

Jupiter Merlin Moderate Select

Interim Report & Accounts (unaudited)

For the period from 25 April 2023 to 31 December 2023



Contents

Fund Information*	1
Investment Report*	4
Comparative Tables	6
Risk and Reward Indicator*	8
Portfolio Statement*	9
Statement of Total Return	10
Statement of Change in Net Assets Attributable to Unitholders	10
Balance Sheet	11
Directors' Statement	11
Notes to the Interim Financial Statements	12
Distribution Tables	13
General Information*	14

*These collectively comprise the Authorised Fund Manager's Report.

Fund Information

Manager, Registrar and Administrator

Jupiter Unit Trust Managers Limited
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Chelmsford
CM99 2BG

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Registered Address:
The Zig Zag Building
70 Victoria Street
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Authorised and regulated by the Financial Conduct Authority.

Trustee

Northern Trust Investor Services Limited
Trustee and Depositary Services
50 Bank Street
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London E14 5NT

Authorised and regulated by the Financial Conduct Authority.

Investment Manager

Jupiter Asset Management Limited
The Zig Zag Building
70 Victoria Street
London SW1E 6SQ

Authorised and regulated by the Financial Conduct Authority.

Independent Auditors

Ernst & Young LLP
Atria One
144 Morrison Street
Edinburgh EH3 8EX

Directors

The Directors of Jupiter Unit Trust Managers Limited are:

P Moore

J Singh

T Scholefield

P Wagstaff*

D Skinner

G Pound**

J Leach***

**Resigned 5 January 2024*

***Appointed 8 February 2023*

****Appointed 14 September 2023*

It is the intention of Jupiter Unit Trust Managers Limited to make this Report & Accounts available on their website. The maintenance and integrity of the Jupiter Unit Trust Managers Limited website is the responsibility of the Directors; the work carried out by the auditors of the Jupiter Merlin Moderate Select does not involve consideration of these matters and, accordingly, the auditors accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the website.

Fund Information *(continued)*

Investment Objective

To provide a return, through a combination of capital growth and income, net of fees, over the long term (at least five years).

Investment Policy

At least 70% of the Fund is invested in collective investment schemes, with typically between 40% to 70% and at least 25% in funds managed or operated by Jupiter or an associate of Jupiter. Up to 30% of the Fund may be invested in other transferable securities such as exchange traded commodities, cash and near cash. The Fund will have exposure (direct and/or indirect) of up to 60% (typically between 40% to 50%) to shares of companies.

The Fund may only enter into derivative transactions for the purposes of efficient portfolio management (including hedging), i.e. to reduce risk, minimise costs or generate additional capital and/or income. The Fund may not enter into derivative transactions for investment (i.e. speculative) purposes.

Benchmark

Many funds sold in the UK are grouped into sectors by the Investment Association (the trade body that represents UK investment managers), to help investors to compare funds with broadly similar characteristics. This Fund is classified in the IA Mixed Investment 20-60% Shares sector.

ARC Sterling Balanced Asset Private Client Index is a risk-based index, which has 40%-60% relative risk to world equities. It is a fair representation of the risk-adjusted return which might be achieved by the Fund and as such it is an appropriate comparator benchmark.

Status

The Fund operates under the Investment Funds Sourcebook (FUND) where applicable and the Collective Investment Schemes Sourcebook (COLL) of the Financial Conduct Authority. The Fund is an authorised unit trust scheme under Section 237 of the Financial Services and Markets Act 2000 and is a Non UCITS Retail Scheme (NURS) as defined in the COLL rules.

The Fund is a qualifying fund for inclusion within a stocks and shares Individual Savings Account (ISA). It is the Manager's intention to continue to manage the affairs of the Fund in order to meet the qualifying requirements as outlined in current legislation.

