JPMorgan Elect Managed Growth

Overall Morningstar Rating™ (as at 30/06/14) ★★★★★
Morningstar Category™ Global Large-Cap Blend Equity

June 2014

Investment objective

Long term capital growth from investing in a range of investment trusts and open-ended funds managed principally by JPMorgan Asset Management.

Company facts

Portfolio manager(s)	Katy Thorneycroft
Board of director(s)	Robert Ottley, Alan Hodson, Angus Macpherson, James Robinson, Roger Yates
Financial year end date	31 August
Company launch date	1999
Listing	LSE
Dividends paid	March, June, September and December
Company Broker(s)	Winterflood Securities

Company statistics

	(as at 30/06/14)
Total assets (as at 30/06/14)	GBP 208.1m
Share price	553.5p
Net asset value [A]	557.8p
Discount(-)/Premium	
Current	-0.8%
12 month high	1.1%
12 month low	-3.6%
12 month average	-1.9%
Total dividend for last financial year	7.0p
Dividend yield [B]	1.3%
Actual gearing (as at 30/06/14) [C]	1.5%
Potential gearing range	nil

Company fees & expenses

Ongoing charges (comprises):	0.88%
-Annual management & advisory fee	0.3% on JPM Funds, 0.6% on non-JPM funds
-Operating & administrative expenses	0.58%
Performance fee	No

Company codes

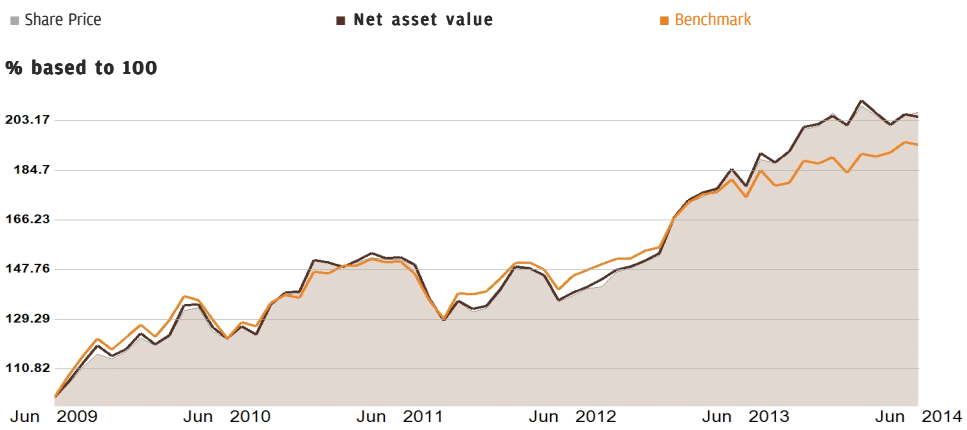
ISIN	GB0008528142
Sedol	0852814
Bloomberg	JPE LN
Reuters	JPE.L

Benchmark

50% FTSE All-Share Index and 50% FTSE World Index (ex UK) (£)

Performance [D]

(as at 30/06/14)



Cumulative performance [D]

%	1 M	3 M	1 Y	3 Y	5 Y	Since inception
Share price	0.8	0.7	15.7	36.3	106.6	119.2
Benchmark	-0.6	2.3	11.1	28.5	94.0	87.9
Net asset value	-0.5	-0.8	14.4	34.3	104.5	123.3

Quarterly Rolling 12M ending June 2014 [D]

%	2013/14	2012/13	2011/12	2010/11	2009/10
Share Price	15.7	29.3	-8.9	24.4	21.8
Benchmark	11.1	20.0	-3.6	23.7	22.0
Net asset value	14.4	28.4	-8.5	24.7	22.1

Top 10 Holdings

(as at 30/06/14)

