

## Investment Objective

The JPMorgan Commodity Curve Ex Front Month Agriculture Index ("JPMCCI Ex Front Month Agriculture") is part of the JPMCCI Index Family, designed to allow investors to achieve diversified exposure to the agriculture sector. The JPMCCI adopts a 'curve-neutral' approach that has displayed a better historical risk-adjusted return profile than traditional passive agricultural indices. The JPMCCI Ex Front Month Agriculture is a modified version of the JPMCCI Agriculture Index, which has no exposure to the Front Month Contract and in back-testing has displayed even better roll return characteristics.

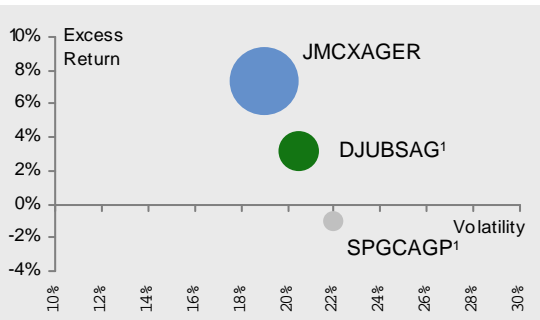


## Key Features

- JPMCCI Ex Front Month Agriculture offers exposure to 15 agriculture commodities (USD denominated)
- Individual commodities weighted on the basis of open interest
- Higher hypothetical return and lower hypothetical volatility compared to common benchmarks
- Should be less sensitive to roll related losses as shown in back-tests

Bloomberg  
JMCXXAGE Index <Go>

JPMCCI Agriculture aims to provide a superior risk-return profile (dot size indicates Sharpe ratio)



Source: JPMorgan. Data from Dec. 2001 to Jul 2010. JPMCCI data from Dec. 2001 to Nov. 2007 is back-tested. Past performance is not a guide to future results.  
<sup>1</sup> Refers to both the Dow Jones UBS<sup>SM</sup> Agriculture Sub-Index and the S&P GSCI<sup>TM</sup> Agricultural Index

## Traditional commodity indices have displayed drawbacks

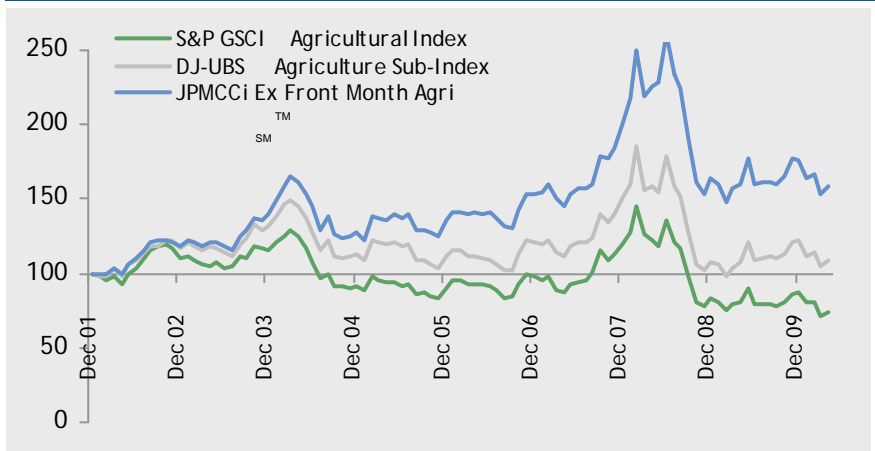
By holding a single nearby contract, traditional indices such as S&P GSCI<sup>TM</sup> Agricultural Index and DJ-UBS Agriculture Sub-Index<sup>SM</sup> track a limited part of the available investment opportunities within the commodity futures market. These indices offer reduced diversity by tracking 8 commodities while JPMCCI Agriculture includes 15. Furthermore, the effects of negative roll returns have resulted in these indices under-performing JPMCCI Ex Front Month Agriculture and spot returns within the agriculture market since the inception of JPMCCI in November 2007.

## JPMorgan introduces a more representative, robust and diversified commodity index: JPMCCI Ex Front Month Agriculture

JPMCCI provides exposure across the entire futures curve, a part from the front contract, in proportion to open interest and therefore increases diversification by spreading exposure to a wide range of maturities.

