

Harmony Asian Balanced Fund

month ended 29 March 2019

Fund details

Investment manager: Momentum Global Investment Management	ISIN A Class: LU0651983552	Price per share A Class: USD 1.0920
Currency: USD	ISIN B Class*: LU0651983636	Price per share B Class*: USD 1.1525
Inception date (fund): 12 August 2011	ISIN C Class*: LU0651983719	Price per share C Class*: USD 1.1778
Structure: SICAV - Part 1 Luxembourg 2002 Law (UCITS)	ISIN D Class*: LU0651983800	Price per share D Class*: USD 1.1264
Minimum investment: Share classes A, B, C & D: USD 7,500	Subscriptions / redemptions: daily	Momentum Global Funds AUM: USD 670.8 million
Investment timeframe: 3 years +	Website: harmonyportfolios.com	Asian Balanced Fund AUM: USD 15.1 million

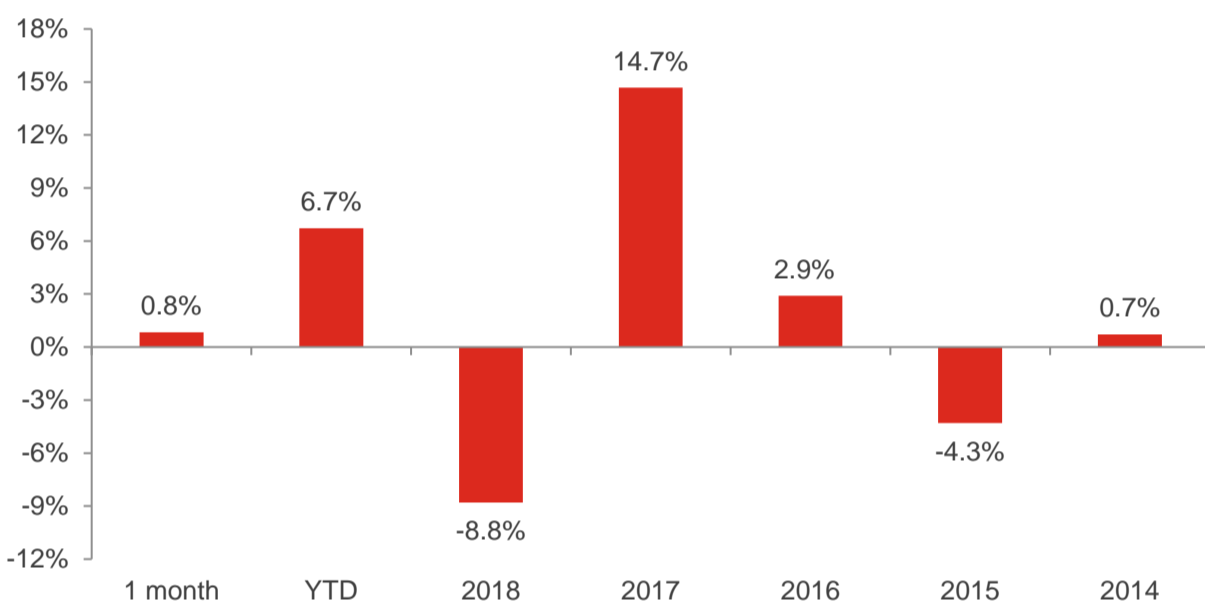
* share class not available for sale in Hong Kong

