



Interim Report & Accounts (Unaudited)

# JPMorgan Fund II ICVC

31 May 2018



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This material should not be relied on as including sufficient information to support an investment decision.

The opinions and views expressed in this document are those held by J.P. Morgan Asset Management as at 12 July 2018, which are subject to change and are not to be taken as or construed as investment advice.

For up-to-date performance information please contact J.P. Morgan Asset Management using the numbers shown on the back of this document.

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. The level of tax benefits and liabilities will depend on individual circumstances and may change in the future.

The investment objective of a fund may allow some flexibility in terms of portfolio composition.

Funds that invest predominantly in a single market, asset class or sector may be subject to greater volatility than those funds with a more diversified portfolio.

The information in this booklet is based on our understanding of law, regulation and HM Revenue & Customs practice as at 12 July 2018.

# Authorised Corporate Director's (ACD) Report

Board of Directors of JPMorgan Funds Limited ("JPMF"), the Authorised Corporate Director ("ACD") of JPMorgan Fund II ICVC

## *Chairman*

### **Daniel Watkins**

Connected Director. A member of the ACD since January 2010.

Mr Watkins, Managing Director, is the Deputy CEO of J.P. Morgan Asset Management's AM Europe and Global Head of AM Client Services and Business Platform. Mr Watkins has been an employee since 1997, and oversees the business infrastructure of Investment Management in Europe, U.S. and Asia including client services, fund administration, product development, and Request for Proposal. Mr Watkins also performs the role of Deputy CEO of AM EMEA, acting as a director of all the regulated legal entities across the region.

Mr Watkins has held a number of positions at J.P. Morgan namely: Head of Europe COO and Global IM Operations, Head of the European Operations Team, Head of the European Transfer Agency, Head of Luxembourg Operations, manager of European Transfer Agency and London Investment Operations; and manager of the Flemings Investment Operations Teams.

Mr Watkins obtained a BA in Economics and Politics from the University of York and is a qualified Financial Advisor. Mr Watkins is currently a director of several J.P. Morgan managed Luxembourg and Irish domiciled Investment funds and also several UK legal entities.

## *Directors*

### **Patrick Thomson**

Connected Director. A member of the ACD since 30 May 2018.

Mr Thomson, Managing Director, is the Chief Executive Officer for EMEA, and international head of institutional clients for J.P. Morgan Asset Management, based in London.

As CEO, Mr Thomson partners with the global investment, business and function heads to develop the business priorities in EMEA. A key area of his responsibility is ensuring the firm remains in line with the regulatory requirements and within a framework of appropriate risk management. Mr Thomson is also a director of J.P.Morgan's principal legal and regulated entities and funds boards in Europe.

Mr Thomson joined J.P. Morgan Asset Management in 1995. He is a member of J.P.Morgan Asset and Wealth Management Operating Committee and J.P.Morgan Asset Management's Global Client Operating Committee.

Previously he spent five years at Ivy Asset Management, part of BNY Mellon, where he was global head of Client Development and chief executive of the London office.

After graduating from Edinburgh University with an MA (Hons), Mr Thomson served as an officer in the British Army for five years. He qualified as a member of the UK Society of Investment Professionals in 2000.

### **Stephen Pond**

Connected Director. A member of the ACD since 27 June 2018.

Mr Pond is the lead Finance and Business Manager for the International Institutional client business and also provides support to the European regional finance agenda. He has been a board director and SIMF2 of JPMorgan Life Limited since January 2018 and is a director of several J.P. Morgan UK legal entities. He was previously Head of the Europe Performance Analysis Group. He joined Investment Management in New York in 2004 and moved to London in 2007 and held several positions within the Finance department.

Prior to joining Investment Management he was an analyst on a JPMC corporate management training programme. He joined the company in 2002. He has been a CFA charterholder since 2009. Mr Pond obtained a BA in Economics from the College of William and Mary in Williamsburg, VA, USA.

# Authorised Corporate Director's (ACD) Report – continued

## Ruston Smith

Independent Director. A member of the ACD since December 2016.

Mr Smith has over 30 years' experience in the pension fund and investment industry, complemented by broader commercial experience.

He has held senior corporate positions with responsibility for strategy, investment, governance, communication and operations for a wide range of UK and international defined benefit and defined contribution schemes and provident funds, also acting as a Trustee and Chairman.

His experience includes over a decade as the Group Pensions and Insurable Risk Director at Tesco, where the award winning UK scheme has over 200,000 employed members. He was also the CEO of Tesco Pension Investment their FCA approved in house investment manager with £12bn of assets under management.

Mr Smith has a breadth of experience which has included responsibility for executive reward and benefits, employee relations, HR systems, payroll, global mobility and health & wellness.

Before joining Tesco, Mr Smith was a Director and Company Secretary at PZ Cussons, where he was also responsible for their group pensions, property, legal and insurance.

Mr Smith is Non Executive Chairman of the Tesco Pension Trustee Board and the Tesco DC Governance Committee, Non Executive Chairman of Tesco Pension Investment Limited, Non Executive Director of JPMorgan Asset Management International Limited, a Director of Standard Life's Master Trust Company, Director of Smart Pensions Limited, a Governor of the Pensions Policy Institute, Non-Executive Chairman of PTL Ltd and Chairman of National Grocers Benevolent Fund. He was former Chairman of the Pensions and Lifetime Savings Association.

He has an MBA, is a Fellow of the Pensions Management Institute and a Fellow of the Institute of Management.

## Background

JPMorgan Funds Limited ("JPMF") is the Authorised Corporate Director ("ACD") of JPMorgan Fund II ICVC (the "Company") and is the sole Director of JPMorgan Fund II ICVC (the "Board"). The Board is pleased to present the report for the period ended 31 May 2018.

## Authorised Status

JPMorgan Fund II ICVC is an Open-Ended Investment Company with variable capital, authorised under Regulation 12 of the OEIC Regulations by the Financial Conduct Authority.

The Company was launched as a UCITS Retail Scheme and acts as an umbrella company comprising of ten sub-funds. Its registration number is IC127 and its registered address is 60 Victoria Embankment, London EC4Y 0JP.

The sub-funds and share classes are registered for offer and distribution in the United Kingdom and Jersey.

## Structure & Liabilities

The assets of each sub-fund are treated as separate from those of every other sub-fund and are invested in accordance with the investment objective and investment policies applicable to that sub-fund. Details of the investment objective, the policies for achieving these objectives, the performance record and a review of the investment activities for each of the sub-funds can be found in this report.

The ACD report includes for each sub-fund the:

- Investment objective and policy
- Risk profile
- Fund review
- Fund outlook
- Portfolio statement
- Portfolio movements

Shareholders are not liable for the debts of the Company. Shareholders are not liable to make any further payment to the Company after payment of their shares.

## Role and Responsibility of the Board

JPMF is authorised and regulated by the FCA and its principle activity is investment management. The ACD is incorporated under and governed by the Companies Act 2006. With respect to the annual report and accounts of the Company, it is also required to comply with the Collective Investment Schemes Sourcebook issued by the FCA, applicable accounting standards and also with the latest Statement of Recommended Practice issued by The Investment Association.

The matters reserved for the Board include determination of each sub-fund's investment objective and policies, investment restrictions and powers, amendments to the Prospectus, reviewing and approving key investment and financial data, including the annual and semi-annual report and accounts, as well as the appointment of and review of the services provided by the depository and auditor.

Prior to each meeting the Board receives detailed and timely information allowing them to prepare for the items under discussion during the meeting. For each quarterly meeting the Board requests, and receives, reports from, amongst others, the investment managers, risk management, compliance, as well as proposals for changes to existing sub-funds or proposals to launch new ones as appropriate. Senior representatives of each of these functions attend Board meetings by invitation to enable the Board to question the reports presented to them. In addition the Board reviews on an annual basis all service providers.

The Board takes decisions in the interests of the Company and its shareholders as a whole and has procedures in place to manage any conflict of interest between personal interests of the directors of JPMF and those of the Company and its shareholders. JPMF and its affiliates provide a variety of different services to the Company and receives compensation for these services. JPMF and its affiliates therefore need to balance the desire to be compensated for these services with the requirement to act in the best interest of the Company. JPMF and its affiliates also face conflicts of interest where these services are provided to other funds or clients, and, from time to time, make decisions that differ from and/or negatively impact those made on behalf of the Company.

# Authorised Corporate Director's (ACD) Report – continued

## Board Composition

JPMF is chaired by Mr Watkins, and consists of three connected directors and one independent director. All Board meetings require a quorum of two directors to be in attendance.

## Induction and Training

All new directors of JPMF will receive a full induction incorporating relevant information regarding the Company and its duties and responsibilities as the ACD of the Company. In addition, JPMF takes active steps to keep up to date with developments relevant to the Company.

## Board Evaluation

The Board carries out a biennial review of its performance.

## Board Meetings and Committees

The Board meets quarterly but if necessary additional meetings will be arranged.

There were eleven JPMF Board meetings held during 2017. Four of these were quarterly Board meetings where, amongst other matters, the agenda included those items highlighted under the section above called 'Role and Responsibility of the Board'.

## Corporate Governance

The Board is responsible for ensuring that a high level of corporate governance is met and considers that the Company has complied with the best practices in the UK funds industry.

## Proxy Voting Policy

JPMF delegates responsibility for proxy voting to the Investment Adviser. The Investment Adviser manages the voting rights of the shares entrusted in a prudent and diligent manner, based exclusively on the reasonable judgement of what will best serve the financial interests of clients.

So far as is practicable, the Investment Adviser will vote at all of the meetings called by companies in which they are invested.

A copy of the proxy voting policy is available from the Company's registered office upon request or on the website:

<https://am.jpmorgan.com/uk/institutional/corporate-governance>

## Remuneration Disclosure

JPMF is part of the J.P. Morgan Chase & Co. group of companies. In this section, the terms "J.P. Morgan" or "Firm" refer to that group, and each of the entities in that group globally, unless otherwise specified.

This section of the annual report has been prepared in accordance with the relevant provisions of the Financial Conduct Authority Handbook and the Undertakings for Collective Investment in Transferable Securities (the "UCITS Directive") and the 'Guidelines on sound remuneration policies' issued by the European Securities and Markets Authority under the UCITS Directives.

## Remuneration Policy

A summary of the Remuneration Policy currently applying to JPMF (the "Remuneration Policy Statement") can be found at <https://am.jpmorgan.com/gb/en/asset-management/gim/per/legal/emea-remuneration-policy>. This Remuneration Policy Statement includes details of how remuneration and benefits are calculated, including the financial and non-financial criteria used to evaluate performance, the responsibilities and composition of the Firm's Compensation and Management Development Committee, and the measures adopted to avoid or manage conflicts of interest. A copy of this policy can be requested free of charge from JPMF.

The Remuneration Policy applies to all employees of JPMF, including individuals whose professional activities may have a material impact on the risk profile of JPMF or the UCITS Funds it manages ("UCITS Identified Staff"). The UCITS Identified Staff include members of the Board of JPMF (the "ACD"), senior management, the heads of relevant control functions, and holders of other key functions. Individuals are notified of their identification and the implications of this status on at least an annual basis.

The ACD reviews and adopts the Remuneration Policy on an annual basis, and oversees its implementation, including the classification of UCITS Identified Staff. As at 31 December 2017, the ACD last reviewed and adopted the Remuneration Policy in June 2017 with no material changes and was satisfied with its implementation.

## Quantitative Disclosures

The table below provides an overview of the aggregate 2017 total remuneration paid to staff of JPMF and the number of beneficiaries. These figures include the remuneration of all staff of JP Morgan Asset Management (UK) Ltd (the relevant employing entity) and the number of beneficiaries, both apportioned to JPMF on an AUM weighted basis.

Due to the Firm's operational structure, the information needed to provide a further breakdown of remuneration attributable to the Company is not readily available and would not be relevant or reliable. However, for context, JPMF manages 32 AIFs and 2 UCITS (with 38 sub-funds) with a combined AUM as at 31 December 2017 of £13,204m and £15,004m respectively.

|                         | All staff (\$'000s) |
|-------------------------|---------------------|
| Fixed remuneration      | 14,845              |
| Variable remuneration   | 9,801               |
| Total remuneration*     | 24,646              |
| Number of beneficiaries | 117                 |

The aggregate 2017 total remuneration paid to UCITS Identified Staff was USD 78,718,450, of which USD 7,505,126 relates to Senior Management and USD 71,213,323 relates to other Identified Staff\*.

\* For 2017 the UCITS Identified Staff disclosures includes employees of companies to which portfolio management has been formally delegated, in line with the latest ESMA guidance.

## Directors and Officers Indemnity Insurance

The Company's Articles of Incorporation indemnify the directors against expenses reasonably incurred in connection with any claim against them arising in the course of their duties or responsibilities as long as they have not acted fraudulently or dishonestly. To protect shareholders against any such claim, the Board has taken out Directors and Officers Indemnity Insurance which indemnifies the ACD against certain liabilities arising in the course of their duties and responsibilities but does not cover against any fraudulent or dishonest actions on their part.

## Auditor

PricewaterhouseCoopers LLP, has been the Company's Auditor since January 2010. The Board reviewed the services of PwC in 2016 and decided that, subject to any other influencing factor, they should continue to be appointed as Auditor for a further 8 years.

# Authorised Corporate Director's (ACD) Report – continued

## Statement of Cross Holdings

There are no holdings of the sub-funds of JPMorgan Fund II ICVC by other sub-funds of the Company.

## Liquidation of JPM Balanced Managed Fund

The ACD approved the liquidation of JPM Balanced Managed Fund on 12 September 2017. The liquidation commenced on 13 December 2017 and liquidation proceeds were paid to shareholders on 18 December 2017.

## Changes to the Prospectus

### Published on 5 December 2017

- To add target markets and distribution strategies so to address the MiFiD II requirements.
- To include a risk warning on the impact of margin requirements for OTC derivative transactions.

### Published on 1 February 2018

- To introduce capped O&A expenses and to reduce the O&A for A, B and C share classes from 0.18% to 0.15% max.

### Published on 19 March 2018

- To include a statement that the ACD complies with a privacy policy that has been issued by J.P. Morgan Asset Management which can be accessed at [www.jpmorgan.com/emeaprivacy-policy](http://www.jpmorgan.com/emeaprivacy-policy).
- To reduce the Annual Management Charge in the C and S share class for JPM UK Equity Plus Fund and to include wording to comply with the EU Benchmark Regulations.

### Published on 22 March 2018

- To expand the eligibility criteria for S Share Classes, reduce the investment minima for the S Share Class from £10M to £2M and to soft close should this threshold be reached.

### Published on 2 July 2018

- To record a share class conversion in the JPM US Smaller Companies Fund whereby shareholders of the I class were converted to the C class and, as a result, the I share class was closed.
- To reduce the Annual Management Charge in all share classes for JPM America Equity Fund and JPM US Smaller Companies Fund.

## Change to the composition of the Board of JPMF

Jasper Berens resigned from the Board with effect from the close of business on 12 April 2018. Ioan Roberts was appointed as Director following approval by the FCA on 20 November 2017 and resigned on 31 May 2018. Patrick Thomson was appointed as Director following approval by the FCA on 30 May 2018. Mike O'Brien resigned on 30 May 2018. Stephen Pond was appointed as Director on 27 June 2018.

The Board would like to take this opportunity to record its thanks to Jasper, Ioan and Mike for their service to the Company and to shareholders.

## Management and Administration

### Authorised Corporate Director

JPMorgan Funds Limited  
3 Lochside View, Edinburgh Park,  
Edinburgh, EH12 9DH  
(Authorised and regulated by the Financial Conduct Authority)

### Custodian and Bankers:

JPMorgan Chase Bank, N.A. London Branch  
25 Bank Street, Canary Wharf, London, E14 5JP  
(Authorised and regulated by the Prudential Regulation Authority and by the Financial Conduct Authority)

### Depository

National Westminster Bank plc  
280 Bishopsgate, London, EC2M 4RB  
(Authorised and regulated by the Prudential Regulation Authority and by the Financial Conduct Authority)

### Independent Auditors

PricewaterhouseCoopers LLP  
Atria One, 144 Morrison Street,  
Edinburgh, EH3 8EX

### Investment Adviser

JPMorgan Asset Management (UK) Limited  
25 Bank Street, Canary Wharf,  
London, E14 5JP  
(Authorised and regulated by the Financial Conduct Authority)

### Registrar

DST Systems, Inc.  
DST House, Saint Nicholas Lane  
Basildon, Essex, SS15 5FS  
(Authorised and regulated by the Financial Conduct Authority)

By order of the Authorised Corporate Director,



Dan Watkins  
Director  
JPMorgan Funds Limited  
12 July 2018



Ruston Smith  
Director  
JPMorgan Funds Limited  
12 July 2018

# Investment Adviser's Report for the six months ending 31 May 2018

## Market review

Global equity markets largely provided positive returns for the six month reporting period despite a return of financial market volatility and investor concerns about rising interest rates and U.S.-led trade tensions. For the six months ended 31 May 2018, the MSCI World Index returned 4.7% and the Bloomberg Barclays Multiverse Index returned -2.2% (performance in GBP, source J.P. Morgan Asset Management).

Both developed market and emerging market equity prices rallied through December and January amid synchronized global economic growth and strong corporate earnings. In early February, investor concerns about the pace of future increases in U.S. interest rates sparked a sharp sell-off in U.S. equities and bonds that spread to other markets. Financial market volatility, which had largely been absent during 2017, spiked during the February sell-off and remained elevated through the end of May.

While financial markets mostly recovered in the subsequent months, political and trade tensions fed investor uncertainty and weighed down equity prices even as corporate earnings soared during the first quarter of 2018. During the reporting period, the U.S. unveiled plans to place import tariffs on a range of products, mainly from China, Europe, Canada and Mexico. By the end of May, China had responded with its own protectionist measures, notably on U.S. agricultural products.

Global energy prices generally rose during the reporting period. Even as production from U.S. shale operations was running at record high levels, extended output curbs by the Organization of Petroleum Exporting Countries and investor expectations of rising global demand drove oil & gas prices higher. The unilateral withdrawal of the U.S. from a multi-nation agreement to halt Iran's nuclear weapons program created geopolitical uncertainty and added upward pressure to oil and gas prices as investors considered the potential impact of renewed trade sanctions on Iranian energy exports.

In the U.K., first quarter gross domestic product rose by 0.1%, the slowest growth in more than five years. However, employment continued to grow and wage growth improved during the reporting period even as business sentiment remained somewhat weak. Progress on Brexit negotiations with Brussels provided a measure of certainty in terms of a schedule toward the U.K.'s departure from the EU, but the impact on manufacturing and trade remained worrisome for investors.

While the European Central Bank cut its monthly asset purchases by half in January, it declined to raise interest rates in the face of below-target inflation (excluding energy prices) and signs of weaker growth in the first quarter of 2018. Across the 19-nation eurozone, declining unemployment drove consumer confidence close to 17 year highs.

Meanwhile, the results of Italy's general election in early March created some political uncertainty and increased financial market volatility across Europe. While the resulting coalition government is led by populist politicians who have espoused anti-euro and anti-immigration policies, their choice of an outspoken critic of the EU for the position of financial minister was vetoed by Italy's president.

## Market outlook

Despite geo-political tensions and an incipient trade war between the U.S. and China - and between the U.S. and long-time trading partners in developed markets - the macro-economic environment remains supportive of financial markets and global growth. Leading central banks remain largely accommodative of economic expansion and inflation in developed markets remains subdued. The outlook for consumer spending and corporate profits remains positive as unemployment continues to shrink and wages improve in both the U.K. and the EU.

Notably, emerging market nations that rely on imported oil and large external balances are facing pressure from rising U.S. interest rates and a strengthening dollar. Central banks in Argentina, Turkey, South Africa and Indonesia are likely to require higher domestic interest rates to defend their currencies as the costs for both imported oil and external borrowing rise. However, there is differentiation among emerging market nations and those that have reduced external borrowing and/or have built up their currency reserves have seen their currencies largely remain stable.

While the outlook for financial markets appears positive, we believe investors should keep their focus on central banks' public statements and economic indicators that may signal changes in economic and financial market fundamentals.

JPMorgan Asset Management (UK) Limited  
June 2018



# JPM America Equity Fund

## Investment objective and policy

To provide long term capital growth by investing primarily in a concentrated portfolio of Equity Securities of US companies.

US companies are companies that are incorporated under the laws of, and have their registered office in, the US, or that derive the predominant part of their economic activity from the US, even if listed elsewhere.

The Fund may also invest in Canadian companies.

Other instruments as permitted in the stated investment and borrowing powers of the Company including, but not limited to, fixed interest securities, cash and cash equivalents, may be held on an ancillary basis, as appropriate.

**The Fund may also use Financial Derivative Instruments (derivatives) for the purpose of Efficient Portfolio Management, including hedging, where appropriate (see section 11.10 of the Prospectus for risking warnings on derivatives). Subject to at least 60 days written notice to shareholders, the Fund may use derivatives for investment purposes which may change the risk profile of the Fund.**

The Fund will invest predominantly in assets denominated in US Dollar. However, assets may be denominated in other currencies and non-Sterling currency exposure will not normally be hedged back to Sterling.

## Risk profile

The value of your investment may fall as well as rise and you may get back less than you originally invested.

The value of Equity Securities and Equity-Linked Securities may fluctuate in response to the performance of individual companies and general market conditions.

The Fund is aggressively managed meaning volatility may be high as the Fund may take larger position sizes, may have high turnover of holdings and at times may have a significant exposure to certain areas of the market.

The Fund may be concentrated in a limited number of securities and, as a result, may be more volatile than more broadly diversified funds.

The single market in which the Fund primarily invests, in this case the US, may be subject to particular political and economic risks and, as a result, the Fund may be more volatile than more broadly diversified funds.

Movements in currency exchange rates can adversely affect the return of your investment.

Please refer to Part 11 of the Prospectus for details of the general risk factors affecting this Fund in addition to the specific risk factors above.

## Fund review

The Fund generated a positive return and outperformed its benchmark in the six months to the end of May 2018. Stock selection within the healthcare, financials and information technology sectors proved most additive.

In the information technology space, our exposure to enterprise cloud computing solutions provider ServiceNow buoyed relative returns after the firm announced fourth-quarter earnings results that exceeded expectations, driven by billings and subscription revenue. Meanwhile, our lack of exposure to healthcare stock Johnson & Johnson also proved additive as its shares continued to slide following the company's earnings results in April. In addition, several legal issues, including the company's marketing of opioid drugs and cancer cases related to its talcum powder products, have weighed on sentiment.

At the individual stock level, our overweight positions in Kohl's and Amazon were the largest contributors to performance. Amazon's shares traded higher amid a number of upward sell-side analyst revisions. At the beginning of the year, the firm announced its plans to partner with Berkshire Hathaway and J.P. Morgan Chase to form a new healthcare company.

In contrast, stock selection within the consumer discretionary sector weighed on relative returns. Accordingly, a number of consumer discretionary stocks featured among the top detractors and included positions in broadcast satellite provider DISH Network and flooring solutions firm Mohawk. Mohawk posted essentially inline results during the period but offered weaker-than-expected guidance for the second quarter. Margins came in modestly lower as input costs crept higher. DISH Network remained under pressure amid investor concerns owing to delays in the monetisation of its spectrum opportunity. Despite investor angst, our thesis reflects our confidence in CEO Charlie Ergen, who has a history of unlocking value for shareholders.

## Fund outlook

We continue to focus on fundamentals for the economy and for company earnings. Our core analysts' estimate for 2018 Standard & Poor's 500® earnings currently projects 20% growth. This represents approximately 13% growth in underlying earnings and roughly 7% from the estimated effects of the Tax Cut and Jobs Act. While subject to revision, this forecast reflects our expectations of continued economic growth in the underlying economy and includes our best analysis of earnings expectations during the year. The implications of trade policy, Federal Reserve (Fed) policy and the tightening labour market will be integral to investor sentiment and may contribute to increased levels of volatility, which we have experienced in the year-to-date.

Healthy corporate earnings and sustained strength in economic indicators should provide continued support to the equity market. However, we continue to monitor potential risks that could represent headwinds for US equity performance. In particular, we are checking for signs of rising inflation, investor reactions to increasing long-term interest rates, and the implications of evolving Fed and trade policy.

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.

## Six month performance to 31 May 2018

|                                | Net asset value per share<br>31.05.18 | Net asset value per share<br>30.11.17 | % Return     |
|--------------------------------|---------------------------------------|---------------------------------------|--------------|
| <b>JPM America Equity Fund</b> |                                       |                                       |              |
| A-Class Acc                    | <b>93.53p</b>                         | <b>88.74p</b>                         | <b>5.40%</b> |
| <b>JPM America Equity Fund</b> |                                       |                                       |              |
| B-Class Acc                    | <b>191.1p</b>                         | <b>180.9p</b>                         | <b>5.34%</b> |
| <b>JPM America Equity Fund</b> |                                       |                                       |              |
| C-Class Acc                    | <b>193.2p</b>                         | <b>182.6p</b>                         | <b>5.81%</b> |
| Benchmark Index                |                                       |                                       | 4.79%        |

## 12 month performance^ to 31 May

|                                | 2018         | 2017         | 2016        | 2015         | 2014 from launch |
|--------------------------------|--------------|--------------|-------------|--------------|------------------|
| <b>JPM America Equity Fund</b> |              |              |             |              |                  |
| A-Class Acc                    | <b>10.7%</b> | <b>33.8%</b> | <b>3.8%</b> | <b>18.8%</b> | <b>2.7%</b>      |
| <b>JPM America Equity Fund</b> |              |              |             |              |                  |
| B-Class Acc                    | <b>11.3%</b> | <b>34.4%</b> | <b>4.3%</b> | <b>19.5%</b> | <b>2.8%</b>      |
| <b>JPM America Equity Fund</b> |              |              |             |              |                  |
| C-Class Acc                    | <b>11.5%</b> | <b>34.8%</b> | <b>4.6%</b> | <b>19.7%</b> | <b>2.9%</b>      |
| Benchmark Index                | 9.7%         | 32.0%        | 6.3%        | 22.5%        | 6.4%             |

## Fund statistics

|                            |   |              |              |
|----------------------------|---|--------------|--------------|
| Risk and Reward Profile    | <b>6<sup>†</sup> (6 at 30 November 2017)</b>          |              |              |
| Fund size                  | £24.2m  |              |              |
| Benchmark Index            | <b>S&amp;P 500 Index (Net of 15% withholding tax)</b> |              |              |
| Fund charges and expenses  | A-Class   | B-Class      | C-Class      |
| Initial charge (max.)      | <b>Nil</b>  | <b>Nil</b>   | <b>Nil</b>   |
| Exit charge                | <b>Nil</b>  | <b>Nil</b>   | <b>Nil</b>   |
| Ongoing charge (comprises) | <b>1.65%</b>  | <b>1.15%</b> | <b>0.90%</b> |
| Annual management fee      | <b>1.50%</b>  | <b>1.00%</b> | <b>0.75%</b> |
| Operating expenses (max.)  | <b>0.15%</b>  | <b>0.15%</b> | <b>0.15%</b> |

## Top ten holdings

|                                    | %    |
|------------------------------------|------|
| Amazon.com, Inc.                   | 4.93 |
| Alphabet, Inc. 'C'                 | 4.71 |
| Apple, Inc.                        | 4.46 |
| Mastercard, Inc. 'A'               | 3.89 |
| UnitedHealth Group, Inc.           | 3.89 |
| AutoZone, Inc.                     | 3.51 |
| Ball Corp.                         | 3.30 |
| American International Group, Inc. | 3.18 |
| Kinder Morgan, Inc.                | 3.15 |
| Delta Air Lines, Inc.              | 3.09 |

## Sector breakdown

|                        | %     |
|------------------------|-------|
| Information Technology | 24.57 |
| Financials             | 20.11 |
| Consumer Discretionary | 12.61 |
| Health Care            | 9.19  |
| Industrials            | 7.75  |
| Energy                 | 7.50  |
| Real Estate            | 5.04  |
| Materials              | 4.92  |
| Consumer Staples       | 4.38  |
| Utilities              | 2.00  |
| Net other assets       | 1.93  |

## Highest/lowest share price and distribution record

| Financial year to 30 November      | Highest share price | Lowest share price | Distribution per share (net) |
|------------------------------------|---------------------|--------------------|------------------------------|
| <b>A-Class Accumulation Shares</b> |                     |                    |                              |
| 2015                               | 63.96p              | 54.46p             | 0.00p                        |
| 2016                               | 80.97p              | 54.83p             | 0.00p                        |
| 2017                               | 89.97p              | 77.48p             | 0.00p                        |
| 2018 <sup>A</sup>                  | 93.93p              | 84.19p             | 0.00p                        |
| <b>A-Class Income Shares</b>       |                     |                    |                              |
| 2015                               | 63.96p              | 54.46p             | 0.00p                        |
| 2016                               | 80.97p              | 54.83p             | 0.00p                        |
| 2017                               | 89.96p              | 77.48p             | 0.00p                        |
| 2018 <sup>A</sup>                  | 93.93p              | 84.18p             | 0.00p                        |
| <b>B-Class Accumulation Shares</b> |                     |                    |                              |
| 2015                               | 129.0p              | 109.4p             | 0.00p                        |
| 2016                               | 164.2p              | 110.8p             | 0.00p                        |
| 2017                               | 183.3p              | 157.2p             | 0.00p                        |
| 2018 <sup>A</sup>                  | 191.9p              | 171.9p             | 0.00p                        |
| <b>C-Class Accumulation Shares</b> |                     |                    |                              |
| 2015                               | 129.6p              | 109.6p             | 0.07p                        |
| 2016                               | 165.4p              | 111.3p             | 0.13p                        |
| 2017                               | 185.0p              | 158.3p             | 0.11p                        |
| 2018 <sup>A</sup>                  | 194.0p              | 173.6p             | 0.00p                        |
| <b>C-Class Income Shares</b>       |                     |                    |                              |
| 2015                               | 129.4p              | 109.5p             | 0.07p                        |
| 2016                               | 165.1p              | 111.1p             | 0.13p                        |
| 2017                               | 184.6p              | 157.8p             | 0.11p                        |
| 2018 <sup>A</sup>                  | 193.4p              | 173.1p             | 0.00p                        |

<sup>A</sup> To 31 May 2018.

## Portfolio turnover rate

|          |        |
|----------|--------|
| 30.11.17 | 88.88% |
| 31.05.18 | 29.88% |

The portfolio turnover rate (PTR) reflects the total of security purchases and sales, less the total of share issues and cancellations, expressed as a percentage of the average daily net asset values over the period.

<sup>†</sup> For specific risks, including the risk and reward profile, please refer to the Key Investor Information Document (KIID) available on the following website <http://am.jpmorgan.co.uk/investor/prices-and-factsheets/?list=all&tab=Prices>

<sup>^</sup> Performance returns are calculated using the dealing prices of the accumulation shares which are calculated using market prices and foreign exchange rates available at 12 noon. The benchmark returns, which are based on close of business prices, may reflect variances to the Fund performance that are due to timing differences. Performance returns are in Sterling.

Source: J.P. Morgan.

## Net asset values and Ongoing charges

| Date                               | Net asset value per share class<br>£'000 | Number of shares | Net asset value per share | Ongoing charges* |
|------------------------------------|--|------------------|---------------------------|------------------|
| <b>A-Class Accumulation Shares</b> |  |                  |                           |                  |
| 30.11.15                           | 1,588                                    | 2,488,790        | 63.81p                    | 1.68%            |
| 30.11.16                           | 2,252                                    | 2,817,016        | 79.96p                    | 1.68%            |
| 30.11.17                           | 2,422                                    | 2,729,247        | 88.74p                    | 1.68%            |
| 31.05.18                           | 1,953                                    | 2,088,128        | 93.53p                    | 1.65%            |
| <b>A-Class Income Shares</b>       |  |                  |                           |                  |
| 30.11.15 <sup>B</sup>              | 879                                      | 1,378,171        | 63.81p                    | 1.68%            |
| 30.11.16 <sup>B</sup>              | 1,196                                    | 1,495,442        | 79.96p                    | 1.68%            |
| 30.11.17 <sup>B</sup>              | 501                                      | 564,460          | 88.74p                    | 1.68%            |
| 31.05.18                           | 533                                      | 569,240          | 93.54p                    | 1.65%            |
| <b>B-Class Accumulation Shares</b> |  |                  |                           |                  |
| 30.11.15                           | 831                                      | 644,901          | 128.8p                    | 1.18%            |
| 30.11.16                           | 1,042                                    | 642,401          | 162.2p                    | 1.18%            |
| 30.11.17                           | 348                                      | 192,401          | 180.9p                    | 1.18%            |
| 31.05.18                           | 368                                      | 192,401          | 191.1p                    | 1.15%            |
| <b>C-Class Accumulation Shares</b> |  |                  |                           |                  |
| 30.11.15                           | 1,946                                    | 1,504,053        | 129.4p                    | 0.93%            |
| 30.11.16                           | 3,063                                    | 1,875,486        | 163.3p                    | 0.93%            |
| 30.11.17                           | 2,883                                    | 1,578,652        | 182.6p                    | 0.93%            |
| 31.05.18                           | 4,130                                    | 2,137,540        | 193.2p                    | 0.90%            |
| <b>C-Class Income Shares</b>       |  |                  |                           |                  |
| 30.11.15 <sup>B</sup>              | 15,239                                   | 11,801,007       | 129.1p                    | 0.93%            |
| 30.11.16 <sup>B</sup>              | 13,788                                   | 8,465,127        | 162.9p                    | 0.93%            |
| 30.11.17 <sup>B</sup>              | 16,367                                   | 8,992,198        | 182.0p                    | 0.93%            |
| 31.05.18                           | 17,184                                   | 8,923,185        | 192.6p                    | 0.90%            |

<sup>B</sup> The net asset value and the net asset value per income share are shown ex-dividend at the financial year end.

\* The Ongoing charges takes into account the ACD fee, the operating expenses and any expenses paid to an affiliate in respect of stock lending activities, expressed as a percentage of the average daily net asset values over the period.

# Portfolio statement

As at 31 May 2018

| Investment  | Holding | Market value<br>£'000 | Total net<br>assets % |
|---|---------|-----------------------|-----------------------|
| <b>Equities 98.07% (95.97%)</b>                             |         |                       |                       |
| <b>Consumer Discretionary 12.61% (17.59%)</b>               |         |                       |                       |
| <b>Household Durables 0.00% (1.69%)</b>                     |         |                       |                       |
| <b>Internet &amp; Direct Marketing Retail 4.93% (4.32%)</b> |         |                       |                       |
| Amazon.com, Inc.  | 977     | 1,191                 | 4.93                  |
|   |         | <b>1,191</b>          | <b>4.93</b>           |
| <b>Media 1.97% (4.81%)</b>                                  |         |                       |                       |
| DISH Network Corp. 'A'                                      | 21,236  | 477                   | 1.97                  |
|   |         | <b>477</b>            | <b>1.97</b>           |
| <b>Multiline Retail 2.20% (2.30%)</b>                       |         |                       |                       |
| Kohl's Corp.  | 10,449  | 532                   | 2.20                  |
|   |         | <b>532</b>            | <b>2.20</b>           |
| <b>Specialty Retail 3.51% (4.47%)</b>                       |         |                       |                       |
| AutoZone, Inc.  | 1,726   | 847                   | 3.51                  |
|   |         | <b>847</b>            | <b>3.51</b>           |
| <b>Consumer Discretionary total</b>                         |         | <b>3,047</b>          | <b>12.61</b>          |
| <b>Consumer Staples 4.38% (2.57%)</b>                       |         |                       |                       |
| <b>Beverages 1.70% (0.00%)</b>                              |         |                       |                       |
| Molson Coors Brewing Co. 'B'                                | 8,781   | 411                   | 1.70                  |
|   |         | <b>411</b>            | <b>1.70</b>           |
| <b>Food &amp; Staples Retailing 2.68% (2.57%)</b>           |         |                       |                       |
| Walgreens Boots Alliance, Inc.                              | 13,581  | 647                   | 2.68                  |
|   |         | <b>647</b>            | <b>2.68</b>           |
| <b>Consumer Staples total</b>                               |         | <b>1,058</b>          | <b>4.38</b>           |
| <b>Energy 7.50% (7.13%)</b>                                 |         |                       |                       |
| <b>Oil, Gas &amp; Consumable Fuels 7.50% (7.13%)</b>        |         |                       |                       |
| Concho Resources, Inc.                                      | 5,570   | 590                   | 2.44                  |
| Kinder Morgan, Inc.   | 61,256  | 761                   | 3.15                  |
| Marathon Petroleum Corp.                                    | 7,737   | 462                   | 1.91                  |
|   |         | <b>1,813</b>          | <b>7.50</b>           |
| <b>Energy total</b>   |         | <b>1,813</b>          | <b>7.50</b>           |
| <b>Financials 20.11% (22.83%)</b>                           |         |                       |                       |
| <b>Banks 2.94% (2.91%)</b>                                  |         |                       |                       |
| Wells Fargo & Co.   | 17,443  | 710                   | 2.94                  |
|   |         | <b>710</b>            | <b>2.94</b>           |
| <b>Capital Markets 7.49% (8.11%)</b>                        |         |                       |                       |
| Charles Schwab Corp. (The)                                  | 13,823  | 581                   | 2.40                  |
| S&P Global, Inc.  | 3,338   | 500                   | 2.07                  |
| T Rowe Price Group, Inc.                                    | 7,962   | 730                   | 3.02                  |
|   |         | <b>1,811</b>          | <b>7.49</b>           |
| <b>Consumer Finance 4.10% (5.94%)</b>                       |         |                       |                       |
| Ally Financial, Inc.  | 15,558  | 301                   | 1.25                  |
| Capital One Financial Corp.                                 | 9,854   | 689                   | 2.85                  |
|   |         | <b>990</b>            | <b>4.10</b>           |
| <b>Insurance 5.58% (5.87%)</b>                              |         |                       |                       |
| American International Group, Inc.                          | 19,307  | 768                   | 3.18                  |
| Loews Corp.   | 15,846  | 580                   | 2.40                  |
|   |         | <b>1,348</b>          | <b>5.58</b>           |
| <b>Financials total</b>                                     |         | <b>4,859</b>          | <b>20.11</b>          |
| <b>Health Care 9.19% (7.77%)</b>                            |         |                       |                       |
| <b>Biotechnology 1.32% (1.34%)</b>                          |         |                       |                       |
| Vertex Pharmaceuticals, Inc.                                | 2,707   | 318                   | 1.32                  |
|   |         | <b>318</b>            | <b>1.32</b>           |
| <b>Health Care Equipment &amp; Supplies 1.42% (1.26%)</b>   |         |                       |                       |
| Intuitive Surgical, Inc.                                    | 998     | 344                   | 1.42                  |
|   |         | <b>344</b>            | <b>1.42</b>           |
| <b>Health Care Providers &amp; Services 4.61% (5.17%)</b>   |         |                       |                       |
| Acadia Healthcare Co., Inc.                                 | 5,680   | 174                   | 0.72                  |
| UnitedHealth Group, Inc.                                    | 5,118   | 941                   | 3.89                  |
|   |         | <b>1,115</b>          | <b>4.61</b>           |
| <b>Pharmaceuticals 1.84% (0.00%)</b>                        |         |                       |                       |
| Pfizer, Inc.  | 16,421  | 445                   | 1.84                  |
|   |         | <b>445</b>            | <b>1.84</b>           |
| <b>Health Care total</b>                                    |         | <b>2,222</b>          | <b>9.19</b>           |

| Investment  | Holding | Market value<br>£'000 | Total net<br>assets % |
|---|---------|-----------------------|-----------------------|
| <b>Industrials 7.75% (6.89%)</b>                                    |         |                       |                       |
| <b>Airlines 3.09% (3.32%)</b>                                       |         |                       |                       |
| Delta Air Lines, Inc.   | 18,341  | 747                   | 3.09                  |
|   |         | <b>747</b>            | <b>3.09</b>           |
| <b>Commercial Services &amp; Supplies 1.78% (1.45%)</b>             |         |                       |                       |
| Waste Connections, Inc.   | 7,390   | 429                   | 1.78                  |
|   |         | <b>429</b>            | <b>1.78</b>           |
| <b>Machinery 2.88% (2.12%)</b>                                      |         |                       |                       |
| Parker-Hannifin Corp.   | 2,106   | 277                   | 1.14                  |
| Stanley Black & Decker, Inc.  | 3,888   | 420                   | 1.74                  |
|   |         | <b>697</b>            | <b>2.88</b>           |
| <b>Industrials total</b>  |         | <b>1,873</b>          | <b>7.75</b>           |
| <b>Information Technology 24.57% (21.45%)</b>                       |         |                       |                       |
| <b>Internet Software &amp; Services 4.71% (8.70%)</b>               |         |                       |                       |
| Alphabet, Inc. 'C'  | 1,422   | 1,139                 | 4.71                  |
|   |         | <b>1,139</b>          | <b>4.71</b>           |
| <b>IT Services 3.89% (3.11%)</b>                                    |         |                       |                       |
| Mastercard, Inc. 'A'  | 6,544   | 941                   | 3.89                  |
|   |         | <b>941</b>            | <b>3.89</b>           |
| <b>Semiconductors &amp; Semiconductor Equipment 3.85% (1.91%)</b>   |         |                       |                       |
| Broadcom, Inc.  | 2,788   | 522                   | 2.16                  |
| NVIDIA Corp.  | 2,155   | 409                   | 1.69                  |
|   |         | <b>931</b>            | <b>3.85</b>           |
| <b>Software 7.66% (2.99%)</b>                                       |         |                       |                       |
| Electronic Arts, Inc.   | 3,952   | 390                   | 1.61                  |
| Microsoft Corp.   | 8,991   | 667                   | 2.76                  |
| salesforce.com, Inc.  | 3,929   | 381                   | 1.58                  |
| ServiceNow, Inc.  | 3,080   | 412                   | 1.71                  |
|   |         | <b>1,850</b>          | <b>7.66</b>           |
| <b>Technology Hardware, Storage &amp; Peripherals 4.46% (4.74%)</b> |         |                       |                       |
| Apple, Inc.   | 7,661   | 1,078                 | 4.46                  |
|   |         | <b>1,078</b>          | <b>4.46</b>           |
| <b>Information Technology total</b>                                 |         | <b>5,939</b>          | <b>24.57</b>          |
| <b>Materials 4.92% (4.01%)</b>                                      |         |                       |                       |
| <b>Containers &amp; Packaging 4.92% (4.01%)</b>                     |         |                       |                       |
| Ball Corp.  | 28,190  | 797                   | 3.30                  |
| WestRock Co.  | 8,774   | 393                   | 1.62                  |
|   |         | <b>1,190</b>          | <b>4.92</b>           |
| <b>Materials total</b>  |         | <b>1,190</b>          | <b>4.92</b>           |
| <b>Real Estate 5.04% (3.93%)</b>                                    |         |                       |                       |
| <b>Equity Real Estate Investment Trusts (REITs) 5.04% (3.93%)</b>   |         |                       |                       |
| Federal Realty Investment Trust                                     | 7,939   | 711                   | 2.94                  |
| Public Storage  | 3,179   | 506                   | 2.10                  |
|   |         | <b>1,217</b>          | <b>5.04</b>           |
| <b>Real Estate total</b>  |         | <b>1,217</b>          | <b>5.04</b>           |
| <b>Utilities 2.00% (1.80%)</b>                                      |         |                       |                       |
| <b>Electric Utilities 2.00% (1.80%)</b>                             |         |                       |                       |
| Xcel Energy, Inc.   | 14,121  | 483                   | 2.00                  |
|   |         | <b>483</b>            | <b>2.00</b>           |
| <b>Utilities total</b>  |         | <b>483</b>            | <b>2.00</b>           |
| <b>Equities total</b>   |         | <b>23,701</b>         | <b>98.07</b>          |
| Investment assets   |         | 23,701                | 98.07                 |
| Net other assets  |         | 467                   | 1.93                  |
| <b>Net assets</b>   |         | <b>24,168</b>         | <b>100.00</b>         |

The comparative percentage figures in brackets are as at 30 November 2017.

