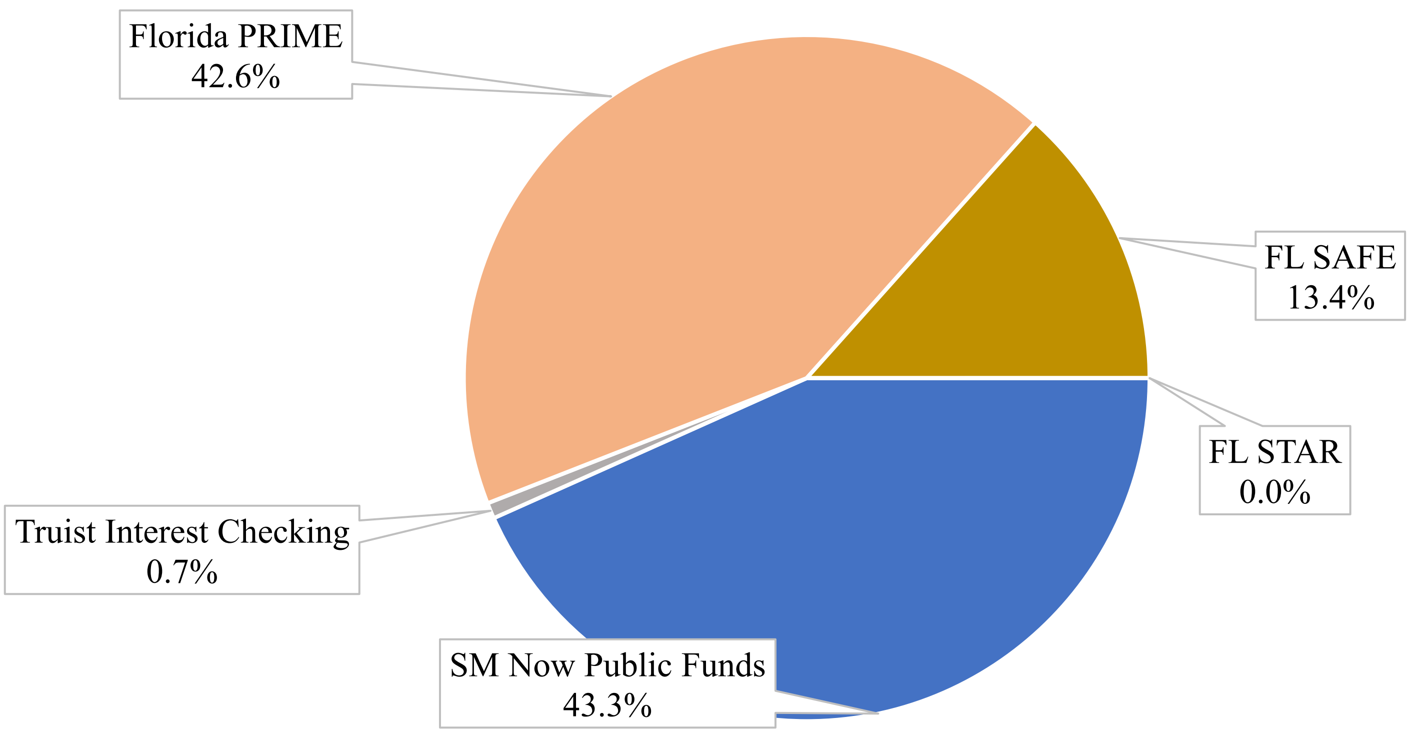
City of South Miami Finance Department

Investment Report
September 2025

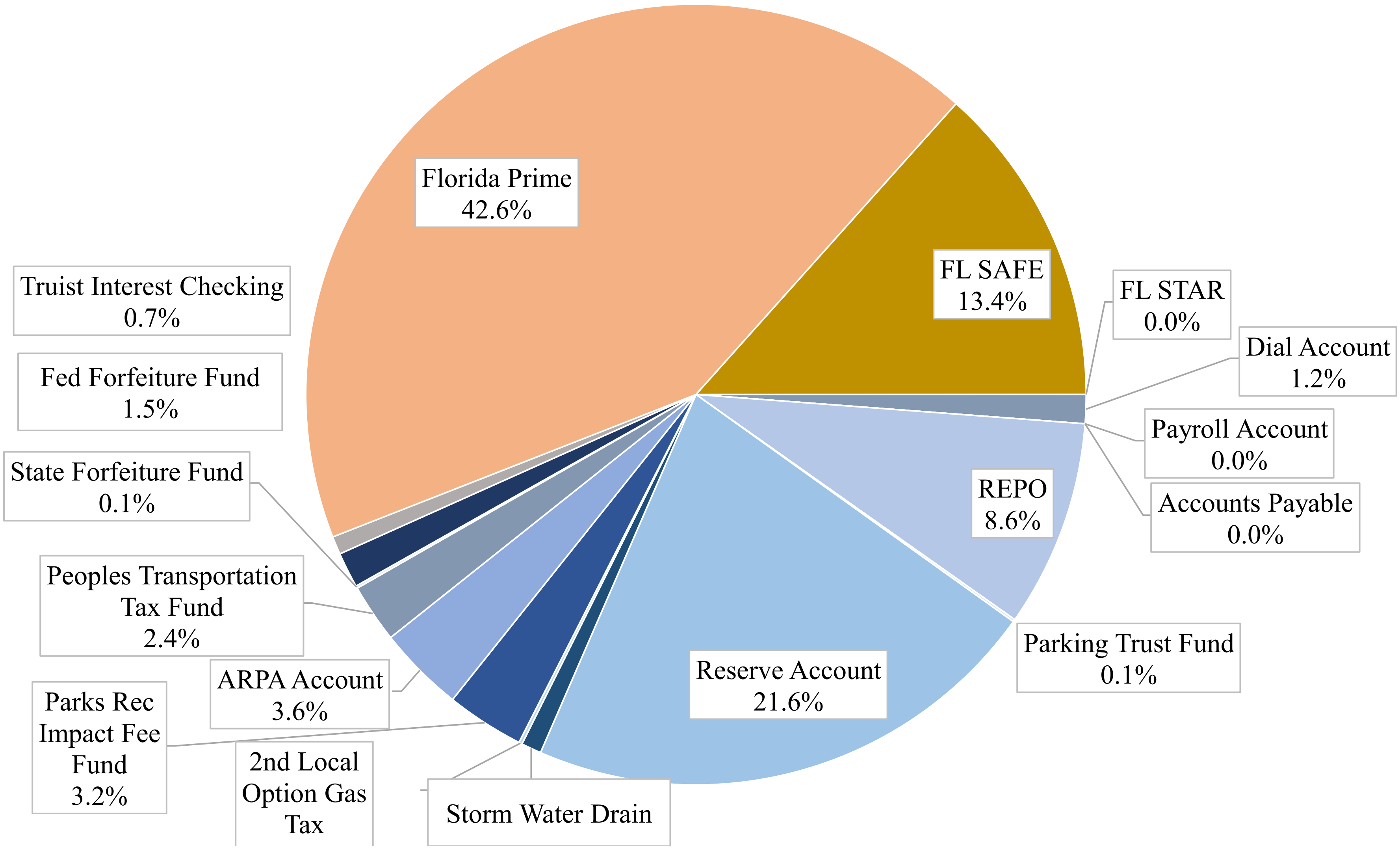
DAHAB ASSOCIATES

Type	Balance on Jun. 30	Balance on Sep. 30	Net Flow Quarter	Interest Paid Quarter
SM Now Public Funds	$16,872,001.80	$14,495,232.50	-$2,525,433.43	$148,664.13
Truist Interest Checking	$250,340.22	$250,346.54	$0.00	$6.32
Florida PRIME	$14,087,972.77	$14,245,970.76	$0.00	$157,997.99
FL SAFE	$4,430,148.17	$4,478,425.10	$0.00	$48,276.93
FL STAR	$568.73	$575.04	$0.00	$6.31
Total	**$35,641,031.69**	**$33,470,549.94**	**-$2,525,433.43**	**$354,951.68**



