

JPMorgan Elect Managed Growth

Overall Morningstar Rating™ (as at 31/03/14) ★★★★★

March 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
	Robert Ottley, Alan Hodson,
Board of director(s)	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 31/03/14)

Total assets (as at 31/03/14)	GBP 211.2m
Share price	551.3p
Net asset value ^A	563.5p
Discount(-)/Premium	
Current	-2.2%
12 month high	1.1%
12 month low	-3.6%
12 month average	-1.9%
Total dividend for last financial year	5.95p
Dividend yield ^B	1.3%
Actual gearing (as at 31/03/14) ^C	3.8%
Potential gearing range	nil

Company fees & expenses

Annual mgt. fee	0.3% on JPM Funds, 0.6% on non-JPM funds
Ongoing charges	0.58%
Performance fee	No

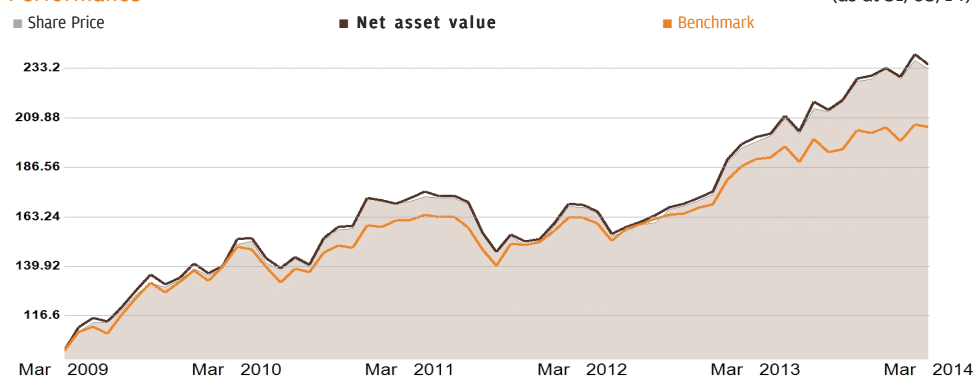
Company codes

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



Cumulative performance^D

%	1 M	3 M	1 Y	3 Y	5 Y	10 Y
Share Price	-1.7	-0.4	17.3	36.5	132.9	175.5
Benchmark	-0.6	0.1	8.0	27.0	105.5	131.0
Net asset value	-2.2	0.5	16.9	36.4	134.6	177.8

Quarterly Rolling 12M as at March 2014^D

%	2013/14	2012/13	2011/12	2010/11	2009/10
Share Price	17.3	18.4	-1.7	13.5	50.3
Benchmark	8.0	16.9	0.7	8.3	49.3
Net asset value	16.9	18.9	-1.9	12.5	52.9

Top 10 Holdings

(as at 28/02/14)

Holding	Sector	Weight
JPMorgan UK Dynamic A	Financials	10.4%
JPMorgan Claverhouse Inv Trust	Financials	10.3%
JPMorgan American Inv Trust	Financials	6.2%
The Mercantile Inv Trust	Financials	5.6%
JPMorgan US Select Equity C	Financials	5.5%
JPMorgan US Growth C	Financials	5.2%
JPMorgan US Value C	Financials	5.0%
JPMorgan Smaller Companies Inv Trust	Financials	4.4%
JPMorgan European Inv Trust (Growth)	Financials	4.4%
JPMorgan Japanese Inv Trust	Financials	4.0%

Statistical analysis review^E

(as at 31/03/14)

	3 years	5 years
Correlation	0.96	0.95
Annualised volatility	12.59%	14.13%
Tracking error	3.64%	4.35%
Information ratio	0.70	0.65

Market capitalisation

(as at 28/02/14)

	% of portfolio
> 100 bn	0.00%
10 bn <= 100 bn	0.00%
1 bn <= 10 bn	23.63%
< 1 bn	76.37%

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 31/03/14)

Country	Company
UK	43.9%
North America	30.3%
Cont. Europe	9.4%
Japan	5.7%
Cash & FI	5.3%
Other Pacific	3.1%
Other	2.3%
Total	100.0%

Manager's quarterly commentary

(as at 31/03/14)

Equity markets came close to finishing March where they started the year, regaining much of the first quarter's earlier losses, while global bonds fell behind in the month. At the regional equity level, emerging markets bounced back and outperformed developed markets, amid hopes of stimulus measures to support the Chinese economy. In contrast, in the US, economic data continued to reverse some of the negative sentiment caused by the weather-depressed January figures and the Federal Reserve continued on its USD 10 billion monthly tapering path under new chair Janet Yellen.

In this environment, the trust's share price and net asset value underperformed the benchmark. Our regional allocation to the UK and Japan was detrimental this month amid market volatility. In terms of our internal holdings, the JPM Claverhouse and JPM Japanese investment trusts were significant detractors. Within larger capitalisation US stocks, growth-oriented companies underperformed value companies, which was reflected in the performance differential between the JPM US Value and JPM US Growth funds. Looking at our third party funds, the Biotech Growth Trust and the biotech & science sector as a whole had a difficult month.

Market Outlook

We retain a positive outlook on risk assets given improving global growth with muted inflation, accommodative monetary policy and still-supportive valuations. We retain a preference for developed markets over emerging, and, at the country level, for the US. We believe earnings growth will pick up this year and support equities, though the upturn may take place a little later than previously anticipated.

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

^ACapital only NAV with debt at par, diluted for treasury and/or subscription shares if applicable.

^BDividend 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

^CActual 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.

^DPrior to 15/01/04 the performance record is of the predecessor company J.P. Morgan Fleming Managed Growth plc.

^EAll figures are calculated on an ex-post basis. Source: J.P. Morgan

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The company currently conducts its affairs so that the shares issued by the company can be recommended by IFAs to ordinary retail investors in accordance with the FCA's rules in relation to non-mainstream investment products and intends to continue to do so for the foreseeable future. The shares are excluded from the FCA's restrictions which apply to non-mainstream investment products because they are shares in an investment trust.

Important Information

This material should not be relied on as including sufficient information to support an investment decision.

For up-to-date information and performance data please contact your J.P. Morgan Asset Management representative. Telephone lines are recorded and may be monitored for security and training purposes.

You should remember that past performance is not a guide to the future. The price of investments and the income from them may fall as well as rise and investors may not get back the full amount invested. The level of tax benefits and liabilities will depend on individual circumstances and may change in the future. An investor's capital in a bank or building society is secure whereas in stock market linked investment it is exposed to a degree of risk.

The JPM investment trust may utilise gearing techniques (leverage) which will exaggerate market movements both down and up which could mean sudden and large falls in market value. For further details please refer to the individual trust's annual report and accounts. Some investment trusts may have warrants in issue, which if exercised may have an effect on the Net Asset Value.

The investment objective of a trust may allow some flexibility in terms in portfolio composition. Exchange rate changes may cause the value of underlying overseas investments to go down as well as up. Investments in emerging markets may involve a higher element of risk due to political and economic instability and underdeveloped markets and systems. Trusts which invest in smaller companies may involve a higher degree of risk as small cap markets tend to be much more volatile than their larger capitalisation counterparts. Where a trust invests in non investment grade bonds an increase in the risk to capital will arise. Where permitted, a trust may invest in other investment trusts that utilise gearing (leverage) which will exaggerate market movements both up and down.

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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.