

Jupiter Fund of Investment Trusts

Short Interim Report – for the six months ended 30 April 2014



Investment Objective

To achieve long-term capital growth through investing principally in investment trusts and other closed-end investment companies listed on the London Stock Exchange.

Investment Policy

To achieve long-term capital growth through investing principally in investment trusts and other closed-end investment companies listed on the London Stock Exchange via a concentrated portfolio which seeks to exploit anomalies within the sector with reference to discounts, management capabilities, corporate action and capital structure.

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 30 April 2014

	6 months	3 years	5 years	10 years	Since launch*
Jupiter Fund of Investment Trusts	-0.5	10.0	87.4	124.4	247.6
Global sector position	126/258	191/222	50/194	42/125	6/52

Source: FE, Retail Units, bid to bid, net income reinvested.
*Launch date 9 December 1996.

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.

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.

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 Fund mainly invests in a range of investment trusts. Investment trusts are, in general, more highly geared than other pooled investments. This can accentuate the gains and losses suffered by the underlying investment trusts. There may be times when the market for shares in investment trusts becomes less liquid and this is more likely during periods of adverse economic conditions. This is particularly likely to affect specialist trusts and could adversely affect the market value of some of the Fund's holdings. 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.

As at 18.03.14

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

Retail Units

1	2	3	4	5	6	7
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I-Class Units

1	2	3	4	5	6	7
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As at 31.10.13

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

Retail Units

1	2	3	4	5	6	7
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I-Class Units

1	2	3	4	5	6	7
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- 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 investment companies, which carry a degree of risk.

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:	30.04.14	30.04.13
Ongoing charges for Retail Units	1.88%	1.88%
Ongoing charges for I-Class Units	1.13%	1.13%

Portfolio Turnover Rate (PTR)

Six months to to 30.04.14	Six months to to 30.04.13
6.10%	8.76%

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.

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 Accumulation*	Retail Income	I-Class Accumulation*
31.10.13	£107,662,119	165.35p	166.54p	64,906,295	205,546
30.04.14	£102,497,256	164.56p	166.40p	61,640,427	639,153

Unit Price Performance

Calendar Year	Highest offer		Lowest bid	
	Retail Income	I-Class Accumulation*	Retail Income	I-Class Accumulation*
2009	122.37p	n/a	70.04p	n/a
2010	157.40p	n/a	110.10p	n/a
2011	161.35p	n/a	120.28p	n/a
2012	151.40p	144.92p	123.04p	135.03p
2013	176.89p	170.12p	143.65p	143.38p
to 30.04.14	180.65p	174.20p	160.82p	162.53p

Income/Accumulation Record

Calendar Year	Pence per unit	
	Retail Income	I-Class Accumulation*
2009	0.0000p	n/a
2010	0.0000p	n/a
2011	0.0000p	n/a
2012	0.0000p	0.0000p
2013	0.0000p	1.2389p
to 30.06.14	0.0000p	0.9192p

*I-Class accumulation units were introduced on 17 September 2012.

Distributions/Accumulations

	Interim Distributions/Accumulations for six months to 30.04.14	Interim Distributions/Accumulations for six months to 30.04.13
	Pence per unit	
Retail Income units	0.0000	0.0000
I-Class Accumulation units	0.9192	0.2131

Fund Facts

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

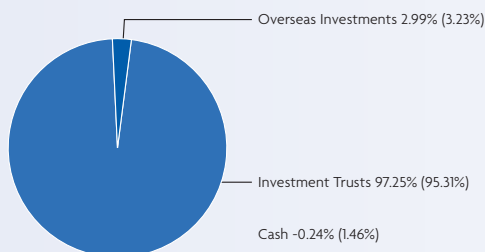
Major Holdings

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 30.04.14	Holding	% of Fund as at 31.10.13
Henderson Smaller Companies Trust	3.96	Henderson Smaller Companies Trust	3.81
Ecofin Water & Power Opportunities Trust	3.88	Montanaro UK Smaller Companies Trust	3.36
International Biotechnology Trust	3.70	Ecofin Water & Power Opportunities Trust	3.26
TR Property Trust – Sigma Shares	3.67	TR Property Trust – Sigma Shares	3.25
Hansa Trust 'A'	3.42	Baillie Gifford Japan Trust	3.16
Montanaro UK Smaller Companies Trust	3.40	Hansa Trust 'A'	3.08
Montanaro European Smaller Companies Trust	3.38	Montanaro European Smaller Companies Trust	3.00
Monks Investment Trust	2.90	Monks Investment Trust	2.89
Baillie Gifford Japan Trust	2.84	International Biotechnology Trust	2.80
Scottish Mortgage Investment Trust	2.80	Scottish Mortgage Investment Trust	2.79

Portfolio Information

Classification of investments as at 30 April 2014



The figures in brackets show allocations as at 31 October 2013.