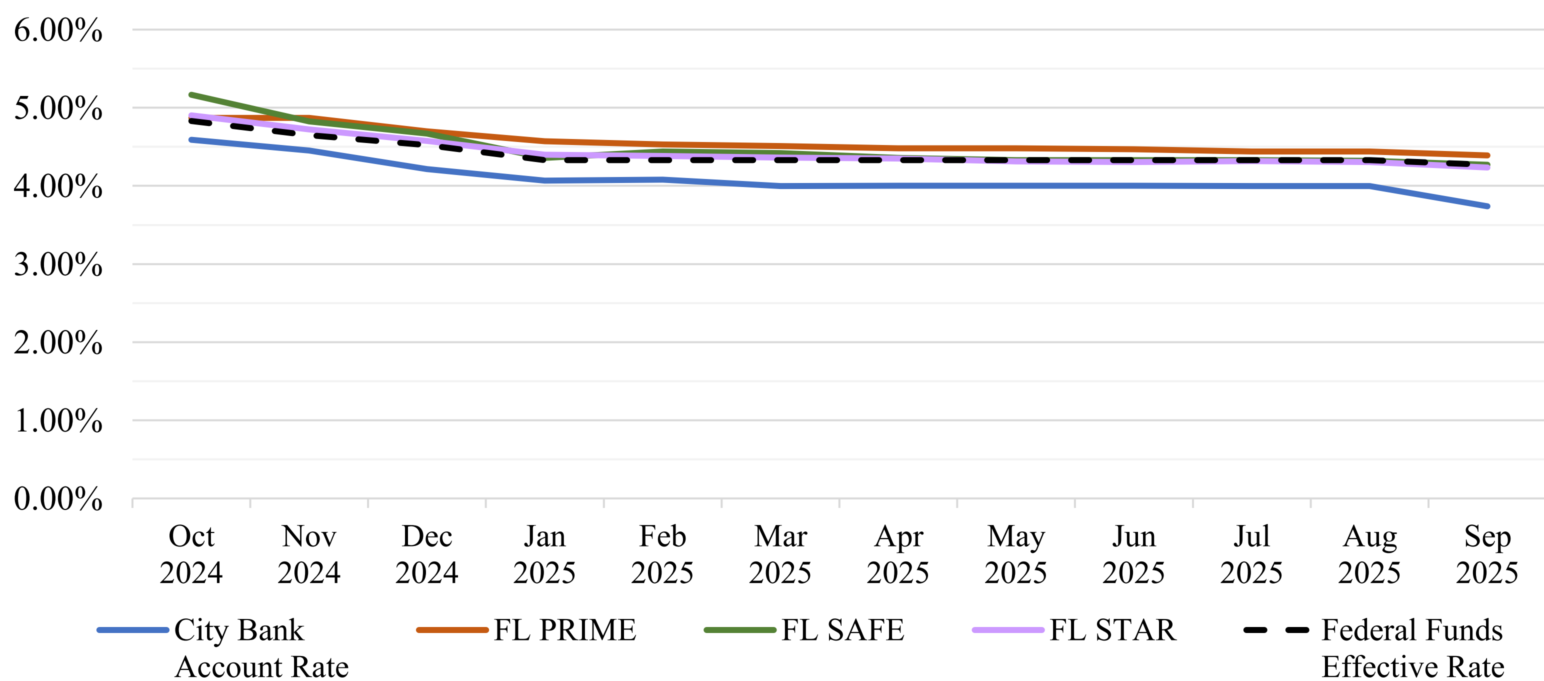
DAHAB ASSOCIATES

Name	Type	Balance on Jun. 30	Balance on Sep. 30	Net Flow Quarter	Interest Paid Quarter	Yield on Sep. 30
Dial Account	SM Now Public Funds	$400,081.95	$400,018.83	-$3,857.68	$3,794.56	3.66%
Payroll Account	SM Now Public Funds	$80.35	$59.54	-$21.22	$0.41	3.62%
Accounts Payable	SM Now Public Funds	$98.97	$21.44	-$78.00	$0.47	3.54%
REPO	SM Now Public Funds	$4,870,026.83	$2,873,655.98	-$2,030,800.00	$34,429.15	3.75%
Parking Trust Fund	SM Now Public Funds	$34,177.40	$34,502.62	$0.00	$325.22	3.66%
Reserve Account	SM Now Public Funds	$7,173,270.41	$7,243,164.49	$0.00	$69,894.08	3.75%
Storm Water Drain Trust	SM Now Public Funds	$285,436.10	$278,628.07	-$9,665.14	$2,857.11	3.75%
2nd Local Option Gas Tax	SM Now Public Funds	$22,469.34	$46,477.86	$23,701.03	$307.49	3.66%
Parks Rec Impact Fee Fund	SM Now Public Funds	$1,200,887.01	$1,080,807.55	-$131,088.20	$11,008.74	3.75%
ARPA Account	SM Now Public Funds	$1,519,247.49	$1,198,746.30	-$333,696.15	$13,194.96	3.75%
Peoples Transportation Tax Fund	SM Now Public Funds	$777,450.41	$814,215.55	$29,173.55	$7,591.59	3.66%
State Forfeiture Fund	SM Now Public Funds	$40,284.50	$33,456.51	-$7,175.00	$347.01	3.66%
Fed Forfeiture Fund	SM Now Public Funds	$548,491.04	$491,477.76	-$61,926.62	$4,913.34	3.66%
Truist Interest Checking	Truist Interest Checking	$250,340.22	$250,346.54	$0.00	$6.32	0.01%
Florida Prime	Florida Prime	$14,087,972.77	$14,245,970.76	$0.00	$157,997.99	4.39%
FL SAFE	FL SAFE	$4,430,148.17	$4,478,425.10	$0.00	$48,276.93	4.27%
FL STAR	FL STAR	$568.73	$575.04	$0.00	$6.31	4.235%
Total		**$35,641,031.69**	**$33,470,549.94**	**-$2,525,433.43**	**$354,951.68**	**4.06%**


Florida Prime
42.6%
FL SAFE
13.4%
FL STAR
0.0%
Dial Account
1.2%
Payroll Account
0.0%
REPO
8.6%
Accounts Payable
0.0%
Parking Trust Fund
0.1%
Reserve Account
21.6%
Storm Water Drain
2nd Local
Option Gas
Tax
Parks Rec
Impact Fee
Fund
3.2%
ARPA Account
3.6%
Peoples Transportation
Tax Fund
2.4%
State Forfeiture Fund
0.1%
Fed Forfeiture Fund
1.5%
Truist Interest Checking
0.7%

Monthly Average Annualized Yields - Trailing 12 Months

Month	City Bank Account Rate	FL PRIME	FL SAFE	FL STAR	Federal Funds Effective Rate
October 2024	4.59%	4.87%	5.17%	4.90%	4.83%
November 2024	4.45%	4.87%	4.82%	4.72%	4.65%
December 2024	4.21%	4.70%	4.67%	4.58%	4.52%
January 2025	4.07%	4.57%	4.36%	4.40%	4.33%
February 2025	4.08%	4.53%	4.44%	4.38%	4.33%
March 2025	4.00%	4.51%	4.42%	4.36%	4.33%
April 2025	4.00%	4.48%	4.36%	4.35%	4.33%
May 2025	4.00%	4.48%	4.33%	4.31%	4.33%
June 2025	4.00%	4.47%	4.33%	4.30%	4.33%
July 2025	4.00%	4.44%	4.33%	4.32%	4.33%
August 2025	4.00%	4.44%	4.32%	4.31%	4.33%
September 2025	3.74%	4.39%	4.27%	4.24%	4.27%

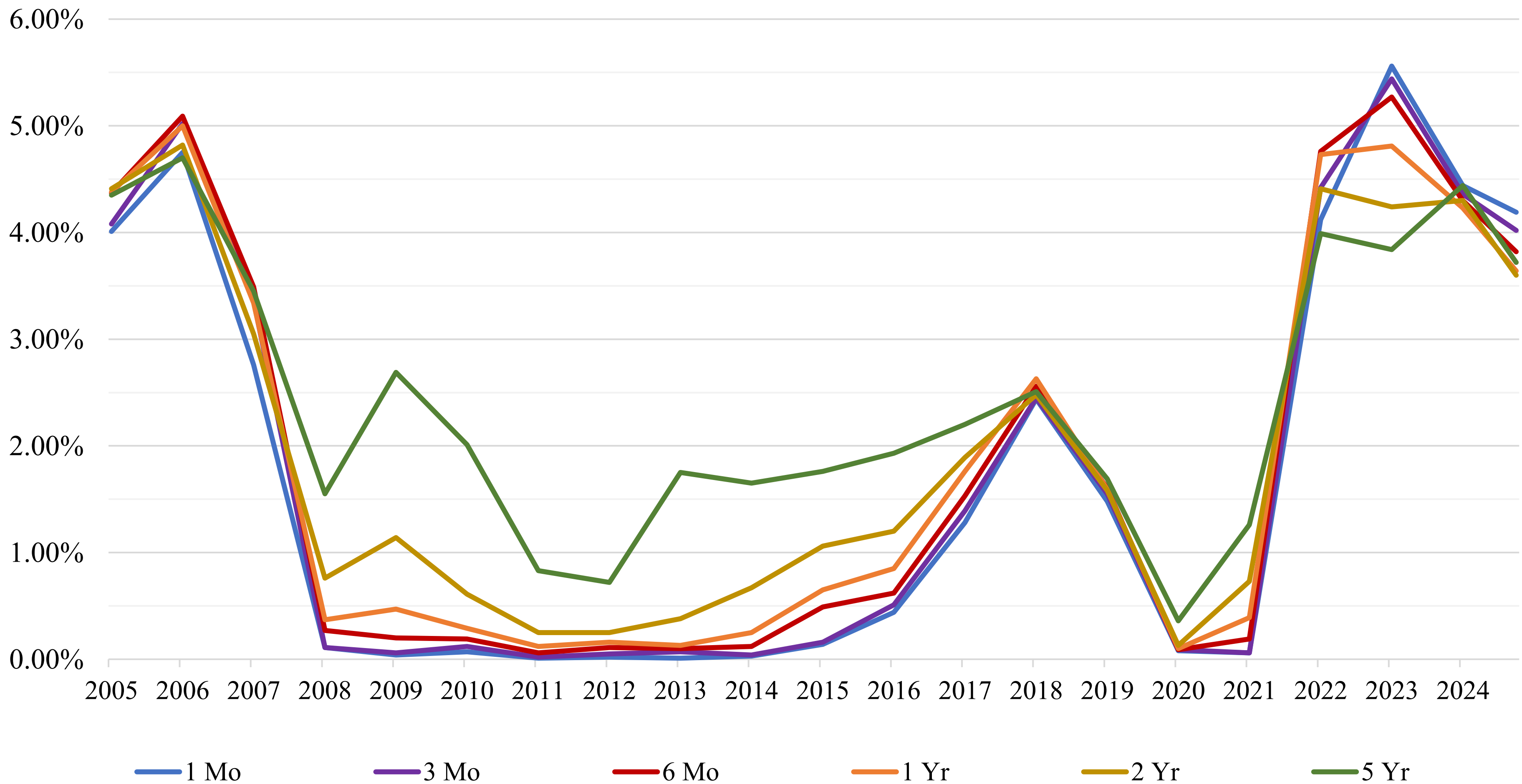


Trailing 20 Year Historical US Treasury Curve (Front End)

Year	1 Mo	3 Mo	6 Mo	1 Yr	2 Yr	5 Yr
2005	4.01%	4.08%	4.37%	4.38%	4.41%	4.35%
2006	4.75%	5.02%	5.09%	5.00%	4.82%	4.70%
2007	2.76%	3.36%	3.49%	3.34%	3.05%	3.45%
2008	0.11%	0.11%	0.27%	0.37%	0.76%	1.55%
2009	0.04%	0.06%	0.20%	0.47%	1.14%	2.69%
2010	0.07%	0.12%	0.19%	0.29%	0.61%	2.01%
2011	0.01%	0.02%	0.06%	0.12%	0.25%	0.83%
2012	0.02%	0.05%	0.11%	0.16%	0.25%	0.72%
2013	0.01%	0.07%	0.10%	0.13%	0.38%	1.75%
2014	0.03%	0.04%	0.12%	0.25%	0.67%	1.65%
2015	0.14%	0.16%	0.49%	0.65%	1.06%	1.76%
2016	0.44%	0.51%	0.62%	0.85%	1.20%	1.93%
2017	1.28%	1.39%	1.53%	1.76%	1.89%	2.20%
2018	2.44%	2.45%	2.56%	2.63%	2.48%	2.51%
2019	1.48%	1.55%	1.60%	1.59%	1.58%	1.69%
2020	0.08%	0.09%	0.09%	0.10%	0.13%	0.36%
2021	0.06%	0.06%	0.19%	0.39%	0.73%	1.26%
2022	4.12%	4.42%	4.76%	4.73%	4.41%	3.99%
2023	5.56%	5.44%	5.27%	4.81%	4.24%	3.84%
2024	4.44%	4.36%	4.30%	4.23%	4.30%	4.44%
September 30, 2025	4.19%	4.02%	3.82%	3.64%	3.60%	3.72%

All periods for previous years end December 31.

