
JPMorgan Claverhouse Investment Trust plc

Annual General Meeting | 18 April 2018

William Meadon, Portfolio Manager

Callum Abbot, Portfolio Manager

Co-fund managers



- Co-manager of Claverhouse
 - Appointed 1st March 2012
 - 35 years industry experience – 22 years at J.P. Morgan Asset Management



- Co-manager of Claverhouse
 - Appointed 25th January 2018
 - 6 years industry experience – 6 years at J.P. Morgan Asset Management

... focused UK equity specialists

As at 12 April 2018.

JPMorgan Claverhouse Investment Trust plc

- 55 years old, £460million, all cap investment trust
 - UK only
 - 60 – 80 stocks
 - Risk-controlled

- Since new strategy implemented (1 March 2012)
 - NAV outperformance vs. benchmark of +2.5% p.a.
 - Share price outperformance versus benchmark of +4.5% p.a.

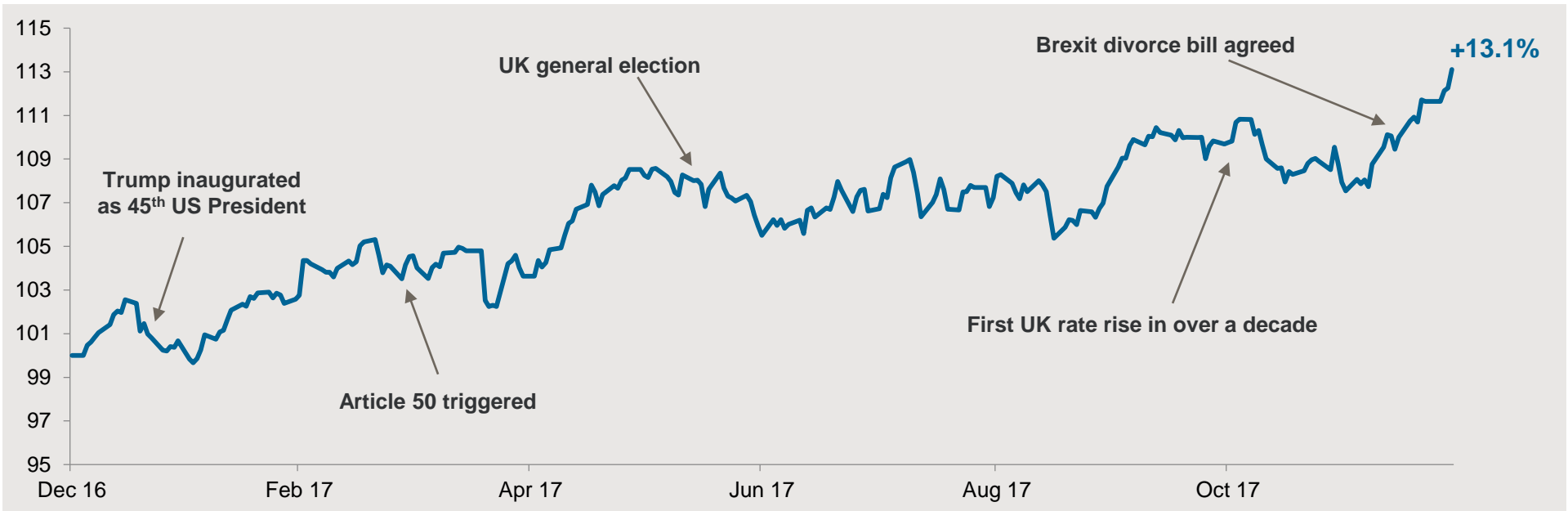
- Dividend: 45 consecutive years of dividend growth. Well covered. Best reserves in the sector (> 1year)

Past performance is not a reliable indicator of current and future results. Dividends are not guaranteed.

Source: J.P. Morgan Asset Management as of 28 February 2018 unless otherwise stated. *Annualised net asset value (NAV) return of the investment trust in excess of the benchmark calculated geometrically. NAV return per share is calculated on a bid value to bid value basis, in GBP, cum-income NAV (assuming that all dividends paid out during the relevant periods were reinvested into the shares of the investment trust at the NAV per share on ex-dividend date), with borrowings at par basis. Benchmark = FTSE All –Share Index. Index return does not include fees or operating expenses.

2017: a lower volatility year

12 months to 31 December 2017, FTSE All Share Index total return performance



...a positive total return

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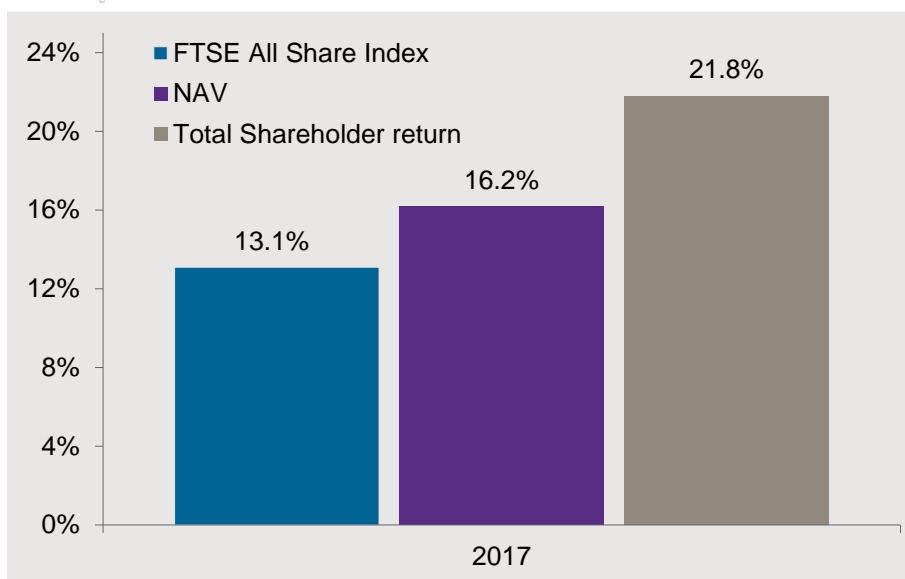
Source: J.P. Morgan Asset Management, Thomson Reuters Datastream. Data from 31 December 2016 to at 31 December 2017, in GBP. Index return does not include fees or operating expenses. Returns rebased to 100 as of 31 December 2016.

