

JPMorgan Global Macro Opportunities Fund

APIR: PER0758AU ARSN: 611865948 ISIN: AU60PER07584

Topline

Monthly Total Return

Fund	Benchmark
▲ 3.10%	▲ 0.27%

Benchmark : Bloomberg AusBond Bank Bill Index

Markets Global equity and fixed income markets rebounded sharply in January amid further signs of global disinflation, better-than-feared activity data and China's re-opening. The MSCI World Index was up 6.2% and the JPM Global GBI was up 1.8% (hedged to Australian dollar).

Helped Long equity exposure, particularly our cloud computing and digital transformation strategies, long Nasdaq via options and long gold.

Hurt Short credit strategy and short Italian BTPs versus long German Bunds strategy.

Outlook We continue to see a shift towards cyclical recovery from a state of contraction, with Europe and China leading the way. An improved outlook is reflected in the portfolio through more pro-risk positioning, particularly in equity. We are monitoring closely for any upward shifts in the expected policy paths for key central banks, US growth data and Russia-Ukraine dynamics.

Total Returns are net of ongoing fees and expenses and are calculated on Bid - Bid with gross income reinvested.

Past performance is not a reliable indicator of current and future results.

Fund Overview

Investment objective

To achieve capital appreciation in excess of its cash benchmark by investing primarily in securities, globally, using financial derivative instruments where appropriate.

Month in Review

- **Global equity and fixed income markets rebounded sharply** in January amid further signs of global disinflation, better-than-feared activity data and China's re-opening. The MSCI World Index was up 6.2% and the JPM Global GBI was up 1.8% (hedged to Australian dollar). The fund return was positive, benefiting from our shift to a more pro-risk stance.
- **Growing evidence of easing inflationary pressures globally** fueled hopes of a slower pace of tightening by central banks and supported risk assets. Increasing net equity exposure early in the month benefited performance. Our long equity strategies added value, particularly our cloud computing and digital transformation strategies, as well as our long NASDAQ exposure via options on which we took profit. Switching our US dollar exposure from long to short versus long Japanese yen was also beneficial, while a weaker dollar also supported our long gold strategy, which we removed. To reflect our view that markets might be getting too optimistic about central banks slowing, we introduced a tactical short US duration strategy.
- **Activity data surprised to the upside in China and Europe**, supported respectively by the removal of further virus-related restrictions and an improved energy backdrop. Our China-exposed luxury consumer names performed well amid the re-opening. To reflect the better backdrop, we removed our long European healthcare and utilities relative value equity strategies and added long European basic resources equity via futures. We also switched our Australian dollar exposure from short to long and added long Euro versus short Swiss franc with both expressions having a positive beta.
- **While data was mixed in other regions, the probability rose for a global recovery.** This led us to reduce our defensive portfolio tilt beyond China and Europe. We added select semi-conductor names and removed our long US utilities and healthcare versus short US large-cap strategy. We also introduced a long Norwegian Krone versus short Swedish Krone strategy to reflect our view on divergent monetary policy.

Looking Ahead

- **We expect to see a continued shift towards cyclical recovery**, with Europe and China leading the way. However, we are monitoring closely for any upward shift in the expected policy paths, US growth data and Russia-Ukraine dynamic.
- **The portfolio is pro-risk with net equity exposure close to long-term average levels.** Meanwhile, we continue to hold strategies that may provide robustness to different outcomes, with a few defensive strategies in case of a set-back in the recovery. We remain flexible to adjust positioning should the backdrop alter.

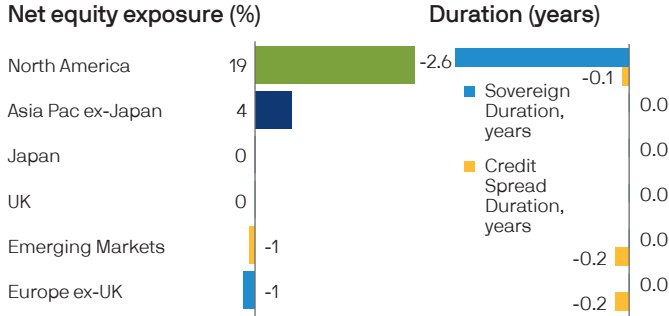
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All data is sourced by J.P. Morgan Asset Management and is correct as at the date of this commentary.

