
JPMorgan Brazil Investment Trust plc

Half Year Report & Accounts for the six months ended 31st October 2016



Features

Objective

To provide shareholders with long term total returns, predominantly comprising capital growth but with the potential for income, by investing primarily in Brazilian focused companies.

Investment Policies

- To invest primarily in Brazilian companies and those incorporated or listed outside Brazil whose Brazilian operations constitute a material part of their business. Up to 10% of assets may be invested in companies focused on other Latin American countries.
- There is no limit placed on the market capitalisation or sector of any investee companies. However, the Company may reduce its equity holdings to a minimum of 60% of its gross assets if it is considered to be beneficial to performance.
- The Company may invest in listed or unlisted securities or equity-linked securities, in addition to fixed income bonds. Unlisted securities will not exceed 10% of gross assets at the time of investment.

Benchmark

The Company's benchmark is the MSCI Brazil 10/40 Index (in sterling terms), with net dividends reinvested. This index limits the maximum weight of an individual stock constituent to 10% and limits the sum of the weights of all stocks representing more than 5% individually to 40%.

Capital Structure

At 31st October 2016, the Company's share capital comprised 61,728,898 ordinary shares of 1p each including 21,783,044 shares held in Treasury.

Continuation Vote

In accordance with the Company's Articles of Association, the Directors are required to propose a resolution that the Company continue as an investment trust at the Annual General Meeting in 2016 and every third year thereafter.

Management Company and Company Secretary

Prior to 1st July 2014, the Company employed JPMorgan Asset Management (UK) Limited ('JPMAM') to manage its assets. With effect from 1st July 2014, JPMorgan Funds Limited ('JPMF' or the 'Manager'), an affiliate of JPMAM was appointed as the Company's Alternative Investment Fund Manager ('AIFM') and the Company Secretary.

FCA regulation of 'non-mainstream pooled investments'

The Company currently conducts its affairs so that the shares issued by JPMorgan Brazil Investment Trust plc can be recommended by Independent Financial Advisers to ordinary retail investors in accordance with the FCA's rules in relation to non-mainstream investment products and intends to continue to do so for the foreseeable future.

The shares are excluded from the FCA's restrictions which apply to non-mainstream investment products because they are shares in an investment trust.

Association of Investment Companies

The Company is a member of the Association of Investment Companies.

Website

The Company's website, which can be found at www.jpmbrazil.co.uk, includes useful information on the Company, such as daily prices, factsheets and current and historic half year and annual reports.

Contents

HALF YEAR PERFORMANCE

ABOUT THE COMPANY

- 3 Chairman's Statement
- 4 Investment Managers' Report

INVESTMENT REVIEW

- 7 List of Investments
- 8 Sector Analysis

FINANCIAL STATEMENTS

- 9 Statement of Comprehensive Income
- 10 Statement of Changes in Equity
- 11 Statement of Financial Position
- 12 Statement of Cash Flows
- 13 Notes to the Financial Statements

SHAREHOLDER INFORMATION

- 15 Interim Management Report
- 16 Glossary of Terms and Definitions
- 17 Where to buy J.P. Morgan Investment Trusts
- 21 Information about the Company

Half Year Performance

TOTAL RETURNS IN STERLING TERMS (INCLUDES DIVIDENDS REINVESTED) TO 31ST OCTOBER 2016

+47.8%

Return to shareholders¹

+49.8%

Return on net assets²

+56.1%

Benchmark³

The above returns have been calculated on the assumption that any dividends received during the period have been immediately reinvested. Further details on these calculations are given in the Glossary of Terms and Definitions on page 16.

Long Term Performance

FOR PERIOD ENDED 31ST OCTOBER 2016

	Return to shareholders ¹	Return on net assets ²	Benchmark ³
1 Year Performance	+84.0%	+94.0%	+116.0%
3 Year Performance	-7.2%	-0.8%	+14.9%
Since Inception Performance	-32.1%	-16.0%	-4.3%

¹ Morningstar.

² Source: J.P. Morgan.

³ Source: Datastream. The Company's benchmark is the MSCI Brazil 10/40 Index, with net dividends reinvested in sterling terms.

Financial Data

	31st October 2016	30th April 2016	% change
Net assets (£'000)	30,845	23,780	+29.7
Number of shares in issue ¹	39,945,854	45,774,854	-12.7
Net asset value per share	77.2p	51.9p	+48.7
Share price	68.0p	46.4p	+46.6
Share price discount to net asset value per share	11.9%	10.6%	
Gearing/(net cash) ²	(0.8)%	(3.3)%	
Ongoing charges	2.00%	1.96%	

¹ Excluding 21,783,044 (30th April 2016: 15,954,044) shares held in Treasury.

² The methodology to calculate gearing has been amended during the period therefore the comparative figure has been recalculated for comparative purposes. Please refer to the glossary of items and definitions on page 16 for the revised calculation.

A glossary of terms and definitions is provided on page 16.