2017 performance

- NAV +16.2%
- Total Shareholder Return +21.8%
- Benchmark return +13.1%
- Dividend +13.0% to 26p: 45th consecutive annual dividend increase

... a strong year for Claverhouse shares

2017 performance



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Source: J.P. Morgan Asset Management. Data from 31 December 2016 to 31 December 2017, in GBP. NAV returns are net of fees and applicable charges, income reinvested, borrowings at par (debt valued at maturity face value). Total shareholder return is change in the share price of JPM Claverhouse Investment Trust plc over 2016. Benchmark is FTSE All Share Index (total return). Index return does not include fees or operating expenses. The Benchmark is a point of reference against which the performance, risk characteristics or composition of the Investment Trust may be measured. However, the Investment Trust will be managed without reference to its Benchmark.

Outperformance over all periods

JPMorgan Claverhouse Investment Trust plc
as of 28 February 2018

Annualised performance (%)

	Three months	YTD	One year	Three years	Five years	Since strategy change*
NAV returns	0.52	-4.49	6.40	6.75	9.59	11.03
Share Price returns	1.86	0.12	14.69	9.49	11.66	13.21
Benchmark returns	-0.62	-5.15	4.36	5.90	7.27	8.37
NAV excess return	1.15	0.69	1.95	0.81	2.17	2.45
Share price excess return	2.50	5.55	9.90	3.39	4.09	4.47

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Source: J.P. Morgan Asset Management. *Since change of strategy on 1 March 2012. NAV returns are net of fees and applicable charges, in GBP with income reinvested, including actual ongoing charges excluding any entry and exit fees. Total shareholder return is the change in the share price of JPM Claverhouse Investment Trust plc. Benchmark is FTSE All Share Index (total return). Index return does not include fees or operating expenses. The Benchmark is a point of reference against which the performance, risk characteristics or composition of the Investment Trust may be measured. However, the Investment Trust will be managed without reference to its Benchmark. Excess return calculated geometrically. Returns greater than 1 year are annualised.

Five year performance

JPMorgan Claverhouse Investment Trust plc
as of 28 February 2018

Calendar year performance (%)

	2013	2014	2015	2016	2017
NAV returns	34.90	2.03	6.04	10.75	16.19
Share Price returns	42.94	3.96	3.59	7.22	21.79
Benchmark returns	20.81	1.18	0.98	16.74	13.06
NAV excess return	11.67	0.84	5.01	-5.12	2.77
Share price excess return	18.32	2.75	2.59	-8.15	7.72

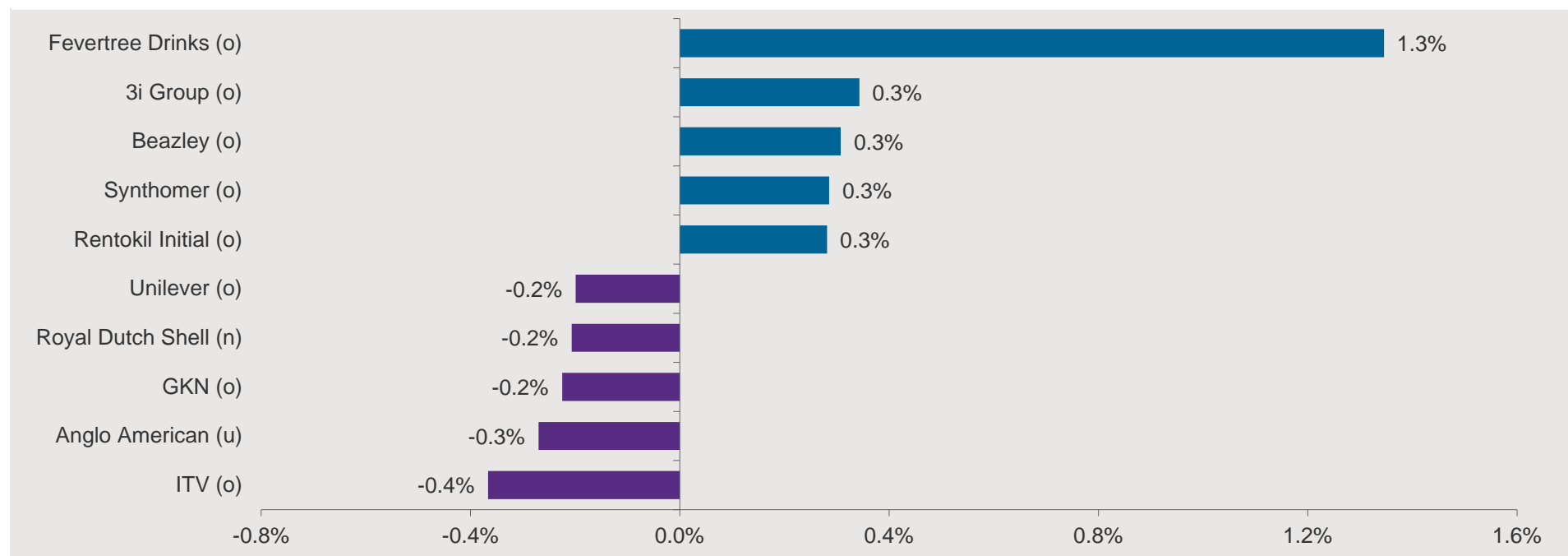
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Performance in 2017 – attribution