Unit Classes

In addition to the basic class of units which are available to all types of investors, the Fund also offers I-Class units which are available to investors who invest a minimum of £1,000,000 and J-Class units which are available to investors who invest a minimum of £500 (who buys units directly from the Manager and not through any intermediary or advisor). Further details are available from the Manager on request. Please note that in order to distinguish between the unit classes within the Fund they are defined in this report as either I-Class Units or J-Class Units. The unit types associated with each unit class are disclosed in the Comparative Tables on pages 6 and 7.

Fund Information *(continued)*

Cumulative Performance (% change to 31 December 2023)

	6 months
Percentage Growth	6.9
ARC Sterling Balanced Asset Private Client Index*	4.9
IA Mixed Investment 20-60% Shares Sector*	5.6
Sector Position	26/181
Quartile Ranking	1st

Source: Morningstar, gross income reinvested net of fees, in GBP. The statistics disclosed above relate to I-Class Units unless otherwise stated. Past performance is no guide to the future. *Comparator benchmark

This document is for informational purposes only and is not investment advice. Market and exchange rate movements can cause the value of an investment to fall as well as rise, and you may get back less than originally invested. We recommend you discuss any investment decisions with a financial adviser, particularly if you are unsure whether an investment is suitable. Jupiter is unable to provide investment advice. Current tax levels and reliefs will depend on your individual circumstances and are subject to change in the future. For definitions please see the glossary at jupiteram.com. Every effort is made to ensure the accuracy of any information provided but no assurances or warranties are given. Company examples are for illustrative purposes only and are not a recommendation to buy or sell. Quoted yields are not guaranteed and may change in the future. Jupiter Unit Trust Managers Limited is authorized and regulated by the Financial Conduct Authority and their registered address is The Zig Zag Building, 70 Victoria Street, London, SW1E 6SQ.

Investment Report

Performance Review

The Jupiter Merlin Moderate Select Fund was launched on 25 April 2023.

For the six months ended 31 December 2023, the Fund returned 6.9%* in sterling terms, compared to 5.6%* for its comparator benchmark, IA Mixed Investment 20-60 Shares Index and 4.9%* for the ARC Sterling Balanced Asset Private Client Index.

**Source: Morningstar, gross income reinvested net of fees, in GBP. The performance statistics disclosed above relate to I-Class Units unless otherwise stated.*

Market Review

2023 was characterized by a significant stand-off between investors and central banks as to who really determines monetary policy. The situation in 2021 has reversed today: then investors were pushing up government bond yields as the perceived inflationary risk grew while the central banks denied there was a problem and refused to raise interest rates from rock bottom; in the final quarter of 2023 investors were driving yields down while central banks were reluctant to reduce interest rates from current highs. In effect markets were telling them, and the US Federal Reserve in particular, that if they were not cautious enough two years ago, they are being far too conservative now. Apart from the US economy which remains buoyant despite the most aggressive policy tightening programme in history, most others including the UK are flatlining and flirting with recession.

In the third quarter, markets were spooked by the political stalemate in the US Congress over government spending and breaching its borrowing limits and the outbreak of a new conflict in the Middle East. If investors were later determined not to be deflected from having a happy Christmas both in bonds and equities, those underlying problems have still not gone away.

Portfolio Review

Upon launching the strategy, we sought to replicate the allocations elsewhere in the Jupiter Merlin Portfolios, albeit with a greater focus on cost and a higher weighting to internal funds dictating some of the fund selection.

In the UK, we allocated towards long-standing Jupiter Merlin holdings in Evenlode Income, Man GLG Income and Jupiter UK Special Situations. We added in BlackRock World Energy and BlueBox Global Technology as our specialist exposures, both of which are held elsewhere in the Jupiter Merlin Portfolios. We also allocated to Jupiter Global Value Equity, run by a team we hold in very high regard and have had significant assets with across the Jupiter Merlin range for some time. In terms of new equity holdings, we introduced M&G Japan into the Portfolio, a value-biased approach which prides itself on its engagement approach in a market where this is often the key to unlocking shareholder value. We also added in Royal London Global Equity Income which takes a differentiated view on diversification, spreading its allocation across the corporate lifecycle, whilst applying a strong valuation discipline. The final new equity addition was Evenlode Global Equity, a fund we have added to the existing Jupiter Merlin range, which applies the same, successful investment process as Evenlode Income to the global universe, populating its portfolio with high quality companies priced at what they deem to be reasonable valuations.