About the Company

CHAIRMAN'S STATEMENT



Introduction and Performance

The six months to 31st October 2016 saw a strong recovery in the performance of Brazil's equity market, driven by the improving political environment, expectations that the economy is finally on the path to recovery and currency appreciation. In sterling terms the Company recorded a total return on net assets for the reporting period of 49.8%, compared with the 56.1% return of the benchmark, the MSCI 10/40 Index, over the same period. The significant fall in the value of sterling following the result of the UK referendum to leave the European Union led to a sharp increase in value of overseas investments in sterling terms. In local currency terms the total return on the Company's net assets over the period was 16.7% compared with the benchmark return, again in local currency, of 20.0%. The share price return to Ordinary shareholders was 47.8%. The underperformance in the period was largely attributable to our underweight position in the energy and materials sectors which performed well in the period, and underperformance of Valid, a long term holding in the industrials sector.

The Investment Managers' Report gives a more detailed commentary about the markets and conditions experienced during this period and the outlook for the remainder of the financial year.

Since the period end the Company's NAV and share price have both fallen some 20%, in line with the Company's benchmark, as the market has scaled back its expectations for resumed economic growth in Brazil in 2017 and beyond.

Share repurchases

In the six months to 31st October 2016, the Company continued to use the authority given by shareholders to repurchase its shares in the market to help maintain an orderly market for the Company's shares, thereby reducing the volatility of the discount. The Company repurchased for holding in Treasury a total of 5,829,000 ordinary shares at a discount, for a total consideration of £3,491,000, representing 12.7% of the issued share capital at the beginning of the financial year. Since the period end, 185,000 shares have been repurchased into Treasury.

The Board will continue to monitor the volatility and the absolute level of discount at which the share price trades relative to NAV, and may make further repurchases of the Company's shares in the market. Since 1st May 2016, the share price to NAV has ranged between a premium of 1.52% and a discount of 17.06%, a broad range that reflects the significant moves in exchange rates and sentiment towards investment companies as a whole in the period following the UK's decision to leave the EU, and stands at a discount of 9.4% at the time of writing this report, 16th December 2016.

Outlook

It is pleasing to note Brazil's improving backdrop and a marked improvement in the Company's returns over the last six months after a prolonged period of poor results. However, given the challenging macro-economic and political trends in Brazil, the risk of volatility in investor sentiment and therefore in share prices and currencies remains high. This volatility in sentiment and prices may be exacerbated by the incoming Trump presidency in the US, although the direct impact of any protectionist moves by the new administration on Brazil are likely to be limited given the lack of any favourable trade treaties between the two countries. Despite these factors, the Board believes that the underlying case for investment opportunities in Brazil remains strong for delivering good long-term returns to shareholders.

Howard Myles
Chairman

21st December 2016

INVESTMENT MANAGERS' REPORT



Sophie Bosch De Hood



Luis Carrillo

Market review

Brazilian equities rallied strongly in the six months to 31st October 2016 and outperformed broader emerging markets, as sentiment was boosted by a stabilising political landscape and an appreciating currency. Our benchmark index, the MSCI Brazil 10/40 Index, delivered a strong positive return of 56.1% in the period. However, portfolio returns lagged the benchmark, returning 49.8% over the half-year.

The Brazilian equity market was driven by domestic politics in the review period. The period began with the country on the cusp of the impeachment process, with interim president Michel Temer taking office on 13th May following the suspension of Dilma Rousseff. Investors welcomed the transition to Temer and his appointment of market-friendly figures to the Ministry of Finance and central bank, as well as his appointment of a new CEO of state-owned oil producer Petrobras. His introduction of a new head of the lower house of Congress - after Eduardo Cunha was caught up in a corruption scandal - further buoyed sentiment, as the appointment was widely seen as more aligned to the current administration.

By August, Rousseff was officially removed from office following the final impeachment vote in the Senate. Immediately following this decision, the new administration began to push through reforms, beginning with reducing government expenditure. The country's municipal elections, which occurred in October, showed a clear defeat for Rousseff and her Workers' Party, or PT, with Temer's Brazilian Democratic Movement Party, or PMDB, gaining seats.

Alongside the improving political climate, the Brazilian economy began to show tentative signs of stabilisation. Unemployment continued to rise, but inflation started to ease over the summer, leading to expectations that interest rates would soon begin to come down. October brought the first interest rate cut of 0.25%, taking nominal interest rates to 14% and the real interest rate close to 6%. By the end of the period, consumer and industrial confidence had shown signs of improving from their historical lows, supporting the view that the Brazilian economy had turned a corner.

Brazilian equities were further supported by the appreciation of the real against the US dollar, with investors focused in particular on companies that would be beneficiaries of lower interest rates. The UK's vote to leave the European Union in June, while it benefited NAV because of the subsequent decline in sterling, had little effect on the Brazilian market.

