



Guide to Alternatives®

3Q 2025

As of August 31, 2025



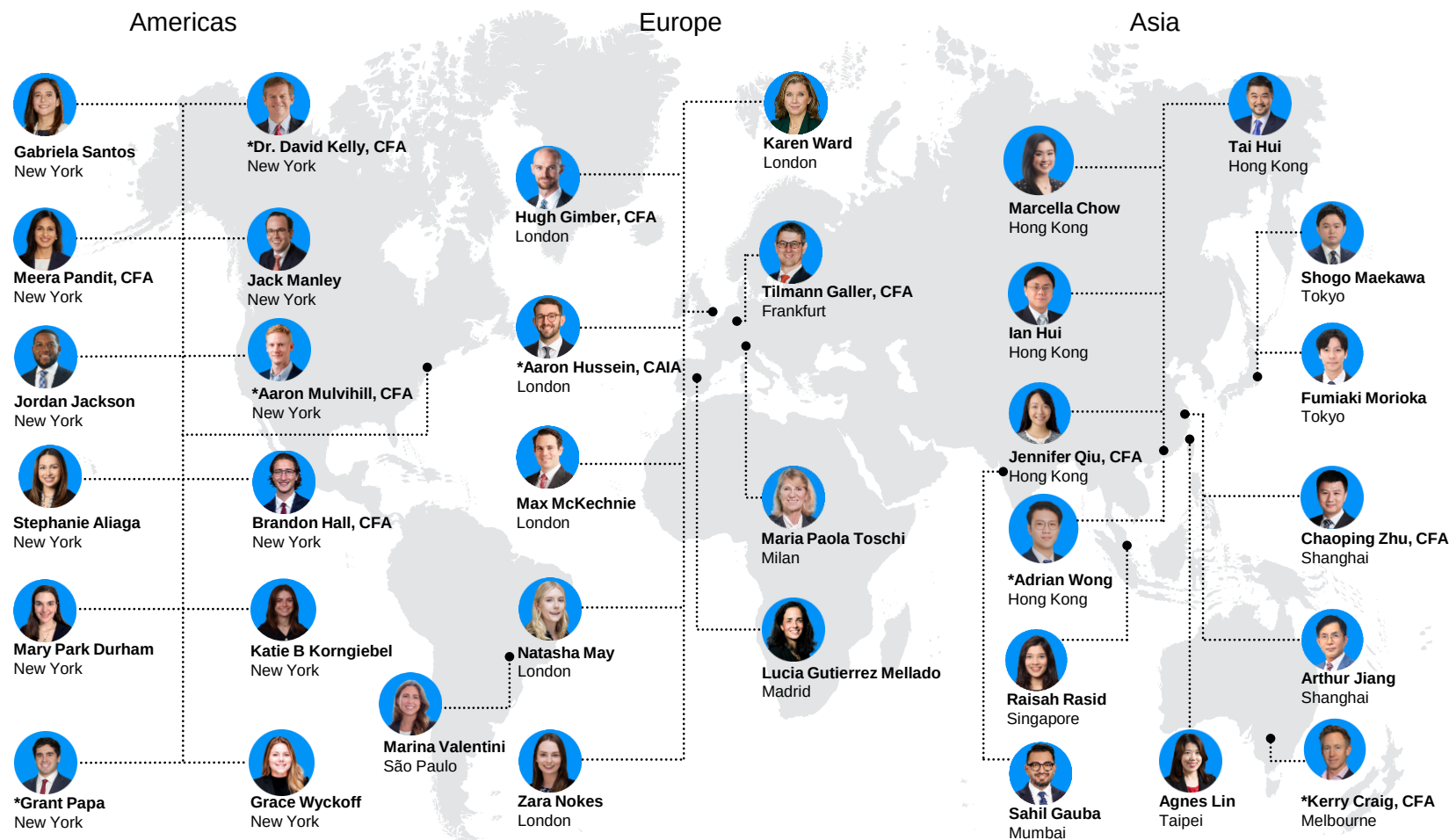


Global Market Insights Strategy Team

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Earnings/coupon yield and the 60/40

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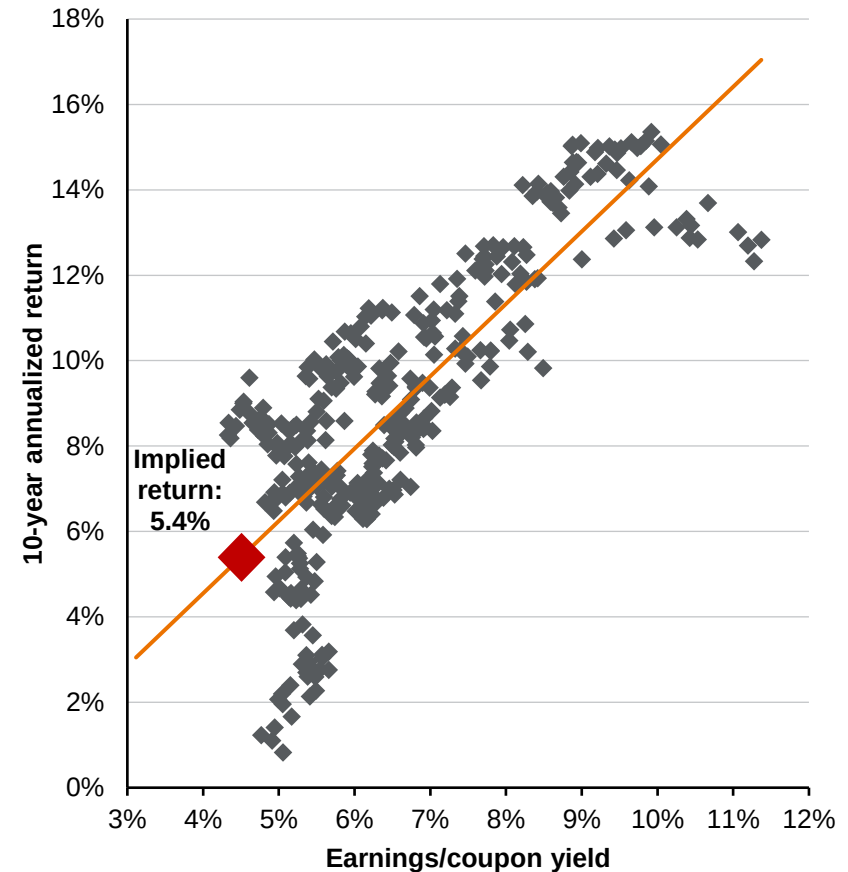
Earnings/coupon yield on a 60/40 portfolio

Blended S&P 500 forward E/P ratio and Bloomberg U.S. Agg. YTW



60/40 earnings/coupon yield and subsequent returns

10-year annualized returns, Jan. 1985 – August 2015



Source: Bloomberg, FactSet, IBES, Standard & Poor's, Thomas Reuters, J.P. Morgan Asset Management.

(Left) Valuation is calculated by summing 60% weight to earnings yield on the S&P 500 (inverse of forward P/E) and a 40% weight to the yield-to-worst on the U.S. Aggregate. Earnings yield is the forward earnings yield (consensus analyst estimates of EPS over the next 12 months divided by price) as provided by IBES since December 1984 and by FactSet since January 2022. (Right) Returns are based on a 60% weighting in the S&P 500 Total Return Index and a 40% weighting in the U.S. Aggregate Total Return index. 60/40 is rebalanced annually. Returns are 120-month annualized total returns, measured monthly, beginning December 31, 1984. Past performance is not a reliable indicator of current and future results. *Guide to Alternatives*. Data are based on availability as of August 31, 2025.



60/40 returns and stock-bond correlation

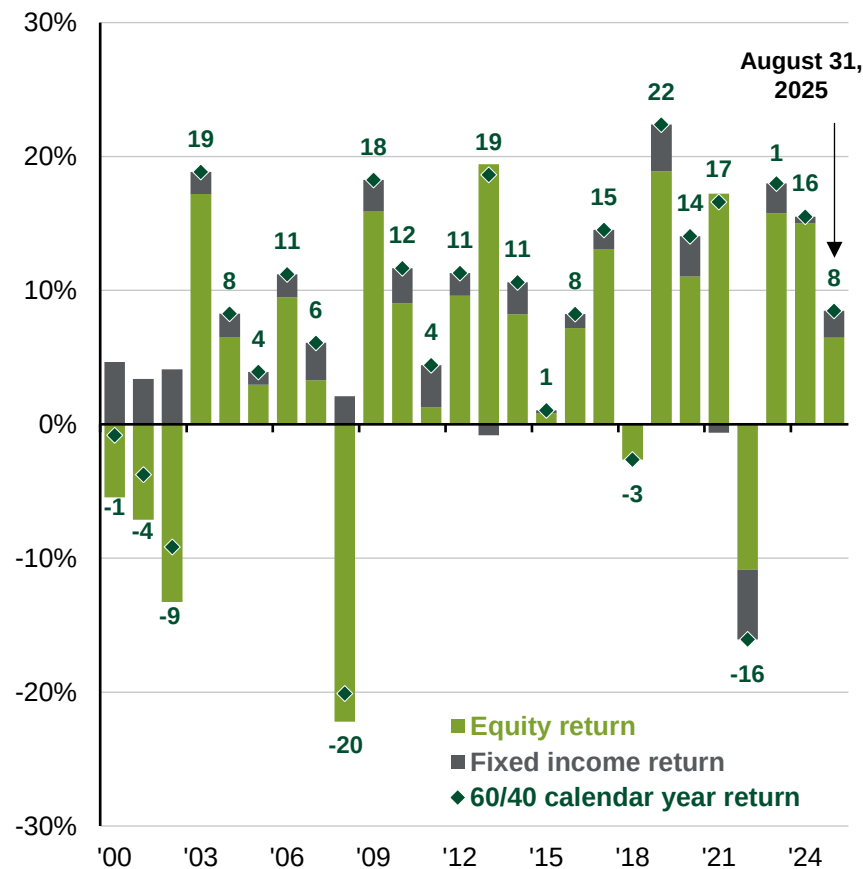
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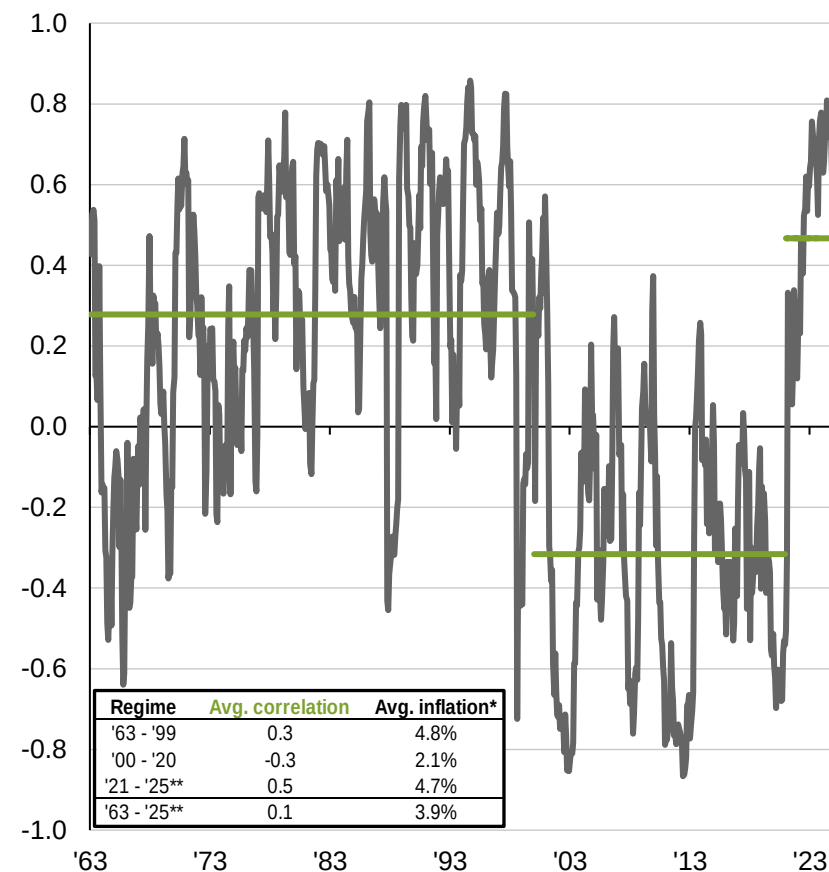
60/40 portfolio annual return decomposition

%, total return



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

Rolling 12-month correlation based on monthly total returns



Source: Bloomberg, FactSet, Haver Analytics, 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. (Right) *Simple average of the year-over-year percent change in headline CPI during each period. **2025 figures are through 8/31/2025. Past performance is not a reliable indicator of current and future results.

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60/40 portfolio income generation

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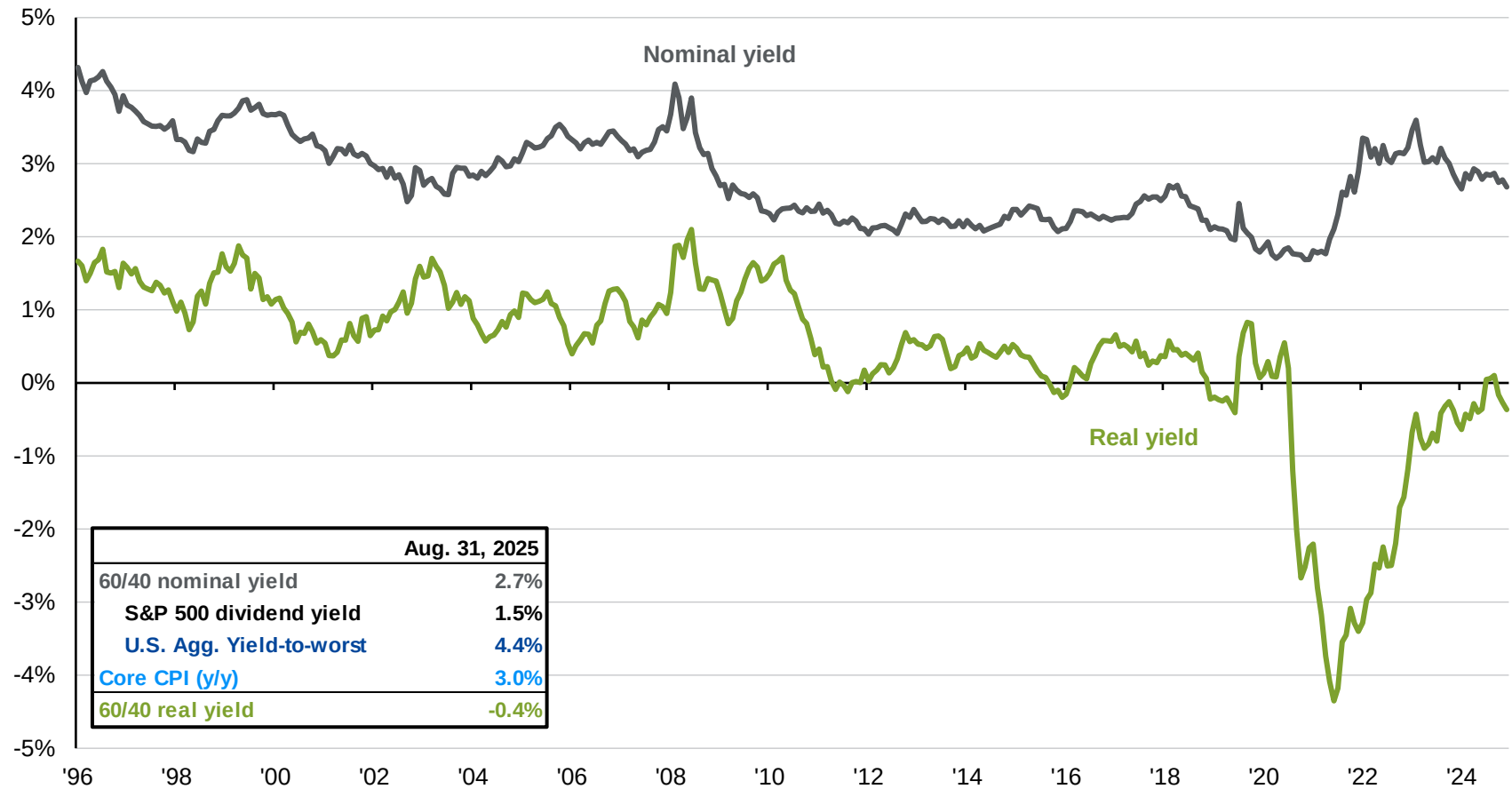
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Alternatives in portfolios

60/40 portfolio 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.

Total 60/40 real yield may not sum due to rounding. 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. Past performance is not a reliable indicator of current and future results.

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Portfolio diversification

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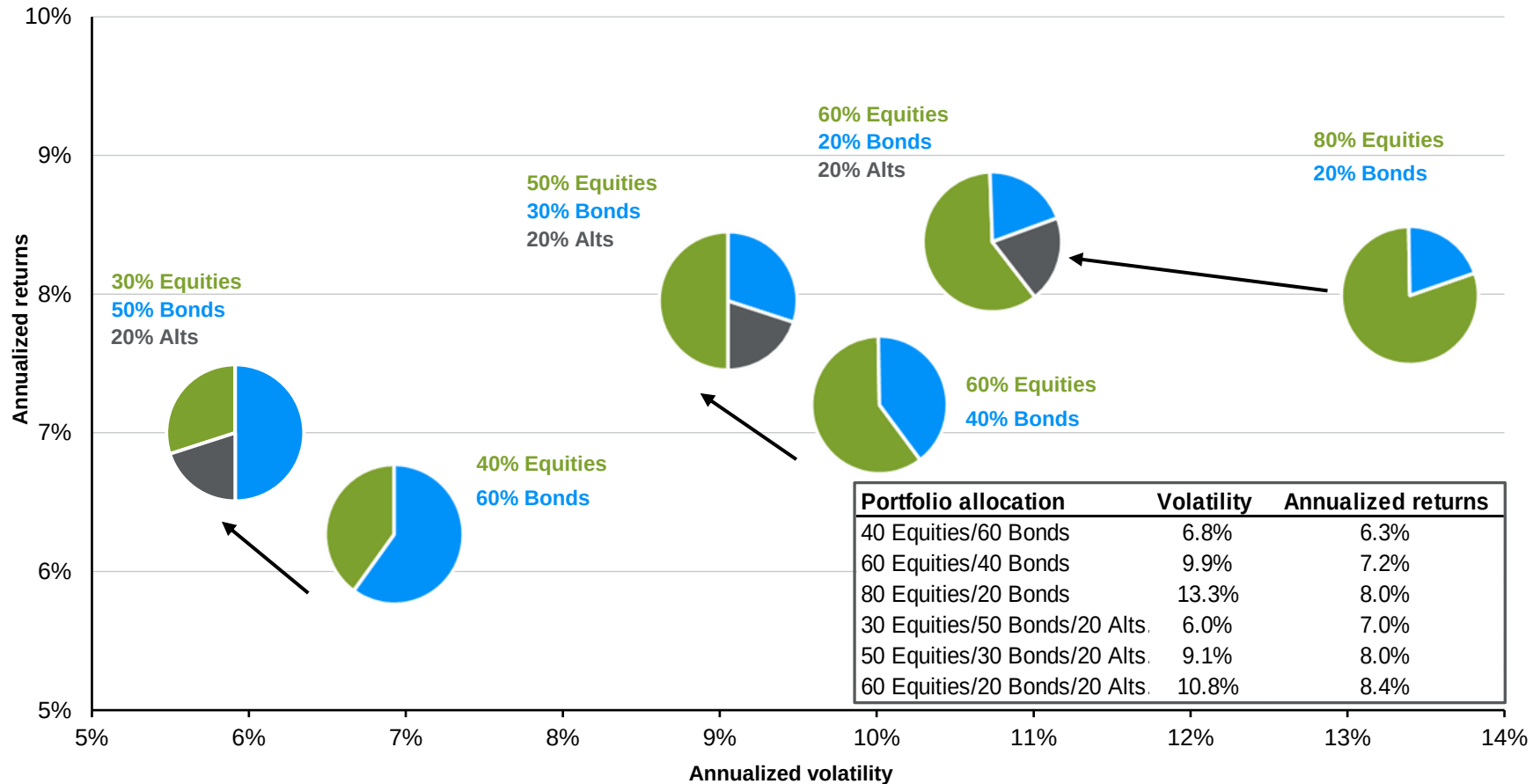
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Alternatives in portfolios

Alternatives and portfolio risk/return

Annualized volatility and return, 1Q98 – 1Q25



Source: Bloomberg, Burgiss, FactSet, NCREIF, PivotalPath, Standard & Poor's, J.P. Morgan Asset Management.

The alternatives allocation includes hedge funds, real estate and private equity, with each receiving an equal weight. Portfolios are rebalanced at the start of the year. Equities are represented by the S&P 500 Total Return Index. Bonds are represented by the Bloomberg U.S. Aggregate Total Return Index. Volatility is calculated as the annualized standard deviation of quarterly returns. Past performance is not a reliable indicator of current and future results.

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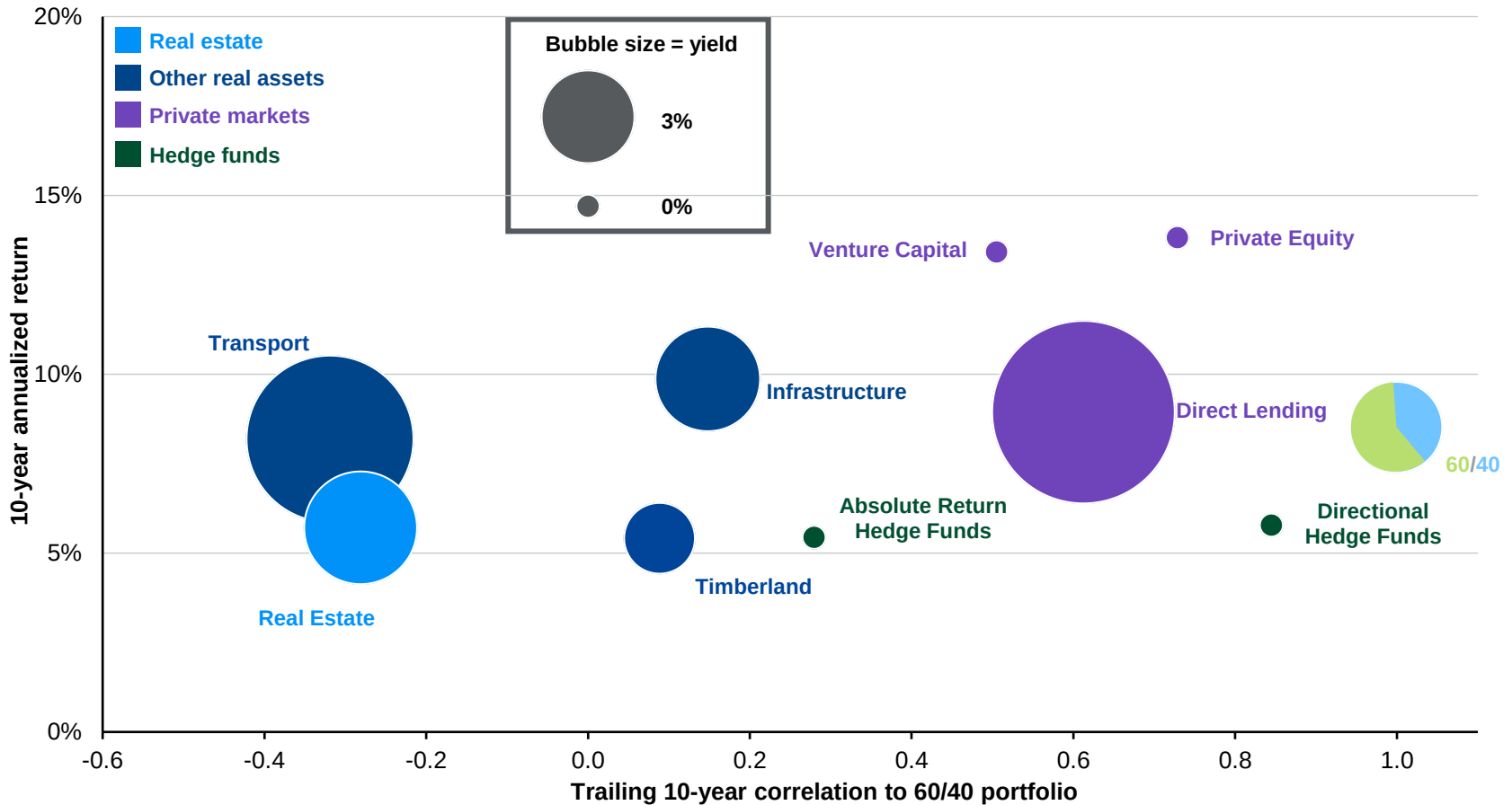
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Alternatives: Correlations, returns and yields

Correlations, returns and yields

10-year correlations and 10-year annualized total returns, 2Q15 – 1Q25



Source: Burgiss, Cliffwater, FactSet, MSCI, NCREIF, PivotalPath, J.P. Morgan Asset Management.

All categories are global, except for timberland and direct lending, which are U.S. Correlations are based on quarterly returns over the time period indicated. A 60/40 portfolio is comprised of 60% stocks and 40% bonds. Stocks are represented by the S&P 500 Total Return Index. Bonds are represented by the Bloomberg U.S. Aggregate Total Return Index. 10-year annualized returns are calculated based on the time period indicated. "Absolute Return Hedge Funds" represent asset-weighted returns from the PivotalPath Global Macro and Relative Value indices. "Directional Hedge Funds" represent asset-weighted returns from the PivotalPath Credit, Equity Diversified and Event Driven indices. Direct Lending uses yields from the Cliffwater Direct Lending Index. All other indices and data used for alternative asset class returns and yields are as described on pages 12 and 16 of the *Guide to Alternatives*. Yields are based on latest available data as described on page 12 of the *Guide to Alternatives*. Transportation returns are shown on an unlevered basis and returns can be enhanced by adding leverage. Past performance is not a reliable indicator of current and future results.

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Alternatives and manager selection

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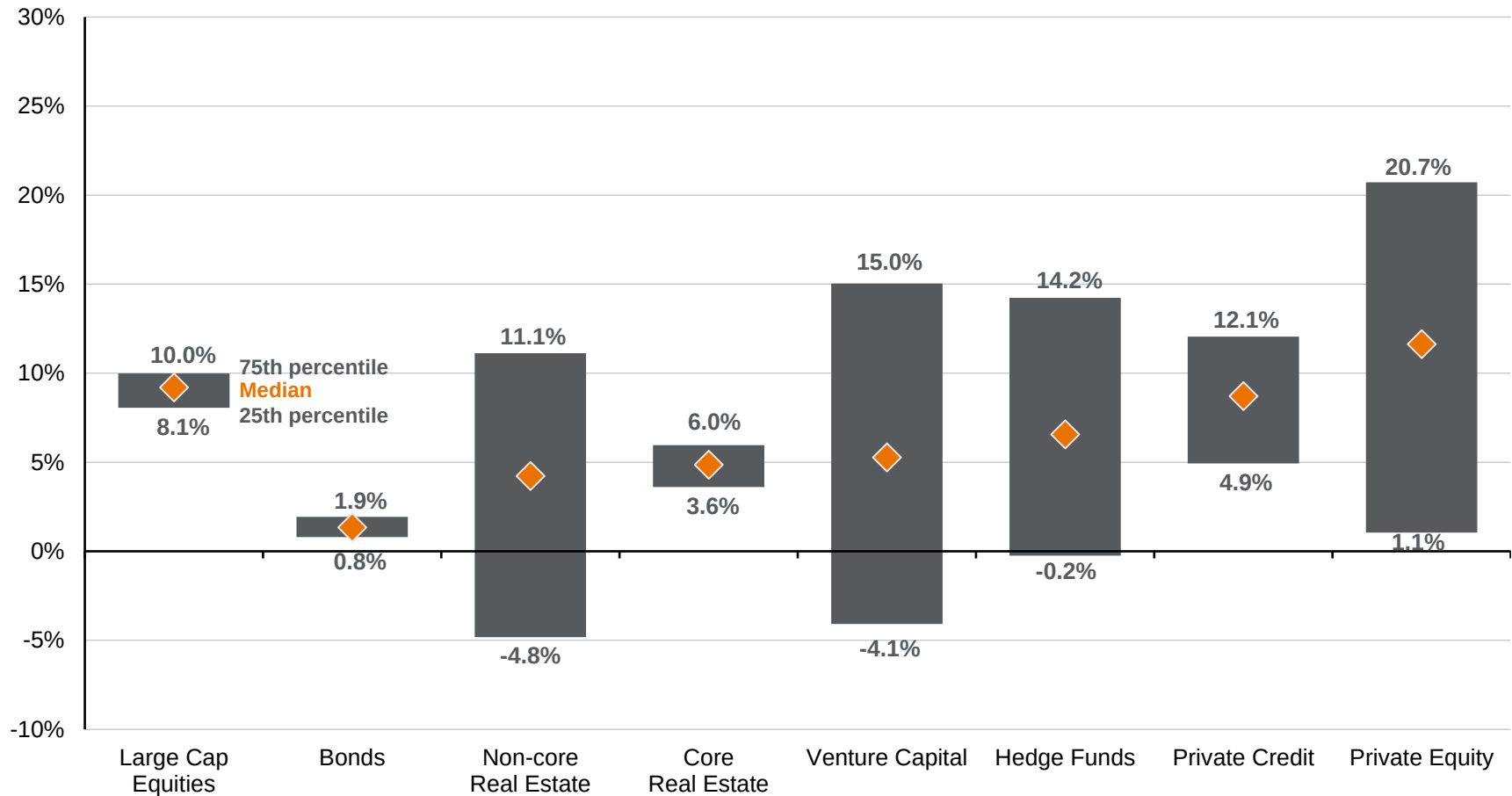
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Alternatives in portfolios

Public and private manager dispersion

Based on returns from 2Q15 – 2Q25*



Source: Burgiss, Morningstar, MSCI, PivotalPath, J.P. Morgan Asset Management.

All categories are global. Large Cap Equities and Bonds are based on the Morningstar Global Large Stock Blend and Global Bond (not hedged) categories, respectively. Core Real Estate is based on the MSCI Global Property Fund Index. Private Credit, Non-core Real Estate, Private Equity and Venture Capital are based on indices from the MSCI Private Capital Universe. Hedge Funds are based on the PivotalPath index. Manager dispersion is based on annual returns over the 10-year period indicated for: Large Cap Equities, Bonds and Hedge Funds. *Manager dispersion is based on annual returns over the 10-year period ending 1Q25 for Core Real Estate. Manager dispersion is based on the 10-year internal rate of return (IRR) ending 1Q25 for: Private Credit, Non-core Real Estate, Private Equity and Venture Capital. Past performance is not a reliable indicator of current and future results.

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Valuations monitor

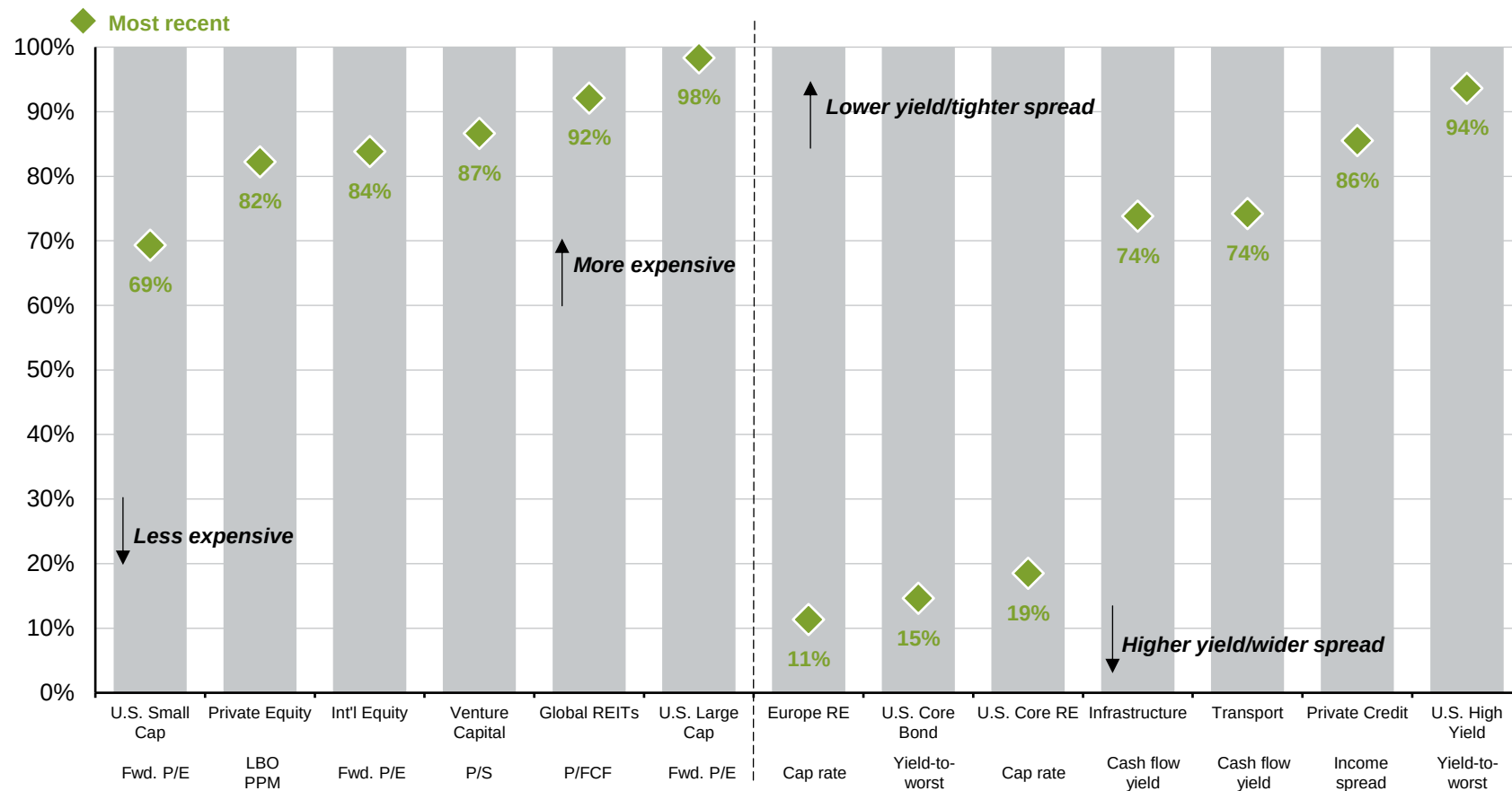
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Asset class valuations

Percentile rank relative to valuations since December 2009*



Source: Burgiss, Cliffwater, FactSet, Jay Ritter – University of Florida, J.P. Morgan Markets, MSCI, NCREIF, Pitchbook|LCD, RCA, J.P. Morgan Asset Management. All asset class valuation measures are quarterly and are inclusive of the latest available data, except VC, which is annual. Equity valuations are measured using next 12 months price-to-earnings ratios. Fixed income valuations are measured using yield-to-worst and spread-to-worst. Global REITs valuations are measured using price-to-free cash flow (P/FCF) multiples. Real estate valuations are measured using transaction-based cap rates. Private equity valuations are determined using leveraged buyout purchase price multiples (LBO PPM). Private credit valuations are measured using the spread between quarterly income returns and 3-month SOFR (LIBOR pre-2019). VC valuations measured using the median VC-backed IPO price-to-sales (P/S) ratio. Infrastructure valuations are measured using 12-month trailing infrastructure income returns. *Global REITs average valuation is since 3/31/2010. Past performance is not a reliable indicator of current and future results.

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Public and private market correlations

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Public and private market correlations

Quarterly returns

2Q08 - 1Q25		Global Bonds	Global Equities	U.S. Core RE	Europe Core RE*	APAC Core RE	Global Core Infra	Transport	Timber	Direct Lending	Venture Capital	Private Equity	Equity Long/Short	Relative Value	Macro
Financial assets	Global Bonds	1.0													
	Global Equities	0.4	1.0												
Global real estate	U.S. Core RE	-0.2	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	0.2	0.3	-0.1	1.0							
	Timber	-0.1	-0.1	0.1	-0.1	0.0	0.2	0.1	1.0						
Private markets	Direct Lending	0.0	0.7	0.2	0.2	0.2	0.3	0.0	-0.1	1.0					
	Venture Capital	0.1	0.5	0.3	0.5	0.3	0.2	0.0	-0.1	0.5	1.0				
	Private Equity	0.3	0.8	0.3	0.4	0.3	0.2	0.0	-0.1	0.8	0.8	1.0			
Hedge funds	Equity Long/Short	0.3	0.9	-0.2	0.0	-0.1	0.1	-0.2	-0.1	0.7	0.6	0.8	1.0		
	Relative Value	0.2	0.8	-0.1	0.0	-0.1	-0.1	-0.2	-0.2	0.7	0.5	0.7	0.9	1.0	
	Macro	0.0	0.3	-0.1	0.1	0.0	0.0	-0.2	0.0	0.3	0.2	0.2	0.5	0.5	1.0

Low correlation High correlation

Source: Bloomberg, Burgiss, Cliffwater, MSCI, NCREIF, PivotalPath, 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. 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 PivotalPath. 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 indicated. Returns are denominated in USD. Past performance is not a reliable indicator of current and future results. Guide to Alternatives. Data are based on availability as of August 31, 2025.



Yield alternatives

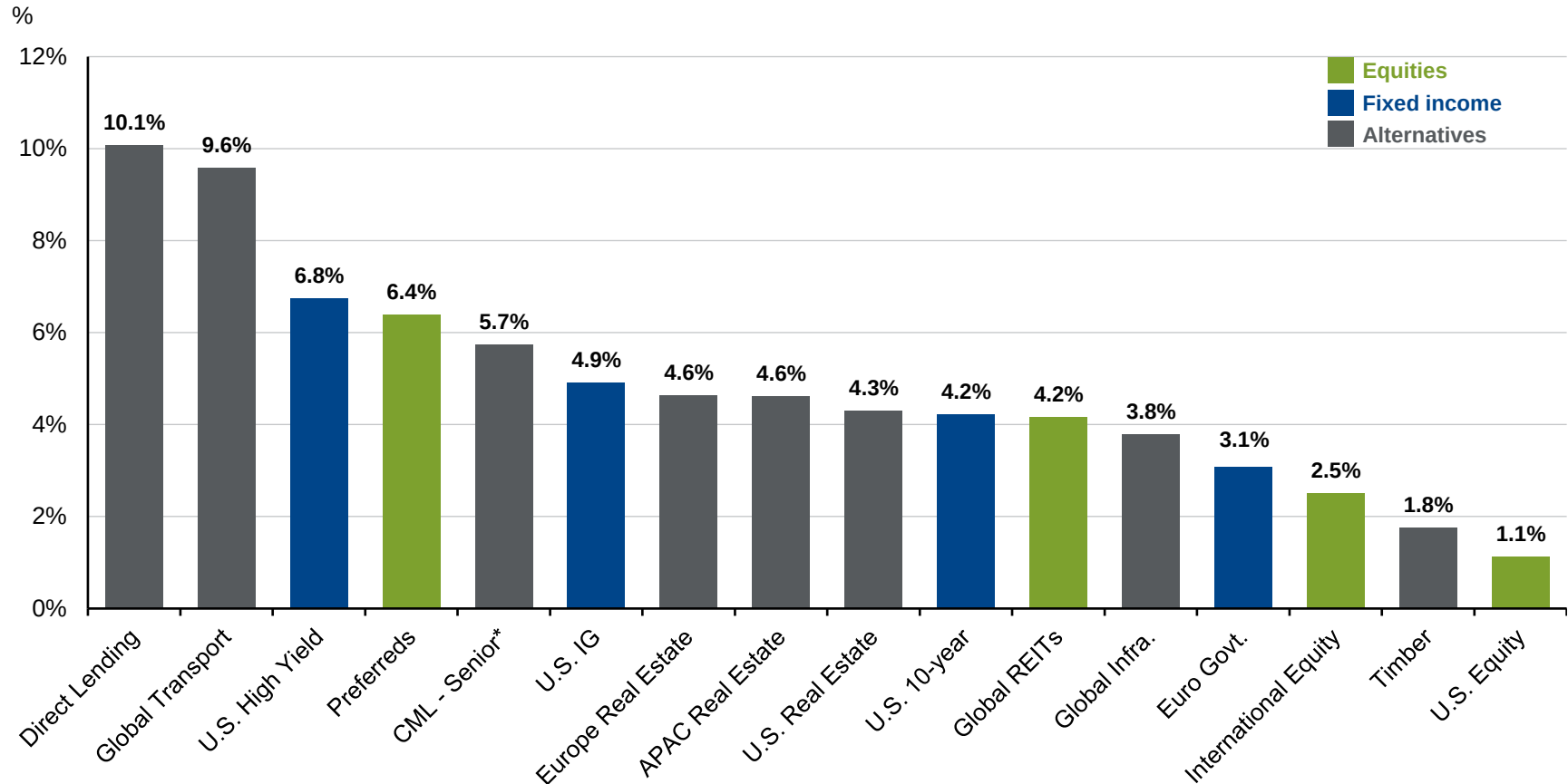
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Alternatives in portfolios

Asset class yields



Source: BAML, Bloomberg, FactSet, Federal Reserve, FTSE, KBRA DLD, MSCI, NCREIF, Wells Fargo, J.P. Morgan Asset Management.

*CML is commercial mortgage loans tracked by the Gilberto-Levy Commercial Mortgage Index. Equities and fixed income yields are as of 8/31/2025. Alternative yields are as of 3/31/2025, except CML - Senior, which is as of 6/30/2025. CML - Senior: Market-capitalization weighted average for all mortgages in the Gilberto-Levy Commercial Mortgage Index. 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: KBRA DLD Index; U.S. High Yield: Bloomberg U.S. Aggregate Corporate High Yield; Global Infrastructure: MSCI Global Private Infrastructure Asset Index; 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; U.S. and Asia Pacific (APAC) core real estate: MSCI Global Property Fund Index. Euro Govt.: Bloomberg Euro Aggregate Government - Treasury (7-10Y); Timber: NCREIF Timberland Index (U.S.) - EBITDA Return. Past performance is not a reliable indicator of current and future results. Guide to Alternatives. Data are based on availability as of August 31, 2025.

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Assets under management

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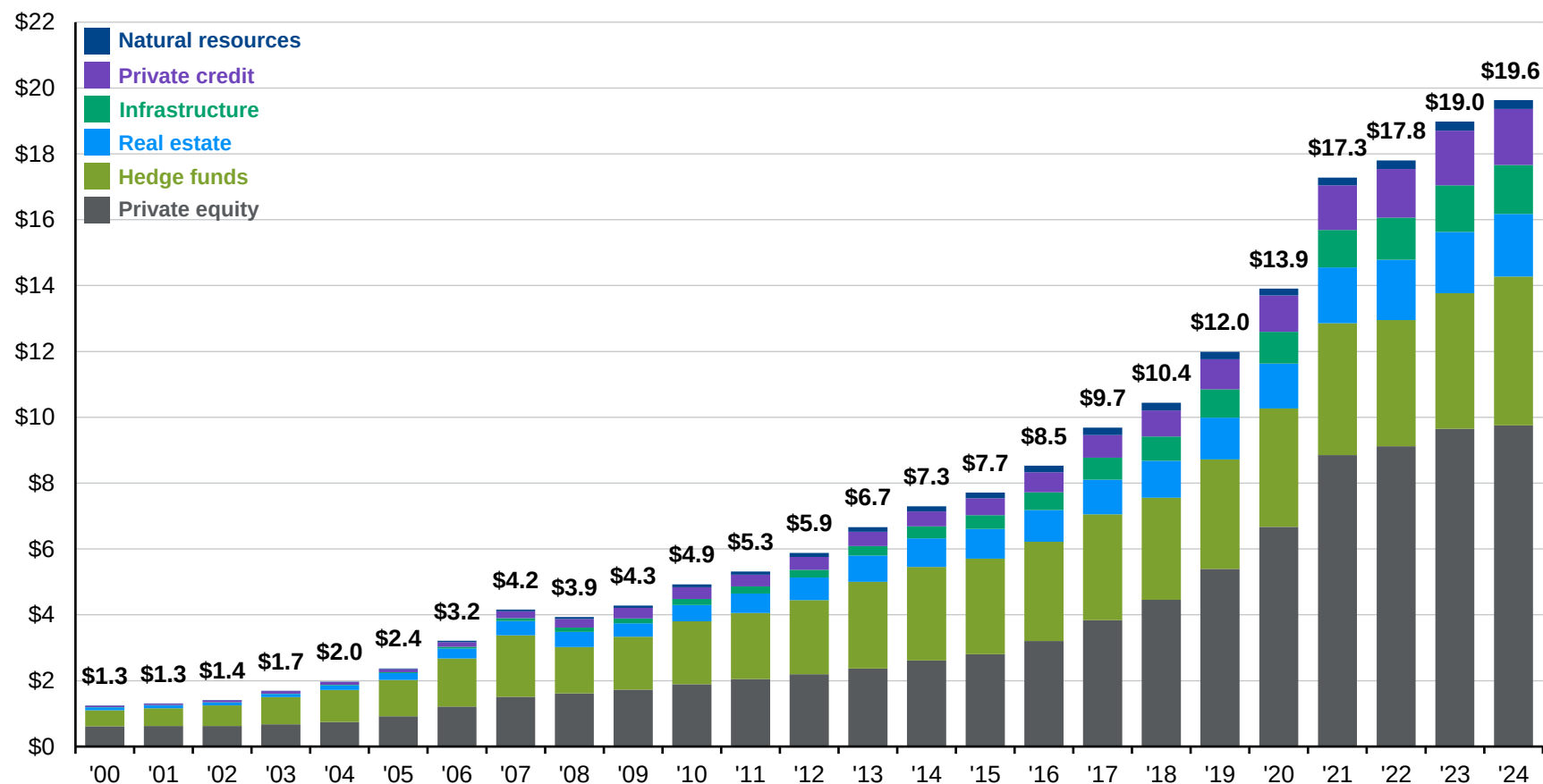
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Alternatives in portfolios

Global alternative assets under management

USD trillions, end of period



Source: HFR, Preqin, J.P. Morgan Asset Management.

Assets under management is defined as managed assets in private closed-end funds, which includes the latest available valuation of investments (including unrealized value), as well as committed capital available for investment by fund managers.

