



Core Fixed & Moving Infrastructure in 2024

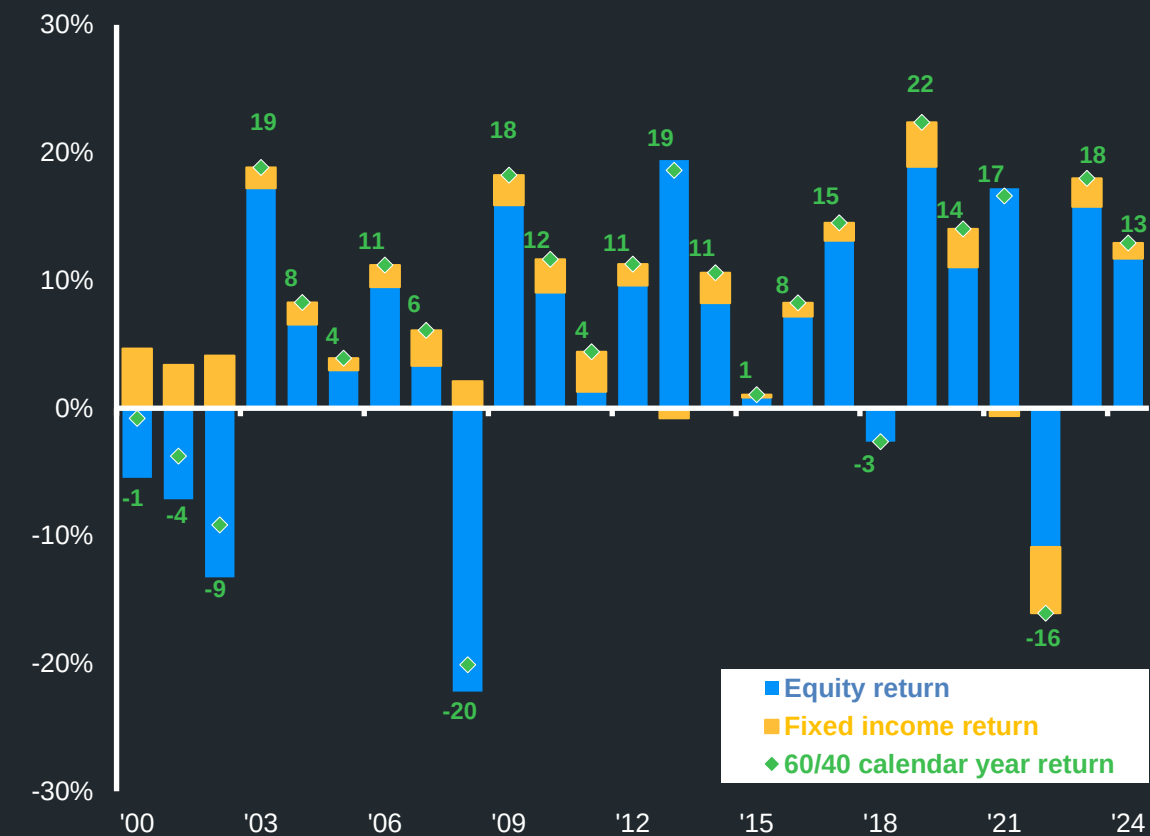
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J.P.Morgan ASSET MANAGEMENT

