

# JPMorgan Diversified Return International Equity ETF

Ticker: JPIN



## Seeking a smoother ride in international equity markets.

JPIN tracks an index whose methodology is designed to capture market upside while providing less volatility in down markets compared to a market cap-weighted index.

### EXPERTISE

- Leverages J.P. Morgan's experience in quantitative research and portfolio management, employing a team approach led by Dr. Yazann Romahi, CIO of Quantitative Beta Strategies.

### PORTFOLIO

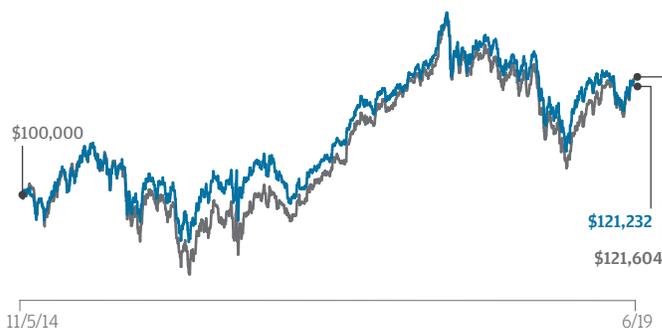
- Tracks the JP Morgan Diversified Factor International Equity Index, which utilizes a rules-based approach combining risk-weighted portfolio construction with multi-factor security screening based on value, quality and momentum factors.

### SUCCESS

- Bottom quintile volatility and top quintile Sharpe ratio since inception.<sup>1</sup>
- Captured most of the market upside (up capture) with less downside (down capture) since inception.

### GROWTH OF \$100,000 SINCE INCEPTION

FUND INCEPTION TO 6/30/19	RETURN	VOLATILITY	SHARPE RATIO	UP/DOWN CAPTURE
JPIN	4.23%	11.17%	0.29	88%/83%
Market cap-weighted Index	4.31%	12.69%	0.24	-



Source: Morningstar, J.P. Morgan Asset Management; as of 6/30/19. Chart represents growth of \$100,000 since JPIN inception of 11/5/14. Cap-weighted refers to the parent index of the Fund, FTSE Developed ex-NA Index. Volatility as measured by standard deviation. Sharpe ratio is a measurement of a fund's returns relative to its risks; higher numbers for risk-adjusted returns are better. Down capture measures performance of the manager relative to the index in down markets; up capture measures performance of the manager relative to the index in up markets. <sup>1</sup>Morningstar Foreign Large Blend Category. Morningstar Foreign Large Blend Category. Ranked: 1-yr. (591/740), 3-yrs. (544/681), since inception (76/606); 5- and 10-yr. periods n/a. *Performance quoted is past performance and is no guarantee of future results. Investment returns and principal value will fluctuate, so shares, when sold, may be worth more or less than original cost. Current performance may be higher or lower than returns shown. Call 1-844-4JPM-ETF for most recent month-end performance.*

## TWO STEPS TO BETTER BETA

### STEP 1. DIVERSIFY RISK

Our methodology begins by diversifying risk concentration across regions and sectors through our research-driven risk-weighting process.



Market cap-weighted indexes can be highly concentrated in certain regions and sectors.\*

#### RISK WEIGHTING



Region and sector\* weightings are adjusted to distribute risk more evenly, providing more diversification.

### STEP 2. ENHANCE RETURNS

Stocks are screened by diversifying across three factors that have proven to be historical drivers of performance.



The result is a multi-factor approach that aims to improve diversification, lower volatility and enhance risk-adjusted returns.

#### \*REGIONS:

APAC ex-Japan  
Europe ex-UK  
Japan  
UK

#### \*SECTORS:

Basic Materials  
Consumer Goods  
Consumer Services  
Financials  
Health Care  
Industrials  
Oil & Gas  
Technology  
Telecommunications  
Utilities

Chart source: J.P. Morgan Asset Management; sectors represent those of the FTSE Developed ex-NA Index. For illustrative purposes only.

ETFs by

**J.P.Morgan**  
Asset Management

- Highly experienced investment team led by CIO Yazann Romahi, PhD.
- Robust quantitative research agenda that enhances implementation and identifies new opportunities.
- Unique integrated approach across research, portfolio management, technology and trading.

