

JPMorgan Investment Funds – Highbridge Statistical Market Neutral Fund

All data as at 31 December 2009 unless otherwise indicated

Key facts

“This fund attempts to deliver positive, low volatility returns over a full market cycle, irrespective of market direction”

Catherine Vaughn

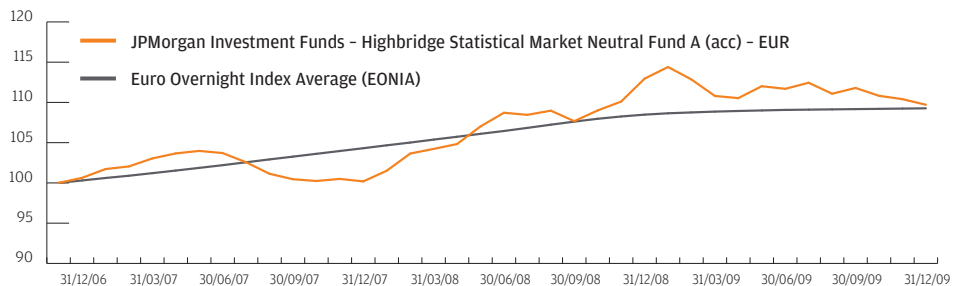
- 1. Strong performance record** – has produced positive, stable returns since its launch despite the volatile market backdrop
- 2. Managed by experts** – Highbridge Capital Management is one of the world’s leading managers of statistical arbitrage strategies
- 3. Benefits from a market neutral approach** – market risk is minimised so that returns are driven purely by stock selection
- 4. Adds to portfolio diversification** – low correlation of returns to global stock markets makes this fund an ideal portfolio diversifier
- 5. Proven stock selection process** – fully automated valuation model and portfolio construction has been tested through all market conditions

Performance

Returns of
9.0%
over three years

Source: JPM/JPMorgan Chase.
All performance details are nav to nav, net of fees, with net income reinvested

Cumulative performance



The fund uses Highbridge’s fully automated investment process and proprietary mathematical models to exploit small mispricings in US securities. It seeks to minimise the impact of market movements or sector swings by holding offsetting long and short exposures. This allows portfolio returns to be driven by superior stock selection (stock specific risk) rather than exposure to market risk.

This fund uses derivatives to gain exposure to the return that would be generated from long and short positions. It physically invests in cash or cash equivalents.

This investment approach has allowed the fund to deliver positive, low volatility returns in both rising and falling markets. The fund should be viewed as a long-term investment, for experienced investors with at least a five-year investment horizon.

Expert managers

The fund is sub-advised by Highbridge Capital Management, a global alternative asset management firm founded in 1992. J.P. Morgan acquired a majority stake in Highbridge in 2004 - together, we are the world’s largest hedge fund manager.

Highbridge’s statistical arbitrage team consists of highly talented and experienced mathematicians, statisticians and computer scientists, with the ability to manage all aspects of systems development, research and trading.

For more information call our dedicated
brokerline on **0800 727 770**
www.jpmorganassetmanagement.co.uk

The information in this document is based on our understanding of law and regulation at January 2010. Telephone lines are recorded to ensure compliance with our legal and regulatory obligations and internal policies. Past performance is not a guide to the future. The value of investments and the income from them may fall as well as rise and investors may not get back the full amount invested. There is no guarantee that the use of long and short positions will succeed in limiting the fund’s exposure to domestic stock market movements, capitalization, sector swings or other risk factors. Short selling involves certain risks, including additional costs associated with covering short positions and a possibility of unlimited loss on certain short sale positions. Investors should note that, for Luxembourg domiciled funds, the Rules of the UK Financial Services Authority and that the normal protections provided by the UK regulatory system may not apply. Issued by JPMorgan Asset Management Marketing Limited, authorised and regulated by the Financial Services Authority. Investment is subject to documentation (Prospectus, Simplified Prospectus and Terms and Conditions), copies of which can be obtained free of charge from JPMorgan Asset Management Marketing Limited, Registered in England No. 288553, 125 London Wall, London EC2Y 5AJ.

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