

# JPMorgan Funds - Systematic Alpha Fund

Class: JPM Systematic Alpha I (acc) - EUR

**Synthetic risk and reward indicator** Based on share class volatility for the past 5 years. See Key Investor Information Document (KIID) for details.

1	2	3	4	5	6	7
Lower risk/ reward Not risk-free				Higher risk/ potential reward		

## Fund overview

<b>ISIN</b>	<b>Sedol</b>	<b>Bloomberg</b>	<b>Reuters</b>
LU0406668425	B3KROR8	JPMSAIE LX	LU0406668425.LU

**Investment objective:** To provide a total return in excess of its cash benchmark by exploiting behavioural patterns in the financial markets, primarily through the use of financial derivative instruments.

**Investor profile:** Due to the nature of the investment strategy of this fund, it is designed for experienced investors. Investors would mainly benefit from a diverse range of investment strategies that are generally uncorrelated to each other. This fund could also be suitable as an addition to a globally diversified portfolio in order to provide diversification away from traditional market returns. Investors in this Sub-Fund should have at least a five year investment horizon.

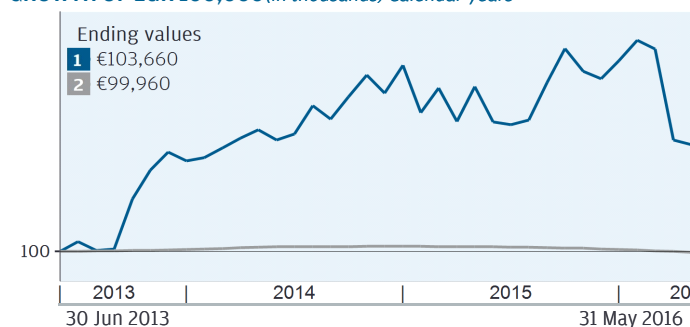
<b>Fund manager(s)</b> Yazann Romahi Katherine Santiago Wei Victor Li	<b>Share class currency</b> EUR	<b>Domicile</b> Luxembourg
<b>Client portfolio manager(s)</b> Olivia Mayell Nicola Rawlinson Gareth Turner	<b>Fund assets</b> EUR 2014.4m	<b>Entry/exit charges</b> Entry charge (max) 0.00% Exit charge (max) 0.00%
<b>Fund reference currency</b> EUR	<b>NAV</b> EUR 103.66	<b>Ongoing charge</b> 0.91%
	<b>Fund launch</b> 1 Jul 2009	
	<b>Class launch</b> 30 Nov 2011	

## Performance

**1 Class:** JPM Systematic Alpha I (acc) - EUR

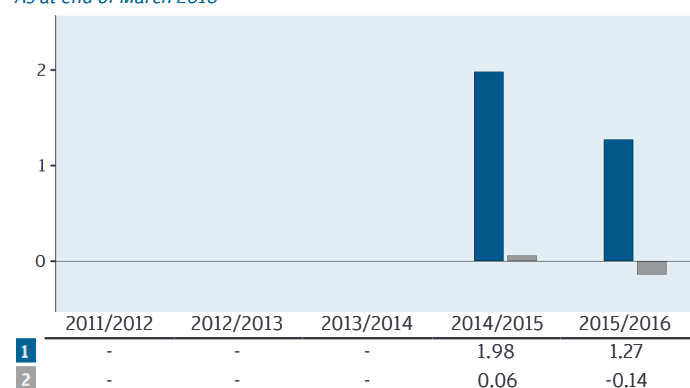
**2 Benchmark:** ICE 1 Month EUR LIBOR

**GROWTH OF EUR 100,000** (in thousands) Calendar years



**QUARTERLY ROLLING 12-MONTH PERFORMANCE (%)**

As at end of March 2016



**RETURN (%)**

	1 month	3 months	1 year	ANNUALISED		Launch
				3 years	5 years	
<b>1</b>	-0.14	-3.34	-1.87	-	-	1.24
<b>2</b>	-0.03	-0.09	-0.20	-	-	-0.01

## PERFORMANCE DISCLOSURES

*Past performance is not a guide to current and future performance. The value of your investments and any income from them may fall as well as rise and you may not get back the full amount you invested.*

Source: J.P. Morgan Asset Management. Share class performance is shown based on the NAV (net asset value) of the share class with income (gross) reinvested including actual ongoing charges excluding any entry and exit fees. Indices do not include fees or operating expenses and you cannot invest in them.

See the material risks, general disclosures and definitions on page 2.

