

JF Asia New Frontiers

January 2012

Fund objective

To provide investors with long-term capital growth by investing primarily in securities of companies in developing countries in Asia ("Asia New Frontiers").

Fund Manager's report

Portfolio Review: The Fund lost around 4% during the month amid continued volatility in global markets. While the Philippines had a relatively strong month, and in an Asian context was a large outperformer, there was less good news from other frontier markets. In the subcontinent, Bangladesh and Pakistan continue to struggle because of political and economic uncertainties. Sri Lanka, the bright star over the last 18 months, has continued to fizzle after a dampening of the initial market euphoria that greeted the end of the country's long and bloody civil war. Vietnam's stock market has gone from darling to outcast within a few years, and inflation and lack of economic momentum has taken the market back to two-year lows.

Outlook: The bright side of the poor market action of late is that there will be greater opportunities to find cheap companies that are prevailing and flourishing in their line of business despite the headwinds facing the broader economy. Overall we remain relatively cautious and maintain around 20% of the Fund in cash.

Portfolio information

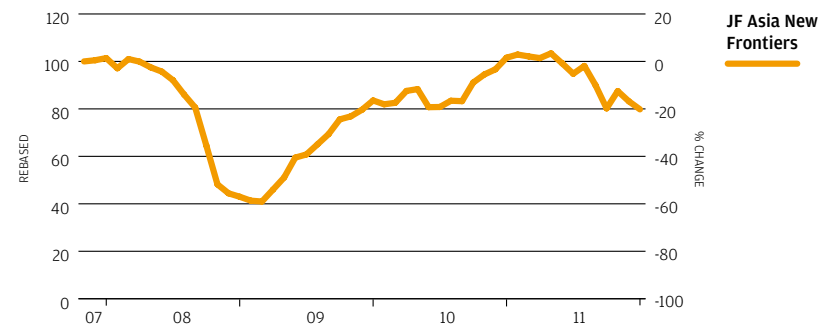
Fund manager	Mayur Nallamala/ Rajendra Nair, Hong Kong	
Launch date	08.11.07	
Fund size (m)	USD 13.4	
Base currency and NAV per unit	USD 7.98	
12 month NAV:	High	USD 10.53 (08.02.11)
	Low	USD 7.70 (04.10.11)
Charges:	Initial	5.0% of NAV
	Redemption	Currently 0%
		(up to 0.5% of NAV)
	Management fee	1.5% p.a.
Administrative fee	Nil	
Management performance fee	15% of the fund return, subject to the Low Tide Mark	
Last distribution (xd date)	N/A	
SEDOL/ISIN codes	B413PS8/HK0000055563	
Bloomberg code	JFASNFR HK	

Statistical analysis

	3 years	5 years	Since launch ⁹⁾
Correlation	-	-	-
Alpha %	-	-	-
Beta	-	-	-
Annual volatility %	20.58	-	25.49
Sharpe ratio	1.09	-	-
Annual tracking error %	-	-	-
Average annual return %	22.91	-	-5.30

- The Fund may invest in emerging and developing markets in Asia and therefore may have significant exposure to liquidity and the relevant currency risk.
- The Fund's price movement may go down or up sharply over a short time span.
- Whilst the Fund invests in multiple markets, investors may be subject to higher price volatility than a more diversified, developed market investment.
- Investors may be subject to substantial losses.
- Investors should not solely rely on this document to make any investment decision.

Performance from 08.11.07 to 30.12.11



Cumulative performance %

	1 month	1 year	3 years	5 years	Since launch
Fund	-4.1	-21.4	+85.7	-	-20.2

Calendar Year performance %

	2006	2007*	2008	2009	2010	2011YTD
Fund	-	+1.4	-57.6	+94.4	+21.6	-21.4

Portfolio analysis

By country/region

Philippines	24.1%
Net Liquidity	22.5%
Kazakhstan	13.4%
Others	12.0%
Australia	8.7%
United Kingdom	5.7%
Sri Lanka	5.1%
Korea	4.7%
Canada	3.9%

By sector

1.1%	Consumer Staples
3.8%	Utilities
3.8%	Telecommunication Services
6.2%	Consumer Discretionary
10.8%	Industrials
14.3%	Materials
18.7%	Financials
18.8%	Energy
22.5%	Net Liquidity

Top five holdings (as at end November 2011)

Holding	Sector	Country/region	%
KazMunaiGas EP JSC	Energy	Kazakhstan	9.3
Newcrest Mining Ltd.	Materials	Australia	4.9
Security Bank Corp.	Financials	Philippines	4.3
Alliance Global Group Inc.	Industrials	Philippines	4.2
Bharti Airtel Ltd.	Telecommunication Services	India	4.1

For more information, please contact your bank, financial adviser or visit
www.jpmorganam.com.hk

Unless stated otherwise, all information as at the last valuation date of the previous month. Source: JPMAM/Thomson Reuters Datastream (NAV to NAV in USD with income reinvested). Source of star rating: Morningstar, Inc. Risk ratings (if any) are based on JPMAM's assessment of relative risk by asset class and is subject to change. This is for reference only. Any overweight in any investment holding exceeding the limit set out in the Investment Restrictions was due to market movements and will be rectified shortly. Top ten holdings is available upon request. *Since launch to end of year. It should be noted that due to the difference of the fund domiciles the valuation points used by the JF funds and JPMorgan series of funds for fair valuation (where applied) may vary. For details please refer to the respective offering documents(s). ¹⁾With the exception of the "Average annual return" figure, all data are calculated from the month end after inception. ²⁾The Asset Triple A Investment Awards. For 2011, the award is 'Asset Management Company of the Year, Asia - Retail'.

Investment involves risk. Past performance is not indicative of future performance. Please refer to the offering document(s) for details, including the risk factors.

This document has not been reviewed by the SFC. Issued by JPMorgan Funds (Asia) Limited.