JPMorgan Funds - Emerging Markets Debt Fund

JPM C (acc) - USD: LU0773644637 For other available share classes, please check the Prospectus.

Topline

Monthly returns

Fund	Benchmark
▲ 1.35%	▲ 1.39%

Benchmark : J.P. Morgan Emerging Market Bond Index Global Diversified (Total Return Gross)

Markets The markets were buffeted by multiple crosswinds in February. The US Supreme Court ruled against using the International Emergency Economic Powers Act to justify the April 2025 reciprocal tariffs, while tensions between the US and Iran escalated into armed conflict; however, hostilities began after markets had closed for the month.

Helped Our long US Treasury position was the key contributor during the month as broad US Treasuries delivered a positive total return.

Hurt Security selection in Colombia, Peru and Romania detracted from relative performance.

Outlook Emerging market (EM) sovereigns are transitioning from a broadly supportive backdrop to a more questioned one, as tight valuations meet wider macro uncertainty. As in prior quarters, performance should rely less on beta and more on differentiation, selecting winners and avoiding laggards. Returns are expected to be largely carry-driven, with scope for selective spread compression in distressed names and improving stories.

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

Ratings and awards

Morningstar Medalist Rating™	BRONZE
Analyst-Driven %	10
Data Coverage %	99
Morningstar Category™	Global Emerging Markets Bond

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Fund Overview

Investment objective

To achieve a return in excess of the bond markets of emerging countries by investing primarily in emerging market debt securities, including corporate securities and securities issued in local currencies, using derivatives where appropriate.

Month in Review

- **In terms of key positioning changes**, we added an overweight in Hungary, given its increasingly constructive fundamental trajectory. We added exposure to Ukraine via A bonds to address a beta- adjusted underweight and added exposure to Sri Lanka as the credit performed well and fundamentals remain constructive.
- **We increased Treasury sensitivity** via futures and Saudi Arabia and added some investment- grade risk to improve empirical duration. We also continued to build our local- currency debt basket by adding exposure to Peru and Romania.
- **We trimmed select high- yield overweights** such as Argentina and Ecuador in light of labour- market data. We took profits at the long end of El Salvador and trimmed exposure to Ethiopia amid stalled restructuring negotiations. We reduced exposure to Brazilian corporates, which were trading close to sovereign proxies. Toward the end of the month, we reduced risk utilisation with select trims in Turkey, South Africa, Ghana and quasi- sovereign names in Mexico.

Looking Ahead

- **Emerging Market Debt (EMD) remains underpinned** by a constructive central scenario: resilient growth, residual Federal Reserve cuts and continued structural diversification away from the USD.
- **Tail risks have risen** —spanning oil and geopolitics, AI-driven dynamics in equities and private credit and structural fiscal/inflation concerns—with Iran-related scenarios tilted toward de-escalation, though uncertainty persists. AI adds both opportunity and risk to the backdrop, but EMD offers diversification relative to the developed market (DM) tech trade so long as systemic stresses do not materialise.
- **China's 2026 GDP growth is unchanged** at 4.5%, as policymakers prioritise structural transformation over headline expansion. Fiscal policy remains expansionary, monetary easing is modest and consumption support is temporary, with limited structural lift. EM growth for 2026 is projected at 4.1%, and EM–DM alpha is revised to 2.2% amid a more constructive DM outlook, still broadly aligned with the 2015–2019 average.
- **Oil dynamics present growth and inflation challenges** and are likely to drive greater cross-country differentiation. An extended oil shock could shave roughly 0.6 percentage points from EM growth and force central banks to re-evaluate policy, with uneven effects across markets. Against this backdrop, EM fundamentals are stronger than in 2022—higher reserves, lower debt service, better fiscal/debt profiles and higher real yields—even as valuations are tighter with compressed spreads. Defaults are still expected to be limited, with a gradual upward trajectory in sovereign ratings.

Performance and positioning

%	1M	3M	YTD	1Y	3Y	5Y	10Y
Fund	1.35	3.70	2.49	14.41	11.38	2.59	4.16
Benchmark	1.39	2.81	2.08	13.24	11.03	2.95	4.43
Excess return (geometric)	-0.04	0.86	0.40	1.03	0.31	-0.35	-0.27

%	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Fund	14.88	7.42	10.19	-18.80	-3.18	5.76	14.11	-5.30	10.47	9.75
Benchmark	14.30	6.54	11.09	-17.78	-1.80	5.26	15.04	-4.26	10.26	10.15
Excess return (geometric)	0.51	0.83	-0.81	-1.23	-1.41	0.48	-0.81	-1.08	0.20	-0.37

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 20.04.2012.

