JPMorgan Funds - Emerging Markets Corporate Bond Fund

Class: JPM Emerging Markets Corporate Bond D (acc) - EUR (hedged)

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	Bloomberg	Reuters
LU0512128355	JPEDAEH LX	LU0512128355.LUF

Investment objective: To achieve a return in excess of corporate bond markets of emerging market countries by investing primarily in emerging market corporate debt securities, using derivatives where appropriate.

Investment approach

- Uses a globally integrated research driven investment process that focuses on analysing fundamental, quantitative and technical factors across countries, sectors and issuers.
- Combines top-down decision making – including country and sector allocation – with bottom-up security selection.

Fund manager(s)
Pierre-Yves Bareau
Scott McKee
Eduardo Alhadeff

Investment specialist(s)
Zsolt Papp

Fund reference currency USD

Share class currency EUR

Fund assets
USD 2149.2m

NAV
EUR 102.83

Fund launch
14 Jul 2010

Class launch
27 Aug 2010

Domicile
Luxembourg

Entry/exit charges
Entry charge (max) 3.00%
Exit charge (max) 0.50%

Ongoing charge 1.76%

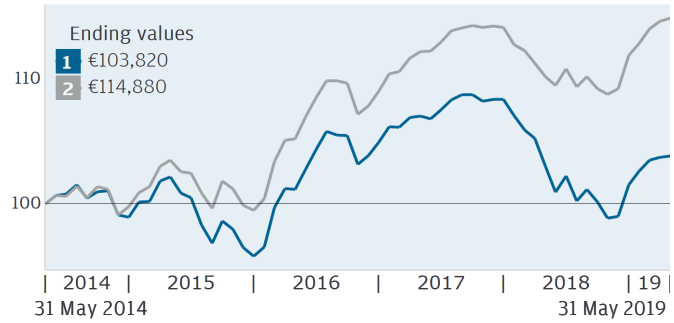
Fund ratings *As at 31 May 2019*

Morningstar Category ™ Global Emerging Markets Corporate Bond - EUR Biased

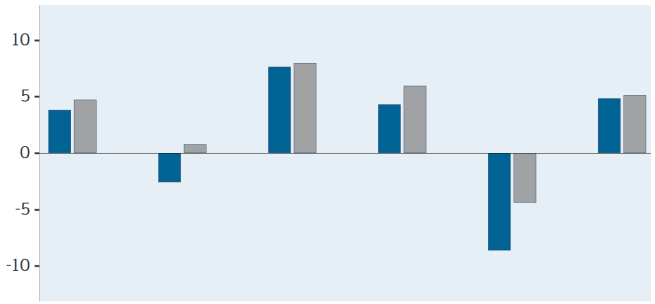
Performance

1 **Class:** JPM Emerging Markets Corporate Bond D (acc) - EUR (hedged)
2 **Benchmark:** J.P. Morgan Corporate Emerging Markets Bond Index Broad Diversified (Total Return Gross) Hedged to EUR

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



CALENDAR YEAR PERFORMANCE (%)



	2014	2015	2016	2017	2018	YTD
1	3.82	-2.60	7.64	4.31	-8.63	4.86
2	4.72	0.79	7.96	5.96	-4.40	5.16

RETURN (%)

				ANNUALISED		
	1 month	3 months	1 year	3 years	5 years	Launch
1	0.10	1.17	0.79	0.88	0.75	3.12
2	0.21	1.79	4.24	2.97	2.81	4.16

PORTFOLIO ANALYSIS

Measurement	3 years	5 years
Correlation	0.95	0.96
Alpha (%)	-2.04	-2.00
Beta	1.14	1.09
Annualised volatility (%)	3.90	4.12
Sharpe ratio	0.34	0.27
Tracking error (%)	1.28	1.14
Information ratio	-1.60	-1.76

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. Share class performance is shown based on the NAV (net asset value) of the share class with income (gross) reinvested including actual ongoing charges excluding any entry and exit fees. Indices do not include fees or operating expenses and you cannot invest in them.
The benchmark is for comparative purposes only unless specifically referenced in the Sub-Funds' Investment Objective and Policy.

