
JPMorgan Elect plc Annual General Meeting

11 December 2015

JPMorgan Elect plc - Managed Growth

Features of JPMorgan Elect plc - Managed Growth

- Objective

- Long term capital growth from investing in a range of investment trusts and open-ended funds managed principally by J.P. Morgan Asset Management

- Benchmark

- A composite benchmark comprising 50% FTSE All Share Index and 50% FTSE World Index ex UK

- Total assets of £216.9m*

* Source: J.P. Morgan Asset Management as at 31 October 2015. The Investment Manager seeks to achieve the stated objectives. There is no guarantee the objectives will be met.

Investment philosophy

Investment ideas are generated from three main sources:

- Fund selection

- We look for fund managers that are able to consistently outperform their own benchmarks over the long term

- Regional asset allocation

- Choosing the right regions of the world in which to invest, i.e. identifying those equity markets that are going to outperform over the medium to long term within the particular investment guidelines/constraints

- Discount movements

- We look to take advantage of the discounts that are available in the investment trust universe, i.e. buying investment trusts on wider discounts and selling them as discounts tighten

Source: J.P. Morgan Asset Management, as at 31 October, 2015. The Investment Manager seeks to achieve the stated objectives. There is no guarantee the objectives will be met.

Fund selection – the screening process

- Top down views on a regional, thematic basis
 - Driven by our quantitative and qualitative insights
 - Translated as appropriate for Elect
- Ongoing monitoring of the investment trust universe
 - Historical performance analysis
 - Discount analysis
- Regular fund manager meetings
- Qualitative process for positioning based on conviction level
 - Building a diversified portfolio within the Elect guidelines
- Quantitative monitoring of contribution to risk

Verification through fundamental analysis, due diligence and constant review and approval

Agenda

- **2015 performance review**
- Portfolio positioning
- Market outlook

Financial year results – 12 months to 31 August 2015

JPMorgan Elect plc – Managed Growth

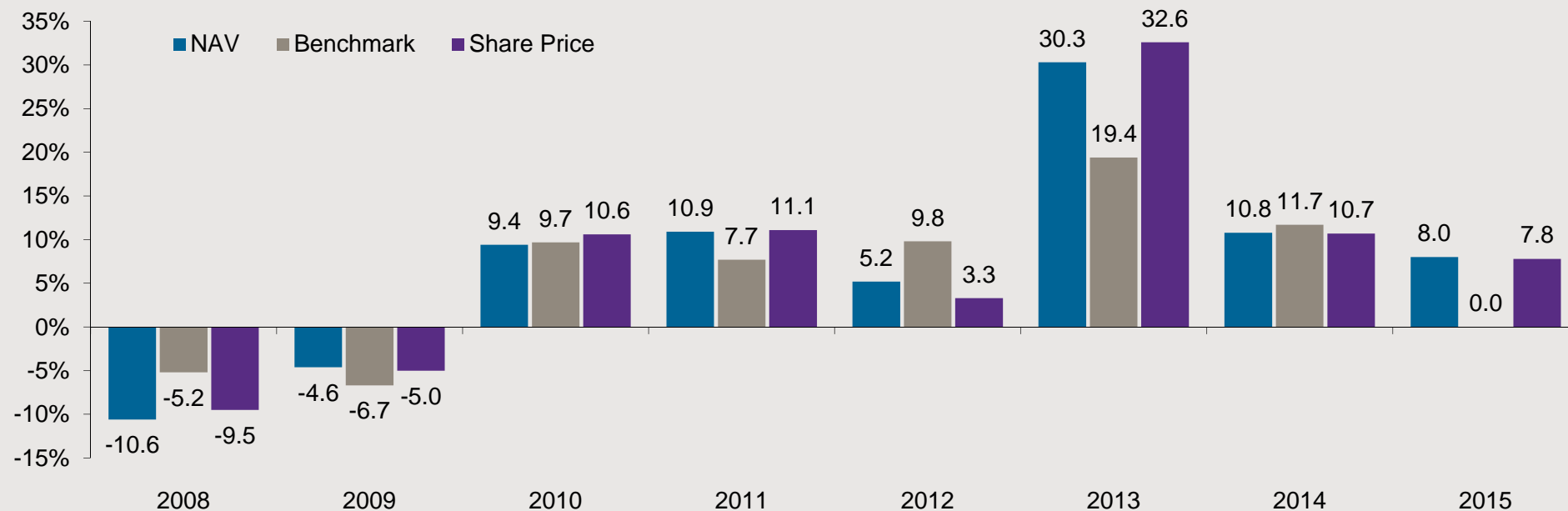
Return to shareholders:	+7.8%
Return on net assets:	+8.0%
Benchmark return:	+0.0%
Share price	590.5p
Dividend:	6.75p

Source: J.P. Morgan Asset Management, as at 31 August 2015. Performance data has been calculated on Offer - NAV to NAV basis, including ongoing charges and any applicable fees, with any income reinvested, in GBP. Share price as at Close, Benchmark : 50% FTSE All-share Index / 50% FTSE World Index ex UK . Past performance is not an indication of future performance.

J.P. Morgan Elect plc - Managed Growth

Rolling 12 month performance to financial year-end, 31 August 2015

Fund returns vs. Benchmark (all Total Returns)



**Excess return*
(NAV)**

2008	-5.4%	2009	+2.1	2010	-0.3	2011	+3.1	2012	-4.6	2013	+10.9	2014	-0.9	2015	+8.0
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Source: J.P. Morgan Asset Management. Fund performance are Total returns (including dividends reinvested) Share price as at Close, NAV – Offer Net of Fees, Benchmark : 50% FTSE All-share Index / 50% FTSE World Index ex UK. Indices do not include fees or operating expenses and are not available for actual investment.

* Excess returns calculated arithmetically. Past performance is not an indication of future performance.

Contributions to total return – 12 months to 31 August 2015

■ Regional asset allocation

- Asset allocation at the regional level added to performance
- Positive contributions were made from our overweight to the US, Europe and Japan and underweight to the UK and Emerging Markets
- Allocations to small and mid-cap equities also had a positive impact on performance

■ Fund selection

- Performance in underlying funds was also positive for the period
- Amongst our largest holdings, all but JPM American IT outperformed their respective benchmarks, with JPM UK Dynamic delivering particularly strong returns
- Third party holdings also performed well on a relative basis, with Biotech Growth Trust, Jupiter European Opportunities and Finsbury Growth & Income strong outperformers

■ Discount movements

- The portfolio benefitted from tightening discounts, achieving a slight outperformance versus the discount movements that were seen in the broader investment trust universe

Source: J.P. Morgan Asset Management as at 31 August 2015. The opinions and views expressed here are those held by the author at the date of publication which are subject to change and are not to be taken as or construed as investment advice.

J.P. Morgan Elect plc - Managed Growth

Quarterly rolling 12 month performance ending 31 October 2015

Fund returns vs. Benchmark (all Total Returns)

	2014/15	2013/14	2012/13	2011/12	2010/11
Share Price	10.6%	3.4%	34.9%	9.2%	-1.9%
Benchmark (annualised)	3.7%	5.0%	23.9%	9.5%	0.4%
Net Asset Value	9.8%	3.9%	34.7%	9.5%	-2.4%

Source: J. P. Morgan Asset Management. Performance data has been calculated on Offer NAV to NAV basis, including ongoing charges and any applicable fees, with any income reinvested, in GBP. Benchmark : 50% FTSE All-share Index / 50% FTSE World Index ex UK . Past performance is not an indication of future performance. Please note Benchmark Indices do not include fees or operating expenses and are not available for actual investment.