Elsewhere, we invested in WisdomTree Core Physical Gold, consistent with the other Jupiter Merlin Portfolios. We allocated to Vikram Aggarwal's Jupiter Global Sovereign Opportunities fund, which takes an active approach across developed and emerging markets to generate asymmetric returns. We invested in Jupiter Monthly Income Bond fund run by Hilary Blandy, who invests around half the assets in investment grade bonds and half in high yield bonds whilst focussing more on credit selection than macro forecasting. We introduced Adam Darling's Jupiter Global High Yield Bond fund which takes a similar approach regarding credit selection but only in the high yield space, as the fund name suggests. We also added Mike Riddell's Allianz Strategic Bond, Ben Lord's M&G Global Corporate Bond and Jupiter Corporate Bond, run by Adam Darling and Harry Richards, all of which are held elsewhere in the Jupiter Merlin Portfolios.

Investment Report *(continued)*

Investment Outlook

It is already obvious that 2024 is going to be a year of consequences. Two billion people go to the polls in countries including the UK, the US, India, Indonesia, Russia and Taiwan. While the UK's will naturally be of great interest, the most significant geopolitically (assuming in Russia Putin is returned unopposed) is the US Presidential election in November; the nomination primaries formally begin in Iowa on January 15th. Leaving aside the usual twists and turns, a significant consideration is the potential geopolitical ramifications as the West struggles to establish a consensus to confront the strategic threats posed by Russia, China, Iran and North Korea, as well as dealing with the competitive recognition and representation challenges laid down by India's Prime Minister Modi on behalf of the developing economies and the Global South.

"It's the economy, stupid!" is one of the famous electoral dicta. That remains valid. However, arguably the world is a more complex, dynamic and dangerous place than in any of the last three decades. The economy might still be investors' central focus but those contextual political and security elements need to be borne in mind just in case they force themselves to centre stage.

In such extraordinary times we believe in keeping an open investment mind, not painting oneself into a corner from which later it may be difficult to exit. With liquidity uppermost in our mind, we seek to invest in funds run by experienced managers with a blend of styles but who share our core philosophy of trying to capture good performance in buoyant markets while minimising as far as possible the risk of losses in more challenging conditions. The Portfolio is certainly not immune from market volatility but over time it is anticipated to be less volatile, and of course we are long-term investors, investing in managers who themselves are long-term investors who can use such volatility as an opportunity.

Jupiter Merlin Independent Funds Team

Comparative Tables

Change in net asset per unit	
	I Class Income**
	31.12.23 (p)
Opening net asset value per unit	100.00
Return before operating charges*	4.71
Operating charges	(0.58)
Return after operating charges*	4.13
Distributions on income unit	(1.57)
Closing net asset value per unit	102.56
*after direct transaction costs of:	–
Performance	
Return after charges (%)	4.13
Other Information	
Closing net asset value (£'000)	513
Closing number of units	500,000
Operating charges (%)	0.86
Direct transaction costs (%)	–
Prices	
Highest unit price (p)	104.84
Lowest unit price (p)	96.64
Change in net asset per unit	
	J Class Income**
	31.12.23 (p)
Opening net asset value per unit	100.00
Return before operating charges*	4.75
Operating charges	(0.82)
Return after operating charges*	3.93
Distributions on income unit	(1.38)
Closing net asset value per unit	102.55
*after direct transaction costs of:	–
Performance	
Return after charges (%)	3.93
Other Information	
Closing net asset value (£'000)	513
Closing number of units	500,000
Operating charges (%)	1.21
Direct transaction costs (%)	–
Prices	
Highest unit price (p)	104.65
Lowest unit price (p)	96.58