JPM Claverhouse Investment Trust plc – Calendar year ending 31 December 2017

Stock level attribution



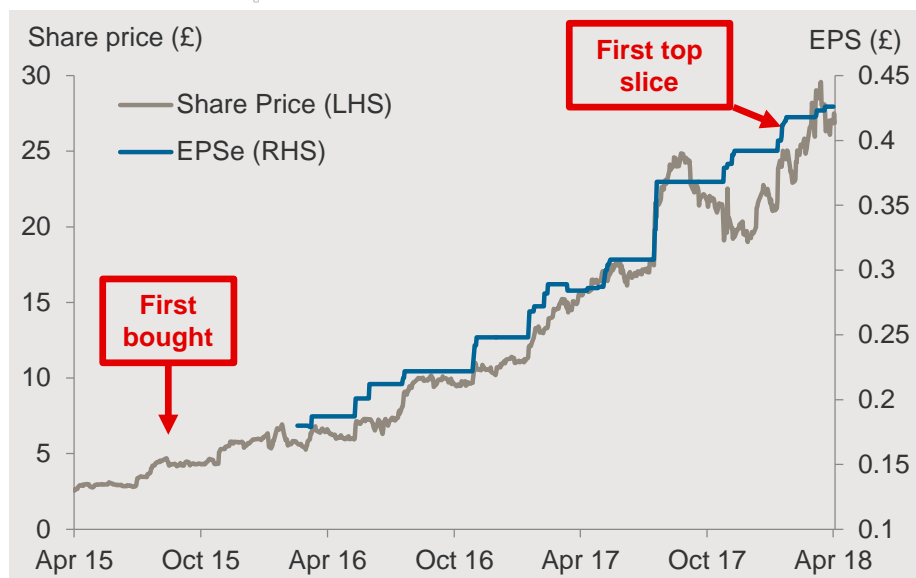
Past performance is not a reliable indicator of current and future results.

Source: J.P. Morgan Asset Management, FactSet. The Investment Trust is actively managed according to the Investment Policy and the investment manager's internal guidelines. Holdings, sector weights, allocations and leverage, as applicable, are subject to change without notice. (o) represents an overweight position relative to the benchmark (FTSE All Share Net Index), (u) represents an underweight position & (n) represents neutral position. Attributions may not match official returns due to differences in systems rounding.

Fevertree

Sparkling growth and fizzing momentum

EPS and share price



- Share price doubled again in 2017
- £3bn market cap
- Consistently beating expectations
- US expansion has huge potential



... running a winner

Past performance is not a reliable indicator of current and future results.

Source: J.P. Morgan Asset Management, Bloomberg. Share Price 09 April 2014 – 11 April 2018. *The EPS consensus is an arithmetic average of selected broker estimates for earnings per share of the company for the year shown. The companies above are shown for illustrative purposes only. Their inclusion should not be interpreted as a recommendation to buy or sell. Opinions, estimates, forecasts, projections and statements of financial market trends are based on market conditions at the date of the publication, constitute our judgment and are subject to change without notice. There can be no guarantee they will be met.

Fenner

An absolute belter

EPS and share price



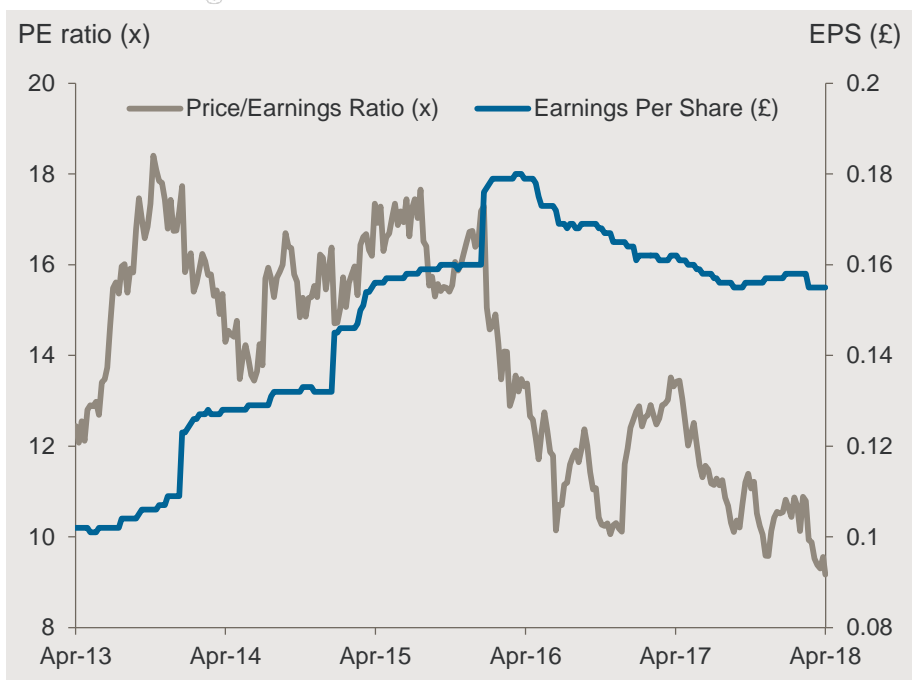
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Source: J.P. Morgan Asset Management, Bloomberg, data from 1st January 2017 – 29 March 2018. EPSe consensus is an arithmetic average of selected broker estimates for earnings per share of the company for the year shown. The companies above are shown for illustrative purposes only. Their inclusion should not be interpreted as a recommendation to buy or sell. Opinions, estimates, forecasts, projections and statements of financial market trends are based on market conditions at the date of the publication, constitute our judgment and are subject to change without notice. There can be no guarantee they will be met.

