

JPMorgan Funds -

# Europe High Yield Bond Fund

Class: JPM Europe High Yield Bond A (acc) - EUR

Fund overview

ISIN	Bloomberg	Reuters
LU0210531470	JPEHAAE LX	LU0210531470.LUF
<b>Investment objective:</b> To achieve a return in excess of European bond markets by investing primarily in European and non-European below investment grade bonds denominated in European currencies and other debt securities, using derivatives where appropriate.		
<b>Investment approach</b> <ul style="list-style-type: none"><li>• Uses a globally integrated research driven investment process that focuses on analysing fundamental, quantitative and technical factors across countries, sectors and issuers.</li><li>• Bottom-up security selection approach based on assessing relative value across the European developed market high yield credit spectrum.</li></ul>		
<b>Portfolio manager(s)</b>	<b>Share class</b>	<b>Class launch</b>
Peter Aspbury Russell Taylor	currency EUR	31 Mar 2005
<b>Investment specialist(s)</b>	<b>Fund assets</b>	<b>Domicile</b> Luxembourg
Rohan Duggal	EUR 435.4m	<b>Entry/exit charges</b>
<b>Fund reference currency</b> EUR	<b>NAV EUR 20.37</b>	Entry charge (max) 3.00%
	<b>Fund launch</b>	Exit charge (max) 0.50%
	11 Sep 1998	<b>Ongoing charge 0.95%</b>
<b>ESG information</b>		
<b>ESG approach - ESG Promote</b> Promotes environmental and / or social characteristics.		
<b>SFDR classification: Article 8</b> "Article 8" strategies promote social and/or environmental characteristics, but do not have sustainable investing as a core objective.		

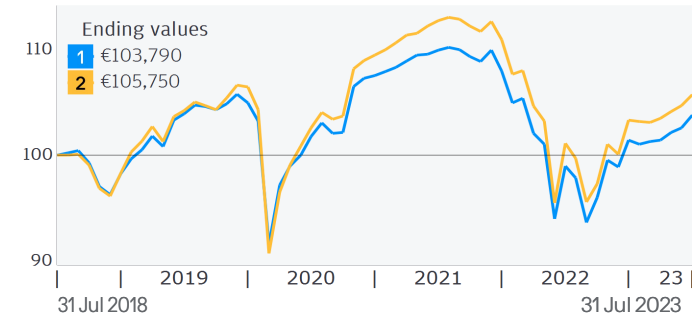
Fund ratings *As at 31 July 2023*

Overall Morningstar Rating™	★★★★★
Morningstar Category™	EUR High Yield Bond

Performance

- 1 **Class:** JPM Europe High Yield Bond A (acc) - EUR
- 2 **Benchmark:** ICE BofA Euro Developed Markets Non-Financial High Yield Constrained Index (Total Return Gross)

Growth of EUR 100,000 *Calendar years*



Calendar Year Performance (%)										
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
1	8.65	5.31	1.99	8.15	4.96	-4.36	9.90	1.39	2.50	-10.04
2	8.84	5.47	0.48	10.18	6.34	-4.04	10.89	2.18	3.42	-11.17

Return (%)							
Cumulative				Annualised			
	1 month	3 months	1 year	YTD	3 years	5 years	10 years
1	1.17	2.30	4.87	4.93	0.65	0.75	2.85
2	0.99	2.18	4.57	5.65	1.01	1.12	3.26

**Performance Disclosures**  
*Past performance is not a guide to current and future performance. The value of your investments and any income from them may fall as well as rise and you may not get back the full amount you invested.*

**ESG**  
For more information on our approach to sustainable investing at J.P. Morgan Asset Management please visit <https://am.jpmorgan.com/lu/esg>

## Portfolio analysis

Measurement	3 years	5 years
Correlation	0.99	0.99
Alpha (%)	-0.35	-0.37
Beta	0.95	0.91
Annualised volatility (%)	7.56	8.66
Sharpe ratio	0.10	0.11
Tracking error (%)	1.00	1.32
Information ratio	-0.39	-0.34

## Holdings

TOP 10	Coupon rate	Maturity date	% of assets
Iliad (France)	5.375	14/06/2027	1.5
Lorca Telecom Bondco (Spain)	4.000	18/09/2027	1.4
Nidda Healthcare (Germany)	7.500	21/08/2026	1.2
Telefonica Europe (Spain)	3.875	29/12/2099	1.2
Deutsche Lufthansa Aktiengesellschaft (Germany)	2.875	16/05/2027	1.2
Altice (France)	5.875	01/02/2027	1.1
Mundys (Italy)	1.875	12/02/2028	1.1
Faurecia (France)	3.125	15/06/2026	1.0
Crown European (United States)	3.375	15/05/2025	1.0
Abertis Infraestructuras Finance Bv (Spain)	3.248	24/02/2026	1.0

## Bond quality breakdown (%)

AAA: 4.7%	Corporate Bonds: 95.3%
BBB: 1.0%	Average duration: 3.1 yrs
< BBB: 93.5%	Yield to maturity: 7.5%
Non Rated: 0.8%	Average maturity: 3.6 yrs

Regions (%)	Compared to benchmark
Core Europe	45.8 -8.3
GIIPS	23.5 +0.3
North America	14.7 +1.8
UK	10.4 +2.2
Eastern Europe	0.0 -1.1
Other	0.9 +0.4
Cash	4.7 +4.7

Sectors (%)	Compared to benchmark
Telecommunications	16.3 +1.5
Automotive	15.4 +2.3
Healthcare	9.2 +1.1
Capital Goods	8.7 +2.1
Services	7.4 -0.8
Leisure	5.8 +0.8
Transportation	5.6 +0.1
Retail	4.8 +0.4
Cash - Equivalent	4.7 +4.7
Basic Industry	4.5 -3.5
Technology & Electronics	4.2 -1.9
Others	13.4 -6.8

## Key risks

The Sub-Fund is subject to **Investment risks** and **Other associated risks** from the techniques and securities it uses to seek to achieve its objective.

