JP Morgan Emerging Markets Bond	Fixed Income	4.9%
AXA US Short Duration High Yield	Fixed Income	4.7%
Cash	Cash	4.3%
Vulcan Value Equity	Equity	4.2%
Yacktman US Equity	Equity	4.2%
iShares Physical Gold ETC USD	Commodities	3.9%
Conventum Lyrical	Equity	3.7%
Wells Fargo US All Cap Growth	Equity	3.5%
Maple-Brown Abbott Global Infrastructure	Property	2.4%
Chinook Global Convertible Bond	Fixed Income	2.4%
Muzinich EM Short Duration (USD hedged)	Fixed Income	2.3%
US TIPS	Fixed Income	2.3%
F&C Global Equity Market Neutral	Alternatives	2.2%
RWC Asia Convertibles (USD hedged)	Fixed Income	2.2%
Neuberger Berman Uncorrelated Strategies	Alternatives	2.0%
RWC Global Convertibles (USD hedged)	Fixed Income	1.9%
GSAM Global Strategic Macro Bond (USD hedged)	Alternatives	1.7%
Westwood Strategic Global Convertibles (USD hedged)	Fixed Income	1.4%
Granahan US Focused Growth	Equity	1.3%
Heptagon Kopernik Global All-Cap Equity	Equity	1.3%
Sands Capital Emerging Markets Growth	Equity	1.1%
Dimensional Emerging Markets Value	Equity	1.0%
Morgan Stanley Global Brands	Equity	1.0%
Amundi ETF JPX-Nikkei 400 JPY	Equity	1.0%
Schroder UK Recovery	Equity	0.9%
BlackRock Developed Real Estate	Property	0.8%
Morgan Stanley UK Global Brands	Equity	0.8%
iShares Gold Producers	Equity	0.6%
S&P 500 Option 15/Dec/2017	Options	0.1%

Source: Bloomberg, Momentum Global Investment Management.

## ■ Manager commentary

We began implementing several asset allocation and manager selection changes in the Portfolio during August, in order to incorporate three new liquid alternative strategies. These adjustments are being made to enhance the diversification of the portfolios into asset classes which are non-correlated with traditional assets and may provide some protection in more difficult market conditions. They will be completed during early September and will result in a higher allocation to liquid alternative strategies, of between 5%-10% of each Portfolio depending on the risk profile and currency/regional focus, which will be balanced by slightly lower convertible bond and corporate credit allocations. These strategies are all highly liquid, highly transparent and are accessible via UCITS funds with fees comparable to those of more traditional managers. Our team at Momentum have conducted extensive investment and operational due diligence ahead of the decision to allocate to these strategies. A short introduction to each new strategy follows.

The Allianz Structured Return strategy buys and sells liquid exchange traded options on the S&P 500 index with the aim of generating a net return of 4-6% per annum with low volatility. The strategy seeks to take advantage of fundamentally mispriced options; it does not take speculative positions, does not sell volatility outright and is not a directional strategy. Such mispricing arises due to irrational investor behaviour – investors typically pay-up for protection after the event – and from a persistent risk premium attached to put (downside) protection by certain investors that need to limit downside risk.

The Aberdeen Liquid Alternative Multi Asset Risk Premia strategy aims to harness well-established alternative risk premia via Goldman Sachs' proprietary indices. Such risk premia should have little to no correlation with traditional long only asset classes. The portfolio currently includes 18 risk premia strategies across equities, fixed income, currencies and commodities with a return objective of 7% above cash per annum and a volatility target of 10%. The strategy is managed by the alternatives team at Aberdeen Standard Investments which includes 26 investment professionals and is supported by a risk management team, an operational due diligence team and a portfolio construction team.

Neuberger Berman Uncorrelated Strategies is a multi-strategy alternatives fund that uses specialist, third party hedge fund managers to construct a diversified portfolio. The management team, based in New York and London, aims to generate uncorrelated returns of 5% above cash per annum over the course of a market cycle by investing in strategies that are expected to have no persistent correlation to traditional asset classes. There are currently five underlying managers that follow strategies including statistical arbitrage, trend following and macro.

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 US Dollar 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 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.