- Provider of industrial conveyor belts and precision polymer products to a range of end markets
- Cyclical recovery in its key end markets, mining and oil & gas, driving upgrades
- Attractive valuation, with a FCF yield of 7%, drawing a bid from Michelin



Price/Earnings and EPS



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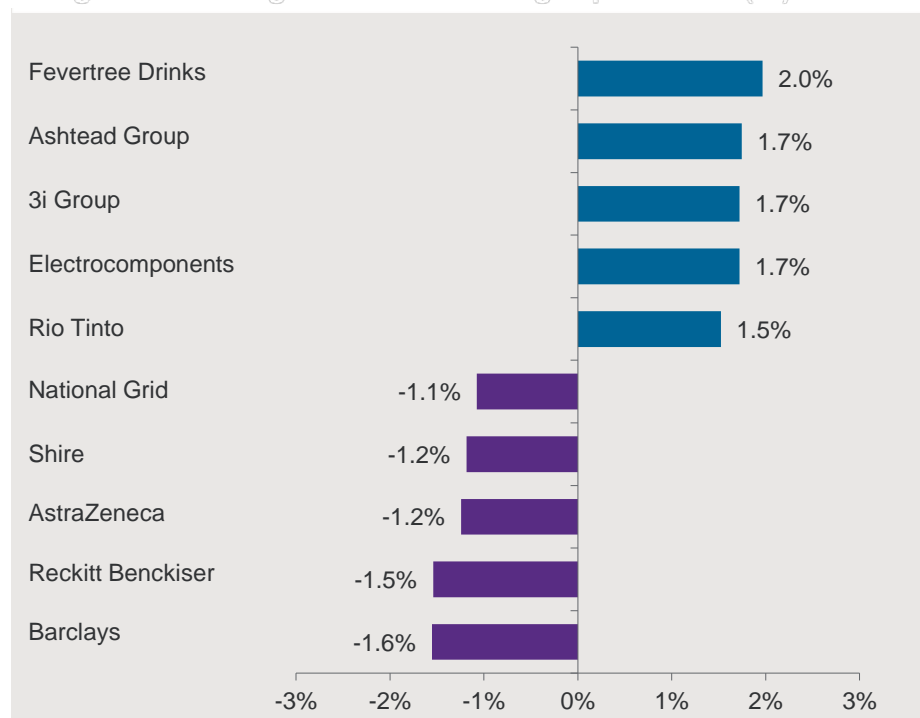
- The biggest and most popular commercial television channel in the UK
- Under pressure from changes in media consumption
- New CEO with plenty of options to turnaround fortunes
- Significant de-rating despite earnings being resilient
- 6% FCF yield and 5.5% dividend yield



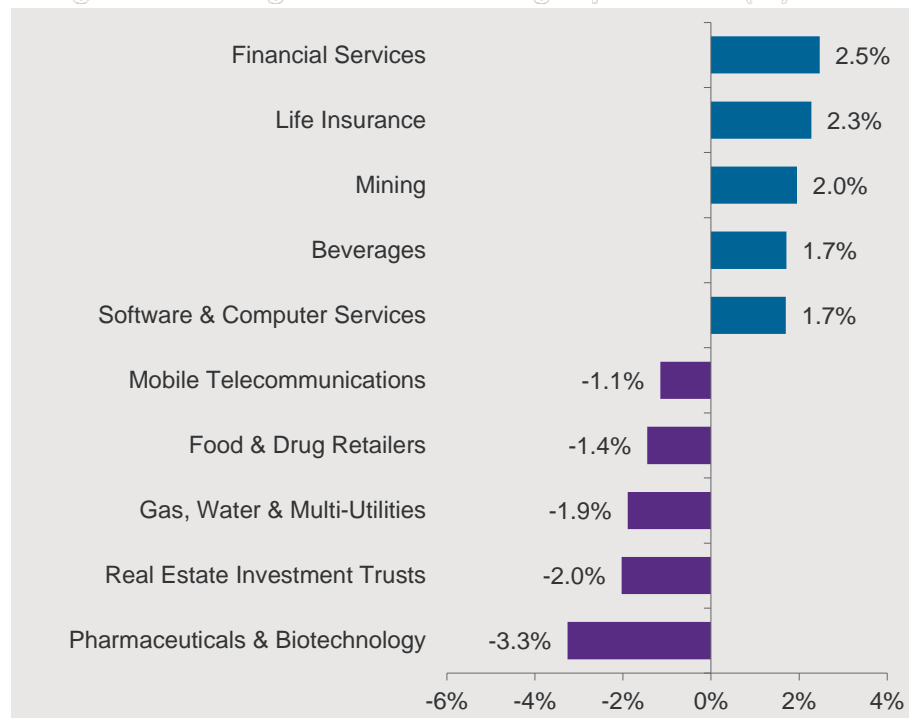
Stock & Sector positions

JPMorgan Claverhouse Investment Trust plc as of 28 February 2018

Largest overweight and underweight positions (%)



Largest overweight and underweight positions (%)



