JPMorgan Investment Funds – Global Macro Opportunities Fund

For available share classes, please check the prospectus.

Topline

Markets – Global equity and bond markets delivered contributions as concerns about firmer inflation receded and growth remained solid. However, there was notable dispersion within equity markets as select technology names contributed considerably amid further excitement related to artificial intelligence (AI). The MSCI World Index and the JPM Global GBI rose 4.0% and 0.5%, respectively (hedged to euros).

Helped – Long US and UK duration strategies and long Japanese yen exposure.

Hurt – Short US large-cap exposure and long digital transformation and luxury equity strategies.

Outlook – Global growth remains firm, but we see less room for upside surprises, particularly in the US. Meanwhile, we continue to expect disinflation and believe market pricing for key central banks' policy paths looks fairer. We retain a modestly negative beta portfolio that would benefit from a pull-back in risk assets, and we continue to express a weak Chinese outlook in equities and currency.

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** as concerns about firmer inflation receded and growth remained solid. However, there was notable dispersion within equity markets as select technology names contributed considerably amid further excitement related to AI. The MSCI World Index and the JPM Global GBI rose 4.0% and 0.5%, respectively (hedged to euros).
- **Global growth remained solid,** with US growth remaining stable and the eurozone continuing to improve at the margin. This supported risk assets broadly, but the strongest equity returns were driven by a narrow set of technology companies that were propelled higher by AI excitement. Our long equity strategies detracted overall as we were less exposed to these contributions, and declines in our long positions in software and luxury names, driven by mixed earnings, offset gains elsewhere. Our short US large-cap equity derivatives also detracted, though we reduced our short exposure and held delta around neutral throughout May.
- **A break in the trend of firmer US inflation data** supported bond market returns as expectations grew for earlier rate cuts. With market pricing of policy paths looking fairer, we took profit on our long US and UK duration strategies. Later in the month, an upside surprise in UK inflation and wage data, and a move higher in global yields, led us to reintroduce long UK Gilts, this time versus short US Treasuries. Amid the yield move, we took profit on our long Japanese yen exposure and introduced long German Bunds as pricing for the European Central Bank's rate path looks light.
- **The Chinese authorities announced property stimulus measures** to tackle excess housing inventory. While initially well received, we believe the size is insufficient to address the severe structural issues in the property market. Weaker activity data and credit conditions also supported our continued negative view, and we added to our short Chinese equity strategy. We also increased our long US dollar versus short China-centric currency strategies.

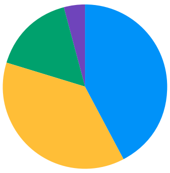
Looking Ahead

- **Global growth remains firm, but we see less room for upside surprises,** particularly in the US, where mixed data suggests a deceleration towards trend pace. We continue to expect disinflation and believe market pricing for key central banks' policy paths looks fairer, though the path may still be bumpy.
- **We retain a modestly negative beta portfolio** that would benefit from a pull- back in risk assets and are finding increased opportunity for tactical fixed income strategies. We continue to express a weak Chinese outlook through long US dollar versus China-centric currencies. We continue to use put options tactically to achieve negative equity delta with convexity, which may contribute more negative delta as they approach expiry or move close to the option strike.

[1] ICE 1 Month EUR LIBOR

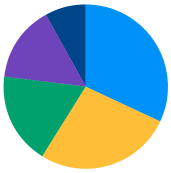
J.P.Morgan
ASSET MANAGEMENT

Asset class risk (%)



Currency	42
Equity	37
Fixed income	16
Advanced derivatives	4
Gold	0

Regional risk (%)



Asia Pac ex-Japan	32
North America	27
Europe ex-UK	18
UK	15
Emerging markets	8
Japan	0

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 31.05.2024. 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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