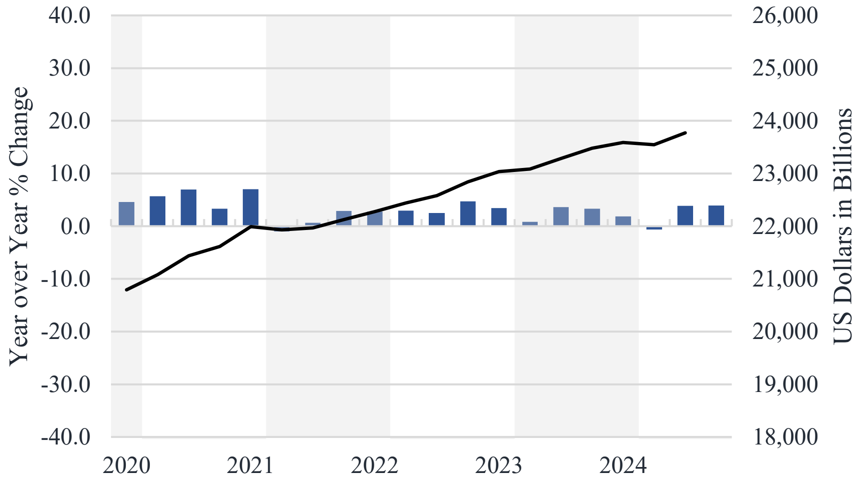
Trailing 20 Year Historical US Treasury Curve (Front End)



Tenor	1 Mo	3 Mo	6 Mo	1 Yr	2 Yr	5 Yr
September 30, 2025	4.19%	4.02%	3.82%	3.64%	3.60%	3.72%

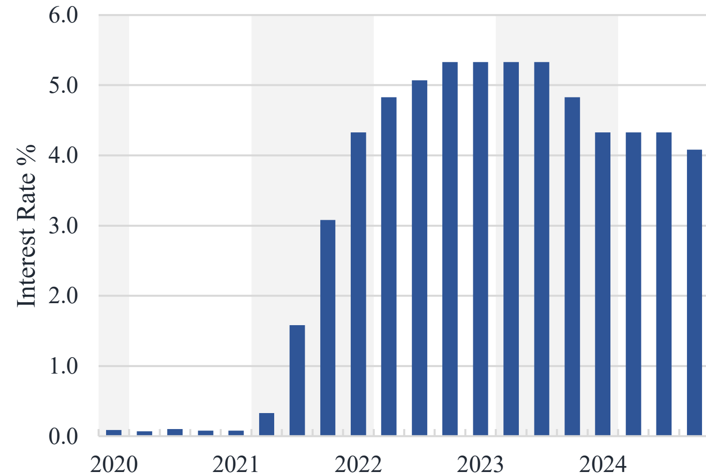
All periods for previous years end December 31.

Real Gross Domestic Product

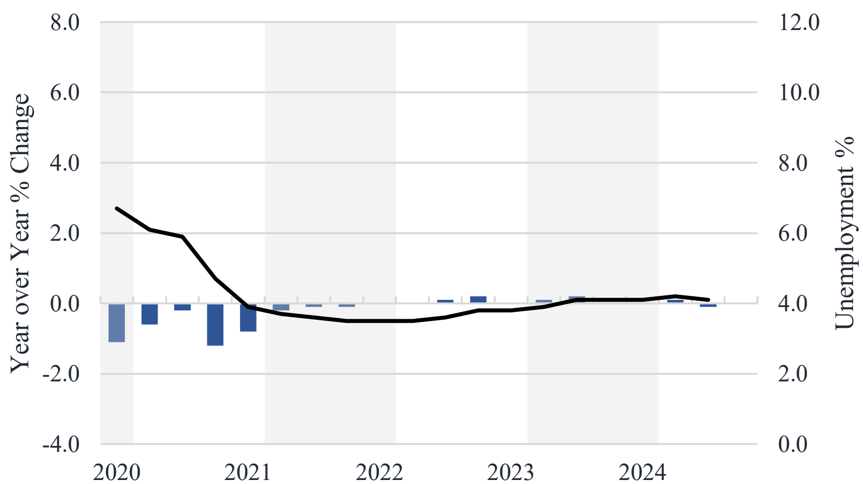


Current quarter GDP is estimated (Source: Atlanta Fed)

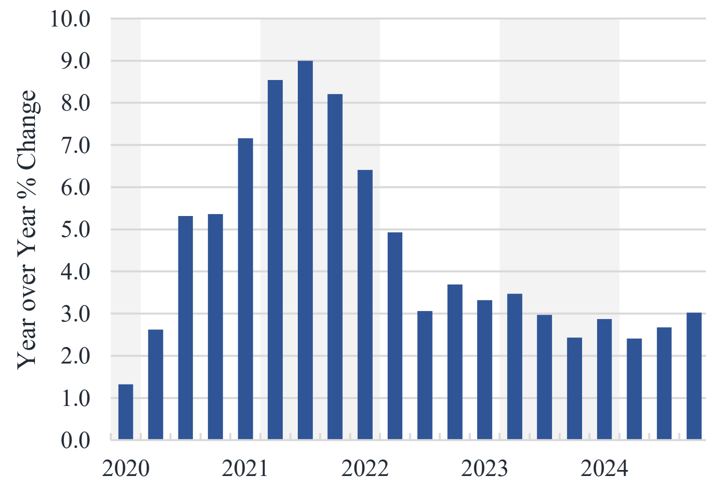
Federal Funds Rate



U.S. Unemployment



Consumer Price Index



Market Insights

Economic and Market Update

U.S. | 4Q 2025

As of September 30, 2025

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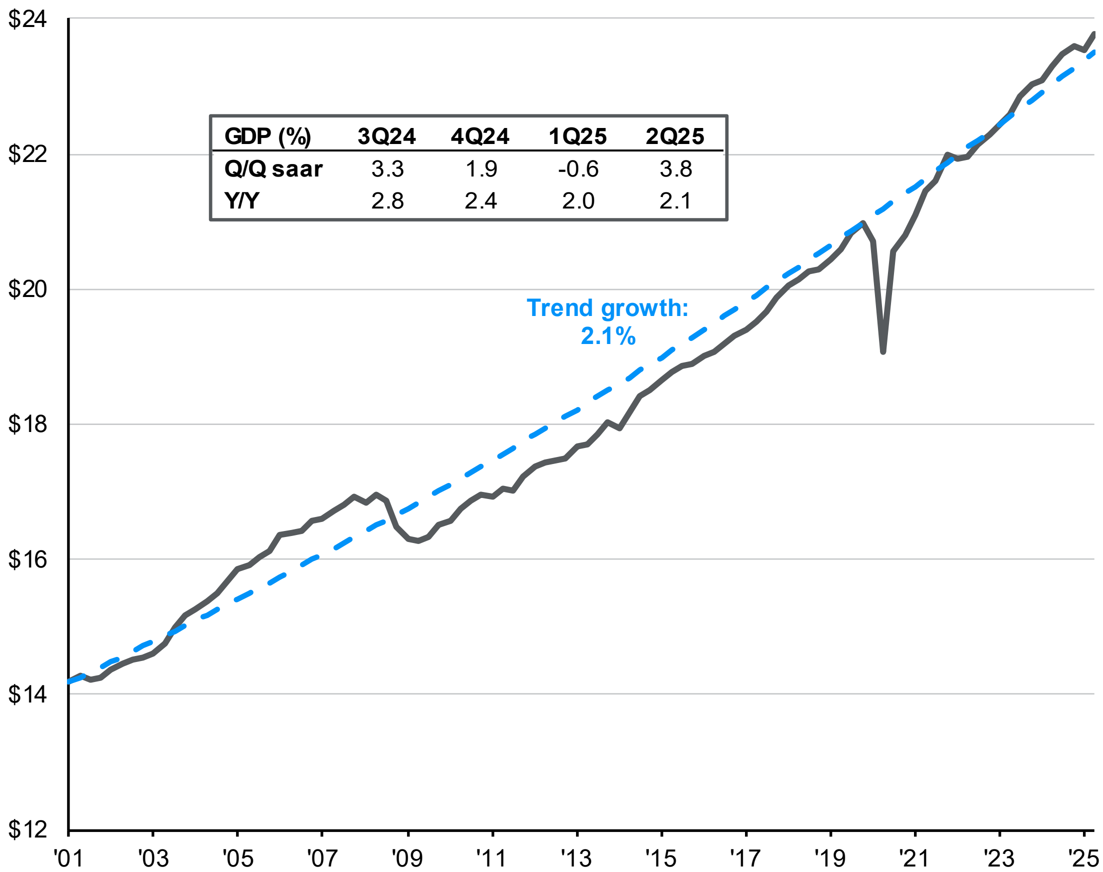
Economic growth and the composition of GDP

Real GDP

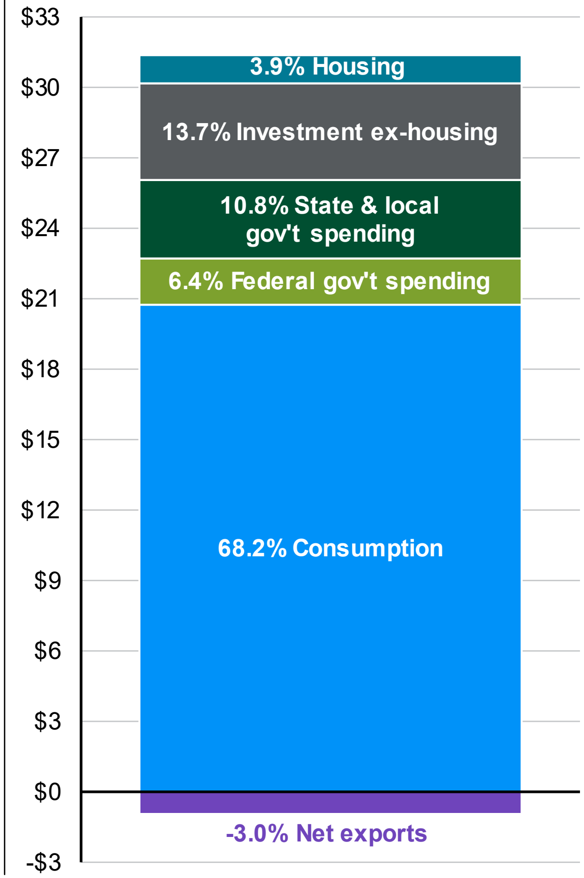
Trillions of chained (2017) dollars, seasonally adjusted at annual rates



GDP (%)	3Q24	4Q24	1Q25	2Q25
Q/Q saar	3.3	1.9	-0.6	3.8
Y/Y	2.8	2.4	2.0	2.1

Components of GDP

2Q25 nominal GDP, USD trillions



Source: BEA, FactSet, J.P. Morgan Asset Management.
Values may not sum to 100% due to rounding. Trend growth is measured as the average annual growth rate from business cycle peak 1Q01 to business cycle peak 4Q19.
Guide to the Markets – U.S. Data are as of September 30, 2025.

