# JPMorgan Investment Funds – Global Income Fund

For available share classes, please check the prospectus.

## Topline

**Markets** – October proved to be a volatile month, with both bonds and equities experiencing detractions. Growth risks remained the primary concern for investors, despite signs of resilience, particularly in the US economy. Equity markets moved lower, with the MSCI World Index returning -0.9% (in local-currency terms). Bond markets also came under pressure, with the JPM GBI Index (US dollar hedged) returning -1.5%, as uncertainty surrounding potential post-election policy changes prompted a more gradual re-pricing of the anticipated US Federal Reserve rate cuts.

**Helped** – European equities.

**Hurt** – US government bonds, global equities and US high yield.

**Outlook** – While uncertainties persist, the global macroeconomic picture is constructive as inflationary pressures ease and central banks are showing flexibility in adjusting their policies.

## Fund Overview

### Investment objective

To provide regular income by investing primarily in a portfolio of income generating securities, globally, and through the use of derivatives.

## Month in Review

- **We maintained our overall equity allocation throughout the month**. US economic indicators released over the month highlighted the contribution of the services sector, contrasting with the sluggishness in manufacturing.
- **The equity portion of the portfolio detracted from overall performance in October**. Global equities were the primary detractors due to persistent growth concerns, despite some signs of resilience. European equities contributed marginally, while emerging market equities were pressured by a strong US dollar, profit-taking in India and volatility in Chinese equities due to uncertainty over the effectiveness of the government's support measures announced in September. Our focus on dividends was a slight headwind, as indicated by the MSCI World High Dividend.
- **Our duration position, expressed through US Treasuries, also detracted from performance**. Cooling rate-cut expectations and election uncertainty pushed 2-year and 10-year Treasury yields above 4.0%, resulting in the largest monthly decline for US Treasuries since September 2022.
- **Our allocation to investment grade credit also detracted** as the sticky core inflation reading highlighted the challenge facing US policymakers if they are to achieve their dual mandate of maintaining a solid labour market alongside price stability.
- **Within hybrids, our allocation to preferred equities detracted from overall performance.**

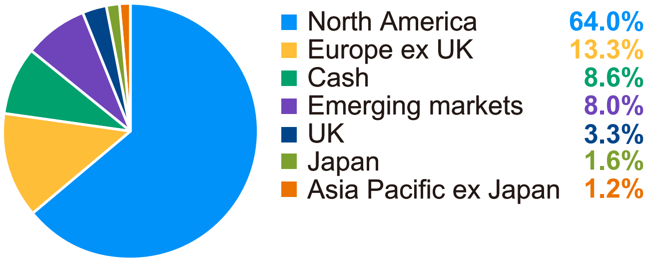
## Looking Ahead

- **As we move towards the end of the year, we expect the Fed to continue easing policy**, with two additional 25 basis point rate cuts anticipated in November and December.
- **Our increased confidence in the business cycle extension and lower recession risks means we retain an overweight in equities**. US large-cap equities remain our most preferred market, supported by the leading artificial intelligence companies' strong cash generation capabilities.
- **We are neutral duration but favour European, UK and Australian bonds** over US Treasuries and Japanese government bonds.

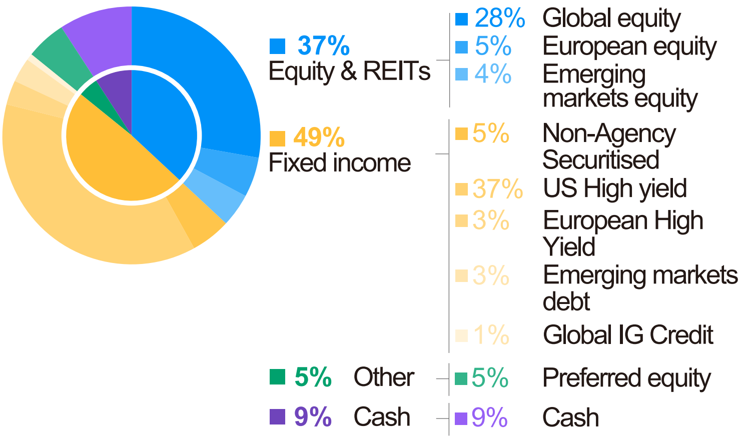


J.P.Morgan
ASSET MANAGEMENT

**Regional breakdown (%)**




**Asset class breakdown (%)**




**Provided for portfolio update and reporting purposes only to report on portfolio positioning, not to be construed as offer, research or investment advice. Diversification does not guarantee positive returns or eliminates risks of loss.**

Source: J.P. Morgan Asset Management. Data as at to 31.10.2024. The Fund is an actively managed portfolio; holdings, sector weights, allocations and leverage, as applicable are subject to change at the discretion of the Investment Manager without notice. REITS refer to Real Estate Investment Trusts. The companies/securities, asset classes mentioned above for illustrative purposes only. Their inclusion should not be interpreted as a recommendation to buy or sell. Investments involve risks, not all investments are suitable for all investors. Provided for information only, not to be construed as investment recommendation.

## NEXT STEPS

For further information, please visit:
www.jpmorgan.com/sg/am/per/

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Refer to Risk Factors in the Prospectus for further information on risks of the product.