

**JUPITER
High Income (UT)**

**OBSR Fund Rating
AAA**

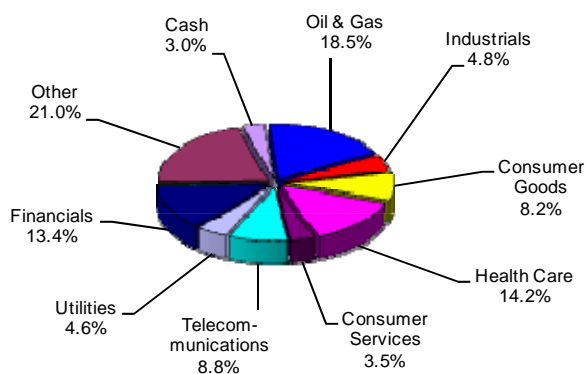


Key Information

Launch Date	24 January 1996	
Fund Size	£505.1m	
Type of Units Available	Income	
Distribution Dates	31 May, 30 November	
Yield	4.90%	
ISA	Yes	
ISA Transfer	Yes	
Standard Fund Management Charges	Initial	5.25%
	Annual	1.50%

Asset Distribution - Sector

Source: Jupiter



Top Ten Holdings

	%
Vodafone Group	7.2
GlaxoSmithKline	6.8
AstraZeneca	6.3
Royal Dutch Shell	6.0
BP	5.3
HSBC Holdings	3.6
British American Tobacco	3.0
Imperial Tobacco	2.8
BG Group	2.2
Diageo	2.2
Concentration (Top 10)	45.4
Total Number of Holdings	100

Source: Jupiter

Classification

Sector	UK Equity & Bond Income
Benchmark/Index	FTSE All-Share

Management/Investment Style

Fund Manager	Anthony Nutt (January 1996)
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The fund aims to produce a high and rising income along with capital growth, by investing in a diversified portfolio of primarily UK equities, some overseas equities and a minimum of 20% in convertible and fixed interest securities. The portfolio is relatively unconstrained, with portfolio construction relying on the managers' experience and common-sense approach to diversification.

Investment Objective & Methodology

The fund aims to produce a high and rising income by investing in a diversified portfolio of primarily UK equities and a minimum of 20% in convertible and fixed interest securities. The fund can also invest in overseas equities if the manager identifies attractive opportunities.

The fund has been managed by experienced portfolio manager Anthony Nutt since launch. Mr Nutt joined Jupiter in 1996 and is now Head of UK Equities, a member of the board and is also the lead fund manager for several other flagship Jupiter funds. He has been managing institutional portfolios since 1983. The fixed income component of the portfolio is managed by Ariel Bezalel who has been with Jupiter for more than 10 years, and joined the fixed income desk in 2003.

Mr Nutt believes that the stock market is inefficient, and through top-down and bottom-up fundamental research it is possible to identify businesses whose share prices do not fully reflect the underlying worth of their assets. The types of businesses he looks for are those that can produce strong, sustainable and growing cash flows which can be returned to shareholders via rising dividends or share buybacks. Dividends are an important signal because he believes they are an indication of the company management's belief in the underlying business. However it is also necessary for the shares to be available for purchase at a discount to his valuation of the business. Fund managers at Jupiter are given a great degree of operational freedom, so Mr Nutt will interact with other Jupiter fund managers but there is no Jupiter 'house view'. He positions the portfolio in areas that he believes are the most attractive, and which suit the fund's objective. External sources of information such as broker research are used as a reference point to better understand the market consensus however he prefers only to invest in companies where he has personally met the management. The portfolio typically contains a diversified range of competently run medium and large sized businesses which he believes can be relied upon to produce steadily growing profits. Mr Nutt's approach can be broadly characterised as 'value' investing.

The fixed income component of the portfolio is generally a combination of gilts and credit (predominantly UK investment grade and high yield bonds) with the manager focusing on bonds that offer a good yield relative to the level of risk. The approach is similar to the equity side, in that there is a focus on quality, and a common-sense approach to diversification. The approach can be characterised as opportunistic in that Mr Bezalel has a free reign to position the portfolio in those bonds perceived as most attractive. Although conscious of the fund's income focus, he is indifferent whether returns ultimately come from income or capital growth.

The fund will typically hold 70 – 130 stocks. With few explicit risk constraints on the fund, stock and sector positions may deviate significantly from the benchmark. Jupiter has a risk management team who monitors all portfolios and provides fund managers with regular updates on risk metrics of the portfolio – both absolute and relative to the benchmark. The fund manager will consider these risk metrics, however portfolio construction relies more on the manager's experience and a common sense approach to diversification.

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Data as at 30 September 2011
Last Updated November 2011