Jupiter **Growth & Income Fund**

Short Annual Report – for the year ended 31 October 2013

Investment Objective

To achieve long-term capital and income growth through investing principally in UK equities.

Investment Policy

To attain the objective by, among other things, investing in companies within the FTSE 350 Index and, to a lesser extent those within the FTSE Smaller Cap Index, selecting a concentrated portfolio of stocks which predominantly exhibit business franchise and organic growth characteristics which offer the prospects of long-term capital and income growth.

The Manager has the power to use derivatives but it is intended that these will only be used for efficient portfolio management and not for investment purposes.

Performance Record

Percentage change and sector ranking from launch to 31 October 2013

	1 year	3 years	5 years	10 years	Since launch*
Jupiter Growth & Income Fund	31.2	55.6	141.7	184.3	219.3
UK All Companies sector position	73/274	40/260	41/242	29/177	22/101

Source: FE, Retail Units, bid to bid, net income reinvested.
**Launch date 17 November 1997.*

Please remember that past performance should not be seen as a guide to future performance and that the value of an investment in a unit trust and the income from it can fall as well as rise and it may be affected by exchange rate variations. You may get back less than you invested.

Risk Profile

The Fund has little exposure to liquidity, credit, counterparty or cash flow risk. The risks it faces from its financial instruments are market price, foreign currency and interest rate risk. The Manager reviews policies for managing these risks in pursuance of the Investment Objective and Policy.

Risk and reward indicator

The Risk and Reward Indicator table demonstrates where the Fund ranks in terms of its potential risk and reward. The higher the rank the greater the potential reward but the greater the risk of losing money. It is based on past data, may change over time and may not be a reliable indication of the future risk profile of the Fund. The shaded area in the table below shows the Fund's ranking on the Risk and Reward Indicator.

← Typically lower rewards, lower risk | Typically higher rewards, higher risk →

Retail Units

1	2	3	4	5	**6**	7

I-Class Units

1	2	3	4	5	**6**	7

- The lowest category does not mean 'no risk'. Some risk will still be present in funds with a risk and reward rating of 1.
- The Fund is in this category as it invests in a wide range of company shares, which carry a degree of risk.

Unit Classes

In addition to the basic class of units which are available to all types of investors, the Fund also offers I-Class units which are available to investors who invest a minimum of £5,000,000. Further details are available from the Manager on request. Please note that in order to distinguish between the unit classes within the Fund they are defined in this report as either Retail Units (non I-Class) or I-Class Units. The unit types associated with each unit class are disclosed in the Comparative Tables on page 2.

Warning to Unitholders Customers of financial institutions can be prone to attempts by fraudsters to obtain personal information or money. There are many ways they can initiate contact, such as emails, letters and cold calls, but methods are constantly evolving so it is important that you are aware of the types of scams so that you are better able to protect yourself. Please visit our website www.jupiteronline.com or call 0844 620 7600 for further information.

Charges

The charges you pay are used to pay the costs of running the Fund, including the costs of marketing and distributing it. These charges reduce the potential growth of your investment.

Charges taken from the Fund over the year to:	31.10.13	31.10.12
Ongoing charges for Retail Units	1.76%	1.77%
Ongoing charges for I-Class Units	1.01%	1.02%

Portfolio Turnover Rate (PTR)

Year to 31.10.13	Year to 31.10.12
53.29%	112.81%

The PTR provides an indication of the rate the Manager has bought and sold the underlying assets of the Fund during the period as indicated above. In general, the higher the PTR of a fund, the greater level of portfolio transaction costs will be incurred.

Distributions/Accumulations

	Final Distributions/ Accumulation for six months to 31.10.13	Interim Distributions/ Accumulation for six months to 30.04.13
	Pence per unit	
Retail Income units	1.2300	1.3300
I-Class Income units	1.4464	1.5147
I-Class Accumulation units	1.5294	1.5703

Fund Facts

Fund accounting dates		Fund payment/ accumulation dates	
30 April	31 October	30 June	31 December

Comparative Tables

Net Asset Values

Date	Net Asset Value of Fund	Net Asset Value per unit			Number of units in issue		
		Retail Income	I-Class Income*	I-Class Accumulation*	Retail Income	I-Class Income*	I-Class Accumulation*
31.10.12	£254,316,215	79.20p	80.43p	83.61p	299,974,814	20,702,916	110,953
31.10.13	£364,671,981	101.14p	103.18p	110.53p	339,094,600	16,233,322	4,477,066

