

# JPMorgan Funds - US Small Cap Growth Fund

JPM C (dist) - USD

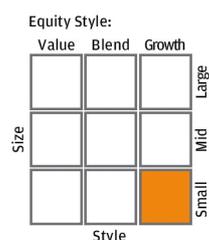
May 2015

## Fund overview

### Investment objective <sup>A</sup>

To provide long-term capital growth by investing primarily in a growth style biased portfolio of small capitalisation US companies.

### Morningstar style box <sup>B</sup>



## Fund statistics

Morningstar Category <sup>TM</sup>	US Small-Cap Equity
Fund manager(s)	Eytan Shapiro
Client portfolio manager(s)	Christian Preussner, Fiona Harris
Fund launch date	11/09/84
Fund size (as at 31/05/15)	USD 99.2m
NAV (as at 31/05/15)	110.11
12M NAV High (as at 16/04/15)	111.94
12M NAV Low (as at 16/12/14)	98.19
Share class launch date <sup>C</sup>	07/11/14

## Fund codes

ISIN	LU0822049382
Bloomberg	JPUSCGC LX
Reuters	LU0822049382.LUF

## Fund highlights

Eytan Shapiro, lead portfolio manager, has managed the strategy since 1992 and leverages a dedicated team of four sector specialised research analysts.

The fund employs a fundamental bottom-up approach that focuses on high quality growth companies with leading competitive positions and sustainable growth.

The fund's style pure approach with a significant growth tilt has generated consistent returns over the long term.

## 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. Stock selection in the healthcare and technology sectors detracted, while stock selection in the materials & processing and consumer staples proved beneficial.

### 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 rise as the year progresses.

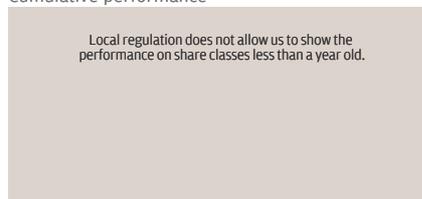
## Benchmark <sup>D</sup>

Russell 2000 Growth Index (Total Return Net of 30% withholding tax)

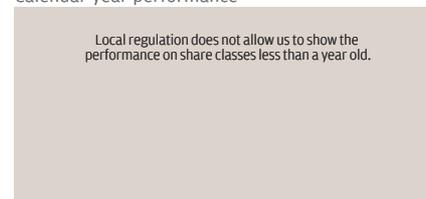
## Performance

(as at 31/05/15)

### Cumulative performance



### Calendar year performance



## Cumulative performance

%	1 M	3 M	1 Y	3 Y	5 Y	10 Y
JPM C (dist) - USD	-	-	-	-	-	-

## Calendar year performance

	2011	2012	2013	2014	YTD
JPM C (dist) - USD	-	-	-	-	-

## Annualised performance

%	1 Y	3 Y	5 Y	Since inception
JPM C (dist) - USD	-	-	-	-

# JPMorgan Funds - US Small Cap Growth Fund

## Fund facts

### Fund charges

Initial charge (max.)	0.00%
Redemption charge (max.)	0.00%
Annual Mgt.	0.80%
Distribution Fee	0.00%
Expenses	0.20%
TER (Total Expense Ratio)	1.00%

### Statistical analysis review<sup>E</sup>

(as at 31/05/15)

	3 years	5 years
Correlation <sup>E</sup>	-	-
Alpha <sup>E</sup>	-	-
Beta <sup>E</sup>	-	-
Annualised volatility	-	-
Sharpe ratio	-	-

## Holdings

### 10 largest holdings

(as at 30/04/15)

Equity holding	Weight
Acadia Healthcare (Health Care)	1.9%
Watsco (Materials & Processing)	1.8%
Trex (Materials & Processing)	1.7%
Acuity Brands (Materials & Processing)	1.7%
Financial Engines (Financial Services)	1.5%
Monolithic Power Systems (Technology)	1.5%
Bofl (Financial Services)	1.5%
Costar Group (Producer Durables)	1.5%
Mens Wearhouse (Consumer Discretionary)	1.4%
Lithia Motors (Consumer Discretionary)	1.4%

### Market capitalisation

(as at 30/04/15)

> 100 bn	0.00%
10 bn <> 100 bn	0.00%
1 bn <> 10 bn	81.76%
< 1 bn	18.24%

## Investor suitability

### Investor profile

This is an equity fund designed to give exposure to small capitalisation companies in the US. Although such companies have often produced periods of very high returns for investors, they have historically been less liquid and carry a higher risk of financial distress than larger, blue chip companies. Therefore, investors in this fund should be comfortable with its potential to be more volatile than core, large-cap biased equity sub-funds. Because the fund is invested in equities, and because of the individual economic, currency and political risks associated with single country investing, the fund may be suitable for investors with a 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.

