

# Portfolios made personal

Separately managed accounts offer you more control over your investments and taxes

## A separately managed account (SMA) isn't just a portfolio.

It's your portfolio—built with your unique needs in mind and managed according to parameters that can be customized by you and your financial professional. Whether it's growing net worth, increasing retirement income, aligning your portfolio to your personal beliefs or pursuing other goals, SMAs give you a greater voice in what your portfolio owns and how it's traded and taxed.

### What is an SMA?

Like mutual funds and exchange-traded funds (ETFs), SMAs are diversified baskets of stocks or bonds managed by teams of professionals. The key difference is what you own as an investor. With a mutual fund or ETF, you and many other investors own shares of the fund, not the individual stocks or bonds inside the fund. With an SMA, you directly own those stocks or bonds in an account separate from others, giving you flexibility in tailoring strategies to your personal preferences and tax needs.

SMAs are available through financial professionals in a variety of asset classes, styles and risk levels to fulfill different roles within a well-diversified portfolio.

### Are SMAs right for you?

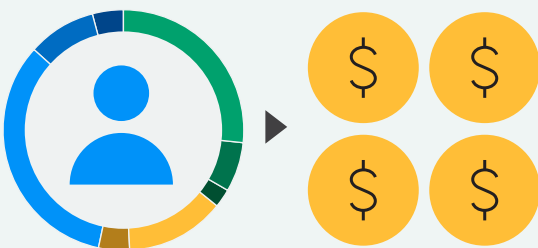
Their unique features may be beneficial if you:

- Have specialized or sophisticated needs requiring more personal attention
- Are in a high tax bracket or concerned about exposure to capital gains
- Want input into how investments are managed but don't have the time, resources or desire to do it yourself
- Need to diversify a portfolio currently concentrated in specific companies or sectors—for example, company stock from your employer
- Want portfolio holdings to reflect your personal values and priorities

## What makes SMAs unique?

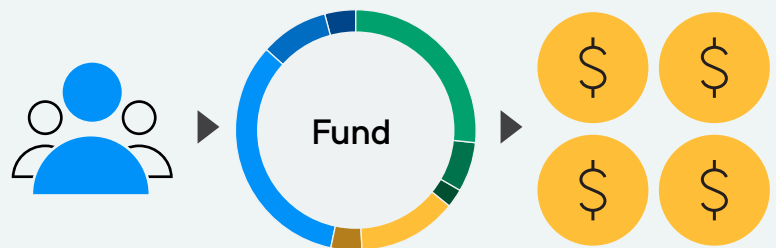
Direct ownership of stocks or bonds

### Separately Managed Account



You directly own the individual stocks or bonds in the SMA

### Mutual Fund/ETF



You and many other investors own shares of the fund

The fund (not the investor) holds the underlying stocks or bonds in the fund

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# Key benefits of SMAs



## Enhanced tax management

With an SMA, you own the underlying stocks or bonds directly and have a cost basis for each individual security. That gives you and your financial professional more control over realizing capital gains or losses to help reduce taxes and increase after-tax return potential.



## Portfolio customization

SMAs allow you and your financial professional to establish reasonable guidelines for managing investments in line with your personal beliefs and needs. For instance, you could restrict investment in specific companies or direct target income exempt from your home state's taxes.



## Broad transparency

Many SMAs offer regular reports and real-time account access showing exactly what you own and how it's performing. You may also get a clear view of account balances, transactions, fees, cost basis and other information needed to monitor progress and manage taxes.



## Investment expertise

J.P. Morgan SMAs are guided by teams of experienced portfolio managers, analysts and traders with access to in-depth research and advanced technologies. This professional oversight—combined with an SMA's customization and tax efficiencies—provides a level of service and sophistication once reserved for only large institutions.

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## Examples of customizing SMAs

- Exclude certain companies or industries to avoid overexposure
- Set parameters for credit quality, duration, state exposure and many other characteristics
- Align portfolio holdings with moral, social, political or environmental values

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## Examples of managing taxes with SMAs

- Offset gains from some securities with losses from others
- Sell higher-cost shares to limit taxable gains
- Fund accounts with existing securities to avoid selling at a profit and triggering taxes
- Avoid capital gains distributions typically paid each year by mutual funds and ETFs

# Compare your investment choices

	Separately Managed Account	Exchange-Traded Fund	Mutual Fund
<b>What it is</b>	Professionally managed portfolio Investors directly own the individual stocks or bonds in the portfolio	Professionally managed portfolio that trades on an exchange Investors hold shares of the portfolio, not the underlying stocks or bonds	Professionally managed portfolio Investors hold shares of the portfolio, not the underlying stocks or bonds
<b>Direct ownership of securities</b>	Yes	No	No
<b>Tax efficiency</b>	High	Moderate	Low
<b>Portfolio customization</b>	Yes	No	No
<b>Funding</b>	Existing securities and/or cash	Cash only	Cash only
<b>Diversification</b>	May be limited by account size	Broad, typically hundreds of stocks or bonds	Broad, typically hundreds of stocks or bonds
<b>Access to assets</b>	Throughout trading day	Throughout trading day	End of day
<b>Minimum investment</b>	Typically \$50,000 or more*	Price of one share	Typically \$1,000
<b>Fees</b>	Typically based on a percentage of account assets	Fund expense ratio, plus possible trading costs	Fund expense ratio, plus possible sales charges
<b>Main advantage</b>	Most control over personalizing portfolios and managing taxes	More cost efficiency, liquidity and transparency than other pooled investments	Broadest range of investment strategies, including many not available in other vehicles