# Portfolio movements

For the six months ending 31 May 2018

|  | £'000        |  | £'000           |
|--|--------------|--|-----------------|
| <b>Total of all purchases for the period</b> | <b>7,290</b> | <b>Total of all sales for the period</b> | <b>6,567</b>    |
| <b>Major purchases</b>                       | <b>Cost</b>  | <b>Major sales</b>                       | <b>Proceeds</b> |
| Microsoft Corp.                              | 696          | Facebook, Inc. 'A'                       | 713             |
| Broadcom, Inc.                               | 562          | CBS Corp., (Non-Voting) 'B'              | 434             |
| Molson Coors Brewing Co. 'B'                 | 519          | Mohawk Industries, Inc.                  | 428             |
| Public Storage                               | 465          | T Rowe Price Group, Inc.                 | 308             |
| Pfizer, Inc.                                 | 446          | Apple, Inc.                              | 308             |
| Ball Corp.                                   | 357          | Alphabet, Inc. 'C'                       | 303             |
| salesforce.com, Inc.                         | 352          | Kohl's Corp.                             | 287             |
| Parker-Hannifin Corp.                        | 331          | Ally Financial, Inc.                     | 286             |
| Xcel Energy, Inc.                            | 211          | Rayonier, Inc.                           | 280             |
| Federal Realty Investment Trust              | 210          | Amazon.com, Inc.                         | 251             |
| DISH Network Corp. 'A'                       | 195          | NVIDIA Corp.                             | 239             |
| Concho Resources, Inc.                       | 193          | Marathon Petroleum Corp.                 | 231             |
| Apple, Inc.                                  | 192          | Capital One Financial Corp.              | 199             |
| Kinder Morgan, Inc.                          | 188          | UnitedHealth Group, Inc.                 | 187             |
| Walgreens Boots Alliance, Inc.               | 172          | AutoZone, Inc.                           | 181             |
| Alphabet, Inc. 'C'                           | 161          | Electronic Arts, Inc.                    | 170             |
| American International Group, Inc.           | 153          | Charles Schwab Corp. (The)               | 145             |
| Mohawk Industries, Inc.                      | 149          | Acadia Healthcare Co., Inc.              | 143             |
| AutoZone, Inc.                               | 146          | Delta Air Lines, Inc.                    | 129             |
| NVIDIA Corp.                                 | 118          | Xcel Energy, Inc.                        | 111             |

# Financial statements

## Statement of total return

(Unaudited)

For the six months ending 31 May

|   | 2018         | 2017         |
|---|--------------|--------------|
|   | £'000        | £'000        |
| Income  |              |              |
| Net capital gains   | 1,407        | 1,184        |
| Revenue   | 149          | 108          |
| Expenses  | (117)        | (101)        |
| Net revenue before taxation   | 32           | 7            |
| Taxation  | (21)         | (16)         |
| Net expense after taxation  | 11           | (9)          |
| <b>Total return before distributions</b>  | <b>1,418</b> | <b>1,175</b> |
| Distributions   | 1            | 2            |
| <b>Change in net assets attributable to shareholders from investment activities</b> | <b>1,419</b> | <b>1,177</b> |

## Balance sheet

As at

|  | 31 May 2018<br>(Unaudited)<br>£'000 | 30 November 2017<br>(Audited)<br>£'000 |
|--|-------------------------------------|--|
| <b>Assets:</b>                                 |                                     |  |
| Investments                                    | 23,701                              | 21,613                                 |
| <b>Current assets:</b>                         |                                     |  |
| Debtors  | 260                                 | 49                                     |
| Cash and bank balances                         | 750                                 | 888                                    |
| <b>Total assets</b>                            | <b>24,711</b>                       | <b>22,550</b>                          |
| <b>Liabilities:</b>                            |                                     |  |
| <b>Creditors:</b>                              |                                     |  |
| Distribution payable                           | -                                   | (10)                                   |
| Other creditors                                | (543)                               | (19)                                   |
| <b>Total liabilities</b>                       | <b>(543)</b>                        | <b>(29)</b>                            |
| <b>Net assets attributable to shareholders</b> | <b>24,168</b>                       | <b>22,521</b>                          |

## Statement of change in net assets attributable to shareholders

(Unaudited)

For the six months ending 31 May

|  | 2018          | 2017          |
|--|---------------|---------------|
|  | £'000         | £'000         |
| <b>Opening net assets attributable to shareholders</b>                                   | <b>22,521</b> | <b>21,341</b> |
| Amounts receivable on issue of shares  | 3,675         | 1,249         |
| Amounts payable on cancellation of shares  | (3,451)       | (4,545)       |
|  | 224           | (3,296)       |
| Dilution adjustment  | 4             | -             |
| Change in net assets attributable to shareholders from investment activities (see above) | 1,419         | 1,177         |
| <b>Closing net assets attributable to shareholders</b>                                   | <b>24,168</b> | <b>19,222</b> |

As the comparatives in the above table are for the previous interim period, the net assets at the end of that period will not agree to the net assets at the start of the current period.

# JPM Balanced Managed Fund

## Important information

The ACD approved the liquidation of JPM Balanced Managed Fund on 12 September 2017. The liquidation commenced on 13 December 2017 and liquidation proceeds were paid to shareholders on 18 December 2017.

## Investment objective and policy

The Fund aimed to provide long-term capital growth by investing in a global portfolio of assets.

The Fund primarily invested in Equity and Equity-Linked Securities (which may have included smaller companies and Participation Notes) and Debt Securities (which may have included Below-Investment Grade Bonds and Unrated Securities).

Issuers of securities may have been located in any country, including Emerging Markets and the Fund may have invested in assets denominated in any currency. **The Fund may have used Financial Derivative Instruments (derivatives) and forward transactions for investment purposes and Efficient Portfolio Management, including hedging, where appropriate.**

Other instruments as permitted in the stated investment and borrowing powers of the Company included, but were not limited to, cash and cash equivalents may have been held on an ancillary basis, as appropriate.

To enhance investment returns, the Investment Adviser may have used Long and Short positions (achieved through the use of derivatives) to vary asset, currency and market allocations in response to market conditions and opportunities. As a result the Fund may have had net long or net short exposure to certain markets, sectors or currencies from time to time.

Although most of the non-Sterling securities would have been hedged back into Sterling, the Investment Adviser would also have used opportunities in the foreign exchange market to maximise returns.

## Risk profile

Investment risks have been removed as this Fund closed 13 December 2017.

## Fund review

The Fund closed on 13 December 2017 and liquidation proceeds were paid to shareholders on 18 December.

## 12 month performance<sup>^</sup> to 31 May

|                                  | 2018 to closure | 2017  | 2016  | 2015  | 2014  |
|----------------------------------|-----------------|-------|-------|-------|-------|
| <b>JPM Balanced Managed Fund</b> |                 |       |       |       |       |
| C-Class Acc                      | 7.5%            | 9.2%  | -1.2% | 13.4% | 13.6% |
| <b>JPM Balanced Managed Fund</b> |                 |       |       |       |       |
| I-Class Acc                      | 7.5%            | 9.4%  | -1.0% | 13.5% | 13.9% |
| Benchmark Index                  | 5.7%            | 11.4% | -1.6% | 11.1% | 12.7% |

## Fund statistics

|                 |   |
|-----------------|---|
| Fund size       | £0.0m   |
| Benchmark Index | 70% MSCI World Index (Net) Hedged to GBP/<br>30% J.P. Morgan GBI Global Hedged to GBP |

## Highest/lowest share price and distribution record

| Financial year to 30 November      | Highest share price | Lowest share price | Distribution per share (net) |
|------------------------------------|---------------------|--------------------|------------------------------|
| <b>C-Class Accumulation Shares</b> |                     |                    |                              |
| 2015                               | 129.3p              | 117.6p             | 1.41p                        |
| 2016                               | 129.9p              | 114.1p             | 1.54p                        |
| 2017                               | 148.4p              | 129.0p             | 1.26p                        |
| 2018 <sup>A</sup>                  | 149.5p              | 147.7p             | 0.00p                        |
| <b>C-Class Income Shares</b>       |                     |                    |                              |
| 2015                               | 127.7p              | 116.2p             | 1.40p                        |
| 2016                               | 127.0p              | 111.5p             | 1.49p                        |
| 2017                               | 143.3p              | 124.6p             | 1.23p                        |
| 2018 <sup>A</sup>                  | 143.1p              | 141.4p             | 0.00p                        |
| <b>I-Class Accumulation Shares</b> |                     |                    |                              |
| 2015                               | 777.8p              | 707.4p             | 9.82p                        |
| 2016                               | 784.2p              | 687.5p             | 10.60p                       |
| 2017                               | 897.0p              | 778.8p             | 9.16p                        |
| 2018 <sup>A</sup>                  | 903.7p              | 893.0p             | 0.05p                        |

<sup>A</sup> To 13 December 2017.

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.

<sup>^</sup> Performance returns are calculated using the dealing prices of the accumulation shares which are calculated using market prices and foreign exchange rates available at 12 noon. The benchmark returns, which are based on close of business prices, may reflect variances to the Fund performance that are due to timing differences. Performance returns are in Sterling.

Blended benchmarks have been calculated by JPMAM.

Source: J.P. Morgan.

## Portfolio turnover rate

|          |        |
|----------|--------|
| 30.11.17 | 108.8% |
| 31.05.18 | 64.73% |

The portfolio turnover rate (PTR) reflects the total of security purchases and sales (excluding Liquidity Funds), less the total of share issues and cancellations, expressed as a percentage of the average daily net asset values over the period.

## Net asset values and Ongoing charges

| Date                               | Net asset value per share class<br>£'000 | Number of shares | Net asset value per share | Ongoing charges* |
|------------------------------------|--|------------------|---------------------------|------------------|
| <b>C-Class Accumulation Shares</b> |  |                  |                           |                  |
| 30.11.15                           | 7,858                                    | 6,184,486        | 127.1p                    | 0.83%            |
| 30.11.16                           | 8,281                                    | 6,374,778        | 129.9p                    | 0.83%            |
| 30.11.17                           | 5,692                                    | 3,834,777        | 148.4p                    | 0.83%            |
| 31.05.18                           | -  | -                | -                         | -                |
| <b>C-Class Income Shares</b>       |  |                  |                           |                  |
| 30.11.15 <sup>B</sup>              | 3,894                                    | 3,135,707        | 124.2p                    | 0.83%            |
| 30.11.16 <sup>B</sup>              | 1,410                                    | 1,123,927        | 125.5p                    | 0.83%            |
| 30.11.17 <sup>B</sup>              | 1,147                                    | 807,087          | 142.1p                    | 0.83%            |
| 31.05.18                           | -  | -                | -                         | -                |
| <b>I-Class Accumulation Shares</b> |  |                  |                           |                  |
| 30.11.15                           | 39,924                                   | 5,215,148        | 765.5p                    | 0.65%            |
| 30.11.16                           | 38,706                                   | 4,937,153        | 784.0p                    | 0.65%            |
| 30.11.17                           | 677                                      | 75,442           | 897.4p                    | 0.65%            |
| 31.05.18                           | -  | -                | -                         | -                |

<sup>B</sup> The net asset value and the net asset value per income share are shown ex-dividend at the financial year end.

\* The Ongoing charges takes into account the ACD fee, the fixed expenses and any expenses paid to an affiliate in respect of stock lending activities, expressed as a percentage of the average daily net asset values over the period.

## Portfolio statement

As the Fund closed on 13 December 2017 there were no investments as at 31 May 2018.



# Portfolio movements

For the six months ending 31 May 2018

|  | £'000        |  | £'000           |
|--|--------------|--|-----------------|
| <b>Total of all purchases for the period</b>       | <b>2,862</b> | <b>Total of all sales for the period</b>           | <b>10,096</b>   |
| <b>Total purchases</b>                             | <b>Cost</b>  | <b>Major sales</b>                                 | <b>Proceeds</b> |
| UK Treasury 0.00% 11/12/2017                       | 1,000        | UK Treasury 0.00% 11/12/2017                       | 1,000           |
| UK Treasury 0.00% 27/12/2017                       | 1,000        | UK Treasury 0.00% 27/12/2017                       | 1,000           |
| JPM Sterling Liquidity Fund X (dist.) <sup>o</sup> | 639          | JPM Sterling Liquidity Fund X (dist.) <sup>o</sup> | 640             |
| UK Treasury 1.75% 22/07/2019                       | 204          | US Treasury 3.75% 15/08/2041                       | 281             |
| Caterpillar, Inc.                                  | 4            | UK Treasury 1.75% 22/07/2019                       | 204             |
| Johnson & Johnson                                  | 4            | France Government Bond OAT 8.50% 25/04/2023        | 197             |
| Entergy Corp                                       | 2            | UK Treasury 1.50% 22/07/2026                       | 160             |
| NVIDIA Corp.                                       | 2            | Apple, Inc.  | 150             |
| ONEOK, Inc.  | 2            | US Treasury 1.75% 15/05/2023                       | 132             |
| AbbVie, Inc.                                       | 2            | US Treasury 5.38% 15/02/2031                       | 128             |
| American Tower Corp., REIT 3.38% 15/10/2026        | 2            | Spain Government Bond 4.40% 31/10/2023             | 127             |
| Exelon Corp.                                       | 1            | Microsoft Corp.                                    | 112             |
|  |              | Amazon.com, Inc.                                   | 86              |
|  |              | Facebook, Inc. 'A'                                 | 80              |
|  |              | Bank of America Corp.                              | 64              |
|  |              | Alphabet, Inc. 'C'                                 | 64              |
|  |              | Italy Buoni Poliennali Del Tesoro 3.50% 01/03/2030 | 60              |
|  |              | US Treasury 2.13% 15/05/2025                       | 55              |
|  |              | UnitedHealth Group, Inc.                           | 53              |
|  |              | Johnson & Johnson                                  | 53              |

<sup>o</sup> A related party to the Fund.

# Financial statements

## Statement of total return

(Unaudited)

For the six months ending 31 May

|   | 2018      | 2017         |
|---|-----------|--------------|
|   | £'000     | £'000        |
| Income  |           |              |
| Net capital gains   | 33        | 2,956        |
| Revenue   | 4         | 534          |
| Expenses  | (2)       | (164)        |
| Net revenue before taxation   | 2         | 370          |
| Taxation  | -         | (67)         |
| Net revenue after taxation  | 2         | 303          |
| <b>Total return before distributions</b>  | <b>35</b> | <b>3,259</b> |
| Distributions   | -         | (9)          |
| <b>Change in net assets attributable to shareholders from investment activities</b> | <b>35</b> | <b>3,250</b> |

## Statement of change in net assets attributable to shareholders

(Unaudited)

For the six months ending 31 May

|  | 2018         | 2017          |
|--|--------------|---------------|
|  | £'000        | £'000         |
| <b>Opening net assets attributable to shareholders</b>                                   | <b>7,516</b> | <b>48,397</b> |
| Amounts receivable on issue of shares  | -            | 873           |
| Amounts payable on cancellation of shares  | (7,550)      | (5,283)       |
|  | (7,550)      | (4,410)       |
| Change in net assets attributable to shareholders from investment activities (see above) | 35           | 3,250         |
| Loss accumulated following fund closure  | (1)          | -             |
| <b>Closing net assets attributable to shareholders</b>                                   | <b>-</b>     | <b>47,237</b> |

As the comparatives in the above table are for the previous interim period, the net assets at the end of that period will not agree to the net assets at the start of the current period.

## Balance sheet

As at

|  | 31 May 2018<br>(Unaudited)<br>£'000 | 30 November 2017<br>(Audited)<br>£'000 |
|--|-------------------------------------|--|
| <b>Current assets:</b>                         |                                     |  |
| Investments                                    | -                                   | 7,395                                  |
| Debtors  | 4                                   | 263                                    |
| Cash and bank balances                         | -                                   | 224                                    |
| <b>Total assets</b>                            | <b>4</b>                            | <b>7,882</b>                           |
| <b>Liabilities:</b>                            |                                     |  |
| Investment liabilities                         | -                                   | (58)                                   |
| <b>Creditors:</b>                              |                                     |  |
| Bank overdraft                                 | (2)                                 | -                                      |
| Distribution payable                           | -                                   | (10)                                   |
| Other creditors                                | (2)                                 | (298)                                  |
| <b>Total liabilities</b>                       | <b>(4)</b>                          | <b>(366)</b>                           |
| <b>Net assets attributable to shareholders</b> | <b>-</b>                            | <b>7,516</b>                           |

# JPM Europe Smaller Companies Fund

## Investment objective and policy

To provide long-term capital growth by investing primarily in European smaller companies.

European smaller companies are companies that are incorporated under the laws of, and have their registered office in, Europe (excluding the UK), or that derive the predominant part of their economic activity from Europe (excluding the UK), even if listed elsewhere.

Other instruments as permitted in the stated investment and borrowing powers of the Company including, but not limited to, fixed interest securities, cash and cash equivalents may be held on an ancillary basis, as appropriate.

**The Fund may also use Financial Derivative Instruments (derivatives) for the purpose of Efficient Portfolio Management, including hedging, where appropriate (see section 11.10 of the Prospectus for risk warnings on derivatives).**

The Fund may invest in assets denominated in any currency and non-Sterling currency exposure may be hedged back to Sterling.

## Risk profile

The value of your investment may fall as well as rise and you may get back less than you originally invested.

The value of Equity and Equity-Linked Securities may fluctuate in response to the performance of individual companies and general market conditions.

The Fund invests in securities of smaller companies which may be more difficult to sell, more volatile and tend to carry greater financial risk than securities of larger companies.

This Fund is aggressively managed, which may result in higher volatility of the Fund's performance and bigger differences between the performance of the Fund and its Benchmark.

Movements in currency exchange rates can adversely affect the return of your investment.

Please refer to Part 11 of the Prospectus for details of the general risk factors affecting this Fund in addition to the specific risk factors above.

## Fund review

Continental European small cap stocks delivered positive returns and outperformed large caps in the six months under review, despite significant political uncertainty in Italy and Spain, which emerged towards the end of the period.

The Fund, which invests in attractively valued, high quality European small cap stocks with positive momentum, outperformed its benchmark over the period. Positive contributors to relative returns included an underweight position and stock selection in banks and an overweight and stock selection in beverages and leisure goods. Stock selection in general retailers, an underweight in financial services and stock selection and an overweight in industrial engineering detracted the most.

At the stock level, the Fund benefited from an overweight position in TOMRA. The recycling and sorting solutions provider saw positive momentum following the announcement by the UK Government that it will implement a bottle deposit system next year. An overweight in SimCorp, a leading provider of software solutions to the investment management industry, also contributed to relative returns as the company saw its share price rally following the announcement of better-than-expected orders and margins.

Stock-level detractors from relative returns included overweight positions in Vilmorin and Aumann. Vilmorin, a French seed producer, delivered disappointing first-half results due to high inventories at certain key customers. Aumann, a producer of highly automated machines that manufacture electric motors, saw headwinds on the back of margin pressure.

However, relative returns were boosted by an overweight position in Trigano, the French manufacturer of recreational vehicles. Its shares were supported by continued strong end-market demand, market share gains and its accretive acquisition strategy.

## Fund outlook

Despite the recent slowdown in growth expectations, we still expect eurozone GDP to rise by around 2% this year, underpinning a strong earnings growth outlook for European small caps. Valuations are not at levels that would give us cause for concern, especially with equity prices relatively static in the year-to-date against a background of rising earnings. While the European Central Bank is reducing accommodation, it is still pursuing a loose monetary policy, and consumer confidence is high across the continent. As a result, we have a fundamentally positive outlook for equity markets, although we are monitoring the uncertain political environment closely.

## Six month performance to 31 May 2018

|  | Net asset value per share<br>31.05.18 | Net asset value per share<br>30.11.17 | % Return     |
|--|---------------------------------------|---------------------------------------|--------------|
| <b>JPM Europe Smaller Companies Fund A-Class Acc</b> | <b>793.7p</b>                         | <b>758.2p</b>                         | <b>4.68%</b> |
| <b>JPM Europe Smaller Companies Fund B-Class Acc</b> | <b>812.9p</b>                         | <b>774.8p</b>                         | <b>4.92%</b> |
| <b>JPM Europe Smaller Companies Fund C-Class Acc</b> | <b>827.5p</b>                         | <b>787.6p</b>                         | <b>5.07%</b> |
| <b>JPM Europe Smaller Companies Fund I-Class Acc</b> | <b>1,671p</b>                         | <b>1,592p</b>                         | <b>4.96%</b> |
| Benchmark Index                                      |                                       |                                       | 3.05%        |

## 12 month performance<sup>^</sup> to 31 May

|  | 2018         | 2017         | 2016         | 2015        | 2014         |
|--|--------------|--------------|--------------|-------------|--------------|
| <b>JPM Europe Smaller Companies Fund A-Class Acc</b> | <b>9.7%</b>  | <b>35.5%</b> | <b>13.0%</b> | <b>6.4%</b> | <b>23.2%</b> |
| <b>JPM Europe Smaller Companies Fund B-Class Acc</b> | <b>10.2%</b> | <b>36.1%</b> | <b>13.4%</b> | <b>6.9%</b> | <b>23.6%</b> |
| <b>JPM Europe Smaller Companies Fund C-Class Acc</b> | <b>10.5%</b> | <b>36.6%</b> | <b>13.8%</b> | <b>7.2%</b> | <b>24.1%</b> |
| <b>JPM Europe Smaller Companies Fund I-Class Acc</b> | <b>10.4%</b> | <b>36.5%</b> | <b>13.7%</b> | <b>7.1%</b> | <b>24.0%</b> |
| Benchmark Index                                      | 5.0%         | 39.1%        | 5.6%         | 2.2%        | 24.2%        |

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.

<sup>^</sup> Performance returns are calculated using the dealing prices of the accumulation shares which are calculated using market prices and foreign exchange rates available at 12 noon. The benchmark returns, which are based on close of business prices, may reflect variances to the Fund performance that are due to timing differences. Performance returns are in Sterling.

Source: J.P. Morgan.

## Fund statistics

|                            |   |         |         |         |
|----------------------------|---|---------|---------|---------|
| Risk and Reward Profile    | 5 <sup>†</sup> (5 at 30 November 2017)            |         |         |         |
| Fund size                  | £247.4m   |         |         |         |
| Benchmark Index            | EMIX Smaller European Companies ex UK Index (Net) |         |         |         |
| Fund charges and expenses  | A-Class   | B-Class | C-Class | I-Class |
| Initial charge (max.)      | Nil   | Nil     | Nil     | Nil     |
| Exit charge                | Nil   | Nil     | Nil     | Nil     |
| Ongoing charge (comprises) | 1.65%   | 1.15%   | 0.90%   | 1.00%   |
| Annual management fee      | 1.50%   | 1.00%   | 0.75%   | 1.00%   |
| Operating expenses (max.)  | 0.15%   | 0.15%   | 0.15%   | -       |

## Top ten holdings (excluding Liquidity Funds) %

|                      |      |
|----------------------|------|
| Rubis SCA            | 2.75 |
| Alten SA             | 2.63 |
| TKH Group NV, CVA    | 2.54 |
| dormakaba Holding AG | 2.49 |
| IMCD NV              | 2.46 |
| Remy Cointreau SA    | 2.43 |
| Sopra Steria Group   | 2.42 |
| Huhtamaki OYJ        | 2.40 |
| Galenica AG          | 2.33 |
| Royal Unibrew A/S    | 2.19 |

## Geographical breakdown %

|                  |       |
|------------------|-------|
| France           | 16.22 |
| Netherlands      | 16.03 |
| Switzerland      | 13.43 |
| Italy            | 11.55 |
| Sweden           | 9.82  |
| Germany          | 9.44  |
| Norway           | 4.95  |
| Denmark          | 4.36  |
| Belgium          | 3.91  |
| Austria          | 3.50  |
| Finland          | 2.99  |
| Luxembourg       | 1.46  |
| Liquidity Funds  | 0.90  |
| Net other assets | 1.44  |

## Highest/lowest share price and distribution record

| Financial year to 30 November      | Highest share price | Lowest share price | Distribution per share (net) |
|------------------------------------|---------------------|--------------------|------------------------------|
| <b>A-Class Accumulation Shares</b> |                     |                    |                              |
| 2015                               | 498.6p              | 394.8p             | 0.13p                        |
| 2016                               | 650.4p              | 462.7p             | 0.34p                        |
| 2017                               | 792.6p              | 566.0p             | 2.70p                        |
| 2018 <sup>A</sup>                  | 808.6p              | 745.5p             | 0.00p                        |
| <b>A-Class Income Shares</b>       |                     |                    |                              |
| 2015                               | 64.85p              | 51.35p             | 0.01p                        |
| 2016                               | 84.57p              | 60.16p             | 0.03p                        |
| 2017                               | 103.0p              | 73.57p             | 0.35p                        |
| 2018 <sup>A</sup>                  | 104.7p              | 96.55p             | 0.00p                        |
| <b>B-Class Accumulation Shares</b> |                     |                    |                              |
| 2015                               | 505.2p              | 398.1p             | 2.30p                        |
| 2016                               | 660.8p              | 469.1p             | 2.49p                        |
| 2017                               | 809.6p              | 575.5p             | 6.30p                        |
| 2018 <sup>A</sup>                  | 826.8p              | 763.1p             | 0.00p                        |
| <b>C-Class Accumulation Shares</b> |                     |                    |                              |
| 2015                               | 510.3p              | 401.1p             | 3.65p                        |
| 2016                               | 669.9p              | 474.2p             | 4.86p                        |
| 2017                               | 822.9p              | 583.6p             | 8.19p                        |
| 2018 <sup>A</sup>                  | 840.8p              | 776.4p             | 0.00p                        |
| <b>C-Class Income Shares</b>       |                     |                    |                              |
| 2015                               | 65.40p              | 51.42p             | 0.47p                        |
| 2016                               | 85.24p              | 60.34p             | 0.59p                        |
| 2017                               | 103.9p              | 73.67p             | 1.04p                        |
| 2018 <sup>A</sup>                  | 105.0p              | 96.96p             | 0.00p                        |
| <b>I-Class Accumulation Shares</b> |                     |                    |                              |
| 2015                               | 1,033p              | 812.3p             | 6.70p                        |
| 2016                               | 1,355p              | 959.4p             | 8.75p                        |
| 2017                               | 1,663p              | 1,180p             | 15.54p                       |
| 2018 <sup>A</sup>                  | 1,699p              | 1,568p             | 0.00p                        |

<sup>A</sup> To 31 May 2018.

<sup>†</sup> For specific risks, including the risk and reward profile, please refer to the Key Investor information Document (KIID) available on the following website <http://am.jpmorgan.co.uk/investor/prices-and-factsheets/?list=all&tab=Prices>

## Portfolio turnover rate

|          |        |
|----------|--------|
| 30.11.17 | 163.2% |
| 31.05.18 | 80.87% |

The portfolio turnover rate (PTR) reflects the total of security purchases and sales (excluding Liquidity Funds), less the total of share issues and cancellations, expressed as a percentage of the average daily net asset values over the period.

## Net asset values and Ongoing charges

| Date                               | Net asset value per share class<br>£'000 | Number of shares | Net asset value per share | Ongoing charges* |
|------------------------------------|--|------------------|---------------------------|------------------|
| <b>A-Class Accumulation Shares</b> |  |                  |                           |                  |
| 30.11.15                           | 94,147                                   | 18,898,366       | 498.2p                    | 1.68%            |
| 30.11.16                           | 100,409                                  | 17,164,394       | 585.0p                    | 1.68%            |
| 30.11.17                           | 124,506                                  | 16,421,461       | 758.2p                    | 1.68%            |
| 31.05.18                           | 130,582                                  | 16,452,898       | 793.7p                    | 1.65%            |
| <b>A-Class Income Shares</b>       |  |                  |                           |                  |
| 30.11.15 <sup>8</sup>              | 618                                      | 954,187          | 64.78p                    | 1.68%            |
| 30.11.16 <sup>8</sup>              | 606                                      | 797,661          | 76.04p                    | 1.68%            |
| 30.11.17 <sup>8</sup>              | 852                                      | 867,194          | 98.20p                    | 1.68%            |
| 31.05.18                           | 911                                      | 886,749          | 102.8p                    | 1.65%            |
| <b>B-Class Accumulation Shares</b> |  |                  |                           |                  |
| 30.11.15                           | 11                                       | 2,124            | 504.7p                    | 1.18%            |
| 30.11.16                           | 33                                       | 5,494            | 594.8p                    | 1.18%            |
| 30.11.17                           | 94                                       | 12,201           | 774.8p                    | 1.18%            |
| 31.05.18                           | 99                                       | 12,201           | 812.9p                    | 1.15%            |
| <b>C-Class Accumulation Shares</b> |  |                  |                           |                  |
| 30.11.15                           | 31,531                                   | 6,185,116        | 509.8p                    | 0.93%            |
| 30.11.16                           | 63,836                                   | 10,583,564       | 603.2p                    | 0.93%            |
| 30.11.17                           | 89,871                                   | 11,410,401       | 787.6p                    | 0.93%            |
| 31.05.18                           | 98,421                                   | 11,893,464       | 827.5p                    | 0.90%            |
| <b>C-Class Income Shares</b>       |  |                  |                           |                  |
| 30.11.15 <sup>8</sup>              | 792                                      | 1,220,777        | 64.87p                    | 0.93%            |
| 30.11.16 <sup>8</sup>              | 2,154                                    | 2,829,017        | 76.15p                    | 0.93%            |
| 30.11.17 <sup>8</sup>              | 11,079                                   | 11,262,261       | 98.37p                    | 0.93%            |
| 31.05.18                           | 16,642                                   | 16,103,685       | 103.3p                    | 0.90%            |
| <b>I-Class Accumulation Shares</b> |  |                  |                           |                  |
| 30.11.15                           | 775                                      | 75,118           | 1,032p                    | 1.00%            |
| 30.11.16                           | 529                                      | 43,348           | 1,220p                    | 1.00%            |
| 30.11.17                           | 812                                      | 51,001           | 1,592p                    | 1.00%            |
| 31.05.18                           | 731                                      | 43,759           | 1,671p                    | 1.00%            |

<sup>8</sup> The net asset value and the net asset value per income share are shown ex-dividend at the financial year end.

\* The Ongoing charges takes into account the ACD fee, the operating expenses and any expenses paid to an affiliate in respect of stock lending activities, expressed as a percentage of the average daily net asset values over the period.

# Portfolio statement

As at 31 May 2018

| Investment                                | Holding | Market value<br>£'000 | Total net<br>assets % |
|---|---------|-----------------------|-----------------------|
| <b>Equities 97.66% (97.21%)</b>           |         |                       |                       |
| <b>Austria 3.50% (3.05%)</b>              |         |                       |                       |
| FACC AG                                   | 12,880  | 186                   | 0.07                  |
| S&T AG                                    | 203,217 | 3,601                 | 1.46                  |
| Schoeller-Bleckmann Oilfield Equipment AG | 26,225  | 2,475                 | 1.00                  |
| Wienerberger AG                           | 120,825 | 2,395                 | 0.97                  |
|   |         | <b>8,657</b>          | <b>3.50</b>           |
| <b>Belgium 3.91% (2.51%)</b>              |         |                       |                       |
| Fagron                                    | 410,432 | 5,125                 | 2.07                  |
| Melexis NV                                | 60,286  | 4,543                 | 1.84                  |
|   |         | <b>9,668</b>          | <b>3.91</b>           |
| <b>Denmark 4.36% (4.52%)</b>              |         |                       |                       |
| Royal Unibrew A/S                         | 100,797 | 5,413                 | 2.19                  |
| SimCorp A/S                               | 88,671  | 5,386                 | 2.17                  |
|   |         | <b>10,799</b>         | <b>4.36</b>           |
| <b>Finland 2.99% (3.54%)</b>              |         |                       |                       |
| Huhtamaki OYJ                             | 194,408 | 5,937                 | 2.40                  |
| Tieto OYJ                                 | 56,049  | 1,469                 | 0.59                  |
|   |         | <b>7,406</b>          | <b>2.99</b>           |
| <b>France 16.22% (16.91%)</b>             |         |                       |                       |
| Alten SA                                  | 86,112  | 6,501                 | 2.63                  |
| IPSO                                      | 128,181 | 3,255                 | 1.32                  |
| Remy Cointreau SA                         | 54,072  | 6,013                 | 2.43                  |
| Rubis SCA                                 | 129,869 | 6,811                 | 2.75                  |
| Sopra Steria Group                        | 40,132  | 5,992                 | 2.42                  |
| SPIE SA                                   | 312,272 | 4,537                 | 1.83                  |
| Trigano SA                                | 31,174  | 4,625                 | 1.87                  |
| Vilmorin & Cie SA                         | 47,337  | 2,385                 | 0.97                  |
|   |         | <b>40,119</b>         | <b>16.22</b>          |
| <b>Germany 9.44% (12.60%)</b>             |         |                       |                       |
| Elmos Semiconductor AG                    | 64,043  | 1,462                 | 0.59                  |
| Hella GmbH & Co. KGaA                     | 76,707  | 3,646                 | 1.47                  |
| Jungheinrich AG Preference                | 144,973 | 4,317                 | 1.75                  |
| Koenig & Bauer AG                         | 60,370  | 3,510                 | 1.42                  |
| SAF-Holland SA                            | 174,871 | 2,410                 | 0.98                  |
| Software AG                               | 115,835 | 4,177                 | 1.69                  |
| Stabilus SA                               | 52,472  | 3,819                 | 1.54                  |
|   |         | <b>23,341</b>         | <b>9.44</b>           |
| <b>Italy 11.55% (20.89%)</b>              |         |                       |                       |
| Amplifon SpA                              | 393,467 | 5,279                 | 2.13                  |
| Datalogic SpA                             | 199,073 | 5,312                 | 2.15                  |
| De' Longhi SpA                            | 114,009 | 2,398                 | 0.97                  |
| DiaSorin SpA                              | 12,924  | 944                   | 0.38                  |
| Industria Macchine Automatiche SpA        | 53,723  | 3,808                 | 1.54                  |
| Interpump Group SpA                       | 105,731 | 2,520                 | 1.02                  |
| Reply SpA                                 | 90,642  | 4,102                 | 1.66                  |
| Saipem SpA                                | 361,790 | 1,163                 | 0.47                  |
| Technogym SpA                             | 339,449 | 3,046                 | 1.23                  |
|   |         | <b>28,572</b>         | <b>11.55</b>          |
| <b>Luxembourg 1.46% (0.00%)</b>           |         |                       |                       |
| B&S Group Sarl                            | 284,346 | 3,603                 | 1.46                  |
|   |         | <b>3,603</b>          | <b>1.46</b>           |
| <b>Netherlands 16.03% (8.22%)</b>         |         |                       |                       |
| Aalberts Industries NV                    | 126,631 | 4,687                 | 1.90                  |
| Arcadis NV                                | 286,767 | 4,340                 | 1.75                  |
| ASR Nederland NV                          | 145,679 | 4,652                 | 1.88                  |
| ForFarmers NV                             | 454,401 | 4,539                 | 1.84                  |
| Fugro NV, CVA                             | 133,784 | 1,611                 | 0.65                  |
| IMCD NV                                   | 129,736 | 6,082                 | 2.46                  |
| Intertrust NV                             | 156,421 | 2,232                 | 0.90                  |
| Koninklijke Vopak NV                      | 142,524 | 5,225                 | 2.11                  |
| TKH Group NV, CVA                         | 122,744 | 6,276                 | 2.54                  |
|   |         | <b>39,644</b>         | <b>16.03</b>          |
| <b>Norway 4.95% (6.11%)</b>               |         |                       |                       |
| Atea ASA                                  | 244,718 | 2,760                 | 1.12                  |
| Sbanken ASA                               | 689,595 | 5,036                 | 2.03                  |
| Tomra Systems ASA                         | 262,050 | 4,462                 | 1.80                  |
|   |         | <b>12,258</b>         | <b>4.95</b>           |

| Investment  | Holding   | Market value<br>£'000 | Total net<br>assets % |
|---|-----------|-----------------------|-----------------------|
| <b>Sweden 9.82% (7.49%)</b>                         |           |                       |                       |
| AAK AB  | 57,134    | 3,848                 | 1.55                  |
| AF AB 'B'   | 150,601   | 2,563                 | 1.04                  |
| Bravida Holding AB                                  | 231,284   | 1,380                 | 0.56                  |
| Dometic Group AB                                    | 501,164   | 3,942                 | 1.59                  |
| Husqvarna AB 'B'                                    | 704,800   | 5,200                 | 2.10                  |
| Nobina AB   | 469,467   | 2,470                 | 1.00                  |
| Thule Group AB                                      | 263,909   | 4,892                 | 1.98                  |
|   |           | <b>24,295</b>         | <b>9.82</b>           |
| <b>Switzerland 13.43% (11.37%)</b>                  |           |                       |                       |
| Bucher Industries AG                                | 17,962    | 4,892                 | 1.98                  |
| dormakaba Holding AG                                | 10,405    | 6,163                 | 2.49                  |
| Forbo Holding AG                                    | 417       | 419                   | 0.17                  |
| Galenica AG   | 140,328   | 5,755                 | 2.33                  |
| Georg Fischer AG                                    | 5,376     | 5,194                 | 2.10                  |
| Helvetia Holding AG                                 | 11,185    | 4,765                 | 1.93                  |
| Oriflame Holding AG                                 | 36,425    | 928                   | 0.37                  |
| Siegfried Holding AG                                | 381       | 111                   | 0.04                  |
| Valora Holding AG                                   | 20,595    | 4,873                 | 1.97                  |
| VZ Holding AG                                       | 526       | 120                   | 0.05                  |
|   |           | <b>33,220</b>         | <b>13.43</b>          |
| <b>Equities total</b>                               |           | <b>241,582</b>        | <b>97.66</b>          |
| <b>Liquidity Funds 0.90% (1.87%)</b>                |           |                       |                       |
| JPM Euro Liquidity X Fund (flex dist.) <sup>o</sup> | 2,544,848 | 2,230                 | 0.90                  |
| <b>Liquidity Funds total</b>                        |           | <b>2,230</b>          | <b>0.90</b>           |
| Investment assets                                   |           | 243,812               | 98.56                 |
| Net other assets                                    |           | 3,574                 | 1.44                  |
| <b>Net assets</b>                                   |           | <b>247,386</b>        | <b>100.00</b>         |

The comparative percentage figures in brackets are as at 30 November 2017.

<sup>o</sup> A related party to the Fund.

# Portfolio movements

For the six months ending 31 May 2018

|   | £'000          |   | £'000           |
|---|----------------|---|-----------------|
| <b>Total of all purchases for the period</b>        | <b>142,069</b> | <b>Total of all sales for the period</b>            | <b>132,903</b>  |
| <b>Major purchases</b>                              | <b>Cost</b>    | <b>Major sales</b>                                  | <b>Proceeds</b> |
| JPM Euro Liquidity X Fund (flex dist.) <sup>9</sup> | 21,237         | JPM Euro Liquidity X Fund (flex dist.) <sup>9</sup> | 23,279          |
| Galenica AG   | 5,543          | FinecoBank Banca Fineco SpA                         | 6,551           |
| SPIE SA   | 5,329          | HUGO BOSS AG  | 4,767           |
| Koninklijke Vopak NV                                | 4,955          | Maisons du Monde SA                                 | 4,632           |
| Helvetia Holding AG                                 | 4,818          | Cerved Group SpA                                    | 4,618           |
| Software AG   | 4,799          | DiaSorin SpA  | 4,453           |
| ASR Nederland NV                                    | 4,751          | ams AG  | 4,336           |
| Arcadis NV  | 4,476          | Forbo Holding AG                                    | 4,105           |
| Banca Mediolanum SpA                                | 3,751          | Aumann AG   | 3,801           |
| AAK AB  | 3,645          | Brembo SpA  | 3,672           |
| B&S Group Sarl                                      | 3,603          | Salmar ASA  | 3,663           |
| Vilmorin & Cie SA                                   | 3,046          | Banca Mediolanum SpA                                | 3,361           |
| Georg Fischer AG                                    | 2,953          | Interpump Group SpA                                 | 3,271           |
| Atea ASA  | 2,909          | Tarkett SA  | 3,213           |
| dormakaba Holding AG                                | 2,623          | Borregaard ASA                                      | 3,118           |
| Salmar ASA  | 2,607          | Oriflame Holding AG                                 | 3,020           |
| Technogym SpA                                       | 2,604          | Bakkafrost P/F                                      | 2,903           |
| AF AB 'B'   | 2,575          | Nokian Renkaat OYJ                                  | 2,773           |
| Rubis SCA   | 2,526          | Technogym SpA                                       | 2,727           |
| Nobina AB   | 2,509          | Trelleborg AB 'B'                                   | 2,670           |

<sup>9</sup> A related party to the Fund.

# Financial statements

## Statement of total return

(Unaudited)

For the six months ending 31 May

|   | 2018          | 2017          |
|---|---------------|---------------|
|   | £'000         | £'000         |
| Income  |               |               |
| Net capital gains   | 9,449         | 36,737        |
| Revenue   | 3,543         | 3,093         |
| Expenses  | (1,551)       | (1,244)       |
| Net revenue before taxation   | 1,992         | 1,849         |
| Taxation  | (151)         | (222)         |
| Net revenue after taxation  | 1,841         | 1,627         |
| <b>Total return before distributions</b>  | <b>11,290</b> | <b>38,364</b> |
| Distributions   | (46)          | 41            |
| <b>Change in net assets attributable to shareholders from investment activities</b> | <b>11,244</b> | <b>38,405</b> |

## Balance sheet

As at

|  | 31 May 2018<br>(Unaudited)<br>£'000 | 30 November 2017<br>(Audited)<br>£'000 |
|--|-------------------------------------|--|
| <b>Assets:</b>                                 |                                     |  |
| Investments                                    | 243,812                             | 225,126                                |
| <b>Current assets:</b>                         |                                     |  |
| Debtors  | 4,366                               | 3,968                                  |
| Cash and bank balances                         | 1,940                               | 263                                    |
| <b>Total assets</b>                            | <b>250,118</b>                      | <b>229,357</b>                         |
| <b>Liabilities:</b>                            |                                     |  |
| <b>Creditors:</b>                              |                                     |  |
| Distribution payable                           | -                                   | (120)                                  |
| Other creditors                                | (2,732)                             | (2,023)                                |
| <b>Total liabilities</b>                       | <b>(2,732)</b>                      | <b>(2,143)</b>                         |
| <b>Net assets attributable to shareholders</b> | <b>247,386</b>                      | <b>227,214</b>                         |

## Statement of change in net assets attributable to shareholders

(Unaudited)

For the six months ending 31 May

|  | 2018           | 2017           |
|--|----------------|----------------|
|  | £'000          | £'000          |
| <b>Opening net assets attributable to shareholders</b>                                   | <b>227,214</b> | <b>167,567</b> |
| Amounts receivable on issue of shares  | 26,213         | 7,986          |
| Amounts payable on cancellation of shares  | (17,301)       | (11,061)       |
|  | 8,912          | (3,075)        |
| Dilution adjustment  | 16             | -              |
| Change in net assets attributable to shareholders from investment activities (see above) | 11,244         | 38,405         |
| <b>Closing net assets attributable to shareholders</b>                                   | <b>247,386</b> | <b>202,897</b> |

As the comparatives in the above table are for the previous interim period, the net assets at the end of that period will not agree to the net assets at the start of the current period.



# Securities Financing Transactions (Unaudited)

The Fund engages in Securities Financing Transactions (SFT) (as defined in Article 3 of Regulation (EU) 2015/2365, securities financing transactions include repurchase transactions, securities or commodities lending and securities or commodities borrowing, buy-sell back transactions or sell-buy back transactions and margin lending transactions). In accordance with Article 13 of the Regulation, the Fund's involvement in and exposures related to SFT for the accounting period ended 31 May 2018 are detailed below.

## Global Data

### Amount of securities on loan

The total value of securities on loan as a proportion of the Fund's total lendable assets, as at the balance sheet date, is 6.68%. Total lendable assets represents the aggregate value of assets types forming part of the Fund's securities lending programme.

### Amount of assets engaged in securities lending

The following table represents the total value of assets engaged in securities lending:

|                    | Value<br>£'000 | % of AUM |
|--------------------|----------------|----------|
| Securities lending | 16,284         | 6.58%    |

## Concentration Data

### Collateral issuers

The following table lists the issuers by value of non-cash collateral received by the Fund by way of title transfer collateral arrangement across securities lending transactions, as at the balance sheet date:

| Issuer                                 | Collateral Value<br>£'000 |
|--|---------------------------|
| French Republic Government             | 4,507                     |
| Republic of Finland Government         | 4,025                     |
| United States of America Treasury      | 3,601                     |
| United Kingdom Treasury                | 3,196                     |
| Kingdom of Belgium Government          | 1,365                     |
| Federal Republic of Germany Government | 893                       |
| Republic of Austria Government         | 757                       |
| Kingdom of Netherlands Government      | 251                       |
| Total                                  | <u>18,595</u>             |

Non-cash collateral received by way of title transfer collateral arrangement in relation to securities lending transactions cannot be sold, re-invested or pledged.

### Counterparties

The following table provides details of the counterparties (based on gross volume of outstanding transactions with exposure on a gross absolute basis) in respect of securities lending as at the balance sheet date:

| Counterparty                              | Value<br>£'000 |
|---|----------------|
| Credit Suisse Securities (Europe) Limited | 11,984         |
| Citigroup Global Markets Ltd.             | 2,308          |
| Merrill Lynch International               | 1,936          |
| HSBC Bank Plc                             | 55             |
| Wells Fargo & Co.                         | 1              |
| Total                                     | <u>16,284</u>  |

## Aggregate transaction data

### Type, quality and currency of collateral

The following table provides an analysis of the type, quality and currency of collateral received by the Fund in respect of securities lending transactions as at the balance sheet date.

| Type  | Quality          | Currency | Collateral Value<br>£'000 |
|-------|------------------|----------|---------------------------|
| Bonds | Investment grade | EUR      | 11,798                    |
| Bonds | Investment grade | USD      | 3,601                     |
| Bonds | Investment grade | GBP      | 3,196                     |
| Cash  | n/a              | EUR      | 333                       |
| Cash  | n/a              | USD      | 1                         |
| Total |                  |          | <u>18,929</u>             |

### Maturity tenor of collateral

The following table provides an analysis of the maturity tenor of collateral received in relation to securities lending transactions as at the balance sheet date:

| Maturity          | Value<br>£'000 |
|-------------------|----------------|
| less than one day | 334            |
| 1 to 3 months     | 63             |
| 3 to 12 months    | 1,193          |
| more than 1 year  | 17,339         |
| Total             | <u>18,929</u>  |

### Maturity tenor of Security lending transactions

The Fund's securities lending transactions have open maturity.

