

Semi-Annual Report

JPMorgan Insurance Trust

June 30, 2011 (Unaudited)

JPMorgan Insurance Trust Small Cap Core Portfolio

NOT FDIC INSURED • NO BANK GUARANTEE • MAY LOSE VALUE

This material must be preceded or accompanied by a current prospectus.

J.P.Morgan
Asset Management

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Investments in the Portfolio are not bank deposits or obligations of, or guaranteed or endorsed by, any bank and are not insured or guaranteed by the FDIC, the Federal Reserve Board or any other government agency. You could lose money if you sell when the Portfolio's share price is lower than when you invested.

Past performance is no guarantee for future performance. The general market views expressed in this report are opinions based on conditions through the end of the reporting period and are subject to change without notice based on market and other conditions. These views are not intended to predict the future performance of the Portfolio or the securities markets. References to specific securities and their issuers are for illustrative purposes only and are not intended to be, and should not be interpreted as, recommendations to purchase or sell such securities. Such views are not meant as investment advice and may not be relied on as an indication of trading intent on behalf of the Portfolio.

This Portfolio is intended to be a funding vehicle for variable annuity contracts and variable life insurance policies (collectively "Policies") offered by separate accounts of participating insurance companies. Portfolio shares are also offered through qualified pension and retirement plans ("Eligible Plans"). Individuals may not purchase shares directly from the Portfolio.

Prospective investors should refer to the Portfolio's prospectus for a discussion of the Portfolio's investment objective, strategies and risks. Call J.P. Morgan Funds Service Center at 1-800-480-4111 for a prospectus containing more complete information about the Portfolio including management fees and other expenses. Please read it carefully before investing.

CEO'S LETTER

AUGUST 8, 2011 (Unaudited)

Dear Shareholder:

The year began on a relatively optimistic note for investors, but the tone changed significantly in May, as concerns mounted over rising oil prices, the European sovereign debt crisis and weak U.S. economic data. In response to this, investors moved away from risk assets, and into the safety of U.S. Treasuries.



“Earlier this year, we reminded investors about the likelihood of setbacks on the road out of the economic doldrums. Meanwhile, the tragic earthquake in Japan and political unrest in the Middle East are examples of how sensitive the markets and economy can be to geopolitical shocks and other global crises.”

As we enter the second half of 2011, concerns about softening U.S. economic data persist. While we are encouraged that corporate earnings and profits have continued to grow consistently, spending levels in many areas of the economy remain critically low, which has resulted in tight inventories and pent-up consumer demand. Meanwhile, investors still lack confidence in the ability of the European government to combat the region's debt crisis. Concerns about the credit downgrade of U.S.-issued debt exacerbated this negative sentiment among investors and helped trigger the recent downturn, as August 8, 2011 saw each of the three major U.S. stock indices experience their worst one-day performance since December 1, 2008. The current slowdown in growth should not be viewed as a surprise. Earlier this year, we reminded investors about the likelihood of setbacks on the road out of the economic doldrums. Meanwhile, the tragic earthquake in Japan and political unrest in the Middle East are examples of how sensitive the markets and economy can be to geopolitical shocks and other global crises.

Despite volatility, stocks move higher

Despite periods of elevated volatility, most stock markets posted strong gains. As of the end of the six-month reporting period ended June 30, 2011, the S&P500 Index had risen 6.0% to a level of 1,321.

Mid cap growth stocks led all style categories for the six-month reporting period, with the Russell Midcap Growth Index returning 9.6%. For the same period, the Russell 2000 Growth Index returned 8.6%, compared to 6.8% for the Russell 1000 Growth Index. In the value category, the Russell Midcap Value Index

returned 6.7%, outperforming both the Russell 2000 Value Index and Russell 1000 Value index, which returned 3.8% and 5.9%, respectively.

