

# JPMorgan American Investment Trust plc

Monthly Update as at 30 June 2018

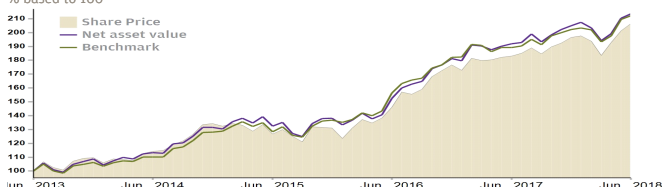
Overall Morningstar Rating™ (as at 30/06/18) <sup>A</sup> ★ ★ ★ ★ ★  
Morningstar Category™ US Large-Cap Blend Equity

## Management Commentary

The trust posted a positive return but underperformed its benchmark in May. Stock selection within the healthcare and information technology sectors weighed on overall performance. Within the information technology space, our position in DXC Technology fell, despite beating revenue and earnings estimates, as the company provided downside guidance for 2019. Elsewhere in the sector, our lack of exposure to Facebook was another weak spot as its shares rose following recent favourable results. In contrast, stock selection within the consumer discretionary sector proved additive. Our exposure to broadcaster Sirius XM and overweight in home improvement retailer Lowe's featured among the top contributors to performance. At the individual stock level, our overweight in Apple was the top contributor as quarterly earnings proved iPhone X demand is stronger than many investors had feared. Additionally, service revenue surprised on the upside, driven by record sales from the app store, payments and music.

## CUMULATIVE PERFORMANCE ENDING JUNE 2018

% based to 100



## QUARTERLY ROLLING 12M ENDING JUNE 2018

%	2017/18	2016/17	2015/16	2014/15	2013/14
Share Price	12.8	25.3	15.3	11.0	14.2
Net asset value <sup>B</sup>	11.2	25.9	15.2	16.8	13.3
Benchmark	12.2	21.0	21.9	16.4	10.2

## CUMULATIVE PERFORMANCE AS AT 30 JUNE 2018

%	1 Y	3 Y	5 Y
Share price	12.8	63.0	106.6
Net asset value <sup>B</sup>	11.2	61.3	113.6
Benchmark	12.2	65.5	112.3

**Past performance is not a guide to the future.** J.P.Morgan/Morningstar. Net asset value performance data has been calculated on a NAV to NAV (using the cum income NAV with debt at fair) basis, including ongoing charges and any applicable fees, with any income reinvested, in GBP. Please note Benchmark Indices do not include fees or operating expenses and are not available for actual investment.

## TOP 10 HOLDINGS AS AT 30 JUNE 2018

Holding	Sector	Weight
Apple	Information Technology	6.6%
Microsoft	Information Technology	6.3%
Citigroup	Financials	3.0%
Humana	Health Care	2.9%
Bank of America	Financials	2.7%
Wal-Mart Stores	Consumer Staples	2.3%
Anthem	Health Care	2.2%
Cisco Systems	Information Technology	2.1%
Gilead Sciences	Health Care	2.1%
ConocoPhillips	Energy	2.0%

## INVESTMENT OBJECTIVE AND POLICY

Aims to achieve capital growth from North American investments by outperformance of the S&P 500 index. The Company will predominantly invest in quoted companies including, when appropriate, exposure to smaller capitalisation companies, and emphasise capital growth rather than income. The Company has the ability to use borrowing to gear the portfolio within the range of 5% net cash to 20% geared in normal market conditions.

## KEY FACTS

Portfolio Manager(s)/Start date	Garrett T. Fish (2002) Eytan Shapiro (2005)
Dividends Paid	May and October
Benchmark	S&P 500 Index (£)
Company Broker(s)	Winterflood Securities
Gross assets (as at 30/06/18)	GBP 1034.1m
Share price (as at 30/06/18)	422.5p
Net asset value (NAV) (as at 30/06/18) <sup>B</sup>	438.0p
Discount(-)/Premium	-3.5%
Total dividend for last financial year (per share)	5.50p
Financial year-end date	31 December
Prospective Dividend Yield <sup>C</sup>	1.3%
Potential gearing range	-5% to 20%
Actual gearing <sup>D</sup>	5.1%

## COMPANY FEES & EXPENSES

Ongoing charge (which includes): <sup>E</sup>	0.55%
-Annual management fee	Net Assets to £500m 0.35%, Net Assets between £500m and £1bn 0.30%, Net Assets above £1bn 0.25%
Performance fee <sup>F</sup>	10.00%

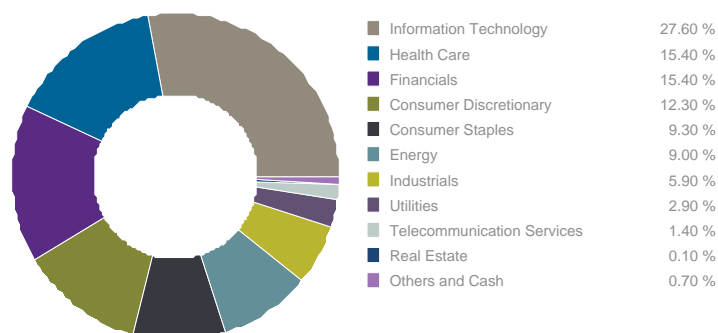
## KEY RISKS

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. Please read the Risk Information, Explanatory Notes, Glossary of Terms and Important Information on the next page.