### Country in which counterparties are established

| Counterparty                              | Country of<br>Incorporation |
|---|-----------------------------|
| Citigroup Global Markets Ltd.             | United States               |
| Credit Suisse Securities (Europe) Limited | Switzerland                 |
| HSBC Bank Plc                             | United Kingdom              |
| Merrill Lynch International               | United Kingdom              |
| Wells Fargo & Co.                         | United States               |

## Settlement and clearing

The Fund's securities lending transactions including related collaterals are settled and cleared either bi-laterally, tri-party or through a central counterparty.

# Securities Financing Transactions (Unaudited) – continued

## Re-use of collateral

### Share of collateral received that is reused and reinvestment return

Non-cash collateral received by way of title transfer collateral arrangement in relation to securities lending transactions cannot be sold, reinvested or pledged.

Cash collateral received in the context of securities lending transactions may be reused in accordance with the provisions contained within the Prospectus, however the Fund as at the period end has not reinvested cash collateral received in respect of securities lending transactions.

## Safekeeping of collateral

All collateral received (31.05.18: £18,929,000) by the Fund in respect of securities lending transactions as at the balance sheet date is held by the Custodian.

## Return and cost

JPMorgan Chase Bank, N.A (JPNCB), the lending agent, receives a fee of 15% of the gross revenue for its services related to the Stock Lending Transactions. The remainder of the revenue, 85%, is received by the Fund i.e. for the benefit of Shareholders.

# JPM Global Allocation Fund

## Important Information

The ACD approved the liquidation of JPM Global Allocation Fund on 2 December 2016 and the Fund was terminated on 17 February 2017; the liquidation proceeds were paid to shareholders on 22 February 2017.

## Investment objective and policy

The Fund sought to provide long-term capital growth by investing primarily in a flexibly managed global portfolio of assets.

The Fund primarily invested, either directly or through the use of Financial Derivative Instruments (derivatives), in Equity and Equity-Linked Securities, Debt Securities (including Convertible Bonds, Asset Backed Securities, Mortgage Backed Securities, and Covered Bonds), deposits with credit institutions and money market instruments, Commodity Index Instruments and Real Estate Investment Trusts ("REITS"). Debt Securities may have included Below Investment Grade and Unrated Securities and the Fund may invest up to 80% in government and public securities (see section 3.11 (e) of the Prospectus). Issuers of these assets may have been located in any country, including Emerging Markets and the Fund may have invested in assets denominated in any currency. The Fund may have invested in smaller companies and Participation Notes may have been held on an ancillary basis.

The Fund had a flexible approach to asset allocation and may have used both Long and Short Positions (achieved through the use of derivatives) to vary exposure to different asset classes and markets in response to market conditions and opportunities. Allocations may have varied significantly and exposure to certain markets, sectors or currencies may have been concentrated from time to time.

The Investment Adviser had discretion to hedge non-Sterling securities back into Sterling but may have also used opportunities in the foreign exchange market to maximise returns.

### The Fund may have also used derivatives and forward transactions for Efficient Portfolio Management, including hedging.

Other instruments as permitted in the stated investment and borrowing powers of the Company including, but not limited to, cash and cash equivalents may have been held on an ancillary basis, as appropriate.

## Risk profile

Investment risks have been removed as this Fund commenced liquidation on 17 February 2017 and the liquidation proceeds were paid to shareholders on 22 February 2017.

## Fund update

The Fund closed on 17 February 2017 and the liquidation proceeds were paid to shareholders on 22 February 2017.

## 12 month performance<sup>^</sup> to 31 May

|                                   | 2017<br>to closure | 2016  | 2015 | 2014 from<br>launch |
|-----------------------------------|--------------------|-------|------|---------------------|
| <b>JPM Global Allocation Fund</b> |                    |       |      |                     |
| A-Class Acc                       | 5.0%               | -4.4% | 8.5% | 2.9%                |
| <b>JPM Global Allocation Fund</b> |                    |       |      |                     |
| B-Class Acc                       | 5.3%               | -4.0% | 8.9% | 3.0%                |
| <b>JPM Global Allocation Fund</b> |                    |       |      |                     |
| C-Class Acc                       | 5.4%               | -3.9% | 9.1% | 3.0%                |
| Benchmark Index                   | 5.5%               | 0.4%  | 9.6% | 3.2%                |

## Fund statistics

|                 |  |
|-----------------|--|
| Fund size       | £0.0m  |
| Benchmark Index | 50% J.P. Morgan GBI Hedged to GBP/<br>50% MSCI World Index (Net) Hedged to GBP |

## Highest/lowest share price and distribution record

| Financial year to 30 November      | Highest<br>share price | Lowest<br>share price | Distribution<br>per share<br>(net) |
|------------------------------------|------------------------|-----------------------|------------------------------------|
| <b>A-Class Accumulation Shares</b> |                        |                       |                                    |
| 2015                               | 56.44p                 | 51.59p                | 0.48p                              |
| 2016                               | 55.31p                 | 49.13p                | 0.61p                              |
| 2017 <sup>A</sup>                  | 55.94p                 | 54.02p                | 0.02p                              |
| <b>A-Class Income Shares</b>       |                        |                       |                                    |
| 2015                               | 56.07p                 | 51.25p                | 0.48p                              |
| 2016                               | 54.46p                 | 48.38p                | 0.60p                              |
| 2017 <sup>A</sup>                  | 54.46p                 | 52.59p                | 0.02p                              |
| <b>B-Class Accumulation Shares</b> |                        |                       |                                    |
| 2015                               | 113.4p                 | 103.8p                | 1.39p                              |
| 2016                               | 111.7p                 | 99.02p                | 1.65p                              |
| 2017 <sup>A</sup>                  | 113.1p                 | 109.2p                | 0.09p                              |
| <b>C-Class Accumulation Shares</b> |                        |                       |                                    |
| 2015                               | 113.6p                 | 104.0p                | 1.54p                              |
| 2016                               | 112.1p                 | 99.27p                | 1.79p                              |
| 2017 <sup>A</sup>                  | 113.6p                 | 109.6p                | 0.11p                              |
| <b>C-Class Income Shares</b>       |                        |                       |                                    |
| 2015                               | 112.4p                 | 103.0p                | 1.52p                              |
| 2016                               | 109.4p                 | 96.86p                | 1.75p                              |
| 2017 <sup>A</sup>                  | 109.1p                 | 105.2p                | 0.10p                              |

<sup>A</sup> To 16 February 2017.

## Portfolio turnover rate

|          |         |
|----------|---------|
| 30.11.17 | (0.63)% |
| 31.05.18 | -       |

The portfolio turnover rate (PTR) reflects the total of security purchases and sales less the total of share issues and cancellations, expressed as a percentage of the average daily net asset values over the period.

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.

<sup>^</sup> Performance returns are calculated using the dealing prices of the accumulation shares which are calculated using market prices and foreign exchange rates available at 12 noon. The benchmark returns, which are based on close of business prices, may reflect variances to the Fund performance that are due to timing differences. Performance returns are in Sterling.

Blended benchmarks have been calculated by JPMAM.

Source: J.P. Morgan.

## Net asset values and Ongoing charges

| Date                               | Net asset value per share class<br>£'000 | Number of shares | Net asset value per share | Ongoing charges* |
|------------------------------------|--|------------------|---------------------------|------------------|
| <b>A-Class Accumulation Shares</b> |  |                  |                           |                  |
| 30.11.15                           | 2,651                                    | 4,909,216        | 54.00p                    | 1.44%            |
| 30.11.16                           | 2,674                                    | 4,927,477        | 54.27p                    | 1.43%            |
| 30.11.17                           | -  | -                | -                         | -                |
| 31.05.18                           | -  | -                | -                         | -                |
| <b>A-Class Income Shares</b>       |  |                  |                           |                  |
| 30.11.15 <sup>B</sup>              | 2,569                                    | 4,833,338        | 53.17p                    | 1.44%            |
| 30.11.16 <sup>B</sup>              | 2,551                                    | 4,828,408        | 52.83p                    | 1.43%            |
| 30.11.17                           | -  | -                | -                         | -                |
| 31.05.18                           | -  | -                | -                         | -                |
| <b>B-Class Accumulation Shares</b> |  |                  |                           |                  |
| 30.11.15                           | 2,623                                    | 2,412,500        | 108.7p                    | 0.99%            |
| 30.11.16                           | 2,644                                    | 2,410,000        | 109.7p                    | 0.98%            |
| 30.11.17                           | -  | -                | -                         | -                |
| 31.05.18                           | -  | -                | -                         | -                |
| <b>C-Class Accumulation Shares</b> |  |                  |                           |                  |
| 30.11.15                           | 2,705                                    | 2,481,448        | 109.0p                    | 0.84%            |
| 30.11.16                           | 2,776                                    | 2,521,861        | 110.1p                    | 0.83%            |
| 30.11.17                           | -  | -                | -                         | -                |
| 31.05.18                           | -  | -                | -                         | -                |
| <b>C-Class Income Shares</b>       |  |                  |                           |                  |
| 30.11.15 <sup>B</sup>              | 2,564                                    | 2,411,000        | 106.3p                    | 0.84%            |
| 30.11.16 <sup>B</sup>              | 2,547                                    | 2,410,000        | 105.7p                    | 0.83%            |
| 30.11.17                           | -  | -                | -                         | -                |
| 31.05.18                           | -  | -                | -                         | -                |

<sup>B</sup> The net asset value and the net asset value per income share are shown ex-dividend at the financial year end.

\* The Ongoing charges takes into account the ACD fee, the fixed expenses and any expenses paid to an affiliate in respect of stock lending activities, expressed as a percentage of the average daily net asset values over the period.

## Portfolio statement

As the Fund closed on 17 February 2017, there were no investments as at 31 May 2018.

## Portfolio movements

As the Fund closed on 17 February 2017, there were no movements as at 31 May 2018.

# Financial statements

## Statement of total return

(Unaudited)

For the six months ending 31 May

|   | 2018     | 2017       |
|---|----------|------------|
|   | £'000    | £'000      |
| Income  |          |            |
| Net capital gains   | -        | 397        |
| Revenue   | -        | 55         |
| Expenses  | -        | (32)       |
| Net revenue before taxation   | -        | 23         |
| Taxation  | -        | (5)        |
| Net revenue after taxation  | -        | 18         |
| <b>Total return before distributions</b>  | <b>-</b> | <b>415</b> |
| Distributions   | -        | (8)        |
| <b>Change in net assets attributable to shareholders from investment activities</b> | <b>-</b> | <b>407</b> |

## Balance sheet

As at

|  | 31 May 2018<br>(Unaudited)<br>£'000 | 30 November 2017<br>(Audited)<br>£'000 |
|--|-------------------------------------|--|
| <b>Assets:</b>                                 |                                     |  |
| <b>Current assets:</b>                         |                                     |  |
| Cash and bank balances                         | 7                                   | 9                                      |
| <b>Total assets</b>                            | <b>7</b>                            | <b>9</b>                               |
| <b>Liabilities:</b>                            |                                     |  |
| <b>Creditors:</b>                              |                                     |  |
| Other creditors                                | (7)                                 | (9)                                    |
| <b>Total liabilities</b>                       | <b>(7)</b>                          | <b>(9)</b>                             |
| <b>Net assets attributable to shareholders</b> | <b>-</b>                            | <b>-</b>                               |

## Statement of change in net assets attributable to shareholders

(Unaudited)

For the six months ending 31 May

|   | 2018     | 2017          |
|---|----------|---------------|
|   | £'000    | £'000         |
| <b>Opening net assets attributable to shareholders</b>  | <b>-</b> | <b>13,192</b> |
| Amounts receivable on issue of shares   | -        | 5             |
| Amounts payable on cancellation of shares   | -        | (13,604)      |
|   | -        | (13,599)      |
| <b>Change in net assets attributable to shareholders from investment activities (see above)</b> | <b>-</b> | <b>407</b>    |
| Retained distributions on accumulation shares   | -        | 6             |
| Loss accumulated following fund closure   | -        | (6)           |
| <b>Closing net assets attributable to shareholders</b>  | <b>-</b> | <b>-</b>      |

As the comparatives in the above table are for the previous interim period, the net assets at the end of that period will not agree to the net assets at the start of the current period.

# JPM Global Bond Opportunities Fund

## Investment objective and policy

To provide income and long-term capital growth by investing opportunistically in an unconstrained global portfolio consisting primarily of fixed and floating rate Debt Securities.

The Fund may invest in developed and Emerging Market countries and hold Investment Grade, Below-Investment Grade and Unrated Bonds, Covered Bonds, Asset and Mortgage Backed Securities (ABS and MBS), Credit Linked Notes and Structured Products. The Fund may have a concentrated portfolio and may have a significant exposure to any one country, sector or issuer at any time. Allocations between countries, sectors and ratings of Bonds may vary significantly at any time. **The Fund may use Financial Derivative Instruments (derivatives) for investment purposes or Efficient Portfolio Management including hedging, where appropriate.**

Long Positions will be achieved directly or through the use of Financial Derivative Instruments, and Short Positions will be achieved via the use of Financial Derivative Instruments only.

The Fund may invest up to 10% in Convertible Bonds. The Fund may also hold up to 10% in Equity Securities typically as a result of events relating to the Fund's investment in Debt Securities including, but not limited to, Debt Securities converting or being restructured. The Fund may also use equity derivatives for the purposes of reducing equity exposure as well as the Fund's correlation to equity markets.

The Fund is also permitted to invest up to 100% in government and public securities (see section 3.11(e)) of the Prospectus.

The Fund is opportunistic and it may invest up to 100% of its assets in short-term money market instruments and deposits with credit institutions until suitable investment opportunities can be identified.

The Fund may invest in assets denominated in any currency and currency exposure will be primarily hedged back to Sterling. The Investment Adviser may also use opportunities in the foreign exchange markets to maximise returns.

## Risk profile

The value of your investment may fall as well as rise and you may get back less than you originally invested.

Positive returns are not guaranteed and the Fund should not be used as a substitute for traditional liquidity funds or cash accounts.

The Fund is unconstrained and opportunistic which may result in periods of high volatility.

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.

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.

Convertible Bonds are subject to the credit, interest rate and market risks associated with both Bonds and Equity securities, and to risks specific to Convertible Securities. Convertible Bonds may also be more difficult to sell than the underlying Equity securities.

The value of Equity and Equity-Linked Securities may fluctuate in response to the performance of individual companies and general market conditions.

The Fund's use of equity derivatives to manage the portfolio's correlation to equity markets may not always achieve its objective and could adversely affect the return of your investment.

Emerging Markets may be subject to increased political, regulatory and economic instability, less developed custody and settlement practices, poor transparency and greater financial risks. Emerging Market currencies may be subject to volatile price movements. Emerging Market securities may also be subject to higher volatility and be more difficult to sell than non-Emerging Market 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.

The Fund may use Financial Derivative Instruments (derivatives) and/or forward transactions for investment purposes. The value of derivatives 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 derivative and therefore, investment in derivatives may result in losses in excess of the amount invested by the Fund.

The possible loss from taking a Short Position on a security (using Financial Derivative Instruments) 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.

The Fund may have a significant exposure to Asset and Mortgage Backed Securities (ABS and MBS). ABS / MBS may be difficult to sell, subject to adverse changes to interest rates and to the risk that the payment obligations relating to the underlying asset are not met.

The Fund may be concentrated in a limited number of securities, industry sectors or countries and as a result, may be more volatile than more broadly diversified funds.

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.

The Fund may invest in Structured Products which will involve additional risks including the movements in the value of the underlying asset and the risk of the issuer of the Structured Product becoming insolvent.

The Fund may invest in Credit Linked Notes which involve the risk of the underlying credit instrument decreasing in value or defaulting and the risk of the issuer of the Credit Linked Note becoming insolvent.

Please refer to Part 11 of the Prospectus for details of the general risk factors affecting this Fund in addition to the specific risk factors above.

## Fund review

The Fund has returned -1.56% over the six months to 31 May 18. 2017 was a positive year for the Fund, and returns in December confirmed this: global growth was synchronised in both emerging and developed markets, and corporate health looked very good. 2018 also began this way, and all fixed income sectors posted strong returns for the Fund in January. Since then, however, volatility has been the theme. Some data releases in February suggested a slight softening in the growth picture and led to a more widespread market correction, whilst weakness has persisted.

Over the six-month period, the Fund has experienced negative returns from investment grade credit, where there have been signs of late cycle behaviour and a reduction in demand, particularly from foreign investors. Emerging markets (EM) have suffered the most. Although the Fund avoided some of the larger moves, it has been impacted by idiosyncratic stories, such as the Russian sanctions in April. A stronger US dollar has also caused difficulty for emerging markets in general, entrenched by negative fund flows and a poorer technical picture. Even our higher conviction local stories such as Indonesia have lost some strength. Idiosyncratic risk in developed markets has added to the volatility, particularly in the rates and credit markets: turbulence in Italy in May caused peripheral bonds to underperform and core rates to rally, temporarily hindering performance from our short Treasury and bund positions. Corporate bonds were impacted, especially Italian banks.

US high yield has done slightly better this year: higher spreads and continued strong fundamentals (low default rates and positive leverage metrics) have meant the sector has been better able to shrug off market volatility and absorb core rate rises. Our largest contributor to returns has been from our positioning in US Treasuries and bunds: despite occasional flights to safety, rates have risen throughout the period - from 2.41% at the start of the period, the US 10-year Treasury touched a high of over 3.1% in May. The yield at 31 May was 2.86%. This overall selloff has meant that the short positioning in the Fund has paid off.

Over the period, we have cut our exposure to corporate credit, particularly investment grade, and rotated some exposure from US to European high yield. At the same time, we have shifted tactically in and out of emerging market local debt, whilst keeping duration fairly stable at around three years.

## Fund outlook

Despite the volatility and signs of some regional divergence in economic data, our base case remains one of above-trend growth in the coming months. US fiscal policy has the potential to drive growth forward, and inflation is still relatively benign despite hints of gradual reacceleration. We maintain a constructive view of Europe: markets are calmer after the Italian instability and fears have largely subsided about the severe implications of a euro breakup. Political headlines in Spain will remain primarily contained to domestic politics, and we still see the country as a good growth story. Value is likely to have been created by the volatility and there should be opportunities to add risk. Central bank policy should remain accommodative in the near term: the European Central Bank will

be cautious given recent events, and we do not expect a eurozone rate hike any time soon. We view the Federal Reserve's path slightly differently, and still anticipate three more hikes this year given the continued strength of the US economy. We think US Treasury yields are likely to rise again this year to above 3%, and we continue to manage duration risk by holding short exposure to core government bonds. We are constructive on Spanish government bonds, European high yield and non-Italian peripheral banks, though we are less convinced by the case for emerging markets. Growth is moderating and it is not yet clear whether EM sectors have reached the bottom of recent bearish moves.

## Six month performance to 31 May 2018

|   | Net asset value per share<br>31.05.18 | Net asset value per share<br>30.11.17 | % Return |
|---|---------------------------------------|---------------------------------------|----------|
| <b>JPM Global Bond Opportunities Fund</b> |                                       |                                       |          |
| A-Class Acc                               | 53.53p                                | 54.36p                                | -1.53%   |
| <b>JPM Global Bond Opportunities Fund</b> |                                       |                                       |          |
| B-Class Acc                               | 108.2p                                | 109.7p                                | -1.37%   |
| <b>JPM Global Bond Opportunities Fund</b> |                                       |                                       |          |
| C-Class Acc                               | 108.7p                                | 110.1p                                | -1.27%   |
| <b>JPM Global Bond Opportunities Fund</b> |                                       |                                       |          |
| X-Class Acc                               | 98.99p                                | -                                     | -        |
| Benchmark Index                           |                                       |                                       | -0.70%   |

## 12 month performance^ to 31 May

|   | 2018  | 2017 | 2016  | 2015 from launch |
|---|-------|------|-------|------------------|
| <b>JPM Global Bond Opportunities Fund</b> |       |      |       |                  |
| A-Class Acc                               | 0.6%  | 6.78 | -0.8% | 1.1%             |
| <b>JPM Global Bond Opportunities Fund</b> |       |      |       |                  |
| B-Class Acc                               | 0.8%  | 7.05 | -0.5% | 1.2%             |
| <b>JPM Global Bond Opportunities Fund</b> |       |      |       |                  |
| C-Class Acc                               | 1.0%  | 7.34 | -0.4% | 1.2%             |
| <b>JPM Global Bond Opportunities Fund</b> |       |      |       |                  |
| X-Class Acc                               | -0.3% | -    | -     | -                |
| Benchmark Index                           | 0.0%  | 1.70 | 4.1%  | -0.6%            |

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.

^ Performance returns are calculated using the dealing prices of the accumulation shares which are calculated using market prices and foreign exchange rates available at 12 noon. The benchmark returns, which are based on close of business prices, may reflect variances to the Fund performance that are due to timing differences. Performance returns are in Sterling.

Source: J.P. Morgan.

## Fund statistics

| Risk and Reward Profile                                | 5 <sup>†</sup> (5 at 30 November 2017)                   |         |         |         |
|--|--|---------|---------|---------|
| Fund size  | £28.6m   |         |         |         |
| Benchmark Index  | <b>Bloomberg Barclays Multiverse Index Hedged to GBP</b> |         |         |         |
| Fund charges and expenses                              | A-Class  | B-Class | C-Class | X-Class |
| Initial charge (max.)                                  | Nil  | Nil     | Nil     | Nil     |
| Exit charge  | Nil  | Nil     | Nil     | Nil     |
| Ongoing charge (comprises)                             | 1.16%  | 0.81%   | 0.66%   | 0.07%   |
| Annual management fee                                  | 1.00%  | 0.65%   | 0.50%   | -       |
| Operating expenses (max.)                              | 0.15%  | 0.15%   | 0.15%   | 0.06%   |
| Synthetic fee adjustment from underlying fund holdings | 0.01%  | 0.01%   | 0.01%   | 0.01%   |

## Top ten holdings

|   | %    |
|---|------|
| JPM Global High Yield Bond Fund X (acc) - USD <sup>o</sup>          | 5.03 |
| South Africa Government Bond 6.50% 28/02/2041                       | 1.40 |
| Spain Government Bond 2.90% 31/10/2046                              | 1.03 |
| JPM Global Absolute Return Bond Fund X (dist) - USD <sup>o</sup>    | 0.99 |
| Indonesia Government Bond 8.25% 15/07/2021                          | 0.95 |
| Indonesia Government Bond 8.75% 15/05/2031                          | 0.76 |
| Indonesia Government Bond 8.25% 15/05/2036                          | 0.74 |
| UBS Group Funding Switzerland AG, FRN 5.75% Perpetual               | 0.66 |
| CIFC Funding Ltd., FRN, Series 2017-1A 'A' 3.72% 23/04/2029         | 0.66 |
| Race Point VIII CLO Ltd., FRN, Series 2013-8A 'AR' 3.22% 20/02/2030 | 0.66 |

<sup>o</sup> A related party to the Fund.

## Asset breakdown

|                               | %      |
|-------------------------------|--------|
| Corporate Bonds               | 56.22  |
| Government Bonds              | 14.61  |
| Collective Investment Schemes | 6.02   |
| Liquidity Funds               | 3.43   |
| Convertible Bonds             | 2.15   |
| Equities                      | 0.13   |
| Swaps                         | 0.00   |
| Futures                       | (0.01) |
| Forward Currency Contracts    | (0.79) |
| Net other assets              | 18.24  |

## Highest/lowest share price and distribution record

| Financial year to 30 November                        | Highest share price | Lowest share price | Distribution per share (net) |
|--|---------------------|--------------------|------------------------------|
| <b>A-Class Gross Accumulation Shares<sup>A</sup></b> |                     |                    |                              |
| 2015   | 51.16p              | 48.47p             | 1.17p                        |
| 2016   | 52.51p              | 47.01p             | 1.80p                        |
| 2017   | 54.55p              | 51.27p             | 1.81p                        |
| 2018 <sup>C</sup>                                    | 54.97p              | 53.69p             | 0.89p                        |
| <b>A-Class Gross Income Shares<sup>A</sup></b>       |                     |                    |                              |
| 2015   | 51.10p              | 47.75p             | 1.16p                        |
| 2016   | 50.31p              | 45.91p             | 1.73p                        |
| 2017   | 50.13p              | 48.32p             | 1.69p                        |
| 2018 <sup>C</sup>                                    | 50.08p              | 48.49p             | 0.80p                        |
| <b>B-Class Gross Accumulation Shares<sup>A</sup></b> |                     |                    |                              |
| 2015   | 102.4p              | 97.12p             | 2.58p                        |
| 2016   | 105.5p              | 94.30p             | 3.89p                        |
| 2017   | 110.0p              | 103.1p             | 4.02p                        |
| 2018 <sup>C</sup>                                    | 111.0p              | 108.5p             | 1.99p                        |
| <b>C-Class Gross Accumulation Shares<sup>A</sup></b> |                     |                    |                              |
| 2015   | 102.4p              | 97.20p             | 2.68p                        |
| 2016   | 105.7p              | 94.41p             | 4.02p                        |
| 2017   | 110.5p              | 103.3p             | 4.20p                        |
| 2018 <sup>C</sup>                                    | 111.4p              | 109.0p             | 2.07p                        |
| <b>C-Class Gross Income Shares<sup>A</sup></b>       |                     |                    |                              |
| 2015   | 102.2p              | 95.53p             | 2.65p                        |
| 2016   | 100.7p              | 91.89p             | 3.86p                        |
| 2017   | 100.3p              | 96.62p             | 3.87p                        |
| 2018 <sup>C</sup>                                    | 100.2p              | 97.10p             | 1.85p                        |
| <b>X-Class Gross Accumulation Shares<sup>B</sup></b> |                     |                    |                              |
| 2018 <sup>C</sup>                                    | 100.0p              | 99.28p             | 0.15p                        |

<sup>A</sup> A-Class Accumulation Shares, A-Class Income Shares, B-Class Accumulation Shares, C-Class Accumulation Shares, C-Class Gross Accumulation Shares, C-Class Income Shares and C-Class Gross Income Shares were launched on 30 January 2015.

<sup>B</sup> X-Class Gross Accumulation shares were launched on 14 May 2018.

<sup>C</sup> To 31 May 2018.

## Portfolio turnover rate

|          |        |
|----------|--------|
| 30.11.17 | 97.09% |
| 31.05.18 | 51.97% |

The portfolio turnover rate (PTR) reflects the total of security purchases and sales, less the total of share issues and cancellations, expressed as a percentage of the average daily net asset values over the period.

<sup>†</sup> For specific risks, including the risk and reward profile, please refer to the Key Investor information Document (KIID) available on the following website <http://am.jpmorgan.co.uk/investor/prices-and-factsheets/?list=all&tab=Prices>



## Net asset values and Ongoing charges

| Date                                     | Net asset value per share class<br>£'000 | Number of shares | Net asset value per share | Ongoing charges* |
|--|--|------------------|---------------------------|------------------|
| <b>A-Class Gross Accumulation Shares</b> |  |                  |                           |                  |
| 30.11.15                                 | 2,469                                    | 5,050,668        | 48.89p                    | 1.18%            |
| 30.11.16                                 | 2,583                                    | 5,044,914        | 51.20p                    | 1.18%            |
| 31.11.17                                 | 2,799                                    | 5,149,673        | 54.36p                    | 1.18%            |
| 31.05.18                                 | 2,775                                    | 5,183,897        | 53.53p                    | 1.16%            |
| <b>A-Class Gross Income Shares</b>       |  |                  |                           |                  |
| 30.11.15                                 | 2,405                                    | 5,036,792        | 47.74p                    | 1.18%            |
| 30.11.16                                 | 2,440                                    | 5,056,798        | 48.25p                    | 1.18%            |
| 31.11.17                                 | 2,510                                    | 5,069,158        | 49.51p                    | 1.18%            |
| 31.05.18                                 | 2,443                                    | 5,093,372        | 47.97p                    | 1.16%            |
| <b>B-Class Gross Accumulation Shares</b> |  |                  |                           |                  |
| 30.11.15                                 | 1,639                                    | 1,672,500        | 98.00p                    | 0.83%            |
| 30.11.16                                 | 1,719                                    | 1,670,000        | 102.9p                    | 0.83%            |
| 31.11.17                                 | 1,831                                    | 1,670,000        | 109.7p                    | 0.83%            |
| 31.05.18                                 | 1,807                                    | 1,670,000        | 108.2p                    | 0.81%            |
| <b>C-Class Gross Accumulation Shares</b> |  |                  |                           |                  |
| 30.11.15                                 | 2,458                                    | 2,506,000        | 98.10p                    | 0.68%            |
| 30.11.16                                 | 2,584                                    | 2,505,000        | 103.2p                    | 0.68%            |
| 31.11.17                                 | 5,985                                    | 5,437,404        | 110.1p                    | 0.68%            |
| 31.05.18                                 | 5,980                                    | 5,503,006        | 108.7p                    | 0.66%            |
| <b>C-Class Gross Income Shares</b>       |  |                  |                           |                  |
| 30.11.15                                 | 2,393                                    | 2,506,000        | 95.48p                    | 0.68%            |
| 30.11.16                                 | 2,417                                    | 2,505,000        | 96.48p                    | 0.68%            |
| 31.11.17                                 | 4,961                                    | 5,010,252        | 99.02p                    | 0.68%            |
| 31.05.18                                 | 4,807                                    | 5,010,252        | 95.93p                    | 0.66%            |
| <b>X-Class Gross Accumulation Shares</b> |  |                  |                           |                  |
| 31.05.18                                 | 10,808                                   | 10,918,028       | 98.99p                    | 0.07%            |

The net asset value and the net asset value per income share are shown ex-dividend.

\* The Ongoing charges takes into account the ACD fee, the operating expenses and any expenses paid to an affiliate in respect of stock lending activities, expressed as a percentage of the average daily net asset values over the period since launch.

# Portfolio statement

As at 31 May 2018

| Investment  | Holding   | Market value<br>£'000 | Total net<br>assets % |
|---|-----------|-----------------------|-----------------------|
| <b>Collective Investment Schemes 6.02% (0.98%)</b>          |           |                       |                       |
| JPM Global Absolute Return Bond X (dist) - USD <sup>0</sup> | 3,662     | 282                   | 0.99                  |
| JPM Global High Yield Bond Fund X (acc) - USD <sup>0</sup>  | 12,000    | 1,440                 | 5.03                  |
| <b>Collective Investment Schemes total</b>                  |           | <b>1,722</b>          | <b>6.02</b>           |
| <b>Equities 0.13% (0.18%)</b>                               |           |                       |                       |
| <b>Colombia 0.12% (0.00%)</b>                               |           |                       |                       |
| Frontera Energy Corp.(CAD)                                  | 551       | 12                    | 0.04                  |
| Frontera Energy Corp.(USD)                                  | 1,000     | 22                    | 0.08                  |
|   |           | <b>34</b>             | <b>0.12</b>           |
| <b>Ireland 0.00% (0.18%)</b>                                |           |                       |                       |
| <b>United States of America 0.01% (0.00%)</b>               |           |                       |                       |
| Avaya Holdings Corp.  | 220       | 4                     | 0.01                  |
|   |           | <b>4</b>              | <b>0.01</b>           |
| <b>Equities total</b>                                       |           | <b>38</b>             | <b>0.13</b>           |
| <b>Corporate Bonds 56.22% (71.73%)</b>                      |           |                       |                       |
| <b>Argentina 0.22% (0.20%)</b>                              |           |                       |                       |
| YPF SA 8.50% 23/03/2021                                     | \$45,000  | 36                    | 0.12                  |
| YPF SA 6.95% 21/07/2027                                     | \$40,000  | 28                    | 0.10                  |
|   |           | <b>64</b>             | <b>0.22</b>           |
| <b>Belgium 0.66% (0.89%)</b>                                |           |                       |                       |
| Anheuser-Busch InBev Finance, Inc. 3.65% 01/02/2026         | \$20,000  | 15                    | 0.05                  |
| Anheuser-Busch InBev Finance, Inc. 4.90% 01/02/2046         | \$15,000  | 12                    | 0.04                  |
| Anheuser-Busch InBev Worldwide, Inc. 4.00% 13/04/2028       | \$80,000  | 60                    | 0.21                  |
| Nyrstar Netherlands Holdings BV 6.88% 15/03/2024            | €120,000  | 101                   | 0.36                  |
|   |           | <b>188</b>            | <b>0.66</b>           |
| <b>Brazil 1.15% (1.44%)</b>                                 |           |                       |                       |
| Banco Votorantim SA 7.38% 21/01/2020                        | \$15,000  | 12                    | 0.04                  |
| Itau Unibanco Holding SA, FRN 6.50% Perpetual               | \$200,000 | 143                   | 0.50                  |
| JBS USA LUX SA 7.25% 01/06/2021                             | \$25,000  | 19                    | 0.07                  |
| Votorantim Cimentos SA 7.25% 05/04/2041                     | \$200,000 | 155                   | 0.54                  |
|   |           | <b>329</b>            | <b>1.15</b>           |
| <b>Canada 0.88% (0.87%)</b>                                 |           |                       |                       |
| 1011778 BC ULC 4.25% 15/05/2024                             | \$7,000   | 5                     | 0.02                  |
| Bombardier, Inc. 6.00% 15/10/2022                           | \$6,000   | 4                     | 0.01                  |
| Bombardier, Inc. 6.13% 15/01/2023                           | \$6,000   | 4                     | 0.02                  |
| Bombardier, Inc. 7.50% 15/03/2025                           | \$6,000   | 5                     | 0.02                  |
| Cenovus Energy, Inc. 4.25% 15/04/2027                       | \$35,000  | 25                    | 0.09                  |
| Cenovus Energy, Inc. 6.75% 15/11/2039                       | \$9,000   | 8                     | 0.03                  |
| Cenovus Energy, Inc. 5.20% 15/09/2043                       | \$6,000   | 4                     | 0.01                  |
| Cott Holdings, Inc. 5.50% 01/04/2025                        | \$3,000   | 2                     | 0.01                  |
| Emera US Finance LP 3.55% 15/06/2026                        | \$103,000 | 74                    | 0.26                  |
| Encana Corp. 6.50% 15/08/2034                               | \$20,000  | 18                    | 0.06                  |
| Encana Corp. 6.50% 01/02/2038                               | \$7,000   | 6                     | 0.02                  |
| Garda World Security Corp. 8.75% 15/05/2025                 | \$10,000  | 8                     | 0.03                  |
| MEG Energy Corp. 6.50% 15/01/2025                           | \$5,000   | 4                     | 0.01                  |
| NOVA Chemicals Corp. 4.88% 01/06/2024                       | \$25,000  | 18                    | 0.06                  |
| Quebecor Media, Inc. 5.75% 15/01/2023                       | \$57,000  | 44                    | 0.15                  |
| Teck Resources Ltd. 8.50% 01/06/2024                        | \$2,000   | 2                     | 0.01                  |
| Toronto-Dominion Bank (The), FRN 3.62% 15/09/2031           | \$25,000  | 18                    | 0.06                  |
| Transcanada Trust, FRN 5.63% 20/05/2075                     | \$6,000   | 4                     | 0.01                  |
|   |           | <b>253</b>            | <b>0.88</b>           |
| <b>Colombia 0.12% (0.19%)</b>                               |           |                       |                       |
| Frontera Energy Corp. 10.00% 02/11/2021                     | \$40,000  | 33                    | 0.12                  |
|   |           | <b>33</b>             | <b>0.12</b>           |
| <b>Denmark 0.32% (0.00%)</b>                                |           |                       |                       |
| Danske Bank A/S, FRN 5.75% Perpetual                        | €100,000  | 92                    | 0.32                  |
|   |           | <b>92</b>             | <b>0.32</b>           |
| <b>France 2.67% (1.56%)</b>                                 |           |                       |                       |
| Altice France SA 5.38% 15/05/2022                           | €100,000  | 89                    | 0.31                  |
| Credit Agricole SA 2.75% 10/06/2020                         | \$250,000 | 186                   | 0.65                  |
| Credit Agricole SA, FRN 6.50% Perpetual                     | €100,000  | 95                    | 0.34                  |
| Elis SA 1.88% 15/02/2023                                    | €100,000  | 87                    | 0.30                  |
| Novafives SAS 5.00% 15/06/2025                              | €100,000  | 84                    | 0.29                  |
| Paprec Holding SA 4.00% 31/03/2025                          | €100,000  | 88                    | 0.31                  |
| Peugeot SA 2.38% 14/04/2023                                 | €50,000   | 46                    | 0.16                  |
| SPIE SA 3.13% 22/03/2024                                    | €100,000  | 88                    | 0.31                  |
|   |           | <b>763</b>            | <b>2.67</b>           |

| Investment  | Holding   | Market value<br>£'000 | Total net<br>assets % |
|---|-----------|-----------------------|-----------------------|
| <b>Germany 1.38% (3.02%)</b>                                    |           |                       |                       |
| Commerzbank AG 4.00% 23/03/2026                                 | €29,000   | 27                    | 0.10                  |
| CTC BondCo GmbH 5.25% 15/12/2025                                | €100,000  | 87                    | 0.30                  |
| Deutsche Telekom International Finance BV 1.50% 03/04/2028      | €14,000   | 12                    | 0.04                  |
| IHO Verwaltungs GmbH 3.75% 15/09/2026                           | €100,000  | 91                    | 0.32                  |
| Nidda Healthcare Holding GmbH 3.50% 30/09/2024                  | €100,000  | 85                    | 0.30                  |
| Unitymedia GmbH 3.75% 15/01/2027                                | €100,000  | 92                    | 0.32                  |
|   |           | <b>394</b>            | <b>1.38</b>           |
| <b>Greece 0.30% (0.00%)</b>                                     |           |                       |                       |
| Alpha Bank AE 2.50% 05/02/2023                                  | €100,000  | 87                    | 0.30                  |
|   |           | <b>87</b>             | <b>0.30</b>           |
| <b>Ireland 1.34% (1.56%)</b>                                    |           |                       |                       |
| AerCap Ireland Capital DAC 3.30% 23/01/2023                     | \$150,000 | 109                   | 0.38                  |
| Ardagh Packaging Finance plc 6.75% 15/05/2024                   | €100,000  | 95                    | 0.33                  |
| eircom Finance DAC 4.50% 31/05/2022                             | €100,000  | 89                    | 0.31                  |
| Smurfit Kappa Acquisitions ULC 2.38% 01/02/2024                 | €100,000  | 89                    | 0.32                  |
|   |           | <b>382</b>            | <b>1.34</b>           |
| <b>Israel 0.08% (0.19%)</b>                                     |           |                       |                       |
| Teva Pharmaceutical Finance Netherlands III BV 3.15% 01/10/2026 | \$40,000  | 24                    | 0.08                  |
|   |           | <b>24</b>             | <b>0.08</b>           |
| <b>Italy 1.17% (1.30%)</b>                                      |           |                       |                       |
| EVOCA SpA 7.00% 15/10/2023                                      | €125,000  | 115                   | 0.40                  |
| Leonardo SpA 4.88% 24/03/2025                                   | €100,000  | 99                    | 0.35                  |
| Telecom Italia Capital SA 6.38% 15/11/2033                      | \$4,000   | 3                     | 0.01                  |
| Telecom Italia Capital SA 6.00% 30/09/2034                      | \$1,000   | 1                     | -                     |
| Telecom Italia SpA 3.63% 25/05/2026                             | €125,000  | 117                   | 0.41                  |
|   |           | <b>335</b>            | <b>1.17</b>           |
| <b>Kazakhstan 0.53% (0.00%)</b>                                 |           |                       |                       |
| KazMunayGas National Co. JSC 5.38% 24/04/2030                   | \$200,000 | 151                   | 0.53                  |
|   |           | <b>151</b>            | <b>0.53</b>           |
| <b>Luxembourg 1.62% (3.76%)</b>                                 |           |                       |                       |
| Altice Luxembourg SA 6.25% 15/02/2025                           | €100,000  | 85                    | 0.30                  |
| ArcelorMittal 6.50% 25/02/2022                                  | \$15,000  | 12                    | 0.04                  |
| Intelsat Jackson Holdings SA 7.25% 15/10/2020                   | \$4,000   | 3                     | 0.01                  |
| Intelsat Jackson Holdings SA 7.50% 01/04/2021                   | \$65,000  | 47                    | 0.16                  |
| Intelsat Jackson Holdings SA 5.50% 01/08/2023                   | \$3,000   | 2                     | 0.01                  |
| Intelsat Jackson Holdings SA 8.00% 15/02/2024                   | \$7,000   | 5                     | 0.02                  |
| Samsontite Finco Sarl 3.50% 15/05/2026                          | €100,000  | 80                    | 0.28                  |
| SES SA, FRN 4.62% Perpetual                                     | €100,000  | 91                    | 0.32                  |
| SIG Combibloc Holdings SCA 7.75% 15/02/2023                     | €150,000  | 137                   | 0.48                  |
|   |           | <b>462</b>            | <b>1.62</b>           |
| <b>Mexico 0.34% (0.37%)</b>                                     |           |                       |                       |
| Petroleos Mexicanos 6.88% 04/08/2026                            | \$40,000  | 32                    | 0.11                  |
| Petroleos Mexicanos 5.35% 12/02/2028                            | \$45,000  | 32                    | 0.11                  |
| Petroleos Mexicanos, FRN 5.72% 11/03/2022                       | \$42,000  | 34                    | 0.12                  |
|   |           | <b>98</b>             | <b>0.34</b>           |
| <b>Morocco 0.50% (0.00%)</b>                                    |           |                       |                       |
| OCP SA 4.50% 22/10/2025   | \$200,000 | 144                   | 0.50                  |
|   |           | <b>144</b>            | <b>0.50</b>           |
| <b>Netherlands 0.98% (0.18%)</b>                                |           |                       |                       |
| Sunshine Mid BV 6.50% 15/05/2026                                | €100,000  | 85                    | 0.30                  |
| UPCB Finance VII Ltd. 3.63% 15/06/2029                          | €100,000  | 86                    | 0.30                  |
| Ziggo Bond Finance BV 4.63% 15/01/2025                          | €125,000  | 110                   | 0.38                  |
|   |           | <b>281</b>            | <b>0.98</b>           |
| <b>Peru 0.14% (0.00%)</b>                                       |           |                       |                       |
| Southern Copper Corp. 5.88% 23/04/2045                          | \$50,000  | 41                    | 0.14                  |
|   |           | <b>41</b>             | <b>0.14</b>           |
| <b>Portugal 0.33% (0.53%)</b>                                   |           |                       |                       |
| EDP Finance BV 2.38% 23/03/2023                                 | €100,000  | 94                    | 0.33                  |
|   |           | <b>94</b>             | <b>0.33</b>           |
| <b>Spain 0.91% (0.50%)</b>                                      |           |                       |                       |
| Cellnex Telecom SA 2.38% 16/01/2024                             | €100,000  | 87                    | 0.30                  |
| eDreams ODIGEO SA 8.50% 01/08/2021                              | €97,701   | 89                    | 0.31                  |
| Telefonica Europe BV, FRN 3.88% Perpetual                       | €100,000  | 84                    | 0.30                  |
|   |           | <b>260</b>            | <b>0.91</b>           |

