

JCHI

JPMorgan Active China ETF Active China ETF

Fund Description

JCHI is actively managed to hold a narrow portfolio of Chinese equities and equity-related securities that are fundamentally assessed for sustainable growth and disciplined capital management. The fund also considers ESG factors during the investment process.

FactSet Analyst Report

JCHI covers an array of investable Chinese shares, including administrative regions such as Hong Kong and Macau. The fund's adviser uses a bottom-up stock selection process that includes macro and policy consideration. The objective is to identify industry leaders through key opportunities and risk evaluation. As a result, the actively managed portfolio holds 40 to 70 stocks, with significant investments in foreign-denominated companies that rely on variable interest entity structures (VIE). Considerable autonomy in identifying, researching, and ranking securities is given to research analysts to foster creativity. Most assessments involve a two-part analysis: business growth and quality characteristics combined with expected five-year returns. An assessment of ESG impact is also considered. While the fund has an all-cap stock exposure, it also holds derivatives as a security substitute and foreign currencies, a portion of which is currency forwards hedged. The fund is non-diversified.