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Alternatives fundraising and dry powder

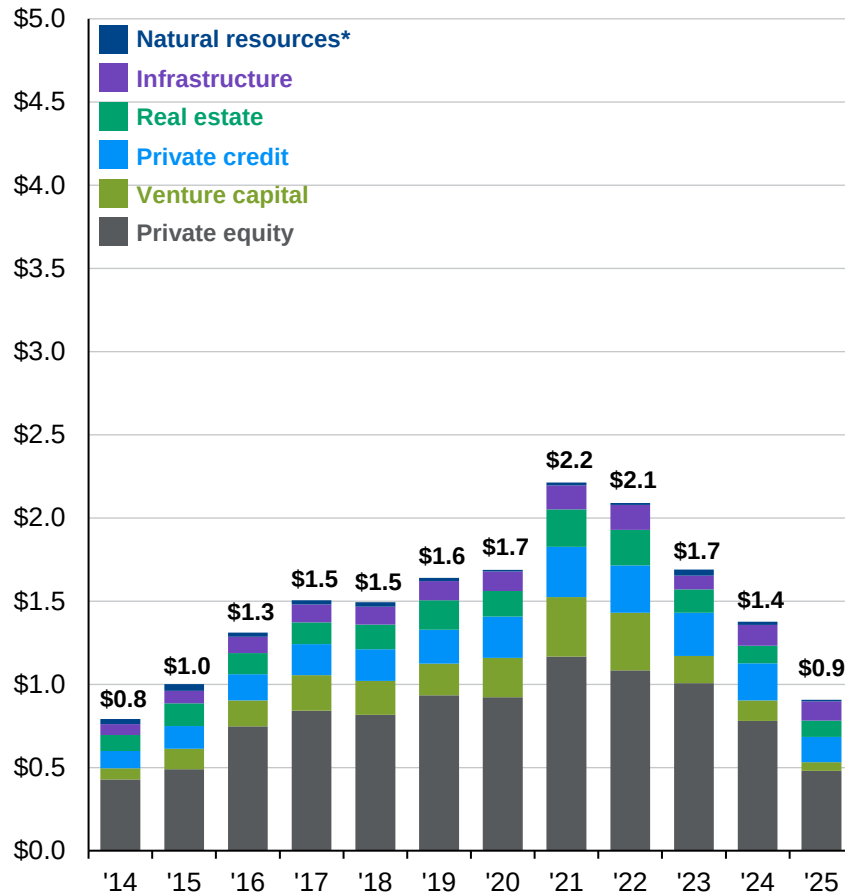
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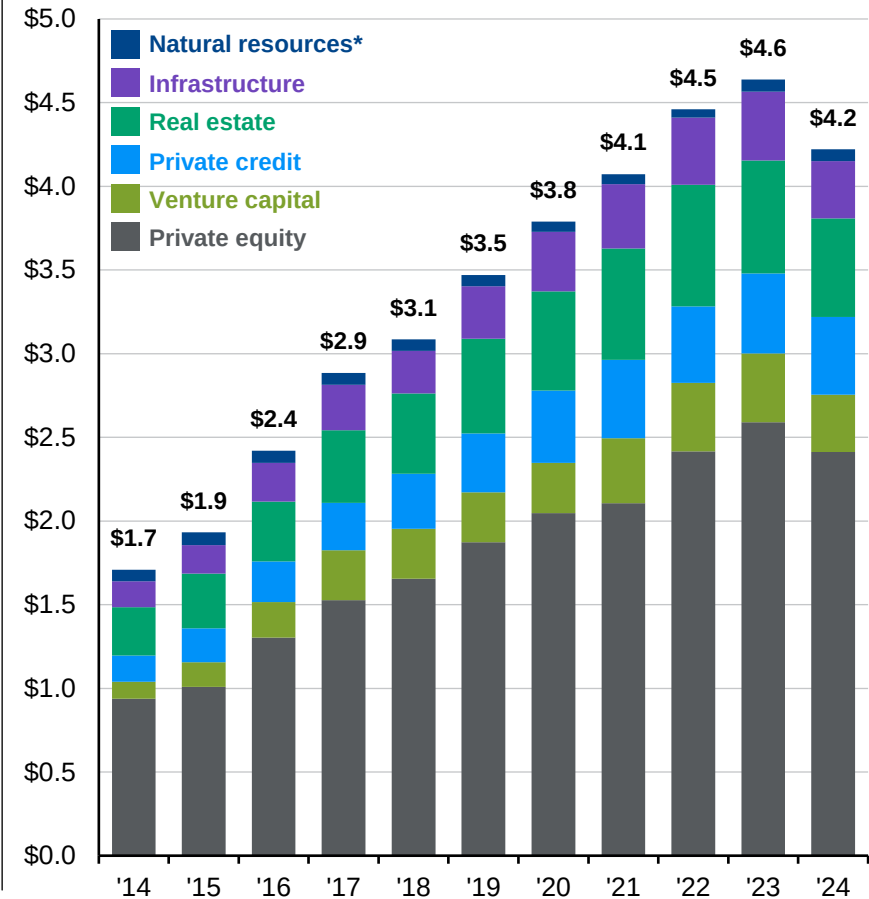
Global private capital fundraising

USD trillions, end of period



Global private capital dry powder

Committed but uninvested capital, USD trillions, end of period



Source: Preqin, J.P. Morgan Asset Management.

*Natural resources includes energy, timberland, agriculture and farmland, metals and mining, water and diversified business. (Left) Fundraising data are latest as of 8/31/2025. Fundraising categories are provided by Preqin and represent its estimate of annual capital raised in closed-end funds. Data may not sum to total due to rounding. (Right) Dry powder data are latest as of 4Q24. Dry powder refers to committed but uninvested limited partner (LP) capital.

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Investor positioning

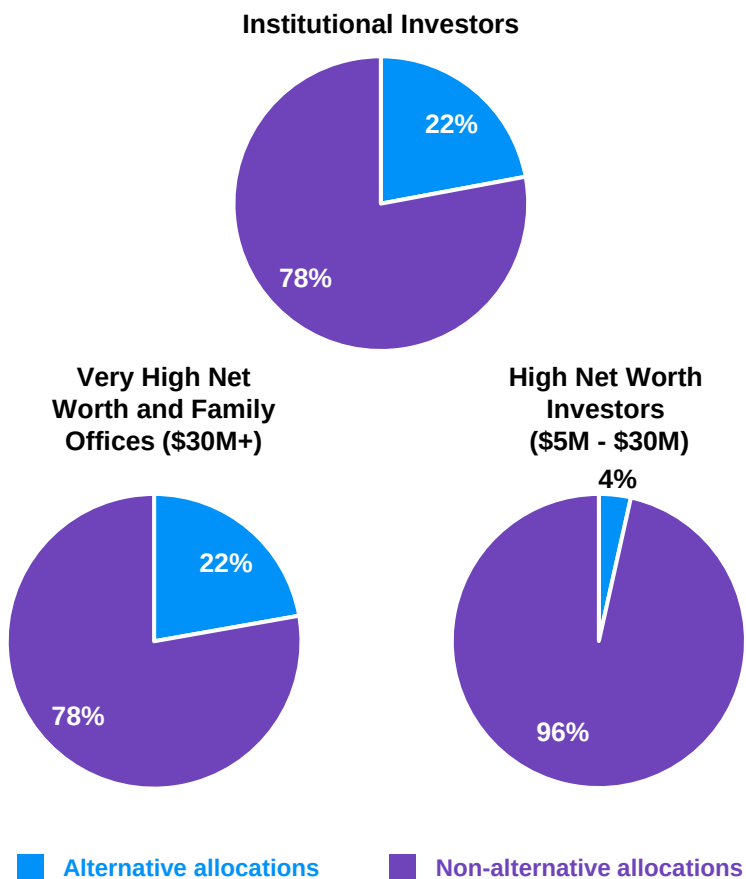
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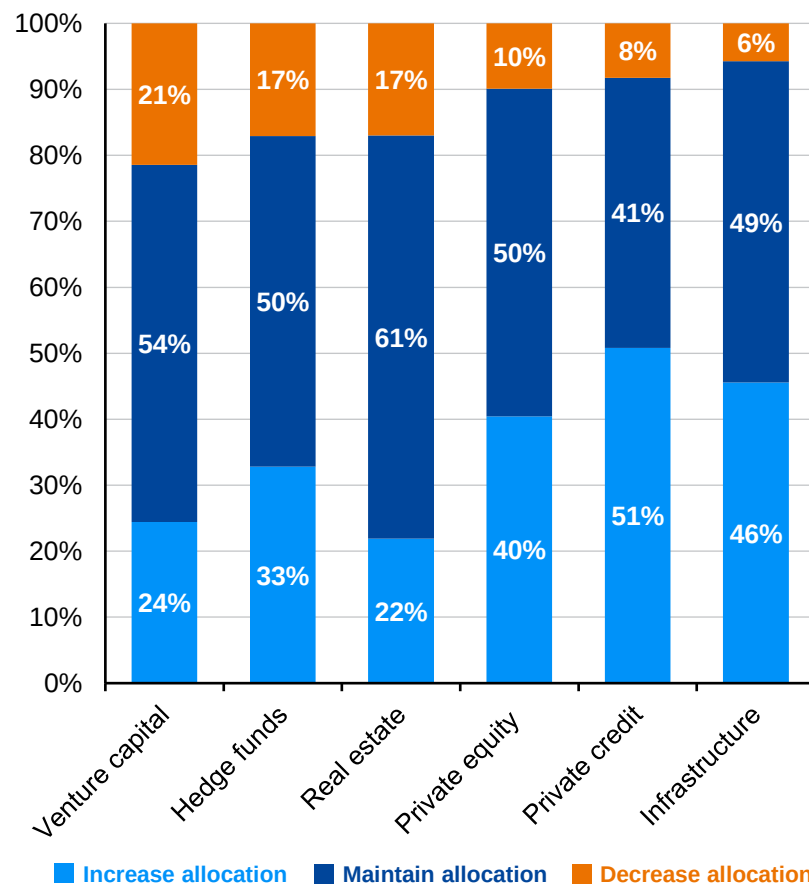
Investor asset allocation

Alternatives asset allocation by investor type



Long-term alternatives allocation plans

Share of institutional investors, June 2025



Source: Bain and Company, Preqin, J.P. Morgan Asset Management.

(Left) Institutional investor allocations data sourced from Preqin's 2025 Institutional Allocation Study. Simple average allocation is calculated using data across 4,129 investors representing \$22.4tn in AUM. Very High Net Worth and Family Offices and High Net Worth investor data sourced from Bain and Company's "Global Private Equity Report 2024." (Right) Preqin H2 2025 Investor Outlook. Guide to Alternatives. Data are based on availability as of August 31, 2025.



Alternative asset class returns vs. selected portfolios

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Alternatives in portfolios

2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	1Q25	2015-2024	
											Ann.	Vol.*
Infra. 15.5%	Infra. 14.2%	Private Equity 23.0%	Venture Capital 21.2%	60/40 Portfolio 22.4%	Venture Capital 58.5%	Venture Capital 49.9%	Transport 12.1%	60/40 Portfolio 18.0%	60/40 Portfolio 15.5%	Transport 4.0%	Venture Capital 14.2%	Venture Capital 13.1%
U.S. Core RE 15.0%	Private Equity 12.2%	Venture Capital 14.8%	Infra. 11.6%	Venture Capital 20.5%	Private Equity 24.0%	Private Equity 37.3%	Infra. 9.6%	50/30/20 Portfolio 15.3%	50/30/20 Portfolio 14.1%	Direct Lending 2.1%	Private Equity 14.0%	60/40 Portfolio 10.3%
Venture Capital 15.0%	Direct Lending 11.2%	60/40 Portfolio 14.5%	Europe Core RE 9.9%	50/30/20 Portfolio 20.3%	60/40 Portfolio 14.0%	U.S. Core RE 22.2%	U.S. Core RE 7.5%	Direct Lending 12.1%	Direct Lending 11.3%	Infra. 2.0%	Infra. 10.3%	50/30/20 Portfolio 8.8%
Europe Core RE 12.8%	APAC Core RE 10.4%	50/30/20 Portfolio 14.3%	APAC Core RE 9.3%	Private Equity 16.8%	50/30/20 Portfolio 13.9%	50/30/20 Portfolio 17.7%	APAC Core RE 6.8%	Private Equity 9.7%	Infra. 10.7%	Venture Capital 2.0%	Direct Lending 9.0%	Private Equity 8.5%
APAC Core RE 11.8%	U.S. Core RE 8.8%	Infra. 12.2%	Private Equity 8.9%	Infra. 11.5%	Hedge Funds 11.4%	60/40 Portfolio 16.6%	Direct Lending 6.3%	Transport 8.9%	Hedge Funds 10.6%	Private Equity 1.6%	50/30/20 Portfolio 8.6%	Hedge Funds 5.9%
Transport 8.8%	50/30/20 Portfolio 8.5%	APAC Core RE 11.5%	U.S. Core RE 8.3%	Europe Core RE 9.4%	Transport 6.8%	Europe Core RE 14.2%	Hedge Funds -1.1%	Infra. 7.9%	Transport 7.5%	Europe Core RE 1.6%	60/40 Portfolio 8.1%	U.S. Core RE 5.6%
Private Equity 8.8%	60/40 Portfolio 8.2%	Transport 10.6%	Direct Lending 8.1%	Direct Lending 9.0%	Direct Lending 5.5%	Direct Lending 12.8%	Private Equity -1.4%	Hedge Funds 7.6%	Private Equity 5.6%	APAC Core RE 1.1%	Transport 7.9%	Transport 4.7%
Direct Lending 5.5%	Europe Core RE 8.1%	Europe Core RE 9.8%	Transport 5.2%	Hedge Funds 9.0%	Europe Core RE 4.8%	APAC Core RE 11.8%	Europe Core RE -2.4%	Venture Capital -2.1%	Venture Capital 5.4%	U.S. Core RE 1.1%	Europe Core RE 6.5%	Europe Core RE 4.1%
50/30/20 Portfolio 3.0%	Transport 7.8%	Direct Lending 8.6%	50/30/20 Portfolio -0.4%	APAC Core RE 6.6%	U.S. Core RE 1.2%	Infra. 10.5%	50/30/20 Portfolio -12.6%	APAC Core RE -2.3%	Europe Core RE 4.7%	Hedge Funds 0.0%	APAC Core RE 6.4%	Infra. 3.2%
Hedge Funds 2.5%	Hedge Funds 5.0%	Hedge Funds 8.0%	Hedge Funds -1.6%	U.S. Core RE 5.3%	APAC Core RE 0.3%	Transport 10.3%	60/40 Portfolio -16.1%	Europe Core RE -4.9%	APAC Core RE -1.0%	50/30/20 Portfolio -1.0%	U.S. Core RE 5.9%	APAC Core RE 3.0%
60/40 Portfolio 1.1%	Venture Capital 0.6%	U.S. Core RE 7.6%	60/40 Portfolio -2.6%	Transport 1.5%	Infra. 0.2%	Hedge Funds 7.8%	Venture Capital -20.6%	U.S. Core RE -12.0%	U.S. Core RE -1.4%	60/40 Portfolio -1.5%	Hedge Funds 5.8%	Direct Lending 2.9%

Source: Bloomberg, Burgiss, Cliffwater, FactSet, MSCI, NCREIF, PivotalPath, J.P. Morgan Asset Management.

Private Equity: MSCI Global Buyout Closed-End Fund Index. Venture Capital: MSCI Global Venture Capital Closed-End Fund Index. Hedge funds: PivotalPath Composite Index. Transport returns are derived from a J.P. Morgan Asset Management index and are shown on an unlevered basis, which can be enhanced by adding leverage. U.S. Core RE: 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. Direct Lending: Cliffwater Direct Lending Index. Global infrastructure (Infra.): MSCI Global Private Infrastructure Asset Index. A 50/30/20 portfolio is comprised of 50% U.S. equities weight, 30% fixed income weight and 20% alternatives asset allocation weight. Portfolios are rebalanced at the start of the year. A 60/40 portfolio is comprised of 60% equities and 40% fixed income. Equities in both the 60/40 portfolio and the 50/30/20 portfolio are represented by the S&P 500 Total Return Index. Fixed income in both the 60/40 portfolio and the 50/30/20 portfolio are represented by the Bloomberg U.S. Aggregate Total Return Index. Alternatives in the 50/30/20 portfolio are represented by an equal-weight asset allocation mix of the returns from the other nine alternatives asset classes on the chart. Annualized return (Ann.) and volatility (Vol.) represents the 40-quarter period ending 12/31/2024. *Volatility calculated as the annualized standard deviation of quarterly returns. Past performance is not a reliable indicator of current and future results. Guide to Alternatives. Data are based on availability as of August 31, 2025.

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Sources of global private real estate returns

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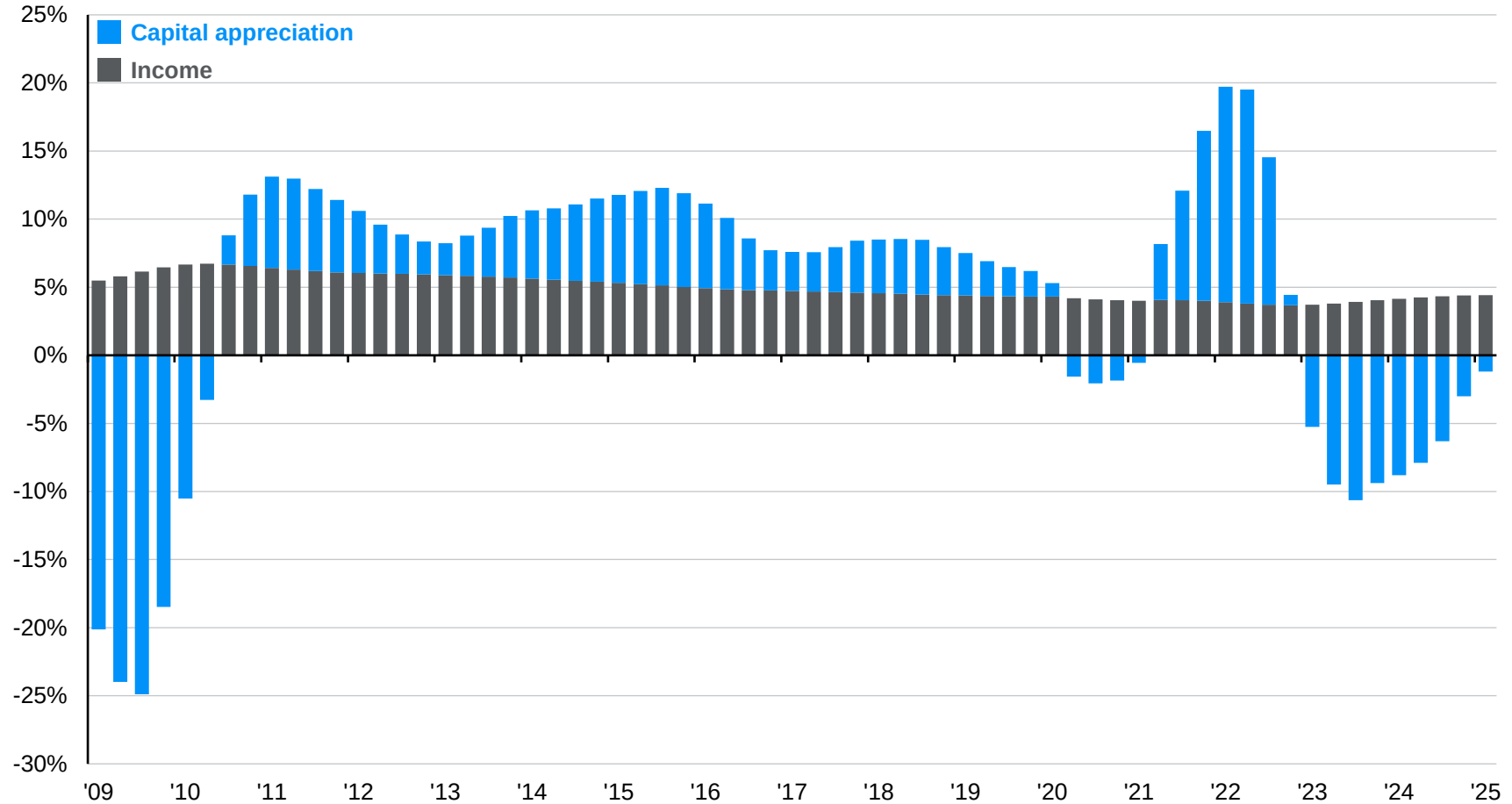
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Real estate

Global private real estate returns

Rolling 4-quarter returns from income and capital appreciation



Source: MSCI, J.P. Morgan Asset Management.

Real Estate returns represented by the MSCI Global Property Fund Index. Data show rolling four-quarter returns from income and capital appreciation. The chart shows the full index history, beginning in 1Q09, and ending in 1Q25. Past performance is not a reliable indicator of current and future results.

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U.S. REITs and direct real estate returns

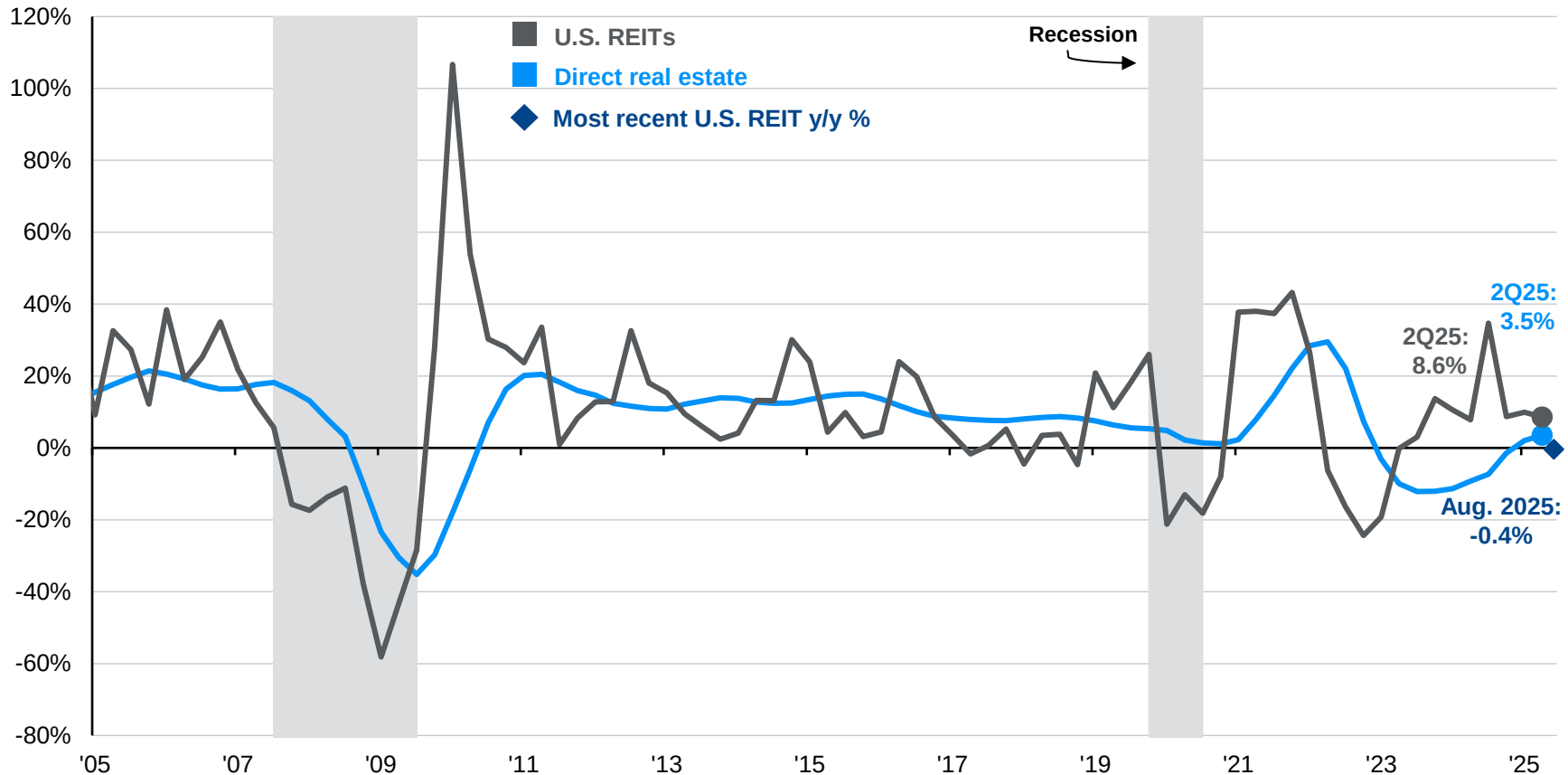
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U.S. REITs and direct real estate returns

4-quarter total return %



Source: FactSet, NAREIT, NCREIF, J.P. Morgan Asset Management.

U.S. REITs: FTSE NAREIT All Equity Index. Direct real estate: NCREIF Fund Index - Open End Diversified Core Equity Fund Index. It is a capitalization-weighted, gross of fee, time-weighted return index. Indices do not include fees or operating expenses and are not available for actual investment.

Past performance is not a reliable indicator of current and future results.
Guide to Alternatives. Data are based on availability as of August 31, 2025.



Real estate correlation to equities

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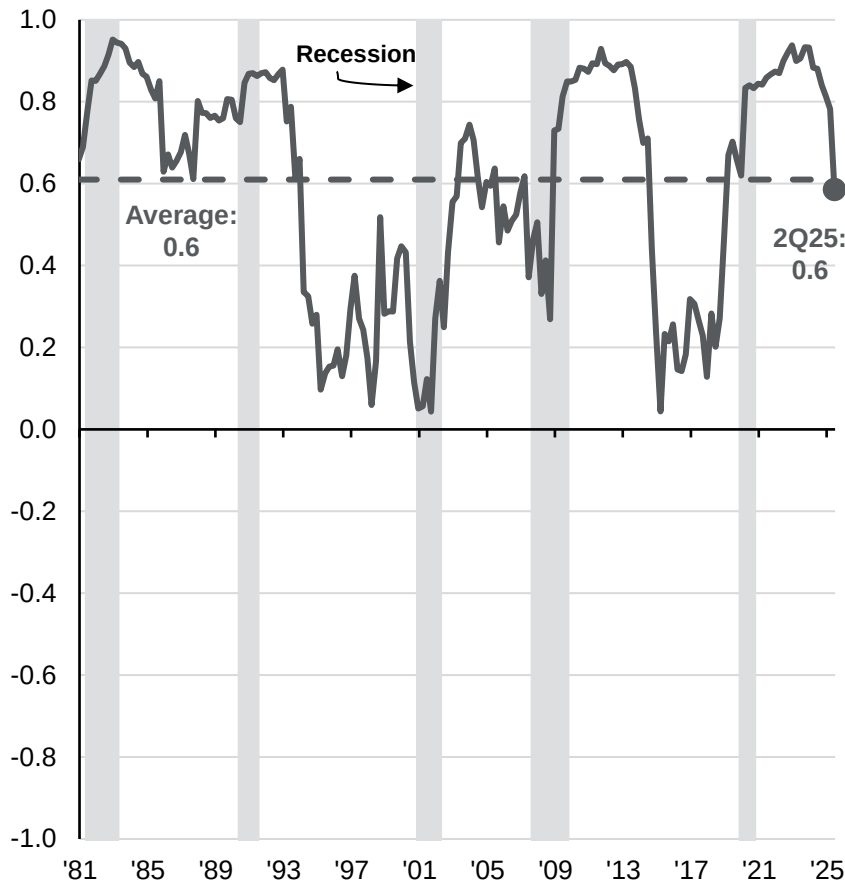
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Real estate

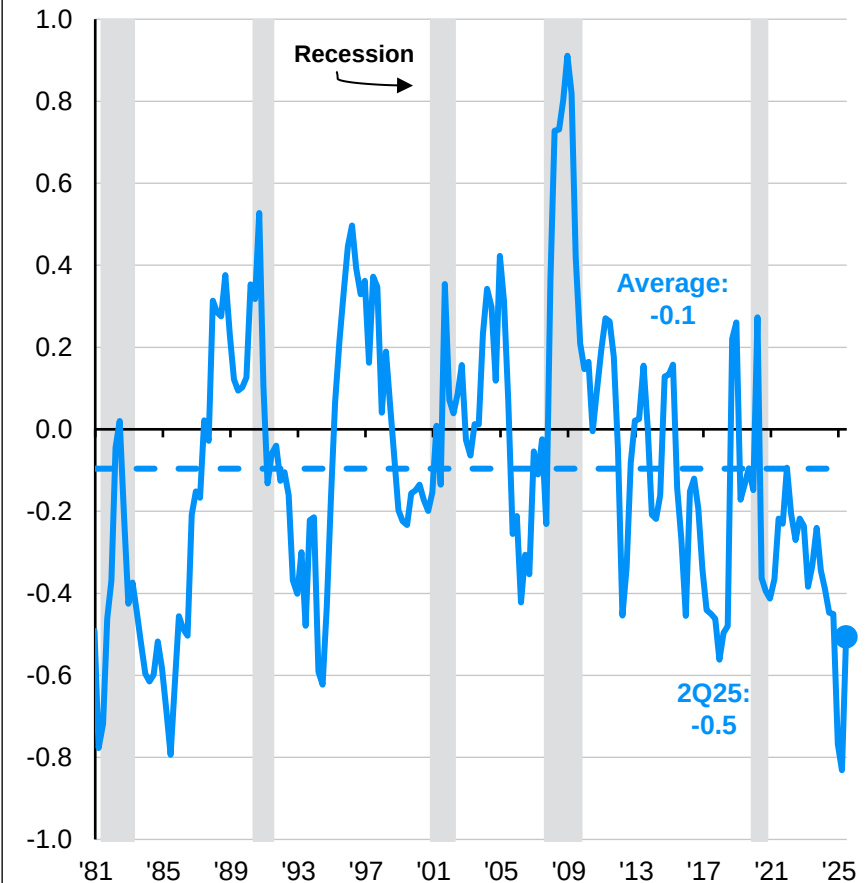
U.S. REITs correlation to S&P 500

12-quarter rolling, total return, 1Q81 – 2Q25



Direct real estate correlation to S&P 500

12-quarter rolling, total return, 1Q81 – 2Q25



Source: FactSet, NAREIT, NCREIF, Standard & Poor's, J.P. Morgan Asset Management. The S&P 500 is represented by the S&P 500 total return index. Indices do not include fees or operating expenses and are not available for actual investment. Past performance is not a reliable indicator of current and future results. *Guide to Alternatives*. Data are based on availability as of August 31, 2025.

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U.S. real estate: Transaction volumes

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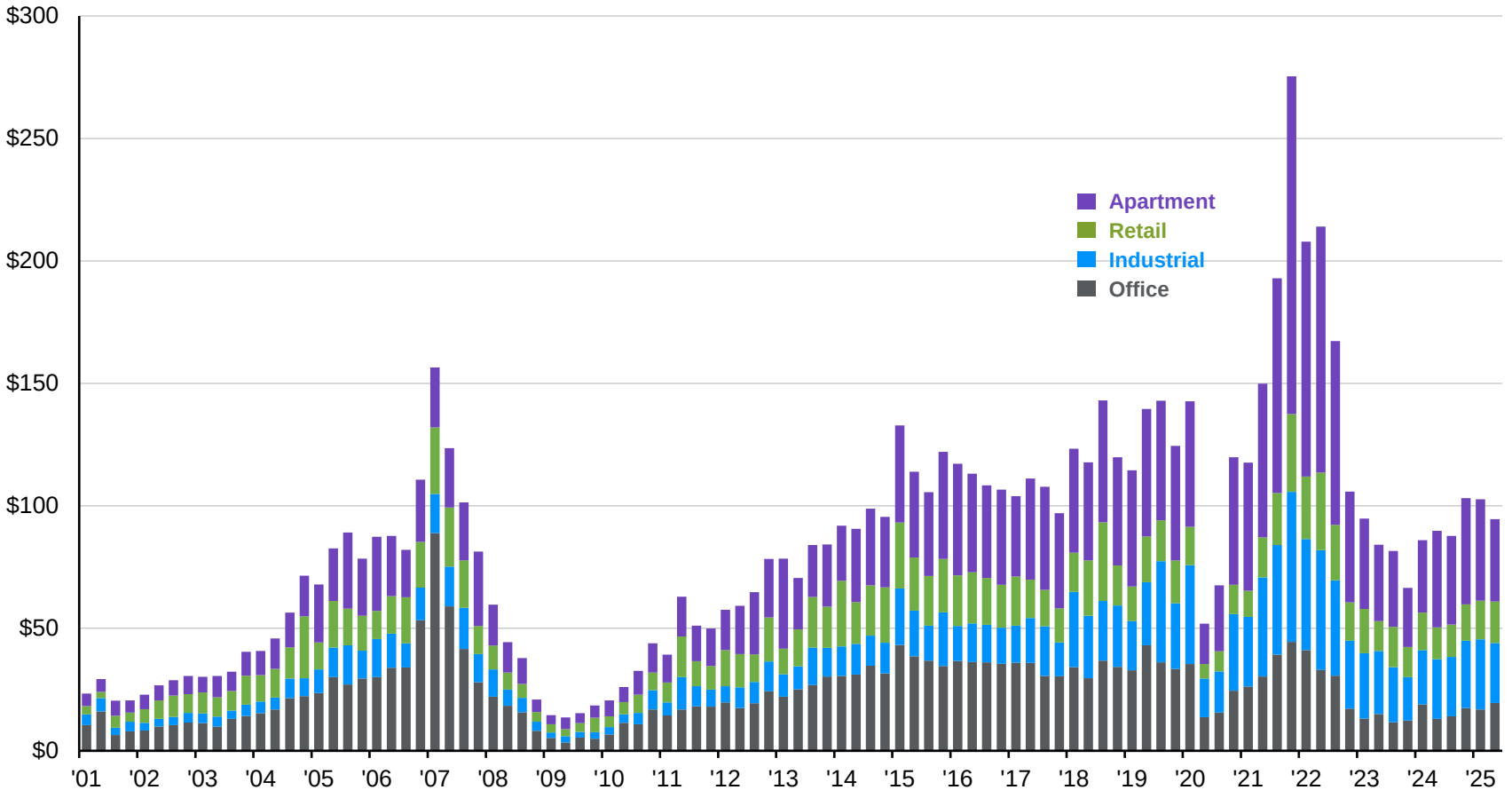
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Real estate

U.S. real estate transaction volumes

USD billions, seasonally adjusted, 1Q01 – 2Q25



Source: RCA, J.P. Morgan Asset Management.
Guide to Alternatives. Data are based on availability as of August 31, 2025.



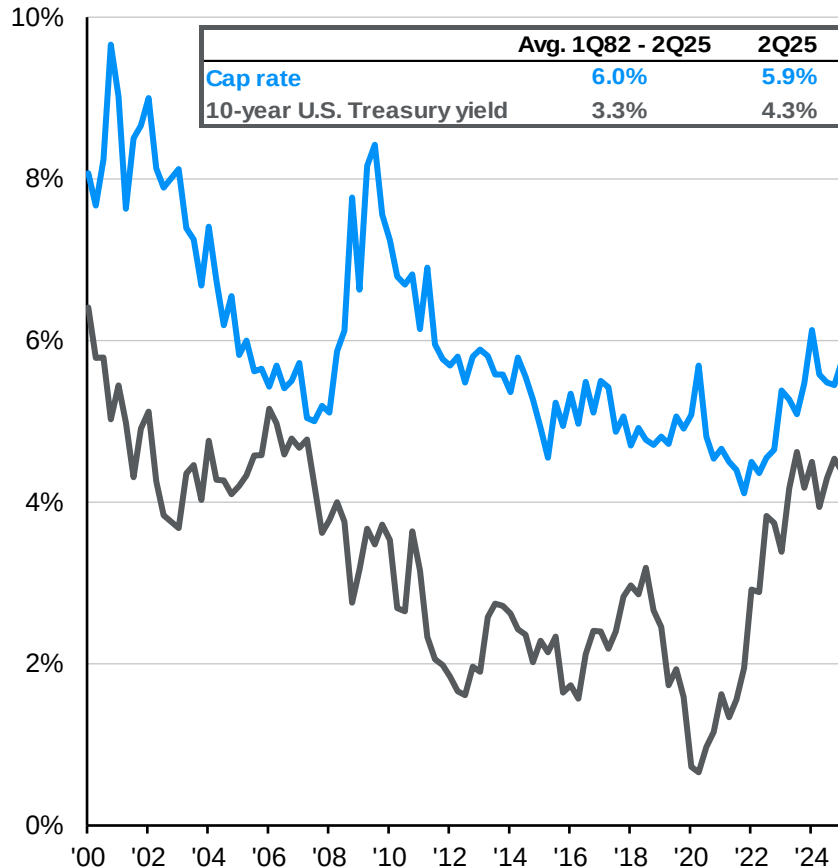
U.S. real estate: Cap rates and property prices

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Real estate

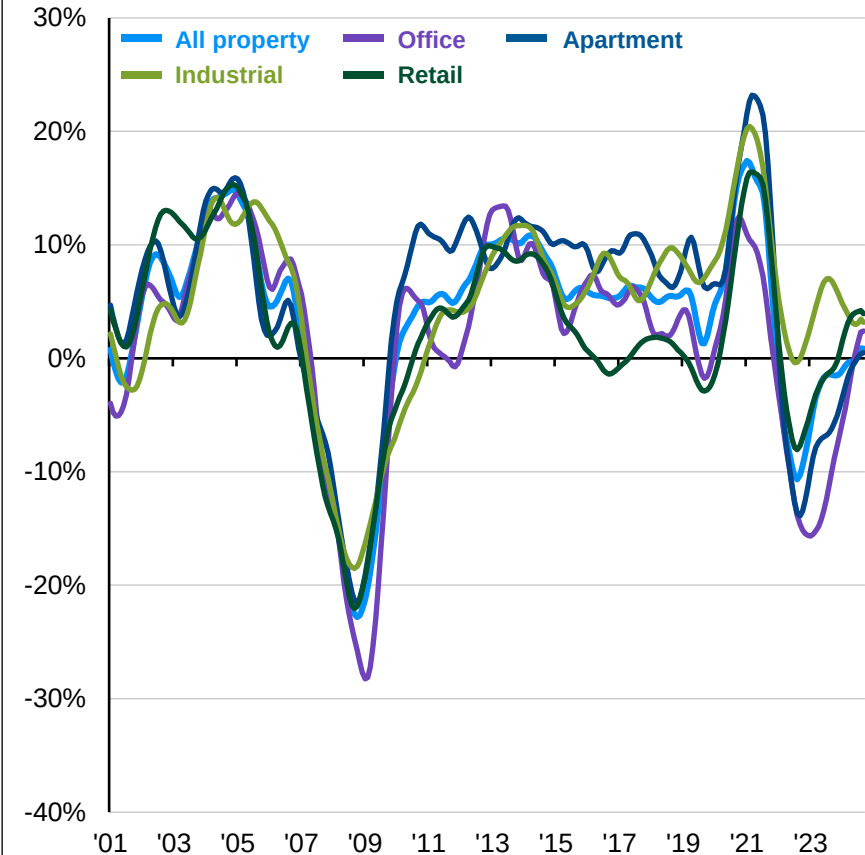
U.S. real estate cap rates and interest rates

Transaction based, 10-year U.S. Treasury yield



U.S. commercial real estate property prices

Y/y % change



Source: Apollo Global Management, Bloomberg, LSEG Datastream, MSCI, NCREIF, J.P. Morgan Asset Management.

(Left) The cap rate is calculated as the net operating income over sales price. It is transaction based and value weighted. (Right) The RCA Commercial Property Price Indices are transaction-based indices that measure property prices at a national level. Property price data are as of 8/31/2025. Past performance is not a reliable indicator of current and future results.

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U.S. real estate: Vacancy rates and NOI growth

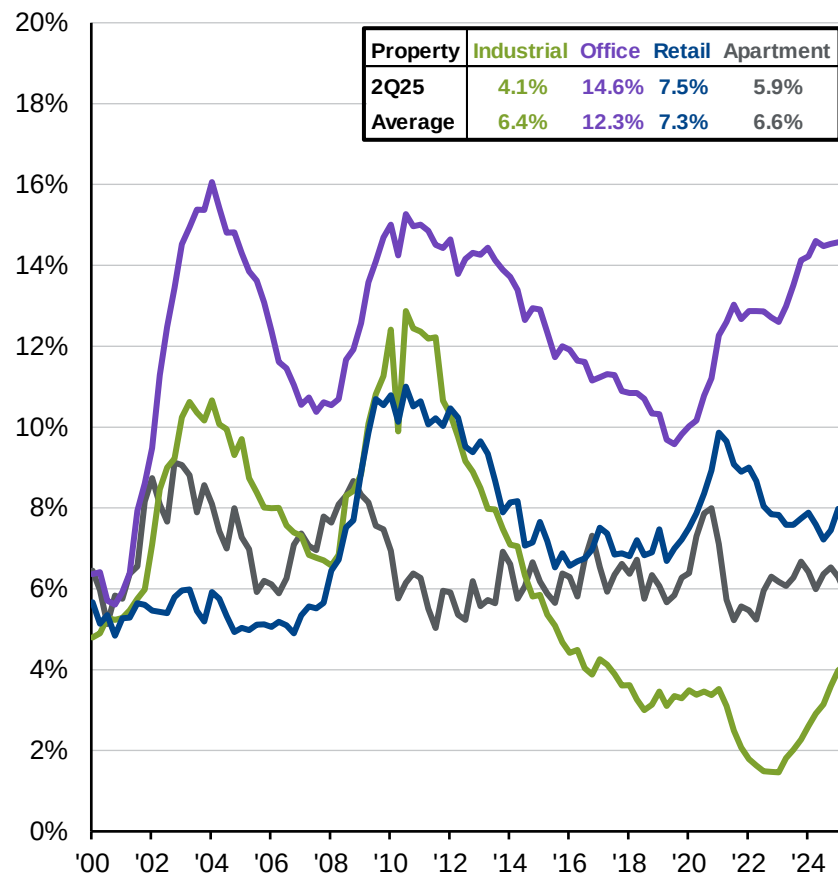
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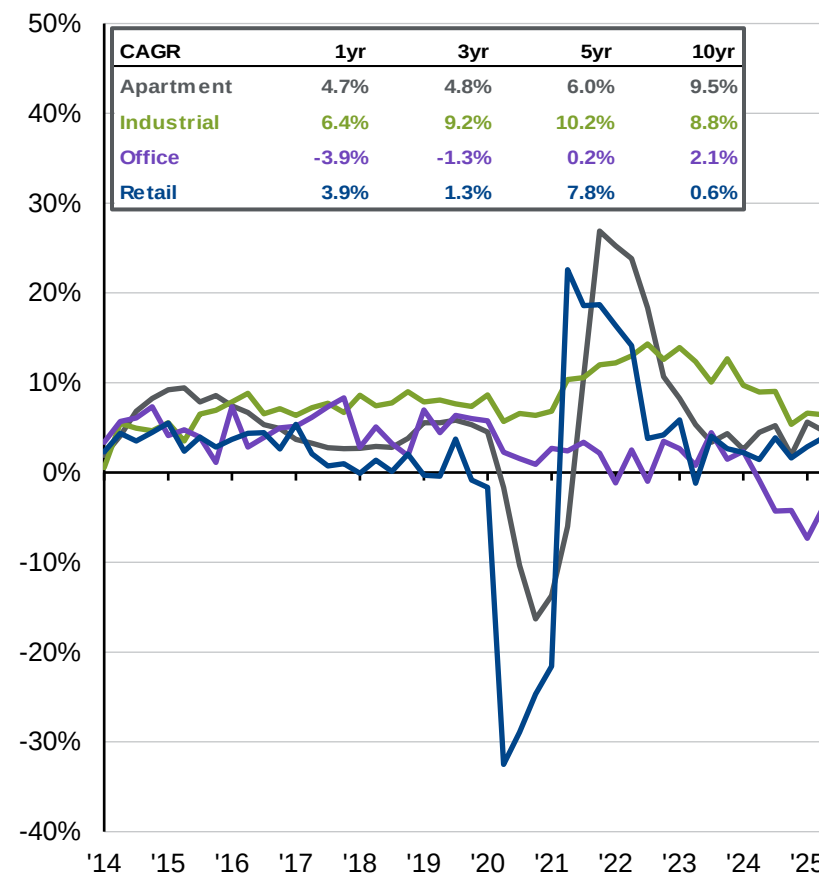
U.S. vacancy rates by property type

%, 1Q00 – 2Q25



Net operating income growth by property type

Y/y %, 1Q14 – 2Q25



Source: NCREIF, J.P. Morgan Asset Management.

Annualized returns are calculated to 2Q25. Past performance is not a reliable indicator of current and future results.

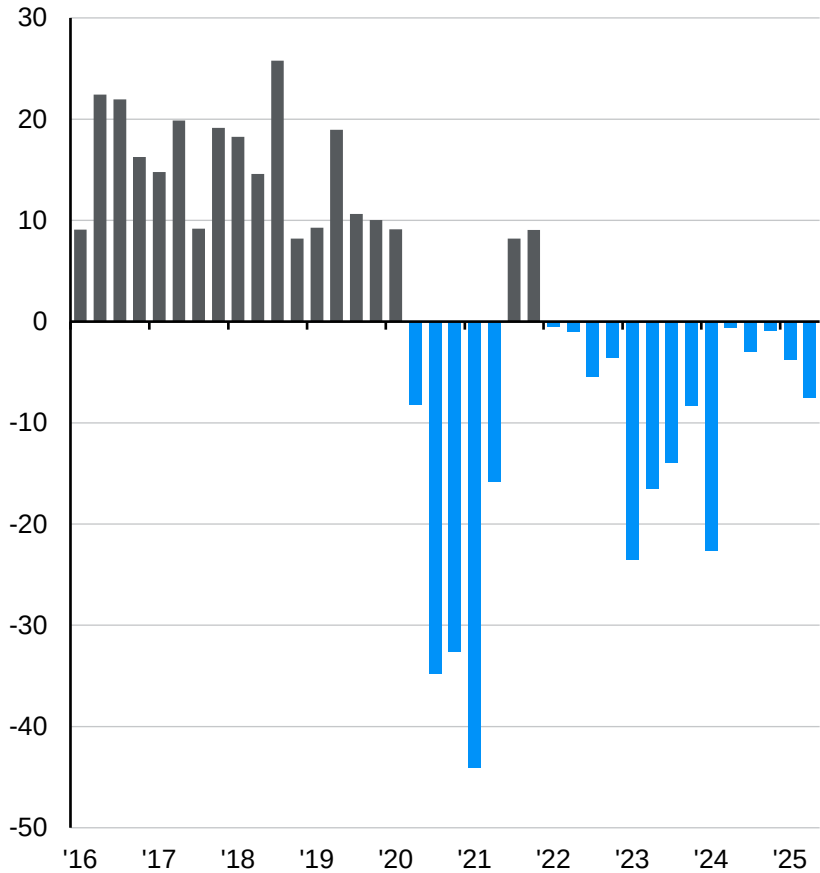
Guide to Alternatives. Data are based on availability as of August 31, 2025.