Portfolio review

Against this backdrop, the Company's net asset value and share price rose sharply but nevertheless underperformed the benchmark.

At the sector level, our major detractors came from the materials, industrials and energy sectors. Both the materials and energy sectors, where we have for a long time been wary of the exposure in the sectors to domestic political interference and their exposure to global commodity prices, performed strongly. In these sectors performance was adversely affected by our policy of not holding Petrobras which benefited from changes of management and a focus on reducing gearing through a series of asset sales and reductions in capital expenditure. Petrobras also benefited from improved investor sentiment towards the scandal-hit state-owned oil producer as the changes suggested it was on the path to

becoming a more rationally managed corporation, with greater independence from government interference.

In the industrial sector, the underperformance was largely attributable to our holding in Valid. The payment and identity company's operations suffered more than we expected in Brazil as Brazilians delayed ID renewals due to a weak economy, while its operations in the US also faced challenges. We have revised our earnings estimates and are confident that management remains focused on turning the company around. We have therefore maintained our position.

Elsewhere in the industrials sector, an overweight position in Copa Airlines contributed positively. We believe that the company has turned a corner as it begins to benefit from the recent painful changes instigated by management. We remain positive on the stock, as we believe it should see positive earnings revisions due to better cost management, route rationalisation and lower fuel prices.

PERFORMANCE ATTRIBUTION FOR THE SIX MONTHS ENDED 31ST OCTOBER 2016

	%	%
Contributions to total returns		
Benchmark return (in sterling terms)		56.1
Asset allocation	-4.1	
Stock selection	-2.0	
Gearing/cash	-0.2	
Investment Manager contribution		-6.3
Portfolio return		49.8
Management fee/other expenses	-1.0	
Share repurchase	1.0	
Return on net assets		49.8
Impact of change in discount		-2.0
Return to shareholders		47.8

Source: Factset/Datastream/Morningstar. All figures are on a total return basis.

Performance attribution analyses how the Company achieved its recorded performance relative to its benchmark.

A glossary of terms and definitions is provided on page 16.

INVESTMENT MANAGERS' REPORT *CONTINUED*

Further positive contributors to relative returns included stock selection and an underweight position in consumer staples, where an underweight position in Anheuser-Busch InBev was among the top contributors at the stock level. We further reduced our position at the end of the period, as we believe that the beer company is losing market share to its competitors, while the valuation had also become stretched. An overweight position in Fleury in the healthcare sector also contributed positively. The company, which operates in the clinical laboratory business, benefited from a change in management and impressive margin expansion.

In the utilities sector, Centrais Elétricas Brasileiras benefited from the expectation of more market-friendly policies by state-owned companies under the new government administration, and so our underweight position detracted from performance. However, we maintain our underweight position due to ongoing concerns over a significant amount of debt on the balance sheet.

Improving sentiment towards Brazilian equities led to some positioning changes over the period. At the beginning of the six months under review, we had a significant portion – close to 9% – of the trust's assets allocated to out-of-Brazil holdings. We have trimmed this allocation, selling some positions, to provide capital for more attractive opportunities within Brazil, while maintaining those with positive momentum. As mentioned above, we also cut our position in brewer Anheuser-Busch InBev following weak earnings. The receipts from these sales were used as a source of cash to fund other acquisitions. In particular, we added to our existing positions in the banks and the commodity sectors, and bought a number of small-cap names, such as travel agency CVC.

Outlook

The rally in Brazilian equities that we've seen so far this year continues, but ultimately will need the support of improved corporate earnings if valuations are to be sustained. If rates continue to come down – which we expect as inflation continues to fade – this will provide a positive environment for many companies, and we should see good earnings momentum over the next few years.

We believe that privatisation and investment in infrastructure will be the engine of growth in Brazil, and that the private sector will be an avid participant in infrastructure projects. Meanwhile, Brazil's Spending Cap Bill, which was approved after the period end, and proposed pension reforms will curb government spending and put Brazil back on track to rein in debt levels, which should help to sustain the economy.

As we move into next year, we will closely monitor the actions of the Trump administration, as his policies could lead to specific US dollar and interest rate moves that could affect the Brazilian currency as well as flows into the market. For example, higher US rates could strengthen the US Dollar causing commodity prices to come down, which could affect Brazil's commodity-heavy index. However, Brazil does not currently benefit from any preferential trade agreements with the US and so may be better protected from any protectionist moves by the new US administration than other emerging markets which currently enjoy such beneficial trading arrangements.

