



A Guide to Investing in Asia

As of October 31, 2025





Agenda

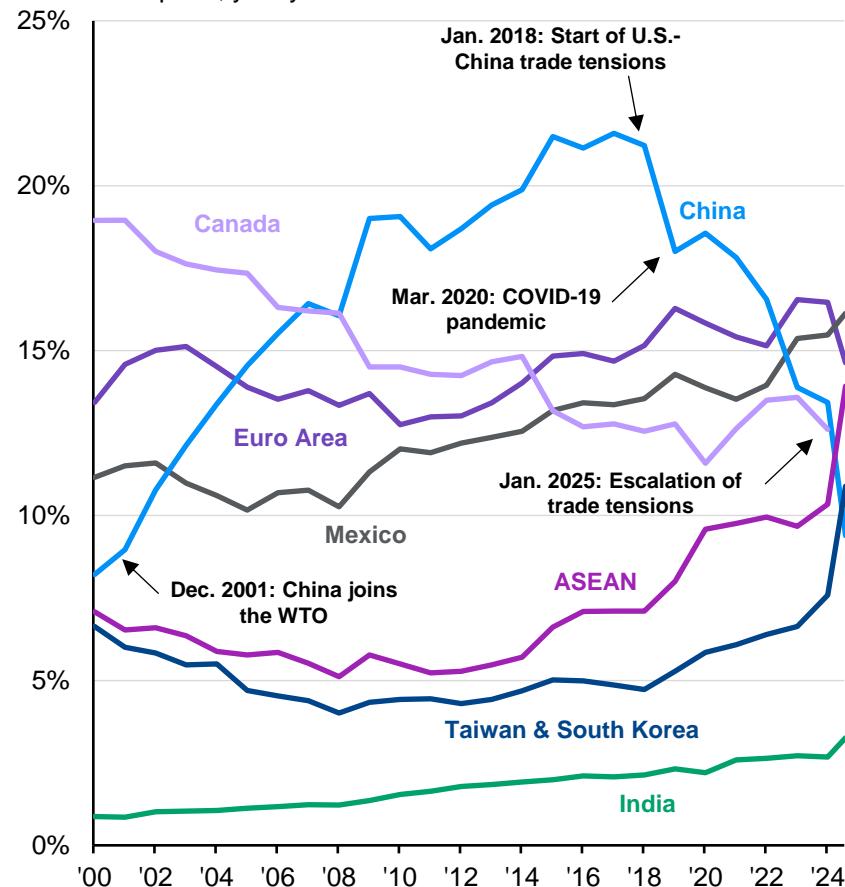
1. Trade reconfiguration in Asia
2. Deeper dive into China, India, and Japan
3. Asia equity markets: Market structure, weight, and sentiment
4. Asia equity markets: Leadership and themes



U.S.-China commercial relationship

U.S. goods imports by location

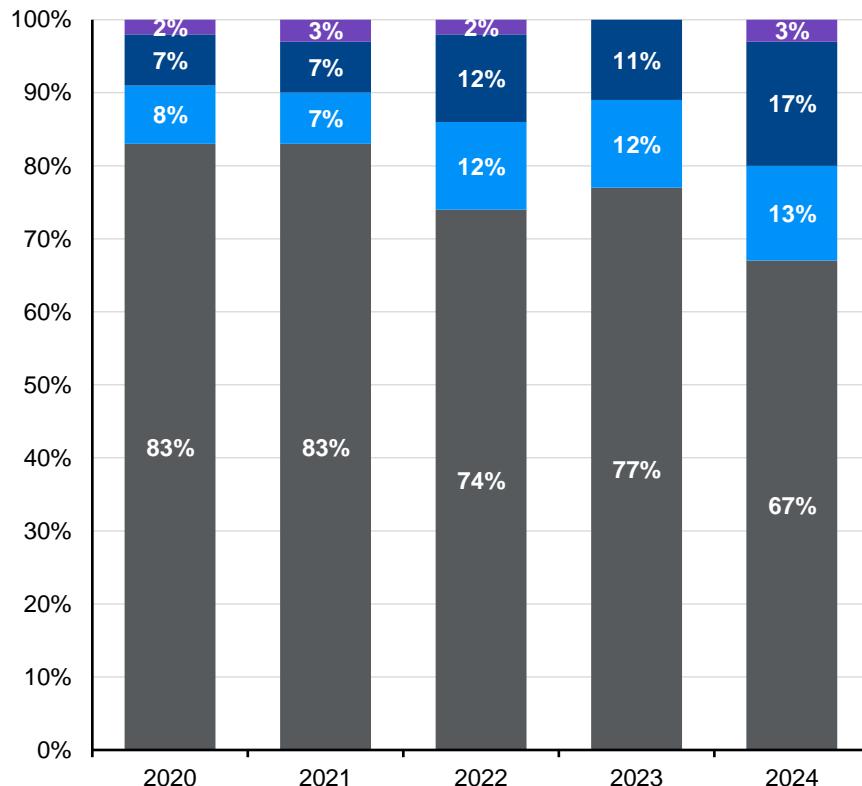
% of total imports, yearly and YTD 2025



Plans to relocate out of China

Is your company considering, or has it already begun relocating manufacturing or sourcing outside of China?*

No, not considering Yes, considering Yes, started Other



Source: J.P. Morgan Asset Management; (Left) FactSet, U.S. Census Bureau. WTO = World Trade Organization. (Right) The American Chamber of Commerce in China 2025 China Business Climate Survey Report. *Survey conducted yearly between 2020-2024. Extended answers: 1) No, we are not considering relocating manufacturing or sourcing out of China, 2) Yes, we are considering relocating but have not taken active steps to relocate manufacturing or sourcing outside China yet, 3) Yes, we have started the process of relocating manufacturing or sourcing outside of China, 4) Other.

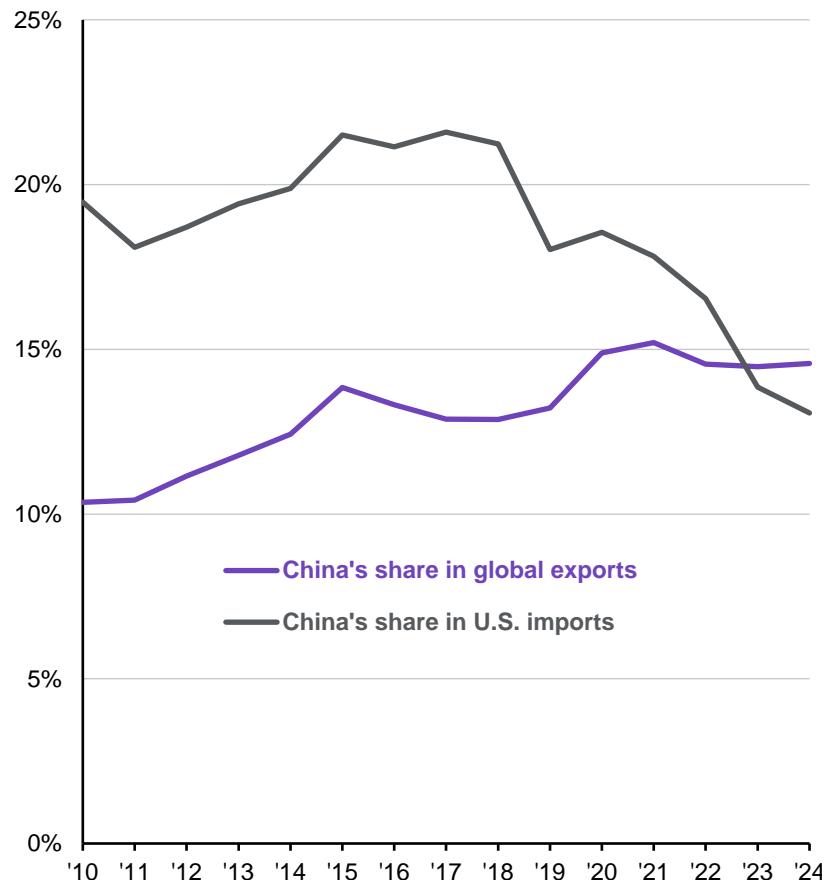
Data are as of October 31, 2025.



China's role in global trade

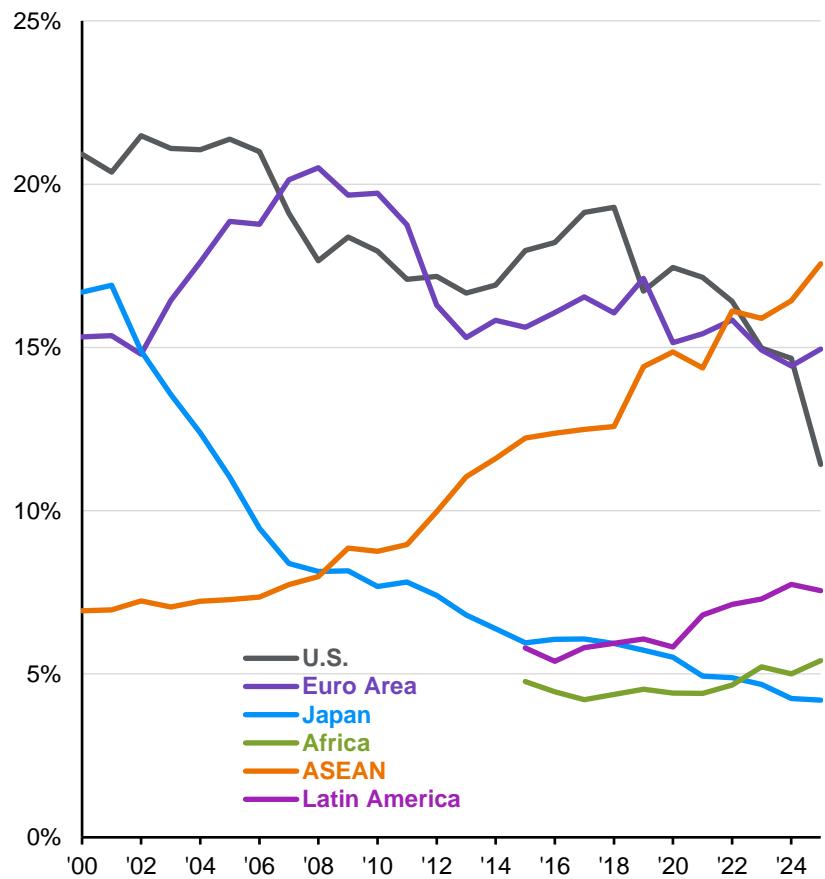
China exports

Percent, annual



Chinese exports by destination

% of total Chinese goods exports, monthly averages by year



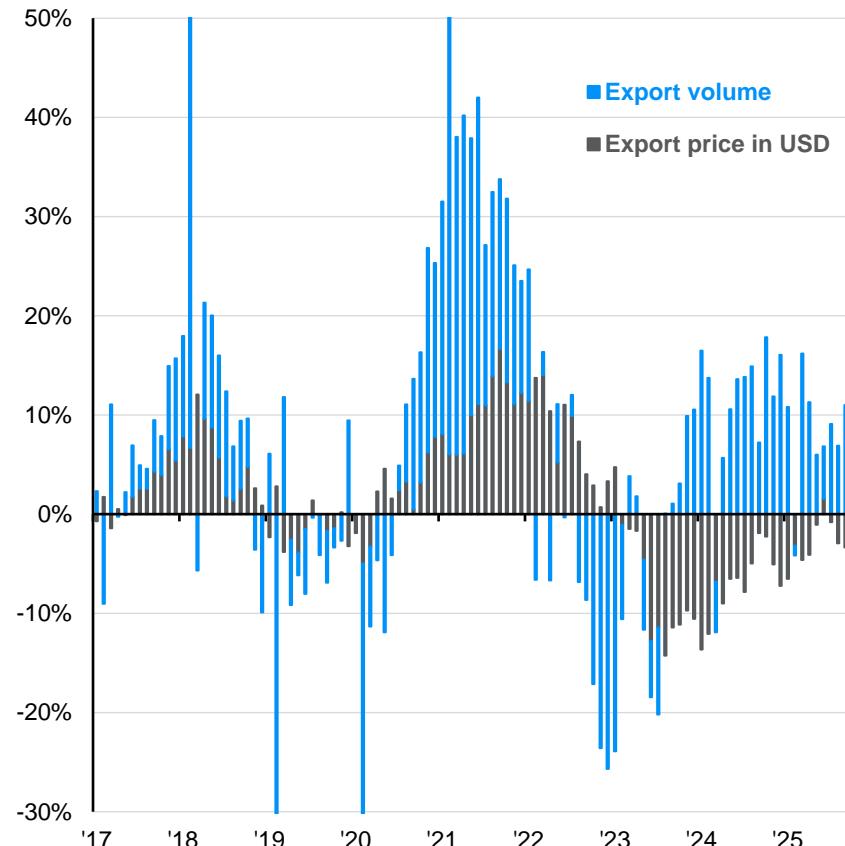
Source: J.P. Morgan Asset Management. (Left) World Bank. (Right) China Customs. Information for Latin America and Africa is not available before 2015. Definitions for location groups as defined by China Customs. Data are as of October 31, 2025.



China's global impact

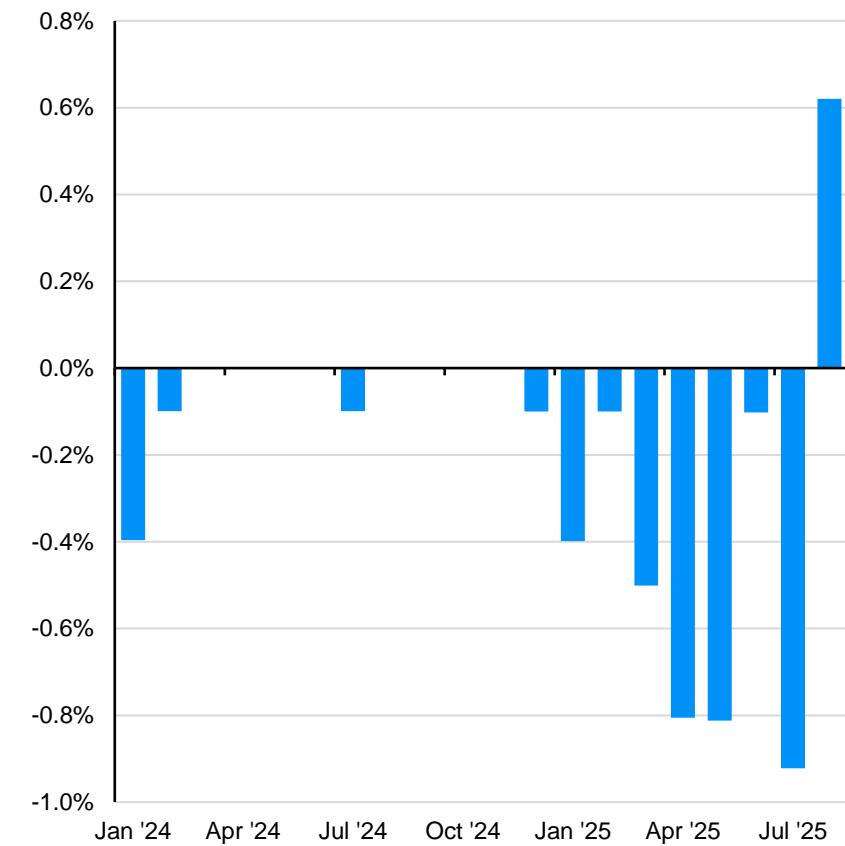
China exports decomposition

Year-over-year % change, USD, monthly



U.S. import prices from China

Month-over-month % change, non seasonally adjusted



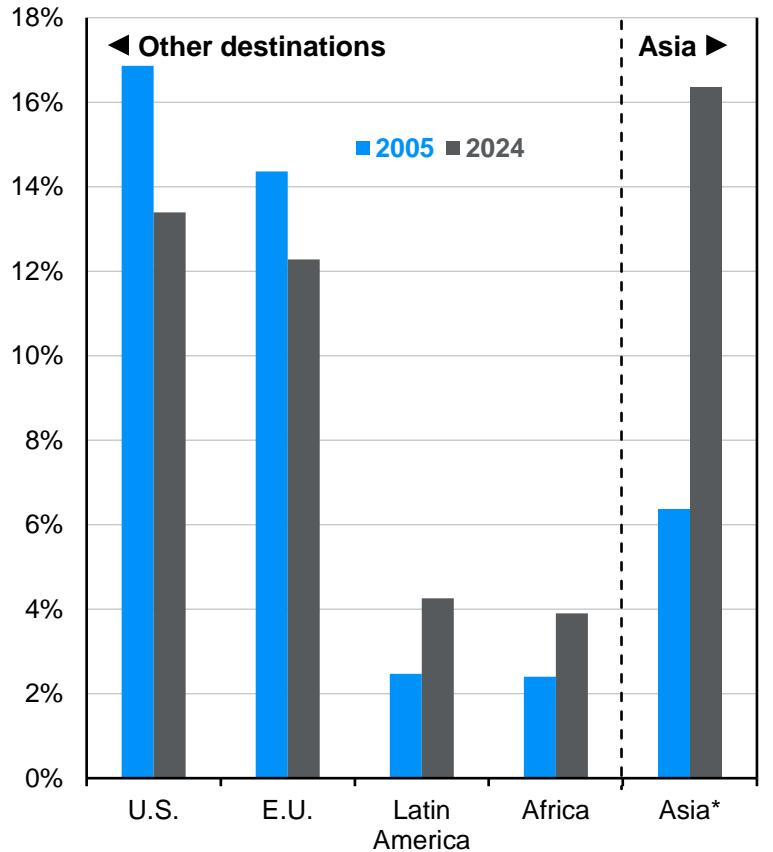
Source: J.P. Morgan Asset Management. (Left) Wind, China Customs. Data are estimates by J.P. Morgan Asset Management. Based on China export and import value indices. (Right) National Bureau of Statistics China, U.S. Department of Labor. (Right) Bloomberg, PBoC. Reported figures may be different from actual.
Data are as of October 31, 2025.



Trade: Destination and origin

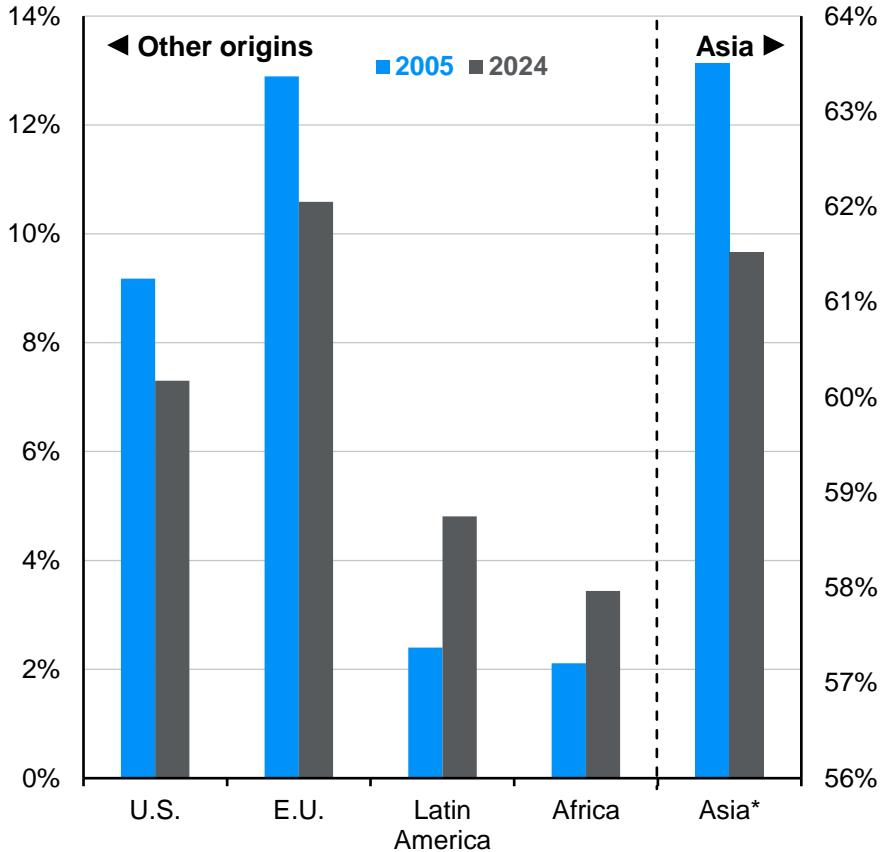
Asia's exports by destination

% of total exports



Asia's imports by origin

% of total imports

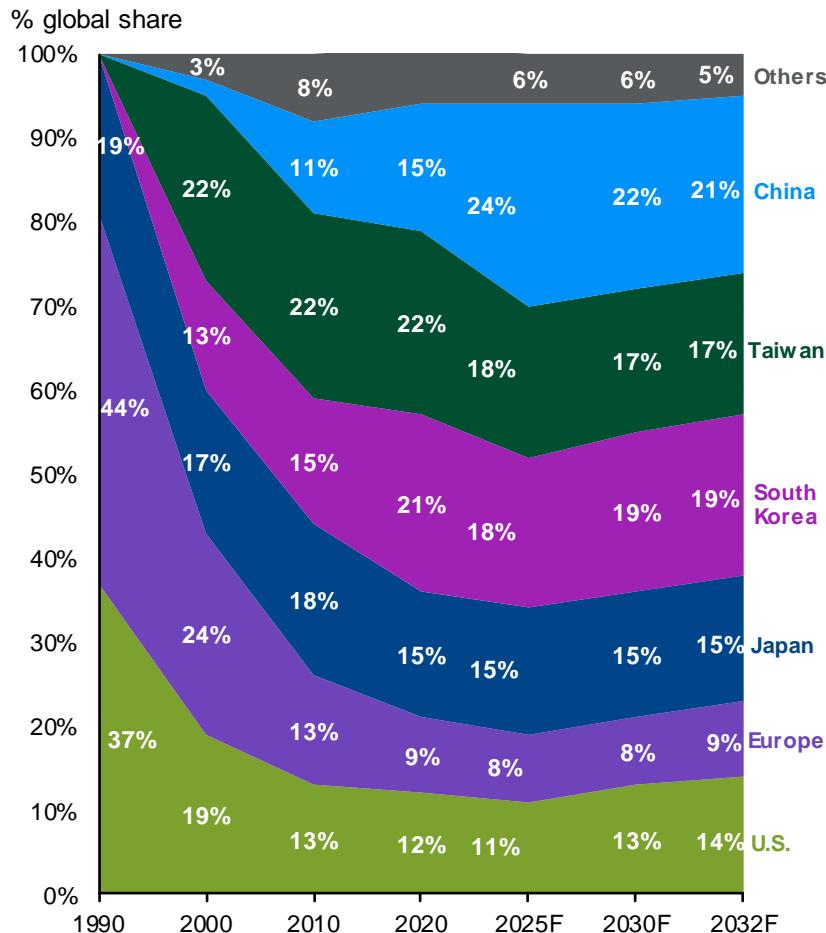


Source: UN Comtrade, J.P. Morgan Asset Management. *Asia represents intra-continental trade in Asia. "Asia" = China, Hong Kong, India, Indonesia, Japan, Malaysia, Philippines, Singapore, South Korea, Taiwan, Thailand and Vietnam.
Data are as of October 31, 2025.