**There are no comparative figures as the Fund was launched on 25 April 2023.

Comparative Tables *(continued)*

Change in net asset per unit	
	I Class Accumulation**
	31.12.23 (p)
Opening net asset value per unit	100.00
Return before operating charges*	4.71
Operating charges	(0.58)
Return after operating charges*	4.13
Distributions on accumulation unit	(1.57)
Retained distributions on accumulation unit	1.57
Closing net asset value per unit	104.13
*after direct transaction costs of:	–
Performance	
Return after charges (%)	4.13
Other Information	
Closing net asset value (£'000)	2,099
Closing number of units	2,016,692
Operating charges (%)	0.86
Direct transaction costs (%)	–
Prices	
Highest unit price (p)	104.84
Lowest unit price (p)	96.64
Change in net asset per unit	
	J Class Accumulation**
	31.12.23 (p)
Opening net asset value per unit	100.00
Return before operating charges*	4.75
Operating charges	(0.82)
Return after operating charges*	3.93
Distributions on accumulation unit	(1.38)
Retained distributions on accumulation unit	1.38
Closing net asset value per unit	103.93
*after direct transaction costs of:	–
Performance	
Return after charges (%)	3.93
Other Information	
Closing net asset value (£'000)	2,081
Closing number of units	2,002,063
Operating charges (%)	1.21
Direct transaction costs (%)	–
Prices	
Highest unit price (p)	104.65
Lowest unit price (p)	96.58

**There are no comparative figures as the Fund was launched on 25 April 2023.

Comparative Tables *(continued)*

Risk and Reward Indicator

The Risk and Reward Indicator table demonstrates where the Fund ranks in terms of its potential risk and reward. The higher the rank the greater the potential reward but the greater the risk of losing money. It is based on past data, may change over time and may not be a reliable indication of the future risk profile of the Fund. The shaded area in the table below shows the Fund's ranking on the Risk and Reward Indicator.



- The lowest category does not mean 'no risk'. Some risk will still be present in funds with a risk and reward rating of 1.
- The Fund is in this category due to the nature of its investments and previous levels of volatility (how much the value of the Fund rises and falls).

Charges

- The charges you pay are used to pay the costs of running the Fund, including the costs of marketing and distributing it. These charges reduce the potential growth of your investment. They include the costs (less any rebates) incurred by the underlying funds held during the year.

Charges taken from the Fund over the period (annualised) to:	31.12.23*
Ongoing charges for I-Class Units	0.86%
Ongoing charges for J-Class Units	1.21%

*There are no comparative figures as the Fund was launched on 25 April 2023.

Portfolio Statement

As at 31 December 2023

Holding	Investment	Market value £	Total net assets %
UK Equity Funds - 31.72%			
162,500	Jupiter UK Special Situations Fund [†]	352,804	6.78
282,500	Man GLG Income Fund	355,103	6.82
175,000	Royal London Global Equity Income Fund	267,050	5.13
219,952	WS Evenlode Global Equity Fund	322,559	6.19
137,000	WS Evenlode Income Fund	354,090	6.80
		1,651,606	31.72
Fixed Interest Funds - 45.89%			
510,000	Allianz Strategic Bond Fund	467,313	8.98
690,000	Jupiter Corporate Bond Fund [†]	367,011	7.05
3,050	Jupiter JGF Global High Yield Bond Fund [†]	286,883	5.51
5,000	Jupiter JGF Global Sovereign Opportunities Fund [†]	501,300	9.63
520,000	Jupiter Monthly Income Bond Fund [†]	511,368	9.82
27,500	M&G Global Corporate Bond Fund	255,321	4.90
		2,389,196	45.89
Japanese Equity Funds - 2.59%			
101,908	M&G Japan Fund	134,743	2.59
Specialist Funds - 5.33%			
17,892	BlackRock Global Funds - World Energy Fund	149,955	2.88
790	WisdomTree Core Physical Gold	127,762	2.45
		277,717	5.33
Global Equity Funds - 12.01%			
110	BlueBox Global Technology Fund	99,923	1.92
785,000	Jupiter Global Value Equity Fund [†]	525,165	10.09
		625,088	12.01
	Total value of investments	5,078,350	97.54
	Net other assets	127,838	2.46
	Net assets	5,206,188	100.00

All holdings are ordinary shares or stock units unless otherwise stated.

