
Change to the expected level of leverage for JPMorgan Investment Funds – US Bond Fund

Effective date – 14.07.2020

The expected level of leverage, expressed as a percentage of net asset value, stated in the prospectus has increased for JPMorgan Investment Funds – US Bond Fund (the “Sub-Fund”) from 50% to 150%.

The Sub-Fund has the ability to use financial derivative instruments. Recently, the Investment Manager has increased the use of these instruments, in particular short term interest rate futures, and as a result the expected level of leverage has increased. There is no change to the risk profile of the Sub-Fund or the way it is managed. The expected leverage is a measure of the gross aggregate notional¹ amount of derivatives held within a Sub-Fund and as such will vary depending on the use of financial derivative instruments. The expected leverage is an estimate only and may be higher in certain market environments when the Sub-Fund allocates more to highly leveraged instruments.

The sum of notionals methodology does not allow for the netting of financial derivative instrument positions which can include hedging transactions and other risk-mitigating strategies. As a result, financial derivative instrument roll overs and strategies relying on more highly leveraged instruments may contribute to an increase in the level of leverage whereas they may not increase or only moderately increase the overall risk profile of a Sub-Fund, which is monitored and limited according to the UCITS regulation.

Should you have any questions about the changes being made or any other aspect of JPMorgan Investment Funds, please contact the Registered Office of the Sub-Fund or your usual local representative.

¹ The aggregate notional amount of a derivative means the total value of the derivatives underlying assets. This value within the portfolio is calculated as a sum and does not account for any netting arrangements such as long and short positions of the same contract. For further information please refer to the relevant prospectus.