Agenda

- 2015 performance review
- **Portfolio positioning**
- Market outlook

Portfolio positioning

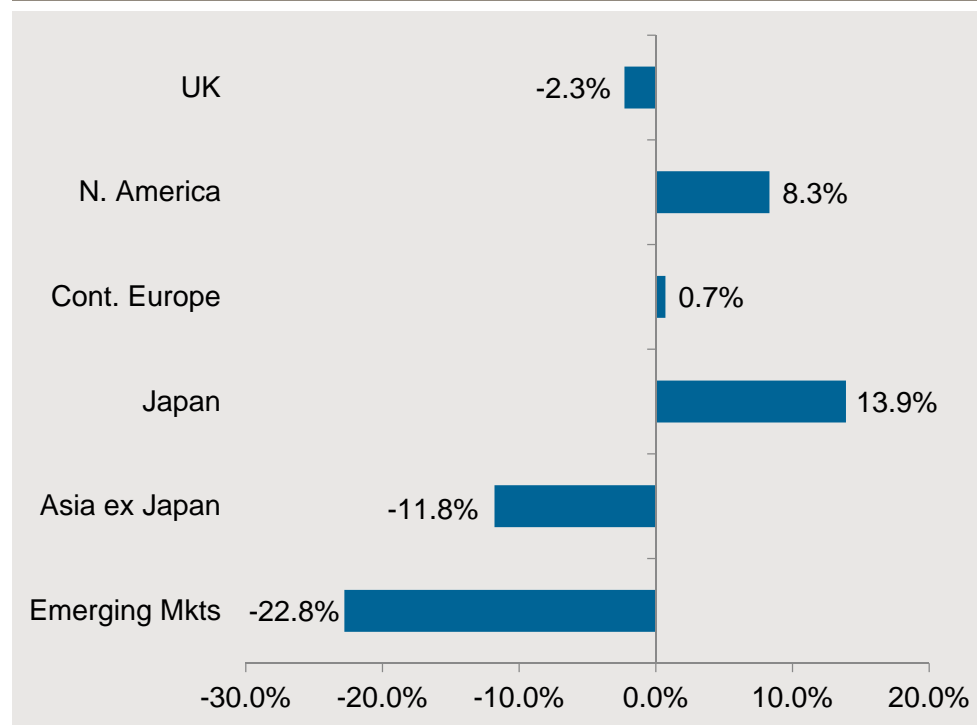
As at 31 August 2015

	Portfolio	Benchmark
UK	45.7	50.0
N. America	32.4	30.6
Cont. Europe	12.0	9.1
Japan	6.1	5.0
Asia ex Japan	2.7	2.9
Emerging Markets & Other	1.1	2.4
	100.0	100.0

Source: J.P. Morgan Asset Management. Regional FTSE indices in GBP.

Source: J.P. Morgan Asset Management. The Fund is an actively managed portfolio: holdings, sector weights, allocations and leverage, as applicable are subject to change at the discretion of the Investment Manager without notice.

Market performance: 12 months to 31 August 2015



Source: JPMorgan Asset Management. Regional FTSE indices in GBP. Indices do not include fees or operating expenses and are not available for actual investment. Past performance is not an indication of future performance

Key fund performances

12 months to 31 August 2015

Largest five fund holdings

Fund	Weight (31/08/15) (%)	Absolute Share Price Return (%)	NAV Excess Return* (%)
JPM UK Dynamic	11.5	8.3	10.9
JPM US Equity All Cap	11.3	12.7	4.5
JPM Claverhouse IT	9.9	3.0	4.1
JPM American IT	7.0	5.2	-1.7
JPM US Select Equity	6.5	8.1	0.3
	46.2		

Top three/ bottom three funds

Fund	Weight (31/08/15) (%)	Absolute Share Price Return (%)	NAV Excess Return* (%)
Best			
The Biotech Growth Trust	1.9	43.4	33.1
Jupiter European Opportunities	1.1	27.0	21.0
JPMorgan Japanese	3.7	24.8	8.7
Worst			
BlackRock Frontiers	0.3	-14.5	7.7
Artemis Alpha Trust	3.7	-14.2	-4.6
Edinburgh Dragon	0.3	-12.8	-1.4

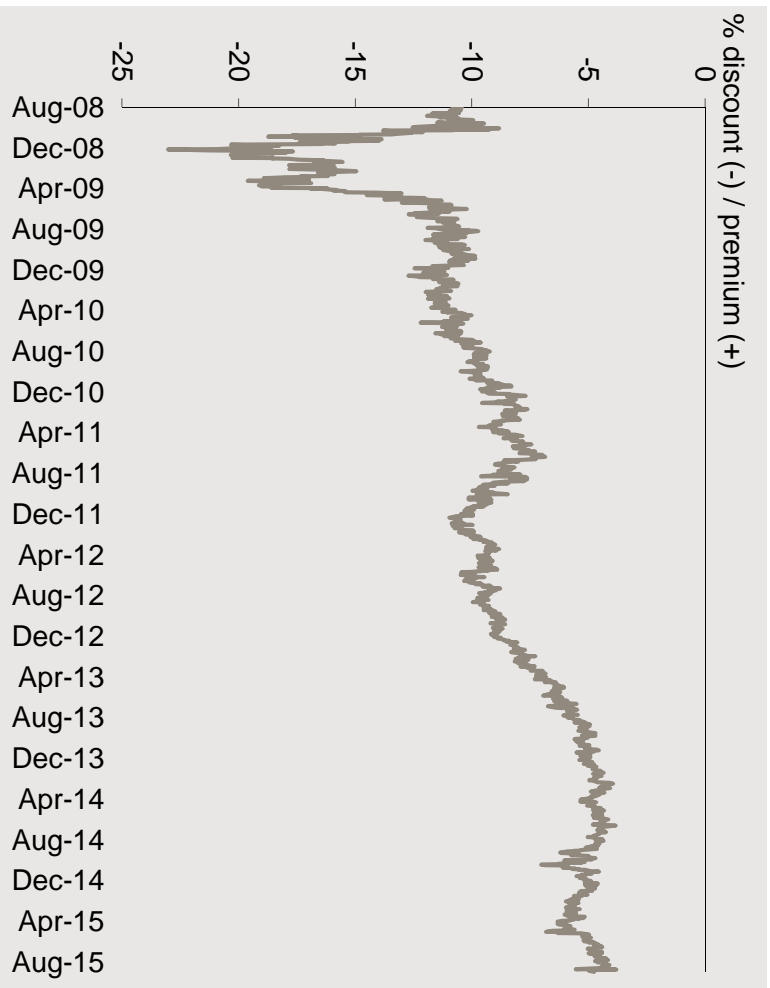
Source: J.P. Morgan Asset Management, Bloomberg.

* Relative to own benchmarks. Calculated arithmetically. Fund performance are total returns (including dividends reinvested) Share price as at Close, NAV – Net of Fees

The securities above are shown for illustrative purposes only. Their inclusion should not be interpreted as a recommendation to buy or sell. Past performance is not an indication of future performance.

