JPM Sterling Corporate Bond Fund

Class: JPM Sterling Corporate Bond Fund I - Gross Income

Synthetic risk and reward indicator Based on share class volatility for the past 5 years. See Key Investor Information Document (KIID) for details.

1	2	**3**	4	5	6	7

Lower risk/ potential reward Not risk-free — Higher risk/ potential reward

Fund overview

ISIN	Sedol	Bloomberg	Reuters
GB00B014H654	B014H65	JPUKHCI LN	GB00B014H654.LUF

Investment objective: The Fund's investment objective is to achieve a return based on a combination of income and capital growth by investing primarily in high quality Sterling denominated Bonds (or other Bonds hedged back to Sterling).

Investor profile: The Fund may suit investors looking for a primarily Investment Grade Sterling corporate Bond fund.

Fund manager(s)
Andreas Michalitsianos
Usman Naeem

Investment specialist(s)
Anne Greenwood
Elliot Hill

Fund reference currency GBP

Share class currency GBP

Fund assets
£139.0m

NAV
111.10p

Fund launch
11 Aug 1980

Class launch
2 Aug 2004

Domicile United Kingdom

Entry/exit charges
Entry charge (max) 0.00%
Exit charge (max) 0.00%

Ongoing charge 0.40%

Fund ratings *As at 31 October 2019*

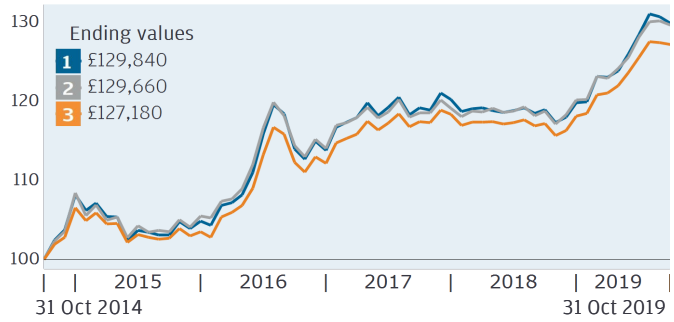
Overall Morningstar Rating ™ ★★★★

Morningstar Category ™ GBP Corporate Bond

Performance

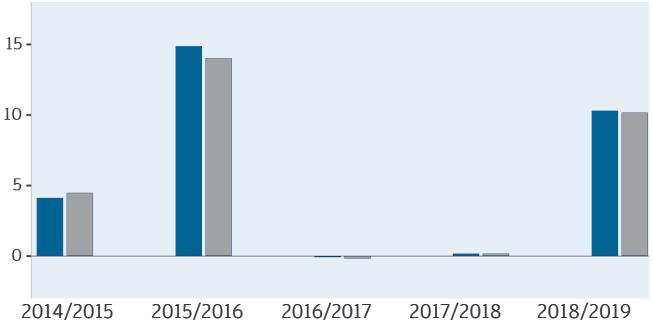
1 **Class:** JPM Sterling Corporate Bond Fund I - Gross Income
2 **Benchmark:** Markit iBoxx GBP Non-Gilts Index
3 **Sector average:** £ Corporate Bond

GROWTH OF £ 100,000 *(in thousands) Calendar years*



QUARTERLY ROLLING 12-MONTH PERFORMANCE (%)

As at end of September 2019



	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019
1	4.10	14.86	-0.11	0.18	10.28
2	4.47	14.00	-0.19	0.17	10.15

YIELD AND CUMULATIVE PERFORMANCE (%)

Yield: **2.35%**
Latest dividend rate (may be estimated): **0.65p** Ex-dividend date: **1 Aug 2019**

				ANNUALISED		
	1 month	3 months	1 year	3 years	5 years	10 years
1	-0.63	1.14	9.17	4.44	5.36	6.31
2	-0.38	1.21	9.19	4.28	5.33	6.55
3	-0.20	1.30	8.60	4.30	4.90	6.10

BENCHMARK USES

The Benchmark is a performance comparator and the Fund will bear some resemblance to its Benchmark. The Benchmark has been chosen as it reflects the main investment universe and strategy for the Fund.

