

# JPMorgan Funds - Emerging Markets Opportunities Fund

JPM I (acc) - EUR

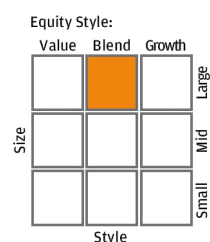
April 2015

## Fund overview

### Investment objective <sup>A</sup>

To provide long-term capital growth by investing primarily in an aggressively managed portfolio of emerging market companies.

### Morningstar style box <sup>B</sup>



## Fund statistics

Morningstar Category <sup>TM</sup>	Global Emerging Markets Equity
Fund manager(s)	Richard Titherington, Amit Mehta
Client portfolio manager(s)	Claire Peck, Luke Richdale
Fund launch date	31/07/90
Fund size (as at 30/04/15)	USD 2800.4m
NAV (as at 30/04/15)	106.18
12M NAV High (as at 13/04/15)	112.11
12M NAV Low (as at 30/04/14)	78.88
Share class launch date <sup>C</sup>	06/07/12

## Fund codes

ISIN	LU0802113760
Bloomberg	JPEMOIE LX
Reuters	LU0802113760.LUF

## Fund highlights

The JPMorgan Emerging Markets Opportunities Fund is a style driven fund which recognises that value has consistently outperformed growth in Emerging Markets over the long term.

The Fund uses a disciplined screening process to systematically identify value combined with fundamental insights.

JPMorgan's broad-based resources and local presence in these markets give us the advantage in identifying attractive investment opportunities on your behalf.

## Quarterly comments

(as at 31/03/15)

### Review

Despite the impact of concerns over the timing of US rate hikes and the strong dollar, US Federal Reserve references to the gradual pace of tightening saw emerging markets finish the quarter in positive territory, slightly outperforming developed markets. The Russian market was the quarter's best performer, helped by some stability in the oil price and a feeling that political issues were at least no longer worsening. Brazil continued to struggle, thanks to currency weakness, bleak growth and corruption protests.

The fund underperformed its benchmark due to stock selection. Our sector and country positioning was strong, as two of our longest-running themes continued to perform well: first, our overweights in information technology and consumer discretionary, and underweight in commodity cyclicals; second, our underweight the "expensive, defensive" markets of Malaysia, Mexico, Chile and Colombia, which fell due to their energy exposures. Our longstanding preference for consumer discretionary, particularly auto manufacturers and information technology companies, continued to work well. These companies should benefit from recoveries in both emerging and developed consumer demand. At the stock level, Chinese auto companies and eastern European information technology services businesses were among the top contributors.

### Outlook

Following four years of headwinds facing emerging market equities, we are monitoring three potential catalysts for signs of a turn in relative performance. First, currencies need to stabilise. Second, emerging market growth needs to recover, in both absolute and relative terms. Finally, emerging market earnings need to recover from the multi-year run of disappointment that has led to the de-rating of the past few years. When the first two catalysts—currency stability and a pick-up in growth—take hold, we expect earnings upgrades to follow.

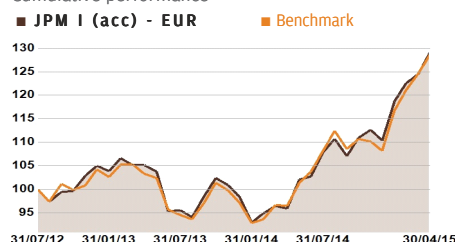
## Benchmark

MSCI Emerging Markets Index (Total Return Net)

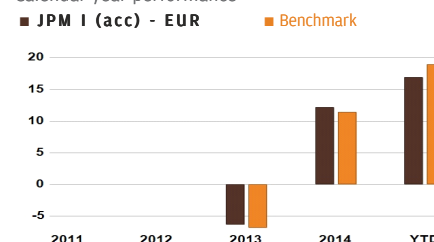
## Performance

(as at 30/04/15)

Cumulative performance



Calendar year performance



## Cumulative performance

%	1 M	3 M	1 Y	3 Y	5 Y	10 Y
JPM I (acc) - EUR	3.63	8.78	34.61	-	-	-
Benchmark	3.22	10.22	33.39	-	-	-

## Calendar year performance

	2011	2012	2013	2014	YTD
JPM I (acc) - EUR	-	-	-6.29	12.18	16.91
Benchmark	-	-	-6.81	11.38	18.90

## Annualised performance

%	1 Y	3 Y	5 Y	Since inception
JPM I (acc) - EUR	34.61	-	-	10.43
Benchmark	33.39	-	-	9.67

# JPMorgan Funds - Emerging Markets Opportunities Fund

## Fund facts

### Fund charges

Initial charge (max.)	0.00%
Redemption charge (max.)	0.00%
Annual Mgt.	0.85%
Distribution Fee	0.00%
Expenses	0.21%
TER (Total Expense Ratio)	1.06%

### Statistical analysis review

(as at 30/04/15)

	3 years	5 years
Correlation	-	-
Alpha	-	-
Beta	-	-
Annualised volatility	-	-
Sharpe ratio	-	-
Tracking error	-	-
Information ratio	-	-

## Holdings

### 10 largest holdings

(as at 30/04/15)

Equity holding	Weight
Tencent (Information Technology)	3.4%
China Merchants Bank (Financials)	3.1%
Samsung Electronics (Information Technology)	3.0%
Magnit (Consumer Staples)	2.8%
MediaTek (Information Technology)	2.6%
MTN (Telecommunication Services)	2.2%
LG Chemical (Materials)	2.1%
Turkiye Halk Bankasi (Financials)	1.9%
Industrial & Commercial Bank of China (Financials)	1.9%
Ping An Insurance (Financials)	1.8%

## Investor suitability

### Investor profile

This is an equity Sub-Fund investing in emerging markets and so investors in the Sub-Fund need to be comfortable with the additional political and economic risks associated with emerging market investments. The Sub-Fund may, therefore, be suitable for experienced investors who already have a globally diversified portfolio and now want to expand into riskier assets in order to potentially boost returns. As emerging stock markets are very volatile, investors should also have a five year investment horizon.