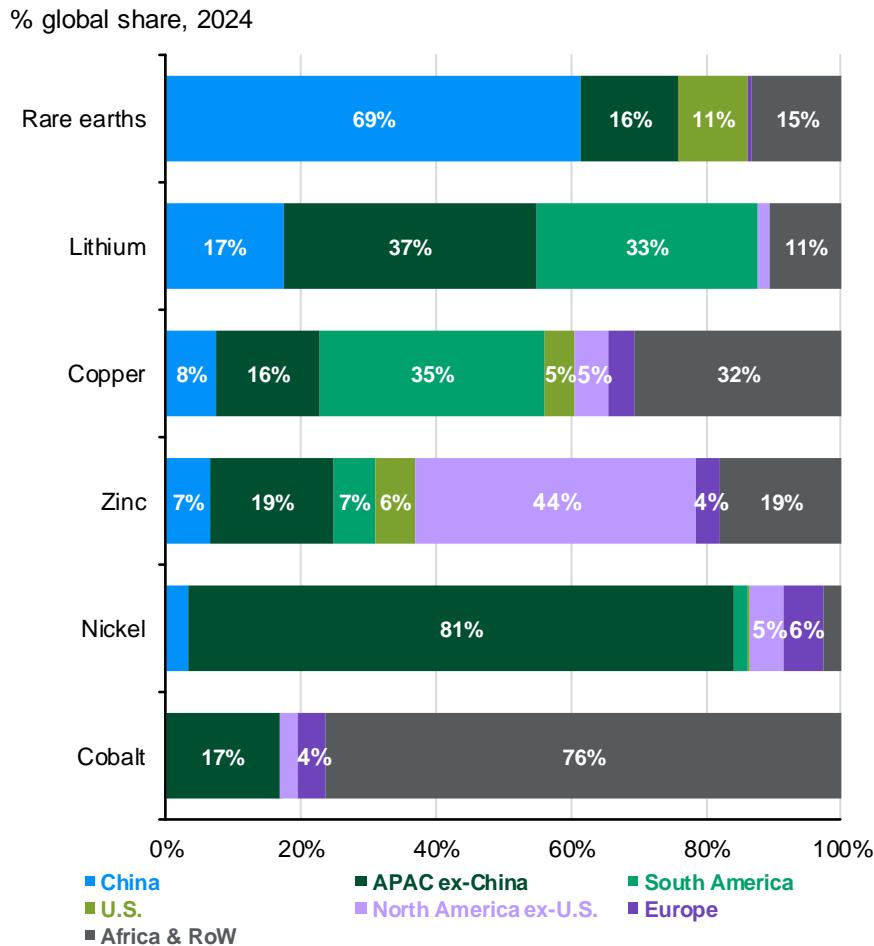


Global technology supply chains

Semiconductor production by location



Mining production by location



Source: J.P. Morgan Asset Management. (Left) VLSI Research Projection, SEMI May 2024 update, BCG analysis. All values shown in 8" equivalents; excludes capacity below 5 kwpm or less than 8". *Others includes Israel, Singapore and the rest of the world. Numbers may not add up to 100 due to rounding. Forecasts are based on current data and assumptions about future economic conditions. Actual results may differ materially due to changes in economic, market and other conditions. (Right) Mineral Commodity Summaries 2025, U.S. Geological Survey. U.S. excluded from lithium mining production to protect company information. China's rare earths production shows the production quota and does not include undocumented production. Data are as of October 31, 2025.



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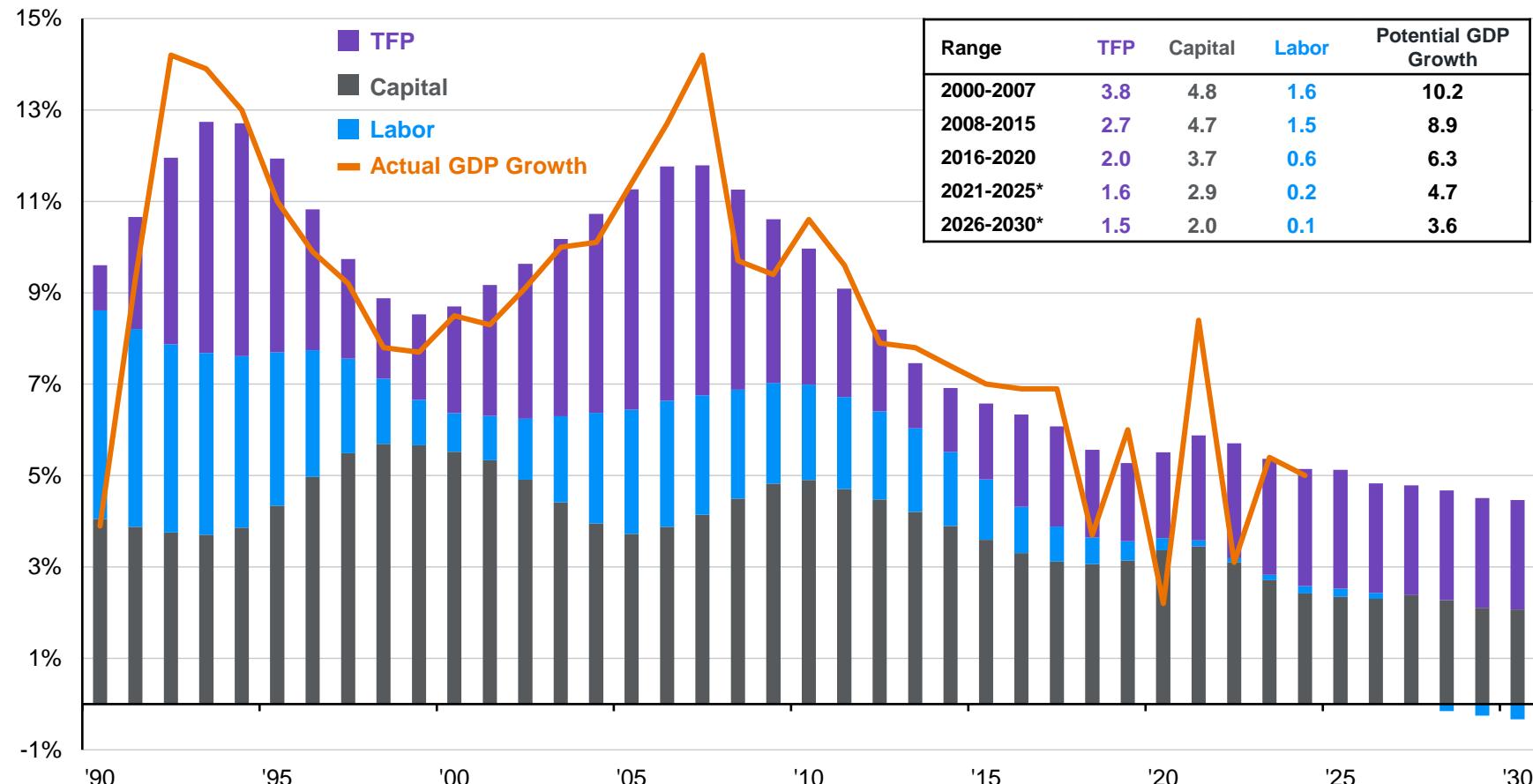
1. Trade reconfiguration in Asia
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China's long-term growth potential

Contribution to potential growth

%, real growth rate



Source: J.P. Morgan Global Economic Research, J.P. Morgan Asset Management.

TFP refers to total factor productivity and includes education. *Forecasts, projections and other forward-looking statements are based upon current beliefs and expectations. They are for illustrative purposes only and serve as an indication of what may occur. Given the inherent uncertainties and risks associated with forecast, projections or other forward statements, actual events, results or performance may differ materially from those reflected or contemplated.

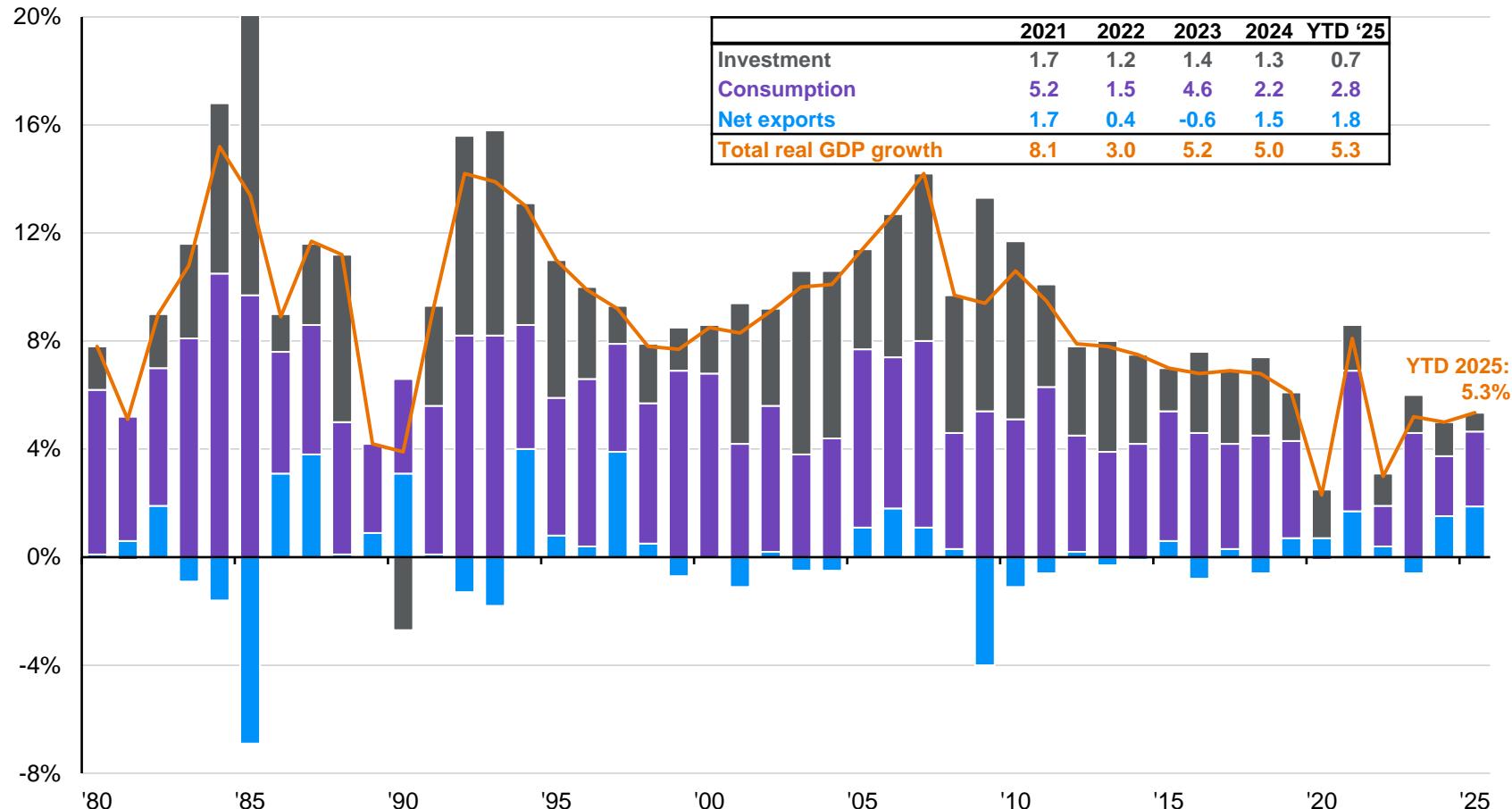
Data are as of October 31, 2025.



China: Real GDP growth

Contribution to real GDP growth

% year-over-year change



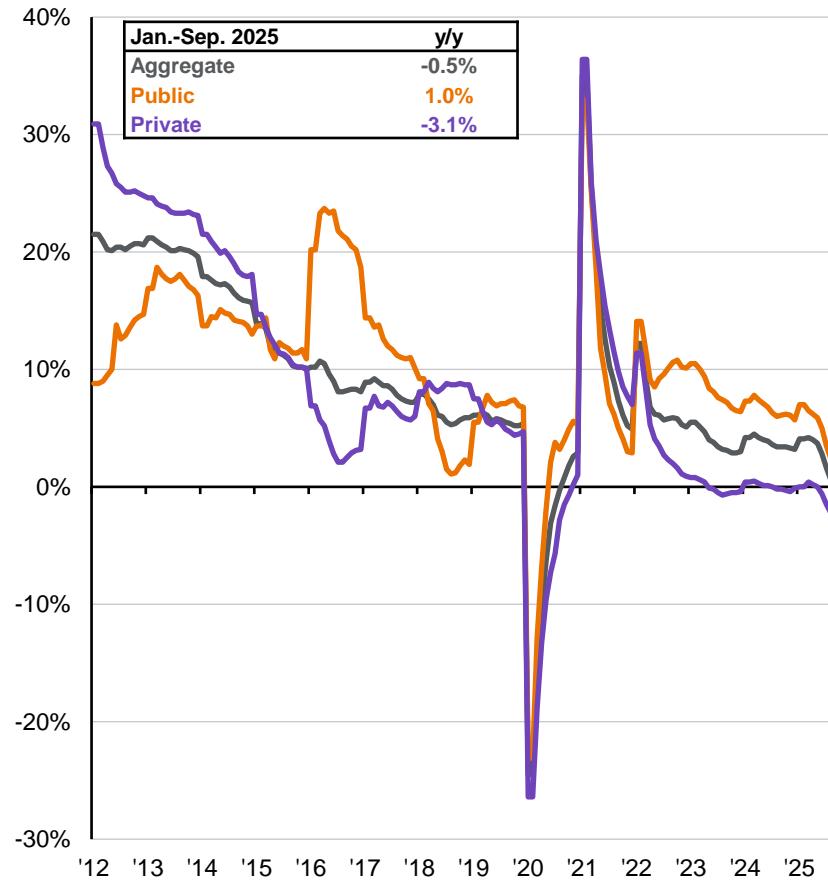
Source: CEIC, National Bureau of Statistics, J.P. Morgan Asset Management.
Aggregate GDP growth may be different from sum of sub-items due to rounding.
Data are as of October 31, 2025.



China: Fixed asset investment

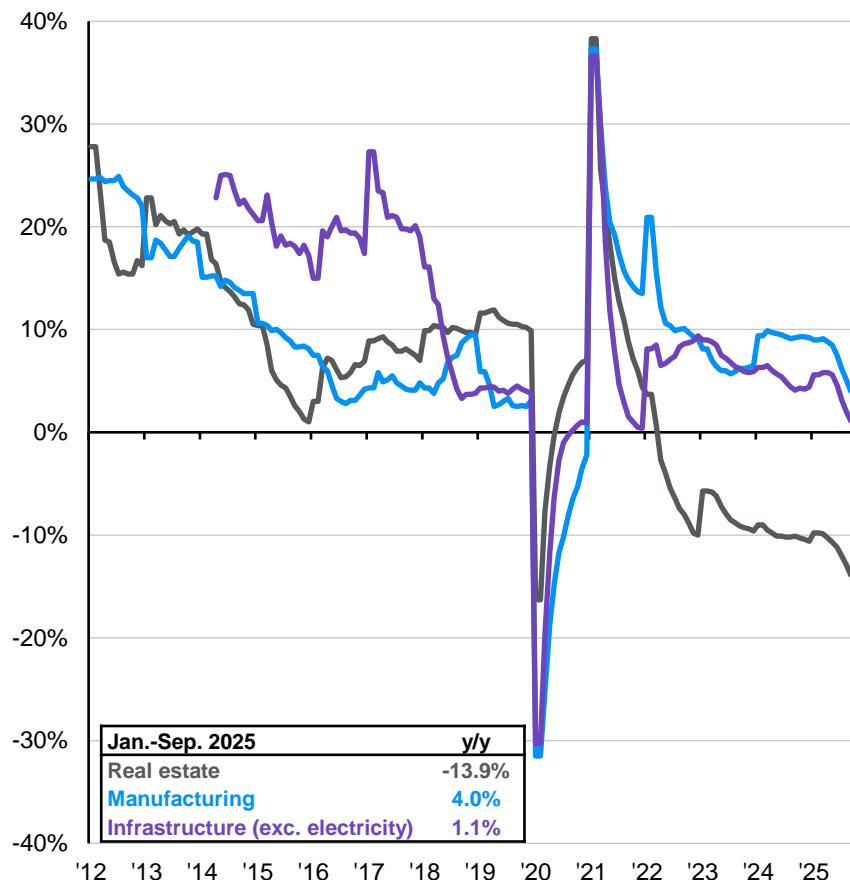
Fixed asset investment

Year-over-year change, year-to-date



Fixed asset investment by sector

Year-over-year change, year-to-date



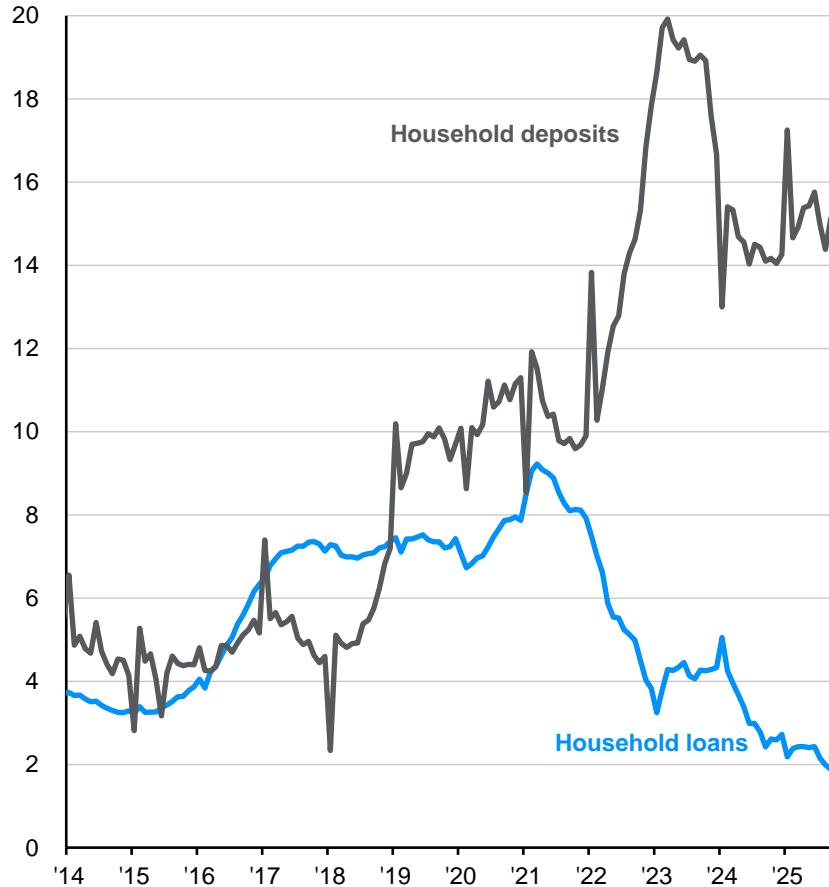
Source: CEIC, National Bureau of Statistics of China, J.P. Morgan Asset Management.
Data are as of October 31, 2025.



