

Building better retirement portfolios

2019



Do you need growth or income or a combination of both? Successful retirement portfolios should reflect your unique needs, as well as an appropriate level of risk for where you are in your retirement journey.

These factors, combined with J.P. Morgan Asset Management's **Long-Term Capital Market Assumptions (LTCMA)**, shape our asset allocation portfolios, which are designed to help you determine how you may allocate across asset classes to achieve your retirement goals.

NEEDS AND APPROPRIATE LEVEL OF RISK BASED ON RETIREMENT JOURNEY

Youth
HIGH GROWTH



Mid-age
GROWTH



Retiree
INCOME



FAR FROM RETIREMENT

It is important to maximize growth, because this is the time when you have the **greatest capacity to take on risk** for higher return, due to your longer time horizon.

5-10 YEARS TO RETIREMENT

While still seeking some growth during your remaining working years, it is important to shift to **a more conservative strategy** to protect the wealth you have accumulated.

IN RETIREMENT

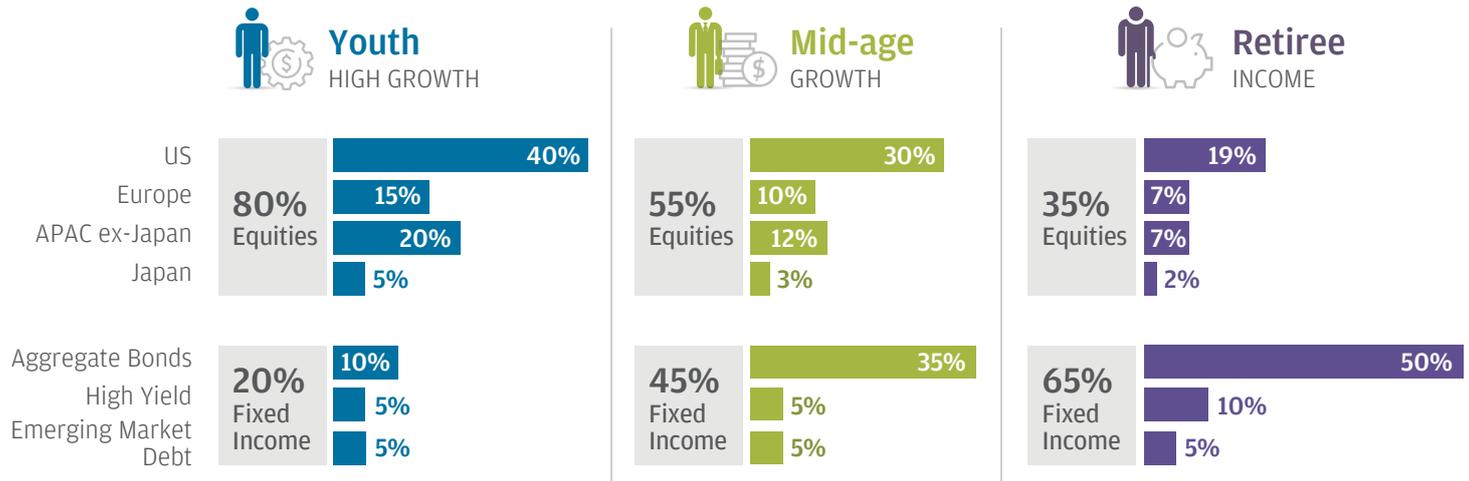
You may want **a consistent and attractive income stream** to cover your day-to-day expenses, whilst at the same time grow your principal and protect your wealth.

Asset allocation portfolios

Our asset allocation portfolios framework is designed to help you determine how you may allocate across asset classes to achieve your retirement goals. Using diversification, this could help reduce volatility and potentially increase return.

HOW YOU MAY ALLOCATE ACROSS ASSET CLASSES TO ACHIEVE YOUR RETIREMENT GOALS

STRATEGIC ASSET ALLOCATIONS



HISTORICAL RESULTS/ PORTFOLIO STATISTICS

15-year returns (annualized)	7.6%	6.9%	6.3%
15-year volatility ¹ (annualized)	12.7%	8.9%	6.4%
15-year Sharpe ratio ²	0.42	0.52	0.64

¹ Volatility is measured in standard deviation. Standard deviation for the portfolio is a statistical estimate measuring how dispersed returns are around an average. Standard deviation is not meant to be a prediction of fund or model volatility, and actual volatility of any portfolio based in whole or in part on the models shown will vary and may be higher. ² Sharpe ratio is a measure for calculating risk-adjusted return. It is the average return earned in excess of the risk-free rate per unit of volatility.