There are no comparative figures shown as the Fund launched on 25 April 2023.

[†]Represents an investment in a Jupiter Investment Management Group Limited product.

Statement of Total Return

For the period 25 April 2023 to 31 December 2023		Period from 25.04.23 to 31.12.23*	
		£	£
Income			
Net capital gains			129,241
Revenue		112,275	
Expenses		(27,045)	
Interest payable and similar charges		(31)	
Net revenue before taxation		<u>85,199</u>	
Taxation		<u>(13,073)</u>	
Net revenue after taxation			<u>72,126</u>
Total return before distributions			201,367
Distributions			<u>(73,699)</u>
Change in net assets attributable to unitholders from investment activities			<u>127,668</u>

Statement of Change in Net Assets Attributable to Unitholders

For the period 25 April 2023 to 31 December 2023		Period from 25.04.23 to 31.12.23*	
		£	£
Opening net assets attributable to unitholders			–
Amounts receivable on issue of units		<u>5,019,310</u>	
			5,019,310
Change in net assets attributable to unitholders from investment activities			127,668
Retained distribution on accumulation units			<u>59,210</u>
Closing net assets attributable to unitholders			<u>5,206,188</u>

*There are no comparative figures shown as the Fund launched on 25 April 2023.

Balance Sheet

As at 31 December 2023

	31,12,23*
	£
Assets	
Fixed assets:	
Investments	5,078,350
Current assets:	
Debtors	47,852
Cash and bank balances	108,989
Total assets	<u>5,235,191</u>
Liabilities	
Creditors:	
Distributions payable	(14,736)
Other creditors	(14,267)
Total liabilities	<u>(29,003)</u>
Net assets attributable to unitholders	<u>5,206,188</u>

*There are no comparative figures shown as the Fund launched on 25 April 2023.

Directors' Statement

Jupiter Merlin Moderate Select

This report has been prepared in accordance with the requirements of the Financial Conduct Authority's Collective Investment Schemes Sourcebook and Investment Funds Sourcebook where applicable and the Statement of Recommended Practice issued by the Investment Association.

Directors: Gaelle Pound, Jasveer Singh

Jupiter Unit Trust Managers Limited

London

27 February 2024

Notes to the Interim Financial Statements

1. Significant Accounting Policies

The interim financial statements have been prepared under the historical cost basis as modified by the revaluation of investments, in compliance with the Financial Conduct Authority's Collective Investment Schemes Sourcebook. They have been prepared in accordance with FRS 102 and the Statement of Recommended Practice for Financial Statements of UK Authorised Funds issued by The Investment Management Association (now referred to as the Investment Association) in May 2014 (the 2014 SORP) and amended in June 2017.

2. Financial Instruments

In pursuing its investment objectives, the Fund invests in other funds, which in turn, will invest in a number of financial instruments. The Fund, and the underlying funds, can also invest in securities and other investments and hold cash balances, short term fixed deposits, bank overdrafts and debtors and creditors that arise directly from its operations, for example, in respect of sales and purchases awaiting settlement, amounts receivable from issues and payable for cancellations and debtors for accrued revenue.

The Fund may enter into derivative transactions, the purpose of which will only be for efficient management of the Fund and not for investment purposes.

The Fund has little exposure to counterparty, liquidity and cash flow risk. These risks are not significant at current levels. The main risks it faces from its financial instruments are market price, credit, foreign currency and interest rate risk. The Manager reviews policies for managing these risk in pursuance of the Investment Objective and Policy as set out on page 2.

