

HARDING LOEVNER
FUNDS, INC.GLOBAL EQUITY
PORTFOLIO

Transfer Agent:

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TICKER: HLMGX

NAV: \$17.22

Expense Ratio: 1.25%

Minimum Investment: \$100,000

Returns (for the Periods Ending June 30, 2004)

	Last Quarter	Last 12 Months	Three Years ¹	Five Years ¹	Since Inception ¹ (12/1/1996)	Volatility ²
HLF Global Eq Portfolio ^{3,5} (net)	(3.64%)	17.75%	(0.02%)	2.04%	4.24%	16.31%
HLF Global Eq Portfolio ^{4,5} (gross)	(3.33%)	19.21%	1.24%	3.32%	5.55%	16.41%
MSCI AC World Index ⁶	0.36%	24.38%	1.36%	(1.44%)	4.66%	16.07%
Lipper Global Fund Index ⁷	(0.61%)	24.14%	1.02%	0.86%	5.43%	15.78%

¹Annualized Returns; ²Variations of monthly returns from the average, since inception, annualized, ³Performance results are net of all investment advisory fees, ⁴Performance results are gross of all investment advisory fees.

⁵The Global Equity Portfolio commenced operations on December 1, 1996, following a tax-free merger with the HLM Global Equity Limited Partnership ('GELP').

⁶The MSCI All Country World Index, the primary benchmark, is a free float-adjusted market capitalization index that is designed to measure equity market performance in the global developed and emerging markets. The Index consists of 49 developed and emerging market countries. Net dividends reinvested. You cannot invest directly in this Index.

⁷The Lipper Global Fund Index, an unmanaged index published by Lipper Analytical Services, Inc., includes 30 funds that are generally similar to the Portfolio, although some funds in the index may have somewhat different investment policies or objectives. This fund invests in at least 25% of its total assets in securities outside the US and may own US securities. You cannot invest directly in this Index.

Performance data quoted represents past performance; past performance does not guarantee future results. The investment return and principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. Current performance of the Portfolio may be lower or higher than the performance quoted. Performance data current to the most recent month end may be obtained by calling 1-877-435-8105 or visiting www.hardingloevner.com.

Currently, the investment advisor of the Portfolio is waiving a portion of its fee. Absent such waiver, the expense ratio of the Portfolio would be higher and the Portfolio's performance lower.

The Portfolio invests in foreign securities, which will involve greater volatility and political, economic, and currency risks and differences in accounting methods. It also invests in emerging markets, which involve unique risks, such as exposure to economies less diverse and mature than the U.S. or other more established foreign markets. Economic and political instability may cause larger price changes in emerging markets securities than other foreign securities.

Contributors to Returns Relative to the Benchmark (as of June 30, 2004)

Largest Holdings	Sector	Region	Return	Portfolio %	Contribution
TJX Companies	Cons Discretionary	United States	(1.52%)	3.0%	(0.05%)
Vodafone	Telecom Services	Europe ex-EMU	(6.76%)	3.0%	(0.21%)
Dassault Systemes	Info Technology	Europe EMU	12.67%	2.8%	0.30%
Analog Devices	Info Technology	United States	(1.82%)	2.8%	(0.03%)
Caterpillar	Industrials	United States	0.91%	2.7%	0.03%

Positive Contributors	Sector	Region	Return	Portfolio %	Contribution
Dassault Systemes	Info Technology	Europe EMU	12.67%	2.8%	0.30%
Qualcomm	Info Technology	United States	10.04%	2.4%	0.22%
Pearson	Cons Discretionary	Europe ex-EMU	9.42%	1.6%	0.16%
Nestle	Cons Staples	Europe ex-EMU	6.53%	2.1%	0.13%
Merck	Health Care	United States	8.32%	1.7%	0.12%

Negative Contributors	Sector	Region	Return	Portfolio %	Contribution
Denway Motors	Cons Discretionary	Emerging Markets	(36.11%)	2.3%	(0.72%)
Mitsubishi Corp	Industrials	Japan	(17.83%)	1.8%	(0.55%)
Samsung Electronics	Info Technology	Emerging Markets	(16.89%)	2.5%	(0.45%)
BEA Systems	Info Technology	United States	(35.58%)	0.6%	(0.30%)
Nomura Holdings	Financials	Japan	(18.74%)	1.1%	(0.26%)

All holdings and sector allocations are subject to review and adjustment in accordance with the Portfolio's investment strategy and may vary in the future, and should not be considered recommendations to buy or sell any security. The Portfolio is actively managed; therefore holdings may not be current.

