

Harmony Europe Diversified Fund

month ended 31 December 2018

Fund details

Investment manager: Momentum Global Investment Management	ISIN A Class: LU0651984873	Price per share A Class: EUR 1.1469
Currency: EUR	ISIN B Class*: LU0651984956	Price per share B Class*: EUR 1.0719
Inception date (fund): 12 August 2011	ISIN C Class*: LU0651985094	Price per share C Class*: EUR 1.1994
Structure: SICAV - Part 1 Luxembourg 2002 Law (UCITS)	ISIN D Class*: LU0651985177	Price per share D Class*: EUR 1.2034
Minimum investment: Share classes A, B, C & D: USD 7,500 (EUR equivalent)	Subscriptions / redemptions: daily	Momentum Global Funds AUM: EUR 546.8 million
Investment timeframe: 3 years +	Website: harmonyportfolios.com	Europe Diversified Fund AUM: EUR 27.9 million

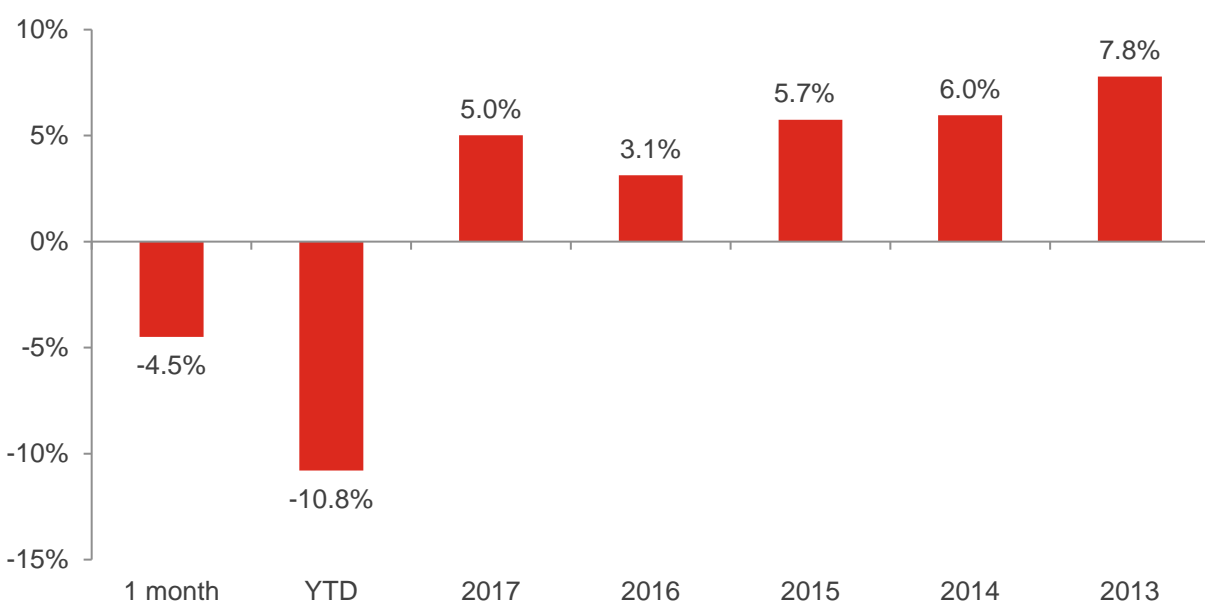
* share class not available for sale in Hong Kong

