

# JPMorgan Investment Funds – Global Income Fund

For available share classes, please check the prospectus.

## Topline

**Markets** – September saw mixed but on the whole contribution across global markets as economic data continued to paint a complex picture. Both equities and bond markets provided contributions, with the MSCI World Index (in euro terms) returning 0.9% and the JPM GBI (hedged, in euro terms) returning 1.0%. The US continued to show resilience, with mixed employment data indicating a rebalancing economy, supported by a rate cut of 50 basis points (bps) from the US Federal Reserve (Fed). The European Central Bank (ECB) also implemented a 25bp reduction in interest rates.

**Helped** – Emerging market equities, global equities, US high yield bonds and US government bonds.

**Hurt** – European equities.

**Outlook** – Our base case remains one of rebalancing, with cooling, not collapsing, in the market, the economy and inflation. Our conviction in a return to trend-like growth and an extension of the cycle is growing.

## 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

- **Within equities**, we broadly maintained our overall allocation over the month but trimmed some of our Nasdaq and Euro Stoxx futures exposure. US activity data supports our cycle-extension view as resilient income growth points to ongoing consumption strength.
- **In September, the equity portion** of the portfolio contributed to overall performance. In particular, our allocation to global equities contributed the most to overall performance. We believe global growth close to trend supports ongoing earnings growth, but valuations could be a headwind even with an easing cycle in play. Our allocation to European equities marginally detracted as European activity remains sluggish, with few signs of a rebound in the goods cycle. Elsewhere, our allocation to emerging market equities contributed. We see emerging market ex-China equities posing an attractive opportunity with improving earnings trends and supported by the Fed's cutting cycle.
- **Our dividend focus was a tailwind** for a third consecutive month.
- **Our fixed income portion** of the portfolio also contributed to overall performance. Our allocation to high yield contributed. Although spreads are tight relative to history, all-in yields in US high yield are compelling, and strong demand in the primary market continues to underpin returns for the asset class. Our allocation to investment grade credit also contributed, supported by robust corporate health and demand for quality carry.
- **Our duration position** expressed via US Treasuries also contributed. We hold a cautious stance on duration as markets may be pricing in more rate cuts than is realistic given the solid pace of growth.
- **Our allocation to emergingmarket debt** and non-agency securitised both contributed.
- **Within hybrids, our allocation to preferred equities** contributed to overall performance.

## Looking Ahead

- **Our base case remains one of rebalancing**, with cooling, not collapsing, in the market, the economy and inflation.
- **Our conviction in a return to trend-like growth** and an extension of the cycle is growing.
- **We anticipate the Fed will implement two 25bp rate cuts** by year-end and continue easing in 2025, with decisions driven by data, focusing primarily on maintaining a strong labour market.
- **As we see the economic cycle extending into 2025** and with recession risk contained, we remain comfortable with our preference for risk assets, specifically equities and credit.
- **We continue to prefer equitymarkets with stronger earnings** outlooks, such as the US. At the same time, with yields toward the bottom of a lower trading range, we take a neutral stance on duration.

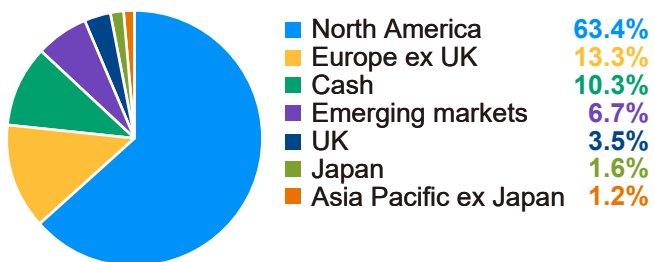
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Source: Fund related information and market commentary – J.P. Morgan Asset Management, other market data – various public sources. Data is as of date of the commentary unless stated otherwise.

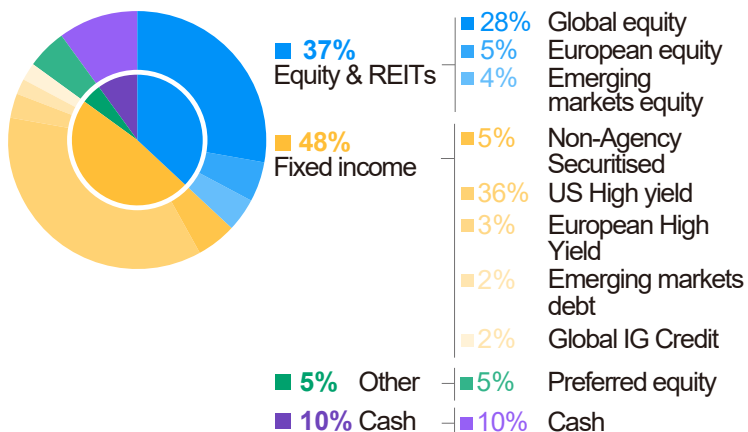
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Regional breakdown (%)



Asset class breakdown (%)



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Source: J.P. Morgan Asset Management. Data as at 30.09.2024. 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.

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## NEXT STEPS

For further information, please visit:  
[www.jpmorgan.com/sg/am/per/](http://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.

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