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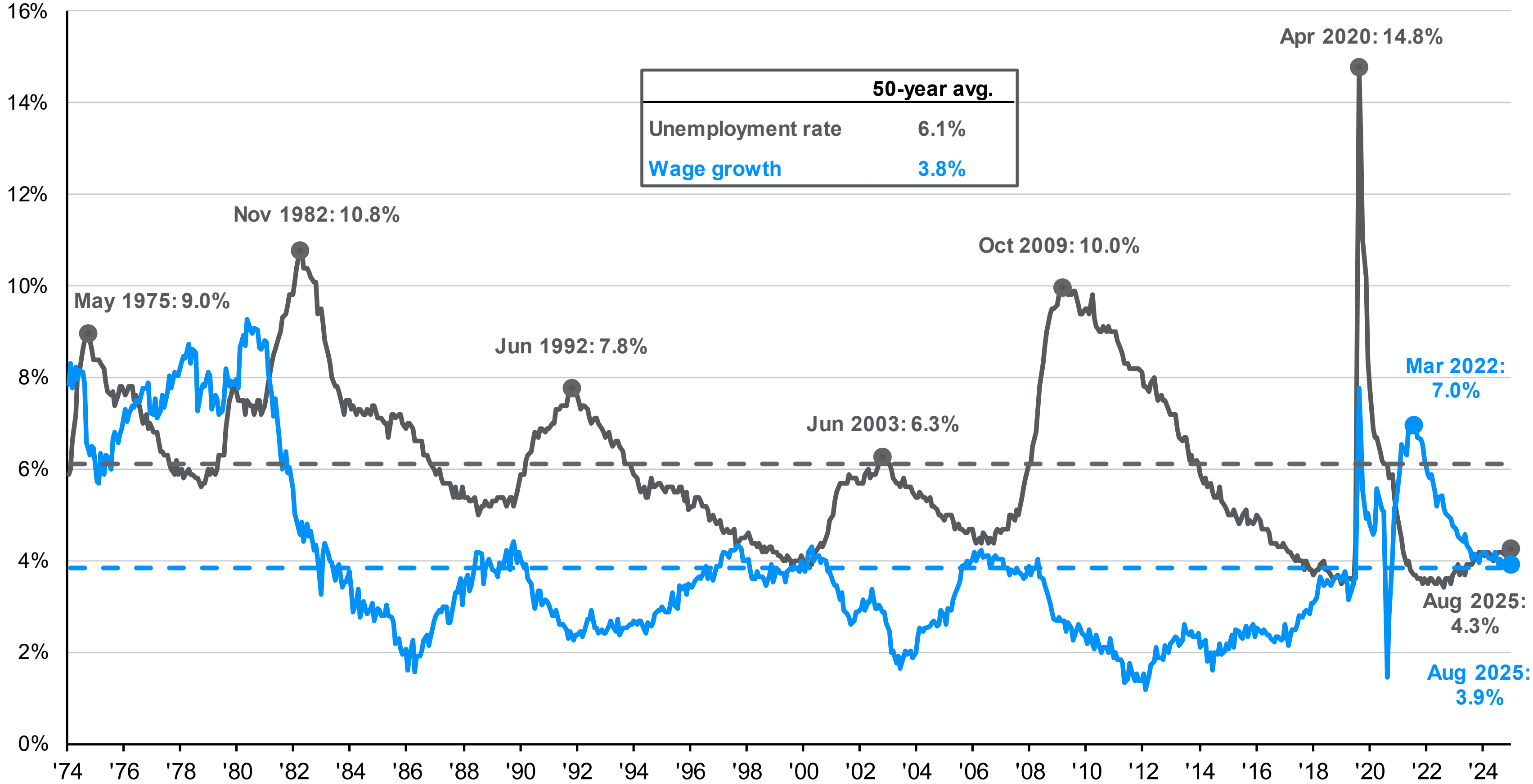
Economy

Unemployment and wages

Civilian unemployment rate and year-over-year wage growth

Private production and non-supervisory workers, seasonally adjusted, percent



Source: BLS, FactSet, J.P. Morgan Asset Management.
Private production and non-supervisory jobs represent just over 80% of total private nonfarm jobs.
Guide to the Markets – U.S. Data are as of September 30, 2025.

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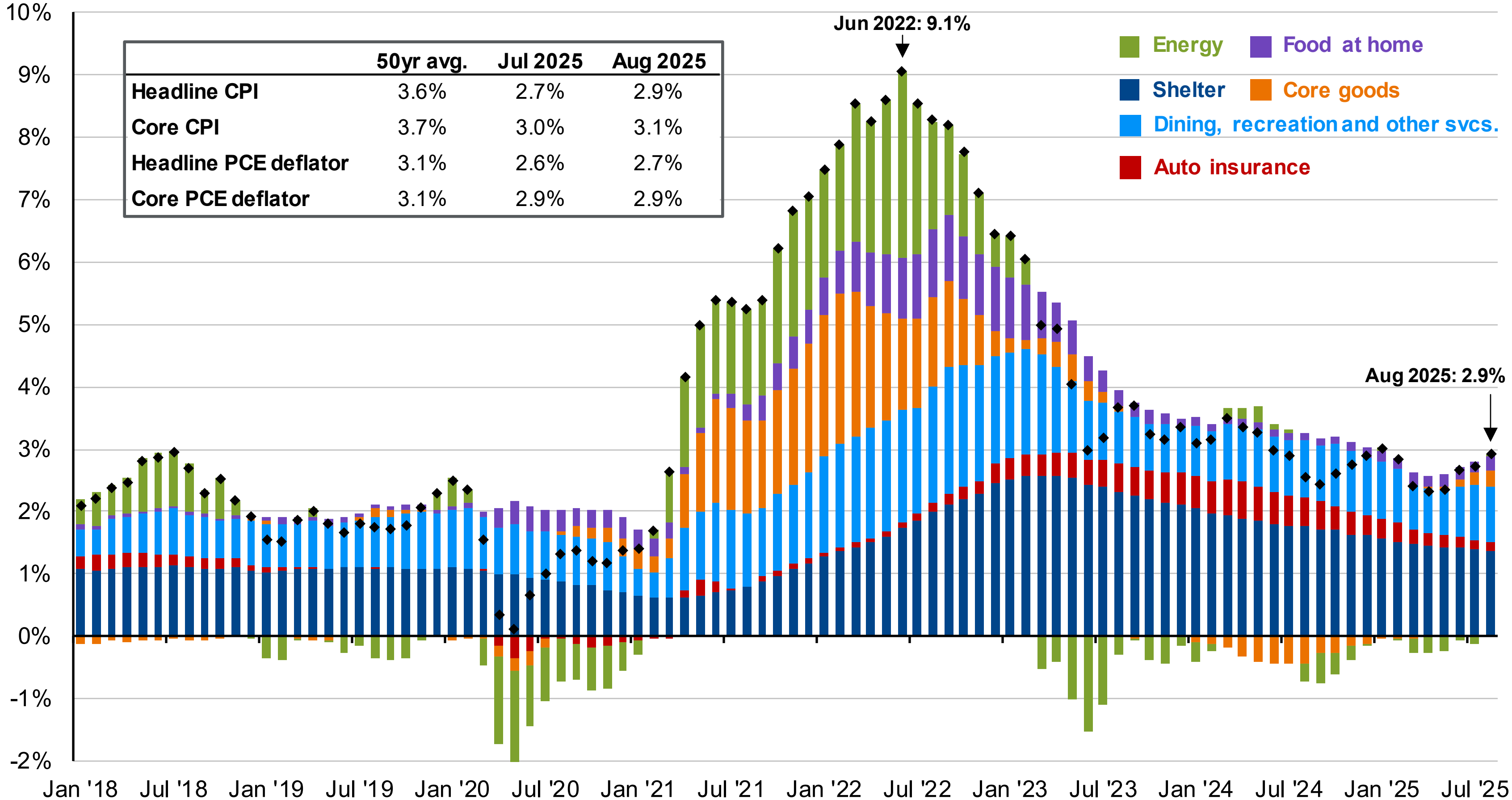
Inflation components

Contributors to headline CPI inflation

Contribution to year-over-year % change in CPI, non-seasonally adjusted



	50yr avg.	Jul 2025	Aug 2025
Headline CPI	3.6%	2.7%	2.9%
Core CPI	3.7%	3.0%	3.1%
Headline PCE deflator	3.1%	2.6%	2.7%
Core PCE deflator	3.1%	2.9%	2.9%

Source: BLS, FactSet, J.P. Morgan Asset Management.
Contributions mirror the BLS methodology on Table 7 of the CPI report. Values may not sum to headline CPI figures due to rounding and underlying calculations. "Shelter" includes owners' equivalent rent, rent of primary residence and home insurance. "Food at home" includes alcoholic beverages.
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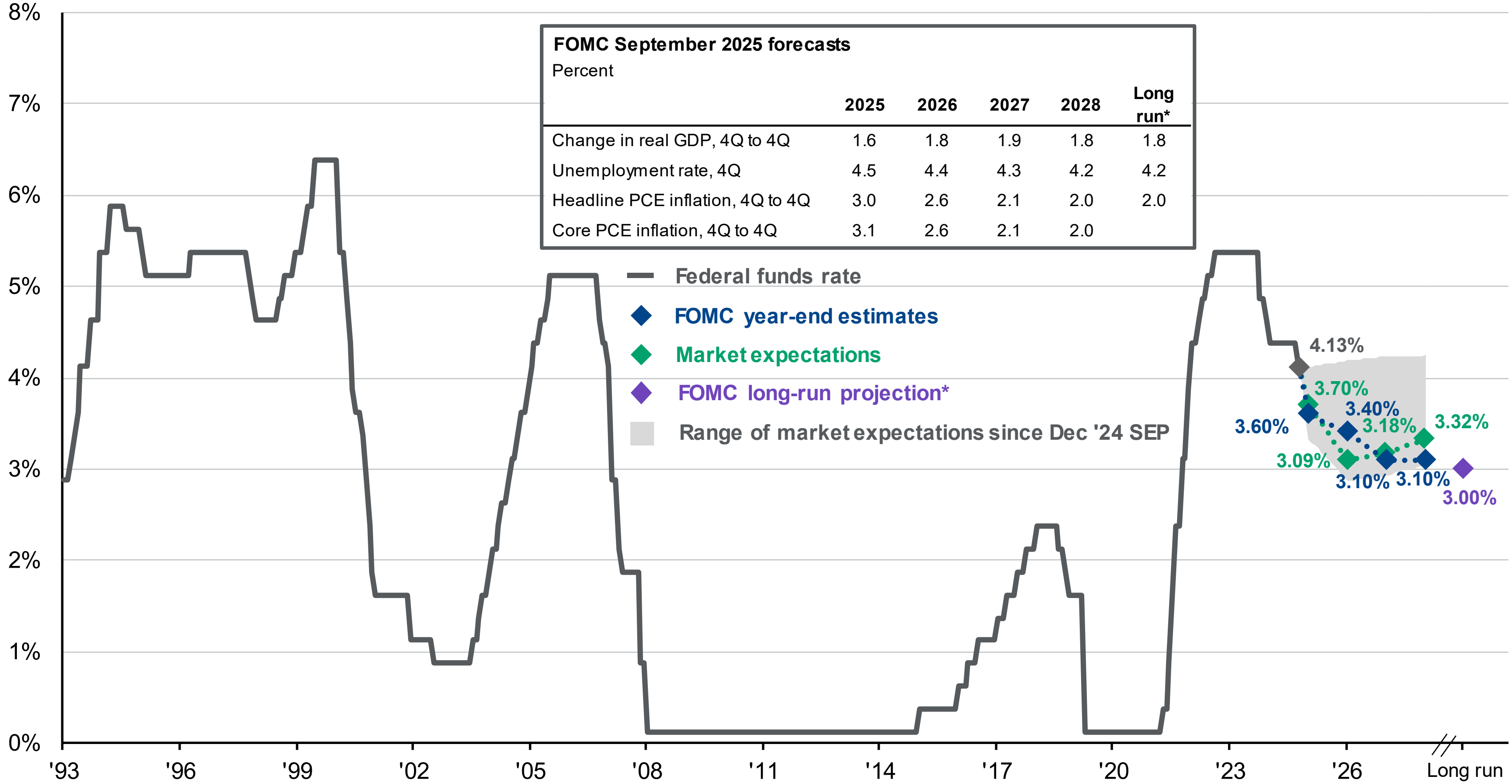
The Fed and interest rates