Investment objective

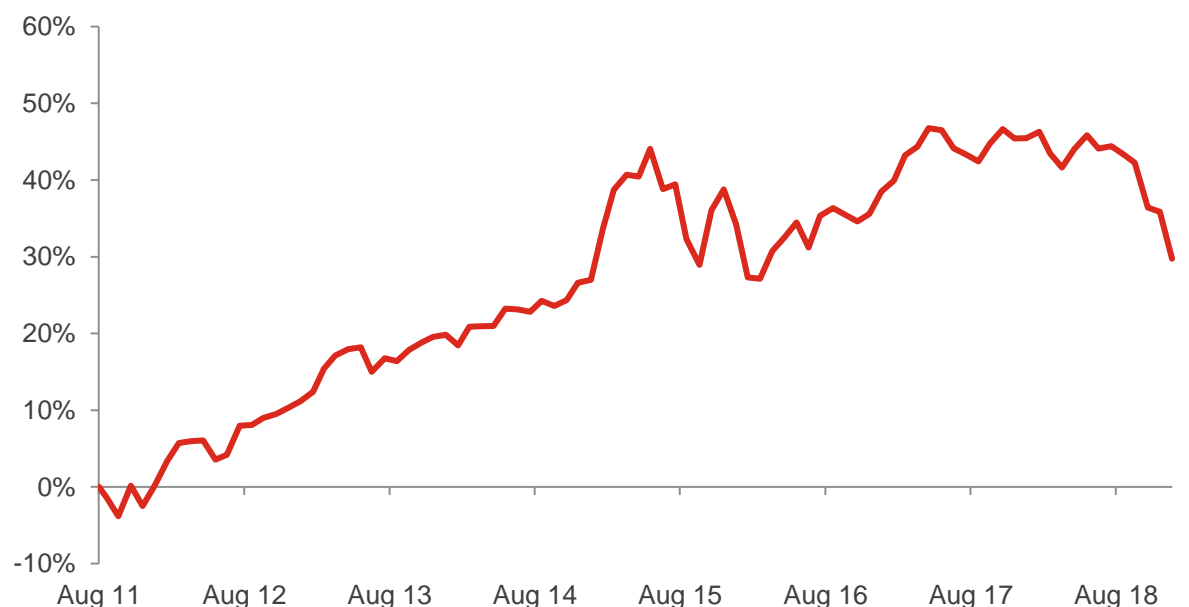
The portfolio will be biased to investments in Europe, but could also hold investments outside this region. The portfolio aims to provide a balance between capital preservation and capital growth in euros with a reduced level of volatility, via strategic exposures to a wide range of asset classes.

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)



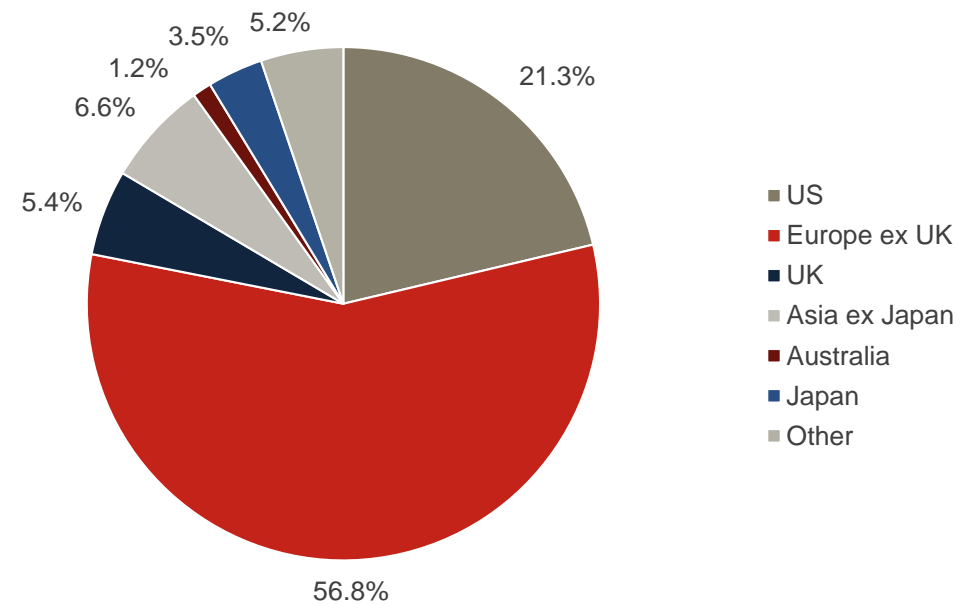
Investment statistics (since inception, 12 August 2011)