U.S. Treasury yields drop in response to softer economic growth

In the U.S. bond markets, yields were volatile, but generally moved lower over the past six months as economic expectations softened. The yield on the 10-year U.S. Treasury bond declined slightly from 3.3% to 3.2% as of the end of the six-month reporting period ended June 30, 2011, while yields on the 2-year U.S. Treasury bond declined from 0.6% to 0.5% as of the end of the same period.

Is the economic soft patch temporary?

As we enter the second half of 2011, the markets have clearly entered a period of uncertainty. Stocks have been volatile in response to weaker economic growth, as well as concerns over the European sovereign debt crisis, the credit downgrade of U.S.-issued debt, policy tightening in China, and the conclusion of the second round of quantitative easing (QE2) in the U.S. Given these events, it's not surprising that investors remain largely risk averse, and less than confident about prospects for future growth.

Despite the slowdown and uncertain political environment, however, we do believe that some aspects of our markets and economy – including strong corporate balance sheets and valuations – present potential opportunities for investors. As always, we advise investors to be mindful of continued volatility and other unexpected risks by maintaining a diversified and balanced approach to investing.

On behalf of everyone at J.P. Morgan Asset Management, thank you for your continued support. We look forward to managing your investment needs for years to come. Should you have any questions, please visit www.jpmorganfunds.com or contact the J.P. Morgan Funds Service Center at 1-800-480-4111.

Sincerely yours,



George C.W. Gatch
CEO, Investment Management Americas
J.P. Morgan Asset Management

JPMorgan Insurance Trust Small Cap Core Portfolio

PORTFOLIO COMMENTARY

SIX MONTHS ENDED JUNE 30, 2011 (Unaudited)

REPORTING PERIOD RETURN:

Portfolio (Class 1 Shares)*	8.09%
Russell 2000 Index	6.21%
Net Assets as of 6/30/2011	\$72,476,067

INVESTMENT OBJECTIVE**

The JPMorgan Insurance Trust Small Cap Core Portfolio (the "Portfolio") seeks capital growth over the long term.

HOW DID THE MARKET PERFORM?

Despite concerns about economic contagion from Europe's debt crisis, political unrest in the Middle East and the tragic earthquake and subsequent tsunami in Japan, U.S. stocks advanced during the reporting period, as the S&P 500 Index gained 6.02% for the six months ended June 30, 2011. Strong corporate earnings and robust merger-and-acquisition activity encouraged investors and helped support U.S. stock prices during the reporting period. Small-cap U.S. stocks, as measured by the Russell 2000 Index (the "Benchmark"), gained 6.21% and underperformed mid- and large-cap U.S. stocks, as the Russell Midcap Index gained 8.08% and Russell 1000 Index, which measures the performance of large-cap U.S. stocks, returned 6.37%.

WHAT WERE THE MAIN DRIVERS OF THE PORTFOLIO'S PERFORMANCE?

The Portfolio (Class 1 Shares) outperformed the Benchmark for the six months ended June 30, 2011. The Portfolio's stock selection in the consumer cyclical and basic materials sectors contributed to relative performance, while the Portfolio's stock selection in the semiconductors and retail sectors detracted from relative performance.

Individual contributors to relative performance included the Portfolio's positions in Tempur-Pedic International, Inc., a mattress manufacturer, and Cash America International, Inc., a financial services provider. Shares of Tempur-Pedic International, Inc. increased after the company reported strong first-quarter results, boosted by better-than-expected mattress sales. Shares of Cash America International, Inc. increased after the company announced better-than-expected first-quarter earnings due to strong loan demand.

Individual detractors from relative performance included the Portfolio's positions in THQ, Inc., a developer and publisher of video games, and Clayton Williams Energy, Inc., an oil and gas operations company. Shares of THQ, Inc. declined on investors' concerns about the quality of its recent games as well as disappointing sell through (the percentage of video games shipped that are actually sold to consumers). Shares of Clayton Williams Energy, Inc. declined after the company reported disappointing first-quarter results.

HOW WAS THE PORTFOLIO POSITIONED?

