

Tomorrow's opportunities. Today's prices.

Stockmarkets rose strongly in 2009, supported by evidence of stability in the western financial system and increasing signs of a global economic recovery. Investors rushed to buy stocks such as banks and highly leveraged companies that had previously been battered by concerns over the possibility of financial meltdown and global depression. As last year's rallies were led by banks and other high-risk stocks, the market still offers opportunities to pick up many quality companies that look undervalued, according to Jupiter's Ben Whitmore.

This year, equity markets are likely to see further volatility as many investors are unsure as to the sustainability of the economic recovery throughout 2010. Banks are still hoarding cash to repair their dented balance sheets and the prospect of higher capital requirements has added to their reluctance to lend. Given the size of the UK's public debt, the government is likely to have to cut spending and raise taxes to balance the books.

At the same time, we expect investors to be more selective in their investment and the quality of companies to become more important in 2010.

Contrarian stock-picking could generate good returns over the long term

Taking a contrarian approach to investment can deliver strong returns for investors over the long term, according to Jupiter's Ben Whitmore.

Ben's investment style is to go against the tide and invest in out-of-favour and lowly-priced shares of companies which, in his view, are nonetheless well-run and that have sound balance sheets, on the basis that any weakness is only temporary. It is an approach that requires discipline and that may result in short-term periods of underperformance as it can take time for the market to recognise valuation anomalies.

“As a contrarian I need to be objective and go against typical human emotions. So, when the market has been performing strongly, one has to be pessimistic and when everyone else is gloomy, you need to ignore the headlines and go the other way.”

Ben Whitmore



Ben Whitmore
Fund Manager

Ben Whitmore joined Jupiter in November 2006 to manage the Jupiter UK Special Situations Fund (Unit Trust) and Jupiter UK Alpha "Best Ideas" Fund (Unit Trust). Prior to joining Jupiter, Ben worked at Schroders managing both retail and institutional portfolios and some £2bn of assets - including the £281m Schroder Recovery Fund - establishing an excellent track record as a value-driven, contrarian fund manager. Ben studied Geography at St John's College, Cambridge University.

Jupiter UK Special Situations Fund

Ben Whitmore is a bottom-up stock picker who manages money with a clear, contrarian, value bias. He aims to hold out-of-favour and lowly priced shares in companies which are nevertheless well run and have a sound balance sheet, on the basis that any weakness is only temporary, be it for cyclical reasons or otherwise. Stock selection starts with Ben looking at profitability and working out which companies have fallen below their historical average and then looking at the reasons behind that weakness. Assuming that a company in such a position has a sound financial basis and a strong franchise, it is a candidate for the portfolio. Ben's view is that this approach of buying particularly unloved stocks introduces a certain discipline to his stock selection process, which is important when making contrarian calls.

Why the Jupiter UK Special Situations Fund?

- Managed by Ben Whitmore who has over 15 years experience as a value-driven, contrarian investor.
- The current market conditions can be an opportunity to evaluate stock potential value.
- Could be suitable for those who prefer the comfort of the domestic market.
- The Fund may be suitable as a long-term core holding for those investors who do not need an immediate income and are able to sustain short-term volatility.
- Ben has a long-term history of out-performing the FTSE All Share in both rising and falling markets.

Since taking over the Fund on the 1 November 2006, Ben has produced a positive return of 4.6% versus -9.7% for the IMA UK All Companies sector average. This places the Fund 30 out of 271 funds in the sector. In the last 12 months, the Fund has returned 20.6% compared to 19.8% for its sector average, the IMA UK All Companies*.

Year on Year % growth – of Jupiter UK Special Situations Fund*

2005-2006	2006-2007	2007-2008	2008-2009	2009-2010
19.1%	21.6%	-11.8%	-11.8%	20.6%

*Source: Financial Express, bid to bid, net income reinvested as at 30.06.10.

Past performance should not be seen as a guide to future performance. The value of an investment in a unit trust and the income from it can go down as well as up, it may be affected by exchange rate variations and you may not get back the amount invested.

Contact details

If you have any queries please contact your financial adviser or alternatively you can contact:

Jupiter Customer Services

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Fund Facts

Launch Date	3 June 1996
Fund Manager	Ben Whitmore
Fund Size (£m)	£470m* *Source: Jupiter, as at 30.06.10
Benchmark	FTSE Actuaries All-Share Index
IMA Sector	UK All Companies
Base Currency	Sterling
Minimum Investment	£500 lump sum and £50 for regular savers
Fee	Initial: 5.25% AMC: 1.5%

Investment Objective

The objective of the Fund is to obtain capital growth by exploiting special situations principally within the UK. Ben aims to achieve this by investing primarily in equities of UK companies considered by the manager to be undervalued.

Important information: Jupiter Unit Trust Managers Limited and Jupiter Asset Management Limited, registered address: 1 Grosvenor Place, London SW1X 7JJ, are authorised and regulated by the Financial Services Authority whose address is 25, The North Colonnade, Canary Wharf, London, E14 5HS. The group is collectively known as Jupiter. Jupiter Asset Management Limited acts as investment adviser to the Jupiter range of unit trusts which are managed by Jupiter Unit Trust Managers Limited. The value of an investment in a unit trust and the income from it can go down as well as up, it may be affected by exchange rate variations and you may not get back the amount invested. Past performance is not a guide to future performance. For the impact of charges and other expenses reference should be made to the Key Features (incorporating the Simplified Prospectus) and Terms & Conditions. Current tax levels and reliefs will depend on individual circumstances and details are contained in the Key Features (incorporating the Simplified Prospectus) and Terms & Conditions. For your security we may record or monitor all telephone calls.