Sophie Bosch De Hood

Luis Carrillo

Investment Managers

21st December 2016

Investment Review

LIST OF INVESTMENTS AT 31ST OCTOBER 2016

Company	Sector	Valuation £'000	%
Itaú Unibanco ADR	Financials	3,350	10.9
Banco Bradesco ADR	Financials	2,515	8.2
Kroton Educacional	Consumer Discretionary	1,366	4.5
Drogasil	Consumer Staples	1,268	4.2
Lojas Renner	Consumer Discretionary	1,257	4.1
BM&F Bovespa Sa Bolsa de Valores	Financials	1,245	4.1
BB Seguridade Participações	Financials	1,229	4.0
Ultrapar Participações	Energy	1,170	3.8
WEG	Industrials	1,120	3.7
Itaúsa Investimentos Itaú ¹	Financials	1,113	3.6
Fleury	Health Care	1,110	3.6
Valid	Industrials	1,052	3.4
Localiza Rent a Car	Industrials	961	3.1
CCR	Industrials	941	3.1
Vale ¹	Materials	921	3.0
Engie Brasil Energia	Utilities	913	3.0
Cielo	Information Technology	807	2.6
Transmissora Aliança de Energia Elétrica	Utilities	755	2.5
Linx	Information Technology	607	2.0
Ambev ADR	Consumer Staples	560	1.8
Copa Holdings ² (Panama)	Industrials	489	1.6
M Dias Branco	Consumer Staples	488	1.6
BR Malls Participações	Real Estate	479	1.6
Globant ² (Luxembourg)	Information Technology	459	1.5
Banco do Estado do Rio Grande do Sul ¹	Financials	452	1.5
Wilson Sons	Industrials	429	1.4
CVC Brasil Operadora e Agencia de Viagens	Consumer Discretionary	428	1.4
Arezzo Indústria E Comércio	Consumer Discretionary	423	1.4
EZ Tec Empreendimentos	Consumer Discretionary	412	1.3
Fras-Le	Consumer Discretionary	360	1.2
Eternit	Materials	301	1.0
lochpe-Maxion	Industrials	284	0.9
Grupo Aeroportuario del Pacifico SAB de CV ² (Mexico)	Industrials	269	0.9
Corporación Inmobiliaria Vesta ² (Mexico)	Real Estate	242	0.8
CPFL Energia	Utilities	188	0.6
Qualitas Controladora SAB De CV ² (Mexico)	Financials	181	0.6
Gerdau ADR	Materials	179	0.6
Ouro Fino Saude Animal Participações	Health Care	177	0.6
Odontoprev	Health Care	104	0.3
Total		30,604	100.0

¹ Preference shares.

² Non-Brazilian holdings.

SECTOR ANALYSIS

	31st October 2016		30th April 2016	
	Portfolio ¹ %	Benchmark %	Portfolio ¹ %	Benchmark %
Financials	32.9	30.0	34.4	29.6
Industrials	18.1	5.8	18.2	6.0
Consumer Discretionary	13.9	6.4	12.2	6.3
Consumer Staples	7.6	18.4	12.7	19.5
Information Technology	6.1	4.3	6.9	4.9
Utilities	6.1	7.6	4.9	6.0
Materials	4.6	9.5	4.3	10.2
Health Care	4.5	0.8	2.4	0.7
Energy	3.8	12.4	4.0	13.7
Real Estate	2.4	1.5	–	–
Telecommunication Services	–	3.3	–	3.1
Total	100.0	100.0	100.0	100.0

¹ Based on total investments of £30.6m (30th April 2016: 23.0m).

Financial Statements

STATEMENT OF COMPREHENSIVE INCOME FOR THE SIX MONTHS ENDED 31ST OCTOBER 2016

	(Unaudited) Six months ended 31st October 2016			(Unaudited) Six months ended 31st October 2015			(Audited) Year ended 30th April 2016		
	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
Gains/(losses) on investments held at fair value through profit or loss	–	10,637	10,637	–	(9,783)	(9,783)	–	(4,628)	(4,628)
Net foreign currency gains/(losses)	–	15	15	–	(5)	(5)	–	(11)	(11)
Income from investments	367	–	367	294	–	294	683	–	683
Gross return/(loss)	367	10,652	11,019	294	(9,788)	(9,494)	683	(4,639)	(3,956)
Management fee	(127)	–	(127)	(120)	–	(120)	(123)	–	(123)
Other administrative expenses	(153)	–	(153)	(152)	–	(152)	(300)	–	(300)
Net return/(loss) on ordinary activities before finance costs and taxation	87	10,652	10,739	22	(9,788)	(9,766)	260	(4,639)	(4,379)
Finance costs	–	–	–	–	–	–	(1)	–	(1)
Net return/(loss) on ordinary activities before taxation	87	10,652	10,739	22	(9,788)	(9,766)	259	(4,639)	(4,380)
Taxation	(30)	–	(30)	(17)	–	(17)	(47)	–	(47)
Net return/(loss) on ordinary activities after taxation	57	10,652	10,709	5	(9,788)	(9,783)	212	(4,639)	(4,427)
Return/(loss) per share (note 4)	0.13p	25.09p	25.22p	0.01p	(20.76)p	(20.75)p	0.46p	(9.94)p	(9.48)p

All revenue and capital items in the above statement derive from continuing operations. No operations were acquired or discontinued in the period.

