

# JPMorgan Equity Premium Income ETF (Managed Fund) Hedged

Ticker: JHPI ARSN: 662 058 531 ISIN: AU0000271736

## Topline

Quarterly Total Return	
Fund	Benchmark
▼ -1.47%	▲ 2.10%

**Benchmark:** Standard & Poor's 500 (Net Return) Index hedged to AUD

**Markets** The S&P 500 Index returned +2.41% in the fourth quarter of 2024. Consumer discretionary and communication services were the best-performing sectors. Materials and health care were the worst-performing.

**Hurt** The consumer discretionary and information technology sectors weighed the most on performance.

**Outlook** We continue to focus on fundamentals of the economy and company earnings. Our analysts' estimates for S&P 500 Index earnings project +14% for 2025 and +14% for 2026. While subject to revision, this forecast includes our best analysis of earnings expectations.

## Performance

%	1M	3M	YTD	1Y	3Y	5Y	Since Inception Annualized
Fund	-4.47	-1.47	9.89	9.89	-	-	8.81
Benchmark	-2.53	2.10	23.03	23.03	-	-	22.55

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

Source: J.P. Morgan Asset Management. Share class performance is shown based on the NAV (net asset value) of the above share class with income (gross of shareholder tax) reinvested including actual ongoing charges excluding any entry and exit fees. Performance over one year is annualised. Share class inception date is 23.05.23.

## Fund Overview

### Investment objective

The investment objective of the Fund is to seek current income while maintaining prospects for capital appreciation.

### Investor Profile

This product is likely to be appropriate for a consumer seeking capital growth and regular income, to be used as a satellite/small allocation within a portfolio where the consumer has a high risk-return profile and needs daily access to capital. The minimum suggested timeframe for holding investments in the Fund is 5 years.

<sup>1</sup> There can be no assurance that any fund will achieve its investment objective, the target return or any other objectives. Please refer to the Product Disclosure Statement and Target Market Determination (available from [www.jpmorganam.com.au](http://www.jpmorganam.com.au)).

## Quarter in Review

- **The JPMorgan Equity Premium Income ETF underperformed** the benchmark, the S&P 500 Index, for the quarter ended December 31, 2024.
- **An underweight in Tesla detracted from results** during the quarter. The company reported solid earnings with improvements in gross margins and profitability, driven by cost reductions and increased production efficiency. Notably, Tesla achieved profitability in its Cybertruck segment and announced plans for a new affordable model. The company's push for national regulation of unsupervised full self-driving vehicles and the impact of the 2024 U.S. presidential election on regulatory prospects further influenced the stock performance.
- **An overweight in Regeneron Pharmaceuticals detracted from results** during the quarter. Regeneron experienced a decline in stock performance, primarily due to concerns over the competitive positioning of its eye drug, Eylea, and the potential launch of Amgen's biosimilar version. Despite reporting strong quarterly revenue and earnings growth, the slower-than-expected conversion to Eylea HD and the threat of biosimilar competition created uncertainty. The company's financial performance showed year-over-year revenue growth and an increase in earnings, but these positive results were overshadowed by market anxieties regarding Eylea's future.
- **An overweight in ServiceNow Inc added to results** during the quarter. ServiceNow's stock performance has been robust, driven by consistent beat-and-raise earnings reports. The company demonstrated strong execution, with significant growth in subscription revenue. The adoption of generative artificial intelligence (GenAI) offerings further contributed to the positive results. Additionally, the company announced strategic partnerships and new product innovations, further enhancing its market position and growth prospects.
- **An overweight in Marvell Technology Inc added to results** during the quarter. Marvell experienced significant growth in its data center segment, particularly in custom AI silicon and electro-optics. The company reported substantial year-over-year and sequential revenue growth, with notable improvements in earnings per share. Marvell's strategic partnership with Amazon Web Services and the successful ramp-up of custom silicon programs contributed to its positive financial results. Gross margin faced pressure due to the product mix, specifically the higher revenue contribution from custom silicon, but this mix dynamic has been well telegraphed by management and was therefore largely expected by investors.

## Outlook

- **Easing inflation and improved prospects for growth have helped fuel optimism** for a soft landing. However, certain systematic risks like the policy impact of the new administration in the U.S., potentially slower pace of rate cuts and significant geopolitical tensions can cause markets to be volatile. Through the volatility, we continue to focus on high-conviction stocks and take advantage of market dislocations for compelling stock-selection opportunities.