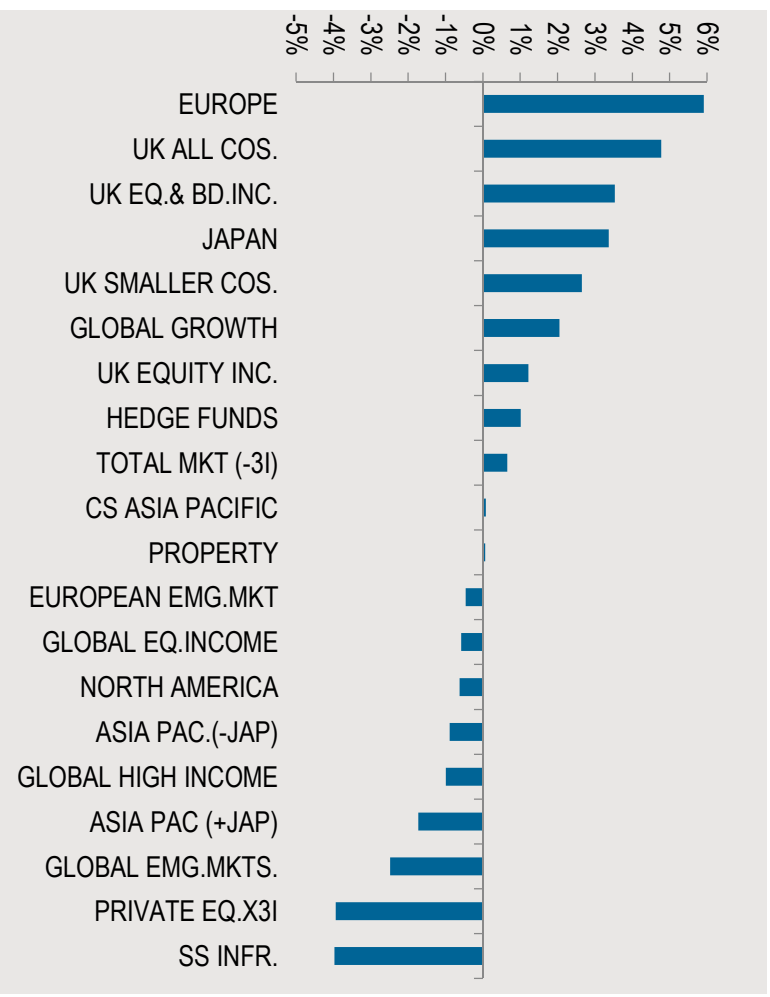
Investment trust discounts

Average discount from August 2008



Source: Datastream as at August, 2015

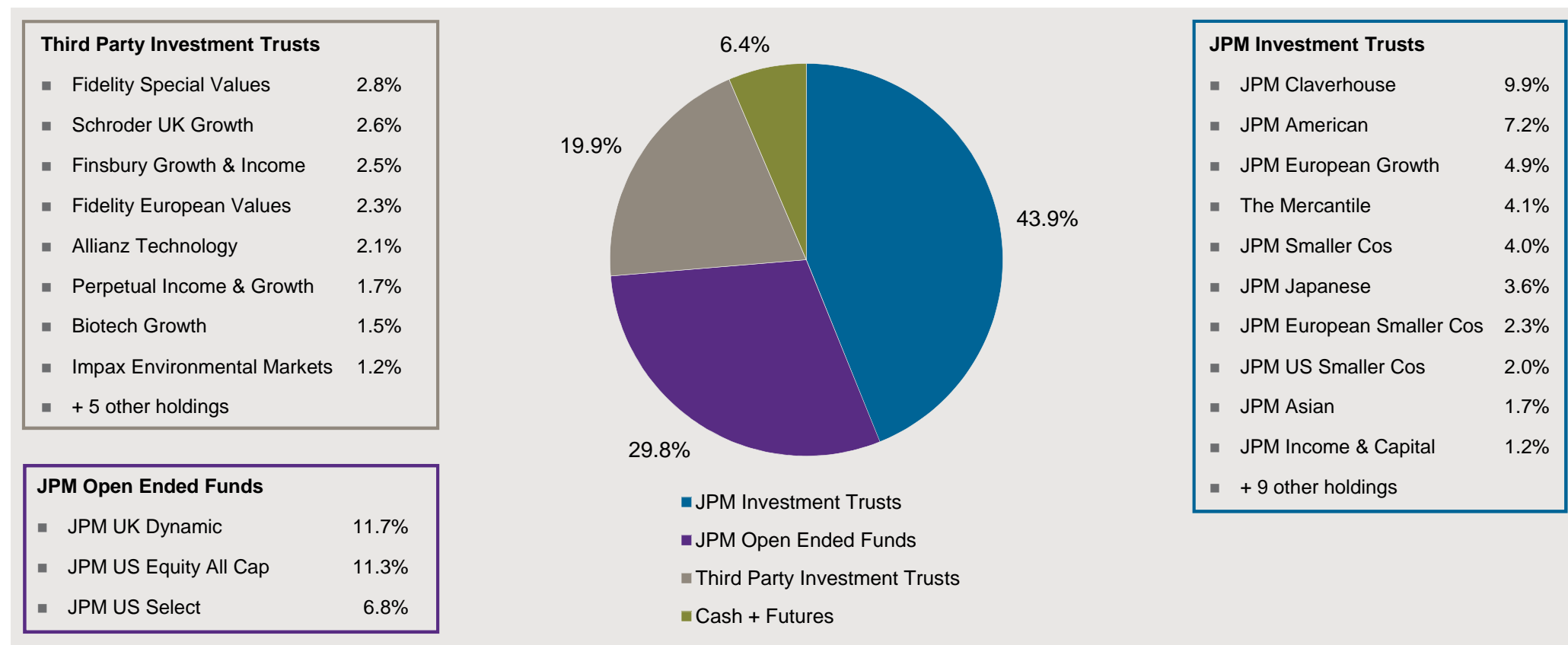
Change in discount from August 2014 to August 2015



Source: Datastream

Current portfolio positioning

As at 31 October 2015



Source: J.P. Morgan Asset Management. The Fund is an actively managed portfolio; holdings, sector weights, allocations and leverage, as applicable are subject to change at the discretion of the Investment Manager without notice.

Performance update - as of 31 October 2015

JPMorgan Elect plc – Managed Growth

(%)	1 Month	3 Months	6 Months	12 Months	3 Years	5 Years
NAV return	5.4	-1.7	-1.0	9.8	15.4	10.5
Benchmark	5.3	-2.7	-5.0	3.7	10.5	8.2
Excess Return	0.1	1.0	4.3	5.9	4.5	2.1
Share Price return	4.1	-1.5	-1.2	10.6	15.6	10.6

Source: J.P. Morgan Asset Management. Performance data has been calculated on Offer NAV to NAV basis, including ongoing charges and any applicable fees, with any income reinvested, in GBP. Benchmark : 50% FTSE All-share Index / 50% FTSE World Index ex UK . Please note Benchmark Indices do not include fees or operating expenses and are not available for actual investment. Returns over 1 year are annualised. Excess returns are calculated geometrically. Past performance is not an indication of future performance.

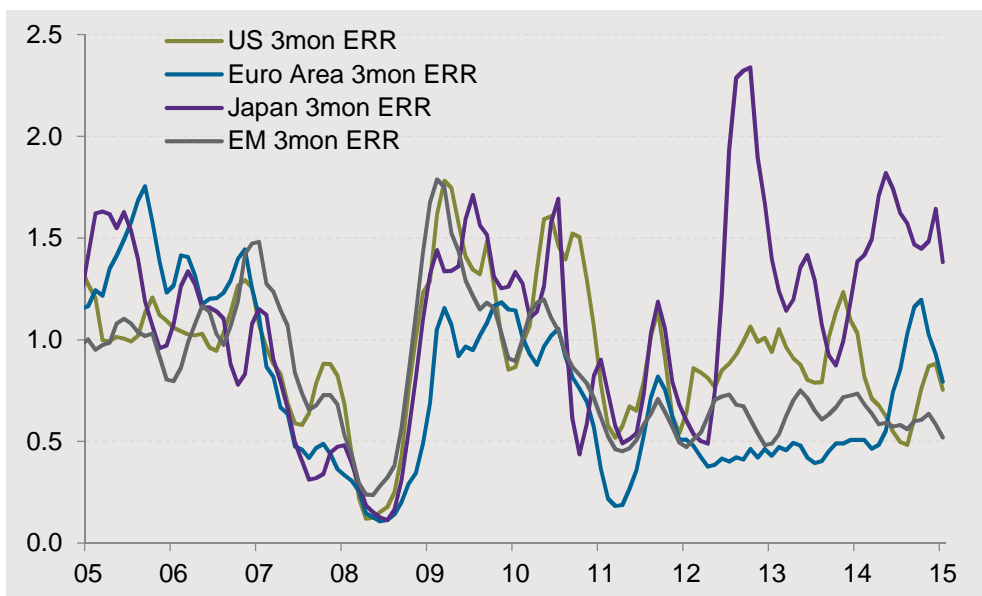
Agenda

- 2015 performance review
- Portfolio positioning
- **Market outlook**

Global growth fears hit stocks this summer but our outlook remains positive

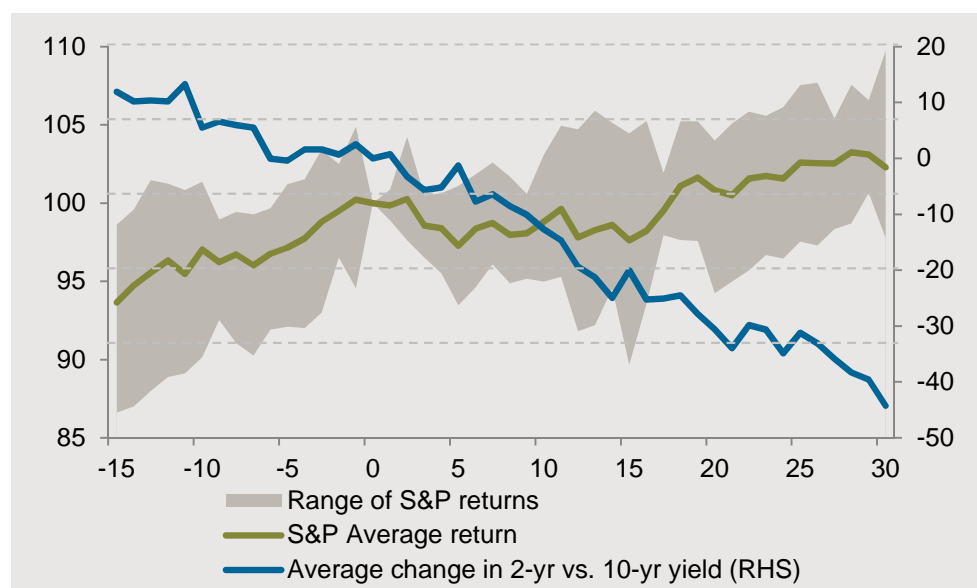
- Equities were hit hard by the growth scare out of Asia, adding to the impact from weak oil and strong dollar
- Global 2015 earnings growth is expected to be barely positive, but revision ratios are now improving
- Policy uncertainty is also a headwind, but history suggests that stocks can and do withstand higher rates

Three-month earning revision ratios



Source: ThomsonReuters Datastream; data as at October 2015.

