

As at 31.12.2010

Fund Value: £1,403m

Launch Date 14.09.1992

January 2011

Jupiter Merlin Growth Portfolio

Outlook

As we navigate our way into 2011 we can see that there are going to be countless newspaper headlines that unsettle investors. Fears of western government debt burdens, political intervention, inflation, rising interest rates, currency manipulation, stagnating employment and falling house prices are all examples of why equity markets will be tested as they climb the proverbial wall of worry. From our perspective, volatility in investor and market sentiment has always been seen as an opportunity to add to our high conviction geographic regions and investment themes. As in the past these will change over time as our perspective on the world economy changes.

Our current team view is that equity markets are enjoying a period of respite and stability. The private sector crisis which blew a hole in the US property bubble and led to the collapse of Lehman brothers and the subsequent global recession is now over. The problems that led to the crisis have been papered over (for now) as central banks, led by the Federal Reserve, facilitated the rescue of a variety of institutions and people who were inappropriately positioned going into the crisis. This has, in effect, shifted a private sector time bomb into the hands of the public sector. The US and UK central banks are well documented for having decided to print money to keep the show on the road.

It is no surprise to us that the US stock market turnaround last year exactly coincided with Ben Bernanke's Jackson Hole speech on 27th August. In it, he promised that the Federal Reserve would do all it could to ensure the continuation of the economic recovery. Investors took him at his word and quite rightly so, as shortly afterwards, the Federal Reserve announced that they would

use \$600 billion of electronically conjured up money to purchase US Treasury bonds between November and June 2011. Small wonder then that there has been an exodus out of the US dollar by American investors and that the price of gold has been so strong. Cash and paper money is generally falling in value in the developed world as it is being rapidly debased by the likes of Ben Bernanke.

Our view is that this may continue for some time, but also that the euro might be the first to take the strain as pressure is exerted on financially weak countries such as Portugal and Spain. 2011 will no doubt be a bumpy ride, but corporate profits are currently strong, global GDP is likely to be robust and some equities look very attractive to us. When the facts change, we will change our minds.

Thank you for your continued support.

Jupiter Independent Funds Team

Objective†

To achieve long-term capital growth by investing predominantly in unit trusts, OEICs, Exchange Traded Funds and other collective investment schemes across several management groups. The underlying funds invest in international equities, fixed interest stocks, commodities and property, with a core in the UK.

Fund Facts

IMA Sector*	IMA Active Managed
Sedol codes	0362926 (Acc) 0362915 (Inc)
Unit type	Income & Accumulation units
Quoted spread max	6.25%
XD date	28/2 31/8
Payment date	30/4 31/10

*Investment Management Association.

Holdings – As at 31.12.2010

UK Equities	25.3%
Fidelity Special Situations	
INVESCO Perpetual Income	
Jupiter UK Special Situations	
M&G Recovery	
US Equities	23.6%
AXA Framlington American Growth	
Findlay Park US Smaller Cos - USD	
Jupiter North American Income	
European Equities	2.3%
Schroder European Alpha Plus	
Japanese Equities	6.1%
CF Morant Wright Japan B	
Jupiter Japan Income	
Far East Equities	17.2%
First State Asia Pacific Leaders B	
Other	21.7%
Blackrock Gold & General	
ETF Securities - Physical Gold ETF	
Findlay Park Latin American - USD	
Henderson Global Technology	
JGF - Jupiter Global Financials	
Jupiter Emerging European Opportunities	
Cash*	3.8%
	100%

*This includes a position of -0.20% which reflects unrealised losses made from positions hedging exchange rate fluctuations in GBP and JPY.

Performance – As at 31.12.2010

5 year percentage change and sector ranking to 31.12.2010

	Position in sector	Percentage growth	Quartile ranking		
Performance	9/85	38.5%	1		
Year on Year % Growth ending 31.12.2010					
Percentage Growth	05-06	06-07	07-08	08-09	09-10
	7.1%	7.4%	-15.9%	19.8%	19.5%
Rank	71/85	40/92	9/106	86/118	21/130

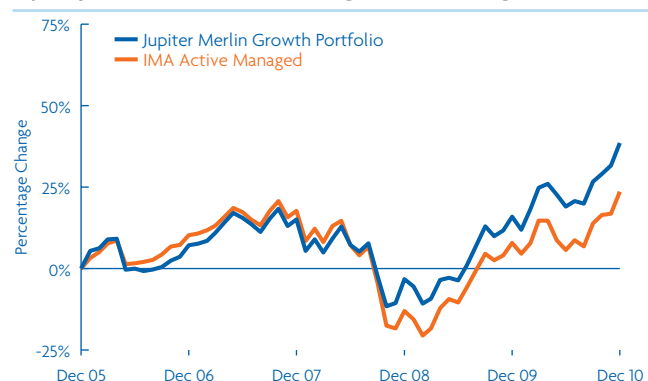
Source: Financial Express, bid to bid, net accumulation reinvested.

All performance in this factsheet is based on accumulation units in GBP.

† With effect from 17th July 2006.

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

5 year performance vs Active Managed sector average



Source: Financial Express, bid to bid, net income reinvested.

Jupiter Merlin Growth Portfolio

Fund Management Team



John Chatfeild-Roberts is head of the Jupiter Merlin team and is a Main Board Director of Jupiter. Peter Lawery joined John in 1997 and Algy Smith-Maxwell completed the team in 1999. Peter and Algy are Directors of Jupiter Asset Management Ltd.

Enhanced Reporting

We provide in-depth reporting to keep you informed, not confused. Portfolio statements include Manager's Commentary as at 5 April and 5 October plus six monthly Manager's Reports.

Regular withdrawal facility

This is available for all the Jupiter Merlin Portfolios with a minimum lump sum investment of £5,000 per portfolio. You can choose the amount paid to you each month or quarterly, up to a maximum of 5% for the Jupiter Merlin Worldwide, Jupiter Merlin Growth and Jupiter Merlin Balanced Portfolios and 7.5% for the Jupiter Merlin Income Portfolio. Any such withdrawals which exceed investment returns will result in an erosion of capital.

The portfolios are required to pay trustees' fees and other expenses. Charges tend to be higher than for other unit trusts. This is to allow for a portion of the charges applicable to the underlying funds. On average this works out at around 0.9% of the net asset value per annum.

Investment Opportunities

- Unit Trust
- ISA
- ISA Transfers
- SIPP (via 3rd party links)

Charges

Initial charge	5.25%
Annual management fee (Standard)	1.50%

Minimum Investments

	Lump sum	Top-up	Monthly
Unit Trust	£500	£250	£50
ISA investment	£500	£250	£50

* RWF not available under £5,000 for investments in the Jupiter Merlin Portfolios. For more information visit www.jupiteronline.co.uk

3rd Party Links

The Jupiter Merlin Portfolios are available via a wide range of platforms, wraps, and Life and Pension companies both onshore and offshore.

For full details of where our funds are available please visit www.jupiteronline.co.uk

Awards



Ratings/Awards



For further explanations of terms and ratings please also visit the glossary in the help section of our website www.jupiteronline.co.uk

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