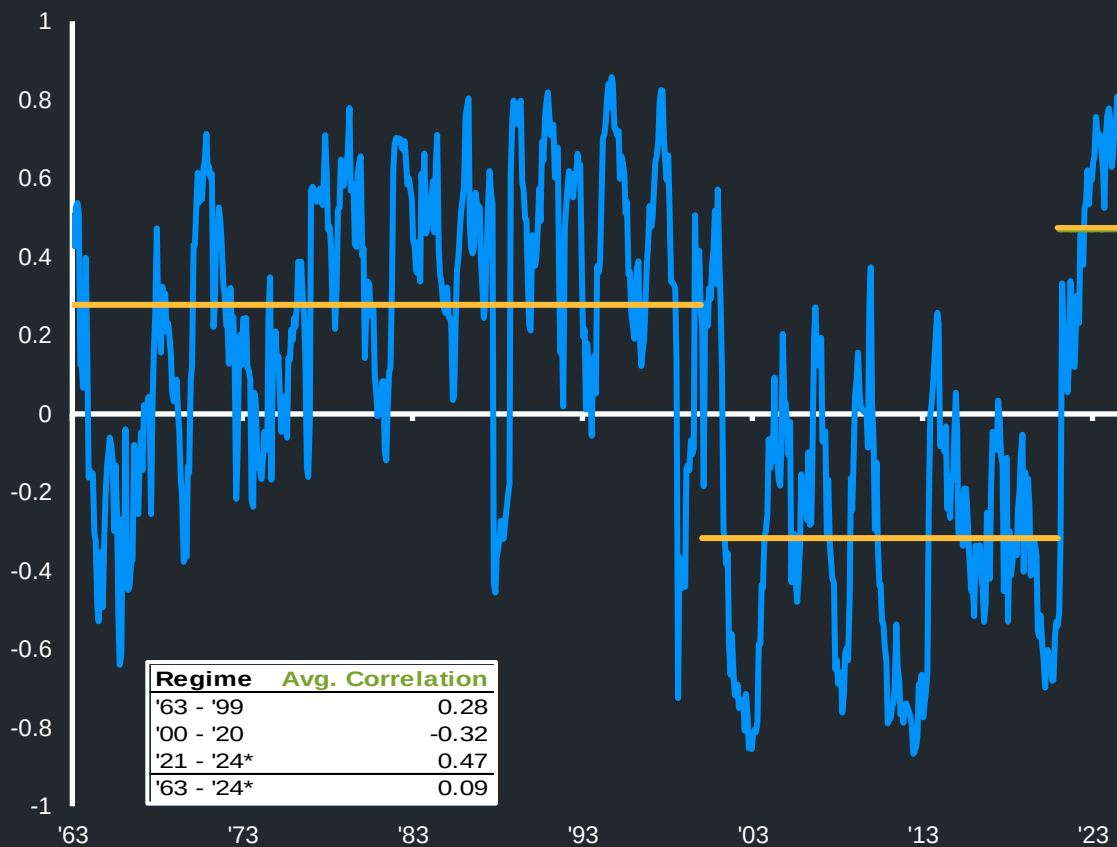
60/40 returns and stock-bond correlation

60/40 annual return decomposition %, total return



S&P 500 / U.S. 10-year Treasury correlation

Rolling 12-month correlation based on monthly total returns



Source: Bloomberg, Haver Analytics, FactSet, LSEG, Standard & Poor's, J.P. Morgan Asset Management. (Left) The 60/40 portfolio is 60% invested in the S&P 500 Total Return Index and 40% invested in the Bloomberg U.S. Aggregate Total Return Index. *2024 correlations are through 2Q24. Data are based on availability as of August 31, 2024.

60/40 portfolio income generation

60/40 portfolio real yield

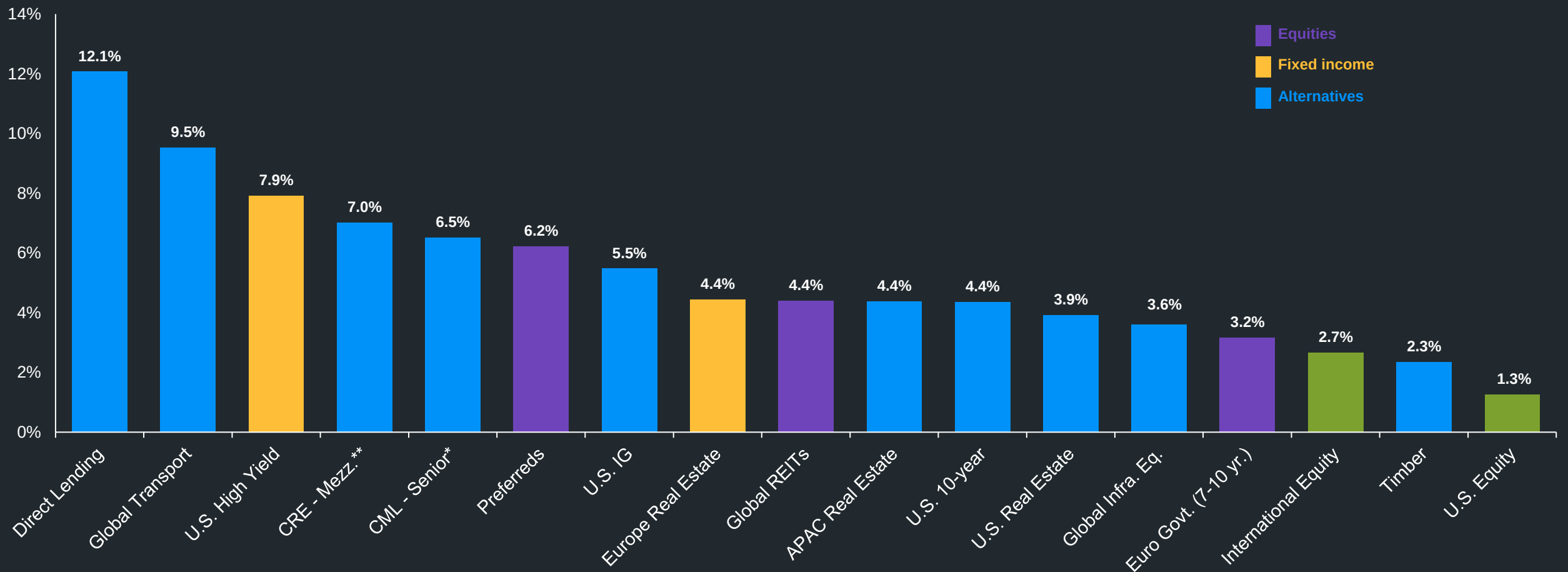
60/40 portfolio yield minus the y/y % change in core CPI, monthly



