Jupiter **Financial Opportunities Fund**

Short Interim Report – for the six months ended 31 October 2013

Investment Objective

To achieve long-term capital growth principally through investment in equities of financial sector companies on an international basis.

Investment Policy

To achieve long-term capital growth through investment in a concentrated international portfolio. The portfolio will principally comprise financial services companies and, to a lesser extent property related companies considered by the Manager to be undervalued and which exhibit favourable growth prospects arising from characteristics such as proven management or strong products or services. The Fund's investment in UK companies will be equal to or greater than the UK weighting in the MSCI All Country World Financials Index or any successor benchmark index. Investment in other countries is, however, unconstrained.

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 from launch to 31 October 2013

	6 months	3 years	5 years	10 years	Since launch*
Jupiter Financial Opportunities Fund	6.0	9.7	44.2	156.1	894.0
MSCI AC World Financials Index	3.7	28.8	68.4	55.9	113.5

Source: FE, Retail Units, bid to bid, net income reinvested.
**Launch date 2 June 1997.*
The Fund is in the IMA Specialist sector. Due to the diverse nature of the funds in this sector, sector positions will not be shown.

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 or cash flow risk. The risks it faces from its financial instruments are market price, foreign currency, interest rate and counterparty risk. The Manager reviews policies for managing these risks in pursuance of the Investment Objective and Policy. From time to time the Fund may enter into derivative contracts to protect the Fund from adverse market movement. In the event that the market rises in value these derivative contracts may detract from the Fund's performance.

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 six months (annualised) to:	31.10.13	31.10.12
Ongoing charges for Retail Units	1.75%	1.79%
Ongoing charges for I-Class Units	1.00%	1.05%

Portfolio Turnover Rate (PTR)

Six months to 31.10.13	Six months to 31.10.12
345.09%	261.30%

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

	Interim Distributions/ Accumulation for six months to 31.10.13	Interim Distributions/ Accumulation for six months to 31.10.12
	Pence per unit	
Retail Income units	1.9447	0.0000
I-Class Income units	3.5146	n/a
I-Class Accumulation units	3.5435	1.3980

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**
30.04.13	£519,950,825	395.85p	400.00p	403.06p	125,497,989	1,919,142	3,842,207
31.10.13	£528,459,290	417.41p	421.94p	428.62p	116,238,671	5,622,327	4,558,718

Unit Price Performance

Date	Highest offer			Lowest bid		
	Retail Income	I-Class Income*	I-Class Accumulation**	Retail Income	I-Class Income*	I-Class Accumulation**
2008	375.52p	n/a	n/a	272.68p	n/a	n/a
2009	465.87p	n/a	n/a	309.32p	n/a	n/a
2010	448.04p	n/a	n/a	354.15p	n/a	n/a
2011	416.62p	n/a	307.12p	270.76p	n/a	270.88p
2012	361.97p	348.42p	348.42p	286.57p	323.27p	288.25p
to 31.10.13	449.34p	432.31p	435.45p	343.54p	348.20p	348.19p

Income/Accumulation Record

Calendar Year	Pence per unit		
	Retail Income	I-Class Income*	I-Class Accumulation**
2008	3.7300p	n/a	n/a
2009	0.8900p	n/a	n/a
2010	0.0000p	n/a	n/a
2011	0.9700p	n/a	0.0000p
2012	0.0000p	0.0000p	2.4236p
to 31.12.13	3.4747p	6.4440p	6.4743p

*I-Class income units were introduced on 29 October 2012.
**I-Class accumulation units were introduced on 19 September 2011.

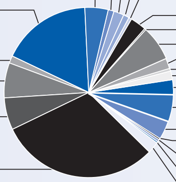
Major Holdings

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

Holding	% of Fund as at 31.10.13	Holding	% of Fund as at 30.04.13
Mastercard	3.15	Citigroup	2.99
Sumitomo Mitsui Financial Group	2.74	Security Bank	2.51
Discover Financial Services	2.29	AIG	2.31
ING Groep Certificates	2.06	GAM Holding	2.24
KBC Group	2.06	Invesco	2.21
AIG	2.02	Muenchener Rueckversicherungs	2.18
Bank of Nova Scotia	2.01	Sumitomo Mitsui Financial Group	1.96
Citigroup	2.00	Sumitomo Mitsui Trust	1.93
AXA	1.91	Radian	1.88
Gemalto	1.75	Jupiter Second Split Trust	1.86

Portfolio Information

Geographical spread of investments as at 31 October 2013



The figures in brackets show allocations as at 30 April 2013.