U.S. real estate: Office leasing activity

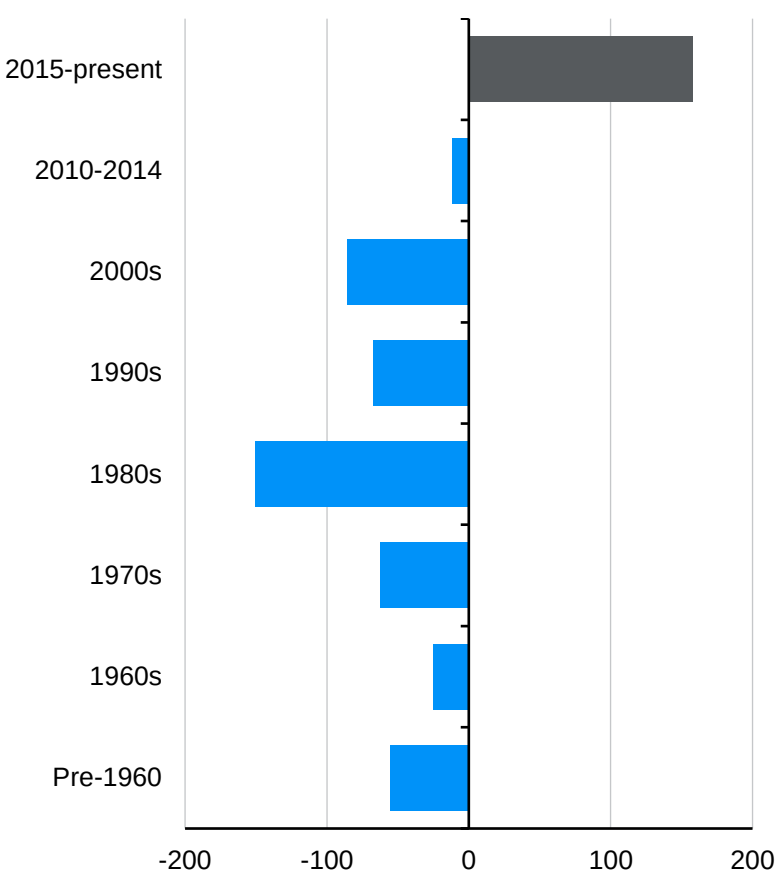
U.S. office net absorption

Million square feet, 1Q16 – 2Q25



Net absorption by building vintage

Year built, million square feet



Source: CoStar, JLL, J.P. Morgan Asset Management.

(Right) Data is sourced from the "Emerging supply shortages of high-quality space, July 2025" report.

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U.S. real estate: Office supply

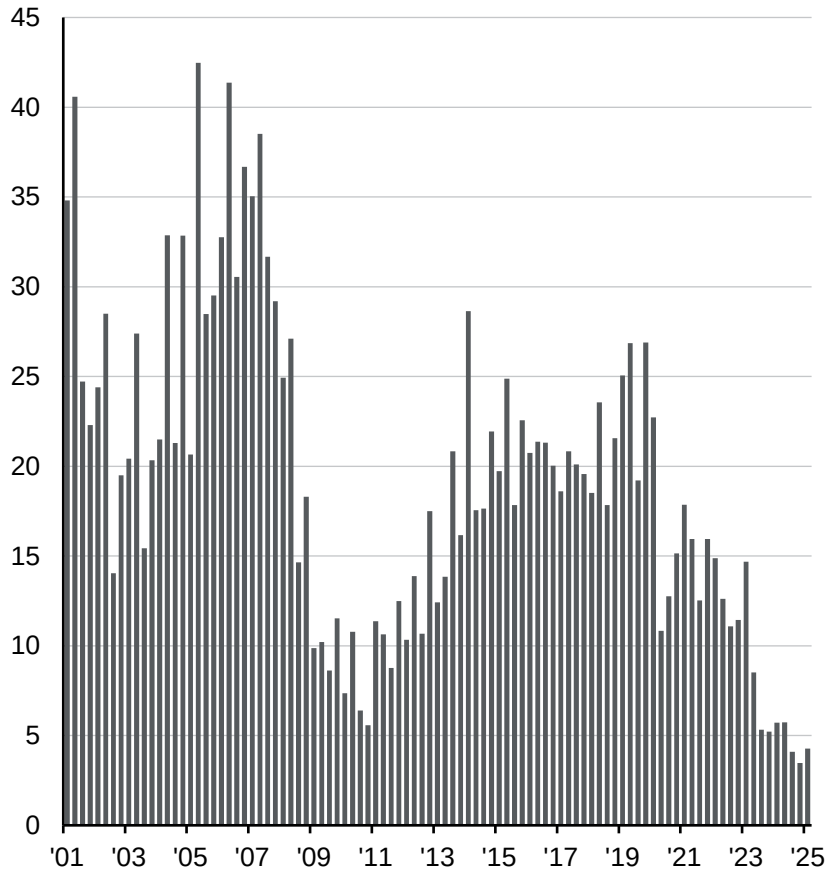
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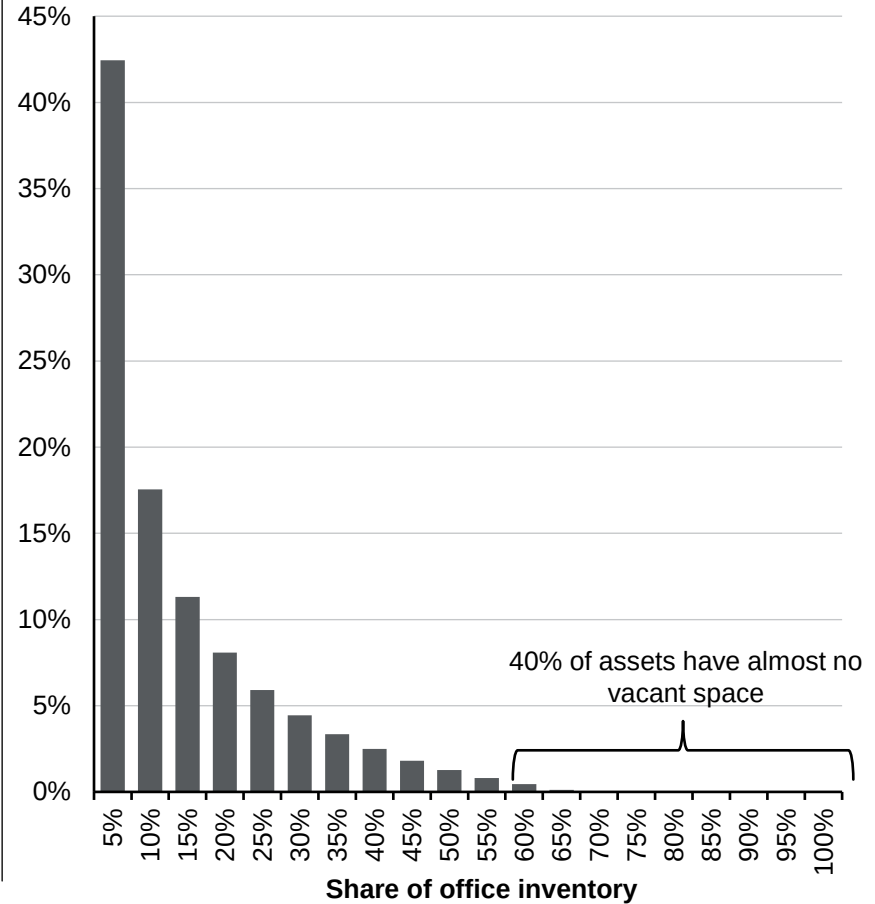
U.S. office construction starts

Million square feet, 1Q00 – 2Q25



Office vacancy concentration

Share of vacant space



Source: CoStar, JLL, J.P. Morgan Asset Management.

(Right) Data is sourced from the "Emerging supply shortages of high-quality space, July 2025" report. Guide to Alternatives. Data are based on availability as of August 31, 2025.



U.S. housing affordability

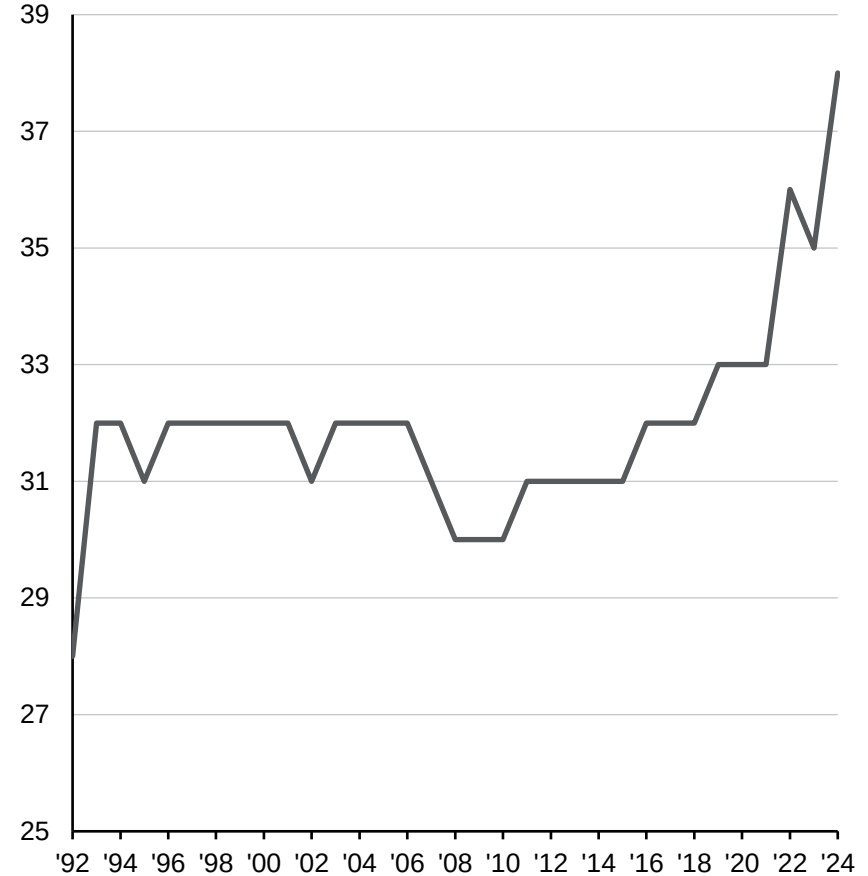
Existing home price affordability index

Median household income to qualifying income on existing home sales



Median age of a first-time U.S. homebuyer

Years



Source: Census Bureau, Fannie Mae, National Association of Realtors, J.P. Morgan Asset Management.
(Left) Ratio of median household income to qualifying income on existing home sales price. Qualifying income = 4 * annual mortgage cost.
Guide to Alternatives. Data are based on availability as of August 31, 2025.



U.S. real estate: Data centers

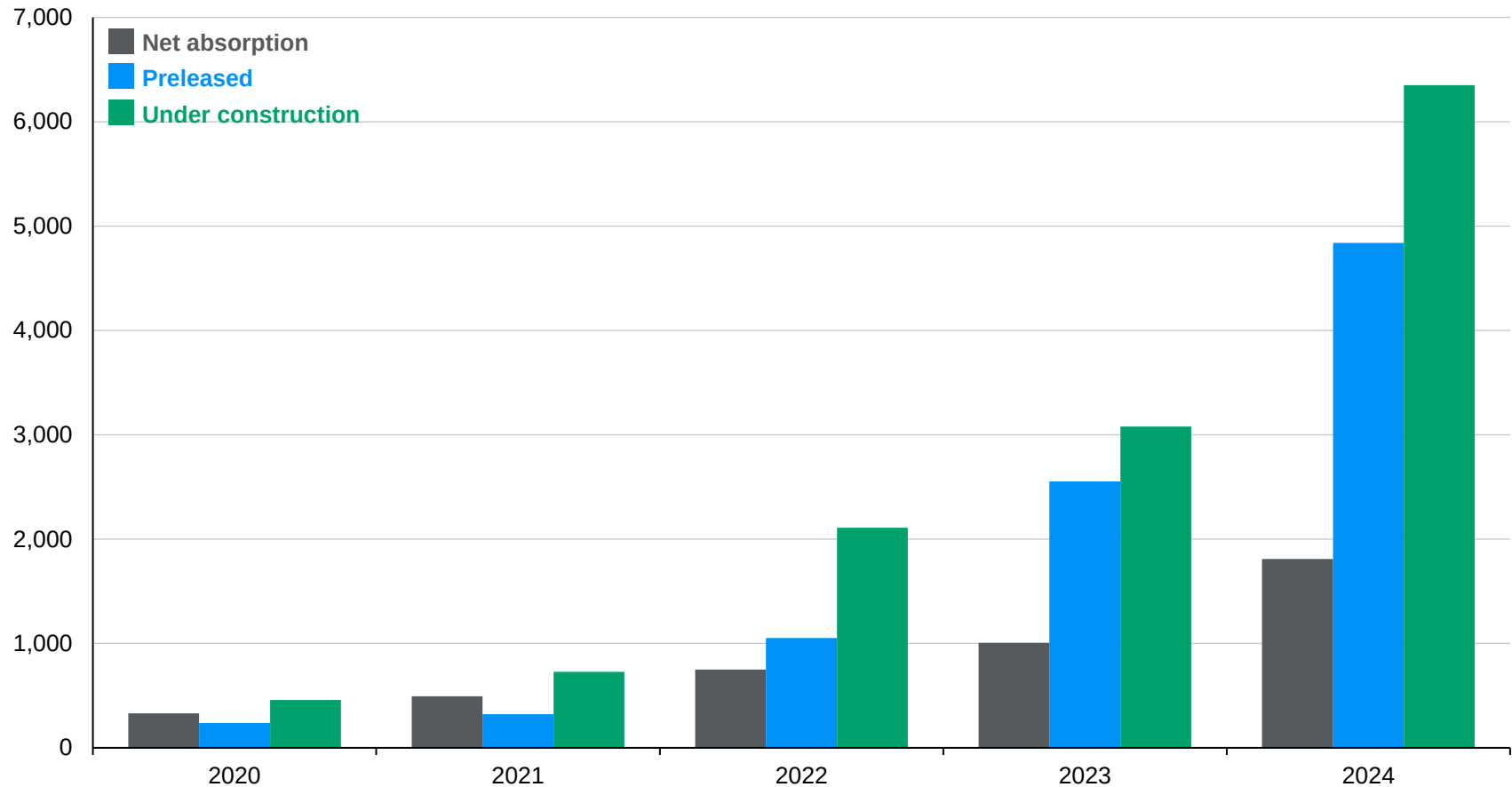
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Data center supply-demand dynamics in primary markets*

Megawatts (MW)



Source: CBRE Data Center Solutions, CBRE Research, J.P. Morgan Asset Management.

*Primary markets are the largest and most active U.S. data center hubs, such as Northern Virginia, Silicon Valley, Dallas, Phoenix and Chicago. Data centers are measured in megawatts because their most important constraint is power, not square footage. One megawatt can power 750 homes, so 7,000 MW (or 7 gigawatts) is roughly equivalent to the electricity use of over 5 million households. Net absorption measures how much data center space was newly occupied that year, after subtracting any move-outs. Preleased means space currently under construction that tenants have already committed to, while under construction reflects the total pipeline being built, whether leased or not.

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Europe real estate: Transaction volumes

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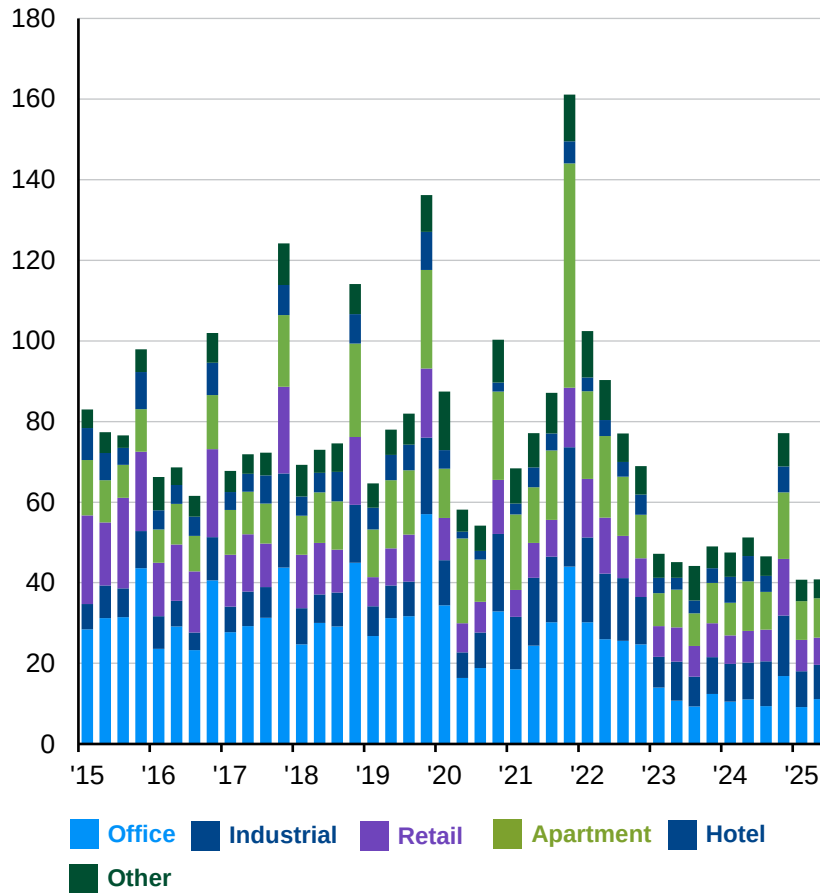
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Real estate

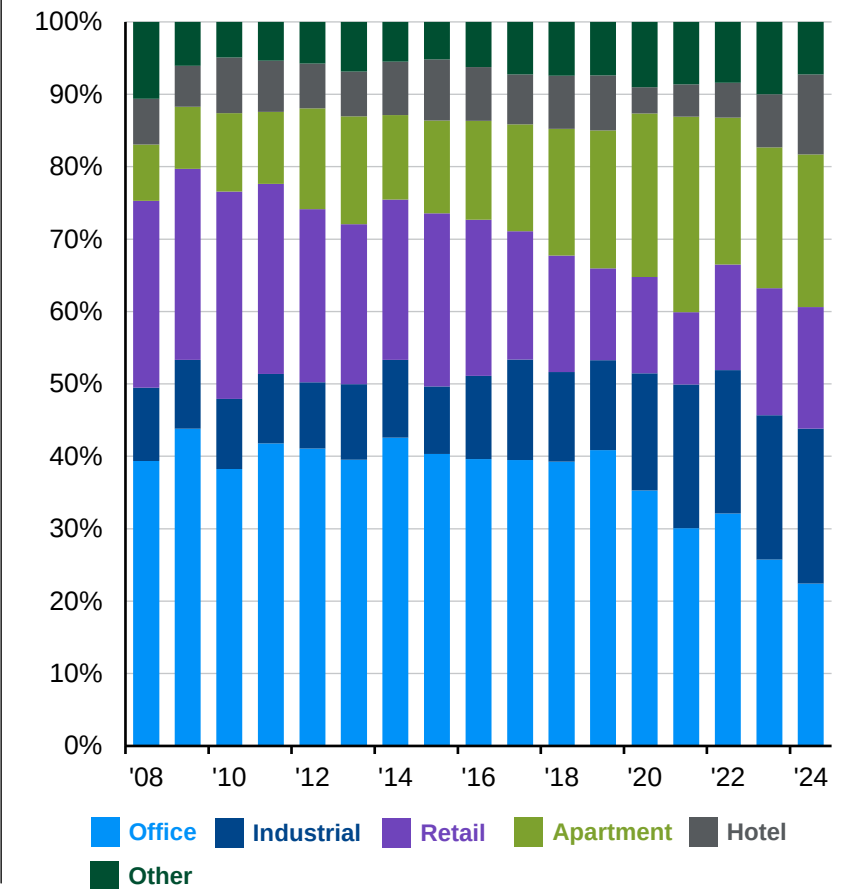
European transaction volumes

EUR billions 1Q15 – 2Q25



European transaction volumes by property type

Share of total, 2008 - 2024



Source: RCA, J.P. Morgan Asset Management.
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Europe real estate: Yield and income

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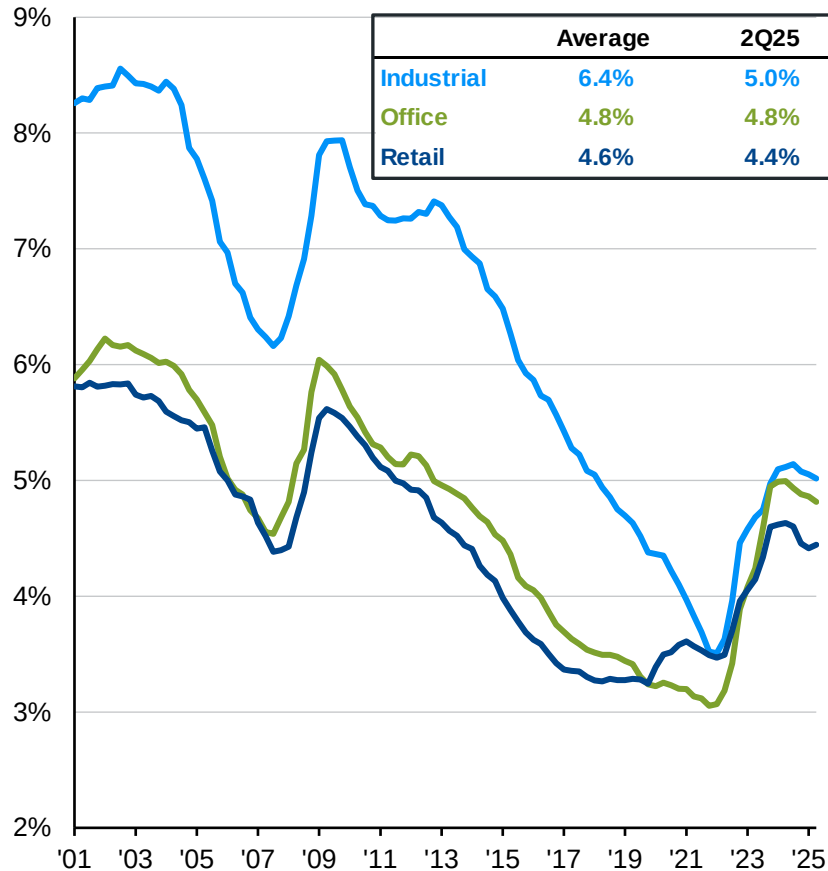
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Real estate

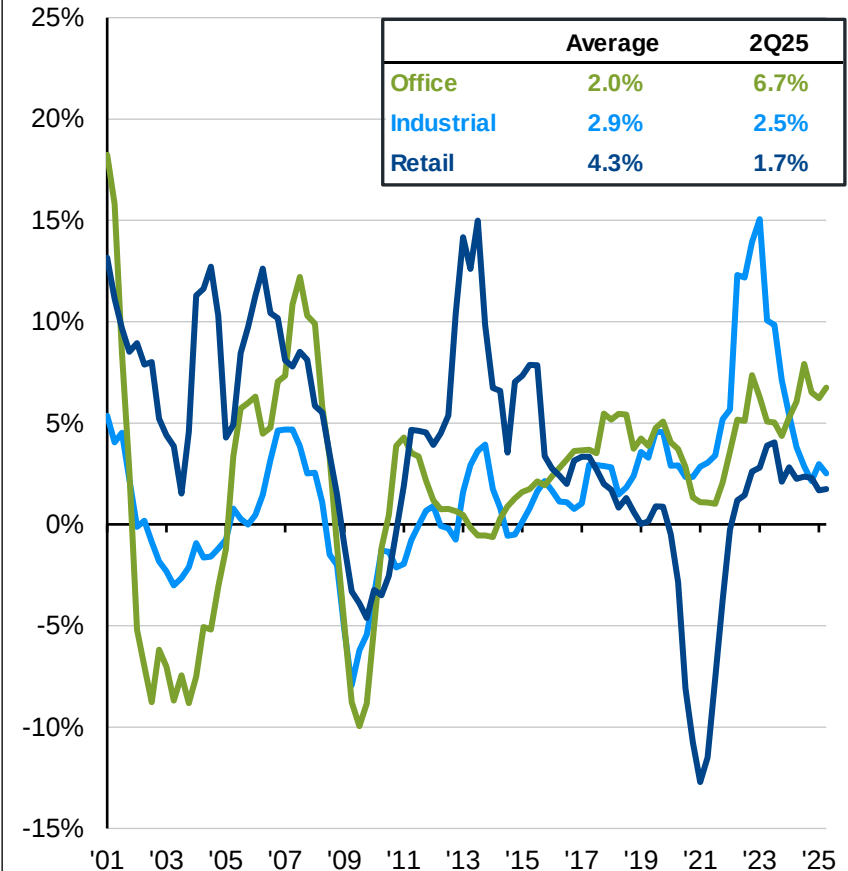
Prime yield by property type

1Q01 – 2Q25



Prime rent growth by property type

Y/y % change, 1Q01 – 2Q25



Source: CBREERIX, J.P. Morgan Asset Management.

Industrial is represented by industrial logistics. Retail is represented by high street retail. Prime yields are absolute and weighted by property value. (Left) Prime yield is the yield an investor receives from acquiring a fully-let grade A building in a prime location, reflecting current market transaction levels. (Right) Prime rent is the highest open-market rent expected for a top-quality unit in a prime location at the survey date. Past performance is not a reliable indicator of current and future results.

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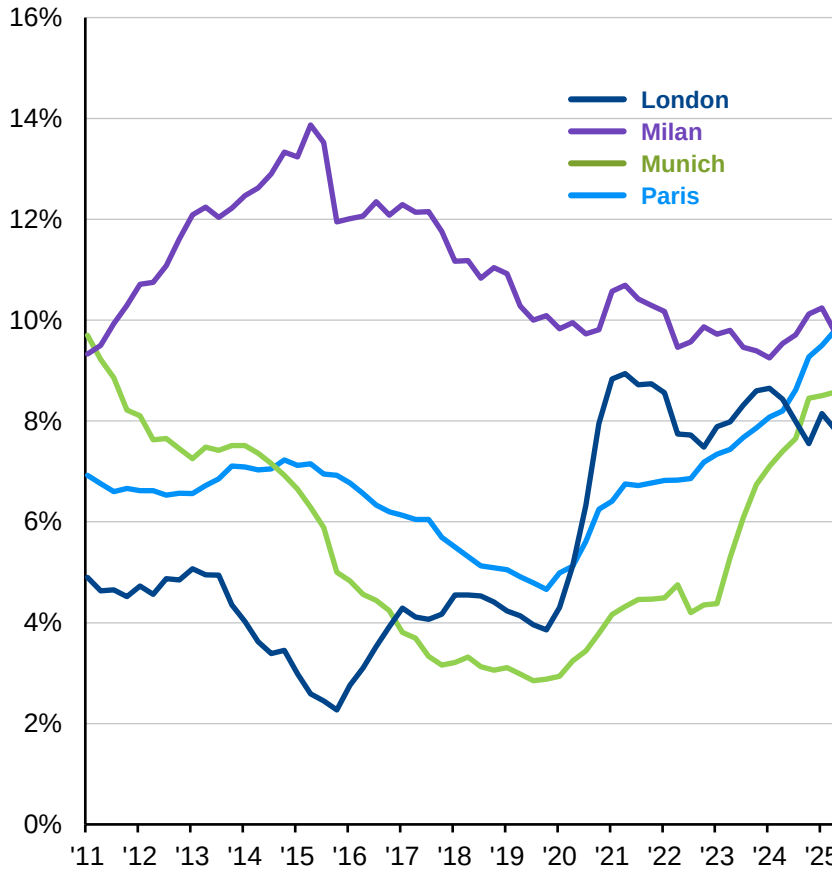
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Europe real estate: Office vacancy rates

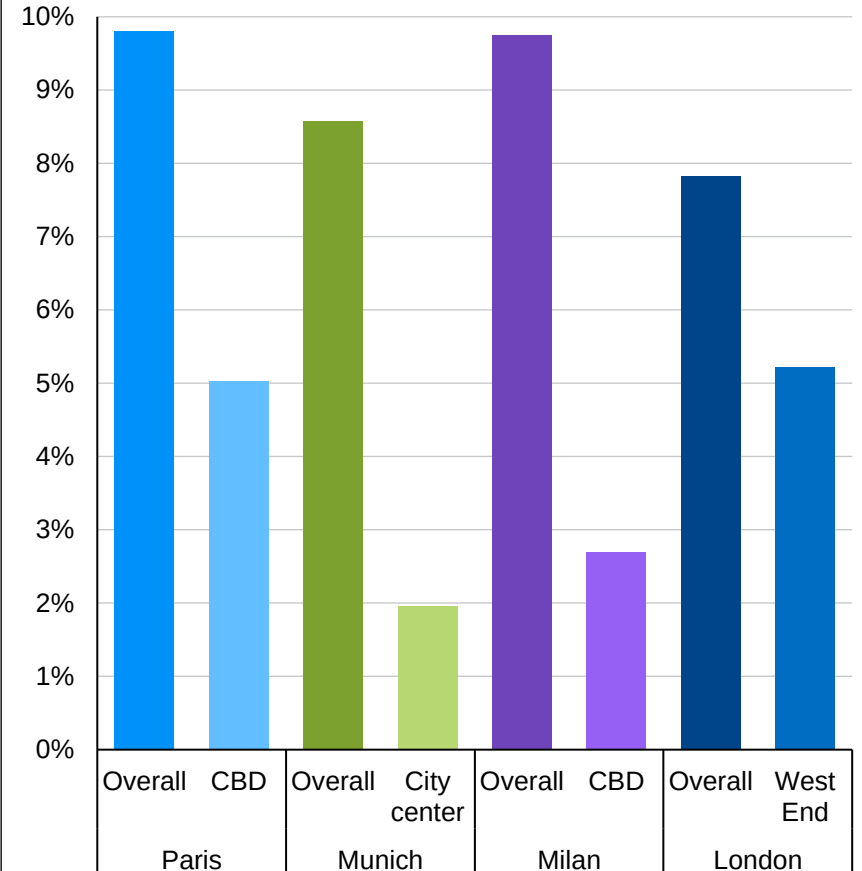
Office vacancy rates by city

1Q11 – 2Q25



Office vacancy rates within cities

Total city vacancy rates vs. central business districts*, 2Q25



Source: CBREERIX, J.P. Morgan Asset Management.
(Right) *Includes both central business districts (CBDs) and prime areas.
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Asia Pacific real estate: Transaction volumes

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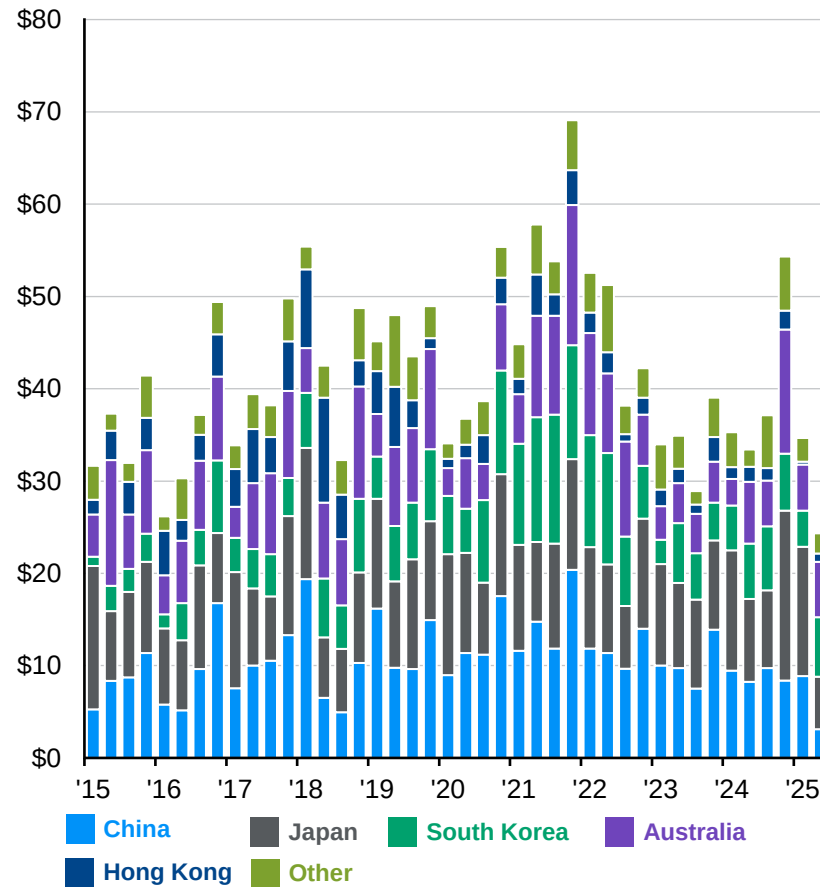
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Real estate

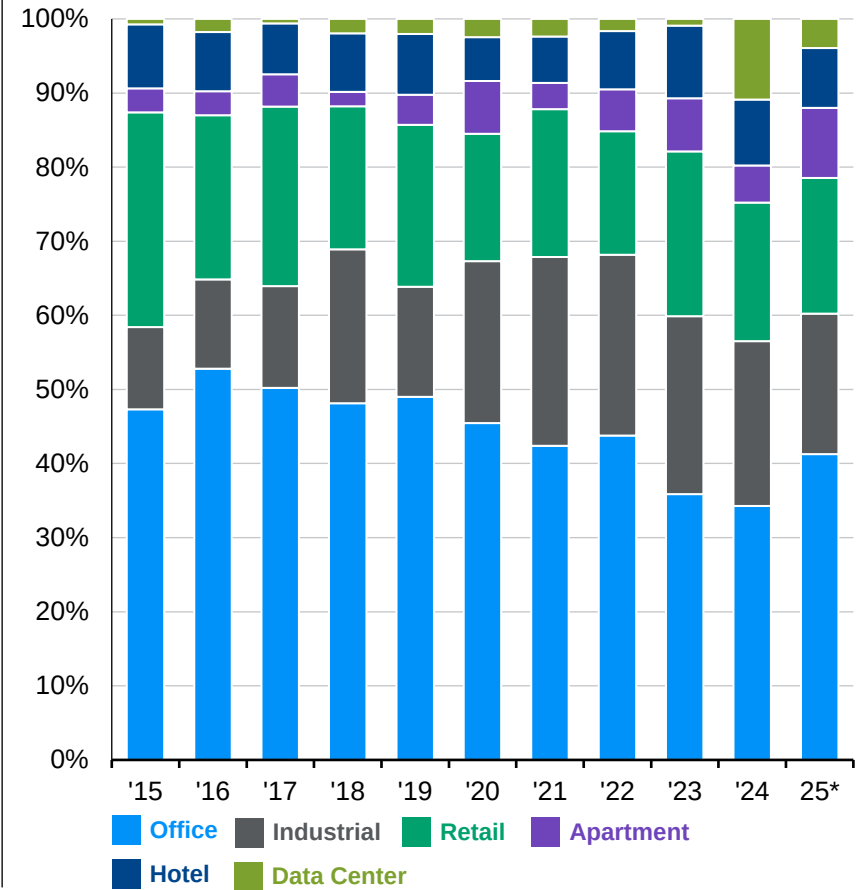
APAC transaction volumes

USD billions, 1Q15 – 2Q25



APAC transaction volume by property type

Share of total, 2015 – 2025*



Source: MSCI Real Capital Analytics, J.P. Morgan Asset Management.

(Left) Transaction volumes include office, industrial, retail, hotel, residential (professional investor) properties and portfolios $\geq$ USD 10 million and excludes development sites. Figures are not frozen and subject to updates by RCA. (Right) *2025 data are as of 2Q25.

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Asia Pacific real estate: Yields and capital values

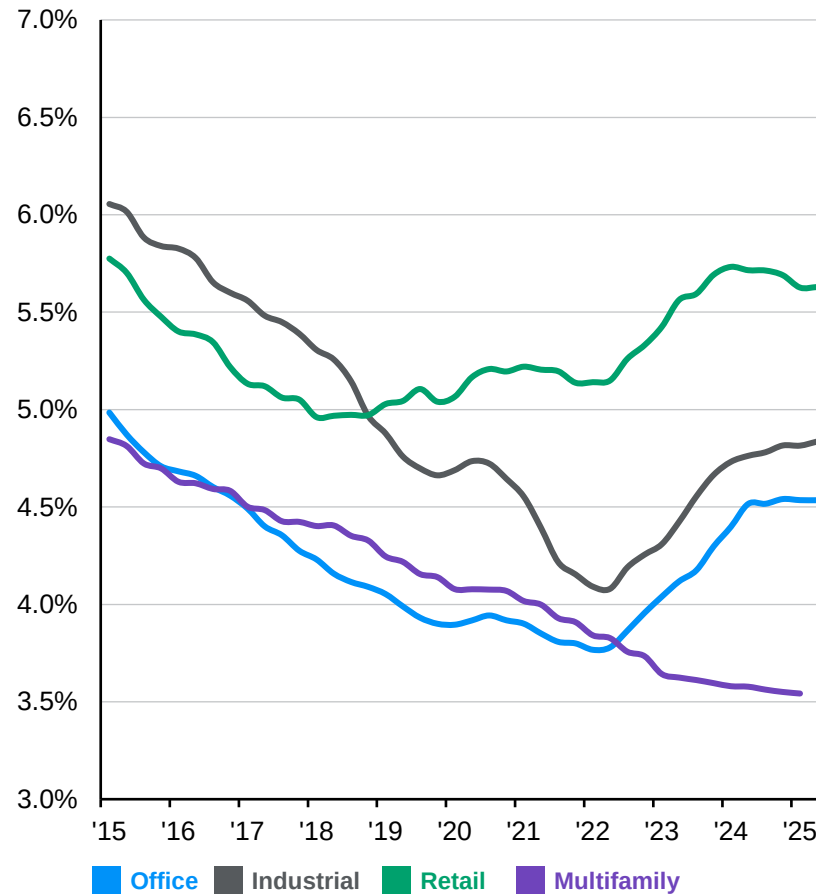
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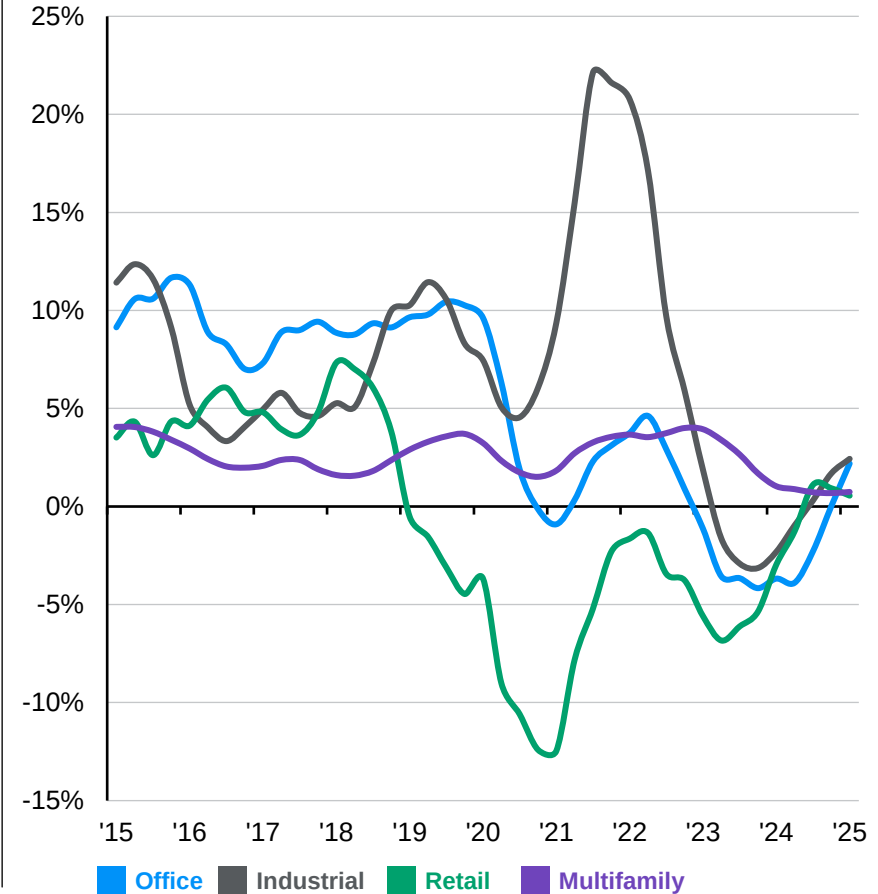
Yields by property type

1Q15 – 2Q25*



Capital growth by property type

Y/y change, 1Q15 - 2Q25*



Source: JLL REIS, MSCI, J.P. Morgan Asset Management.

*Multifamily data available through 1Q25. (Left) All yield and capital growth data from JLL REIS, except multifamily sector from MSCI. Weight of each market based on country allocation % of ANREV ODCE Fund Index. Yields for office, industrial and retail sectors refer to market yields of overall APAC, while yields for multifamily refers to the value cap rate for Japan markets only. Past performance is not a reliable indicator of current and future results.

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Asia Pacific real estate: Japan multifamily

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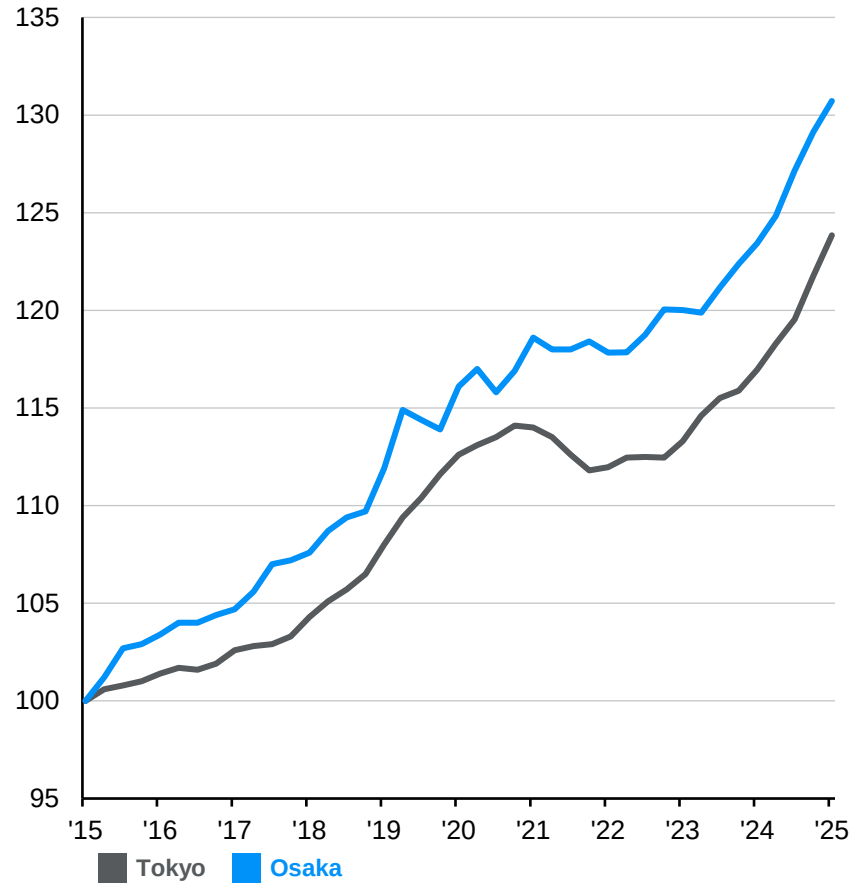
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Real estate

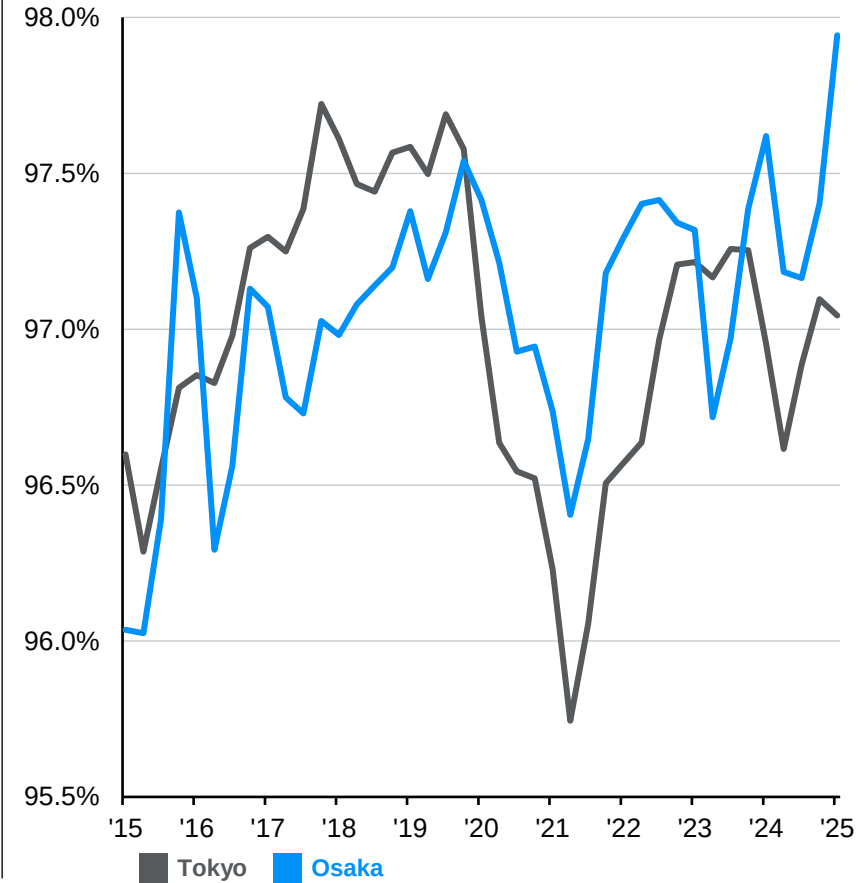
Japan residential rents

Rent index, 1Q15 = 100



Japan residential occupancy rates

%, 1Q15 – 1Q25



Source: MSCI, Sumitomo Mitsui Trust Research Institute, J.P. Morgan Asset Management.
(Left) Data as of 1Q25. Rent index based on rolling 2-quarter average index returns. (Right) Data are as of 1Q25. Occupancy based on 3-month moving average level. Occupancy rates in recent periods are subject to regular changes when source data becomes available. Past performance is not a reliable indicator of current and future results.
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Commercial mortgage maturities and delinquencies

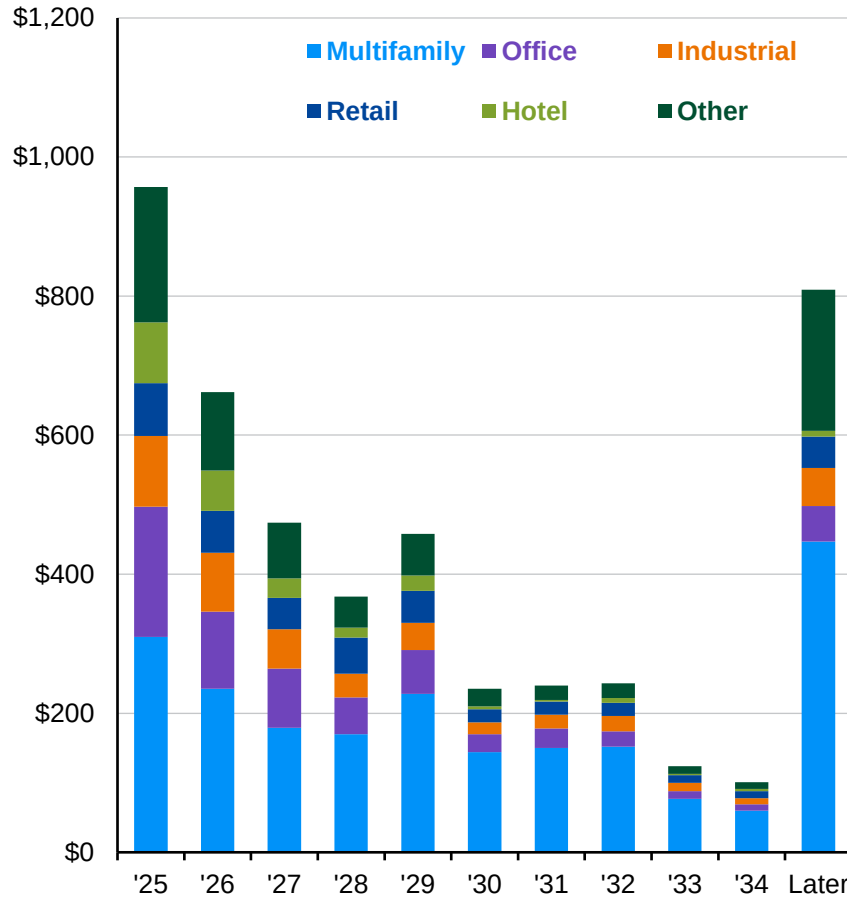
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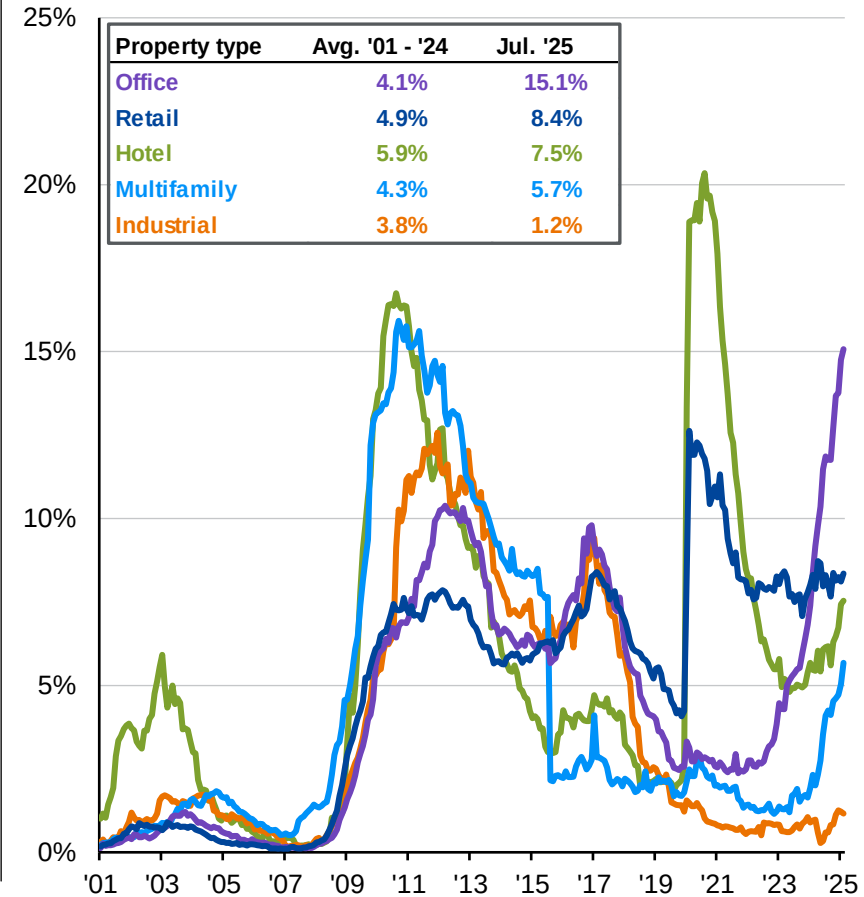
U.S. commercial mortgage maturity schedule

By property type, USD billions



U.S. commercial mortgage delinquencies

Delinquency rates by property type, monthly



Source: Moody's, Mortgage Bankers Association, J.P. Morgan Asset Management.

