

JPMorgan Global Macro Opportunities Fund

APIR: PER0758AU ARSN: 611865948 ISIN: AU60PER07584

Topline

Monthly Total Return Fund	Benchmark
▼ -2.03%	▲ 0.00%
<p>Benchmark : Bloomberg AusBond Bank Bill Index</p> <p>Markets Equity markets were volatile but ultimately rebounded and fixed income markets moved lower in March, as sentiment recovered with gas and oil continuing to flow from Russia despite its invasion of Ukraine, and investors adjusted for what had been light positioning in risk assets. The MSCI World was up 3.0% and JPM Global GBI fell 2.2% (hedged to Australian dollar).</p> <p>Helped Long exposure to defensive equity sectors such as utilities and healthcare, and quality growth names in cloud computing.</p> <p>Hurt Short-biased equity futures and options held for protection from a risk-off environment, and currency strategies held for diversification from tighter financial conditions.</p> <p>Outlook We maintain a cautious portfolio amid continued heightened volatility stemming from elevated inflation forcing fast policy normalisation, renewed lockdowns in China and the Russian invasion of Ukraine. We are closely monitoring indicators of activity and how markets digest the sharp re-pricing in rates.</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

- **Equity markets were volatile but ultimately rebounded** and government bond markets moved lower in March, as sentiment recovered, with gas and oil continuing to flow from Russia despite its invasion of Ukraine, and investors adjusted for what had been light positioning in risk assets. The MSCI World was up 3.0% and JPM Global GBI fell 2.2% (hedged to Australian dollar). The fund return was negative.
- **Sanctions on Russia that left its energy markets largely out of scope sparked investor optimism** and re-risking on technical factors. Against this backdrop, our low level of portfolio risk that reflected a less positive macro outlook hindered performance. Strategies held to provide protection from a risk-off environment detracted, particularly our short-biased equity futures and options in the US and Europe. Our long US dollar versus short South African rand and Australian dollar strategies, held to reflect the view that risk assets could be negatively impacted by tighter financial conditions, also detracted. Meanwhile, our select quality growth equity names in cloud computing, long defensive sector exposures via futures, and select names in healthcare and utilities, held to reflect the cyclical slowdown environment and to which we added, delivered positive returns.
- **The US Federal Reserve (the Fed) raised rates** amid labour market strength and elevated inflation. The meeting was hawkish, with Fed members forecasting a median of six rate hikes and several expecting hikes in increments of 0.5%. This prompted a further sharp move higher in bond yields reflecting an accelerated path of policy normalisation, causing our long Australian government bond strategy to detract, and we reduced our exposure. We added a short Nasdaq strategy via futures in reflection of the sensitivity of long-duration equity assets to higher rates. Meanwhile, we also added gold for its risk-off properties and positive correlation to inflation and oil prices.

Looking ahead

- **Underlying inflation trends remain very strong** in developed markets. China imposing further lockdowns and higher commodity prices from the war in Ukraine are adding further upward inflationary pressure, leading to more hawkish central bank policy. We expect this policy shift to lead to slowing growth.
- **Much of the world is in a cyclical slowdown**, with increased risk of moving into contraction, particularly in Europe. We are closely monitoring indicators of activity, how the shifting environment is impacting policy and how markets digest the sharp re-pricing in rates.
- **We maintain a low level of portfolio risk** and protection via equity derivatives and currency strategies. We expect to remain flexible in our exposures, as market volatility is likely to persist.

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
Fund	-2.03	-5.92	-5.38	-3.68	3.94	4.42	6.49	4.82
Benchmark	0.00	0.01	0.02	0.04	0.07	0.46	1.02	1.16
Outperformance (Total Return)	-2.03	-5.93	-5.40	-3.71	3.87	3.96	5.47	3.66

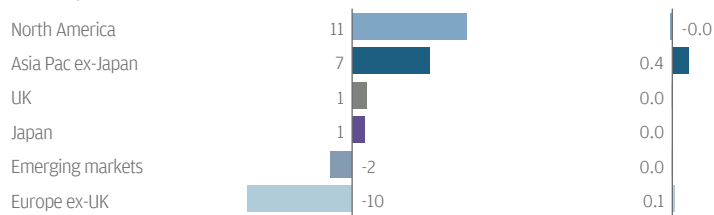
Past performance is not a reliable indicator of current and future results.

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)



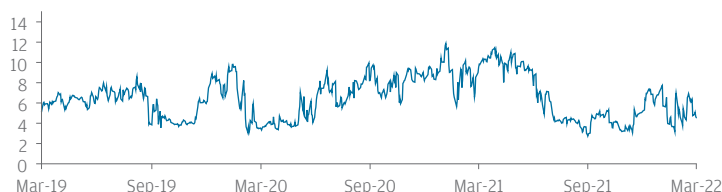
NET EQUITY REGION AND SECTOR POSITIONING (%)

	Asia Pac ex-Japan	Emerging markets	Europe ex-UK	Japan	North America	UK	Sector total
Communication services	0	0	0	0	2	0	2
Consumer discretionary	0	0	-2	0	2	0	0
Consumer staples	0	0	-1	0	0	0	-2
Energy	0	-1	-1	0	-1	0	-2
Financials	6	0	-2	0	2	0	5
Healthcare	0	0	1	0	3	1	5
Industrials	0	0	-2	-1	-1	0	-3
Information technology	1	0	-2	1	2	0	2
Materials	0	0	-2	0	0	0	-2
Real estate	0	0	0	0	0	0	-1
Utilities	0	0	2	0	2	0	4
Region total	7	-2	-10	1	11	1	9

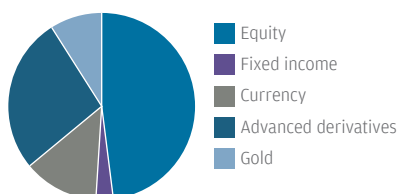
ACTIVE CURRENCY POSITIONS AND GOLD (%)

USD	CNH	IDR	INR	TWD	AUD	ZAR	Gold
11	4	3	-3	-4	-5	-7	6

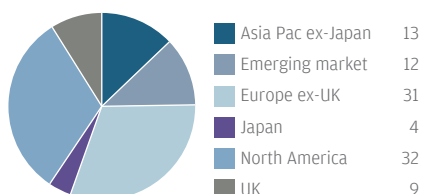
EX-ANTE VOLATILITY (%)



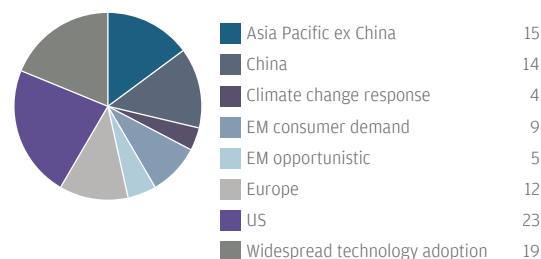
ASSET CLASS RISK (%)



REGIONAL RISK (%)



THEME RISK (%)



Source for all charts: J.P. Morgan Asset Management, as at 31.03.2022. 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*

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	market	Currency
Liquidity	Interest rate	

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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