Federal funds rate expectations

FOMC and market expectations for the federal funds rate



FOMC September 2025 forecasts

Percent

	2025	2026	2027	2028	Long run*
Change in real GDP, 4Q to 4Q	1.6	1.8	1.9	1.8	1.8
Unemployment rate, 4Q	4.5	4.4	4.3	4.2	4.2
Headline PCE inflation, 4Q to 4Q	3.0	2.6	2.1	2.0	2.0
Core PCE inflation, 4Q to 4Q	3.1	2.6	2.1	2.0	

Source: Bloomberg, FactSet, Federal Reserve, J.P. Morgan Asset Management.

Market expectations are based off of USD Overnight Index Swaps. *Long-run projections are the rates of growth, unemployment and inflation to which a policymaker expects the economy to converge over the next five to six years in absence of further shocks and under appropriate monetary policy. Forecasts, projections and other forward-looking statements are based upon current beliefs and expectations. They are for illustrative purposes only and serve as an indication of what may occur. Given the inherent uncertainties and risks associated with forecasts, projections or other forward-looking statements, actual events, results or performance may differ materially from those reflected or contemplated.

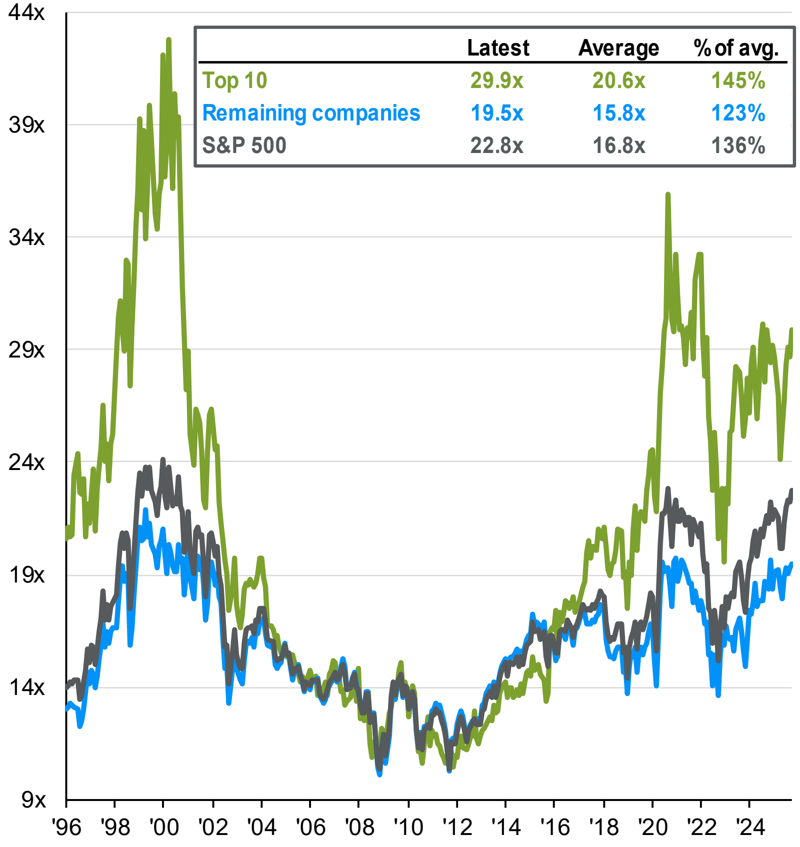
Guide to the Markets – U.S. Data are as of September 30, 2025.

S&P 500: Index concentration

P/E of top 10 and remaining companies in S&P 500

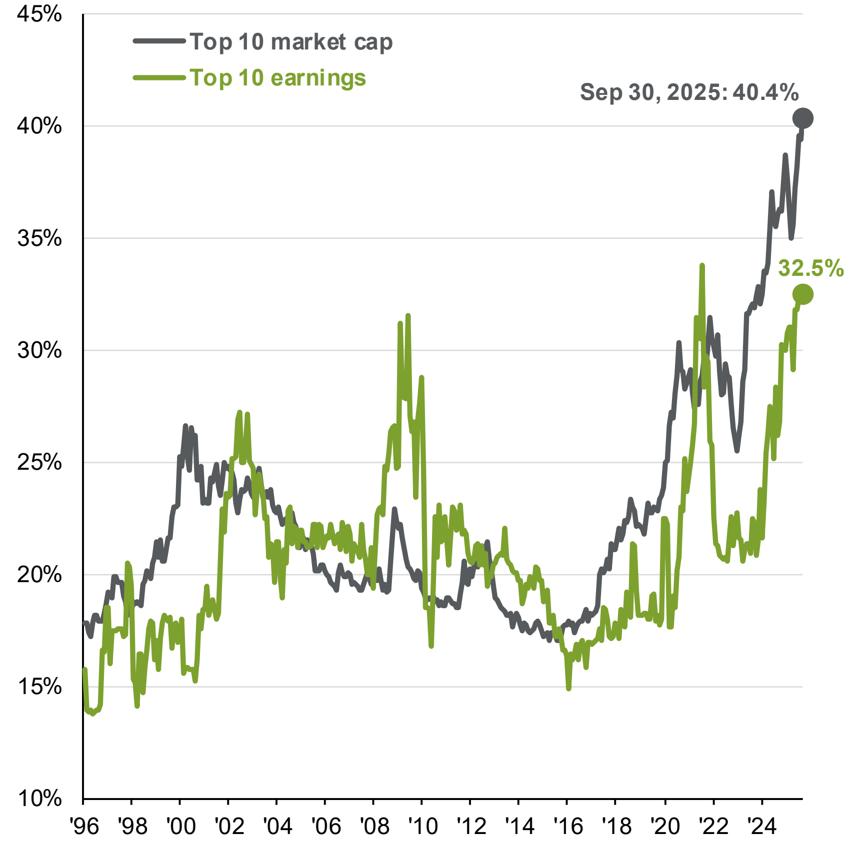
Next 12 months

	Latest	Average	% of avg.
Top 10	29.9x	20.6x	145%
Remaining companies	19.5x	15.8x	123%
S&P 500	22.8x	16.8x	136%



Weight of the top 10 companies in the S&P 500

% of market capitalization, % of last 12 months' earnings



Source: FactSet, Standard & Poor's, J.P. Morgan Asset Management.

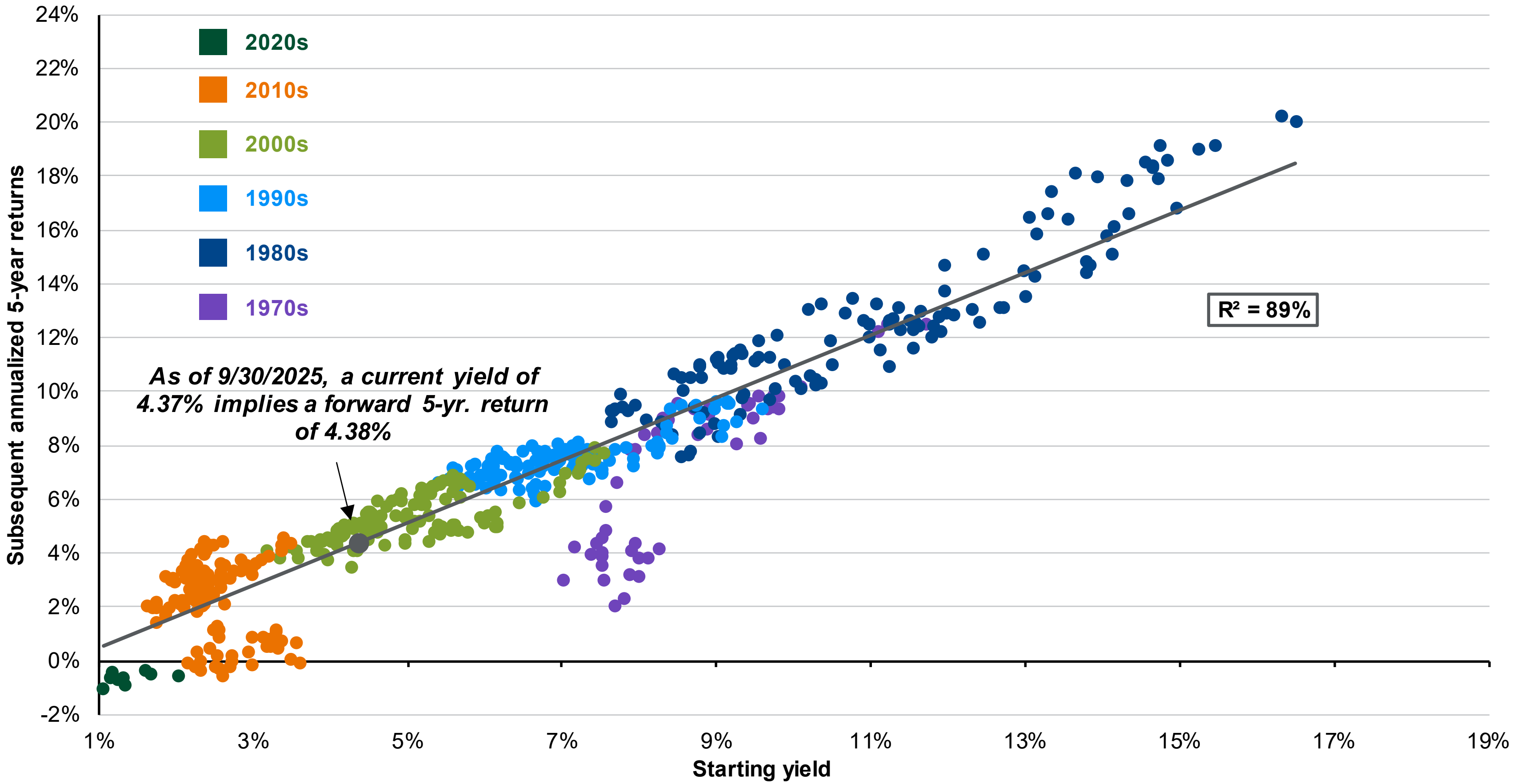
Forward P/E ratio is the most recent price divided by consensus estimates for earnings in the next 12 months, provided by IBES since January 1996 and FactSet since January 2022. The remaining stocks represent the rest of the 490 companies in the S&P 500, and their P/E ratio is calculated by backing out the nominal earnings and market cap of the top 10 from that of the S&P 500.

