

# JPMorgan Funds - US Equity Plus Fund

JPM B (perf) (acc) - EUR

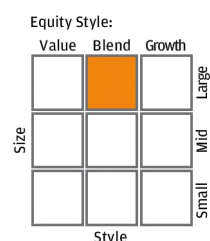
May 2015

## Fund overview

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

To provide long-term capital growth through exposure to US companies by direct investments in securities of such companies and through the use of financial derivative instruments. The portfolio will be managed aggressively.

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



## Fund statistics

Morningstar Category <sup>TM</sup>	US Large-Cap Blend Equity
Fund manager(s)	Shudong Huang, Dennis Ruhl
Client portfolio manager(s)	Christian Preussner, Fiona Harris
Fund launch date	02/08/07
Fund size (as at 31/05/15)	USD 156.3m
NAV (as at 31/05/15)	118.34
12M NAV High (as at 13/04/15)	121.63
12M NAV Low (as at 29/05/14)	84.11
Share class launch date <sup>C</sup>	13/08/13

## Fund codes

ISIN	LU0893354935
Bloomberg	JPMBEAC LX
Reuters	LU0893354935.LUF

## Fund highlights

By taking short positions in unattractive stocks as well as taking long positions in attractively valued companies, our JPM US Equity Plus Fund can translate more of the insights from our behavioural finance investment process into active portfolio positions.

Stock selection is based on our proven behavioural finance investment process, which has produced strong and consistent excess returns in our long-only US equity funds since 2003. This process focuses on identifying persistent pricing anomalies in growth and value stocks caused by investor behavioural biases.

## Quarterly comments

(as at 31/03/15)

### Review

US equity markets were a virtual seesaw in the first quarter. While the S&P 500 Index reached an all-time high on 2 March, it experienced three mini dips of greater than 3%.

The fund underperformed the benchmark. Stock selection in the media and software & services sectors hurt performance. In contrast, stock selection in the semi & hardware and autos & transportation sectors proved beneficial.

An overweight position in Twenty-First Century Fox in the media sector was a key detractor. The media company lowered guidance amid foreign exchange headwinds. An overweight position in Alcoa, in the basic materials sector, was a major detractor as the recent decline in aluminum prices has challenged the company.

On the other hand, an overweight position in Avago Technologies in the semiconductors & hardware sector was the largest contributor. Avago got a boost from its fourth-quarter earnings. Meanwhile, our lack of exposure to Intel also helped performance as data showed continued weakness in the PC market.

### Outlook

Despite the volatility we have seen so far this year, our outlook for both the US economy and equity markets remains constructive. We believe markets will be more volatile than they have been in the past few years given that equities are now fairly valued. However, given that the bottom-line benefits of lower energy prices have not been considered and the European economy continues to improve, estimates may in fact rise as the year progresses.

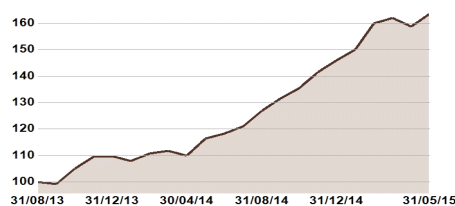
## Benchmark

S&P 500 Index (Total Return Net of 30% withholding tax)

## Performance

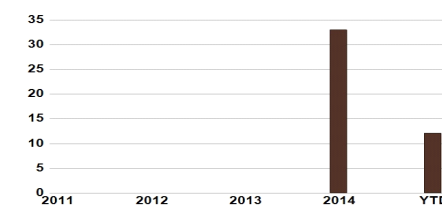
Cumulative performance

■ JPM B (perf) (acc) - EUR



Calendar year performance

■ JPM B (perf) (acc) - EUR



## Cumulative performance

%	1 M	3 M	1 Y	3 Y	5 Y	10 Y
JPM B (perf) (acc) - EUR	3.10	2.29	40.56	-	-	-

## Calendar year performance

	2011	2012	2013	2014	YTD
JPM B (perf) (acc) - EUR	-	-	-	32.95	12.12

## Annualised performance

%	1 Y	3 Y	5 Y	Since inception
JPM B (perf) (acc) - EUR	40.56	-	-	28.44

# JPMorgan Funds - US Equity Plus Fund

## Fund facts

### Fund charges

Initial charge (max.)	0.00%
Redemption charge (max.)	0.00%
Annual Mgt.	0.80%
Distribution Fee	0.00%
Expenses	0.20%
TER (Total Expense Ratio)	1.00%
Performance fee	10.00%

Performance fee is 10% when the fund return exceeds the benchmark return. Please refer to the Fund's Prospectus for conditions on the application of the performance fees.