The portfolio managers took limited sector bets and constructed the Portfolio so that stock selection would be the primary driver of its relative performance versus the Benchmark. The portfolio managers employed a bottom-up approach to stock selection, using quantitative screening and proprietary fundamental analysis to construct a portfolio of what they believed were attractively priced stocks with strong fundamentals.

TOP TEN EQUITY HOLDINGS OF THE PORTFOLIO***

1.	Cash America International, Inc.	1.2%
2.	Portland General Electric Co.	1.1
3.	GT Solar International, Inc.	1.1
4.	Kulicke & Soffa Industries, Inc.	1.0
5.	Dillard's, Inc., Class A	1.0
6.	Tempur-Pedic International, Inc.	1.0
7.	JDA Software Group, Inc.	0.9
8.	World Acceptance Corp.	0.9
9.	Healthspring, Inc.	0.9
10.	Triumph Group, Inc.	0.9

PORTFOLIO COMPOSITION BY SECTOR***

Financials	20.3%
Information Technology	16.3
Consumer Discretionary	15.2
Industrials	14.0
Health Care	12.2
Energy	6.1
Materials	5.9
Utilities	3.5
Consumer Staples	2.5
Telecommunication Services	1.8
U.S. Treasury Obligation	0.2
Short-Term Investment	2.0

* The return shown is based on net asset value calculated for shareholder transactions and may differ from the return shown in the financial highlights, which reflects adjustments made to the net asset value in accordance with accounting principles generally accepted in the United States of America.

** The advisor seeks to achieve the Portfolio's objective. There can be no guarantee it will be achieved.

*** Percentages indicated are based upon total investments as of June 30, 2011. The Portfolio's composition is subject to change.

JPMorgan Insurance Trust Small Cap Core Portfolio

PORTFOLIO COMMENTARY

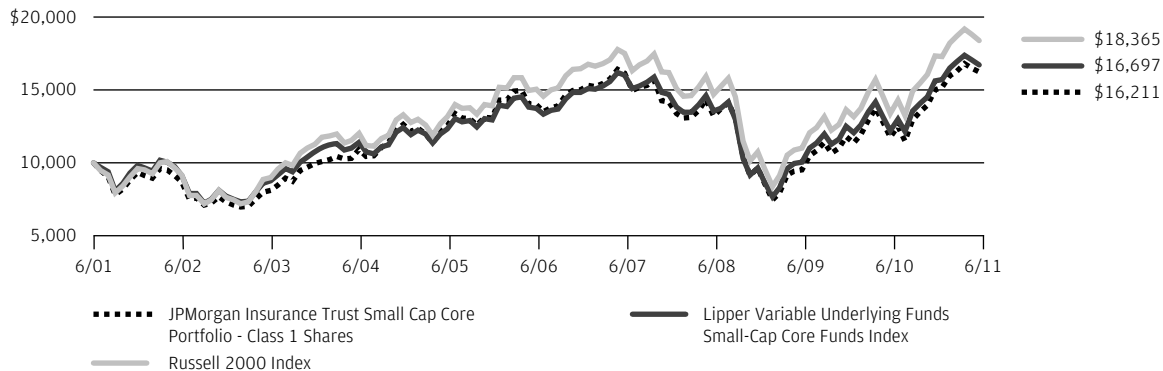
SIX MONTHS ENDED JUNE 30, 2011 (Unaudited) (continued)

AVERAGE ANNUAL TOTAL RETURNS AS OF JUNE 30, 2011

	INCEPTION DATE OF CLASS	6 MONTH*	1 YEAR	5 YEAR	10 YEAR
CLASS 1 SHARES	01/03/95	8.09%	38.23%	3.01%	4.95%
CLASS 2 SHARES	04/24/09	7.91	37.87	2.90	4.89

* Not annualized.

