

# JPMorgan Investment Funds - US Equity Fund

JPM I (acc) - EUR (hedged)

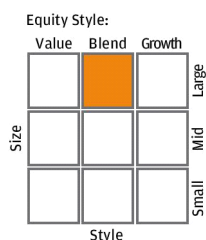
April 2015

## Fund overview

### Investment objective

To maximise long-term capital growth by investing primarily in an actively managed portfolio of medium to large capitalisation US companies.

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



## Fund statistics

Morningstar Category™	US Equity - Currency Hedged
Fund manager(s)	Dennis Ruhl, Jason Alonzo
Client portfolio manager(s)	Christian Preussner, Fiona Harris
Fund launch date	27/12/06
Fund size (as at 30/04/15)	USD 392.4m
NAV (as at 30/04/15)	93.54
12M NAV High (as at 23/03/15)	95.22
12M NAV Low (as at 16/10/14)	80.84
Share class launch date <sup>B</sup>	14/10/13

## Fund codes

ISIN	LU0973649667
Bloomberg	JPMCAIH LX
Reuters	LU0973649667.LUF

## Fund highlights

The fund implements our behavioural finance approach in a benchmark-aware fashion, focusing on stock selection as the key source of excess return.

The fund is ideal for investors looking for exposure to the US equity market, with risk controls at the stock and sector level relative to the benchmark.

Stock selection emphasises exposure to growth and value stocks, giving the fund the potential to outperform across the market cycle.

## 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%. Investor concerns were largely focused on reduced earnings estimates caused by the massive decline in oil prices and the continued strength of the US dollar.

The fund underperformed the benchmark. Overweight positions in National Oilwell Varco (NOV) in the energy sector and Hewlett-Packard in the information technology sector were the largest detractors. NOV has USD 3.5 billion of backlog related to rig-building projects in Brazil. Hewlett-Packard reported below-consensus first-quarter revenues.

On the other hand, overweight positions in Anthem in the healthcare sector and Valero Energy in the energy sector proved beneficial. Anthem announced it had closed the acquisition of Simply Healthcare. Valero Energy increased the dividend by 45%, underscoring management confidence.

### 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.

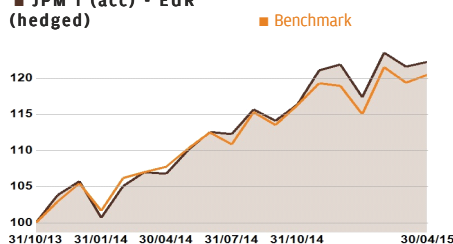
## Benchmark

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

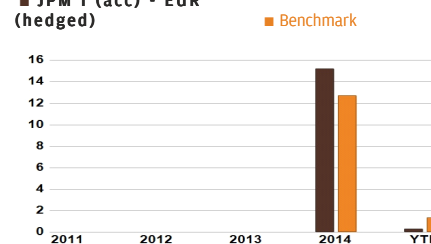
## Performance

(as at 30/04/15)

Cumulative performance  
■ JPM I (acc) - EUR (hedged)



Calendar year performance  
■ JPM I (acc) - EUR (hedged)



## Cumulative performance

%	1 M	3 M	1 Y	3 Y	5 Y	10 Y
JPM I (acc) - EUR (hedged)	0.57	4.14	14.48	-	-	-
Benchmark	0.92	4.78	11.79	-	-	-

## Calendar year performance

	2011	2012	2013	2014	YTD
JPM I (acc) - EUR (hedged)	-	-	-	15.20	0.32
Benchmark	-	-	-	12.73	1.34

## Annualised performance

%	1 Y	3 Y	5 Y	Since inception
JPM I (acc) - EUR (hedged)	14.48	-	-	16.81
Benchmark	11.79	-	-	14.84

# JPMorgan Investment Funds - US Equity 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

(as at 30/04/15)

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

## Holdings

### 10 largest holdings

(as at 30/04/15)

Equity holding	Weight
Apple (Information Technology)	5.5%
Microsoft (Information Technology)	3.4%
Wells Fargo (Financials)	3.4%
Pfizer (Health Care)	2.9%
Anthem (Health Care)	2.3%
Time Warner (Consumer Discretionary)	2.3%
Northrop Grumman (Industrials)	2.2%
Medtronic (Health Care)	2.2%
Oracle (Information Technology)	2.2%
Lowes Companies (Consumer Discretionary)	2.1%

### Market capitalisation

(as at 30/04/15)

> 100 bn	25.94%
10 bn <= 100 bn	53.14%
1 bn <= 10 bn	20.92%
< 1 bn	0.00%

## Investor suitability

### Investor profile

This Sub-Fund is designed for investors looking for broad market exposure to a single developed stock market. Therefore the Sub-Fund may suit investors who are looking to add a single country holding to an existing diversified portfolio or for investors looking for a stand-alone core equity investment aimed at producing long-term capital growth. Because the Sub-Fund is invested in equities, and because of the individual economic, currency and political risks associated with single country investing, the Sub-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.

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.

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
Information Technology	22.0%	20.0%	2.0%
Health Care	15.3%	14.6%	0.7%
Financials	14.6%	16.1%	-1.5%
Consumer Discretionary	11.7%	12.5%	-0.8%
Industrials	9.7%	10.3%	-0.6%
Consumer Staples	9.1%	9.5%	-0.4%
Energy	8.9%	8.5%	0.4%
Materials	3.1%	3.2%	-0.1%
Utilities	3.0%	3.0%	0.0%
Telecom Services	2.6%	2.3%	0.3%
Total	100.0%	100.0%	0.0%

# JPMorgan Investment Funds - US Equity 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.

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.

This Share Class seeks to minimise the effect of currency fluctuations between the Reference Currency of the Sub-Fund and the Reference Currency of this Share Class.

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 25/10/13 JPMorgan Funds - America Large Cap Fund was merged into this Sub-Fund.

Source: J.P. Morgan

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