

JPMorgan Short Duration High Yield Strategy

Separately Managed Account

Topline (2Q 2024)

Strategy (gross)	Strategy (net)	Benchmark
▲ 1.27%	▲ 0.89%	▲ 1.18%
Benchmark: Bloomberg US High Yield 1-5 Year BB/B Registered Only 2% Capped Index		
Markets The high-yield market generated a return of 1.1% during the second quarter, as spreads moved modestly wider and yields increased by 0.2%. Fundamentals remain favorable, with leverage below the long-term average, and technicals are supportive as yields near 8% continue to drive demand.		
Helped Security selection in the financial (other), cable satellite and gaming sectors aided performance.		
Hurt Security selection in the pharmaceuticals, technology and diversified manufacturing sectors weighed on performance.		
Outlook High yield will likely generate carry-like returns until there is a shift in macro sentiment. Issuers continue to perform well, but this is reflected in valuations with spreads trading near their all-time tights.		

Past performance is not indicative of future returns. Please see following page for additional performance.

Strategy Overview

Designed to provide a high level of income with lower volatility than the broad high yield market.

Approach

- Invests in a diversified portfolio of high yield (below investment grade) corporate debt securities
- Focuses on higher quality, more liquid issues rated B/BB or better
- Seeks to maintain a duration of 1.5 to 3 years under most market conditions
- Combines bottom-up analysis with top-down insights, actively managing credit profile against market risk

Quarter in Review

- The JPMorgan Short Duration High Yield SMA Strategy outperformed (Gross of Fees) its benchmark the Bloomberg U.S. High Yield Ba/B 1-5 Year Registered Only Issuer Capped Index, for the quarter ending June 30, 2024.
- Strong security selection in the financial (other), cable satellite and gaming sectors contributed to performance.
- Underweights to Cablevision and Uniti Group, in addition to an overweight to Icahn Enterprises, contributed to performance.
- The primary detractors from returns were security selection in the pharmaceuticals, technology and diversified manufacturing.
- Overweights to EchoStar and iHeartMedia and an underweight to Bausch Healthcare all detracted from performance.

Looking Ahead

- The default rate is expected to finish 2024 near 2%, well below its long-term average.
- Potential impacts to inflation as the result of U.S. and global elections could impact investor sentiment throughout the year.
- An elevated starting yield and lower interest-rate duration position high yield for solid carry with lower volatility.

Performance

Yield (%)

Yield to maturity	6.29
Yield to worst	6.23

Yield to maturity (YTM): is the estimated total return anticipated on a bond or other obligation if the obligation is held until maturity and if all payments are made as scheduled.

Yield to worst (YTW) is the lower of a bond or other obligation’s yield to maturity (YTM) and yield to call (YTC). **Gross YTW** is calculated by averaging the YTW of each obligation held in the portfolio on a market weighted basis without the deduction of fees and expenses. YTM is calculated as described next to the YTM figures. YTC is calculated the same way as YTM, but assumes that a bond or other obligation will be called or repurchased by the issuer before its maturity date (generally the next call date), and that the portfolio will be paid a call price (generally a percentage of the then-current face value of the obligation) on the call date. Gross YTW, YTM and YTC are not a guarantee nor necessarily indicative of future performance or income generation.

Return (%)

	3 mos	YTD	1 yr	3 yrs	5 yrs	10 yrs
Strategy (gross of fees)	1.27	2.51	8.18	2.96	3.56	3.75
Strategy (net of max. allowable fees - 150 bps) ²	0.89	1.75	6.58	1.43	2.02	2.20
Benchmark	1.18	2.73	9.23	3.30	4.66	4.55

Benchmark: Bloomberg US High Yield 1-5 Year BB/B Registered Only 2% Capped Index
Past performance is not indicative of future returns. Performance includes the reinvestment of any income.

²Please note, actual fees associated with this strategy may be lower.

