

# JPMorgan Investment Funds - US Bond Fund

Class: JPM US Bond D (acc) - USD

**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/ reward Not risk-free			Higher risk/ potential reward			

## Fund overview

ISIN LU0115104423  
 Bloomberg JPMUSFD LX  
 Reuters LU0115104423.LUF

**Investment objective:** To achieve a return in excess of US bond markets by investing primarily in US 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 asset allocation and bottom-up security selection targeting diversified sources of portfolio return - including sector rotation, security selection, currencies and yield curve positioning.
- Invests across all sectors of USD denominated investment grade debt which includes government, government related, corporate, emerging markets and securitised debt.
- The Sub-Fund may also invest in high yield and non-USD denominated developed and emerging market debt.

<b>Fund manager(s)</b> Steven Lear Diana Wagner Jan Ho	<b>Fund assets</b> USD 217.5m <b>NAV</b> USD 175.04	<b>Domicile</b> Luxembourg
<b>Investment specialist(s)</b> Ben Christensen	<b>Fund launch</b> 15 May 1997	<b>Entry/exit charges</b> Entry charge (max) 3.00% Exit charge (max) 0.50% Ongoing charge 1.35%
<b>Fund reference</b> currency USD	<b>Class launch</b> 13 Nov 2001	
<b>Share class</b> currency USD		

## Fund ratings As at 31 August 2019

Morningstar Category™ USD Flexible Bond

### 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.

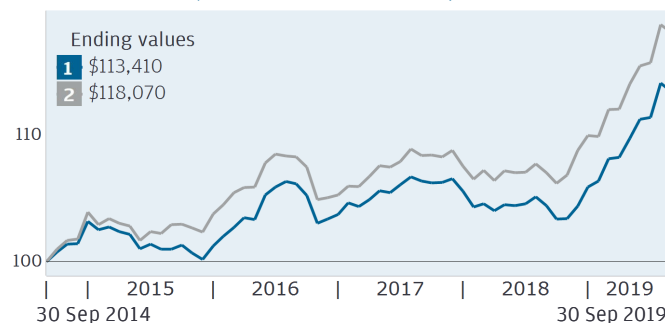
See the material risks, general disclosures and definitions on pages 2 & 3.

## Performance

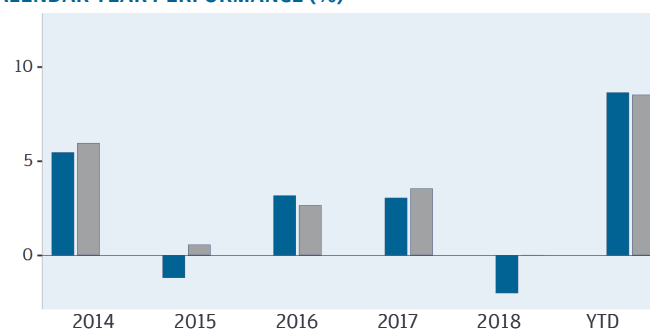
1 Class: JPM US Bond D (acc) - USD

2 Benchmark: Bloomberg Barclays US Aggregate Index (Total Return Gross)

GROWTH OF USD 100,000 (in thousands) Calendar years



### CALENDAR YEAR PERFORMANCE (%)



Class	2014	2015	2016	2017	2018	YTD
1	5.46	-1.22	3.17	3.06	-2.03	8.65
2	5.97	0.55	2.65	3.54	0.01	8.52

### RETURN (%)

Class	1 month	3 months	1 year	ANNUALISED		
				3 years	5 years	10 years
1	-0.58	1.97	8.60	2.23	2.55	4.82
2	-0.53	2.27	10.30	2.92	3.38	3.75

### PORTFOLIO ANALYSIS

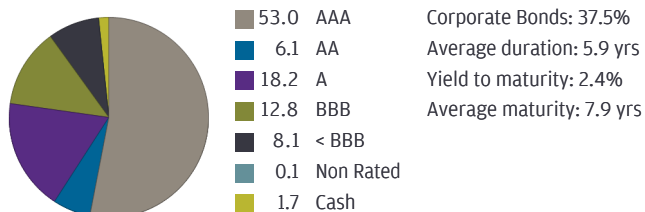
Measurement	3 years	5 years
Correlation	0.96	0.95
Alpha (%)	-0.67	-0.80
Beta	0.87	0.87
Annualised volatility (%)	2.99	2.79
Sharpe ratio	0.27	0.56
Tracking error (%)	0.95	0.94
Information ratio	-0.72	-0.86

## Holdings As at 31 August 2019

### TOP 10

	Coupon rate	Maturity date	% of assets
FNMA (United States)	3.000	01/09/49	4.7
US Treasury (United States)	2.375	15/05/27	2.4
FNMA (United States)	3.500	01/01/47	2.3
US Treasury (United States)	2.375	15/04/21	2.1
US Treasury (United States)	2.625	31/12/23	1.7
US Treasury (United States)	2.375	15/03/22	1.7
US Treasury (United States)	3.125	15/11/28	1.6
US Treasury (United States)	2.250	15/08/46	1.6
US Treasury (United States)	3.000	15/11/45	1.4
US Treasury (United States)	2.125	15/05/22	1.4

### BOND QUALITY BREAKDOWN (%)

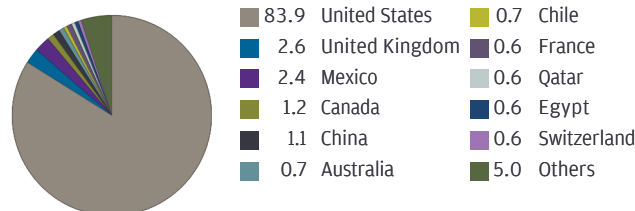


### VALUE AT RISK (VaR)

As at 31 August 2019	Fund	Benchmark
VaR	1.91%	2.16%

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 (%)



### SECTORS (%)

Sector	Percentage	Compared to benchmark
US Agency MBS	27.9	+0.9
Treasury	27.8	-12.0
IG Credit	26.8	-0.1
EMD	8.4	+7.2
High Yield	7.1	+7.1
CMBS	0.3	-0.9
ABS	0.0	-0.4
Other	0.0	-2.7
Cash	1.7	+0.9

## 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

Derivatives  
Hedging

#### Securities

Contingent convertible bonds  
Debt securities  
- Government debt  
- Investment grade debt  
- Below investment grade debt  
- Unrated debt  
Emerging markets  
MBSs/ABSs

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

Credit  
Currency  
Interest rate  
Liquidity  
Market

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

**Loss**  
Shareholders could lose some or all of their money.

**Volatility**  
Shares of the Sub-Fund will fluctuate in value.

**Failure to meet the Sub-Fund's objective.**

## 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.jpnam.lu](http://www.jpnam.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.

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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](http://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.

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**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.