China: Consumer balance sheets

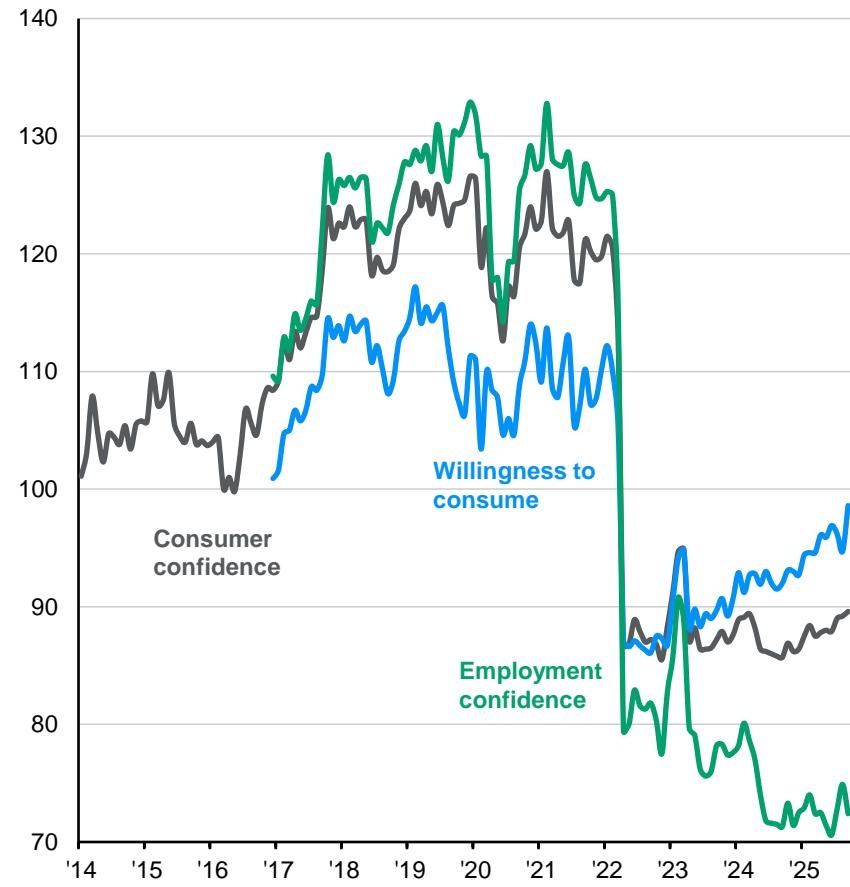
Household deposits and loans

CNY trillions, rolling 12-month new increases



Confidence and willingness to consume

Monthly, index levels



Source: J.P. Morgan Asset Management. (Left) PBoC, Wind. (Right) CEIC, National Bureau Statistics of China.
Data are as of October 31, 2025.



China: Property market

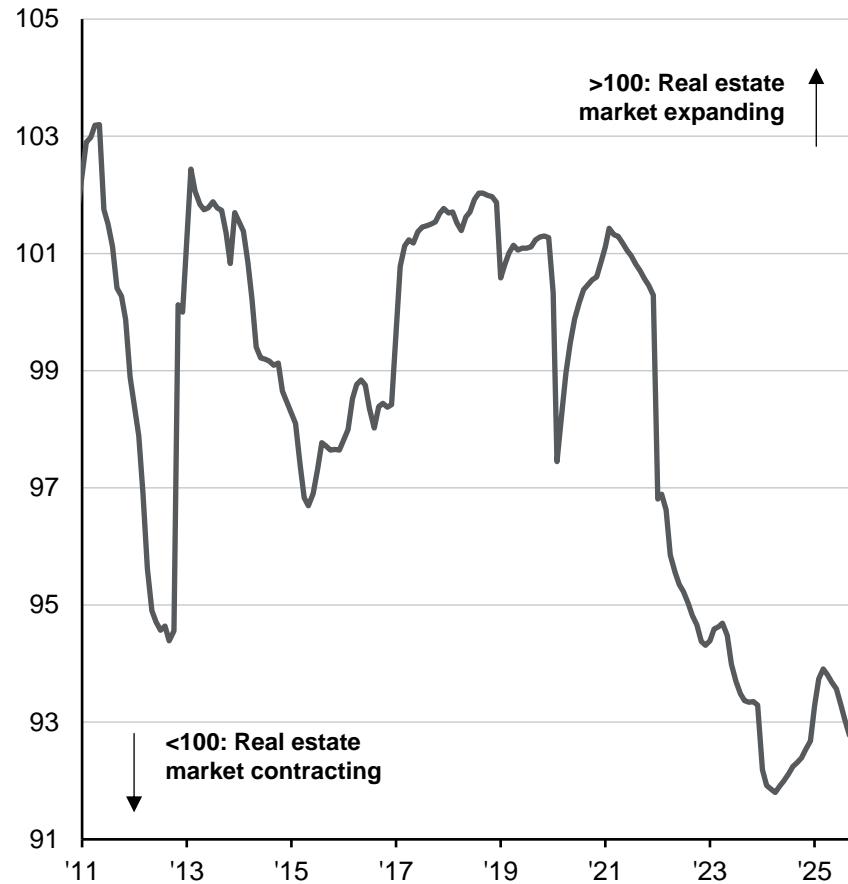
Residential property price

Year-over-year change



China Real Estate Climate Index*

Index



Source: National Bureau of Statistics of China, J.P. Morgan Asset Management. (Left) WIND. Price indices refer to residential buildings in 70 large and medium-sized cities in China. (Right) China Real Estate Association, FactSet. *The China Real Estate Climate Index is an economic indicator that reflects the overall operating conditions and climate of the real estate industry in China. It is compiled by the China Real Estate Association and the National Bureau of Statistics of China and considers various factors such as real estate development investments, land area purchased for development, floor space under construction, floor space completed, sales of commercial buildings, funding sources for property developers etc.

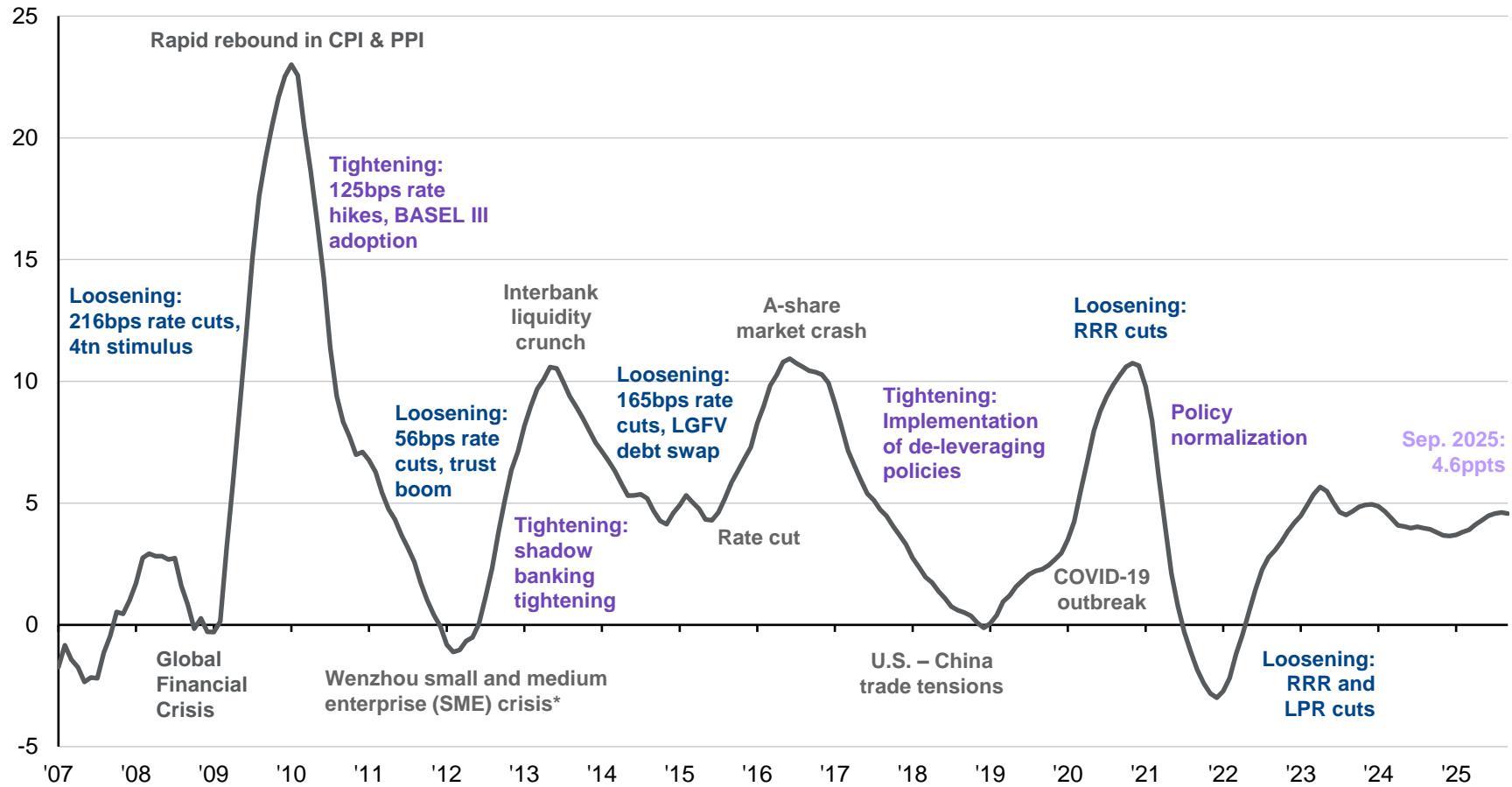
Data are as of October 31, 2025.



China: Credit conditions

Credit cycles

Percentage points, credit growth – nominal GDP growth, 3-month moving average



Source: CEIC, People's Bank of China, J.P. Morgan Asset Management.

Credit growth measures the year-over-year growth of outstanding total social financing. *Wenzhou SME crisis refers to the wave of bankruptcies and funding problems faced by many SMEs in Wenzhou in 2011. "LGFV" = local government financing vehicle. "RRR" = Reserve requirement ratio. "LPR" = Loan Prime Rate.

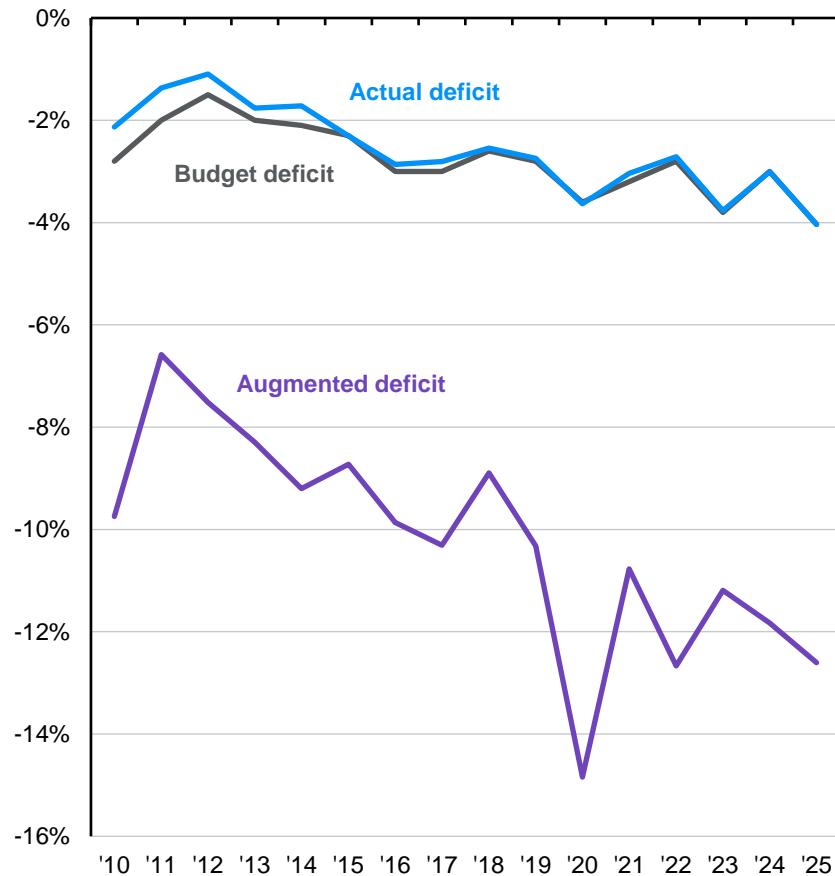
Data are as of October 31, 2025.



China: Fiscal policy

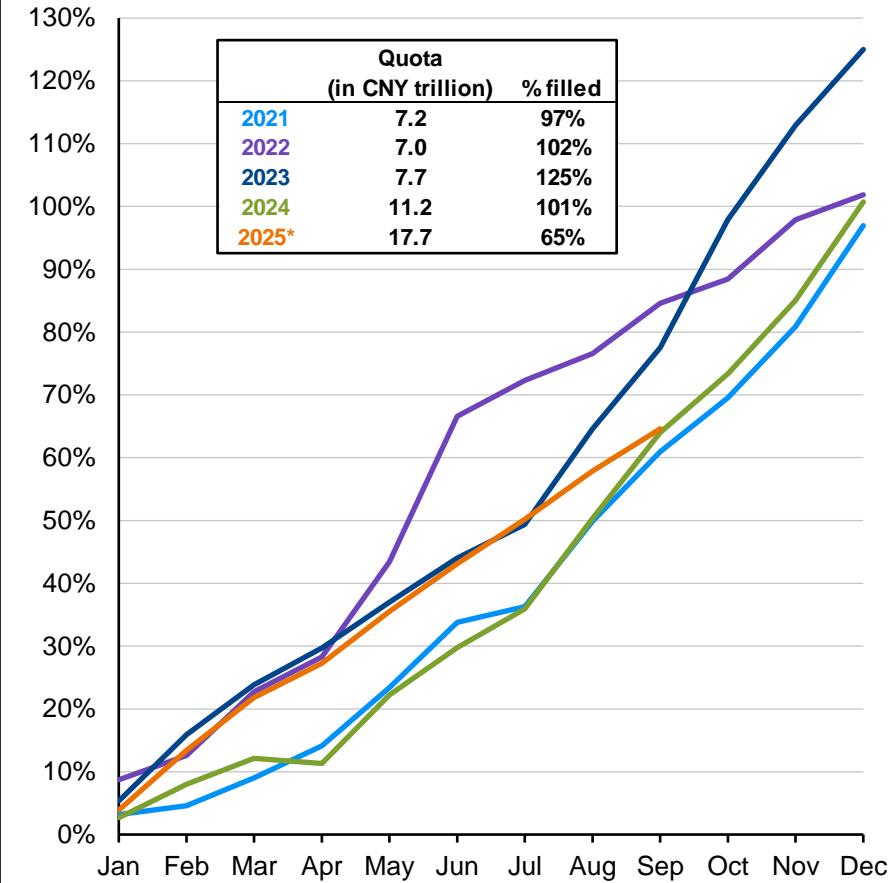
Fiscal balance

% of nominal GDP, 2025 estimate



Pace of central and local government bond issuance

Total issuance as a % of annual quotas, central and local combined



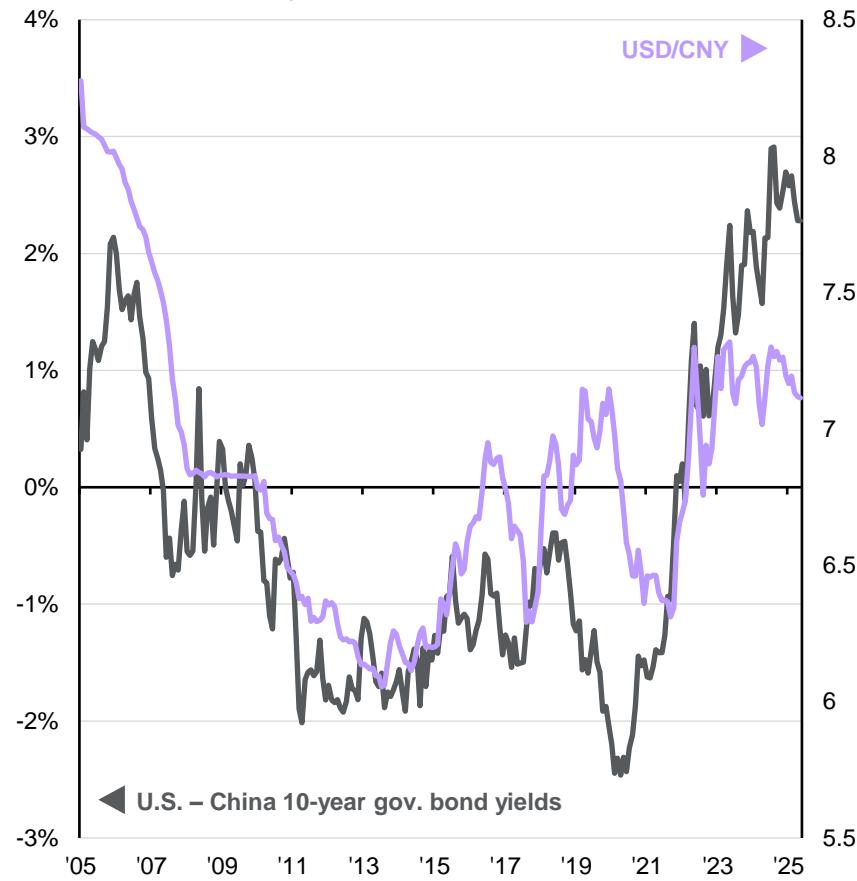
Source: J.P. Morgan Asset Management. (Left) CEIC, Ministry of Finance of China. Budget deficit = actual deficit adjusted with the fiscal stability fund. Actual deficit = fiscal revenues - fiscal expenditures. Augmented deficit is an estimate of all the fiscal resources used by the government to support economic growth, i.e., fiscal balance plus investment via local government financing vehicles, policy banks and other channels. Forecasts, projections and other forward-looking statements are based upon current beliefs and expectations. They are for illustrative purposes only and serve as an indication of what may occur. Given the inherent uncertainties and risks associated with forecast, projections or other forward statements, actual events, results or performance may differ materially from those reflected or contemplated. (Right) Wind, People's Bank of China, Ministry of Finance of China. Data are as of October 31, 2025.



China: Foreign exchange and central bank assets

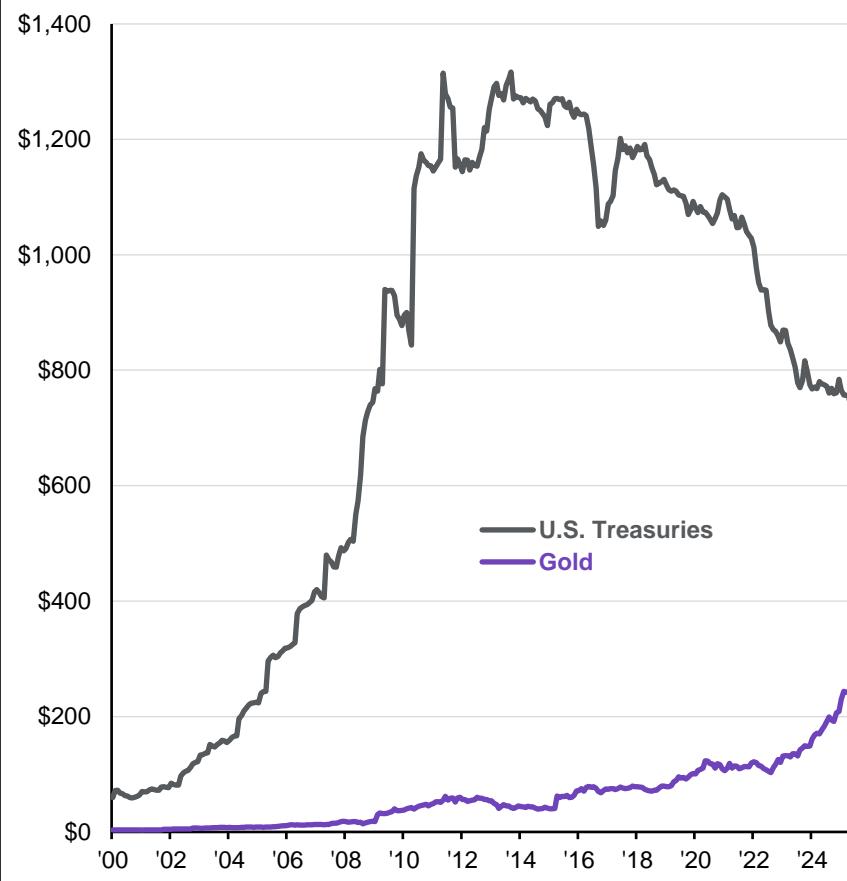
USD/CNY and interest rate differentials

U.S. – China 10-year government bond yields



PBoC holdings of U.S. Treasuries and gold

USD billions



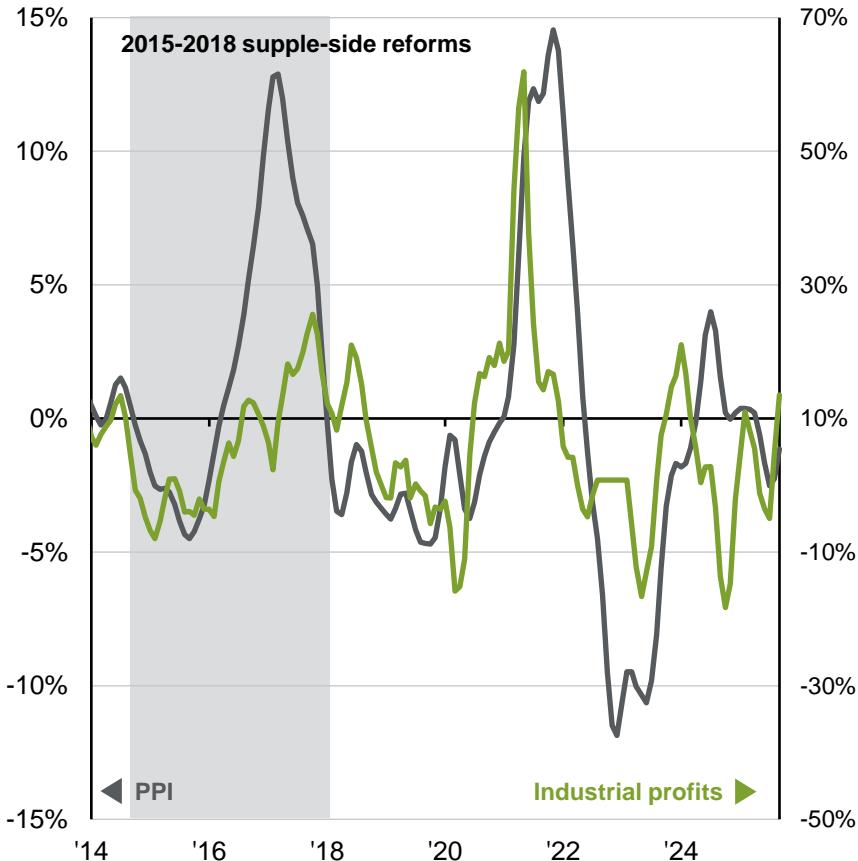
Source: Bloomberg, Peoples' Bank of China, J.P. Morgan Asset Management. (Left) FactSet, Federal Reserve. Past performance is not a reliable indicator of current or future performance. (Right) LBMA, U.S. Department of Treasury. Gold holdings in USD billions are approximate based on PBoC reporting of gold in millions of troy ounces. U.S. Treasuries data is a proxy for PBoC holdings since the PBoC does not publish a relevant breakdown, but private sector holdings should be limited given incomplete capital market opening-up.
Data are as of October 31, 2025.