# Portfolio statement – continued

As at 31 May 2018

| Investment  | Holding       | Market value<br>£'000 | Total net<br>assets % | Investment   | Holding   | Market value<br>£'000 | Total net<br>assets % |
|---|---------------|-----------------------|-----------------------|--|-----------|-----------------------|-----------------------|
| <b>Sweden 1.54% (0.47%)</b>   |               |                       |                       | <b>AT&amp;T, Inc. 3.40% 15/05/2025</b>   |           |                       |                       |
| Auris Luxembourg II SA 8.00% 15/01/2023                                     | €100,000      | 91                    | 0.32                  | Avaya, Inc. 7.00% 01/04/2019   | \$10,000  | -                     | -                     |
| Nordea Hypotek AB 2.00% 20/06/2018  | SEK 1,000,000 | 85                    | 0.30                  | Avis Budget Car Rental LLC 5.50% 01/04/2023  | \$35,000  | 25                    | 0.09                  |
| Skandinaviska Enskilda Banken AB 3.00%<br>19/06/2019                        | SEK 1,000,000 | 89                    | 0.31                  | Axalta Coating Systems Dutch Holding B BV<br>3.75% 15/01/2025                                    | €100,000  | 91                    | 0.32                  |
| Swedbank Hypotek AB 3.75% 19/06/2019  | SEK 1,000,000 | 89                    | 0.31                  | Bank of America Commercial Mortgage Trust,<br>FRN, Series 2007-5 'AJ' 6.27% 10/02/2051           | \$81,210  | 62                    | 0.22                  |
| Verisure Midholding AB 5.75% 01/12/2023                                     | €100,000      | 86                    | 0.30                  | Bank of America Corp., FRN 3.12% 20/01/2023  | \$50,000  | 37                    | 0.13                  |
|   |               | <b>440</b>            | <b>1.54</b>           | Bank of America Corp., FRN 3.00% 20/12/2023  | \$105,000 | 77                    | 0.27                  |
| <b>Switzerland 1.30% (2.35%)</b>  |               |                       |                       | <b>Bank of America Corp., FRN 3.97% 05/03/2029</b>   |           |                       |                       |
| Dufry One BV 2.50% 15/10/2024   | €100,000      | 88                    | 0.31                  | Bank of America Corp., FRN 5.87% Perpetual   | \$55,000  | 41                    | 0.14                  |
| UBS AG, FRN 4.75% 12/02/2026  | €100,000      | 95                    | 0.33                  | Bear Stearns Commercial Mortgage Securities Trust,<br>FRN, Series 2006-PW13 'B' 5.66% 11/09/2041 | \$12,914  | 10                    | 0.03                  |
| UBS Group Funding Switzerland AG, FRN 5.75%<br>Perpetual                    | €200,000      | 190                   | 0.66                  | Blue Cube Spinco LLC 10.00% 15/10/2025   | \$15,000  | 13                    | 0.05                  |
|   |               | <b>373</b>            | <b>1.30</b>           | Boyd Gaming Corp. 6.88% 15/05/2023   | \$10,000  | 8                     | 0.03                  |
| <b>United Kingdom 4.92% (4.34%)</b>   |               |                       |                       | <b>Boyer USA, Inc. 7.25% 01/05/2025</b>  |           |                       |                       |
| BAT Capital Corp. 3.56% 15/08/2027  | \$65,000      | 46                    | 0.16                  | Broadcom Corp. 3.63% 15/01/2024  | \$35,000  | 26                    | 0.09                  |
| BAT Capital Corp. 4.39% 15/08/2037  | \$50,000      | 36                    | 0.13                  | Buckeye Partners LP 3.95% 01/12/2026   | \$30,000  | 21                    | 0.07                  |
| BAT International Finance plc 3.50% 15/06/2022                              | \$55,000      | 41                    | 0.14                  | BWX Technologies, Inc. 5.38% 15/07/2026  | \$3,000   | 2                     | 0.01                  |
| EC Finance plc 2.38% 15/11/2022   | €125,000      | 109                   | 0.38                  | Cablevision Systems Corp. 8.00% 15/04/2020   | \$8,000   | 6                     | 0.02                  |
| Fiat Chrysler Finance Europe SA 4.75% 15/07/2022                            | €100,000      | 98                    | 0.34                  | Calpine Corp. 6.00% 15/01/2022   | \$50,000  | 38                    | 0.13                  |
| HBOS Capital Funding LP, FRN 6.46% Perpetual                                | €15,000       | 15                    | 0.06                  | Capital One Financial Corp. 3.50% 15/06/2023   | \$30,000  | 22                    | 0.08                  |
| INEOS Finance plc 4.00% 01/05/2023  | €100,000      | 89                    | 0.31                  | Capital One Financial Corp. 3.75% 28/07/2026   | \$30,000  | 21                    | 0.07                  |
| Lloyds Banking Group plc, FRN 6.37% Perpetual                               | €200,000      | 187                   | 0.65                  | Capital One Financial Corp. 3.75% 09/03/2027   | \$15,000  | 11                    | 0.04                  |
| Nomad Foods Bondco plc 3.25% 15/05/2024                                     | €100,000      | 88                    | 0.31                  | Capital One Financial Corp. 3.80% 31/01/2028   | \$15,000  | 11                    | 0.04                  |
| Royal Bank of Scotland Group plc 6.13%<br>15/12/2022                        | \$50,000      | 40                    | 0.14                  | Carrizo Oil & Gas, Inc. 6.25% 15/04/2023   | \$15,000  | 11                    | 0.04                  |
| Royal Bank of Scotland Group plc, FRN 3.50%<br>15/05/2023                   | \$200,000     | 146                   | 0.51                  | CCO Holdings LLC 5.38% 01/05/2025  | \$53,000  | 39                    | 0.14                  |
| Santander UK Group Holdings plc 3.57%<br>10/01/2023                         | \$200,000     | 146                   | 0.51                  | CCO Holdings LLC 5.75% 15/02/2026  | \$60,000  | 44                    | 0.15                  |
| Sky plc 3.13% 26/11/2022  | \$40,000      | 30                    | 0.10                  | CCO Holdings LLC 5.50% 01/05/2026  | \$20,000  | 14                    | 0.05                  |
| Synlab Unsecured Bondco plc 8.25% 01/07/2023                                | €100,000      | 93                    | 0.33                  | CCO Holdings LLC 5.13% 01/05/2027  | \$130,000 | 91                    | 0.32                  |
| Tesco Corporate Treasury Services plc 2.50%<br>01/07/2024                   | €125,000      | 115                   | 0.40                  | CDC Mortgage Capital Trust, FRN, Series 2003-HE1<br>'MI' 3.25% 25/08/2033                        | \$48,586  | 36                    | 0.13                  |
| Vodafone Group plc 4.38% 30/05/2028   | \$45,000      | 34                    | 0.12                  | CDW LLC 5.00% 01/09/2025   | \$30,000  | 22                    | 0.08                  |
| Worldpay Finance plc 3.75% 15/11/2022                                       | €100,000      | 94                    | 0.33                  | CenturyLink, Inc. 5.80% 15/03/2022   | \$15,000  | 11                    | 0.04                  |
|   |               | <b>1,407</b>          | <b>4.92</b>           | CF Industries, Inc. 4.50% 01/12/2026   | \$15,000  | 11                    | 0.04                  |
| <b>United States of America 32.82% (48.00%)</b>                             |               |                       |                       | <b>Charter Communications Operating LLC 4.91%<br/>23/07/2025</b>                                 |           |                       |                       |
| Acadia Healthcare Co., Inc. 5.63% 15/02/2023                                | \$6,000       | 5                     | 0.02                  | Chase Mortgage Finance Trust, FRN, Series<br>2007-A1 '1A3' 3.77% 25/02/2037 <sup>a</sup>         | \$60,049  | 45                    | 0.16                  |
| AES Corp. 5.50% 15/04/2025  | \$14,000      | 11                    | 0.04                  | Chemours Co. (The) 6.63% 15/05/2023  | \$25,000  | 20                    | 0.07                  |
| AES Corp. 5.13% 01/09/2027  | \$4,000       | 3                     | 0.01                  | Chemours Co. (The) 7.00% 15/05/2025  | \$3,000   | 2                     | 0.01                  |
| AIMCO CLO, FRN, Series 2017-AA 'A' 3.00%<br>20/07/2029                      | \$250,000     | 188                   | 0.66                  | Cheniere Corpus Christi Holdings LLC 5.87%<br>31/03/2025   | \$25,000  | 20                    | 0.07                  |
| Air Lease Corp. 3.00% 15/09/2023  | \$20,000      | 14                    | 0.05                  | Chesapeake Energy Corp. 8.00% 15/12/2022   | \$6,000   | 5                     | 0.02                  |
| Aircastle Ltd. 5.13% 15/03/2021   | \$10,000      | 8                     | 0.03                  | Chesapeake Energy Corp., FRN 5.60% 15/04/2019  | \$16,000  | 12                    | 0.04                  |
| Albertsons Cos. LLC 6.63% 15/06/2024  | \$5,000       | 4                     | 0.01                  | Chevron Corp. 2.36% 05/12/2022   | \$50,000  | 36                    | 0.13                  |
| Albertsons Cos. LLC 5.75% 15/03/2025  | \$25,000      | 16                    | 0.06                  | CIFC Funding Ltd., FRN, Series 2017-1A 'A' 3.72%<br>23/04/2029                                   | \$250,000 | 188                   | 0.66                  |
| Alliance Data Systems Corp. 5.38% 01/08/2022                                | \$5,000       | 4                     | 0.01                  | Cincinnati Bell, Inc. 7.00% 15/07/2024   | \$3,000   | 2                     | 0.01                  |
| Allison Transmission, Inc. 4.75% 01/10/2027                                 | \$5,000       | 3                     | 0.01                  | Cinemark USA, Inc. 5.13% 15/12/2022  | \$20,000  | 15                    | 0.05                  |
| Ally Financial, Inc. 4.25% 15/04/2021                                       | \$35,000      | 26                    | 0.09                  | CIT Group, Inc. 5.00% 15/08/2022   | \$19,000  | 15                    | 0.05                  |
| Ally Financial, Inc. 4.62% 30/03/2025                                       | \$10,000      | 7                     | 0.03                  | Citigroup, Inc. 3.88% 26/03/2025   | \$35,000  | 25                    | 0.09                  |
| Ally Financial, Inc. 5.75% 20/11/2025                                       | \$25,000      | 19                    | 0.07                  | Citigroup, Inc. 4.40% 10/06/2025   | \$35,000  | 26                    | 0.09                  |
| Ally Financial, Inc. 8.00% 01/11/2031                                       | \$5,000       | 4                     | 0.02                  | Citigroup, Inc. 4.60% 09/03/2026   | \$30,000  | 23                    | 0.08                  |
| Alternative Loan Trust, Series 2005-23CB 'A7'<br>5.25% 25/07/2035           | \$33,123      | 23                    | 0.08                  | Citigroup, Inc., FRN 3.14% 24/01/2023  | \$40,000  | 29                    | 0.10                  |
| Altria Group, Inc. 4.25% 09/08/2042   | \$30,000      | 21                    | 0.07                  | Citigroup, Inc., FRN 6.25% Perpetual   | \$95,000  | 73                    | 0.26                  |
| Altria Group, Inc. 3.88% 16/09/2046   | \$15,000      | 10                    | 0.04                  | Claire's Stores, Inc. 6.13% 15/03/2020 <sup>§</sup>  | \$10,000  | 4                     | 0.02                  |
| AMC Entertainment Holdings, Inc. 5.75%<br>15/06/2025                        | \$20,000      | 15                    | 0.05                  | Clean Harbors, Inc. 5.13% 01/06/2021   | \$15,000  | 11                    | 0.04                  |
| AMC Entertainment Holdings, Inc. 6.13%<br>15/05/2027                        | \$10,000      | 7                     | 0.03                  | Clear Channel Worldwide Holdings, Inc. 7.63%<br>15/03/2020                                       | \$100,000 | 75                    | 0.26                  |
| American Airlines Pass-Through Trust, Series<br>2015-1 'B' 3.70% 01/11/2024 | \$25,282      | 19                    | 0.07                  | Clear Channel Worldwide Holdings, Inc. 6.50%<br>15/11/2022                                       | \$110,000 | 84                    | 0.29                  |
| American Axle & Manufacturing, Inc. 6.63%<br>15/10/2022                     | \$52,000      | 40                    | 0.14                  | COBALT CMBS Commercial Mortgage Trust, FRN,<br>Series 2007-C3 'B' 6.00% 15/05/2046               | \$100,000 | 75                    | 0.26                  |
| American Axle & Manufacturing, Inc. 6.50%<br>01/04/2027                     | \$3,000       | 2                     | 0.01                  | Comcast Corp. 3.15% 01/03/2026   | \$50,000  | 35                    | 0.12                  |
| American Express Credit Corp. 2.70% 03/03/2022                              | \$55,000      | 40                    | 0.14                  | Comcast Corp. 4.25% 15/01/2033   | \$30,000  | 22                    | 0.08                  |
| American International Group, Inc. 3.90%<br>01/04/2026                      | \$60,000      | 44                    | 0.15                  | Comcast Corp. 3.20% 15/07/2036   | \$20,000  | 13                    | 0.04                  |
| American Tower Corp., REIT 5.00% 15/02/2024                                 | \$50,000      | 39                    | 0.14                  | Comcast Corp. 4.60% 15/08/2045   | \$35,000  | 26                    | 0.09                  |
| American Tower Corp., REIT 3.38% 15/10/2026                                 | \$30,000      | 21                    | 0.07                  | Commercial Metals Co. 4.88% 15/05/2023   | \$25,000  | 18                    | 0.06                  |
| American Tower Corp., REIT 3.60% 15/01/2028                                 | \$60,000      | 42                    | 0.15                  | Commercial Mortgage Trust, FRN, Series 2004-GG1<br>'H' 6.60% 10/06/2036                          | \$100,000 | 76                    | 0.27                  |
| Amgen, Inc. 2.65% 11/05/2022  | \$12,000      | 9                     | 0.03                  | CommScope Technologies LLC 6.00% 15/06/2025  | \$50,000  | 38                    | 0.13                  |
| Amkor Technology, Inc. 6.38% 01/10/2022                                     | \$40,000      | 31                    | 0.11                  | Community Health Systems, Inc. 6.88% 01/02/2022  | \$7,000   | 3                     | 0.01                  |
| AMN Healthcare, Inc. 5.13% 01/10/2024                                       | \$4,000       | 3                     | 0.01                  | Community Health Systems, Inc. 6.25% 31/03/2023  | \$5,000   | 3                     | 0.01                  |
| Analog Devices, Inc. 4.50% 05/12/2036                                       | \$5,000       | 4                     | 0.01                  | Concho Resources, Inc. 3.75% 01/10/2027  | \$12,000  | 9                     | 0.03                  |
| Antero Resources Corp. 5.13% 01/12/2022                                     | \$16,000      | 12                    | 0.04                  | Concho Resources, Inc. 4.88% 01/10/2047  | \$4,000   | 3                     | 0.01                  |
| Arconic, Inc. 5.90% 01/02/2027  | \$45,000      | 34                    | 0.12                  | Consolidated Communications, Inc. 6.50%<br>01/10/2022  | \$3,000   | 2                     | 0.01                  |
| Argent Securities, Inc., FRN, Series 2004-W3<br>'A3' 2.72% 25/02/2034       | \$147,454     | 108                   | 0.38                  | Coty, Inc. 4.75% 15/04/2026  | €100,000  | 87                    | 0.30                  |
| AT&T, Inc. 3.90% 11/03/2024   | \$35,000      | 26                    | 0.09                  | Coty, Inc. 6.50% 15/04/2026  | \$25,000  | 18                    | 0.06                  |
|   |               |                       |                       | Countrywide Asset-Backed Certificates Trust,<br>FRN, Series 2004-ECC2 'M2' 2.87% 25/12/2034      | \$112,939 | 85                    | 0.30                  |
|   |               |                       |                       | Countrywide Asset-Backed Certificates Trust, FRN,<br>Series 2005-AB3 '1A1' 2.40% 25/02/2036      | \$47,394  | 35                    | 0.12                  |

# Portfolio statement – continued

As at 31 May 2018

| Investment  | Holding     | Market value<br>£'000 | Total net<br>assets % | Investment  | Holding   | Market value<br>£'000 | Total net<br>assets % |
|---|-------------|-----------------------|-----------------------|---|-----------|-----------------------|-----------------------|
| Crown Castle International Corp., REIT 5.25%<br>15/01/2023                          | \$20,000    | 16                    | 0.06                  | Hanesbrands, Inc. 4.63% 15/05/2024  | \$25,000  | 18                    | 0.06                  |
| CSC Holdings LLC 6.75% 15/11/2021   | \$7,000     | 6                     | 0.02                  | Harris Corp. 4.40% 15/06/2028   | \$40,000  | 30                    | 0.11                  |
| CSC Holdings LLC 5.25% 01/06/2024   | \$25,000    | 18                    | 0.06                  | Harris Corp. 4.85% 27/04/2035   | \$35,000  | 27                    | 0.10                  |
| CURO Financial Technologies Corp. 12.00%<br>01/03/2022                              | \$2,000     | 2                     | 0.01                  | HCA, Inc. 7.50% 15/02/2022  | \$25,000  | 20                    | 0.07                  |
| CVS Health Corp. 4.30% 25/03/2028   | \$65,000    | 48                    | 0.17                  | HCA, Inc. 5.88% 15/03/2022  | \$60,000  | 47                    | 0.17                  |
| CVS Health Corp. 4.78% 25/03/2038   | \$20,000    | 15                    | 0.05                  | HCA, Inc. 5.38% 01/02/2025  | \$140,000 | 103                   | 0.36                  |
| Dana Financing Luxembourg Sarl 6.50%<br>01/06/2026                                  | \$40,000    | 31                    | 0.11                  | HCA, Inc. 5.88% 15/02/2026  | \$50,000  | 38                    | 0.13                  |
| Darling Global Finance BV 3.63% 15/05/2026  | €100,000    | 88                    | 0.31                  | Hecla Mining Co. 6.88% 01/05/2021   | \$20,000  | 15                    | 0.05                  |
| DaVita, Inc. 5.13% 15/07/2024   | \$5,000     | 4                     | 0.01                  | Herc Rentals, Inc. 7.75% 01/06/2024   | \$8,000   | 6                     | 0.02                  |
| Dell International LLC 6.02% 15/06/2026   | \$45,000    | 36                    | 0.12                  | Hertz Corp. (The) 7.63% 01/06/2022  | \$25,000  | 18                    | 0.06                  |
| Delphi Technologies plc 5.00% 01/10/2025  | \$25,000    | 18                    | 0.06                  | Hertz Corp. (The) 5.50% 15/10/2024  | \$25,000  | 15                    | 0.05                  |
| Diamond Offshore Drilling, Inc. 7.88% 15/08/2025                                    | \$5,000     | 4                     | 0.01                  | Hexion, Inc. 6.63% 15/04/2020   | \$10,000  | 7                     | 0.02                  |
| DISH DBS Corp. 6.75% 01/06/2021   | \$16,000    | 12                    | 0.04                  | Hilcorp Energy I LP 5.00% 01/12/2024  | \$9,000   | 7                     | 0.02                  |
| DISH DBS Corp. 5.00% 15/03/2023   | \$4,000     | 3                     | 0.01                  | Hilton Worldwide Finance LLC 4.88% 01/04/2027   | \$25,000  | 18                    | 0.06                  |
| DISH DBS Corp. 5.88% 15/11/2024   | \$200,000   | 124                   | 0.43                  | Hologic, Inc. 4.38% 15/10/2025  | \$2,000   | 1                     | 0.01                  |
| Dole Food Co., Inc. 7.25% 15/06/2025  | \$4,000     | 3                     | 0.01                  | Hughes Satellite Systems Corp. 5.25% 01/08/2026   | \$6,000   | 4                     | 0.02                  |
| DT Auto Owner Trust, Series 2015-1A 'D' 4.26%<br>15/02/2022                         | \$35,291    | 27                    | 0.09                  | Huntsman International LLC 5.13% 15/11/2022   | \$50,000  | 39                    | 0.14                  |
| Eldorado Resorts, Inc. 6.00% 01/04/2025   | \$25,000    | 19                    | 0.07                  | Huntsman International LLC 4.25% 01/04/2025   | €100,000  | 100                   | 0.35                  |
| Embarq Corp. 8.00% 01/06/2036   | \$15,000    | 11                    | 0.04                  | Icahn Enterprises LP 6.00% 01/08/2020   | \$10,000  | 8                     | 0.03                  |
| Encompass Health Corp. 5.75% 15/09/2025   | \$50,000    | 38                    | 0.13                  | iHeartCommunications, Inc. 9.00% 15/12/2019   | \$15,000  | 9                     | 0.03                  |
| Energy Transfer Equity LP 5.88% 15/01/2024  | \$5,000     | 4                     | 0.01                  | Infor US, Inc. 6.50% 15/05/2022   | \$35,000  | 27                    | 0.09                  |
| Entegris, Inc. 4.63% 10/02/2026   | \$25,000    | 18                    | 0.06                  | International Paper Co. 4.35% 15/08/2048  | \$15,000  | 10                    | 0.04                  |
| Enterprise Products Operating LLC, FRN 5.25%<br>16/08/2077                          | \$20,000    | 14                    | 0.05                  | inVentiv Group Holdings, Inc. 7.50% 01/10/2024  | \$9,000   | 7                     | 0.03                  |
| Enterprise Products Operating LLC, FRN 5.38%<br>15/02/2078                          | \$3,000     | 2                     | 0.01                  | IQVIA, Inc. 3.50% 15/10/2024  | €100,000  | 89                    | 0.31                  |
| EP Energy LLC 9.38% 01/05/2024  | \$5,000     | 3                     | 0.01                  | ITC Holdings Corp. 3.35% 15/11/2027   | \$30,000  | 21                    | 0.07                  |
| EP Energy LLC 8.00% 29/11/2024  | \$4,000     | 3                     | 0.01                  | J.P. Morgan Mortgage Trust, FRN, Series 2007-A1<br>'3A2' 3.77% 25/07/2035 <sup>a</sup>    | \$45,143  | 34                    | 0.12                  |
| EP Energy LLC 8.00% 15/02/2025  | \$5,000     | 3                     | 0.01                  | Jack Ohio Finance LLC 6.75% 15/11/2021  | \$15,000  | 12                    | 0.04                  |
| EP Energy LLC 7.75% 15/05/2026  | \$20,000    | 15                    | 0.05                  | Kaiser Aluminum Corp. 5.88% 15/05/2024  | \$5,000   | 4                     | 0.01                  |
| Equinix, Inc., REIT 2.88% 15/03/2024  | €100,000    | 87                    | 0.30                  | KFC Holding Co. 4.75% 01/06/2027  | \$7,000   | 5                     | 0.02                  |
| Equinix, Inc., REIT 5.88% 15/01/2026  | \$25,000    | 19                    | 0.07                  | Kinetic Concepts, Inc. 7.88% 15/02/2021   | \$10,000  | 8                     | 0.03                  |
| ESH Hospitality, Inc., REIT 5.25% 01/05/2025  | \$10,000    | 7                     | 0.03                  | KLX, Inc. 5.88% 01/12/2022  | \$15,000  | 12                    | 0.04                  |
| Exela Intermediate LLC 10.00% 15/07/2023  | \$5,000     | 4                     | 0.01                  | Kraft Heinz Foods Co. 5.20% 15/07/2045  | \$12,000  | 9                     | 0.03                  |
| Exelon Generation Co. LLC 4.25% 15/06/2022  | \$35,000    | 27                    | 0.09                  | Kraft Heinz Foods Co. 4.38% 01/06/2046  | \$5,000   | 3                     | 0.01                  |
| FHLMC, IO, Series 4170 'NI' 2.50% 15/02/2028  | \$878,810   | 50                    | 0.17                  | Kroger Co. (The) 2.65% 15/10/2026   | \$50,000  | 33                    | 0.12                  |
| FHLMC, IO, Series 4204 'HI' 2.50% 15/05/2028  | \$540,670   | 29                    | 0.10                  | Ladder Capital Finance Holdings LLLP 5.25%<br>15/03/2022                                  | \$4,000   | 3                     | 0.01                  |
| FHLMC, IO, Series 4219 'BI' 3.00% 15/02/2027  | \$1,109,573 | 74                    | 0.26                  | LB-UBS Commercial Mortgage Trust, FRN,<br>Series 2006-C6 'AJ' 5.45% 15/09/2039            | \$65,451  | 37                    | 0.13                  |
| FHLMC, IO, Series 4297 'CI' 3.00% 15/12/2030  | \$752,883   | 41                    | 0.14                  | LB-UBS Commercial Mortgage Trust, FRN,<br>Series 2007-C6 'AJ' 6.44% 15/07/2040            | \$200,000 | 153                   | 0.53                  |
| FHLMC, IO, FRN, Series K054 'X3' 1.65%<br>25/04/2043                                | \$990,000   | 75                    | 0.26                  | Lennar Corp. 8.38% 15/01/2021   | \$25,000  | 21                    | 0.07                  |
| First Data Corp. 5.38% 15/08/2023   | \$35,000    | 27                    | 0.09                  | Level 3 Financing, Inc. 5.13% 01/05/2023  | \$20,000  | 15                    | 0.05                  |
| First Data Corp. 5.75% 15/01/2024   | \$105,000   | 79                    | 0.28                  | Level 3 Financing, Inc. 5.25% 15/03/2026  | \$13,000  | 9                     | 0.03                  |
| First Franklin Mortgage Loan Trust, FRN,<br>Series 2004-FF7 'MI' 2.77% 25/09/2034   | \$152,379   | 114                   | 0.40                  | Level 3 Parent LLC 5.75% 01/12/2022   | \$100,000 | 75                    | 0.26                  |
| First Franklin Mortgage Loan Trust, FRN,<br>Series 2006-FF8 'IIA3' 2.05% 25/07/2036 | \$38,726    | 29                    | 0.10                  | LKQ Corp. 4.75% 15/05/2023  | \$10,000  | 7                     | 0.03                  |
| FirstEnergy Corp. 3.90% 15/07/2027  | \$25,000    | 18                    | 0.06                  | LV Tower 52 Issuer, Series 2013-1 'M' 7.75%<br>15/02/2023                                 | \$248,438 | 186                   | 0.65                  |
| FirstEnergy Transmission LLC 5.45% 15/07/2044                                       | \$25,000    | 21                    | 0.07                  | Mallinckrodt International Finance SA 5.50%<br>15/04/2025                                 | \$20,000  | 12                    | 0.04                  |
| FNMA, IO, Series 2013-64 'LI' 3.00% 25/06/2033                                      | \$431,661   | 43                    | 0.15                  | Marathon Petroleum Corp. 4.75% 15/09/2044   | \$11,000  | 8                     | 0.03                  |
| Freepart-McMoran, Inc. 3.55% 01/03/2022   | \$15,000    | 11                    | 0.04                  | Martin Marietta Materials, Inc. 3.50% 15/12/2027  | \$25,000  | 18                    | 0.06                  |
| Frontier Communications Corp. 11.00% 15/09/2025                                     | \$4,000     | 2                     | 0.01                  | Martin Marietta Materials, Inc. 4.25% 15/12/2047  | \$8,000   | 5                     | 0.02                  |
| FXI Holdings, Inc. 7.88% 01/11/2024   | \$2,000     | 1                     | 0.01                  | Masco Corp. 3.50% 01/04/2021  | \$20,000  | 15                    | 0.05                  |
| Gates Global LLC 6.00% 15/07/2022   | \$4,000     | 3                     | 0.01                  | Masco Corp. 4.38% 01/04/2026  | \$30,000  | 23                    | 0.08                  |
| GCI, Inc. 6.88% 15/04/2025  | \$25,000    | 20                    | 0.07                  | Masco Corp. 3.50% 15/11/2027  | \$10,000  | 7                     | 0.02                  |
| General Electric Co. 4.50% 11/03/2044   | \$75,000    | 54                    | 0.19                  | Mattel, Inc. 6.75% 31/12/2025   | \$27,000  | 20                    | 0.07                  |
| General Motors Co. 5.20% 01/04/2045   | \$35,000    | 25                    | 0.09                  | Merrill Lynch Mortgage Investors Trust, FRN,<br>Series 2005-FM1 'MI' 2.62% 25/05/2036     | \$63,220  | 47                    | 0.16                  |
| General Motors Financial Co., Inc. 4.00%<br>15/01/2025                              | \$50,000    | 37                    | 0.13                  | Merrill Lynch Mortgage Investors Trust MLMI,<br>FRN, Series 2005-A5 'A9' 3.21% 25/06/2035 | \$44,880  | 34                    | 0.12                  |
| GEO Group, Inc. (The), REIT 5.88% 15/10/2024  | \$40,000    | 30                    | 0.10                  | MGM Resorts International 6.00% 15/03/2023  | \$135,000 | 105                   | 0.37                  |
| GNMA, IO, Series 2013-109 'TI' 4.50% 20/07/2041                                     | \$809,710   | 49                    | 0.17                  | Microsoft Corp. 4.10% 06/02/2037  | \$45,000  | 35                    | 0.12                  |
| Golden Nugget, Inc. 6.75% 15/10/2024  | \$6,000     | 5                     | 0.02                  | Morgan Stanley 3.70% 23/10/2024   | \$105,000 | 78                    | 0.27                  |
| Goldman Sachs Group, Inc. (The) 2.63%<br>25/04/2021                                 | \$60,000    | 44                    | 0.15                  | Morgan Stanley, FRN 3.77% 24/01/2029  | \$20,000  | 14                    | 0.05                  |
| Goldman Sachs Group, Inc. (The) 2.35% 15/11/2021                                    | \$55,000    | 40                    | 0.14                  | Morgan Stanley, FRN 3.97% 22/07/2038  | \$45,000  | 31                    | 0.11                  |
| Goldman Sachs Group, Inc. (The) 4.25% 21/10/2025                                    | \$30,000    | 22                    | 0.08                  | Morgan Stanley ABS Capital I, Inc. Trust, FRN,<br>Series 2004-HE1 'MI' 2.75% 25/01/2034   | \$53,507  | 40                    | 0.14                  |
| Goldman Sachs Group, Inc. (The), FRN 2.90%<br>24/07/2023                            | \$35,000    | 25                    | 0.09                  | MPH Acquisition Holdings LLC 7.13% 01/06/2024   | \$10,000  | 8                     | 0.03                  |
| Goldman Sachs Group, Inc. (The), FRN 3.92%<br>29/11/2023                            | \$20,000    | 16                    | 0.05                  | MPLX LP 4.50% 15/04/2038  | \$25,000  | 18                    | 0.06                  |
| Goldman Sachs Group, Inc. (The), FRN 3.49%<br>15/05/2026                            | \$71,000    | 53                    | 0.18                  | MPLX LP 5.20% 01/03/2047  | \$5,000   | 4                     | 0.01                  |
| Goldman Sachs Group, Inc. (The), FRN 3.81%<br>23/04/2029                            | \$20,000    | 14                    | 0.05                  | Neiman Marcus Group Ltd. LLC 8.00% 15/10/2021   | \$25,000  | 13                    | 0.05                  |
| Goldman Sachs Group, Inc. (The), FRN 5.00%<br>Perpetual                             | \$54,000    | 39                    | 0.14                  | Netflix, Inc. 4.88% 15/04/2028  | \$25,000  | 18                    | 0.06                  |
| Goodyear Tire & Rubber Co. (The) 5.00%<br>31/05/2026                                | \$19,000    | 13                    | 0.05                  | New Albertsons LP 8.00% 01/05/2031  | \$25,000  | 15                    | 0.05                  |
| Goodyear Tire & Rubber Co. (The) 4.88%<br>15/03/2027                                | \$3,000     | 2                     | 0.01                  | Nielsen Finance LLC 5.00% 15/04/2022  | \$25,000  | 19                    | 0.07                  |
|   |             |                       |                       | Noble Energy, Inc. 3.85% 15/01/2028   | \$60,000  | 44                    | 0.15                  |
|   |             |                       |                       | Novelis Corp. 5.88% 30/09/2026  | \$5,000   | 4                     | 0.01                  |
|   |             |                       |                       | NRG Energy, Inc. 6.25% 01/05/2024   | \$50,000  | 39                    | 0.14                  |
|   |             |                       |                       | NRG Energy, Inc. 6.63% 15/01/2027   | \$10,000  | 8                     | 0.03                  |
|   |             |                       |                       | Oasis Petroleum, Inc. 6.88% 15/01/2023  | \$20,000  | 15                    | 0.05                  |
|   |             |                       |                       | ONEOK Partners LP 3.38% 01/10/2022  | \$50,000  | 37                    | 0.15                  |
|   |             |                       |                       | Outfront Media Capital LLC, Series WI 5.63%<br>15/02/2024                                 | \$25,000  | 19                    | 0.07                  |

# Portfolio statement – continued

As at 31 May 2018

| Investment  | Holding   | Market value<br>£'000 | Total net<br>assets % |
|---|-----------|-----------------------|-----------------------|
| Owens Corning 4.30% 15/07/2047                                      | \$20,000  | 13                    | 0.04                  |
| Owens Corning 4.40% 30/01/2048                                      | \$5,000   | 3                     | 0.01                  |
| PetSmart, Inc. 7.13% 15/03/2023                                     | \$29,000  | 10                    | 0.04                  |
| PetSmart, Inc. 5.88% 01/06/2025                                     | \$2,000   | 1                     | -                     |
| PolyOne Corp. 5.25% 15/03/2023                                      | \$30,000  | 23                    | 0.08                  |
| Post Holdings, Inc. 5.75% 01/03/2027                                | \$50,000  | 36                    | 0.13                  |
| PPL Capital Funding, Inc. 3.10% 15/05/2026                          | \$40,000  | 28                    | 0.10                  |
| Prime Security Services Borrower LLC 9.25% 15/05/2023               | \$30,000  | 24                    | 0.08                  |
| QEP Resources, Inc. 5.38% 01/10/2022                                | \$5,000   | 4                     | 0.01                  |
| Qwest Capital Funding, Inc. 7.75% 15/02/2031                        | \$25,000  | 17                    | 0.06                  |
| Race Point VIII CLO Ltd., FRN, Series 2013-8A 'AR' 3.22% 20/02/2030 | \$250,000 | 188                   | 0.66                  |
| Rackspace Hosting, Inc. 8.63% 15/11/2024                            | \$20,000  | 15                    | 0.05                  |
| Reynolds Group Issuer, Inc. 5.75% 15/10/2020                        | \$24,228  | 18                    | 0.06                  |
| Reynolds Group Issuer, Inc. 6.87% 15/02/2021                        | \$34,654  | 26                    | 0.09                  |
| RHP Hotel Properties LP, REIT 5.00% 15/04/2023                      | \$35,000  | 26                    | 0.09                  |
| Rockwell Collins, Inc. 3.50% 15/03/2027                             | \$115,000 | 82                    | 0.29                  |
| Roper Technologies, Inc. 3.80% 15/12/2026                           | \$55,000  | 41                    | 0.14                  |
| RR Donnelley & Sons Co. 7.63% 15/06/2020                            | \$3,000   | 2                     | 0.01                  |
| Sabine Pass Liquefaction LLC 5.63% 01/03/2025                       | \$20,000  | 16                    | 0.06                  |
| Sabre GBLB, Inc. 5.38% 15/04/2023                                   | \$10,000  | 8                     | 0.03                  |
| Scientific Games International, Inc. 10.00% 01/12/2022              | \$5,000   | 4                     | 0.01                  |
| Scotts Miracle-Gro Co. (The) 5.25% 15/12/2026                       | \$30,000  | 21                    | 0.08                  |
| Seminole Hard Rock Entertainment, Inc. 5.88% 15/05/2021             | \$20,000  | 15                    | 0.05                  |
| Sempra Energy 3.80% 01/02/2038                                      | \$30,000  | 21                    | 0.07                  |
| SESI LLC 7.13% 15/12/2021   | \$14,000  | 11                    | 0.04                  |
| Shire Acquisitions Investments Ireland DAC 2.40% 23/09/2021         | \$45,000  | 32                    | 0.11                  |
| Shire Acquisitions Investments Ireland DAC 2.88% 23/09/2023         | \$70,000  | 50                    | 0.17                  |
| Sinclair Television Group, Inc. 6.13% 01/10/2022                    | \$100,000 | 77                    | 0.27                  |
| Sirius XM Radio, Inc. 4.63% 15/05/2023                              | \$9,000   | 7                     | 0.02                  |
| Sirius XM Radio, Inc. 6.00% 15/07/2024                              | \$85,000  | 65                    | 0.23                  |
| Sirius XM Radio, Inc. 5.00% 01/08/2027                              | \$5,000   | 4                     | 0.01                  |
| SM Energy Co. 6.50% 01/01/2023                                      | \$40,000  | 30                    | 0.11                  |
| Spectrum Brands, Inc. 6.63% 15/11/2022                              | \$69,000  | 54                    | 0.19                  |
| Sprint Capital Corp. 8.75% 15/03/2032                               | \$50,000  | 40                    | 0.14                  |
| Sprint Corp. 7.88% 15/09/2023                                       | \$150,000 | 117                   | 0.41                  |
| Sprint Corp. 7.63% 15/02/2025                                       | \$50,000  | 38                    | 0.13                  |
| Sprint Corp., Series WI 7.13% 15/06/2024                            | \$50,000  | 38                    | 0.13                  |
| SPX FLOW, Inc. 5.63% 15/08/2024                                     | \$10,000  | 7                     | 0.03                  |
| Standard Industries, Inc. 6.00% 15/10/2025                          | \$25,000  | 19                    | 0.07                  |
| Staples, Inc. 8.50% 15/09/2025                                      | \$10,000  | 7                     | 0.02                  |
| Sunoco Logistics Partners Operations LP 4.25% 01/04/2024            | \$35,000  | 26                    | 0.09                  |
| Sunoco Logistics Partners Operations LP 5.40% 01/10/2047            | \$15,000  | 11                    | 0.04                  |
| SUPERVALU, Inc. 7.75% 15/11/2022                                    | \$30,000  | 22                    | 0.08                  |
| Synchrony Financial 3.95% 01/12/2027                                | \$21,000  | 15                    | 0.05                  |
| Targa Resources Partners LP 4.25% 15/11/2023                        | \$5,000   | 4                     | 0.01                  |
| Team Health Holdings, Inc. 6.38% 01/02/2025                         | \$5,000   | 3                     | 0.01                  |
| TEGNA, Inc. 6.38% 15/10/2023  | \$20,000  | 16                    | 0.05                  |
| Tempur Sealy International, Inc. 5.63% 15/10/2023                   | \$25,000  | 19                    | 0.07                  |
| Tenet Healthcare Corp. 4.38% 01/10/2021                             | \$15,000  | 11                    | 0.04                  |
| Tenet Healthcare Corp. 8.13% 01/04/2022                             | \$150,000 | 118                   | 0.41                  |
| Tenet Healthcare Corp. 6.75% 15/06/2023                             | \$25,000  | 19                    | 0.07                  |
| Tenet Healthcare Corp. 5.13% 01/05/2025                             | \$15,000  | 11                    | 0.04                  |
| Tennant Co. 5.63% 01/05/2025  | \$27,000  | 20                    | 0.07                  |
| Time Warner, Inc. 2.95% 15/07/2026                                  | \$6,000   | 4                     | 0.01                  |
| T-Mobile USA, Inc. 6.50% 15/01/2026                                 | \$75,000  | 58                    | 0.20                  |
| T-Mobile USA, Inc. 4.50% 01/02/2026                                 | \$2,000   | 1                     | -                     |
| T-Mobile USA, Inc. 4.75% 01/02/2028                                 | \$2,000   | 1                     | -                     |
| TransDigm, Inc. 6.50% 15/05/2025                                    | \$7,000   | 5                     | 0.02                  |
| Transocean, Inc. 7.50% 15/04/2031                                   | \$1,000   | 1                     | -                     |
| Tutor Perini Corp. 6.88% 01/05/2025                                 | \$5,000   | 4                     | 0.01                  |
| Unit Corp. 6.63% 15/05/2021   | \$28,000  | 21                    | 0.07                  |
| United Rentals North America, Inc. 5.50% 15/07/2025                 | \$30,000  | 23                    | 0.08                  |
| United Rentals North America, Inc. 5.50% 15/05/2027                 | \$50,000  | 37                    | 0.13                  |
| Uniti Group LP, REIT 6.00% 15/04/2023                               | \$20,000  | 15                    | 0.05                  |
| Uniti Group LP, REIT 8.25% 15/10/2023                               | \$20,000  | 15                    | 0.05                  |
| Univision Communications, Inc. 5.13% 15/05/2023                     | \$10,000  | 7                     | 0.02                  |
| Valeant Pharmaceuticals International, Inc. 6.75% 15/08/2021        | \$105,000 | 80                    | 0.28                  |
| Valeant Pharmaceuticals International, Inc. 6.50% 15/03/2022        | \$6,000   | 5                     | 0.02                  |
| Valeant Pharmaceuticals International, Inc. 5.50% 01/03/2023        | \$3,000   | 2                     | 0.01                  |
| Valeant Pharmaceuticals International, Inc. 5.88% 15/05/2023        | \$15,000  | 11                    | 0.04                  |

| Investment  | Holding   | Market value<br>£'000 | Total net<br>assets % |
|---|-----------|-----------------------|-----------------------|
| Valeant Pharmaceuticals International, Inc. 6.13% 15/04/2025                              | \$75,000  | 52                    | 0.18                  |
| Valeant Pharmaceuticals International, Inc. 9.00% 15/12/2025                              | \$40,000  | 31                    | 0.11                  |
| VEREIT Operating Partnership LP, REIT 4.60% 06/02/2024                                    | \$40,000  | 30                    | 0.11                  |
| VEREIT Operating Partnership LP, REIT 3.95% 15/08/2027                                    | \$15,000  | 10                    | 0.04                  |
| Verizon Communications, Inc. 3.85% 01/11/2042   | \$10,000  | 6                     | 0.02                  |
| Verizon Communications, Inc. 4.13% 15/08/2046   | \$10,000  | 6                     | 0.02                  |
| ViaSat, Inc. 5.63% 15/09/2025   | \$5,000   | 3                     | 0.01                  |
| Vista Outdoor, Inc. 5.88% 01/10/2023  | \$15,000  | 11                    | 0.04                  |
| Vistra Energy Corp. 5.88% 01/06/2023  | \$3,000   | 2                     | 0.01                  |
| VOLT XXV LLC, STEP, Series 2015-NPL8 'A1' 3.50% 26/06/2045                                | \$37,459  | 28                    | 0.10                  |
| Wachovia Bank Commercial Mortgage Trust, FRN, Series 2007-C31 'A1' 5.66% 15/04/2047       | \$103,803 | 78                    | 0.27                  |
| Wachovia Bank Commercial Mortgage Trust, FRN, Series 2007-C33 'A1' 6.21% 15/02/2051       | \$62,000  | 47                    | 0.16                  |
| Wachovia Bank Commercial Mortgage Trust, FRN, Series 2007-C33 'B' 6.21% 15/02/2051        | \$50,000  | 36                    | 0.13                  |
| Wachovia Bank Commercial Mortgage Trust, FRN, Series 2007-C33 'C' 6.21% 15/02/2051        | \$70,000  | 5                     | 0.02                  |
| Weatherford International Ltd. 5.95% 15/04/2042   | \$2,000   | 1                     | -                     |
| WellCare Health Plans, Inc. 5.25% 01/04/2025  | \$5,000   | 4                     | 0.01                  |
| Wells Fargo & Co. 3.00% 23/10/2026  | \$40,000  | 28                    | 0.10                  |
| Wells Fargo Commercial Mortgage Trust, FRN, Series 2015-NXS2 'A5' 3.77% 15/07/2058        | \$65,000  | 50                    | 0.17                  |
| Wells Fargo Mortgage Backed Securities Trust, FRN, Series 2005-AR3 '1A1' 3.64% 25/03/2035 | \$57,808  | 45                    | 0.16                  |
| Williams Partners LP 4.00% 15/09/2025   | \$65,000  | 48                    | 0.17                  |
| Windstream Services LLC 7.75% 15/10/2020  | \$3,000   | 2                     | 0.01                  |
| Windstream Services LLC 6.38% 01/08/2023  | \$5,000   | 2                     | 0.01                  |
| Windstream Services LLC 8.75% 15/12/2024  | \$127,000 | 57                    | 0.20                  |
| WMG Acquisition Corp. 5.50% 15/04/2026  | \$25,000  | 19                    | 0.06                  |
| WPX Energy, Inc. 5.25% 15/09/2024   | \$32,000  | 24                    | 0.08                  |
| Wynn Las Vegas LLC 5.50% 01/03/2025   | \$20,000  | 15                    | 0.05                  |
| XPO Logistics, Inc. 6.50% 15/06/2022  | \$5,000   | 4                     | 0.01                  |
| Zayo Group LLC 6.00% 01/04/2023   | \$12,000  | 9                     | 0.03                  |
| Zayo Group LLC 6.38% 15/05/2025   | \$6,000   | 5                     | 0.02                  |
| Zayo Group LLC 5.75% 15/01/2027   | \$2,000   | 1                     | 0.01                  |
|   |           | <b>9,394</b>          | <b>32.82</b>          |
| <b>Corporate Bonds total</b>  |           | <b>16,089</b>         | <b>56.22</b>          |

## Government Bonds 14.61% (15.86%)

|  |               |            |             |
|--|---------------|------------|-------------|
| <b>Angola 0.59% (0.93%)</b>                                      |               |            |             |
| Angola Government Bond 9.50% 12/11/2025                          | \$200,000     | 169        | 0.59        |
|  |               | <b>169</b> | <b>0.59</b> |
| <b>Argentina 0.48% (0.48%)</b>                                   |               |            |             |
| Argentina Government Bond 5.88% 11/01/2028                       | \$40,000      | 27         | 0.09        |
| Bonos de la Nacion Argentina con Ajuste por CER 4.00% 06/03/2020 | ARS 1,200,000 | 37         | 0.13        |
| Provincia de Buenos Aires 9.38% 14/09/2018                       | \$100,000     | 75         | 0.26        |
|  |               | <b>139</b> | <b>0.48</b> |
| <b>Belarus 0.00% (0.41%)</b>                                     |               |            |             |
| <b>Brazil 0.00% (1.89%)</b>                                      |               |            |             |
| <b>Croatia 0.30% (0.49%)</b>                                     |               |            |             |
| Croatia Government Bond 2.75% 27/01/2030                         | €100,000      | 86         | 0.30        |
|  |               | <b>86</b>  | <b>0.30</b> |
| <b>Dominican Republic 0.28% (0.00%)</b>                          |               |            |             |
| Dominican Republic Government Bond 6.88% 29/01/2026              | \$100,000     | 80         | 0.28        |
|  |               | <b>80</b>  | <b>0.28</b> |
| <b>Ecuador 0.55% (0.00%)</b>                                     |               |            |             |
| Ecuador Government Bond 10.75% 28/03/2022                        | \$200,000     | 159        | 0.55        |
|  |               | <b>159</b> | <b>0.55</b> |
| <b>Egypt 0.30% (0.00%)</b>                                       |               |            |             |
| Egypt Government Bond 4.75% 16/04/2026                           | €100,000      | 86         | 0.30        |
|  |               | <b>86</b>  | <b>0.30</b> |
| <b>El Salvador 0.22% (0.00%)</b>                                 |               |            |             |
| El Salvador Government Bond 7.75% 24/01/2023                     | \$80,000      | 63         | 0.22        |
|  |               | <b>63</b>  | <b>0.22</b> |
| <b>Greece 0.47% (0.00%)</b>                                      |               |            |             |
| Greece Government Bond 3.38% 15/02/2025                          | €160,000      | 133        | 0.47        |
|  |               | <b>133</b> | <b>0.47</b> |