Unit Price Performance

Calendar Year	Highest offer			Lowest bid		
	Retail Income	I-Class Income*	I-Class Accumulation*	Retail Income	I-Class Income*	I-Class Accumulation*
2008	76.16p	n/a	n/a	45.00p	n/a	n/a
2009	70.81p	n/a	n/a	43.94p	n/a	n/a
2010	78.39p	n/a	n/a	61.51p	n/a	n/a
2011	82.12p	74.25p	74.25p	64.11p	64.92p	64.92p
2012	87.73p	84.82p	88.14p	69.54p	70.61p	72.31p
to 31.10.13	108.83p	105.72p	111.65p	83.24p	84.75p	88.13p

Income/Accumulation Record

Calendar Year	Pence per unit		
	Retail Income	I-Class Income*	I-Class Accumulation*
2008	2.21p	n/a	n/a
2009	2.04p	n/a	n/a
2010	2.21p	n/a	n/a
2011	2.18p	0.1563p	0.1541p
2012	2.56p	2.8852p	2.8944p
to 31.12.13	2.56p	2.9611p	3.0997p

*I-Class income and accumulation units were introduced on 19 September 2011.

50% of the Fund's annual periodic charge is charged to capital. This has had the effect of increasing distributions paid on an annualised basis on Retail Units by up to 0.75% of the class' average Net Asset Value during the period under review (I-Class Units 0.375%) and constraining the class' capital performance to an equivalent extent.

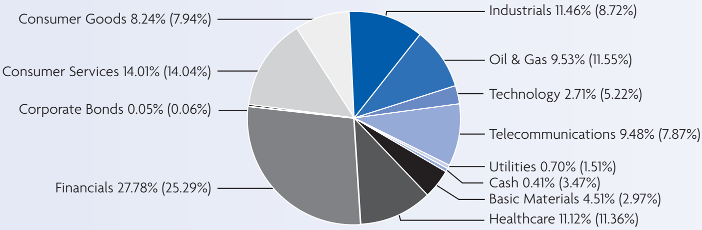
Major Holdings

The top ten holdings at the end of the current year and at the end of the previous year are shown below.

Holding	% of Fund as at 31.10.13	Holding	% of Fund as at 31.10.12
BP	5.56	BP	6.38
HSBC Holdings (London listed)	5.26	HSBC Holdings (London listed)	5.68
GlaxoSmithKline	5.12	GlaxoSmithKline	5.09
Lloyds Banking Group	4.10	Reed Elsevier	4.44
BT	3.99	Vodafone	4.08
Rio Tinto	3.77	Beazley	3.58
Vodafone	3.41	BT	3.31
Aviva	3.33	BAE Systems	3.25
Reed Elsevier	3.19	AstraZeneca	3.07
BAE Systems	2.69	Rio Tinto	2.97

Portfolio Information

Classification of investments as at 31 October 2013



The figures in brackets show allocations as at 31 October 2012.
The sectors are based on the Industry Classification Benchmark (see page 4).

Investment Review

Performance Review

For the year ended 31 October 2013, the total return on the units was 31.2%* compared to 22.8%* for the FTSE All-Share Index. The Fund was ranked 73rd out of 274 funds over the period, 41st out of 242 funds over 5 years and 22nd out of 101 funds since launch in the IMA All Companies sector.

A final distribution of 1.2300 pence per unit will be paid to holders of Retail income units on 31 December 2013, also for I-Class income units of 1.4464 pence per unit (I-Class accumulation units 1.5294 pence per per unit), bringing the total distributions made to holders of Retail Income units of 2.5600 pence per unit, and for I-Class income units 2.9611 pence per unit (I-Class accumulation units 3.0997 pence per unit) in respect of the period under review. This is compared to 2.5600 pence per unit for holders of Retail income units, and for I-Class income units of 2.8852 pence per unit (I-Class accumulation units 2.8944 pence per unit) in respect of the same period last year.

**Source: FE, Retail Units, bid to bid, net income reinvested. The statistics disclosed above relate to Retail Units unless otherwise stated.*

Market Review

The performance of equity markets over the past year has been positive, if somewhat volatile. Investors reacted to generally upbeat releases regarding the global economic recovery and at the same time remained concerned about the timing of any withdrawal of easy monetary policy by the US government and the impact this could have on economic growth.

Japan was in focus early in the year with prime minister Shinzo Abe taking a more aggressive stance on monetary policy and significantly increasing the Japanese Quantitative Easing (QE) programme in an attempt to inject inflation into the economy. This had a positive impact on Japanese equities and stock markets globally.