Investment objective

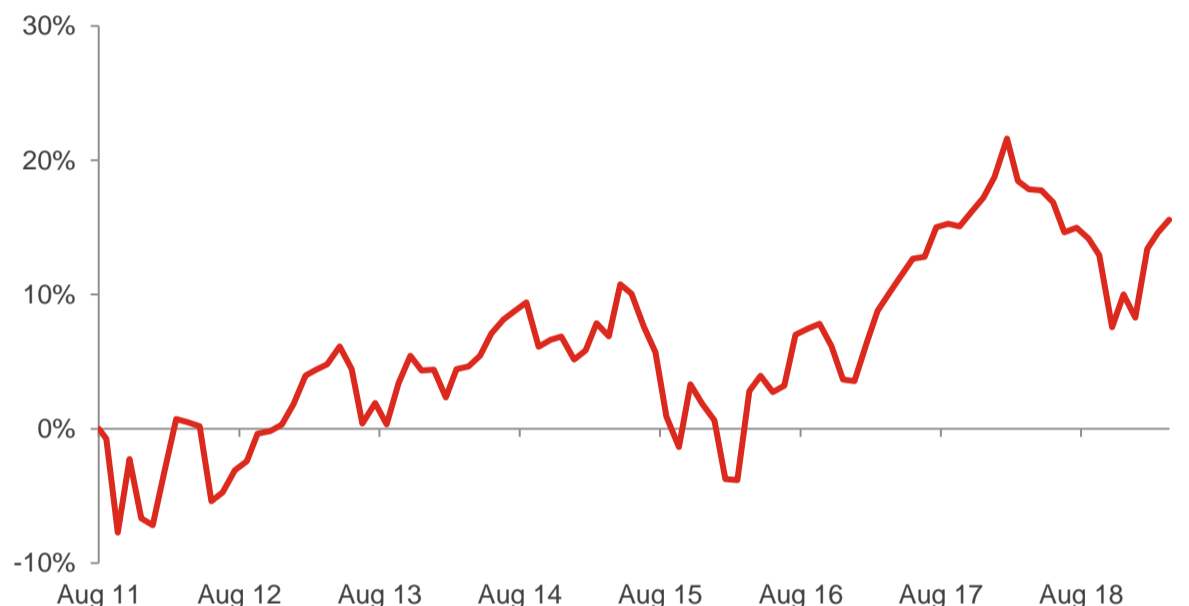
The portfolio will be biased to investments in markets of developed Asian and emerging Asian countries, but could also hold investments outside these countries. The portfolio aims to provide a balance between capital preservation and capital growth with a reduced level of volatility, via strategic exposures 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)



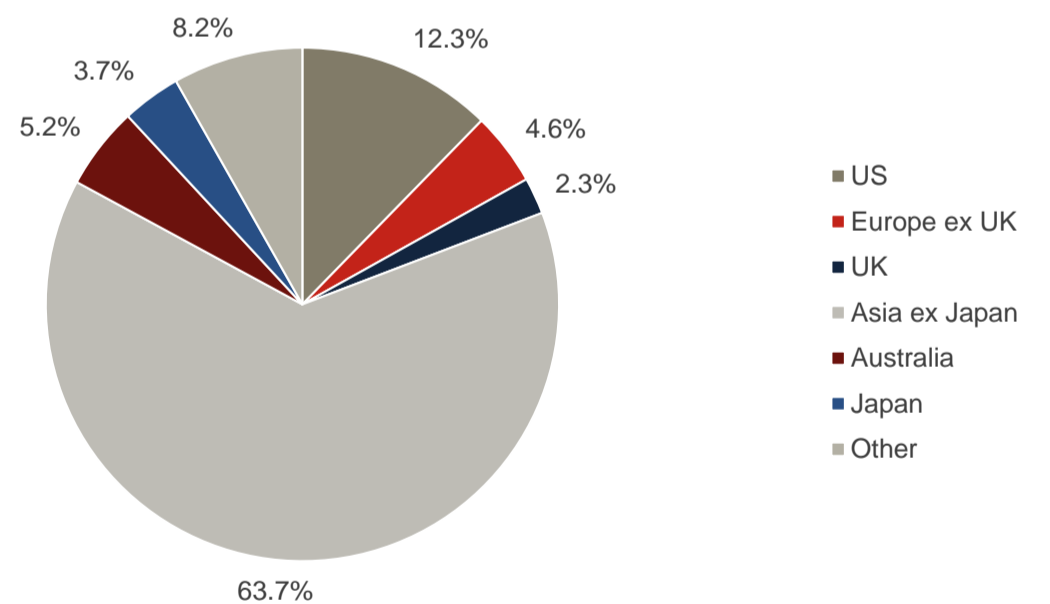
Investment statistics (since inception, 12 August 2011)