There is no guarantee that the use of long and short positions will succeed in limiting the Sub-Fund's volatility.

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.

The value of financial derivative instruments can be volatile. This is because a small movement in the value of the underlying asset can cause a large movement in the value of the financial derivative instrument and therefore, investment in such instruments may result in losses in excess of the amount invested by the Sub-Fund.

The possible loss from taking a short position on a security may be unlimited as there is no restriction on the price to which a security may rise. The short selling of investments may be subject to changes in regulations, which could adversely impact returns to investors.

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 31/05/15)

Sector	Fund	Benchmark <sup>D</sup>	Deviation
Health Care	26.6%	25.8%	0.8%
Technology	25.9%	20.7%	5.2%
Consumer Discretionary	13.5%	16.3%	-2.8%
Materials & Processing	10.6%	7.3%	3.3%
Financial Services	9.1%	9.7%	-0.6%
Producer Durables	8.1%	12.3%	-4.2%
Energy	3.2%	3.2%	0.0%
Consumer Staples	2.0%	3.2%	-1.2%
Utilities	1.0%	1.5%	-0.5%
Total	100.0%	100.0%	0.0%

## Explanatory Notes, Risks and Important Information

### Notes

<sup>A</sup>As at 01/09/06 the investment objective of the Fund was changed to harmonise the wording across the Fund range.

<sup>B</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>C</sup>For reactivated share classes the performance is shown from the date of reactivation and not the share class launch date.

<sup>D</sup>On 31/08/93 the benchmark for the Fund was changed from Russell 2000 to Russell 2000 Growth Index (Total Return Net of 30% withholding tax).

<sup>E</sup>The time difference between Fund NAV calculation and the US market can distort this figure.

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.

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.

Formerly JPMF America Small Cap Fund, the Fund name was changed on 01/12/04.

Source: J.P. Morgan

### Important Information

This is a promotional document and as such the views contained herein are not to be taken as an advice or recommendation to buy or sell any investment or interest thereto. Reliance upon information in this material is at the sole discretion of the reader. Any research in this document has been obtained and may have been acted upon by J.P. Morgan Asset Management for its own purpose. The results of such research are being made available as additional information and do not necessarily reflect the views of J.P. Morgan Asset Management. Any forecasts, figures, opinions, statements of financial market trends or investment techniques and strategies expressed are unless otherwise stated, J.P. Morgan Asset Management's own at the date of this document. They are considered to be reliable at the time of writing, may not necessarily be all-inclusive and are not guaranteed as to accuracy. They may be subject to change without reference or notification to you.

It should be noted that the value of investments and the income from them may fluctuate in accordance with market conditions and taxation agreements and investors may not get back the full amount invested. Changes in exchange rates may have an adverse effect on the value, price or income of the product(s) or underlying overseas investments. Both past performance and yield may not be a reliable guide to future performance. There is no guarantee that any forecast made will come to pass. Furthermore, whilst it is the intention to achieve the investment objective of the investment product(s), there can be no assurance that those objectives will be met.

J.P. Morgan Asset Management is the brand name for the asset management business of JPMorgan Chase & Co and its affiliates worldwide. You should note that if you contact J.P. Morgan Asset Management by telephone those lines may be recorded and monitored for legal, security and training purposes. You should also take note that information and data from communications with you will be collected, stored and processed by J.P. Morgan Asset Management in accordance with the EMEA Privacy Policy which can be accessed through the following website <http://www.jpmorgan.com/pages/privacy>.

As the product may not be authorised or its offering may be restricted in your jurisdiction, it is the responsibility of every reader to satisfy himself as to the full observance of the laws and regulations of the relevant jurisdiction. Prior to any application investors are advised to take all necessary legal, regulatory and tax advice on the consequences of an investment in the product(s). Shares or other interests may not be offered to or purchased directly or indirectly by US persons. All transactions should be based on the latest available prospectus, the Key Investor Information Document (KIID) and any applicable local offering document. These documents together with the annual report, semi-annual report and the articles of incorporation for the Luxembourg domiciled product(s) are available free of charge upon request from JPMorgan Asset Management (Europe) S.à.r.l., 6 route de Trèves, L-2633 Senningerberg, Grand Duchy of Luxembourg, your financial adviser or your J.P. Morgan Asset Management regional contact. In Switzerland, J.P. Morgan (Suisse) SA, 8, rue de la Confédération, PO Box 5507, 1211 Geneva 11, Switzerland, has been authorised by the Swiss Financial Market Supervisory Authority FINMA as Swiss representative and as paying agent of the funds.

Morningstar Ratings <sup>™</sup>: © Morningstar. All Rights Reserved.