



ALPHA GENERATION THROUGH FOCUSED RISK MANAGEMENT

Jupiter Corporate Bond Fund

jupiteram.com

For professional and institutional investors only. Not for retail investors.



Corporate bonds: a diverse asset class, where credit selection is the key to success

BONDS ISSUED BY COMPANIES HAVE LONG BEEN THOUGHT OF AS A MAINSTAY OF A WELL DIVERSIFIED INVESTMENT PORTFOLIO.

Overall, the attractions of the asset class are relatively plain to see; corporate bonds have the potential to offer investors an attractive total return, derived largely from the regular “coupons” (interest) they pay to their investors. Additionally, corporate bonds have the potential to provide capital growth, where an investor is able to identify and purchase bonds trading at cheap valuations, and which subsequently enjoy price appreciation.

While recognising the many appeals of corporate bonds, it is also important to understand that they do not form a homogeneous investment universe. Indeed, the wide variations in risk and reward characteristics of different parts of the corporate bond market mean that there are significant differences between funds in the IA £ Corporate Bond sector.

This collection of infographics has been designed to help explain the distinctive features of the Jupiter Corporate Bond Fund, and why we believe it compares so favourably with many of its larger peers.

CORPORATE BONDS

Credit quality

Portfolio diversifier

Yields in excess of gilts

Volatility lower than equities

Liquidity

Alpha generation through focused risk management

RISK-ADJUSTED RETURNS AHEAD OF PEERS

SHARPE RATIO

Jupiter Corporate Bond Fund

2nd / 94

SORTINO RATIO

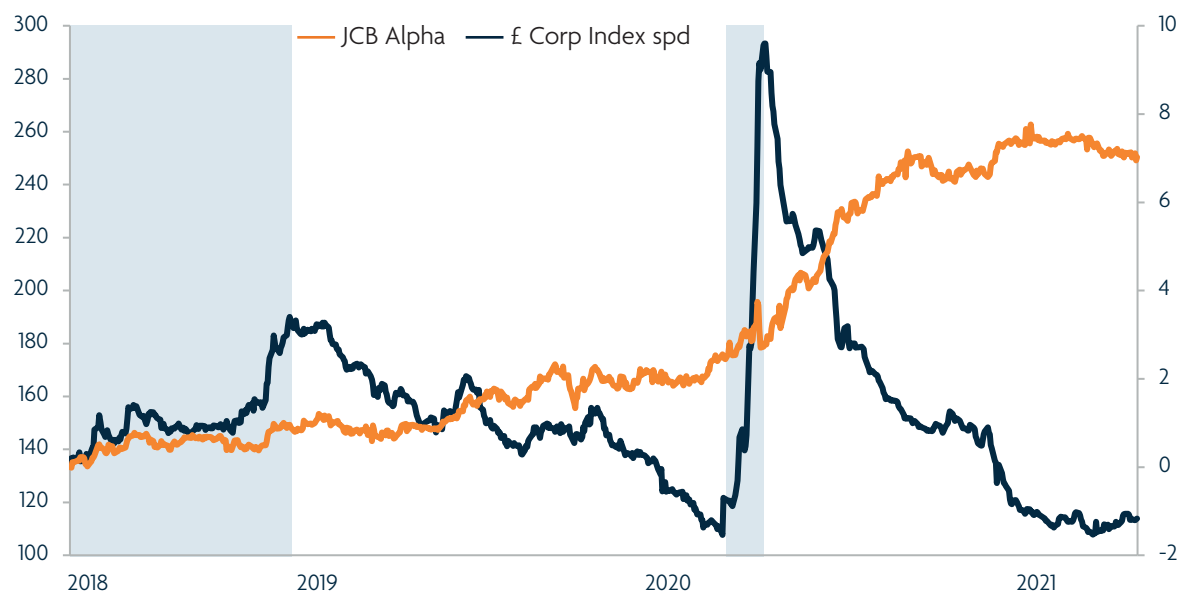
Jupiter Corporate Bond Fund

1st / 94

*Source: Morningstar, as at 09.04.2021. Sharpe ratio and Sortino ratio are annualised figures using monthly returns. Risk free rate: SONIA. Peer group: IA £ Corporate Bond sector.

