

**Important information**

1. The Fund invests primarily in income generating securities of countries in the Asia Pacific region (excluding Japan), and may invest a significant proportion of its assets in below investment grade and unrated debt securities.
2. The Fund is therefore exposed to equity, liquidity and convertibles risks, interest rate risks which may affect the price of bonds, credit and real estate market related risks (associated with the risk of investing in REITs and other property related securities; direct investment in real estate is not permitted) as well as the emerging markets and currency risks. Pertaining to investments in below investment grade or unrated debt securities, these securities may be subject to higher liquidity risks and credit risks compared with investment grade bonds, with an increased risk of loss of investment. For currency hedged share classes, the currency hedging process may not give a precise hedge and there is no guarantee that the hedging will be totally successful. For "(irc)" share classes, they may have greater **capital erosion**, and their NAV may fluctuate more and be significantly different from the other share classes. Investment in RMB hedged share class is subject to risks associated with the RMB currency and currency hedged share classes risks. RMB is currently not freely convertible and RMB convertibility from offshore RMB (CNH) to onshore RMB (CNY) is a managed currency process subject to foreign exchange control policies of and restrictions imposed by the Chinese government. There can be no assurance that RMB will not be subject to devaluation at some point.
3. The Fund may at its discretion pay dividends out of capital, giving priority to dividends rather than capital growth. The Fund may also at its discretion pay dividends out of gross income while charging all or part of the Fund's fees and expenses to the capital of the Fund, resulting in an increase in distributable amount for the payment of dividends and therefore, effectively paying dividends out of realised, unrealised capital gains or capital. Investors should note that, share classes of the Fund which pay dividends may distribute not only investment income, but also realised and unrealised capital gains or capital. Payment of dividends out of capital amounts to a return or withdrawal of part of an investor's original investment or from any capital gains attributable to that original investment. Any dividend payments, irrespective of whether such payment is made up or effectively made up out of income, realised and unrealised capital gains or capital, may result in an immediate reduction of the net asset value per share.
4. Investors may be subject to substantial losses.
5. Investors should not solely rely on this document to make any investment decision.



## JPMorgan Funds - Asia Pacific Income Fund

**High income potential:** Seeks attractive income opportunities in Asia Pacific (ex-Japan) with long-term capital growth potential

**Dynamic asset allocation:** Invests flexibly across equities and fixed income

**Lower volatility approach:** Low beta and value-based equity portfolio combined with fixed income to help mitigate volatility

Morningstar Rating™  
    +

\* Source of Morningstar Rating: © 2019 Morningstar, Inc. All Rights Reserved. Data as of end-September 2019; awarded to A (dist) - USD Class, A (acc) - USD Class, A (mth) - HKD Class, A (mth) - USD Class and A (acc) - HKD Class.

# JPMorgan Funds - Asia Pacific Income Fund



## Capture income across Asia Pacific (ex-Japan) with dynamic asset allocation.

Dynamic asset allocation allows the Fund to tap into attractive income opportunities and capital growth potential across Asia Pacific excluding Japan, while attempting to mitigate the impact of market volatility.

### EXPERTISE

- Benefits from the comprehensive research and combined knowledge of nearly 100 Emerging Markets and Asia Pacific (EMAP) Equities team's portfolio managers and analysts, as well as a dedicated Asian Fixed Income team with more than 10 investment professionals (as of end-June 2019).

### PORTFOLIO

- Identifies attractive income opportunities in Asia Pacific (ex-Japan) equities and fixed income. Equity holdings have a focus on value and low beta, combined with fixed income with a view to mitigating volatility.

