

JUPITER Merlin Income Portfolio (UT)

OBSR Fund Rating
AAA / Gold

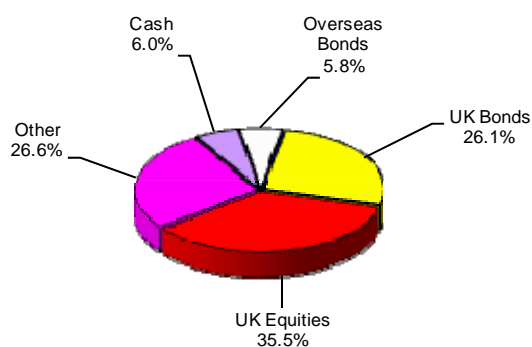
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Key Information

Launch Date	14 September 1992	
Fund Size	£3308.1m	
Type of Units Available	Income & Accumulation	
Distribution Dates	15 March, 15 June, 15 September, 15 December	
Yield	3.00%	
ISA	Yes	
ISA Transfer	Yes	
Standard Fund Management Charges	Initial	5.25%
	Annual	1.50%

Asset Distribution - Country

Source: Jupiter Merlin



Top Ten Funds

ETFS Physical Gold
First State Asia Equity Plus
Invesco Perpetual High Income
Invesco Perpetual Income
Jupiter Strategic Bond
Jupiter UK Special Situations
M&G Global Dividend
M&G Strategic Corporate Bond
Thames River Global Bond
Threadneedle Emerging Market Bond

Not Disclosed

Source: Jupiter Merlin

Classification

Sector	Cautious Managed
Multi-Manager Category	Active Asset Allocation, Absolute Return Bias
Benchmark/Index	FTSE/APCIMS Income

Management/Investment Style

Fund Manager	John Chatfeild-Roberts (May 1997)
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An unfettered fund of funds, this portfolio is managed with a view to delivering a reasonably high immediate income, growth of income distributions over the medium to long term, and potential for capital appreciation. There will be a strong emphasis on UK investments. Asset allocation is actively managed versus the benchmark. The manager may take significant positions away from the benchmark in an attempt to add value and tends to invest with an absolute return objective.

Investment Objective & Methodology

This portfolio aims for a high and rising income with some potential for capital growth. It will invest via holdings in other unit trusts, OEIC funds, and other regulated collective schemes, with those holdings spread across several different fund management groups. The underlying investments will principally be UK focused, and the asset mix will combine equities and fixed interest securities. In addition, the level of cash held within the portfolio may be actively managed for strategic or tactical reasons. It falls within the IMA Cautious Managed sector.

The portfolio is managed collectively by the Jupiter Independent Funds Team. This is headed by John Chatfeild-Roberts. The other fund managers are Peter Lawery and Algy Smith-Maxwell. The team cooperates in running all the portfolios managed on the desk, holding this to be more efficient than allocating individual portfolio responsibility to a particular team member.

The team believes that, in order to add value for investors, its focus must be forward-looking in that it should seek to identify turning points in markets and then position the holdings within the portfolio with a view to optimising returns. This process comprises several work streams. Within Jupiter, the team enjoys a large degree of autonomy but its views on asset allocation are derived partly from the discussion and debate which takes place within the whole Jupiter investment team and partly from its own external contacts. The team meets regularly to discuss and agree economic and market views and to decide upon portfolio construction and appropriate holdings for inclusion in the portfolio. A collegiate approach is used with John Chatfeild-Roberts (as head of team) having the final say in terms of which views should prevail.

Although benchmarking is used for reference purposes, the composition of the portfolio is relatively unconstrained. The team believes it is important to remain open-minded and to respond proactively and decisively to changing economic and market conditions. The key focus is on identifying and anticipating important trends or turning points. This is accompanied by a willingness to change the shape of the portfolio and the selected underlying holdings when opportunities have been identified. However, a desire to pursue a progressive income distribution policy year by year, as far as is practical, moderates portfolio activity, given the aim of growth of income over time. Income flow management is integral to the process.

Underpinning portfolio construction is an ongoing programme of manager research, the list of followed funds being eclectic and varied in nature. The team uses a combination of quantitative research, founded on BARRA analysis of portfolios, and qualitative research based on interviews with selected fund managers in order to maintain an in-depth understanding of return potential, risk profile, and investment style.

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Data as at 31 December 2011
Last Updated January 2012