Holding	Sector	Weight
JPMorgan UK Dynamic A	Financials	9.8%
JPMorgan Claverhouse Inv Trust	Financials	9.5%
JPMorgan American Inv Trust	Financials	6.4%
JPMorgan US Select Equity C	Financials	5.7%
JPMorgan US Value C	Financials	5.2%
JPMorgan US Growth C	Financials	4.9%
The Mercantile Inv Trust	Financials	4.9%
JPMorgan European Inv Trust (Growth)	Financials	4.6%
FTSE 100 (New Style) Index Equity (Future)	Future	4.0%
JPMorgan Smaller Companies Inv Trust	Financials	3.8%

Statistical analysis review

(as at 30/06/14)

	3 years	5 years
Correlation	0.95	0.94
Annualised volatility	12.67%	13.45%
Tracking error	4.06%	4.41%
Information ratio	0.41	0.27

Market capitalisation

(as at 30/06/14)

	% of portfolio
> 100 bn	0.00%
10 bn <> 100 bn	0.00%
1 bn <> 10 bn	24.58%
< 1 bn	75.42%

Please read the Explanatory Notes, Risks and Important Information at the end of this document.

For further information, please contact:
UK-based Investor Services Team 0800 731 111 (or +44 20 7742 9995 if calling from outside the UK)
Agent Services Line 0800 727 770
Our lines are open Monday to Friday, 9.00am to 5.30pm
www.jpmorgan.co.uk/investment-trusts

J.P.Morgan Asset Management

JPMorgan Elect Managed Growth



Katy Thorneycroft, *executive director*, is a portfolio manager in the Asset Management Solutions - Global Multi-Asset Group ("AMS - GMAG"), focusing on fund of funds and investment trust funds. An employee since 1999, Katy was previously a portfolio manager in the convertible bonds team and a member of AMS - GMAG in New York. Prior to this, Katy was a portfolio manager in the European Equity Group in London focusing on small and mid-cap strategies. Katy obtained a MChem from the University of Oxford and is a CFA charterholder.

Geographical breakdown

(as at 30/06/14)

Country	Company
UK	45.7%
North America	31.4%
Cont. Europe	10.4%
Japan	5.4%
Other Pacific	3.4%
Other / Emerging	2.0%
Cash & FI	1.7%
Total	100.0%

Source: J.P.Morgan

Manager's commentary

(as at 30/06/14)

June was a positive month for global equity markets. In the US, investors began to question the Federal Reserve's dovish stance given the falling unemployment rate and slowly building inflationary pressures. Monetary policy took centre stage in Europe, as the ECB announced targeted long-term refinancing operations aimed at stimulating bank lending and credit growth in the region. Japan clawed back some of this year's earlier losses amid news that the impact of the consumption tax rate rise was not as bad as had been expected.

Against this backdrop, the trust produced a negative return based on net asset value and a positive return based on share price, with both outperforming the benchmark. From a regional perspective, our Japanese strategies were the strongest performers, with small cap strategies performing particularly well. Our JPM Russian Securities holding also made significant gains. In contrast, UK-focused strategies suffered in line with the broader market. Looking at third party funds, the Biotech Growth and Edinburgh Worldwide investment trusts were among the top performers, while the Schroder UK Growth and Fidelity Special Values investment trusts contributed negatively to performance.

Market Outlook

We maintain a constructive view on risk assets, but our conviction levels are lower than at the beginning of the year. Equity valuations have expanded, while real bond yields have already begun to price in more normalised monetary policy ahead—we are now only about 12 months away from a US interest rate rise cycle. We continue to look for an acceleration in global growth, led by stronger economic activity in the US and Europe.

JPMorgan Elect Managed Growth

Investment trust history and investment policies

The Company was incorporated on 16th September 1999 and launched as an investment trust on 24th November 1999 with assets of £28million. The Company changed its name to JPMorgan Fleming Managed Growth plc on 5th December 2002. The Company's name was changed to JPMorgan Fleming Elect plc on 14th January 2004 following the capital reorganisation and combination of JPMorgan Fleming Managed Growth plc and JPMorgan Fleming Managed Income plc. The Company adopted its present name on 2nd February 2006.