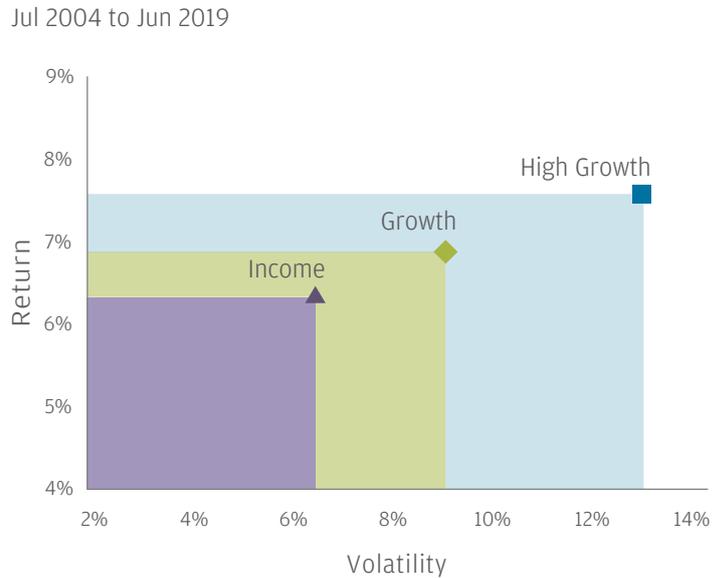
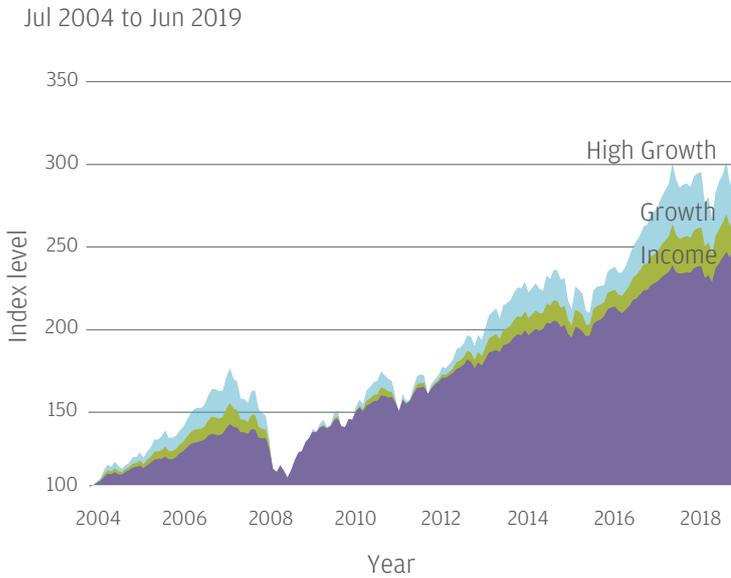
Source: Bloomberg, J.P. Morgan Asset Management Multi-Asset Solutions. US Equity: S&P 500 Net Total Return. Europe Equity: MSCI Europe Net Total Return. Japan Equity: MSCI Japan Net Total Return. Asia Pacific ex Japan Equity: MSCI AC Asia Pacific ex Japan Net Total Return. Global Aggregate Bonds (US-hedged): Bloomberg Barclays Global Aggregate Total Return Index US-hedged. Global High Yield Bonds (US-hedged): ICE Bank of America Merrill Lynch US High Yield Index. Emerging Markets Debt (US-hedged): J.P. Morgan Emerging Markets Bond Index Global Total Return. Data as of 30 June 2019. Past performance is no guarantee of future results.

The portfolios performance shown is hypothetical and for illustrative purposes only and does not represent the performance of a specific investment product. The performance presented does not reflect the deduction of expenses associated with a fund, such as investment management fees and fund expenses, including sales charges if applicable. Historical results and portfolio statistics are calculated using historical performance of the above market indices based on the current asset allocation weightings as shown on this page and assume a monthly rebalancing to these weights. Performance for periods longer than a year has been annualized using a geometric mean. Due to rounding, values may not total 100%. Data as of 30 June 2019. This information should not be relied upon as investment advice, research or a recommendation by J.P. Morgan regarding the funds or the use of the advisory portfolios.

Allocations are for illustrative purposes only. Exact allocation of the portfolio depends on each individual's circumstances. Investors should consult professional advice before investing.