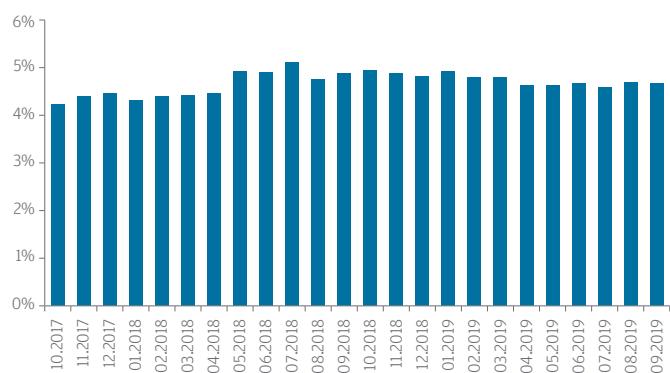
### SUCCESS

- In the longer term, the Fund has been able to deliver positive risk-adjusted returns. Its USD (mth) class\* has provided attractive distribution yield<sup>□</sup> over the past two years.

<sup>□</sup> Positive distribution yield does not imply positive return. Annualised yield = [(1+distribution per unit/ex-dividend NAV)^12]-1. The annualised dividend yield is calculated based on the monthly dividend distribution with dividend reinvested, and may be higher or lower than the actual annual dividend yield.

### DISTRIBUTION YIELD<sup>□</sup> OF USD (MTH) CLASS\* OVER THE PAST TWO YEARS

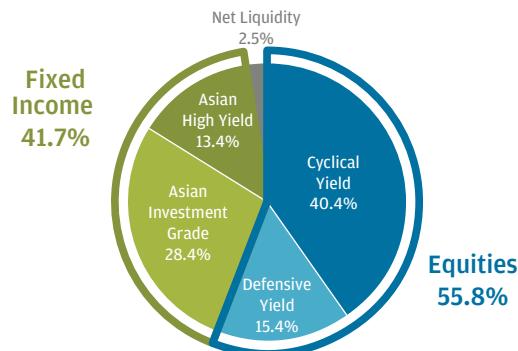
\* Aims at monthly distribution. Dividend rate is not guaranteed. Distributions may be paid from capital. Refer to important information 3



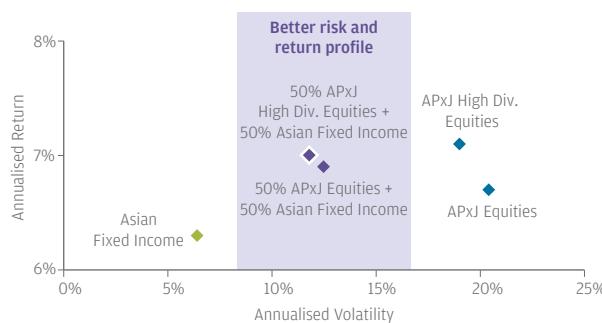
## FLEXIBLE ASSET ALLOCATION

The fund managers strive to capture the most attractive income opportunities across varying market conditions, with dynamic allocation of 25-75% to Asian equities and fixed income. Asset allocation is mutually determined by both the equity and fixed income teams, which meet weekly to discuss portfolio strategy under the prevailing market environment.

## ASSET CLASS BREAKDOWN



## RISK AND RETURN COMBINATIONS IN ASIAN ASSET CLASSES



## DIVERSIFIED INCOME WITH LOWER VOLATILITY THAN EQUITIES

The multi-asset portfolio focuses on high income investments, such as high dividend stocks, real estate investment trust (REITs), high yield bonds and investment grade bonds in the region. As equities are a more volatile asset class, adding fixed income to the portfolio helps enhance the potential to moderate volatility.

## J.P. MORGAN ASSET MANAGEMENT'S INVESTMENT TEAMS

## ► EMERGING MARKETS &amp; ASIA PACIFIC (EMAP) EQUITIES TEAM

## Jeffrey Roskell



Portfolio manager  
27 years of industry  
experience, 22 years  
at J.P. Morgan

## Julie Ho



Portfolio manager  
14 years of industry  
experience, all at  
J.P. Morgan

## Ruben Lienhard



Portfolio manager  
10 years of industry  
experience, 5 years  
at J.P. Morgan

- Nearly 100 portfolio managers and analysts
- Over USD 114.7 billion of AUM

## ► ASIAN FIXED INCOME TEAM

## Shaw Yann Ho



Portfolio manager  
19 years of industry  
experience, 8 years  
at J.P. Morgan

## Selina Yu



Portfolio manager  
17 years of industry  
experience, 8 years  
at J.P. Morgan

- 10+ investment professionals
- USD 7.8 billion of AUM

Source: J.P. Morgan Asset Management, as of end-June 2019.