Average S&P returns & 2s10s curve over last 5 tightening cycles



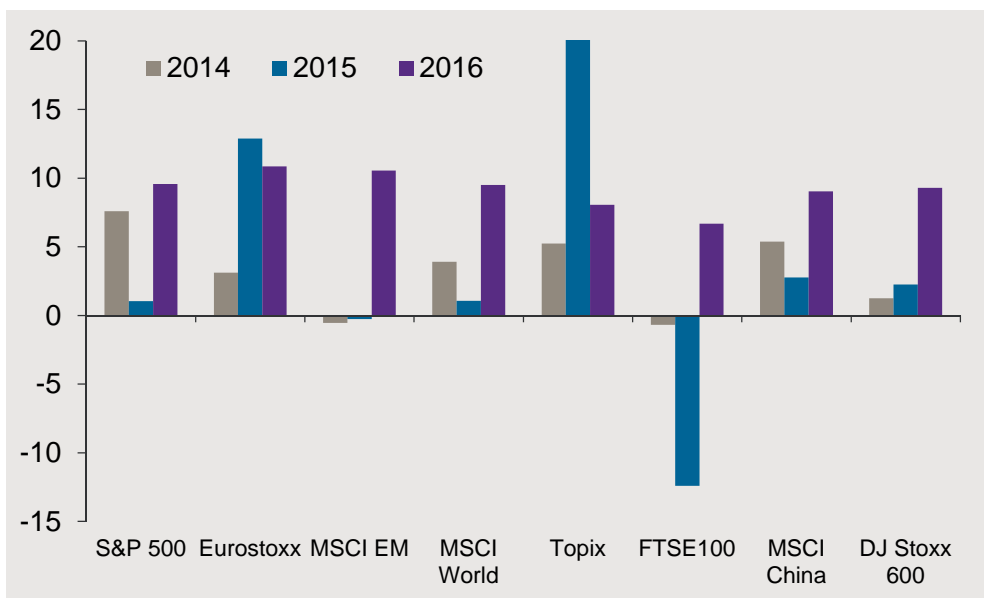
Source: Bloomberg, J.P. Morgan Flows and Liquidity report, J.P. Morgan Asset Management Multi-Asset Solutions; data as at 30 September 2015

Source: J.P. Morgan Asset Management as at 31 October 2015. The opinions and views expressed here are those held by the author at the date of publication which are subject to change and are not to be taken as or construed as investment advice.

We anticipate a modest pick up in 2016 earnings, but top-line growth is critical

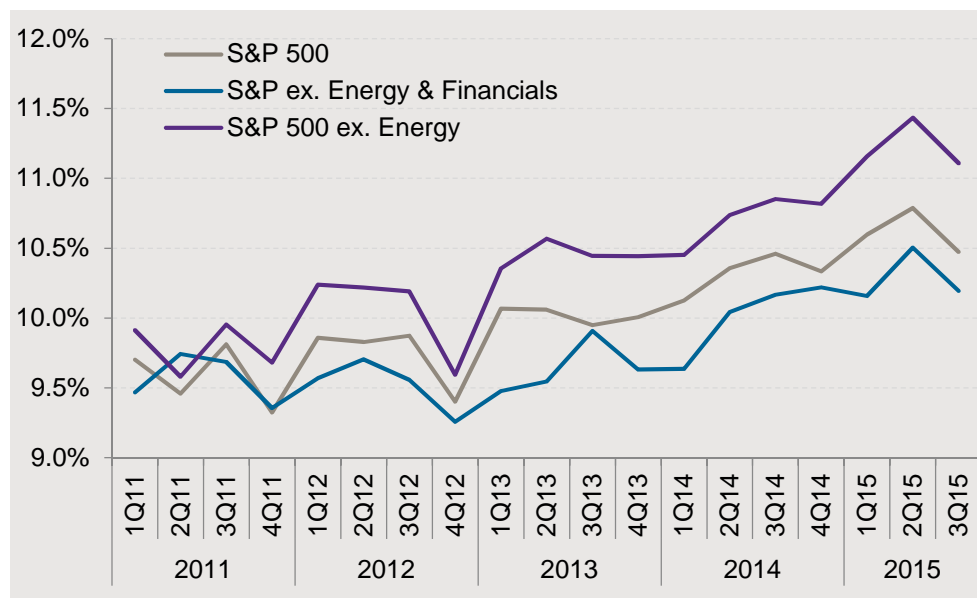
- The change in EPS outlook rather than the absolute level is a consideration for regional performance in 2016
- The U.S., UK and EM screen well in this regard, but revenue growth is also a key factor
- U.S. top-line growth currently lags nominal GDP, but should improve as the drag from currency and oil fades

Expected 2015-16 change in EPS is positive for U.S., UK, and EM



Source: JPMAM GIM Solutions-MAS, DataStream. Data as at 20 September 2015.

U.S. net margins could fall, making top line growth pivotal



Source: U.S. Bureau of Economic Analysis (BEA), Deutsche Bank, IBES. Data as of 7 Oct 15

Source: J.P. Morgan Asset Management as at 31 October 2015. The opinions and views expressed here are those held by the author at the date of publication which are subject to change and are not to be taken as or construed as investment advice.

Summary outlook

- Weakness in China and emerging markets may change the nature, but not the direction of global growth
- We remain modestly pro-risk for the next 12-18 months and believe stocks will offer higher returns than bonds
- We expect developed markets to outperform emerging markets and continue to prefer U.S. and eurozone equities
- Interest rates will rise, but only slowly and modestly over this time horizon
- Investment trust discounts look relatively expensive but there are still pockets of value in some sectors

Source: J.P. Morgan Asset Management. The opinions and views expressed here are those held by the author as at December 2015, which are subject to change and are not to be taken as or construed as investment advice.

JPMorgan Elect plc - Managed Cash

Features of JPMorgan Elect plc - Managed Cash

- Objective
 - Preservation of capital with a yield based on short term interest rates by investing in a range of liquidity funds and short dated AAA-rated* UK government securities/G7 government securities hedged into sterling
- No benchmark
- Total assets of £3.8m**

* Standard & Poor's

** Source: J.P. Morgan Asset Management as at 31 October 2015.

Financial year results – 12 months to 31 August 2015

JPMorgan Elect plc – Managed Cash

Return to shareholders:	-0.2%
Return on net assets:	+0.6%
Dividend:	0.35p

Source: J.P. Morgan Asset Management. Fund performance are Total returns (including dividends reinvested) Share price as at Close, NAV – Offer Net of Fees. Past performance is not an indication of future performance.

Performance review – 12 months to 31 August 2015

- Given the near zero inflationary environment, it was again a period of low returns for the Managed Cash portfolio.
- Consumer prices rose less than expected over the period, mainly due to energy and a fall in food and beverages.
- Sterling appreciated, particularly against the euro and the lower associated import costs held back signs of inflation.

Source: J.P. Morgan Asset Management. Forecasts, projections and other forward looking statements are based upon current beliefs and expectations. They are for illustrative purposes only and serve as an indication of what may occur. Given the inherent uncertainties and risks associated with forecasts, projections and other forward statements, actual events, results or performance may differ materially from those reflected or contemplated.