## Holdings

### Equity Long/Short

#### TOTAL POSITIONS

Long	359
Short	314

#### MARKET CAP (%)

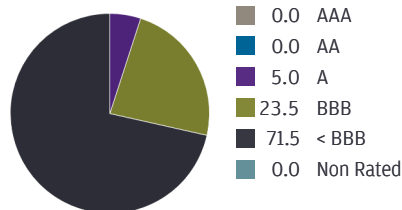
	Long	Short	Net
Large Cap	16.7	-10.8	5.9
Mid Cap	28.4	-23.4	5.0
Small Cap	12.4	-9.1	3.3
Total	57.5	-43.3	14.2

#### SECTORS (%)

	Long	Short
Consumer Discretionary	9.4	-8.3
Industrials	9.2	-7.9
Financials	7.8	-5.8
Information Technology	7.3	-5.1
Materials	5.4	-3.7
Health Care	4.9	-3.2
Energy	4.8	-3.5
Consumer Staples	4.6	-3.1
Utilities	2.9	-1.4
Telecommunication Services	1.2	-1.3

### Convertible Bond Arbitrage

#### BOND QUALITY BREAKDOWN (%)



CB Long: 13.8%  
Yield to maturity: 2.8%  
Future Short: -6.4%

### Global Macro

#### TOP POSITIONS (%)

Commodities SPGSCIROLLWEIGHTSELECT	20.3
Bond Bondf US 10YR NOTE (CBT) 21SEP16 TYU6	10.3
FX G10 CAD	5.7
FX EM INR	0.6
FX EM TWD	-0.6
FX G10 CHF	-4.8
Bond Bond JPN 10YR BOND (OSE) 13Jun16 JBM6	-10.5
Commodities S&P GSCI EQUALWGTSLECT	-20.7

### Merger Arbitrage

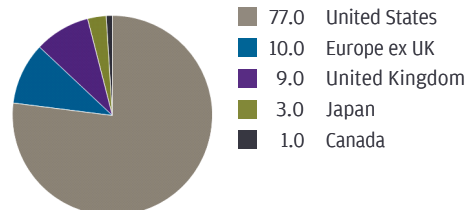
#### METRICS

Average Current Premium	7.90%
Non-Negative Average Premium	15.90%
Notional Long	35.20%
Current Average Duration	5.30 mths
Public Acquirers	80.30%
Hostile/Unsolicited bids	4.10%

#### DEAL TYPES

Cash Deals	41
Stock Deals	5
Cash and Stock	14
Cash or Stock	1
Number of Deals	61

#### REGIONS (%)



### Key risks

Generally uncorrelated behavioural patterns are likely to change over time. Under certain market conditions, these patterns could become correlated, exposing the Sub-Fund to additional risks

The value of equity securities may go down as well as up in response to the performance of individual companies and general market conditions.

The value of debt securities may change significantly depending on economic and interest rate conditions as well as the credit worthiness of the issuer. These risks are typically increased for emerging market and below investment grade debt securities.

In addition, emerging markets may be subject to increased risks, including less developed custody and settlement practices, higher volatility and lower liquidity than non emerging market securities.

The value of securities in which the Sub-Fund invests may be influenced by movements in commodity prices which can be very volatile.

The Sub-Fund uses financial derivative instruments for investment purposes. The value of financial derivative instruments can be volatile and may result in gains or losses in excess of the amount required initially to establish a position in the derivative. The Management Company is required to disclose in Appendix III of the Prospectus the sum of the gross notional exposure

of the financial derivative instruments used (including those used for hedging or efficient portfolio management) as the expected level of leverage. However, this figure does not take into account whether the instrument increases or decreases investment risk and so may not be representative of the overall level of investment risk in the Sub-Fund.

Short selling may be subject to changes in regulations and losses from short positions may be unlimited.

Movements in currency exchange rates can adversely affect the return of your investment. The currency hedging that may be used to minimise the effect of currency fluctuations may not always be successful.

#### GENERAL DISCLOSURES

Before investing, obtain and review the current prospectus, Key Investor Information Document (KIID) and any applicable local offering document. These documents, as well as the annual and semi-annual reports and the articles of incorporation, are available free from your financial adviser, your J.P. Morgan Asset Management regional contact, the fund's issuer (see below) or at [www.jpmmam.lu](http://www.jpmmam.lu).

This material should not be considered as advice or an investment recommendation. Fund holdings and performance are likely to have changed since the report date. No provider of information presented here, including index and ratings information, is liable for damages or losses of any type arising from use of their information. Information from communications with you will be

recorded, monitored, collected, stored and processed consistent with our EMEA Privacy Policy available at [www.jpmmam.com/pages/privacy](http://www.jpmmam.com/pages/privacy)

For reactivated share classes the performance is shown from the date of reactivation and not the share class launch date.

#### INFORMATION SOURCES

Fund information, including performance calculations and other data, is provided by J.P. Morgan Asset Management (the marketing name for the asset management businesses of JPMorgan Chase & Co and its affiliates worldwide). All data is as at the document date unless indicated otherwise.

Copyright © 2016 Morningstar UK Limited. All Rights Reserved. The information contained herein: (1) is proprietary to Morningstar and/or its content providers;(2) may not be copied or distributed; and

(3) is not warranted to be accurate, complete or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information. Past performance is no guarantee of future results.

#### REGIONAL CONTACT

JPMorgan Asset Management Marketing Limited  
Registered address: 25 Bank Street, Canary Wharf  
London E14 5JP, United Kingdom. Authorised and regulated by the Financial Conduct Authority. Registered in England No. 288553.

#### ISSUER

JPMorgan Asset Management (Europe) S.à r.l. 6, route de Trèves, L-2633 Senningerberg, Luxembourg.