	Cumulative	Annualised
Current month return	0.8%	-
Year-to-date return	6.7%	-
1 year return	-1.9%	-
3 year return	12.4%	4.0%
5 year return	10.4%	2.0%
Since inception return	15.6%	1.9%

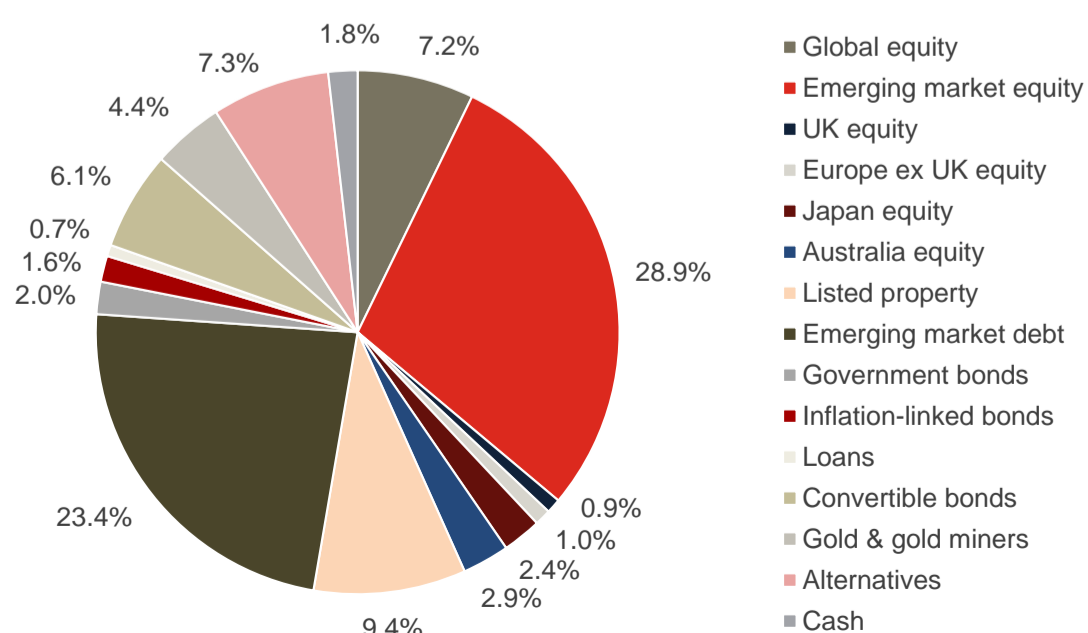
Annualised volatility: 8.2%

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.