TEN YEAR PERFORMANCE (6/30/01 TO 6/30/11)



Source: Lipper Inc. The performance quoted is past performance and is not a guarantee of future results. Mutual funds are subject to certain market risks. Investment returns and principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. Current performance may be higher or lower than the performance data shown. For up-to-date month-end performance information please call 1-800-480-4111.

Inception date for Class 1 Shares is January 3, 1995, which is the inception date of JPMorgan Small Company Portfolio ("Predecessor Portfolio"). The JPMorgan Insurance Trust Small Cap Core Portfolio acquired all of the assets and liabilities of the Predecessor Portfolio in a reorganization on April 24, 2009. The Predecessor Portfolio's performance and financial history have been adopted by the Small Cap Core Portfolio and have been used since the reorganization. As a result the performance for Class 1 Shares prior to April 25, 2009, is the performance of the Predecessor Portfolio.

Returns for Class 2 Shares prior to April 25, 2009 are based on the performance of Class 1 Shares. The actual returns of Class 2 Shares would have been lower than shown because Class 2 Shares have higher expenses than Class 1 Shares and the Predecessor Portfolio.

The graph illustrates comparative performance for \$10,000 invested in Class 1 Shares of the JPMorgan Insurance Trust Small Cap Core Portfolio, Russell 2000 Index and the Lipper Variable Underlying Funds Small-Cap Core Funds Index

from June 30, 2001 to June 30, 2011. The performance of the Portfolio assumes reinvestment of all dividends and capital gains, if any. The performance of the Russell 2000 Index does not reflect the deduction of expenses associated with a mutual fund and has been adjusted to reflect reinvestment of all dividends and capital gains of the securities included in the benchmark. The performance of the Lipper Variable Underlying Funds Small-Cap Core Funds Index includes expenses associated with a mutual fund, such as investment management fees. These expenses are not identical to the expenses charged by the Portfolio. The Russell 2000 Index is an unmanaged index which measures the performance of the 2000 smallest stocks (on the basis of capitalization) in the Russell 3000 Index. The Lipper Variable Underlying Funds Small-Cap Core Funds Index is an index based on the total returns of certain mutual funds within the Portfolio's designated category as determined by Lipper, Inc. Investors cannot invest directly in an index.

The performance does not reflect any charges imposed by the Policies or Eligible Plans. If these charges were included, the returns would be lower than shown. Performance may reflect the waiver of the Portfolio's fees and reimbursement of expenses for certain periods since the inception date. Without these waivers and reimbursements performance would have been lower.

The returns shown are based on net asset values calculated for shareholder transactions and may differ from the returns shown in the financial highlights, which reflect adjustments made to the net asset values in accordance with accounting principles generally accepted in the United States of America.

JPMorgan Insurance Trust Small Cap Core Portfolio

SCHEDULE OF PORTFOLIO INVESTMENTS

AS OF JUNE 30, 2011 (Unaudited) (continued)