Adherence to investment guidelines and to investment and borrowing powers set out in the Trust Deed, Scheme Particulars and in the rules of the Collective Investment Schemes Sourcebook mitigates the risk of excessive exposure to any particular type of security or issuer. Further information on the investment portfolio is set out in the Investment Report and Portfolio Statement.

Distribution Tables

For the period 25 April 2023 to 31 December 2023

INTERIM

Group 1: Units purchased prior 25 April 2023

Group 2: Units purchased on or after 25 April 2023 to 31 December 2023

	Income	Equalisation	Distribution payable 29.02.24
I-Class Income*	pence	pence	pence
Units	per unit	per unit	per unit
Group 1	1.5696	–	1.5696
Group 2	1.5696	–	1.5696

	Income	Equalisation	Distribution to be accumulated 29.02.24
I-Class Accumulation*	pence	pence	pence
Units	per unit	per unit	per unit
Group 1	1.5684	–	1.5684
Group 2	1.5567	0.0117	1.5684

	Income	Equalisation	Distribution payable 29.02.24
J-Class Income*	pence	pence	pence
Units	per unit	per unit	per unit
Group 1	1.3776	–	1.3776
Group 2	1.3776	–	1.3776

	Income	Equalisation	Distribution to be accumulated 29.02.24
J-Class Accumulation*	pence	pence	pence
Units	per unit	per unit	per unit
Group 1	1.3776	–	1.3776
Group 2	1.3776	0.0004	1.3772

*There are no comparative figures shown as the Fund was launched on 25 April 2023.

All Unit Types

The relevant information required by a corporate unitholder is as follows:

- Franked investment income 38.43%
- Annual payment 61.57%
(non-foreign element)

Equalisation applies only to units purchased during the distribution period (Group 2 units). It is the average amount of revenue included in the purchase price of all Group 2 units and is refunded to holders of these units as a return of capital. Being capital, it is not liable to Income Tax but must be deducted from the cost of units for Capital Gains Tax purposes.

General Information (unaudited)

Advice to Unitholders

In recent years, investment related scams have become increasingly sophisticated and difficult to spot. We are therefore warning all our unitholders to be cautious so that they can protect themselves and spot the warning signs.

Fraudsters will often:

- contact you out of the blue
- apply pressure to invest quickly
- downplay the risks to your money
- promise tempting returns that sound too good to be true
- say that they are only making the offer available to you
- ask you to not tell anyone else about it

You can avoid investment scams by:

- **Rejecting unexpected offers** – Scammers usually cold call but contact can also come by email, post, word of mouth or at a seminar. If you have been offered an investment out of the blue, chances are it's a high risk investment or a scam.
- **Checking the FCA Warning List** – Use the FCA Warning List to check the risks of a potential investment. You can also search to see if the firm is known to be operating without proper FCA authorisation.
- **Getting impartial advice** – Before investing get impartial advice and don't use an adviser from the firm that contacted you.

If you are suspicious, report it:

- You can report the firm or scam to the FCA by contacting their Consumer Helpline on **0800 111 6768** or using their online reporting form.
- If you have lost money in a scam, contact **Action Fraud** on **0300 123 2040** or **www.actionfraud.police.uk**

For further helpful information about investment scams and how to avoid them please visit **www.fca.org.uk/scamsmart**

Jupiter continues to monitor developments in the Brexit negotiations and Jupiter's overarching aim is to ensure continuity of its business for all of its clients, and plans are in place to manage risks associated with Brexit, both 'hard' and 'soft'.

Responsible Stewardship

Jupiter believes that responsible stewardship is an important issue and aims to act in the best interests of all its stakeholders by engaging with the companies that it invests in, and by exercising its voting rights with care. We believe companies with high standards of corporate responsibility, governance and sustainable business practices create an appropriate culture to enhance good investment performance. **Jupiter's Corporate Governance and Voting Policy** and its compliance with the **UK Stewardship Code**, together with supporting disclosure reports are available at **www.jupiteram.com**.

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