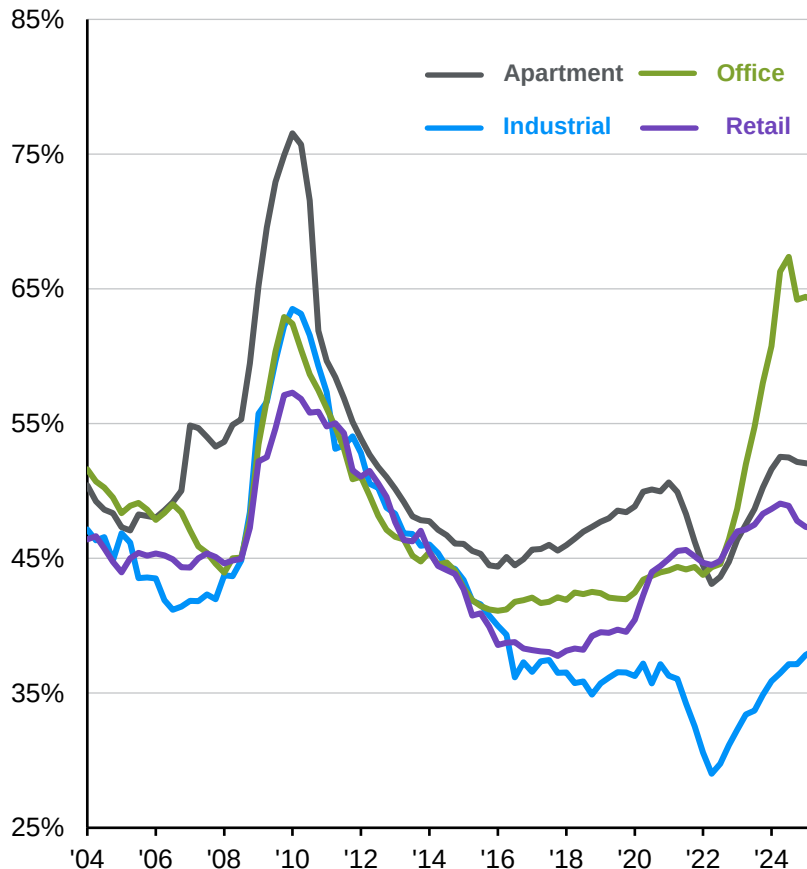
(Left) Data are as of 12/31/2024. Other includes hospitals. (Right) Moody's defines delinquencies as loans that are 60 or more days in payment arrears, that are matured and performing, matured and nonperforming, foreclosure in progress or REO ("real estate owned" by a bank).

Guide to Alternatives. Data are based on availability as of August 31, 2025.

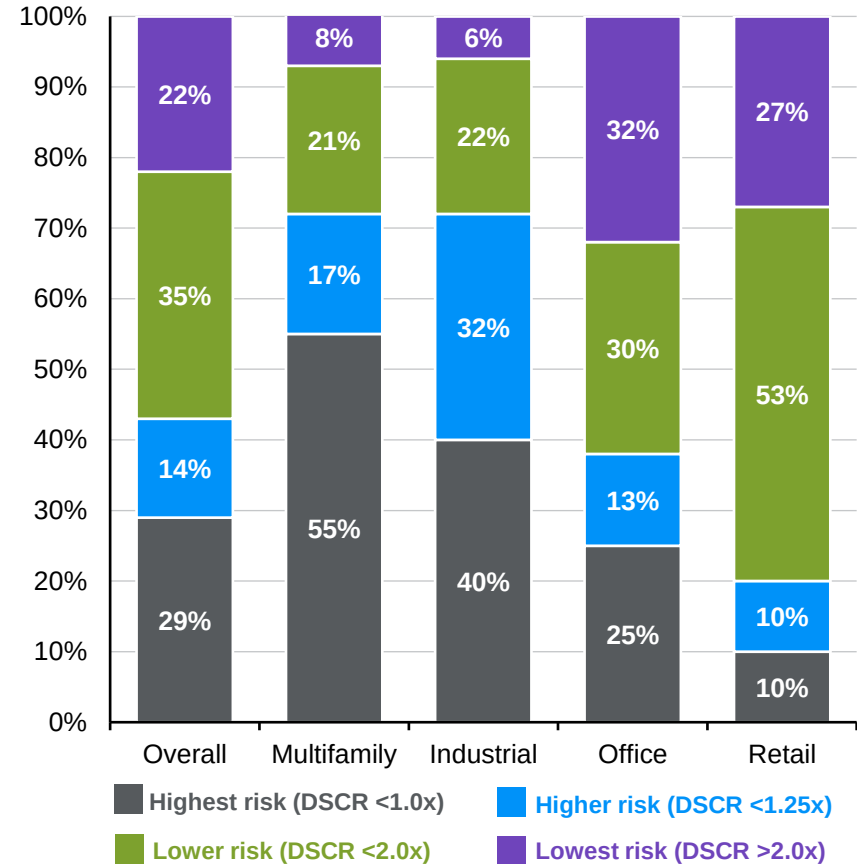


Commercial real estate credit risk metrics

U.S. real estate loan-to-value (LTV) ratios %, by property type



U.S. real estate debt service coverage ratios (DSCR) DSCR profile of outstanding securitized CRE debt* by property type



Source: NCREIF, Newmark Research, Trepp, J.P. Morgan Asset Management.

(Left) A loan-to-value (LTV) ratio, specifically for leveraged properties, is the ratio of the loan amount to the appraised value of the property. This metric is used to assess the risk associated with a real estate investment, with a higher LTV indicating higher risk due to greater leverage. (Right) *CRE debt maturing before 2027. The debt service coverage ratio (DSCR) is calculated by dividing the Net Operating Income (NOI) of a property by its total debt service (the total amount of principal and interest payments due on the property's debt). A DSCR greater than 1 indicates that the property generates more income than is required to cover its debt obligations, while a DSCR less than 1 suggests that the property does not generate enough income to meet its debt payments.

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Commercial real estate debt

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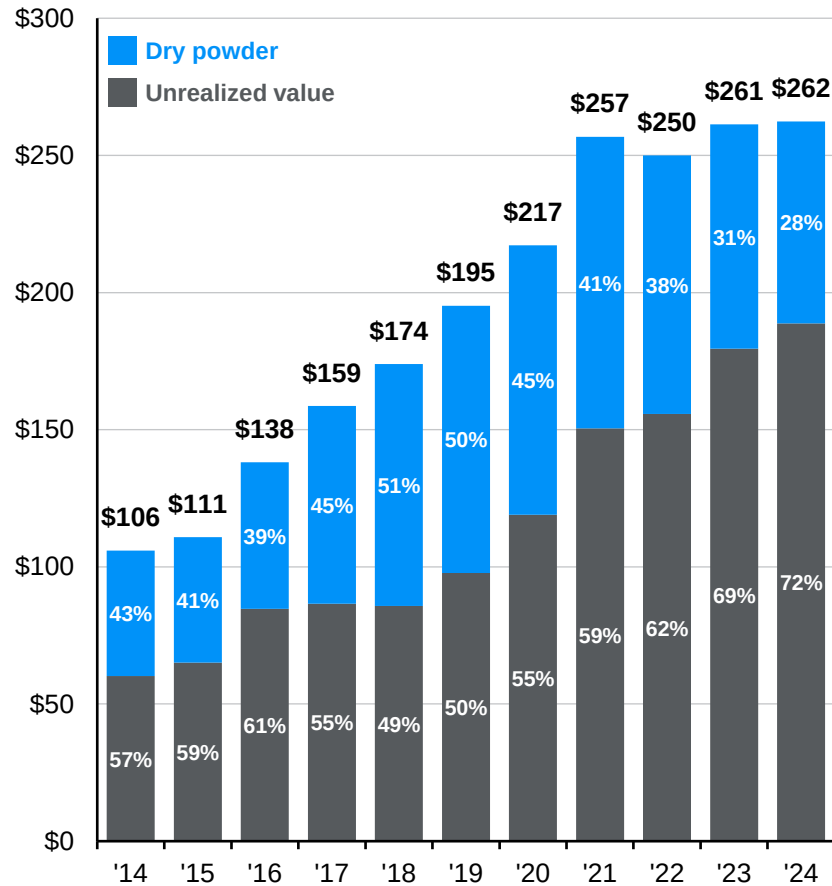
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Real estate

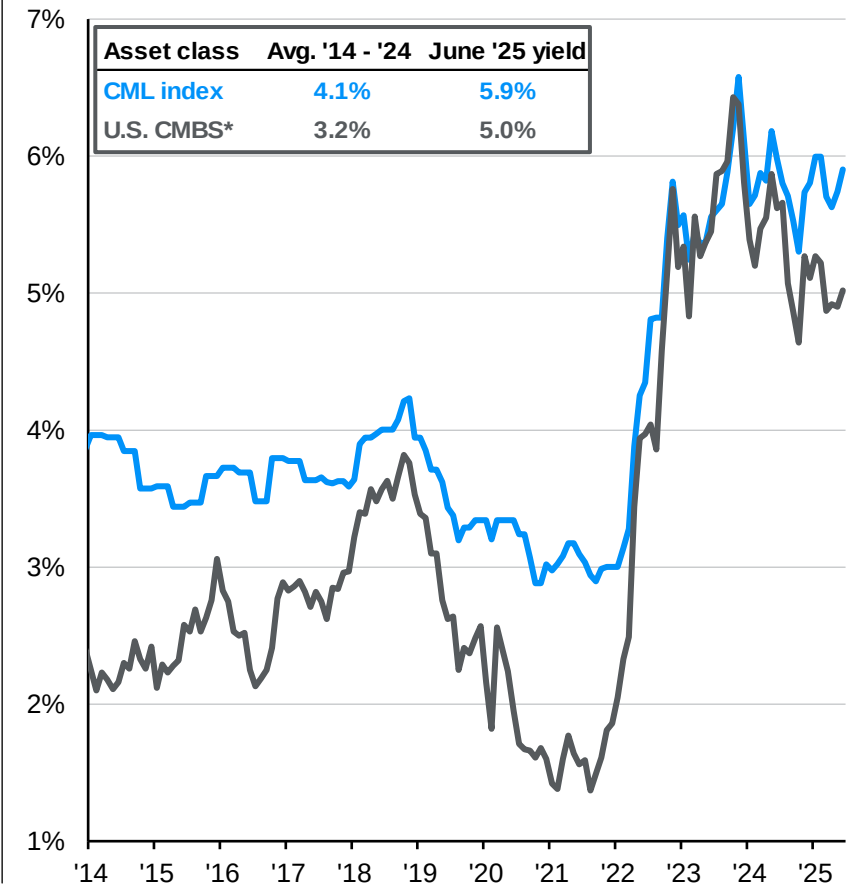
Global commercial real estate debt funds AUM

USD billions



U.S. commercial mortgage yields

Yields, monthly



Source: Bloomberg, Chatham Financial, FactSet, Gilberto-Levy, Preqin, J.P. Morgan Asset Management.

(Right) The Commercial Mortgage Loan (CML) index is a weighted average aggregate of the monthly fixed-rate yields provided by Chatham Financial for office, retail, multifamily and industrial properties in the 50%-65% loan-to-value (LTV) range. The sectors are weighted entirely by their share in the latest Gilberto-Levy Commercial Mortgage Index data. Yields shown are end-of-month until August 2020 and beginning of the month thereafter. *U.S. CMBS: Bloomberg U.S. CMBS Investment Grade Index. Yields shown for U.S. CMBS are the yield-to-worst. Past performance is not a reliable indicator of current and future results.

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Sources of global infrastructure returns

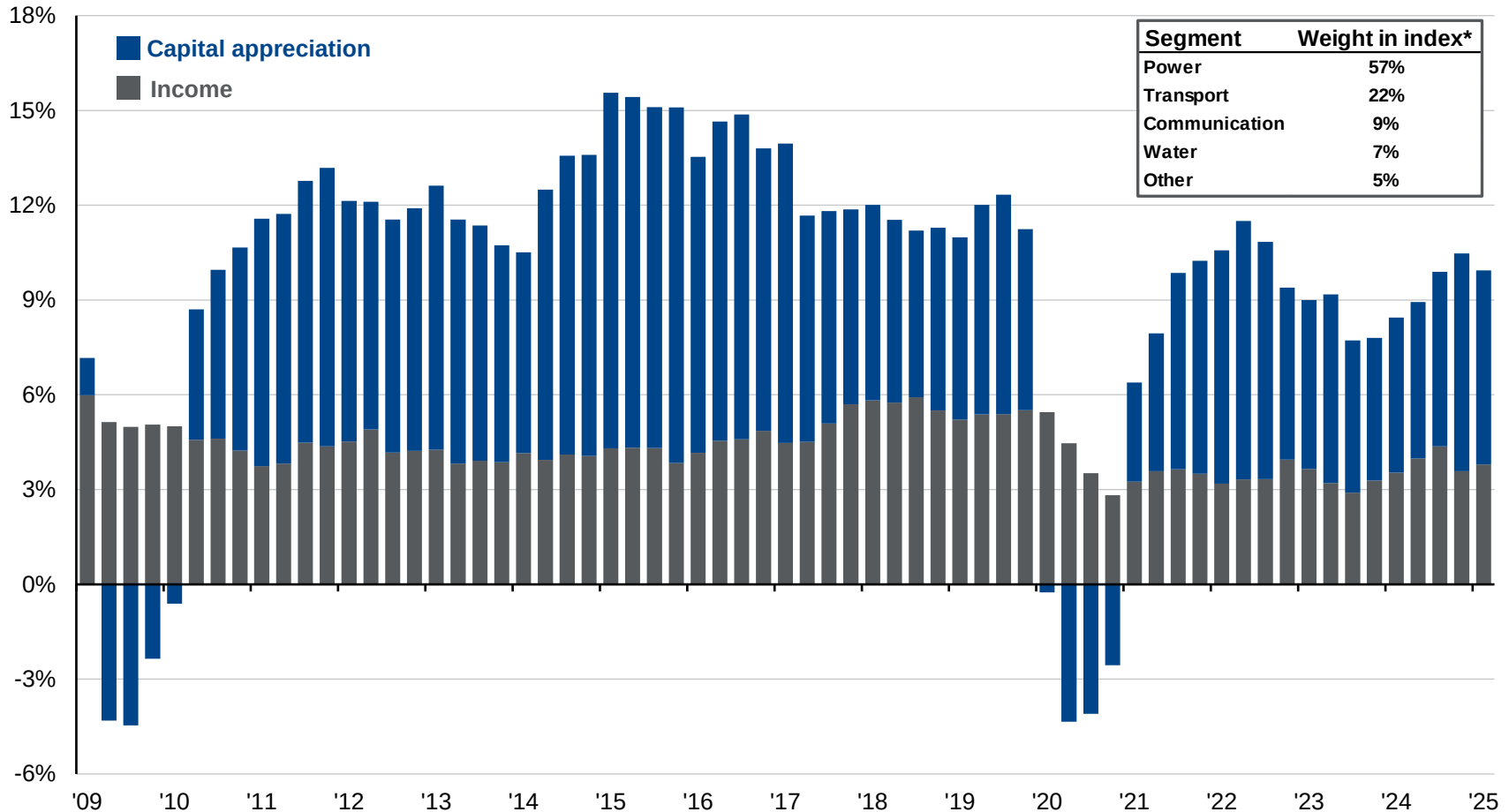
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Global core infrastructure returns

1Q09-1Q25, rolling 4-quarter returns from income and capital appreciation



Source: MSCI, J.P. Morgan Asset Management.

Infrastructure returns represented by the MSCI Global Private Quarterly Infrastructure Asset Index. Data show rolling 4-quarter returns from income and capital appreciation. *Weights are based on enterprise value. Past performance is not a reliable indicator of current and future results.

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Infrastructure investment needs

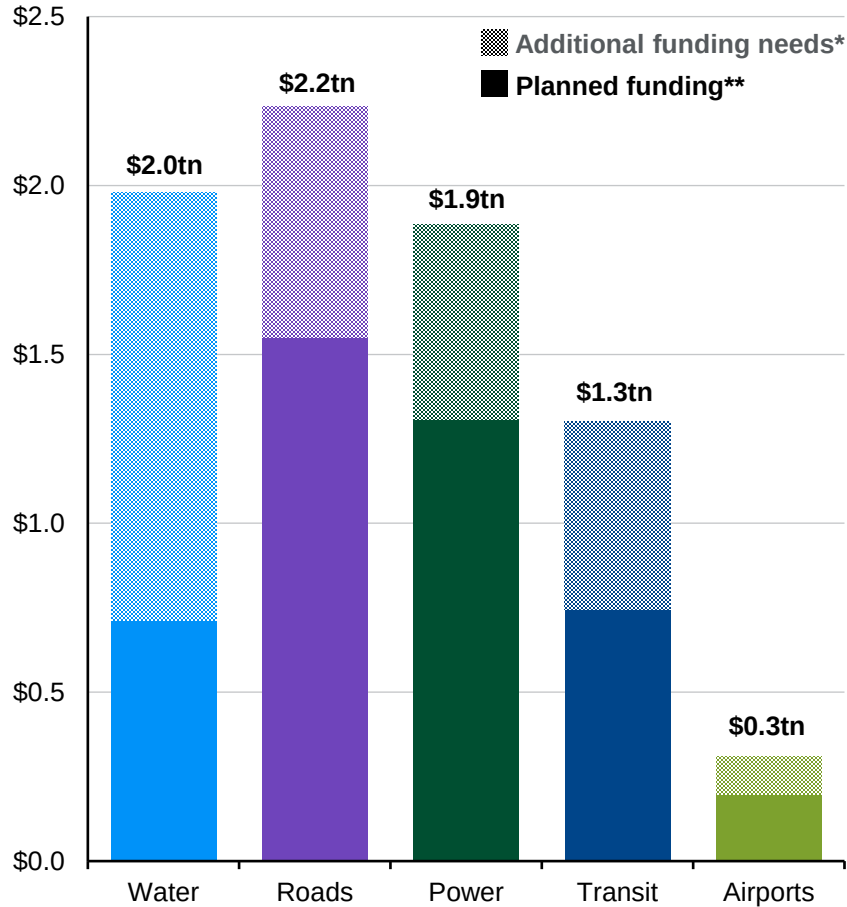
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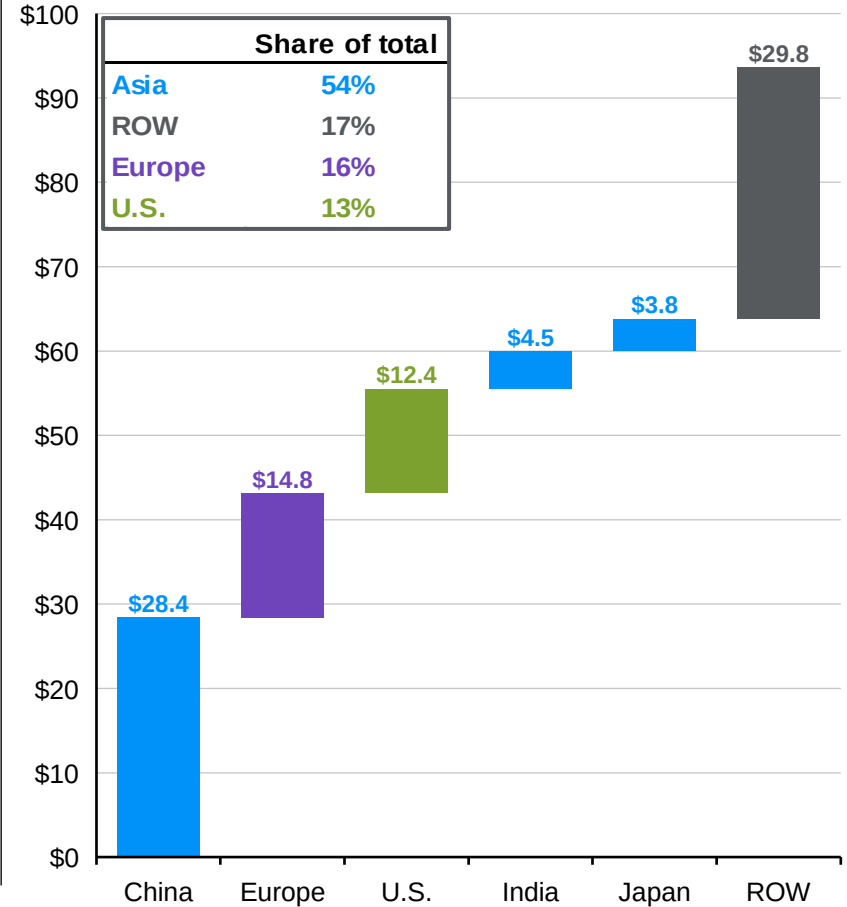
U.S. infrastructure funding & funding gaps

USD trillions, 2024-2033, as of 2024



Infrastructure investment needs by region

USD trillions, 2016-2040, constant 2016



Source: American Society of Civil Engineers (ASCE), Global Infrastructure Hub by G20, J.P. Morgan Asset Management.

(Left) Categories defined by the ASCE in the March 2025 "A Comprehensive Assessment of America's Infrastructure: 2025 Report Card for America's Infrastructure" report. *Additional funding is the amount of funding needed to get each category to a "B" rating, or a state of "Good" repair, as defined by the ASCE. **Planned public funding is the amount of investment from 2024-2033 that is currently in place by U.S. law. (Right) ROW = Rest of World.

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Global infrastructure transactions

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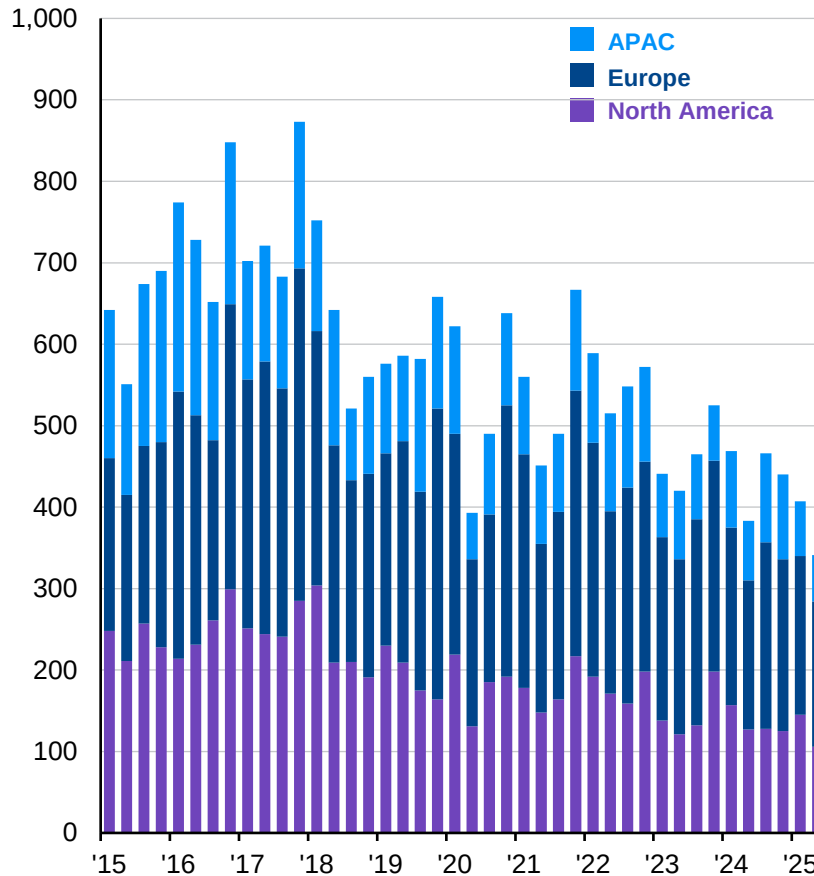
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Other real assets

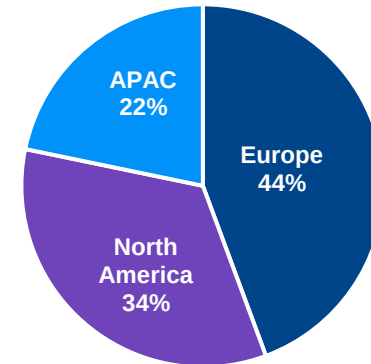
Number of private infrastructure deals

1Q15-2Q25



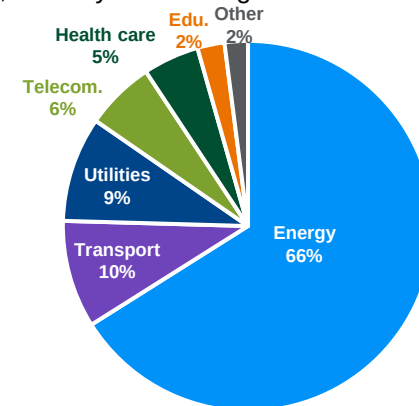
Deals by region

Share of deals, January 2014 – August 2025



Deals by type

Number of deals, January 2014 – August 2025



Source: Preqin, J.P. Morgan Asset Management.

(Bottom right) Other includes waste management, government buildings, logistics and defense.

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U.S. utility profitability and consumption

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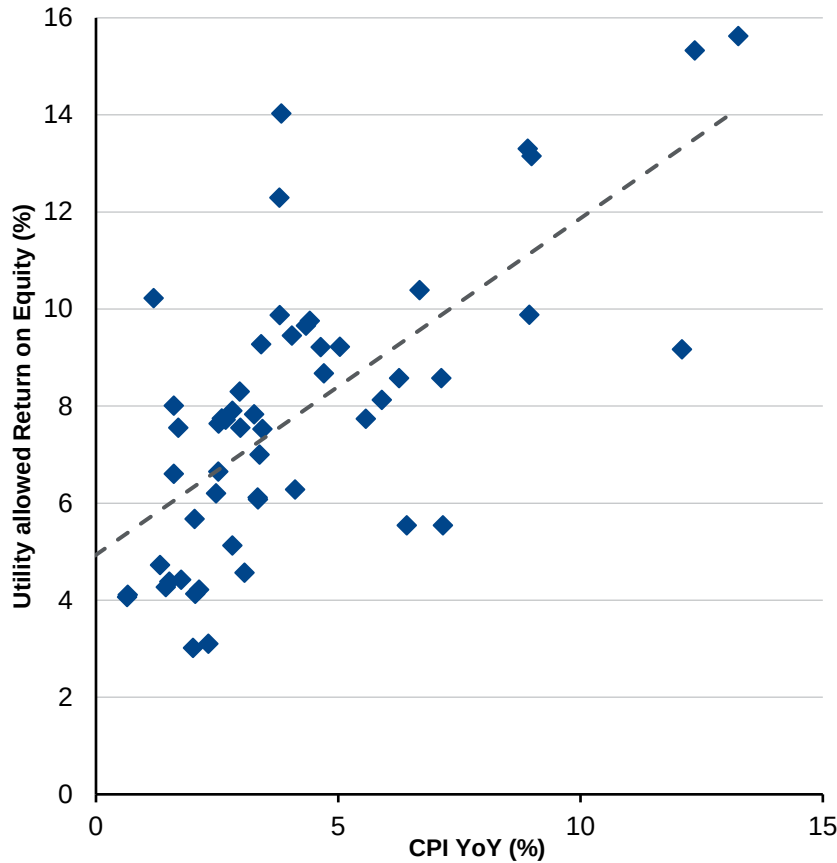
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Other real assets

Gas and electric utilities: Allowed returns vs. inflation

Average allowed return on equity* 1970-2024



Household utility spending

Household utility spending % of GDP



Source: AEU, Bloomberg, Bureau of Economic Analysis, SNL, J.P. Morgan Asset Management.

(Left) Data represent average allowed return on equities (RoEs) for electricity and natural gas utilities and annual inflation from December 1970 through December of the indicated period. *Return on equity is lagged by 2 years. Past performance is not a reliable indicator of current and future results.

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U.S. electricity generation

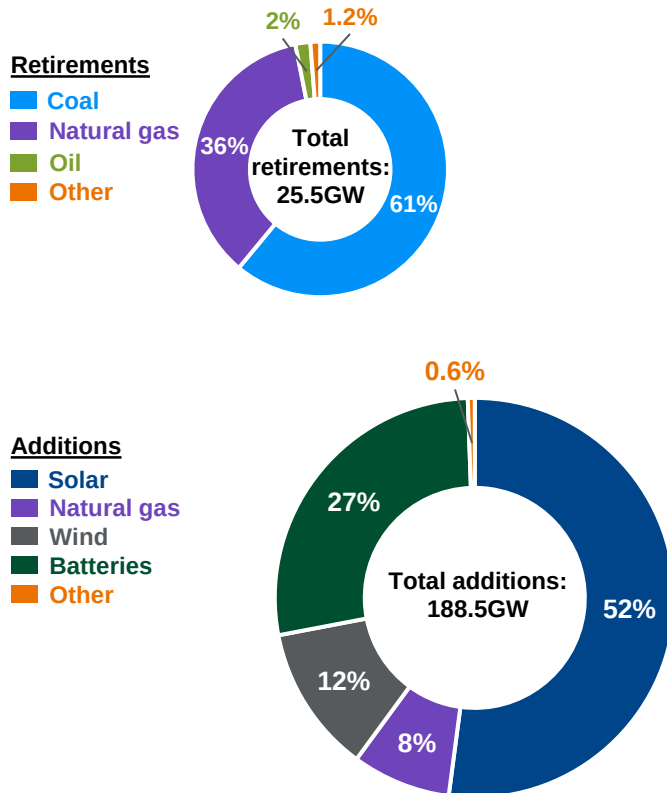
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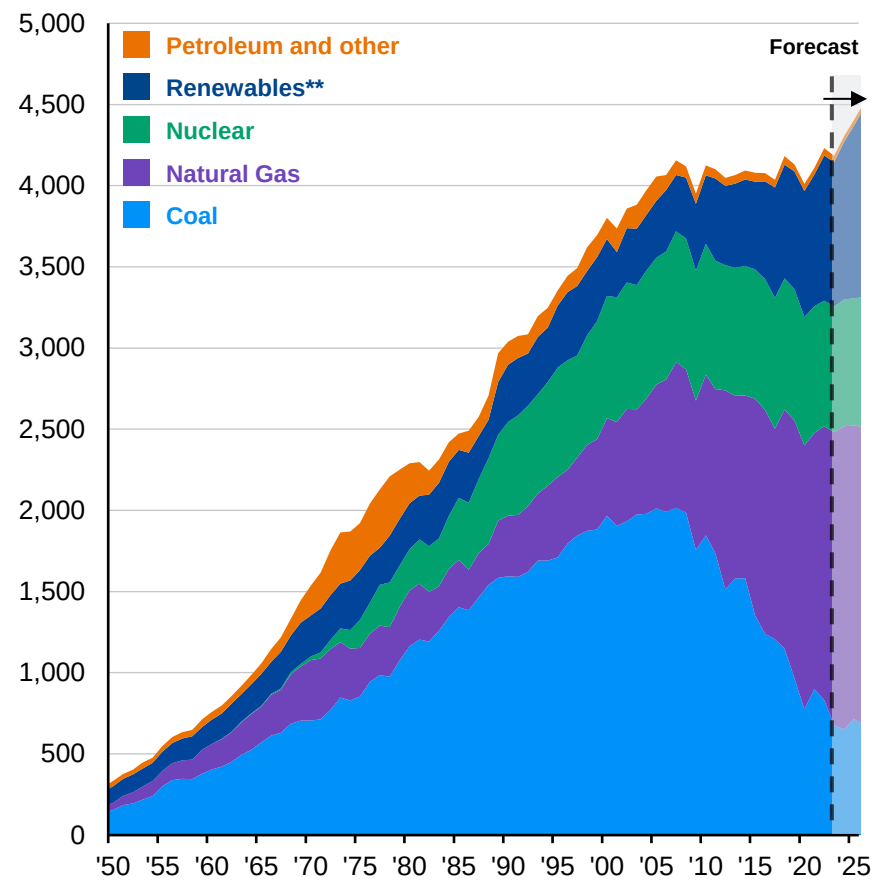
Planned U.S. electricity generating capacity

Remainder of 2025, 2026 and 2027



U.S. electricity generation by source

Billion kWh, 1950-2026F*



Source: EIA, J.P. Morgan Asset Management.

(Left) Data is from the EIA's "August 2025 Electric Power Monthly" report and uses net summer capacity to illustrate share of retirements and additions. (Right) Data is from the EIA's "August 2025 Monthly Energy Review" report. *Energy forecast figures are from EIA's "Short Term Energy Outlook." **Renewables include wind, solar, geothermal, biomass waste, biomass wood and hydroelectric.

Guide to Alternatives. Data are based on availability as of August 31, 2025.

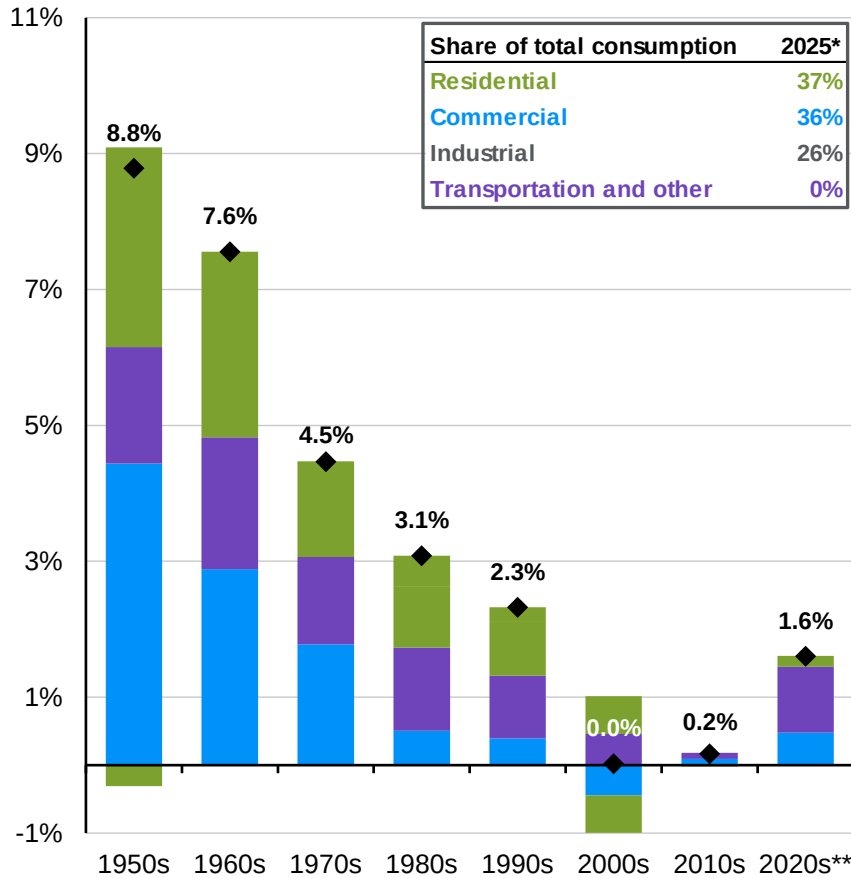
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U.S. electricity consumption

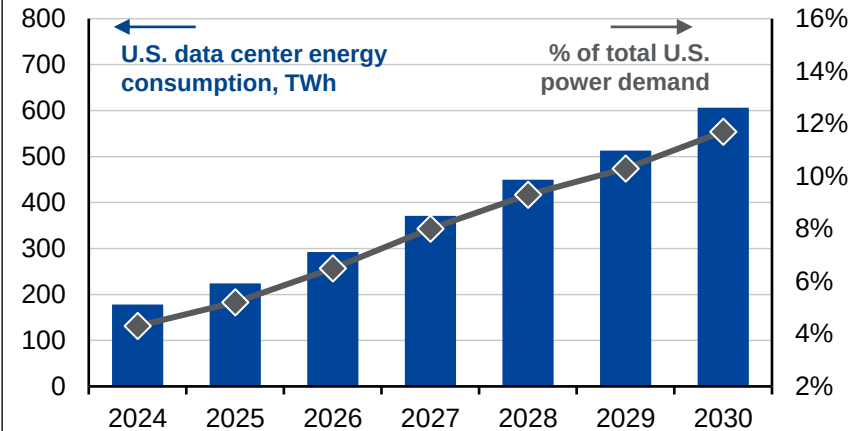
U.S. electricity consumption growth

10yr. ann. growth rate, retail sales to major end-use sectors



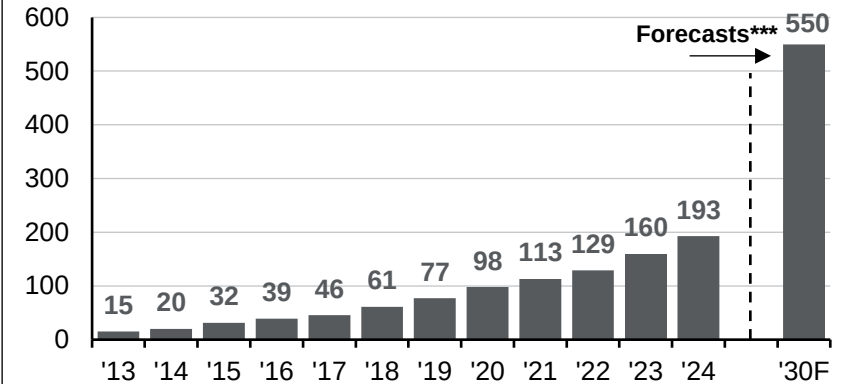
U.S. electricity consumption from data centers

Forecasts through 2030



Number of electric vehicle charging points in the U.S.

Thousands



Source: EIA, IEA, McKinsey & Company, J.P. Morgan Asset Management.

The transportation, industrial, residential and commercial sectors are called end-use sectors because they consume electricity produced by and purchased from the electric power sector. The industrial sector primarily uses electricity to operate machinery and facilities (i.e. heat processing, cooling); the commercial sector primarily uses electricity for computers and office equipment, space heating, air conditioning and lighting; and residential usage is concentrated in air conditioning. Petroleum is the main U.S. transportation energy source, and electric vehicles are included in this data. End-use sector contribution to total consumption growth is calculated by taking each sector's annualized consumption growth multiplied by its average share of total consumption for each decade. *Calculations are based on year-to-date data through August 2025. **2020s electricity consumption growth is calculated through year-end 2024. Due to data availability, consumption growth for the 1950s is calculated from 12/31/1950 to 12/31/1959. ***Forecasts are from the International Energy Agency (IEA) - Global EV Outlook 2025 and are made assuming its "STEPS" outlook. The State Policies Scenario (STEPS) outlook from the IEA does not assume governments will meet announced policy goals and instead looks at what the IEA considers feasible given current progress.

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U.S. timberland investment returns

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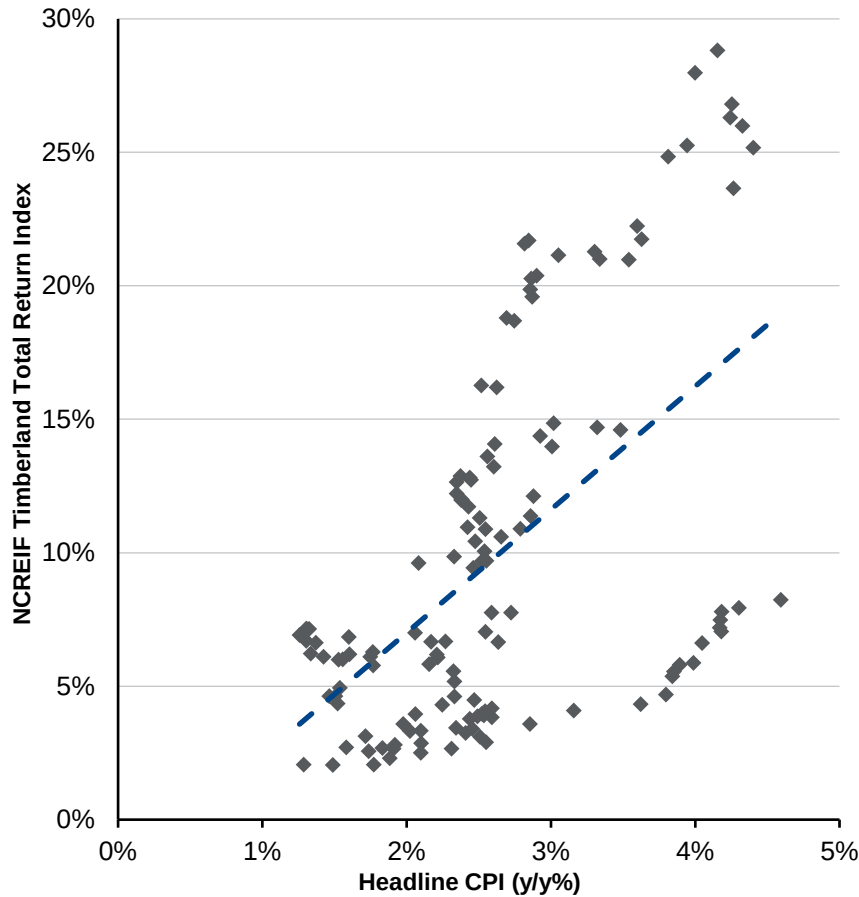
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42

Other real assets

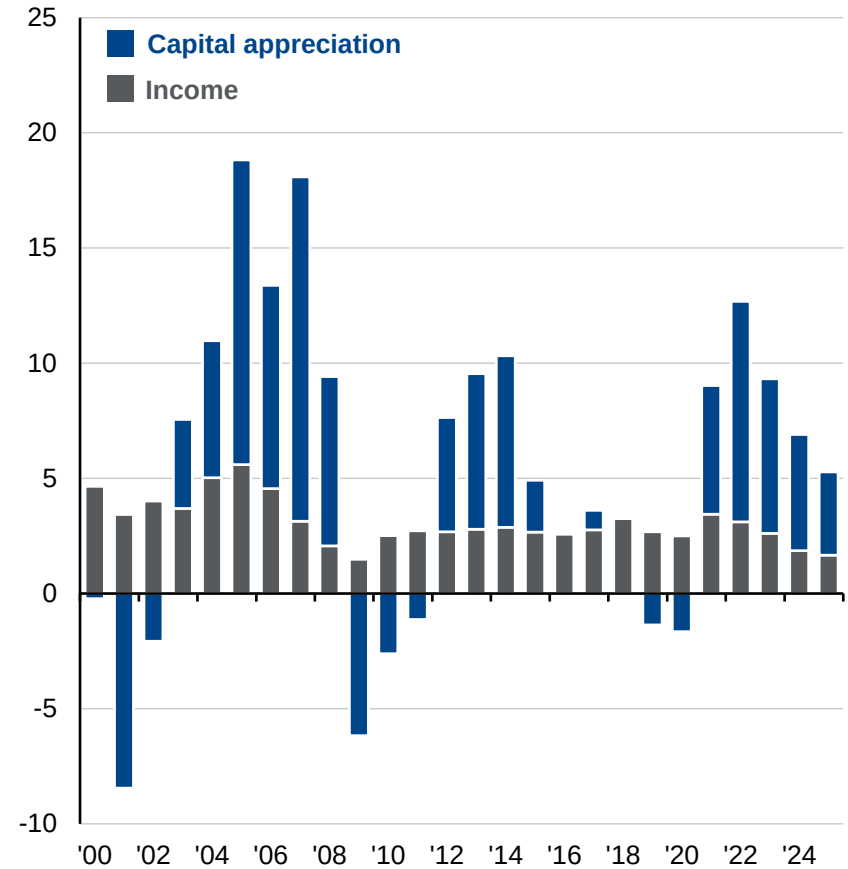
U.S. timberland returns and inflation

Headline CPI, NCREIF Timberland Index, 5-yr. ann. change, quarterly



Sources of U.S. timberland returns

Total return, yearly*



Source: BLS, FactSet, NCREIF, J.P. Morgan Asset Management.