Guide to the Markets – U.S. Data are as of September 30, 2025.

Fixed income yields and forward returns

Yield to worst and subsequent 5-year annualized returns

Bloomberg U.S. Aggregate Total Return Index



Source: Bloomberg, FactSet, J.P. Morgan Asset Management.
Returns are 60-month annualized total returns, measured monthly, beginning 1/31/1976. R^2 represents the percent of total variation in total returns that can be explained by yields at the start of each period. Past performance is no guarantee of future results.
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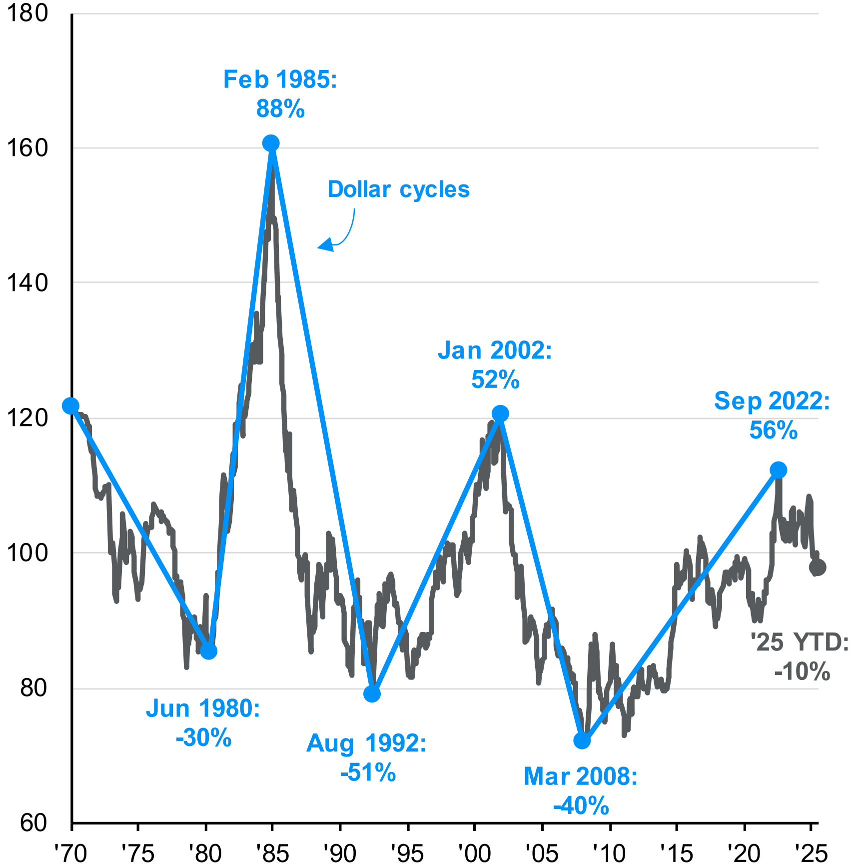
Dollar drivers

The U.S. dollar

DXY Index, level

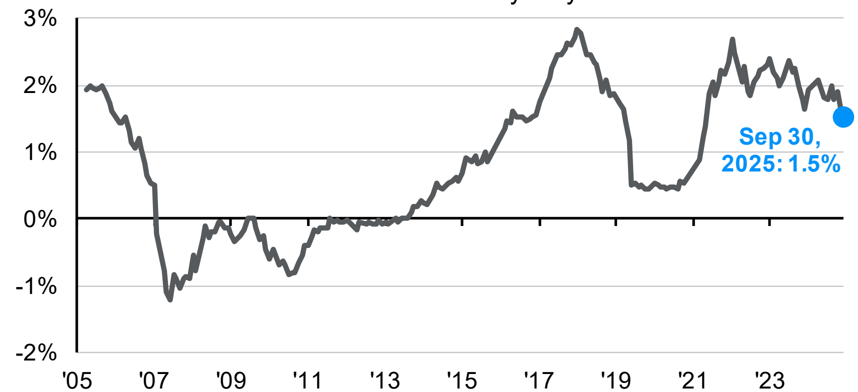


The U.S. trade balance

Current account balance, % of GDP

Developed markets interest rate differentials

Difference between U.S. and international 2-year yields*



Source: Bloomberg, FactSet, J.P. Morgan Asset Management; (Left) ICE; (Top right) BEA; (Bottom right) BIS.
Currencies in the DXY Index are: British pound, Canadian dollar, euro, Japanese yen, Swedish krona and Swiss franc. *Interest rate differential is the difference between the 2-year U.S. Treasury yield and a basket of the 2-year yields of each major trading partner (Australia, Canada, eurozone, Japan, Sweden, Switzerland and UK). Weights in the basket are calculated using the 2-year average of total government bonds outstanding in each region.
Guide to the Markets – U.S. Data are as of September 30, 2025.

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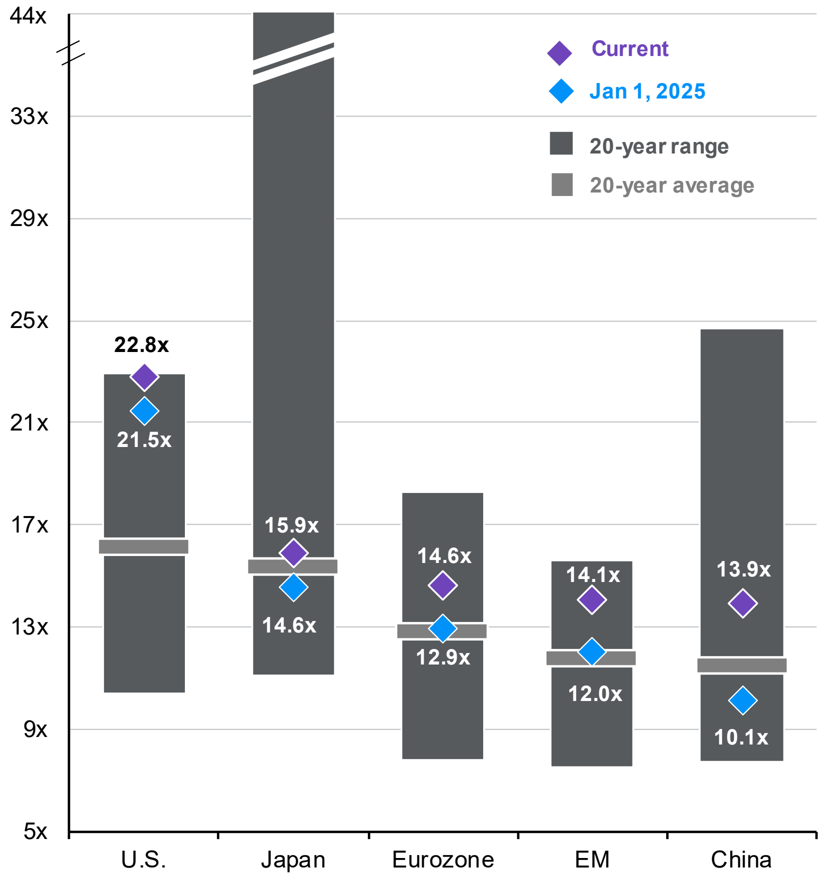
Global equity valuations

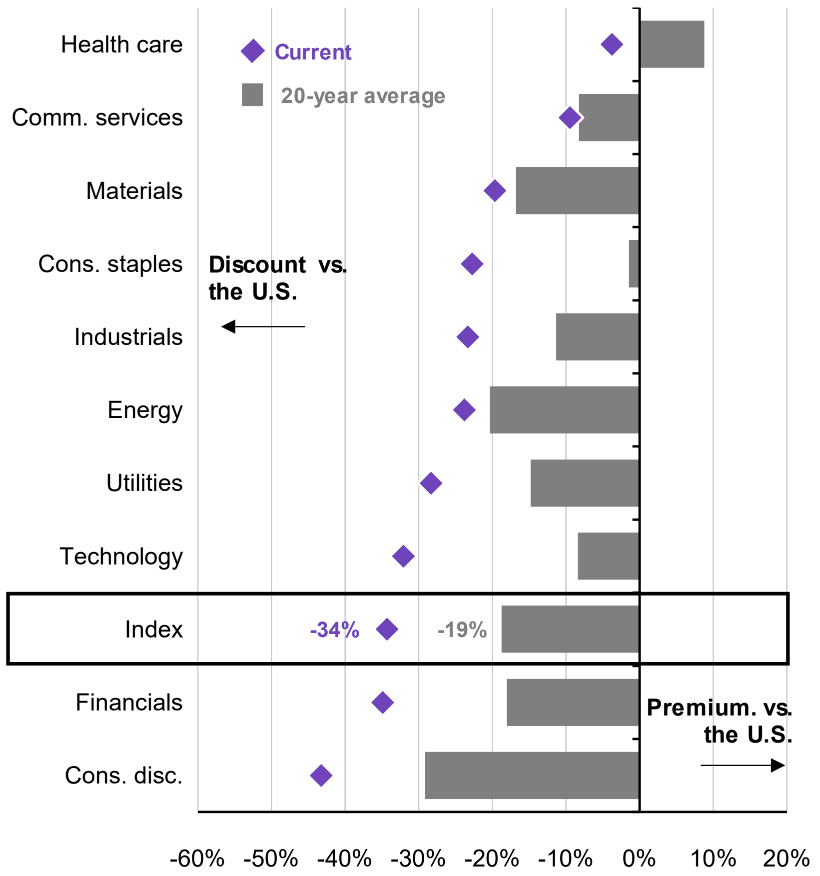
Valuations by region/country

Forward P/E ratio



Relative valuations by sector

Forward P/E ratio, MSCI ACWI ex-U.S. divided by S&P 500



Source: FactSet, MSCI, Standard & Poor's, J.P. Morgan Asset Management. Countries are represented by their respective MSCI country index except for the U.S., which is represented by the S&P 500.
Guide to the Markets – U.S. Data are as of September 30, 2025.