### Key risks

The value of your investment may fall as well as rise and you may get back less than you originally invested. Because the Sub-Fund is aggressively managed, volatility may be high as the Sub-Fund may take larger position sizes, may have high turnover of holdings and at times may have a significant exposure to certain areas of the market.

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

Emerging markets may be subject to increased political, regulatory and economic instability, less developed custody and settlement practices, poor transparency and greater financial risks. Emerging market currencies may be subject to volatile price movements. Emerging market securities may also be subject to higher volatility and lower liquidity than non emerging market securities.

The Sub-Fund may invest in China A-Shares through the Shanghai-Hong Kong Stock Connect program which is subject to regulatory change, quota limitations and also operational constraints which may result in increased counterparty risk.

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.

## Sector breakdown

(as at 30/04/15)

Sector	Fund	Benchmark	Deviation
Financials	26.0%	29.1%	-3.1%
Information Technology	21.6%	18.2%	3.4%
Consumer Discretionary	20.2%	9.0%	11.2%
Consumer Staples	6.7%	7.8%	-1.1%
Telecommunication Services	6.6%	7.3%	-0.7%
Materials	5.4%	7.2%	-1.8%
Industrials	4.3%	7.0%	-2.7%
Energy	3.4%	8.7%	-5.3%
Utilities	2.5%	3.4%	-0.9%
Health Care	0.5%	2.3%	-1.8%
Cash	2.8%	0.0%	2.8%
Total	100.0%	100.0%	0.0%

## Geographical breakdown

(as at 30/04/15)

Country	Fund	Benchmark	Deviation
China	27.7%	25.1%	2.6%
South Korea	15.2%	14.9%	0.3%
Brazil	9.8%	7.9%	1.9%
Taiwan	9.1%	12.5%	-3.4%
South Africa	7.2%	7.8%	-0.6%
Russia	7.0%	4.0%	3.0%
India	5.6%	6.5%	-0.9%
Thailand	3.5%	2.2%	1.3%
Saudi Arabia	3.1%	0.0%	3.1%
Others	9%	19.1%	-10.1%
Cash	2.8%	0.0%	2.8%
Total	100.0%	100.0%	0.0%

# JPMorgan Funds - Emerging Markets Opportunities Fund

## Explanatory Notes, Risks and Important Information

### Notes

<sup>A</sup>As at 03/10/11 the investment objective of the Fund was changed.

<sup>B</sup>The Morningstar Style Box <sup>TM</sup> indicates the fund's investment strategy. For equity funds the vertical axis shows the capitalization of the shares held by the fund, and the horizontal axis shows investment style (value, mixed, or growth). In bond funds, the vertical axis shows the average risk quality of the bonds the fund owns, and the horizontal axis indicates sensitivity to interest rates, as measured by the duration of the bond (short, medium, or long).

<sup>C</sup>For reactivated share classes the performance is shown from the date of reactivation and not the share class launch date.

Benchmark Source: MSCI. Neither MSCI nor any other party involved in or related to compiling, computing or creating the MSCI data makes any express or implied warranties or representations with respect to such data (or the results to be obtained by the use thereof), and all such parties hereby expressly disclaim all warranties of originality, accuracy, completeness, merchantability or fitness for a particular purpose with respect to any of such data. Without limiting any of the foregoing, in no event shall MSCI, any of its affiliates or any third party involved in or related to compiling computing or creating the data have any liability for any direct, indirect, special, punitive, consequential or any other damages (including lost profits) even if notified of the possibility of such damages. No further distribution or dissemination of the MSCI data is permitted without MSCI's express written consent.

All equity indices stated as 'Net' are calculated net of tax as per the standard published approach by the index vendor unless stated otherwise.

You should remember that past performance is not a guide to the future. The price of investments and the income from them may fall as well as rise and investors may not get back the full amount invested.

All performance details are NAV - NAV with gross income reinvested.

FX Adjusted returns have been calculated by JPMAM. Blended benchmarks have been calculated by JPMAM.

On 07/06/13 JPMorgan Funds - Emerging Markets Alpha Plus Fund was merged into this Sub-Fund.

This Sub-Fund has been launched with the assets of the Sub-Fund JPMorgan Lux Funds - Emerging Markets Value Fund which has been merged into the Sub-Fund on 23/10/09. The historical performance shown corresponds to the historical performance of the former Sub-Fund JPMorgan Lux Funds - Emerging Markets Value Fund.

Formerly JPM Emerging Markets Value Fund, the Fund name was changed on 03/10/11.

Source: J.P. Morgan

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