Meanwhile, European economies remained weak, although this did not stop the stock market rising in anticipation of a better recovery. The crisis appears to have been averted in southern Europe, but there are signs of growth slowing down in more developed countries such as France.

The UK stock market generated very strong returns in the year under review, defying negative expectations as a raft of economic indicators pointed to improving levels of growth. In July, the new governor of the Bank of England, Mark Carney, adopted the policy of forward guidance, stating that a fall in unemployment to at least 7% would be a key condition to signal any change in interest rates and reaffirmed a commitment to both low interest rates and monetary easing.

The main periods of volatility over the year were caused by suggestions of an imminent reduction in economic stimulus by the US Federal Reserve (Fed), with uncertainty diminishing after the Fed decided to postpone a pullback in QE, confounding market expectations. In October, stocks fell again on fears the US might be pushed towards a default by a political standoff over funding and the level of the debt ceiling. Investor appetite revived when the issue was resolved mid-month. The nomination of the dovish candidate Janet Yellen as Ben Bernanke's successor also encouraged markets. The UK economy's robust recovery continued at the end of the review period and this prompted the European Commission to predict that the UK economy could exceed growth forecasts this year.

Policy Review

The Fund performed well over the course of the year, outperforming its benchmark, the FTSE All-Share Index. Transaction levels increased in the second half of the period, because of a new manager taking charge of the Fund. The new manager's initial action was to invest in his best ideas and at the same time reduce the number of holdings in the Fund. This led to the sale of a number of small positions, such as Carador Income, Crest Nicholson, Premier Oil and TUI Travel. At the same time he materially increased positions in Lloyds Banking Group, Aviva and Rio Tinto and instigated new investments in Halfords, ITV, National Express, SIG and Premier Farnell. Most of the smaller legacy positions have been exited. The manager would like to reduce the number of holdings in the Fund further, but he will only do this when it is prudent to do so. The Fund Manager's aim is to generate strong performance for the unitholders. He seeks to grow the Fund's dividend on an annual basis, however, he will not chase dividends just to increase the Fund's yield.

As discussed, the Fund performed well during the course of the reporting period and it is pleasing to see that a number of the new manager's positions have made significant contributions to this outperformance, including Aviva, ITV and Lloyds Banking Group. ITV, a new holding, performed very strongly over the period. The company boasts a strong balance sheet and is run by a high quality management team that has transformed the fortunes of the business. New management at Aviva seem to be improving the business performance and its strategy, to cut costs and generate cash, has been achieving results ahead of schedule. In our view the company is undervalued and could generate attractive returns over the medium term. BT Group, Reed Elsevier and BAE Systems also made significant contributions over the year. Being underweight in consumer goods and industrials and not holding Compass Group, Next and Invensys detracted from performance. In addition, Chemring Group performed poorly after a profit warning owing to disputes in the Middle East, the US government shutdown which disrupted deliveries alongside production problems at one of their sites. We believe the shares are undervalued and that management has many options at its disposal to improve the quality of the business.

Investment Outlook

The UK market has performed strongly this year. In our view, either earnings growth will need to improve to sustain that momentum or the market could come under pressure. The backdrop has grown more difficult and markets more volatile since the Fed hinted at the possibility of winding down its QE programme. In terms of stocks and sectors, there is still reasonable dispersion in valuations across the market, although this has narrowed over the course of the year. Economic data from the UK has continued to be positive and signs that the economy is entering a genuine and sustainable period of recovery following the financial crisis have strengthened. Our focus remains on high-quality businesses that trade at attractive valuations and convert a large proportion of profits into cash.

Chris Watt
Fund Manager

Change of Fund Manager The management of the Fund was taken on by Chris Watt from Philip Matthews on 1 May 2013.

Responsible Stewardship

Jupiter believes that responsible stewardship is an important issue and aims to act in the best interests of all its stakeholders by engaging with the companies that it invests in, and by exercising its voting rights with care. We believe companies with high standards of corporate responsibility, governance and sustainable business practices create an appropriate culture to enhance good investment performance. Jupiter's Corporate Governance and Voting Policy and its compliance with the UK Stewardship Code, together with supporting disclosure reports are available at www.jupiteronline.com

This document is a short report of the Jupiter Growth & Income Fund for the the year ending 31 October 2013. The full Report and Accounts of the Fund is available on our website **www.jupiteronline.com** or upon written request to Jupiter Unit Trust Managers Limited, PO Box 10666, Chelmsford CM99 2BG.

The information in this report is designed to enable you to make an informed judgement on the activities of the Fund during the year it covers and the results of those activities at the end of the year.

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