CONSISTENTLY GENERATING ALPHA

The fund's investment approach is style agnostic, guided by the fund managers' in-depth assessment of the macro environment and bottom-up analysis. During their tenure they have consistently added alpha, through both risk-on and risk-off environments.






Past performance is no guide to the future.

Source: FE FundInfo, in GBP, from 30.04.18 to 31.03.21. Fund performance data is calculated on a NAV to NAV or bid to NAV basis dependent on the period of reporting, all performance is net of fees with net income reinvested. Target benchmark: *IA Sterling Corporate Bond. Note: Alpha is the difference between return of fund and the sector.

Active, pragmatic and risk aware

THE PILLARS OF OUR INVESTMENT PHILOSOPHY

We believe there is substantial scope to add alpha in the asset class through judicious credit selection and a willingness to be active and flexible.

 ACTIVE	 PRAGMATIC	 RISK AWARE
Utilise duration and credit exposure as key levers of risk adjusted returns	Fund positioning must reflect our evolving views of a changing world	Prioritise capital preservation and mitigate drawdown risk
Sweat the asset class		
Assess GBP investment grade in a global context	We are not inherently aggressive, or defensive, or long duration, or short duration	Focus on liquidity (larger, highly tradable corporate bonds)
<i>The fund managers take a high conviction, active approach to managing the fund. They use duration and credit exposure as they sweat the asset class in search of strong risk-adjusted returns.</i>	<i>The fund is always appropriately positioned by the fund managers according to their assessment of the current macro and micro economic landscape.</i>	<i>Risk management is at the heart of the fund's investment process. The fund managers focus on in-depth on credit research to understand business and financial risks.</i>

LIQUIDITY

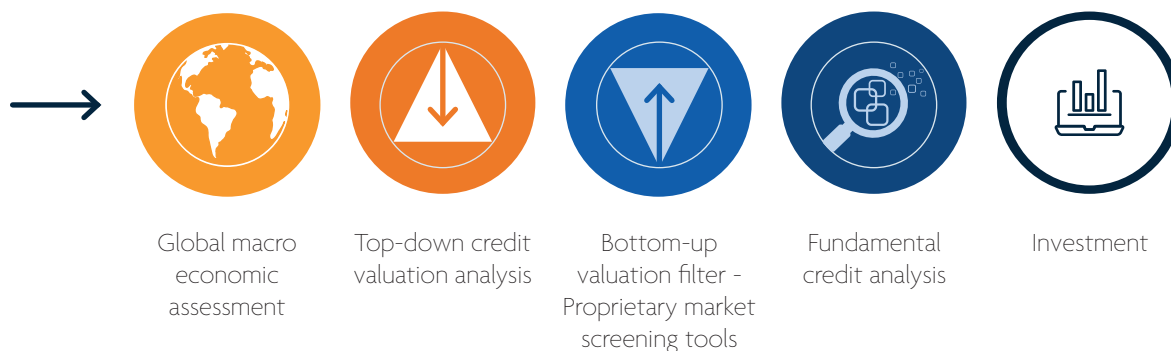
To maintain a high level of liquidity the fund managers focus the vast majority of the portfolios on **issues greater than £250 million in size**. This allows them flexibility in their asset allocations and ensures the scalability of the investment process as the fund grows.



Source: Jupiter, as at 31.12.2020. Liquidation profile: 97.8% of fund can be liquidated in 1 day.

DISCIPLINED AND FLEXIBLE

The fund's investment process begins with an assessment of the global macro landscape, and incorporates detailed analysis on each issuer. The process is both holistic and highly repeatable, with the aim of ensuring appropriate fund positioning throughout the market cycle.



2-IN-1 OUT POLICY

Both fund managers must agree on any additions to the portfolio, but if either manager has concerns, the position is reduced or removed.



DODGING BULLETS

The risk/return balance in credit is very much skewed to the downside, as a downgrade or even default can destroy many years of coupons. A key part of the fund's investment process is therefore selecting issuers with robust business models and a very low likelihood of a deterioration in credit quality.

DELIVERING FOR CLIENTS

The current fund managers, Harry Richards and Adam Darling, took over management of the fund in April 2018, since when the fund has delivered outperformance of the peer group.