Any reference to companies/securities mentioned in this document is for information use only and should not be interpreted as investment advice or recommendation on those companies/securities. 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.

# JPMorgan American Investment Trust plc

## SECTOR BREAKDOWN AS AT 30 JUNE 2018 <sup>6</sup>



The Trust is an actively managed portfolio, holdings, sector weights, allocations and leverage, as applicable are subject to change at the discretion of the Investment Manager without notice.

## RISK INFORMATION

- Exchange rate changes may cause the value of underlying overseas investments to go down as well as up.
- External factors may cause an entire asset class to decline in value. Prices and values of all shares or all bonds could decline at the same time, or fluctuate in response to the performance of individual companies and general market conditions.
- This trust may utilise gearing (borrowing) which will exaggerate market movements both up and down.
- This trust may also invest in smaller companies which may increase its risk profile.
- The share price may trade at a discount to the Net Asset Value of the company.
- The single market in which the trust primarily invests, in this case the US, may be subject to particular political and economic risks and, as a result, the trust may be more volatile than more broadly diversified trusts.

## EXPLANATORY NOTES

<sup>1</sup>© 2018 Morningstar. All Rights Reserved. The information contained herein: (1) is proprietary to Morningstar; (2) may not be copied or distributed; and (3) is not warranted to be accurate, complete or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information. Past performance is no guarantee of future results.

<sup>2</sup>NAV is the cum income NAV with debt at fair value, diluted for treasury and/or subscription shares if applicable, with any income reinvested. Share price performance figures are calculated on a mid market basis in GBP with income reinvested on the ex-dividend date. The performance of the company's portfolio, or NAV performance, is not the same as share price performance and shareholders may not realise returns which are the same as NAV performance.

<sup>3</sup>Prospective dividend yield is indicative and based on mid market prices, and include the declared and net prospective dividends for the current financial year.

<sup>4</sup>Gearing represents the excess amount above shareholders' funds of total investments (excluding liquidity fund holdings) expressed as a percentage of the shareholders' funds. If the amount calculated is negative, this is known as a "net cash" position.

<sup>5</sup>Ongoing charges are the management fee and all other operating expenses, excluding interest charges on any borrowing and any performance fee payable expressed as a percentage of the average daily net assets during the year. The ongoing charges are an estimate and have been recalculated to reflect the recent change in management fee.

<sup>6</sup>Performance fee: a fee, potentially payable to the investment manager in addition to annual management charges, should the trust meet certain performance criteria. The performance fee is calculated at the rate of 10% of the difference between the net asset value total return and the total return of the S&P 500 Index in sterling terms. The maximum performance fee payable in any one year is capped at 0.25% of the cum-income debt at par net asset value at the previous year end. Please refer to the annual report for further information on how the performance fee is calculated.

<sup>7</sup>Non-Benchmark holdings (where held) are classified in the appropriate sector/region. Cash is net current assets and holdings used as cash substitutes if applicable.

## IMPORTANT INFORMATION

This factsheet is to provide you summary information about the Company and should not be taken as an advice or recommendation to buy or sell its shares. If you are not sure of suitability of our products for your investment needs, please contact a financial adviser. Please ensure reading important product documentation including Key Features and Terms and Conditions, Investor Disclosure Document and Annual Reports and Accounts.

Benchmark source: The S&P 500 Index (£) ("Index") is a product of S&P Dow Jones Indices LLC and/or its affiliates and have been licensed for use by JP Morgan Chase Bank N.A. Copyright © 2018. S&P Dow Jones Indices LLC, a subsidiary of S&P Global, Inc., and/or its affiliates. All rights reserved.

## COMPANY CODES

ISIN	GB00BKZGVH64
Sedol	BKZGVH6
Bloomberg	JAM LN
Reuters	JAM.L

## GLOSSARY OF TERMS

**BENCHMARK COMPARISON** - Comparison of the Company's performance is made with the benchmark. The benchmark is a recognised index of stocks which should not be taken as wholly representative of the Company's investment universe. The Company's investment strategy does not follow or track this index and therefore there may be a degree of divergence between its performance and that of the Company.

**CASH** - Net current assets including investment in liquidity funds & treasury stocks (if held) and drawn revolving credit facilities (if any) with an original maturity of less than 1 year.

**DISCOUNT / PREMIUM** - If the share price of an investment company is lower than the net asset value (NAV) per share, the company is said to be trading at a discount. If the share price of an investment company is higher than the net asset value (NAV) per share, the company is said to be trading at a premium. The discount/premium is shown as a percentage of the NAV.

**GEARING** - Gearing represents the excess amount above shareholders' funds of total assets expressed as a percentage of the shareholders' funds. Total assets include total investments and net current assets/liabilities less cash/cash equivalents and excluding bank loans of less than one year. If the amount calculated is negative this is known as a 'net cash' position.

**SECTOR / GEOGRAPHICAL BREAKDOWNS** - These are expressed as a percentage of total portfolio and cash. Investments in liquidity funds will be shown as cash.

**TOP 10 HOLDINGS** - These are expressed as a percentage of total portfolio and cash. Investments in liquidity funds / treasury stocks will not be shown in the top 10 holdings.