(Left) Represents the time period from 1Q87-2Q25. (RHS) *2025 data are as of 2Q25. Past performance is not a reliable indicator of current and future results.

Guide to Alternatives. Data are based on availability as of August 31, 2025.

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U.S. wood consumption and demand

GTA

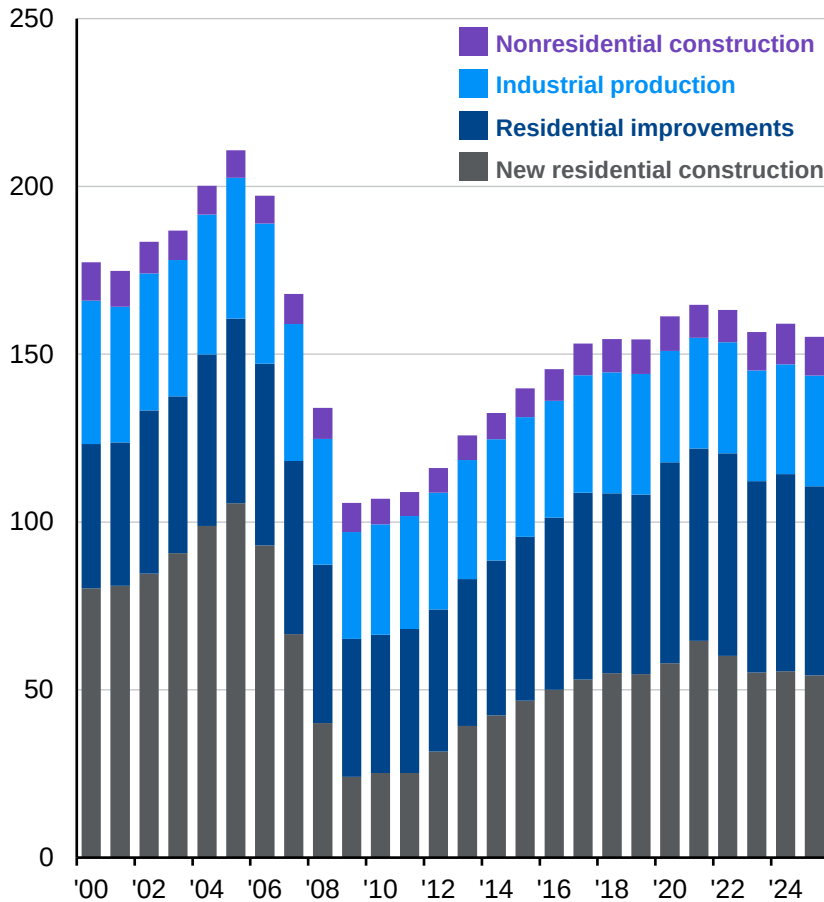
MI

43

Other real assets

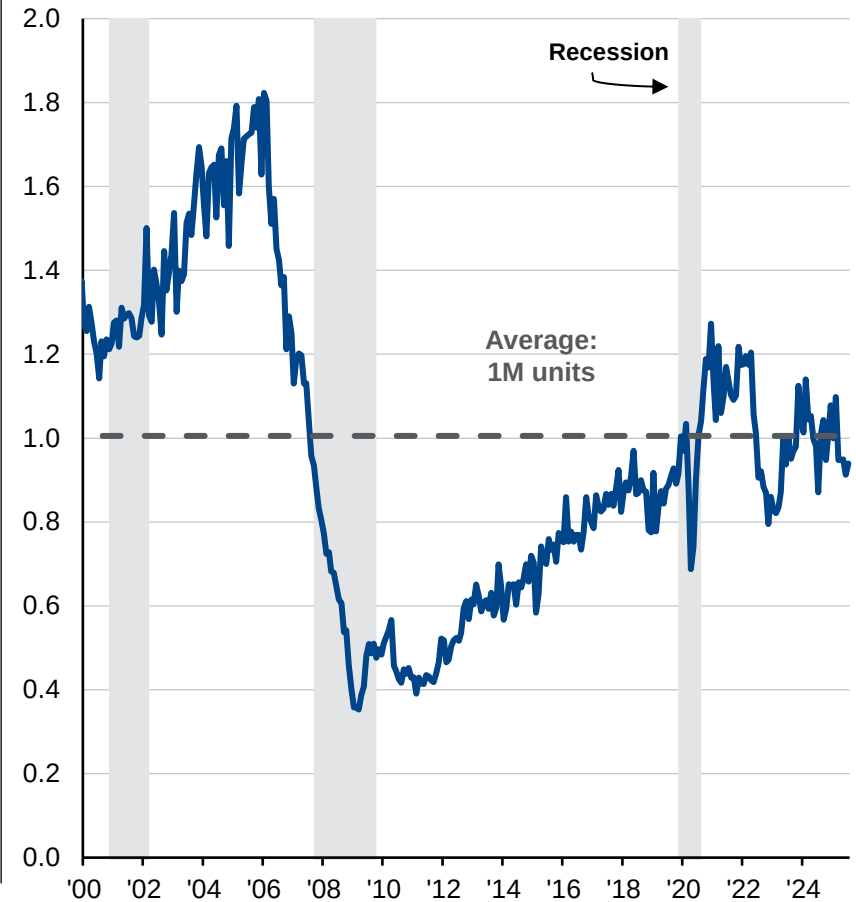
U.S. wood product consumption

By end-use sector, in million cubic meters



U.S. single family housing starts

Millions of privately owned housing units, SAAR



Source: Census Bureau, FactSet, Forest Economic Advisors, J.P. Morgan Asset Management. Guide to Alternatives. Data are based on availability as of August 31, 2025.



Global trade routes and chokepoints

GTA

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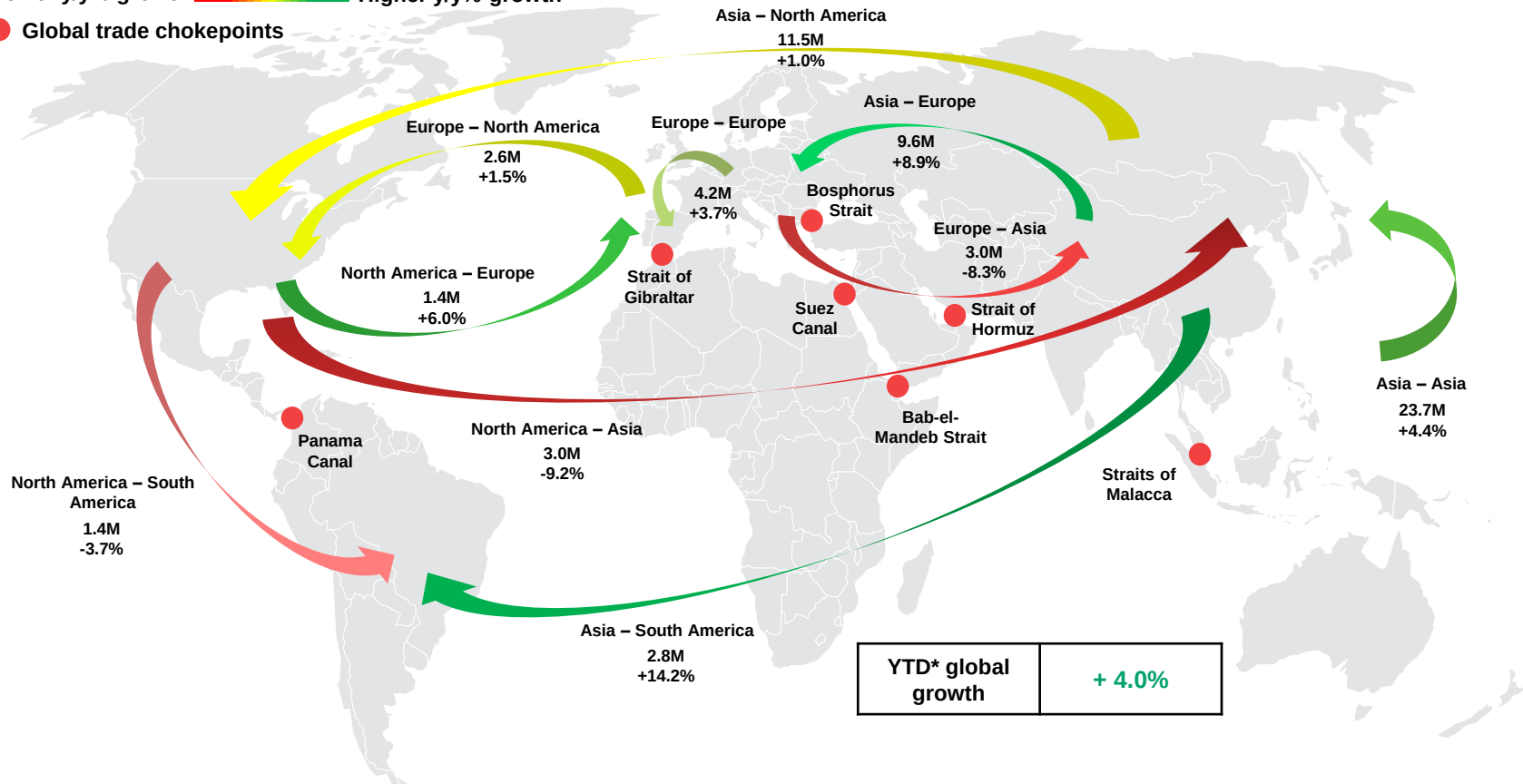
44

Global containership trade volumes and growth

YTD* twenty-foot equivalent units (TEUs), year-over-year % growth during same period

Lower y/y% growth  Higher y/y% growth

● Global trade chokepoints



Source: Bloomberg, Container Trade Statistics, J.P. Morgan Asset Management.

*YTD 2025 data are as of 6/30/2025. Twenty-foot equivalent unit (TEU) is a standard unit of measurement for container shipping volumes. A modern standard 40-foot container is equivalent to 2 TEUs. Trade chokepoints are strategic maritime passageways that connect major ports or regions that can be vulnerable to geopolitical conflict or disruption.

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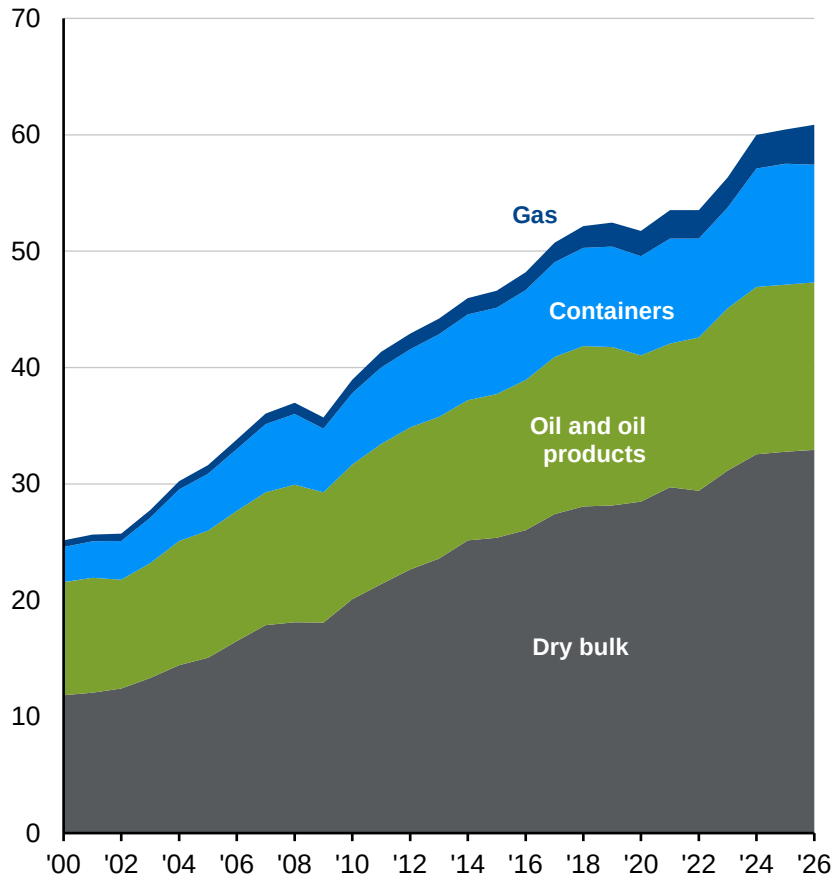


Global seaborne trade volumes

Other real assets

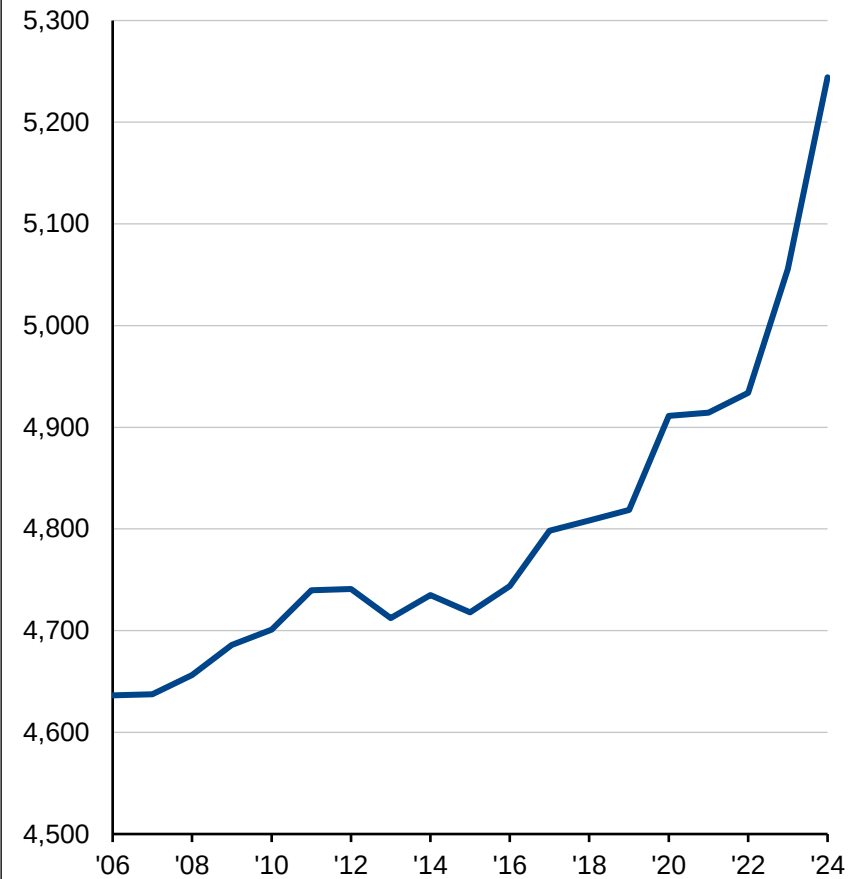
World seaborne trade by product

Estimated trillion ton-miles



Average seaborne trade distance traveled

Miles per ton, annual



Source: Clarksons, J.P. Morgan Asset Management.

(Left) World seaborne trade by product as of July 2025. Dry bulk refers to unpackaged commodity cargo. (Right) Average seaborne trade distance miles are an estimate derived by dividing ton-miles carried by vessels by the total volume of shipments in each period.

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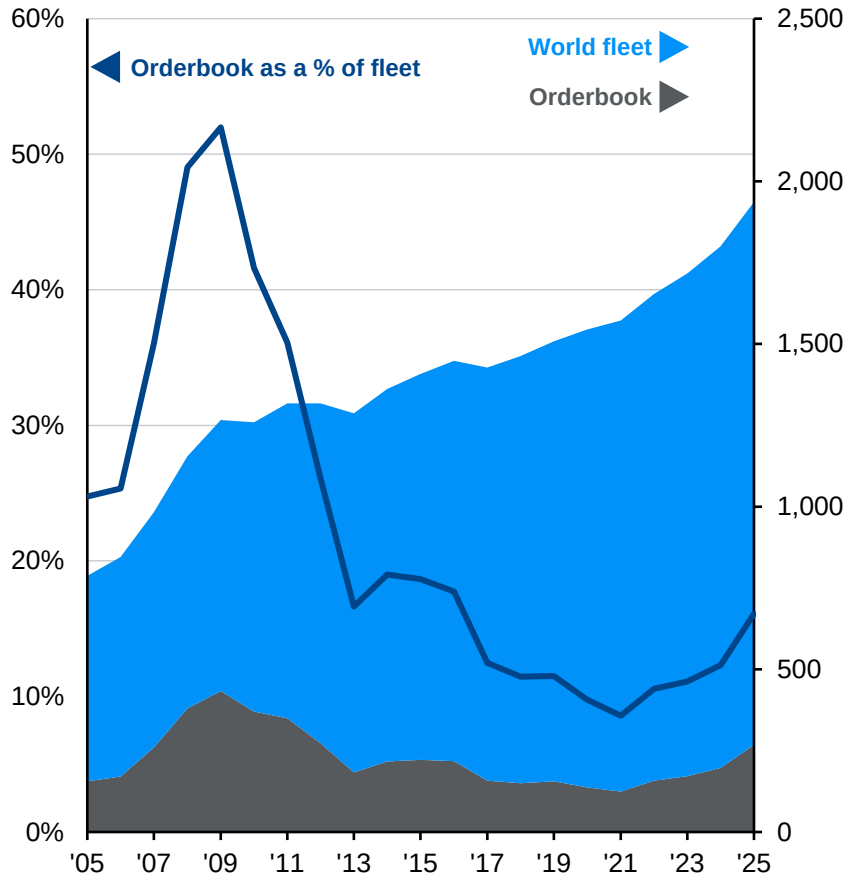


Global shipping: Orders, capacity and age

Other real assets

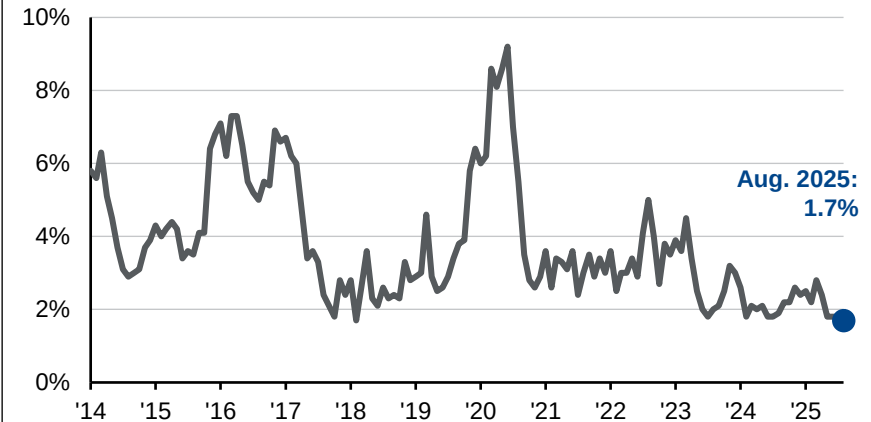
Global fleet and orderbook

Gross tonnage



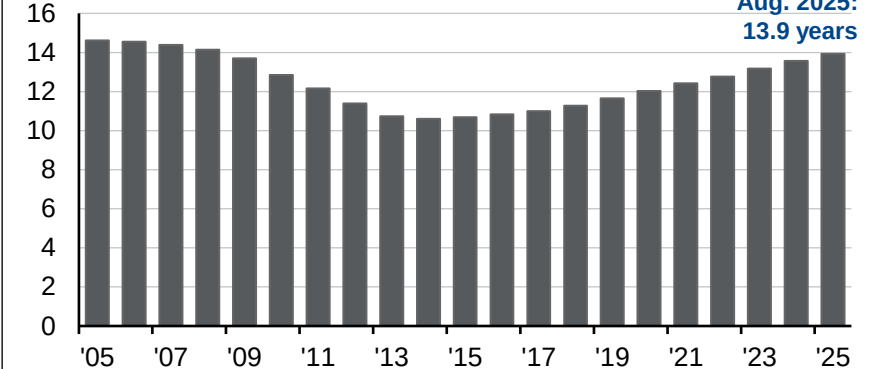
Idle containership capacity

% of global fleet



Global fleet age

5,000+ gross tonnage, average number of years



Source: Clarksons Research, MSI, Sea/net, J.P. Morgan Asset Management.

(Left) An orderbook contains all the vessels that have been delivered as well as the current order or expected ship orders. The orderbook to fleet ratio is a useful indicator of future supply growth. (Bottom right) Gross tonnage is the volume of a ship's enclosed spaces in cubic meters.

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Global shipping costs and U.S. imports

GTA

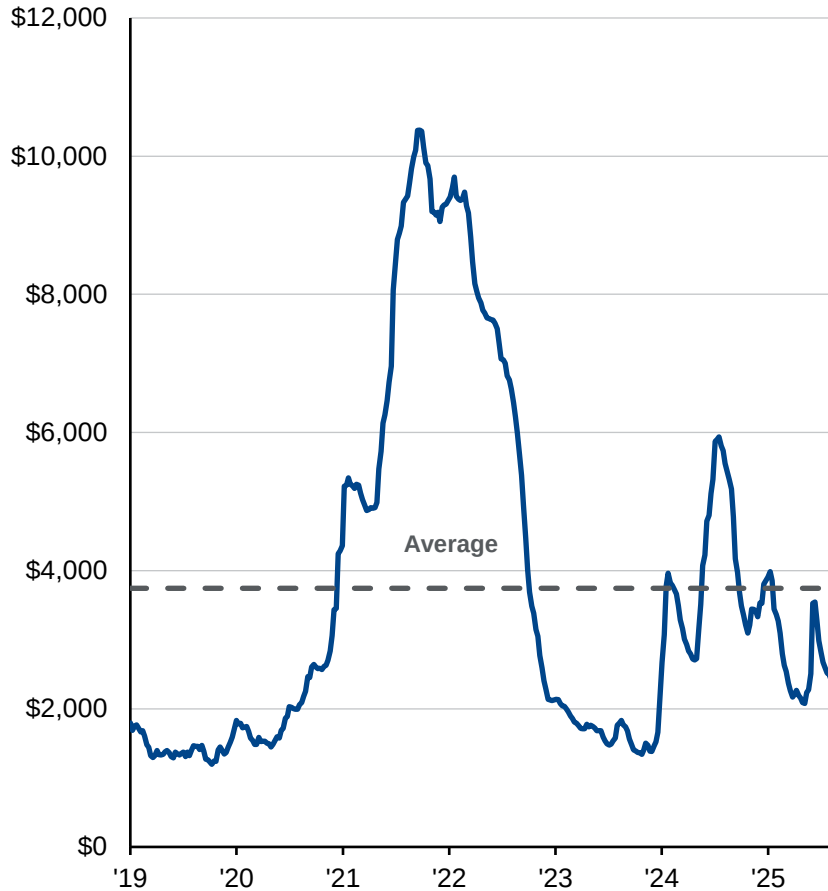
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47

Other real assets

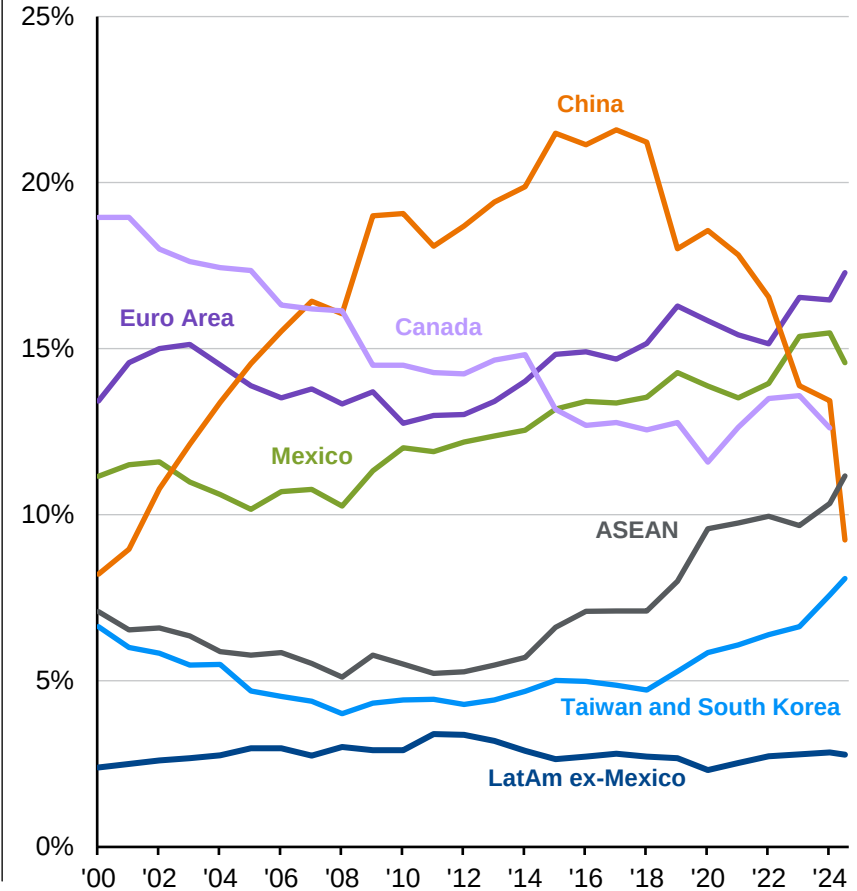
Global shipping costs

USD per 40-foot container, weekly



U.S. goods imports by country

% of total U.S. goods imports, annual and YTD 2025*



Source: FactSet, U.S. Census Bureau, J.P. Morgan Asset Management.

(Right) *YTD 2025 data are as of 6/30/2025. ASEAN includes Indonesia, Malaysia, Philippines, Singapore, Thailand and Vietnam. LatAm ex-Mexico includes Argentina, Brazil, Chile, Colombia and Peru.

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U.S. public vs. private equity

GTA

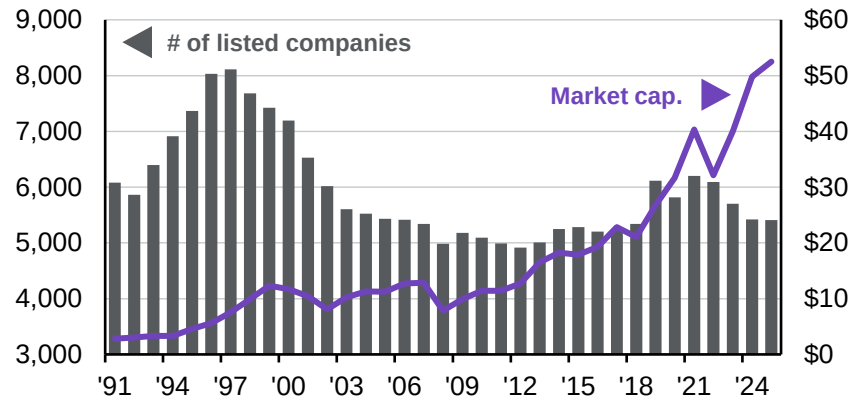
MI

48

Private equity

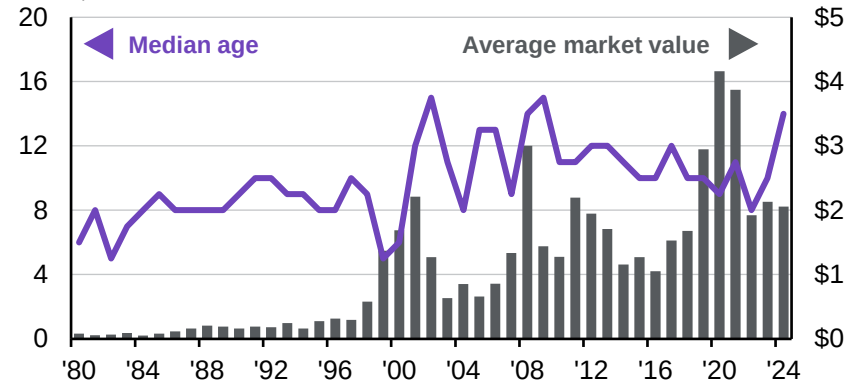
Number of listed U.S. companies* and market cap.

Count, S&P 500 market capitalization in USD trillions



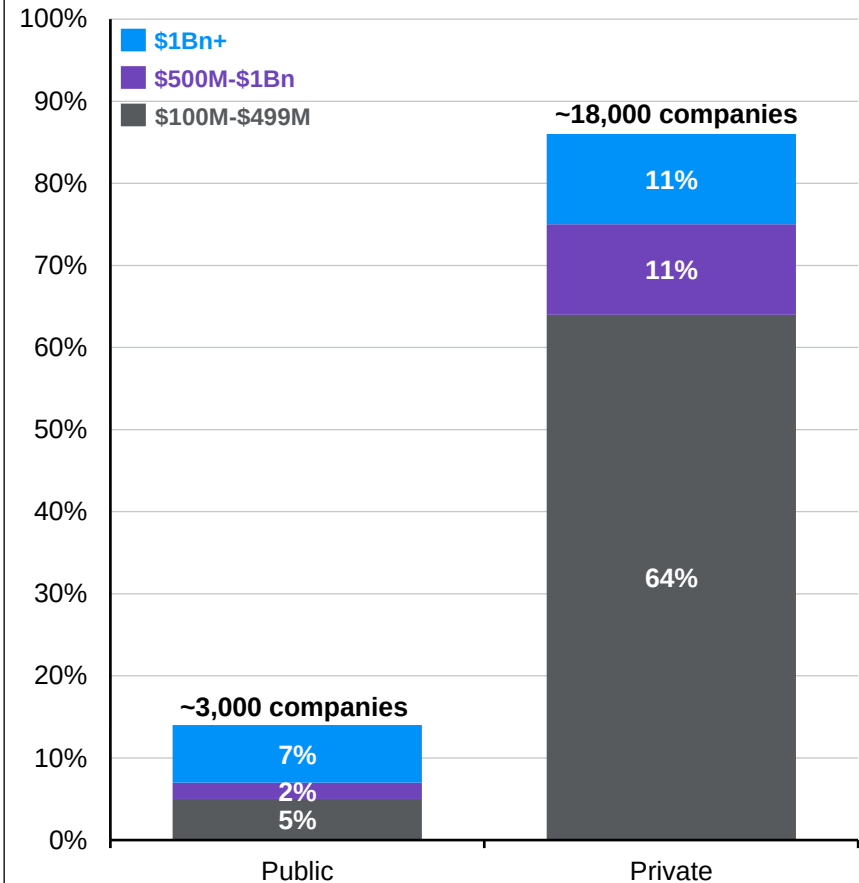
Median age and average market value at IPO

Years, USD billions



U.S. companies split public vs. private

Companies with revenue greater than \$100M, share public vs. private



Source: Bain and Company, FactSet, Jay Ritter – University of Florida, S&P Capital IQ, World Federation of Exchanges, J.P. Morgan Asset Management. (Top left) *Number of listed U.S. companies is represented by the sum of number of companies listed on the NYSE and the NASDAQ. (Bottom left) Average market value is calculated by dividing the total market value at first closing price by the total number of IPOs for each period. The sample is IPOs with an offer price of at least \$5, excluding ADRs, unit offers, closed-end funds, REITs, natural resource limited partnerships, small best efforts offers, banks and S&Ls and stocks not listed on CRSP (CRSP includes Amex, NYSE and NASDAQ stocks). (Right) Percentages may not sum to 100 due to rounding.

Guide to Alternatives. Data are based on availability as of August 31, 2025.

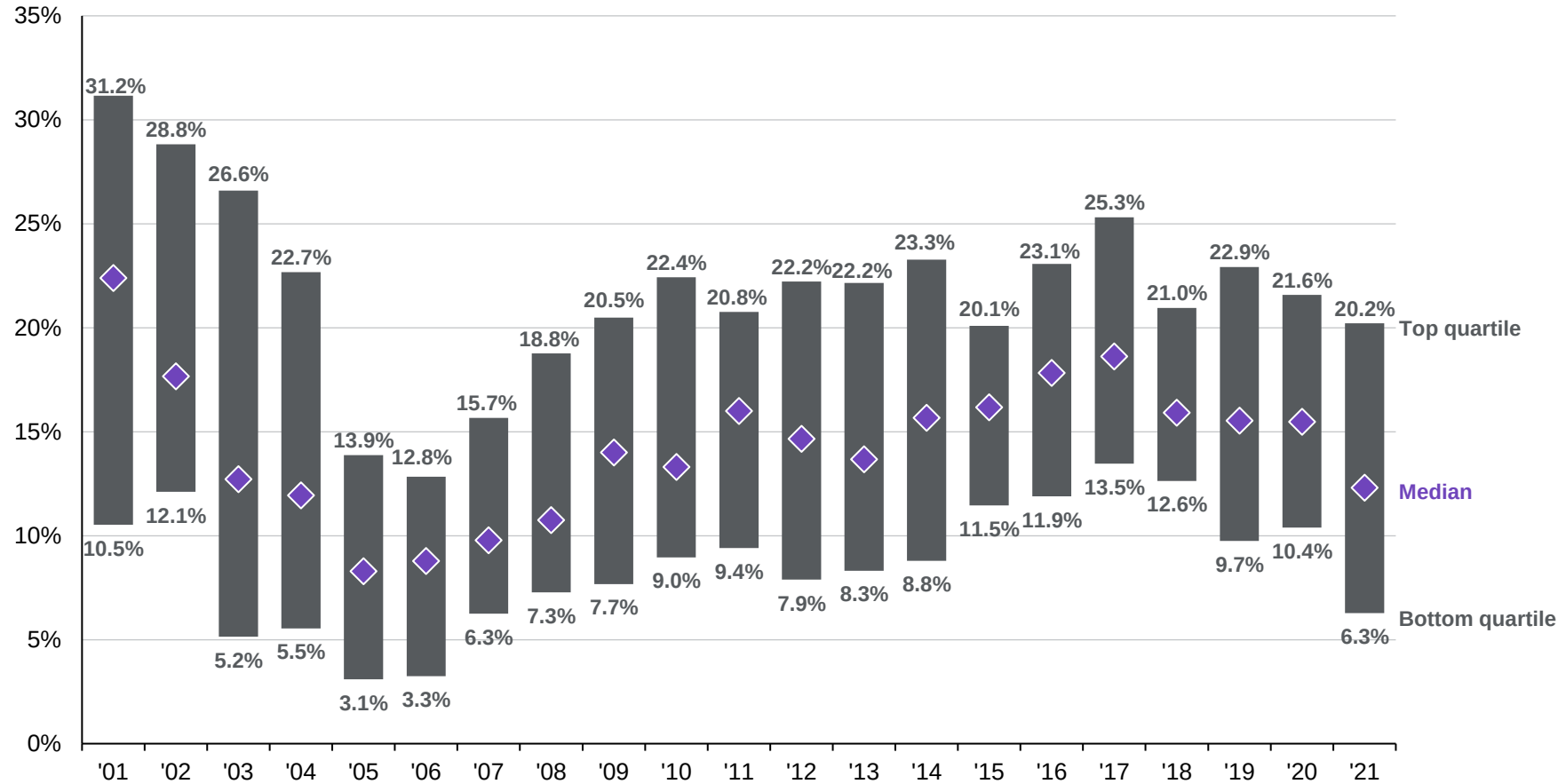
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Global private equity returns

Global private equity return dispersion by vintage year

2001 - 2021, internal rate of return (IRR)



Source: Burgiss, J.P. Morgan Asset Management.

Global private equity is represented by global buyout funds. IRR performance data are as of 3/31/2025. Past performance is not a reliable indicator of current and future results.

Guide to Alternatives. Data are based on availability as of August 31, 2025.

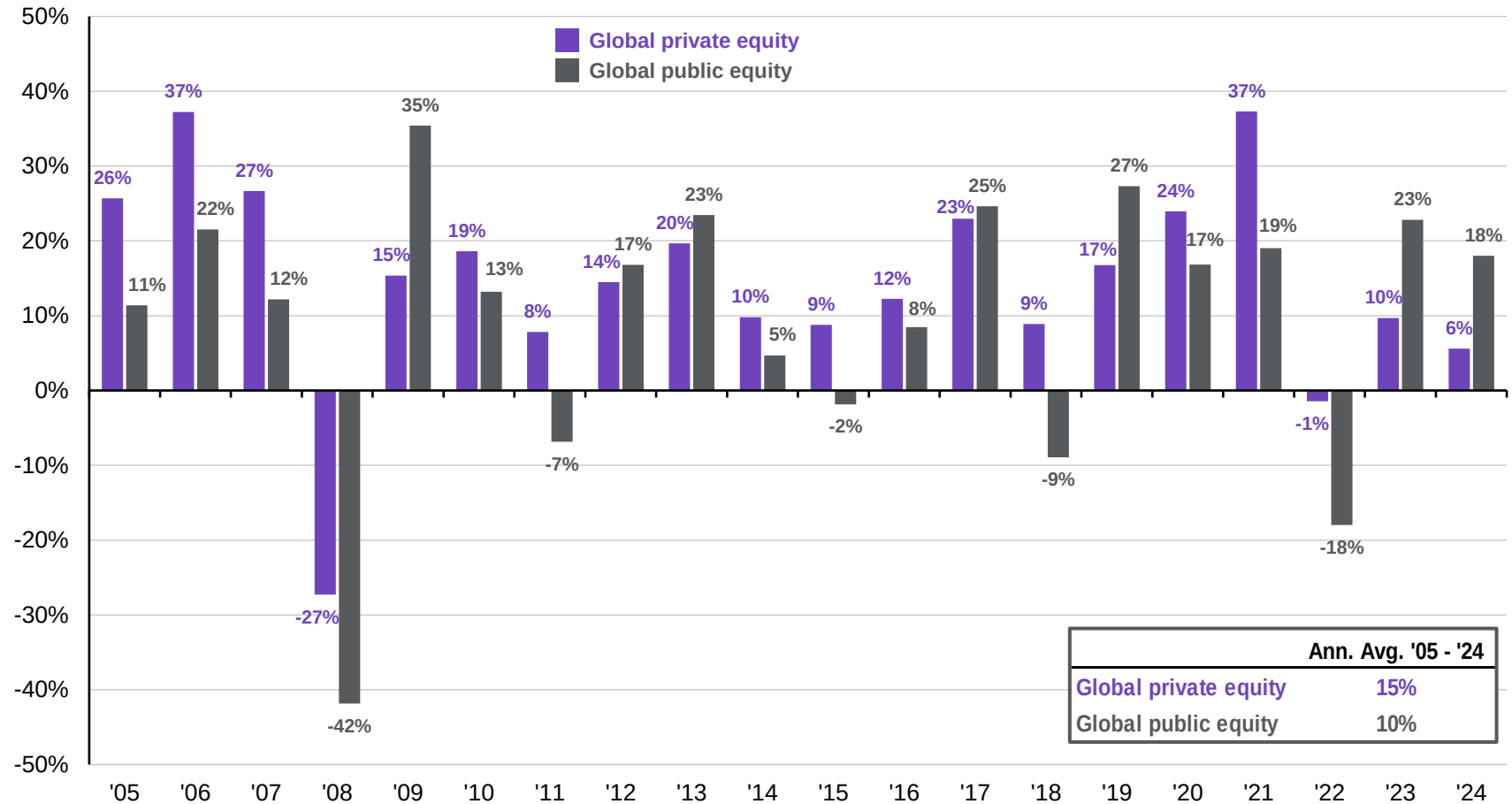


Private equity performance vs. public markets

GTA MI 50

Annual global private and public equity performance

USD total return, net of fees



Source: Burgiss, FactSet, MSCI, J.P. Morgan Asset Management.
Private equity returns are time-weighted. Global private equity: MSCI Global Buyout Closed-End Fund Index. Global public equity: MSCI All Country World Total Return Index. Past performance is not a reliable indicator of current and future results.
Guide to Alternatives. Data are based on availability as of August 31, 2025.



Global private equity fundraising

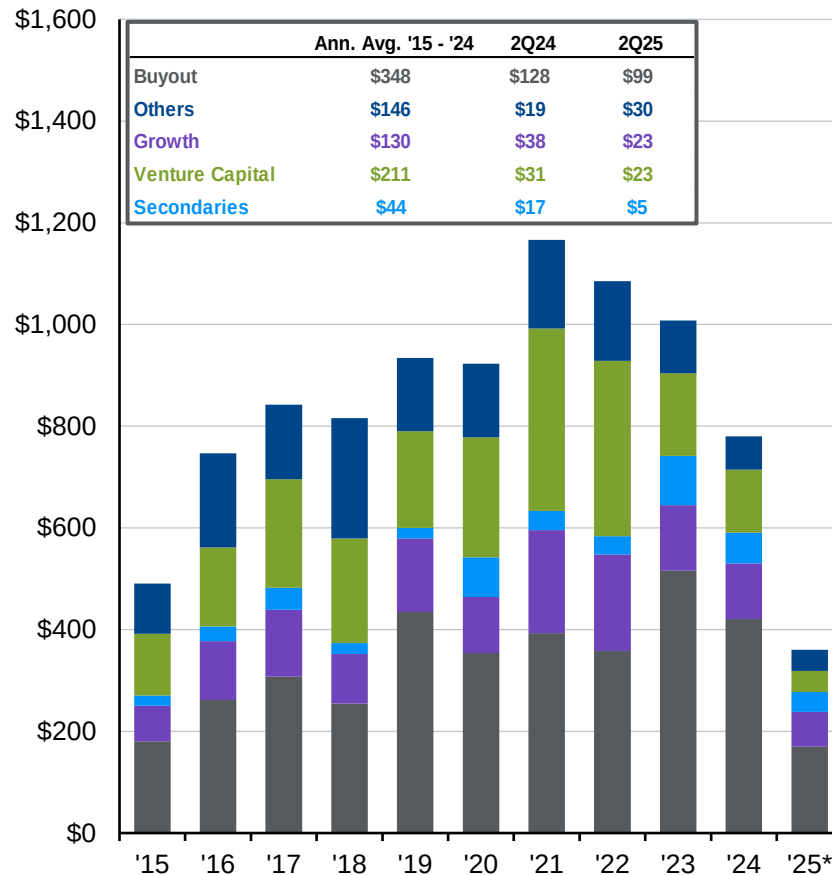
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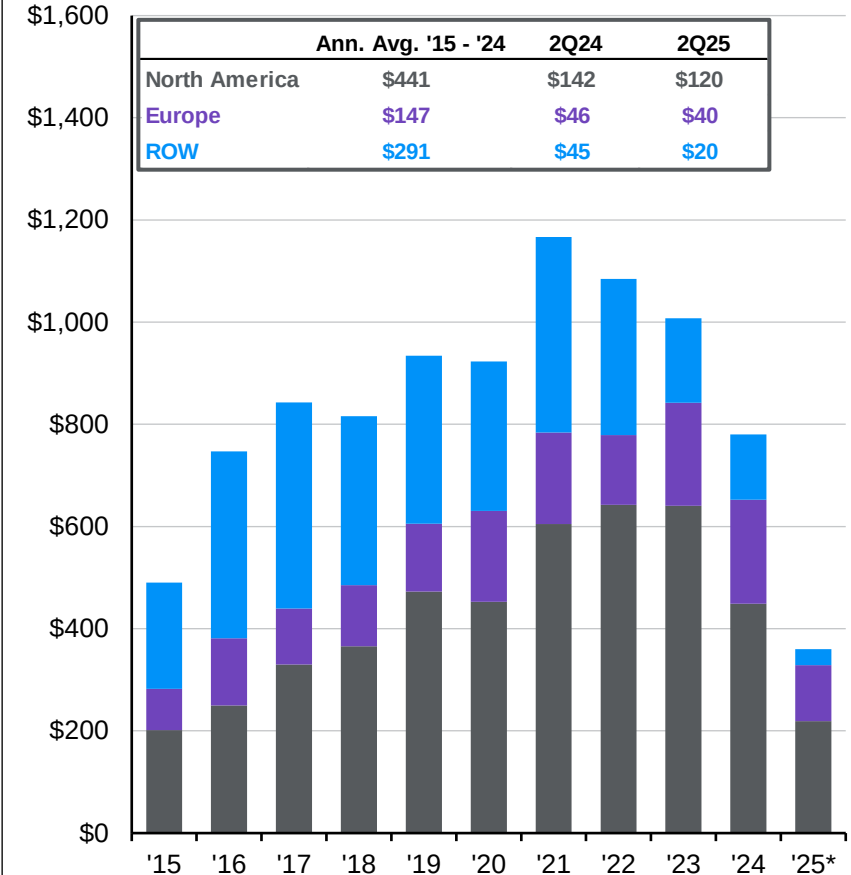
Global private equity fundraising by type

USD billions, 2015 – 2025*



Global private equity fundraising by region

USD billions, 2015 – 2025*



Source: Preqin, J.P. Morgan Asset Management.

*2025 data are as of 2Q25. (Left) Buyout funds: Acquire all or a significant amount of equity in their target company, often financed by a high proportion of debt; Growth equity funds: Take minority stakes in companies, financed by all-equity deal structures; Secondary funds: Purchase existing stakes in private equity funds from other limited partners (LPs); Venture capital funds: Invest in early-stage companies with high growth potential; Others: Includes funds raised for restructuring or turnaround deals that use a combination of debt and equity financing. (Right) Fundraising by region is defined as the location of the manager raising the funds.