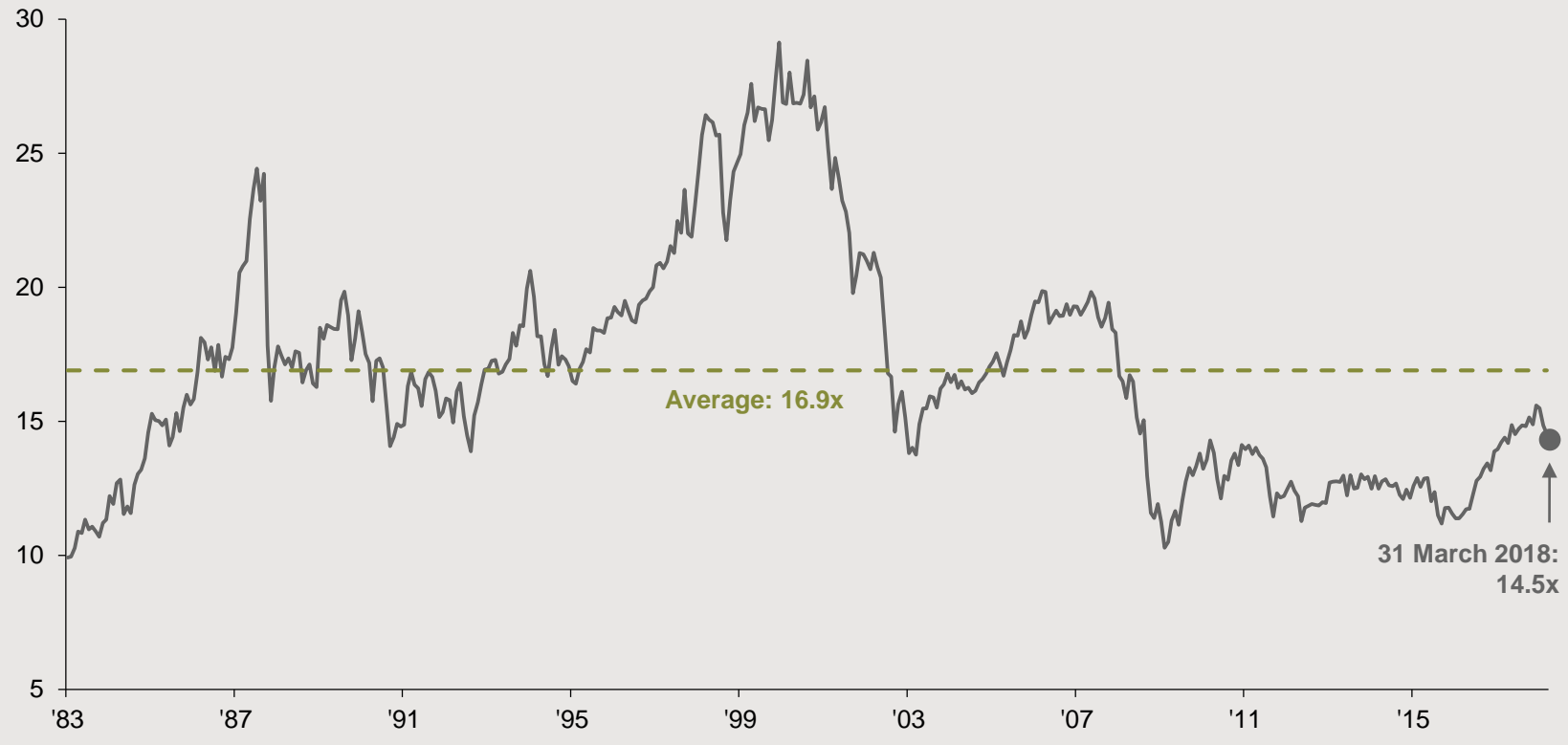
Source: J.P.Morgan Asset Management, Factset. The Investment Trust is actively managed according to the Investment Policy and the investment manager's internal guidelines. Holdings, sector weights, allocations and leverage, as applicable, are subject to change without notice.

Outlook

UK equities – not looking expensive

FTSE 100 Shiller CAPE

x, adjusted using trailing 10-year average inflation-adjusted earnings



MARKET INSIGHTS

GTM – UK

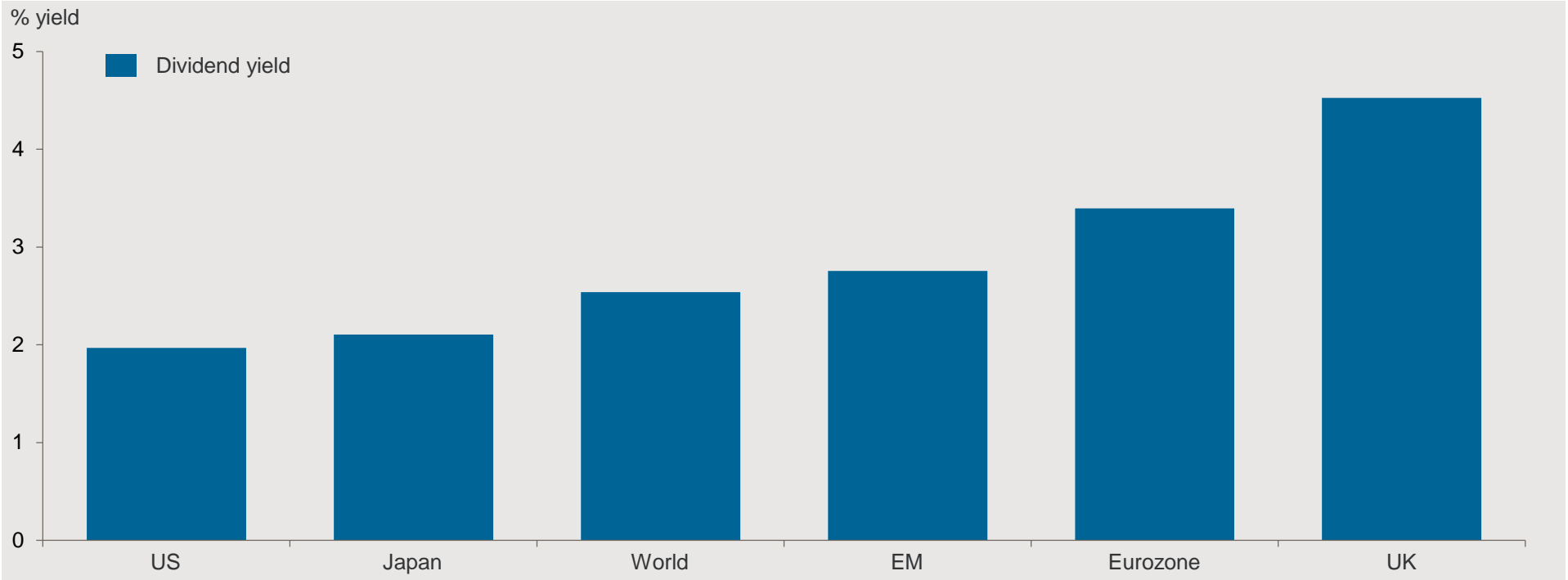
Source: FTSE, Goldman Sachs, J.P. Morgan Asset Management. Index is FTSE 100 due to availability of P/E data.