China: Anti-involution

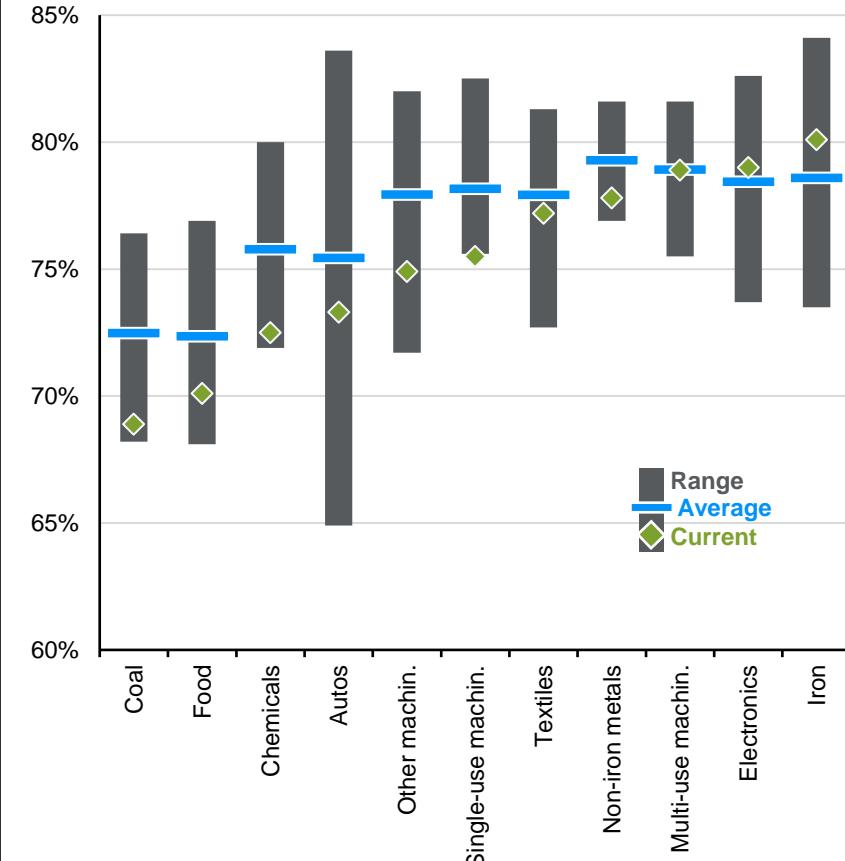
Producer prices and industrial profits

Y/y change, 3-month moving average



Capacity utilization in key Chinese sectors*

Quarterly, 4Q17-3Q25



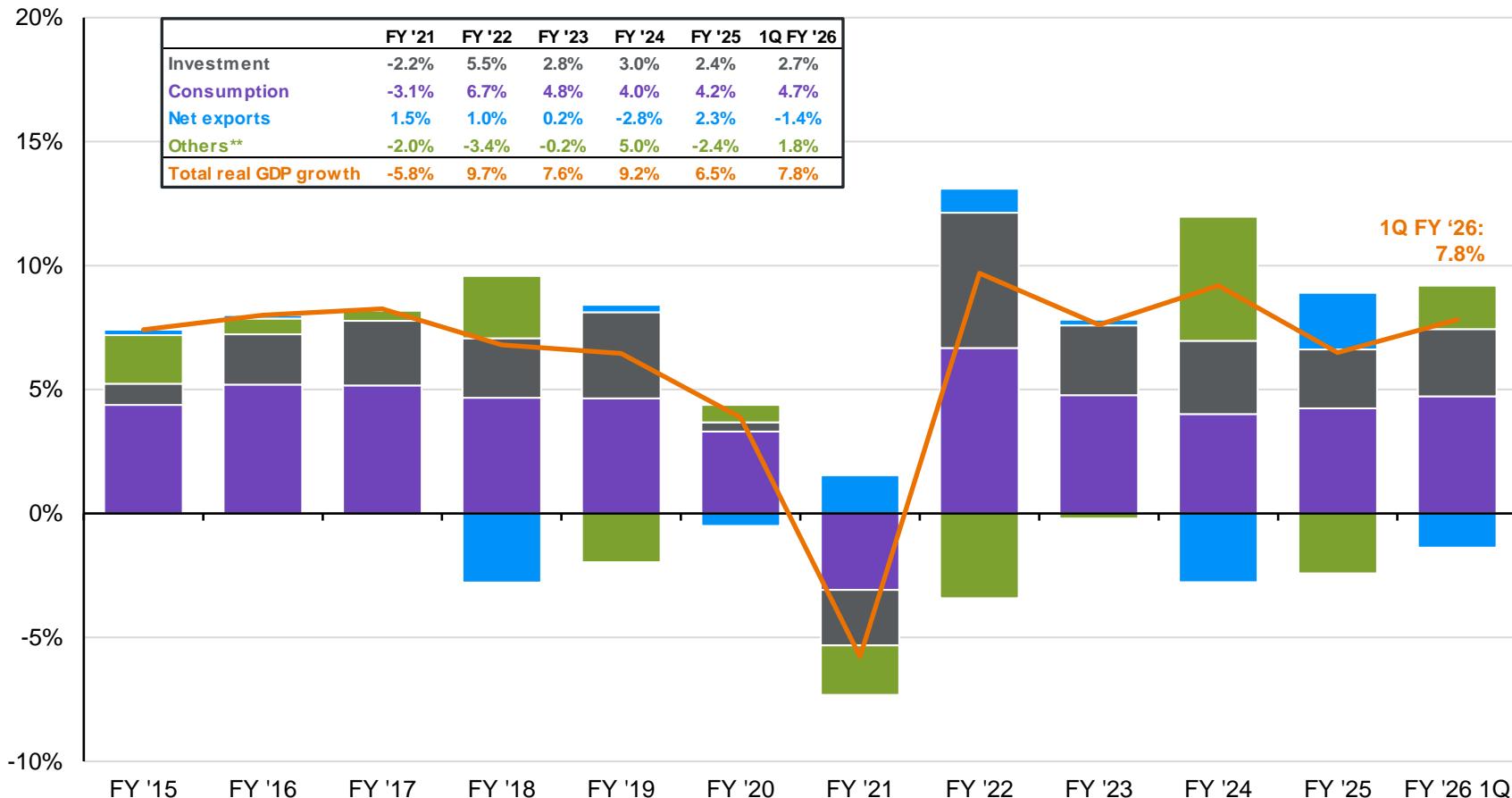
Source: FactSet, National Bureau of Statistics of China, J.P. Morgan Asset Management. *Capacity utilization refers to the ratio of actual output to production capacity (both measured by value). The actual output of the enterprise refers to the total industrial output value of the enterprise in the reporting period; the production capacity of the enterprise refers to the product output that the enterprise can achieve and can maintain for a long time when the production equipment maintains normal operation under the condition that of the supply of labor, raw materials, fuel, transport, etc. is guaranteed during the reporting period. Cross-industry machinery refers to broadly used general machinery (e.g. pumps, valves, electric motors, industrial boilers), while industry-specific machinery are used only in specific industries (e.g. textile machinery, food processing equipment). Other machinery are machinery that do not belong to either category. Data for 1Q20 (COVID-19) was excluded to avoid distortions from outliers. Data are as of October 31, 2025.



India: Real GDP growth

Contribution to real GDP growth

% year-over-year change, fiscal years*

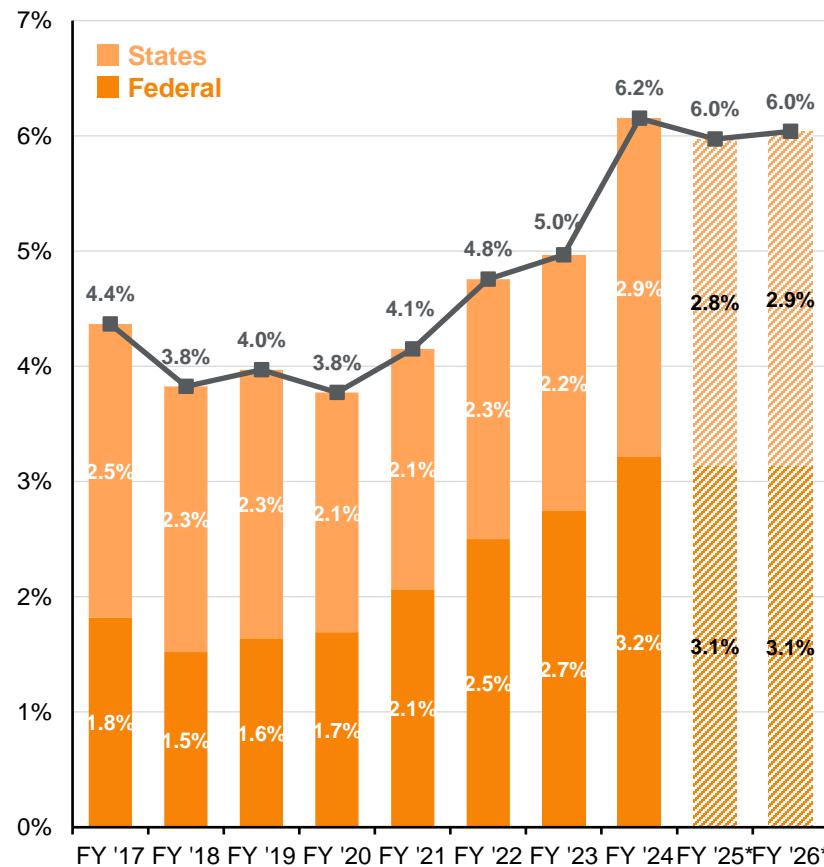


Source: FactSet, Ministry of Statistics and Program Implementation, J.P. Morgan Asset Management. *India follows fiscal years, which run from April to March. **Other includes change in stocks, valuables, and statistical discrepancies. Statistical discrepancy represents difference in GDP calculated through income and expenditure method and can sometimes be very volatile. A positive statistical discrepancy indicates that the GDP through income approach is greater than the GDP calculated through expenditure approach. Data are as of October 31, 2025.

India: Public investment and internet adoption

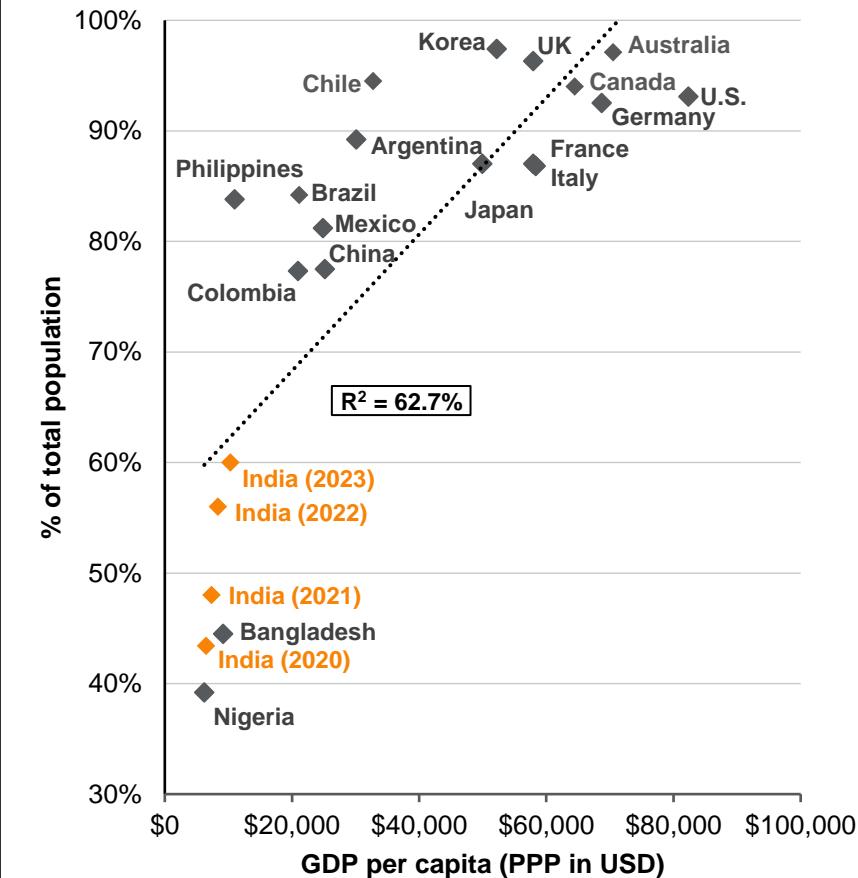
Public capital spending

% of GDP, current prices



Internet penetration

% of total population, GDP per capita, PPP in USD



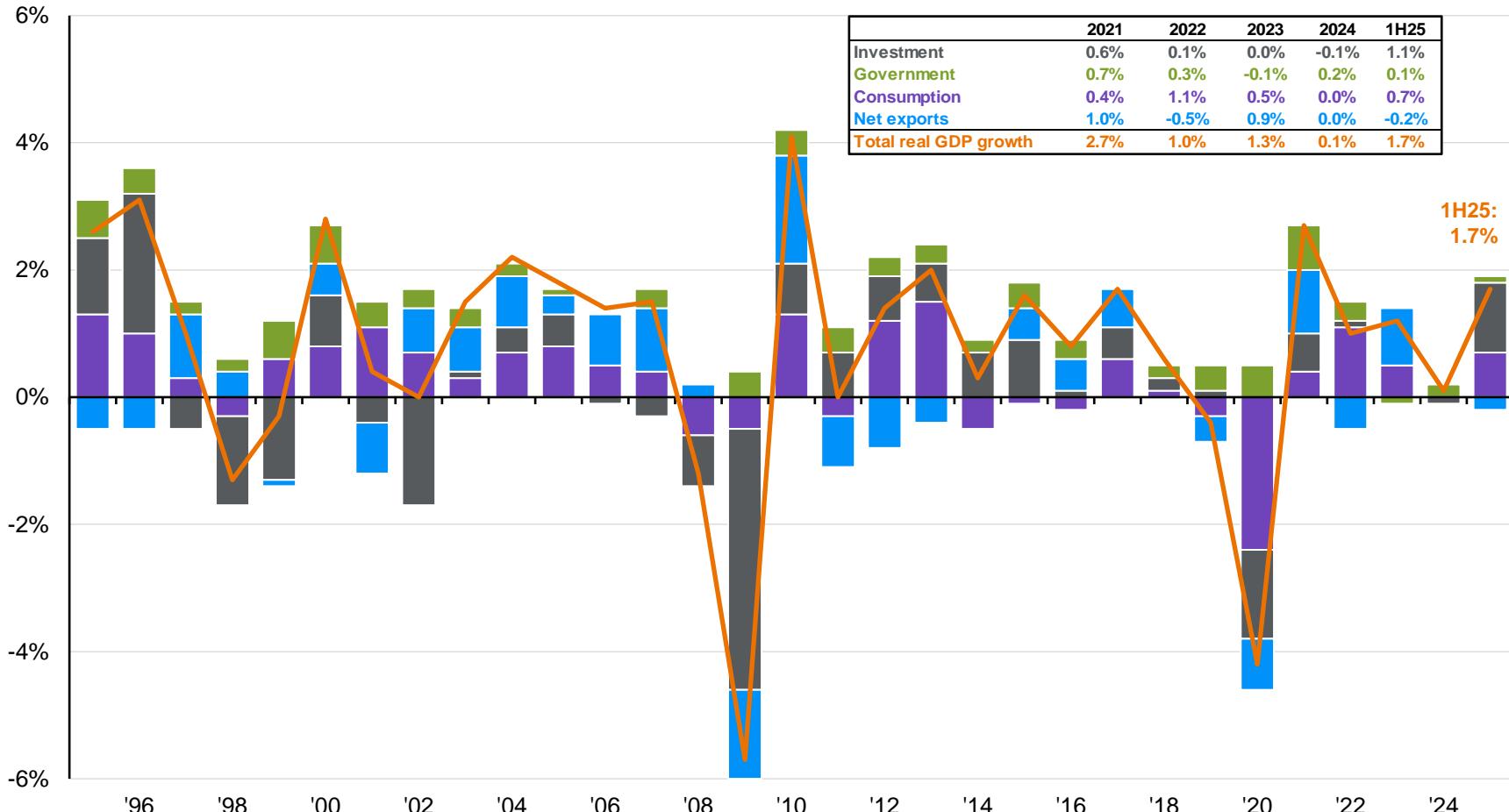
Source: J.P. Morgan Asset Management. (Left) Ministry of Finance. *Forecasts are by the Ministry of Finance for FY 2025, and FY 2026. The central government, in the budget for 2025-2026, announced a provision of 11.2 trillion rupees for capital expenditure, which would be 3.1% of the GDP. Furthermore, FY 2026 state govt capex is an estimate based on higher budgeted grants by the Federal government. The fiscal year in India runs from April to March. (Right) World Bank. The 2023 internet penetration data for India is an estimate due to data availability. Data are as of October 31, 2025.



Japan: Real GDP growth

Contribution to real GDP growth

% year-over-year change



Source: Japanese Cabinet Office, J.P. Morgan Asset Management. Aggregate GDP growth may be different from sum of sub-items due to rounding.

Data are as of October 31, 2025.

Japan: Inflation, growth and rate expectations

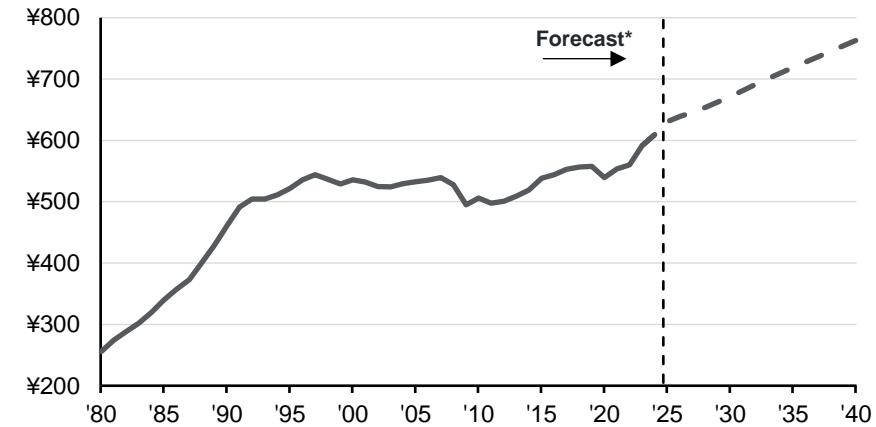
Inflation and wage growth

Year-over-year change



Nominal GDP

JPY trillions



Interest rate expectations

Based on 5y5y swaps



Source: J.P. Morgan Asset Management. (Left) Ministry of Economics. Wage growth is a 6-month rolling average. (Top right) Oxford Economics. *Forecasts are by Oxford Economics. (Bottom right) Bloomberg. Represents the expected interest rate over the five-year period that begins five years from today. Data are as of October 31, 2025.

Japan: Currency and interest rates

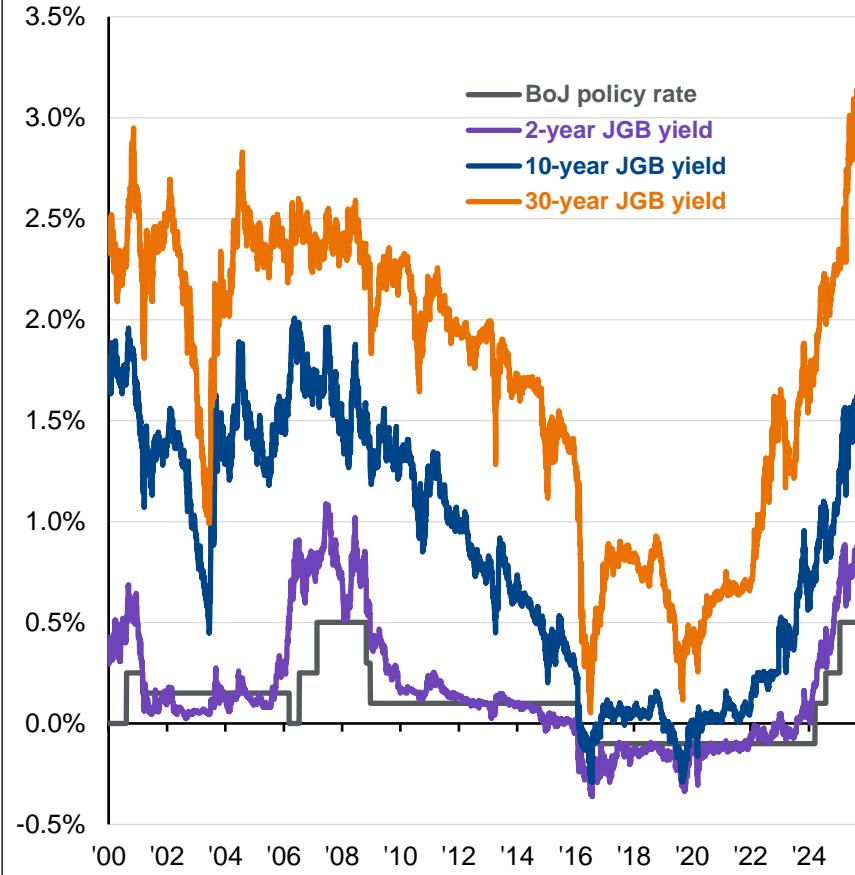
U.S. – Japan interest rate differential and USDJPY

USDJPY, daily



Japan rates

Daily



Source: Bank of Japan, FactSet, J.P. Morgan Asset Management. (Left) Federal Reserve. JGB refers to Japanese government bonds. Data are as of October 31, 2025.