Source: Bloomberg, FactSet, Standard & Poor's, J.P. Morgan Asset Management. 60/40 portfolio nominal yield is calculated by taking the sum of the S&P 500's dividend yield and the yield-to-worst of the Bloomberg U.S. Aggregate multiplied by their respective weights in the portfolio. Analysis is based on month-end data. For the current month, we use the prior month's core CPI figures until the latest data are available.
Data are based on availability as of August 31, 2024.

Yield alternatives

Asset Class Yields
Percent



Source: BAML, Bloomberg, Clarkson, Cliffwater, Drewry Maritime Consultants, Federal Reserve, FTSE, MSCI, NCREIF, FactSet, Wells Fargo J.P. Morgan Asset Management. *CML is commercial mortgage loans. **CRE – Mezz is mezzanine commercial real estate debt. Equities and fixed income yields are as of 8/31/2024. Alternative yields are as of 3/31/2024, except U.S. Real Estate, Timber, and Global Transport, which are as of 6/30/2024, CRE- Mezz, which is as of 8/31/2024, and Direct Lending, which is as of 12/31/2023. CML – Senior: Market-capitalization weighted average for all mortgages in the Gilberto-Levy Commercial Mortgage Index as of quarter-end 1Q24. Mezzanine commercial mortgage loans yield is derived from a J.P. Morgan Survey and U.S. Treasuries of a similar duration. Global Transport: Levered yields for transport assets calculated as the difference between charter rates (rental income), operating expenses, debt amortization and interest expenses, as a percentage of equity value, and are based on a historical 15-year average. Yields for each of the sub-vessel types are calculated and respective weightings are applied to arrive at the current levered yields for Global Transportation; Preferreds: BAML Hybrid Preferred Securities; Direct Lending: Cliffwater Direct Lending Index; U.S. High Yield: Bloomberg U.S. Aggregate Corporate High Yield; Global Infrastructure: MSCI Global Private Infrastructure Asset Index; U.S. Real Estate: NCREIF Property Index – ODCE; Global REITs: FTSE NAREIT Global REITs; International Equity: MSCI AC World ex-U.S.; U.S. 10-year: 10-year U.S. Treasury yield; U.S. Equity: MSCI USA, Europe Real Estate: Market weighted-avg. of MSCI Global Property Fund Indices – U.K. & Cont. Europe; Asia Pacific (APAC) core real estate: MSCI Global Property Fund Index – Asia-Pacific. Euro Govt. (7-10 yr.): Bloomberg Euro Aggregate Government – Treasury (7-10Y); Timber: NCREIF Timberland Index (U.S.) – EBITDA Return. Data are based on availability as of August 31, 2024.