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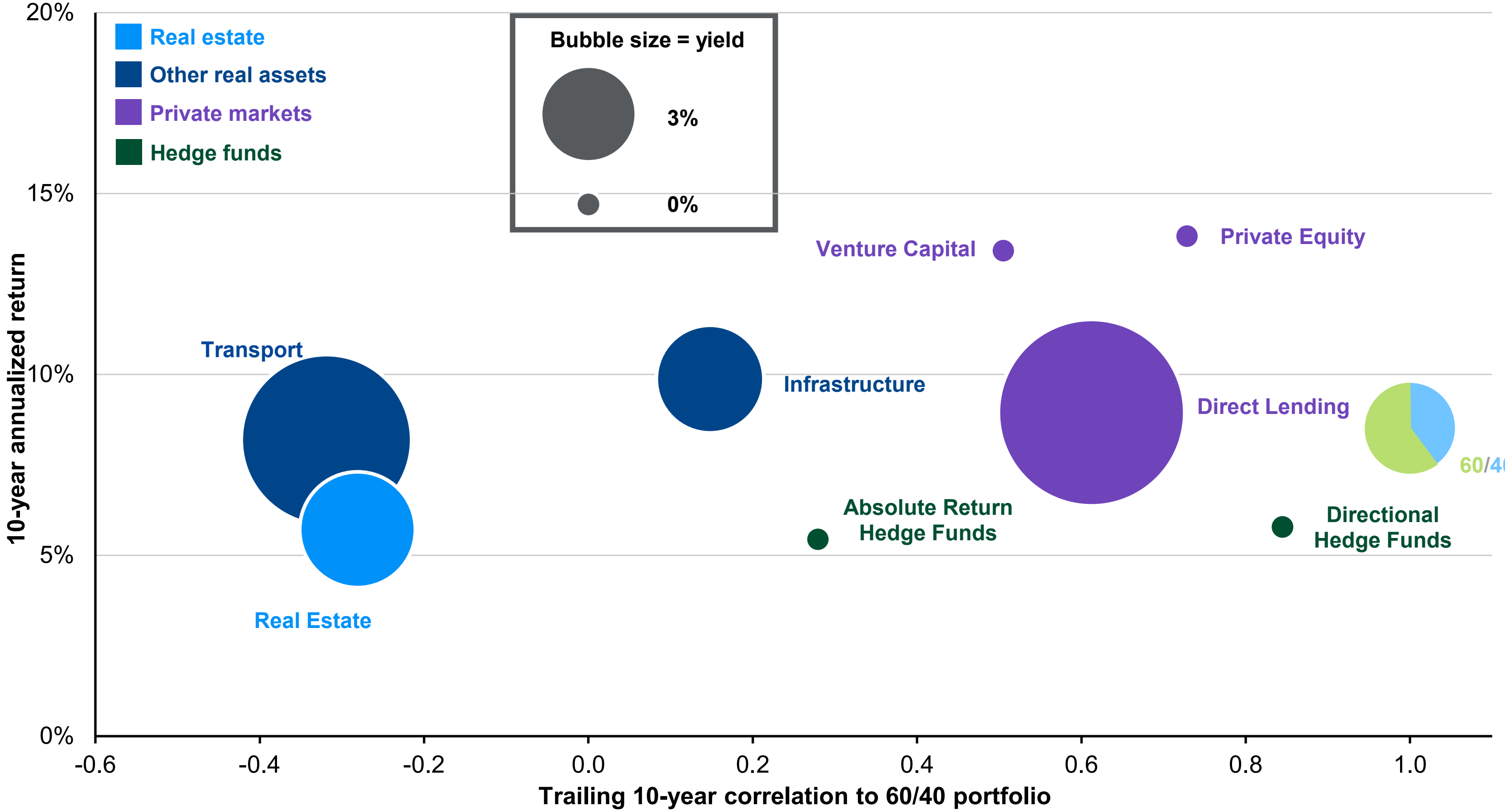
Alternatives: Correlations, returns and yields

Correlations, returns and yields

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



Source: Burgiss, Cliffwater, FactSet, MSCI, PivotalPath, J.P. Morgan Asset Management.
All categories are global, except Direct Lending, which is 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 no guarantee of future results.
This slide comes from our *Guide to Alternatives*.
Guide to the Markets – U.S. Data are as of September 30, 2025.

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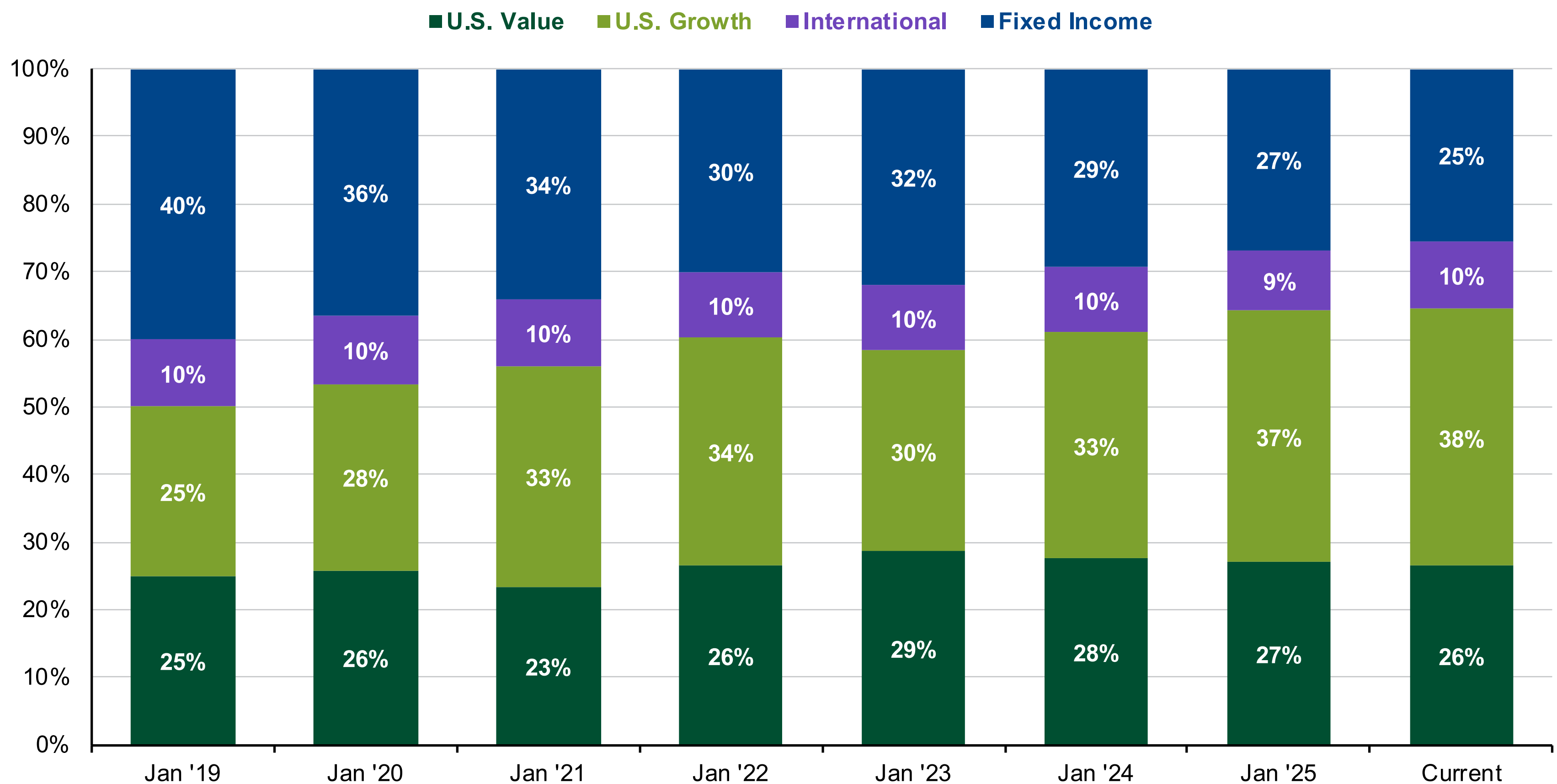
60/40 portfolio drift

60/40 portfolio composition by asset class
Start of 2019 - current, no rebalancing



Source: Bloomberg, FactSet, MSCI, Russell, Standard & Poor's, J.P. Morgan Asset Management.
Standard asset allocation at the start of 2019 assumes 60% weight to global equities and 40% to U.S. fixed Income. U.S. Value: Equal-weighted Russell 1000 Value and Russell 2000 Value, U.S. Growth: Equal-weighted Russell 1000 Growth and Russell 2000 Growth, International: MSCI ACWI ex-US, Fixed Income: 10% Bloomberg Global HY Index and 30% Bloomberg U.S. Aggregate. Past performance is no guarantee of future results.
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Investing Principles

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J.P. Morgan Asset Management – Index definitions

All indexes are unmanaged and an individual cannot invest directly in an index. Index returns do not include fees or expenses.

Equities:

The **Dow Jones Industrial Average** is a price-weighted average of 30 actively traded blue-chip U.S. stocks.

The **MSCI ACWI (All Country World Index)** is a free float-adjusted market capitalization weighted index that is designed to measure the equity market performance of developed and emerging markets.

The **MSCI EAFE Index(Europe, Australasia, Far East)**is a free float-adjusted market capitalization index that is designed to measure the equity market performance of developed markets, excluding the US & Canada.

The **MSCI Emerging Markets Index** is a free float-adjusted market capitalization index that is designed to measure equity market performance in the global emerging markets.

The **MSCI Europe Index** is a free float-adjusted market capitalization index that is designed to measure developed market equity performance in Europe.

The **MSCI Pacific Index** is a free float-adjusted market capitalization index that is designed to measure equity market performance in the Pacific region.

The **Russell 1000 Index**® measures the performance of the 1,000 largest companies in the Russell 3000.

The **Russell 1000 Growth Index**® measures the performance of those Russell 1000 companies with higher price-to-book ratios and higher forecasted growth values.

The **Russell 1000 Value Index**® measures the performance of those Russell 1000 companies with lower price-to-book ratios and lower forecasted growth values.

The **Russell 2000 Index**® measures the performance of the 2,000 smallest companies in the Russell 3000 Index.

The **Russell 2000 Growth Index**® measures the performance of those Russell 2000 companies with higher price-to-book ratios and higher forecasted growth values.

The **Russell 2000 Value Index**® measures the performance of those Russell 2000 companies with lower price-to-book ratios and lower forecasted growth values.

