

**SHINING A LIGHT ON THE.....
JPM Global Macro Sustainable Fund**

AT A GLANCE

Investment Objective
To achieve a return in excess of its cash benchmark by investing globally in a portfolio of Sustainable Securities, currencies and using derivatives where appropriate. Sustainable Securities are securities from issuers that the Investment Manager believes show effective governance and superior management of environmental and social issues. Uses an investment process based on macroeconomic research to identify global investment themes and opportunities. Flexible and focused approach to take advantage of global trends and changes through traditional and non-traditional assets. Fully integrated, risk management framework provides detailed portfolio analysis. Seeks to provide the majority of its returns through Sustainable Securities by incorporating ESG factors, exclusions and positioning the portfolio positively towards companies with above average ESG scores.

Inception Date	30 th August 2019
Fund Factsheet Link	https://www.morningstar.co.uk/uk/funds/snapshot/snapshot.aspx?id=F00000PII9

Management	
Manager Name	Start Date
Shrenick Shah	30 th August 2019
Josh Berelowitz	18 th December 2019
Benoit Lanctot	18 th December 2019

FUND PERFORMANCE

Performance from 30th August 2019 to 31st August 2021

	2019	2020	2021
JPM Global Macro Sustainable Fund	-7.42%	13.41%	-1.67%
MSCI World NR	2.41%	12.32%	17.14%

Performance over 12 months, and since launch:

	1 year	Since launch
JPM Global Macro Sustainable Fund	1.99%	3.24%
Vanguard Global Bond Index	26.25%	34.74%

You should note that past performance is not a reliable indicator of future returns and the value of your investments can fall as well as rise. The total return reflects performance without sales charges or the effects of taxation but is adjusted to reflect all on-going fund expenses and assumes reinvestment of dividends and capital gains. If adjusted for sales charges and the effects of taxation, the performance quoted would be reduced.

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Tracking Error	Upside Capture Ratio	Downside Capture Ratio	Batting Average	Beta	Alpha	Equity Style
-	-	-	-	-	-	Growth/Large

Volatility Measurements	
3-Yr Std Dev (volatility)	-
3-Yr Mean Return (average)	-

Investment Style Details	
Giant	31.20%
Large	8.75%
Medium	5.07%
Small	0.00%
Micro	0.00%

Top 5 Holdings		
JPM EUR lqdy LVNAV X (flex dist.)	-	9.01%
Canada (Government of) 0%	-	4.79%
Canada (Government of) 0%	-	4.78%
Canada (Government of) 0%	-	4.77%
Germany (Federal Republic Of) 0%	-	4.62%

Top 5 Sectors	
Financial Services	30.00%
Consumer Cyclical	19.84%
Technology	13.22%
Healthcare	11.21%
Industrials	9.10%

Top 5 Regions	
United States	67.83%
Eurozone	9.08%
Asia – Emerging	8.67%
Europe ex Euro	6.12%
United Kingdom	2.94%

UPDATE....

JPM have run the Global Macro Fund for several years, but this is a spin-off with a focus on sustainability. The aim of the strategy is to defend capital when needed, and over a medium time frame deliver meaningful performance. The argument for using this is that in a period where fixed income is becoming more challenged and where markets will become more volatile, this is an alternative route for investors. The other angle is sustainability which has seen increased flows. This was launched in 2019, initially attracting assets in the Nordic Countries before spreading across Europe and the UK.

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The drivers are to identify sustainable macro drivers and then focus on ESG Leaders and exclude unsustainable industries. As an example, they will identify structural changes then assess the macro and micro implications before looking at the size of the opportunity.

The secular themes include renewable power, transport and energy efficiency and transport. In terms of research, each industry has its own framework for reviewing. As an example, industrials include corporate governance, data security, business ethics, product quality and safety, energy management, waste and hazardous material, product design and lifestyle and material sourcing and efficiency.

Sovereign debt focuses on rule of law, government effectiveness, central bank credibility, energy security, energy transition risk, social cohesion, and political stability.

Exclusions include controversial weapons, military equipment and components, alcohol, tobacco, cannabis, gambling, fossil fuels, unconventional oil and gas and power generation (fossil fuels and nuclear sources).

The fund actively invests across asset classes including gold, advance derivatives, currency, fixed income, and equity to deliver on protection on the downside and enabling good long-term returns.

In summary, the strategy aims to offer an alternative or blend with fixed income, with the primary aim of protecting on the downside. The sustainability angle is what makes this different to other strategies. In terms of performance, this has been mixed, but if you take from the starting to end point it has delivered on its positive return target and in 2020 protected on the downside.

The source of information in this note has been provided by JP Morgan and is correct as at September 2021. These are notes from meeting the fund manager or representative and should not be seen as a recommendation to purchase any fund mentioned. Any reference to shares is not a recommendation to buy or sell. Should you wish to make a decision based on these notes we cannot take responsibility for this and you should carry out your own research before making a decision. We would also recommend that you receive advice before following up on any decision.