

JPMorgan Global Macro Opportunities Fund

APIR: PER0758AU ARSN: 611865948 ISIN: AU60PER07584

Topline

Monthly Total Return Fund	Benchmark
▼ -0.69%	▲ 0.00%
<p>Benchmark: Bloomberg AusBond Bank Bill Index</p> <p>Markets Global equity markets sold off in September amid continued signs of a deceleration in economic activity and uncertainty in the Chinese outlook, while government bond yields rose in response to higher energy prices and a more hawkish than expected policy stance from major developed market central banks.</p> <p>Helped Our short-biased equity futures and options held for protection from a risk-off environment, and long US dollar versus short South African rand and Korean won strategy held for diversification.</p> <p>Hurt Our long equity exposure, particularly select names sensitive to higher rates in tech and consumer discretionary.</p> <p>Outlook We maintain a cautious portfolio, holding protection via equity options and diversifying currency strategies, but remain flexible to lean back into risk as global growth data improves, valuations become more attractive and virus concerns fade.</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 markets sold off in September** amid continued signs of a deceleration in economic activity and uncertainty in the Chinese outlook, while government bond yields rose in response to higher energy prices and a more hawkish than expected policy stance from major developed market central banks. The MSCI World Index was down -3.7% and the JPM GBI Index was down -1.2% (hedged to Australian dollar). The fund return was negative.
- **A continued downturn in global growth data weighed on investor sentiment**, with Purchasing Managers' Indices weaker than expected as supply chain disruption continues to weigh on business and consumer sentiment. In this environment, our long equity strategies detracted in aggregate, with higher growth sectors such as tech and consumer discretionary weighing on returns. Despite this backdrop, our global media streaming strategy performed well on idiosyncratic drivers as sentiment was supported by upcoming content releases and improved subscriber growth expectations.
- **China growth concerns escalated further** amid news of the potential default of a large Chinese property developer and its spill-over effects on confidence and the broader economy. Our long UK versus short basic resources equity strategy, held to reflect a slowdown in Chinese growth and concerns around new regulations, performed well in this environment. Given increased risks for an incremental deceleration in global growth, we added to our protection strategies via short US and emerging market equity futures and long European equity put options, which added value over the month and caused our net equity exposure to move lower.
- **Monetary policy came into focus** as global bond yields moved higher in response to a sharp rise in energy prices and a more hawkish than expected policy stance from major developed market central banks. The US Federal Reserve gave advance notice of tapering being warranted soon and signalled interest rate increases may follow faster than previously expected. The Bank of England delivered a similar hawkish shift, bringing forward pricing of rate hikes to early next year. Our long financials equity exposure delivered positive performance, along with our long US dollar exposure versus South African rand and Korean won strategies, which we held for portfolio diversification benefits.

Looking ahead

- **We maintain a cautious portfolio, with some protection** via equity options and diversifying currency strategies to protect from higher yields and continued slowdown, but remain flexible to lean back into risk as global growth data improves, valuations become more attractive and virus concerns fade.
- **We are closely monitoring the persistence of higher inflation**, particularly amid the recent upward pressure from energy prices. With the expectation of inflation at these levels to be transitory, we remain focused on the direction of monetary policy and speed of normalisation.

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.

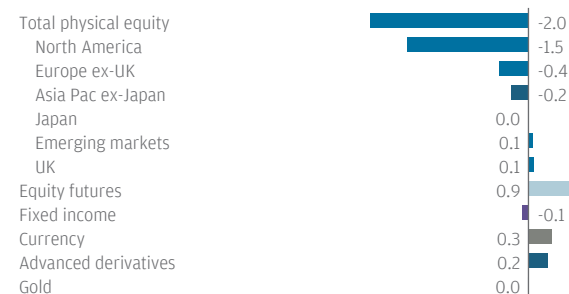
Performance and positioning

%	1M	3M	6M	1Y	2Y	3Y	5Y	Since inception
JPMorgan Global Macro Opportunities Fund (Total Return)	-0.69	0.10	1.80	10.90	7.85	7.66	6.90	6.36
Benchmark	0.00	0.01	0.01	0.04	0.31	0.79	1.20	1.26
Outperformance (Total Return)	-0.69	0.09	1.79	10.86	7.54	6.87	5.70	5.10

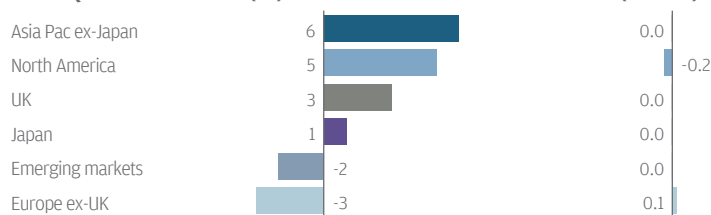
Past performance is not a reliable indicator of current and future results.

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.

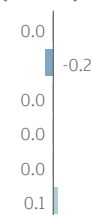
1 MONTH CONTRIBUTION ANALYSIS (%)



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	1	0	-1	0	3	0	3
Consumer staples	0	0	-1	0	1	0	0
Energy	0	0	0	0	-1	0	-1
Financials	4	1	0	0	0	0	6
Healthcare	0	0	1	0	1	2	3
Industrials	0	0	0	0	0	0	0
Information technology	1	-1	-1	1	-1	0	-2
Materials	0	0	-2	0	-1	0	-3
Real estate	0	0	0	0	-1	0	-1
Utilities	0	0	1	0	2	0	3
Region total	6	-2	-3	1	5	3	9

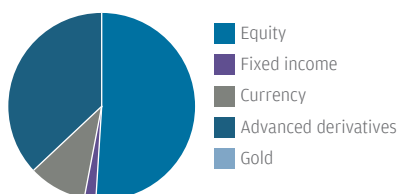
ACTIVE CURRENCY POSITIONS AND GOLD (%)

CNH	USD	JPY	MXN	KRW	ZAR	TWD	Gold
5	5	4	-2	-3	-4	-5	0

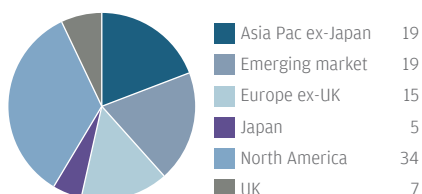
EX-ANTE VOLATILITY (%)



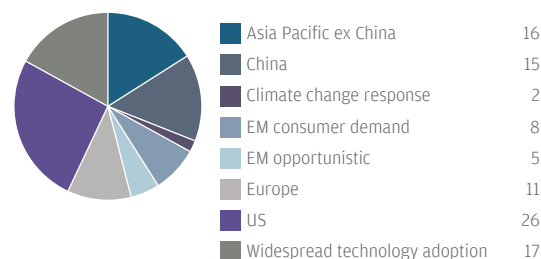
ASSET CLASS RISK (%)



REGIONAL RISK (%)



THEME RISK (%)



Source for all charts: J.P. Morgan Asset Management, as at 30.09.2021. 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*

Techniques	Securities	
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 Liquidity	market Interest rate	Currency
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Outcomes to the Unitholder *Potential impact of the risks above*

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

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