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Global private equity investments and exits

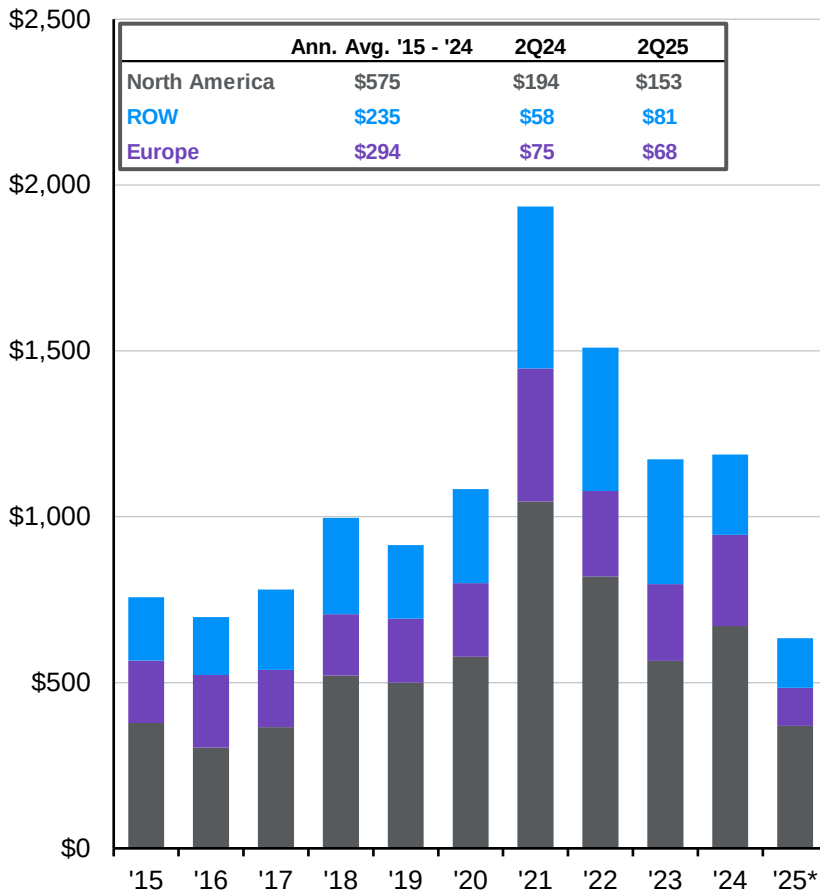
GTA

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52

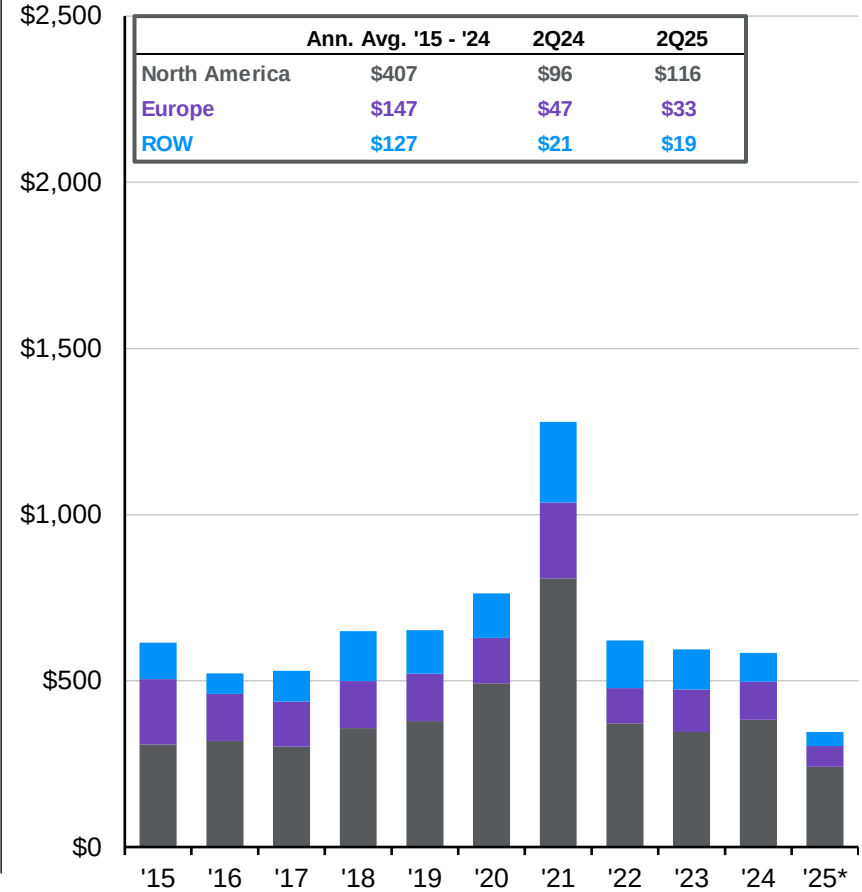
Global private equity investments by value

USD billions, 2015 – 2025*



Global private equity exits by value

USD billions, 2015 – 2025*



Source: Preqin, J.P. Morgan Asset Management.

*2025 data are as of 2Q25.

Guide to Alternatives. Data are based on availability as of August 31, 2025.



U.S. private equity investments and exits

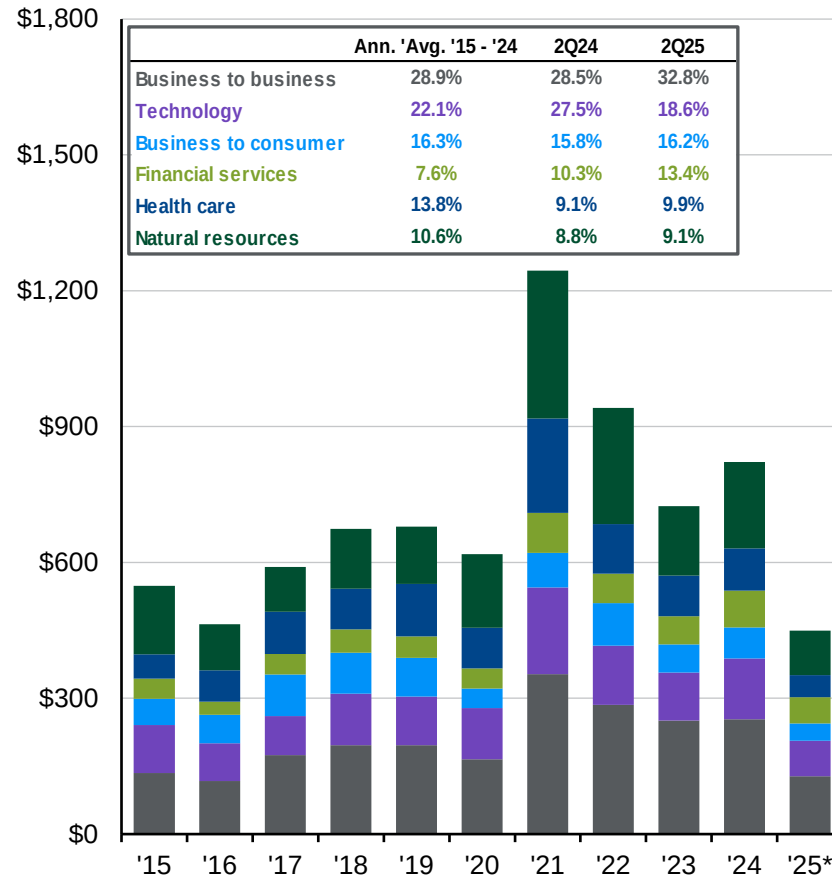
GTA

MI

53

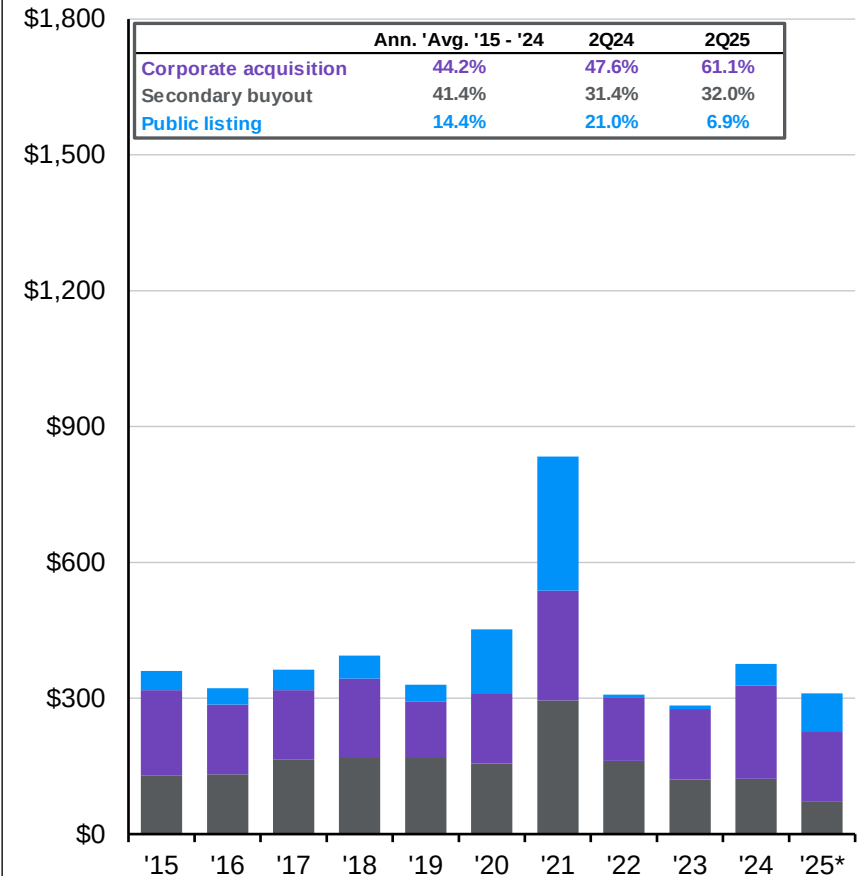
U.S. private equity investments by sector

USD billions, 2015 – 2025*



U.S. private equity exits by type

USD billions, 2015 – 2025*



Source: Pitchbook | LCD, J.P. Morgan Asset Management.

*2025 data are as of 2Q25. (Left) Natural resources = Materials & resources and energy. Guide to Alternatives. Data are based on availability as of August 31, 2025.



U.S. private equity dry powder and inventory backlog

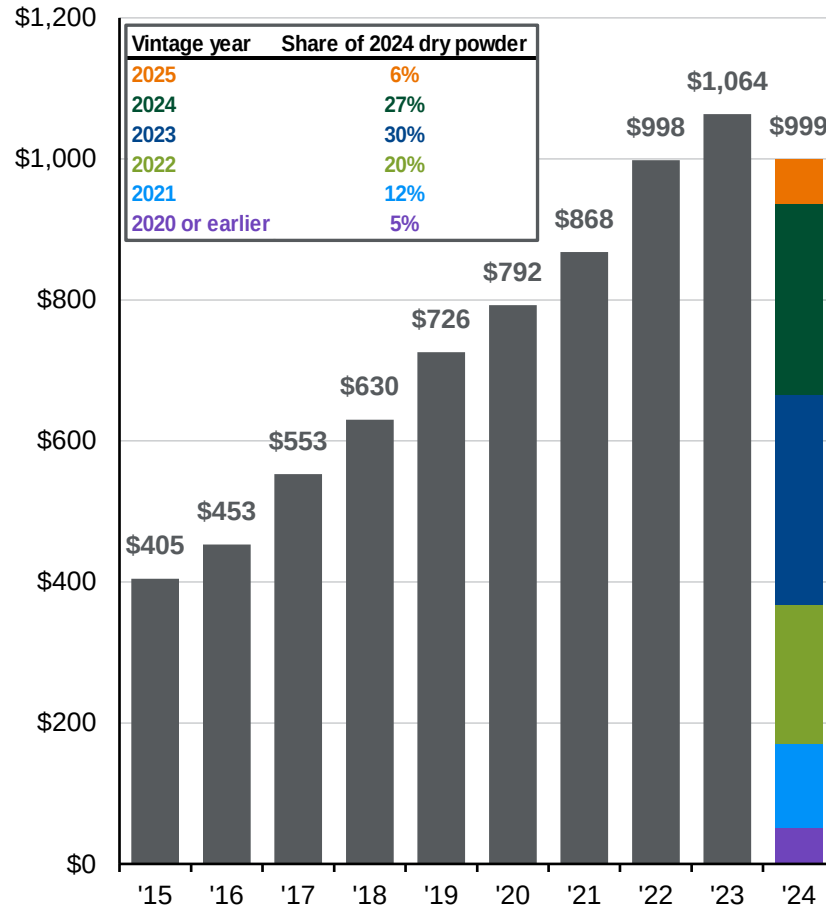
GTA

MI

54

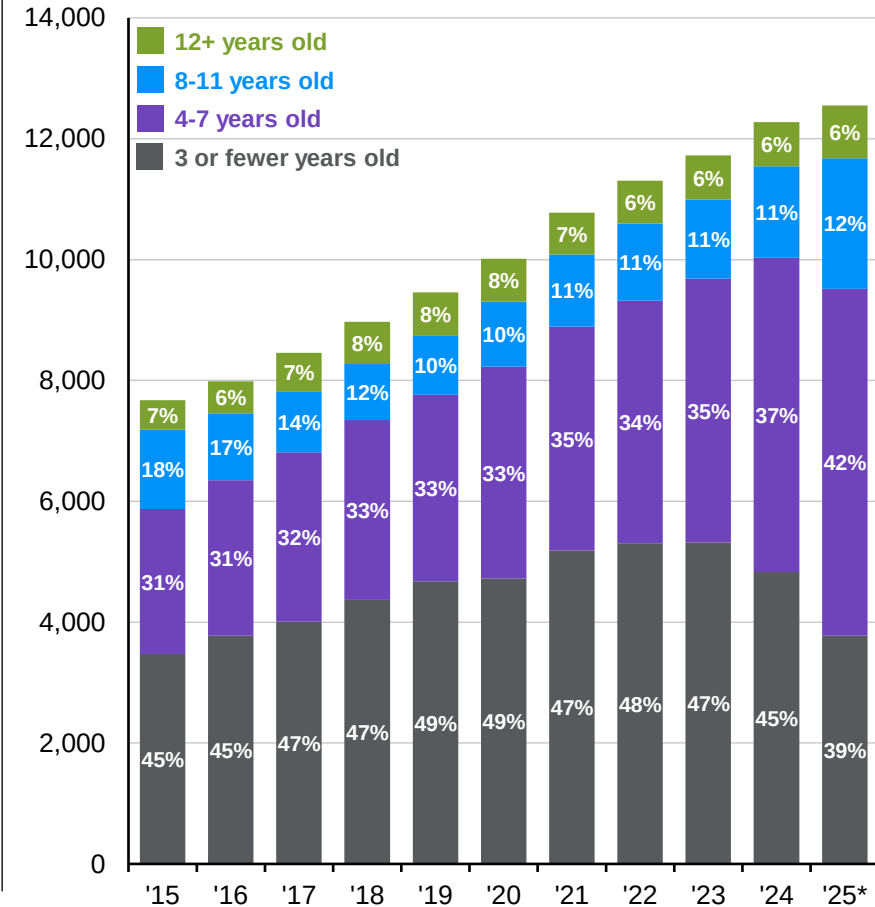
U.S. PE dry powder by vintage year

USD billions



U.S. PE-backed company inventory

Count by investment duration



Source: Pitchbook, J.P. Morgan Asset Management.
Percentages may not sum to 100 due to rounding. (Right) *2025 data are as of 2Q25.
Guide to Alternatives. Data are based on availability as of August 31, 2025.



U.S. private equity investments and multiples by size

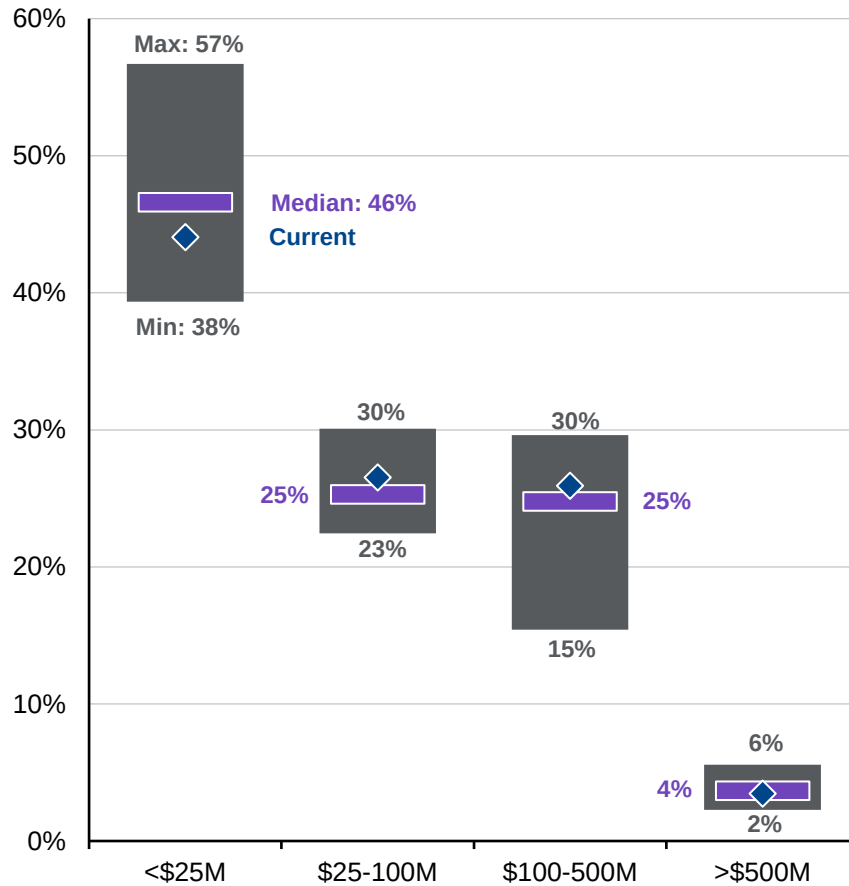
GTA

MI

55

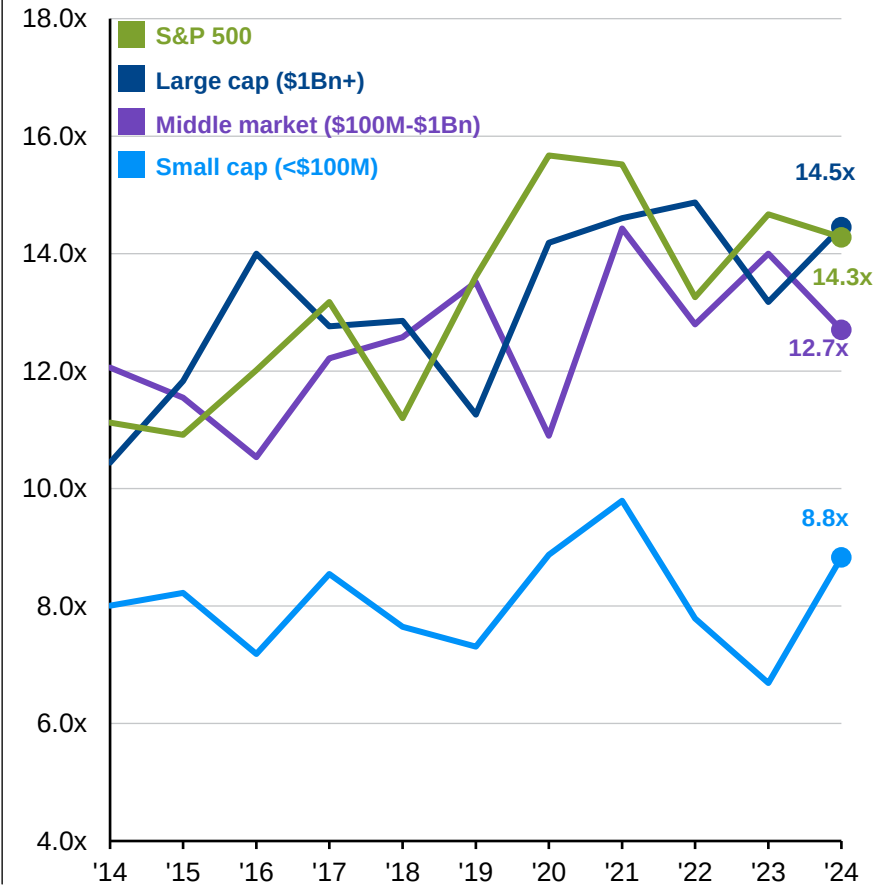
U.S. private equity investments by size

% of total number of investments, 2008 – 2Q25



Private company buyout multiples vs. S&P 500

Median enterprise value/EBITDA, trailing 12-month multiples



Source: Pitchbook | LCD, J.P. Morgan Asset Management.
Guide to Alternatives. Data are based on availability as of August 31, 2025.



Global mergers and acquisitions

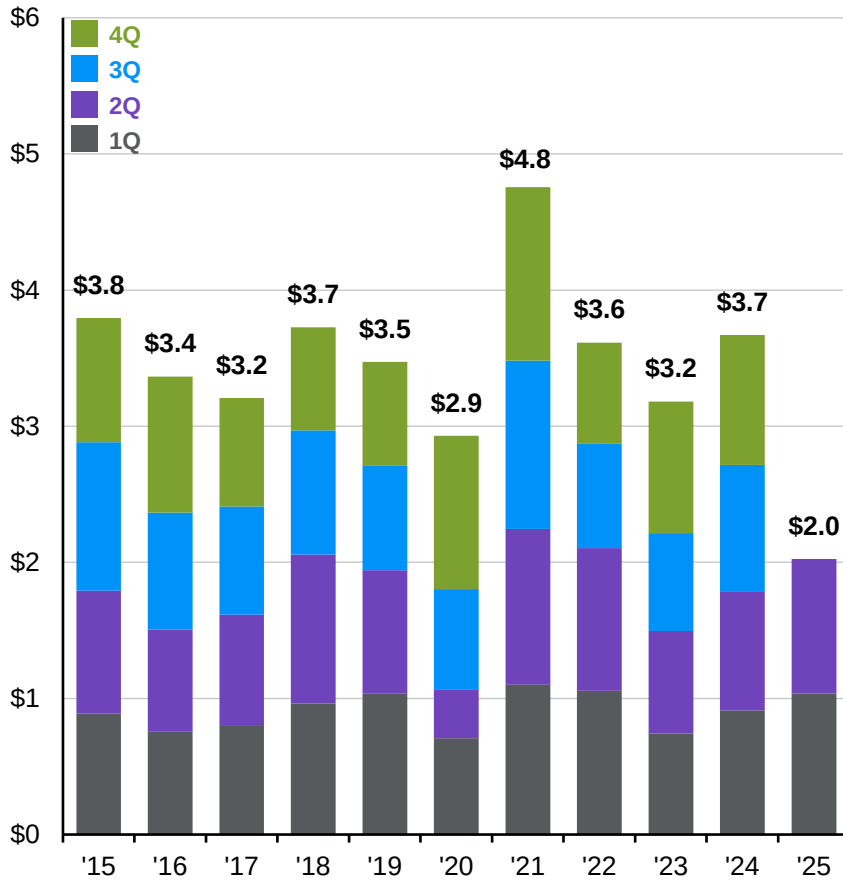
GTA

MI

56

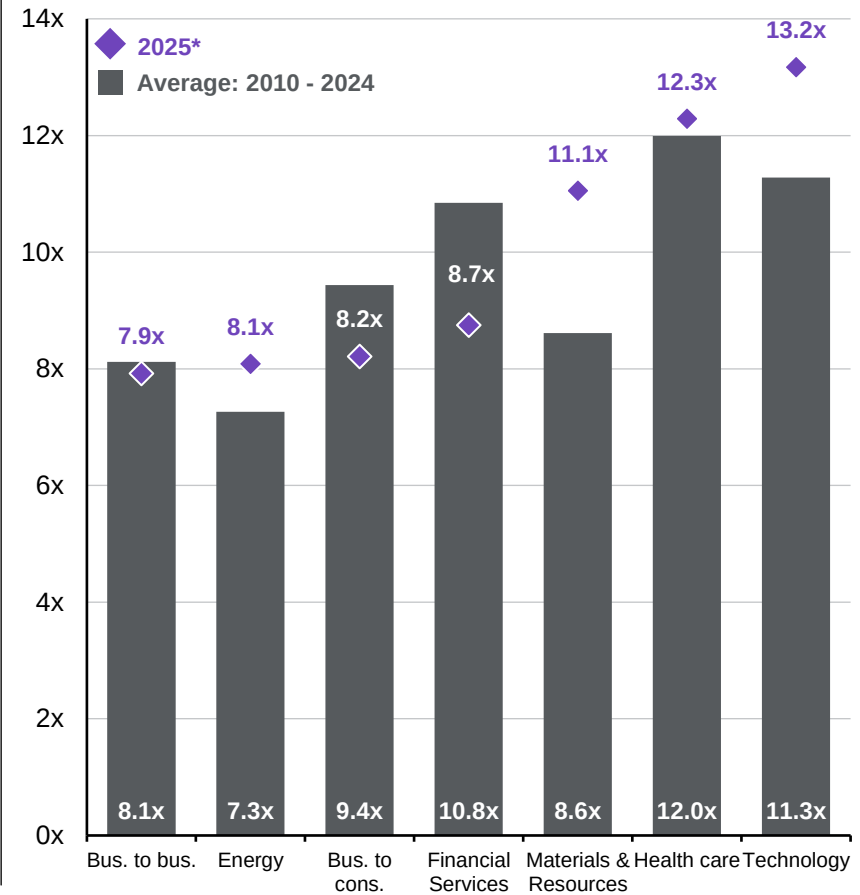
Global M&A by quarter

USD trillions



Global M&A multiples by sector

Enterprise value/EBITDA, trailing 12-month multiples



Source: Pitchbook | LCD, J.P. Morgan Asset Management.

(Right) *2025 data are as of 2Q25. "Bus. to bus." = Business to business. "Bus. to cons." = Business to consumer.

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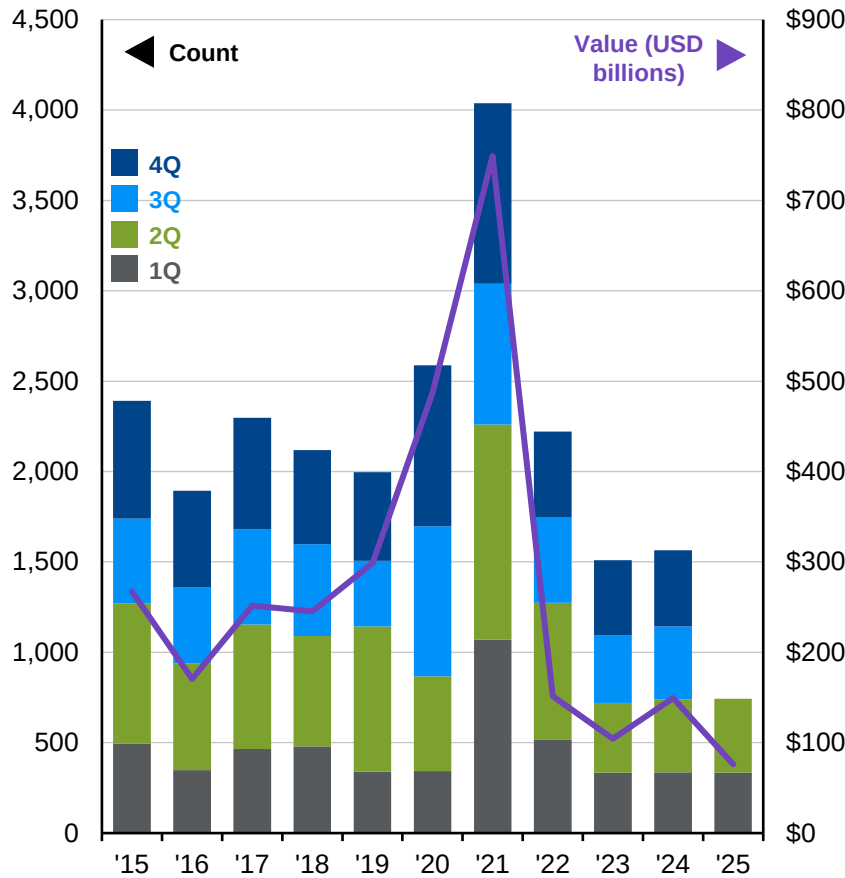


IPOs by count and value

Private equity

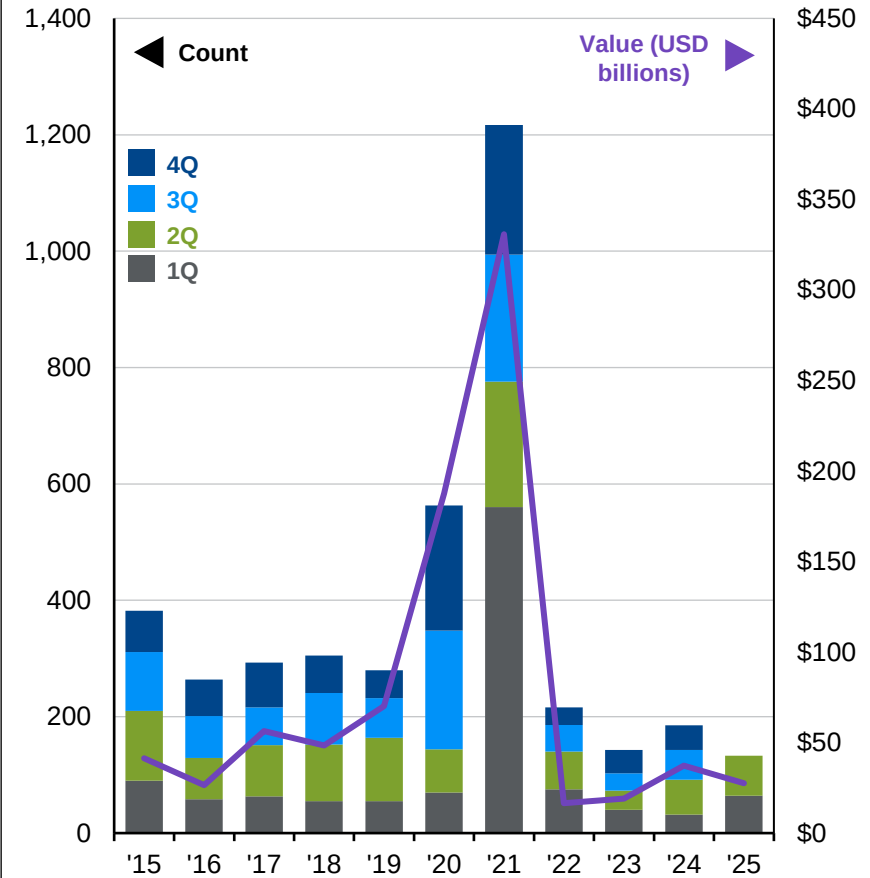
Global IPOs

Quarterly count and annual value by announcement



U.S. IPOs

Quarterly count and annual value by announcement



Source: Bloomberg, J.P. Morgan Asset Management.
Initial Public Offerings data are provided by Bloomberg and are tracked through public announcements or disclosed directly via the deal's lead underwriters. Exceptions include direct listings as IPO actions or SPAC mergers that result in a private company becoming listed.
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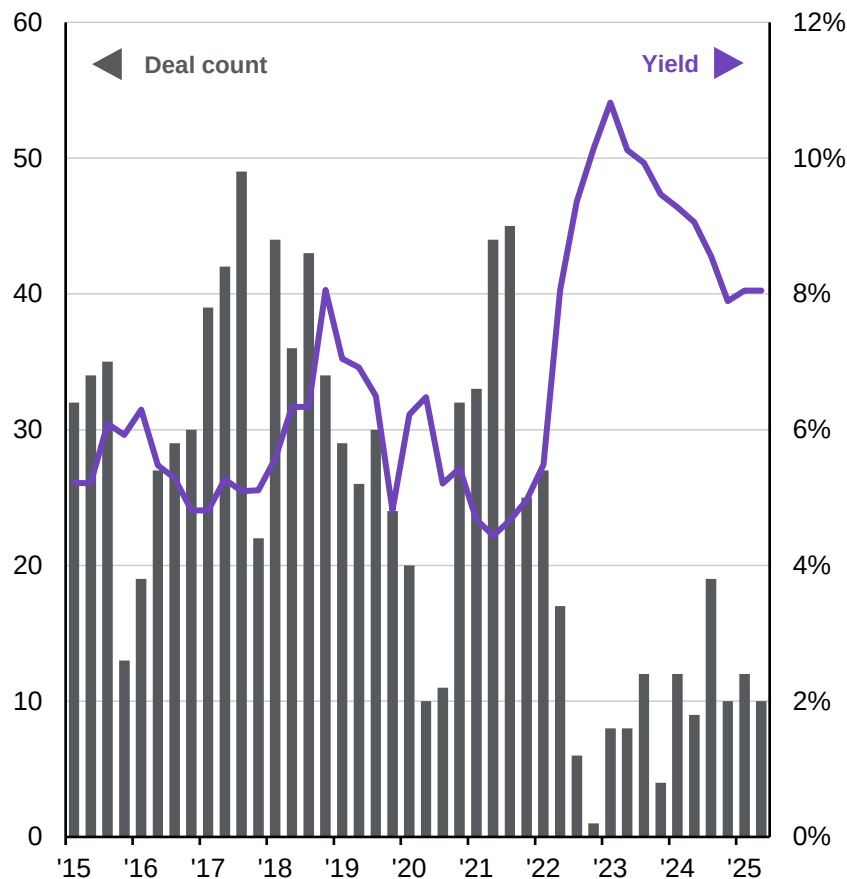
U.S. leveraged buyouts

GTA

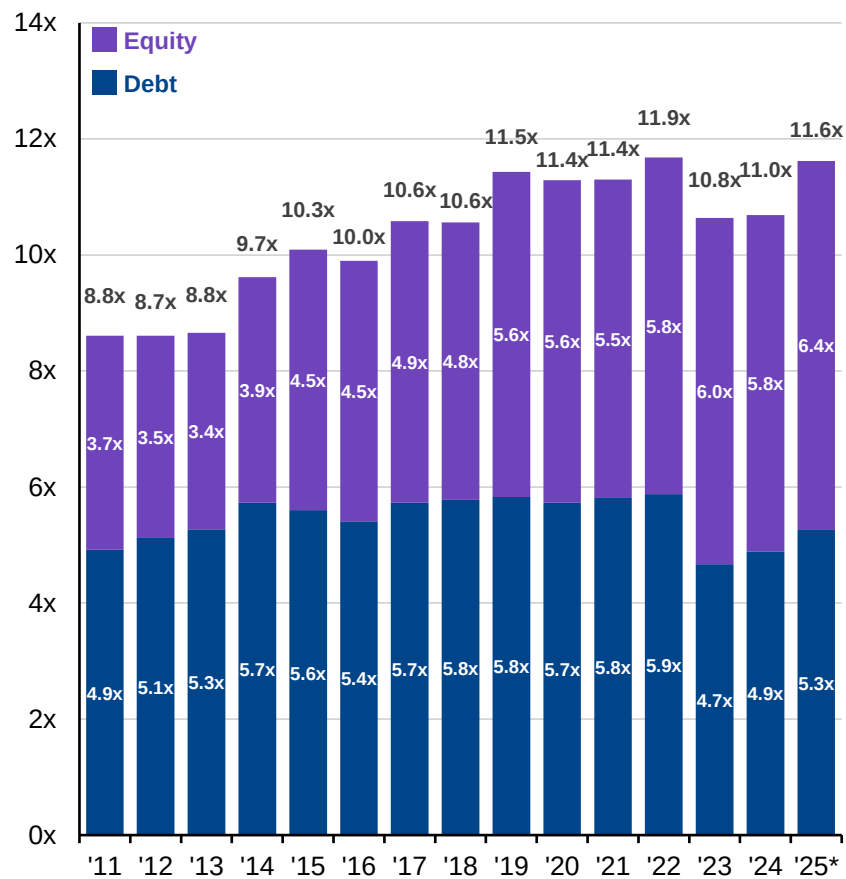
MI

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U.S. LBOs: Deal activity and yield 1Q15 – 2Q25



U.S. LBOs: Purchase price multiples Equity and debt over trailing EBITDA



Source: PitchBook|LCD, J.P. Morgan Asset Management.

(Left) Yield represents the average new-issue yield on broadly syndicated loans. (Right) *2025 data are as of 2Q25. Past performance is not a reliable indicator of current and future results.

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Capital calls and distributions

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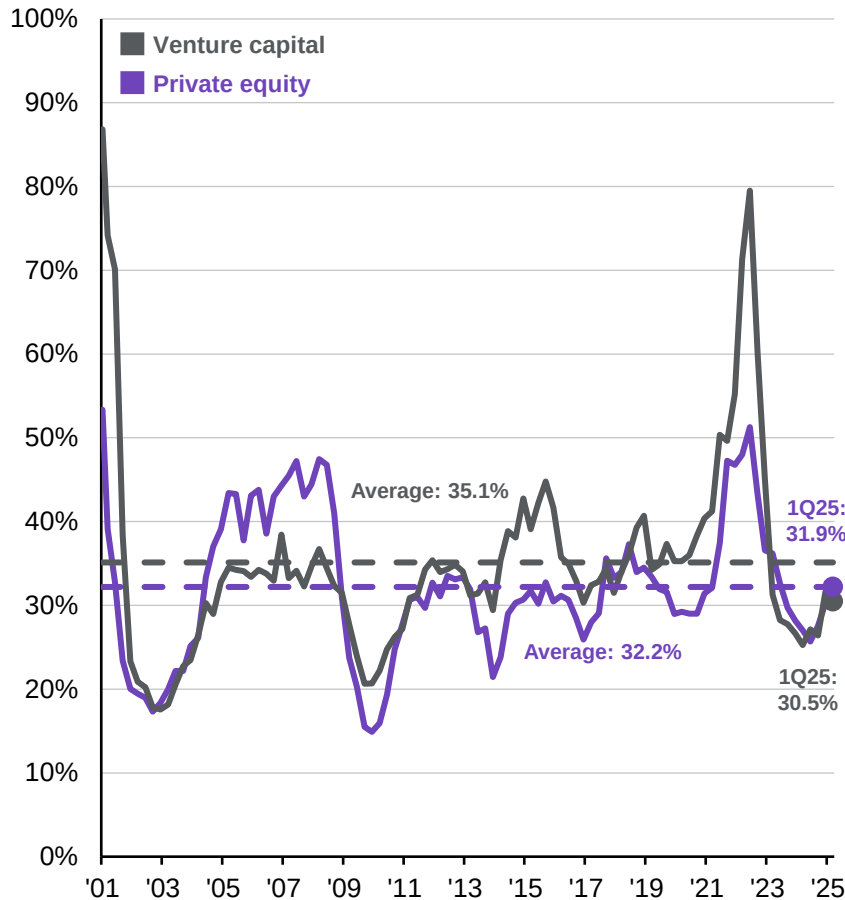
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Private equity

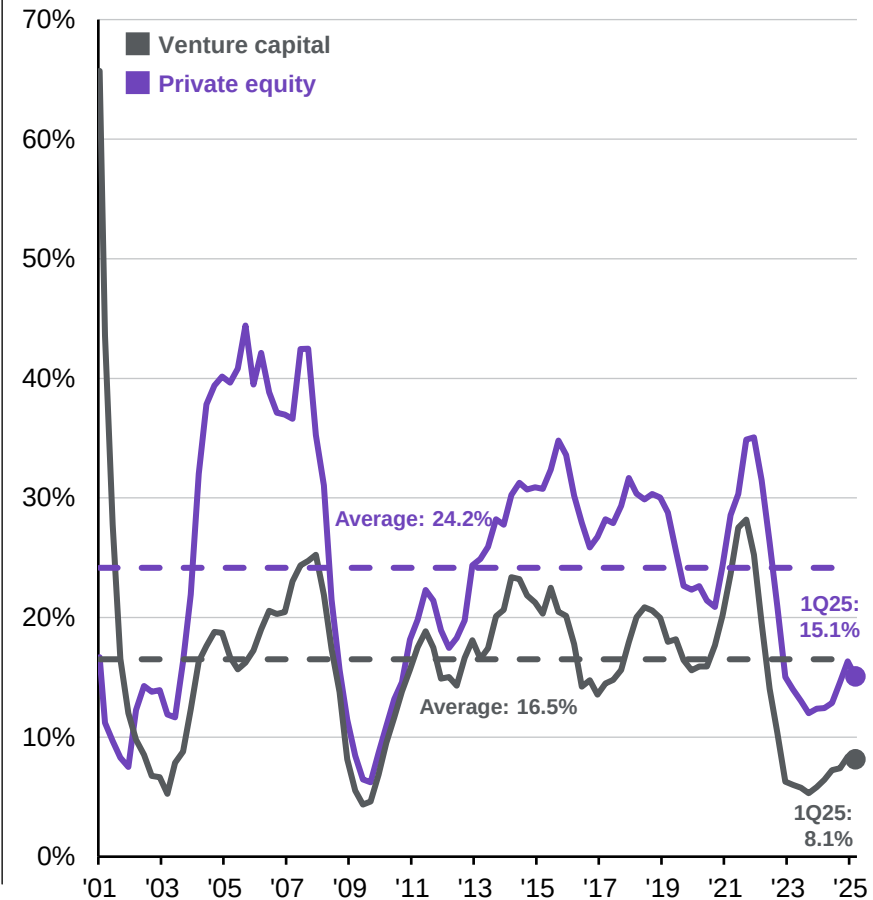
U.S. PE and VC capital call rates

Capital calls as a % of beginning dry powder, 1Q01-1Q25



U.S. PE and VC distribution rates

Distributions as a % of beginning net asset value (NAV), 1Q01-1Q25



Source: Pitchbook | LCD, J.P. Morgan Asset Management.

Latest quarter data are preliminary. Capital call and distribution rates are calculated on a rolling 12-month basis. (Left) The capital call rate is the rate at which funds ask their investors to provide a portion of funds that they committed. (Right) The distribution rate is the rate at which investors are paid after fund managers realize their investments in underlying companies or assets, providing returns on the capital invested.

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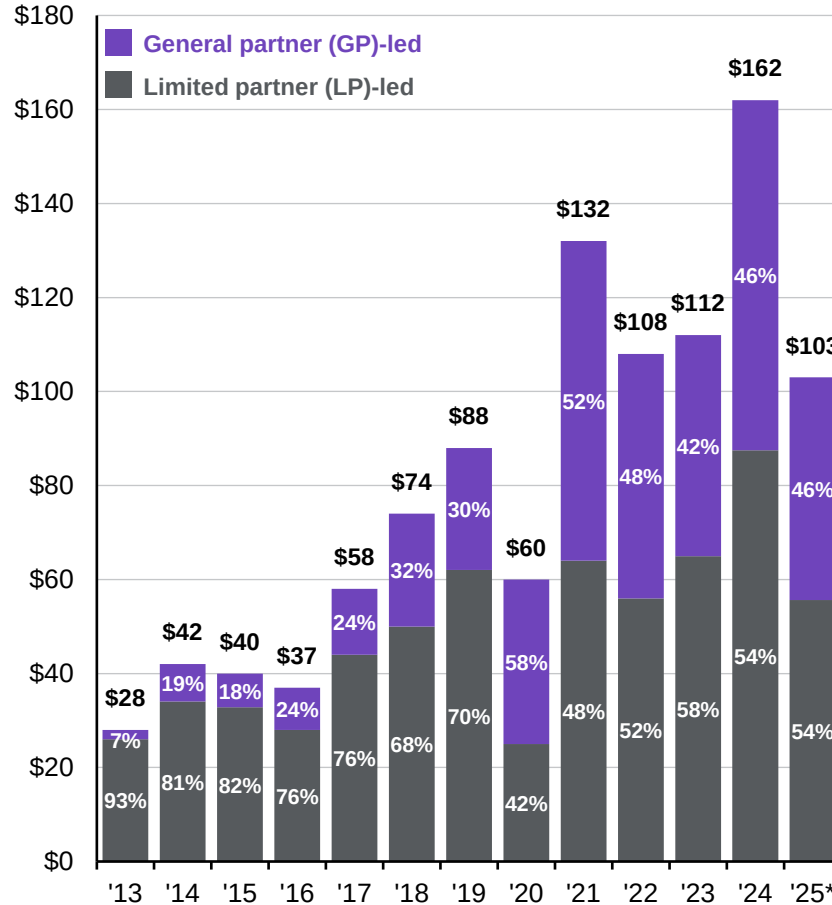
Global private secondary market

GTA MI 60

Private equity

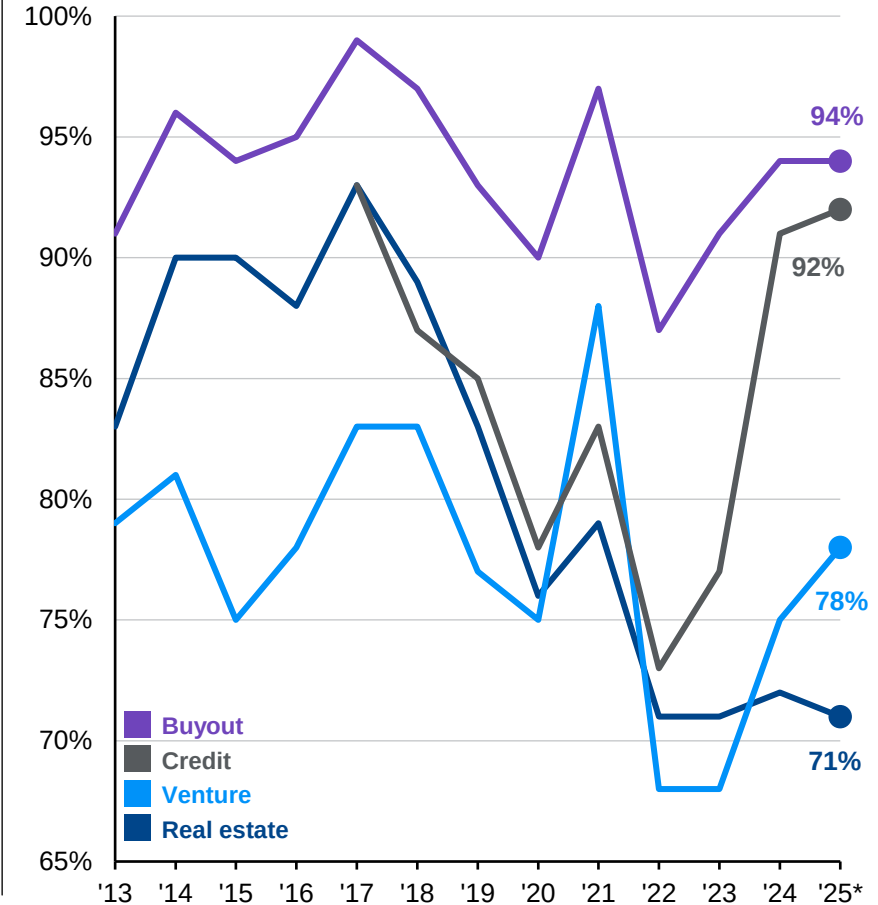
Secondary market volume by investor type

USD billions



Secondary pricing**

% of net asset value (NAV)



Source: Greenhill, Jefferies, J.P. Morgan Asset Management.

*2025 data are as of 2Q25. "Global Secondary Market Review," Jefferies, July 2025. Secondary transactions involve selling an existing stake of a target company or fund to raise liquidity, exit a position, modify exposures or lock in gains. (Right) **Secondary pricing of LP portfolios.