SHARES	SECURITY DESCRIPTION	VALUE(\$)	SHARES	SECURITY DESCRIPTION	VALUE(\$)
Common Stocks – Continued			Capital Markets – Continued		
Personal Products – Continued			Capital Markets – Continued		
5,300	Revlon, Inc., Class A (a)	89,040	11,500	Knight Capital Group, Inc., Class A (a)	126,730
		<u>300,725</u>	1,000	Oppenheimer Holdings, Inc., Class A	28,210
	Total Consumer Staples	<u>1,835,817</u>	2,700	optionsXpress Holdings, Inc.	45,036
			6,547	Prospect Capital Corp.	66,190
	Energy – 6.0%		2,400	Pzena Investment Management, Inc., Class A	<u>13,632</u>
	Energy Equipment & Services – 1.7%				<u>444,170</u>
2,400	Basic Energy Services, Inc. (a)	75,528	Commercial Banks – 5.0%		
2,200	Cal Dive International, Inc. (a)	13,156	300	Alliance Financial Corp.	9,159
1,600	Complete Production Services, Inc. (a)	53,376	3,500	Banco Latinoamericano de Comercio Exterior S.A., (Panama), Class E	60,620
9,500	Gulfmark Offshore, Inc., Class A (a)	419,805	7,700	Cathay General Bancorp	126,203
8,400	ION Geophysical Corp. (a)	79,464	3,300	Citizens & Northern Corp.	49,731
3,400	Lufkin Industries, Inc.	292,570	3,725	City Holding Co.	123,037
2,000	Matrix Service Co. (a)	26,760	5,200	Community Bank System, Inc.	128,908
8,900	Newpark Resources, Inc. (a)	80,723	1,540	Community Trust Bancorp, Inc.	42,689
700	OYO Geospace Corp. (a)	70,000	3,700	East West Bancorp, Inc.	74,777
5,400	RPC, Inc.	<u>132,516</u>	2,100	Enterprise Financial Services Corp.	28,413
		<u>1,243,898</u>	4,700	Financial Institutions, Inc.	77,174
	Oil, Gas & Consumable Fuels – 4.3%		12,400	First Busey Corp.	65,596
575	Apco Oil and Gas International, Inc.	49,985	57,200	First Commonwealth Financial Corp.	328,328
17,000	Callon Petroleum Co. (a)	119,340	5,700	First Community Bancshares, Inc.	79,800
4,715	Clayton Williams Energy, Inc. (a)	283,136	10,500	First Financial Bancorp	175,245
3,600	Cloud Peak Energy, Inc. (a)	76,680	4,400	First Merchants Corp.	39,336
3,500	Delek US Holdings, Inc.	54,950	14,500	FNB Corp.	150,075
5,500	DHT Holdings, Inc., (United Kingdom)	21,065	26	Hudson Valley Holding Corp.	502
22,400	EXCO Resources, Inc.	395,360	4,600	Huntington Bancshares, Inc.	30,176
1,300	Frontline Ltd., (Bermuda)	19,162	6,175	Iberiabank Corp.	355,927
2,600	Georesources, Inc. (a)	58,474	3,710	International Bancshares Corp.	62,068
400	Gevo, Inc. (a)	6,292	2,425	Lakeland Bancorp, Inc.	24,201
17,700	Gulfport Energy Corp. (a)	525,513	2,100	Lakeland Financial Corp.	46,746
9,700	KiOR, Inc., Class A (a)	146,955	2,600	MainSource Financial Group, Inc.	21,580
11,975	McMoRan Exploration Co. (a)	221,298	200	Merchants Bancshares, Inc.	4,894
7,400	Petroquest Energy, Inc. (a)	51,948	13,200	Nara Bancorp, Inc. (a)	107,316
1,700	Solazyme, Inc. (a)	39,049	900	National Bankshares, Inc.	22,536
11,125	VAALCO Energy, Inc. (a)	66,972	2,100	NBT Bancorp, Inc.	46,473
18,700	W&T Offshore, Inc.	488,444	15,600	Oriental Financial Group, Inc.	201,084
12,600	Warren Resources, Inc. (a)	48,006	900	Peoples Bancorp, Inc.	10,143
4,600	Western Refining, Inc. (a)	83,122	14,300	Pinnacle Financial Partners, Inc. (a)	222,508
10,500	World Fuel Services Corp.	<u>377,265</u>	2,400	Prosperity Bancshares, Inc.	105,168
		<u>3,133,016</u>	700	Renasant Corp.	10,143
	Total Energy	<u>4,376,914</u>	1,663	Republic Bancorp, Inc., Class A	33,094
	Financials – 20.3%		5,550	Sierra Bancorp	62,826
	Capital Markets – 0.6%		2,306	Southside Bancshares, Inc.	45,770
17,200	BGC Partners, Inc., Class A	132,956	12,100	Southwest Bancorp, Inc. (a)	118,459
3,400	Gladstone Capital Corp.	31,416	6,950	Sterling Bancshares, Inc.	56,712

SEE NOTES TO FINANCIAL STATEMENTS.