The 'Total' column of this statement is the profit and loss account of the Company and the 'Revenue' and 'Capital' columns represent supplementary information prepared under guidance issued by the Association of Investment Companies.

The net return/(loss) on ordinary activities after taxation represents the profit/(loss) for the period and also the total comprehensive income.

STATEMENT OF CHANGES IN EQUITY

	Called up share capital £'000	Capital redemption reserve £'000	Share premium £'000	Other reserve £'000	Capital reserves £'000	Revenue reserve ¹ £'000	Total £'000
Six months ended 31st October 2016 (Unaudited)							
At 30th April 2016	617	13	16,149	34,097	(27,842)	746	23,780
Repurchase of shares into Treasury	–	–	–	(3,442)	–	–	(3,442)
Net return on ordinary activities	–	–	–	–	10,652	57	10,709
Dividend paid in the period	–	–	–	–	–	(202)	(202)
At 31st October 2016	617	13	16,149	30,655	(17,190)	601	30,845
Six months ended 31st October 2015 (Unaudited)							
At 30th April 2015	617	13	16,149	34,970	(23,203)	721	29,267
Repurchase of shares into Treasury	–	–	–	(517)	–	–	(517)
Net (loss)/return on ordinary activities	–	–	–	–	(9,788)	5	(9,783)
Dividend paid in the period	–	–	–	–	–	(187)	(187)
At 31st October 2015	617	13	16,149	34,453	(32,991)	539	18,780
Year ended 30th April 2016 (Audited)							
At 30th April 2015	617	13	16,149	34,970	(23,203)	721	29,267
Repurchase of shares into Treasury	–	–	–	(873)	–	–	(873)
Net (loss)/return on ordinary activities	–	–	–	–	(4,639)	212	(4,427)
Dividend paid in the year	–	–	–	–	–	(187)	(187)
At 30th April 2016	617	13	16,149	34,097	(27,842)	746	23,780

¹ This reserve forms the distributable reserve of the Company and may be used to fund distribution of profits to investors via dividend payments.

STATEMENT OF FINANCIAL POSITION

AT 31ST OCTOBER 2016

	(Unaudited) 31st October 2016 £'000	(Unaudited) 31st October 2015 £'000	(Audited) 30th April 2016 £'000
Fixed assets			
Investments held at fair value through profit or loss	30,604	18,050	23,004
Current assets			
Derivative financial assets	3	–	–
Debtors	961	447	169
Cash and cash equivalents	113	713	697
	1,077	1,160	886
Current liabilities			
Creditors: amounts falling due within one year	(831)	(430)	(90)
Derivative financial liabilities	(5)	–	–
Net current assets	241	730	776
Total assets less current liabilities	30,845	18,780	23,780
Net assets	30,845	18,780	23,780
Capital and reserves			
Called up share capital	617	617	617
Capital redemption reserve	13	13	13
Share premium	16,149	16,149	16,149
Other reserve	30,655	34,453	34,097
Capital reserves	(17,190)	(32,991)	(27,842)
Revenue reserve	601	539	746
Total equity shareholders' funds	30,845	18,780	23,780
Net asset value per share (note 5)	77.2p	40.1p	51.9p

STATEMENT OF CASH FLOWS
 FOR THE SIX MONTHS ENDED 31ST OCTOBER 2016

	(Unaudited) Six months ended 31st October 2016 £'000	(Unaudited) Six months ended 31st October 2015 £'000	(Audited) Year ended 30th April 2016 £'000
Net cash outflow from operations before dividends and interest (note 6)	(251)	(328)	(471)
Dividends received	338	279	662
Interest paid	–	–	(1)
Net cash inflow/(outflow) from operating activities	87	(49)	190
Purchases of investments	(5,566)	(2,777)	(6,269)
Sales of investments	8,409	3,585	7,195
Settlement of forward currency contracts	(2)	11	(2)
Net cash inflow from investing activities	2,841	819	924
Dividend paid	(202)	(187)	(187)
Repurchase of shares into Treasury	(3,310)	(517)	(873)
Net cash outflow from financing activities	(3,512)	(704)	(1,060)
(Decrease)/increase in cash and cash equivalents	(584)	66	54
Cash and cash equivalents at start of period	697	652	652
Exchange movements	–	(5)	(9)
Cash and cash equivalents at end of period	113	713	697
(Decrease)/increase in cash and cash equivalents	(584)	66	54
Cash and cash equivalents consist of:			
Cash and short term deposits	113	713	697
Total	113	713	697

NOTES TO THE FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED 31ST OCTOBER 2016

1. Financial statements

The information contained within the financial statements in this half year report has not been audited or reviewed by the Company's auditors.

The figures and financial information for the year ended 30th April 2016 are extracted from the latest published financial statements of the Company and do not constitute statutory accounts for that year. Those financial statements have been delivered to the Registrar of Companies and included the report of the auditors which was unqualified and did not contain a statement under either section 498(2) or 498(3) of the Companies Act 2006.