Portfolio as at 31 October 2015

JPMorgan Elect plc – Managed Cash

Fund	Rating*	Weight (%)	Historic Yield (12m) (%)**	Forecast Annualised Yield (%)**
Aberdeen Sterling Liquidity Fund	AAA	16.8	0.6	0.6
BlackRock ICS Institutional Sterling Liquidity Fund	AAA	16.7	0.6	0.6
Deutsche Global Liquidity Series Managed Fund	AAA	16.7	0.6	0.6
Fidelity Institutional Sterling Liquidity Fund	AAA	16.5	0.5	0.6
Insight Sterling Liquidity Fund	AAA	16.5	0.5	0.6
JPMorgan Sterling Liquidity Fund	AAA	16.7	0.6	0.6
Cash		0.1	N/A	N/A
Total Weighted Average		100	0.6	0.6

Source: JPMorgan Asset Management The securities above are shown for illustrative purposes only. Their inclusion should not be interpreted as a recommendation to buy or sell. J.P Morgan Asset Management may or may not hold positions on behalf of its clients in any or all of the aforementioned securities. Past performance is not an indication of future performance. Forecasts, projections and other forward looking statements are based upon current beliefs and expectations. They are for illustrative purposes only and serve as an indication of what may occur. Given the inherent uncertainties and risks associated with forecast, projections or other forward statements, actual events, results or performance may differ materially from those reflected or contemplated.

* Standard & Poor's

** iMoneyNet

UK interest rate outlook

- While growth in advanced economies has continued and broadened, Bank of England (BoE) policymakers expect domestic and global growth to be slower than initially anticipated.
- Third-quarter unemployment was down to 5.1% and domestic wages picked up markedly over the course of 2015, reflecting a tightening labour market and perhaps representing a precursor to domestic inflationary pressures.
- However, the BoE is expected to keep its interest rate policy unchanged at its next meeting. Its Monetary Policy Committee (MPC) shows UK inflation below 1% for most of 2016, returning to 2% target only in 2017.

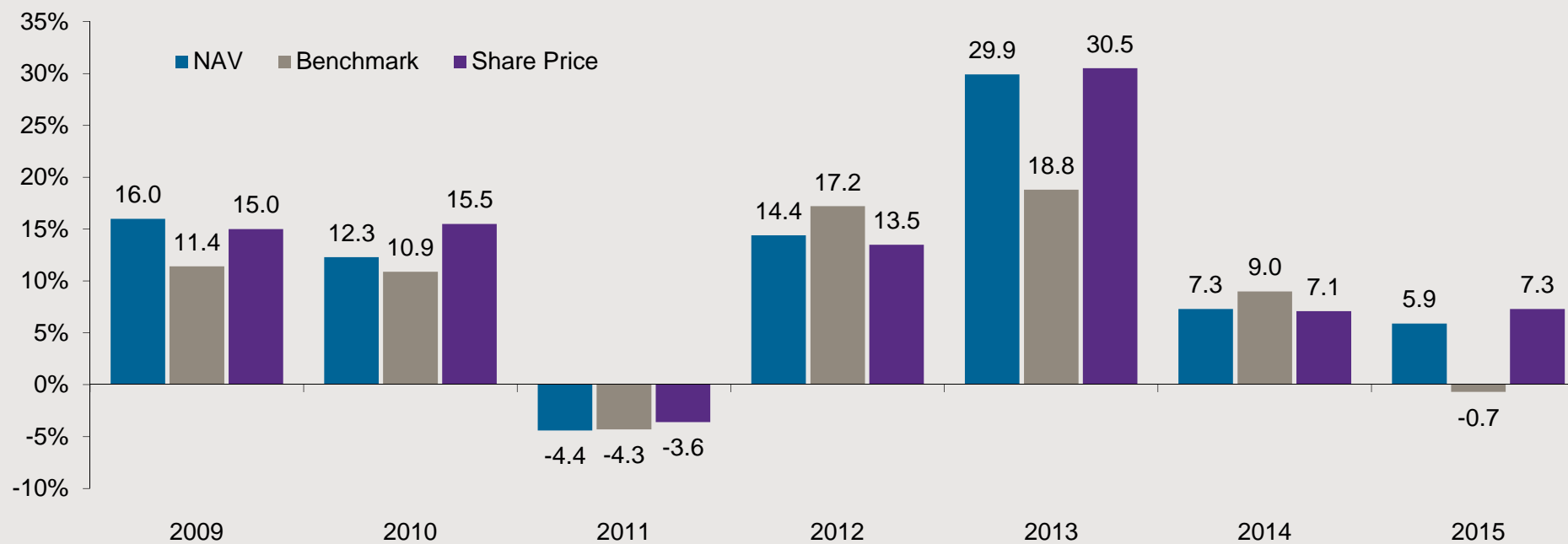
Source: J.P. Morgan Asset Management as at 31 October 2015. Forecasts, projections and other forward looking statements are based upon current beliefs and expectations. They are for illustrative purposes only and serve as an indication of what may occur. Given the inherent uncertainties and risks associated with forecasts, projections and other forward statements, actual events, results or performance may differ materially from those reflected or contemplated.

Appendix

J.P. Morgan Elect plc - Managed Growth

Rolling 12 month performance to 30 September 2015

Fund returns vs. Benchmark (all Total Returns)



**Excess return*
(NAV)**

+4.2

1.3

-0.1

-2.4

+9.4

-1.5

+6.7

Source: J.P. Morgan Asset Management. Fund performance are Total returns (including dividends reinvested) Share price as at Close, NAV – Offer Net of Fees, Benchmark : 50% FTSE All-share Index / 50% FTSE World Index ex UK. Indices do not include fees or operating expenses and are not available for actual investment.

* Excess returns calculated arithmetically. Past performance is not an indication of future performance.

J.P. Morgan Elect plc - Managed Growth

Quarterly rolling 12 month performance ending 30 September 2015

Fund returns vs. Benchmark (all Total Returns)

	2014/15	2013/14	2012/13	2011/12	2010/11
Share Price	7.3%	7.1%	30.5%	13.5%	-3.6%
Benchmark (annualised)	-0.7%	9.0%	18.7%	17.2%	-4.3%
Net Asset Value	5.9%	7.3%	29.9%	14.4%	-4.4%

Source: J. P. Morgan Asset Management. Performance data has been calculated on Offer NAV to NAV basis, including ongoing charges and any applicable fees, with any income reinvested, in GBP. Benchmark : 50% FTSE All-share Index / 50% FTSE World Index ex UK . Past performance is not an indication of future performance. Please note Benchmark Indices do not include fees or operating expenses and are not available for actual investment.

J.P. Morgan Elect plc - Managed Cash

Quarterly rolling 12 month performance ending 30 September 2015

Fund returns (all Total Returns)

	2014/15	2013/14	2012/13	2011/12	2010/11
Share Price	-0.1%	0.4%	0.2%	0.5%	0.6%
Net Asset Value	0.6%	0.4%	0.3%	0.3%	0.7%

Source: J. P. Morgan Asset Management/Morningstar. Performance data has been calculated on NAV to NAV basis, including ongoing charges and any applicable fees, with any income reinvested, in GBP. Past performance is not an indication of future performance.

J.P. Morgan Asset Management

RISK INFORMATION

JPMorgan Elect plc – Managed Growth

- Exchange rate changes may cause the value of underlying overseas investments to go down as well as up.
- Investments in emerging markets may involve a higher element of risk due to political and economic instability and underdeveloped markets and systems. Shares may also be traded less frequently than those on established markets. This means that there may be difficulty in both buying and selling shares and individual share prices may be subject to short term price fluctuations.
- This trust may invest in non investment grade bonds which increases the capital risk and have an adverse effect on the performance of funds which invest in them.
- Where permitted, a trust may invest in other investment trusts that utilise gearing (borrowing) which will exaggerate market movements both up and down.
- This fund may use derivatives for investment purposes or for efficient portfolio management.
- External factors may cause an entire asset class to decline in value. Prices and values of all shares or all bonds could decline at the same time.
- This trust may also invest in smaller companies which may increase its risk profile.

JPMorgan Elect plc – Managed Cash

- External factors may cause an entire asset class to decline in value. Prices and values of all shares or all bonds could decline at the same time.

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<http://www.jpmorgan.com/pages/privacy>.

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Managed Income

Features of the company

- Objective

- Growth of income with the potential for long-term capital growth

- Benchmark

- A composite benchmark comprising 85% FTSE All Share Index and 15% Barclays Capital Global Corporate Bond Index

- Investment Policy

- To invest in a diversified portfolio of UK equities (including investment companies) and fixed interest securities

- Total assets of £55.5m*

Source: J.P. Morgan Asset Management. *As at 02 December 2015. The Investment Manager seeks to achieve the stated targets/objectives. There can be no guarantee the objectives/targets will be met.