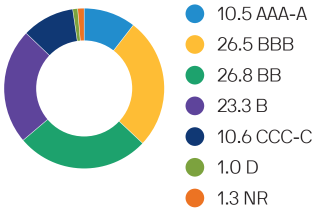
Portfolio analysis

	Fund
Duration (yrs)	7.07
Credit quality	BB

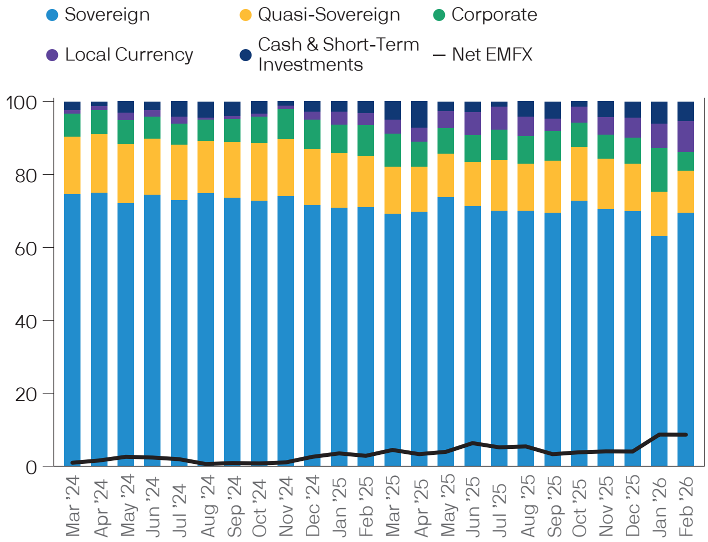
Allocation (%)

Sovereign	69.51
Quasi-Sovereign	11.57
Local	8.53
Coporate	5.10
Cash	5.29

Rating breakdown (%)



Historical sector allocation (% market value)



KEY RISKS

The Sub-Fund is subject to **Investment risks** and **Other associated risks** from the techniques and securities it uses to seek to achieve its objective.

The table on the right explains how these risks relate to each other and the **Outcomes to the Shareholder** that could affect an investment in the Sub-Fund.

Investors should also read Risk Descriptions in the Prospectus for a full description of each risk.

Summary Risk Indicator

1	2	3	4	5	6	7

Lower risk — Higher risk

The risk indicator assumes you keep the product for 5 years. The risk of the product may be significantly higher if held for less than the recommended holding period. In the UK, please refer to the synthetic risk and reward indicator in the latest available key investor information document.

Investment risks *Risks from the Sub-Fund's techniques and securities*

Techniques	*Securities*	
Derivatives Hedging	China Contingent convertible bonds Debt securities - Government debt - Investment grade debt	- Below investment grade debt - Unrated debt Emerging markets

Other associated risks *Further risks the Sub-Fund is exposed to from its use of the techniques and securities above*

Credit Market	Interest rate Liquidity	Currency

Outcomes to the Shareholder *Potential impact of the risks above*

Loss Shareholders could lose some or all of their money.	**Volatility** Shares of the Sub-Fund will fluctuate in value.	**Failure to meet the Sub-Fund's objective.**

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For Chile: ESTA OFERTA PRIVADA SE INICIA EL DÍA DE RIGISTRO EN CCR (WWW.CCR.CL) Y SE ACOGE A LAS DISPOSICIONES DE LA NORMA DE CARÁCTER GENERAL N° 336 DE LA SUPERINTENDENCIA DE VALORES Y SEGUROS, HOY COMISIÓN PARA EL MERCADO FINANCIERO. ESTA OFERTA VERSA SOBRE VALORES NO INSCRITOS EN EL REGISTRO DE VALORES O EN EL REGISTRO DE VALORES EXTRANJEROS QUE LLEVA LA COMISIÓN PARA EL MERCADO FINANCIERO, POR LO QUE TALES VALORES NO ESTÁN SUJETOS A LA FISCALIZACIÓN DE ÉSTA. POR TRATAR DE VALORES NO INSCRITOS NO EXISTE LA OBLIGACIÓN POR PARTE DEL EMISOR DE ENTREGAR EN CHILE INFORMACIÓN PÚBLICA RESPECTO DE LOS VALORES SOBRE LOS QUE VERSA ESTA OFERTA. ESTOS VALORES NO PODRÁN SER OBJETO DE OFERTA PÚBLICA MIENTRAS NO SEAN INSCRITOS EN EL REGISTRO DE VALORES CORRESPONDIENTE.

For Chile (funds that are registered with CMF): The Fund is domiciled in Luxembourg, therefore, the investors' rights and obligations will be governed by the laws of Luxembourg, and the investors must inform themselves about the way and means to enforce their rights. The CMF supervision will be exclusively focused on the compliance with the information obligations contained in NCG 352. Therefore, the control and supervision of the Fund will correspond to their home state regulator. The public information about the Fund will be exclusively that which the Luxembourg regulator requires. The Fund observes the Accounting and Auditing rules enacted by Luxembourg regulators, which may be different than the ones enacted by Chilean regulators. Pursuant to article 196 of the Chilean Securities Market Law (the "Law"), in case of violation of any regulations issued by CMF, the Fund, intermediaries, foreign securities depositories and any other person involved in the registration, placement, custody, trading or otherwise of foreign securities will be subject to the sanctions contained both in DL N° 3538 and in the Law. Investors may obtain more information about the Fund in the CMF website (http://www.cmfchile.cl).

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