ACCUMULATED RETURNS OVER PAST 15 YEARS

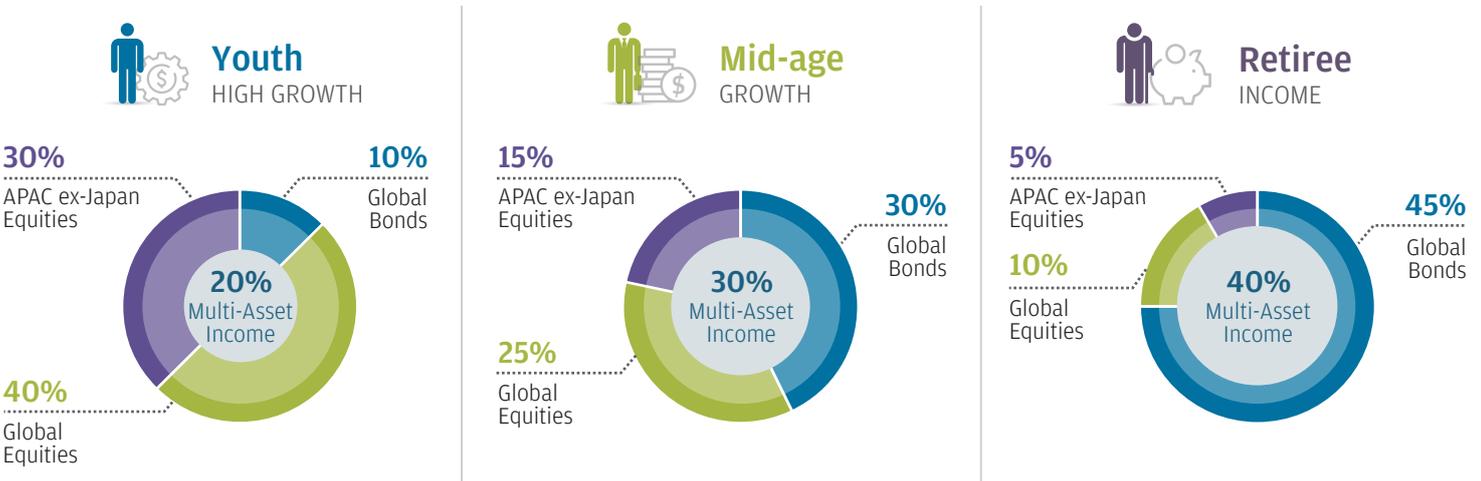
RISK-RETURN OVER PAST 15 YEARS



Source: J.P. Morgan Asset Management Analysis. Historical results and portfolio statistics are calculated based using historical performance of the above market indices based on the current asset allocation weightings as shown on the previous page and assume a monthly rebalancing to these weights. Performance for periods longer than a year has been annualized using a geometric mean. Due to rounding, values may not total 100%. This information should not be relied upon as investment advice, research or a recommendation by J.P. Morgan regarding the funds or the use of the advisory portfolios.

Simpler approach using fewer strategies

For some investors, investing in seven different strategies may prove challenging. If you prefer a simpler approach, the illustrations below show how the retirement portfolios could look like using fewer strategies.



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J.P. Morgan Asset Management is committed to helping you build better retirement portfolios

Strategies covering all asset classes enable better asset allocation decisions & implementations

EQUITIES

USD 477bn

U.S. equities
European equities
Emerging market equities
Pacific/Japan equities
Global equities

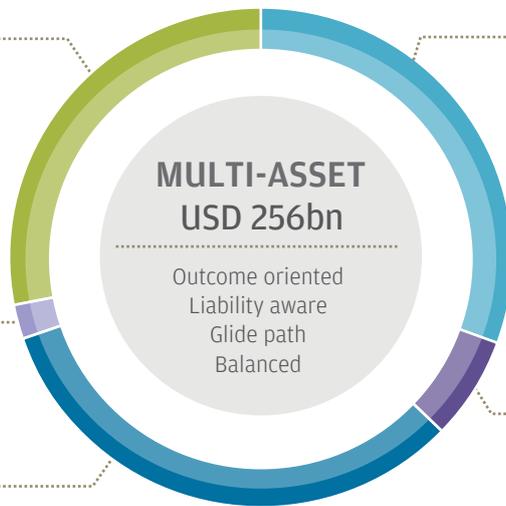
BETA

USD 37bn

LIQUIDITY

USD 554bn

Managed reserves
Apac liquidity
Emea liquidity
U.S. liquidity



FIXED INCOME

USD 522bn

Municipal
Currency
Emerging market debt
High yield
Insurance
Absolute return
Core

ALTS

USD 112bn

Real assets
Private equity
Hedge funds
Private credit



USD 1.7T

Assets under management



~500

Investment Strategies



1100+

Investment Professionals

Source: J.P. Morgan Asset Management as of 31 March 2019. Stated AUM figures exclude retail advisory and glide path portfolios.

NEXT STEPS

For additional information, please contact your J.P. Morgan representative.

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