# Portfolio statement – continued

As at 31 May 2018

| Investment  | Holding           | Market value<br>€'000 | Total net<br>assets % |
|---|-------------------|-----------------------|-----------------------|
| <b>Hungary 0.56% (0.00%)</b>                          |                   |                       |                       |
| Hungary Government Bond 2.75%<br>22/12/2026           | HUF 15,470,000    | 42                    | 0.15                  |
| Hungary Government Bond 3.00%<br>27/10/2027           | HUF 43,700,000    | 118                   | 0.41                  |
|   |                   | <b>160</b>            | <b>0.56</b>           |
| <b>Indonesia 2.76% (3.49%)</b>                        |                   |                       |                       |
| Indonesia Government Bond 8.25%<br>15/07/2021         | IDR 4,825,000,000 | 271                   | 0.95                  |
| Indonesia Government Bond 8.75%<br>15/05/2031         | IDR 3,724,000,000 | 219                   | 0.76                  |
| Indonesia Government Bond 8.25%<br>15/05/2036         | IDR 3,775,000,000 | 213                   | 0.74                  |
| Indonesia Government Bond 6.63%<br>17/02/2037         | \$100,000         | 88                    | 0.31                  |
|   |                   | <b>791</b>            | <b>2.76</b>           |
| <b>Ivory Coast 0.32% (0.00%)</b>                      |                   |                       |                       |
| Ivory Coast Government Bond 5.13% 15/06/2025          | €100,000          | 91                    | 0.32                  |
|   |                   | <b>91</b>             | <b>0.32</b>           |
| <b>Lebanon 0.22% (0.48%)</b>                          |                   |                       |                       |
| Lebanon Government Bond 5.15% 12/11/2018              | \$30,000          | 22                    | 0.08                  |
| Lebanon Government Bond 5.45% 28/11/2019              | \$54,000          | 40                    | 0.14                  |
|   |                   | <b>62</b>             | <b>0.22</b>           |
| <b>Malaysia 0.00% (0.99%)</b>                         |                   |                       |                       |
| <b>Mexico 0.00% (0.55%)</b>                           |                   |                       |                       |
| <b>New Zealand 0.00% (1.09%)</b>                      |                   |                       |                       |
| <b>Oman 0.49% (0.00%)</b>                             |                   |                       |                       |
| Oman Government Bond 4.75% 15/06/2026                 | \$200,000         | 141                   | 0.49                  |
|   |                   | <b>141</b>            | <b>0.49</b>           |
| <b>Pakistan 0.53% (0.00%)</b>                         |                   |                       |                       |
| Pakistan Government Bond 7.25% 15/04/2019             | \$200,000         | 152                   | 0.53                  |
|   |                   | <b>152</b>            | <b>0.53</b>           |
| <b>Portugal 1.18% (1.88%)</b>                         |                   |                       |                       |
| Portugal Obrigaçoes do Tesouro OT 2.88%<br>15/10/2025 | €115,200          | 111                   | 0.39                  |
| Portugal Obrigaçoes do Tesouro OT 8.25%<br>14/04/2027 | €130,500          | 136                   | 0.47                  |
| Portugal Obrigaçoes do Tesouro OT 2.25%<br>18/04/2034 | €108,000          | 91                    | 0.32                  |
|   |                   | <b>338</b>            | <b>1.18</b>           |
| <b>Qatar 1.03% (0.00%)</b>                            |                   |                       |                       |
| Qatar Government Bond 2.38% 02/06/2021                | \$200,000         | 144                   | 0.51                  |
| Qatar Government Bond 3.88% 23/04/2023                | \$200,000         | 150                   | 0.52                  |
|   |                   | <b>294</b>            | <b>1.03</b>           |
| <b>Russia 0.93% (1.95%)</b>                           |                   |                       |                       |
| Russian Federal Bond - OFZ 7.75%<br>16/09/2026        | RUB 9,000,000     | 112                   | 0.39                  |
| Russian Federal Bond - OFZ 8.15%<br>03/02/2027        | RUB 9,040,000     | 115                   | 0.41                  |
| Russian Federal Bond - OFZ 7.70%<br>23/03/2033        | RUB 3,050,000     | 38                    | 0.13                  |
|   |                   | <b>265</b>            | <b>0.93</b>           |
| <b>Serbia 0.53% (0.00%)</b>                           |                   |                       |                       |
| Serbia Government Bond 4.88% 25/02/2020               | \$200,000         | 152                   | 0.53                  |
|   |                   | <b>152</b>            | <b>0.53</b>           |
| <b>Slovakia 0.17% (0.26%)</b>                         |                   |                       |                       |
| Slovakia Government Bond 2.00% 17/10/2047             | €52,337           | 47                    | 0.17                  |
|   |                   | <b>47</b>             | <b>0.17</b>           |
| <b>South Africa 1.40% (0.00%)</b>                     |                   |                       |                       |
| South Africa Government Bond 6.50%<br>28/02/2041      | ZAR 9,190,000     | 400                   | 1.40                  |
|   |                   | <b>400</b>            | <b>1.40</b>           |
| <b>Spain 1.03% (0.00%)</b>                            |                   |                       |                       |
| Spain Government Bond 2.90% 31/10/2046                | €315,000          | 295                   | 1.03                  |
|   |                   | <b>295</b>            | <b>1.03</b>           |
| <b>Ukraine 0.27% (0.87%)</b>                          |                   |                       |                       |
| Ukraine Government Bond 7.75% 01/09/2021              | \$100,000         | 78                    | 0.27                  |
|   |                   | <b>78</b>             | <b>0.27</b>           |
| <b>United States of America 0.00% (0.10%)</b>         |                   |                       |                       |
| <b>Government Bonds total</b>                         |                   | <b>4,181</b>          | <b>14.61</b>          |

| Investment   | Holding  | Market value<br>€'000 | Total net<br>assets % |
|--|----------|-----------------------|-----------------------|
| <b>Convertible Bonds 2.15% (3.39%)</b>                   |          |                       |                       |
| <b>China 0.22% (0.20%)</b>                               |          |                       |                       |
| China Lodging Group Ltd. 0.38% 01/11/2022                | \$30,000 | 27                    | 0.09                  |
| Ctrip.com International Ltd. 1.00% 01/07/2020            | \$45,000 | 35                    | 0.13                  |
|  |          | <b>62</b>             | <b>0.22</b>           |
| <b>South Korea 0.04% (0.07%)</b>                         |          |                       |                       |
| MagnaChip Semiconductor SA 5.00% 01/03/2021              | \$10,000 | 11                    | 0.04                  |
|  |          | <b>11</b>             | <b>0.04</b>           |
| <b>United States of America 1.89% (3.12%)</b>            |          |                       |                       |
| Cypress Semiconductor Corp. 4.50% 15/01/2022             | \$35,000 | 37                    | 0.13                  |
| DISH Network Corp. 3.38% 15/08/2026                      | \$10,000 | 7                     | 0.02                  |
| Envestnet, Inc. 1.75% 15/12/2019                         | \$25,000 | 20                    | 0.07                  |
| Etsy, Inc. 01/03/2023                                    | \$40,000 | 33                    | 0.12                  |
| Finisar Corp. 0.50% 15/12/2036                           | \$35,000 | 24                    | 0.08                  |
| FireEye, Inc. 0.88% 01/06/2024                           | \$20,000 | 15                    | 0.05                  |
| Horizon Global Corp. 2.75% 01/07/2022                    | \$10,000 | 5                     | 0.02                  |
| II-VI, Inc. 0.25% 01/09/2022                             | \$45,000 | 38                    | 0.13                  |
| Knowles Corp. 3.25% 01/11/2021                           | \$30,000 | 25                    | 0.09                  |
| Liberty Expedia Holdings, Inc. 1.00% 30/06/2047          | \$35,000 | 26                    | 0.09                  |
| Live Nation Entertainment, Inc. 2.50% 15/03/2023         | \$45,000 | 34                    | 0.12                  |
| Nabors Industries, Inc. 0.75% 15/01/2024                 | \$20,000 | 12                    | 0.04                  |
| Nuance Communications, Inc. 1.50% 01/11/2035             | \$40,000 | 29                    | 0.10                  |
| Nutanix, Inc. 15/01/2023                                 | \$25,000 | 24                    | 0.09                  |
| Oasis Petroleum, Inc. 2.63% 15/09/2023                   | \$30,000 | 29                    | 0.10                  |
| ON Semiconductor Corp. 1.00% 01/12/2020                  | \$35,000 | 38                    | 0.13                  |
| SM Energy Co. 1.50% 01/07/2021                           | \$45,000 | 35                    | 0.12                  |
| Teradyne, Inc. 1.25% 15/12/2023                          | \$35,000 | 35                    | 0.12                  |
| Vocera Communications, Inc. 1.50% 15/05/2023             | \$15,000 | 12                    | 0.04                  |
| Wayfair, Inc. 0.38% 01/09/2022                           | \$20,000 | 17                    | 0.06                  |
| Zillow Group, Inc. 2.00% 01/12/2021                      | \$50,000 | 47                    | 0.17                  |
|  |          | <b>542</b>            | <b>1.89</b>           |
| <b>Convertible Bonds total</b>                           |          | <b>615</b>            | <b>2.15</b>           |
| <b>Swaps 0.00% (0.00%)</b>                               |          |                       |                       |
| Interest Rate Swap UBS Pay floating CDI 1 day            |          |                       |                       |
| Receive fixed 12.93% 02/01/2019                          | 100,000  | 1                     | -                     |
|  |          | <b>1</b>              | <b>-</b>              |
| <b>Swaps total</b>                                       |          |                       |                       |
|  |          | <b>1</b>              | <b>-</b>              |
| <b>Forward Currency Contracts (0.79%) (2.06%)</b>        |          |                       |                       |
| Buy CAD 11,712 sell GBP 6,745 dated 13/06/2018           |          | -                     | -                     |
| Buy CAD 347,535 sell USD 270,383 dated 13/06/2018        |          | -                     | -                     |
| Buy CHF 234,896 sell EUR 196,429 dated 13/06/2018        |          | 7                     | 0.02                  |
| Buy CHF 239,016 sell USD 239,878 dated 13/06/2018        |          | 2                     | 0.01                  |
| Buy CNH 1,561,908 sell GBP 180,422 dated 13/06/2018      |          | 2                     | 0.01                  |
| Buy CNH 743,416 sell USD 116,332 dated 13/06/2018        |          | -                     | -                     |
| Buy CZK 1,002,525 sell EUR 38,969 dated 13/06/2018       |          | -                     | -                     |
| Buy CZK 5,080,020 sell GBP 174,485 dated 13/06/2018      |          | (2)                   | (0.01)                |
| Buy CZK 1,926,249 sell USD 87,249 dated 13/06/2018       |          | -                     | -                     |
| Buy EUR 21,937 sell AUD 34,067 dated 13/06/2018          |          | -                     | -                     |
| Buy EUR 135,991 sell GBP 118,902 dated 13/06/2018        |          | -                     | -                     |
| Buy EUR 484,058 sell GBP 426,670 dated 13/06/2018        |          | (2)                   | (0.01)                |
| Buy EUR 62,080 sell GBP 54,276 dated 05/07/2018          |          | -                     | -                     |
| Buy EUR 17,555 sell USD 20,357 dated 13/06/2018          |          | -                     | -                     |
| Buy GBP 176,234 sell AUD 318,395 dated 13/06/2018        |          | (5)                   | (0.02)                |
| Buy GBP 402,781 sell CAD 703,051 dated 13/06/2018        |          | (8)                   | (0.03)                |
| Buy GBP 349,238 sell CHF 473,911 dated 13/06/2018        |          | (12)                  | (0.04)                |
| Buy GBP 5,549,192 sell EUR 6,316,033 dated 13/06/2018    |          | 13                    | 0.05                  |
| Buy GBP 980,107 sell EUR 1,125,134 dated 13/06/2018      |          | (6)                   | (0.02)                |
| Buy GBP 87,995 sell HUF 31,339,950 dated 13/06/2018      |          | 2                     | 0.01                  |
| Buy GBP 79,137 sell HUF 28,938,184 dated 13/06/2018      |          | -                     | -                     |
| Buy GBP 242,425 sell NZD 469,044 dated 13/06/2018        |          | (4)                   | (0.01)                |
| Buy GBP 261,531 sell SEK 3,162,627 dated 13/06/2018      |          | (9)                   | (0.03)                |
| Buy GBP 1,742,353 sell USD 2,320,227 dated 13/06/2018    |          | 2                     | 0.01                  |
| Buy GBP 13,736,014 sell USD 18,606,616 dated 13/06/2018  |          | (219)                 | (0.77)                |
| Buy GBP 94,433 sell ZAR 1,576,763 dated 13/06/2018       |          | -                     | -                     |
| Buy GBP 118,927 sell ZAR 2,038,638 dated 13/06/2018      |          | (3)                   | (0.01)                |
| Buy IDR 12,074,939,639 sell USD 861,897 dated 21/06/2018 |          | 3                     | 0.01                  |
| Buy NZD 104,948 sell GBP 54,242 dated 13/06/2018         |          | 1                     | -                     |
| Buy RUB 7,525,329 sell USD 122,066 dated 13/06/2018      |          | (1)                   | -                     |
| Buy SEK 170,336 sell GBP 14,420 dated 13/06/2018         |          | -                     | -                     |
| Buy USD 60,121 sell ARS 1,312,149 dated 13/06/2018       |          | 6                     | 0.02                  |
| Buy USD 94,544 sell AUD 124,985 dated 13/06/2018         |          | -                     | -                     |
| Buy USD 122,990 sell CAD 159,057 dated 13/06/2018        |          | (1)                   | -                     |
| Buy USD 76,062 sell EUR 65,117 dated 13/06/2018          |          | -                     | -                     |
| Buy USD 2,169,544 sell GBP 1,601,228 dated 13/06/2018    |          | 26                    | 0.09                  |
| Buy USD 186,423 sell GBP 139,919 dated 13/06/2018        |          | -                     | -                     |
| Buy USD 855,736 sell IDR 12,074,939,639 dated 21/06/2018 |          | (7)                   | (0.03)                |
| Buy USD 705,831 sell IDR 9,890,804,090 dated 05/07/2018  |          | (2)                   | (0.01)                |

# Portfolio statement – continued

As at 31 May 2018

| Investment   | Holding | Market value<br>£'000 | Total net<br>assets % |
|--|---------|-----------------------|-----------------------|
| Buy USD 108,929 sell NZD 157,648 dated 13/06/2018    |         | (1)                   | -                     |
| Buy USD 472,017 sell RUB 29,982,269 dated 13/06/2018 |         | (8)                   | (0.03)                |
| Buy ZAR 1,230,997 sell USD 98,155 dated 13/06/2018   |         | -                     | -                     |
| <b>Forward Currency Contracts total</b>              |         | <b>(226)</b>          | <b>(0.79)</b>         |
| <b>Futures (0.01)% (0.09%)</b>                       |         |                       |                       |
| 3 Month Eurodollar 18/06/2018                        | 38      | (2)                   | (0.01)                |
| 3 Month Eurodollar 17/12/2018                        | (38)    | 4                     | 0.02                  |
| 3 Month Eurodollar 16/12/2019                        | (33)    | 35                    | 0.12                  |
| Euro-Bobl 07/06/2018                                 | (20)    | (29)                  | (0.10)                |
| Euro-Bund 07/06/2018                                 | (3)     | (8)                   | (0.03)                |
| Euro-Buxl 07/06/2018                                 | 2       | 11                    | 0.04                  |
| Euro-OAT 07/06/2018                                  | (3)     | (8)                   | (0.03)                |
| Euro-Schatz 07/06/2018                               | (15)    | (5)                   | (0.02)                |
| US 2 Year Note 28/09/2018                            | (1)     | -                     | -                     |
| US 5 Year Note 28/09/2018                            | 16      | 7                     | 0.03                  |
| US 10 Year Note 19/09/2018                           | (4)     | (2)                   | (0.01)                |
| US 10 Year Ultra Bond 19/09/2018                     | 1       | 1                     | -                     |
| US Long Bond 19/09/2018                              | 1       | 2                     | 0.01                  |
| US Ultra Bond 19/09/2018                             | (4)     | (8)                   | (0.03)                |
| <b>Futures total</b>                                 |         | <b>(2)</b>            | <b>(0.01)</b>         |
| <b>Liquidity Funds 3.43% (3.23%)</b>                 |         |                       |                       |
| JPM Sterling Liquidity Fund X (dist.) <sup>§</sup>   | 980,538 | 981                   | 3.43                  |
| <b>Liquidity Funds total</b>                         |         | <b>981</b>            | <b>3.43</b>           |
| Investment assets                                    |         | 23,399                | 81.76                 |
| Net other assets                                     |         | 5,221                 | 18.24                 |
| <b>Net assets</b>                                    |         | <b>28,620</b>         | <b>100.00</b>         |

The comparative percentage figures in brackets are as at 30 November 2017.

<sup>§</sup> A related party to the Fund.

<sup>§</sup> Security is currently in default.

## Debt security credit analysis

|                              | Market<br>value<br>£'000 | Total net<br>assets % |
|------------------------------|--------------------------|-----------------------|
| Investment Grade             | 5,337                    | 18.61                 |
| Below Investment Grade       | 14,156                   | 49.50                 |
| Unrated                      | 1,392                    | 4.87                  |
| <b>Debt securities total</b> | <b>20,885</b>            | <b>72.98</b>          |

Credit rating designations BBB or above are considered investment grade whereas credit rating designations BB or lower are considered below investment grade.

## Counterparty exposure

### Financial derivative exposure

| Counterparty            | Forward currency<br>contracts<br>£'000 | Futures<br>contracts<br>£'000 | Swaps<br>£'000 | Total<br>£'000 |
|-------------------------|--|-------------------------------|----------------|----------------|
| Barclays                | 1                                      | -                             | -              | 1              |
| BNP Paribas             | 1                                      | -                             | -              | 1              |
| Citibank                | 5                                      | -                             | -              | 5              |
| Credit Suisse           | 9                                      | -                             | -              | 9              |
| Goldman Sachs           | (3)                                    | 60                            | -              | 57             |
| HSBC                    | (13)                                   | -                             | -              | (13)           |
| Merrill Lynch           | (95)                                   | -                             | -              | (95)           |
| Morgan Stanley          | 6                                      | -                             | -              | 6              |
| National Australia Bank | (3)                                    | -                             | -              | (3)            |
| Royal Bank of Canada    | (122)                                  | -                             | -              | (122)          |
| Standard Chartered      | (10)                                   | -                             | -              | (10)           |
| State Street            | (8)                                    | -                             | -              | (8)            |
| Toronto Dominion        | 4                                      | -                             | -              | 4              |
| UBS                     | 2                                      | -                             | 1              | 3              |
|                         | <b>(226)</b>                           | <b>60</b>                     | <b>1</b>       | <b>(165)</b>   |

At the balance sheet date no collateral was held or pledged by the Fund or on behalf of the counterparties in respect of the above.

The counterparty exposure on forward currency contracts is reported at their mark to market values but for futures contracts and swaps it is only the positive mark to market values that are reported.

# Portfolio movements

For the six months ending 31 May 2018

|  | £'000         |  | £'000           |
|--|---------------|--|-----------------|
| <b>Total of all purchases for the period</b>               | <b>16,321</b> | <b>Total of all sales for the period</b>                     | <b>9,468</b>    |
| <b>Major purchases</b>                                     | <b>Cost</b>   | <b>Major sales</b>   | <b>Proceeds</b> |
| JPM Sterling Liquidity Fund X (dist.) <sup>Ⓐ</sup>         | 2,471         | JPM Sterling Liquidity Fund X (dist.) <sup>Ⓐ</sup>           | 2,074           |
| JPM Global High Yield Bond Fund X (acc) - USD <sup>Ⓐ</sup> | 1,440         | Russian Federal Bond - OFZ 7.10% 16/10/2024                  | 193             |
| South Africa Government Bond 6.50% 28/02/2041              | 503           | Mexican Bonos 7.50% 03/06/2027                               | 190             |
| Spain Government Bond 2.90% 31/10/2046                     | 405           | Indonesia Government Bond 8.75% 15/05/2031                   | 182             |
| Indonesia Government Bond 8.25% 15/07/2021                 | 263           | Stadshypotek AB 3.00% 21/03/2018                             | 173             |
| Russian Federal Bond - OFZ 8.15% 03/02/2027                | 259           | Brazil Notas do Tesouro Nacional 10.00% 01/01/2025           | 170             |
| Portugal Obrigacoes do Tesouro OT 2.25% 18/04/2034         | 240           | Brazil Notas do Tesouro Nacional 10.00% 01/01/2021           | 167             |
| Indonesia Government Bond 8.25% 15/05/2036                 | 195           | New Zealand Government Bond 4.50% 15/04/2027                 | 164             |
| Mexican Bonos 7.50% 03/06/2027                             | 192           | Angola Government Bond 9.50% 12/11/2025                      | 164             |
| Russian Federal Bond - OFZ 7.70% 23/03/2033                | 188           | Spain Government Bond 2.70% 31/10/2048                       | 161             |
| Credit Agricole SA 2.75% 10/06/2020                        | 185           | Portugal Obrigacoes do Tesouro OT 2.25% 18/04/2034           | 150             |
| Stadshypotek AB 3.00% 21/03/2018                           | 179           | CD Mortgage Trust, FRN, Series 2007-CD5 'B' 6.34% 15/11/2044 | 150             |
| Angola Government Bond 9.50% 12/11/2025                    | 170           | Ford Motor Credit Co. LLC 3.20% 15/01/2021                   | 149             |
| Hungary Government Bond 3.00% 27/10/2027                   | 168           | Qatar Government International Bond 5.10% 23/04/2048         | 144             |
| Ecuador Government Bond 10.75% 28/03/2022                  | 159           | Portugal Obrigacoes do Tesouro OT 2.88% 15/10/2025           | 138             |
| Spain Government Bond 2.70% 31/10/2048                     | 157           | ProGroup AG 5.13% 01/05/2022                                 | 135             |
| Pakistan Government Bond 7.25% 15/04/2019                  | 152           | Russian Federal Bond - OFZ 8.15% 03/02/2027                  | 128             |
| KazMunayGas National Co. JSC 5.38% 24/04/2030              | 150           | Russian Federal Bond - OFZ 7.70% 23/03/2033                  | 126             |
| Serbia Government Bond 4.88% 25/02/2020                    | 148           | Dufry Finance SCA 4.50% 01/08/2023                           | 124             |
| Santander UK Group Holdings plc 3.57% 10/01/2023           | 146           | ArcelorMittal 3.13% 14/01/2022                               | 119             |

<sup>Ⓐ</sup> A related party to the Fund.



# Financial statements

## Statement of total return

(Unaudited)

For the six months ending 31 May

|   | 2018         | 2017       |
|---|--------------|------------|
|   | £'000        | £'000      |
| Income  |              |            |
| Net capital (losses)/gains  | (657)        | 437        |
| Revenue   | 410          | 401        |
| Expenses  | (74)         | (75)       |
| Net revenue before taxation   | 336          | 326        |
| Taxation  | (4)          | (2)        |
| Net revenue after taxation  | 332          | 324        |
| <b>Total return before distributions</b>  | <b>(325)</b> | <b>761</b> |
| Distributions   | (330)        | (323)      |
| <b>Change in net assets attributable to shareholders from investment activities</b> | <b>(655)</b> | <b>438</b> |

## Statement of change in net assets attributable to shareholders

(Unaudited)

For the six months ending 31 May

|  | 2018          | 2017          |
|--|---------------|---------------|
|  | £'000         | £'000         |
| <b>Opening net assets attributable to shareholders</b>                                   | <b>18,086</b> | <b>16,818</b> |
| Amounts receivable on issue of shares  | 10,979        | 424           |
| Amounts payable on cancellation of shares  | (37)          | (2)           |
|  | 10,942        | 422           |
| Dilution adjustment  | 38            | -             |
| Change in net assets attributable to shareholders from investment activities (see above) | (655)         | 438           |
| Retained distributions on accumulation shares  | 209           | 189           |
| <b>Closing net assets attributable to shareholders</b>                                   | <b>28,620</b> | <b>17,867</b> |

As the comparatives in the above table are for the previous interim period, the net assets at the end of that period will not agree to the net assets at the start of the current period.

## Balance sheet

As at

|  | 31 May 2018<br>(Unaudited)<br>£'000 | 30 November 2017<br>(Audited)<br>£'000 |
|--|-------------------------------------|--|
| <b>Assets:</b>                                 |                                     |  |
| Investments                                    | 23,751                              | 17,679                                 |
| <b>Current assets:</b>                         |                                     |  |
| Debtors  | 1,043                               | 263                                    |
| Cash and bank balances                         | 6,598                               | 342                                    |
| <b>Total assets</b>                            | <b>31,392</b>                       | <b>18,284</b>                          |
| <b>Liabilities:</b>                            |                                     |  |
| Investment liabilities                         | (352)                               | (41)                                   |
| <b>Creditors:</b>                              |                                     |  |
| Distribution payable                           | (64)                                | (65)                                   |
| Other creditors                                | (2,356)                             | (92)                                   |
| <b>Total liabilities</b>                       | <b>(2,772)</b>                      | <b>(198)</b>                           |
| <b>Net assets attributable to shareholders</b> | <b>28,620</b>                       | <b>18,086</b>                          |

# JPM Income Fund

## Important Information

The ACD approved the liquidation of JPM Income Fund on 6 March 2017. The liquidation commenced on 24 May 2017 and liquidation proceeds were paid to shareholders on 30 May 2017.

## Investment objective and policy

The Fund sought to provide income with a secondary objective of capital growth.

The Fund sought to achieve its objective by investing opportunistically across multiple debt markets and sectors that the Investment Adviser believed to have had high potential to produce risk adjusted income with a secondary objective of capital growth. Exposures to certain countries, sectors, currencies and credit ratings of debt securities may have varied and may have been concentrated from time to time.

The Fund primarily invested in Debt Securities (including but not limited to Convertible Bonds, Credit Linked Notes, Asset Backed Securities, Mortgage Backed Securities, and Covered Bonds), Structured Products, deposits with credit institutions and money market instruments. Debt Securities may have included Below Investment Grade and Unrated Securities and the Fund may have invested up to 100% in government and public securities (see section 3.11(e)) of the Prospectus). Issuers of these assets may have been located in any country, including Emerging Markets and the Fund may have invested in assets denominated in any currency.

The Fund may have also invested in Equity and Equity-Linked Securities and Participation Notes (which may have been held on an ancillary basis, as appropriate).

Other instruments as permitted in the stated investment and borrowing powers of the Company may have been held on an ancillary basis, as appropriate. As part of its investment objective and for temporary defensive purposes, any portion of the Fund's assets may have been invested in cash and cash equivalents.

**Financial Derivative Instruments may have been used for the purpose of Efficient Portfolio Management, including hedging, where appropriate (see section 11.10 of the Prospectus for risk warnings on derivatives). Subject to at least 60 days' notice to Shareholders, the Fund may use derivatives for investment purposes which may have changed the risk profile of the Fund.**

The Fund also used a strategy of managing the income accrued and received as well as the distributions paid throughout the year to help minimise fluctuations in the level of monthly income distributions.

The Fund's assets were primarily denominated in US Dollar, which were hedged back to Sterling. The Investment Adviser may have used opportunities in the foreign exchange markets to maximise returns.

## Risk profile

Investment risks have been removed as this Fund commenced liquidation on 24 May 2017 and liquidation proceeds were paid to shareholders on 30 May 2017.

## Fund update

The Fund closed on 24 May 2017 and liquidation proceeds were paid to shareholders on 30 May 2017.

## 12 month performance^ to 31 May

|                        | 2017<br>to closure | 2016  | 2014 from<br>launch |
|------------------------|--------------------|-------|---------------------|
| <b>JPM Income Fund</b> |                    |       |                     |
| A-Class Acc            | 3.7%               | -1.6% | 1.7%                |
| <b>JPM Income Fund</b> |                    |       |                     |
| B-Class Inc            | 4.0%               | -1.3% | 2.0%                |
| <b>JPM Income Fund</b> |                    |       |                     |
| C-Class Acc            | 4.3%               | -1.2% | 2.2%                |
| Benchmark Index        | 0.6%               | 3.1%  | 3.8%                |

## Fund statistics

|                 |   |
|-----------------|---|
| Fund size       | £0.0m   |
| Benchmark Index | Bloomberg Barclays Multiverse Index Hedged to GBP |

## Highest/lowest share price and distribution record

| Financial year to 30 November      | Highest<br>share price | Lowest<br>share price | Distribution<br>per share<br>(net) |
|------------------------------------|------------------------|-----------------------|------------------------------------|
| <b>A-Class Accumulation Shares</b> |                        |                       |                                    |
| 2015                               | 51.11p                 | 49.11p                | 2.60p                              |
| 2016                               | 52.26p                 | 47.37p                | 2.66p                              |
| 2017 <sup>A</sup>                  | 52.33p                 | 51.01p                | 1.52p                              |
| <b>A-Class Income Shares</b>       |                        |                       |                                    |
| 2015                               | 49.27p                 | 45.88p                | 2.48p                              |
| 2016                               | 46.56p                 | 43.47p                | 2.41p                              |
| 2017 <sup>A</sup>                  | 45.31p                 | 44.19p                | 1.31p                              |
| <b>B-Class Income Shares</b>       |                        |                       |                                    |
| 2015                               | 98.70p                 | 92.24p                | 4.97p                              |
| 2016                               | 93.89p                 | 87.46p                | 4.86p                              |
| 2017 <sup>A</sup>                  | 91.50p                 | 89.30p                | 2.64p                              |
| <b>C-Class Accumulation Shares</b> |                        |                       |                                    |
| 2015                               | 102.7p                 | 98.88p                | 5.21p                              |
| 2016                               | 105.8p                 | 95.55p                | 5.39p                              |
| 2017 <sup>A</sup>                  | 106.2p                 | 103.3p                | 3.07p                              |
| <b>C-Class Income Shares</b>       |                        |                       |                                    |
| 2015                               | 98.77p                 | 92.45p                | 4.98p                              |
| 2016                               | 94.21p                 | 87.68p                | 4.87p                              |
| 2017 <sup>A</sup>                  | 91.89p                 | 89.70p                | 2.65p                              |

<sup>A</sup> To 24 May 2017.

## Portfolio turnover rate

|          |        |
|----------|--------|
| 30.11.17 | 75.63% |
| 31.05.18 | -      |

The portfolio turnover rate (PTR) reflects the total of security purchases and sales, less the total of share issues and cancellations, expressed as a percentage of the average daily net asset values over the period.

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.

<sup>^</sup> Performance returns are calculated using the dealing prices of the accumulation shares (income shares are used if no accumulation share class exists) which are calculated using market prices and foreign exchange rates available at 12 noon. The benchmark returns, which are based on close of business prices, may reflect variances to the Fund performance that are due to timing differences. Performance returns are in Sterling. Source: J.P. Morgan.

## Net asset values and Ongoing charges

| Date                               | Net asset value per share class<br>£'000 | Number of shares | Net asset value per share | Ongoing charges* |
|------------------------------------|--|------------------|---------------------------|------------------|
| <b>A-Class Accumulation Shares</b> |  |                  |                           |                  |
| 30.11.15                           | 2,934                                    | 5,980,740        | 49.06p                    | 1.18%            |
| 30.11.16                           | 3,051                                    | 5,990,578        | 50.93p                    | 1.18%            |
| 30.11.17                           | -  | -                | -                         | -                |
| 31.05.18                           | -  | -                | -                         | -                |
| <b>A-Class Income Shares</b>       |  |                  |                           |                  |
| 30.11.15 <sup>§</sup>              | 2,808                                    | 6,184,766        | 45.40p                    | 1.18%            |
| 30.11.16 <sup>§</sup>              | 2,840                                    | 6,354,120        | 44.69p                    | 1.18%            |
| 30.11.17 <sup>§</sup>              | -  | -                | -                         | -                |
| 31.05.18                           | -  | -                | -                         | -                |
| <b>B-Class Income Shares</b>       |  |                  |                           |                  |
| 30.11.15 <sup>§</sup>              | 2,704                                    | 2,962,500        | 91.27p                    | 0.83%            |
| 30.11.16 <sup>§</sup>              | 2,669                                    | 2,960,000        | 90.16p                    | 0.83%            |
| 30.11.17 <sup>§</sup>              | -  | -                | -                         | -                |
| 31.05.18                           | -  | -                | -                         | -                |
| <b>C-Class Accumulation Shares</b> |  |                  |                           |                  |
| 30.11.15                           | 3,067                                    | 3,102,477        | 98.85p                    | 0.68%            |
| 30.11.16                           | 3,144                                    | 3,048,669        | 103.1p                    | 0.68%            |
| 30.11.17                           | -  | -                | -                         | -                |
| 31.05.18                           | -  | -                | -                         | -                |
| <b>C-Class Income Shares</b>       |  |                  |                           |                  |
| 30.11.15 <sup>§</sup>              | 2,930                                    | 3,203,534        | 91.48p                    | 0.68%            |
| 30.11.16 <sup>§</sup>              | 2,836                                    | 3,133,472        | 90.50p                    | 0.68%            |
| 30.11.17 <sup>§</sup>              | -  | -                | -                         | -                |
| 31.05.18                           | -  | -                | -                         | -                |

<sup>§</sup> The net asset value and the net asset value per income share are shown ex-dividend.

\* The Ongoing charges takes into account the ACD fee, the fixed expenses and any expenses paid to an affiliate in respect of stock lending activities, expressed as a percentage of the average daily net asset values over the period.

## Portfolio statement

As the Fund closed on 24 May 2017 there were no investments as at 31 May 2018.

## Portfolio movements

As the Fund closed on 24 May 2017, there were no portfolio movements as at 31 May 2018.

# Financial statements

## Statement of total return

(Unaudited)

For the six months ending 31 May

|   | £'000 | 2018<br>£'000 | 2017<br>£'000 |
|---|-------|---------------|---------------|
| Income  |       |               |               |
| Net capital losses  |       | -             | (62)          |
| Revenue   | -     |               | 477           |
| Expenses  | -     |               | (65)          |
| Net revenue before taxation   | -     |               | 412           |
| Taxation  | -     |               | -             |
| Net revenue after taxation  |       | -             | 412           |
| <b>Total return before distributions</b>  |       | -             | <b>350</b>    |
| Distributions   |       | -             | (477)         |
| <b>Change in net assets attributable to shareholders from investment activities</b> |       | -             | <b>(127)</b>  |

## Statement of change in net assets attributable to shareholders

(Unaudited)

For the six months ending 31 May

|  | £'000 | 2018<br>£'000 | 2017<br>£'000 |
|--|-------|---------------|---------------|
| <b>Opening net assets attributable to shareholders</b>                                   |       | -             | <b>14,540</b> |
| Amounts receivable on issue of shares  | -     |               | 217           |
| Amounts payable on cancellation of shares  | -     |               | (14,796)      |
|  |       | -             | (14,579)      |
| Change in net assets attributable to shareholders from investment activities (see above) |       | -             | (127)         |
| Retained distribution on accumulation shares   |       | -             | 185           |
| <b>Closing net assets attributable to shareholders</b>                                   |       | -             | <b>19</b>     |

As the comparatives in the above table are for the previous interim period, the net assets at the end of that period will not agree to the net assets at the start of the current period.

## Balance sheet

As at

|  | 31 May 2018<br>(Unaudited)<br>£'000 | 30 November 2017<br>(Audited)<br>£'000 |
|--|-------------------------------------|--|
| <b>Assets:</b>                                 |                                     |  |
| Investments                                    |                                     |  |
| <b>Current assets:</b>                         |                                     |  |
| Debtors  | -                                   | 21                                     |
| Cash and bank balances                         | 4                                   | -                                      |
| <b>Total assets</b>                            | <b>4</b>                            | <b>21</b>                              |
| <b>Liabilities:</b>                            |                                     |  |
| <b>Creditors:</b>                              |                                     |  |
| Bank overdraft                                 | -                                   | (17)                                   |
| Other creditors                                | (4)                                 | (4)                                    |
| <b>Total liabilities</b>                       | <b>(4)</b>                          | <b>(21)</b>                            |
| <b>Net assets attributable to shareholders</b> | <b>-</b>                            | <b>-</b>                               |

# JPM UK Equity Income Fund

## Investment objective and policy

To maximise relative returns by aiming to generate a yield in excess of the FTSE™ All-Share Index and to provide long-term capital growth.

The Fund will achieve its objective by investing in a portfolio consisting primarily of Equity and Equity-Linked Securities of UK Companies. It will invest using a flexible investment approach in stocks with specific style characteristics such as value, quality and momentum.

UK Companies are companies that are incorporated under the laws of, and have their registered office in, the UK, or that derive the predominant part of their economic activity from the UK, even if listed elsewhere. Smaller companies may be held.

**The Fund may also use Financial Derivative Instruments (derivatives) for the purpose of Efficient Portfolio Management, including hedging, where appropriate (see section 11.10 of the Prospectus for risk warnings on derivatives).**

The Fund may hold cash and cash equivalents and in exceptional circumstances the Fund may invest in fixed income securities as the Investment Adviser deems appropriate.

## Risk profile

The value of your investment may fall as well as rise and you may get back less than you originally invested.

The value of Equity and Equity-Linked Securities may fluctuate in response to the performance of individual companies and general market conditions.

This Fund is aggressively managed, which may result in higher volatility of the Fund's performance and bigger differences between the performance of the Fund and its Benchmark.

The Fund invests in securities of smaller companies which may be more difficult to sell, more volatile and tend to carry greater financial risk than securities of larger companies.

The single market, in which the Fund primarily invests, in this case the UK, may be subject to particular political and economic risks and, as a result, the Fund may be more volatile than more broadly diversified funds.

The Fund charges the annual fee of the Authorised Corporate Director (ACD) as well as the fixed expenses against capital, which will increase the amount of income available for distribution to Shareholders, but may constrain capital growth.

Please refer to Part 11 of the Prospectus for details of the general risk factors affecting this Fund in addition to the specific risk factors above.

## Fund review

UK stocks delivered positive returns in the six months under review. After a difficult first quarter in 2018, the UK equity market bounced back in April. After being out of favour for a long period of time, UK equities are looking attractive on both valuation and yield, especially when compared to other developed markets around the world. Corporates continue to see the value in UK-listed businesses, despite Brexit looming ever closer, and mergers and acquisitions (M&A) activity continues to be a theme.

Positive contributors to relative returns included stock selection in leisure goods, stock selection and an overweight in industrial metals & mining, and stock selection in household goods & home construction. Stock selection in general retailers detracted the most, followed by stock selection in financial services and an underweight in food & drug retailers. At the stock level, the Fund benefited most in relative terms from an overweight position in EVRAZ. The integrated steel and mining company announced profits materially ahead of expectations, driven by strong performance in its steel division. An overweight position in Games Workshop was also positive, as the miniature wargame manufacturer saw continued popularity of its tabletop game Warhammer. Stock-level detractors from relative returns included underweights in BHP Billiton and Glencore as miners were generally supported by rising commodity prices.

However, relative returns were boosted by an overweight position in Beazley, a specialist insurance firm, after it experienced a growth in premiums combined with no major losses.

## Fund outlook

We continue to expect a synchronised global recovery in economic growth and earnings in 2018. While growth momentum has certainly slowed from the highs witnessed in 2017, economic fundamentals remain robust and the recent corporate earnings season has been one of the strongest so far this cycle.

The lack of progress in Brexit negotiations and the fragility of the Conservative Government remain at the forefront of investors' minds. However, the actual impact of these issues on the UK equity market is limited by the global nature of the earnings of its constituents and the way sterling acts as a natural hedge to bad UK economic news. This has been demonstrated by the strong performance of the UK equity market in the year-to-date despite the aforementioned issues. There are other concerns further afield - including whether a potential trade war between the US and China develops plus the Italian political situation. It is important, however, for investors to focus on what they can control and to try to avoid taking macro calls in such an uncertain macro environment.

With a continuing supportive global backdrop, we believe that UK equities appear an attractive investment at the current time.

## Six month performance to 31 May 2018

|                                  | Net asset value per share<br>31.05.18 | Net asset value per share<br>30.11.17 | % Return |
|----------------------------------|---------------------------------------|---------------------------------------|----------|
| <b>JPM UK Equity Income Fund</b> |                                       |                                       |          |
| A-Class Acc                      | 53.57p                                | 50.72p                                | 5.62%    |
| <b>JPM UK Equity Income Fund</b> |                                       |                                       |          |
| C-Class Acc                      | 107.8p                                | 101.8p                                | 5.89%    |
| Benchmark Index                  |                                       |                                       | 6.72%    |

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.

Source: FTSE International Limited ("FTSE") © FTSE 2014. "FTSE®" is a trade mark of London Stock Exchange Plc and The Financial Times Limited and is used by FTSE International Limited under licence. All rights in the FTSE indices and/or FTSE ratings vest in FTSE and/or its licensors. Neither FTSE nor its licensors accept any liability for any errors or omissions in the FTSE indices and/or FTSE ratings or underlying data. No further distribution of FTSE Data is permitted without FTSE's express written consent.

## 12 month performance^ to 31 May

|   | 2018<br>from launch |
|---|---------------------|
| <b>JPM UK Equity Income Fund</b><br>A-Class Acc | <b>7.8%</b>         |
| <b>JPM UK Equity Income Fund</b><br>C-Class Acc | <b>8.5%</b>         |
| Benchmark Index                                 | 6.1%                |

## Fund statistics

|                            |                                   |              |
|----------------------------|-----------------------------------|--------------|
| Risk and Reward Profile    | <b>5† (5 at 30 November 2017)</b> |              |
| Fund size                  | £4.1m                             |              |
| Benchmark Index            | <b>FTSE All-Share Index (Net)</b> |              |
| Fund charges and expenses  | A-Class                           | C-Class      |
| Initial charge (max.)      | Nil                               | Nil          |
| Exit charge                | Nil                               | Nil          |
| Ongoing charge (comprises) | <b>1.35%</b>                      | <b>0.75%</b> |
| Annual management fee      | <b>1.20%</b>                      | <b>0.60%</b> |
| Operating expenses (max.)  | <b>0.15%</b>                      | <b>0.15%</b> |

## Top ten holdings

|                              | %    |
|------------------------------|------|
| Royal Dutch Shell plc 'B'    | 8.82 |
| HSBC Holdings plc            | 6.19 |
| BP plc                       | 5.75 |
| Rio Tinto plc                | 4.07 |
| GlaxoSmithKline plc          | 3.83 |
| British American Tobacco plc | 3.34 |
| Lloyds Banking Group plc     | 3.25 |
| Prudential plc               | 2.61 |
| Aviva plc                    | 2.57 |
| Vodafone Group plc           | 2.23 |

## Sector breakdown

|                            | %     |
|----------------------------|-------|
| Financials                 | 26.90 |
| Energy                     | 15.49 |
| Materials                  | 12.50 |
| Consumer Discretionary     | 12.44 |
| Industrials                | 9.27  |
| Consumer Staples           | 7.09  |
| Health Care                | 4.75  |
| Information Technology     | 2.84  |
| Utilities                  | 2.46  |
| Telecommunication Services | 2.23  |
| Real Estate                | 0.81  |
| Net other assets           | 3.22  |

## Highest/lowest share price and distribution record

| Financial year to 30 November                  | Highest<br>share price | Lowest<br>share price | Distribution<br>per share<br>(net) |
|--|------------------------|-----------------------|------------------------------------|
| <b>A-Class Accumulation Shares<sup>A</sup></b> |                        |                       |                                    |
| 2017   | 51.64p                 | 48.79p                | 1.15p                              |
| 2018 <sup>B</sup>                              | 54.85p                 | 48.45p                | 1.29p                              |
| <b>A-Class Income Shares<sup>A</sup></b>       |                        |                       |                                    |
| 2017   | 50.94p                 | 48.16p                | 1.15p                              |
| 2018 <sup>B</sup>                              | 53.26p                 | 47.05p                | 1.25p                              |
| <b>C-Class Accumulation Shares<sup>A</sup></b> |                        |                       |                                    |
| 2017   | 103.5p                 | 97.64p                | 2.31p                              |
| 2018 <sup>B</sup>                              | 110.4p                 | 97.38p                | 2.59p                              |
| <b>C-Class Income Shares<sup>A</sup></b>       |                        |                       |                                    |
| 2017   | 102.1p                 | 96.50p                | 2.30p                              |
| 2018 <sup>B</sup>                              | 107.2p                 | 94.57p                | 2.52p                              |

<sup>A</sup> A-Class Accumulation Shares, A-Class Income Shares, C-Class Accumulation Shares and C-Class Income Shares were launched on 31 May 2017.

<sup>B</sup> To 31 May 2018.

## Portfolio turnover rate

|          |        |
|----------|--------|
| 31.11.17 | 27.43% |
| 31.05.18 | 28.32% |

The portfolio turnover rate (PTR) reflects the total of security purchases and sales, less the total of share issues and cancellations, expressed as a percentage of the average daily net asset values over the period.

## Net asset values and Ongoing charges

| Date                               | Net asset<br>value per<br>share class<br>£'000 | Number<br>of shares | Net asset<br>value per<br>share | Ongoing<br>charges* |
|------------------------------------|--|---------------------|---------------------------------|---------------------|
| <b>A-Class Accumulation Shares</b> |  |                     |                                 |                     |
| 30.11.17                           | 989  | 1,949,156           | 50.72p                          | 1.38%               |
| 31.05.18                           | 1,075  | 2,007,697           | 53.57p                          | 1.35%               |
| <b>A-Class Income Shares</b>       |  |                     |                                 |                     |
| 30.11.17                           | 961  | 1,940,000           | 49.56p                          | 1.38%               |
| 31.05.18                           | 991  | 1,940,000           | 51.07p                          | 1.35%               |
| <b>C-Class Accumulation Shares</b> |  |                     |                                 |                     |
| 30.11.17                           | 992  | 974,551             | 101.8p                          | 0.78%               |
| 31.05.18                           | 1,070  | 992,934             | 107.8p                          | 0.75%               |
| <b>C-Class Income Shares</b>       |  |                     |                                 |                     |
| 30.11.17                           | 964  | 970,000             | 99.44p                          | 0.78%               |
| 31.05.18                           | 997  | 970,000             | 102.8p                          | 0.75%               |

The net asset value and the net asset value per income share are shown ex-dividend.

