

**Objective Type:**

Growth

**Investment Area:**

International

## Jupiter Financial Opportunities Fund

June 2009

### Objective

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

The investment policy is to invest in a concentrated, international portfolio. The Fund will principally comprise of 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 portfolio will have an emphasis on companies based in the UK.

### Outlook – 2nd Quarter

Revised outlook May 2009

Although bank rescues and aggressive economic stimulus packages should ultimately help moderate the global economic downturn, we are still faced with the most significant slump in growth for many decades. Freeing up international trade and supporting developing economies (the focus of the G20 summit in London) will go some way to facilitating a global recovery when it comes. However, unemployment continues to rise across the West and the UK and US housing markets remain under pressure.

Additionally, no one is absolutely certain if increasing the UK and US money supply through 'quantitative easing' will reignite demand. Their respective banking sectors' thirst for cash is a formidable hurdle. There is a risk, however, of a major turn in the market with low interest rates

pushing people into assets, but also of a slump based on unemployment and rising debt levels. We therefore continue to proceed with caution, being careful not to get caught up in short bursts of market euphoria. The portfolio retains a high cash balance but has increased exposure to equities. This includes selective holdings in the insurance sector in companies that are trading at low valuations and have relatively strong balance sheets. We also hold a small portfolio of bank stocks. These are businesses with strong capital structures that derive their earnings from low-leveraged European and Asian economies.

### Fund Manager Style

Philip initially takes a macro view of the economy and identifies themes that have the most potential. He then looks for reasonably priced companies through which to play out his best ideas on these themes. He is not afraid to back strong convictions about a company with a sizeable weighting in the Fund. In order to deliver returns for unit holders, he believes it is sensible to concentrate the Fund's assets only on his very best ideas.

Stock selection is based on various factors. Philip is particularly concerned with identifying where future growth will come from, particularly when this is clearly not reflected in the share price. He looks for strongly incentivised and committed management before investing. He also has strict guidelines on the price he is prepared to pay for shares. Usually, he finds the best returns for unit holders can be secured by seeking out lowly-rated companies with strong underlying growth where the wider market has simply not recognised this.

While Philip is keen to identify genuine growth businesses, he can also make money from certain asset plays when shares are valued at much less than the assets they represent. He is well-tuned to the market and is more than willing to restructure his portfolio in anticipation of a significant change in market sentiment.

### Fund Manager



Philip Gibbs

**Philip Gibbs is a graduate of Cambridge University. In 1983 he qualified as a chartered accountant with Peat Marwick Mitchell. Between 1983 and 1990 he worked for Laing and Cruickshank as a stockbroking analyst specialising in equities of UK financial companies. Between 1990 and 1997 he performed the same role for BZW. Philip has managed the Jupiter Financial Opportunities Fund since its launch in June 1997.**

### Performance – 31.05.2009

|                  | 1yr    | 3yrs   | 5yrs   | Since Launch |
|------------------|--------|--------|--------|--------------|
| <b>Growth</b>    | 17.0%  | 19.2%  | 96.4%  | 679.2%       |
| <b>Benchmark</b> | -37.5% | -44.5% | -22.0% | 16.2%        |

#### Year on Year % Growth ending 31.05.2009

| 2004-2005 | 2005-2006 | 2006-2007 | 2007-2008 | 2008-2009 |
|-----------|-----------|-----------|-----------|-----------|
| 22.6%     | 34.3%     | 20.5%     | -15.4%    | 17.0%     |

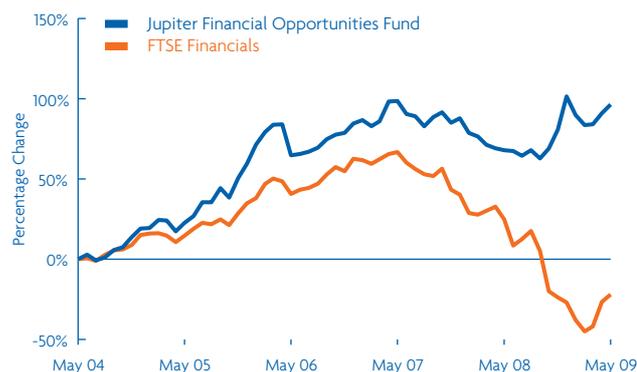
Due to the diverse nature of the Funds in the Specialist sector, sector rankings will no longer be shown.