## INVESTMENT OBJECTIVE

To provide income and long term capital growth by investing primarily in income generating securities of countries in the Asia Pacific region (excluding Japan).

PERFORMANCE (%)<sup>#</sup>

	YTD	1 year	3 years	5 years	Since launch
JPM Asia Pacific Income A (dist) - USD	7.2	3.0	11.7	19.4	244.6
	2014	2015	2016	2017	2018
JPM Asia Pacific Income A (dist) - USD	7.1	-3.1	6.2	14.2	-6.1

# Effective 14 June 2012, JPMorgan Funds – Asia Pacific Income Fund was restructured. Key changes include fund name, investment objectives, investment universe, benchmark and distribution yield. Performance prior to 14 June 2012 was achieved under circumstances that no longer apply. Please refer to the offering document for details.

Source: J.P. Morgan Asset Management (USD (dist) class return from launch on 15.06.2001 to 30.09.2019, NAV to NAV in USD with income reinvested).

The (“dist”) class aims at annual distribution. Dividend rate is not guaranteed. Distributions may be paid from capital. Refer to important information 3

## HISTORICAL DISTRIBUTIONS FOR “(MTH)” AND “(IRC)” CLASSES\*

Ex-dividend date (d/m/y)	Distribution per unit / Annualised yield □			
	USD (mth) Class	HKD (mth) Class	AUD Hedged (irc) Class	CAD Hedged (irc) Class
08.08.2019	USD 0.4220 4.70%	HKD 0.0470 4.66%	AUD 0.0260 3.40%	CAD 0.0300 3.89%
10.09.2019	USD 0.4220 4.66%	HKD 0.0470 4.63%	AUD 0.0260 3.37%	CAD 0.0310 4.00%
Ex-dividend date (d/m/y)	Distribution per unit / Annualised yield □			
	EUR Hedged (irc) Class	GBP Hedged (irc) Class	NZD Hedged (irc) Class	RMB Hedged (irc) Class
08.08.2019	EUR 0.0130 1.64%	GBP 0.0210 2.68%	NZD 0.0300 3.91%	CNY 0.0370 4.71%
10.09.2019	EUR 0.0140 1.76%	GBP 0.0230 2.92%	NZD 0.0280 3.61%	CNY 0.0450 5.71%

\* Aim at monthly distribution. Dividend rate is not guaranteed. Distributions may be paid from capital. Refer to important information 3

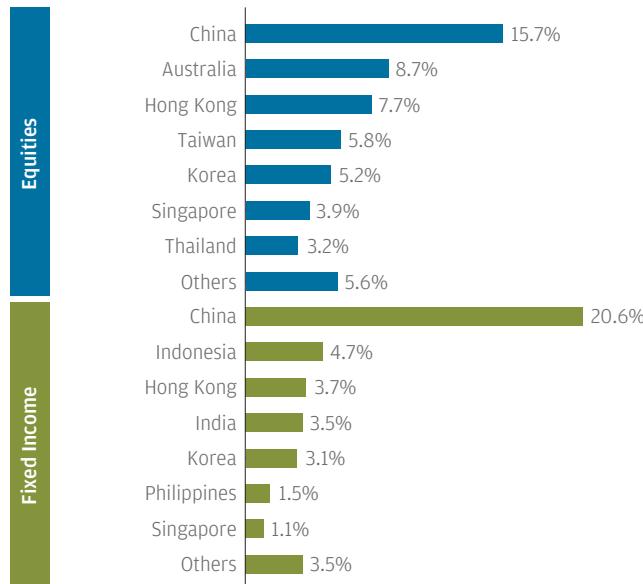
□ Positive distribution yield does not imply positive return. Annualised yield = [(1+distribution per unit/ex-dividend NAV)^12]-1. The annualised dividend yield is calculated based on the monthly dividend distribution with dividend reinvested, and may be higher or lower than the actual annual dividend yield.