Guide to the Markets - UK. Data as of 31 March 2018.

Past performance is not a reliable indicator of current and future results.

UK equities – very attractive yield versus other countries

Dividend yield

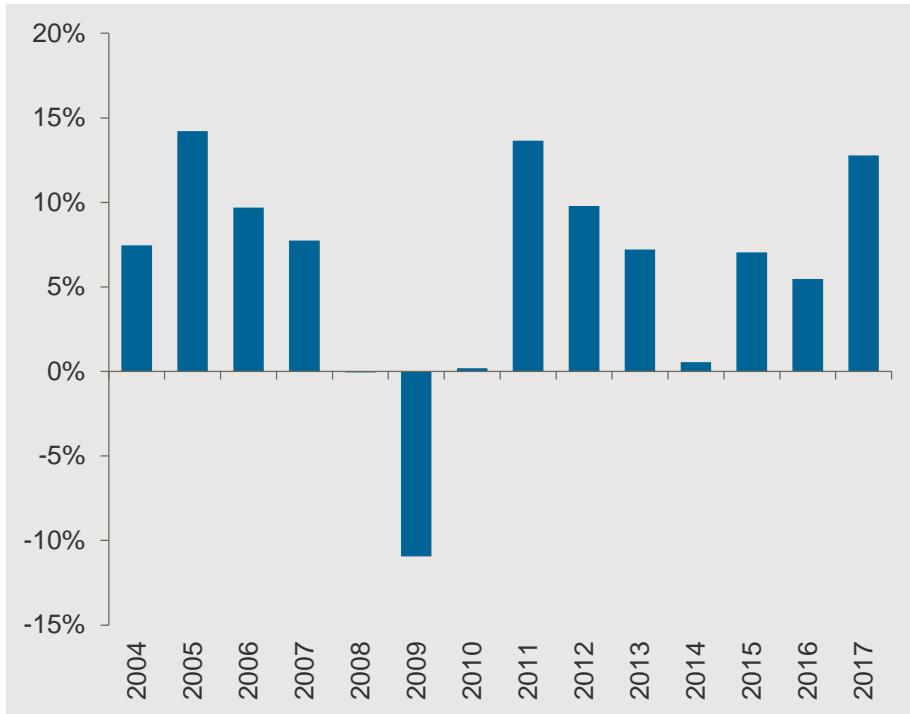


Dividends are not guaranteed. Past performance is not a reliable indicator of current and future results.

Dividends – the advantage of investment trusts

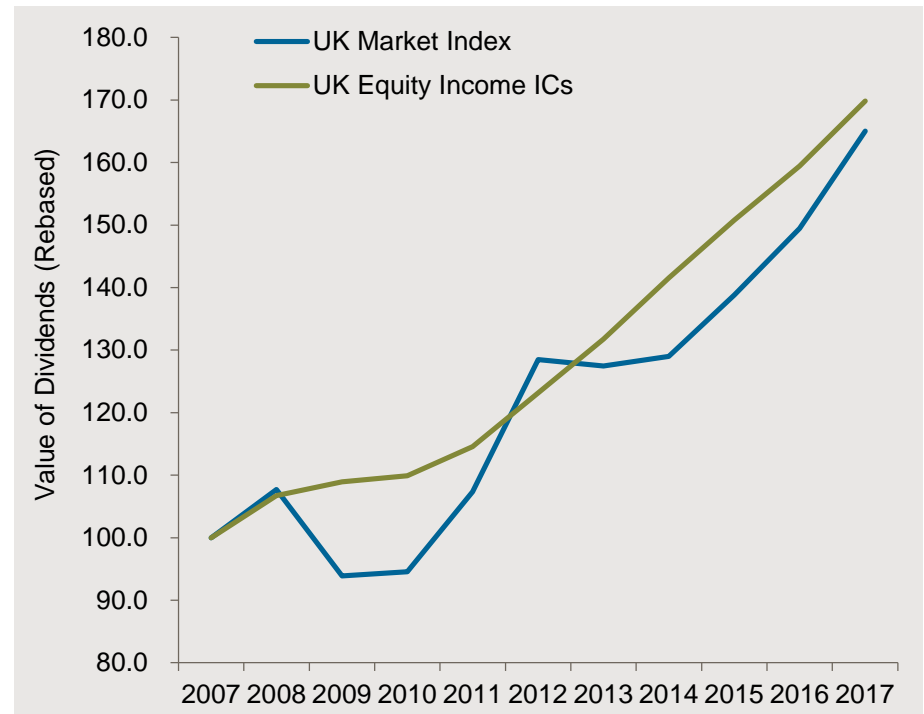
Would you like lumpy or consistent?

FTSE All-Share dividend growth by year



Source: Bloomberg, Numis Securities Research. Date as of December 2017.