Public and private market correlations

Quarterly returns

	2008 - 2Q23	Global Bonds	Global Equities	U.S. Core RE	Europe Core RE*	APAC Core RE	Global Core Infra	Transport	Timber
Public markets	Global Bonds	1.0							
	Global Equities	0.4	1.0						
Global real estate	U.S. Core RE	-0.3	0.0	1.0					
	Europe Core RE*	-0.2	0.0	0.7	1.0				
	APAC Core RE	-0.2	0.0	0.8	0.7	1.0			
Real assets	Global Core Infra	-0.1	0.1	0.4	0.3	0.5	1.0		
	Transport	-0.2	-0.1	0.4	0.1	0.3	-0.1	1.0	
	Timber	-0.2	-0.2	0.3	0.1	0.3	0.2	0.0	1.0

Source: Bloomberg, Burgiss, Cliffwater, FTSE, HFRI, MSCI, NCREIF, J.P. Morgan Asset Management. *Europe Core RE includes continental Europe. Private Equity and Venture Capital are time weighted returns from Burgiss. RE – real estate. Global equities: MSCI AC World Index. Global Bonds: Bloomberg Global Aggregate Index. Global REITs: FTSE EPRA NAREIT Global REITs Index. U.S. Core Real Estate: NCREIF Property Index – Open End Diversified Core Equity component. Europe Core Real Estate: MSCI Global Property Fund Index – Continental Europe. Asia Pacific (APAC) Core Real Estate: MSCI Global Property Fund Index – Asia-Pacific. Global infrastructure (Infra.): MSCI Global Private Infrastructure Asset Index. U.S. Direct Lending: Cliffwater Direct Lending Index. Timber: NCREIF Timberland Property Index (U.S.). Hedge fund indices are from HFRI. Transport: returns are derived from a J.P. Morgan Asset Management index. All correlation coefficients are calculated based on quarterly total return data for the period 6/30/2008-12/31/2023, except correlations with Bitcoin which are calculated over the period 12/31/2010-12/31/2023. Returns are denominated in USD. Data are based on availability as of May 31, 2024

Fixed and Moving Infrastructure



Core and
Essential

Service Operating Vessel



Image source: J.P. Morgan Asset Management.



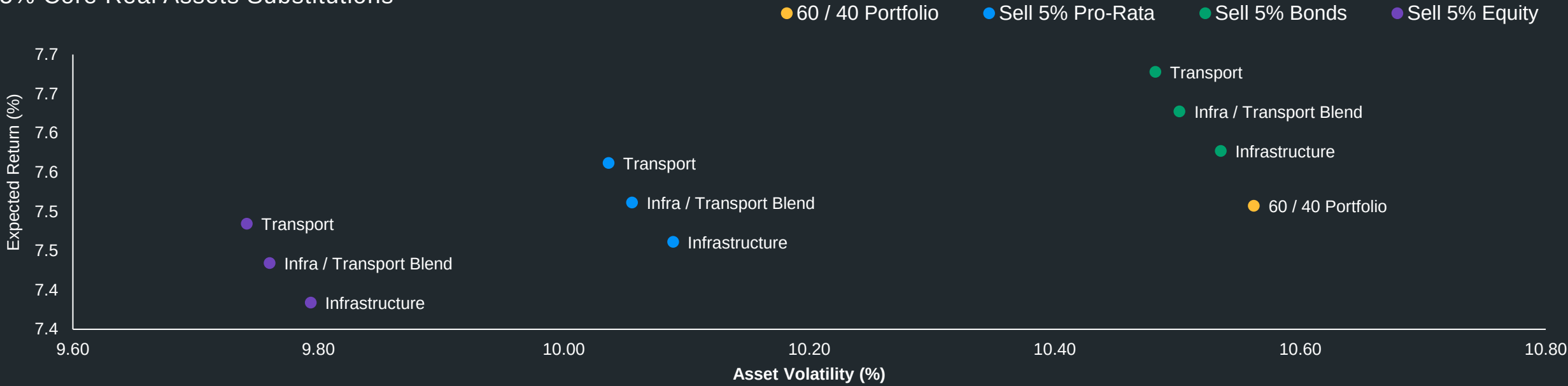
D.I.Y. – Diversification, Inflation
Protection, Yield

Wind Farm



Upgrading a traditional 60 / 40 portfolio with Core Infrastructure

5% Core Real Assets Substitutions



Tables shows changes in portfolio metrics relative to 60 / 40 portfolio	60 / 40	Fund Pro-Rata		
		Infra	Transport	50 Infra / 50 Transport
Expected Return (%)	7.51	-5bps	+5bps	+0bps
Asset Volatility (%)	10.56	-47bps	-53bps	-51bps
Sharpe Ratio	0.44	+0.03	+0.03	+0.02
Expected Income	3.19	+14bps	+29bps	+22bps

Portfolio statistics are based on 2024 J.P. Morgan Long-term Capital Market Return Assumptions, except for Global Infrastructure and Global Transport, of which the expected return is based on their net return targets, and volatility/correlation is calculated with historical time series of actual returns. Source: J.P. Morgan Asset Management. For illustrative purposes only. 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.