\* The Ongoing charges takes into account the ACD fee, the operating expenses and any expenses paid to an affiliate in respect of stock lending activities, expressed as a percentage of the average daily net asset values over the period.

† For specific risks, including the risk and reward profile, please refer to the Key Investor information Document (KIID) available on the following website <http://am.jpmorgan.co.uk/investor/prices-and-factsheets/?list=all&tab=Prices>

^ Performance returns are calculated using the dealing prices of the accumulation shares (income shares are used if no accumulation share class exists) which are calculated using market prices and foreign exchange rates available at 12 noon. The benchmark returns, which are based on close of business prices, may reflect variances to the Fund performance that are due to timing differences. Performance returns are in Sterling. Source: J.P. Morgan

# Portfolio statement

As at 31 May 2018

| Investment   | Holding | Market value<br>£'000 | Total net<br>assets % |
|--|---------|-----------------------|-----------------------|
| <b>Equities 96.78% (98.75%)</b>                        |         |                       |                       |
| <b>Consumer Discretionary 12.44% (15.38%)</b>          |         |                       |                       |
| <b>Distributors 0.00% (1.13%)</b>                      |         |                       |                       |
| <b>Hotels, Restaurants &amp; Leisure 2.48% (2.46%)</b> |         |                       |                       |
| 888 Holdings plc                                       | 16,716  | 50                    | 1.22                  |
| Carnival plc   | 1,071   | 52                    | 1.26                  |
|  |         | <b>102</b>            | <b>2.48</b>           |
| <b>Household Durables 5.08% (5.60%)</b>                |         |                       |                       |
| Bellway plc  | 660     | 22                    | 0.53                  |
| Berkeley Group Holdings plc                            | 765     | 33                    | 0.79                  |
| Persimmon plc  | 2,404   | 68                    | 1.65                  |
| Taylor Wimpey plc                                      | 31,225  | 60                    | 1.45                  |
| Victoria plc <sup>#</sup>                              | 3,200   | 27                    | 0.66                  |
|  |         | <b>210</b>            | <b>5.08</b>           |
| <b>Leisure Products 1.07% (1.36%)</b>                  |         |                       |                       |
| Games Workshop Group plc                               | 1,555   | 44                    | 1.07                  |
|  |         | <b>44</b>             | <b>1.07</b>           |
| <b>Media 2.05% (2.43%)</b>                             |         |                       |                       |
| ITV plc  | 30,822  | 51                    | 1.23                  |
| Pearson plc  | 3,749   | 34                    | 0.82                  |
|  |         | <b>85</b>             | <b>2.05</b>           |
| <b>Multiline Retail 0.65% (0.00%)</b>                  |         |                       |                       |
| B&M European Value Retail SA                           | 6,700   | 27                    | 0.65                  |
|  |         | <b>27</b>             | <b>0.65</b>           |
| <b>Specialty Retail 1.11% (2.40%)</b>                  |         |                       |                       |
| WH Smith plc   | 2,320   | 46                    | 1.11                  |
|  |         | <b>46</b>             | <b>1.11</b>           |
| <b>Consumer Discretionary total</b>                    |         | <b>514</b>            | <b>12.44</b>          |
| <b>Consumer Staples 7.09% (12.77%)</b>                 |         |                       |                       |
| <b>Beverages 2.18% (2.48%)</b>                         |         |                       |                       |
| Diageo plc   | 3,274   | 90                    | 2.18                  |
|  |         | <b>90</b>             | <b>2.18</b>           |
| <b>Food &amp; Staples Retailing 0.00% (0.87%)</b>      |         |                       |                       |
| <b>Personal Products 0.00% (2.74%)</b>                 |         |                       |                       |
| <b>Tobacco 4.91% (6.68%)</b>                           |         |                       |                       |
| British American Tobacco plc                           | 3,580   | 138                   | 3.34                  |
| Imperial Brands plc                                    | 2,420   | 65                    | 1.57                  |
|  |         | <b>203</b>            | <b>4.91</b>           |
| <b>Consumer Staples total</b>                          |         | <b>293</b>            | <b>7.09</b>           |
| <b>Energy 15.49% (12.77%)</b>                          |         |                       |                       |
| <b>Energy Equipment &amp; Services 0.92% (0.00%)</b>   |         |                       |                       |
| John Wood Group plc                                    | 5,700   | 38                    | 0.92                  |
|  |         | <b>38</b>             | <b>0.92</b>           |
| <b>Oil, Gas &amp; Consumable Fuels 14.57% (12.77%)</b> |         |                       |                       |
| BP plc   | 41,506  | 238                   | 5.75                  |
| Royal Dutch Shell plc 'B'                              | 13,584  | 365                   | 8.82                  |
|  |         | <b>603</b>            | <b>14.57</b>          |
| <b>Energy total</b>                                    |         | <b>641</b>            | <b>15.49</b>          |
| <b>Financials 26.90% (30.05%)</b>                      |         |                       |                       |
| <b>Banks 10.88% (11.99%)</b>                           |         |                       |                       |
| AIB Group plc  | 6,678   | 28                    | 0.68                  |
| HSBC Holdings plc                                      | 35,283  | 256                   | 6.19                  |
| Lloyds Banking Group plc                               | 211,130 | 134                   | 3.25                  |
| TBC Bank Group plc                                     | 1,940   | 31                    | 0.76                  |
|  |         | <b>449</b>            | <b>10.88</b>          |
| <b>Capital Markets 2.70% (3.36%)</b>                   |         |                       |                       |
| IntegraFin Holdings plc                                | 3,270   | 12                    | 0.28                  |
| Intermediate Capital Group plc                         | 6,301   | 72                    | 1.75                  |
| Schroders plc  | 845     | 28                    | 0.67                  |
|  |         | <b>112</b>            | <b>2.70</b>           |
| <b>Consumer Finance 0.36% (0.92%)</b>                  |         |                       |                       |
| Arrow Global Group plc                                 | 5,500   | 15                    | 0.36                  |
|  |         | <b>15</b>             | <b>0.36</b>           |

| Investment  | Holding | Market value<br>£'000 | Total net<br>assets % |
|---|---------|-----------------------|-----------------------|
| <b>Insurance 12.96% (13.78%)</b>  |         |                       |                       |
| Aviva plc   | 20,713  | 106                   | 2.57                  |
| Beazley plc   | 11,730  | 70                    | 1.70                  |
| Direct Line Insurance Group plc   | 14,144  | 51                    | 1.23                  |
| Just Group plc  | 25,700  | 37                    | 0.90                  |
| Legal & General Group plc   | 26,998  | 73                    | 1.77                  |
| Phoenix Group Holdings  | 8,300   | 65                    | 1.57                  |
| Prudential plc  | 5,909   | 108                   | 2.61                  |
| Sabre Insurance Group plc   | 9,800   | 25                    | 0.61                  |
|   |         | <b>535</b>            | <b>12.96</b>          |
| <b>Financials total</b>   |         | <b>1,111</b>          | <b>26.90</b>          |
| <b>Health Care 4.75% (3.07%)</b>  |         |                       |                       |
| <b>Biotechnology 0.92% (0.00%)</b>                                      |         |                       |                       |
| Shire plc   | 927     | 38                    | 0.92                  |
|   |         | <b>38</b>             | <b>0.92</b>           |
| <b>Pharmaceuticals 3.83% (3.07%)</b>                                    |         |                       |                       |
| GlaxoSmithKline plc   | 10,374  | 158                   | 3.83                  |
|   |         | <b>158</b>            | <b>3.83</b>           |
| <b>Health Care total</b>  |         | <b>196</b>            | <b>4.75</b>           |
| <b>Industrials 9.27% (7.30%)</b>  |         |                       |                       |
| <b>Aerospace &amp; Defense 1.25% (1.64%)</b>                            |         |                       |                       |
| BAE Systems plc   | 7,983   | 52                    | 1.25                  |
|   |         | <b>52</b>             | <b>1.25</b>           |
| <b>Airlines 1.49% (0.00%)</b>   |         |                       |                       |
| International Consolidated Airlines Group SA                            | 8,932   | 61                    | 1.49                  |
|   |         | <b>61</b>             | <b>1.49</b>           |
| <b>Construction &amp; Engineering 1.32% (2.41%)</b>                     |         |                       |                       |
| Costain Group plc   | 4,580   | 21                    | 0.50                  |
| Morgan Sindall Group plc  | 1,400   | 21                    | 0.50                  |
| Nexus Infrastructure plc <sup>#</sup>                                   | 6,400   | 13                    | 0.32                  |
|   |         | <b>55</b>             | <b>1.32</b>           |
| <b>Industrial Conglomerates 0.61% (1.00%)</b>                           |         |                       |                       |
| DCC plc   | 350     | 25                    | 0.61                  |
|   |         | <b>25</b>             | <b>0.61</b>           |
| <b>Machinery 1.82% (0.74%)</b>  |         |                       |                       |
| Judges Scientific plc <sup>#</sup>                                      | 900     | 22                    | 0.53                  |
| Morgan Advanced Materials plc   | 8,970   | 30                    | 0.73                  |
| Somero Enterprises, Inc. <sup>#</sup>                                   | 6,000   | 23                    | 0.56                  |
|   |         | <b>75</b>             | <b>1.82</b>           |
| <b>Professional Services 0.90% (0.72%)</b>                              |         |                       |                       |
| Pagegroup plc   | 4,280   | 23                    | 0.55                  |
| SThree plc  | 4,500   | 15                    | 0.35                  |
|   |         | <b>38</b>             | <b>0.90</b>           |
| <b>Road &amp; Rail 0.85% (0.79%)</b>                                    |         |                       |                       |
| National Express Group plc  | 8,600   | 35                    | 0.85                  |
|   |         | <b>35</b>             | <b>0.85</b>           |
| <b>Trading Companies &amp; Distributors 1.03% (0.00%)</b>               |         |                       |                       |
| Ashtead Group plc   | 1,830   | 42                    | 1.03                  |
|   |         | <b>42</b>             | <b>1.03</b>           |
| <b>Industrials total</b>  |         | <b>383</b>            | <b>9.27</b>           |
| <b>Information Technology 2.84% (2.25%)</b>                             |         |                       |                       |
| <b>Communications Equipment 0.37% (0.36%)</b>                           |         |                       |                       |
| Amino Technologies plc <sup>#</sup>                                     | 7,500   | 15                    | 0.37                  |
|   |         | <b>15</b>             | <b>0.37</b>           |
| <b>Electronic Equipment, Instruments &amp; Components 1.15% (1.89%)</b> |         |                       |                       |
| Electrocomponents plc   | 6,600   | 48                    | 1.15                  |
|   |         | <b>48</b>             | <b>1.15</b>           |
| <b>Software 1.32% (0.00%)</b>   |         |                       |                       |
| Codemasters Group Holdings Ltd.   | 7,440   | 15                    | 0.36                  |
| Sumo Group plc <sup>#</sup>   | 15,100  | 21                    | 0.50                  |
| Team17 Group Ltd. <sup>#</sup>  | 8,307   | 19                    | 0.46                  |
|   |         | <b>55</b>             | <b>1.32</b>           |
| <b>Information Technology total</b>                                     |         | <b>118</b>            | <b>2.84</b>           |

# Portfolio statement – continued

As at 31 May 2018

| Investment  | Holding | Market value<br>£'000 | Total net<br>assets % |
|---|---------|-----------------------|-----------------------|
| <b>Materials 12.50% (8.65%)</b>                                   |         |                       |                       |
| <b>Construction Materials 0.97% (0.95%)</b>                       |         |                       |                       |
| Forterra plc  | 13,030  | 40                    | 0.97                  |
|   |         | <b>40</b>             | <b>0.97</b>           |
| <b>Containers &amp; Packaging 1.01% (1.02%)</b>                   |         |                       |                       |
| DS Smith plc  | 7,482   | 42                    | 1.01                  |
|   |         | <b>42</b>             | <b>1.01</b>           |
| <b>Metals &amp; Mining 8.99% (5.30%)</b>                          |         |                       |                       |
| Anglo American plc  | 2,380   | 43                    | 1.04                  |
| Central Asia Metals plc*  | 14,000  | 40                    | 0.97                  |
| Evraz plc   | 9,600   | 47                    | 1.15                  |
| Glencore plc  | 19,211  | 73                    | 1.76                  |
| Rio Tinto plc   | 3,937   | 168                   | 4.07                  |
|   |         | <b>371</b>            | <b>8.99</b>           |
| <b>Paper &amp; Forest Products 1.53% (1.38%)</b>                  |         |                       |                       |
| Mondi plc   | 3,017   | 63                    | 1.53                  |
|   |         | <b>63</b>             | <b>1.53</b>           |
| <b>Materials total</b>  |         | <b>516</b>            | <b>12.50</b>          |
| <b>Real Estate 0.81% (0.95%)</b>                                  |         |                       |                       |
| <b>Equity Real Estate Investment Trusts (REITs) 0.81% (0.95%)</b> |         |                       |                       |
| Workspace Group plc   | 2,950   | 34                    | 0.81                  |
|   |         | <b>34</b>             | <b>0.81</b>           |
| <b>Real Estate total</b>  |         | <b>34</b>             | <b>0.81</b>           |
| <b>Telecommunication Services 2.23% (2.77%)</b>                   |         |                       |                       |
| <b>Wireless Telecommunication Services 2.23% (2.77%)</b>          |         |                       |                       |
| Vodafone Group plc  | 47,474  | 92                    | 2.23                  |
|   |         | <b>92</b>             | <b>2.23</b>           |
| <b>Telecommunication Services total</b>                           |         | <b>92</b>             | <b>2.23</b>           |
| <b>Utilities 2.46% (2.79%)</b>                                    |         |                       |                       |
| <b>Multi-Utilities 1.81% (2.05%)</b>                              |         |                       |                       |
| National Grid plc   | 8,943   | 75                    | 1.81                  |
|   |         | <b>75</b>             | <b>1.81</b>           |
| <b>Water Utilities 0.65% (0.74%)</b>                              |         |                       |                       |
| Severn Trent plc  | 1,347   | 27                    | 0.65                  |
| <b>Utilities total</b>  |         | <b>102</b>            | <b>2.46</b>           |
| <b>Equities total</b>   |         | <b>4,000</b>          | <b>96.78</b>          |
| Investment assets   |         | 4,000                 | 96.78                 |
| Net other assets  |         | 133                   | 3.22                  |
| <b>Net assets</b>   |         | <b>4,133</b>          | <b>100.00</b>         |

The comparative percentage figures in brackets are as at 30 November 2017.

\* Security traded on another regulated market.



# Portfolio movements

For the period ending 31 May 2018

|  | £'000       |  | £'000           |
|--|-------------|--|-----------------|
| <b>Total of all purchases for the period</b> | <b>589</b>  | <b>Total of all sales for the period</b> | <b>593</b>      |
| <b>Total purchases</b>                       | <b>Cost</b> | <b>Major sales</b>                       | <b>Proceeds</b> |
| Glencore plc                                 | 75          | Unilever plc                             | 96              |
| International Consolidated Airlines Group SA | 55          | Sumo Group plc                           | 42              |
| Sumo Group plc                               | 52          | Booker Group plc                         | 34              |
| Ashtead Group plc                            | 43          | Lancashire Holdings Ltd.                 | 33              |
| Anglo American plc                           | 40          | Electrocomponents plc                    | 30              |
| BP plc                                       | 40          | Galliford Try plc                        | 30              |
| Just Group plc                               | 38          | Headlam Group plc                        | 28              |
| John Wood Group plc                          | 36          | Jupiter Fund Management plc              | 26              |
| Shire plc                                    | 33          | Beazley plc                              | 26              |
| B&M European Value Retail SA                 | 28          | Games Workshop Group plc                 | 23              |
| Somero Enterprises, Inc.                     | 24          | Card Factory plc                         | 22              |
| Sabre Insurance Group plc                    | 23          | Victoria plc                             | 20              |
| Judges Scientific plc                        | 19          | BAE Systems plc                          | 20              |
| SThree plc                                   | 17          | Pearson plc                              | 20              |
| GlaxoSmithKline plc                          | 16          | Arrow Global Group plc                   | 16              |
| Nexus Infrastructure plc                     | 15          | WH Smith plc                             | 16              |
| Codemasters Group Holdings Ltd.              | 15          | DCC plc                                  | 14              |
| Team17 Group Ltd.                            | 14          | Phoenix Group Holdings                   | 13              |
| IntegraFin Holdings plc                      | 6           | Morgan Sindall Group plc                 | 12              |
|  |             | Diageo plc                               | 12              |

# Financial statements

## Statement of total return

(Unaudited)

To period ending 31 May

|   | 2018       | 2017        |
|---|------------|-------------|
|   | £'000      | £'000       |
| Income  |            |             |
| Net capital gains/(losses)  | 147        | (22)        |
| Revenue   | 100        | -           |
| Expenses  | (21)       | -           |
| Net revenue before taxation   | 79         | -           |
| Taxation  | -          | -           |
| Net revenue after taxation  | 79         | -           |
| <b>Total return before distributions</b>  | <b>226</b> | <b>(22)</b> |
| Distributions   | (100)      | -           |
| <b>Change in net assets attributable to shareholders from investment activities</b> | <b>126</b> | <b>(22)</b> |

## Balance sheet

As at

|  | 31 May 2018<br>(Unaudited)<br>£'000 | 30 November 2017<br>(Audited)<br>£'000 |
|--|-------------------------------------|--|
| <b>Assets:</b>                                 |                                     |  |
| Investments                                    | 4,000                               | 3,857                                  |
| <b>Current assets:</b>                         |                                     |  |
| Debtors  | 41                                  | 19                                     |
| Cash and bank balances                         | 150                                 | 52                                     |
| <b>Total assets</b>                            | <b>4,191</b>                        | <b>3,928</b>                           |
| <b>Liabilities:</b>                            |                                     |  |
| <b>Creditors:</b>                              |                                     |  |
| Distribution payable                           | (37)                                | (18)                                   |
| Other creditors                                | (21)                                | (4)                                    |
| <b>Total liabilities</b>                       | <b>(58)</b>                         | <b>(22)</b>                            |
| <b>Net assets attributable to shareholders</b> | <b>4,133</b>                        | <b>3,906</b>                           |

## Statement of change in net assets attributable to shareholders

(Unaudited)

To period ending 31 May

|  | 2018         | 2017         |
|--|--------------|--------------|
|  | £'000        | £'000        |
| <b>Opening net assets attributable to shareholders</b>                                   | <b>3,906</b> | <b>-</b>     |
| Amounts receivable on issue of shares  | 53           | 3,880        |
| Amounts payable on cancellation of shares  | (3)          | -            |
|  | 50           | 3,880        |
| Change in net assets attributable to shareholders from investment activities (see above) | 126          | (22)         |
| Retained distributions on accumulation shares  | 51           | -            |
| <b>Closing net assets attributable to shareholders</b>                                   | <b>4,133</b> | <b>3,858</b> |

As the comparatives in the above table are for the previous interim period, the net assets at the end of that period will not agree to the net assets at the start of the current period.

# JPM UK Equity Plus Fund

## Investment objective and policy

To provide long-term capital growth through exposure to UK companies by direct investments in securities of such companies and through the use of Financial Derivative Instruments (derivatives).

UK companies are companies that are incorporated under the laws of, and have their registered office in, the UK, or that derive the predominant part of their economic activity from the UK, even if listed elsewhere. Smaller companies may also be held.

To enhance investment returns, the Fund uses a 130/30 strategy, buying Equity and Equity-Linked Securities considered undervalued or attractive and Short Selling Equity Securities considered overvalued or less attractive, using derivatives where appropriate.

The Fund will normally hold Long Positions of approximately 130% of its net assets and Short Positions of approximately 30% of its net assets but may vary from these targets depending on market conditions. **The Fund may use derivatives for investment purposes or Efficient Portfolio Management including hedging, where appropriate (see Section 11.10 of the Prospectus for Risk Warnings on derivatives).**

Long Positions will be achieved directly or through the use of derivatives, and Short Positions will be achieved via the use of derivatives only.

At any given time, a significant amount of the Fund's assets may be held as cash and cash equivalents to provide cover for the exposure created by the use of derivatives or to assist in achieving its investment objective.

In certain exceptional circumstances the Fund may invest in Covered Bonds, Government Bonds, Investment Grade, Below-Investment Grade and Unrated Securities as the Investment Adviser deems appropriate.

The Fund will invest predominantly in assets denominated in other currencies and non-Sterling currency exposure will not normally be hedged back to Sterling.

## Risk profile

The value of your investment may fall as well as rise and you may get back less than you originally invested.

The value of Equity and Equity-Linked Securities may fluctuate in response to the performance of individual companies and general market conditions.

The Fund invests in securities of smaller companies which may be more difficult to sell, more volatile and tend to carry greater financial risk than securities of larger companies.

The Fund can use sophisticated investment techniques that differ from those used in traditional Equity funds.

There is no guarantee that the use of long and short positions will succeed in enhancing investment returns.

The Fund may use Financial Derivative Instruments (derivatives) and/or forward transactions for investment purposes. The value of derivatives 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 derivative and therefore, investment in derivatives may result in losses in excess of the amount invested by the Fund.

The possible loss from taking a Short Position on a security (using Financial Derivative Instruments) 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.

The single market in which the Fund primarily invests, in this case the UK, may be subject to particular political and economic risks and, as a result, the Fund may be more volatile than more broadly diversified funds.

Please refer to Part 11 of the Prospectus for details of the general risk factors affecting this Fund in addition to the specific risk factors above.

## Fund review

UK stocks delivered positive returns in the six months under review, with the J.P. Morgan UK Equity Plus Fund outperforming its benchmark. After a difficult first quarter in 2018, the UK equity market bounced back in April. Having being unloved for a long period of time, UK equities are looking attractive on both valuation and yield, especially when compared to other developed markets around the world. Corporates continue to see the value in UK-listed businesses, despite Brexit looming ever closer, and mergers and acquisitions (M&A) activity continues to be a theme.

Stock selection in support services, software & computer services and mining contributed positively to relative performance. Detractors included stock selection in food & drug retailers, travel & leisure and banks. At the stock level, the Fund benefited most in relative terms from an overweight position in EVRAZ as the integrated steel and mining company announced profits materially ahead of expectations, driven by strong performance in its steel division. An overweight in industrial conveyor belt manufacturer Fenner was also positive as the company benefited from the synchronised global recovery and saw upgrades on the back of a strong order pipeline. The company was also the subject of a takeover bid from Michelin.

Stock-level detractors included a short position in Ocado. The online supermarket saw a boost in its share price following the announcement of a number of partnership deals with international supermarket chains. This short position was closed, but the Fund remained underweight relative to the benchmark upon its deal with Kroger, a significant player in the US grocery sector. A short position in Laird, the wireless technology firm, also detracted from returns after the company delivered a strong set of results, notably driven by its connected vehicle division.

However, relative returns were boosted by a short position in Renewi, the European waste management company, after it experienced headwinds from a number of loss-making contracts.

## Fund outlook

We continue to expect a synchronised global recovery in economic growth and earnings in 2018. While growth momentum has certainly slowed from the highs witnessed in 2017, economic fundamentals remain robust and the recent corporate earnings season has been one of the strongest so far this cycle.

The lack of progress in Brexit negotiations and the fragility of the Conservative Government remain at the forefront of investors' minds. However, the actual impact of these issues on the UK equity market is limited by the global nature of the earnings of its constituents and the way sterling acts as a natural hedge to bad UK economic news. This has been demonstrated by the strong performance of the UK equity market in the year-to-date despite the aforementioned issues. There are other concerns further afield - including whether a potential trade war between the US and China develops plus the Italian political situation. It is important, however, for investors to focus on what they can control and to try to avoid taking macro calls in such an uncertain macro environment.

With a continuing supportive global backdrop, we believe that UK equities appear an attractive investment at the current time.

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.

## Six month performance to 31 May 2018

|   | Net asset value per share<br>31.05.18 | Net asset value per share<br>30.11.17 | % Return     |
|---|---------------------------------------|---------------------------------------|--------------|
| <b>JPM UK Equity Plus Fund C-Class Acc</b>      | <b>143.8p</b>                         | <b>131.6p</b>                         | <b>9.27%</b> |
| <b>JPM UK Equity Plus Fund C-Class Perf Acc</b> | <b>143.9p</b>                         | <b>132.0p</b>                         | <b>9.02%</b> |
| <b>JPM UK Equity Plus Fund S-Class Acc</b>      | <b>106.8p</b>                         | -                                     | -            |
| Benchmark Index                                 |                                       |                                       | 6.72%        |

## 12 month performance^ to 31 May

|   | 2018         | 2017         | 2016         | 2015 from launch |
|---|--------------|--------------|--------------|------------------|
| <b>JPM UK Equity Plus Fund C-Class Acc</b>      | <b>11.7%</b> | <b>28.0%</b> | <b>-3.3%</b> | <b>4.0%</b>      |
| <b>JPM UK Equity Plus Fund C-Class Perf Acc</b> | <b>11.5%</b> | <b>28.3%</b> | <b>-3.3%</b> | <b>4.1%</b>      |
| <b>JPM UK Equity Plus Fund S-Class Acc</b>      | <b>6.9%</b>  | -            | -            | -                |
| Benchmark Index                                 | 6.1%         | 24.5%        | 0.1%         | 3.8%             |

## Fund statistics

|                            |  |              |              |
|----------------------------|--|--------------|--------------|
| Risk and Reward Profile    | <b>5<sup>+</sup> (5 at 30 November 2017)</b> |              |              |
| Fund size                  | £164.6m                                      |              |              |
| Benchmark Index            | <b>FTSE All-Share Index (Net)</b>            |              |              |
|                            | C-Class                                      |              |              |
| Fund charges and expenses  | C-Class                                      | Perf         | S-Class      |
| Initial charge (max.)      | Nil  | Nil          | Nil          |
| Exit charge                | Nil  | Nil          | Nil          |
| Ongoing charge (comprises) | <b>0.90%</b>                                 | <b>0.61%</b> | <b>0.53%</b> |
| Annual management fee      | <b>0.75%</b>                                 | <b>0.46%</b> | <b>0.38%</b> |
| Operating expenses (max.)  | <b>0.15%</b>                                 | <b>0.15%</b> | <b>0.15%</b> |
| Performance fee            | Nil  | 10%          | Nil          |

## Top ten holdings (excluding Liquidity Funds) %

|                              |      |
|------------------------------|------|
| Royal Dutch Shell plc        | 9.42 |
| BP plc                       | 5.54 |
| HSBC Holdings plc            | 4.90 |
| GlaxoSmithKline plc          | 4.13 |
| Rio Tinto plc                | 3.13 |
| Lloyds Banking Group plc     | 2.74 |
| Prudential plc               | 2.52 |
| British American Tobacco plc | 2.52 |
| Diageo plc                   | 2.48 |
| Vodafone Group plc           | 2.03 |

## Sector breakdown

|                            | %      |
|----------------------------|--------|
| Energy                     | 16.81  |
| Financials                 | 15.98  |
| Liquidity Funds            | 8.26   |
| Consumer Staples           | 8.23   |
| Consumer Discretionary     | 8.15   |
| Health Care                | 7.17   |
| Materials                  | 6.45   |
| Industrials                | 4.61   |
| Information Technology     | 3.96   |
| Real Estate                | 3.61   |
| Telecommunication Services | 3.56   |
| Utilities                  | 0.16   |
| Swaps                      | (0.45) |
| Futures                    | -      |
| Net other assets           | 13.50  |

## Highest/lowest share price and distribution record

| Financial year to 30 November                       | Highest share price | Lowest share price | Distribution per share (net) |
|---|---------------------|--------------------|------------------------------|
| <b>C-Class Accumulation Shares<sup>A</sup></b>      |                     |                    |                              |
| 2015  | 104.0p              | 98.24p             | 0.35p                        |
| 2016  | 113.8p              | 89.59p             | 2.86p                        |
| 2017  | 134.0p              | 110.4p             | 2.70p                        |
| 2018 <sup>B</sup>                                   | 147.1p              | 128.7p             | 0.00p                        |
| <b>C-Class Income Shares<sup>A</sup></b>            |                     |                    |                              |
| 2015  | 104.1p              | 98.24p             | 0.35p                        |
| 2016  | 113.4p              | 89.30p             | 2.84p                        |
| 2017  | 130.2p              | 107.2p             | 2.63p                        |
| 2018 <sup>B</sup>                                   | 139.9p              | 122.3p             | 0.00p                        |
| <b>C-Class Perf Accumulation Shares<sup>A</sup></b> |                     |                    |                              |
| 2015  | 104.1p              | 98.25p             | 0.41p                        |
| 2016  | 114.1p              | 89.66p             | 3.09p                        |
| 2017  | 134.5p              | 110.7p             | 2.69p                        |
| 2018 <sup>B</sup>                                   | 147.2p              | 128.7p             | 0.00p                        |
| <b>C-Class Perf Income Shares<sup>A</sup></b>       |                     |                    |                              |
| 2015  | 104.1p              | 98.25p             | 0.41p                        |
| 2016  | 113.7p              | 89.35p             | 3.12p                        |
| 2017  | 130.2p              | 107.2p             | 2.61p                        |
| 2018 <sup>B</sup>                                   | 139.6p              | 122.1p             | 0.00p                        |
| <b>S-Class Accumulation Shares<sup>C</sup></b>      |                     |                    |                              |
| 2018 <sup>B</sup>                                   | 109.3p              | 99.68p             | 0.00p                        |

<sup>A</sup> C-Class Accumulation Shares, C-Class Income Shares, C-Class Perf Accumulation Shares and C-Class Perf Income Shares were launched on 8 September 2015.

<sup>B</sup> To 31 May 2018.

<sup>C</sup> S-Class Accumulation Shares were launched on 12 April 2018.

<sup>†</sup> For specific risks, including the risk and reward profile, please refer to the Key Investor Information Document (KIID) available on the following website <http://am.jpmorgan.co.uk/investor/prices-and-factsheets/?list=all&tab=Prices>

<sup>^</sup> Performance returns are calculated using the dealing prices of the accumulation shares (income shares are used if no accumulation share class exists) which are calculated using market prices and foreign exchange rates available at 12 noon. The benchmark returns, which are based on close of business prices, may reflect variances to the Fund performance that are due to timing differences. Performance returns are in Sterling. Source: J.P. Morgan

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## Portfolio turnover rate

|          |        |
|----------|--------|
| 30.11.17 | 56.07% |
| 31.05.18 | 12.99% |

The portfolio turnover rate (PTR) reflects the total of security purchases and sales (excluding Liquidity Funds), less the total of share issues and cancellations, expressed as a percentage of the average daily net asset values over the period.

## Net asset values and Ongoing charges

| Date                                    | Net asset value per share class<br>£'000 | Number of shares | Net asset value per share | Ongoing charges* |
|---|--|------------------|---------------------------|------------------|
| <b>C-Class Accumulation Shares</b>      |  |                  |                           |                  |
| 30.11.15                                | 15,403                                   | 14,959,474       | 103.0p                    | 1.05%            |
| 30.11.16                                | 95,041                                   | 84,614,080       | 112.3p                    | 1.05%            |
| 30.11.17                                | 102,573                                  | 77,957,255       | 131.6p                    | 1.05%            |
| 31.05.18                                | 108,471                                  | 75,437,793       | 143.8p                    | 0.90%            |
| <b>C-Class Income Shares</b>            |  |                  |                           |                  |
| 30.11.15 <sup>o</sup>                   | 8,365                                    | 8,151,000        | 102.6p                    | 1.05%            |
| 30.11.16 <sup>o</sup>                   | 8,892                                    | 8,150,000        | 109.1p                    | 1.05%            |
| 30.11.17 <sup>o</sup>                   | 10,198                                   | 8,150,000        | 125.1p                    | 1.05%            |
| 31.05.18                                | 11,140                                   | 8,150,038        | 136.7p                    | 0.90%            |
| <b>C-Class Perf Accumulation Shares</b> |  |                  |                           |                  |
| 30.11.15                                | 8,398                                    | 8,151,000        | 103.0p                    | 0.78%            |
| 30.11.16                                | 16,851                                   | 14,958,474       | 112.7p                    | 0.78%            |
| 30.11.17                                | 19,738                                   | 14,958,474       | 132.0p                    | 0.78%            |
| 31.05.18                                | 21,600                                   | 15,008,474       | 143.9p                    | 0.61%            |
| <b>C-Class Perf Income Shares</b>       |  |                  |                           |                  |
| 30.11.15 <sup>o</sup>                   | 8,365                                    | 8,151,000        | 102.6p                    | 0.78%            |
| 30.11.16 <sup>o</sup>                   | 8,895                                    | 8,150,000        | 109.1p                    | 0.78%            |
| 30.11.17 <sup>o</sup>                   | 10,201                                   | 8,150,000        | 125.2p                    | 0.78%            |
| 31.05.18                                | 11,122                                   | 8,150,000        | 136.5p                    | 0.61%            |
| <b>S-Class Accumulation Shares</b>      |  |                  |                           |                  |
| 31.05.18                                | 12,245                                   | 11,460,914       | 106.8p                    | 0.53%            |

<sup>o</sup> The net asset value and the net asset value per income share are shown ex-dividend at the financial year end.

\* The Ongoing charges takes into account the ACD fee, the operating expenses and any expenses paid to an affiliate in respect of stock lending activities, expressed as a percentage of the average daily net asset values over the period.

# Portfolio statement

As at 31 May 2018

| Investment  | Holding   | Market value<br>£'000 | Total net<br>assets % |
|---|-----------|-----------------------|-----------------------|
| <b>Equities 78.69% (78.57%)</b>                             |           |                       |                       |
| <b>Consumer Discretionary 8.15% (6.02%)</b>                 |           |                       |                       |
| <b>Auto Components 0.00% (0.23%)</b>                        |           |                       |                       |
| <b>Distributors 0.01% (1.14%)</b>                           |           |                       |                       |
| Connect Group plc   | 41,396    | 23                    | 0.01                  |
|   |           | <b>23</b>             | <b>0.01</b>           |
| <b>Hotels, Restaurants &amp; Leisure 1.64% (0.53%)</b>      |           |                       |                       |
| GVC CVR plc Rights 28/03/2019 <sup>1</sup>                  | 214,878   | -                     | -                     |
| GVC Holdings plc  | 30,298    | 309                   | 0.19                  |
| Hollywood Bowl Group plc                                    | 69,652    | 160                   | 0.10                  |
| TUI AG  | 127,906   | 2,221                 | 1.35                  |
|   |           | <b>2,690</b>          | <b>1.64</b>           |
| <b>Household Durables 3.72% (1.45%)</b>                     |           |                       |                       |
| Barratt Developments plc                                    | 272,903   | 1,490                 | 0.91                  |
| Berkeley Group Holdings plc                                 | 48,886    | 2,079                 | 1.26                  |
| Bovis Homes Group plc                                       | 50,008    | 631                   | 0.38                  |
| Taylor Wimpey plc   | 1,008,768 | 1,929                 | 1.17                  |
|   |           | <b>6,129</b>          | <b>3.72</b>           |
| <b>Internet &amp; Direct Marketing Retail 0.05% (0.00%)</b> |           |                       |                       |
| Hostelworld Group plc                                       | 24,463    | 84                    | 0.05                  |
|   |           | <b>84</b>             | <b>0.05</b>           |
| <b>Leisure Products 0.65% (0.53%)</b>                       |           |                       |                       |
| Games Workshop Group plc                                    | 37,667    | 1,074                 | 0.65                  |
|   |           | <b>1,074</b>          | <b>0.65</b>           |
| <b>Media 1.17% (1.02%)</b>                                  |           |                       |                       |
| ITV plc   | 908,745   | 1,493                 | 0.91                  |
| Reach plc   | 534,035   | 428                   | 0.26                  |
|   |           | <b>1,921</b>          | <b>1.17</b>           |
| <b>Specialty Retail 0.91% (1.12%)</b>                       |           |                       |                       |
| JD Sports Fashion plc                                       | 395,538   | 1,490                 | 0.91                  |
|   |           | <b>1,490</b>          | <b>0.91</b>           |
| <b>Consumer Discretionary total</b>                         |           |                       |                       |
|   |           | <b>13,411</b>         | <b>8.15</b>           |
| <b>Consumer Staples 8.23% (13.48%)</b>                      |           |                       |                       |
| <b>Beverages 2.70% (2.71%)</b>                              |           |                       |                       |
| AG Barr plc   | 52,148    | 358                   | 0.22                  |
| Diageo plc  | 148,396   | 4,092                 | 2.48                  |
|   |           | <b>4,450</b>          | <b>2.70</b>           |
| <b>Food &amp; Staples Retailing 0.00% (1.08%)</b>           |           |                       |                       |
| <b>Household Products 0.49% (0.69%)</b>                     |           |                       |                       |
| Reckitt Benckiser Group plc                                 | 13,566    | 803                   | 0.49                  |
|   |           | <b>803</b>            | <b>0.49</b>           |
| <b>Personal Products 0.94% (3.09%)</b>                      |           |                       |                       |
| Unilever plc  | 36,738    | 1,543                 | 0.94                  |
|   |           | <b>1,543</b>          | <b>0.94</b>           |
| <b>Tobacco 4.10% (5.91%)</b>                                |           |                       |                       |
| British American Tobacco plc                                | 107,514   | 4,146                 | 2.52                  |
| Imperial Brands plc   | 97,058    | 2,604                 | 1.58                  |
|   |           | <b>6,750</b>          | <b>4.10</b>           |
| <b>Consumer Staples total</b>                               |           |                       |                       |
|   |           | <b>13,546</b>         | <b>8.23</b>           |
| <b>Energy 16.81% (12.65%)</b>                               |           |                       |                       |
| <b>Energy Equipment &amp; Services 1.16% (0.00%)</b>        |           |                       |                       |
| Hunting plc   | 228,400   | 1,920                 | 1.16                  |
|   |           | <b>1,920</b>          | <b>1.16</b>           |
| <b>Oil, Gas &amp; Consumable Fuels 15.65% (12.65%)</b>      |           |                       |                       |
| BP plc  | 1,591,415 | 9,119                 | 5.54                  |
| Royal Dutch Shell plc 'A'                                   | 345,156   | 9,024                 | 5.48                  |
| Royal Dutch Shell plc 'B'                                   | 241,198   | 6,475                 | 3.94                  |
| Tullow Oil plc  | 454,524   | 1,133                 | 0.69                  |
|   |           | <b>25,751</b>         | <b>15.65</b>          |
| <b>Energy total</b>   |           |                       |                       |
|   |           | <b>27,671</b>         | <b>16.81</b>          |

| Investment  | Holding   | Market value<br>£'000 | Total net<br>assets % |
|---|-----------|-----------------------|-----------------------|
| <b>Financials 15.98% (18.41%)</b>                                       |           |                       |                       |
| <b>Banks 9.47% (10.65%)</b>   |           |                       |                       |
| Barclays plc  | 1,511,672 | 3,013                 | 1.83                  |
| HSBC Holdings plc   | 1,110,809 | 8,057                 | 4.90                  |
| Lloyds Banking Group plc  | 7,092,285 | 4,515                 | 2.74                  |
|   |           | <b>15,585</b>         | <b>9.47</b>           |
| <b>Capital Markets 1.19% (1.27%)</b>                                    |           |                       |                       |
| IntegraFin Holdings plc   | 169,632   | 609                   | 0.37                  |
| Intermediate Capital Group plc  | 103,582   | 1,187                 | 0.72                  |
| Liontrust Asset Management plc  | 27,975    | 160                   | 0.10                  |
|   |           | <b>1,956</b>          | <b>1.19</b>           |
| <b>Insurance 4.19% (5.87%)</b>  |           |                       |                       |
| Aviva plc   | 156,081   | 801                   | 0.49                  |
| Direct Line Insurance Group plc   | 539,095   | 1,938                 | 1.18                  |
| Prudential plc  | 227,254   | 4,154                 | 2.52                  |
|   |           | <b>6,893</b>          | <b>4.19</b>           |
| <b>Thriffs &amp; Mortgage Finance 1.13% (0.62%)</b>                     |           |                       |                       |
| Charter Court Financial Services Group plc                              | 364,594   | 1,104                 | 0.67                  |
| Mortgage Advice Bureau Holdings Ltd. <sup>#</sup>                       | 125,000   | 757                   | 0.46                  |
|   |           | <b>1,861</b>          | <b>1.13</b>           |
| <b>Financials total</b>   |           |                       |                       |
|   |           | <b>26,295</b>         | <b>15.98</b>          |
| <b>Health Care 7.17% (6.46%)</b>  |           |                       |                       |
| <b>Biotechnology 1.36% (1.41%)</b>                                      |           |                       |                       |
| Shire plc   | 54,248    | 2,233                 | 1.36                  |
|   |           | <b>2,233</b>          | <b>1.36</b>           |
| <b>Health Care Equipment &amp; Supplies 0.17% (0.00%)</b>               |           |                       |                       |
| Consort Medical plc   | 24,295    | 282                   | 0.17                  |
|   |           | <b>282</b>            | <b>0.17</b>           |
| <b>Pharmaceuticals 5.64% (5.05%)</b>                                    |           |                       |                       |
| AstraZeneca plc   | 45,502    | 2,488                 | 1.51                  |
| GlaxoSmithKline plc   | 445,268   | 6,795                 | 4.13                  |
|   |           | <b>9,283</b>          | <b>5.64</b>           |
| <b>Health Care total</b>  |           |                       |                       |
|   |           | <b>11,798</b>         | <b>7.17</b>           |
| <b>Industrials 4.61% (5.66%)</b>  |           |                       |                       |
| <b>Aerospace &amp; Defense 0.53% (1.02%)</b>                            |           |                       |                       |
| BAE Systems plc   | 135,196   | 874                   | 0.53                  |
|   |           | <b>874</b>            | <b>0.53</b>           |
| <b>Machinery 0.99% (2.21%)</b>  |           |                       |                       |
| Fenner plc  | 265,321   | 1,616                 | 0.99                  |
|   |           | <b>1,616</b>          | <b>0.99</b>           |
| <b>Professional Services 1.52% (1.40%)</b>                              |           |                       |                       |
| Experian plc  | 102,092   | 1,894                 | 1.15                  |
| SThree plc  | 187,438   | 609                   | 0.37                  |
|   |           | <b>2,503</b>          | <b>1.52</b>           |
| <b>Trading Companies &amp; Distributors 1.57% (1.03%)</b>               |           |                       |                       |
| Ashtead Group plc   | 111,468   | 2,586                 | 1.57                  |
|   |           | <b>2,586</b>          | <b>1.57</b>           |
| <b>Industrials total</b>  |           |                       |                       |
|   |           | <b>7,579</b>          | <b>4.61</b>           |
| <b>Information Technology 3.96% (2.18%)</b>                             |           |                       |                       |
| <b>Electronic Equipment, Instruments &amp; Components 1.08% (0.00%)</b> |           |                       |                       |
| Halma plc   | 51,496    | 707                   | 0.43                  |
| Spectris plc  | 38,028    | 1,078                 | 0.65                  |
|   |           | <b>1,785</b>          | <b>1.08</b>           |
| <b>Internet Software &amp; Services 1.26% (1.18%)</b>                   |           |                       |                       |
| Rightmove plc   | 41,790    | 2,069                 | 1.26                  |
|   |           | <b>2,069</b>          | <b>1.26</b>           |
| <b>IT Services 1.62% (0.92%)</b>  |           |                       |                       |
| Computacenter plc   | 136,256   | 1,785                 | 1.09                  |
| Softcat plc   | 116,828   | 879                   | 0.53                  |
|   |           | <b>2,664</b>          | <b>1.62</b>           |
| <b>Software 0.00% (0.08%)</b>   |           |                       |                       |
| <b>Information Technology total</b>                                     |           |                       |                       |
|   |           | <b>6,518</b>          | <b>3.96</b>           |

# Portfolio statement – continued

As at 31 May 2018

| Investment  | Holding    | Market value<br>£'000 | Total net<br>assets % |
|---|------------|-----------------------|-----------------------|
| <b>Materials 6.45% (6.45%)</b>                                    |            |                       |                       |
| <b>Containers &amp; Packaging 1.23% (1.29%)</b>                   |            |                       |                       |
| Smurfit Kappa Group plc   | 65,879     | 2,024                 | 1.23                  |
|   |            | <b>2,024</b>          | <b>1.23</b>           |
| <b>Metals &amp; Mining 5.22% (5.16%)</b>                          |            |                       |                       |
| Anglo American plc  | 158,470    | 2,866                 | 1.74                  |
| Antofagasta plc   | 54,003     | 571                   | 0.35                  |
| Rio Tinto plc   | 120,879    | 5,160                 | 3.13                  |
|   |            | <b>8,597</b>          | <b>5.22</b>           |
| <b>Materials total</b>  |            | <b>10,621</b>         | <b>6.45</b>           |
| <b>Real Estate 3.61% (3.81%)</b>                                  |            |                       |                       |
| <b>Equity Real Estate Investment Trusts (REITs) 3.61% (3.81%)</b> |            |                       |                       |
| British Land Co. plc (The)  | 310,584    | 2,106                 | 1.28                  |
| Land Securities Group plc   | 211,243    | 1,975                 | 1.20                  |
| Workspace Group plc   | 163,664    | 1,859                 | 1.13                  |
|   |            | <b>5,940</b>          | <b>3.61</b>           |
| <b>Real Estate total</b>  |            | <b>5,940</b>          | <b>3.61</b>           |
| <b>Telecommunication Services 3.56% (2.93%)</b>                   |            |                       |                       |
| <b>Diversified Telecommunication Services 1.53% (0.19%)</b>       |            |                       |                       |
| BT Group plc  | 1,224,982  | 2,510                 | 1.53                  |
|   |            | <b>2,510</b>          | <b>1.53</b>           |
| <b>Wireless Telecommunication Services 2.03% (2.74%)</b>          |            |                       |                       |
| Vodafone Group plc  | 1,724,458  | 3,347                 | 2.03                  |
|   |            | <b>3,347</b>          | <b>2.03</b>           |
| <b>Telecommunication Services total</b>                           |            | <b>5,857</b>          | <b>3.56</b>           |
| <b>Utilities 0.16% (0.52%)</b>                                    |            |                       |                       |
| <b>Multi-Utilities 0.16% (0.52%)</b>                              |            |                       |                       |
| National Grid plc   | 31,188     | 261                   | 0.16                  |
|   |            | <b>261</b>            | <b>0.16</b>           |
| <b>Utilities total</b>  |            | <b>261</b>            | <b>0.16</b>           |
| <b>Equities total</b>   |            | <b>129,497</b>        | <b>78.69</b>          |
| <b>Swaps (0.45)% ((0.37)%)</b>                                    |            |                       |                       |
| UK Equity Total Return Swap                                       | 1          | (740)                 | (0.45)                |
| <b>Swaps total</b>  |            | <b>(740)</b>          | <b>(0.45)</b>         |
| <b>Futures 0.00% (0.00%)</b>                                      |            |                       |                       |
| FTSE 100 Index 15/06/2018   | 6          | (1)                   | -                     |
| <b>Futures total</b>  |            | <b>(1)</b>            | <b>-</b>              |
| <b>Liquidity Funds 8.26% (9.59%)</b>                              |            |                       |                       |
| JPM Sterling Liquidity Fund X (dist.) <sup>g</sup>                | 13,601,743 | 13,602                | 8.26                  |
| <b>Liquidity Funds total</b>                                      |            | <b>13,602</b>         | <b>8.26</b>           |
| Investment assets (including investment liabilities)              |            | 142,358               | 86.50                 |
| Net other assets  |            | 22,220                | 13.50                 |
| <b>Net assets</b>   |            | <b>164,578</b>        | <b>100.00</b>         |

The comparative percentage figures in brackets are as at 30 November 2017.