Cumulative performance (%)	1 year	2 years	3 years	4 years	5 years	Since FM inception
Jupiter Corporate Bond Fund	12.6	15.8	19.9	20.8	28.3	20.3
IA Sterling Corporate Bond sector	9.2	10.1	13.3	15.3	25.5	13.3
Quartile ranking	1	1	1	1	2	1

Past performance is no guide to the future.

Source: Morningstar, NAV to NAV, gross income reinvested, net of fees, Jupiter Corporate Bond Fund I Acc, in GBP, to 31.03.21. Comparator benchmark: IA £ Corporate Bond. Fund Manager Inception on 01.05.2018.

MEET THE TEAM

The Jupiter Corporate Bond Fund has been jointly managed by Harry Richards and Adam Darling since April 2018. The pair bring complementary skills to credit portfolio management, combining detailed analysis on corporates and their capital structures, with a deep understanding of the macro environment.



HARRY RICHARDS
Fund Manager

Harry joined Jupiter in 2011. He is co-Fund Manager, alongside Adam Darling, of the Jupiter Corporate Bond Fund (Unit Trust). He is also Fund Manager of the Jupiter Strategic Bond Fund (Unit Trust) and Jupiter Dynamic Bond fund (SICAV) alongside Ariel Bezalel. Harry has a degree in Chemistry from Oxford University and is a CFA® charterholder.



ADAM DARLING
Fund Manager

Adam joined Jupiter's Fixed Income team in February 2015. He is fund manager of the Jupiter Global High Yield Short Duration Bond fund (SICAV) and co-fund manager, alongside Harry Richards, of the Jupiter Corporate Bond fund (Unit Trust). Adam began his investment career in 2000. Prior to joining Jupiter, Adam worked at Barclays, Société Générale and Morgan Stanley. Adam has a degree in Modern History from Oxford University.

Harry and Adam have significant credit research resources at their disposal, while benefiting from the holistic view of global fixed income markets that comes from being part of Jupiter's broader fixed income team.

JUPITER FIXED INCOME TEAM

26

investment
professionals

11x Portfolio Managers

1x Assistant Portfolio Managers

13x Credit Research and Analysts

1x Investment Director

JUPITER SUPPORT TEAM

19

investment
professionals

3x Dealers/trade support

12x Risk and Portfolio Analytics

4x Governance Team

Jupiter Operational Infrastructure: Systems: Aladdin/PRT/Factset/Sustainalytics/RepRisk

12-MONTH ROLLING PERFORMANCE (%)

	01 Apr '16 to 31 Mar '17	01 Apr '17 to 31 Mar '18	01 Apr '18 to 31 Mar '19	01 Apr '19 to 31 Mar '20	01 Mar '20 to 31 Apr '21
Jupiter Corporate Bond Fund	6.3	0.7	3.5	2.9	12.6
IA Sterling Corporate Bond	8.8	1.8	3.0	0.8	9.2
Quartile ranking	4	4	2	1	1

Past performance is no guide to the future.

Source: Morningstar, NAV to NAV, gross income reinvested, net of fees, Jupiter Corporate Bond Fund I Acc, in GBP, to 31.03.21.
Comparator benchmark: IA £ Corporate Bond.

Fund-specific risks: The fund can invest up to 20% in non-rated bonds. These bonds may offer a higher income but carry a greater risk, particularly in volatile markets. In difficult market conditions, it may be harder for the manager to sell assets at the quoted price, which could have a negative impact on performance. The fund may use derivatives which may result in large fluctuations in the value of the fund. Counterparty risk may cause losses to the fund. In extreme market conditions, the Fund's ability to meet redemption requests on demand may be affected. The Key Investor Information Document, Supplementary Information Document and Scheme Particulars are available from Jupiter on request. This fund can invest more than 35% of its value in securities issued or guaranteed by an EEA state.

Alpha generation through focused risk management



For more information on the Jupiter Corporate Bond Fund or any other Jupiter funds, please contact your relevant Sales contact or the Client services team:

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Or call 020 3817 1063
to speak directly with our Client Services Team

**Telephone calls may be recorded.*

IMPORTANT INFORMATION

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