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U.S. venture capital

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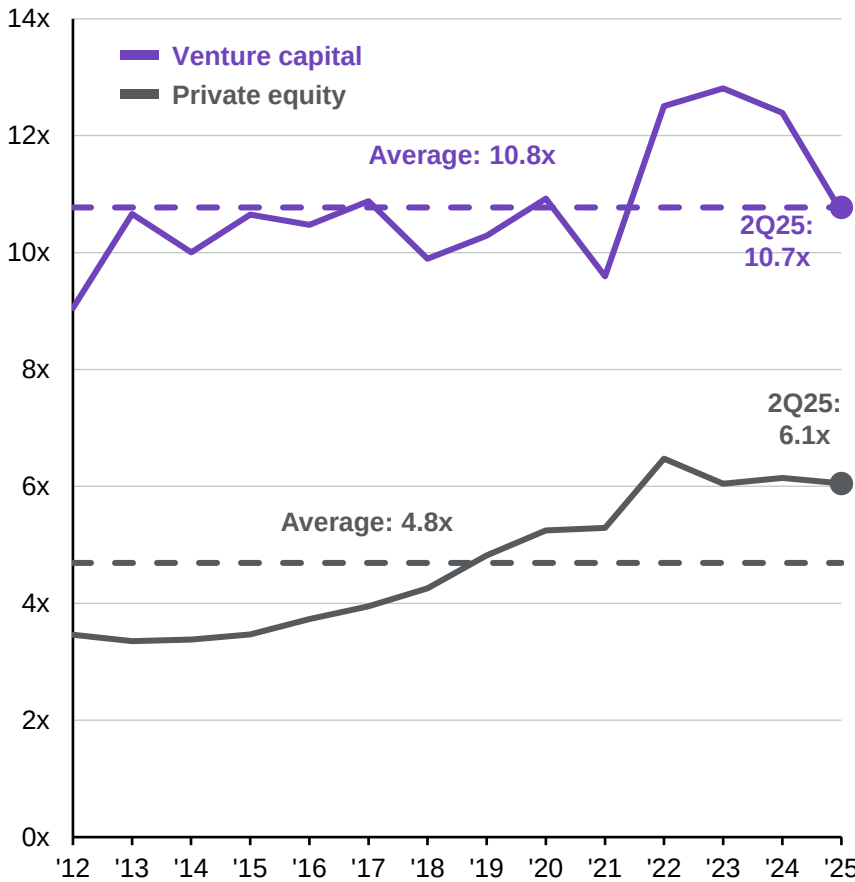
MI

61

Private equity

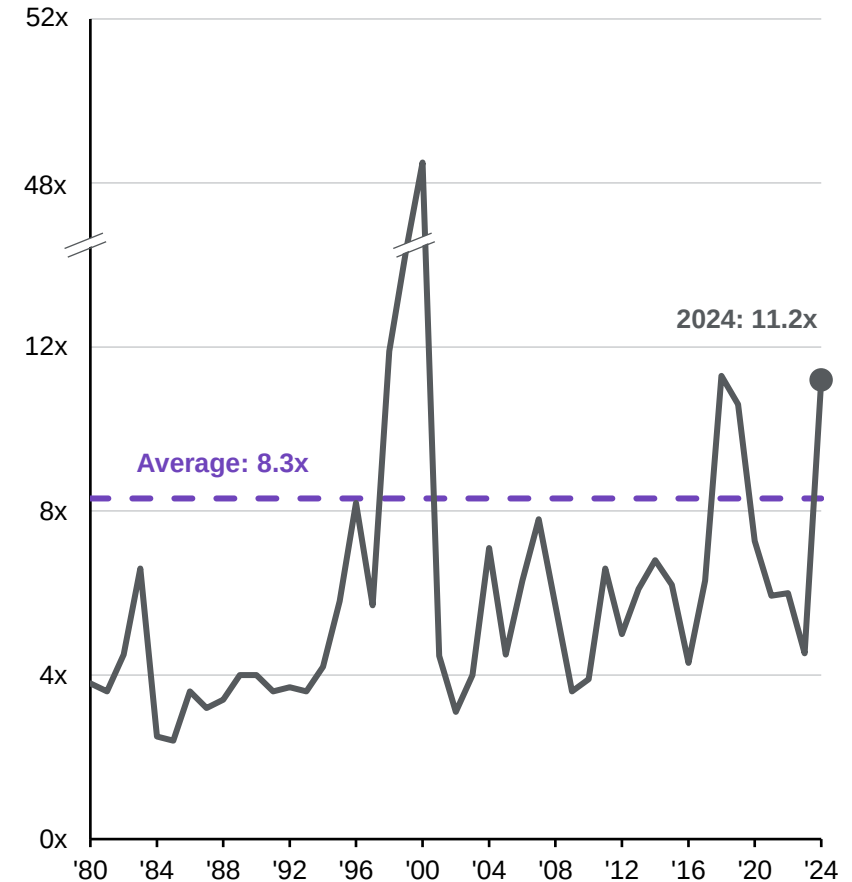
Investment and exit activity

Number of investments/number of exits*, 2012 – 2Q25



Venture capital IPO valuations

1980 – 2024, price-to-sales**



Source: Jay Ritter – University of Florida, Pitchbook| LCD, J.P. Morgan Asset Management.

*Number of investments is defined as deal count. **Price is defined as the first closing market price. Sales are defined as the last 12 months' revenues as reported in the prospectus.

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Health care dynamics

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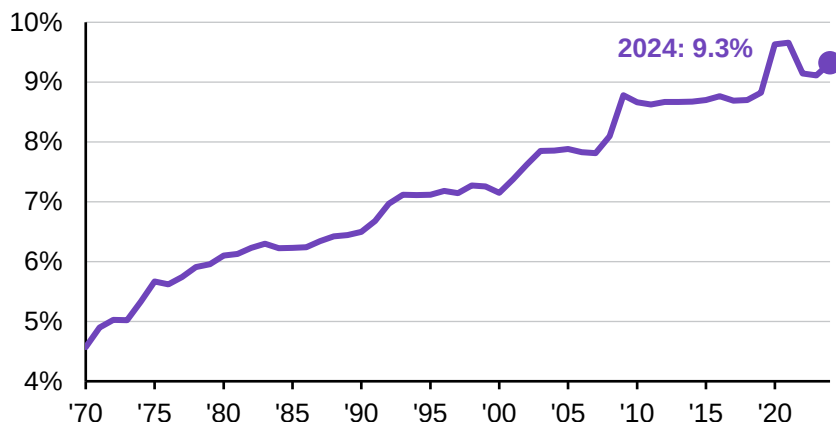
MI

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Private equity

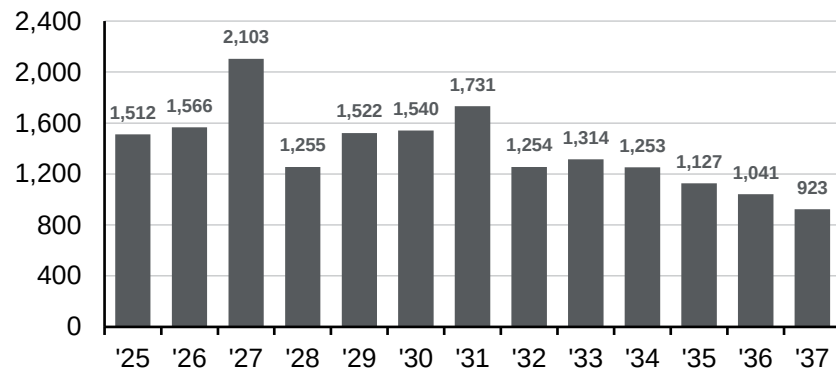
OECD average current expenditure on health

% of GDP



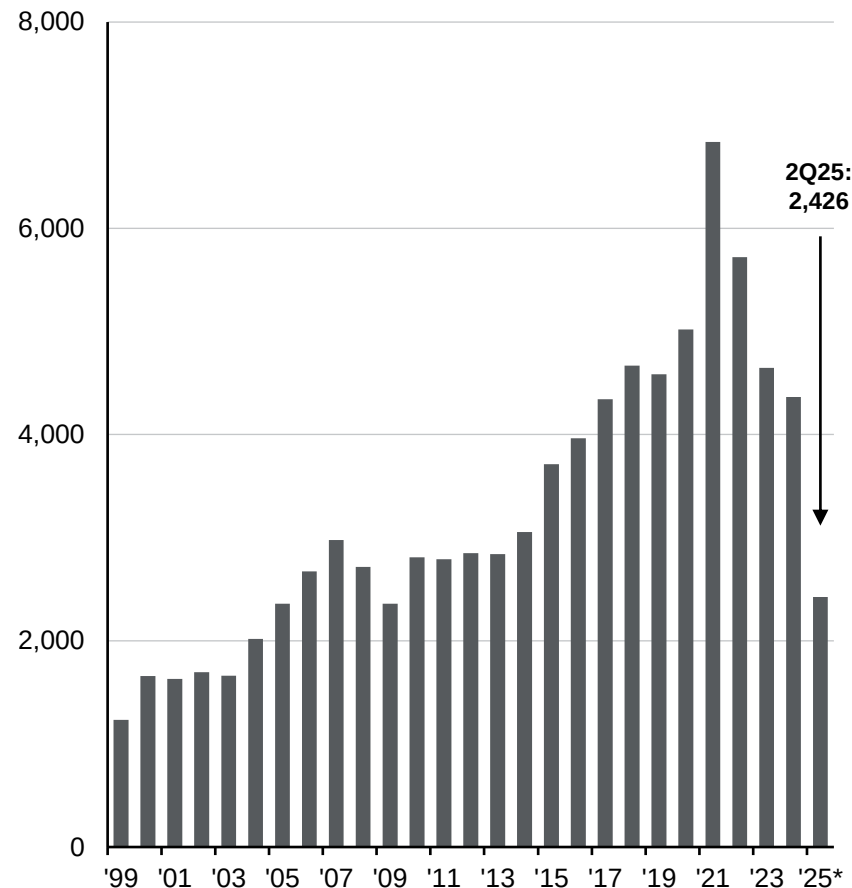
U.S. drug patent expiration

Number of patents expiring each calendar year



Global health care M&A activity

Completed deal count



Source: Bloomberg, FDA, OECD, J.P. Morgan Asset Management.

(Top left) OECD Health Statistics. (Bottom left) Total patents expiring are from the FDA's Orange Book and Purple Book. (Right) *2025 data are as of 2Q25.

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U.S. unicorns: Formations and valuations

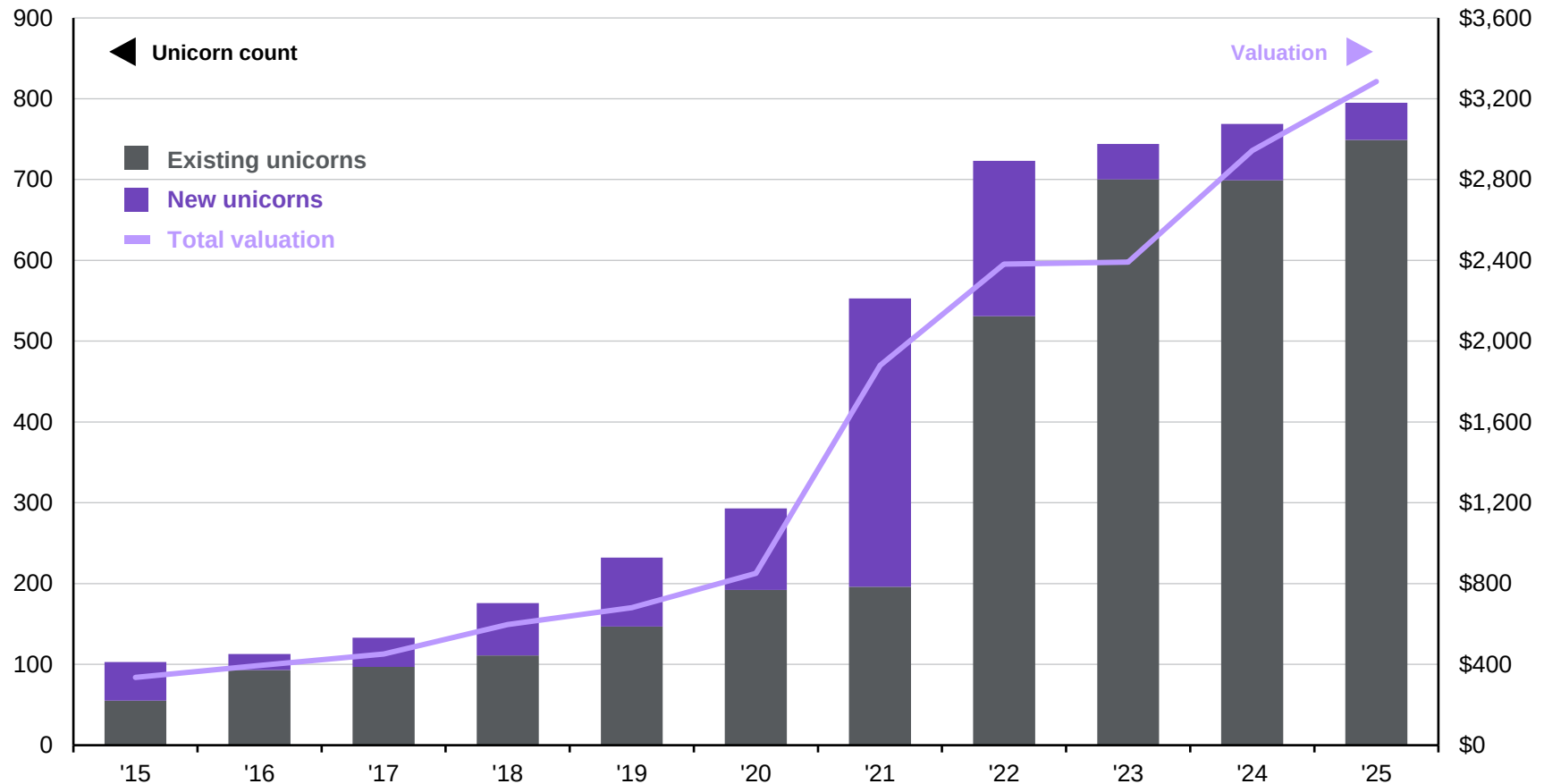
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Count and valuation of U.S. unicorns (venture capital-backed companies valued more than \$1B)

Count, aggregate USD billions



Source: Pitchbook, J.P. Morgan Asset Management.

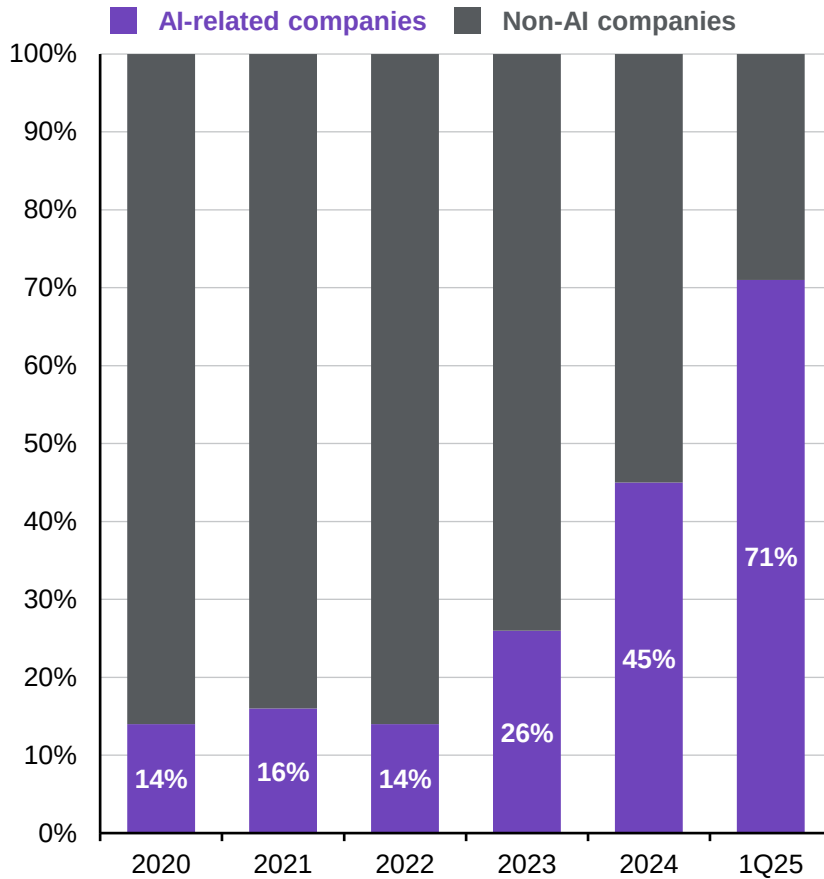
Classification categories are from Pitchbook. A unicorn is defined by Pitchbook as a venture capital-backed company with a post-money valuation of over \$1 billion. Companies that have gone public, been acquired by another company or had their valuation fall below \$1 billion are no longer counted as a unicorn. Past performance is not a reliable indicator of current and future results.

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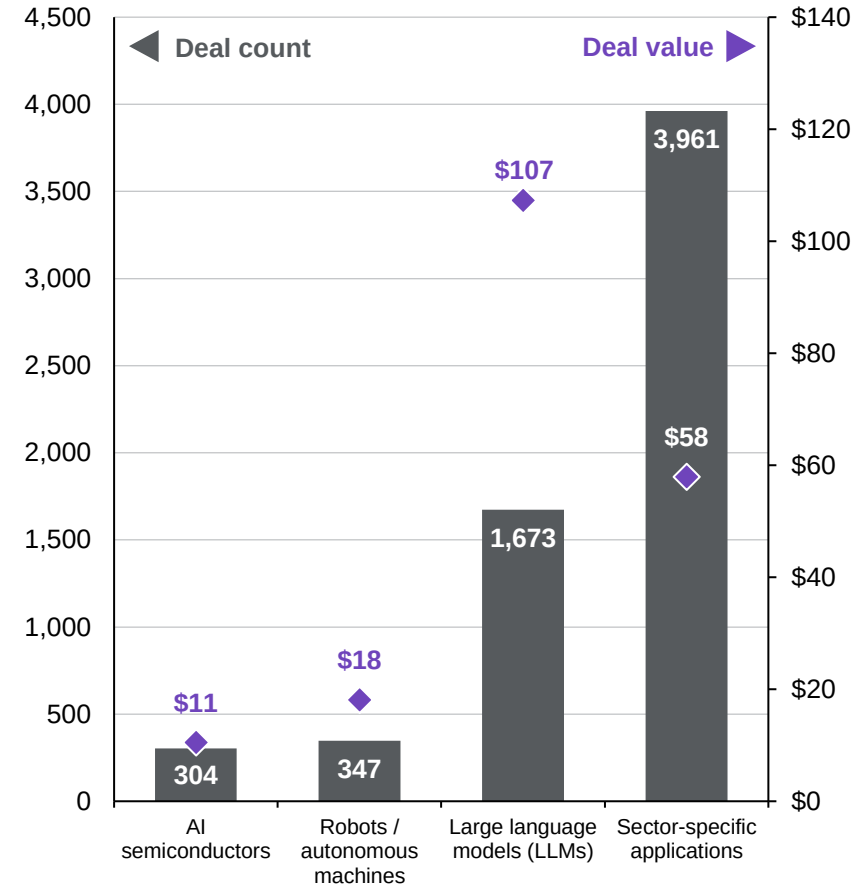


Venture investment in artificial intelligence

Share of U.S. venture capital investments in AI
% share of equity investments into U.S. VC-backed companies



Venture capital AI deal activity by type
Trailing 12 months count, USD billions, 1Q25



Source: Crunchbase, EY, Pitchbook, J.P. Morgan Asset Management.
(Left) 1Q25 results were impacted by one significant deal totaling \$40 billion. (Right) Sector-specific applications are built on top of AI models and enable domain-specific performance and integration.
Guide to Alternatives. Data are based on availability as of August 31, 2025.



Cash flows, the J-curve and returns in private equity

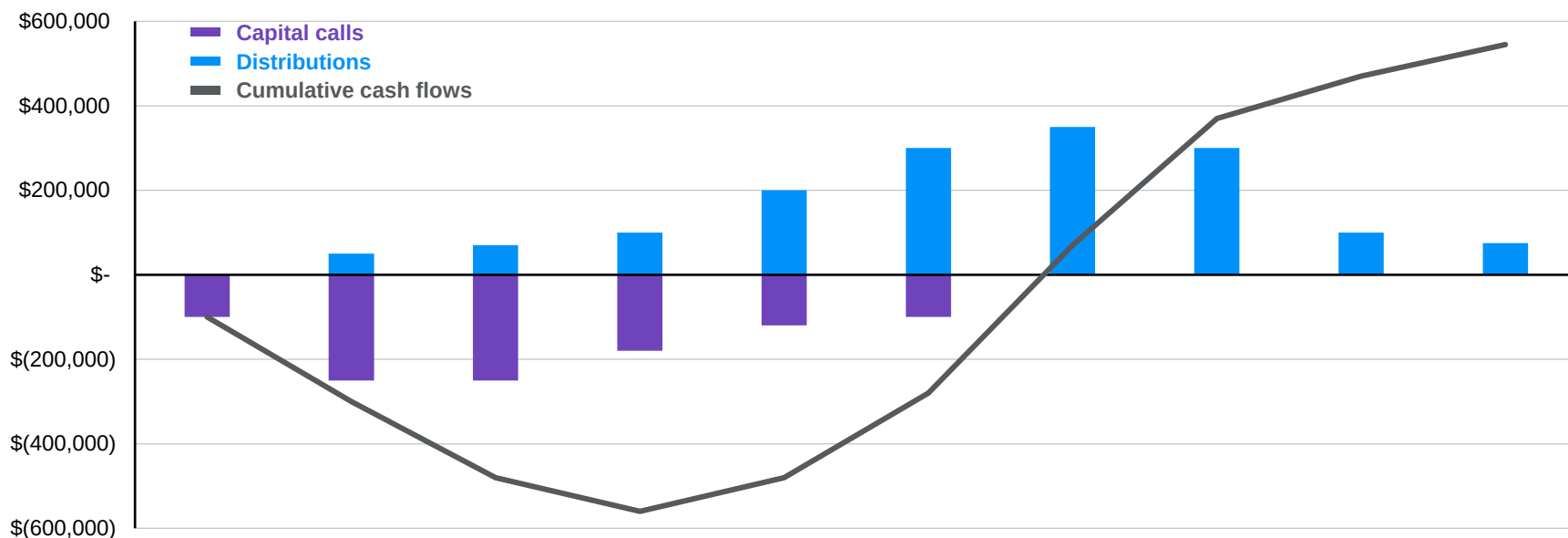
GTA

MI

65

Illustrative annual cash flows from a private equity investment

Assuming a \$1M investment



End of Year	1	2	3	4	5	6	7	8	9	10
Net Cash Flow	-\$100,000	-\$200,000	-\$180,000	-\$80,000	\$80,000	\$200,000	\$350,000	\$300,000	\$100,000	\$75,000
Balance	\$900,000	\$700,000	\$520,000	\$440,000	\$520,000	\$720,000	\$1,070,000	\$1,370,000	\$1,470,000	\$1,545,000
Annual Return	-10%	-22%	-26%	-15%	18%	38%	49%	28%	7%	5%

Internal Rate of Return: 15%

Discount rate that equates the sum of positive and negative discounted cash flows

Multiple on Invested Capital: 1.54x

Ending Balance/Starting Balance
 $= 1,545,000 / 1,000,000 = 1.545$

Time-Weighted Return: 4.4%

$(\text{Ending Balance} / \text{Starting Balance})^{(1 / \text{Number of Years})} - 1$
 $= (1.545^{0.1}) - 1 = 4.4\%$

Source: J.P. Morgan Asset Management.

Assumes a 10-year investment cycle with a five-year investment period (common direct investment private equity fund terms). In calculating both the multiple on invested capital and time-weighted return, the above example implicitly assumes that capital earns a zero return before it is called and after it is distributed. If we instead assume that this capital is invested in a USD cash account paying 3.1%, the MOIC and TWR are 1.59 times and 4.76%, respectively. If we assume that it is invested in U.S. equities, returning 6.70%, the MOIC and TWR are 1.65 times and 5.14%, respectively. (*from JPMAM's 2025 Long-term Capital Market Assumptions). There is no assurance that a private equity fund will make any distributions or perform in a similar fashion. The above cash flows are illustrative of those that may be experienced by an investor in a direct investment private equity fund. They are not intended to be representative of the actual cash flows experienced by an investor.

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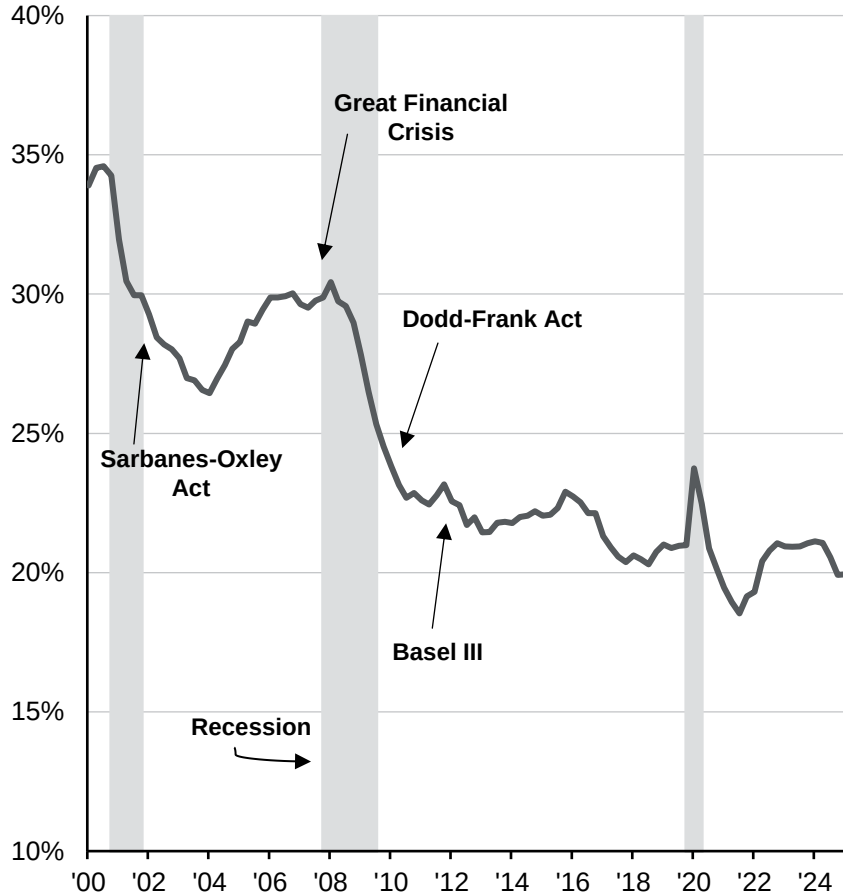
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Private credit industry growth

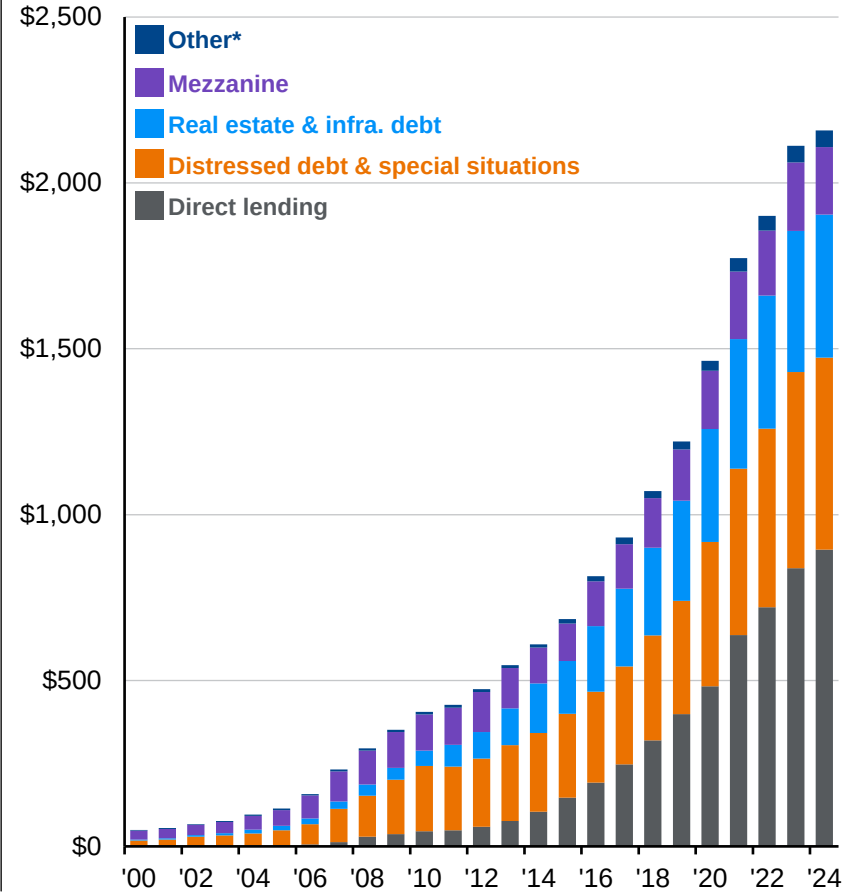
U.S. bank lending

% of total nonfinancial corporate debt, 1Q00-1Q25



Global private credit AUM by type

USD billions, end of period



Source: Federal Reserve, Preqin, J.P. Morgan Asset Management.
(Right) *Other includes venture debt and funds of funds.
Guide to Alternatives. Data are based on availability as of August 31, 2025.



Credit yields comparison

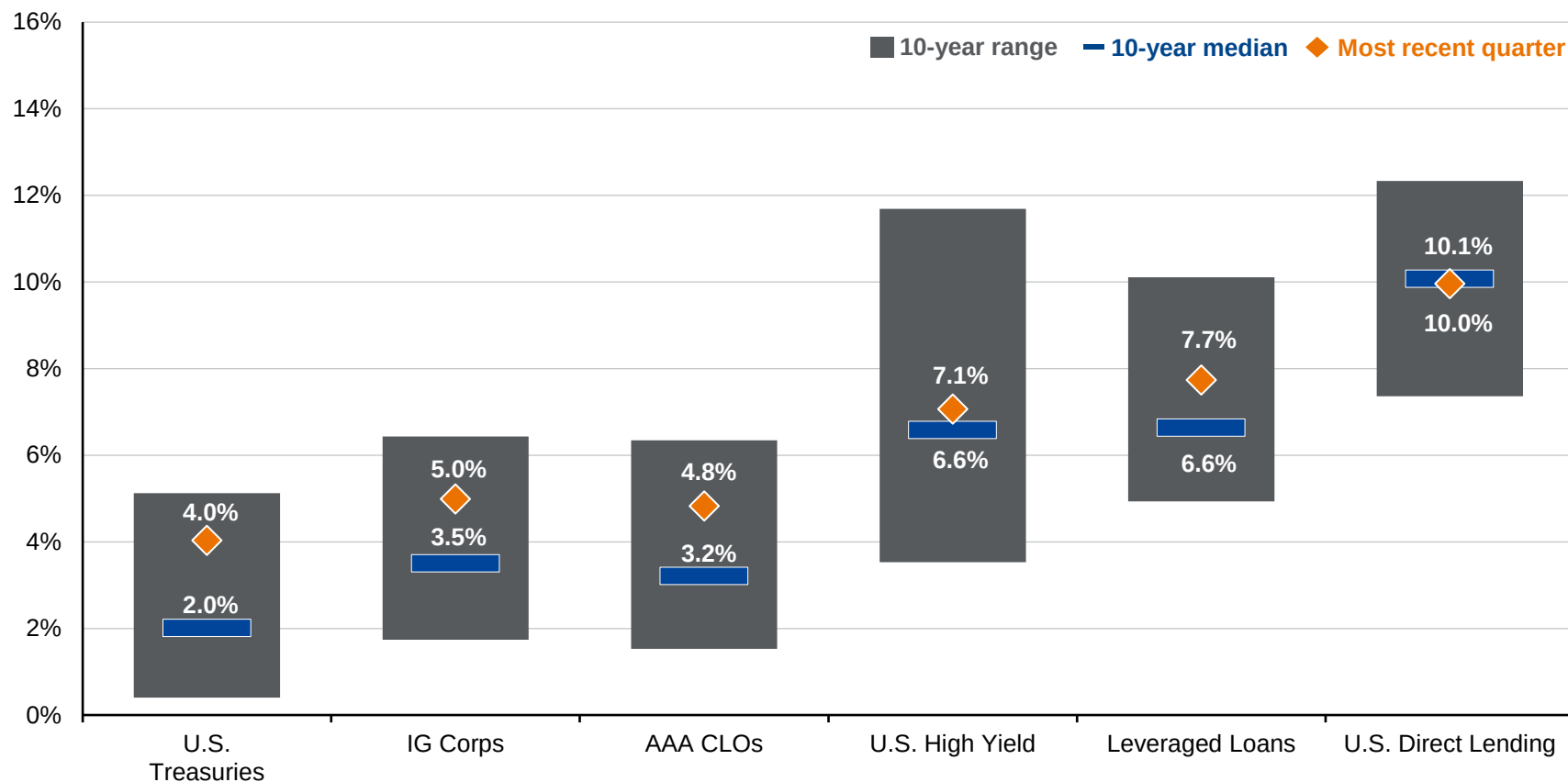
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Yields across public and private debt instruments

%, past 10-year period ending 6/30/2025



Private credit

Source: Bloomberg, Cliffwater, FactSet, J.P. Morgan Credit Research, KBRA DLD, J.P. Morgan Asset Management.

The yields of all categories are evaluated for the 10-year period indicated. U.S. Treasuries, IG corporates and U.S. High Yield categories use the yield-to-worst of their respective Bloomberg indices. AAA CLOs use the quarterly yield-to-worst of AAA-rated debt tranches as tracked by the J.P. Morgan Collateralized Loan Obligation Index (CLOIE). Leveraged Loans are represented by the yield-to-maturity from the J.P. Morgan Leveraged Loan Index. Direct lending uses the annualized quarterly income return from the Cliffwater Direct Lending Index from the start of the period to 12/31/2021, and the quarterly yield-to-maturity from the KBRA DLD Index thereafter. Past performance is not a reliable indicator of current and future results.

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Yield and spread trends

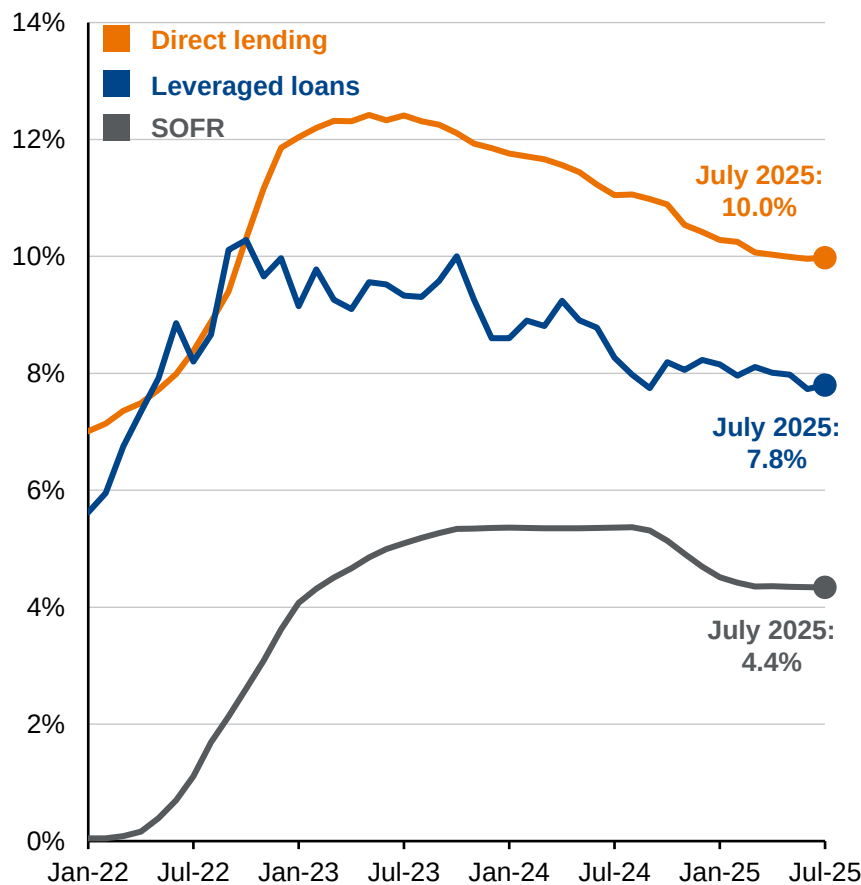
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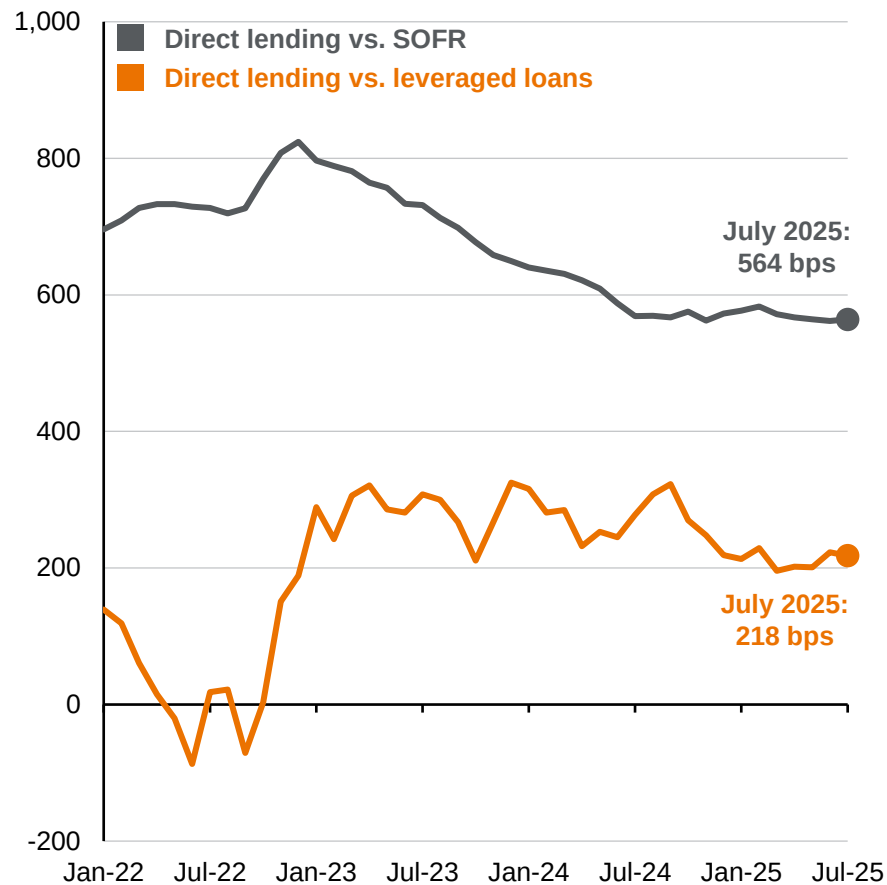
Private and public yields vs. benchmark

%, January 2022 – July 2025



Direct lending yield spreads to other debt instruments

Difference in basis points (bps), January 2022 – July 2025



Private credit

Source: FactSet, Federal Reserve Bank of New York, J.P. Morgan Credit Research, KBRA DLD, J.P. Morgan Asset Management. SOFR: 90-day average Secured Overnight Financing Rate. Leveraged loans: yield-to-maturity from the J.P. Morgan Leveraged Loan Index. Private credit: yield-to-maturity from the KBRA DLD Index. (Right) The spreads are calculated by subtracting the monthly yield of the respective instrument from the monthly direct lending yield. Spreads and yields may not sum due to rounding. Past performance is not a reliable indicator of current and future results.

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Private credit dry powder, fundraising and deal activity

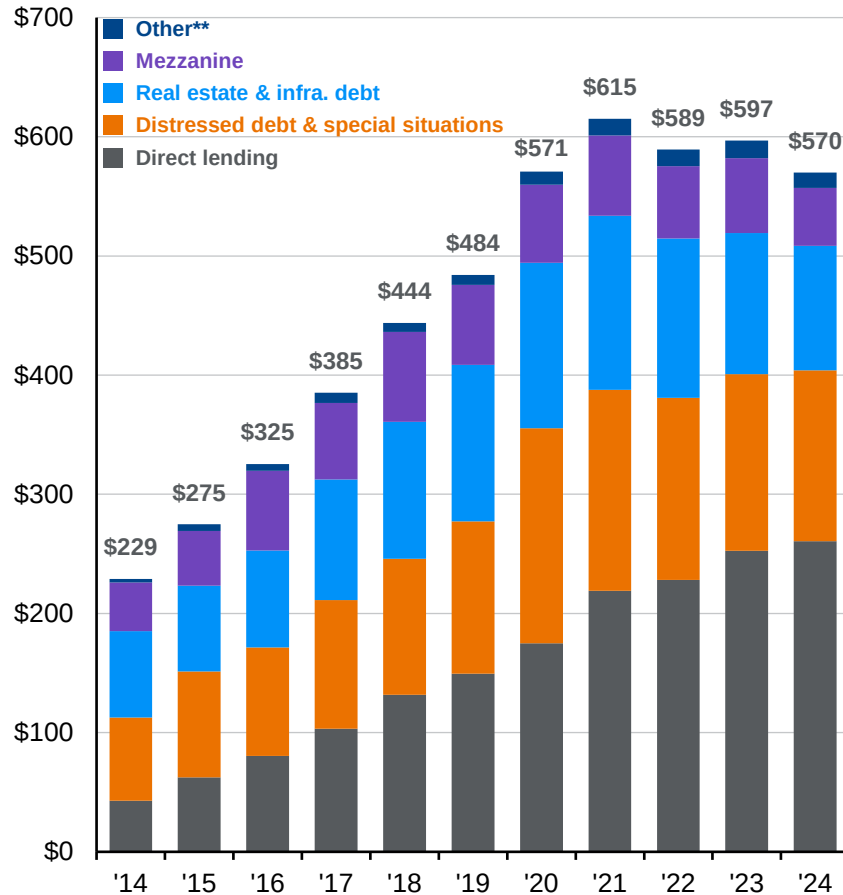
GTA

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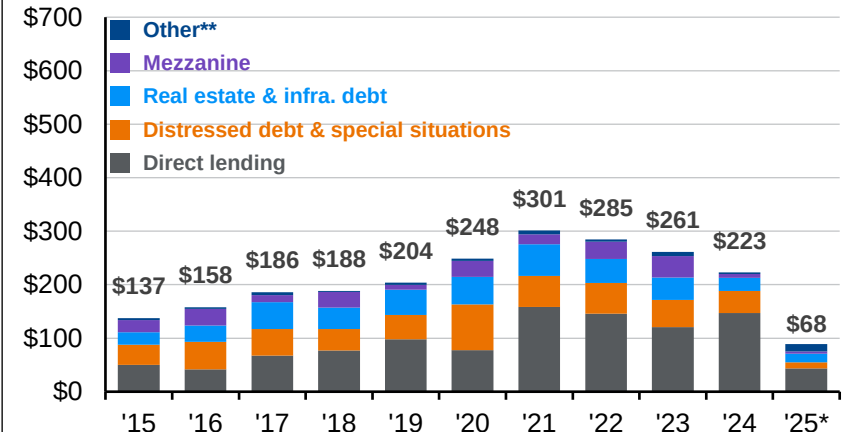
Global private credit dry powder by type

USD billions, 2014 – 2024



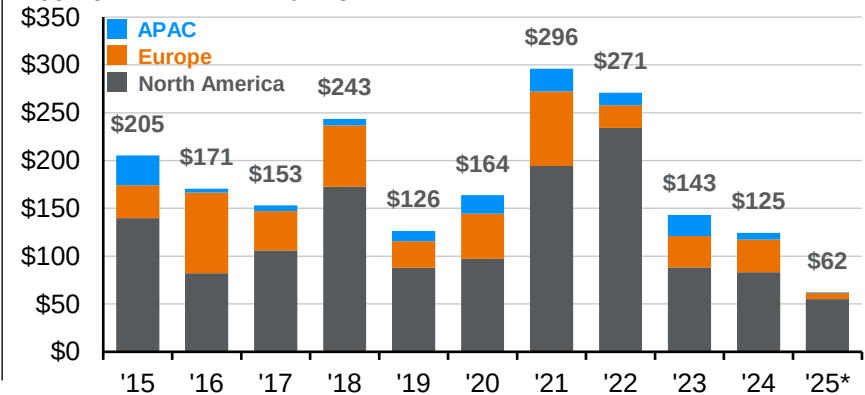
Global private credit fundraising by type

USD billions, 2014 – 2025*



Global private credit deal activity

Aggregate deal value by region, USD billions, 2014 – 2025*



Source: Preqin, J.P. Morgan Asset Management.

*2025 data are as of 2Q25. **Other includes venture debt and fund of funds.