Investment Review

Performance Review

For the six months ended 30 April 2014, the total return on your units was -0.5%* compared to 0.6%* for the FTSE All-Share Equity Investment Instruments Index, 0.8%* for the FTSE World Index and -0.6%* for the IMA Global sector. The Fund was ranked 126th out of 258 funds over six months, 50th out of 194 funds over five years and 6th out of 52 funds since launch in December 1996 within the IMA Global sector*.

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

Market Review

Global equity markets were mixed during the six months under review, with US, UK and European markets performing relatively well, while Japan and most emerging markets were more volatile. As a result, the FTSE World index ended the period broadly unchanged, returning only 0.8% over the period.

US equities continued to rise for most of the period, despite the Federal Reserve (Fed) starting to taper its quantitative easing (QE) programme in January 2014. The US economy showed some weakness early in 2014 largely as a result of the unusually cold winter weather but this, together with Fed Chair Yellen's dovish comments, eased concerns about acceleration of tapering or an early start to interest rate normalisation. UK equities gained support from the country's stronger-than-expected economic recovery, although concerns rose at times that strong economic growth and falling unemployment might trigger an early interest rate rise. In Europe, equities were boosted by signs of an economic recovery and further stability in the eurozone financial system.

However, many emerging market equities remained volatile for most of the period on concerns that the Fed tapering QE could cause a significant outflow of investments from their economies. In addition, economic growth in China moderated further after its government tightened conditions in the property market and

introduced significant anti-corruption measures. Investors were also concerned about an increase in China's 'shadow banking', unregulated elements in its financial system. Having performed strongly in 2013 on the back of Abenomics pro-growth, pro-inflationary measures, the Japanese market fell in the first four months of 2014 as investors became concerned about the effect of a rise in consumption tax in April.

Policy Review

Although the Fund outperformed its peer group, it underperformed its benchmark during the period. This underperformance against the benchmark was mainly due to the Fund's exposure to emerging markets and Japan. Our holdings in Infrastructure India, Baillie Gifford Japan, Aberdeen Japan, Aberdeen Asian Smaller and the JP Morgan Japanese Investment Trust all detracted from performance. Among our resources holdings, the City Natural Resources High Yield Trust continued to underperform. Our healthcare holdings were volatile with the biotech funds performing very well and then suffering a sharp correction in March.

Meanwhile, our holding in Ecofin Water & Power, which invests in energy (including shale gas) and utility companies, made a strong contribution to performance with the introduction of a continuation vote in 2016, while Hansa Trust, which invests in special situations equities, outperformed. Some of our holdings in investors in mid and small cap companies contributed positively to performance as smaller companies continued to outperform before becoming affected by profit-taking towards the end of the period under review. These included JP Morgan Mid Cap, which holds UK mid cap shares, and Montanaro European Smaller.

We locked in some profits in trusts such as Biotech Growth and Hansa Trust that performed well during the six months. Meanwhile, we initiated a position in the Jupiter Second Split Trust, which invests in corporate bonds and stocks, as the spread between its net asset value and share price had widened and the Company has a limited life.

Investment Outlook

Having risen strongly in 2013, equity markets became mixed in early 2014. As the US Fed started tapering its monthly asset purchases in January, emerging markets suffered steep declines because global investors pulled out of high-yielding investments to reposition themselves for a normalisation of monetary policy in the US. This, coupled with weak Chinese manufacturing data, unrest in Thailand and a political crisis in Ukraine, led to jittery markets in recent months.

We believe the withdrawal of liquidity by the Fed may change the current status quo. Should the Fed decide to increase the rate of its tapering, or in the case that macro-economic data begins to point towards earlier interest rate rises than currently expected, then equity markets might falter. However, as liquidity is still abundant and policy measures, in the developed world at least, remain loose, despite a robust recovery seen in these economies, the environment for businesses still seems benign.

We are confident that our portfolio's asset allocation has the potential to benefit unitholders in the long term as the Fund is well spread over a wide variety of markets and asset types. Our primary focus is on selecting managers we believe will outperform in their asset class and we will take advantage of discount opportunities wherever possible.

Richard Curling
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 Fund of Investment Trusts for the period ended 30 April 2014. 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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Jupiter Unit Trust Managers Limited, PO Box 10666, Chelmsford CM99 2BG
Tel: **0844 620 7600** | Fax: **0844 620 7603** | www.jupiteronline.com

Registered in England and Wales, No. 2009040

Registered office: 1 Grosvenor Place, London SW1X 7JJ

Authorised and regulated by the Financial Conduct Authority whose address is:
25 The North Colonnade, Canary Wharf, London E14 5HS

