

# JPM Strategic Bond Fund

A one-stop approach to global bond investing



All information as at 31 March 2012 unless indicated otherwise

## Fund objective

To maximise returns by investing primarily in a global portfolio of fixed and floating rate debt securities.

The JPM Strategic Bond Fund allows you to look beyond the UK bond market, investing in bond opportunities from around the world. The fund's flexible approach means it is able to adapt to changing economic conditions.

- ▶ Provides access to global bond markets
- ▶ Highly flexible approach
- ▶ Emphasises capital preservation and low volatility returns (please note that your capital is not guaranteed)
- ▶ Managed by experts in bond investing

Please remember that the value of investments and the income from them can go down as well as up, and you may not get back the full amount invested.

## Performance

### Rolling 12 month performance as at 31 March 2012

	12/11	11/10	10/09	09/08	08/07
JPM Strategic Bond Fund A - Net Accumulation	3.97%	5.33%	-	-	-
Merrill Lynch GBP Broad Market Index	13.17%	5.31%	-	-	-

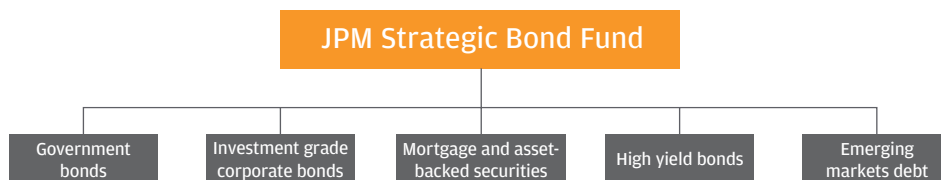
Inception: 06 May 2009. Source: J.P. Morgan Asset Management. The performance returns are calculated on a single price basis.

Past performance is not a guide to the future.

## All your bond investment needs in one fund

The JPM Strategic Bond Fund provides a one-stop approach to investing in global bond markets. It can invest across the bond spectrum, from government bonds to corporate bonds and more risky high yield bonds, and in developed and emerging markets.

Bond markets behave differently depending on economic conditions. The fund's flexible approach allows it to change allocation to take advantage of what our expert investors believe are the best opportunities in the prevailing economic environment.



## How the fund may fit in your portfolio

The fund may suit investors who are seeking to maximise returns in a higher risk environment through a combination of capital growth and income through investment in bonds. Investors should have at least a five-year investment horizon.

### Points to remember

- ▶ Bond funds may not behave like direct investments in the underlying bonds themselves. By investing in bond funds, the certainty of receiving a regular fixed amount of income for a defined period of time with the prospect of a future known return of capital is lost.
- ▶ Bond prices can fluctuate significantly depending not only on the global economic and interest rate conditions but also on the general credit market environment and the creditworthiness of the issuer.
- ▶ The credit quality of high yield bonds is below investment grade and they usually offer higher yields to compensate for the reduced creditworthiness and the increased risk of default relative to investment grade bonds.
- ▶ Bonds with a lower credit rating may have a higher risk of defaulting which may in turn have an adverse effect on the performance of funds which invest in them.
- ▶ The investment policy of the fund permits the use of derivatives and/or forward transactions for investment purposes. As a result the fund may sometimes be leveraged, potentially increasing the volatility and therefore risk of the fund.
- ▶ The fund may have a significant exposure to asset and mortgage backed securities (ABS and MBS). Owing to the nature of some ABS and MBS, the exact timing and size of cashflows paid by the securities may not be fully assured.
- ▶ Bond funds will normally distribute a combination of coupon and the expected discount/premium on the securities. Therefore, a fund's distribution will comprise income received and an element of projected capital gains or losses. This could result in an element of capital gain being taxed as income in the hands of an investor.

Before you invest, you should read our Key Features and Terms and Conditions, together with the Simplified Prospectus which contains all the associated investment risks. If you have any doubt about the suitability of an investment, you should consider seeking independent advice by talking to an independent financial adviser (IFA).

## Why choose J.P. Morgan Asset Management?



Bob Michele

Nick Gartside

The fund is managed by **Bob Michele**, our Global Chief Investment Officer for fixed income, with 30 years' industry experience, and **Nick Gartside**, the International Chief Investment Officer for fixed income, with 14 years' industry experience.

Bob and Nick are supported by the global resources of J.P. Morgan Asset Management, one of the world's largest bond managers, and draw on the expertise of our highly experienced investors around the globe.

There can be no assurance that the professionals currently employed by J.P. Morgan Asset Management will continue to be employed in the future or that the past performance of any such professional serves as an indicator of future performance.

To learn how the **JPM Strategic Bond Fund** can look after your fixed income needs:

- Call us on **0800 20 40 20** • Visit [jpmorganassetmanagement.co.uk/investor](http://jpmorganassetmanagement.co.uk/investor)
- Speak to your Financial Adviser