## SMA investing with your financial professional

A financial professional plays a critical role in determining your investment needs and helping decide when SMAs make sense and which might be best for you.

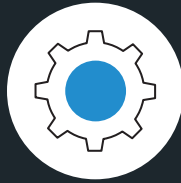
After opening an SMA account, your financial professional can assist with everything from customizing portfolio holdings and coordinating tax management to monitoring performance and making adjustments as your goals change.

# Why J.P. Morgan?



**Top 5**

SMA provider<sup>1</sup>



**\$152+ Bn**

Entrusted to us by  
SMA investors<sup>1</sup>



**20+ year**

Track record of managing  
SMA assets<sup>2</sup>



**660+**

Equity and fixed income  
professionals worldwide<sup>2</sup>

With professionals around the globe and expertise across all major markets, J.P. Morgan Asset Management is one of the world's largest, most respected investment managers.

Our breadth of capabilities allows us to offer a diverse range of SMAs across asset classes to help our clients build stronger portfolios.



**U.S. Equities**



**International  
Equities**



**Municipal Fixed  
Income**



**Taxable Fixed  
Income**

To learn more about J.P. Morgan's SMAs and the roles they can play in your portfolio, please consult your financial professional.

<sup>1</sup> Cerulli Associates, as of 12/31/23.

<sup>2</sup> J.P. Morgan Asset Management, as of 12/31/23.

# Drive better outcomes with the right SMA strategy

J.P. Morgan’s breadth of capabilities allows us to offer a diverse range of SMAs across asset classes that help you build stronger portfolios so you can reach your investment goals.

Equity — Separately Managed Account		Value	Blend	Growth	Thematic
Tax-Smart	Tax-Smart – U.S. Focused Large Cap Index		●		
	Tax-Smart – U.S. Large Cap Index		●		
	Tax-Smart – U.S. Large Cap Leaders		●		
	Tax-Smart – U.S. All Cap Index		●		
	Tax-Smart – U.S. Carbon Transition Index		●		
	Tax-Smart – International Developed ADR Index <sup>3</sup>		●		
	Traditional	Equity Income	●		
U.S. Value		●			
Value Advantage		●			
Mid Cap Value		●			
U.S. Equity			●		
U.S. Large Cap Leaders			●		
International ADR			●		
SMID Cap Core			●		
Focused European Multinationals				●	
Large Cap Growth				●	
Growth Advantage				●	
Mid Cap Growth				●	
Digital Evolution					●
U.S. Tech Leaders					●
Innovators					●
Autonomous Future				●	
Fixed income — Separately Managed Account		Buy & Maintain	Active	Inv. Grade	High Yield
Municipal	Intermediate Municipal		●	●	
	1-5 Year Municipal Ladder	●		●	
	1-10 Year Municipal Ladder	●		●	
	1-17 Year Municipal Ladder	●		●	
	Yield Curve Enhanced Municipal Ladder	●		●	
	Long Municipal Ladder	●		●	
	Taxable	1-3 Year Treasury Ladder	●		●
1-10 Year Treasury Ladder		●		●	
1-3 Year Treasury & Agency Ladder		●		●	
1-10 Year Treasury & Agency Ladder		●		●	
Ultra Short Corporate Ladder <sup>4</sup>		●		●	
1-5 Year Corporate Ladder		●		●	
Yield Curve Enhanced Corporate Ladder		●		●	
Core Bond			●	●	
1-5 Year Corporate Cross-Over Ladder <sup>5</sup>		●		●	●
1-10 Year Corporate Cross-Over Ladder <sup>5</sup>		●		●	●
Short Duration High Yield			●		●
Upper Tier High Yield			●		●

<sup>3</sup> Additional fees and/or transaction costs may be incurred based on your custodian and you should check with your custodian to determine if they apply. These fees and costs are your responsibility and are charged by the custodian. They are in addition to the management fee charged by JPMAM.

<sup>4</sup> J.P. Morgan Ultra Short Corporate Ladder options include a 1yr, 2yr, or 3yr max maturity.

<sup>5,6</sup> Crossover strategies include ~60% Investment Grade / ~40% BB-rated. Investment Grade (BBB- or better) and BB-rated (BB+ to BB-) at time of purchase. This allocation is subject to change.

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Please note that not all customization combinations are possible. Customization availability depends on market conditions, specific client opportunity, and strategy.

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