

JPMorgan Funds – Income Fund

For available share classes, please check the prospectus.

Topline

Markets – Over the month, risk assets and interest rates experienced contribution on encouraging economic data.

Helped – Corporate credit, securitised products and emerging market debt contributed to returns.

Hurt – The fund's duration positioning marginally detracted from returns.

Outlook – Sub-trend growth remains our base case, with evidence of a soft landing around us and a widening economic expansion. Significantly looser financial conditions continue to support growth. Although there are signs that the labour market continues to rebalance and longer-term disinflationary trends are in place, there is still a risk that inflation remains persistent. Both the market and the US Federal Reserve (Fed) will continue to be focused on the inflation trajectory this year.

Fund Overview

Investment objective

To provide income by investing primarily in debt securities.

Month in Review

- **High yield was the largest contributor to returns** as risk assets contributed in response to lower inflation and strong economic data. Investment grade credit also contributed.
- **Securitised products contributed to returns**, with agency mortgage-backed securities (MBS) leading the contribution. Agency MBS benefited as softer inflation data drove rates lower and volatility subsided. Non-agency MBS, commercial MBS and asset-backed securities also contributed.
- **Emerging market debt contributed to returns**, benefiting from the broader risk-on environment.
- **The fund's duration positioning** marginally detracted over the month, with the 10-year US Treasury yield moving 11 basis points lower to 4.39%. The fund continues to dynamically adjust its duration and yield curve positioning, ending June short of US Treasury duration, with overall fund duration at 2.3 years.

Looking Ahead

- **Sub-trend growth remains our base case**, with evidence of a soft landing around us and a widening economic expansion. Significantly looser financial conditions continue to support growth. Although there are signs that the labour market continues to rebalance and longer-term disinflationary trends are in place, there is still a risk that inflation remains persistent. Both the market and the Fed will continue to be focused on the inflation trajectory this year.
- **In 2022, high inflation and low unemployment** caused the Fed to raise policy rates into restrictive territory despite downside risks to growth and rising recession probabilities. As the Fed continued hiking rates into 2023, cracks began to appear in the market, particularly in the US regional banking sector, due to the lagged and variable effects of tightening monetary policy. The Fed paused hikes in June for the sixth time in a row, and uncertainty remains around the number of Fed rate cuts this year.
- **Against this backdrop, the fund is focused** on maintaining a higher credit quality, increasing its liquidity profile and allocating towards sectors where we continue to have a positive fundamental outlook and that, in our view, offer attractive yield characteristics for the potential risks. We believe the fund's current duration positioning and diversified allocations to higher-quality securitised investments, higher-quality high yield corporates and select emerging market debt look attractive amid the current environment.

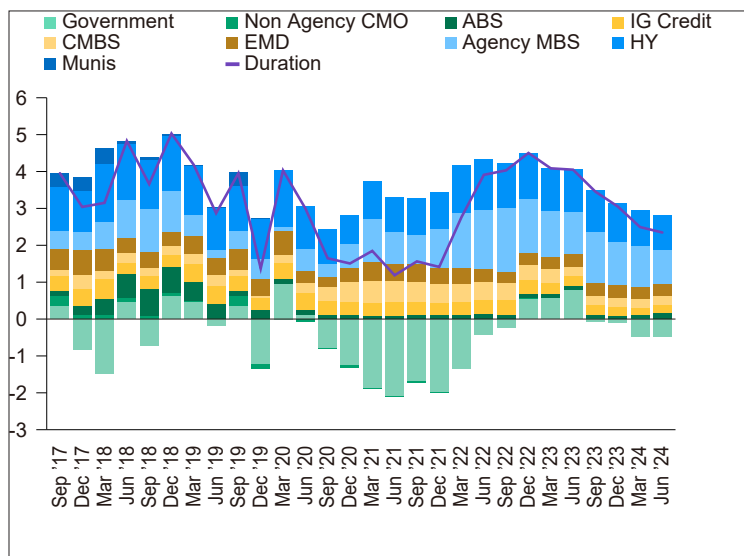
Provided for portfolio update and reporting purposes only to report on portfolio positioning, not to be construed as offer, research or investment advice. Diversification does not guarantee positive returns or eliminates risks of loss.

Source: 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.

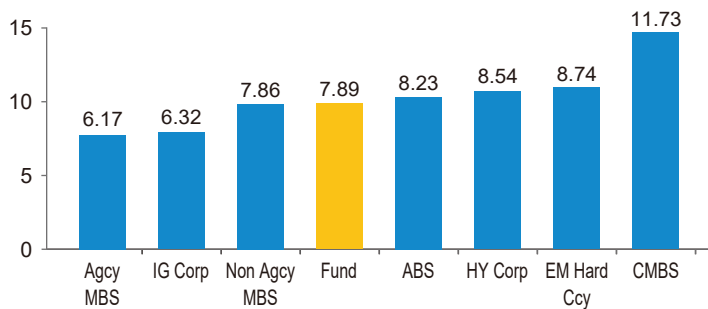
The Fund seeks to achieve its investment objectives stated in the offering document, there is no guarantee the objectives will be met.

The companies/securities, asset classes mentioned above for illustrative purposes only. Their inclusion should not be interpreted as a recommendation to buy or sell. J.P. Morgan Asset Management may or may not hold positions on behalf of its clients in any or all of the aforementioned securities. Past performance is not indicative of future performance. Forecasts/estimates are based on current market conditions subject to change from time to time and may or may not come to pass. Please refer to the Singapore Offering Documents at www.jpmmorgan.com/sg/am/per/.

