

# JPMorgan Funds - US Value Fund

JPM I (dist) - USD

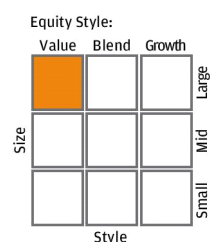
April 2015

## Fund overview

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

To provide long-term capital growth by investing primarily in a value style biased portfolio of US companies.

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



## Fund statistics

Morningstar Category <sup>TM</sup>	US Large-Cap Value Equity
Fund manager(s)	Jonathan Simon, Clare Hart
Client portfolio manager(s)	Christian Preussner, Fiona Harris
Fund launch date	20/10/00
Fund size (as at 30/04/15)	USD 3993.0m
NAV (as at 30/04/15)	123.45
12M NAV High (as at 23/03/15)	125.99
12M NAV Low (as at 16/10/14)	109.21
Share class launch date <sup>C</sup>	10/10/13

## Fund codes

ISIN	LU0973530420
Bloomberg	JPFUVI LX
Reuters	LU0973530420.LUF

## Fund highlights

The Fund invests in a diversified portfolio of US value stocks.

Investing in the Fund enables you to benefit from JPMorgan's advantage in identifying attractive investment opportunities.

The Fund's initial investible universe is defined as those companies above USD 1bn of market capitalisation displaying key value characteristics.

The Fund is perfect for any investor looking to hedge the style-orientation of an existing portfolio or to increase exposure to value companies.

## 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 outperformed its benchmark. Stock selection in the consumer discretionary and information technology sectors proved beneficial. In contrast, stock selection in the health care and financials sectors was weak.

In terms of individual stocks, our overweight positions in Kohl's in the consumer discretionary sector and Martin Marietta in the materials sector were the largest contributors for the quarter. Kohl's reported a strong fourth quarter after pre-announcing a 3.7% increase in fourth-quarter same-store sales. Martin Marietta reported a good quarter and in-line guidance.

In contrast, overweight positions in Ally Financial in the financials sector and Southwestern Energy in the energy space were the largest detractors. Ally Financials reported a decent quarter, but this was overshadowed by General Motors' announcement that it is bringing in-house the subvented lease business of GMC, Buick and Cadillac. Southwestern Energy announced it is cutting capital spending by 18% from 2014 levels and over 20% from earlier guidance.

### Outlook

Despite the volatility we have seen so far this year, our outlook for both the US economy and equity markets remains constructive.

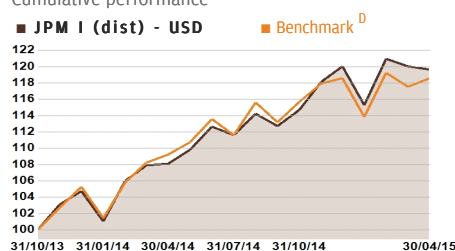
## Benchmark <sup>D</sup>

Russell 1000 Value Index (Total Return Net of 30% withholding tax)

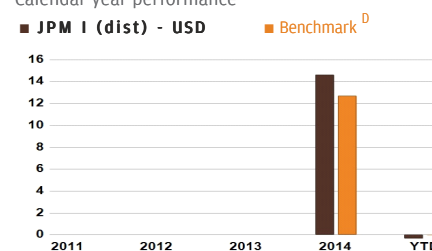
## Performance

(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 (dist) - USD	-0.31	3.77	10.68	-	-	-
Benchmark <sup>D</sup>	0.90	4.20	8.56	-	-	-

## Calendar year performance

	2011	2012	2013	2014	YTD
JPM I (dist) - USD	-	-	-	14.62	-0.34
Benchmark <sup>D</sup>	-	-	-	12.68	-0.01

## Annualised performance

%	1 Y	3 Y	5 Y	Since inception
JPM I (dist) - USD	10.68	-	-	15.02
Benchmark <sup>D</sup>	8.56	-	-	13.89

# JPMorgan Funds - US Value Fund

## Fund facts

### Fund charges

Initial charge (max.)	0.00%
Redemption charge (max.)	0.00%
Annual Mgt.	0.65%
Distribution Fee	0.00%
Expenses	0.16%
TER (Total Expense Ratio)	0.81%

### Statistical analysis review <sup>E</sup>

(as at 30/04/15)

	3 years	5 years
Correlation <sup>E</sup>	-	-
Alpha <sup>E</sup>	-	-
Beta <sup>E</sup>	-	-
Annualised volatility	-	-
Sharpe ratio	-	-

## Holdings

### 10 largest holdings

(as at 30/04/15)

Equity holding	Weight
Wells Fargo (Financials)	4.3%
Exxon Mobil (Energy)	3.2%
Pfizer (Health Care)	2.8%
Johnson & Johnson (Health Care)	2.6%
Capital One (Financials)	2.1%
Bank of America (Financials)	2.0%
AIG (Financials)	2.0%
Merck & Co (Health Care)	2.0%
Loews (Financials)	2.0%
Chevron (Energy)	1.8%

### Market capitalisation

(as at 30/04/15)

> 100 bn	33.90%
10 bn <= 100 bn	56.77%
1 bn <= 10 bn	9.33%
< 1 bn	0.00%

## Investor suitability

### Investor profile

This is a value investment style equity fund designed to give exposure to value companies in the US. Because value stocks tend to outperform at different times to growth stocks, investors should be prepared for periods of underperformance, although research shows that over the long-term both investment styles have outperformed. Therefore, this fund can be used both to provide a value tilt to an existing diversified portfolio or as investment in its own right. Because the fund is invested in equities, and because of the individual economic, currency and political risks associated with single country investing, the fund may be suitable for investors with at least a three to 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 limiting the Sub-Fund's volatility.

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.

### Sector breakdown

(as at 30/04/15)

Sector	Fund	Benchmark <sup>D</sup>	Deviation
Financials	34.0%	29.5%	4.5%
Consumer Discretionary	14.3%	6.5%	7.8%
Health Care	10.3%	14.4%	-4.1%
Energy	9.9%	11.4%	-1.5%
Industrials	7.9%	10.3%	-2.4%
Information Technology	6.6%	9.3%	-2.7%
Utilities	6.3%	6.1%	0.2%
Consumer Staples	5.0%	7.1%	-2.1%
Materials	4.3%	3.2%	1.1%
Telecom Services	1.4%	2.2%	-0.8%
Total	100.0%	100.0%	0.0%

# JPMorgan Funds - US Value Fund

## Explanatory Notes, Risks and Important Information

### Notes

<sup>A</sup>As at 01/09/06 the investment objective of the Fund was changed to harmonise the wording across the Fund range.

<sup>B</sup>The Morningstar Style Box <sup>™</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.

<sup>D</sup>Prior to 01/01/06 the benchmark for the Fund was S&P/BARRA 500 Value.

<sup>E</sup>The time difference between Fund NAV calculation and the US market can distort this figure.

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.

Formerly JPM US Strategic Value Fund, the Fund name was changed on 01/06/06.

Source: J.P. Morgan

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