The **Russell 3000 Index**® measures the performance of the 3,000 largest U.S. companies based on total market capitalization.

The **Russell Midcap Index**® measures the performance of the 800 smallest companies in the Russell 1000 Index.

The **Russell Midcap Growth Index** ® measures the performance of those Russell Midcap companies with higher price-to-book ratios and higher forecasted growth values. The stocks are also members of the Russell 1000 Growth index.

The **Russell Midcap Value Index** ® measures the performance of those Russell Midcap companies with lower price-to-book ratios and lower forecasted growth values. The stocks are also members of the Russell 1000 Value index.

The **S&P 500 Index** is widely regarded as the best single gauge of the U.S. equities market. The index includes a representative sample of 500 leading companies in leading industries of the U.S. economy. The **S&P 500 Index** focuses on the large-cap segment of the market; however, since it includes a significant portion of the total value of the market, it also represents the market.

Fixed income:

The **Bloomberg 1-3 Month U.S. Treasury Bill Index** includes all publicly issued zero-coupon US Treasury Bills that have a remaining maturity of less than 3 months and more than 1 month, are rated investment grade, and have $250 million or more of outstanding face value. In addition, the securities must be denominated in U.S. dollars and must be fixed rate and non convertible.

The **Bloomberg Global High Yield Index** is a multi-currency flagship measure of the global high yield debt market. The index represents the union of the US High Yield, the Pan-European High Yield, and Emerging Markets (EM) Hard Currency High Yield Indices. The high yield and emerging markets sub-components are mutually exclusive. Until January 1, 2011, the index also included CMBS high yield securities.

The **Bloomberg Municipal Index**: consists of a broad selection of investment-grade general obligation and revenue bonds of maturities ranging from one year to 30 years. It is an unmanaged index representative of the tax-exempt bond market.

The **Bloomberg US Dollar Floating Rate Note (FRN) Index** provides a measure of the U.S. dollar denominated floating rate note market.

The **Bloomberg US Corporate Investment Grade Index** is an unmanaged index consisting of publicly issued US Corporate and specified foreign debentures and secured notes that are rated investment grade (Baa3/BBB or higher) by at least two ratings agencies, have at least one year to final maturity and have at least $250 million par amount outstanding. To qualify, bonds must be SEC-registered.

The **Bloomberg US High Yield Index** covers the universe of fixed rate, non-investment grade debt. Eurobonds and debt issues from countries designated as emerging markets (sovereign rating of Baa1/BBB+/BBB+ and below using the middle of Moody's, S&P, and Fitch) are excluded, but Canadian and global bonds (SEC registered) of issuers in non-EMG countries are included.

The **Bloomberg US Mortgage Backed Securities Index** is an unmanaged index that measures the performance of investment grade fixed-rate mortgage backed pass-through securities of GNMA, FNMA and FHLMC.

The **Bloomberg US TIPS Index** consists of Inflation-Protection securities issued by the U.S. Treasury.

The **J.P. Morgan Emerging Market Bond Global Index(EMBI)**includes U.S. dollar denominated Brady bonds, Eurobonds, traded loans and local market debt instruments issued by sovereign and quasi-sovereign entities.

The **J.P. Morgan Domestic High Yield Index** is designed to mirror the investable universe of the U.S. dollar domestic high yield corporate debt market.

The **J.P. Morgan Corporate Emerging Markets Bond Index Broad Diversified (CEMBI Broad Diversified)**is an expansion of the **J.P. Morgan Corporate Emerging Markets Bond Index (CEMBI)**. The CEMBI is a market capitalization weighted index consisting of U.S. dollar denominated emerging market corporate bonds.

The **J.P. Morgan Emerging Markets Bond Index Global Diversified (EMBI Global Diversified)** tracks total returns for U.S. dollar-denominated debt instruments issued by emerging market sovereign and quasi-sovereign entities: Brady bonds, loans, Eurobonds. The index limits the exposure of some of the larger countries.

The **J.P. Morgan GBI EM Global Diversified** tracks the performance of local currency debt issued by emerging market governments, whose debt is accessible by most of the international investor base.

The **U.S. Treasury Index** is a component of the U.S. Government index.

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J.P. Morgan Asset Management – Definitions

Other asset classes:

The **Alerian MLP Index** is a composite of the 50 most prominent energy Master Limited Partnerships (MLPs) that provides investors with an unbiased, comprehensive benchmark for the asset class.

The **Bloomberg Commodity Index** and related sub-indices are composed of futures contracts on physical commodities and represents twenty two separate commodities traded on U.S. exchanges, with the exception of aluminum, nickel, and zinc

The **Cambridge Associates U.S. Global Buyout and Growth Index®** is based on data compiled from 1,768 global (U.S. & ex –U.S.) buyout and growth equity funds, including fully liquidated partnerships, formed between 1986 and 2013.

The **CS/Tremont Hedge Fund Index** is compiled by Credit Suisse Tremont Index, LLC. It is an asset-weighted hedge fund index and includes only funds, as opposed to separate accounts. The Index uses the Credit Suisse/Tremont database, which tracks over 4500 funds, and consists only of funds with a minimum of US$50 million under management, a 12-month track record, and audited financial statements. It is calculated and rebalanced on a monthly basis, and shown net of all performance fees and expenses. It is the exclusive property of Credit Suisse Tremont Index, LLC.

The **HFRI Monthly Indices (HFRI)** are equally weighted performance indexes, utilized by numerous hedge fund managers as a benchmark for their own hedge funds. The HFRI are broken down into 4 main strategies, each with multiple sub strategies. All single-manager HFRI Index constituents are included in the HFRI Fund Weighted Composite, which accounts for over 2200 funds listed on the internal HFR Database.

The **NAREIT EQUITY REIT Index** is designed to provide the most comprehensive assessment of overall industry performance, and includes all tax-qualified real estate investment trusts (REITs) that are listed on the NYSE, the American Stock Exchange or the NASDAQ National Market List.

The **NFI-ODCE**, short for NCREIF Fund Index -Open End Diversified Core Equity, is an index of investment returns reporting on both a historical and current basis the results of 33 open-end commingled funds pursuing a core investment strategy, some of which have performance histories dating back to the 1970s. The NFI-ODCE Index is capitalization-weighted and is reported gross of fees. Measurement is time-weighted.

Definitions:

Investing in **alternative assets** involves higher risks than traditional investments and is suitable only for sophisticated investors. Alternative investments involve greater risks than traditional investments and should not be deemed a complete investment program. They are not tax efficient and an investor should consult with his/her tax advisor prior to investing. Alternative investments have higher fees than traditional investments and they may also be highly leveraged and engage in speculative investment techniques, which can magnify the potential for investment loss or gain. The value of the investment may fall as well as rise and investors may get back less than they invested.

Bonds are subject to interest rate risks. Bond prices generally fall when interest rates rise.

Investments in **commodities** may have greater volatility than investments in traditional securities, particularly if the instruments involve leverage. The value of commodity-linked derivative instruments may be affected by changes in overall market movements, commodity index volatility, changes in interest rates, or factors affecting a particular industry or commodity, such as drought, floods, weather, livestock disease, embargoes, tariffs and international economic, political and regulatory developments. Use of leveraged commodity-linked derivatives creates an opportunity for increased return but, at the same time, creates the possibility for greater loss.

Derivatives may be riskier than other types of investments because they may be more sensitive to changes in economic or market conditions than other types of investments and could result in losses that significantly exceed the original investment. The use of derivatives may not be successful, resulting in investment losses, and the cost of such strategies may reduce investment returns.

Distressed Restructuring Strategies employ an investment process focused on corporate fixed income instruments, primarily on corporate credit instruments of companies trading at significant discounts to their value at issuance or obliged (par value) at maturity as a result of either formal bankruptcy proceeding or financial market perception of near term proceedings.

Investments in **emerging markets** can be more volatile. The normal risks of investing in foreign countries are heightened when investing in emerging markets. In addition, the small size of securities markets and the low trading volume may lead to a lack of liquidity, which leads to increased volatility. Also, emerging markets may not provide adequate legal protection for private or foreign investment or private property.

The price of **equity** securities may rise, or fall because of changes in the broad market or changes in a company's financial condition, sometimes rapidly or unpredictably. These price movements may result from factors affecting individual companies, sectors or industries, or the securities market as a whole, such as changes in economic or political conditions. Equity securities are subject to "stock market risk" meaning that stock prices in general may decline over short or extended periods of time.

Equity market neutral strategies employ sophisticated quantitative techniques of analyzing price data to ascertain information about future price movement and relationships between securities, select securities for purchase and sale. Equity Market Neutral Strategies typically maintain characteristic net equity market exposure no greater than 10% long or short.

Global macro strategies trade a broad range of strategies in which the investment process is predicated on movements in underlying economic variables and the impact these have on equity, fixed income, hard currency and commodity markets.

International investing involves a greater degree of risk and increased volatility. Changes in currency exchange rates and differences in accounting and taxation policies outside the U.S. can raise or lower returns. Some overseas markets may not be as politically and economically stable as the United States and other nations.

There is no guarantee that the use of **long and short positions** will succeed in limiting an investor's exposure to domestic stock market movements, capitalization, sector swings or other risk factors. Using long and short selling strategies may have higher portfolio turnover rates. Short selling involves certain risks, including additional costs associated with covering short positions and a possibility of unlimited loss on certain short sale positions.

Merger arbitrage strategies which employ an investment process primarily focused on opportunities in equity and equity related instruments of companies which are currently engaged in a corporate transaction.

Mid-capitalization investing typically carries more risk than investing in well-established "blue-chip" companies. Historically, mid-cap companies' stock has experienced a greater degree of market volatility than the average stock.

Price to forward earnings is a measure of the price-to-earnings ratio (P/E) using forecasted earnings. **Price to book value** compares a stock's market value to its book value. **Price to cash flow** is a measure of the market's expectations of a firm's future financial health. **Price to dividends** is the ratio of the price of a share on a stock exchange to the dividends per share paid in the previous year, used as a measure of a company's potential as an investment.

Real estate investments may be subject to a higher degree of market risk because of concentration in a specific industry, sector or geographical sector. Real estate investments may be subject to risks including, but not limited to, declines in the value of real estate, risks related to general and economic conditions, changes in the value of the underlying property owned by the trust and defaults by borrower.

Relative Value Strategies maintain positions in which the investment thesis is predicated on realization of a valuation discrepancy in the relationship between multiple securities.

Small-capitalization investing typically carries more risk than investing in well-established "blue-chip" companies since smaller companies generally have a higher risk of failure. Historically, smaller companies' stock has experienced a greater degree of market volatility than the average stock.

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J.P. Morgan Asset Management – Risks & disclosures

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Unless otherwise stated, all data are as of September 30, 2025 or most recently available.

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