

# JPMorgan Funds - Europe Equity Plus Fund

JPM I (perf) (acc) - EUR

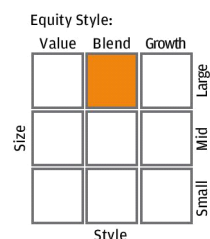
April 2015

## Fund overview

### Investment objective

To provide long term capital growth, through exposure to European companies by direct investments in securities of such companies and through the use of financial derivative instruments.

### Morningstar style box <sup>® A</sup>



## Fund statistics

Morningstar Category™	Europe Large-Cap Blend Equity
Fund manager(s)	Michael Barakos, Nicholas Horne, David Allen
Client portfolio manager(s)	Louise Bonzano, Paul Shutes, Karsten Stroh
Fund launch date	25/06/07
Fund size (as at 30/04/15)	EUR 5832.0m
NAV (as at 06/05/14)	114.80
12M NAV High (as at 04/04/14)	115.74
12M NAV Low (as at 09/10/13)	99.73
Share class launch date <sup>B</sup>	08/10/13

## Fund codes

ISIN	LU0289214891
Bloomberg	JPMEECI LX
Reuters	LU0289214891.LUF

## Fund highlights

Enhanced access to Europe's investment potential - the opportunity to boost longterm returns from both long and short positions in European equities while limiting volatility.

Extended market exposure - short positions capitalise on stocks we believe will fall in value, with proceeds used to fund extra long positions.

Low correlation of excess returns - ideal for investors looking to diversify their European equity allocation and potentially boost their performance.

## Quarterly comments

(as at 31/03/15)

### Review

European stock markets staged a notable rally in the first quarter.

The fund, which takes long positions in attractively valued, high quality stocks with positive momentum, while taking short positions in stocks that are expensive, low quality and have weak momentum, outperformed its benchmark. At the sector level, positive contributors to relative returns included stock selection in materials, while stock selection in retailing detracted. At the stock level, an overweight position in Aperam contributed positively to relative returns, as the stainless steel manufacturer delivered fourth-quarter earnings ahead of consensus expectations and guided for a better first quarter on improved volumes. Our overweight position in Delhaize also proved positive for relative returns. The Dutch food retailer's strong share price performance was driven by strong results from its US business, which is benefiting from the translation effect of a stronger dollar. Other active stock positions in the retailing sector detracted from relative returns. Short exposure to Tesco, for example, was the biggest stock-level detractor as reports of a return to sales growth boosted the UK grocer's share price following a tough trading year in 2014. Not holding Airbus was also detrimental for relative returns as the passenger plane maker reported a sharp rise in full-year profits and management forecast strong demand in 2015. However, the fund was boosted by its overweight exposure to Swiss staffing agency Adecco, which reported a 6% increase in earnings for the three months to 31 December 2014, boosted by strong hiring in the US.

### Outlook

As long as European corporate fundamentals remain strong and earnings are on the rise, we think that regional equity markets can make further headway over the next year.

## Benchmark

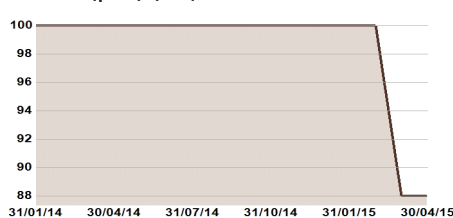
MSCI Europe Index (Total Return Net)

## Performance

(as at 30/04/15)

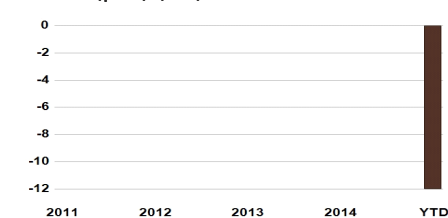
Cumulative performance

■ JPM I (perf) (acc) - EUR



Calendar year performance

■ JPM I (perf) (acc) - EUR



## Cumulative performance

%	1 M	3 M	1 Y	3 Y	5 Y	10 Y
JPM I (perf) (acc) - EUR	0.00	-11.99	-11.99	-	-	-

## Calendar year performance

	2011	2012	2013	2014	YTD
JPM I (perf) (acc) - EUR	-	-	-	-	-11.99

## Annualised performance

%	1 Y	3 Y	5 Y	Since inception
JPM I (perf) (acc) - EUR	-11.99	-	-	-9.29

# JPMorgan Funds - Europe 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	0.16%
TER (Total Expense Ratio)	0.96%
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 review

(as at 30/04/15)

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

### Value at Risk (VaR)

(as at 30/04/15)

VaR	9.90%	9.78%
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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 actively managed Sub-Fund designed to give broad market exposure to European securities markets. The Sub-Fund is well diversified across a number of European markets. Financial derivative instruments will be used to have 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.

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 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 - Europe Equity Plus Fund

## Holdings

10 largest holdings		(as at 31/03/15)
Equity holding	Weight	
Sanofi (Health Care)	2.1%	
Roche (Health Care)	2.1%	
Royal Dutch Shell (Energy)	2.1%	
Nestle (Consumer Staples)	1.8%	
Daimler (Consumer Discretionary)	1.8%	
Novartis (Health Care)	1.7%	
BNP Paribas (Financials)	1.5%	
HSBC (Financials)	1.5%	
ING Groep (Financials)	1.4%	
Siemens (Industrials)	1.4%	

Overall Market Exposure, as a % of AUM		(as at 30/04/15)
Short	-17.4%	
Long	117.4%	
Net	100.0%	

Market capitalisation		(as at 30/04/15)
> 100 bn	20.40%	
10 bn <= 100 bn	53.79%	
1 bn <= 10 bn	25.40%	
< 1 bn	0.40%	

Regional breakdown		(as at 30/04/15)			
United Kingdom	33.5%	-6.5%	27.0%	31.2%	
Germany	16.6%	-2.6%	14.0%	14.0%	
France	16.3%	-3.2%	13.1%	15.1%	
Switzerland	12.4%	-0.7%	11.7%	14.1%	
Sweden	5.4%	-0.8%	4.6%	4.6%	
Spain	5.0%	-0.3%	4.7%	5.4%	
Italy	5.0%	-1.1%	3.9%	3.6%	
Netherlands	4.8%	-0.4%	4.4%	4.2%	
Denmark	4.4%	-0.1%	4.3%	2.6%	
Others	7.7%	-1.7%	6%	5.2%	
Cash	6.3%	0.0%	6.3%	0.0%	
Total	117.4%	-17.4%	100.0%	100.0%	

Sector breakdown		(as at 30/04/15)			
Financials	28.9%	-4.3%	24.6%	22.6%	
Consumer Discretionary	17.6%	-2.9%	14.7%	11.4%	
Industrials	14.2%	-2.9%	11.3%	11.1%	
Health Care	12.8%	-0.4%	12.4%	13.8%	
Consumer Staples	10.4%	-2.7%	7.7%	13.6%	
Materials	7.3%	-1.2%	6.1%	7.6%	
Energy	6.1%	-1.0%	5.1%	7.7%	
Telecommunication Services	5.2%	-0.5%	4.7%	4.9%	
Information Technology	4.5%	-0.8%	3.7%	3.4%	
Utilities	4.1%	-0.7%	3.4%	3.9%	
Cash	6.3%	0.0%	6.3%	0.0%	
Total	117.4%	-17.4%	100.0%	100.0%	

# JPMorgan Funds - Europe Equity Plus Fund

## Explanatory Notes, Risks and Important Information

### Notes

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

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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.

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

Formerly JPM Europe 130/30 Fund, the Fund name was changed on 01/01/13.

Source: J.P. Morgan

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