

# JPMorgan Global Macro Opportunities Fund

APIR: PER0758AU ARSN: 611865948 ISIN: AU60PER07584

## Topline

Monthly Total Return Fund	Benchmark
▼ -2.13%	▼ -0.02%
<p><b>Benchmark :</b> Bloomberg AusBond Bank Bill Index</p> <p><b>Markets</b> Global equity and fixed income markets sold off in April as inflation remained elevated and renewed lockdowns in China and the war in Ukraine caused further disruptions. The MSCI World was down 7.3% and the JPM Global GBI fell 2.8% (hedged to Australian dollar).</p> <p><b>Helped</b> Our short-biased equity futures and options held for protection from a risk-off environment, and currency strategies held for diversification.</p> <p><b>Hurt</b> Long equity exposure, particularly in more growth-oriented tech names, and our media streaming strategy.</p> <p><b>Outlook</b> We view the world as being in a cyclical slowdown, with the risk of moving into contraction. Tightening financial conditions, falling real disposable incomes, negative fiscal impulses and cautious sentiment support this view and a modest level of portfolio risk in the medium term. Meanwhile, in the shorter term, we continue to tactically adjust our exposures to take advantage of elevated market volatility.</p>	

\*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 sold off in April** as inflation remained elevated and renewed lockdowns in China and the war in Ukraine caused further disruptions. The MSCI World was down 7.3% and the JPM Global GBI fell 2.8% (hedged to Australian dollar). The fund return was negative.
- **Inflationary pressures remained in focus** as elevated inflation data and strong labour markets prompted central banks to further tighten monetary policy. Comments from the US Federal Reserve were incrementally hawkish and expectations for an accelerated tightening path led to a sharp move higher in global bond yields. Against this backdrop, our long equity exposure delivered negative returns, particularly tech which is more sensitive to higher discount rates. However, our short Nasdaq strategy via futures, which we held to tactically hedge some of our long tech exposure, added value. Within long equity, our global media streaming strategy was another key detractor, driven by negative earnings updates, which highlighted a higher market penetration rate and lower structural profitability than previously expected, and we removed the strategy from the portfolio. Meanwhile, our long US large-cap put options and short-biased equity futures held for portfolio protection, which we tactically adjusted over the month, provided positive performance.
- **An escalation of Covid-19 outbreaks in China triggered more lockdowns** in a number of cities and provinces, weighing on global manufacturing surveys and renewing concerns around global supply chain disruptions. In this environment of growing downside risks to growth, our long US dollar versus China-sensitive currencies such as Australian dollar and South African rand, held for diversification benefits, added value. Given nearer term risks in the region, we took profit on our long Chinese renminbi versus short Taiwanese dollar strategy.

## Looking ahead

- **We view the world as being in a cyclical slowdown**, with the risk of moving into contraction, with growth risks in particular seen in Europe and China. Tightening financial conditions, falling real disposable incomes, negative fiscal impulses and cautious sentiment support this view and a modest level of portfolio risk in the medium term.
- **We expect markets to remain volatile and seek to take advantage of this by flexibly adjusting our exposures** in the shorter term, while maintaining protection via equity options and defensive currency strategies.

Opinions, estimates, forecasts, projections and statements of financial market trends are based on market conditions at the date of the publication, constitute our judgment and are subject to change without notice. There can be no guarantee they will be met. Provided for information only, not to be construed as investment recommendation or advice. All data is sourced by J.P. Morgan Asset Management and is correct as at the date of this commentary.

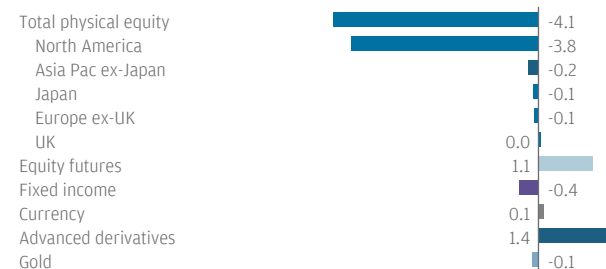
## Performance and positioning

%	1M	3M	6M	1Y	2Y	3Y	5Y	Since inception
<b>Fund</b>	-2.13	-4.52	-8.78	-6.60	2.51	3.07	5.91	4.38
<b>Benchmark</b>	-0.02	-0.01	0.01	0.02	0.04	0.40	0.99	1.14
<b>Outperformance (Total Return)</b>	-2.11	-4.51	-8.79	-6.62	2.47	2.67	4.92	3.24

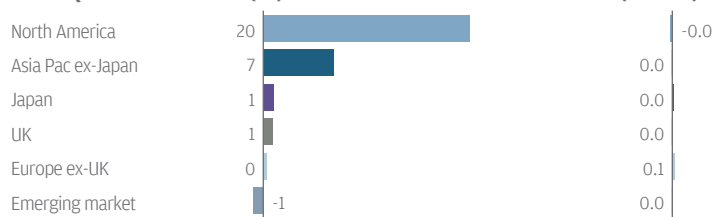
Past performance is not a reliable indicator of current and future results.

Source: J.P. Morgan Asset Management, Bloomberg. Inception date: 2 May 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 annualised.

