JPMorgan Investment Funds – Global Macro Opportunities Fund

For available share classes, please check the prospectus.

Topline

Markets – Global equity and bond markets delivered contributions in July amid further evidence of disinflation and rising expectations for the US Federal Reserve (Fed) to deliver its first rate cut. The MSCI World Index and the JPM Global GBI rose 1.2% and 1.7% respectively (hedged to euro).

Helped – Long Japanese yen, long German duration and short US large-cap equity via options.

Hurt – Long select equity strategies, particularly cloud computing and emerging markets financial penetration.

Outlook – We believe markets will focus more on growth now that the disinflation is on a clearer path and that global growth momentum is moderating. We maintain negative portfolio beta with strong downside convexity.

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 bond markets delivered contributions in July** amid further evidence of disinflation and rising expectations for the Fed to deliver its first rate cut in September. The MSCI World Index and the JPM Global GBI rose 1.2% and 1.7% respectively (hedged to euro).
- **The disinflation trend continued to strengthen,** as US inflation came in lower than anticipated, which increased the likelihood that the Fed embarks on a rate cutting cycle starting in September. This caused global yields to move lower and supported our long German duration strategy, along with support from softening European data momentum.
- **The Bank of Japan (BoJ) diverged from other major central banks, delivering an interest rate hike** which had been underpriced by markets. Our view that domestic wage and inflation data meant BoJ policy action appeared more likely supported our long Japanese yen vs short US dollar, the biggest contributor to returns for the month, and we took some profit. Our expectation for a steeper path of rate hikes from here than is priced continues to support our short Japanese duration strategy.
- **Global growth momentum is softening** with continued deterioration in Europe and weakness persisting in China. US growth has remained resilient, but momentum has softened with mixed survey data and company earnings reports suggesting consumer weakness. As such, we continue to hold short China and Euro-centric currencies to express growth divergence through FX though in smaller size than earlier this year. The UK remained a brighter spot for growth and the election outcome brought political stability, both of which helped our long sterling strategy.
- **The recent equity rally suffered some disruption over the month** as mega-cap technology company earnings underwhelmed increasingly demanding expectations from investors relating to the monetization of artificial intelligence. This was exacerbated by narrow equity market performance year-to-date, stretched positioning and elevated valuations, and our long equity strategies detracted. We trimmed some of our software names ahead of the earnings season, which limited the losses. Meanwhile, our short US large cap equity derivatives strategies, including short the Nasdaq, contributed to returns and we took opportunities to take profit and de-gross portfolio exposures although we continue to hold short equity exposure at the portfolio level.

Looking Ahead

- **With disinflation coming through globally,** moderating global growth momentum, elevated equity valuations and uncertainty around the political landscape in the US and Europe have driven overall portfolio composition. We continue to monitor US data for any further deterioration in growth momentum and will flexibly adjust portfolio exposures where appropriate.
- **We maintain negative portfolio beta,** with strong downside convexity coming from options, which should benefit from any weakness in risk assets.

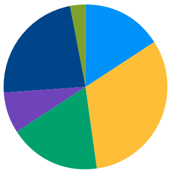
[1] ICE 1 Month EUR LIBOR

J.P.Morgan
ASSET MANAGEMENT

Asset class risk (%)

Equity	35
Fixed income	30
Currency	21
Advanced derivatives	14
Gold	0

Regional risk (%)



Asia Pac ex-Japan	16
Emerging markets	32
Europe ex-UK	18
Japan	8
North America	23
UK	3

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 for all charts: J.P. Morgan Asset Management, as at 31.07.2024. 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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