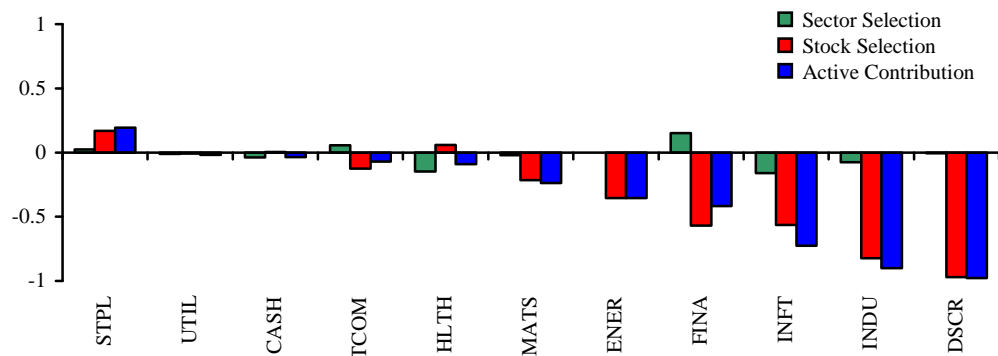
Stock selection in Consumer Staples was the best contributor to relative performance; outweighed by poor stock selection in Consumer Discretionary and Industrials.

Sector Performance and Allocation

SECTOR	TOTAL RETURNS (USD)			AVERAGE WEIGHTS		
	Portfolio	Benchmark	Difference	Portfolio	Benchmark	Difference
Cons Staples	3.14%	1.72%	1.42%	12.0%	9.1%	2.9%
Health Care	4.11%	3.15%	0.96%	6.2%	11.0%	(4.8%)
Cash	0.23%	---	0.23%	1.5%	---	1.5%
Materials	(4.11%)	(1.40%)	(2.71%)	7.3%	5.2%	2.1%
Info Technology	(3.78%)	(0.91%)	(2.87%)	20.6%	12.9%	7.7%
Financials	(5.25%)	(2.06%)	(3.19%)	17.4%	23.4%	(6.0%)
Utilities	(3.58%)	0.25%	(3.33%)	0.8%	3.6%	(2.8%)
Telecom Services	(6.76%)	(2.42%)	(4.34%)	3.2%	5.3%	(2.1%)
Energy	(0.44%)	5.11%	(5.55%)	7.9%	7.7%	0.2%
Cons Discretionary	(5.61%)	0.48%	(6.09%)	15.4%	12.0%	3.4%
Industrials	(6.60%)	4.01%	(10.61%)	7.7%	9.8%	(2.1%)

Source: Wilshire Atlas; MSCI

Sector Value-Added Relative to the Benchmark



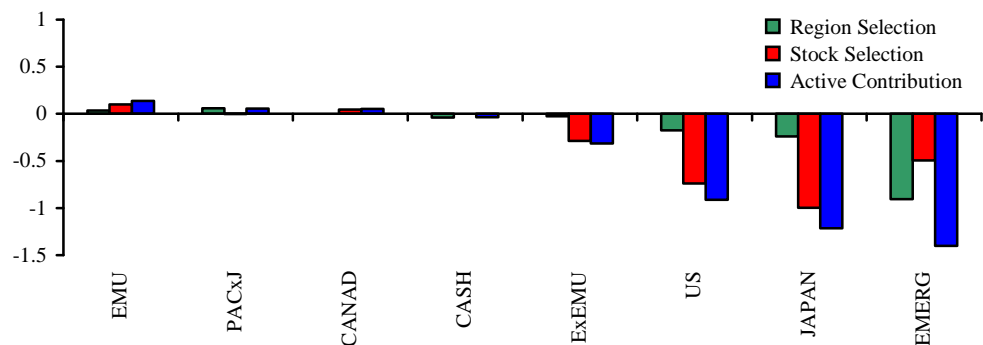
Source: Wilshire Atlas

Region Performance and Allocation

REGION	TOTAL RETURNS			AVERAGE WEIGHTS		
	Portfolio	Benchmark	Difference	Portfolio	Benchmark	Difference
Canada	0.34%	(1.60%)	1.94%	2.5%	2.5%	0.0%
Europe EMU	3.51%	2.81%	0.70%	14.9%	13.4%	1.5%
Cash	0.23%	---	0.23%	1.5%	---	1.5%
Pacific ex-Japan	(4.67%)	(4.61%)	(0.06%)	2.0%	3.1%	(1.1%)
United States	(0.29%)	1.67%	(1.96%)	38.3%	52.3%	(14.0%)
Europe ex-EMU	(0.20%)	2.00%	(2.20%)	13.4%	14.8%	(1.4%)
Emerging Markets	(13.46%)	(9.54%)	(3.92%)	13.1%	4.6%	8.5%
Japan	(10.30%)	(3.80%)	(6.50%)	14.3%	9.3%	5.0%

Source: Wilshire Atlas, MSCI

Region Value-Added Relative to the Benchmark



Source: Wilshire Atlas

Stock selection in Canada and Europe EMU were the biggest contributors to relative performance; Japan the biggest detractor.

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The Portfolio's investment objectives, risks, charges and expenses must be considered carefully before investing. The prospectus contains this and other important information about the investment company, and it may be obtained by calling 1-877-435-8105, or visiting www.hardingloevner.com. Please read carefully before investing.

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