PERFORMANCE DISCLOSURES

Past performance is not a guide to current and future performance. The value of your investments and any income from them may fall as well as rise and you may not get back the full amount you invested.

Source: J.P.Morgan Asset Management. As at 02/07/17 share class performance shown is based on the quoted price of the share class, assumes any gross income was reinvested, and includes ongoing charges but not any entry or exit fees. Prior to this date the quoted price of the share class, assumed any net income was reinvested.
Indices do not include fees or operating expenses and you cannot invest in them.
The Yield reflects the gross amount that may be distributed over the next 12 months as a percentage of the quoted price at the date shown. It is calculated from current market information and is provided to shareholders as an estimate but should not be taken as a guaranteed yield. The Yield calculation does not include the impact of any Entry charge that may be paid or that investors may be subject to tax on income distributions. Where a portion of the fund's expenses are charged to capital this has the effect of increasing the distribution for the year and constraining the fund's capital performance to an equivalent extent.
Prior to 01/09/12 the benchmark was Barclays Sterling Aggregate Corporate Index.

See the material risks, general disclosures and definitions on pages 2 & 3.

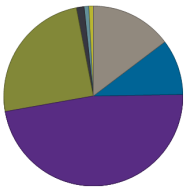
J.P.Morgan
Asset Management

Holdings

TOP 10

	Coupon rate	Maturity date	%of assets
European Investment Bank (International)	5.000	15/04/39	3.5
Government of Germany (Germany)	6.000	07/12/28	3.2
Electricite de France (France)	6.250	30/05/28	3.2
Lloyds Banking (United Kingdom)	7.500	15/04/24	1.6
Energias De Portugal (Portugal)	8.625	04/01/24	1.3
UK Power Networks (United Kingdom)	5.125	31/03/23	1.2
HSBC (United Kingdom)	5.750	20/12/27	1.2
European Investment Bank (International)	6.000	07/12/28	1.2
Goldman Sachs (United States)	4.250	29/01/26	1.2
Lloyds Banking (United Kingdom)	4.875	30/03/27	1.0

BOND QUALITY BREAKDOWN (%)



14.8	AAA
10.0	AA
47.5	A
24.6	BBB
1.4	< BBB
0.8	Non Rated
0.9	Cash

Corporate Bonds: 82.4%
Average duration: 7.9 yrs
Yield to worst: 2.0%
Average maturity: 10.5 yrs

SECTORS (%)

		Compared to benchmark
Financial Institutions	34.0	+4.3
Utilities	16.5	+4.8
Non-Corporate Credit	14.1	-7.4
Consumer Non-Cyclicals	6.4	+1.0
Transportation	6.0	+2.4
Communications	5.7	0.0
Covered Bond	5.7	+2.3
Consumer Cyclicals	2.7	-2.8
Capital Goods	2.2	+1.0
Agency	1.8	-2.3
Others	4.0	-4.2
Cash	0.9	+0.9

VALUE AT RISK (VAR)

	Fund	Benchmark
VaR	3.17%	3.18%

VaR is a means of measuring the potential loss to a Sub-Fund due to market risk and is expressed as the maximum potential loss at a 99% confidence level over a one month time horizon. The holding period for the purpose of calculating global exposure is one month.

PORTFOLIO ANALYSIS

Measurement	3 years	5 years
Correlation	0.97	0.98
Alpha (%)	0.16	0.03
Beta	1.04	1.00
Annualised volatility (%)	4.04	5.41
Sharpe ratio	1.00	0.91
Tracking error (%)	0.99	1.13
Information ratio	0.17	0.03