In order to achieve its stated investment policy and manage investment risks, the Managed Growth portfolio is invested in a diversified range of investment trusts and open-ended funds, which themselves invest in the UK and overseas. The number of investments in the portfolio will normally range between 30 and 50

Explanatory Notes, Risks and Important Information

Notes

[A]Capital only NAV with debt at par, diluted for treasury and/or subscription shares if applicable.

[B]Dividend yields are based on mid market prices and the estimated dividend(s) payable in respect of the current financial year. This will include declared and prospective dividends. Source Morningstar

[C]Actual gearing: Represents the excess amount above shareholders' funds of total assets less cash/cash equivalents, expressed as a percentage of shareholders funds. If the amount calculated is negative, this represents a net cash position.

[D]Prior to 15/01/04 the performance record is of the predecessor company J.P. Morgan Fleming Managed Growth plc.

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See Glossary of terms for explanations.

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Non-mainstream pooled Investment products Information (or status)

Shares and debentures (if any) in an Investment Trust are not subject to Financial Conduct Authority's (FCA) restrictions for marketing Nonmainstream Pooled Investment products, therefore Investment Trust products can be marketed to retail investors directly or via Independent Financial Advisers.

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Glossary

Annual volatility: Volatility is one measure used to assess the risk of a portfolio as it helps to describe the likely range of returns achieved by the fund. In statistical terms it is the standard deviation of the return distribution. Greater volatility of monthly Net Asset Value returns means that there is a wider range of likely returns in the future, or greater uncertainty regarding the fund return. Most investors would equate this greater uncertainty with greater risk. Gearing will have an impact on the volatility of an investment trust.

Benchmark comparison: Comparison of the Company's performance is made with the benchmark. The benchmark is a recognised index of stocks which should not be taken as wholly representative of the Company's investment universe. The Company's investment strategy does not follow or track this index and therefore there may be a degree of divergence between its performance and that of the Company.

Cash: Net current assets and includes investment in liquidity funds & treasury stocks (if held) and drawn revolving credit facilities (if any) with an original maturity of less than 1 year.

Correlation: Correlation describes the way in which Net Asset Value has moved relative to the benchmark. Correlation coefficients range between +1.0 for assets which consistently move in the same direction, and -1.0 for assets which consistently move in the opposite direction. Assets with a correlation of zero are unrelated. Portfolios combining assets with low correlations provide diversification or risk reduction benefits, potentially without decreasing total portfolio return.

Actual gearing: Total portfolio less liquidity stocks, divided by net assets plus income cash and any effects of performance fees and revenue reserve accruals where applicable.

Gearing range: Indication of the maximum and minimum percentage by which the Company may be geared.

Information ratio: This is the difference between the annualised average fund return and the annualised average benchmark return (calculated geometrically) divided by the annualised tracking error. The higher the ratio, the better, as it shows that the risk taken by the fund manager relative to the benchmark has been rewarded. Gearing will have an impact on the information ratio.

Sector/Geographical breakdowns: These are expressed as a percentage of total portfolio and cash. Investments in liquidity funds will be shown as cash.

Top 10 holdings: These are expressed as a percentage of total portfolio and cash. Investments in liquidity funds / treasury stocks will not be shown in the top 10 holdings.

Ongoing charges: Management fees and all other operating expenses, excluding interest payments and commissions which are treated as a separate capital item, expressed as a percentage of the average of the opening and closing net assets. This calculation is based on the financial year end data and will be updated annually.

Tracking error: Tracking error measures the standard deviation of relative returns, i.e. the Net Asset Value return less the benchmark return. Tracking error is often used as a measure of risk taken against the fund's benchmark with a larger tracking error indicating that greater risks were taken relative to the benchmark in achieving the return of the fund. Gearing will increase a tracking error.