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. All data is sourced by J.P. Morgan Asset Management and is correct as at the date of this commentary.

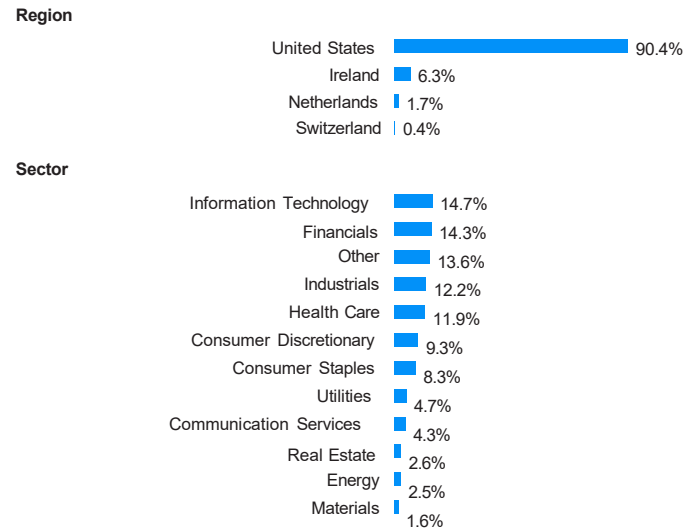
### Top 2 Holdings<sup>1</sup>

TOP 2	%
JPMORGAN EQUITY PREMIUM	103.80
Net Cash	-3.66

### Underlying Holdings<sup>2</sup>

TOP 10	%
AMAZON.COM INC COMMON	1.66
MASTERCARD INC COMMON	1.63
META PLATFORMS INC	1.61
PROGRESSIVE CORP/THE	1.60
NVIDIA CORP COMMON STOCK	1.57
SERVICENOW INC COMMON	1.56
TRANE TECHNOLOGIES PLC	1.56
VISA INC COMMON STOCK	1.53
ALPHABET INC COMMON	1.48
MICROSOFT CORP COMMON	1.45

### Portfolio Breakdown



### Portfolio Analysis

Number of holdings 2

It is important to understand that the value of investments may rise or fall, investment returns are not guaranteed and it is possible that investors may lose their money. The appropriate level of risk for each person depends on a range of factors, including age, investment timeframe and the investor's risk profile. For more detailed information relating to the risks of the Fund, please refer to the relevant Product Disclosure Statement and Target Market Determination available on the website.

1 The information in this table relates to holdings of the Australian listed share class. 2 The information in this table relates to holdings of the underlying ETF.

#### General Disclosures

Before investing, obtain and review the Product Disclosure Statement of the Fund and Target Market Determination which have been issued by Perpetual Trust Services Limited, ABN 48 000 142 049, AFSL 236648, as the responsible entity of the fund available on <https://am.jpmorgan.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 intended solely for the person to whom it is provided by the issuer. Positive yield does not imply positive returns. Yields are not guaranteed. Fund holdings and performance are likely to have changed since the report date. No provider of information presented here, including index and ratings information, is liable for damages or losses of any type arising from use of their information.

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#### Information Sources

Fund information, including performance calculations and other data, is provided by J.P. Morgan Asset Management (the marketing name for the asset management businesses of JPMorgan Chase & Co and its affiliates worldwide). All data is as at the document date unless indicated otherwise. Due to rounding, values may not total 100%. Top holdings, sector and country or region excludes cash. Holdings may be subject to change from time to time.

#### Further Information

For further information please email us at [jpmorgan.funds.au@jpmorgan.com](mailto:jpmorgan.funds.au@jpmorgan.com), telephone 1800 576 468 or visit our website [am.jpmorgan.com/au/](http://am.jpmorgan.com/au/)

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#### Risk Summary

Investments in Equity-Linked Notes (ELNs) are subject to liquidity risk, which may make ELNs difficult to sell and value. Lack of liquidity may also cause the value of the ELN to decline. Since ELNs are in note form, they are subject to certain debt securities risks, such as credit or counterparty risk. Should the prices of the underlying instruments move in an unexpected manner, the Fund may not achieve the anticipated benefits of an investment in an ELN, and may realize losses, which could be significant and could include the Fund's entire principal investment. The price of equity securities may fluctuate rapidly or unpredictably due to factors affecting individual companies, as well as changes in economic or political conditions. These price movements may result in loss of your investment.