

# JPMorgan Funds - Highbridge US STEEP Fund

Class: JPM Highbridge US STEEP D (perf) (acc) - PLN (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 LU0815587794 Bloomberg JPHPLND LX Reuters LU0815587794.LUF

**Investment objective:** To provide long term capital growth by having exposure primarily to US companies, using financial derivative instruments where appropriate.

**Investor profile:** This is an actively managed equity Sub-Fund offering exposure to US equities. The Sub-Fund uses an investment process that is based upon a strategy that seeks to exploit small market inefficiencies. Therefore the Sub-Fund may be suitable for investors looking for a higher risk equity strategy to complement an existing core portfolio, or who are looking to enhance potential long-term returns but are also comfortable with the extra risk inherent in the Sub-Fund's investment strategy.

<b>Fund manager(s)</b> Alain Sunier	<b>Fund assets</b> USD 543.4m	<b>Domicile</b> Luxembourg
<b>Client portfolio manager(s)</b> Joseph Recker	<b>NAV</b> PLN 554.02	<b>Entry/exit charges</b> Entry charge (max) 5.00% Exit charge (max) 0.50%
<b>Fund reference currency</b> USD	<b>Fund launch</b> 16 May 2008	<b>Ongoing charge</b> 2.55%
<b>Share class currency</b> PLN	<b>Class launch</b> 31 Oct 2012	<b>Performance fee</b> 20.00%

## Fund ratings As at 30 June 2018

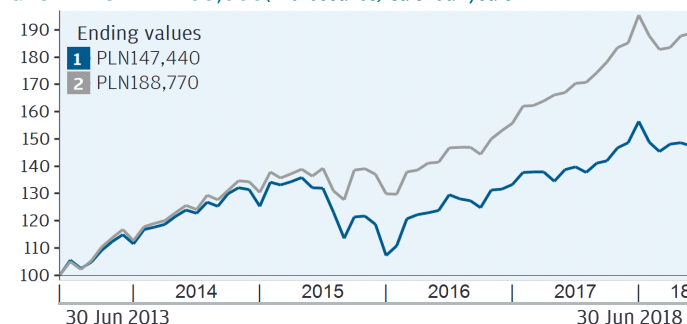
Morningstar Category™ Other Equity

## Performance

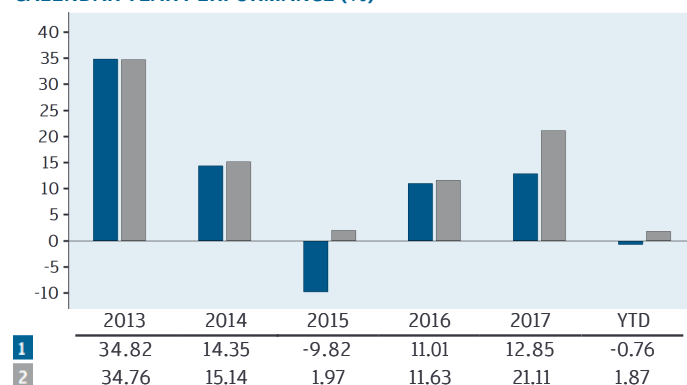
**1 Class:** JPM Highbridge US STEEP D (perf) (acc) - PLN (hedged)

**2 Benchmark:** S&P 500 Index (Total Return Net of 30% withholding tax) Hedged to PLN

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



**CALENDAR YEAR PERFORMANCE (%)**



**RETURN (%)**

	1 month	3 months	1 year	ANNUALISED		
				3 years	5 years	Launch
1	-0.78	1.34	6.21	3.74	8.07	10.26
2	0.52	3.22	12.97	11.46	13.55	15.15

## PORTFOLIO ANALYSIS

Measurement	3 years	5 years
Correlation	0.89	0.91
Alpha (%)	-6.92	-4.82
Beta	1.15	1.12
Annualised volatility (%)	13.01	11.95
Sharpe ratio	0.35	0.71
Tracking error (%)	6.17	5.06
Information ratio	-1.11	-0.94

## 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-Fund's Investment Objective and Policy.

See the material risks, general disclosures and definitions on page 2.

## Holdings *As at 31 May 2018*

TOP 10	Sector	% of assets	SECTORS (%)	Compared to benchmark
Portland General Electric	Utilities	1.9	Health Care	15.8
PG&E	Utilities	1.9	Consumer Discretionary	15.8
Dentsply Sirona	Health Care	1.9	Information Technology	15.4
Bloomin Brands	Consumer Discretionary	1.9	Consumer Staples	12.2
Zimmer Biomet	Health Care	1.8	Utilities	11.4
Celgene	Health Care	1.8	Industrials	9.4
Viacom	Consumer Discretionary	1.8	Financials	6.9
Bunge	Consumer Staples	1.8	Energy	6.5
Brunswick	Consumer Discretionary	1.7	Materials	3.9
Edison International	Utilities	1.7	Telecomm Service	0.7
			Real Estate	0.1
			Cash	1.9

## Key risks

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.

Where the Sub-Fund gains exposure to equity securities through the use of financial derivative instruments, the Sub-Fund may not benefit from the returns arising from its investments in cash, cash equivalents and short-dated instruments as these investments will serve primarily as

collateral for financial derivative instruments (principally swaps).

The investment process seeks to exploit market inefficiencies. Since these market inefficiencies are small, individual transactions generally have a small expected return. Consequently, the investment process involves efficiently executing a large number of trades, diversified across many different equities.

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 Management Company is required to disclose in Appendix III 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.

Movements in currency exchange rates can adversely affect the return of your investment. The currency hedging used to minimise the effect of currency fluctuations may not always be successful. Investors may have exposure to currencies other than the currency of their Share Class.

## 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.jpmm.lu](http://www.jpmm.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.jpmm.com/emea-privacy-policy](http://www.jpmm.com/emea-privacy-policy). For additional information on the sub-fund's target market please refer to the Prospectus.

Performance fee is 20% when the fund return exceeds the benchmark return. Please refer to the Fund's Prospectus for conditions on the application of the performance fees.

## 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: The S&P 500 Index (Total Return Net of 30% withholding tax) ("Index") is a product of S&P Dow Jones Indices LLC and/or its affiliates and have been licensed for use by JP Morgan Chase Bank N.A. Copyright © 2018. S&P Dow Jones Indices LLC, a subsidiary of S&P Global, Inc., and/or its affiliates. All rights reserved.

## 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.