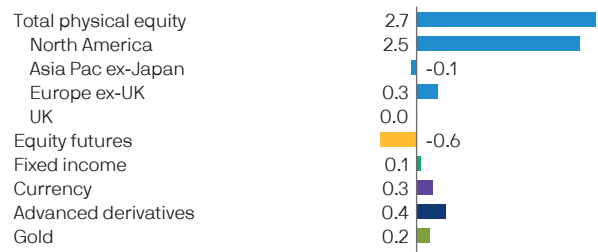
Performance and positioning

%	1M	3M	6M	1Y	2Y	3Y	5Y	Since inception
Fund	3.10	2.00	2.63	-4.60	-1.43	2.24	1.57	3.87
Benchmark	0.27	0.77	1.31	1.52	0.77	0.61	1.03	1.24
Outperformance (Total Return)	2.84	1.23	1.32	-6.12	-2.20	1.63	0.54	2.63

Past performance is not a reliable indicator of current and future results.
 Source: J.P. Morgan Asset Management, Bloomberg. Inception date: 05.02.2016. Total Returns are net of ongoing fees and expenses and are calculated on Bid – Bid with gross income reinvested. Returns for periods greater than one year are annualized.



1 Month contribution analysis (%)



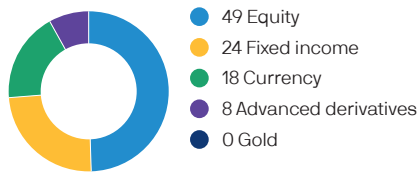
Net equity region and sector positioning (%)

	Asia Pac ex-Japan	Emerging markets	Europe ex-UK	Japan	North America	UK	Sector total
Communication services	0	0	0		2		1
Consumer discretionary	-1	0	0		5	0	5
Consumer staples	0	0	0		1	0	1
Energy	0	0	0		0	0	-1
Financials	5	0	-1		0	0	3
Healthcare	0	0	0		3	0	3
Industrials	0	0	-1		-4	0	-5
Information technology	1	0	-1		11	0	11
Materials	3	0	0		0	0	2
Real estate	0	0	0		0		0
Utilities	0	0	0		2	0	2
Region total	7	0	-3	0	19	0	21

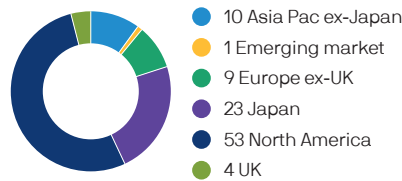
Active currency positions and gold (%)

JPY	AUD	NOK	EUR	INR	THB	NZD	TWD	GBP	SEK	CHF	USD	Gold
20	5	4	4	2	2	-2	-2	-2	-4	-4	-23	0

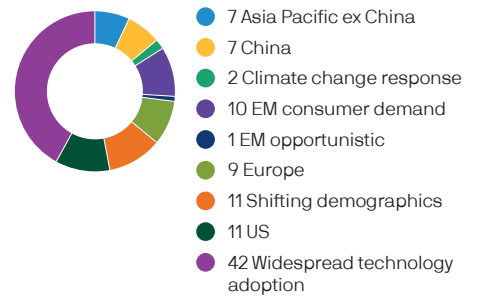
Asset class risk (%)



Regional risk (%)



Theme risk (%)



Ex-ante fund volatility: 6.8%

Source for all charts: J.P. Morgan Asset Management, as at 31.01.2023. Contribution data based on gross of fees returns. Positioning data rounded to the nearest whole number. Duration excludes inflation and credit default swaps. Values rounded to zero are not included in the equity delta region and sector positioning table. Ex-ante volatility is calculated with a 2-year look back and a 6-month half life (prior to 31 January 2018 a 3-month half life was used). 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.

Key Risks

It is important to understand that the value of investments may rise or fall, investment returns are not guaranteed and it is possible that investors may lose their money. The appropriate level of risk for each person depends on a range of factors, including age, investment timeframe and the investor's risk profile. For more detailed information relating to the risks of the Fund, please refer to the relevant Product Disclosure Statement and Target Market Determination available on the website.

Notes

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