

The JPMorgan Insurance Trust Core Bond Portfolio's semi-annual report for June 30, 2022, provides a comprehensive overview of the portfolio's performance, market conditions, and investment strategy. The portfolio aims to maximize total return by primarily investing in a diversified range of intermediate- and long-term debt securities. As of the reporting date, the Class 1 shares reported a return of -9.68%, slightly outperforming the Bloomberg U.S. Aggregate Index, which returned -10.35%. The total net assets were approximately \$462,028,000, with a duration of 6.0 years. The first half of 2022 was characterized by significant market challenges, including the highest inflation rate in 40 years, rising interest rates, and geopolitical tensions due to the conflict in Ukraine, which collectively contributed to a sharp decline in U.S. equity prices.

The portfolio's performance benefited from allocations to non-agency mortgage-backed securities and asset-backed securities, while its underweight position in agency mortgage-backed securities also contributed positively. However, underweight allocations to U.S. Treasury securities and certain selections within corporate credit detracted from overall performance. The portfolio managers maintained a focus on security selection and relative value, with a strategic allocation that included 26.2% in corporate bonds, 24.1% in U.S. Treasury obligations, 19.2% in mortgage-backed securities, and 12.3% in asset-backed securities. The report emphasizes the importance of diversification to adapt to market conditions while pursuing long-term opportunities.

The document details various corporate bonds held within the portfolio, including significant investments from issuers such as Mitsubishi UFJ Financial Group, National Australia Bank, and Anheuser-Busch, with varying interest rates and maturity dates. The portfolio reflects a strategic allocation across multiple sectors, including health care, energy, and technology, with notable holdings in companies like UnitedHealth Group and Exxon Mobil Corp. The total value of the investments is reported at \$481,480,000, with a cost basis of \$522,547,000, indicating a net asset value of \$462,028,000 after accounting for liabilities.

The report outlines the valuation methods for fixed income instruments, categorizing inputs into three levels based on market activity. It also discusses risks associated with the portfolio, including liquidity, interest rate fluctuations, and credit risks, particularly in relation to floating rate loans and the transition from LIBOR to alternative reference rates. The portfolio has adopted a Liquidity Risk Management Program to ensure it can meet redemption requests without significant dilution of remaining investors' interests.

The financial statements reflect the portfolio's operations, including total investment income of \$6,201,000 and total expenses of \$1,727,000, leading to net investment income of \$4,504,000. However, the portfolio experienced net realized and unrealized losses totaling \$(55,440,000), resulting in a change in net assets from operations of \$(50,936,000). The investment advisory fee is set at an annual rate of 0.40% of the portfolio's average daily net assets, while the administration fee varies based on asset levels. The document also notes that the portfolio is treated as a separate taxable entity for federal income tax purposes, distributing all distributable net investment income and realized capital gains.

Overall, the report serves as a financial snapshot of the investments held by the JPMorgan Insurance Trust, providing insight into the types of securities, their performance, and the overall investment strategy as of June 30, 2022. Investors are encouraged to consult the portfolio's prospectus for detailed information regarding investment objectives, strategies, and risks.