<sup>g</sup> Security traded on another regulated market.

<sup>h</sup> Unlisted, suspended or delisted security.

<sup>a</sup> A related party to the Fund.

# Portfolio movements

For the six months ending 31 May 2018

|  | £'000         |  | £'000           |
|--|---------------|--|-----------------|
| <b>Total of all purchases for the period</b> | <b>36,671</b> | <b>Total of all sales for the period</b>           | <b>26,420</b>   |
| <b>Major purchases</b>                       | <b>Cost</b>   | <b>Major sales</b>                                 | <b>Proceeds</b> |
| BP plc                                       | 2,767         | Unilever plc                                       | 2,582           |
| Barclays plc                                 | 2,732         | HSBC Holdings plc                                  | 2,081           |
| BT Group plc                                 | 2,597         | Hiscox Ltd.  | 1,948           |
| Direct Line Insurance Group plc              | 2,095         | Wm Morrison Supermarkets plc                       | 1,616           |
| Berkeley Group Holdings plc                  | 1,978         | Greggs plc   | 1,572           |
| TUI AG                                       | 1,964         | Inchcape plc                                       | 1,512           |
| Greggs plc                                   | 1,640         | British American Tobacco plc                       | 1,324           |
| Hunting plc                                  | 1,578         | TP ICAP plc  | 1,093           |
| Taylor Wimpey plc                            | 1,521         | Spirax-Sarco Engineering plc                       | 938             |
| Royal Dutch Shell plc 'B'                    | 1,172         | Cranswick plc                                      | 856             |
| Royal Dutch Shell plc 'A'                    | 1,114         | Royal Dutch Shell plc 'A'                          | 841             |
| Tullow Oil plc                               | 1,077         | IMI plc  | 822             |
| Spectris plc                                 | 1,062         | JPM Sterling Liquidity Fund X (dist.) <sup>⊖</sup> | 807             |
| Centamin plc                                 | 847           | Standard Life Aberdeen plc                         | 743             |
| Cranswick plc                                | 844           | BAE Systems plc                                    | 727             |
| GlaxoSmithKline plc                          | 801           | Centamin plc                                       | 724             |
| Imperial Brands plc                          | 788           | Hastings Group Holdings plc                        | 588             |
| Mortgage Advice Bureau Holdings Ltd.         | 785           | Jupiter Fund Management plc                        | 556             |
| Intermediate Capital Group plc               | 749           | Melrose Industries plc                             | 518             |
| Ashtead Group plc                            | 721           | Dixons Carphone plc                                | 464             |

<sup>⊖</sup> A related party to the Fund.



# Financial statements

## Statement of total return

(Unaudited)

For the six months ending 31 May

|   | 2018          | 2017          |
|---|---------------|---------------|
|   | £'000         | £'000         |
| Income  |               |               |
| Net capital gains   | 11,342        | 16,985        |
| Revenue   | 2,998         | 2,385         |
| Expenses  | (757)         | (701)         |
| Net revenue before taxation   | 2,241         | 1,684         |
| Taxation  | (24)          | (21)          |
| Net revenue after taxation  | 2,217         | 1,663         |
| <b>Total return before distributions</b>  | <b>13,559</b> | <b>18,648</b> |
| Distributions   | (41)          | (29)          |
| <b>Change in net assets attributable to shareholders from investment activities</b> | <b>13,518</b> | <b>18,619</b> |

## Statement of change in net assets attributable to shareholders

(Unaudited)

For the six months ending 31 May

|  | 2018           | 2017           |
|--|----------------|----------------|
|  | £'000          | £'000          |
| <b>Opening net assets attributable to shareholders</b>                                   | <b>142,710</b> | <b>129,679</b> |
| Amounts receivable on issue of shares  | 27,052         | 658            |
| Amounts payable on cancellation of shares  | (18,991)       | (6,630)        |
|  | 8,061          | (5,972)        |
| Dilution adjustment  | 289            | 10             |
| Change in net assets attributable to shareholders from investment activities (see above) | 13,518         | 18,619         |
| <b>Closing net assets attributable to shareholders</b>                                   | <b>164,578</b> | <b>142,336</b> |

As the comparatives in the above table are for the previous interim period, the net assets at the end of that period will not agree to the net assets at the start of the current period.

## Balance sheet

As at

|  | 31 May 2018<br>(Unaudited)<br>£'000 | 30 November 2017<br>(Audited)<br>£'000 |
|--|-------------------------------------|--|
| <b>Assets:</b>                                 |                                     |  |
| Investments                                    | 143,099                             | 125,809                                |
| <b>Current assets:</b>                         |                                     |  |
| Debtors  | 1,016                               | 2,518                                  |
| Cash and bank balances                         | 21,507                              | 15,536                                 |
| <b>Total assets</b>                            | <b>165,622</b>                      | <b>143,863</b>                         |
| <b>Liabilities:</b>                            |                                     |  |
| Investment liabilities                         | (741)                               | (525)                                  |
| <b>Creditors:</b>                              |                                     |  |
| Distribution payable                           | -                                   | (427)                                  |
| Other creditors                                | (303)                               | (201)                                  |
| <b>Total liabilities</b>                       | <b>(1,044)</b>                      | <b>(1,153)</b>                         |
| <b>Net assets attributable to shareholders</b> | <b>164,578</b>                      | <b>142,710</b>                         |

# Securities Financing Transactions (Unaudited)

The Fund engages in Securities Financing Transactions (SFT) (as defined in Article 3 of Regulation (EU) 2015/2365, securities financing transactions include repurchase transactions, securities or commodities lending and securities or commodities borrowing, buy-sell back transactions or sell-buy back transactions and margin lending transactions). In accordance with Article 13 of the Regulation, the Fund's involvement in and exposures related to SFT for the accounting period ended 31 May 2018 are detailed below.

## Global Data

### Amount of securities on loan

The total value of securities on loan as a proportion of the Fund's total lendable assets, as at the balance sheet date, is 0.21%. Total lendable assets represents the aggregate value of assets types forming part of the Fund's securities lending programme.

### Amount of assets engaged in securities lending & TRS

The following table represents the total value of assets engaged in each type of SFT (including TRS):

|                    | Value<br>£'000 | % of AUM |
|--------------------|----------------|----------|
| Securities lending | 304            | 0.18%    |
| TRS                | 740            | 0.45%    |

## Concentration Data

### Collateral issuers

The following table lists the issuers by value of non-cash collateral received by the Fund by way of title transfer collateral arrangement across securities lending transactions, as at the balance sheet date:

| Issuer                  | Collateral Value<br>£'000 |
|-------------------------|---------------------------|
| United Kingdom Treasury | 319                       |
| Total                   | 319                       |

Non-cash collateral received by way of title transfer collateral arrangement in relation to securities lending transactions cannot be sold, re-invested or pledged.

### Counterparties

The following table provides details of the counterparties (based on gross volume of outstanding transactions with exposure on a gross absolute basis) in respect of securities lending as at the balance sheet date:

#### Stock lending

| Counterparty  | Value<br>£'000 |
|---------------|----------------|
| HSBC Bank Plc | 304            |
| Total         | 304            |

#### TRS

| Counterparty  | Value<br>£'000 |
|---------------|----------------|
| Goldman Sachs | 33,551         |
| Total         | 33,551         |

## Aggregate transaction data

### Type, quality, maturity, tenor and currency of collateral

The following table provides an analysis of the type, quality and currency of collateral received by the Fund in respect of securities lending transactions as at the balance sheet date.

| Type  | Quality          | Currency | Collateral Value<br>£'000 |
|-------|------------------|----------|---------------------------|
| Bonds | Investment grade | GBP      | 319                       |
| Total |                  |          | 319                       |

No collateral was received in relation to TRS as at the balance sheet date.

### Maturity tenor of collateral

The following table provides an analysis of the maturity tenor of collateral received in relation to securities lending transactions as at the balance sheet date.

| Type             | Stocklending<br>Value<br>£'000 |
|------------------|--------------------------------|
| more than 1 year | 319                            |
| Total            | 319                            |

### Maturity tenor of Security lending transactions

The Fund's securities lending transactions have open maturity.

### Maturity tenor of TRS

The following table provides an analysis of the maturity tenor of open TRS.

| Maturity         | TRS Value<br>£'000 |
|------------------|--------------------|
| more than 1 year | (740)              |
| Total            | (740)              |

### Maturity tenor of Security lending transactions

The Fund's securities lending transactions have open maturity.

### Country in which counterparties are established

| Counterparty  | Country of<br>Incorporation |
|---------------|-----------------------------|
| HSBC Bank Plc | United Kingdom              |
| Goldman Sachs | United Kingdom              |

# Securities Financing Transactions (Unaudited) – continued

## Settlement and clearing

OTC derivative transactions are entered into by the Fund under an International Swaps and Derivatives Association, Inc. Master Agreement (“ISDA Master Agreement”) or similar agreement. An ISDA Master Agreement is a bilateral agreement between the Fund and a counterparty that governs OTC derivative transactions (including total return swaps) entered into by the parties. All OTC derivative transactions entered under an ISDA Master Agreement are netted together for collateral purposes, therefore any collateral disclosures provided are in respect of all OTC derivative transactions entered into by the Fund under the ISDA Master agreement, not just total return swaps.

The Fund’s securities lending transactions including related collaterals are settled and cleared either bi-laterally, tri-party or through a central counterparty.

## Re-use of collateral

### Share of collateral received that is reused and reinvestment return

Non-cash collateral received by way of title transfer collateral arrangement in relation to securities lending transactions cannot be sold, reinvested or pledged.

Cash collateral received in the context of OTC (including TRS) Transactions in Derivatives may be reused in accordance with the provisions contained within the Prospectus, however the Fund does not currently reinvest cash collateral received in respect of OTC Derivatives.

Cash collateral received in the context of securities lending transactions may be reused in accordance with the provisions contained within the Prospectus, however the Fund as at the period end has not reinvested cash collateral received in respect of securities lending transactions.

## Safekeeping of collateral

All collateral pledged (31.05.18: £782,000) by the Fund is in respect of TRS with the counterparty Goldman Sachs as at the balance sheet date is in the form of cash (GBP).

All collateral received (31.05.18: £319,000) by the Fund in respect of securities lending transactions as at the balance sheet date is held by the Custodian.

## Return and cost

All returns from TRS transactions will accrue to the Fund and are not subject to any returns sharing arrangements with the Fund’s Manager or any other third parties. Returns from those instruments are disclosed within the Net capital gains and Revenue of the Fund’s financial statements.

JPMorgan Chase Bank, N.A (JPMCB), the lending agent, receives a fee of 15% of the gross revenue for its services related to the Stock Lending Transactions. The remainder of the revenue, 85%, is received by the Fund i.e. for the benefit of Shareholders

# JPM UK Smaller Companies Fund

## Investment objective and policy

To provide long-term capital growth by investing primarily in UK smaller companies.

UK smaller companies are companies that are incorporated under the laws of, and have their registered office in, the UK, or that derive the predominant part of their economic activity from the UK, even if listed elsewhere. This may include companies listed on AIM or included in the FTSE 250 index.

Other instruments as permitted in the stated investment and borrowing powers of the Company including, but not limited to, fixed income securities, cash and cash equivalents may be held on an ancillary basis, as appropriate.

**The Fund may also use Financial Derivative Instruments (derivatives) for the purpose of Efficient Portfolio Management, including hedging, where appropriate (see section 11.10 of the Prospectus for risk warnings on derivatives).**

The Fund will invest predominantly in assets denominated in Sterling. However, assets may be denominated in other currencies and non-Sterling currency exposure will not normally be hedged back to Sterling.

## Risk profile

The value of your investment may fall as well as rise and you may get back less than you originally invested.

The value of Equity and Equity-Linked Securities may fluctuate in response to the performance of individual companies and general market conditions.

The Fund invests in securities of smaller companies which may be more difficult to sell, more volatile and tend to carry greater financial risk than securities of larger companies.

Companies listed on AIM tend to be smaller and early stage companies and may carry greater risks than an investment in a company with a full listing on the London Stock Exchange.

The Fund may take significant positions relative to its Benchmark.

The single market in which the Fund invests, in this case the UK, may be subject to particular political and economic risks and, as a result, the Fund may be more volatile than more broadly diversified funds.

Please refer to Part 11 of the Prospectus for details of the general risk factors affecting this Fund in addition to the specific risk factors above.

## Fund review

UK small cap stocks delivered positive returns but underperformed large caps in the six months under review. After a difficult first quarter in 2018, the UK equity market bounced back in April. After being out of favour for a long period of time, UK equities are looking attractive on both valuation and yield, especially when compared to other developed markets around the world. Corporates continue to see the value in UK-listed businesses, despite Brexit looming ever closer, and mergers and acquisitions (M&A) activity continues to be a theme.

The Fund, which invests in attractively-valued, high-quality UK small cap stocks with positive momentum, outperformed its benchmark. Positive contributors to relative returns included stock selection in financial services and leisure goods and stock selection and an overweight in industrial engineering. An overweight position in household goods & home construction detracted the most, followed by underweights in technology

hardware & equipment and travel & leisure. At the stock level, the Fund benefited most in relative terms from an overweight position in Plus500. The online trading firm had a very strong first quarter following success in increasing its customer base whilst benefiting from market volatility. An overweight position in industrial conveyor belt manufacturer Fenner was also positive as the company benefited from the synchronised global recovery and saw upgrades on the back of a strong order pipeline. The company was also the subject of a takeover bid from Michelin.

Stock-level detractors from relative returns included an overweight in McBride and an underweight in Premier Oil. McBride, a household and personal care manufacturer, announced a disappointing set of results on the back of slower sales and rising costs. Premier Oil, an independent UK oil company, benefited from the rising oil price.

However, relative returns were boosted by an overweight position in Fever-Tree as shares of the firm, which specialises in premium mixers for drinks, continued to perform strongly as it yet again upgraded its sales guidance on the back of consumers' willingness to switch to premium mixers.

## Fund outlook

We continue to expect a synchronised global recovery in economic growth and earnings in 2018. While growth momentum has certainly slowed from the highs witnessed in 2017, economic fundamentals remain robust and the recent corporate earnings season has been one of the strongest so far this cycle.

The lack of progress in Brexit negotiations and the fragility of the Conservative Government remain at the forefront of investors' minds. However, the actual impact of these issues on the UK equity market is limited by the global nature of the earnings of its constituents and the way sterling acts as a natural hedge to bad UK economic news. This has been demonstrated by the strong performance of the UK equity market in the year-to-date despite the aforementioned issues. There are other concerns further afield - including whether a potential trade war between the US and China develops plus the Italian political situation. It is important, however, for investors to focus on what they can control and to try to avoid taking macro calls in such an uncertain macro environment.

With a continuing supportive global backdrop, we believe that UK equities appear an attractive investment at the current time.

## Six month performance to 31 May 2018

|  | Net asset value per share | Net asset value per share | % Return |
|--|---------------------------|---------------------------|----------|
| <b>JPM UK Smaller Companies Fund A-Class Acc</b> | 502.3p                    | 456.2p                    | 10.11%   |
| <b>JPM UK Smaller Companies Fund B-Class Acc</b> | 516.3p                    | 467.7p                    | 10.39%   |
| <b>JPM UK Smaller Companies Fund C-Class Acc</b> | 523.7p                    | 473.9p                    | 10.51%   |
| <b>JPM UK Smaller Companies Fund I-Class Acc</b> | 1,034p                    | 933.9p                    | 10.72%   |
| Benchmark Index                                  |                           |                           | 4.22%    |

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.

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## 12 month performance<sup>^</sup> to 31 May

|                                      | 2018  | 2017  | 2016  | 2015 | 2014  |
|--------------------------------------|-------|-------|-------|------|-------|
| <b>JPM UK Smaller Companies Fund</b> |       |       |       |      |       |
| A-Class Acc                          | 13.7% | 20.1% | -0.2% | 7.5% | 16.2% |
| <b>JPM UK Smaller Companies Fund</b> |       |       |       |      |       |
| B-Class Acc                          | 14.2% | 20.7% | 0.3%  | 8.0% | 16.7% |
| <b>JPM UK Smaller Companies Fund</b> |       |       |       |      |       |
| C-Class Acc                          | 14.5% | 21.0% | 0.6%  | 8.3% | 17.0% |
| <b>JPM UK Smaller Companies Fund</b> |       |       |       |      |       |
| I-Class Acc                          | 14.8% | 21.3% | 0.9%  | 8.6% | 17.3% |
| Benchmark Index                      | 5.7%  | 24.0% | 0.3%  | 8.6% | 23.9% |

## Fund statistics

|                            |   |         |         |         |
|----------------------------|---|---------|---------|---------|
| Risk and Reward Profile    | 5 <sup>†</sup> (5 at 30 November 2017)      |         |         |         |
| Fund size                  | £170.5m                                     |         |         |         |
| Benchmark Index            | FTSE Small Cap ex Investment Trusts (Gross) |         |         |         |
| Fund charges and expenses  | A-Class                                     | B-Class | C-Class | I-Class |
| Initial charge (max.)      | Nil   | Nil     | Nil     | Nil     |
| Exit charge                | Nil   | Nil     | Nil     | Nil     |
| Ongoing charge (comprises) | 1.65%                                       | 1.15%   | 0.90%   | 0.60%   |
| Annual management fee      | 1.50%                                       | 1.00%   | 0.75%   | 0.60%   |
| Operating expenses (max.)  | 0.15%                                       | 0.15%   | 0.15%   | -       |

## Top ten holdings (excluding Liquidity Funds) %

|  |      |
|--|------|
| 4imprint Group plc                         | 3.18 |
| Games Workshop Group plc                   | 2.94 |
| Forterra plc                               | 2.90 |
| Plus500 Ltd.                               | 2.84 |
| Victoria plc                               | 2.82 |
| Fevertree Drinks plc                       | 2.71 |
| OneSavings Bank plc                        | 2.50 |
| Avon Rubber plc                            | 2.48 |
| Charter Court Financial Services Group plc | 2.15 |
| MJ Gleeson plc                             | 2.07 |

## Sector breakdown %

|                        |       |
|------------------------|-------|
| Industrials            | 28.39 |
| Consumer Discretionary | 23.32 |
| Information Technology | 14.52 |
| Financials             | 14.41 |
| Consumer Staples       | 5.81  |
| Materials              | 4.56  |
| Real Estate            | 4.25  |
| Energy                 | 3.26  |
| Liquidity Funds        | 1.15  |
| Net other assets       | 0.33  |

## Highest/lowest share price and distribution record

| Financial year to 30 November      | Highest share price | Lowest share price | Distribution per share (net) |
|------------------------------------|---------------------|--------------------|------------------------------|
| <b>A-Class Accumulation Shares</b> |                     |                    |                              |
| 2015                               | 394.3p              | 315.0p             | 1.04p                        |
| 2016                               | 392.6p              | 313.6p             | 2.83p                        |
| 2017                               | 473.4p              | 368.0p             | 2.87p                        |
| 2018 <sup>A</sup>                  | 513.0p              | 453.6p             | 0.00p                        |
| <b>A-Class Income Shares</b>       |                     |                    |                              |
| 2015                               | 76.57p              | 61.17p             | 0.20p                        |
| 2016                               | 76.03p              | 60.73p             | 0.56p                        |
| 2017                               | 90.95p              | 70.71p             | 0.55p                        |
| 2018 <sup>A</sup>                  | 97.93p              | 86.60p             | 0.00p                        |
| <b>B-Class Accumulation Shares</b> |                     |                    |                              |
| 2015                               | 400.1p              | 318.3p             | 2.89p                        |
| 2016                               | 398.6p              | 319.3p             | 3.96p                        |
| 2017                               | 485.2p              | 375.5p             | 5.10p                        |
| 2018 <sup>A</sup>                  | 527.1p              | 465.5p             | 0.00p                        |
| <b>C-Class Accumulation Shares</b> |                     |                    |                              |
| 2015                               | 403.3p              | 320.1p             | 3.86p                        |
| 2016                               | 401.9p              | 322.4p             | 5.87p                        |
| 2017                               | 491.5p              | 379.5p             | 6.26p                        |
| 2018 <sup>A</sup>                  | 534.7p              | 471.8p             | 0.00p                        |
| <b>C-Class Income Shares</b>       |                     |                    |                              |
| 2015                               | 77.14p              | 61.22p             | 0.73p                        |
| 2016                               | 76.12p              | 61.07p             | 1.11p                        |
| 2017                               | 91.67p              | 70.77p             | 1.16p                        |
| 2018 <sup>A</sup>                  | 98.42p              | 86.84p             | 0.00p                        |
| <b>I-Class Accumulation Shares</b> |                     |                    |                              |
| 2015                               | 789.5p              | 624.8p             | 9.91p                        |
| 2016                               | 786.9p              | 632.5p             | 13.82p                       |
| 2017                               | 968.5p              | 745.5p             | 15.15p                       |
| 2018 <sup>A</sup>                  | 1,055p              | 930.5p             | 0.00p                        |

<sup>A</sup> To 31 May 2018.

## Portfolio turnover rate

|          |        |
|----------|--------|
| 30.11.17 | 61.54% |
| 31.05.18 | 25.12% |

The portfolio turnover rate (PTR) reflects the total of security purchases and sales (excluding Liquidity Funds), less the total of share issues and cancellations, expressed as a percentage of the average daily net asset values over the period.

<sup>†</sup> For specific risks, including the risk and reward profile, please refer to the Key Investor information Document (KIID) available on the following website <http://am.jpmorgan.co.uk/investor/prices-and-factsheets/?list=all&tab=Prices>

<sup>^</sup> Performance returns are calculated using the dealing prices of the accumulation shares (income shares are used if no accumulation share class exists) which are calculated using market prices and foreign exchange rates available at 12 noon. The benchmark returns, which are based on close of business prices, may reflect variances to the Fund performance that are due to timing differences. Performance returns are in Sterling. Source: J.P. Morgan

## Net asset values and Ongoing charges

| Date                               | Net asset value per share class<br>£'000 | Number of shares | Net asset value per share | Ongoing charges* |
|------------------------------------|--|------------------|---------------------------|------------------|
| <b>A-Class Accumulation Shares</b> |  |                  |                           |                  |
| 30.11.15                           | 87,045                                   | 22,720,629       | 383.1p                    | 1.68%            |
| 30.11.16                           | 68,475                                   | 18,637,425       | 367.4p                    | 1.68%            |
| 30.11.17                           | 61,409                                   | 13,462,052       | 456.2p                    | 1.68%            |
| 31.05.18                           | 65,643                                   | 13,067,981       | 502.3p                    | 1.65%            |
| <b>A-Class Income Shares</b>       |  |                  |                           |                  |
| 30.11.15 <sup>ⓑ</sup>              | 1,513                                    | 2,039,903        | 74.19p                    | 1.68%            |
| 30.11.16 <sup>ⓑ</sup>              | 1,317                                    | 1,865,894        | 70.59p                    | 1.68%            |
| 30.11.17 <sup>ⓑ</sup>              | 2,143                                    | 2,461,110        | 87.09p                    | 1.68%            |
| 31.05.18                           | 2,324                                    | 2,423,157        | 95.90p                    | 1.65%            |
| <b>B-Class Accumulation Shares</b> |  |                  |                           |                  |
| 30.11.15                           | 1,313                                    | 337,674          | 388.9p                    | 1.18%            |
| 30.11.16                           | 54                                       | 14,299           | 374.9p                    | 1.18%            |
| 30.11.17                           | 63                                       | 13,551           | 467.7p                    | 1.18%            |
| 31.05.18                           | 70                                       | 13,551           | 516.3p                    | 1.15%            |
| <b>C-Class Accumulation Shares</b> |  |                  |                           |                  |
| 30.11.15                           | 12,778                                   | 3,259,004        | 392.1p                    | 0.93%            |
| 30.11.16                           | 17,183                                   | 4,535,365        | 378.9p                    | 0.93%            |
| 30.11.17                           | 20,330                                   | 4,290,018        | 473.9p                    | 0.93%            |
| 31.05.18                           | 22,667                                   | 4,327,987        | 523.7p                    | 0.90%            |
| <b>C-Class Income Shares</b>       |  |                  |                           |                  |
| 30.11.15 <sup>ⓑ</sup>              | 868                                      | 1,168,793        | 74.26p                    | 0.93%            |
| 30.11.16 <sup>ⓑ</sup>              | 974                                      | 1,378,025        | 70.65p                    | 0.93%            |
| 30.11.17 <sup>ⓑ</sup>              | 1,162                                    | 1,332,448        | 87.21p                    | 0.93%            |
| 31.05.18                           | 1,275                                    | 1,322,305        | 96.39p                    | 0.90%            |
| <b>I-Class Accumulation Shares</b> |  |                  |                           |                  |
| 30.11.15                           | 30,287                                   | 3,945,481        | 767.6p                    | 0.60%            |
| 30.11.16                           | 24,667                                   | 3,314,510        | 744.2p                    | 0.60%            |
| 30.11.17                           | 49,568                                   | 5,307,485        | 933.9p                    | 0.60%            |
| 31.05.18                           | 78,533                                   | 7,596,766        | 1,034p                    | 0.60%            |

<sup>ⓑ</sup> The net asset value and the net asset value per income share are shown ex-dividend at the financial year end.

\* The Ongoing charges takes into account the ACD fee, the operating expenses and any expenses paid to an affiliate in respect of stock lending activities, expressed as a percentage of the average daily net asset values over the period.

# Portfolio statement

As at 31 May 2018

| Investment  | Holding    | Market value<br>£'000 | Total net<br>assets % |
|---|------------|-----------------------|-----------------------|
| <b>Equities 98.52% (97.62%)</b>                             |            |                       |                       |
| <b>Consumer Discretionary 23.32% (23.27%)</b>               |            |                       |                       |
| <b>Auto Components 0.00% (0.14%)</b>                        |            |                       |                       |
| <b>Distributors 1.28% (1.50%)</b>                           |            |                       |                       |
| John Menzies plc  | 344,024    | 2,184                 | 1.28                  |
|   |            | <b>2,184</b>          | <b>1.28</b>           |
| <b>Diversified Consumer Services 1.49% (0.00%)</b>          |            |                       |                       |
| Dignity plc   | 210,000    | 2,537                 | 1.49                  |
|   |            | <b>2,537</b>          | <b>1.49</b>           |
| <b>Hotels, Restaurants &amp; Leisure 0.94% (1.12%)</b>      |            |                       |                       |
| 888 Holdings plc  | 350,000    | 1,053                 | 0.62                  |
| DP Eurasia NV   | 355,400    | 551                   | 0.32                  |
|   |            | <b>1,604</b>          | <b>0.94</b>           |
| <b>Household Durables 6.58% (6.50%)</b>                     |            |                       |                       |
| Henry Boot plc  | 615,000    | 1,790                 | 1.05                  |
| MJ Gleeson plc  | 487,801    | 3,522                 | 2.07                  |
| Victoria plc <sup>#</sup>                                   | 565,000    | 4,814                 | 2.82                  |
| Vitec Group plc (The)                                       | 90,273     | 1,092                 | 0.64                  |
|   |            | <b>11,218</b>         | <b>6.58</b>           |
| <b>Internet &amp; Direct Marketing Retail 0.27% (0.00%)</b> |            |                       |                       |
| On the Beach Group plc                                      | 97,000     | 468                   | 0.27                  |
|   |            | <b>468</b>            | <b>0.27</b>           |
| <b>Leisure Products 2.94% (3.17%)</b>                       |            |                       |                       |
| Games Workshop Group plc                                    | 176,000    | 5,016                 | 2.94                  |
|   |            | <b>5,016</b>          | <b>2.94</b>           |
| <b>Media 7.83% (7.70%)</b>                                  |            |                       |                       |
| 4imprint Group plc  | 305,925    | 5,430                 | 3.18                  |
| Future plc  | 85,563     | 419                   | 0.25                  |
| Huntsworth plc  | 2,695,000  | 2,722                 | 1.60                  |
| NAHL Group plc <sup>#</sup>                                 | 303,806    | 397                   | 0.23                  |
| Next Fifteen Communications Group plc <sup>#</sup>          | 199,133    | 1,000                 | 0.59                  |
| STV Group plc   | 95,000     | 333                   | 0.19                  |
| Tarsus Group plc  | 519,339    | 1,584                 | 0.93                  |
| Reach plc   | 1,835,213  | 1,470                 | 0.86                  |
|   |            | <b>13,355</b>         | <b>7.83</b>           |
| <b>Specialty Retail 1.69% (2.79%)</b>                       |            |                       |                       |
| JD Sports Fashion plc                                       | 765,000    | 2,882                 | 1.69                  |
|   |            | <b>2,882</b>          | <b>1.69</b>           |
| <b>Textiles, Apparel &amp; Luxury Goods 0.30% (0.35%)</b>   |            |                       |                       |
| Quiz plc <sup>#</sup>                                       | 331,234    | 505                   | 0.30                  |
|   |            | <b>505</b>            | <b>0.30</b>           |
| <b>Consumer Discretionary total</b>                         |            | <b>39,769</b>         | <b>23.32</b>          |
| <b>Consumer Staples 5.81% (8.14%)</b>                       |            |                       |                       |
| <b>Beverages 2.71% (2.50%)</b>                              |            |                       |                       |
| Fevertree Drinks plc <sup>#</sup>                           | 152,700    | 4,616                 | 2.71                  |
|   |            | <b>4,616</b>          | <b>2.71</b>           |
| <b>Food Products 1.56% (1.61%)</b>                          |            |                       |                       |
| Hilton Food Group plc                                       | 291,000    | 2,660                 | 1.56                  |
|   |            | <b>2,660</b>          | <b>1.56</b>           |
| <b>Household Products 1.00% (3.41%)</b>                     |            |                       |                       |
| McBride plc   | 1,335,000  | 1,669                 | 0.98                  |
| McBride plc Preference                                      | 27,925,080 | 28                    | 0.02                  |
|   |            | <b>1,697</b>          | <b>1.00</b>           |
| <b>Personal Products 0.54% (0.62%)</b>                      |            |                       |                       |
| Warpaint London plc <sup>#</sup>                            | 452,522    | 927                   | 0.54                  |
|   |            | <b>927</b>            | <b>0.54</b>           |
| <b>Consumer Staples total</b>                               |            | <b>9,900</b>          | <b>5.81</b>           |
| <b>Energy 3.26% (2.94%)</b>                                 |            |                       |                       |
| <b>Oil, Gas &amp; Consumable Fuels 3.26% (2.94%)</b>        |            |                       |                       |
| Anglo Pacific Group plc                                     | 512,000    | 747                   | 0.44                  |
| EnQuest plc   | 5,110,000  | 1,799                 | 1.05                  |
| Faroe Petroleum plc <sup>#</sup>                            | 503,732    | 746                   | 0.44                  |
| Ophir Energy plc  | 3,040,000  | 1,827                 | 1.07                  |
| Soco International plc                                      | 394,164    | 444                   | 0.26                  |
|   |            | <b>5,563</b>          | <b>3.26</b>           |
| <b>Energy total</b>   |            | <b>5,563</b>          | <b>3.26</b>           |

| Investment  | Holding   | Market value<br>£'000 | Total net<br>assets % |
|---|-----------|-----------------------|-----------------------|
| <b>Financials 14.41% (10.55%)</b>                       |           |                       |                       |
| <b>Banks 1.07% (1.03%)</b>                              |           |                       |                       |
| TBC Bank Group plc                                      | 112,000   | 1,814                 | 1.07                  |
|   |           | <b>1,814</b>          | <b>1.07</b>           |
| <b>Capital Markets 2.22% (0.28%)</b>                    |           |                       |                       |
| IntegraFin Holdings plc                                 | 488,173   | 1,753                 | 1.03                  |
| Liontrust Asset Management plc                          | 270,000   | 1,539                 | 0.90                  |
| Tatton Asset Management plc <sup>#</sup>                | 229,757   | 496                   | 0.29                  |
|   |           | <b>3,788</b>          | <b>2.22</b>           |
| <b>Consumer Finance 1.43% (2.13%)</b>                   |           |                       |                       |
| Arrow Global Group plc                                  | 906,393   | 2,443                 | 1.43                  |
|   |           | <b>2,443</b>          | <b>1.43</b>           |
| <b>Diversified Financial Services 2.84% (2.41%)</b>     |           |                       |                       |
| Plus500 Ltd. <sup>#</sup>                               | 299,000   | 4,841                 | 2.84                  |
|   |           | <b>4,841</b>          | <b>2.84</b>           |
| <b>Insurance 1.18% (0.00%)</b>                          |           |                       |                       |
| Sabre Insurance Group plc                               | 780,000   | 2,005                 | 1.18                  |
|   |           | <b>2,005</b>          | <b>1.18</b>           |
| <b>Thriffs &amp; Mortgage Finance 5.67% (4.70%)</b>     |           |                       |                       |
| Charter Court Financial Services Group plc              | 1,210,000 | 3,663                 | 2.15                  |
| Mortgage Advice Bureau Holdings Ltd. <sup>#</sup>       | 288,000   | 1,745                 | 1.02                  |
| OneSavings Bank plc                                     | 1,049,486 | 4,263                 | 2.50                  |
|   |           | <b>9,671</b>          | <b>5.67</b>           |
| <b>Financials total</b>                                 |           | <b>24,562</b>         | <b>14.41</b>          |
| <b>Industrials 28.39% (29.84%)</b>                      |           |                       |                       |
| <b>Aerospace &amp; Defense 2.48% (2.21%)</b>            |           |                       |                       |
| Avon Rubber plc   | 300,000   | 4,230                 | 2.48                  |
|   |           | <b>4,230</b>          | <b>2.48</b>           |
| <b>Air Freight &amp; Logistics 1.03% (1.66%)</b>        |           |                       |                       |
| Wincanton plc   | 640,000   | 1,763                 | 1.03                  |
|   |           | <b>1,763</b>          | <b>1.03</b>           |
| <b>Building Products 2.67% (2.71%)</b>                  |           |                       |                       |
| Tyman plc   | 726,800   | 2,468                 | 1.45                  |
| Volusion Group plc                                      | 1,020,000 | 2,091                 | 1.22                  |
|   |           | <b>4,559</b>          | <b>2.67</b>           |
| <b>Commercial Services &amp; Supplies 3.71% (4.72%)</b> |           |                       |                       |
| De La Rue plc   | 465,194   | 2,433                 | 1.43                  |
| Restore plc <sup>#</sup>                                | 260,000   | 1,352                 | 0.79                  |
| RPS Group plc   | 970,000   | 2,546                 | 1.49                  |
|   |           | <b>6,331</b>          | <b>3.71</b>           |
| <b>Construction &amp; Engineering 3.50% (3.38%)</b>     |           |                       |                       |
| Costain Group plc                                       | 480,000   | 2,184                 | 1.28                  |
| Morgan Sindall Group plc                                | 211,365   | 3,141                 | 1.84                  |
| Nexus Infrastructure plc <sup>#</sup>                   | 311,403   | 635                   | 0.38                  |
|   |           | <b>5,960</b>          | <b>3.50</b>           |
| <b>Electrical Equipment 1.32% (0.82%)</b>               |           |                       |                       |
| XP Power Ltd.   | 65,000    | 2,249                 | 1.32                  |
|   |           | <b>2,249</b>          | <b>1.32</b>           |
| <b>Machinery 6.65% (8.13%)</b>                          |           |                       |                       |
| Fenner plc  | 570,000   | 3,471                 | 2.04                  |
| Judges Scientific plc <sup>#</sup>                      | 59,000    | 1,439                 | 0.84                  |
| Porvair plc   | 306,282   | 1,593                 | 0.93                  |
| Renold plc  | 33,836    | 10                    | 0.01                  |
| Somero Enterprises, Inc. <sup>#</sup>                   | 500,751   | 1,928                 | 1.13                  |
| Trifast plc   | 1,150,000 | 2,898                 | 1.70                  |
|   |           | <b>11,339</b>         | <b>6.65</b>           |
| <b>Professional Services 7.03% (5.74%)</b>              |           |                       |                       |
| Alpha Financial Markets Consulting plc <sup>#</sup>     | 395,000   | 727                   | 0.43                  |
| Gordon Dadds plc <sup>#</sup>                           | 386,000   | 587                   | 0.34                  |
| Hogg Robinson Group plc                                 | 550,000   | 657                   | 0.39                  |
| JTC plc   | 163,000   | 626                   | 0.37                  |
| Ricardo plc   | 330,222   | 3,368                 | 1.97                  |
| Robert Walters plc                                      | 454,800   | 2,947                 | 1.73                  |
| Staffline Group plc <sup>#</sup>                        | 104,859   | 1,012                 | 0.59                  |
| SThree plc  | 634,000   | 2,061                 | 1.21                  |
|   |           | <b>11,985</b>         | <b>7.03</b>           |
| <b>Road &amp; Rail 0.00% (0.47%)</b>                    |           |                       |                       |
| <b>Industrials total</b>                                |           | <b>48,416</b>         | <b>28.39</b>          |

# Portfolio statement – continued

As at 31 May 2018

| Investment  | Holding   | Market value<br>£'000 | Total net<br>assets % |
|---|-----------|-----------------------|-----------------------|
| <b>Information Technology 14.52% (14.24%)</b>                           |           |                       |                       |
| <b>Communications Equipment 0.30% (0.31%)</b>                           |           |                       |                       |
| Amino Technologies plc <sup>#</sup>                                     | 246,568   | 505                   | 0.30                  |
|   |           | <b>505</b>            | <b>0.30</b>           |
| <b>Electronic Equipment, Instruments &amp; Components 2.21% (3.76%)</b> |           |                       |                       |
| Oxford Instruments plc  | 225,988   | 2,063                 | 1.21                  |
| Smart Metering Systems plc <sup>#</sup>                                 | 216,000   | 1,711                 | 1.00                  |
|   |           | <b>3,774</b>          | <b>2.21</b>           |
| <b>Internet Software &amp; Services 1.97% (1.35%)</b>                   |           |                       |                       |
| Gocompare.Com Group plc   | 1,715,000 | 2,127                 | 1.25                  |
| ULS Technology plc <sup>#</sup>   | 466,500   | 634                   | 0.37                  |
| XLMedia plc <sup>#</sup>  | 368,000   | 596                   | 0.35                  |
|   |           | <b>3,357</b>          | <b>1.97</b>           |
| <b>IT Services 5.15% (4.59%)</b>  |           |                       |                       |
| Fairfx Group plc <sup>#</sup>   | 755,000   | 695                   | 0.41                  |
| FDM Group Holdings plc  | 308,506   | 3,134                 | 1.84                  |
| First Derivatives plc <sup>#</sup>                                      | 40,000    | 1,824                 | 1.07                  |
| Keywords Studios plc <sup>#</sup>                                       | 140,000   | 2,324                 | 1.36                  |
| Softcat plc   | 107,270   | 807                   | 0.47                  |
|   |           | <b>8,784</b>          | <b>5.15</b>           |
| <b>Software 4.56% (3.45%)</b>   |           |                       |                       |
| Codemasters Group Holdings Ltd.   | 298,991   | 598                   | 0.35                  |
| Frontier Developments plc <sup>#</sup>                                  | 59,000    | 1,024                 | 0.60                  |
| Learning Technologies Group plc <sup>#</sup>                            | 1,043,846 | 1,190                 | 0.70                  |
| Microgen plc  | 660,000   | 2,937                 | 1.72                  |
| SDL plc   | 147,559   | 636                   | 0.38                  |
| Sumo Group plc <sup>#</sup>   | 439,000   | 601                   | 0.35                  |
| Team17 Group Ltd. <sup>#</sup>  | 343,000   | 789                   | 0.46                  |
|   |           | <b>7,775</b>          | <b>4.56</b>           |
| <b>Technology Hardware, Storage &amp; Peripherals 0.33% (0.78%)</b>     |           |                       |                       |
| Xaar plc  | 187,000   | 566                   | 0.33                  |
|   |           | <b>566</b>            | <b>0.33</b>           |
| <b>Information Technology total</b>                                     |           | <b>24,761</b>         | <b>14.52</b>          |
| <b>Materials 4.56% (4.71%)</b>  |           |                       |                       |
| <b>Construction Materials 3.48% (2.92%)</b>                             |           |                       |                       |
| Forterra plc  | 1,615,000 | 4,942                 | 2.90                  |
| Marshalls plc   | 229,712   | 984                   | 0.58                  |
|   |           | <b>5,926</b>          | <b>3.48</b>           |
| <b>Metals &amp; Mining 1.08% (1.79%)</b>                                |           |                       |                       |
| Central Asia Metals plc <sup>#</sup>                                    | 253,000   | 726                   | 0.42                  |
| Hill & Smith Holdings plc   | 80,000    | 1,119                 | 0.66                  |
|   |           | <b>1,845</b>          | <b>1.08</b>           |
| <b>Materials total</b>  |           | <b>7,771</b>          | <b>4.56</b>           |
| <b>Real Estate 4.25% (3.93%)</b>  |           |                       |                       |
| <b>Equity Real Estate Investment Trusts (REITs) 1.73% (1.49%)</b>       |           |                       |                       |
| McKay Securities plc  | 419,107   | 1,119                 | 0.66                  |
| Urban Logistics REIT plc <sup>#</sup>                                   | 798,406   | 1,006                 | 0.59                  |
| Safestore Holdings plc  | 144,500   | 822                   | 0.48                  |
|   |           | <b>2,947</b>          | <b>1.73</b>           |
| <b>Real Estate Management &amp; Development 2.52% (2.44%)</b>           |           |                       |                       |
| CLS Holdings plc  | 536,902   | 1,246                 | 0.73                  |
| Palace Capital plc <sup>#</sup>   | 122,586   | 434                   | 0.26                  |
| Urban & Civic plc   | 169,808   | 535                   | 0.31                  |
| Watkin Jones plc <sup>#</sup>   | 975,000   | 2,086                 | 1.22                  |
|   |           | <b>4,301</b>          | <b>2.52</b>           |
| <b>Real Estate total</b>  |           | <b>7,248</b>          | <b>4.25</b>           |
| <b>Equities total</b>   |           | <b>167,990</b>        | <b>98.52</b>          |
| <b>Liquidity Funds 1.15% (2.34%)</b>                                    |           |                       |                       |
| JPM Sterling Liquidity Fund X (dist.) <sup>#</sup>                      | 1,964,775 | 1,965                 | 1.15                  |
| <b>Liquidity Funds total</b>  |           | <b>1,965</b>          | <b>1.15</b>           |
| Investment assets   |           | 169,955               | 99.67                 |
| Net other assets  |           | 557                   | 0.33                  |
| <b>Net assets</b>   |           | <b>170,512</b>        | <b>100.00</b>         |

The comparative percentage figures in brackets are as at 30 November 2017.

<sup>#</sup> Security traded on another regulated market.

<sup>®</sup> A related party to the Fund.



