

JPM GBP Ultra-Short Income UCITS ETF

Tickers: JGST

Topline

Monthly returns	
Fund	Benchmark
▲ 0.44%	▲ 0.46%
Benchmark : ICE BofA Sterling 3-Month Government Bill Index	
Markets The Bank of England (BoE) kept the bank rate at 5.25% at its May meeting. UK headline consumer price index inflation fell sharply to 2.3% year on year. Two-year Gilt yields declined slightly and credit spreads tightened over the month.	
Helped Modest tightening in spreads helped performance.	
Hurt The mild rise in three-month to one-year government bond yields was a mild drag on performance despite the slight decline in two- to five-year government bond yields.	
Outlook The preliminary UK purchasing managers' index business survey for May moderated, showing a still positive but slower pace of growth. The composite survey fell to 52.8, driven by a slowdown in the services sector. Manufacturing activity, on the other hand, showed signs of improvement. Lower inflation, along with a moderation in the growth outlook, should allow the BoE to lower interest rates this year.	

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

Fund Overview

Investment objective

The Sub-Fund aims to provide current income while seeking to maintain a low volatility of principal.

Trading information

Stock exchange	Exchange ticker	Trading currency	Bloomberg ticker	Reuters RIC	Sedol
London Stock Exchange	JGST	GBP	JGST LN	JGST.L	BFX1V90

Month in Review

- **UK one-year Gilt yields** finished the month slightly higher at 4.79% (+3 basis points (bps)). However, two-year yields decreased by -11bps to 4.38%, three-year yields decreased by -3bps to 4.31% and five-year yields decreased by -4bps to 4.21%. In the meantime, UK sterling investment grade credit spreads inched tighter in May, with the Barclays 1-5Y GBP Corporate Index option-adjusted spread falling by -6bps, closing at 108bps.
- **The strategy's duration** increased over May from 0.59 to 0.67 years, and spread duration also increased from 0.71 to 0.79.

Looking Ahead

- **Following the move higher in bond yields this year**, we believe that the BoE can probably cut rates by more over the next couple of years than is currently priced in. We expect the macroeconomic environment and services inflation to moderate. We have therefore extended duration further.
- **With spreads having tightened further**, we are positive on the outlook for credit fundamentals but will retain a bias towards higher-quality names given tight spreads between BBBs and single-A credits. We continue to have a positive view on the outlook for bank credit.

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.

Performance and positioning

%	1M	3M	YTD	1Y	3Y	5Y	Since inception
Fund	0.44	1.23	1.93	5.46	2.45	1.83	1.68
Benchmark	0.46	1.32	2.18	5.36	2.71	1.77	1.59
Excess return (geometric)	-0.02	-0.09	-0.24	0.10	-0.25	0.06	0.09

%	2023	2022	2021	2020	2019
Fund	5.08	0.48	-0.01	1.06	1.24
Benchmark	4.67	1.30	-0.01	0.30	0.76
Excess return (geometric)	0.39	-0.81	0.00	0.76	0.47

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Source: J.P. Morgan Asset Management. Share class performance is shown based on the NAV (net asset value) of the 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. Performance is shown based on the NAV which may not be the same as the market price of the ETF. Individual shareholders may realize returns that are different to the NAV based returns. Share class inception date is 06.06.2018.

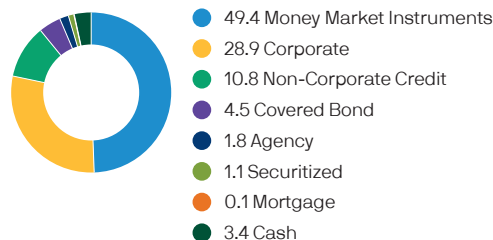
Holdings

TOP 10	Sector	Maturity date	% of assets
CPPIB Capital (Canada)	Government	2/3/26	2.5
Royal Bank of Canada (Canada)	Corporate	27/1/25	2.1
European Investment Bank (International)	Corporate	12/4/28	2.1
JPMorgan Chase (United States)	Commercial Paper	5/7/24	1.9
DZ Bank (Germany)	Commercial Paper	16/5/25	1.8
Caisse des Depots et Consignations (France)	Government	16/12/24	1.7
Bank of China (United Kingdom)	Certificate of Deposit	2/7/24	1.6
Nordea Bank (Sweden)	Certificate of Deposit	19/7/24	1.6
Wells Fargo (United States)	Corporate	28/7/25	1.6
Government of Germany (Germany)	Corporate	9/12/24	1.4

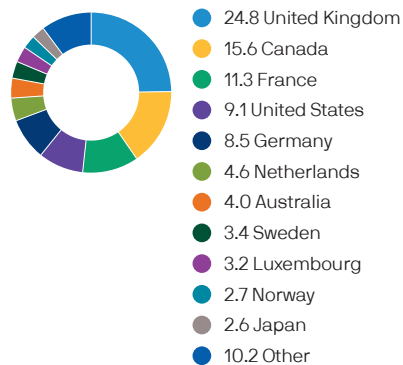
Number of holdings

143

Sector breakdown (%)



Country breakdown (%)

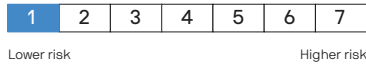


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Summary Risk Indicator



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.

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