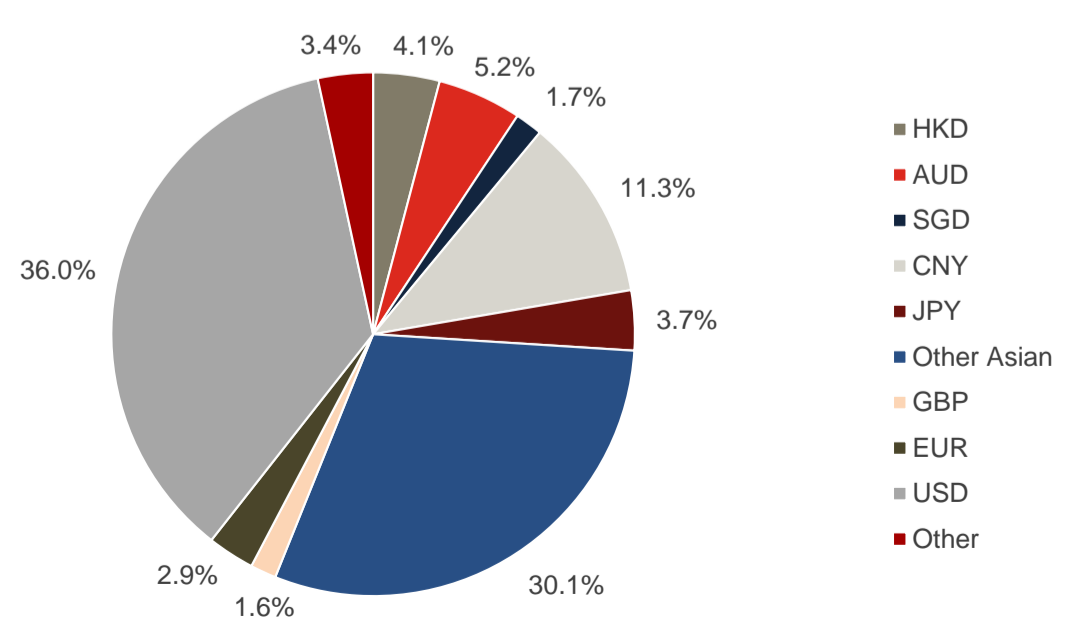
Regional allocation



Strategy allocation



Currency allocation



■ Holdings

Holdings	Asset type	Weight
Fullerton Asian Currency Bonds	Fixed Income	18.2%
Prusik Asian Equity Income	Equity	8.7%
Third Avenue Real Estate Value	Property	7.1%
Maple-Brown Abbott Asia ex-Japan	Equity	6.5%
Cadence Strategic Asia	Equity	6.3%
RWC Asia Convertibles (USD hedged)	Fixed Income	6.1%
iShares Physical Gold ETC	Commodities	3.9%
Pacific Assets Trust	Equity	3.1%
Aberdeen Australasian Equity	Equity	2.9%
Sands Capital Emerging Markets Growth	Equity	2.9%
Polar Capital Japan	Equity	2.4%
iShares Developed Real Estate Index	Property	2.3%
US Treasury Bonds	Fixed Income	2.0%
iShares JPMorgan \$ Emerging Markets Bond ETF	Fixed Income	1.9%
Cash	Cash	1.8%
Jupiter Global Emerging Markets Short Duration Bond	Fixed Income	1.8%
Contrarius Global Equity	Equity	1.7%
Artisan Global Value	Equity	1.7%
Jennison Global Equity Opportunities	Equity	1.6%
Neuberger Berman Uncorrelated Strategies	Alternatives	1.6%
Allianz Structured Return	Alternatives	1.6%
US TIPS	Fixed Income	1.6%
Muzinich EM Short Duration (USD hedged)	Fixed Income	1.5%
Aberdeen Alternative Risk Premia Enhanced	Alternatives	1.5%
Dimensional Emerging Markets Value	Equity	1.4%
Wells Fargo Global Equity Absolute Return	Alternatives	1.3%
F&C Global Equity Market Neutral	Alternatives	1.3%
Heptagon Kopernik Global All-Cap Equity	Equity	1.1%
Morgan Stanley Global Brands	Equity	1.1%
FP Crux European Special Situations	Equity	1.0%
Schroder UK Recovery	Equity	0.9%
Sequoia Economic Infrastructure Income	Fixed Income	0.7%
iShares Gold Producers ETF	Equity	0.5%

Source: Bloomberg, Momentum Global Investment Management.

■ Manager commentary

We took the decision to adjust asset allocation in the Portfolio during March by reducing interest rate risk within our government bond holdings. Somewhat unusually, the recent rally in risk assets has coincided with a significant rally in government bond markets as interest rate expectations have tumbled on the back of very dovish messaging from the US Federal Reserve (Fed). This has benefited Portfolio performance as we gradually accumulated Treasury bond holdings over the last two years (as interest rate expectations fall the value of fixed rate bonds rises). This rapid about-turn in market pricing makes some sense given Fed guidance, but in our opinion may have gone too far. Although the global economy has slowed this could well turn out to be a late cycle lull and unlike the market consensus we would ascribe a greater than zero probability to the chance of another interest rate rise in the US later this year. If market expectations did adjust in that direction then there could be substantial downside in longer term Treasury bonds, therefore we eliminated our holding in a Treasury bond that matures in 2043 and allocated the proceeds to a shorter term bond, that matures in 2020 and which is far less vulnerable to changes in interest rate expectations.

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 Asian 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.