Investment Review

Performance Review

For the six months ended 31 October 2013 the total return on the units was 6.0%* compared with a total return of 3.7%* for the benchmark MSCI All Country World Financials Index.

**Source: FE,Retail Units, bid to bid, net income reinvested. The statics disclosed above relate to Retail Units unless otherwise stated. With effect from 2 May 2013, the benchmark for the Jupiter Financial Opportunities Fund changed to the MSCI AC World Financials Index from the FTSE Financials Index.*

Market Review

The six months under review were marked by a preoccupation with monetary policy. Global markets responded nervously to US Federal Reserve (Fed) statements throughout May and June stating that quantitative easing (QE) might be reduced sooner than anticipated. This eventually led to a decline in equities and a rise in Treasury yields. In China, short term money market rates surged to all-time highs, causing concern that the country could be facing a credit crunch as GDP growth slowed to its weakest level since the 1990s. This, in combination with weak manufacturing data, led to problems for the nation's emerging market suppliers.

July saw a solid start to a US corporate earnings season in which financial companies in particular generally exceeded expectations. Global markets declined sharply in August and remained choppy throughout September, amid increasing geopolitical tension. The US considered military intervention in Syria, after reports of chemical weapons being used by the Assad regime. Financial sector companies were particularly affected by market volatility over this period. Positive economic data in the US led to a rise in government bond yields and a dramatic fall in emerging market currencies, as it seemed increasingly likely that the Fed would start reducing the pace of its asset purchases. The eurozone emerged from 18 months of economic contraction, posting 0.3% GDP growth in the second quarter.

In September it became clear that, despite many signs to the contrary, the Fed was unlikely to taper asset purchases just yet. October was initially marked by political uncertainty, as a

US government shutdown came into effect following congressional disagreements over the national budget. Markets stabilised once an agreement was reached. As market volatility declined, investors' attention turned towards the new quarterly earnings season and the continuation of the global economic recovery. The European Central Bank demonstrated its on-going commitment to keep interest rates low. In the US, the broad recovery continues to be supported by a vibrant housing market, continued QE and the President's nomination of the dovish Janet Yellen as the new chairperson of the Fed.

Policy Review

The Fund outperformed its benchmark over the period under review. We benefited from our overweight allocation to the US, while allocation to emerging markets like the Phillipines, Turkey and Thailand detracted from performance. Our underweight allocation to Australia protected the Fund against some of the losses incurred by companies exposed to a weakening Chinese economy.

Our best-performing holding over the period was Lloyds Banking Group. The UK banking group released good results. Chief executive António Horta-Osório announced that he hoped to resume dividend payments within three years, eventually aiming for a payout ratio of 70%. The UK government sold part of its stake in a successful institutional share placing. The deal raised £3.2bn and reduced the government's holding from 38.7% to 32.7%. US hedge funds were among the top buyers, indicative of increasing US interest in UK banks.

Card payments and payment processing continued to be a major theme within the Fund, with holdings such as MasterCard, Wirecard, Monitise, and Discover all making sizeable contributions to outperformance. Such companies benefited not just from a recovering global consumer, but also from the structural trend of consumers increasingly preferring to pay by card.

Investment Outlook

The credit cycle is improving, notably in the US. We are seeing positive earnings momentum in the UK and possibly in Europe, while valuations remain supportive with the potential for more and more financial institutions to resume dividend payments. These positive trends are more apparent in developed markets than emerging markets, which are entering an unfamiliar period of slower loan growth, asset quality headwinds and falling profitability. Many European banks are still trading at discounts to book value, offering further re-rating potential on the back of improving dividend policies as we re-enter a 'normalised' environment where many government bonds can no longer guarantee inflation-beating returns. The majority of banks have now recapitalised and de-risked. By abandoning a strategy of increasing revenues at all costs and expanding through acquisitions, they have been able to streamline their operations to focus on profitability, which should increasingly allow them to return excess cash to investors.

Guy de Blonay
Fund Manager

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 Financial Opportunities Fund for the period ended 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 period it covers and the results of those activities at the end of the period.

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