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## Hypothetical excess return performance



Source: JPMorgan. Data from December 2001 to April 2010. Past performance is not a guide to future results.

<sup>2</sup> Open Interest means, the total number of futures contracts that have not yet been exercised, expired, or fulfilled by delivery.

This Fact Sheet has been prepared for information purposes and should be regarded as illustrative only and is not intended to provide the full details of the Index. Persons interested in the Index should refer to the official Index Rules (a copy of which can be obtained from your JPMorgan contact) for a complete description of the rules and operating methodology for the Index.

## Who may be interested in this Index?

Investors looking for:

- A passive and diversified exposure to the agriculture market
- Investment in a curve-neutral index
- A robust index which has displayed better risk-return characteristics in back-testing
- An index mitigating roll return volatility

## Contact Information

To learn more about JPMCCI, please contact Commodity Investments on

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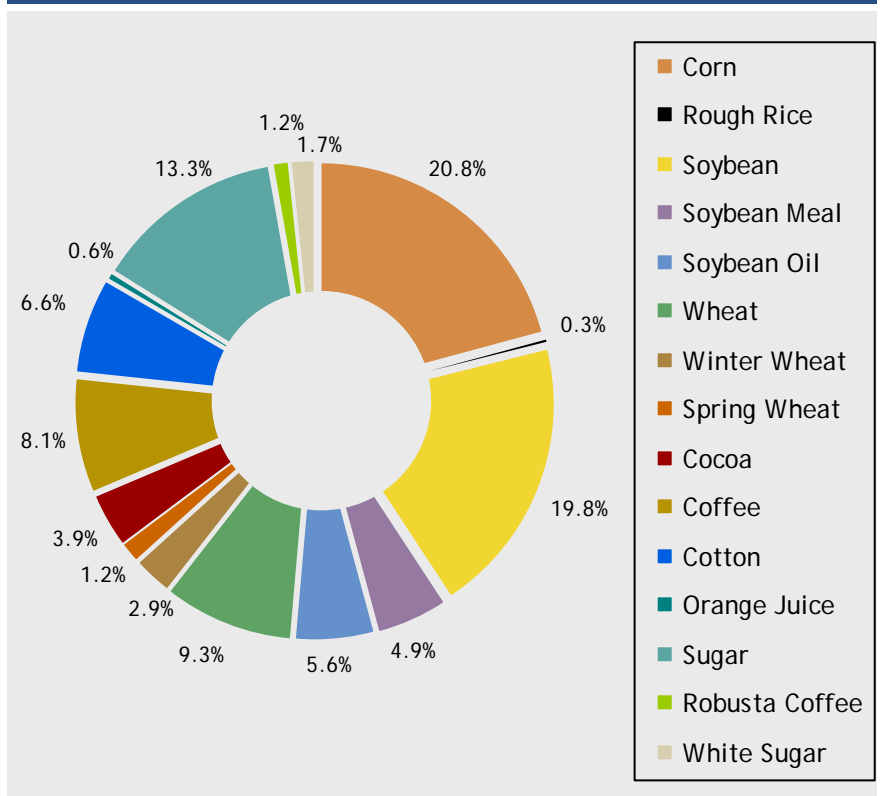
## In Back-testing JPMCCI Ex Front Month outperformed traditional indices

With a back-tested historical annualised excess return of 7.32% and a corresponding volatility of 19% since December 2001, JPMCCI Ex Front Month Agriculture substantially outperformed S&P GSCI™ Agricultural Index (-0.97% excess return and 21.96% volatility) and DJ-UBS™ Agriculture Sub-Index™ (3.20% excess return and 20.46% volatility) in such back-tests.

## Broad coverage

JPMCCI Ex Front Month Agriculture offers synthetic exposure to a broad range of agriculture commodity futures contracts. There are currently 15 commodities included in JPMCCI Agriculture providing exposure to commodities such as Orange Juice and Spring Wheat. The index methodology can also be used to create a customized commodity

Dollar weights per commodity



Source: JPMorgan. Data as of 12<sup>th</sup> July 2010

## Gaining exposure to the JPMCCI Ex Front Month Agriculture Index

Investors may be able to gain exposure to JPMCCI Ex Front Month Agriculture through various types of investment products (e.g. certificates and notes, excess/total return swaps). JPMorgan can offer bespoke solutions to address the specific views or needs of clients.