2. Accounting policies

The financial statements are prepared in accordance with the Companies Act 2006, United Kingdom Generally Accepted Accounting Practice ('UK GAAP'), including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Statement of Recommended Practice 'Financial Statements of Investment Trust Companies and Venture Capital Trusts' (the 'SORP') issued by the Association of Investment Companies in November 2014.

FRS 104, 'Interim Financial Reporting', issued by the Financial Reporting Council ('FRC') in March 2015 has been applied in preparing this condensed set of financial statements for the six months ended 31st October 2016.

All of the Company's operations are of a continuing nature.

The accounting policies applied to this condensed set of financial statements are consistent with those applied in the financial statements for the year ended 30th April 2016.

3. Dividends paid¹

	(Unaudited) Six months ended 31st October 2016 £'000	(Unaudited) Six months ended 31st October 2015 £'000	(Audited) Year ended 30th April 2016 £'000
Final dividend in respect of the year ended 30th April 2016 of 0.50p (2015: 0.40p)	202	187	187

¹ All dividends paid in the period/year have been funded from the Revenue Reserve.

4. Return/(loss) per share

	(Unaudited) Six months ended 31st October 2016 £'000	(Unaudited) Six months ended 31st October 2015 £'000	(Audited) Year ended 30th April 2016 £'000
Return/(loss) per share is based on the following:			
Revenue return	57	5	212
Capital return/(loss)	10,652	(9,788)	(4,639)
Total return/(loss)	10,709	(9,783)	(4,427)
Weighted average number of shares in issue during the period	42,454,055	47,152,389	46,660,058
Revenue return per share	0.13p	0.01p	0.46p
Capital return/(loss) per share	25.09p	(20.76)p	(9.94)p
Total return/(loss) per share	25.22p	(20.75)p	(9.48)p

NOTES TO THE FINANCIAL STATEMENTS *CONTINUED*

5. Net asset value per share

	(Unaudited) Six months ended 31st October 2016	(Unaudited) Six months ended 31st October 2015	(Audited) Year ended 30th April 2016
Net assets (£'000)	30,845	18,780	23,780
Number of shares in issue	39,945,854	46,782,362	45,774,854
Net asset value per share (pence)	77.2	40.1	51.9

6. Reconciliation of net return/(loss) on ordinary activities before finance costs and taxation to net cash outflow from operations before dividends and interest

	(Unaudited) Six months ended 31st October 2016 £'000	(Unaudited) Six months ended 31st October 2015 £'000	(Audited) Year ended 30th April 2016 £'000
Net return/(loss) on ordinary activities before finance costs and taxation	10,739	(9,766)	(4,379)
(Less capital return)/add capital loss on ordinary activities before finance costs and taxation	(10,652)	9,788	4,639
Decrease/(increase) in accrued income and other debtors	38	2	(11)
Decrease in accrued expenses	(27)	(45)	(11)
Overseas withholding tax	(30)	(17)	(47)
Dividends received	(338)	(279)	(662)
Realised gain/(loss) on foreign currency transactions	8	(11)	–
Exchange gains on liquidity funds	11	–	–
Net cash outflow from operations before dividends and interest	(251)	(328)	(471)

7. Fair valuation of investments

The fair value hierarchy disclosures required by FRS 102 are given below.

	(Unaudited) Six months ended 31st October 2016		(Unaudited) Six months ended 31st October 2015		(Audited) Year ended 30th April 2016	
	Assets £'000	Liabilities £'000	Assets £'000	Liabilities £'000	Assets £'000	Liabilities £'000
Level 1	30,604	–	18,050	–	23,004	–
Level 2 ¹	3	(5)	–	–	–	–
Total	30,607	(5)	18,050	–	23,004	–

¹ Consists of forward foreign currency contracts.

Shareholder Information

INTERIM MANAGEMENT REPORT

The Company is required to make the following disclosures in its half year report:

Principal Risks and Uncertainties

The principal risks and uncertainties faced by the Company have not changed and fall into the following broad categories: investment and strategy; market; accounting, legal and regulatory; corporate governance and shareholder relations; operational and financial. Information on each of these areas is given in the Directors' Report within the Annual Report and Accounts for the year ended 30th April 2016.

Related Party Transactions

During the first six months of the current financial year, no transactions with related parties have taken place which have materially affected the financial position or the performance of the Company.

Going Concern

The Directors believe, having considered the Company's investment objectives, risk management policies, capital management policies and procedures, nature of the portfolio and expenditure projections, that the Company has adequate resources, an appropriate financial structure and suitable management arrangements in place to continue in operational existence for the foreseeable future and, more specifically, that there are no material uncertainties pertaining to the Company that would prevent its ability to continue in such operation existence for at least twelve months from the date of the approval of this half yearly financial report. For these reasons, they consider there is reasonable evidence to continue to adopt the going concern basis in preparing the accounts.