SHARES	SECURITY DESCRIPTION	VALUE(\$)	SHARES	SECURITY DESCRIPTION	VALUE(\$)
Common Stocks – Continued					
Commercial Services & Supplies – Continued			Trading Companies & Distributors – Continued		
3,500	Metalico, Inc. (a)	20,650	3,200	Beacon Roofing Supply, Inc. (a)	73,024
2,300	Team, Inc. (a)	55,499	1,800	Interline Brands, Inc. (a)	33,066
2,400	UniFirst Corp.	134,856	9,719	SeaCube Container Leasing Ltd.	166,972
4,000	United Stationers, Inc.	141,720	5,100	United Rentals, Inc. (a)	129,540
150	Waste Connections, Inc.	4,760			<u>756,297</u>
		<u>1,560,989</u>		Total Industrials	<u>10,156,125</u>
Construction & Engineering – 1.3%			Information Technology – 16.3%		
10,875	EMCOR Group, Inc. (a)	318,746	Communications Equipment – 2.0%		
21,100	MasTec, Inc. (a)	416,092	23,582	Arris Group, Inc. (a)	273,787
10,500	Tutor Perini Corp.	201,390	7,050	Black Box Corp.	220,454
		<u>936,228</u>	3,000	Blue Coat Systems, Inc. (a)	65,580
Electrical Equipment – 1.7%			4,000	Comtech Telecommunications Corp.	112,160
6,100	Acuity Brands, Inc.	340,258	1,400	EMS Technologies, Inc. (a)	46,158
7,000	EnerSys (a)	240,940	3,300	NETGEAR, Inc. (a)	144,276
1,100	Polypore International, Inc. (a)	74,624	2,200	Oplink Communications, Inc. (a)	40,986
8,700	Regal-Beloit Corp.	580,899	5,000	Plantronics, Inc.	182,650
		<u>1,236,721</u>	4,400	Polycom, Inc. (a)	282,920
Industrial Conglomerates – 0.0% (g)			8,500	Symmetricon, Inc. (a)	49,555
900	Standex International Corp.	27,603	15,300	Westell Technologies, Inc., Class A (a)	54,621
Machinery – 3.4%					<u>1,473,147</u>
5,700	Barnes Group, Inc.	141,417	Computers & Peripherals – 0.5%		
4,900	CIRCOR International, Inc.	209,867	4,300	Fusion-io, Inc. (a)	129,387
2,392	Columbus McKinnon Corp. (a)	42,960	7,400	Hypercom Corp. (a)	72,742
13,000	EnPro Industries, Inc. (a)	624,910	3,225	Imation Corp. (a)	30,444
17,200	Force Protection, Inc. (a)	85,398	3,000	Synaptics, Inc. (a)	77,220
5,300	Kadant, Inc. (a)	167,003	5,700	Xyratex Ltd., (United Kingdom) (a)	58,482
13,100	NN, Inc. (a)	195,976			<u>368,275</u>
1,766	Robbins & Myers, Inc.	93,333	Electronic Equipment, Instruments & Components – 1.5%		
9,400	Trimas Corp. (a)	232,650	9,800	Brightpoint, Inc. (a)	79,478
9,550	Wabtec Corp.	627,626	4,100	Daktronics, Inc.	44,239
1,100	Watts Water Technologies, Inc., Class A	38,951	4,500	DDi Corp.	42,930
		<u>2,460,091</u>	1,400	Fabrinet (a)	33,992
Professional Services – 0.0% (g)			4,600	Insight Enterprises, Inc. (a)	81,466
1,900	GP Strategies Corp. (a)	25,954	1,600	Littelfuse, Inc.	93,952
Road & Rail – 0.6%			1,200	Measurement Specialties, Inc. (a)	42,840
1,400	Dollar Thrifty Automotive Group, Inc. (a)	103,236	1,900	NeoPhotonics Corp. (a)	13,148
21,300	Quality Distribution, Inc. (a)	277,326	6,800	Newport Corp. (a)	123,556
900	Zipcar, Inc. (a)	18,369	4,100	Plexus Corp. (a)	142,721
		<u>398,931</u>	6,000	Power-One, Inc. (a)	48,600
Trading Companies & Distributors – 1.0%			8,300	RadiSys Corp. (a)	60,507
5,200	Aircastle Ltd.	66,144	5,800	SYNNEX Corp. (a)	183,860
8,075	Applied Industrial Technologies, Inc.	287,551	6,400	TTM Technologies, Inc. (a)	102,528
					<u>1,093,817</u>