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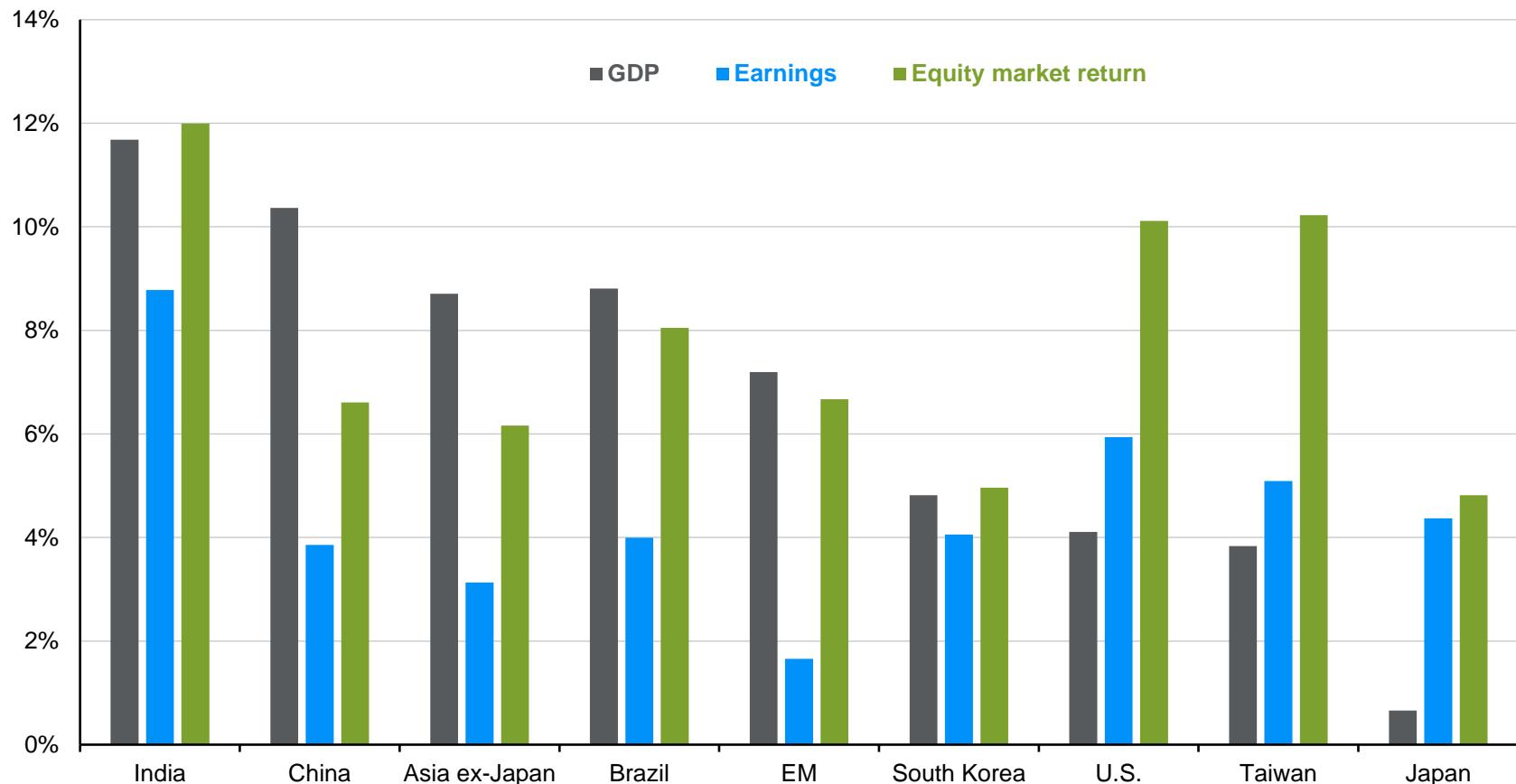
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Economic growth, earnings and returns

Nominal GDP growth, earnings and equity market returns

2005-2024, annualized

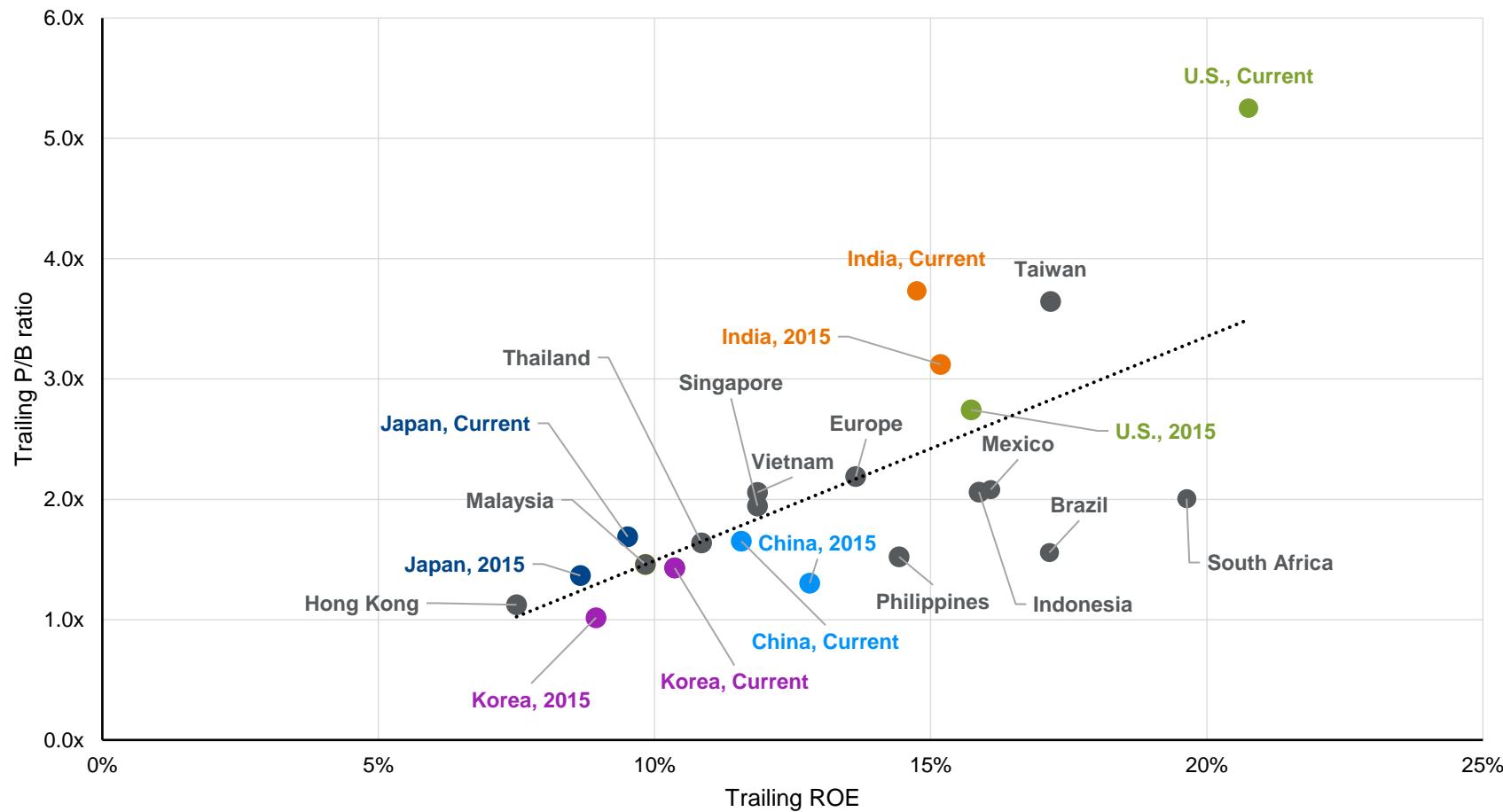


Source: FactSet, MSCI, World Bank, J.P. Morgan Asset Management. Earnings and equity market returns are represented by each market's respective MSCI index. Nominal GDP growth, equity returns and earnings growth are calculated in local currency except for Asia ex-Japan and emerging markets, which is in U.S. dollars. GDP for Asia ex-Japan is calculated by adding up nominal GDP in USD for all the 10 markets which are tracked by MSCI Asia ex-Japan. GDP for EM is calculated by adding up nominal GDP in USD for all the 24 markets which are tracked by MSCI EM. Past performance is not indicative of current or future results. Data are as of October 31, 2025.

Return-on-equity and valuations

Return-on-equity and price-to-book ratio for different markets

Last 12 months



Source: FactSet, MSCI, J.P. Morgan Asset Management. Numbers are based on MSCI indices except for the U.S. which is based on the S&P 500 Index. ROE = return-on-equity and P/B = price-to-book. Historical data are shown for select markets to showcase progress. Data are as of October 31, 2025.



Global equity market correlations

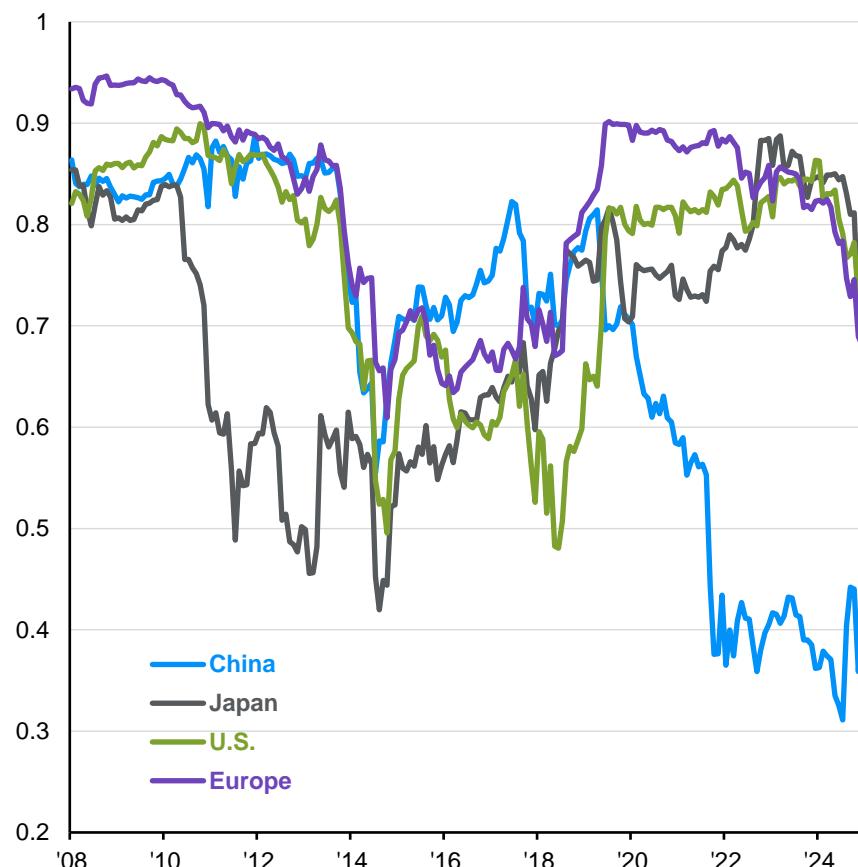
Correlation between Asian and global equities

Monthly price returns, USD

	S&P 500	MSCI ACWI	MSCI EM	MSCI EAFE	MSCI Asia ex-JP	MSCI EM ex-China	MSCI China	MSCI Japan	MSCI India
S&P 500	1.00								
MSCI ACWI	0.96	1.00							
MSCI EM	0.73	0.86	1.00						
MSCI EAFE	0.86	0.96	0.85	1.00					
MSCI Asia ex-JP	0.70	0.83	0.98	0.82	1.00				
MSCI EM ex-China	0.77	0.88	0.97	0.87	0.91	1.00			
MSCI China	0.48	0.61	0.83	0.62	0.88	0.68	1.00		
MSCI Japan	0.72	0.80	0.68	0.84	0.66	0.70	0.48	1.00	
MSCI India	0.60	0.69	0.77	0.68	0.76	0.80	0.53	0.55	1.00

Correlation between EM ex-China and other markets

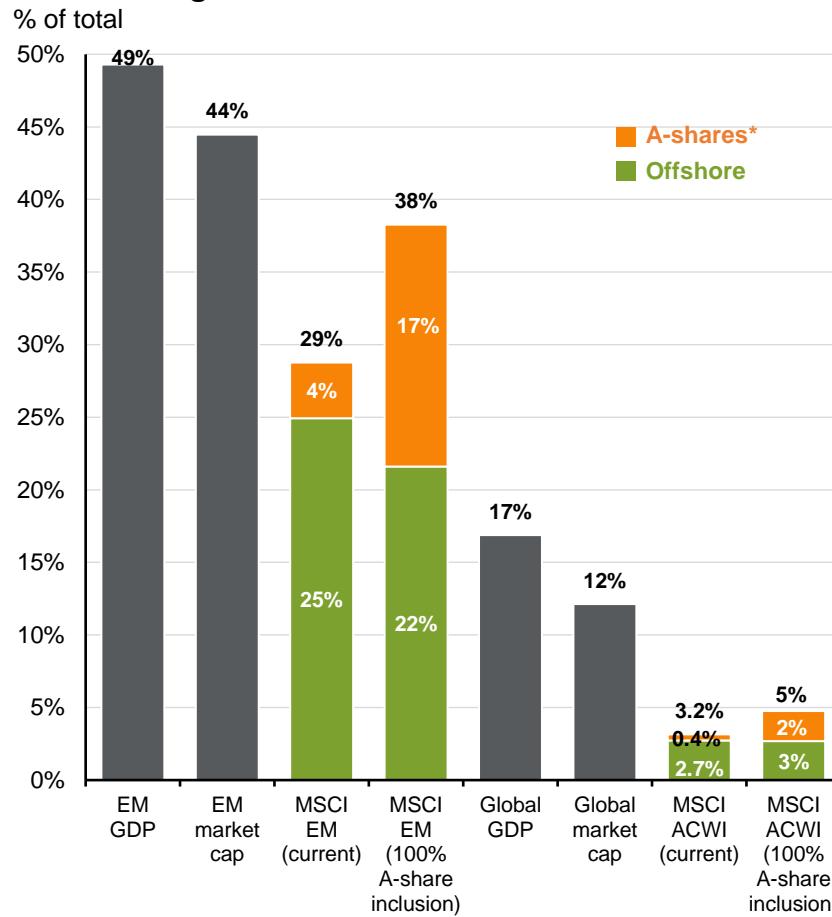
Rolling 3-year correlation, monthly price returns, USD



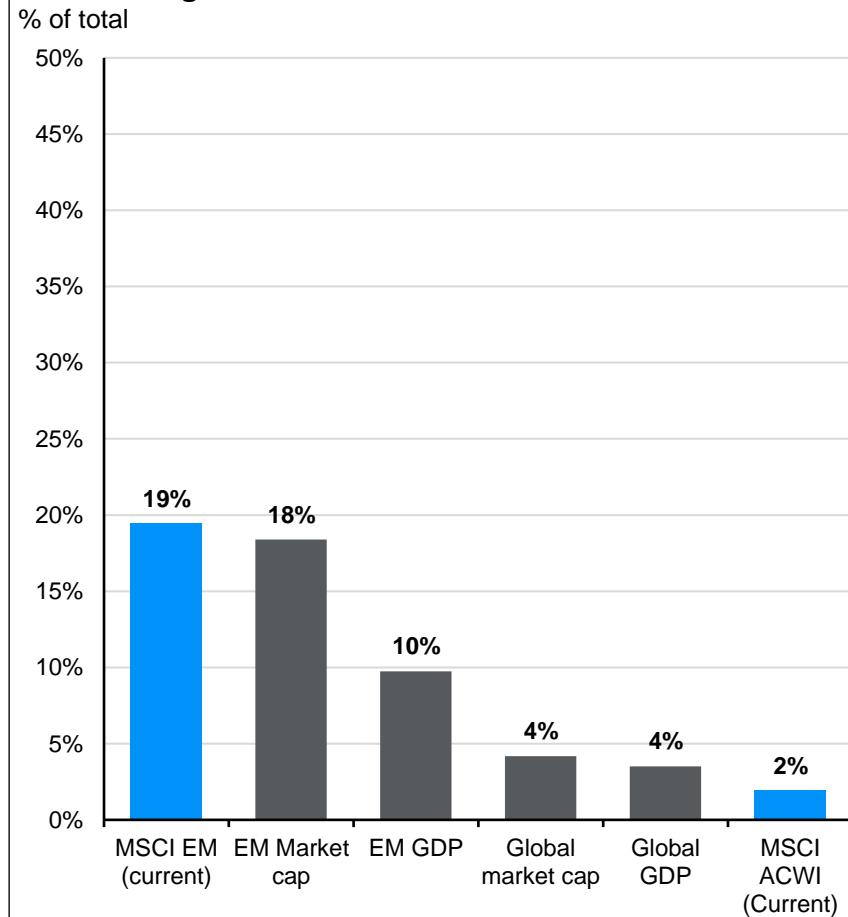
Source: MSCI, FactSet, Standard & Poor's, J.P. Morgan Asset Management. (Left) Correlations are based on monthly price return data in USD for the past 20 years (rolling). (Right) All markets are represented by their respective MSCI index except for the U.S., which is the S&P 500. Past performance is not indicative of current or future results.
Data are as of October 31, 2025.

China and India equities: Representation in global markets

China's weight in selected indicators



India's weight in selected indicators

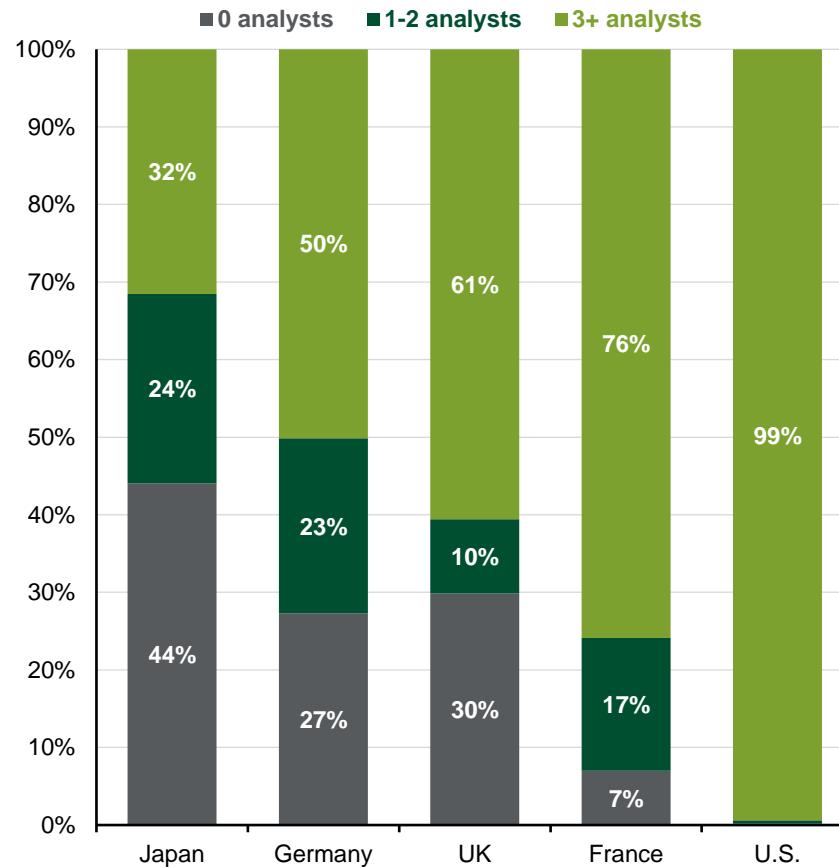


Source: MSCI, World Bank, World Federation of Exchanges, J.P. Morgan Asset Management. Share of EM GDP and EM market cap areas of 2024, but some country data are as of 2023 depending on data availability. (Left) *Currently, an index inclusion factor (IIF) of 20% is applied to China A Large Cap, ChiNext Large Cap and China A Mid Cap (including eligible ChiNext shares) within MSCI ACWI and MSCI EM Index. 100% A-share inclusion is shown for illustrative purposes only.
Data are as of October 31, 2025.