Agenda

- **2015 performance review**
- Current portfolio positioning
- Market outlook

Financial year results – 12 months to 31 August 2015

JPMorgan Elect plc – Managed Income

Return to shareholders:	+2.3%
Return on net assets:	+2.8%
Benchmark return:	-1.8%
Dividend:	3.8p

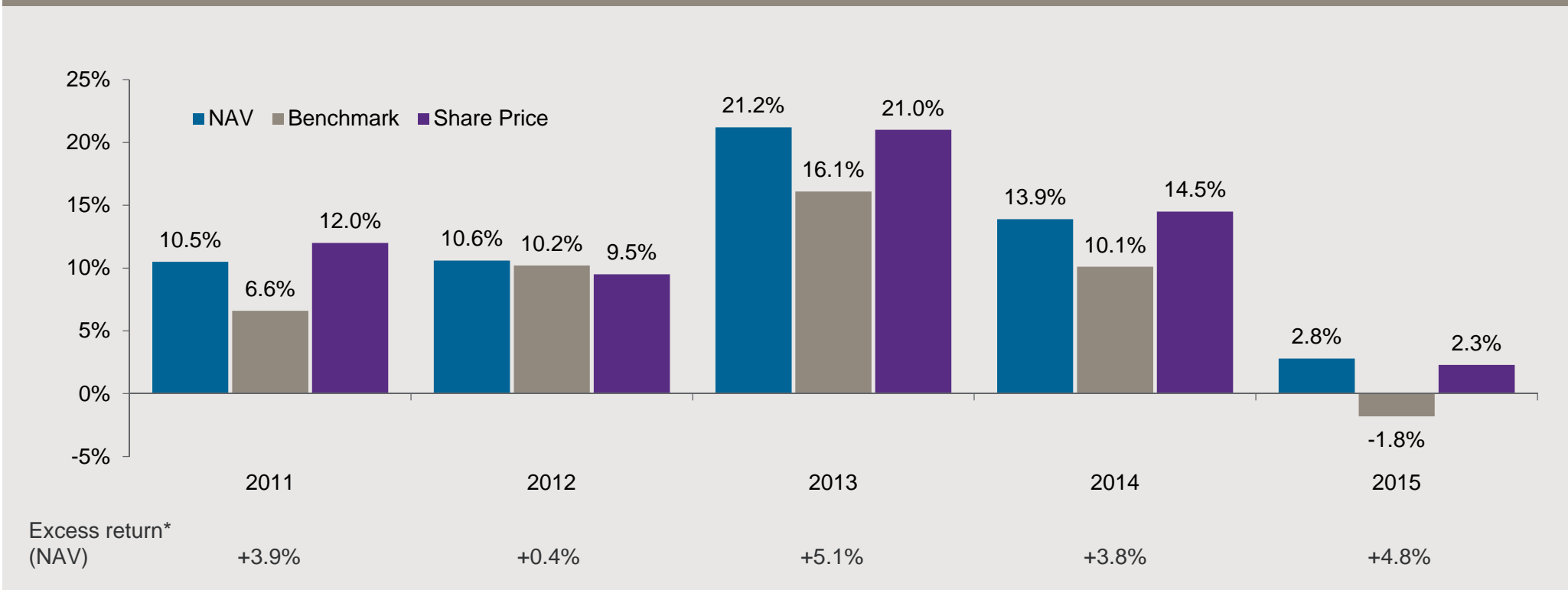
... another year of positive returns and dividend growth for shareholders

Source: J.P. Morgan Asset Management. Returns are NAV to NAV, net of fees, including ongoing charges and any applicable fees, with any income reinvested, in GBP. Excess return calculated arithmetically. Share price return is shareholder total return, cum income. The composite benchmark is 85% FTSE All Share Index, 15% Barclays Capital Global Corporate Bond Index (sterling terms). Trust financial year end is 31 August 2015. Past performance is no guarantee of future performance.

Financial year performance – 12 months to 31 August 2015

JPMorgan Elect plc – Managed Income

Fund returns vs. Benchmark (total returns) - to 31 August 2015



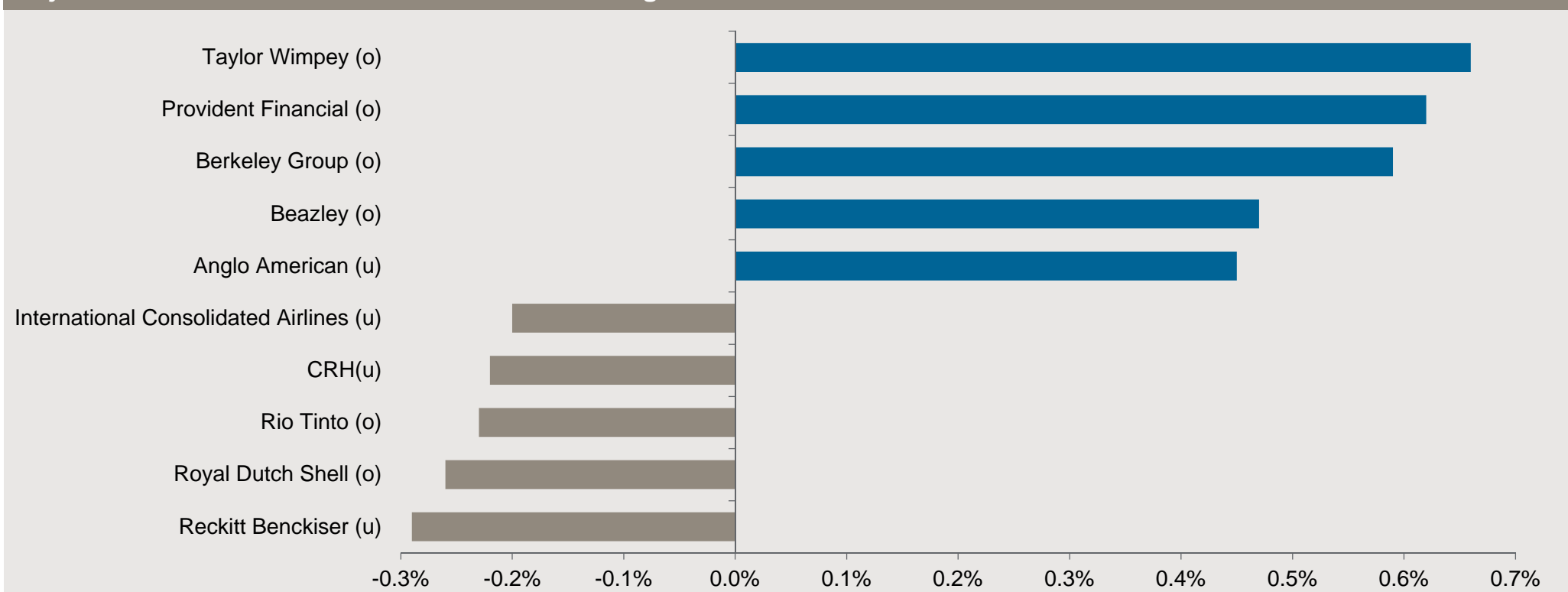
... consistent positive returns

Source: J.P. Morgan Asset Management as at 31 August 2015. Returns are NAV to NAV, net of fees, including ongoing charges and any applicable fees, with any income reinvested, in GBP. Excess return calculated arithmetically. Share price return is shareholder total return, cum income. The composite benchmark is 85% FTSE All Share Index, 15% Barclays Capital Global Corporate Bond Index (sterling terms). Past performance is no guarantee of future performance.

Performance attribution

JPMorgan Elect plc – Managed Income

Major contributors to returns - 12 months to 31 August 2015



Source: J.P. Morgan Asset Management, FactSet. Figures exclude cash. The companies/securities above are shown for illustrative purposes only, (o) indicates overweight position, (u) indicates underweight. Their inclusion should not be interpreted as a recommendation to buy or sell. J.P. Morgan Asset Management may or may not hold positions on behalf of its clients in any or all of the aforementioned securities. The above portfolio characteristics are subject to change without notice.

Dividends

	2014/15	2013/14	2012/13	2011/12	2010/11
Dividend per share	3.80p	3.65p	3.55p	3.40p	3.35p

- We focus on generating income growth from the portfolio
- Total dividend per share of 3.8p this financial year, inflation beating growth of 4.1%*
- A positive year for overall UK corporate dividend growth, boosted by currency tailwinds
- Special dividends by some of our favoured stocks*
 - Jupiter Fund Management
 - Booker
 - Next
 - Taylor Wimpey

Source: J.P. Morgan Asset Management as at 31 August 2015. *Growth of 4.1%* since last financial year. The companies/securities above are shown for illustrative purposes only. Their inclusion should not be interpreted as a recommendation to buy or sell. J.P. Morgan Asset Management may or may not hold positions on behalf of its clients in any or all of the aforementioned securities. Past performance is no guarantee of future performance. Dividend per share figures are for the financial years starting 1 September and ending 31 August. Past performance is no guarantee of future performance.

