

IMPORTANT: This letter requires your immediate attention. If you have any questions about the content of this letter, you should contact your J.P. Morgan Asset Management representative or seek independent professional advice.

15 December 2023

Dear Investor,

Update to reflect increased expected levels of leverage – JPMorgan Global Macro Opportunities Fund (“Fund”)

We, JPMorgan Asset Management (Australia) Limited, the manager of the Fund (“**Manager**”) would like to inform you of the latest Product Disclosure Statement (“**PDS**”) update effective on 15 December 2023 (the “**Effective Date**”) which reflects the increased expected levels of leverage for the Fund, i.e. from 500% to 800%.

The use of leverage over the past two quarters has increased in response to changing economic conditions, which the Manager expects to persist. The Manager expects central banks to respond to higher inflation resulting in moving interest rates more frequently, both up and down, versus recent history. The Manager also expects shorter economic cycles and hence more frequent recessions.

The increase in leverage is due mainly to greater use of interest rate futures and swaps to capture duration exposure opportunities, focusing on the front end of the yield curve. The front end of the yield curve is relatively more sensitive to the recent increased central bank activity in response to high inflation and requires relatively higher leverage to enhance returns for the same unit of risk when compared with longer maturities.

The Fund has also increased the use of FX forwards seeking to capture currency opportunities and higher turnover as a result of higher market volatility. FX forwards are the only asset class where closing an active position results in a double of leverage rather than netting leverage to zero.

Derivatives use, as opposed to physical positions, facilitates the most efficient exposure in duration strategies (some strategies like short duration are only available through derivatives). FX forwards are derivatives by construction.

There is no material increase to the risk profile of the Fund and this change better reflects the investment strategy and economic environment.

J.P.Morgan

ASSET MANAGEMENT

Please take a moment to review this important information. The PDS of the Fund will be available upon request at our registered office and on our website at <https://am.ipmorgan.com/au>.

If you have any questions with regard to the contents of this letter, please do not hesitate to contact us on 1800 576 468.

Yours faithfully,



Mark Carlile

Head of Wholesale

JPMorgan Asset Management (Australia) Limited