	Cumulative	Annualised
Current month return	-4.5%	-
Year-to-date return	-10.8%	-
1 year return	-10.8%	-
3 year return	-3.4%	-1.1%
5 year return	8.3%	1.6%
Since inception return	29.7%	3.6%

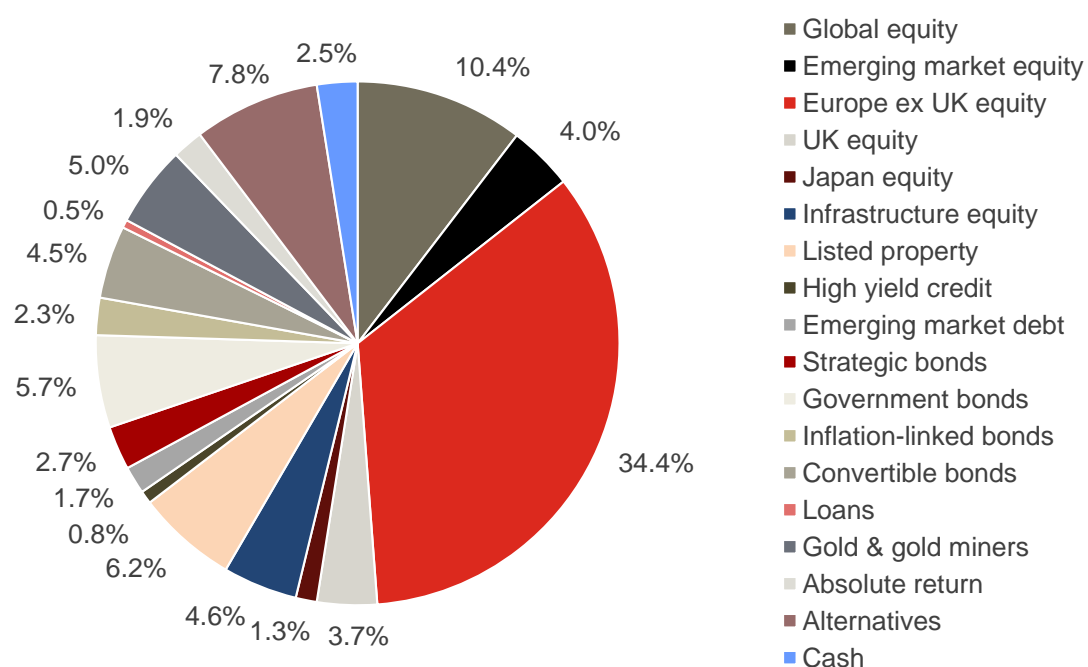
Annualised volatility: 7.2%

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.

