JPMorgan Investment Funds – Global Macro Opportunities Fund

For available share classes, please check the prospectus.

Topline

Markets – Global equity and fixed income markets were volatile but ended the month in contributed territory. A weaker-than-anticipated jobs report fuelled US recession concerns, catalysing a sell-off in markets and an unwind in carry trades. However, risk assets soon rebounded as the US soft-landing narrative regained momentum. The MSCI World Index and the JPM Global Government Bond Index rose 1.7% and 0.9%, respectively (hedged to the euro).

Helped – Short US large-cap equity and long German duration strategies.

Hurt – Short Australian dollar and short Japanese duration strategies.

Outlook – We leant back into risk following the equity correction, amid more attractive valuations and less extended positioning. We remain flexible to adjust exposures as the macroeconomic backdrop evolves.

Fund Overview

Investment objective

The Fund aims to achieve capital appreciation in excess of its cash benchmark[1] by investing primarily in securities, globally, using derivatives where appropriate.

Month in Review

- **Global equity and fixed income markets were volatile** but ended the month in contributed territory. A weaker-than-anticipated jobs report fuelled US recession concerns, catalysing a sell-off in markets and an unwind in carry trades. The MSCI World Index and the JPM Global Government Bond Index rose 1.7% and 0.9%, respectively (hedged to the euro).
- **US recession fears rose as a disappointing US jobs report** provided further evidence of deterioration in the labour market. The report followed a weaker-than-expected manufacturing data release, compounding the reaction in markets. Equities sold off, and we saw an unwind in carry trades, with particularly sharp moves in areas where investors had been positioned most heavily. Meanwhile, global government bonds rallied, and market expectations for near-term rate cuts in the US shifted aggressively.
- **The fund delivered contribution during the sell-off,** benefitting from short US large-cap equity strategies, including short Nasdaq. Our long German duration strategy added value as yields moved lower, though our short Japanese and US duration strategies detracted. We took profit on our short-bias equity strategies held via options and futures in the wake of the sell-off, re-risking the portfolio as we believed markets were too extended to the downside and the pricing of rate cuts was overdone.
- **The narrative shifted from a US recession to a soft landing** following the release of improving business and consumer confidence surveys and strong retail sales data later in the month. Further evidence of disinflation also pointed to a higher probability of a soft-landing scenario. Commentary from the US Federal Reserve, including Chair Jerome Powell's Jackson Hole speech, struck a balanced tone and supported a moderation in expectations for an imminent 50 basis-point cut. We benefitted from having increased our contributed net equity exposure. However, our short Australian dollar strategy detracted as the improvement in risk sentiment saw high-beta currencies contribute. Our long US dollar exposure, held versus short China and Eurocentric currencies to express relative growth and policy profiles, detracted, and we took the opportunity to increase our exposure in select pairs. Despite the improvement in investor sentiment, defensive equity sectors markedly contributed, and our healthcare strategy contributed most to long equity performance.

Looking Ahead

- **We leant back into risk following the equity correction,** amid more attractive valuations and less extended positioning. We continue to expect disinflation globally and are monitoring US data for any further deterioration in growth momentum.
- **We remain tactical in our exposures** to take advantage of near-term market volatility and retain the flexibility to adjust positioning as the macroeconomic backdrop evolves.

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.

[1] ICE 1 Month EUR LIBOR

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. Diversification does not guarantee positive returns or eliminate risks of loss.
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.jpmorgan.com/sg/am/per/.

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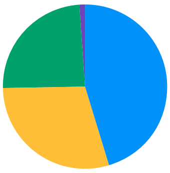
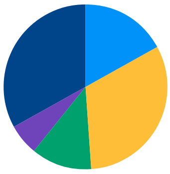
ASSET MANAGEMENT

Asset class risk (%)



Equity	45
Currency	29
Fixed income	24
Advanced derivatives	1
Gold	0

Regional risk (%)



Asia Pac ex-Japan	17
Emerging markets	32
Europe ex-UK	12
Japan	6
North America	33
UK	0

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Source for all charts: J.P. Morgan Asset Management, as at 31.08.2024. The pie charts represent the standalone volatility of each category as a proportion of the sum of standalone volatilities using two years of data. 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. 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.

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