

JF Provident Global Bond

January 2012

Fund objectives

- To maximise its long-term capital appreciation in HK dollar terms through a collective investment scheme managed by the Manager or its Connected Persons.
- The underlying assets of the Trust will be invested primarily in international interest bearing securities of developed markets.

Investor profile

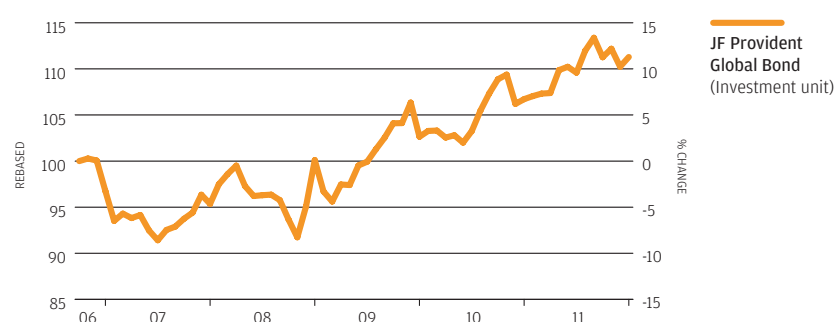
- Ideal for risk averse and income orientated investors.
- Suitable for money fund holders who are looking for potentially higher yields.
- Also appropriate for employees who have major investments in equities and who prefer a more diversified portfolio with lower risk.

Fund Manager's report

Portfolio Review & Outlook: Our current base case market outlook is similar to our outlook at the same point last year. We still attach a high probability "muddle-through" anemic recovery scenario. However, at the tails we now assign a much greater likelihood to a faster-than-expected recovery than we did at the start of 2011. This shift is largely due to heightened political risk, which is at times overwhelming the signal sent by macro data releases. We consider that heightened political "noise" will continue to be a central feature of fixed income markets as we enter 2012. Ultimately this scenario is a favourable one for fixed income assets. Central banks are likely to increase policy accommodation and our forward-looking indicators of inflation suggest it will trend downwards. As a consequence of this outlook we favour US agency mortgages. Our portfolios continue to be positioned to benefit from this low growth and low rate environment with long duration bias, underweight to peripheral Europe and moderate allocation to credit risk.

- The Fund invests in a global fixed income collective investment scheme and thus has exposure to the underlying fixed income instruments and interest rate, currency and credit risk.
- Investors may be subject to substantial losses.
- Investors should not solely rely on this document to make any investment decision.

Performance from 03.10.06 to 30.12.11



Cumulative performance %

| | 1 month | 1 year | 3 years | 5 years | Since launch |
|-----------------|---------|--------|---------|---------|--------------|
| Investment unit | +1.0 | +4.3 | +11.2 | +15.0 | +11.3 |

Calendar Year performance %

| | 2006 ¹⁾ | 2007 | 2008 | 2009 | 2010 | 2011YTD |
|-----------------|--------------------|------|------|------|------|---------|
| Investment unit | -3.3 | -1.4 | +5.0 | +2.5 | +4.0 | +4.3 |

Portfolio analysis

By currency of denomination

| | |
|----------------------|-------|
| USD Straight Bonds | 38.9% |
| JPY Straight Bonds | 21.0% |
| EUR Straight Bonds | 21.0% |
| GBP Straight Bonds | 7.3% |
| Net Liquidity | 4.4% |
| CAD Straight Bonds | 2.9% |
| Other Straight Bonds | 1.6% |
| KRW Straight Bonds | 1.5% |
| MXN Straight Bonds | 1.4% |

By country/region of Issuer

| | |
|-------|----------------|
| 4.0% | Italy |
| 4.2% | Supranational |
| 4.4% | Net Liquidity |
| 5.2% | France |
| 8.8% | Japan |
| 9.1% | United Kingdom |
| 13.3% | Germany |
| 17.2% | Others |
| 33.8% | United States |

Top five holdings as at end November 2011

| Holding | % |
|----------------------------------|-----|
| Japan Fin Org 1.9% 22/06/18-Intl | 4.6 |
| European Inv Bk 1.4% 20/06/17 | 4.2 |
| US Treasury 3.5% 15/02/18 | 3.9 |
| US Treasury 2.625% 15/11/20 | 3.3 |
| US Treasury 4.5% 15/02/16 | 3.1 |

Portfolio information

| | |
|-------------------------|--|
| Launch date | 03.10.06 |
| Fund size (m) | HKD 33.4 |
| Base currency | HKD |
| NAV Investment unit | HKD 111.29 |
| NAV Administration unit | HKD 107.85 |
| Year end | 30 June |
| Annual management fee | 0.8% |
| Fund prices quoted: | The Standard Hong Kong Economic Times www.jpmmorganam.com.hk |
| Dealing | Daily |

For more information, please contact JPM Pension Services

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This Fund is a feeder fund into JF SAR Global Bond Fund. Unless stated otherwise, all information as at the last valuation date of the previous month. Source: JPMAM (NAV to NAV in base currency). 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 document(s). ¹⁾Since launch to end of year.

Investment involves risk. Past performance is not indicative of future performance. Funds which are invested in emerging markets and smaller companies may also involve a higher degree of risk and are usually more sensitive to price movements. 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.