Key risks

Bond funds may not behave like direct investments in the underlying bonds themselves. By investing in bond funds, the certainty of receiving a regular fixed amount of income for a defined period of time with the prospect of a future known return of capital is lost.
The value of bonds and other debt securities may change significantly depending on market, economic and interest rate conditions as well as the creditworthiness of the issuer. Issuers of bonds and other debt securities may fail to meet payment obligations (default) or the credit rating of bonds and other debt securities may be downgraded. These risks are typically increased for below investment grade and certain unrated securities, which may also be subject to higher volatility and be more difficult to sell than investment grade securities.
Bonds and other debt securities with a lower credit rating may have a higher risk of defaulting which may in turn have an adverse effect on the performance of Funds which invest in them.
Investing in contingent convertible securities may adversely impact the Fund should specific trigger events occur (as specified in the terms of the security) and the Fund may be at increased risk of capital loss. This may be as a result of the contingent convertible security converting to equities at a discounted share price, the value of the contingent convertible security being written down, temporarily or permanently, and/or coupon payments ceasing or being deferred.
The Sub-Fund uses financial derivative instruments for investment purposes. The value of financial derivative instruments can be volatile and may result in gains or losses in excess of the amount required initially to establish a position in the derivative. The ACD is required to disclose in Appendix A of the Prospectus the sum of the gross notional exposure of the financial derivative instruments used (including those used for hedging or efficient portfolio management) as the expected level of leverage. However, this figure does not take into account whether the instrument increases or decreases investment risk and so may not be representative of the overall level of investment risk in the Sub-Fund.
Bond funds will normally distribute a combination of coupon and the expected discount/premium on the securities. Therefore, a Fund's distribution will comprise income received and an element of projected capital gains or losses. This could result in an element of capital gain being taxed as income in the hands of an investor.
To the extent that any underlying assets of the Fund are denominated in a currency other than Sterling and are not hedged back to Sterling, 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.

GENERAL DISCLOSURES

Before investing, obtain and review the current Prospectus, Key Investor Information Document (KIID) and the Key Features Document/Terms & Conditions for this fund which are available from JPMorgan Asset Management (UK) Limited.
This material should not be considered as advice or an investment recommendation. Fund holdings and performance are likely to have changed since the report date. No provider of information presented here, including index and ratings information, is liable for damages or losses of any type arising from use of their information. No warranty of accuracy is given and no liability in respect of any error or omission is accepted.
To the extent permitted by applicable law, we may record telephone calls and monitor electronic communications to comply with our legal and regulatory obligations and internal policies. Personal data will be collected, stored and processed by J.P. Morgan Asset Management in accordance with our EMEA Privacy Policy www.jpmorgan.com/emea-privacy-policy
For additional information on the fund's target market please refer to the Prospectus.

Maturity Date refers to the maturity/reset date of the security. For those securities whose reference coupon rate is adjusted at least every 397 days, the date of the next coupon rate adjustment is shown.

INFORMATION SOURCES

Fund information, including performance calculations and other data, is provided by J.P. Morgan Asset Management (the marketing name for the asset management businesses of JPMorgan Chase & Co and its affiliates worldwide).
All data is as at the document date unless indicated otherwise.
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Benchmark source: Markit Group.

ISSUER

JPMorgan Asset Management (UK) Limited
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DEFINITIONS

NAV Net Asset Value of a fund's assets less its liabilities per Share.
Quoted Price The single price at which all client orders are executed.

Overall Morningstar Rating ™ assessment of a fund's past performance, based on both return and risk and shows how similar investments compare with their competitors. Investment decisions should not be based on a high rating alone.
Correlation measures the relationship between

the movement of the fund and its benchmark. A correlation of 1.00 indicates that the fund perfectly matched its benchmark.

Alpha (%) a measure of excess return generated by a manager compared to the benchmark. An alpha of 1.00 indicates that a fund has outperformed its benchmark by 1%.

Beta a measure of a fund's sensitivity to market movements (as represented by the fund's benchmark). A beta of 1.10 suggests the fund could perform 10% better than the benchmark in up markets and 10% worse in down markets, assuming all other factors remain constant.

Annualised volatility (%) an absolute measure of volatility and measures the extent to which returns vary up and down over a given period. High volatility means that the returns have been more variable over time. The measure is expressed as an annualised value.

Sharpe ratio measures the performance of an investment adjusting for the amount of risk taken (compared a risk-free investment). The higher the Sharpe ratio the better the returns compared to the risk taken.

Tracking error (%) measures how much a fund's returns deviate from those of the benchmark. The lower the number the closer the fund's historic performance has followed its benchmark.

Information ratio (IR) measures if a manager is outperforming or underperforming the benchmark and accounts for the risk taken to achieve the returns. A manager who outperforms a benchmark by 2% p.a. will have a higher IR than a manager with the same outperformance but who takes more risk.