

# JPMorgan Emerging Markets Investment Trust plc

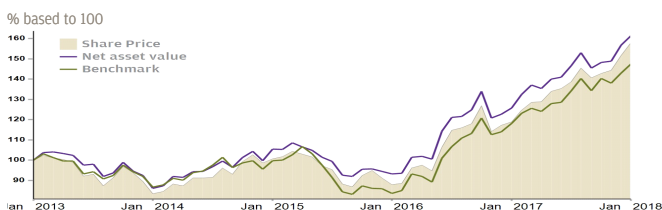
Monthly Update as at 31 January 2018

Overall Morningstar Rating™ (as at 31/01/18) <sup>A</sup> ★★★★★  
Morningstar Category™ Global Emerging Markets Equity

## Management Commentary

The portfolio underperformed the benchmark in October, with stock selection and country allocation detracting from returns. Portfolio performance was negatively impacted by exposure to Magnit, the second-largest food retailer in Russia. The stock corrected sharply on the back of lacklustre third quarter earnings results, including a 50% decline in year-on-year net profit. Stock selection in financial services was a leading detractor. The underperformance was predominantly driven by a sell-off of the private sector banks amid concerns of rising competition our exposure to Indian private sector financial services businesses, including Housing Development Finance Corp, which underperformed peers in the month. This was partially offset by the portfolio's position in Ping An Insurance, China's second-largest insurer by premium income, which reported robust net profit growth for the third quarter, rising 45.5% year-on-year. Stock selection was strongest in Taiwan, where smartphone component and semiconductor producers, including Taiwan Semiconductor Manufacturing (TSMC), outperformed as initial orders of the iPhone X beat expectations and reported stronger-than-expected revenue growth in the third quarter.

## CUMULATIVE PERFORMANCE ENDING JANUARY 2018



## QUARTERLY ROLLING 12M ENDING DECEMBER 2017

%	2016/17	2015/16	2014/15	2013/14	2012/13
Share Price	29.4	28.5	-7.5	10.1	-7.2
Net asset value <sup>B</sup>	27.8	29.9	-5.3	8.0	-4.9
Benchmark	25.4	32.6	-10.0	3.9	-4.4

## CUMULATIVE PERFORMANCE AS AT 31 JANUARY 2018

%	1 Y	3 Y	5 Y
Share price	32.9	57.0	58.1
Net asset value <sup>B</sup>	28.4	53.2	61.4
Benchmark	24.8	47.7	47.4

**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 31 JANUARY 2018

Holding	Sector	Weight
Tencent	Information Technology	7.1%
Taiwan Semiconductor Manufacturing ADR	Information Technology	5.7%
Housing Development Finance	Financials	5.6%
Alibaba	Information Technology	4.8%
IndusInd Bank	Financials	4.2%
Ping An Insurance	Financials	3.7%
AIA	Financials	3.5%
Epam	Information Technology	2.9%
Tata Consultancy Services	Information Technology	2.7%
Clicks	Consumer Staples	2.3%

## INVESTMENT OBJECTIVE AND POLICY

This Trust aims to maximise total returns from Emerging Markets worldwide and provides investors with a diversified portfolio of shares in countries and sectors we believe offer the most attractive opportunities for growth. The Company can hold up to 10% cash or utilise gearing of up to 20% of net assets where appropriate.

## KEY FACTS

Portfolio Manager(s)/Start date	Austin Forey (1994)
Dividends Paid	November
Benchmark	MSCI Emerging Markets Index (Net)
Company Broker(s)	Winterflood Securities
Gross assets (as at 31/01/18)	GBP 1265.6m
Share price (as at 31/01/18)	920.0p
Net asset value (NAV) (as at 31/01/18) <sup>B</sup>	1023.8p
Discount(-)/Premium	-10.1%
Total dividend for last financial year (per share)	11.00p
Financial year-end date	30 June
Prospective Dividend Yield <sup>C</sup>	1.2%
Potential gearing range	-10% to 20%
Actual gearing <sup>D</sup>	-0.9%

## COMPANY FEES & EXPENSES

Ongoing charges (comprises): <sup>E</sup>	1.07%
-Annual management fee	1.00% on gross assets up to £800m and 0.75% on gross assets above £800m
-Operating & administrative expenses	0.07%
Performance fee	No

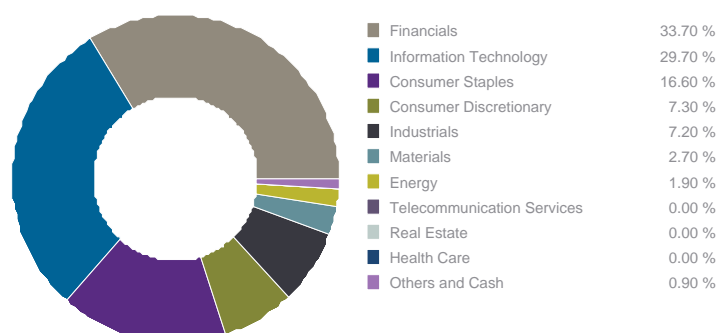
## KEY RISKS

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 Emerging Markets Investment Trust plc

## SECTOR BREAKDOWN AS AT 31 JANUARY 2018 <sup>F</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.
- Investments in emerging markets may involve a higher element of risk due to political and economic instability and underdeveloped markets and systems. Shares may also be traded less frequently than those on established markets. This means that there may be difficulty in both buying and selling shares and individual share prices may be subject to short-term price fluctuations.
- Where permitted, a trust may invest in other investment trusts that utilise gearing (borrowing) which will exaggerate market movements both up and down.
- 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 Trust may invest in China A-Shares through the Shanghai-Hong Kong Stock Connect program which is subject to regulatory change, quota limitations and also operational constraints which may result in increased counterparty risk.

## EXPLANATORY NOTES

<sup>A</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>B</sup>Cum income only NAV with debt at par, diluted for treasury and/or subscription shares if applicable.

<sup>C</sup>Source: Morningstar. 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>D</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>E</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. All figures are for the previous financial year.

<sup>F</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: MSCI. Neither MSCI nor any other party involved in or related to compiling, computing or creating the MSCI data makes any express or implied warranties or representations with respect to such data (or the results to be obtained by the use thereof), and all such parties hereby expressly disclaim all warranties of originality, accuracy, completeness, merchantability or fitness for a particular purpose with respect to any of such data. Without limiting any of the foregoing, in no event shall MSCI, any of its affiliates or any third party involved, in or related to compiling, computing, or creating the data have any liability for any direct, indirect, special, punitive, consequential or any other damages (including lost profits) even if notified of the possibility of such damages. No further distribution or dissemination of the MSCI data is permitted without MSCI's express written consent.

J.P. Morgan Asset Management is the brand name for the asset management business of JPMorgan Chase & Co and its affiliates worldwide. Issued by J.P. Morgan Asset Management Marketing Limited which is authorised and regulated in the UK by the Financial Conduct Authority. Registered in England No. 288553. Registered address: 25 Bank St, Canary Wharf, London E14 5JP. Non mainstream pooled investment products Information Shares and debentures (if any) in an Investment Trust are not subject to Financial Conduct Authority's (FCA) restrictions for marketing Non mainstream Pooled Investment products, therefore Investment Trust products can be marketed to retail investors directly or via Independent Financial Advisers.

## COMPANY CODES

ISIN	GB0003418950
Sedol	0341895
Bloomberg	JMG LN
Reuters	JMG.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.