SEE NOTES TO FINANCIAL STATEMENTS.

SHARES	SECURITY DESCRIPTION	VALUE(\$)
Common Stocks – Continued		
Paper & Forest Products – Continued		
2,100	Schweitzer-Mauduit International, Inc.	117,915
		<u>500,356</u>
	Total Materials	<u>4,245,341</u>
Telecommunication Services – 1.8%		
Diversified Telecommunication Services – 1.8%		
3,600	Boingo Wireless, Inc. (a)	32,688
156,400	Cincinnati Bell, Inc. (a)	519,248
6,200	Consolidated Communications Holdings, Inc.	120,528
1,500	IDT Corp., Class B	40,530
4,200	Neutral Tandem, Inc. (a)	73,164
23,700	Premiere Global Services, Inc. (a)	189,126
75,800	Vonage Holdings Corp. (a)	<u>334,278</u>
	Total Telecommunication Services	<u>1,309,562</u>
Utilities – 3.5%		
Electric Utilities – 2.6%		
1,500	Central Vermont Public Service Corp.	54,225
12,425	El Paso Electric Co.	401,328
7,200	IDACORP, Inc.	284,400
1,700	MGE Energy, Inc.	68,901
31,175	Portland General Electric Co.	788,104
2,725	UniSource Energy Corp.	101,724
5,600	Westar Energy, Inc.	<u>150,696</u>
		<u>1,849,378</u>
Gas Utilities – 0.9%		
1,200	Chesapeake Utilities Corp.	48,036
1,800	Laclede Group, Inc. (The)	68,094
5,500	New Jersey Resources Corp.	245,355

SHARES	SECURITY DESCRIPTION	VALUE(\$)
Gas Utilities – Continued		
500	Nicor, Inc.	27,370
1,700	Northwest Natural Gas Co.	76,721
3,100	Southwest Gas Corp.	119,691
2,000	WGL Holdings, Inc.	<u>76,980</u>
		<u>662,247</u>
	Total Utilities	<u>2,511,625</u>
	Total Common Stocks (Cost \$52,944,832)	<u>70,750,461</u>
PRINCIPAL AMOUNT(\$)		
U.S. Treasury Obligation – 0.2%		
160,000	U.S. Treasury Note, 0.750%, 11/30/11 (k) (Cost \$160,297)	<u>160,431</u>
SHARES		
Short-Term Investment – 2.1%		
Investment Company – 2.1%		
1,479,732	JPMorgan Prime Money Market Fund, Institutional Class Shares, 0.050% (b) (l) (m) (Cost \$1,479,732)	<u>1,479,732</u>
	Total Investments – 99.9% (Cost \$54,584,861)	72,390,624
	Other Assets in Excess of Liabilities – 0.1%	<u>85,443</u>
	NET ASSETS – 100.0%	<u><u>\$72,476,067</u></u>

Percentages indicated are based on net assets.