Agenda

- 2015 performance review
- **Current portfolio positioning**
- Market outlook

Portfolio allocation

Asset class	31 Aug 2015		31 Aug 2014	
	Fund (%)	Benchmark (%)	Fund (%)	Benchmark (%)
UK equities	86.2	85.0	86.7	85.0
Investment companies	6.4	0.0	6.4	0.0
Fixed income	4.9	15.0	5.2	15.0
Net current assets	2.5	0.0	1.7	0.0
Total assets	100.0	100.0	100.0	100.0

... a steady asset allocation favouring equities during the financial year

Source: J.P. Morgan Asset Management. Allocations are made at the manager's discretion and can be changed without notice.

Portfolio construction

- Driven by value & momentum, with an income growth focus
- Not benchmark constrained
- Focused portfolio of UK equities
- Diversification: Understand different areas of risk
- Portfolio yield premium

... aiming to generate income and long term capital growth

Source: J.P. Morgan Asset Management as at 04 December 2015.

Stock example: Berkeley Group

Relative price vs. FTSE 350 Index



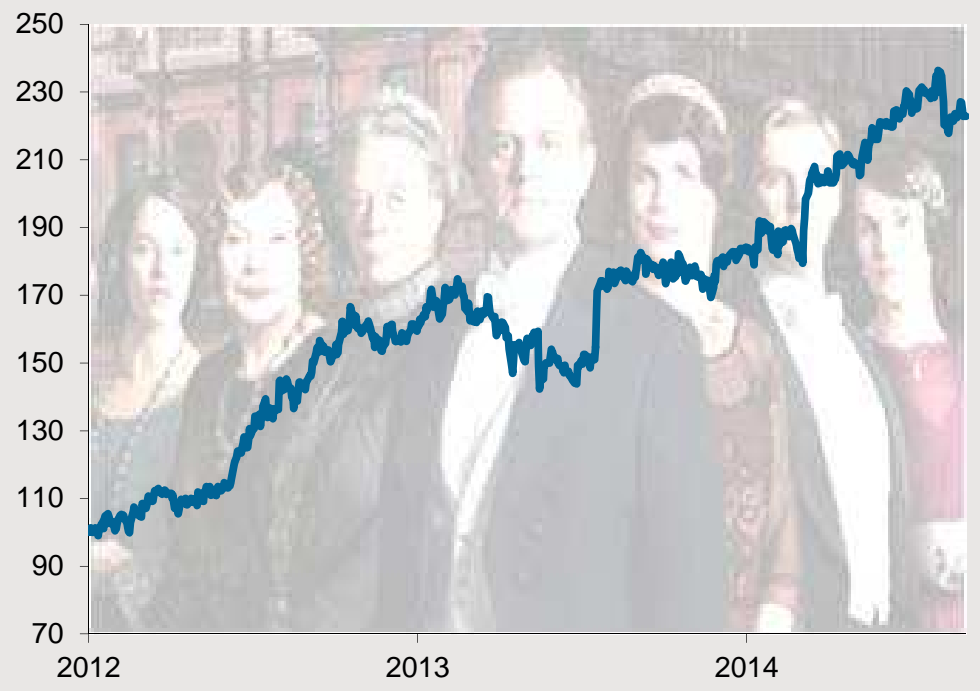
- London focused housebuilder
- Strong free cash flow and an attractive yield
- Positive outlook for next few years

... high dividend yield and strong capital growth potential

Source: Thomson Reuters Datastream. Rebased to 100 as at 31st December 2012, data to 31st August 2015. Returns are in GBP. The information in this case study is intended as an example only and should not be construed as advice, it may not be suitable for your particular circumstances and if you are unsure of the suitability of any investment you should seek financial advice. Past performance is not a guarantee of the future. The opinions and views expressed here are those held by the author as at date of this document, which are subject to change and are not to be taken as or construed as investment advice. J.P. Morgan Asset Management may or may not hold positions on behalf its clients in any or all of the aforementioned securities.

Stock example: ITV

Relative price vs. FTSE 350 Index



- Successful growth of TV production unit
- Consistently delivers strong profit growth
- Strong dividend growth alongside regular special dividends

... strong capital and dividend growth for shareholders

Source: Thomson Reuters Datastream. Rebased to 100 as at 30th December 2012, data to 30th August 2015. Returns are in GBP. The information in this case study is intended as an example only and should not be construed as advice, it may not be suitable for your particular circumstances and if you are unsure of the suitability of any investment you should seek financial advice. Past performance is not a guarantee of the future. The opinions and views expressed here are those held by the author as at date of this document, which are subject to change and are not to be taken as or construed as investment advice. J.P. Morgan Asset Management may or may not hold positions on behalf its clients in any or all of the aforementioned securities.

JPMorgan Elect plc - Managed Income

Top 10 active UK equity holdings – as at 31 October 2015

Stock	Sector	Portfolio weight %	Dividend yield %
Provident Financial	Financial Services	2.3	3.7
Direct Line Insurance	Non Life Insurance	2.1	5.9
Imperial Tobacco	Tobacco	2.1	4.4
ITV	Media	1.8	3.2
Berkeley	Household Goods & Home Construction	1.8	4.6
Beazley	Non Life Insurance	1.7	3.6
Next	General Retailers	1.6	4.3
Novae	Non Life Insurance	1.6	3.5
Taylor Wimpey	Household Goods & Home Construction	1.6	5.5
Phoenix Group	Life Insurance	1.5	6.2

... favoured stocks that have attractive dividend yields and growth potential

Source: J.P. Morgan Asset Management, FactSet as at 31 October 2015. Allocations are made at the manager's discretion and can be changed without notice. The inclusion of the securities mentioned above is not to be interpreted as recommendations to buy or sell. Dividend yield is Bloomberg consensus 12 month forward as at 31 October 2015.

Performance update

Financial year-to-date – 3 months to 30 November 2015

%	Financial year-to-date
Share price	+4.9
Net asset value	+4.0
Benchmark	+2.2

... an encouraging start to our new financial year

Source: J.P. Morgan Asset Management, Thomson Reuters Datastream, as at 30 November 2015. Performance data has been calculated on NAV to NAV basis, including ongoing charges and any applicable fees, with any income reinvested, in GBP. The composite benchmark is 85% FTSE All Share Index, 15% Barclays Capital Global Corporate Bond Index (sterling terms) Please note Benchmark Indices do not include fees or operating expenses and are not available for actual investment. Past performance is not indicative of future performance.

JPMorgan Elect plc - Managed Income

Quarterly rolling 12 month performance – to 30 September 2015

%	2014/15	2013/14	2012/13	2011/12	2010/11
Share price	4.8	9.9	21.4	19.6	-4.1
Net asset value	3.5	8.9	21.9	17.1	-0.9
Benchmark	-1.6	6.3	16.1	16.4	-3.4