### Statistical analysis

(as at 31/05/15)

### review

	3 years	5 years
Correlation	-	-
Alpha	-	-
Beta	-	-
Annualised volatility	-	-
Sharpe ratio	-	-

### Value at Risk

### (VaR)

(as at 30/04/15)

VaR	8.80%	8.64%
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Value at Risk (VaR) provides a measure of the potential loss that could arise over a given time interval under normal market conditions, and at a given confidence level. The VaR approach is measured at a 99% confidence level and based on a time horizon of one month. The holding period relating to the financial derivative instruments, for the purpose of calculating global exposure, is one month.

## Investor suitability

### Investor profile

This is an aggressively managed Sub-Fund investing in a portfolio of US stocks chosen for their specific style characteristics. Financial derivative instruments will be used to gain exposure to covered long and short positions on such securities. The Sub-Fund may be suitable for investors who are looking for an equity investment with scope for additional returns. Investors should 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. There is no guarantee that the use of long and short positions will succeed in enhancing investment returns. 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. The single market in which the Sub-Fund invests may be subject to particular political and economic risks, and as a result, the Sub-Fund may be more volatile than more broadly diversified funds. The value of financial derivative instruments can be volatile. This is because a small movement in the value of the underlying asset can cause a large movement in the value of the financial derivative instrument and therefore, investment in such instruments may result in losses in excess of the amount invested by the Sub-Fund. The possible loss from taking a short position on a security may be unlimited as there is no restriction on the price to which a security may rise. The short selling of investments may be subject to changes in regulations, which could adversely impact returns to investors. 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.

# JPMorgan Funds - US Equity Plus Fund

## Holdings

### 10 largest holdings (as at 30/04/15)

Equity holding	Weight
Apple (Information Technology)	6.0%
Microsoft (Information Technology)	4.2%
Wells Fargo (Financials)	3.6%
Pfizer (Health Care)	3.2%
Amgen (Health Care)	2.5%
Citigroup (Financials)	2.4%
Anthem (Health Care)	2.3%
Oracle (Information Technology)	2.3%
Hewlett-Packard (Information Technology)	2.2%
Northrop Grumman (Industrials)	2.2%

### Overall Market Exposure, as a % of AUM (as at 30/04/15)

Long	129.0%
Short	-29.0%
Net	100.0%

### Market capitalisation (as at 30/04/15)

> 100 bn	40.33%
10 bn <> 100 bn	52.17%
1 bn <> 10 bn	7.50%
< 1 bn	0.00%

## Sector breakdown

			<span>(as at 30/04/15)</span>	
Information Technology	31.7%	-9.0%	22.7%	20.0%
Health Care	22.8%	-4.2%	18.6%	14.6%
Consumer Discretionary	17.2%	-5.2%	12.0%	12.5%
Financials	16.0%	-0.5%	15.5%	16.1%
Consumer Staples	12.7%	-2.4%	10.3%	9.5%
Industrials	12.3%	-5.0%	7.3%	10.3%
Energy	9.6%	-0.8%	8.8%	8.5%
Utilities	3.0%	-1.9%	1.1%	3.0%
Materials	2.6%	0.0%	2.6%	3.2%
Telecommunication Services	1.1%	0.0%	1.1%	2.3%
Total	129.0%	-29.0%	100.0%	100.0%

# JPMorgan Funds - US Equity Plus Fund

## Explanatory Notes, Risks and Important Information

### Notes

<sup>A</sup>On 16/08/11 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.

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 to NAV with gross income reinvested.

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

On 31/05/13 JPM US Dynamic Fund was merged into this Sub-Fund.

As from 24/11/14 the share class has been renamed adding the suffix 'perf'.

Formerly JPM US Dynamic 130/30 Fund, the Fund name was changed on 31/05/13.

Source: J.P. Morgan

### Important Information

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