# Portfolio movements

For the six months ending 31 May 2018

|  | £'000         |  | £'000           |
|--|---------------|--|-----------------|
| <b>Total of all purchases for the period</b>       | <b>59,679</b> | <b>Total of all sales for the period</b>           | <b>38,156</b>   |
| <b>Major purchases</b>                             | <b>Cost</b>   | <b>Major sales</b>                                 | <b>Proceeds</b> |
| JPM Sterling Liquidity Fund X (dist.) <sup>Ⓐ</sup> | 11,971        | JPM Sterling Liquidity Fund X (dist.) <sup>Ⓐ</sup> | 13,158          |
| Dignity plc  | 2,446         | Fenner plc   | 5,841           |
| SThree plc   | 2,392         | Laird plc  | 1,815           |
| XP Power Ltd.                                      | 2,342         | Games Workshop Group plc                           | 1,562           |
| Sabre Insurance Group plc                          | 2,028         | Plus500 Ltd.                                       | 1,555           |
| Charter Court Financial Services Group plc         | 2,016         | McBride plc  | 1,367           |
| Liontrust Asset Management plc                     | 1,515         | Hogg Robinson Group plc                            | 1,190           |
| Forterra plc                                       | 1,397         | Fevertree Drinks plc                               | 1,135           |
| Victoria plc                                       | 1,235         | Hill & Smith Holdings plc                          | 1,124           |
| Fenner plc   | 1,226         | Wincanton plc                                      | 853             |
| Judges Scientific plc                              | 1,123         | JD Sports Fashion plc                              | 682             |
| Huntsworth plc                                     | 1,051         | Lookers plc  | 662             |
| IntegraFin Holdings plc                            | 957           | Eddie Stobart Logistics plc                        | 645             |
| Microgen plc                                       | 906           | Smart Metering Systems plc                         | 532             |
| Games Workshop Group plc                           | 800           | SDL plc  | 510             |
| Plus500 Ltd.                                       | 759           | Renold plc   | 485             |
| Central Asia Metals plc                            | 743           | Victoria plc                                       | 450             |
| XLMedia plc  | 740           | Luceco plc   | 443             |
| OneSavings Bank plc                                | 660           | Safestore Holdings plc                             | 435             |
| Hilton Food Group plc                              | 635           | PROACTIS Holdings plc                              | 434             |

<sup>Ⓐ</sup> A related party to the Fund.

# Financial statements

## Statement of total return

(Unaudited)

For the six months ending 31 May

|   | 2018          | 2017          |
|---|---------------|---------------|
|   | £'000         | £'000         |
| Income  |               |               |
| Net capital gains   | 13,808        | 22,197        |
| Revenue   | 2,533         | 1,549         |
| Expenses  | (848)         | (807)         |
| Net revenue before taxation   | 1,685         | 742           |
| Taxation  | (115)         | (72)          |
| Net revenue after taxation  | 1,570         | 670           |
| <b>Total return before distributions</b>  | <b>15,378</b> | <b>22,867</b> |
| Distributions   | 16            | -             |
| <b>Change in net assets attributable to shareholders from investment activities</b> | <b>15,394</b> | <b>22,867</b> |

## Balance sheet

As at

|  | 31 May 2018<br>(Unaudited)<br>£'000 | 30 November 2017<br>(Audited)<br>£'000 |
|--|-------------------------------------|--|
| <b>Assets:</b>                                 |                                     |  |
| Investments                                    | 169,955                             | 134,627                                |
| <b>Current assets:</b>                         |                                     |  |
| Debtors  | 1,295                               | 215                                    |
| Cash and bank balances                         | 1,079                               | 74                                     |
| <b>Total assets</b>                            | <b>172,329</b>                      | <b>134,916</b>                         |
| <b>Liabilities:</b>                            |                                     |  |
| <b>Creditors:</b>                              |                                     |  |
| Distribution payable                           | -                                   | (29)                                   |
| Other creditors                                | (1,817)                             | (212)                                  |
| <b>Total liabilities</b>                       | <b>(1,817)</b>                      | <b>(241)</b>                           |
| <b>Net assets attributable to shareholders</b> | <b>170,512</b>                      | <b>134,675</b>                         |

## Statement of change in net assets attributable to shareholders

(Unaudited)

For the six months ending 31 May

|  | 2018           | 2017           |
|--|----------------|----------------|
|  | £'000          | £'000          |
| <b>Opening net assets attributable to shareholders</b>                                   | <b>134,675</b> | <b>112,670</b> |
| Amounts transferred from JPM UK Small Cap Equity Fund                                    | 9,210          | -              |
| Amounts receivable on issue of shares  | 18,982         | 2,680          |
| Amounts payable on cancellation of shares  | (7,843)        | (5,333)        |
|  | 11,139         | (2,653)        |
| Dilution adjustment  | 94             | -              |
| Change in net assets attributable to shareholders from investment activities (see above) | 15,394         | 22,867         |
| <b>Closing net assets attributable to shareholders</b>                                   | <b>170,512</b> | <b>132,884</b> |

As the comparatives in the above table are for the previous interim period, the net assets at the end of that period will not agree to the net assets at the start of the current period.

# JPM US Smaller Companies Fund

## Investment objective and policy

To provide long-term capital growth by investing primarily in US smaller companies.

US smaller companies are companies that are incorporated under the laws of, and have their registered office in, the US, or that derive the predominant part of their economic activity from the US, even if listed elsewhere.

This Equity based Fund invests primarily in those stocks which the Investment Adviser believes to have the potential of above-average growth (growth stocks).

Other instruments as permitted in the stated investment and borrowing powers of the Company including, but not limited to, fixed interest securities, cash and cash equivalents may be held on an ancillary basis, as appropriate.

**The Fund may also use Financial Derivative Instruments (derivatives) for the purpose of Efficient Portfolio Management, including hedging, where appropriate (see section 11.10 of the Prospectus for risk warnings on derivatives).**

The Fund will invest predominantly in assets denominated in US Dollar. However, assets may be denominated in other currencies and non-Sterling currency exposure will not normally be hedged back to Sterling.

## Risk profile

The value of your investment may fall as well as rise and you may get back less than you originally invested.

The value of Equity and Equity-Linked Securities may fluctuate in response to the performance of individual companies and general market conditions.

The Fund invests in securities of smaller companies which may be more difficult to sell, more volatile and tend to carry greater financial risk than securities of larger companies.

The single market in which the Fund invests, in this case the US, may be subject to particular political and economic risks and, as a result, the Fund may be more volatile than more broadly diversified funds.

The Fund may have greater volatility compared to broader market indices as a result of the Fund's focus on growth stocks.

Movements in currency exchange rates can adversely affect the return of your investment.

Please refer to Part 11 of the Prospectus for details of the general risk factors affecting this Fund in addition to the specific risk factors above.

## Fund review

The Fund generated a positive return and outperformed its benchmark in the six months to the end of May 2018.

Stock selection within the technology sector was particularly additive. Here, our overweight in Grubhub, the leading platform for restaurant delivery, buoyed performance after it posted yet another positive set of results during the period. We attribute most of the stock's outperformance to the announced partnership with Yum! Brands.

Elsewhere in the sector, our positions in MuleSoft and Okta also proved beneficial. Okta ended the period higher after management preannounced strong revenues and subscriptions in the first quarter. Sentiment was also driven higher by speculation that the company could be a potential acquisition candidate. The business is expanding its customer base and benefiting from the ability to disrupt incumbents through newer cloud-based products. Mulesoft, the top contributor at the individual stock level, rose after releasing inline earnings and beating revenue expectations over the period, which were driven by higher billings, subscription revenue and operating cash flow.

In contrast, stock selection in the materials and processing and energy sectors modestly detracted from returns.

At the individual stock level, our exposure to Oshkosh hurt relative performance. Shares of the speciality truck manufacturer traded lower, despite its reporting quarterly earnings that exceeded both earnings-per-share and revenue expectations during the period. Oshkosh's more cyclical Access Equipment business has been in a downturn over recent years, but has found a bottom and is seeing strong operational leverage on recovering markets. The company is enjoying secularly improving trends, with defence in particular seeing strong growth on new programme wins.

## Fund outlook

We continue to focus on the fundamentals for the economy and for company earnings. Our core analysts' estimate for 2018 Standard & Poor's 500® earnings currently projects 20% growth. This represents approximately 13% growth in underlying earnings and roughly 7% from the estimated effects of the Tax Cut and Jobs Act. While subject to revision, this forecast reflects our expectations of continued economic growth in the underlying economy and includes our best analysis of earnings expectations during the year. The implications of trade policy, Federal Reserve (Fed) policy and the tightening labour market will be integral to investor sentiment and may contribute to increased levels of volatility, which we have experienced in the year-to-date.

Healthy corporate earnings and sustained strength in economic indicators should provide continued support to the equity market. However, we continue to monitor potential risks that could represent headwinds for US equity performance. In particular, we are checking for signs of rising inflation, investor reactions to increasing long-term interest rates, and the implications of evolving Fed and trade policy.

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.

## Six month performance to 31 May 2017

|                                      | Net asset<br>value per<br>share<br>31.05.18 | Net asset<br>value per<br>share<br>30.11.17 | % Return |
|--------------------------------------|---|---|----------|
| <b>JPM US Smaller Companies Fund</b> |   |   |          |
| A-Class Acc                          | 710.1p                                      | 599.3p                                      | 18.49%   |
| <b>JPM US Smaller Companies Fund</b> |   |   |          |
| B-Class Acc                          | 729.7p                                      | 614.3p                                      | 18.79%   |
| <b>JPM US Smaller Companies Fund</b> |   |   |          |
| C-Class Acc                          | 740.2p                                      | 622.4p                                      | 18.93%   |
| <b>JPM US Smaller Companies Fund</b> |   |   |          |
| I-Class Acc                          | 748.9p                                      | 630.0p                                      | 18.87%   |
| Benchmark Index                      |   |   | 10.80%   |

## 12 month performance^ to 31 May

|                                      | 2018  | 2017  | 2016   | 2015  | 2014  |
|--------------------------------------|-------|-------|--------|-------|-------|
| <b>JPM US Smaller Companies Fund</b> |       |       |        |       |       |
| A-Class Acc                          | 33.3% | 46.6% | -10.8% | 26.5% | -0.8% |
| <b>JPM US Smaller Companies Fund</b> |       |       |        |       |       |
| B-Class Acc                          | 34.0% | 47.3% | -10.3% | 27.1% | -0.3% |
| <b>JPM US Smaller Companies Fund</b> |       |       |        |       |       |
| C-Class Acc                          | 34.3% | 47.7% | -10.1% | 27.5% | -0.1% |
| <b>JPM US Smaller Companies Fund</b> |       |       |        |       |       |
| I-Class Acc                          | 34.2% | 47.6% | -10.1% | 27.3% | -0.2% |
| Benchmark Index                      | 18.8% | 34.8% | -4.9%  | 29.3% | 5.4%  |

## Fund statistics

| Risk and Reward Profile    | 6 <sup>†</sup> (6 at 30 November 2017)           |         |         |         |
|----------------------------|--|---------|---------|---------|
| Fund size                  | £178.3m  |         |         |         |
| Benchmark Index            | Russell 2000 Growth (Net of 15% withholding tax) |         |         |         |
| Fund charges and expenses  | A-Class  | B-Class | C-Class | I-Class |
| Initial charge (max.)      | Nil  | Nil     | Nil     | Nil     |
| Exit charge                | Nil  | Nil     | Nil     | Nil     |
| Ongoing charge (comprises) | 1.65%  | 1.15%   | 0.90%   | 1.00%   |
| Annual management fee      | 1.50%  | 1.00%   | 0.75%   | 1.00%   |
| Operating expenses (max.)  | 0.15%  | 0.15%   | 0.15%   | -       |

## Top ten holdings

|                                       | %    |
|---------------------------------------|------|
| Teladoc, Inc.                         | 1.79 |
| GrubHub, Inc.                         | 1.74 |
| Entegris, Inc.                        | 1.62 |
| Saia, Inc.                            | 1.59 |
| Boyd Gaming Corp.                     | 1.57 |
| Performance Food Group Co.            | 1.54 |
| Evercore, Inc. 'A'                    | 1.47 |
| MKS Instruments, Inc.                 | 1.44 |
| Ollie's Bargain Outlet Holdings, Inc. | 1.42 |
| Zendesk, Inc.                         | 1.40 |

## Sector breakdown

|                        | %     |
|------------------------|-------|
| Information Technology | 27.41 |
| Health Care            | 24.00 |
| Industrials            | 16.47 |
| Consumer Discretionary | 15.43 |
| Financials             | 5.15  |
| Materials              | 2.87  |
| Consumer Staples       | 2.24  |
| Real Estate            | 1.58  |
| Energy                 | 1.06  |
| Net other assets       | 3.79  |

<sup>†</sup> For specific risks, including the risk and reward profile, please refer to the Key Investor Information Document (KIID) available on the following website <http://am.jpmorgan.co.uk/investor/prices-and-factsheets/?list=all&tab=Prices>

<sup>^</sup> Performance returns are calculated using the dealing prices of the accumulation shares which are calculated using market prices and foreign exchange rates available at 12 noon. The benchmark returns, which are based on close of business prices, may reflect variances to the Fund performance that are due to timing differences. Performance returns are in Sterling.

All equity indices stated as 'Net' are calculated net of tax as per the standard published approach by the index vendor unless stated otherwise.

Source: J.P. Morgan.

## Highest/lowest share price and distribution record

| Financial year to 30 November      | Highest share price | Lowest share price | Distribution per share (net) |
|------------------------------------|---------------------|--------------------|------------------------------|
| <b>A-Class Accumulation Shares</b> |                     |                    |                              |
| 2015                               | 428.0p              | 344.0p             | 0.00p                        |
| 2016                               | 498.0p              | 291.0p             | 0.00p                        |
| 2017                               | 605.5p              | 463.6p             | 0.00p                        |
| 2018 <sup>A</sup>                  | 710.1p              | 575.7p             | 0.00p                        |
| <b>A-Class Income Shares</b>       |                     |                    |                              |
| 2015                               | 112.2p              | 90.15p             | 0.00p                        |
| 2016                               | 130.4p              | 76.26p             | 0.00p                        |
| 2017                               | 158.6p              | 121.4p             | 0.00p                        |
| 2018 <sup>A</sup>                  | 186.0p              | 150.8p             | 0.00p                        |
| <b>B-Class Accumulation Shares</b> |                     |                    |                              |
| 2015                               | 433.1p              | 348.9p             | 0.00p                        |
| 2016                               | 508.0p              | 295.7p             | 0.00p                        |
| 2017                               | 620.6p              | 472.9p             | 0.00p                        |
| 2018 <sup>A</sup>                  | 729.7p              | 590.7p             | 0.00p                        |
| <b>C-Class Accumulation Shares</b> |                     |                    |                              |
| 2015                               | 435.8p              | 351.5p             | 0.00p                        |
| 2016                               | 513.3p              | 298.2p             | 0.00p                        |
| 2017                               | 628.7p              | 477.9p             | 0.00p                        |
| 2018 <sup>A</sup>                  | 740.2p              | 598.7p             | 0.00p                        |
| <b>C-Class Income Shares</b>       |                     |                    |                              |
| 2015                               | 114.2p              | 92.11p             | 0.00p                        |
| 2016                               | 134.5p              | 78.14p             | 0.00p                        |
| 2017                               | 164.7p              | 125.2p             | 0.00p                        |
| 2018 <sup>A</sup>                  | 193.9p              | 156.9p             | 0.00p                        |
| <b>I-Class Accumulation Shares</b> |                     |                    |                              |
| 2015                               | 442.0p              | 356.4p             | 0.00p                        |
| 2016                               | 520.0p              | 302.3p             | 0.00p                        |
| 2017                               | 636.4p              | 484.1p             | 0.00p                        |
| 2018 <sup>A</sup>                  | 749.0p              | 606.0p             | 0.00p                        |

<sup>A</sup> To 31 May 2018.

## Portfolio turnover rate

|          |        |
|----------|--------|
| 30.11.17 | 51.30% |
| 31.05.18 | 35.41% |

The portfolio turnover rate (PTR) reflects the total of security purchases and sales, less the total of share issues and cancellations, expressed as a percentage of the average daily net asset values over the period.

## Net asset values and Ongoing charges

| Date                               | Net asset value per share class £'000 | Number of shares | Net asset value per share | Ongoing charges* |
|------------------------------------|---------------------------------------|------------------|---------------------------|------------------|
| <b>A-Class Accumulation Shares</b> |                                       |                  |                           |                  |
| 30.11.15                           | 27,809                                | 7,098,482        | 391.8p                    | 1.68%            |
| 30.11.16                           | 26,952                                | 5,546,083        | 486.0p                    | 1.68%            |
| 30.11.17                           | 27,866                                | 4,650,071        | 599.3p                    | 1.68%            |
| 31.05.18                           | 34,672                                | 4,883,136        | 710.1p                    | 1.65%            |
| <b>A-Class Income Shares</b>       |                                       |                  |                           |                  |
| 30.11.15 <sup>B</sup>              | 1,039                                 | 1,012,190        | 102.7p                    | 1.68%            |
| 30.11.16 <sup>B</sup>              | 739                                   | 580,451          | 127.3p                    | 1.68%            |
| 30.11.17 <sup>B</sup>              | 871                                   | 554,970          | 157.0p                    | 1.68%            |
| 31.05.18                           | 1,058                                 | 568,713          | 186.0p                    | 1.65%            |
| <b>B-Class Accumulation Shares</b> |                                       |                  |                           |                  |
| 30.11.15                           | 301                                   | 75,815           | 397.6p                    | 1.18%            |
| 30.11.16                           | 342                                   | 68,944           | 495.7p                    | 1.18%            |
| 30.11.17                           | 613                                   | 99,792           | 614.3p                    | 1.18%            |
| 31.05.18                           | 707                                   | 96,855           | 729.7p                    | 1.15%            |
| <b>C-Class Accumulation Shares</b> |                                       |                  |                           |                  |
| 30.11.15                           | 38,684                                | 9,650,756        | 400.8p                    | 0.93%            |
| 30.11.16                           | 43,199                                | 8,623,849        | 500.9p                    | 0.93%            |
| 30.11.17                           | 61,841                                | 9,936,757        | 622.4p                    | 0.93%            |
| 31.05.18                           | 130,393                               | 17,615,670       | 740.2p                    | 0.90%            |
| <b>C-Class Income Shares</b>       |                                       |                  |                           |                  |
| 30.11.15 <sup>B</sup>              | 2,621                                 | 2,495,222        | 105.0p                    | 0.93%            |
| 30.11.16 <sup>B</sup>              | 4,712                                 | 3,589,607        | 131.3p                    | 0.93%            |
| 30.11.17 <sup>B</sup>              | 7,496                                 | 4,596,430        | 163.1p                    | 0.93%            |
| 31.05.18                           | 10,764                                | 5,550,087        | 193.9p                    | 0.90%            |
| <b>I-Class Accumulation Shares</b> |                                       |                  |                           |                  |
| 30.11.15                           | 1,289                                 | 317,139          | 406.3p                    | 1.00%            |
| 30.11.16                           | 868                                   | 170,958          | 507.5p                    | 1.00%            |
| 30.11.17                           | 628                                   | 99,729           | 630.0p                    | 1.00%            |
| 31.05.18                           | 716                                   | 95,621           | 748.9p                    | 1.00%            |

<sup>B</sup> The net asset value and the net asset value per income share are shown ex-dividend at the financial year end.

\* The Ongoing charges takes into account the ACD fee, the operating expenses and any expenses paid to an affiliate in respect of stock lending activities, expressed as a percentage of the average daily net asset values over the period.

# Portfolio statement

As at 31 May 2018

| Investment  | Holding | Market value<br>£'000 | Total net<br>assets % |
|---|---------|-----------------------|-----------------------|
| <b>Equities 96.21% (97.85%)</b>                             |         |                       |                       |
| <b>Consumer Discretionary 15.43% (14.22%)</b>               |         |                       |                       |
| <b>Automobiles 0.73% (1.27%)</b>                            |         |                       |                       |
| Winnebago Industries, Inc.                                  | 45,807  | 1,301                 | 0.73                  |
|   |         | <b>1,301</b>          | <b>0.73</b>           |
| <b>Distributors 0.90% (0.74%)</b>                           |         |                       |                       |
| Pool Corp.  | 14,794  | 1,600                 | 0.90                  |
|   |         | <b>1,600</b>          | <b>0.90</b>           |
| <b>Diversified Consumer Services 1.24% (1.22%)</b>          |         |                       |                       |
| Bright Horizons Family Solutions, Inc.                      | 28,931  | 2,201                 | 1.24                  |
|   |         | <b>2,201</b>          | <b>1.24</b>           |
| <b>Hotels, Restaurants &amp; Leisure 2.87% (3.62%)</b>      |         |                       |                       |
| Boyd Gaming Corp.   | 98,437  | 2,799                 | 1.57                  |
| Red Rock Resorts, Inc. 'A'                                  | 1,000   | 26                    | 0.01                  |
| Texas Roadhouse, Inc.                                       | 38,527  | 1,816                 | 1.02                  |
| Vail Resorts, Inc.  | 2,645   | 482                   | 0.27                  |
|   |         | <b>5,123</b>          | <b>2.87</b>           |
| <b>Household Durables 0.70% (0.82%)</b>                     |         |                       |                       |
| TRI Pointe Group, Inc.                                      | 94,802  | 1,254                 | 0.70                  |
|   |         | <b>1,254</b>          | <b>0.70</b>           |
| <b>Internet &amp; Direct Marketing Retail 1.37% (1.42%)</b> |         |                       |                       |
| Groupon, Inc.   | 309,334 | 1,112                 | 0.63                  |
| Wayfair, Inc. 'A'   | 18,615  | 1,322                 | 0.74                  |
|   |         | <b>2,434</b>          | <b>1.37</b>           |
| <b>Media 0.71% (0.00%)</b>                                  |         |                       |                       |
| World Wrestling Entertainment, Inc. 'A'                     | 28,610  | 1,266                 | 0.71                  |
|   |         | <b>1,266</b>          | <b>0.71</b>           |
| <b>Multiline Retail 1.42% (1.04%)</b>                       |         |                       |                       |
| Ollie's Bargain Outlet Holdings, Inc.                       | 47,468  | 2,532                 | 1.42                  |
|   |         | <b>2,532</b>          | <b>1.42</b>           |
| <b>Specialty Retail 4.31% (2.75%)</b>                       |         |                       |                       |
| Burlington Stores, Inc.                                     | 7,842   | 804                   | 0.45                  |
| Floor & Decor Holdings, Inc. 'A'                            | 42,218  | 1,499                 | 0.84                  |
| Hudson Ltd. 'A'   | 118,830 | 1,579                 | 0.89                  |
| Lithia Motors, Inc. 'A'                                     | 23,205  | 1,708                 | 0.96                  |
| National Vision Holdings, Inc.                              | 77,358  | 2,095                 | 1.17                  |
|   |         | <b>7,685</b>          | <b>4.31</b>           |
| <b>Textiles, Apparel &amp; Luxury Goods 1.18% (1.34%)</b>   |         |                       |                       |
| Wolverine World Wide, Inc.                                  | 83,625  | 2,108                 | 1.18                  |
|   |         | <b>2,108</b>          | <b>1.18</b>           |
| <b>Consumer Discretionary total</b>                         |         |                       |                       |
|   |         | <b>27,504</b>         | <b>15.43</b>          |
| <b>Consumer Staples 2.24% (4.29%)</b>                       |         |                       |                       |
| <b>Food &amp; Staples Retailing 1.54% (2.00%)</b>           |         |                       |                       |
| Performance Food Group Co.                                  | 101,507 | 2,742                 | 1.54                  |
|   |         | <b>2,742</b>          | <b>1.54</b>           |
| <b>Food Products 0.70% (1.34%)</b>                          |         |                       |                       |
| Freshpet, Inc.  | 72,734  | 1,250                 | 0.70                  |
|   |         | <b>1,250</b>          | <b>0.70</b>           |
| <b>Personal Products 0.00% (0.95%)</b>                      |         |                       |                       |
| <b>Consumer Staples total</b>                               |         |                       |                       |
|   |         | <b>3,992</b>          | <b>2.24</b>           |
| <b>Energy 1.06% (0.99%)</b>                                 |         |                       |                       |
| <b>Oil, Gas &amp; Consumable Fuels 1.06% (0.99%)</b>        |         |                       |                       |
| Jagged Peak Energy, Inc.                                    | 95,981  | 891                   | 0.50                  |
| RSP Permian, Inc.   | 29,566  | 991                   | 0.56                  |
|   |         | <b>1,882</b>          | <b>1.06</b>           |
| <b>Energy total</b>   |         |                       |                       |
|   |         | <b>1,882</b>          | <b>1.06</b>           |
| <b>Financials 5.15% (5.50%)</b>                             |         |                       |                       |
| <b>Banks 2.10% (2.35%)</b>                                  |         |                       |                       |
| Bank of the Ozarks, Inc.                                    | 24,057  | 867                   | 0.49                  |
| Signature Bank  | 5,532   | 537                   | 0.30                  |
| Texas Capital Bancshares, Inc.                              | 32,091  | 2,345                 | 1.31                  |
|   |         | <b>3,749</b>          | <b>2.10</b>           |

| Investment  | Holding | Market value<br>£'000 | Total net<br>assets % |
|---|---------|-----------------------|-----------------------|
| <b>Capital Markets 2.35% (2.63%)</b>                      |         |                       |                       |
| Evercore, Inc. 'A'  | 33,174  | 2,631                 | 1.47                  |
| Financial Engines, Inc.                                   | 11,282  | 378                   | 0.21                  |
| PennantPark Investment Corp.                              | 142,573 | 780                   | 0.44                  |
| WisdomTree Investments, Inc.                              | 49,321  | 409                   | 0.23                  |
|   |         | <b>4,198</b>          | <b>2.35</b>           |
| <b>Thriffs &amp; Mortgage Finance 0.70% (0.52%)</b>       |         |                       |                       |
| BofI Holding, Inc.  | 39,835  | 1,241                 | 0.70                  |
|   |         | <b>1,241</b>          | <b>0.70</b>           |
| <b>Financials total</b>                                   |         |                       |                       |
|   |         | <b>9,188</b>          | <b>5.15</b>           |
| <b>Health Care 24.00% (20.67%)</b>                        |         |                       |                       |
| <b>Biotechnology 10.67% (8.60%)</b>                       |         |                       |                       |
| ACADIA Pharmaceuticals, Inc.                              | 23,241  | 316                   | 0.18                  |
| Adverum Biotechnologies, Inc.                             | 127,229 | 606                   | 0.34                  |
| ARMO BioSciences, Inc.                                    | 11,090  | 416                   | 0.23                  |
| Atara Biotherapeutics, Inc.                               | 17,826  | 661                   | 0.37                  |
| Bellicum Pharmaceuticals, Inc.                            | 98,104  | 583                   | 0.33                  |
| Biohaven Pharmaceutical Holding Co. Ltd.                  | 41,512  | 1,088                 | 0.61                  |
| Clementia Pharmaceuticals, Inc.                           | 53,672  | 586                   | 0.33                  |
| Clovis Oncology, Inc.                                     | 9,444   | 336                   | 0.19                  |
| Coherus Biosciences, Inc.                                 | 48,750  | 567                   | 0.32                  |
| Exact Sciences Corp.                                      | 47,351  | 2,081                 | 1.17                  |
| FibroGen, Inc.  | 33,945  | 1,341                 | 0.75                  |
| G1 Therapeutics, Inc.                                     | 19,436  | 667                   | 0.37                  |
| Global Blood Therapeutics, Inc.                           | 9,790   | 343                   | 0.19                  |
| Halozyne Therapeutics, Inc.                               | 107,676 | 1,505                 | 0.84                  |
| Homology Medicines, Inc.                                  | 65,777  | 991                   | 0.56                  |
| Insmed, Inc.  | 14,667  | 307                   | 0.17                  |
| Neurocrine Biosciences, Inc.                              | 13,710  | 984                   | 0.55                  |
| Portola Pharmaceuticals, Inc.                             | 20,669  | 621                   | 0.35                  |
| REGENXBIO, Inc.   | 38,620  | 1,563                 | 0.88                  |
| Sage Therapeutics, Inc.                                   | 15,410  | 1,787                 | 1.00                  |
| Spark Therapeutics, Inc.                                  | 27,505  | 1,681                 | 0.94                  |
|   |         | <b>19,030</b>         | <b>10.67</b>          |
| <b>Health Care Equipment &amp; Supplies 4.77% (3.90%)</b> |         |                       |                       |
| GenMark Diagnostics, Inc.                                 | 184,558 | 1,066                 | 0.60                  |
| Insulet Corp.   | 31,454  | 2,212                 | 1.24                  |
| iRhythm Technologies, Inc.                                | 28,022  | 1,602                 | 0.90                  |
| K2M Group Holdings, Inc.                                  | 83,415  | 1,485                 | 0.83                  |
| Nevro Corp.   | 28,528  | 1,679                 | 0.94                  |
| TransEnterix, Inc.  | 181,527 | 463                   | 0.26                  |
|   |         | <b>8,507</b>          | <b>4.77</b>           |
| <b>Health Care Providers &amp; Services 2.59% (3.37%)</b> |         |                       |                       |
| Acadia Healthcare Co., Inc.                               | 49,082  | 1,505                 | 0.84                  |
| Amedisys, Inc.  | 20,997  | 1,211                 | 0.68                  |
| WellCare Health Plans, Inc.                               | 11,156  | 1,901                 | 1.07                  |
|   |         | <b>4,617</b>          | <b>2.59</b>           |
| <b>Health Care Technology 2.70% (1.12%)</b>               |         |                       |                       |
| Evolent Health, Inc. 'A'                                  | 104,890 | 1,629                 | 0.91                  |
| Teladoc, Inc.   | 82,866  | 3,183                 | 1.79                  |
|   |         | <b>4,812</b>          | <b>2.70</b>           |
| <b>Pharmaceuticals 3.27% (3.68%)</b>                      |         |                       |                       |
| Horizon Pharma plc  | 121,206 | 1,490                 | 0.84                  |
| Nektar Therapeutics                                       | 31,695  | 1,916                 | 1.07                  |
| Revance Therapeutics, Inc.                                | 52,886  | 1,107                 | 0.62                  |
| TherapeuticsMD, Inc.                                      | 290,870 | 1,323                 | 0.74                  |
|   |         | <b>5,836</b>          | <b>3.27</b>           |
| <b>Health Care total</b>                                  |         |                       |                       |
|   |         | <b>42,802</b>         | <b>24.00</b>          |
| <b>Industrials 16.47% (19.72%)</b>                        |         |                       |                       |
| <b>Aerospace &amp; Defense 2.05% (1.69%)</b>              |         |                       |                       |
| HEICO Corp.   | 31,245  | 2,186                 | 1.22                  |
| Hexcel Corp.  | 27,665  | 1,480                 | 0.83                  |
|   |         | <b>3,666</b>          | <b>2.05</b>           |
| <b>Air Freight &amp; Logistics 0.00% (0.62%)</b>          |         |                       |                       |
| <b>Building Products 4.28% (5.69%)</b>                    |         |                       |                       |
| Advanced Drainage Systems, Inc.                           | 92,407  | 2,076                 | 1.17                  |
| Lennox International, Inc.                                | 12,736  | 1,985                 | 1.11                  |
| Masonite International Corp.                              | 23,740  | 1,186                 | 0.67                  |
| Trex Co., Inc.  | 26,779  | 2,378                 | 1.33                  |
|   |         | <b>7,625</b>          | <b>4.28</b>           |

# Portfolio statement – continued

As at 31 May 2018

| Investment  | Holding | Market value<br>£'000 | Total net<br>assets % |
|---|---------|-----------------------|-----------------------|
| <b>Commercial Services &amp; Supplies 1.27% (1.21%)</b>                 |         |                       |                       |
| Advanced Disposal Services, Inc.  | 128,395 | 2,269                 | 1.27                  |
|   |         | <b>2,269</b>          | <b>1.27</b>           |
| <b>Machinery 4.57% (5.86%)</b>  |         |                       |                       |
| Evoqua Water Technologies Corp.   | 72,917  | 1,074                 | 0.60                  |
| Graco, Inc.   | 46,271  | 1,613                 | 0.91                  |
| ITT, Inc.   | 44,987  | 1,772                 | 0.99                  |
| John Bean Technologies Corp.  | 27,814  | 1,868                 | 1.05                  |
| Oshkosh Corp.   | 31,768  | 1,821                 | 1.02                  |
|   |         | <b>8,148</b>          | <b>4.57</b>           |
| <b>Marine 0.90% (0.50%)</b>   |         |                       |                       |
| Kirby Corp.   | 23,024  | 1,598                 | 0.90                  |
|   |         | <b>1,598</b>          | <b>0.90</b>           |
| <b>Road &amp; Rail 1.59% (2.15%)</b>                                    |         |                       |                       |
| Saia, Inc.  | 44,955  | 2,835                 | 1.59                  |
|   |         | <b>2,835</b>          | <b>1.59</b>           |
| <b>Trading Companies &amp; Distributors 1.81% (2.00%)</b>               |         |                       |                       |
| H&E Equipment Services, Inc.  | 50,823  | 1,347                 | 0.76                  |
| Rush Enterprises, Inc. 'A'  | 57,414  | 1,881                 | 1.05                  |
|   |         | <b>3,228</b>          | <b>1.81</b>           |
| <b>Industrials total</b>  |         | <b>29,369</b>         | <b>16.47</b>          |
| <b>Information Technology 27.41% (26.18%)</b>                           |         |                       |                       |
| <b>Communications Equipment 1.08% (0.97%)</b>                           |         |                       |                       |
| Ciena Corp.   | 43,505  | 785                   | 0.44                  |
| Quantenna Communications, Inc.  | 95,389  | 1,134                 | 0.64                  |
|   |         | <b>1,919</b>          | <b>1.08</b>           |
| <b>Electronic Equipment, Instruments &amp; Components 1.19% (1.41%)</b> |         |                       |                       |
| Littelfuse, Inc.  | 12,794  | 2,126                 | 1.19                  |
|   |         | <b>2,126</b>          | <b>1.19</b>           |
| <b>Internet Software &amp; Services 9.31% (9.63%)</b>                   |         |                       |                       |
| 2U, Inc.  | 27,700  | 1,934                 | 1.09                  |
| Cloudera, Inc.  | 123,805 | 1,488                 | 0.83                  |
| DocuSign, Inc.  | 18,243  | 684                   | 0.38                  |
| Envestnet, Inc.   | 58,452  | 2,403                 | 1.35                  |
| GoDaddy, Inc. 'A'   | 12,533  | 678                   | 0.38                  |
| GrubHub, Inc.   | 38,356  | 3,095                 | 1.74                  |
| Instructure, Inc.   | 54,272  | 1,735                 | 0.97                  |
| Nutanix, Inc. 'A'   | 54,955  | 2,243                 | 1.26                  |
| Okta, Inc.  | 56,265  | 2,337                 | 1.31                  |
|   |         | <b>16,597</b>         | <b>9.31</b>           |
| <b>Semiconductors &amp; Semiconductor Equipment 5.47% (5.33%)</b>       |         |                       |                       |
| Entegris, Inc.  | 108,980 | 2,886                 | 1.62                  |
| Inphi Corp.   | 80,396  | 2,070                 | 1.16                  |
| MKS Instruments, Inc.   | 29,959  | 2,581                 | 1.44                  |
| Monolithic Power Systems, Inc.  | 22,164  | 2,226                 | 1.25                  |
|   |         | <b>9,763</b>          | <b>5.47</b>           |
| <b>Software 10.36% (8.84%)</b>  |         |                       |                       |
| Guidewire Software, Inc.  | 15,014  | 1,050                 | 0.59                  |
| HubSpot, Inc.   | 27,015  | 2,437                 | 1.37                  |
| Paycom Software, Inc.   | 26,988  | 2,127                 | 1.19                  |
| Pluralsight, Inc. 'A'   | 65,409  | 1,082                 | 0.61                  |
| Proofpoint, Inc.  | 23,356  | 2,077                 | 1.16                  |
| RingCentral, Inc. 'A'   | 35,931  | 2,046                 | 1.15                  |
| SailPoint Technologies Holding, Inc.                                    | 111,853 | 2,101                 | 1.18                  |
| Smartsheet, Inc. 'A'  | 40,297  | 691                   | 0.39                  |
| Tyler Technologies, Inc.  | 9,217   | 1,597                 | 0.90                  |
| Zendesk, Inc.   | 59,383  | 2,499                 | 1.40                  |
| Zscaler, Inc.   | 39,647  | 758                   | 0.42                  |
|   |         | <b>18,465</b>         | <b>10.36</b>          |
| <b>Information Technology total</b>                                     |         | <b>48,870</b>         | <b>27.41</b>          |
| <b>Materials 2.87% (3.86%)</b>  |         |                       |                       |
| <b>Chemicals 1.11% (1.48%)</b>  |         |                       |                       |
| Ferro Corp.   | 127,836 | 1,980                 | 1.11                  |
|   |         | <b>1,980</b>          | <b>1.11</b>           |
| <b>Construction Materials 1.76% (2.38%)</b>                             |         |                       |                       |
| Eagle Materials, Inc.   | 14,613  | 1,186                 | 0.66                  |
| Summit Materials, Inc. 'A'  | 93,571  | 1,959                 | 1.10                  |
|   |         | <b>3,145</b>          | <b>1.76</b>           |
| <b>Materials total</b>  |         | <b>5,125</b>          | <b>2.87</b>           |

| Investment  | Holding | Market value<br>£'000 | Total net<br>assets % |
|---|---------|-----------------------|-----------------------|
| <b>Real Estate 1.58% (1.84%)</b>                                  |         |                       |                       |
| <b>Equity Real Estate Investment Trusts (REITs) 0.93% (1.04%)</b> |         |                       |                       |
| CubeSmart   | 36,511  | 838                   | 0.47                  |
| Highwoods Properties, Inc.  | 23,053  | 822                   | 0.46                  |
|   |         | <b>1,660</b>          | <b>0.93</b>           |
| <b>Real Estate Management &amp; Development 0.65% (0.80%)</b>     |         |                       |                       |
| RE/MAX Holdings, Inc. 'A'   | 29,110  | 1,162                 | 0.65                  |
|   |         | <b>1,162</b>          | <b>0.65</b>           |
| <b>Real Estate total</b>  |         | <b>2,822</b>          | <b>1.58</b>           |
| <b>Utilities 0.00% (0.58%)</b>                                    |         |                       |                       |
| <b>Water Utilities 0.00% (0.58%)</b>                              |         |                       |                       |
| <b>Equities total</b>   |         | <b>171,554</b>        | <b>96.21</b>          |
| Investment assets   |         | 171,554               | 96.21                 |
| Net other assets  |         | 6,756                 | 3.79                  |
| <b>Net assets</b>   |         | <b>178,310</b>        | <b>100.00</b>         |

The comparative percentage figures in brackets are as at 30 November 2017.

# Portfolio movements

For the six months ending 31 May 2018

|  | £'000         |  | £'000           |
|--|---------------|--|-----------------|
| <b>Total of all purchases for the period</b> | <b>78,161</b> | <b>Total of all sales for the period</b> | <b>29,063</b>   |
| <b>Major purchases</b>                       | <b>Cost</b>   | <b>Major sales</b>                       | <b>Proceeds</b> |
| Entegris, Inc.                               | 2,677         | MuleSoft, Inc. 'A'                       | 2,101           |
| National Vision Holdings, Inc.               | 1,554         | Old Dominion Freight Line, Inc.          | 1,700           |
| Saia, Inc.                                   | 1,502         | Trade Desk, Inc. (The) 'A'               | 1,496           |
| Floor & Decor Holdings, Inc. 'A'             | 1,491         | Nektar Therapeutics                      | 1,340           |
| Hudson Ltd. 'A'                              | 1,454         | Nutanix, Inc. 'A'                        | 1,193           |
| Nutanix, Inc. 'A'                            | 1,309         | GoDaddy, Inc. 'A'                        | 1,118           |
| SailPoint Technologies Holding, Inc.         | 1,084         | Cavium, Inc.                             | 1,110           |
| GrubHub, Inc.                                | 1,079         | Appian Corp.                             | 1,087           |
| Advanced Disposal Services, Inc.             | 1,018         | XPO Logistics, Inc.                      | 1,064           |
| Homology Medicines, Inc.                     | 1,002         | JELD-WEN Holding, Inc.                   | 1,057           |
| Pluralsight, Inc. 'A'                        | 992           | Ignyta, Inc.                             | 1,021           |
| Rush Enterprises, Inc. 'A'                   | 988           | elf Beauty, Inc.                         | 943             |
| Winnebago Industries, Inc.                   | 977           | Atlassian Corp. plc 'A'                  | 935             |
| Inphi Corp.                                  | 948           | Burlington Stores, Inc.                  | 908             |
| Summit Materials, Inc. 'A'                   | 924           | Veeva Systems, Inc. 'A'                  | 885             |
| Cloudera, Inc.                               | 920           | GrubHub, Inc.                            | 861             |
| Wolverine World Wide, Inc.                   | 919           | Financial Engines, Inc.                  | 840             |
| Paycom Software, Inc.                        | 918           | Snyder's-Lance, Inc.                     | 782             |
| Boyd Gaming Corp.                            | 914           | Paycom Software, Inc.                    | 763             |
| MKS Instruments, Inc.                        | 911           | Casey's General Stores, Inc.             | 693             |



# Financial statements

## Statement of total return

(Unaudited)

For the six months ending 31 May

|   | 2018          | 2017         |
|---|---------------|--------------|
|   | £'000         | £'000        |
| Income  |               |              |
| Net capital gains   | 25,382        | 7,511        |
| Revenue   | 243           | 176          |
| Expenses  | (689)         | (478)        |
| Net expense before taxation   | (446)         | (302)        |
| Taxation  | (32)          | (25)         |
| Net expense after taxation  | (478)         | (327)        |
| <b>Total return before distributions</b>  | <b>24,904</b> | <b>7,184</b> |
| Distributions   | (91)          | 14           |
| <b>Change in net assets attributable to shareholders from investment activities</b> | <b>24,813</b> | <b>7,198</b> |

## Balance sheet

As at

|  | 31 May 2018<br>(Unaudited)<br>£'000 | 30 November 2017<br>(Audited)<br>£'000 |
|--|-------------------------------------|--|
| <b>Assets:</b>                                 |                                     |  |
| Investments                                    | 171,554                             | 97,180                                 |
| <b>Current assets:</b>                         |                                     |  |
| Debtors  | 6,432                               | 419                                    |
| Cash and bank balances                         | 3,811                               | 2,005                                  |
| <b>Total assets</b>                            | <b>181,797</b>                      | <b>99,604</b>                          |
| <b>Liabilities:</b>                            |                                     |  |
| <b>Creditors:</b>                              |                                     |  |
| Other creditors                                | (3,487)                             | (289)                                  |
| <b>Total liabilities</b>                       | <b>(3,487)</b>                      | <b>(289)</b>                           |
| <b>Net assets attributable to shareholders</b> | <b>178,310</b>                      | <b>99,315</b>                          |

## Statement of change in net assets attributable to shareholders

(Unaudited)

For the six months ending 31 May

|  | 2018           | 2017          |
|--|----------------|---------------|
|  | £'000          | £'000         |
| <b>Opening net assets attributable to shareholders</b>                                   | <b>99,315</b>  | <b>76,812</b> |
| Amounts receivable on issue of shares  | 60,837         | 15,075        |
| Amounts payable on cancellation of shares  | (6,702)        | (18,617)      |
|  | 54,135         | (3,542)       |
| Dilution adjustment  | 47             | 24            |
| Change in net assets attributable to shareholders from investment activities (see above) | 24,813         | 7,198         |
| <b>Closing net assets attributable to shareholders</b>                                   | <b>178,310</b> | <b>80,492</b> |

As the comparatives in the above table are for the previous interim period, the net assets at the end of that period will not agree to the net assets at the start of the current period.

# Accounting policies

The interim financial statements have been prepared under the historical cost basis, as modified by the revaluation of investments, and in accordance with applicable law and United Kingdom Accounting Standards (UK Generally Accepted Accounting Practices and UK GAAP FRS 102) and with the Statement of Recommended Practice for Authorised Funds issued by the Investment Management Association (IMA), now Investment Association, in May 2014, (the 'IMA SORP').

Accounting policies applied are consistent with those of the annual financial statements for the period ending 30 November 2017 and are described in those financial statements.

This report has been prepared in accordance with the Financial Conduct Authority's Collective Investment Schemes Sourcebook and was approved by the Authorised Corporate Director on 12 July 2018.

The ACD has decided that the JPM Income Fund, the JPM Global Allocation Fund and the JPM Balanced Managed Fund will cease trading during the next financial year and it is the ACD's intention to wind up these funds.

Accordingly, the financial statements have been prepared on a basis other than going concern for these funds. No adjustments were required in these financial statements to reduce assets to their realisable values and to reclassify fixed assets and long-term liabilities as current assets and liabilities or to provide for liabilities arising from the decision. The ACD will bear the costs relating to any such liabilities arising.

The comparative financial statements continue to be prepared on a going concern basis with the exception of the JPM Balanced Managed where adjustments were made to reclassify fixed assets as current assets. The principal accounting policies, which have been applied consistently throughout the year, are set out below.



**Dan Watkins**

Director

For and on behalf of JPMorgan Funds Limited

12 July 2018



**Ruston Smith**

Director

For and on behalf of JPMorgan Funds Limited

12 July 2018

## Who to contact

### Intermediaries

**0800 727 770**

### If you are an investor with us please call

**0800 20 40 20**

Lines are open 9.00am to 5.30pm Monday to Friday.

Telephone lines are recorded to ensure compliance with our legal and regulatory obligations and internal policies.

[www.jpmorganassetmanagement.co.uk](http://www.jpmorganassetmanagement.co.uk)