DISTRIBUTION SCHEDULE<sup>△</sup> FOR “(MTH)” AND “(IRC)” CLASSES\*

Record date	Ex-dividend date	Reinvestment / Payment date
08.10.2019	09.10.2019	16.10.2019
07.11.2019	08.11.2019	15.11.2019

△ Dividend rate is not guaranteed. Positive distribution yield does not imply positive return.

## COUNTRY / REGION BREAKDOWN



Net Liquidity 2.5%

## EQUITY SECTOR BREAKDOWN



## BOND RATING BREAKDOWN



Source: J.P. Morgan Asset Management, Moody's, S&amp;P, Fitch, as of end-September 2019.

## TOP TEN HOLDINGS

Holding	%
Taiwan Semiconductor Manufacturing Co., Ltd.	3.1
Samsung Electronics Co., Ltd.	2.5
Power Grid Corporation of India Limited	1.9
Ping An Insurance (Group) Company of China, Ltd.	1.7
China Life Insurance Co. Ltd.	1.6
Australia and New Zealand Banking Group Limited	1.6
PT Telekomunikasi Indonesia (Persero) Tbk.	1.5
BOC Hong Kong (Holdings) Limited	1.5
Sun Hung Kai Properties Limited	1.3
CLP Holdings Limited	1.3

Source: J.P. Morgan Asset Management, as of end-August 2019.

## QUICK FUND FACTS

Fund Managers:	Jeffrey Roskell / Julie Ho / Ruben Lienhard / Shaw Yann Ho / Selina Yu
Fund Size:	USD 2,189.1m
Launch Date:	USD (dist) Class: 15.06.2001 USD (acc) Class: 31.03.2005 HKD (mth) Class: 25.05.2012 USD (mth) Class: 25.05.2012 HKD (acc) Class: 06.02.2013 AUD Hedged (irc) Class: 07.10.2013 CAD Hedged (irc) Class: 07.10.2013 EUR Hedged (irc) Class: 27.11.2013 GBP Hedged (irc) Class: 27.11.2013 NZD Hedged (irc) Class: 27.11.2013 RMB Hedged (irc) Class: 17.03.2014
Initial Charge:	5.0% of NAV
Redemption Charge:	Currently 0%
Management Fee:	1.5% p.a.
Distribution Frequency:	(dist) Class: Expected annually (mth) Class: Expected monthly (irc) Class: Expected monthly
Dealing & Valuation:	Daily



LET'S SOLVE IT.

## NEXT STEPS

For further information on the JPMorgan Funds - Asia Pacific Income Fund, please contact your bank, insurance company or financial adviser.

[am.jpmorgan.com/hk](http://am.jpmorgan.com/hk)

The USD (dist), HKD (mth), HKD (acc), AUD Hedged (irc), CAD Hedged (irc), EUR Hedged (irc), GBP Hedged (irc), NZD Hedged (irc) and RMB Hedged (irc) Classes may not be available from specific insurance companies.

Unless stated otherwise, all fund information is sourced from J.P. Morgan Asset Management, as of end-September 2019.

The information contained in this document does not constitute investment advice, or an offer to sell, or a solicitation of an offer to buy any security, investment product or service. Informational sources are considered reliable but you should conduct your own verification of information contained herein. The AUD/CAD/EUR/GBP/NZD/RMB Hedged Classes are not recommended for investors whose base currency of investment is not in the aforesaid currencies.

**The “(mth)” and “(irc)” classes aim at monthly distribution, while the “(dist)” class aims at annual distribution. Dividend rate is not guaranteed. Distributions may be paid from capital.** Refer to important information 3

**Investment involves risk. Past performance is not indicative of future performance. Please refer to the offering document(s) for details, including the risk factors. This document has not been reviewed by the SFC. Issued by JPMorgan Funds (Asia) Limited.**

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