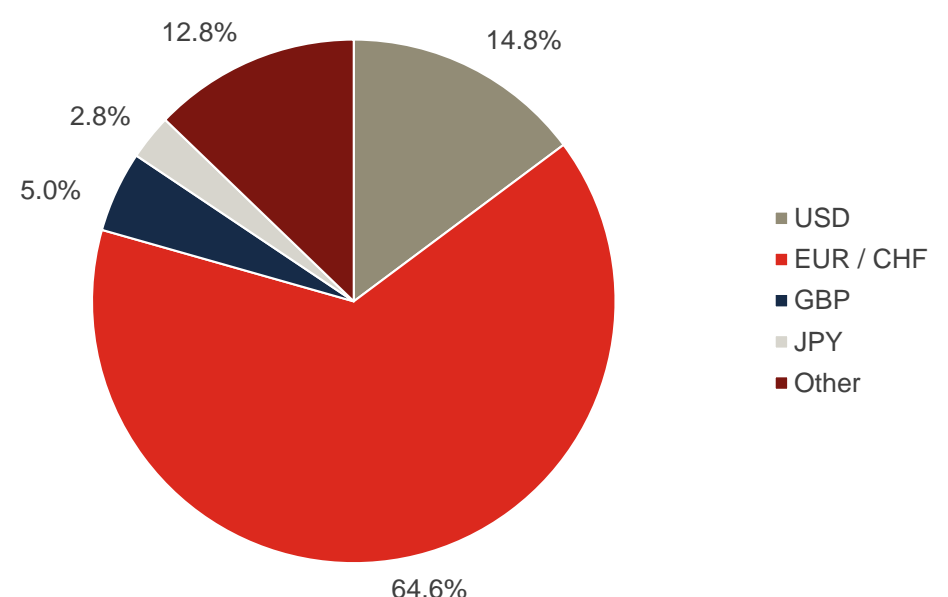
Regional allocation



Strategy allocation



Currency allocation



■ Holdings

Holdings	Asset type	Weight
FP Crux European Special Situations	Equity	15.2%
Magallanes European Equity	Equity	9.8%
Jupiter European Special Situations	Equity	9.4%
US Treasury Bond	Fixed Income	5.7%
Third Avenue Real Estate Value	Property	5.3%
Maple-Brown Abbott Global Infrastructure	Infrastructure	4.6%
iShares Physical Gold ETC	Commodities	4.5%
Schroder UK Recovery	Equity	3.7%
Artisan Global Value	Equity	3.0%
MI TwentyFour Dynamic Bond	Fixed Income	2.7%
Cash	Cash	2.5%
Chinook Global Convertible Bond (GBP hedged)	Fixed Income	2.5%
US TIPS	Fixed Income	2.3%
F&C Global Equity Market Neutral	Alternatives	2.3%
Dimensional Emerging Markets Value	Equity	2.3%
Jennison Global Equity Opportunities	Equity	2.2%
Wells Fargo Global Equity Absolute Return	Alternatives	1.9%
Neuberger Berman Uncorrelated Strategies	Alternatives	1.9%
Heptagon Kopernik Global All-Cap Equity	Equity	1.8%
Allianz Structured Return	Alternatives	1.8%
Aberdeen Alternative Risk Premia Enhanced	Alternatives	1.8%
Contrarius Global Equity	Equity	1.8%
Sands Capital Emerging Markets Growth	Equity	1.7%
RWC Asia Convertibles (EUR hedged)	Fixed Income	1.5%
Amundi ETF JPX-Nikkei 400	Equity	1.3%
Jupiter Global Emerging Markets Short Duration Bond	Fixed Income	1.1%
iShares Developed Real Estate Index	Property	0.9%
Muzinich EM Short Duration (EUR hedged)	Fixed Income	0.8%
Morgan Stanley UK Global Brands	Equity	0.8%
Morgan Stanley Global Brands	Equity	0.8%
iShares JPMorgan \$ Emerging Markets Bond ETF	Fixed Income	0.6%
Sequoia Economic Infrastructure Income	Fixed Income	0.5%
Aviva Global Convertibles	Fixed Income	0.5%
iShares Gold Producers ETF	Equity	0.5%

Source: Bloomberg, Momentum Global Investment Management.

■ Manager commentary

Volatility remained elevated in December as equity markets continued to fall sharply. We used this as an opportunity to increase equity holdings in the Portfolio towards the end of the month, as we had also done in early November. Valuations have improved materially in the past year, given prices have fallen while corporate earnings have generally increased, particularly in the US. We recognise the many risks in markets but believe that current valuations heavily discount many of these already and that increasing exposure to risk assets should enhance returns over time. The 1% increase in equity allocations was directed towards globally orientated strategies and was funded by reducing holdings in US high yield bonds.

Source: 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 Euro 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.