Outlook and Sustainability



ESG and Energy
Transition



Expansion of Global
Infrastructure



De-carbonization
CAPEX

LNG Carrier



Solar PV Plant



Image source: J.P. Morgan Asset Management.

Key client considerations...



**Relative
Return
& Income**



**Liquidity &
lock-ups**



**Operational
& Regulatory
Risk**



**Geopolitical
Risk**

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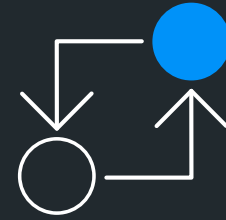
Core real assets are essential to facilitate the basic needs of society and global trade



Fixed and Moving infrastructure have proven resilient amidst uncertain times and volatile markets



Uncorrelated income with inflation protection and diversification benefits



Strong outlook given Capex needed for energy transition and decarbonization

JPMAM is the ONLY asset manager offering both Fixed and Moving Infrastructure

Source: J.P. Morgan Asset Management. For illustrative purposes only. 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. Past performance is not a reliable indicator of current and future results. Diversification does not guarantee positive returns and does not eliminate the risk of loss.

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Infrastructure investments – Investing in infrastructure assets or debt associated with infrastructure involve a variety of risks, not all of which can be foreseen or quantified, and which include, among others: the burdens of ownership of infrastructure; local, national and international economic conditions; the supply and demand for services from and access to infrastructure; the financial condition of users and suppliers of infrastructure assets; risks related to construction, regulatory requirements, labor actions, health and safety matters, government contracts, operating and technical needs, capital expenditures, demand and user conflicts, bypass attempts, strategic assets, changes in interest rates and the availability of funds which may render the purchase, sale or refinancing of infrastructure assets difficult or impracticable; changes in environmental laws and regulations, investments in other funds, troubled infrastructure assets and planning laws and other governmental rules; changes in energy prices; negative developments in the economy that may depress travel activity; force majeure acts, terrorist events, under-insured or uninsurable losses; and other factors which are beyond the reasonable control of the Fund or the Investment Adviser. Many of these factors could cause fluctuations in usage, expenses and revenues, causing the value of the Investments to decline and negatively affecting the Fund's returns.

Transportation – An investment in the Strategy is subject to certain risks associated with the ownership of transportation assets and the transportation industry in general, including: the burdens of ownership of transportation-related assets; local, national and international economic conditions; the supply and demand for assets; the financial condition of operators, buyers and sellers of assets that include the market values of transportation assets (i.e., ships, aircraft, fleet vehicle and heavy equipment) and lease rates that include the price at which interests in said assets can be acquired, the future value of those assets (particularly at the time the Operating Leases expire), and the Lease Rates applicable to those assets; changes in interest rates and the availability of credit which may render the sale or refinancing of assets difficult or impracticable; changes in environmental laws and regulations, planning laws and other governmental rules and fiscal and monetary policies; oil and fuel price risks that include significant volatility in fuel prices which make up a material component of a transportation assets' cost base. Oil price volatility may have an impact on individual operators ability to meet lease payments as well as demand for travel/shipping generally; Concentration risk in the short term whilst the Fund is building its portfolio of assets, there is likely to be a concentration of asset type, lessee and/or region; An investment in the strategy is illiquid. Whilst there is a secondary market for the assets, this will depend on prevailing market conditions; changes in taxation laws or Government taxation policy affecting domestic and international investments and depreciation; planning laws and other governmental rules and fiscal and monetary policies; environmental claims arising in respect of assets acquired with undisclosed or unknown defects or problems resulting in environmental liabilities or as to which inadequate reserves have been established; changes in tax rates; changes in energy prices; negative developments in the economy that depress commercial transportation activity; uninsured casualties; force majeure acts, terrorist and piracy events, under-insured or uninsurable losses; and other factors which are beyond the reasonable control of the Strategy and the Investment Adviser. In addition, as recent experience has demonstrated, transportation assets are subject to long-term cyclical trends that give rise to significant volatility in values.

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