Japan equities: Market characteristics

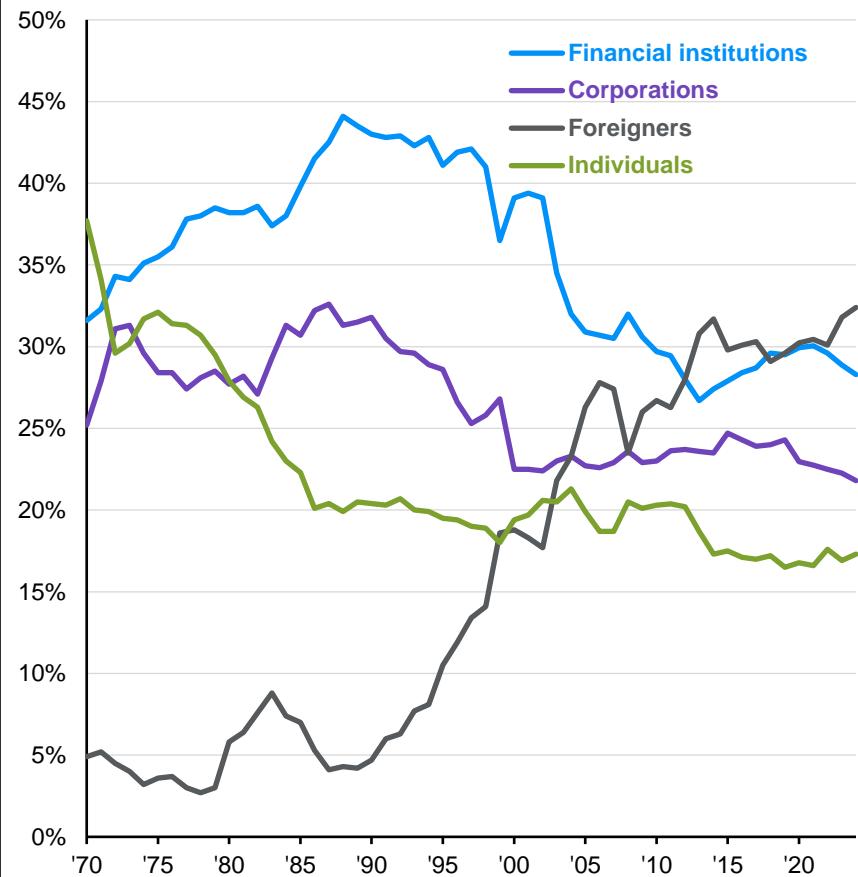
Research analyst coverage by market

% of analyst coverage



Ownership of Japanese stocks

By investor category, annual



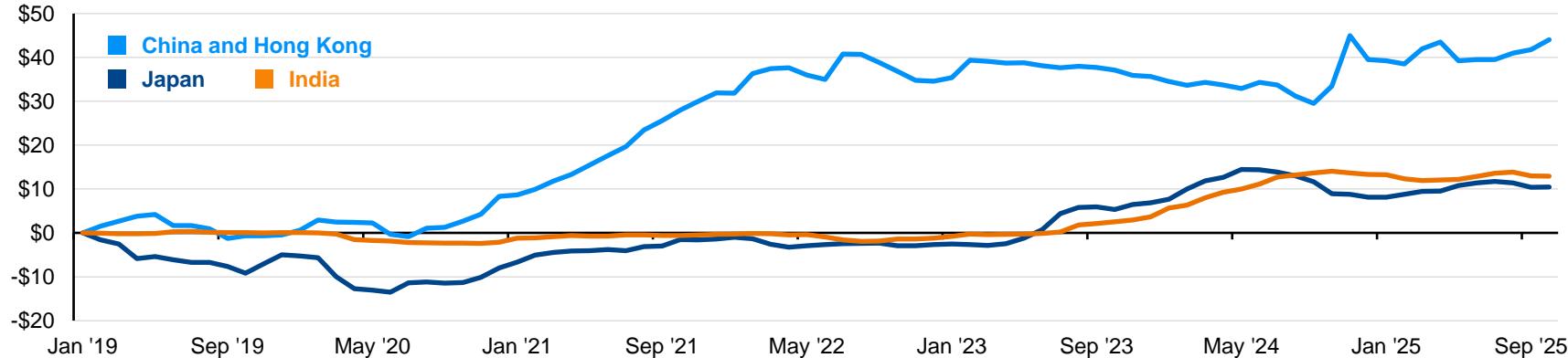
Source: J.P. Morgan Asset Management. (Left) FactSet, Jefferies. Japan: TOPIX, Germany: CDAX, UK: FTSE All-Share, France: SBF 250, U.S.: S&P 500. (Right) Japan Exchange Group – Annual Ownership Survey 2024. Financial institutions include city and regional banks, trust banks, investment trusts, annuity trusts, life insurance companies, non-life insurance companies, and other financial institutions. Corporations include securities companies and business corporations. Foreigners include foreign institutions and individuals. Data are as of October 31, 2025.



Equity market sentiment: Flows and domestic investors

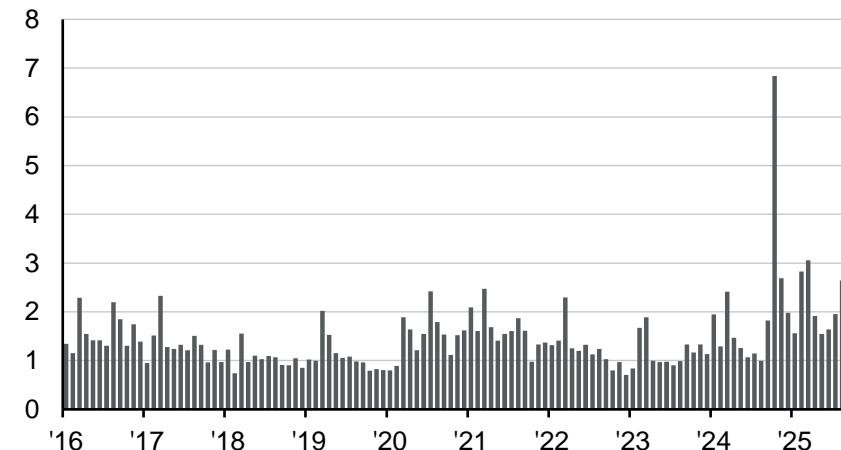
Flows into Asia equity ETFs by markets

USD billions, cumulative since Jan 2019, includes UCITS and U.S.-domiciled ETFs



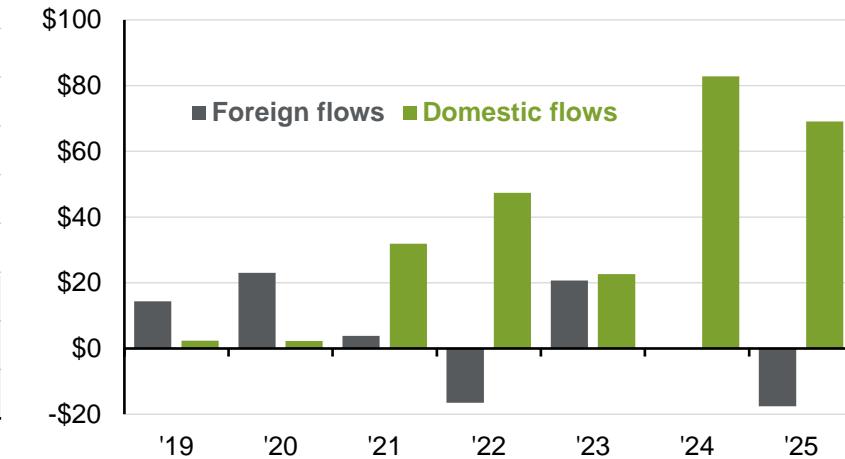
China: Number of new onshore investor accounts

In millions



India: Domestic vs. foreign flows into equities

USD billions



Source: J.P. Morgan Asset Management. (Top) Bloomberg. Includes only ETFs domiciled in Luxembourg, Ireland and the U.S. UCITS = Undertakings for Collective Investment in Transferable Securities." UCITS is a regulatory framework in the European Union that allows for the creation and distribution of investment funds that can be marketed across EU member states. (Bottom left) CEIC, China Securities Depository and Clearing Corporation Limited. (Bottom right) NSE Market Pulse. Data for 2025 is available on a one-month lag. Data are as of October 31, 2025.



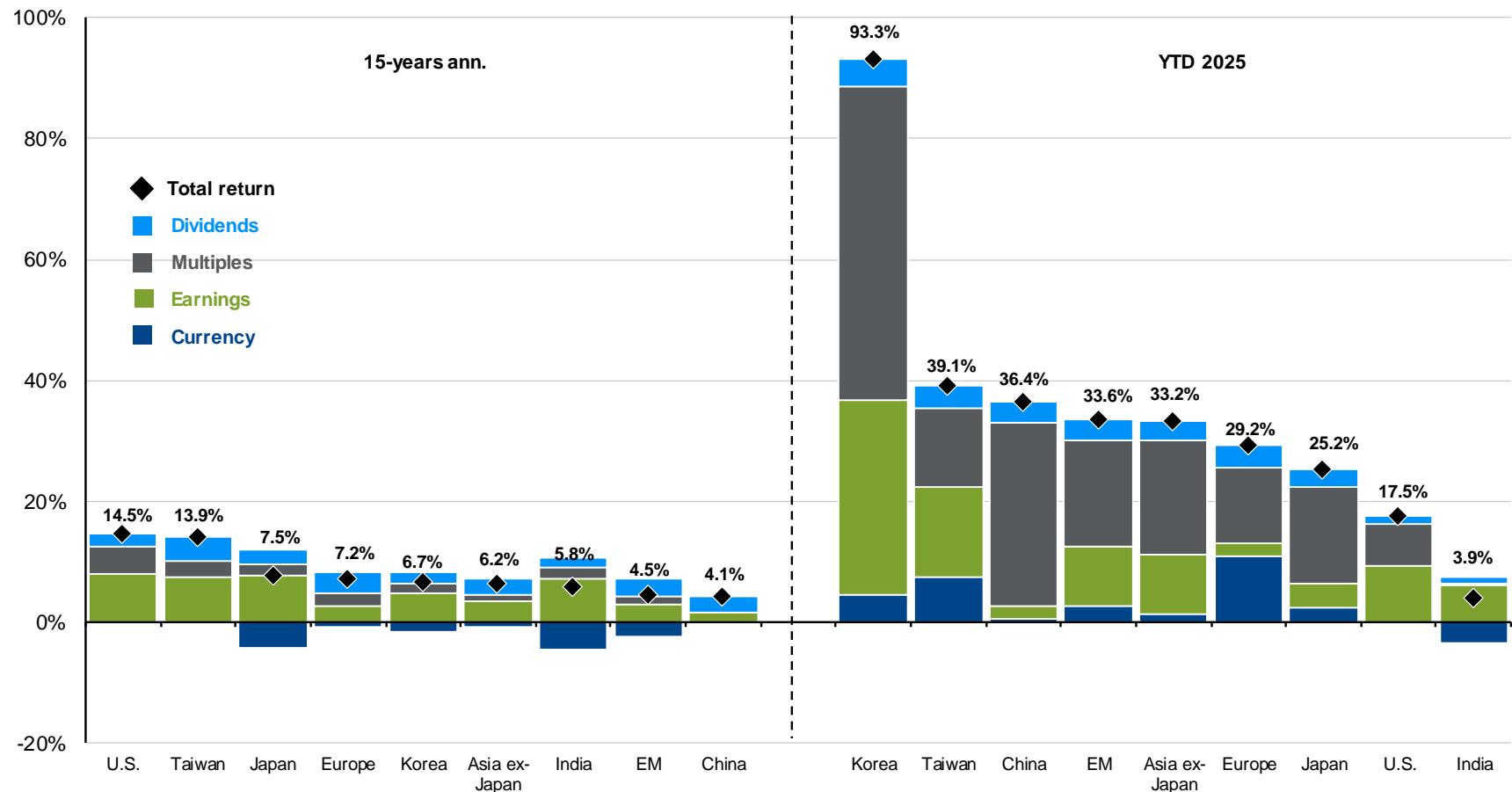
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Global equity return composition

Sources of global equity returns*

Total return, USD



Source: FactSet, MSCI, Standard & Poor's, J.P. Morgan Asset Management.

15-years ann. is a rolling 15-year period ending with the previous month-end. All return values are MSCI Gross Index data, except the U.S., which is the S&P 500. *Multiple expansion is based on the forward P/E ratio and EPS growth outlook is based on NTMA earnings estimates. Chart is for illustrative purposes only. Past performance is not indicative of future results.

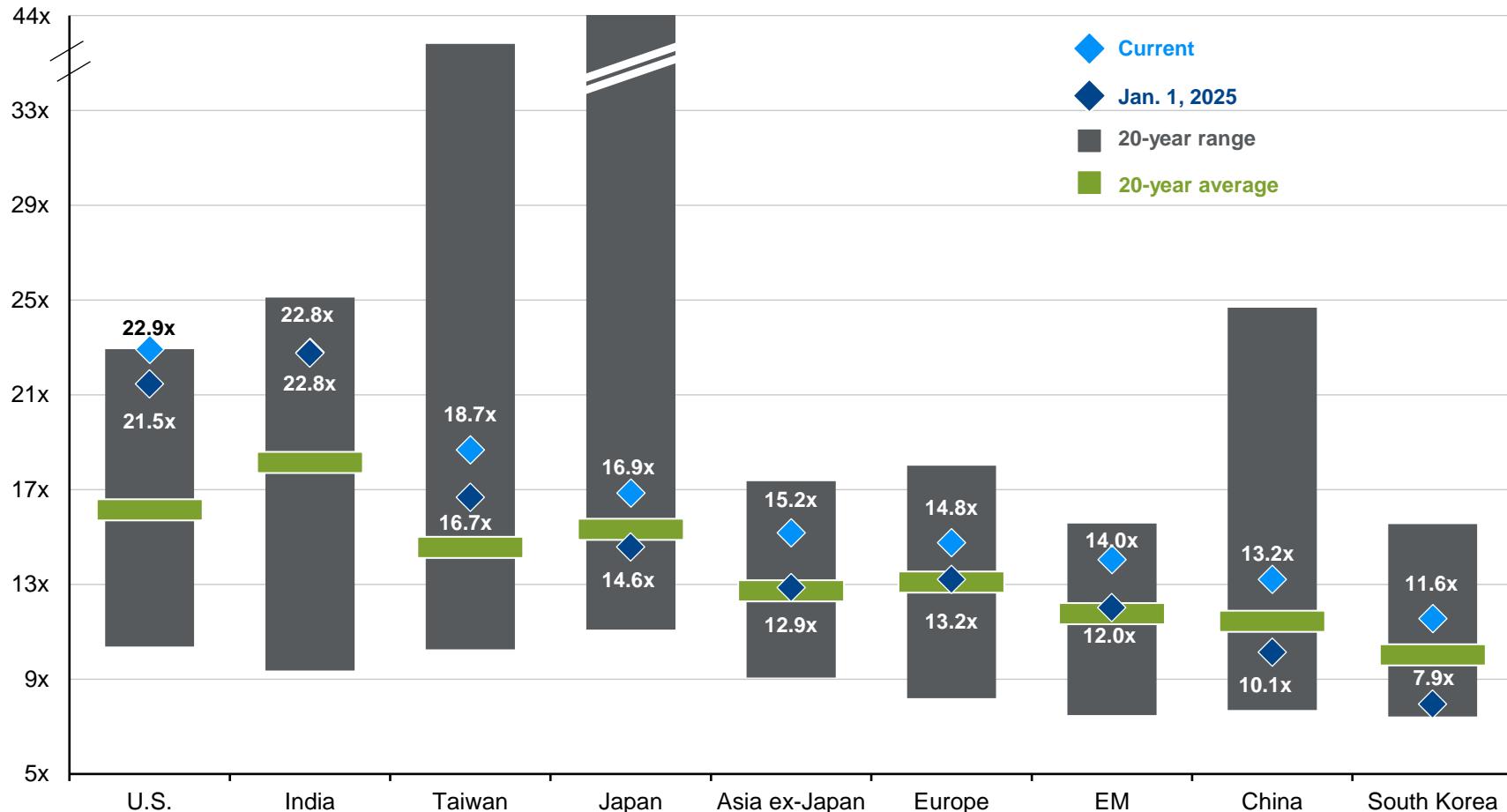
Data are as of October 31, 2025.



Global equity valuations

Global valuations

Current and 20-year price-to-earnings ratios, next 12 months

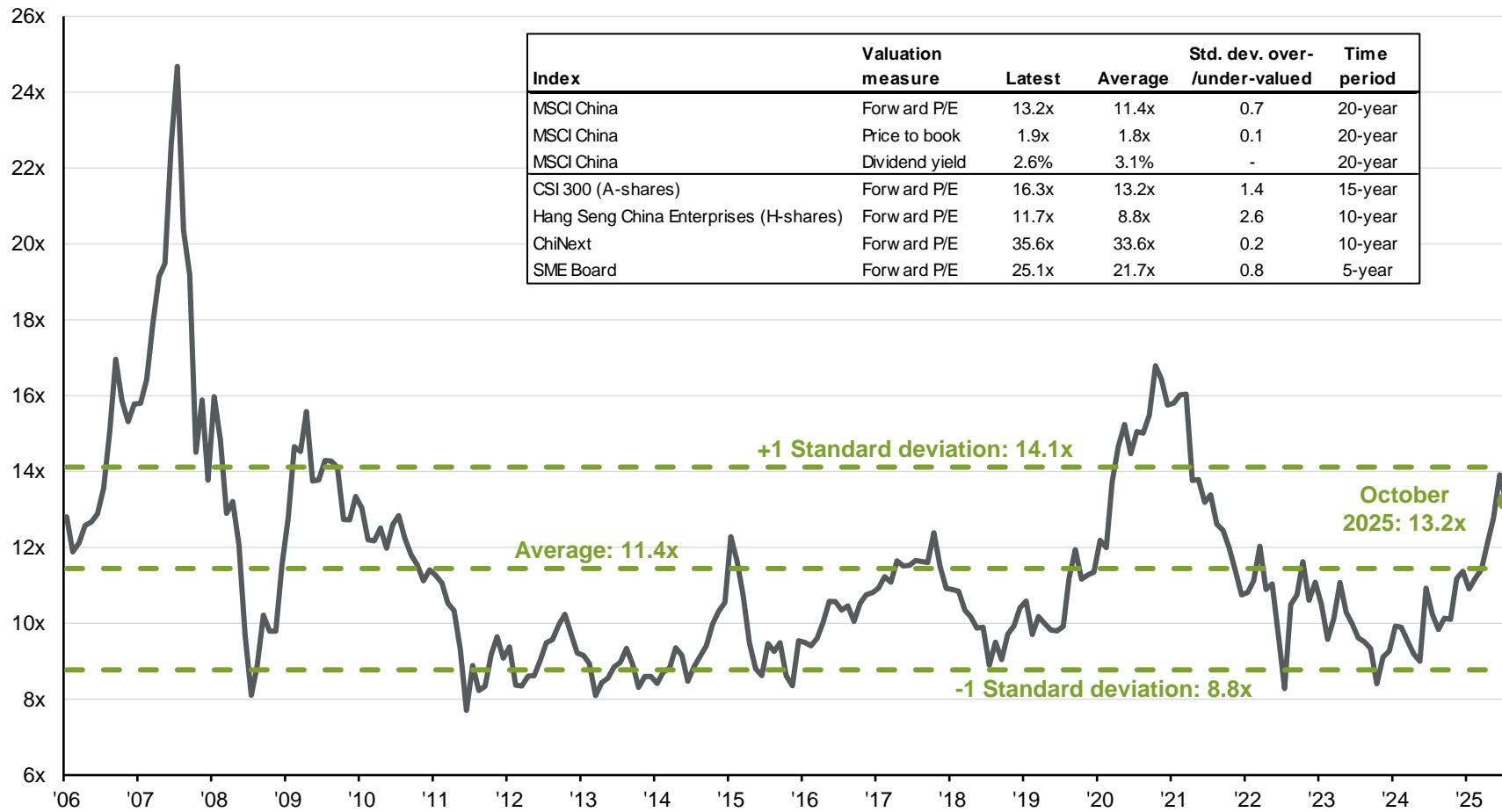


Source: FactSet, MSCI, Standard & Poor's, J.P. Morgan Asset Management. Valuation measures are based on MSCI indices except for the U.S. which is based on the S&P 500 Index.
Data are as of October 31, 2025.



China: Equity valuations

MSCI China: Forward P/E ratio



Source: Bloomberg L.P., MSCI, J.P. Morgan Asset Management.

Price-to-earnings ratio based on next twelve months earnings estimates. Dividend yield based on next twelve months dividend estimates.

Price-to-book based on trailing 12 months bookvalue. "Std. dev" = Standard deviation.