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

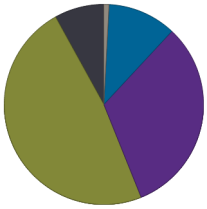
J.P.Morgan Asset Management

Holdings

TOP 10

	Coupon rate	Maturity date	%of assets
Cemig Geracao E Transmissao (Brazil)	9.250	05/12/24	1.5
Votorantim (Peru)	5.375	04/05/27	1.4
Teva Pharmaceutical (Israel)	3.150	01/10/26	1.2
ICD Sukuk (United Arab Emirates)	5.000	01/02/27	1.0
Government of Mexico (Mexico)	5.500	21/01/21	1.0
BBVA (Mexico)	6.500	10/03/21	1.0
Government of Colombia (Colombia)	5.875	28/05/45	1.0
Mashreq (United Arab Emirates)	4.250	26/02/24	0.9
Hon Hai Precision Industry (Taiwan)	3.750	12/03/24	0.9
Next Alt (Luxembourg)	7.500	15/05/26	0.9

BOND QUALITY BREAKDOWN (%)



0.8	AA	Corporate Bonds: 82.5%
11.1	A	Average duration: 4.7 yrs
32.1	BBB	Yield to worst (USD): 5.9%
47.9	< BBB	Average maturity: 9.1 yrs
8.1	Cash	Average credit quality: BB+

VALUE AT RISK (VAR)

	Fund	Benchmark
VaR	1.38%	1.15%

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.

REGIONS (%)

		Compared to benchmark
China	9.1	+0.9
Brazil	8.3	+2.2
United Arab Emirates	7.1	+2.5
Mexico	6.7	+1.8
Colombia	4.8	+0.4
Peru	4.4	+0.8
India	4.0	-0.6
Israel	3.9	+0.1
Hong Kong	3.7	-1.2
Turkey	3.7	-0.1
Qatar	3.5	+0.7
Others	40.8	-7.5

SECTORS (%)

		Compared to benchmark
Financial	27.1	-2.3
Utilities	12.6	+0.5
Oil & Gas	12.4	-1.7
TMT	9.0	-2.7
Cash & Equivalents	8.1	+8.1
Real Estate	6.4	+1.0
Consumer	5.1	-4.0
Diversified	5.0	+2.7
Industrial	3.5	-1.6
Metals & Mining	3.4	-3.1
Infrastructure	2.9	+0.8
Others	4.5	+2.3

Key risks

The Sub-Fund is subject to **Investment risks** and **Other associated risks** from the techniques and securities it uses to seek to achieve its objective. The table on the right explains how these risks relate to each other and the **Outcomes to the Shareholder** that could affect an investment in the Sub-Fund.
Investors should also read Risk Descriptions in the Prospectus for a full description of each risk.

Investment risks *Risks from the Sub-Fund's techniques and securities*

Techniques	*Securities*	
Concentration	Contingent convertible bonds	- Below investment grade debt
Derivatives	Debt securities	- Unrated debt
Hedging	- Government debt	Emerging markets
	- Investment grade debt	

Other associated risks *Further risks the Sub-Fund is exposed to from its use of the techniques and securities above*

Credit	Currency	Liquidity
Interest rate	Market	

Outcomes to the Shareholder *Potential impact of the risks above*

Loss	**Volatility**	**Failure to meet the Sub-Fund's objective.**
Shareholders could lose some or all of their money.	Shares of the Sub-Fund will fluctuate in value.	

GENERAL DISCLOSURES

Before investing, obtain and review the current prospectus, Key Investor Information Document (KIID) and any applicable local offering document. These documents, as well as the annual and semi-annual reports and the articles of incorporation, are available free from your financial adviser, your J.P. Morgan Asset Management regional contact, the fund's issuer (see below) or at www.jpmam.lu.
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 sub-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.

The yield displayed is in the base currency of the Sub-Fund. Actual share class yields may differ from the displayed yield due to currency effects.

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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ISSUER

JPMorgan Asset Management (Europe) S.à r.l., 6, route de Trèves, L-2633 Senningerberg, Luxembourg. B27900, corporate capital EUR 10.000.000.

DEFINITIONS

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.