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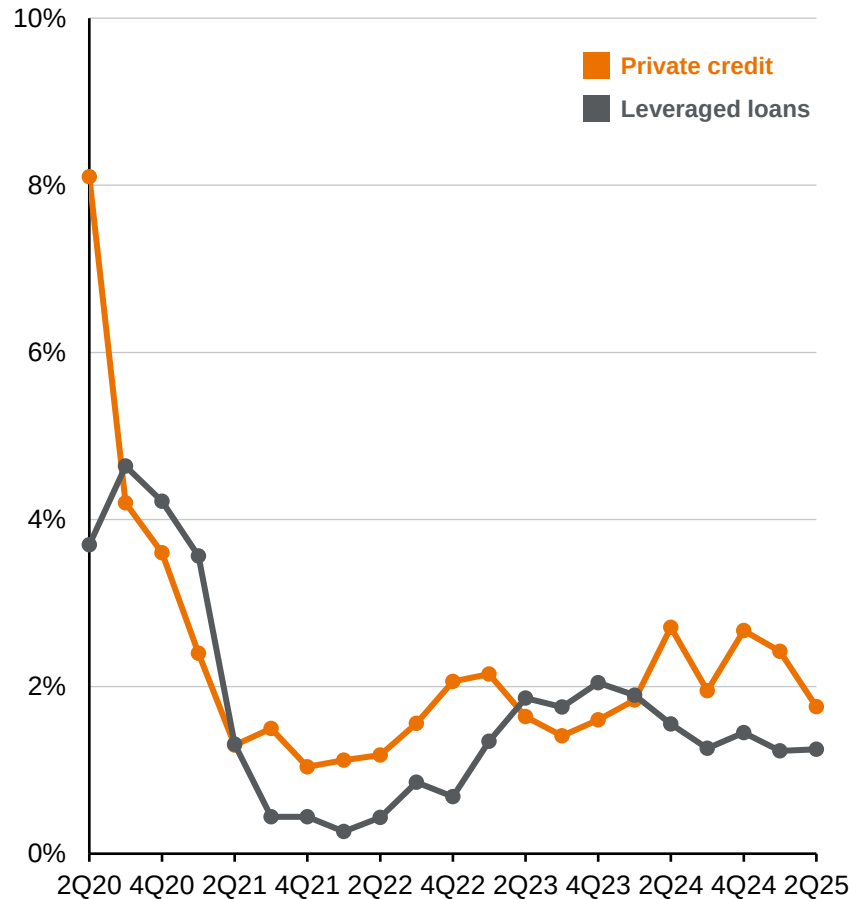


Defaults and restructuring trends

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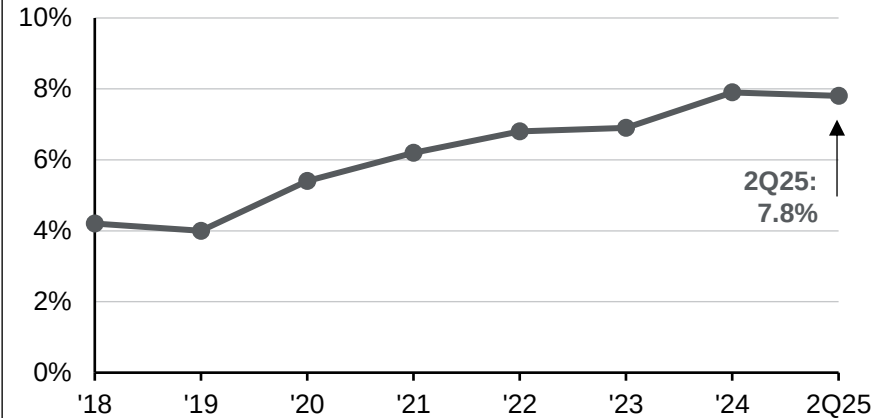
Private credit

Private credit and leveraged loans default rate
%, quarterly



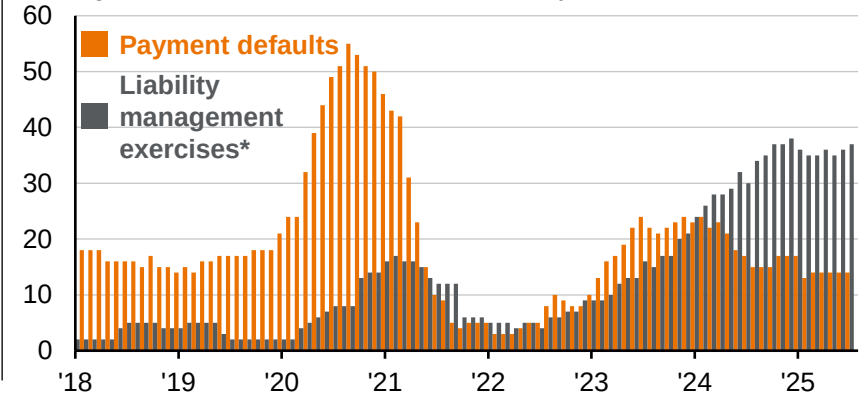
Payment-in-kind income by year

% of Business Development Co.'s int. and div. income, 2018 – 2Q25



Leveraged loans defaults and restructurings

Trailing 12-month event count, Jan. 2018 - July 2025



Source: Fitch, Morningstar, Pitchbook| LCD, Proskauer, J.P. Morgan Asset Management. All leveraged loans data are from the Morningstar LSTA U.S. Leveraged Loan Index. The leveraged loans default rate is calculated using the LTM number of defaults as a % of total issuers. The private credit default rate is calculated by dividing the number of defaulted loans by the aggregate number of loans in the Proskauer Private Credit Default Index. (Top right) Payment-in-kind (PIK) is a borrowing arrangement under which a borrower can make interest payments in non-cash forms. Data is an average of Fitch-rated Business Development Companies (BDCs). (Bottom right) *Liability management exercises are mechanisms where a distressed company restructures its debt outside of a formal court-supervised restructuring. *Guide to Alternatives*. Data are based on availability as of August 31, 2025.

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Leveraged loans market stress

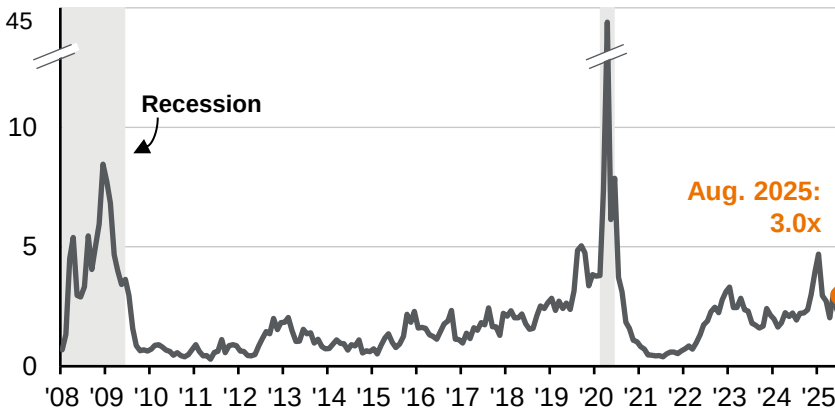
GTA

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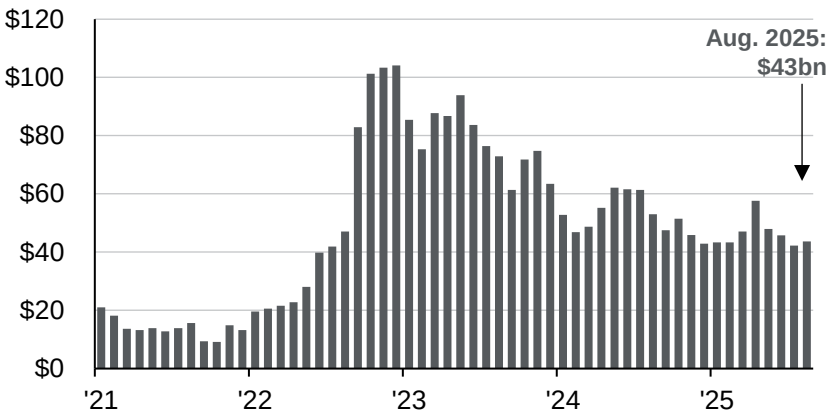
U.S. leveraged loans downgrade/upgrade ratio

Rolling 3-month period



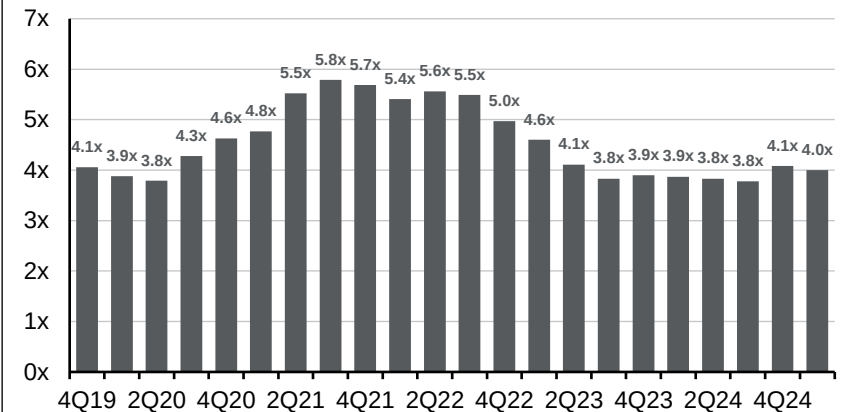
U.S. distressed loan volume outstanding

USD billions



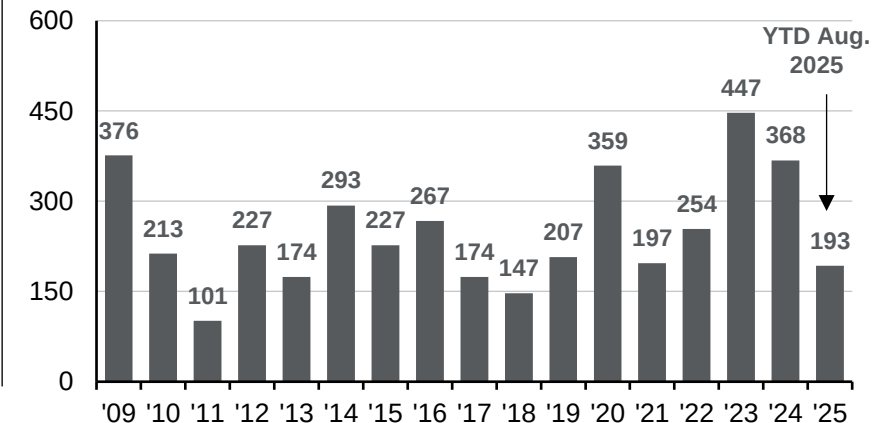
U.S. leveraged loans interest rate coverage

Weighted average*, EBITDA/Interest expense, 4Q19 – 1Q25



U.S. leveraged loans amend and extends by year

Count



Source: Pitchbook|LCD, J.P. Morgan Asset Management.

(Top right) *Averages are weighted by outstanding loan amount. (Bottom left) Distressed loan data are from the Morningstar LSTA U.S. Leveraged Loan Index, which defines distressed loans as performing leveraged loans priced below 80 cents on the dollar.

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Public and private credit returns

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Private credit

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	1Q25	2015-2024	
												Ann.	Vol.*
Mezzanine Debt	16.0%	High Yield	Mezzanine Debt	Mezzanine Debt	Mezzanine Debt	Investment Grade	Distressed Debt	Mezzanine Debt	High Yield	Mezzanine Debt	CML - Apartment	Mezzanine Debt	High Yield
	16.0%	17.1%	14.0%	9.2%	14.6%	9.9%	22.4%	7.3%	13.4%	11.5%	3.3%	11.4%	8.6%
Direct Lending	5.5%	Direct Lending	Distressed Debt	Direct Lending	Investment Grade	High Yield	Mezzanine Debt	Direct Lending	Leveraged Loans	Direct Lending	CML - Industrial	Direct Lending	Investment Grade
	5.5%	11.2%	11.4%	8.1%	14.5%	7.1%	18.0%	6.3%	13.2%	11.3%	3.3%	9.0%	7.4%
CML - Office	3.2%	Leveraged Loans	Direct Lending	CML - Industrial	High Yield	CML - Industrial	Direct Lending	Distressed Debt	Direct Lending	Leveraged Loans	CML - Senior	Distressed Debt	Leveraged Loans
	3.2%	9.8%	8.6%	3.7%	14.3%	6.6%	12.8%	4.6%	12.1%	9.3%	3.2%	7.2%	6.3%
CML - Retail	3.0%	Distressed Debt	High Yield	Distressed Debt	Direct Lending	CML - Apartment	Leveraged Loans	Leveraged Loans	Mezzanine Debt	Distressed Debt	CML - Retail	Leveraged Loans	Distressed Debt
	3.0%	8.5%	7.5%	3.5%	9.0%	6.5%	5.5%	0.1%	11.4%	8.4%	3.1%	5.5%	5.2%
CML - Industrial	2.9%	Mezzanine Debt	Investment Grade	CML - Senior	Leveraged Loans	CML - Senior	High Yield	CML - Retail	Distressed Debt	High Yield	Mezzanine Debt	High Yield	CML - Apartment
	2.9%	8.0%	6.4%	2.6%	8.6%	6.3%	5.3%	-7.6%	10.4%	8.2%	2.9%	5.2%	4.5%
CML - Senior	2.7%	Investment Grade	CML - Apartment	CML - Apartment	CML - Apartment	CML - Office	CML - Apartment	CML - Office	Investment Grade	CML - Retail	CML - Office	CML - Retail	CML - Senior
	2.7%	6.1%	6.3%	2.6%	8.3%	6.3%	2.0%	-7.6%	8.5%	5.8%	2.7%	3.3%	4.1%
CML - Apartment	1.6%	CML - Retail	CML - Senior	CML - Retail	CML - Senior	CML - Retail	CML - Senior	CML - Senior	CML - Retail	CML - Apartment	Investment Grade	CML - Senior	CML - Industrial
	1.6%	3.4%	5.7%	2.4%	8.1%	6.1%	1.9%	-9.0%	6.2%	5.2%	2.3%	3.1%	4.1%
Distressed Debt	0.6%	CML - Senior	CML - Office	CML - Office	CML - Retail	Direct Lending	CML - Retail	CML - Industrial	CML - Industrial	CML - Senior	Direct Lending	CML - Industrial	CML - Retail
	0.6%	2.9%	5.5%	2.4%	8.0%	5.5%	1.9%	-9.5%	5.8%	5.0%	2.1%	3.1%	3.8%
Leveraged Loans	0.5%	CML - Industrial	CML - Industrial	Leveraged Loans	CML - Office	Mezzanine Debt	CML - Industrial	CML - Apartment	CML - Apartment	CML - Industrial	Distressed Debt	CML - Apartment	CML - Office
	0.5%	2.8%	5.2%	1.1%	7.9%	4.7%	1.8%	-9.8%	5.6%	4.8%	1.8%	3.0%	3.7%
Investment Grade	-0.7%	CML - Apartment	CML - Retail	High Yield	CML - Industrial	Leveraged Loans	CML - Office	High Yield	CML - Senior	CML - Office	High Yield	CML - Office	Mezzanine Debt
	-0.7%	2.7%	5.1%	-2.1%	7.5%	3.2%	1.6%	-11.2%	5.6%	3.6%	1.0%	2.9%	3.2%
High Yield	-4.5%	CML - Office	Leveraged Loans	Investment Grade	Distressed Debt	Distressed Debt	Investment Grade	Investment Grade	CML - Office	Investment Grade	Leveraged Loans	Investment Grade	Direct Lending
	-4.5%	2.6%	4.2%	-2.5%	2.2%	1.8%	-1.0%	-15.8%	4.5%	2.1%	0.5%	2.4%	2.9%

Source: Bloomberg, Cliffwater, Gilberto-Levy, J.P. Morgan, Preqin, J.P. Morgan Asset Management.

CML is commercial mortgage loans. CML: Gilberto-Levy Commercial Mortgage Performance Index; Direct Lending: Cliffwater Direct Lending Index; Distressed Debt: Preqin Quarterly Distressed Debt Index; Investment Grade: Bloomberg U.S. Aggregate Credit - Corporates - Investment Grade Index; High Yield: Bloomberg U.S. Aggregate Credit - Corporate - High Yield Index; Leveraged Loans: J.P. Morgan Leveraged Loan Index; Mezzanine Debt: Preqin Quarterly Mezzanine Debt Index. Annualized return (Ann.) and volatility (Vol.) represents the 40-quarter period ending 12/31/2024.

*Volatility is calculated as the annualized standard deviation of quarterly returns. Past performance is not a reliable indicator of current and future results.

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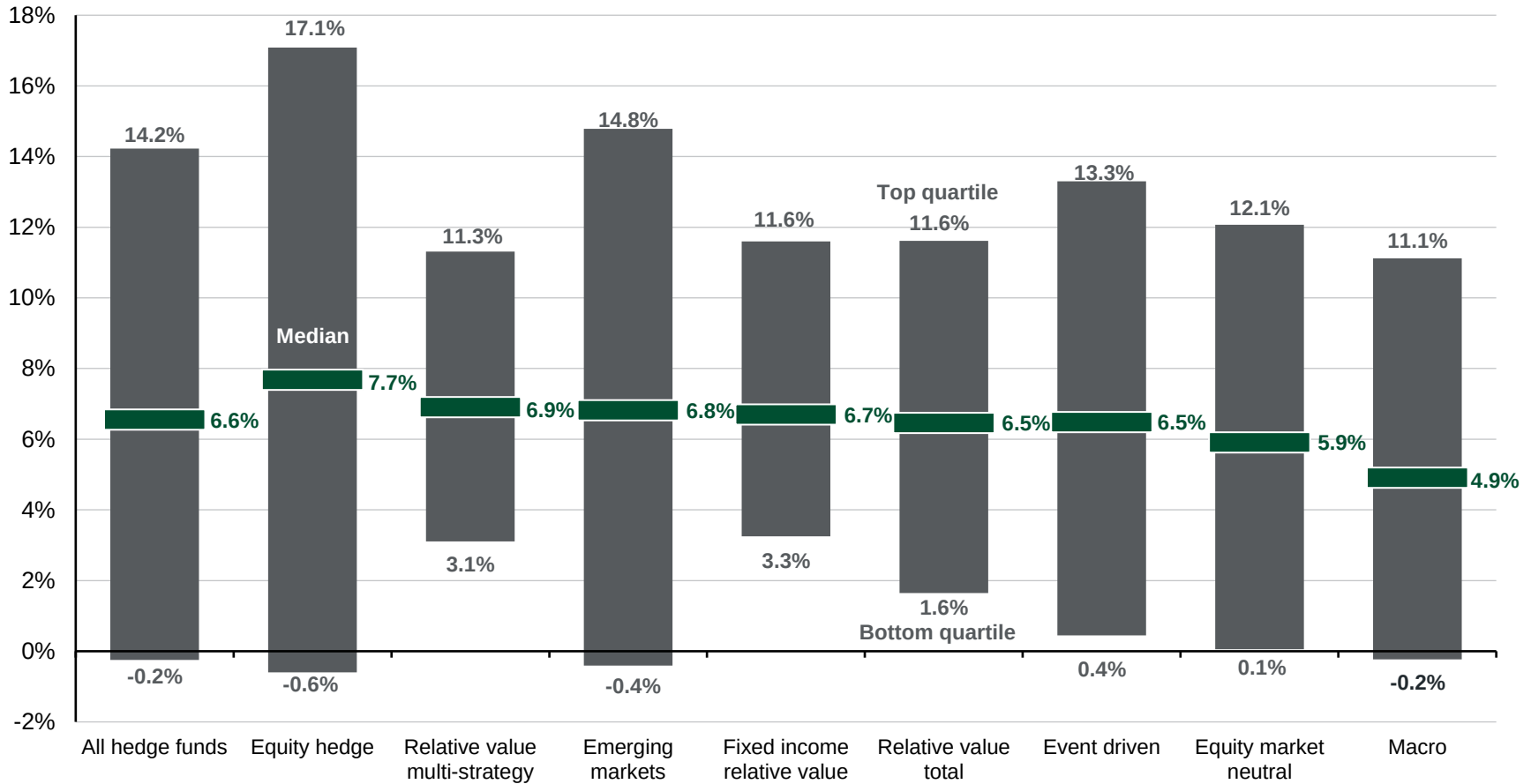
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Hedge funds and manager selection

Hedge fund manager dispersion

Based on returns from 2015-2025* in USD



Source: PivotalPath, J.P. Morgan Asset Management.

*2025 data are as of 2Q25. Manager dispersion is based on monthly returns for hedge funds. Green bar denotes median. All hedge funds: Fund Weighted Composite Index, Equity hedge: Equity Hedge (Total), Relative value multi-strategy: Relative Value Multi-Strategy, Emerging markets: Emerging Markets Global, Relative value: Relative Value (Total), Event-driven: Event-Driven (Total), Equity market neutral: Equity hedge – equity market neutral, Macro total: Macro (Total). Past performance is not a reliable indicator of current and future results. Guide to Alternatives. Data are based on availability as of August 31, 2025.



Hedge fund strategy returns

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2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2Q25	2015-2024	
											Ann.	Vol.
Merger Arbitrage 7.8%	Distressed 15.3%	Global Equities 24.6%	Eq. Market Neutral 5.8%	Global Equities 27.3%	Global Equities 16.8%	Global Equities 19.0%	Global Macro 11.5%	Global Equities 22.8%	Global Equities 18.0%	Global Equities 10.3%	Global Equities 9.8%	Global Equities 15.8%
Eq. Market Neutral 7.1%	Global Equities 8.5%	Equity Long/Short 11.5%	Relative Value 3.5%	Equity Long/Short 12.6%	Relative Value 16.1%	Distressed 16.9%	Eq. Market Neutral 7.1%	Equity Long/Short 11.0%	Distressed 14.2%	Equity Long/Short 7.7%	Eq. Market Neutral 7.8%	Equity Long/Short 8.4%
Relative Value 6.0%	Relative Value 5.8%	PivotalPath Composite 8.0%	Merger Arbitrage 3.2%	Merger Arbitrage 10.2%	Eq. Market Neutral 13.8%	Eq. Market Neutral 11.9%	Relative Value 5.3%	Eq. Market Neutral 8.5%	Equity Long/Short 12.6%	Global Bonds 7.3%	Relative Value 7.4%	Distressed 7.6%
Equity Long/Short 4.3%	Global Macro 5.1%	Global Bonds 7.4%	Distressed - 1.1%	PivotalPath Composite 9.0%	Equity Long/Short 13.4%	Relative Value 9.4%	Merger Arbitrage 1.7%	Distressed 7.8%	PivotalPath Composite 10.6%	Merger Arbitrage 4.2%	Equity Long/Short 6.3%	Global Bonds 7.4%
PivotalPath Composite 2.5%	PivotalPath Composite 5.0%	Distressed 7.1%	Global Bonds - 1.2%	Relative Value 7.1%	PivotalPath Composite 11.4%	Equity Long/Short 9.3%	PivotalPath Composite - 1.1%	PivotalPath Composite 7.6%	Relative Value 9.6%	Global Macro 4.1%	PivotalPath Composite 5.8%	Merger Arbitrage 6.8%
Global Macro 2.3%	Eq. Market Neutral 2.6%	Eq. Market Neutral 6.1%	PivotalPath Composite - 1.6%	Eq. Market Neutral 6.9%	Global Bonds 9.2%	Merger Arbitrage 8.9%	Distressed - 2.7%	Relative Value 5.9%	Eq. Market Neutral 8.7%	PivotalPath Composite 4.0%	Distressed 5.4%	PivotalPath Composite 5.9%
Global Equities - 1.8%	Equity Long/Short 2.2%	Relative Value 6.0%	Global Macro - 2.0%	Global Bonds 6.8%	Merger Arbitrage 5.9%	PivotalPath Composite 7.8%	Equity Long/Short - 7.0%	Global Bonds 5.7%	Global Macro 6.4%	Relative Value 3.7%	Merger Arbitrage 5.0%	Global Macro 4.3%
Global Bonds - 3.2%	Global Bonds 2.1%	Merger Arbitrage 3.0%	Equity Long/Short - 4.8%	Global Macro 5.6%	Global Macro 4.9%	Global Macro 4.3%	Global Bonds - 16.2%	Merger Arbitrage 3.7%	Merger Arbitrage 5.5%	Eq. Market Neutral 3.3%	Global Macro 4.0%	Eq. Market Neutral 3.0%
Distressed - 7.4%	Merger Arbitrage 0.6%	Global Macro 0.9%	Global Equities - 8.9%	Distressed 1.8%	Distressed 4.7%	Global Bonds - 4.7%	Global Equities - 18.0%	Global Macro 1.1%	Global Bonds - 1.7%	Distressed 1.5%	Global Bonds 0.2%	Relative Value 2.8%

Source: Bloomberg, FactSet, MSCI, PivotalPath, J.P. Morgan Asset Management.

All returns are in USD. Global equities reflect the MSCI AC World Index and global bonds reflect the Bloomberg Global Aggregate Index. All hedge fund returns are from PivotalPath. PivotalPath Composite: PivotalPath Composite Index. Annualized return (Ann.) and volatility (Vol.) represents the 40-quarter period ending 12/31/2024. Please see disclosure pages for category definitions. Past performance is not a reliable indicator of current and future results.

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Hedge funds and traditional portfolios

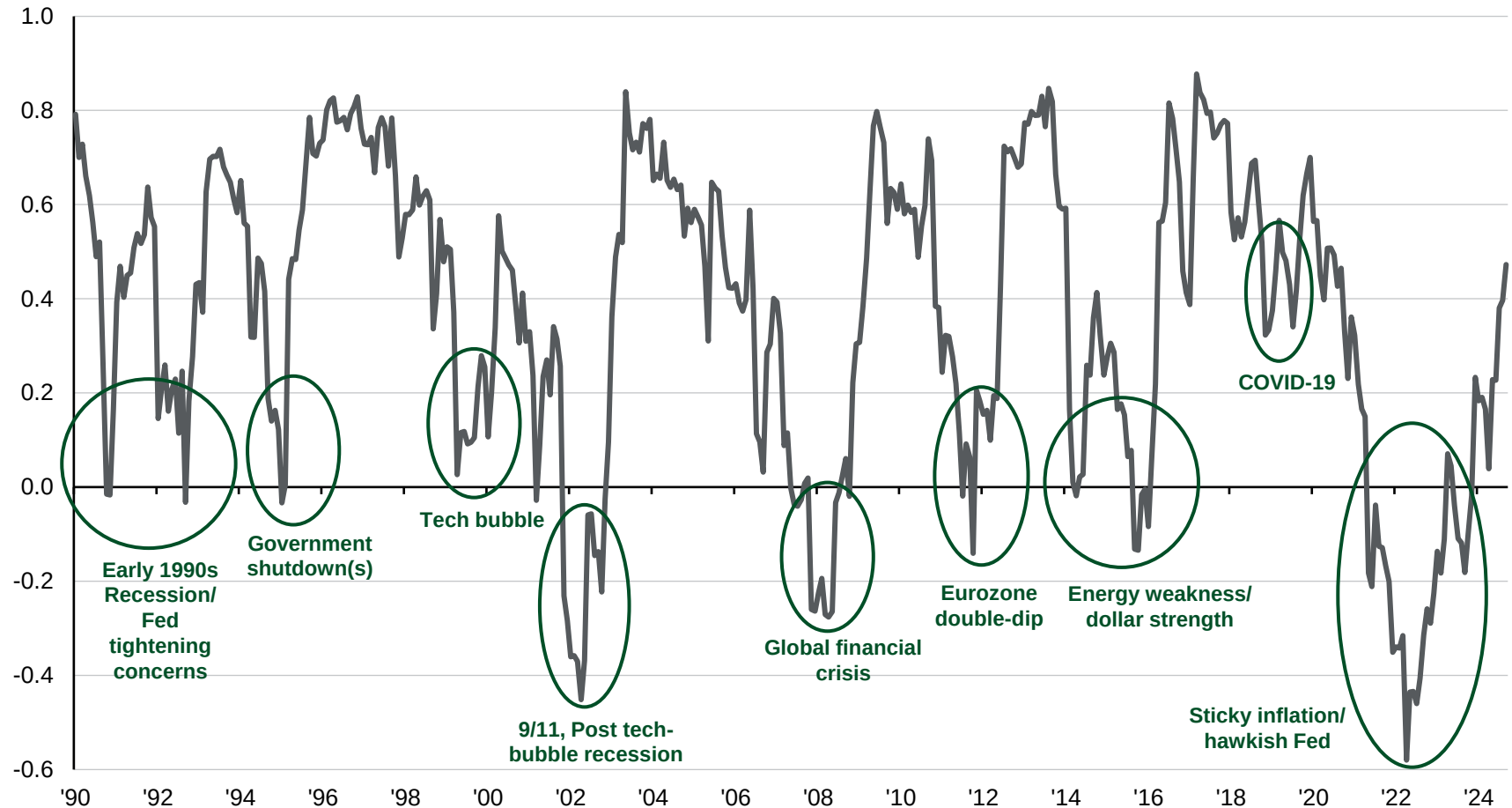
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Hedge fund correlation with a 60/40 stock-bond portfolio

Monthly, rolling 12 months



Source: Bloomberg, FactSet, HFR, Standard & Poor's, J.P. Morgan Asset Management. 60/40 portfolio is 60% S&P 500 and 40% Bloomberg U.S. Aggregate. Hedge funds are represented by HFRI Macro. Past performance is not a reliable indicator of current and future results. *Guide to Alternatives*. Data are based on availability as of August 31, 2025.

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Hedge fund performance and volatility

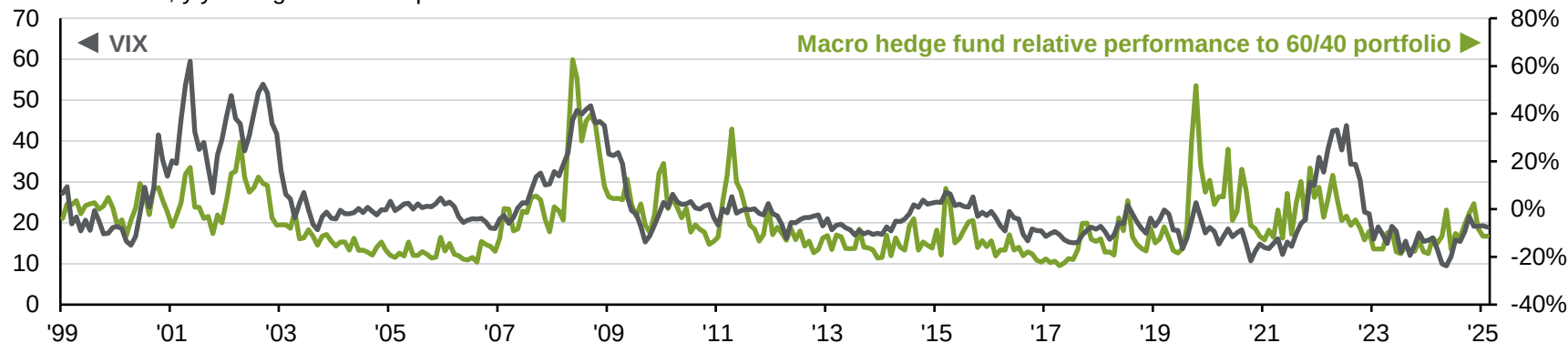
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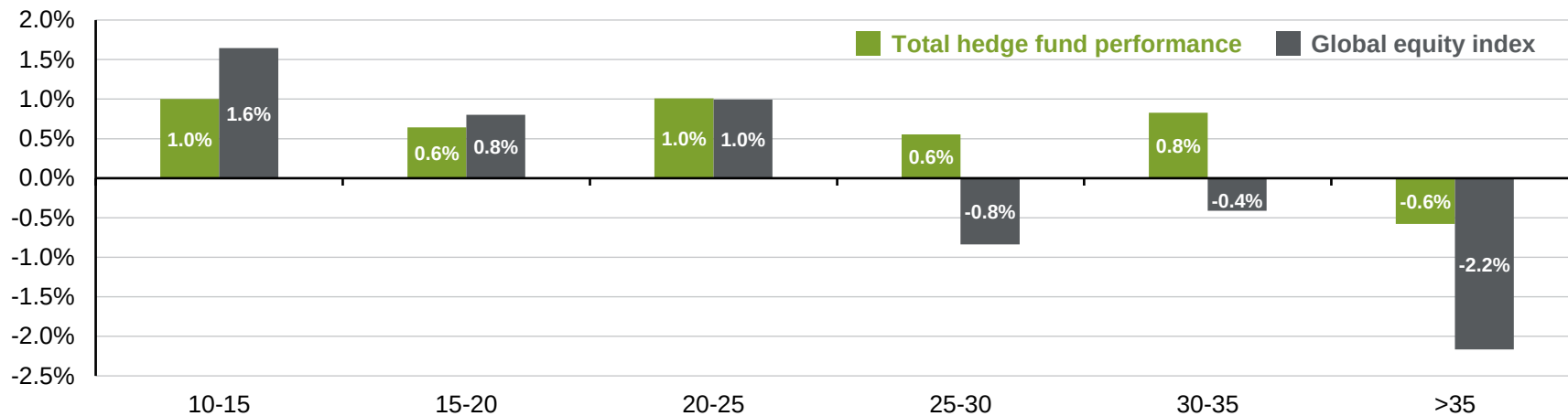
Macro hedge fund relative performance and volatility

VIX index level, y/y change in relative performance of PivotalPath Global Macro Index



Hedge funds vs. global equity performance and volatility

Average monthly returns by VIX level, Jan. 1998 – Jul. 2025, total return



Source: Bloomberg, CBOE, FactSet, MSCI, PivotalPath, Standard & Poor's, J.P. Morgan Asset Management.

Monthly VIX reading is an average. (Top) Macro hedge fund relative performance volatility is since 6/30/1998. Numbers may not sum to aggregate total return due to rounding. Global equity index = MSCI All Country World Index. 60/40 portfolio = 60% S&P 500 Total Return Index and 40% Bloomberg U.S. Aggregate Total Return Index. Past performance is not a reliable indicator of current and future results.

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U.S. fixed income volatility and correlations

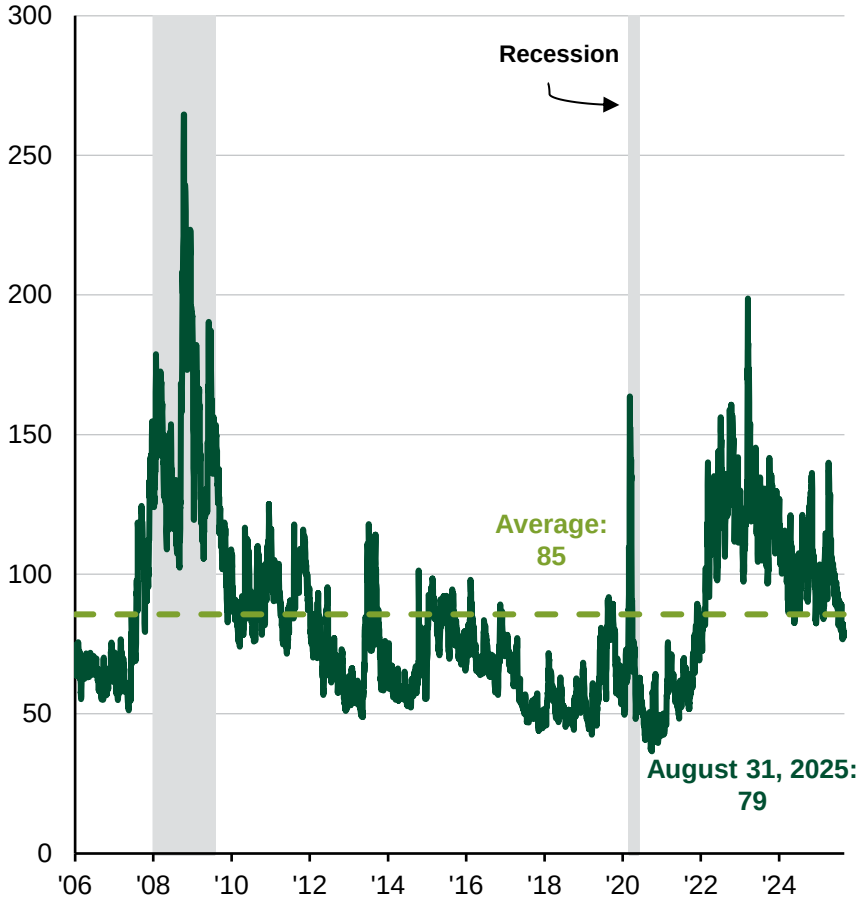
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Fixed income volatility

ICE BofA MOVE index, daily measure



Fixed income sector correlations

Past 10 years, weekly total return

	U.S. Agg.	U.S. Treas.	IG Corps	MBS	CMBS	ABS	U.S. HY
U.S. Agg.	1.0						
U.S. Treas.	0.9	1.0					
IG Corps	0.9	0.7	1.0				
MBS	0.9	0.9	0.7	1.0			
CMBS	0.9	0.9	0.8	0.8	1.0		
ABS	0.7	0.7	0.6	0.7	0.9	1.0	
U.S. HY	0.4	0.1	0.7	0.3	0.3	0.3	1.0

Source: Bank of America, Bloomberg, FactSet, Intercontinental Exchange, J.P. Morgan Asset Management.

(Left) The Merrill Lynch Option Volatility Estimate Index (MOVE) is a measure of the implied volatility of U.S. Treasury options. (Right) All indices used are Bloomberg and are being evaluated on a weekly total return basis. "U.S. Agg.": Bloomberg U.S. Aggregate Index. "U.S. Treas.": Bloomberg U.S. Aggregate Government-Treasury Index. "IG Corps": Bloomberg U.S. Corporate Investment Grade Index. "MBS": Bloomberg U.S. Aggregate Securitized-MBS Index. "CMBS": Bloomberg U.S. CMBS Investment Grade Index. "ABS": Bloomberg U.S. Aggregate Securitized-ABS Index. "U.S. HY": Bloomberg U.S. Aggregate Credit-Corporate-High Yield Index. Past performance is not a reliable indicator of current and future results.

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Hedge fund returns and interest rates

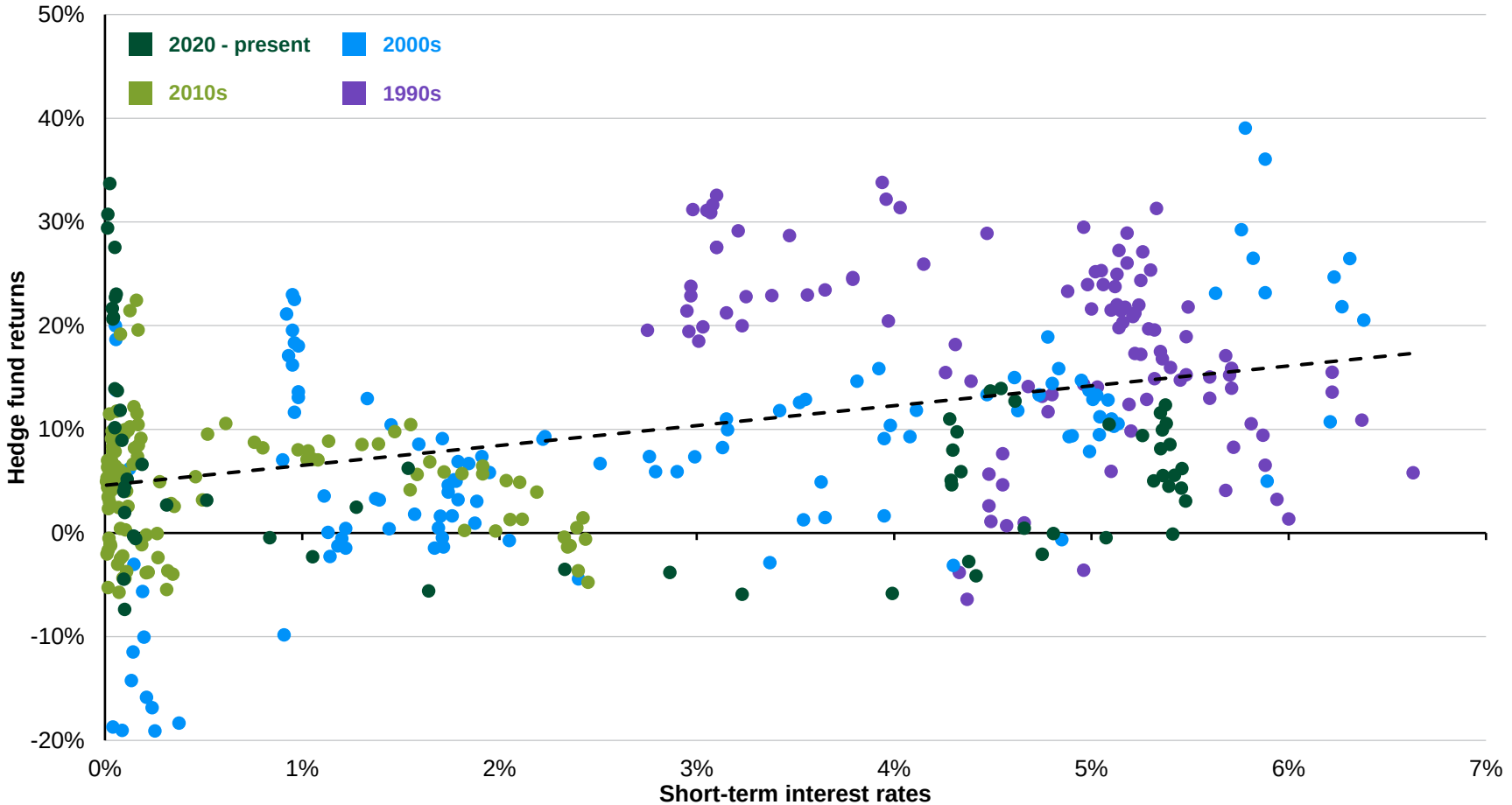
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Hedge fund returns and short rates

Dec. 1990 – Aug. 2025, year-over-year, total return



Source: FactSet, HFR, J.P. Morgan Asset Management.

Short-term interest rates: 3-month U.S. T-bill yields represented by the Bloomberg U.S. Short Treasury (1-3 months) Index, Hedge fund returns: HFRI Fund Weighted Composite (USD) Index. Past performance is not a reliable indicator of current and future results.

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Real estate

Base rent – The gross revenue from rental payments.

Capitalization rate (Cap rate) – The rate of return on a real estate investment property defined as the net operating income from the property divided by the current market price of the property.

Cap rate spread – The difference between the cap rate and a Treasury security with the same maturity.

Core real estate – High-quality properties in primary markets with high occupancy rates, credit-worthy tenants and long leases.

Effective rent – Base rent less rental concessions and tenant improvements.

Gross absorption – Space that became physically occupied in a specific period.

Mezzanine debt – Financing that is half-way between equity and debt by which the lender can convert to equity if the loan is not paid on time or in full.

Net absorption – Space that became physically occupied minus space that was physically vacated in a specific period.

Net absorption rate – Net absorption during a specific period divided by space available to lease at the start of that period.

Occupancy rate – The percentage of available space that is occupied.

Real estate prime yield – The real estate yield on a property at a prime location.

Real estate net operating income – Income after operating expenses but before interest, taxes, capital spending, depreciation and amortization.

Real estate yields – Annual income divided by total investment. Note that annual income, unlike NOI, does deduct interest costs so that real estate yields should be lower than cap rates.

Real estate yield spread – The difference between the yields and a Treasury security with the same maturity.

Vacancy rate – The percentage of available space that is unoccupied.

Private equity

Buyout fund – Private equity fund that focuses on taking a majority stake or full control of mature, undervalued companies.

Called capital – The amount of capital wired to a fund that is “drawn down” over time as the general partner selects investments.

Committed capital – The specific amount of capital that a limited partner is obliged to provide to a closed-end fund for investments. The capital commitment is “drawn down” or “called” over time, meaning a portion of the commitment must be wired to the closed-end fund by a set date.

Corporate mergers and acquisition (M&A) – The consolidation of companies through financial transactions.

Dry powder – The amount of capital that has been committed to a private capital fund minus the amount that has been called by the general partner for investment.

Earnings before interest, taxes, depreciation and amortization (EBITDA) – A broad measure of the cash profit generated by a company’s operations.

Enterprise value (EV) – The total value of a company including equity and debt.

General partner (GP) – The managing partner of a limited partnership. The general partner is managed by the asset management team responsible for making fund investments (i.e., the intermediary between investors with capital and businesses seeking capital to grow).

Growth fund – Private equity fund that targets firms with the potential for scalable and renewed growth.

Initial public offering (IPO) – When shares of a private company are made available to the public for the first time.

Internal rate of return (IRR) – The dollar-weighted internal rate of return. This return considers the daily timing of cash flows and cumulative fair stated value, as of the end of the reported period.

Leveraged buyout (LBO) – The acquisition of another company using a significant amount of debt to finance the acquisition.

Limited partner (LP) – An investor in a Limited Partnership, which is a form of legal entity used for certain hedge funds, private equity funds and real estate funds.

Middle market – Companies having revenues between \$10 million and \$1 billion.

Multiple of invested capital (MOIC) – Calculation performed by adding the remaining (reported) value and the distributions received (cash out) and subsequently dividing that amount by the total capital contributed.

Net asset value (NAV) – This is the current fair stated value for each of the investments, as reported by the administrator of the fund.

Private equity – Equity capital invested in a private company through a negotiated process.

Sponsor-backed acquisition – Acquisition of a company by a private equity firm.

Secondary fund – Private equity funds that purchase existing assets from a primary private equity fund.

Venture capital – A specialized form of private equity, characterized chiefly by high-risk investment in new or young companies following a growth path in technology and other value-added sectors.



Private credit

Amend and extend – A technique that allows an issuer to delay part of its loan maturity or amend existing terms through an amendment rather than a refinancing.

Covenant-lite loans – A type of financing that is issued with fewer restrictions on the borrower regarding collateral, level of income and loan payment terms, and fewer protections for the lender, including financial maintenance tests that measure the debt-service capabilities of the borrower.

Direct lending – A loan made by an investor or non-bank lender to a company.

Distressed debt – The securities of a company that has either defaulted, is under bankruptcy protection or is in financial distress and is moving toward default or bankruptcy in the near future.

Hedge-adjusted yield – The yield on a foreign currency denominated asset minus the cost of hedging the asset back into U.S. dollars. For assets countries with short-term rates that are lower than U.S. rates, the hedge-adjusted yield will be lower than the yield denominated in foreign currency.

Leveraged loan – A commercial loan provided by a group of lenders that is either: 1) rated BB+ or lower, 2) not rated or rated BBB- or higher and has a base rate spread of 125 bps or higher and is secured by a first or second lien. This loan is structured, arranged and administered by one or several banks, and is then syndicated to other institutional investors. As such, this market is often referred to as the broadly syndicated loan market.

Mezzanine commercial real estate debt – Loan finance that is half-way between equity and secured debt, either unsecured or with junior access to security. A mezzanine fund is a fund focusing on mezzanine financing.

Net IRR – The dollar-weighted internal rate of return, net of management fees and carried interest generated by the fund. This return considers the daily timing of all cash flows and the cumulative fair stated value, as of the end of the reported period.

Non-sponsored loan – Credit provided to a business that is *not* wholly-owned or majority-owned by a private equity firm or another financial sponsor.

Payment-in-kind (PIK) – An interest payment in which the borrower makes an interest payment in forms other than cash. This includes, but is not limited to, a type of debt whose interest payments come in the form of additional debt accrued onto existing debt.

Performing loans – Loans that are not in default.

Private credit – Nonbank corporate credit provided through bilateral agreements or small “club deals” outside the realm of public securities or commercial banks. This definition excludes bank loans, broadly syndicated loans and funding provided through publicly traded assets such as corporate bonds.

Special situations – Non-traditional financing scenarios for distressed or urgent borrower needs.

Sponsored loan – Credit provided by a non-bank lender to a business that is either wholly-owned or majority-owned by a private equity firm or another financial sponsor.

Syndicated loan – A loan extended by a group of financial institutions, often referred to as a loan syndicate, to a single borrower.

Hedge funds

Distressed securities – Funds that invest in debt and equity securities of firms in reorganization or bankruptcy.

Long/short (L/S) equity – Funds that involve long and/or short positions in equity securities deemed to be under- or overvalued, respectively. Exposures to sectors, geographies and market capitalizations are often flexible and will change over time.

Merger arbitrage/event-driven – Funds that invest in opportunities created by significant corporate transactions and events that tend to alter a company’s financial structure or operating strategy.

Opportunistic/Macro – Funds that involve investments in a wide variety of strategies and instruments, which often have a directional stance based on the manager’s global macroeconomic views.

Relative value/Arbitrage – Funds that involve the simultaneous purchase and sale of similar securities to exploit pricing differentials. Strategies in this sector offer potential to generate consistent returns while minimizing directional risk.



J.P. Morgan Asset Management – Risks & disclosures

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