**Yazann Romahi, PhD, CFA**

Portfolio manager

- 20 years of industry experience, 16 at J.P. Morgan

**Wei (Victor) Li, PhD, CFA**

Portfolio manager

- 9 years of industry experience, all at J.P. Morgan

**Joe Staines**

Portfolio manager

- 9 years of industry experience, 5 at J.P. Morgan

**Kartik Aiyar**

Portfolio manager

- 6 years of industry experience, all at J.P. Morgan

**RETURN (%)**

	TOTAL RETURN		AVERAGE ANNUAL RETURN			
	3 mos	YTD	1 yr	3 yrs	5 yrs	Inception <sup>1</sup>
<b>JPIN</b> at NAV	0.16	8.75	-2.21	6.27	N/A	4.23
<b>JPIN Market Price Returns</b>	-0.08	8.65	-2.60	6.07	N/A	4.16
<b>Diversified Factor Index<sup>2</sup></b>	0.16	8.78	-2.29	6.74	N/A	4.58
<b>Market Cap-Weighted Index<sup>3</sup></b>	3.23	13.23	0.04	9.05	N/A	4.30

**ANNUAL EXPENSES (%)**

Gross expenses	Net expenses
0.43	0.38

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<sup>1</sup> Since inception: 11/5/14.

<sup>2</sup> JP Morgan Diversified Factor International Equity Index.

<sup>3</sup> FTSE Developed ex-North America Net Index.

Total Returns based on NAV and Market Price do not reflect brokerage commissions or sales charges in connection with the purchase or sale of Fund shares, which if included would lower the performance. The NAV used in the Total Return calculation assumes all management fees and operating expenses incurred by the Fund.

A fund's NAV is the sum of all its assets less any liabilities, divided by the number of shares outstanding. The market price is the most recent price at which the fund was traded.

ETFs are bought and sold at market price, and market price/returns are based upon the midpoint of the bid/ask spread at 4:00 p.m. (when NAV is normally determined for most ETFs), and do not represent the returns an investor would receive if shares were traded at other times.

**GENERAL DISCLOSURES**

Call 1-844-4JPM-ETF or visit [www.jpmorganetfs.com](http://www.jpmorganetfs.com) to obtain a prospectus. Carefully consider the investment objectives and risks as well as charges and expenses of the ETF before investing. The summary and full prospectuses contain this and other information about the ETF. Read them carefully before investing.

This document is a general communication being provided for informational purposes only. It is educational in nature and not designed to be a recommendation for any specific investment product, strategy, plan feature or other purpose. Any examples used are generic, hypothetical and for illustration purposes only. Prior to making any investment or financial decisions, an investor should seek individualized advice from personal financial, legal, tax and other professional advisors that take into account all of the particular facts and circumstances of an investor's own situation.

**RISK SUMMARY**

- ETFs are bought and sold at market price (not NAV). Market price returns are based upon the midpoint of the bid/ask spread at 4:00 pm (when NAV is normally determined for most ETFs), and do not represent the returns an investor would receive if shares were traded at other times.
- International investing involves a greater degree of risk and increased volatility. Changes in currency exchange rates and differences in accounting and taxation policies outside the U.S. can raise or lower returns. Also, some overseas markets may not be as politically and economically stable as the United States and other nations.
- Narrowly focused investments typically exhibit higher volatility.
- Emerging markets involve heightened risks related to the same factors as well as increased volatility and decreased trading volume.
- The fund uses derivatives, which may be riskier than other types of investments and may increase the volatility of the fund.
- The fund may not track the return of its underlying index for a number of reasons, such as operating expenses incurred by the fund that are not applicable to an index,

and the time difference between calculating the value of an index and the net asset value of the fund.

- There is no guarantee the fund will meet its investment objective.
- Diversification may not protect against market loss.

**ANNUAL OPERATING EXPENSES**

The Fund's adviser and/or its affiliates have contractually agreed to waive fees and/or reimburse expenses to the extent Total Annual Fund Operating Expenses (excluding acquired fund fees and expenses, dividend and interest expenses related to short sales, interest, taxes, expenses related to litigation and potential litigation and extraordinary expenses) exceed 0.38% of the average daily net assets. This waiver is in effect through 2/28/22, at which time the adviser and/or its affiliates will determine whether to renew or revise it. The difference between net and gross fees includes all applicable fee waivers and expense reimbursements.

**INDEXES**

**Index returns are for illustrative purposes only. ETFs have fees that reduce their performance; indexes do not. You cannot invest directly in an index.**

J.P. Morgan Investment Management Inc. (JPMIM), the adviser and an affiliate of the Fund(s), is the sponsor of the Underlying Index and FTSE International Limited, administrators, calculates and governs each Underlying Index as the Benchmark Administrator.

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The ETF is listed in the international quotation system of the Mexican Stock Exchange ("Sistema internacional de cotizaciones de la bolsa Mexicana de valores"). The registration does not imply a certification of the performance of the ETF.

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