



## Diversification > Concentration

We believe, in soccer, a team's fortune depends on the coming together of players with diverse strengths. Similarly, diversifying into the surging growth of Emerging Market companies, holds the key to driving the future returns of any investor's portfolio. **Emerging Today. Superpower tomorrow.**

**JPMORGAN EMERGING MARKETS OPPORTUNITIES EQUITY OFFSHORE FUND** (OPEN-ENDED FUND OF FUNDS SCHEME)

NFO Period: 16<sup>th</sup> June 2014 to 30<sup>th</sup> June 2014 | To know more, SMS <EMFUNDS> to 56677

### Invest in the promise of tomorrow

- Emerging markets currently make up 55% of the world's GDP growth
- Emerging market countries have stronger real GDP growth and lower debt-to-GDP than advanced economies
- A value approach is particularly well suited to EM at present since valuations, both in terms of price-earnings and price-to-book ratios continue to offer very compelling investment opportunities
- Despite turbulence in EM during 2013, the outlook - especially in key areas such as manufacturing remains attractive

Source: J.P. Morgan Asset Management "Guide to the Markets"

### Management Team of the underlying fund



**Richard Titherington**  
Chief Investment Officer,  
Head - Emerging Markets  
Equity Team



**Amit Mehta**  
Portfolio Manager  
Global Emerging Markets

### Highlights

- Commitment and specialist EM expertise
- An unrivalled research platform of 39 investment professionals and local resources across ten emerging markets
- Results in breadth, depth & coverage that only the leading EM firms can provide
- A pragmatic, transparent, high-conviction process delivering value-orientation (helps in up markets) and quality bias (helps in market turbulence)

### Our Approach

- A multi-factor approach blending top-down country views, bottom-up stock insights & the discipline of screens with in-depth fundamental research
- A concentrated, high conviction portfolio where the best stock ideas and different research views of the team converge

## Our Proposition

<b>Philosophy:</b>	Leverage comprehensive research to identify high conviction ideas	<b>Process:</b>	Multiple approaches, combining screens & fundamental analysis
<b>People:</b>	Stability, experience, local knowledge and commitment	<b>Portfolio construction:</b>	High active share, conviction-led construction

## Portfolio Characteristics (As of 30/05/2014)

Data as of May 30 <sup>th</sup> , 2014	GEM Opportunities	MSCI Emerging Markets Index	Indicator
Price to earnings (forward)	9.0x	10.5x	Value
Dividend yield**	3.3%	2.9%	Value
Return on equity	18.1%	14.2%	Quality
*Net Debt/Equity Ratio	10%	33%	Quality
Beta	1.01		
Holdings	64	807	
Active position	76.5%		

Source: : UBS Portfolio Analysis System, J.P. Morgan Asset Management, PRISM.

Index: MSCI Emerging Markets Index as of end May 2014. There is no guarantee that these will be achieved. \*Net debt to equity ratio excludes financials. \*\*Portfolio yield is the aggregate weighted sum of the stock level yields which are calculated (12-month forward DPS / Current price)\*100. Numbers are UBS analyst estimates where available, and otherwise consensus.

## Portfolio at a Glance (As of 30/05/2014)

Top 10 (sector-wise)	Economic Sector	%
Samsung Electronics Co., Ltd.	Information Technology	5.89%
Kia Motors Corporation	Consumer Discretionary	3.96%
Lukoil Oao	Energy	3.06%
Sberbank Russia Ojsc	Financials	2.92%
Infosys Limited	Information Technology	2.72%
Ambev Sa Sponsored Adr	Consumer Staples	2.61%
Vale S.A.	Materials	2.28%
Sk Telecom Co., Ltd.	Telecommunication Services	2.12%
Ping An Insurance (Group) Company Of China, Ltd.	Financials	2.08%
China Shenhua Energy Co. Ltd.	Energy	2.05%

Source: J.P. Morgan Asset Management

The securities listed above are a part of holdings as on May 30, 2014. They may or may not be held in future. These should not be construed as stock recommendation to buy or sell.

## Geographical breakdown (As of 30/05/2014)

Country	Fund	Benchmark
China	23.98%	18.63%
South Korea	19.21%	16.05%
Brazil	12.04%	10.75%
Taiwan	11.03%	12.06%
India	9.49%	7.02%
Russia	5.98%	5.32%
South Africa	3.80%	7.67%
Turkey	3.40%	1.78%
Thailand	2.57%	2.16%
Others	8.27%	18.56%
Cash	0.23%	0.00%
Total	100%	100%

Source: J.P. Morgan Asset Management

## Sector Breakdown (As of 30/05/2014)

Sectors	Fund	Benchmark
Consumer Discretionary	24.55%	9.01%
Information Technology	23.52%	17.20%
Financials	23.33%	26.87%
Energy	8.39%	10.83%
Materials	5.90%	8.93%
Telecommunication Services	5.08%	7.03%
Consumer Staples	4.11%	8.41%
Industrials	3.72%	6.49%
Utilities	1.17%	3.52%
Health Care	0.00%	1.71%
Cash	0.23%	0.00%
Total	100%	100%

### JPMorgan Emerging Markets Opportunities Equity Offshore Fund (open-ended fund of funds scheme)

This product is suitable for investors who are seeking\*:

- Long-term capital growth
- Investments predominantly in JPMorgan Funds - Emerging Markets Opportunities Funds, an equity oriented fund which invests primarily in an aggressively managed portfolio of emerging market companies.
- High risk (BROWN)

Note: Risk may be represented as:

<span style="color: blue;">■</span> (BLUE)	Investors understand that their principal will be at low risk
<span style="color: yellow;">■</span> (YELLOW)	Investors understand that their principal will be at medium risk
<span style="color: brown;">■</span> (BROWN)	Investors understand that their principal will be at high risk

\* Investors should consult their financial advisers if in doubt about whether the product is suitable for them.

The investment strategy stated above may change from time to time without any notice and shall be in accordance with the strategy as mentioned in the offering document of the underlying fund. The views contained herein are not to be taken as an advice or recommendation to buy or sell any investment or interest thereto. Reliance upon information in this material is at the sole discretion of the reader. Any forecasts, figures, opinions, statements of financial market trends or investment techniques and strategies expressed are unless otherwise stated, J.P. Morgan Asset Management's own at the date of this document. They are considered to be reliable at the time of writing, may not necessarily be all-inclusive and are not guaranteed as to accuracy. They may be subject to change without reference or notification to you. It should be noted that the value of investments and the income from them may fluctuate in accordance with market conditions and taxation agreements and investors may not get back the full amount invested. Changes in exchange rates may have an adverse effect on the value, price or income of the product(s) or underlying overseas investments. Both past performance and yield may not be a reliable guide to future performance. There is no guarantee that any forecast made will come to pass. Furthermore, whilst it is the intention to achieve the investment objective of the investment product(s), there can be no assurance that those objectives will be met. Investors are advised to consult their Investment and Tax Advisor before taking any investment decision.

JPMorgan Asset Management India Pvt. Ltd. offers only the units of the schemes under JPMorgan Mutual Fund, a mutual fund registered with SEBI.

JPMorgan Funds - Emerging Markets Opportunities Fund is an underlying fund for JPMorgan Emerging Markets Opportunities Equity Off-shore Fund launched in India.

Mutual Fund investments are subject to market risks, read all scheme related documents carefully.