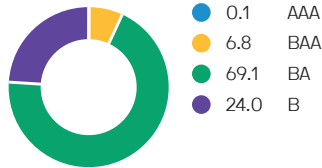
Portfolio Analysis

Average price	\$97.65
Average maturity (years)	3.13
OAS	154.51
Average coupon (%)	5.46
Average life (years)	2.62

Source: J.P. Morgan Asset Management, FactSet.
The above characteristics are from a representative portfolio. Actual account characteristics of individual accounts may be different. Portfolio characteristics are as of 6/30/2024 and are based on individual securities in the Portfolio on that date. Securities in the Portfolio are subject to change. Statistics shown are not indicative of future statistics and are not representative of future Portfolio performance.

Holdings

Credit Quality (%)

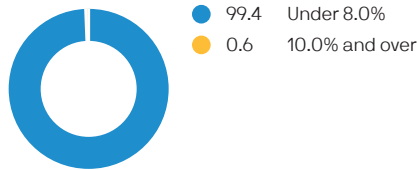


Certain holdings may not be included due to de minimis values and rounding. Values may not total 100%.

Sectors

Sector	Weighting	Compared to Benchmark
Basic Industry	7.9	2.7
Capital Goods	8.9	-1.2
Communications	5.0	-4.1
Consumer Cyclical	21.7	1.4
Consumer Noncyclical	13.3	5.8
Energy	18.6	2.7
Finance	12.0	-5.9
Industrial Other	2.3	-0.8
Other - Cash	0.1	0.1
Technology	4.7	-0.1
Transportation	1.8	-0.1
Utility	3.7	-0.5

Yield to Maturity(%)



General Disclosures

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Risk Summary

Investments in bonds and other debt securities will change in value based on changes in interest rates. If rates rise, the value of these investments generally drops.
Investments in derivatives may be riskier than other types of investments. They may be more sensitive to changes in economic or market conditions than other types of investments. Derivatives may create leverage, which could lead to greater volatility and losses that significantly exceed the original investment.
Securities rated below investment grade are considered "high-yield," "non-investment grade," "below investment-grade," or "junk bonds." They generally are rated in the fifth or lower rating categories of Standard & Poor's and Moody's Investors Service. Although they can provide higher yields than higher rated securities, they can carry greater risk.
Opinions and estimates offered constitute our judgment and are subject to change without notice, as are statements of financial market trends, which are based on current market conditions. We believe the information provided here is reliable, but do not warrant its accuracy or completeness.
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Composite
The composite includes all discretionary separately managed accounts invested according to JPMIM's Short Duration High Yield strategy. The strategy invests in diversified portfolio of high yield (below investment grade) corporate debt securities. It focuses on

higher quality, more liquid issues rated B/BB or better. It seeks to maintain a duration of 1.5 to 3 years under most market conditions. It combines bottom-up analysis with top-down insights. The Strategy primarily seeks to buy and hold securities, but is actively managed to reduce downside credit risk. From August 1, 2017, Accounts with a minimum market value of \$240,000 are included in the composite. The inception date is May 1, 2012.

Credit Quality

J.P. Morgan Investment Management (JPMIM) receives credit quality ratings on underlying securities of the portfolio from the three major ratings agencies – S&P, Moody's and Fitch. When calculating credit quality breakdown, JPMIM selects the middle rating of the agencies when all three rate a security, the lower of two ratings if only two rate a security, and one rating if that is all that is provided. Securities that are not rated by all three agencies are reflected as such.

Indexes

Separately Managed Accounts have fees that reduce their performance: indexes do not. You cannot invest directly in an index.
Effective August 01, 2017, the benchmark is the Bloomberg U.S. HY 1-5 Year BB/B Registered Only 2% Capped Index. Prior to August 01, 2017, the benchmark was the BofA ML 1-5 Yr U.S. Cash Pay High Yield Constrained Index.
Past performance is no guarantee of future results.

Portfolio Analysis Definitions

Option-adjusted spread (OAS) is the spread relative to a risk-free interest rate, usually measured in basis points, that equates the theoretical present value of a series of uncertain cash flows of an instrument to its current market price. OAS can be viewed as the compensation an investor receives for assuming a variety of risks (e.g. liquidity premium, default risk, model risk), net of the cost of any embedded options.

Average Life: The length of time the principal of a debt issue is expected to be outstanding.

Entities

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