

J.P. Morgan Global Bank Opportunities Strategy

Separately Managed Account



Designed to deliver capital appreciation and income growth by investing in equity securities of banks principally with rising dividend payout ratios and high exposure to rising short-term rates.

APPROACH

- Invests in developed market, predominantly large cap, U.S.-listed bank equity securities, including American Depository Receipts (ADRs)
- Expects to invest in 15-30 stocks
- Employs proprietary analysis and disciplined reviews on hundreds of companies to identify new investments and evaluate existing investments

EXPERTISE

Strategy manager(s) and years of experience
Benjamin Hesse, 13 yrs

STRATEGY INFORMATION

Launch date
Apr 30, 2018

PERFORMANCE

- S1** Strategy (gross of fees)
- S2** Strategy (net of maximum allowable fees - 300 bps)*
- B** Benchmark: KBW Bank Index

*Please note, actual fees associated with this strategy may be lower.

COMPOSITE PERFORMANCE (%)

	3 mos	YTD	1 year	3 years	5 years	Inception
S1	5.52	14.28	-10.12	N/A	N/A	-11.56
S2	4.74	12.61	-12.81	N/A	N/A	-14.21
B	5.47	15.89	-3.02	N/A	N/A	-4.68

PERFORMANCE DISCLOSURES

Past performance is not indicative of future returns. Returns will fluctuate and sell prices may be more or less than original cost. Net-of-fees returns are calculated by deducting the maximum managed account fee of 3.00%. Total returns include reinvestment of any income.

HOLDINGS**TOP 10 (%)**

KeyCorp	15.6
Goldman Sachs Group Inc/The	15.4
Comerica Inc	15.3
Morgan Stanley	7.8
Citigroup Inc	6.3
BB&T Corp	6.0
Synovus Financial Corp	5.8
Citizens Financial Group Inc	5.3
Bank of America Corp	3.8
First Interstate BancSystem Inc	2.9

EQUITY SECTORS (%)

Sector	Weighting	Compared to benchmark
Regional Banks	60.7	4.8
Cash	3.7	3.7
Money Centers/IBs	34.4	1.8
European Banks	1.3	1.3
Asian Banks	0.0	0.0
Canadian Banks	0.0	0.0
Trust Banks	0.0	-11.6

PORTFOLIO ANALYSIS *See definitions below.*

Number of holdings	21
Median market capitalization	\$11.2bn
Dividend yield	2.8%
P/TBV ratio	1.41

Source: J.P. Morgan Asset Management, FactSet.

The above characteristics are from a representative portfolio. Actual account characteristics of individual accounts may be different. Portfolio characteristics are as of 6/30/2019 and are based on individual securities in the Portfolio on that date. Securities in the Portfolio are subject to change. Statistics shown are not indicative of future statistics and are not representative of future Portfolio performance.

Due to rounding, values may not total 100%.

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 a 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

The following risks could cause the Strategy's portfolio to lose money or perform more poorly than other investments.

The prices of equity securities are sensitive to a wide range of factors, from economic to company-specific news, and can fluctuate rapidly and unpredictably, causing an investment to decrease in value.

Management risk is the risk that an investment may not achieve its objective if the adviser's expectations regarding particular securities or markets are not met.

There is no guarantee that the use of long and short positions will succeed in limiting an investment's exposure to domestic stock market movements, capitalization, sector-swings or other risk factors. Investments in a portfolio involved in long and short selling may have higher portfolio turnover rates. This will likely result in additional tax consequences. Short selling involves certain risks, including

additional costs associated with covering short positions and a possibility of unlimited loss on certain short sale positions.

Because the portfolio is concentrated in the financial services industry, it is subject to risks in addition to those that apply to the general equity market. Economic, legislative or regulatory developments may occur which significantly affect the entire sector. This may cause the portfolio's net asset value to fluctuate more than that of a portfolio that does not concentrate in a particular industry. Investments in small cap and mid cap companies may be riskier than investments in larger, more established companies. The securities of these companies may trade less frequently and in smaller volumes than securities of larger companies. In addition, small cap and mid cap companies may be more vulnerable to economic, market and industry changes. As a result, share price changes may be more sudden or erratic than the prices of other equity securities, especially over the short term. Because smaller companies may have limited product lines, markets or financial resources or may depend on a few key employees, they may be more susceptible to particular economic events or competitive factors than large capitalization companies.

INDEXES

The KBW Bank Index is designed to track the performance of the leading banks and thrifts that are publicly-traded in the U.S. The Index includes 24 banking stocks representing the large U.S. national money centers, regional banks and thrift institutions.

Managed Accounts have fees that reduce their performance: indexes do not. You cannot invest directly in an index.

Past performance is no guarantee of future results.

TOP HOLDINGS

The top 10 holdings listed reflect only the Strategy's long-term investments. Short-term investments are excluded. Holdings are subject to change. The holdings listed should not be considered recommendations to purchase or sell a particular security. Each individual security is calculated as a percentage of the aggregate market value of the securities held in the Strategy and does not include the use of derivative positions, where applicable.

PORTFOLIO ANALYSIS DEFINITIONS

P/TBV ratio is a valuation ratio expressing the price of a security compared to its hard, or tangible, book value.

Dividend yield is a ratio that shows how much a company pays out in dividends each year relative to its share prices. In the absence of any capital gains, the dividend yield is the return on investment for a stock.

ENTITIES

J.P. Morgan Asset Management is the brand name for the asset management business of JPMorgan Chase & Co and its affiliates worldwide.

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