



# JPM BetaBuilders US Treasury Bond 1-3 yr UCITS ETF

**Tickers: JU13, JA13**

## BUILDING STRONGER PORTFOLIOS



### Build beta exposure to shorter-dated US government bonds

JU13 provides investors with access to the performance of short-dated dollar-denominated government bonds by closely tracking the J.P. Morgan Government Bond Index United States 1-3 Year.

#### EXPERTISE

- Leverages J.P. Morgan's experience in quantitative research and portfolio management, employing a team approach led by Dr. Yazann Romahi, CIO of Quantitative Beta Strategies.

#### PORTFOLIO

- Aims to minimise tracking error to the J.P. Morgan Government Bond Index United States 1-3 Year – a market-cap-weighted benchmark that provides exposure to the performance of eligible debt securities with a maturity between one and three years that have been issued by the United States.

#### RESULTS

- Offers investors liquid, low-cost beta exposure to short-dated dollar-denominated government bonds – as a defensive portfolio allocation to balance equity risk, or to reduce interest rate sensitivity.

### INDEX EXPOSURE WITH MINIMAL TRACKING ERROR

JU13 is constructed to closely track the J.P. Morgan Government Bond Index United States 1-3 Year, seeks to provide a reliable beta “building block” for investors looking for a short-dated dollar-denominated government bond allocation.

The J.P. Morgan Government Bond Index United States 1-3 Year Index is composed of dollar-denominated domestic government debt securities issued by the United States which are maturing within the next one to three years. Only fixed coupon bonds that are regularly priced and regularly traded are eligible for inclusion in the index, providing a liquid benchmark that can be replicated without incurring excessive transaction costs.

JU13 uses a disciplined, optimisation-based investment approach to minimise tracking error vs. the index, while also taking into account considerations such as liquidity and transaction costs. The portfolio management team also benefits from the global strength of J.P. Morgan Asset Management's fixed income trading platform, which is focused on providing best execution for clients.

### J.P. MORGAN GOVERNMENT BOND INDEX UNITED STATES 1-3 YEAR

<b>Instrument Type</b>	<b>Included:</b> Liquid, bullet, fixed-rate coupon bonds <b>Excluded:</b> Callable, putable, inflation linked or convertible features
<b>Remaining Maturity</b>	Remaining maturity at rebalance is at least 13 months and less than 3 years
<b>Amount Outstanding</b>	Minimum USD 1billion
<b>Currency</b>	USD denominated
<b>Country Eligibility</b>	Issued by the United States

Source: J.P. Morgan Global Index Research, 14 December 2017.

**Eric Isenberg**

Portfolio manager

- 17 years of industry experience, 2 at J.P. Morgan

**Naveen Kumar**

Portfolio manager

- 7 years of industry experience, all at J.P. Morgan

**Charles Su**

Portfolio manager

- 6 years of industry experience, 3 at J.P. Morgan

As of 30.04.2018

**JPM BetaBuilders US Treasury Bond 1-3 yr UCITS ETF**

Launch date	12 June 2018
Domicile	Ireland
Replication method	Physical replication
Base currency	USD
Total Expense Ratio (TER)	0.10%
ISIN	IE00BD9MMD49
Bloomberg Ticker (LSE)	JU13 LN
Bloomberg Ticker (Borsa Italiana)	JU13 IM
Bloomberg Ticker (Xetra)	JA13 GY
Bloomberg iNAV Ticker*	JU13USIV
Reuters RIC (LSE)	JU13.L
Reuters RIC (Borsa Italiana)	JU13.MI
Reuters RIC (Xetra)	JA13.DE

\* This is for the base currency, other iNAV tickers are available upon request.

**INVESTMENT OBJECTIVE**

The Sub-Fund aims to provide an exposure to the performance of US Dollar-denominated fixed rate government bonds issued by the US Treasury with a maturity of between one and three years.

**RISK PROFILE**

- The value of debt securities may change significantly depending on economic and interest rate conditions as well as the credit worthiness of the issuer.
- To the extent that the Sub-Fund uses financial derivative instruments, the risk profile and the volatility of the Sub-Fund may increase. That notwithstanding, the risk profile of the Sub-Fund is not expected to significantly deviate from that of the Index as a result of its use of financial derivative instruments.
- The Sub-Fund is not expected to track the performance of the Index at all times with perfect accuracy. The Sub-Fund is, however, expected to provide investment results that, before expenses, generally correspond to the price and yield performance of the Index.
- The single market in which the Sub-Fund invests may be subject to particular political and economic risks, and as a result, the Sub-Fund may be more volatile than more broadly diversified funds.

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