

# JPM UK Higher Income Fund

Class: JPM UK Higher Income Fund C - Net Accumulation

**Synthetic risk and reward indicator** Based on share class volatility for the past 5 years. See Key Investor Information Document (KIID) for details.

1	2	3	4	5	6	7
Lower risk/ potential reward Not risk-free				Higher risk/ potential reward		

## Fund overview

ISIN	Sedol	Bloomberg	Reuters
GB00B235RX72	B235RX7	JPPEICA LN	GB00B235RX72.LUF

**Investment objective:** To provide income and prospects of capital growth by investing primarily in equity and equity-linked securities of UK companies. The Fund aims to provide a higher income yield than the yield on the FTSE™ All-Share Index.

**Investor profile:** The Fund may suit investors seeking a stand-alone UK Equity investment aimed at producing income with the potential for capital growth, or investors who are looking to add a primarily UK Equity fund to a diversified portfolio.

<b>Portfolio manager(s)</b>	<b>Fund assets</b>	<b>Entry/exit charges</b>
Thomas Buckingham Ian Butler	£320.3m <b>NAV</b>	Entry charge (max) 0.00% Exit charge (max) 0.00%
<b>Investment specialist(s)</b>	<b>NAV</b>	<b>Ongoing charge</b> 0.71%
Andrew Robbins	170.00p	
<b>Fund reference</b>	<b>Fund launch</b>	
<b>currency</b> GBP	1 Nov 1959	
<b>Share class</b>	<b>Class launch</b>	
<b>currency</b> GBP	20 Aug 2012	
	<b>Domicile</b> United Kingdom	

## Fund ratings As at 31 December 2019

Morningstar Category™ UK Equity Income

## Performance

- 1 **Class:** JPM UK Higher Income Fund C - Net Accumulation
- 2 **Benchmark:** FTSE All-Share Index (Net)
- 3 **Sector average:** UK Equity Income

### GROWTH OF £ 100,000 (in thousands) Calendar years



### QUARTERLY ROLLING 12-MONTH PERFORMANCE (%)

As at end of December 2019



### YIELD AND CUMULATIVE PERFORMANCE (%)

Yield: 4.72%

Latest dividend rate (may be estimated): 3.64p Ex-dividend date: 1 Feb 2019

	CUMULATIVE			ANNUALISED		
	1 month	3 months	1 year	3 years	5 years	10 years
1	-2.58	5.46	10.32	4.87	5.11	7.99
2	-3.25	2.20	10.63	5.76	6.25	8.14
3	-2.60	4.30	11.40	5.30	5.50	8.80
Quartile ranking	3	2	3	3	3	3

### BENCHMARK USES

The Benchmark is a performance target. The Fund seeks a yield in excess of the Benchmark but its holdings in securities are not constrained by the Benchmark. The Benchmark has been chosen as it reflects the Fund's investment strategy and income yield objective.

### 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.*

Source: J.P.Morgan Asset Management. Share class performance shown is based on the quoted price of the share class, assumes any net income was reinvested, and includes ongoing charges but not any entry or exit fees. Indices do not include fees or operating expenses and you cannot invest in them.

The Yield reflects net distributions declared over the past 12 months as a percentage of the quoted price at the date shown. It does not include the Entry charge and investors may be subject to tax on their distributions. Where a portion of the fund's expenses are charged to capital this has the effect of increasing the distribution for the year and constraining the fund's capital performance to an equivalent extent.

The performance shown prior the launch date of this share class relates to the A share class. The A share class performance has not been amended or simulated to adjust for the lower ongoing fees of the C share class.

See the material risks, general disclosures and definitions on page 2.

## Holdings

### TOP 10

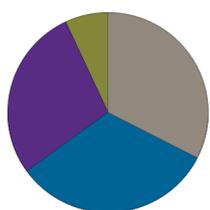
As at 31 December 2019

	Sector	% of assets
Royal Dutch Shell	Oil & Gas Producers	7.6
AstraZeneca	Pharmaceuticals & Biotechnology	4.4
GlaxoSmithKline	Pharmaceuticals & Biotechnology	4.2
British American Tobacco	Tobacco	3.5
Diageo	Beverages	3.5
Unilever	Personal Goods	2.4
Rio Tinto	Mining	2.3
Vodafone	Mobile Telecommunications	2.0
Prudential	Life Insurance	1.9
National Grid	Gas, Water & Multi-Utilities	1.9

### SECTORS (%)

Sector	%	Compared to benchmark
Oil & Gas Producers	11.6	+0.6
Pharmaceuticals & Biotechnology	8.4	0.0
Household Goods & Home Construction	7.2	+3.6
Mining	6.5	+0.5
Travel & Leisure	6.1	+1.6
Life Insurance	6.1	+2.6
Financial Services	6.0	+1.4
Banks	5.1	-4.2
Tobacco	4.6	+0.4
General Retailers	4.2	+2.4
Others	29.8	-13.3
Cash	4.4	+4.4

### MARKET CAP (%) (GBP)



32.60	> 100 bn
32.35	10 bn <= 100 bn
28.20	1 bn <= 10 bn
6.85	< 1 bn

### PORTFOLIO ANALYSIS

Measurement	3 years	5 years
Correlation	0.95	0.91
Alpha (%)	-0.84	-1.08
Beta	1.00	0.90
Annualised volatility (%)	10.18	9.69
Sharpe ratio	0.59	0.64
Tracking error (%)	3.10	4.20
Information ratio	-0.21	-0.27

### Key risks

The value of equity and equity-linked securities may fluctuate in response to the performance of individual companies and general market conditions.

The single market in which the Fund primarily

invests, in this case the UK, may be subject to particular political and economic risks and, as a result, the Fund may be more volatile than more broadly diversified funds.

As the portfolio of the Fund is primarily focused on generating income, it may bear little resemblance to the composition of its benchmark.

This Fund charges the annual fee of the Authorised Corporate Director (ACD) against capital, which will increase the amount of income available for distribution to Shareholders, but may constrain capital growth. It may also have tax implications for certain investors.

### GENERAL DISCLOSURES

Before investing, obtain and review the current Prospectus, Key Investor Information Document (KIID) and the Key Features Document/Terms & Conditions for this fund which are available from JPMorgan Asset Management (UK) Limited.

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. To the extent permitted by applicable law, we may record telephone calls and monitor electronic communications to comply with our legal and regulatory obligations and internal policies. Personal data will be collected, stored and processed by J.P. Morgan Asset Management in accordance with our EMEA Privacy Policy [www.jpmmorgan.com/emea-privacy-policy](http://www.jpmmorgan.com/emea-privacy-policy). For additional information on the fund's target market please refer to the Prospectus.

### 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 (UK) Limited  
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### DEFINITIONS

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

**Quoted Price** The single price at which all client orders are executed.

**Quartile ranking** measures how well a fund has performed in the relevant Morningstar sector.

1st quartile means ranked in the top 25% of funds in the sector, 2nd quartile is the next 25% and so on.

**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.