... consistent outperformance

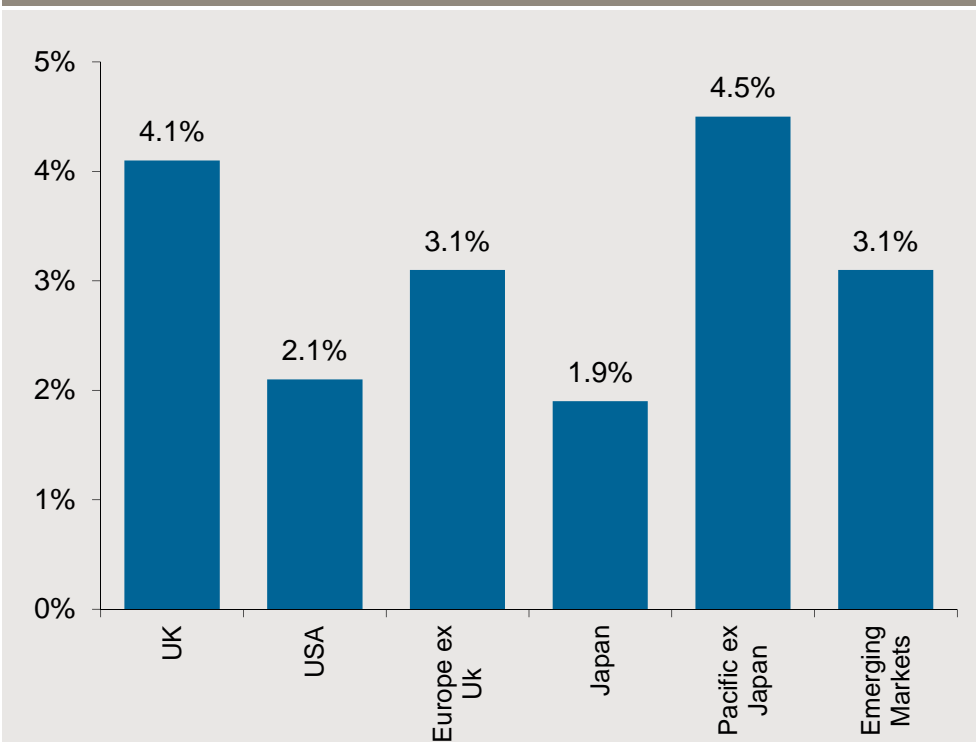
Source: J.P. Morgan Asset Management, as at 30 September 2015. Performance data has been calculated on NAV to NAV basis, including ongoing charges and any applicable fees, with any income reinvested, in GBP. Please note Benchmark Indices do not include fees or operating expenses and are not available for actual investment. Benchmark is Barclays Global Aggregate Corporate Bond Index (hedged) in sterling terms. Past performance is not indicative of future performance.

Agenda

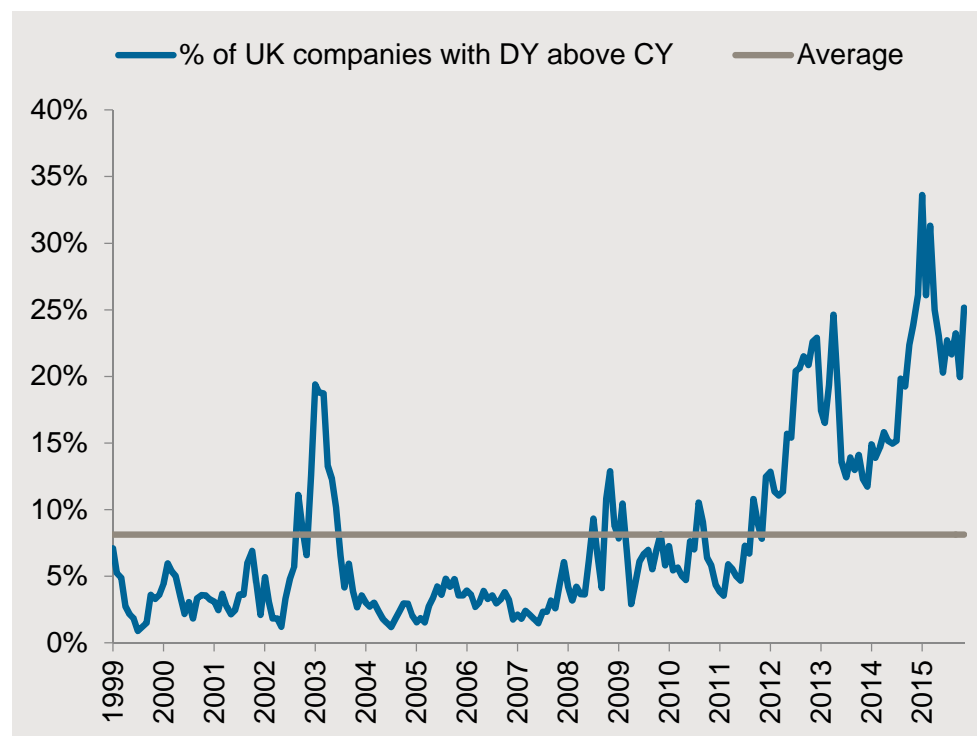
- 2015 performance review
- Current portfolio positioning
- **Market outlook**

UK equities offer premium income yields

2015 dividend yield



Percentage of UK companies with dividend yields > average corporate bond yield*



... UK equities offer premium income yields

Source LHS: Thomson Reuters Datastream, Citi Research, data from 01 January 1999 to 30 November 2015. *Corporate bond yields defined as the IBOXX UK corporate index yield.
 Source RHS: UBS, data as at 30 November 2015. Past performance is no guarantee of future performance.

Outlook

- We expect growth in developed economies to strengthen in 2015
- With an unexpectedly decisive result from the UK election there is evidence that earnings downgrades are slowing; high dividend yield lends support
- Strong macro-economic outlook
- Attractive yield
- Supportive valuation

Source: J.P. Morgan Asset Management as at 04 December 2015. The opinions and views expressed here are those held by the author as at date of this document, which are subject to change and are not to be taken as or construed as investment advice. Any forecasts, figures, opinions, statements of financial market trends or investment techniques and strategies expressed are unless otherwise stated, J.P. Morgan Asset Management's own at the date of this document. They are considered to be reliable at the time of writing, may not necessarily be all-inclusive and are not guaranteed as to accuracy. They may be subject to change without reference or notification to you.

Conclusion

- A strong performance by the Trust
- A persistent focus on delivering income growth and long term capital gains
- Positive outlook for UK equities

Source: J.P. Morgan Asset Management as at 03 December 2015. Past performance is no guarantee on future performance. The opinions and views expressed here are those held by the author as at date of this document, which are subject to change and are not to be taken as or construed as investment advice.

JPMorgan Elect plc – Managed Income

Capital Structure and Conversion between share classes

JPMorgan Elect plc adopted its present structure as a result of the combination of JPMorgan Fleming Managed Growth plc and JPMorgan Fleming Managed Income plc and the subsequent capital reorganisation. The Company's name reflects the capital structure and the investment flexibility it offers to shareholders. There are three share classes, each with distinct investment policies, objectives and underlying investment portfolios. Each share class is listed separately and traded on the London Stock Exchange. This capital structure means that shareholders may benefit from greater investment flexibility in a tax-efficient manner.

Key risks

The key risks facing the Company and the mechanisms in place to monitor and measure these risks are set out in the Company's annual report, a copy of which is available from its website, www.jpmelect.co.uk.

Risks in connection with leverage

The Company may employ leverage, that is to seek to enhance returns to shareholders by borrowing funds for investment or entering into derivative transactions (see below). Where the Company is levered, its net asset value and price performance would be expected to represent an amplification of any upward or downward movement in the value of the portfolio as a result of price changes of the investments contained therein. Shareholders should be aware that, whilst the use of leverage should enhance the returns to shareholders where the value of the Company's underlying assets is rising, it will have the opposite effect where the underlying asset value is falling.

A fall in the value of the Company's investments may cause the Company to sell investments in order to reduce leverage, which in turn may give rise to a significant loss of value compared to the book value of the investments, as well as a reduction in income from investments. UK or G7 government securities hedged into sterling.

Specific risks:

The trust may invest in smaller company shares, which can be more unpredictable and less liquid than shares of larger companies.

This trust may invest in non investment grade bonds, which could increase capital risk and have an adverse effect on the performance of funds that invest in them.

Where permitted, a trust may invest in other investment trusts that utilise gearing (borrowing), which will exaggerate market movements both up and down.

Dividend income payments are not guaranteed and may fluctuate.

Fund Specific Risks

The value of investments and the income from them can go down as well as up and you may not get back the full amount you invested. Changes in exchange rates may have an adverse effect on the value, price or income of the product(s) or underlying overseas investments. Both past performance and yield may not be a reliable guide to future performance. There is no guarantee that any forecast made will come to pass. Furthermore, whilst it is the intention to achieve the investment objective of the investment product(s), there can be no assurance that those objectives will be met. Please also be aware that investment trusts may use gearing techniques (borrowing) which will exaggerate market movements both down and up which could mean sudden and large falls in market value. Some or all of the Manager's annual charge for the Fund is taken from capital and/or income. Whilst this increases yield, it reduces the potential for capital growth.

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It should be noted that the value of investments and the income from them may fluctuate in accordance with market conditions and taxation agreements and investors may not get back the full amount invested. Changes in exchange rates may have an adverse effect on the value, price or income of the product(s) or underlying overseas investments. Both past performance and yield may not be a reliable guide to future performance. There is no guarantee that any forecast made will come to pass. Furthermore, whilst it is the intention to achieve the investment objective of the investment product(s), there can be no assurance that those objectives will be met.

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