Directors' Responsibilities

The Board of Directors confirms that, to the best of its knowledge:

- (i) the condensed set of financial statements contained within the half yearly financial report has been prepared in accordance with FRS 104 'Interim Financial Reporting' and gives a true and fair view of the state of affairs of the Company and of the assets, liabilities, financial position and net return of the Company, as at 31st October 2016, as required by the UK Listing Authority Disclosure and Transparency Rules 4.2.4R; and
- (ii) the interim management report includes a fair review of the information required by 4.2.7R and 4.2.8R of the UK Listing Authority Disclosure and Transparency Rules.

In order to provide these confirmations, and in preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business;

and the Directors confirm that they have done so.

For and on behalf of the Board

Howard Myles
Chairman

21st December 2016

GLOSSARY OF TERMS AND DEFINITIONS

Return to shareholders

Share price total return to the ordinary shareholder, on a last-market price to last-market price basis, assuming that all dividends received were reinvested, without transaction costs, into the shares of the Company at the time the shares were quoted ex-dividend.

Return on net assets

Return on the net asset value ('NAV') per share, assuming that all dividends paid out by the Company were reinvested into the shares of the Company at the NAV per share at the time the shares were quoted ex-dividend.

Benchmark total return

Total return on the benchmark, on a last-market value to last-market value basis, assuming that all dividends received were reinvested in the shares of the underlying companies at the time the shares were quoted ex-dividend.

The benchmark is a recognised index of stocks which should not be taken as wholly representative of the Company's investment universe. The Company's investment strategy does not 'track' this index and consequently, there will be divergence between the Company's performance and that of the benchmark.

Share price (discount)/premium to net asset value ('NAV') per share

If the share price of an investment trust is lower than the NAV per share, the shares are said to be trading at a discount. The discount is shown as a percentage of the NAV per share. The opposite of a discount is a premium. It is more common for an investment trust's shares to trade at a discount than at premium.

Gearing/net cash

Gearing represents the excess amount above shareholders' funds of total investments, expressed as a percentage of the shareholders' funds. Previously gearing represented the excess amount above shareholders' funds of total assets expressed as a percentage of shareholders' funds. Total assets included total investments and net current assets/liabilities less cash/cash equivalents and excluding bank loans of less than one year. If the amount calculated is negative, this is shown as a 'net cash' position.

Ongoing charges

The ongoing charges represent the Company's management fee and all other operating expenses, excluding finance costs, expressed as a percentage of the average daily net assets during the period. The figure as at 31st October 2016 is an estimated annualised figure.

Performance attribution definitions:

Asset allocation

Measures the impact of allocating assets differently to those in the benchmark, via the portfolio's weighting in different countries, sectors or asset types.

Stock selection

Measures the effect of investing in securities to a greater or lesser extent than their weighting in the benchmark, or of investing in securities which are not included in the benchmark.

Gearing/cash

Measures the impact on returns of borrowings or cash balances on the Company's relative performance.

Management fee/other expenses

The payment of fees and expenses reduces the Company's net assets and therefore has a negative effect on relative performance.

Share repurchase

Measures the enhancement to net asset value per share of buying back the Company's shares for cancellation at a price which is less than the Company's net asset value per share.

WHERE TO BUY J.P. MORGAN INVESTMENT TRUSTS

You can invest in a J.P. Morgan investment trust through the following;

1. Directly from J.P. Morgan

Investment Account

The Company's shares are available in the J.P. Morgan Investment Account, which facilitates both regular monthly investments and occasional lump sum investments in the Company's ordinary shares. Shareholders who would like information on the Investment Account should call J.P. Morgan Asset Management free on 0800 20 40 20 or visit its website at am.jpmorgan.co.uk/investor

Stocks & Shares Individual Savings Accounts (ISA)

The Company's shares are eligible investments within a J.P. Morgan ISA. For the 2016/17 tax year, from 6th April 2016 and ending 5th April 2017, the total ISA allowance is £15,240. The shares are also available in a J.P. Morgan Junior ISA. Details are available from J.P. Morgan Asset Management free on 0800 20 40 20 or via its website at am.jpmorgan.co.uk/investor

2. Via a third party provider

Third party providers include;

AJ Bell	Interactive Investor
Alliance Trust Savings	James Brearley
Barclays Stockbrokers	James Hay
Bestinvest	Selftrade
Charles Stanley Direct	TD Direct
Hargreaves Lansdown	The Share Centre

Please note this list is not exhaustive and the availability of individual trusts may vary depending on the provider. These websites are third party sites and J.P. Morgan Asset Management does not endorse or recommend any. Please observe each site's privacy and cookie policies as well as their platform charges structure.

3. Through a professional adviser

Professional advisers are usually able to access the products of all the companies in the market and can help you find an investment that suits your individual circumstances. An adviser will let you know the fee for their service before you go ahead. You can find an adviser at unbiased.co.uk

You may also buy investment trusts through stockbrokers, wealth managers and banks.