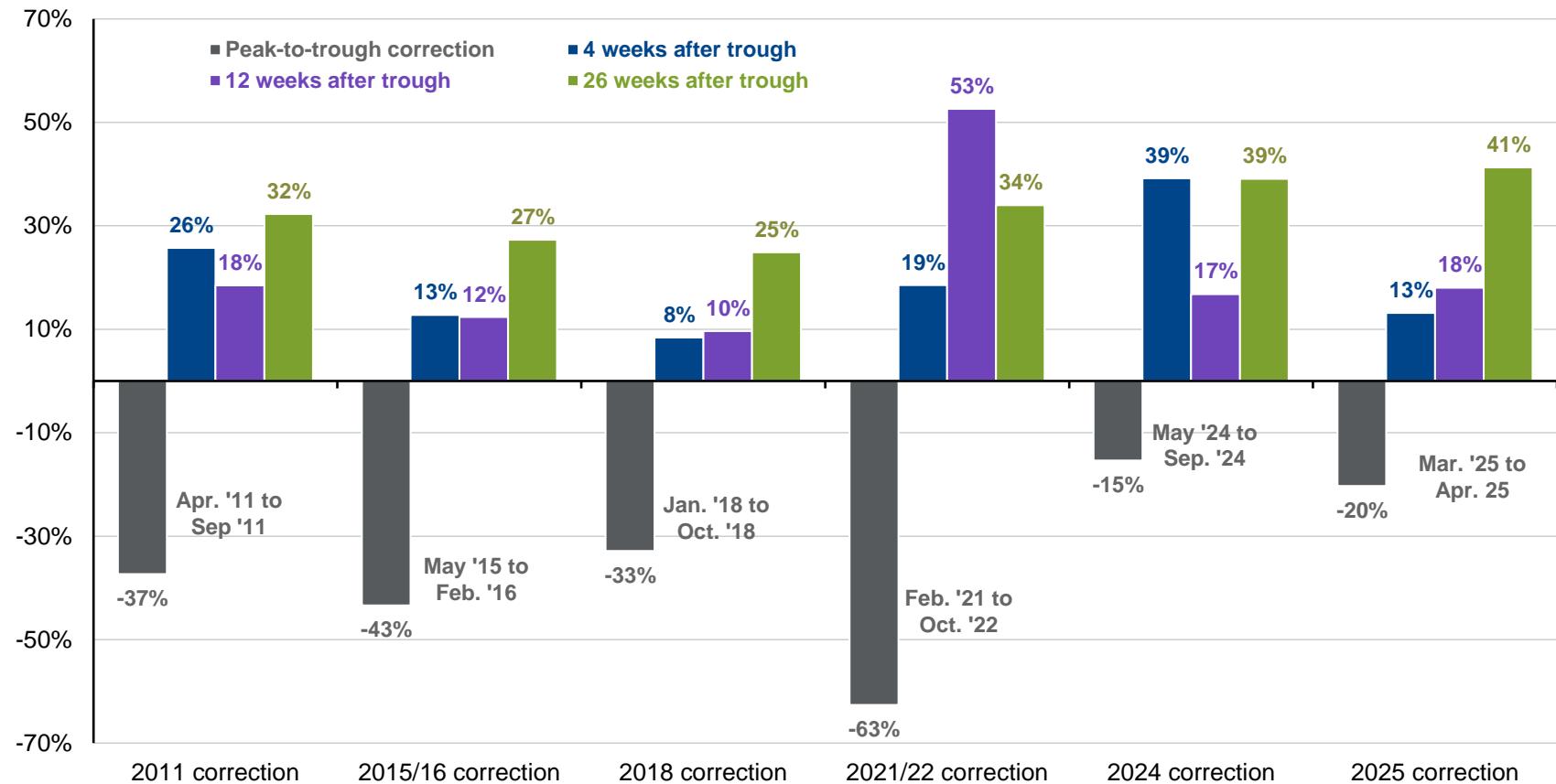
Data are as of October 31, 2025.



China: Equity market corrections and subsequent performance

Previous vs. current Chinese equity market corrections

MSCI China



Source: Bloomberg L.P., J.P. Morgan Asset Management.

Chinese market performance is based on the MSCI China price index only and do not include dividends.

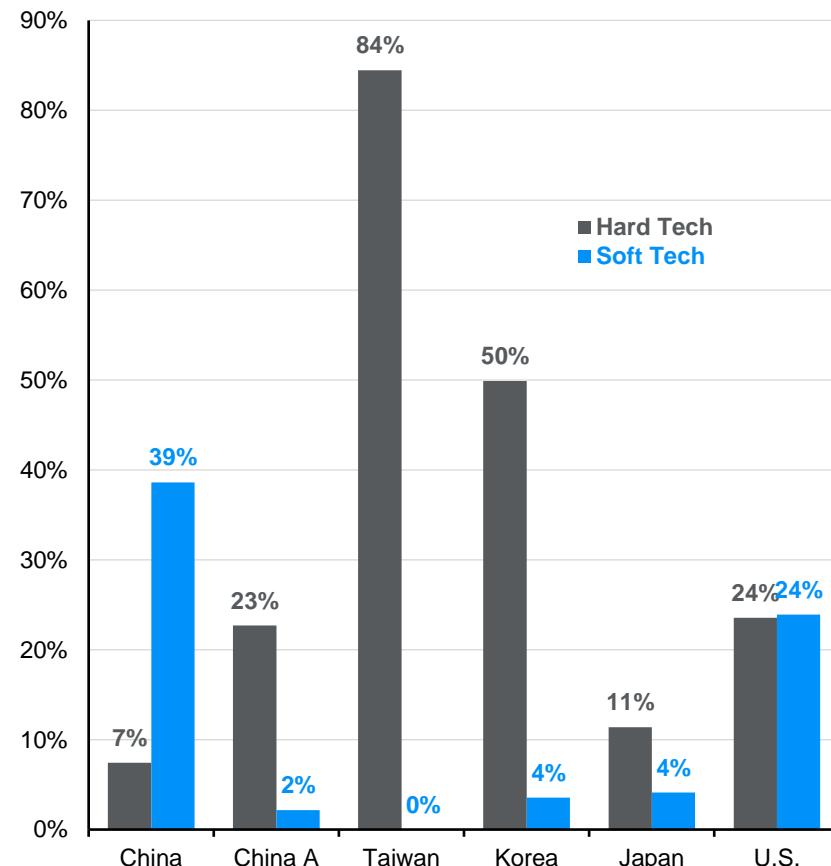
The periods above were chosen to illustrate certain market moving events in China and the recovery 4, 12, and 26 weeks after market trough. Past performance is not indicative of current or future results. Data are as of October 31, 2025.



China: Technology investing

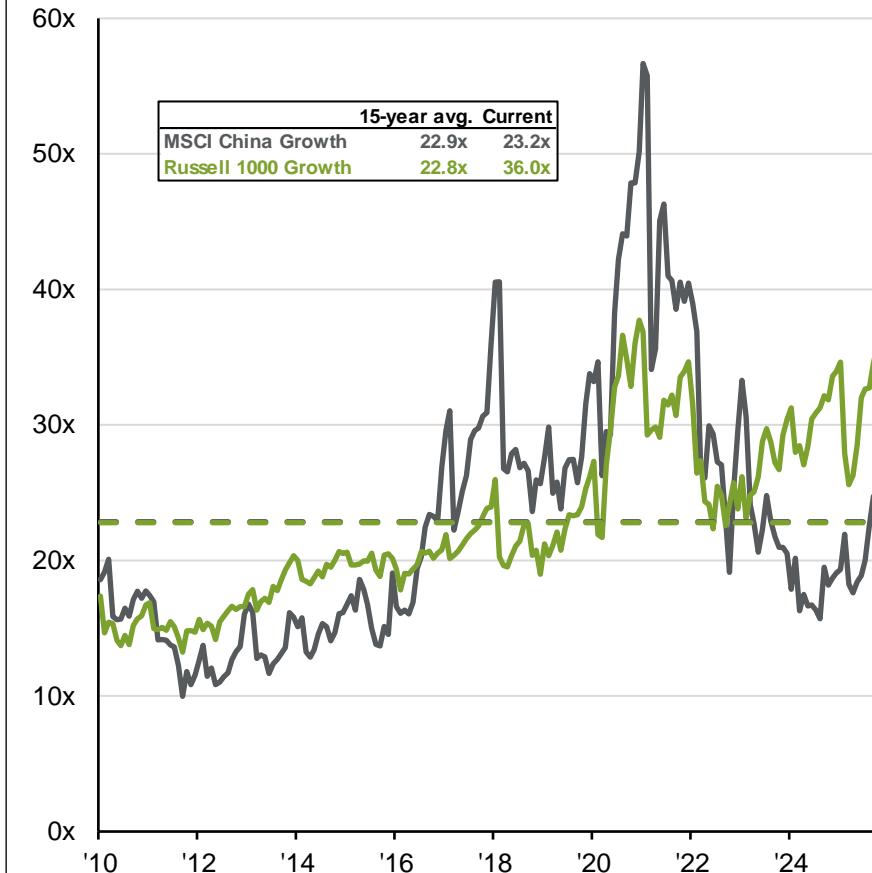
Technology representation in Asia equity indices

Soft tech vs. hard tech*



Valuations of U.S. vs. China Growth equity style

P/E ratio, next 12 months



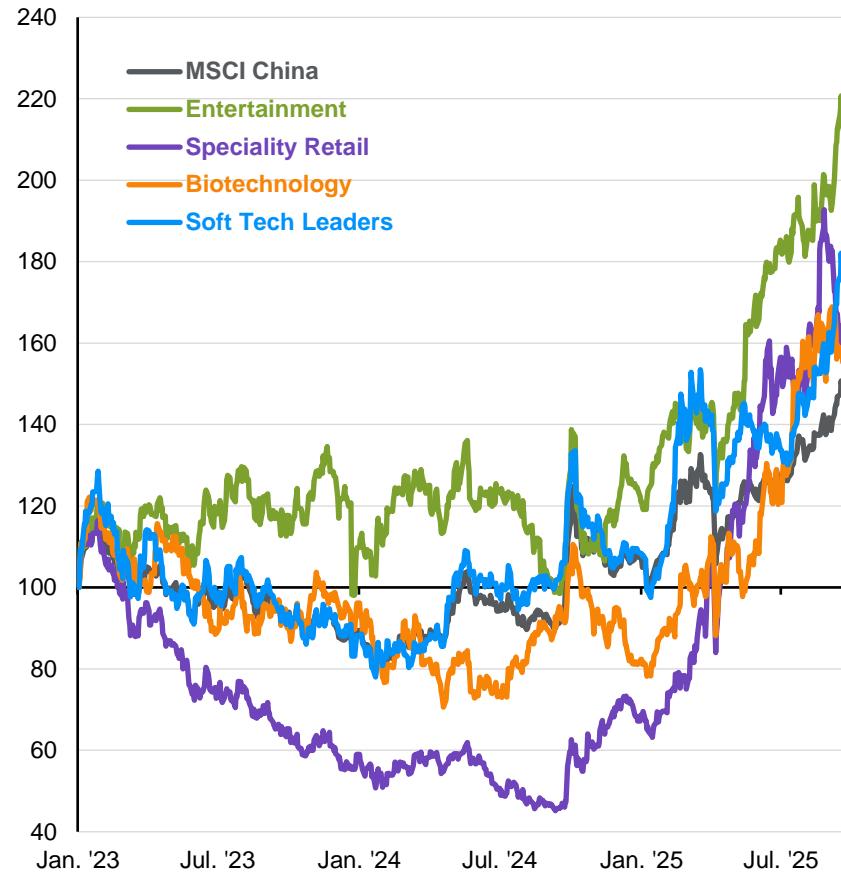
Source: MSCI, J.P. Morgan Asset Management. (Left) China represents the MSCI China Index. *Hard tech refers to tangible, physical products, such as computers and electronic machinery. Soft tech refers to intangible products such as software and digital services. (Right) FTSE Russell. Data are as of October 31, 2025.



China: Equity market themes

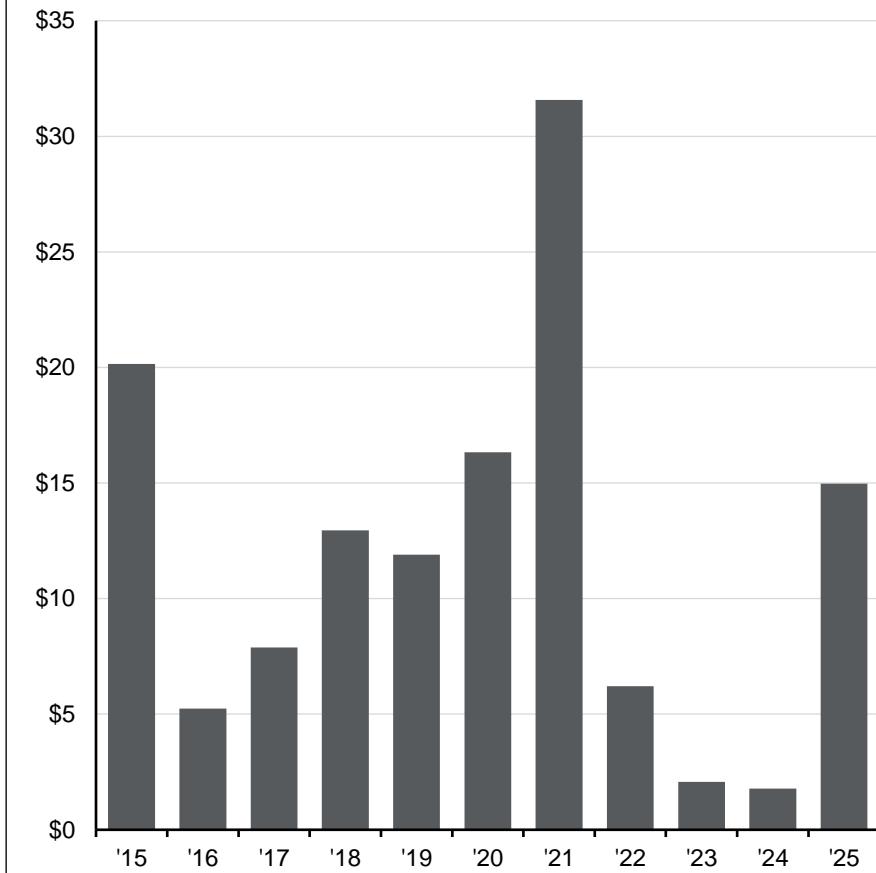
Performance of different growth themes in China

Total return since COVID reopening, Jan. 1, 2023 = 100, USD



IPO volume in Hong Kong

Year-to-date for each year, dollar value, USD billions

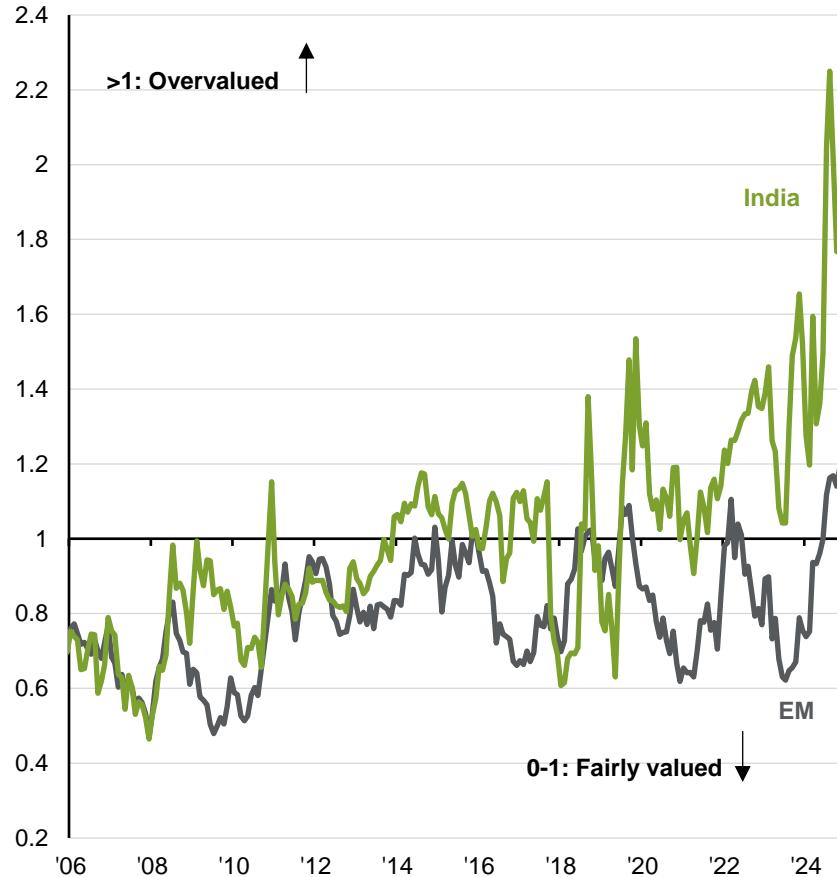


Source: J.P. Morgan Asset Management. (Left) FactSet, MSCI. All indices are MSCI China industry indices, except for MSCI China which is a broader index. (Right) Bloomberg. Includes all IPOs for the Hong Kong Stock Exchange. Data are as of October 31, 2025.

India: Equity valuations and earnings

Valuations: PEG ratios

P/E ratio divided by long-term EPS growth rate, daily



Earnings growth

Jan. 2006 = 100, LTM, USD, monthly



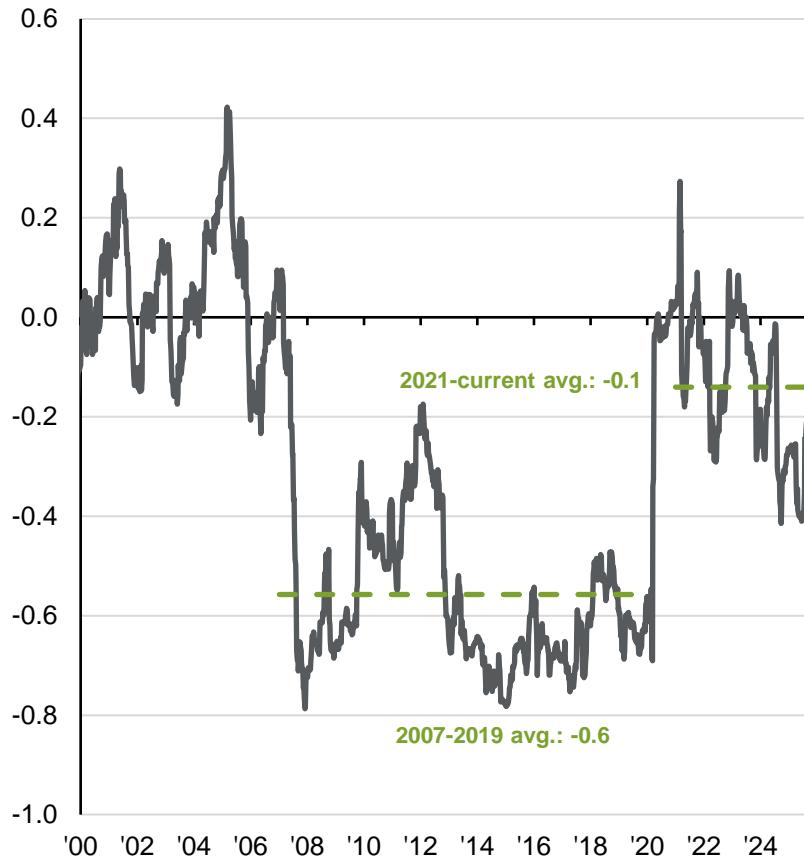
Source: FactSet, MSCI, J.P. Morgan Asset Management. All markets are represented by their respective MSCI index except for the U.S. which is represented by the S&P 500.
Data are as of October 31, 2025.



Japan: Equity market performance drivers

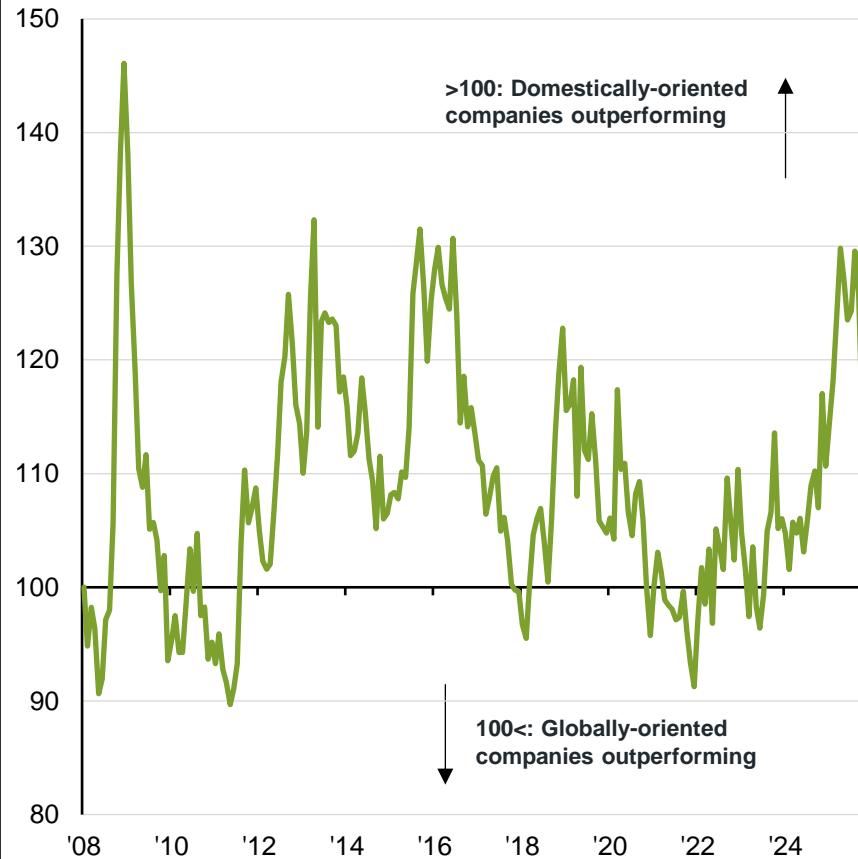
Correlation between the yen and Japanese equities

Rolling 1yr. correlation, weekly movement: spot JPY per USD and MSCI Japan



Relative performance by source of revenue

Total return, local currency, Jan. 2008 = 100



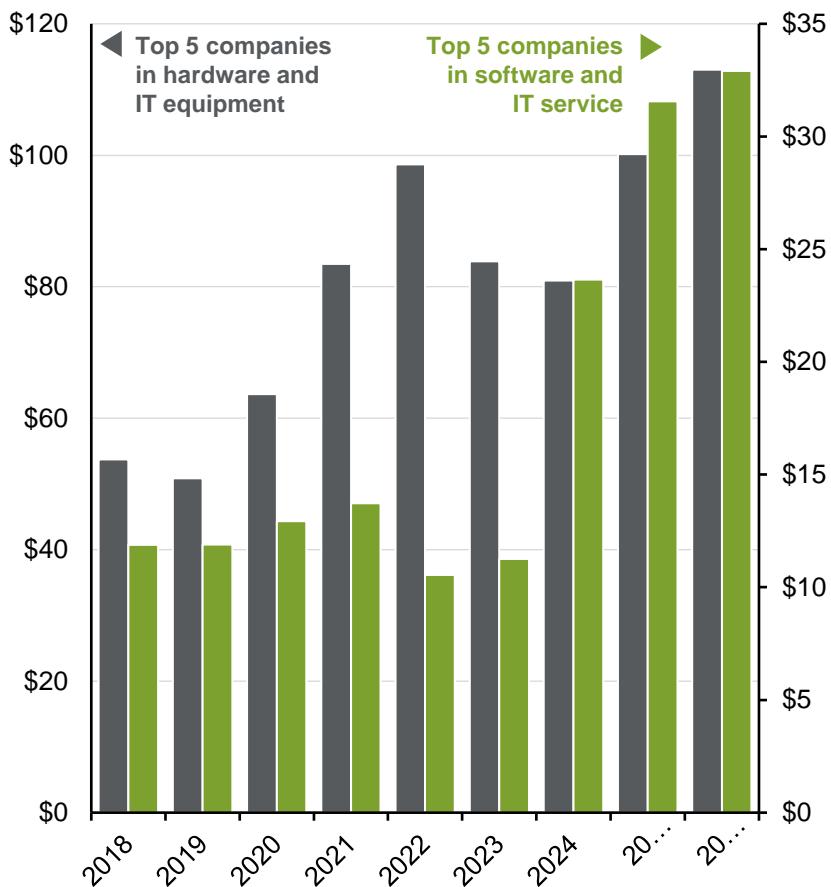
Source: FactSet, J.P. Morgan Asset Management. (Left) Reuters, MSCI. Japan performance calculated using local currency index. (Right) Nikkei. Domestic exposure index: Nikkei 225 Domestic Exposure Index, Global exposure index: Nikkei 225 Global Exposure Index. Data are as of October 31, 2025.



