

JF Provident Hong Kong

January 2012

Fund objectives

- To maximise its long-term capital appreciation in Hong Kong 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 securities of companies either listed, based, or operating principally in Hong Kong.

Investor profile

- Employees aiming for potentially high returns to **build real wealth** over the long term and who can afford exposure to an above-average level of risk.
- Suitable age group: below 45 (or more than 10 years to retirement date).

Fund Manager's report

Portfolio Review: The year ended up on a slightly positive note as Hong Kong equities eked out a small gain in December against a flat regional Asian market. The market started the month on a high note, spurred by coordinated central bank action around the world as well as an unexpected cut in the reserve requirement ratio in China, but gave back most of the gains due to continued concerns over the European debt problem and slowing global economic growth. Despite low secondary market volumes and weak land auction results, Hong Kong property stocks outperformed due to low valuation and resilient primary sales volumes. November retail sales growth surprised on the upside at 23.5% year-over-year growth, exceeding both consensus estimate (21.6%) and October's figure (23.1%).

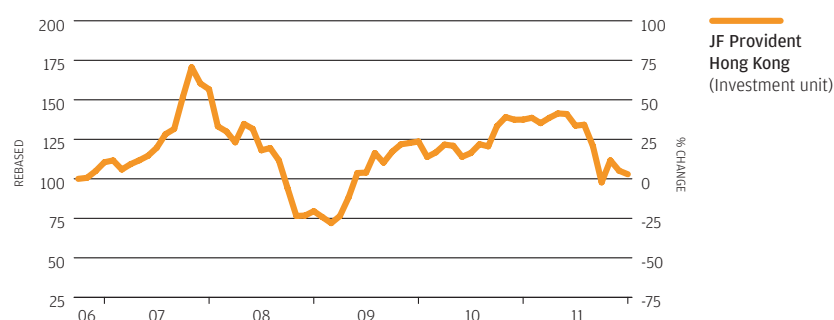
Outlook: Given attractive current valuations, especially for China-related companies, as well as incremental positive economic data, we are constructive towards the market in the near term. We remain more cautious regarding Hong Kong stocks given the potential impact of negative wealth effect, especially with on-going weakness in the financial sector. In contrast, China counters should benefit from marginal policy easing or fine-tuning, enabled by continuously falling inflation.

Portfolio information

Launch date	03.10.06
Fund size (m)	HKD 80.0
Base currency	HKD
NAV Investment unit	HKD 102.90
per unit: Administration unit	HKD 99.72
Year end	30 June
Annual management fee	1.0%
Fund prices quoted:	The Standard Hong Kong Economic Times www.jpmmorganam.com.hk
Dealing	Daily

- The Fund invests in a Hong Kong collective investment scheme and thus has underlying exposure to Hong Kong listed equities and the relevant currency risk. The Fund's price movement may go down or up sharply over a short time span.
- The Fund's underlying collective investment scheme invests in a single market and is therefore subject to greater concentration and liquidity risk than a more diversified investment.
- 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



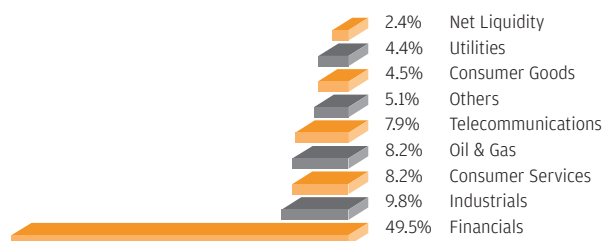
Cumulative performance %

	1 month	1 year	3 years	5 years	Since launch
Investment unit	-2.1	-25.1	+29.4	-6.9	+2.9

Calendar Year performance %

	2006 ¹⁾	2007	2008	2009	2010	2011YTD
Investment unit	+10.5	+41.8	-49.2	+55.4	+11.2	-25.1

Portfolio analysis



Top five holdings as at end November 2011

Holding	Sector	%
HSBC Holdings	Financials	7.8
China Construction Bank Corp	Financials	7.5
China Mobile	Telecommunications	5.8
CNOOC	Oil & Gas	4.0
Industrial & Commercial Bank of China	Financials	4.0

For more information, please contact JPM Pension Services

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Members' Hotline: 2200 6688

This Fund is a feeder fund into JF SAR Hong Kong 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.