Portfolio weighted sector allocation (duration, years)



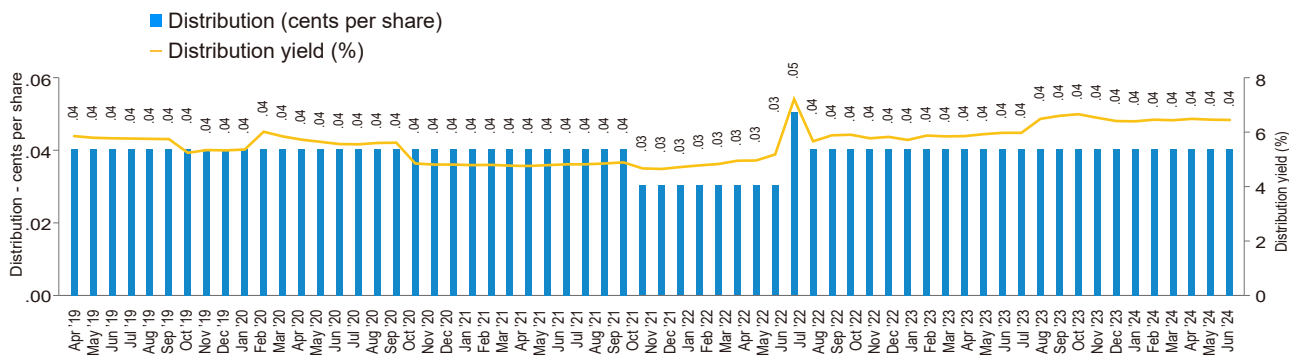
Yield by sector (%)



ABS: Asset-Backed Securities; Munis: Municipal bonds; CMBS: Commercial Mortgage-Backed Securities; Agcy: Agency; CMO: Collateralised Mortgage Obligation; MBS: Mortgage-Backed Securities; IG: Investment Grade; Corp: Corporate; HY: High Yield; EM: Emerging Market; EMD: Emerging Market Debt; Ccy: Currency.

Source: J.P. Morgan Asset Management. Data as of 30.06.2024. 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. Provided for information only, not to be construed as investment recommendation. Investment involves risks. Not all investment ideas are suitable for all investors.

Distribution per share and distribution yield



Distribution shown is for A (mth) – USD share class

* Annualised yield is calculated based on the latest dividend distribution with dividend reinvested, and may be higher or lower than the actual annual dividend yield. Positive yields does not imply positive returns.

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.

Past payout yields and payments do not represent future payout yields and payments. Positive distribution yield does not imply positive return. Dividend is not guaranteed. Distributions may be paid out of capital an investor originally invested which includes realised losses if any and unrealised capital gains or losses attributable to that original investment; or paid out of distributable income which includes realised gains calculated on a per transaction basis net of fees and expenses, or paid out of both capital and distributable income. Any payments of distributions by the Fund are expected to result in a decrease in the net asset value per share on the ex-dividend date. Please refer to further income disclosures on www.jpmorgan.com/sg/am/per/

NEXT STEPS

For further information, please visit:

www.jpmorgan.com/sg/am/per/

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.

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

This document is meant for informational purposes only and is intended solely for the person to whom it is delivered. It is confidential and may not be reproduced or distributed, in whole or in part, to any third parties and in any jurisdiction without the express prior written consent of JPMorgan Asset Management (Singapore) Limited. This advertisement or publication has not been reviewed by the Monetary Authority of Singapore. It does not constitute investment advice and it should not be treated as an offer to sell or a solicitation of an offer to buy any fund, security, investment product or service. The information contained herein does not constitute J.P. Morgan research and should not be treated as such. Investment involves risks. Investments in funds are not deposits and are not considered as being comparable to deposits. Past performance is not a guarantee or necessarily indicative of future results and investors may not get back the full or any part of the amount invested. Dividend distributions if any are not guaranteed and are made at the manager's discretion. Fund's net asset value may likely have high volatility due to its investment policies or portfolio management techniques. Funds which are invested in emerging markets, smaller companies and financial derivative instruments may also involve higher risks and are usually more sensitive to price movements. Any applicable currency hedging process may not give a precise hedge and there is no guarantee that any hedging will be successful. Investors in a currency hedged fund or share class may have exposure to currencies other than the currency of their fund or share class. Not all investment ideas referenced are suitable for all investors. Investors should make their own investigation or evaluation or seek independent advice prior to making any investment. Opinions, estimates, forecasts, and statements of financial market trends are based on current market conditions and are subject to change without notice. The information provided herein should not be assumed to be accurate or complete and you should conduct your own verification. References to specific securities, asset classes and financial markets and any forecast contained herein are for illustrative purposes only and are not to be relied upon as advice or interpreted as a recommendation. J.P. Morgan accepts no legal responsibility or liability for any matter or opinion expressed in this material. The fund(s) mentioned in this document has/have been approved as recognised scheme(s) under the Securities and Futures Act, Chapter 289 of Singapore. Any offer or sale, or invitation for subscription or purchase of the Fund(s) must be accompanied with the relevant valid Singapore Offering Documents (which incorporates and is not valid without the relevant Luxembourg prospectus). Please refer to the Singapore Offering Documents (including the risk factors set out therein) and the relevant Product Highlights Sheet for details before any investment. Both the Singapore Offering Documents and the Product Highlights Sheet can be found at www.jpmorgan.com/sg/am/per/. To the extent permitted by applicable law, we may record telephone calls and monitor electronic communications to comply with our legal and regulatory obligations and internal policies. Personal data will be collected, stored and processed by J.P. Morgan Asset Management in accordance with <https://am.jpmorgan.com/sg/en/asset-management/per/privacy-statement/>. Issued by JPMorgan Asset Management (Singapore) Limited (Co. Reg. No. 197601586K). All rights reserved.