Asia: AI spending and innovation

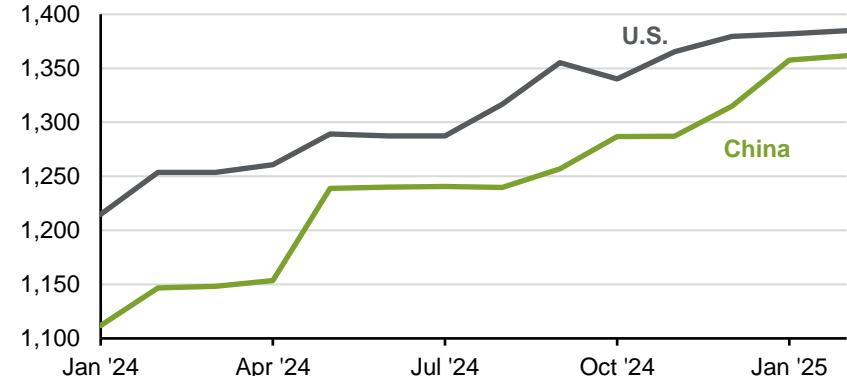
Capital expenditure by Asian technology companies

USD billion



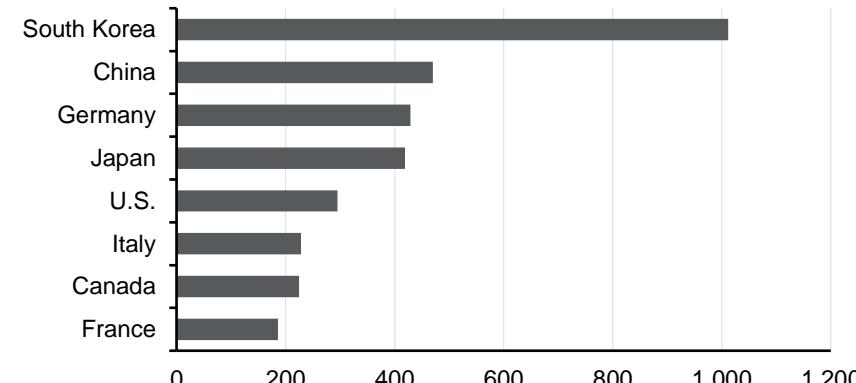
Performance of top U.S. vs. Chinese models

LMSYS Chatbot Arena*



Industrial robot density

Robots per 10,000 employees, 2023



Source: J.P. Morgan Asset Management. (Left) FactSet, MSCI. (Top right) Epoch AI, JMSYS. (Bottom right) International Federation of Robotics (IFR).

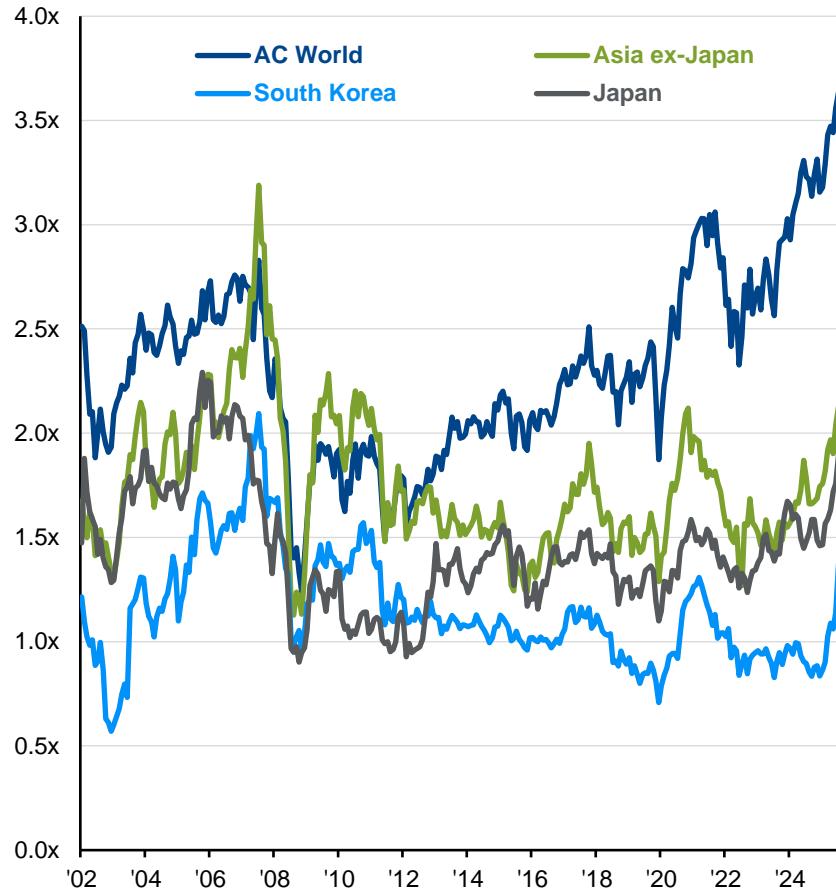
*The Chatbot Arena Leaderboard from LMSYS is a ranking system that allows users to query different chatbots in a competitive setting, providing insights into which chatbot models perform best in terms of natural language understanding, response generation, and overall user experience. Data are as of October 31, 2025.



Asia: Corporate governance reforms

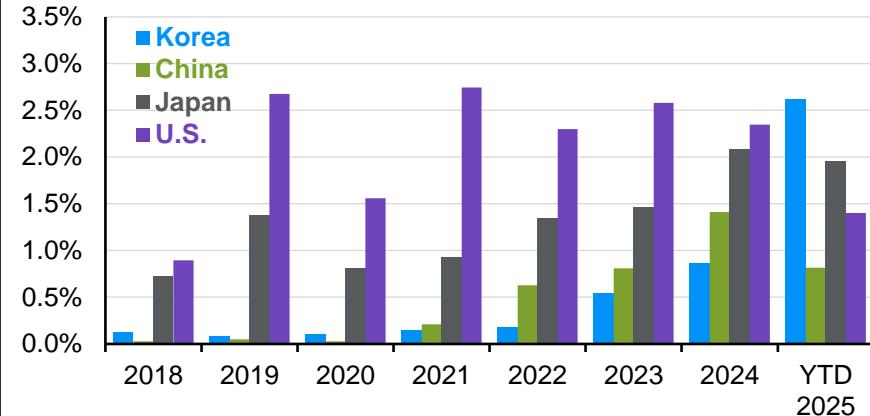
Price-to-book ratio

Monthly



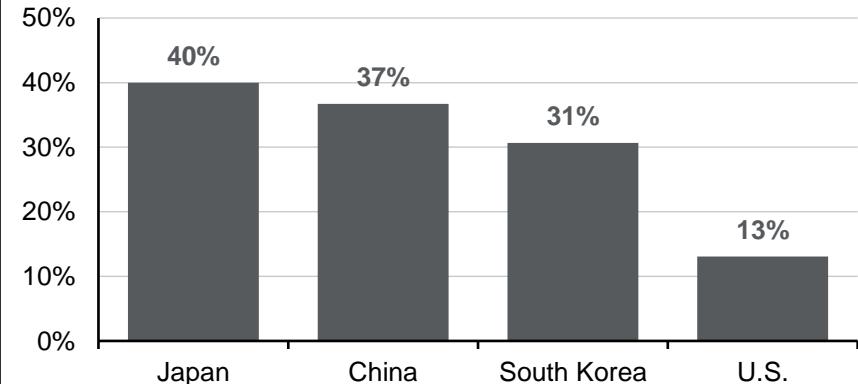
Share buyback announcements

% of index market cap



Ratio of companies with net cash

Share of index constituents



Source: MSCI, J.P. Morgan Asset Management. AC World = MSCI AC World Index, Asia ex-Japan = MSCI AC Asia ex-Japan, Korea = MSCI Korea Index, Japan = MSCI Japan Index, China = MSCI China Index, U.S. = S&P 500 Index. (Left) Bloomberg. (Top right) FactSet. (Bottom right) FactSet, Standard & Poor's. Net cash is calculated by subtracting total liabilities from total cash holdings of a company. Data are as of October 31, 2025.



J.P. Morgan Asset Management: Index Definitions

All indexes are unmanaged and an individual cannot invest directly in an index. Index returns do not include fees or expenses.

Equities:

The **S&P 500 Index** is widely regarded as the best single gauge of the U.S. equities market. The index includes a representative sample of 500 leading companies in leading industries of the U.S. economy. The **S&P 500 Index** focuses on the large-cap segment of the market; however, since it includes a significant portion of the total value of the market, it also represents the market.

The **MSCI® EAFE** (Europe, Australia, Far East) Net Index is recognized as the pre-eminent benchmark in the United States to measure international equity performance. It comprises 21 MSCI country indexes, representing the developed markets outside of North America.

The **MSCI Europe IndexSM** is a free float-adjusted market capitalization index that is designed to measure developed market equity performance in Europe. As of June 2007, the MSCI Europe Index consisted of the following 16 developed market country indices: Austria, Belgium, Denmark, Finland, France, Germany, Greece, Ireland, Italy, the Netherlands, Norway, Portugal, Spain, Sweden, Switzerland and the United Kingdom.

The **MSCI ACWI (All Country World Index)** Index is a free float-adjusted market capitalization weighted index that is designed to measure the equity market performance of developed and emerging markets. As of June 2009 the **MSCI ACWI** consisted of 45 country indices comprising 23 developed and 22 emerging market country indices.

The **MSCI ACWI ex USA Index** captures large and mid cap representation across 22 of 23 Developed Markets (DM) countries (excluding the US) and 27 Emerging Markets (EM) countries*. With 2,357 constituents, the index covers approximately 85% of the global equity opportunity set outside the US.

The **MSCI Emerging Markets IndexSM** is a free float-adjusted market capitalization index that is designed to measure equity market performance in the global emerging markets. As of June 2007, the MSCI Emerging Markets Index consisted of the following 25 emerging market indices: Argentina, Brazil, Chile, China, Colombia, Czech Republic, Egypt, Hungary, India, Indonesia, Israel, Jordan, Korea, Malaysia, Mexico, Morocco, Pakistan, Peru, Philippines, Poland, Russia, South Africa, Taiwan, Thailand, and Turkey.

The **MSCI China IndexSM** captures large and mid cap representation across China H shares, B shares, Red chips and P chips. With 148 constituents, the index covers about 84% of this China equity universe. The MSCI China Index was launched on December 31, 1992.

The **MSCI China A Index** captures large and mid-cap representation across China securities listed on the Shanghai and Shenzhen exchanges. The index covers only those securities that are accessible through "Stock Connect". The index is designed for international investors and is calculated using China A Stock Connect listings based on the offshore CNY exchange rate (CNH).

The **MSCI China Growth Index** captures large and mid cap securities exhibiting overall growth style characteristics across the Chinese equity markets. The growth investment style characteristics for index construction are defined using five variables: long-term forward EPS growth rate, short-term forward EPS growth rate, current internal growth rate and long-term historical EPS growth trend and long-term historical sales per share growth trend.

The **MSCI China Value Index** captures large and mid-cap Chinese securities exhibiting overall value style characteristics. The value investment style characteristics for index construction are defined using three variables: book value to price, 12-month forward earnings to price and dividend yield.

The **Shanghai Stock Exchange Composite Index** is a capitalization-weighted index. The index tracks the daily price performance of all A-shares and B-shares listed on the Shanghai Stock Exchange. The index was developed on December 19, 1990 with a base value of 100.

The **China Shenzhen Composite Index** is an actual market-cap weighted index that tracks the stock performance of all the A-share and B-share lists on Shenzhen Stock Exchange. The index was developed on April 3, 1991 with a base price of 100.

The **Hang Seng Index ("HSI")** is the most widely quoted gauge of the Hong Kong stock market. It includes the largest and most liquid stocks listed on the Main Board of the Stock Exchange of Hong Kong. Stocks are free-float-adjusted for investability representation, and a 10% capping is applied to avoid single stock domination. The index was developed on November 24, 1969 with a base price of 100.

The **Shanghai Shenzhen CSI 300 Index ("CSI Index")** is a free-float weighted index that consists of 300 A-share stocks listed on the Shanghai or Shenzhen Stock Exchanges. The Index has been calculated since April 8, 2005, with a base level of 1000 on 12/31/2004.

The **SZSE Composite Index** is a stock market index of Shenzhen Stock Exchange. It includes all companies listed on the exchange.

The **Hang Seng China Enterprises Index ("HSCEI")** serves as a benchmark that reflects the overall performance of Mainland securities listed in Hong Kong. The index comprises the largest and most liquid Mainland securities listed in Hong Kong. Stocks are free float-adjusted for investability representation, with a 10% capping to avoid single stock domination. The index was launched on August 8, 1994.

The **SME Index** comprises the 100 largest and most liquid A-share stocks listed and trading on the SME Board Market. The index aims to reflect the performance of the Small and Medium Enterprise (SME) Board level. The index is free-floating, with a base date of May 31, 2010.

The **ChiNext Index** comprises the 100 largest and most liquid A-share stocks listed and trading on the ChiNext Market of the Shenzhen Stock Exchange. The index aims to reflect the performance of ChiNext Market level. The index free-float capitalization-weighted*. The index has a base value of 1000 on May 31, 2010.

Fixed income:

The **Bloomberg Global Aggregate Index** is a flagship measure of global investment grade debt from twenty-four local currency markets. This multi-currency benchmark includes treasury, government-related, corporate and securitized fixed-rate bonds from both developed and emerging markets issuers.

The **J.P. Morgan Corporate Emerging Markets Bond Index (CEMBI)**: The CEMBI tracks total returns of US dollar-denominated debt instruments issued by corporate entities in Emerging Markets countries, and consists of an investable universe of corporate bonds.

The **J.P. Morgan GBI EM Global Diversified** tracks the performance of local currency debt issued by emerging market governments, whose debt is accessible by most of the international investor base.

The **J.P. Morgan Emerging Markets Bond Index Global Diversified (EMBI Global Diversified)** tracks total returns for U.S. dollar-denominated debt instruments issued by emerging market sovereign and quasi-sovereign entities: Brady bonds, loans, Eurobonds. The index limits the exposure of some of the larger countries.

The **FTSE Chinese (Onshore CNY) Broad Bond Index** measures the performance of a subset of bonds from the FTSE Chinese (Onshore CNY) Broad Bond Index (CNYBBI) which tracks onshore Chinese yuan-denominated fixed-rate governments, agencies, and corporations debt issued in mainland China. The index includes bonds that are traded on the China Interbank Bond Market (CIBM).

The **J.P. Morgan Asia Credit Index Core (JACI Core)** consists of liquid US-dollar denominated debt instruments issued out of Asia ex-Japan. The JACI Core is based on the composition and established methodology of the J.P. Morgan Asia Credit Index (JACI), which is market capitalization weighted. JACI Core includes the most liquid bonds from the JACI by requiring a minimum \$350 million in notional outstanding and a minimum remaining maturity of 2 years. JACI Core also implements a country diversification methodology. Historical returns and statistics for the JACI Core are available from December 30, 2005.



J.P. Morgan Asset Management: Index Definitions

Fixed income cont.:

The **J.P. Morgan Asia Diversified (JADE) Indices** track local currency government bonds issued by countries within the Asia region (excluding Japan). The two main composite series are the JADE Broad and the JADE Global which provide Diversified exposure to the countries within the region. The JADE Global excludes countries with capital controls and those not accessible by foreign investors. Launched in March 2016, the JADE Broad/Global indices have daily historical index levels and statistics starting from Dec 31, 2004.

The **Bloomberg Global Aggregate - Corporate Index** is a flagship measure of global investment grade, fixed-rate corporate debt. This multi-currency benchmark includes bonds from developed and emerging markets issuers within the industrial, utility and financial sectors.

The **Bloomberg Global Treasury Index** tracks fixed-rate, local currency government debt of investment grade countries, including both developed and emerging markets. The index represents the treasury sector of the Global Aggregate Index and contains issues from 37 countries denominated in 24 currencies.

The **CSI Corporate Bond Index** selects eligible corporate bonds listed at Shanghai Stock Exchange and Shenzhen Stock Exchange, with remaining term to final maturity over 1 year. The index was launched on June 9, 2003 and is based at 100 to Dec 31, 2002.

Other asset classes:

The Bloomberg Industrial Metals Subindex is composed of futures contracts on aluminum, copper, nickel and zinc. It reflects the return of underlying commodity futures price movements only. It is quoted in USD.

Definitions:

Price to forward earnings is a measure of the price-to-earnings ratio (P/E) using forecasted earnings. **Price to book value** compares a stock's market value to its book value. **Price to cash flow** is a measure of the market's expectations of a firm's future financial health. **Price to dividends** is the ratio of the price of a share on a stock exchange to the dividends per share paid in the previous year, used as a measure of a company's potential as an investment.

Bonds are subject to interest rate risks. Bond prices generally fall when interest rates rise.

The price of **equity** securities may rise, or fall because of changes in the broad market or changes in a company's financial condition, sometimes rapidly or unpredictably. These price movements may result from factors affecting individual companies, sectors or industries, or the securities market as a whole, such as changes in economic or political conditions. Equity securities are subject to "stock market risk" meaning that stock prices in general may decline over short or extended periods of time.

Real estate investments may be subject to a higher degree of market risk because of concentration in a specific industry, sector or geographical sector. Real estate investments may be subject to risks including, but not limited to, declines in the value of real estate, risks related to general and economic conditions, changes in the value of the underlying property owned by the trust and defaults by borrower.

International investing involves a greater degree of risk and increased volatility. Changes in currency exchange rates and differences in accounting and taxation policies can raise or lower returns. Also, some markets may not be as politically and economically stable as other nations. Investments in **emerging markets** can be more volatile. The normal risks of international investing are heightened when investing in emerging markets. In addition, the small size of securities markets and the low trading volume may lead to a lack of liquidity, which leads to increased volatility. Also, emerging markets may not provide adequate legal protection for private or foreign investment or private property.

Investments in **commodities** may have greater volatility than investments in traditional securities, particularly if the instruments involve leverage. The value of commodity-linked derivative instruments may be affected by changes in overall market movements, commodity index volatility, changes in interest rates, or factors affecting a particular industry or commodity, such as drought, floods, weather, livestock disease, embargoes, tariffs and international economic, political and regulatory developments. Use of leveraged commodity-linked derivatives creates an opportunity for increased return but, at the same time, creates the possibility for greater loss.

Derivatives may be riskier than other types of investments because they may be more sensitive to changes in economic or market conditions than other types of investments and could result in losses that significantly exceed the original investment. The use of derivatives may not be successful, resulting in investment losses, and the cost of such strategies may reduce investment returns.

There is no guarantee that the use of **long and short positions** will succeed in limiting an investor's exposure to domestic stock market movements, capitalization, sector swings or other risk factors. Investing using long and short selling strategies may have higher portfolio turnover rates. Short selling involves certain risks, including additional costs associated with covering short positions and a possibility of unlimited loss on certain short sale positions.

Forecasts, projections and other forward looking statements are based upon current beliefs and expectations. They are for illustrative purposes only and serve as an indication of what may occur. Given the inherent uncertainties and risks associated with forecast, projections or other forward statements, actual events, results or performance may differ materially from those reflected or contemplated. **Positive yield does not imply positive return.**

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Prepared by: David Kelly, Gabriela Santos, Marcella Chow, Ian Hui, Chaoping Zhu, Raisah Rasid, Mary Park Durham, Sahil Gauba, Jennifer Qiu, and Adrian Wong.

Unless otherwise stated, all data are as of July 31, 2025, or most recently available.

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