To familiarise yourself with the Financial Conduct Authority (FCA) adviser charging and commission rules, visit fca.org.uk

Financial Conduct Authority

Beware of share fraud



In association with:
icsa.
Registrars
Group

Fraudsters use persuasive and high-pressure tactics to lure investors into scams. They may offer to sell shares that turn out to be worthless or non-existent, or to buy shares at an inflated price in return for an upfront payment. While high profits are promised, if you buy or sell shares in this way you will probably lose your money.

How to avoid share fraud

- 1 Keep in mind that firms authorised by the FCA are unlikely to contact you out of the blue with an offer to buy or sell shares.
- 2 Do not get into a conversation, note the name of the person and firm contacting you and then end the call.
- 3 Check the Financial Services Register from www.fca.org.uk to see if the person and firm contacting you is authorised by the FCA.
- 4 Beware of fraudsters claiming to be from an authorised firm, copying its website or giving you false contact details.
- 5 Use the firm's contact details listed on the Register if you want to call it back.
- 6 Call the FCA on **0800 111 6768** if the firm does not have contact details on the Register or you are told they are out of date.
- 7 Search the list of unauthorised firms to avoid at www.fca.org.uk/scams.
- 8 Consider that if you buy or sell shares from an unauthorised firm you will not have access to the Financial Ombudsman Service or Financial Services Compensation Scheme.
- 9 Think about getting independent financial and professional advice before you hand over any money.
- 10 **Remember:** if it sounds too good to be true, it probably is!

Report a scam

If you are approached by fraudsters please tell the FCA using the share fraud reporting form at www.fca.org.uk/scams, where you can find out more about investment scams.

You can also call the FCA Consumer Helpline on **0800 111 6768**.

If you have already paid money to share fraudsters you should contact Action Fraud on **0300 123 2040**.

5,000 people contact the Financial Conduct Authority about share fraud each year, with victims losing an average of £20,000

Information about the Company

FINANCIAL CALENDAR

Financial year end	30th April
Final results announced	July
Half year end	31st October
Half year results announced	December
Annual General Meeting	September

History

JPMorgan Brazil Investment Trust plc is an investment trust which was launched in April 2010 to provide investors with exposure to Brazilian invested equities through a closed-ended structure.

Company Numbers

Company registration number: 7141630

Ordinary Shares

London Stock Exchange ISIN code: GB00B602HS43
Bloomberg code: JPB
SEDOL B602HS4

Market Information

The Company's unaudited net asset value ("NAV") is published daily, via the London Stock Exchange.

The Company's shares are listed on the London Stock Exchange. The market price is shown daily in the Financial Times, The Times, The Daily Telegraph, The Scotsman and on the JPMorgan website at www.jpmbrazil.co.uk, where the share price is updated every fifteen minutes during trading hours.

Website

www.jpmbrazil.co.uk

Share Transactions

The Company's shares may be dealt in directly through a stockbroker or professional adviser acting on an investor's behalf. They may also be purchased and held through the J.P. Morgan Investment Account and J.P. Morgan ISA. These products are all available on the online service, at www.jpmorgan.co.uk/online

Manager and Company Secretary

JPMorgan Funds Limited

Company's Registered Office

60 Victoria Embankment
London EC4Y 0JP
Telephone: 020 7742 4000

For company secretarial and administrative matters, please contact Jonathan Latter at the above address.

Depository

BNY Mellon Trust & Depository (UK) Limited
BNY Mellon Centre
160 Queen Victoria Street
London EC4V 4LA

The Depository has appointed JPMorgan Chase Bank, N.A. as the Company's custodian.

Registrars

Equiniti Limited
Reference 3533
Aspect House
Spencer Road
Lancing
West Sussex BN99 6DA
Telephone number: 0371 384 2814

Lines open 8.30 a.m. to 5.30 p.m. Monday to Friday. Calls to the helpline will cost no more than a national rate call to a 01 or 02 number. Callers from overseas should dial +44 121 415 0225

Notifications of changes of address and enquiries regarding share certificates or dividend cheques should be made in writing to the Registrar quoting reference 1090. Registered shareholders can obtain further details on their holdings on the internet by visiting www.shareview.co.uk.

Independent Auditor

Ernst & Young LLP
Statutory Auditor
25 Churchill Place
Canary Wharf
London E14 5EY

Brokers

Numis Securities Limited
The London Stock Exchange Building
10 Paternoster Square
London EC4M 7LT

Savings Product Administrators

For queries on the J.P. Morgan Investment Account and J.P. Morgan ISA, see contact details on the back cover of this report.

aic

The Association of
Investment Companies

A member of the AIC

www.jpmbrazil.co.uk

J.P. Morgan Helpline

Freephone **0800 20 40 20** or +44 (0) 1268 444470.
Telephone lines are open Monday to Friday, 9am to 5.30pm.

Telephone calls may be recorded and monitored for security and training purposes.