UK Equity Income Investment Companies vs UK Market



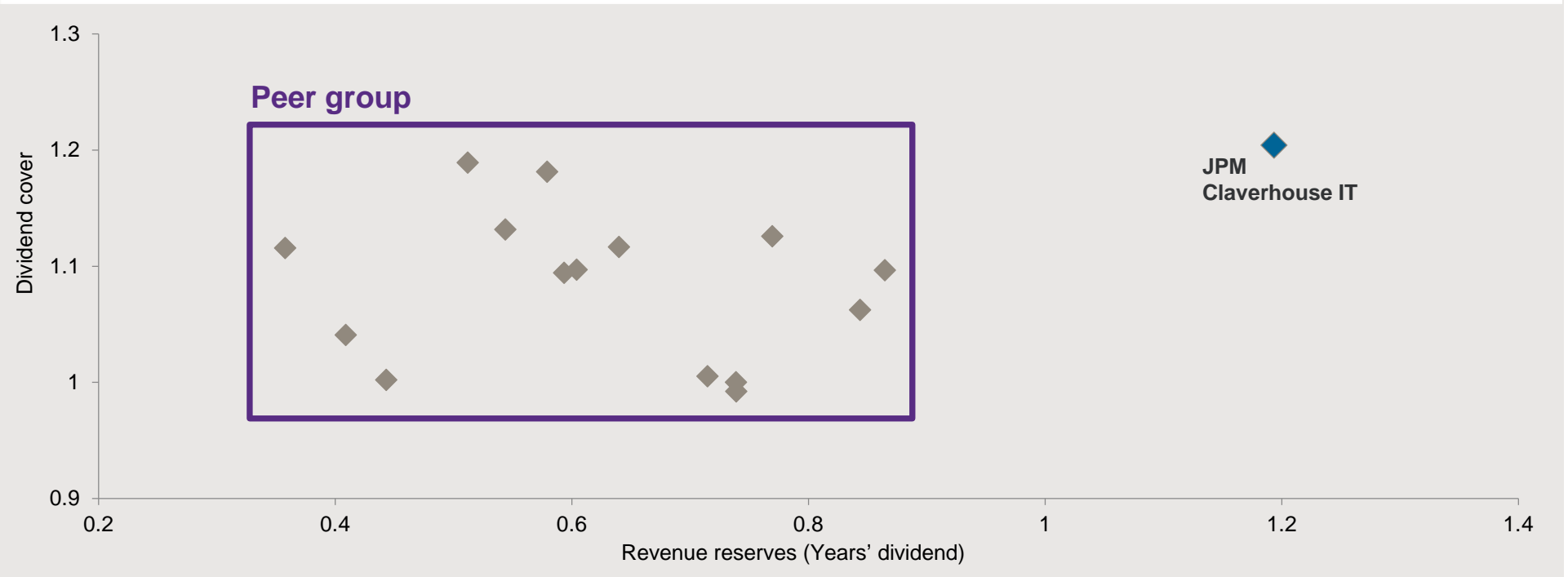
Source: Capita, Company Data, Bloomberg, Numis Securities Research. Please note that UK market data excludes the Vodafone special dividend in 2014. As at March 2018.

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Claverhouse: A fortress balance sheet

Well covered and secure dividend

UK Equity Income Investment Companies



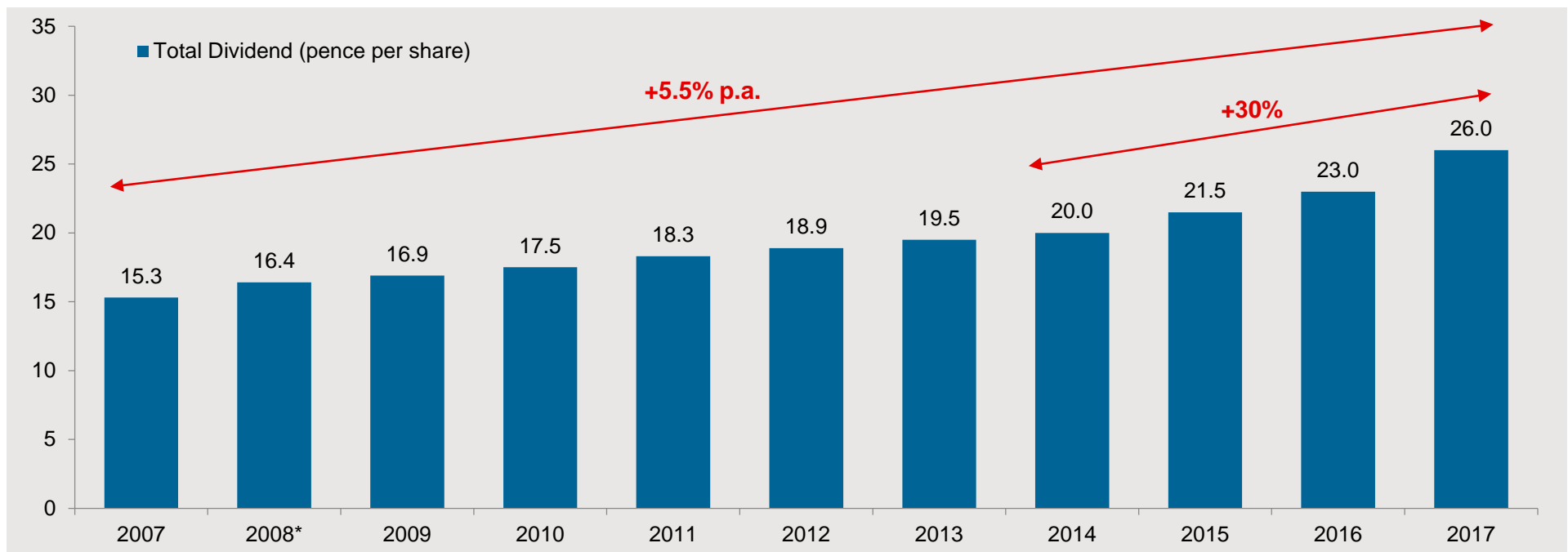
Source: Numis Securities Research, Datastream, Company Data, Bloomberg, Numis Securities Research. Based on 2017 Annual Report. Covered and secured dividend refers to attempting to minimize the impact of any falls in capital gains and income from the trust.

Dividends are not guaranteed. Past performance is not a reliable indicator of current and future results.

JPMorgan Claverhouse Investment Trust plc

45 consecutive annual dividend increases (1972 dividend = 0.48p)

Annual dividend per share



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*Source: J.P. Morgan Asset Management, as at 31 December 2017. Dividend growth is calculated as the compounded annual growth rate of dividends paid by JPMorgan Claverhouse Investment Trust plc (excluding special dividends) over the period shown (2006-2016). Not including special dividend of 3.6 pence per share paid in 2008. Dividend paid by the Fund may exceed the gains of the Fund, resulting in erosion of the capital invested. It may not be possible to maintain dividend payments indefinitely, and the value of your investment could ultimately be reduced to zero.

