

## Investment objective

To provide long-term capital growth by investing primarily in companies in the People's Republic of China, Hong Kong and Taiwan.

## Benchmark<sup>A</sup>

MSCI Golden Dragon Index Net

**Average annual return 13.3%**

Average annual return figure since inception

## Fund highlights

- JPM JF Greater China Fund offers investors the opportunity to capture the investment opportunities that China's rapid expansion present, through a wider exposure to the Greater China region.
- The Greater China region includes mainland China, Hong Kong and Taiwan, a region with massive growth potential.
- The fund is therefore suitable for investors looking to enhance investment returns through a concentrated exposure to Chinese-related equities.
- Investors benefit from active management at the stock level as JPM typically looks to capitalise on in-house stock selection expertise within the region.

## Fund statistics

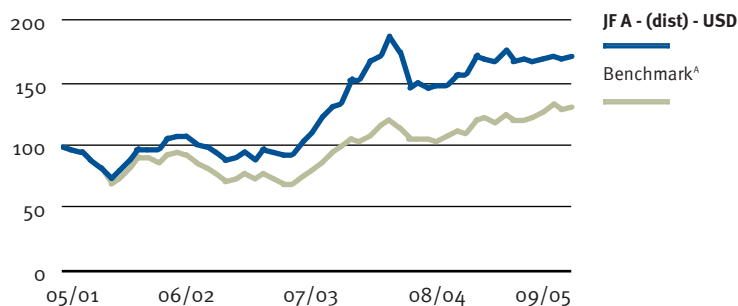
Fund manager(s)	Howard Wang and Ernest Liu	
Client portfolio manager	Adam Matthews	
Launch date	JF A - (dist) - USD 05/01	JF D - (acc) - USD 05/01
Fund Size	USD 406.1m	
Fund Charges	JF A - (dist) - USD	JF D - (acc) - USD
Initial	5.00%	5.00%
Annual	1.50%	2.50%
Expenses	0.40%	0.40%
Redemption	0.50%	0.50%

Annual Charge + Expenses = TER (Total Expense Ratio)

# JPMORGAN FUNDS - JF Greater China Fund

ALL DATA AS AT 30/09/05

## Performance since 21/05/01 (USD)



## Rolling 12 month performance as at 30 September (USD)

	2005/2004	2004/2003	2003/2002	2002/2001	2001/2000
JF A - (dist) - USD	10.4%	17.4%	51.7%	19.9%	-
JF D - (acc) - USD	9.4%	16.5%	50.9%	19.3%	-
Benchmark <sup>A</sup>	18.7%	13.2%	39.2%	0.4%	-

## Cumulative performance (USD)

	1 month	3 months	1 year	3 years	5 years	Since inception
JF A - (dist) - USD	2.1%	1.9%	10.4%	96.6%	-	73.5%
JF D - (acc) - USD	2.1%	1.7%	9.4%	92.4%	-	-
Benchmark <sup>A</sup>	2.7%	3.6%	18.7%	87.0%	-	32.6%

## Annualised performance (USD)

	3 years	5 years	Since inception
JF A - (dist) - USD	25.3%	-	13.3%
JF D - (acc) - USD	24.4%	-	-
Benchmark <sup>A</sup>	23.2%	-	6.6%

## Top ten holdings

Holding	Key business	%
China Mobile	Telecommunication Services	5.0
Hutchison Whampoa	Industrials	4.2
Swire Pacific	Financials	3.9
Cheung Kong	Financials	3.5
Taiwan Semiconductor	Information Technology	3.4
Petrochina	Energy	3.0
Acer	Information Technology	2.6
China Petroleum & Chemical	Energy	2.5
BOC	Financials	2.5
China Netcom	Telecommunication Services	2.5

You should remember that past performance is not a guide to the future. The price of investments and the income from them may fall as well as rise and investors may not get back the full amount invested.

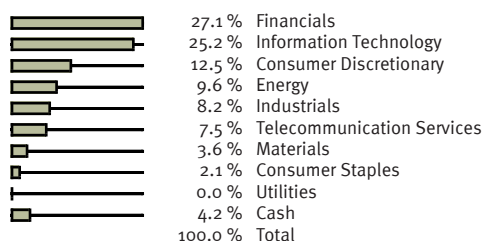
All performance details are offer to offer with gross income reinvested and relate to 'A-USD' unless otherwise stated.

Please note that the performance for the D share class is calculated when capital becomes available, which may not necessarily coincide with the launch date.

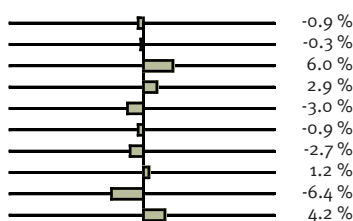
Source: JPM/JPMorgan Chase

<sup>A</sup> On 01/06/02 the benchmark for this Fund was changed from a gross dividends reinvested basis to net dividends reinvested as this better reflects the tax status of the Fund.

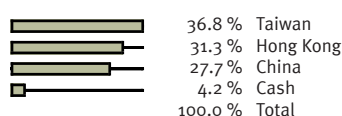
## Sector breakdown



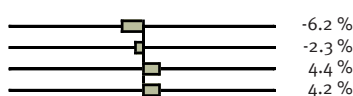
## Deviation from benchmark



## Geographical breakdown



## Deviation from benchmark



## Fund Review

Greater China equity markets strengthened over the third quarter. Chinese shares were largely driven by the strong performance of oil companies, such as CNOOC and PetroChina and share price surges of Chinese property plays, such as China Resources Beijing, and electronics companies, such as Lenovo. Hong Kong stocks also rallied in the early part of the third quarter. However, rising oil prices and a wave of share placements triggered profit-taking later in the period. The Taiwanese stock market was led by the financial, steel and plastic sectors.