**Past performance should not be seen as a guide to future performance.**

All performance in this factsheet is based on income units.

Source: Financial Express, bid to bid net income reinvested, as at 31.05.2009.

### % Growth over 5 years



**Fund Value:** £945m

**Holdings:** 24

**Launch date:** 01.06.97

As at 30.04.2009

## Jupiter Financial Opportunities Fund

June 2009

### Fund Facts – 31.05.2009

**Fund Information**

|                    |                       |
|--------------------|-----------------------|
| Launch offer price | 50.00p                |
| Offer price        | 360.29p               |
| IMA Sector         | Specialist            |
| Benchmark          | FTSE Financials Index |

**Fund charges**

|                  |       |
|------------------|-------|
| Initial          | 5.25% |
| Annual           | 1.50% |
| Bid/Offer spread | 6.25% |

**Distribution report/dates**

|             |         |
|-------------|---------|
| 30 June     | Annual  |
| 31 December | Interim |

**Investment Limits**

|                                      | Min  | Max    |
|--------------------------------------|------|--------|
| Unit Trust (lump sum)                | £500 | –      |
| Unit Trust (monthly saving)          | –    | –      |
| Stocks & Shares ISA (lump sum)       | £500 | £7,200 |
| Stocks & Shares ISA (monthly saving) | £50  | £600   |

### Asset Class – 30.04.2009

|              |                |
|--------------|----------------|
| Equity       | 43.35%         |
| Cash         | 56.65%         |
| <b>Total</b> | <b>100.00%</b> |

### Corporate Background

Launched in 1985 as a specialist boutique, Jupiter has grown to be one of the UK's most successful and respected investment management groups. Jupiter has been majority-owned by its employees since June 2007 when we completed a management buy out supported by TA Associates. We have developed a reputation for achieving outperformance across a broad variety of portfolios specialising in different markets, including UK equities, Europe, global financials and emerging markets. We manage assets for both private investors and institutions across a range of UK and international mutual funds, multi-manager products, hedge funds, institutional mandates and investment companies.

### Ratings

**S&P Fund Ratings: AAA**
**OBSR: AAA**
**Citywire: Philip Gibbs AA**

Information about ratings can be found in the glossary which forms part of the 'Help' section of the Jupiter website.

### Top Ten Holdings – 30.04.2009

|                           |               |
|---------------------------|---------------|
| HSBC                      | 7.11%         |
| Zurich Financial Services | 6.95%         |
| DnB NOR                   | 4.86%         |
| BNP Paribas               | 3.84%         |
| Muenchener Rueck AG       | 3.10%         |
| Goldman Sachs Group       | 2.27%         |
| Deutsche Boerse           | 2.14%         |
| Barclays                  | 1.49%         |
| Prudential                | 1.44%         |
| Alpha Bank                | 1.27%         |
| <b>Total</b>              | <b>34.47%</b> |

### Asset Allocation – 30.04.2009

|                |                |
|----------------|----------------|
| Europe         | 24.39%         |
| United Kingdom | 16.53%         |
| North America  | 2.27%          |
| Eastern Europe | 0.17%          |
|                | <b>43.35%</b>  |
| <b>Cash</b>    | <b>56.65%</b>  |
| <b>Total</b>   | <b>100.00%</b> |

**Past performance should not be seen as a guide to future performance.** The outlook expressed in this factsheet represents the views of the fund manager at the time of preparation and are not necessarily those of the Jupiter Group as a whole. They may be subject to change and should not be interpreted as investment advice. The manager has the power to use derivatives but it is intended that these will only be used for the purpose of efficient portfolio management and not for investment purposes. Jupiter Unit Trust Managers Limited is authorised and regulated by the Financial Services Authority whose address is 25 The North Colonnade, Canary Wharf, London E14 5HS. Registered address: 1 Grosvenor Place, London SW1X 7JJ. The value of an investment in a unit trust and the income from it can go down as well as up, it may be affected by exchange rate variations, and you may not get back the amount invested. Quoted yields are not guaranteed. The impact of charges, which may have a greater proportionate effect on returns if investments are sold in the shorter term, are contained in the Key Features (incorporating the Simplified Prospectus). Current tax levels and reliefs will depend on your individual circumstances and details are also contained in the Key Features (including the Simplified Prospectus). For your security we may record or randomly monitor all telephone calls. If you are unsure of the suitability of this investment please contact your Independent Financial Adviser.

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