

# JPEM

## JPMorgan Diversified Return Emerging Markets Equity ETF Analyst Report

The JPMorgan Diversified Return Emerging Markets Equity ETF (JPEM) offers broad exposure to emerging market stocks with JPMorgan's multi-factor twist. JPEM tracks an index that combines risk-based portfolio construction with multi-factor security selection based on value, momentum, and quality. Factors are determined by characteristics like return on equity, risk-adjusted returns, profitability, and solvency. The methodology aims to diversify risk across sectors, regions, and individual securities.

Investors should note that, as of June 2020, JPEM does not include South Korea, which is lumped into developed market stocks. Unsuspecting investors who mix and match funds from different firms may find themselves either unintentionally overweight South Korea or missing out on the country entirely.

JPEM is reasonably priced for a smart-beta approach to emerging markets, though it's still more expensive than ultra-low-cost plain vanilla rivals like the iShares Core MSCI Emerging Markets ETF (IEMG) and the Vanguard FTSE Emerging Markets ETF (VWO), which lack fancy factors but offer similar exposure and great liquidity at a fraction of the price. There's also competition to consider in the multi-factor space, including the Goldman Sachs ActiveBeta Emerging Markets Equity ETF (GEM) and the PIMCO RAFI Dynamic Multi-Factor Emerging Markets Equity ETF (MFEM).

### ESG Themes and Scores

6.03/10

ESG Rate

33.1%

Global Percentile

4.67%

Peer Percentile

### Performance Data

	JPEM	ETF Database Category Average	Factset Segment Average
1 Month	-3.29%	-0.95%	-0.53%
3 Month	1.61%	10.73%	13.03%
YTD Return	6.24%	17.30%	20.43%
1 Year Return	18.96%	32.55%	37.33%
3 Year Return	12.89%	16.10%	14.29%
5 Year Return	5.80%	4.77%	4.14%

### Top 5 Holdings

Symbol	Holding	% Assets
2330	Taiwan Semiconductor Manufacturing Co., Ltd.	2.16%
2454	MediaTek Inc	1.96%
939	China Construction Bank Corporation Class H	1.74%
VALE3	Vale S.A.	1.18%
3988	Bank of China Limited Class H	1.04%

### Vitals

Issuer	JP Morgan
Brand	JPMorgan
Structure	ETF
Expense Ratio	0.44%
Inception	Jan 07, 2015
Index Tracked	JPMorgan Diversified Factor Emerging Markets Equity Index

### ETF Database Themes

Category	Emerging Markets Equities
Asset Class	Equity
Asset Class Size	Large-Cap
Asset Class Style	Blend
Region (General)	Emerging Markets
Region (Specific)	Broad

### FactSet Classifications

Segment	Equity: Emerging Markets - Total Market
Category	Size and Style
Focus	Total Market
Niche	Broad-based
Strategy	Multi-factor
Weighting	Proprietary