### 1 MONTH CONTRIBUTION ANALYSIS (%)



### NET EQUITY EXPOSURE (%)



### DURATION (YEARS)



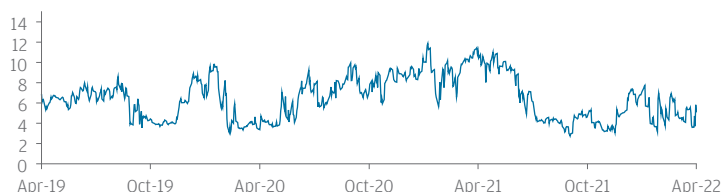
### NET EQUITY REGION AND SECTOR POSITIONING (%)

	Asia Pac ex-Japan	Emerging markets	Europe ex-UK	Japan	North America	UK	Sector total
Communication services	0	0	0	0	2	0	1
Consumer discretionary	0	0	0	0	4	0	4
Consumer staples	0	0	0	0	1	0	0
Energy	0	0	0	0	0	0	-1
Financials	6	0	-2	0	2	0	6
Healthcare	0	0	2	0	4	1	7
Industrials	0	0	-1	0	0	0	0
Information technology	1	0	-1	1	8	0	8
Materials	0	0	-1	0	0	0	-1
Real estate	0	0	0	0	0	0	0
Utilities	0	0	2	0	1	0	3
<b>Region total</b>	<b>7</b>	<b>-1</b>	<b>0</b>	<b>1</b>	<b>20</b>	<b>1</b>	<b>28</b>

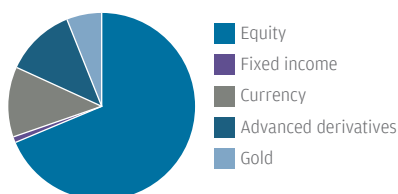
### ACTIVE CURRENCY POSITIONS AND GOLD (%)

Currency	USD	IDR	MXN	JPY	COP	INR	ZAR	AUD	Gold
Position (%)	10	3	1	1	-1	-3	-4	-7	4

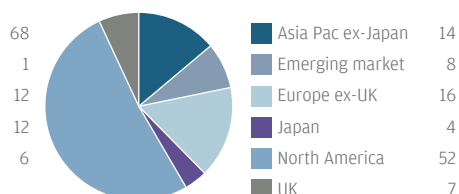
### EX-ANTE VOLATILITY (%)



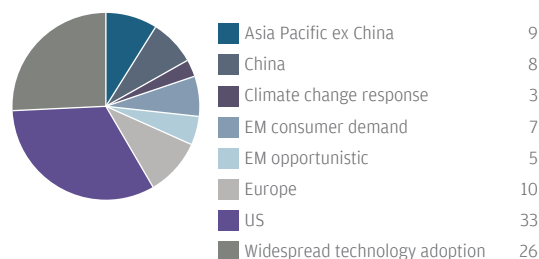
### ASSET CLASS RISK (%)



### REGIONAL RISK (%)



### THEME RISK (%)



Source for all charts: J.P. Morgan Asset Management, as at 30.04.2022. 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**

The Fund is subject to **Investment risks** and **Other associated risks** from the techniques and securities it uses to seek to achieve its objective. The table on the right explains how these risks relate to each other and the **Outcomes to the Unitholder** that could affect an investment in the Fund. **Please refer to the Product Disclosure Statement, Target Market Determination and Reference Guide for more information.**

**Investment risks** *Risks from the Fund's techniques and securities*

<b>Techniques</b>	<b>Securities</b>	
Concentration	China	- Investment grade debt
Derivatives	Commodities	- Government debt
Hedging	Convertible securities	- Unrated debt
Short position	Debt securities	Emerging markets
	- Below investment grade debt	Equities

**Other associated risks** *Further risks the Fund is exposed to from its use of the techniques and securities above*

Credit	market	Currency
Liquidity	Interest rate	

**Outcomes to the Unitholder** *Potential impact of the risks above*

<b>Loss</b> Unitholder could lose some or all of their money.	<b>Volatility</b> Units of the Fund will fluctuate in value.	<b>Failure to meet the Fund's objective.</b>
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**NOTES**

This information has been provided by JPMorgan Asset Management (Australia) Limited (ABN 55143832080) (AFSL 376919), the manager of the fund featured in this document. Perpetual Trust Services Limited (ABN 48 000 142 049) (AFSL 236648) is the fund's Responsible Entity. This document is for information purposes only and should not be taken as containing any financial product advice or recommendation. It does not take into account an individual's financial circumstances. Investors should consider the Product Disclosure Statement and Target Market Determination of the fund (available from [www.jpmorganam.com.au](http://www.jpmorganam.com.au)) to understand the various risks associated with investing in the fund and in making any investment decision. Past performance is not a reliable indicator of future performance and investors may not get back the full amount invested. Future performance and return of capital is not guaranteed. Information is considered correct at the time of issue but no liability for errors or omissions will be accepted by JPMorgan Asset Management (Australia) Limited or its affiliates. This document is confidential and intended solely for the person to whom it is provided by the issuer. Bloomberg Finance L.P. and its affiliates (collectively, "Bloomberg") are not affiliated with the Manager or the Responsible Entity and do not approve, endorse, review, or recommend the Fund. Bloomberg and the Benchmark are trademarks or service marks of Bloomberg and have been licensed to the Manager. Bloomberg does not guarantee the timeliness, accurateness, or completeness of any data or information relating to the Benchmark. Personal data will be collected, stored and processed by J.P. Morgan Asset Management in accordance with our privacy policies at <https://am.jpmorgan.com/global/privacy>.