The table on the right explains how these risks relate to each other and the **Outcomes to the Shareholder** that could affect an investment in the Sub-Fund.

Investors should also read [Risk Descriptions](#) in the Prospectus for a full description of each risk.

### Investment risks *Risks from the Sub-Fund's techniques and securities*

Techniques	Securities	
Derivatives	Contingent convertible bonds	- Unrated debt
Hedging	Debt securities	Emerging markets
	- Below investment grade debt	

### Other associated risks *Further risks the Sub-Fund is exposed to from its use of the techniques and securities above*

Credit Liquidity	Currency Market	Interest rate
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### Outcomes to the Shareholder *Potential impact of the risks above*

Loss	Volatility	Failure to meet the Sub-Fund's objective.
Shareholders could lose some or all of their money.	Shares of the Sub-Fund will fluctuate in value.	

## General Disclosures

Before investing, obtain and review the current prospectus, Key Information Document (KID) and any applicable local offering document. These documents, as well as the annual and semi-annual reports and the articles of incorporation, are available in English free from your financial adviser, your J.P. Morgan Asset Management regional contact, the fund's issuer (see below) or at [www.jpmm.lu](http://www.jpmm.lu). A summary of investor rights is available in English at <https://am.jpmorgan.com/lu/investor-rights>. J.P. Morgan Asset Management may decide to terminate the arrangements made for the marketing of its collective investment undertakings.

This material should not be considered as advice or an investment recommendation. Fund holdings and performance are likely to have changed since the report date. No provider of information presented here, including index and ratings information, is liable for damages or losses of any type arising from use of their information. No warranty of accuracy is given and no liability in respect of any error or omission is accepted.

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**Risk Indicator** - The risk indicator assumes you keep the product for 5 year(s). The risk of the product may be significantly higher if held for less than the recommended holding period.

## Performance information

Source: J.P. Morgan Asset Management. Share class performance is shown based on the NAV (net asset value) of the share class with income (gross) reinvested including actual ongoing charges excluding any entry and exit fees.

The return of your investment may change as a result of currency fluctuations if your investment is made in a currency other than that used in the past performance calculation.

Indices do not include fees or operating expenses and you cannot

invest in them.

The benchmark is for comparative purposes only unless specifically referenced in the Sub-Funds' Investment Objective and Policy.

Prior to 01/01/16 the benchmark was BofA Merrill Lynch Euro Non-Financial High Yield Constrained Index (Total Return Gross).

## Holdings information

**Maturity Date** refers to the maturity/reset date of the security. For those securities whose reference coupon rate is adjusted at least every 397 days, the date of the next coupon rate adjustment is shown.

Positions with a AAA rating refer to cash assets only.

The yield displayed is in the base currency of the Sub-Fund. Actual share class yields may differ from the displayed yield due to currency effects.

VaR is a means of measuring the potential loss to a Sub-Fund due to market risk and is expressed as the maximum potential loss at a 99% confidence level. The holding period for the purpose of calculating global exposure is one month.

## Information Sources

Fund information, including performance calculations and other data, is provided by J.P. Morgan Asset Management (the marketing name for the asset management businesses of JPMorgan Chase & Co. and its affiliates worldwide).

All data is as at the document date unless indicated otherwise.

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## Issuer

JPMorgan Asset Management (Europe) S.à r.l., 6, route de Trèves, L-2633 Senningerberg, Luxembourg. B27900, corporate capital EUR 10.000.000.

## Definitions

**NAV** Net Asset Value of a fund's assets less its liabilities per Share.

**Overall Morningstar Rating™** assessment of a fund's past performance, based on both return and risk and shows how similar investments compare with their competitors. Investment decisions should not be based on a high rating alone.

**Correlation** measures the relationship between the movement of the fund and its benchmark. A correlation of 1.00 indicates that the fund perfectly matched its benchmark.

**Alpha (%)** a measure of excess return generated by a manager compared to the benchmark. An alpha of 1.00 indicates that a fund has outperformed its benchmark by 1%.

**Beta** a measure of a fund's sensitivity to market movements (as represented by the fund's benchmark). A beta of 1.10 suggests the fund could perform 10% better than the benchmark in up markets and 10% worse in down markets, assuming all other factors remain constant.

**Annualised volatility (%)** an absolute measure of volatility and measures the extent to which returns vary up and down over a given period. High volatility means that the returns have been more variable over time. The measure is expressed as an annualised value.

**Sharpe ratio** measures the performance of an investment adjusting for the amount of risk taken (compared a risk-free investment). The higher the Sharpe ratio the better the returns compared to the risk taken.

**Tracking error (%)** measures how much a fund's returns deviate from those of the benchmark. The lower the number the closer the fund's historic performance has followed its benchmark.

**Information ratio (IR)** measures if a manager is outperforming or underperforming the benchmark and accounts for the risk taken to achieve the returns. A manager who outperforms a benchmark by 2% p.a. will have a higher IR than a manager with the same outperformance but who takes more risk.