Conclusion

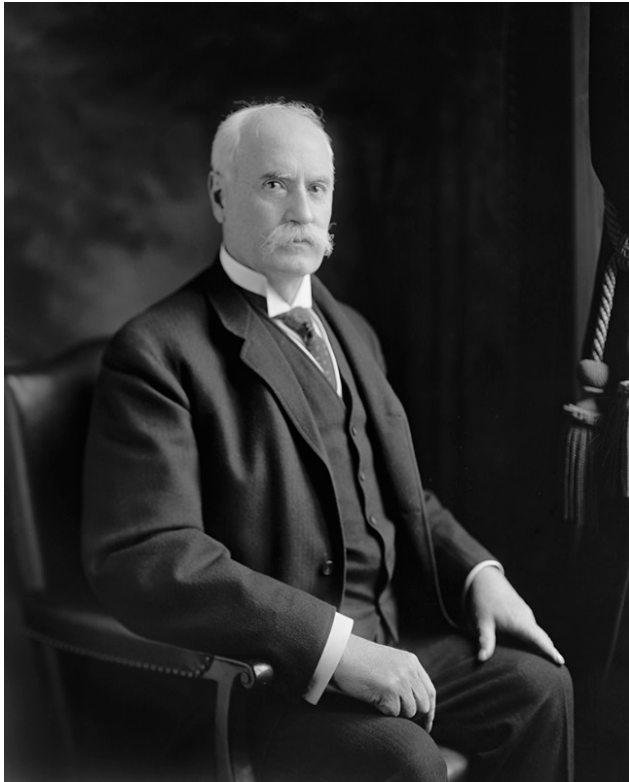
- 2017: strong returns with low volatility
- Consistent long term outperformance and dividend growth
 - Outperformance of NAV (+2.5% p.a.) and share price (+4.5% p.a.) since change in strategy*
 - 45 consecutive years of dividend growth
- Global economic outlook still benign; Brexit and political outlook more uncertain
- 2018 markets likely to be challenging

... focused on delivering performance in a risk controlled way

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Source: J.P. Morgan Asset Management as of 28 February 2018. *NAV relative return since 01 March 2012, in GBP. Annualised net asset value (NAV) return of the investment trust in excess of the benchmark calculated geometrically. NAV return per share is calculated on a bid value to bid value basis, in GBP, cum-income NAV (assuming that all dividends paid out during the relevant periods were reinvested into the shares of the investment trust at the NAV per share on ex-dividend date), with borrowings at par (debt valued at maturity face value). Benchmark = FTSE All –Share Index. Index return does not include fees or operating expenses.

John D. Rockefeller



“Do you know the only thing that gives me pleasure?

It’s to see my dividends coming in.”

- John D. Rockefeller

Source: Shutterstock.

Appendix

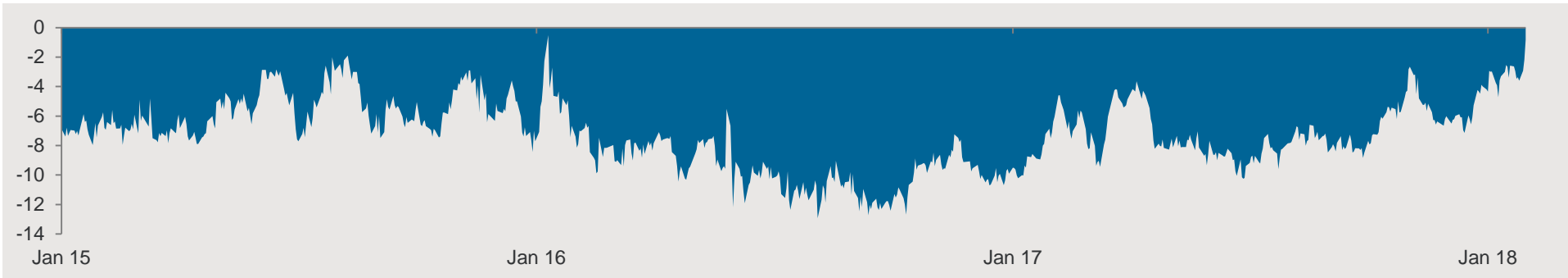
Share price discount – 3 years

JPMorgan Claverhouse Investment Trust plc

Net Asset Value (NAV) vs. Share Price



Premium/Discount to NAV



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Source: J. P. Morgan Asset Management. Bloomberg. Data from 31 January 2015 to 28 February 2018. *As at 28 February 2018.

Investment objective and risk profile

JPMorgan Claverhouse Investment Trust plc (the Company)

Investment objective

The Company aims to provide a combination of capital and income growth from a portfolio consisting mostly of companies listed on the London Stock Exchange. The Company's portfolio consists of between 60 and 80 individual equities in which the Manager has high conviction. The company has the ability to use borrowing to gear the portfolio within the range of 5% net cash to 20% geared in normal market conditions.

Risk profile

- The value of your investment may fall as well as rise and you may get back less than you originally invested.
- 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.
- This fund may use derivatives for investment purposes or for efficient portfolio Management. Derivatives are complex and trusts that use them for investment purposes may be more volatile. These trusts are considered to be higher risk than trusts that invest only in shares.
- 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, or fluctuate in response to the performance of individual companies and general market conditions.
- This trust may utilise gearing (borrowing) which will exaggerate market movements both up and down.
- The trust may invest in smaller company shares, which can be more unpredictable and less liquid than shares of larger companies.
- The share price may trade at a discount to the Net Asset Value of the company.
- The single market in which the Trust primarily invests, in this case the UK, may be subject to particular political and economic risks and, as a result, the trust may be more volatile than more broadly diversified trusts.
- 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.jpmlclaverhouse.co.uk.

Important information

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