On a country allocation level, our underweight in Taiwan contributed positively to performance. Hong Kong and China shares performed relatively well due to strong liquidity after the Chinese renminbi revaluation and an improved macroeconomic outlook in China. Although in July, an underweight in Chinese oil stocks hurt performance as oil prices continued climbing throughout the quarter.

## Fund Outlook

While the economic fundamentals underpinning the Greater China markets still remain healthy, the lagged impact of strong oil prices on inflation, and upward-trending US interest rates may continue to dampen market sentiment in the short-term, particularly in Hong Kong.

In terms of strategy, we may tactically take some profits from retail and asset plays in Hong Kong since the Disneyland effects on Chinese tourists and consumption did not live up to expectations. In Taiwan, we will focus on some selective technology holdings which still demonstrate strong growth potential. In China, we still favour telecom, refining and consumer plays.

## Statistical analysis review

	3yrs	5yrs
Correlation	0.87	-
Alpha	0.11	-
Beta	1.04	-
Annual volatility	20.13	-
Sharpe ratio	1.14	-
Tracking error	9.96	-
Information ratio	0.17	-

## Fund codes

Sedol		
JF A - (dist) - USD		7103656
JF D - (acc) - USD		7111842
Bloomberg		
JF A - (dist) - USD		FLEFGCA LX
JF D - (acc) - USD		FLEFGCD LX
Reuters		
JF A - (dist) - USD		LU0117841782.LUF
JF D - (acc) - USD		LU0117841949.LUF
ISIN		
JF A - (dist) - USD		LU0117841782
JF D - (acc) - USD		LU0117841949
VALOREN		
JF A - (dist) - USD		001195199
JF D - (acc) - USD		001195206
WKN		
JF A - (dist) - USD		577341
JF D - (acc) - USD		796136

# Fund descriptions

Each JPMF fund is labelled depending on where it invests and/or the asset class to which it is exposed. JPMF funds may also carry a label expressing the currency in which the fund or the underlying portfolio is predominantly denominated. Many funds carry additional labels depending on their benchmark risk, style bias and specific market sector exposure. The list below gives a brief definition so that investors can better distinguish between funds across our range.

## Aggregate

These bond funds provide investors with access to a range of government bonds, agencies, mortgages, supranationals and corporates.

## Disciplined

This is a core equity fund designed to give low-risk broad market exposure. The fund is conservatively managed, relative to the benchmark, and stock selection is based on the optimisation of analyst stock research rankings.

## Diversified

This is a core equity fund designed to give a low-risk broad market exposure to a stock market. The fund is conservatively managed relative to the benchmark as it is well diversified.

## Dynamic

This fund is aggressively managed with a concentrated portfolio of equally weighted stocks.

## Enhanced

Our Enhanced Bond funds aim to enhance bond returns by investing predominantly in non-government bonds, while our Enhanced Yield funds aim to enhance the yields offered from standard liquidity funds by investing in slightly longer duration assets.

## 50

This fund is designed to provide concentrated exposure to a stock market through a 50 stock portfolio.

## Large Cap/Small Cap/Micro Cap

This label describes the market cap bands in which the fund invests.

## Recovery

Aims to enhance returns through a more aggressively managed portfolio focussed on companies considered to be in a recovery position.

## Select

Core equity funds giving medium-risk broad market exposure with stock selection based on fundamental research.

## Strategic

These bond funds provide investors with the opportunity to enhance returns by investing in non-government bonds including sub-investment grade bonds, such as high yield and emerging market debt.

## Strategic Value/Strategic Growth

These funds are designed to provide investors with exposure to the equity market according to a style philosophy. Stock selection is therefore determined through the screening of stocks for their growth or value characteristics.

## Treasury

Liquidity funds investing predominantly in Treasury stock to enhance returns without compromising liquidity or security.

## Use of currency labels

A currency prefix indicates that at least 75% of the underlying stocks within the fund are invested in that currency, or the fund is hedged into that currency. A currency symbol that follows the fund name indicates the denomination of the fund itself and does not necessarily indicate that the underlying stocks are invested in that currency.

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Telephone lines are recorded and may be monitored for security and training purposes.

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When a subscription involves a foreign exchange transaction, it may be subject to the fluctuations of currency values. Exchange rates may also cause the value of underlying overseas investments to go up or down. Investments in emerging markets may involve a higher element of risk due to political and economic instability and underdeveloped markets and systems. Investments in smaller companies may involve a higher degree of risk as small cap markets tend to be much more volatile than their larger capitalisation counterparts. Where a fund invests in non-investment grade bonds an increased risk to the capital will arise.

The document should be read in conjunction with the Prospectus. All transactions should be based on the latest available prospectus and local offering document (as applicable) which contain more information regarding charges, entry fees and minimum investment amount. A copy of the Prospectus, local offering document, annual report, semi-annual report and the articles of incorporation of the JPMorgan Investment Funds, JPMorgan Funds, JPMorgan Fleming Liquidity Funds and JPMorgan Fleming Lux Funds are available free of charge upon request from JPMorgan Asset Management (Europe) S.à r.l., European Bank and Business Centre, 6 route de Trèves, L-2633 Senningerberg, Grand Duchy of Luxembourg, your financial adviser or your regional contact. Please consult your tax or legal advisor about any issues regarding accounting, legal or tax advice, or investment recommendations discussed here.

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