Futures Contracts

NUMBER OF CONTRACTS	DESCRIPTION	EXPIRATION DATE	NOTIONAL VALUE AT 06/30/11	UNREALIZED APPRECIATION (DEPRECIATION)
Long Futures Outstanding				
22	E-mini Russell 2000	09/16/11	\$1,815,880	<u>\$91,609</u>

NOTES TO SCHEDULE OF PORTFOLIO INVESTMENTS :

- | | |
|---|--|
| <p>(a) – Non-income producing security.</p> <p>(b) – Investment in affiliate. Money market fund registered under the Investment Company Act of 1940, as amended, and advised by J.P. Morgan Investment Management Inc.</p> <p>(g) – Amount rounds to less than 0.1%.</p> <p>(k) – All or a portion of this security is deposited with the broker as collateral for futures or with brokers as initial margin for futures contracts.</p> | <p>(l) – The rate shown is the current yield as of June 30, 2011.</p> <p>(m) – All or a portion of this security is reserved and/or pledged with the custodian for current or potential holdings of futures, swaps, options, TBAs, when-issued securities, delayed delivery securities, reverse repurchase agreements, and forward foreign currency contracts.</p> |
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SEE NOTES TO FINANCIAL STATEMENTS.

STATEMENT OF ASSETS AND LIABILITIES
AS OF JUNE 30, 2011 (Unaudited)

	Small Cap Core Portfolio
ASSETS:	
Investments in non-affiliates, at value	\$70,910,892
Investments in affiliates, at value	1,479,732
Total investment securities, at value	<u>72,390,624</u>
Receivables:	
Investment securities sold	612,386
Portfolio shares sold	78,808
Interest and dividends	67,751
Variation margin on futures contracts	14,300
Total Assets	<u>73,163,869</u>
LIABILITIES:	
Payables:	
Investment securities purchased	567,771
Portfolio shares redeemed	21,801
Accrued liabilities:	
Investment advisory fees	37,157
Administration fees	5,431
Distribution fees	412
Custodian and accounting fees	25,543
Trustees' and Chief Compliance Officer's fees	57
Other	29,630
Total Liabilities	<u>687,802</u>
Net Assets	<u>\$72,476,067</u>
NET ASSETS:	
Paid in capital	\$62,583,570
Accumulated undistributed net investment income	6,597
Accumulated net realized gains (losses)	(8,011,472)
Net unrealized appreciation (depreciation)	17,897,372
Total Net Assets	<u>\$72,476,067</u>
Net Assets:	
Class 1	\$70,396,036
Class 2	2,080,031
Total	<u>\$72,476,067</u>
Outstanding units of beneficial interest (shares) (\$0.0001 par value; unlimited number of shares authorized):	
Class 1	4,361,783
Class 2	129,288
Net asset value, offering and redemption price per share:	
Class 1	\$ 16.14
Class 2	16.09
Cost of investments in non-affiliates	\$53,105,129
Cost of investments in affiliates	1,479,732

SEE NOTES TO FINANCIAL STATEMENTS.

STATEMENT OF OPERATIONS

FOR THE SIX MONTHS ENDED JUNE 30, 2011 (Unaudited)

	Small Cap Core Portfolio
INVESTMENT INCOME:	
Interest income from non-affiliates	\$ 238
Dividend income from non-affiliates	345,839
Interest income from affiliates	–(a)
Dividend income from affiliates	721
Total investment income	<u>346,798</u>
EXPENSES:	
Investment advisory fees	234,911
Administration fees	32,042
Distribution fees:	
Class 2	2,563
Custodian and accounting fees	19,878
Professional fees	19,026
Trustees' and Chief Compliance Officer's fees	389
Printing and mailing costs	20,577
Transfer agent fees	3,614
Other	7,693
Total expenses	<u>340,693</u>
Less amounts waived	(2,804)
Less earnings credits	(1)
Net expenses	<u>337,888</u>
Net investment income (loss)	<u>8,910</u>
REALIZED/UNREALIZED GAINS (LOSSES):	
Net realized gain (loss) on transactions from:	
Investments in non-affiliates	4,356,633
Futures	51,294
Net realized gain (loss)	<u>4,407,927</u>
Change in net unrealized appreciation (depreciation) of:	
Investments in non-affiliates	1,203,086
Futures	58,104
Change in net unrealized appreciation (depreciation)	<u>1,261,190</u>
Net realized/unrealized gains (losses)	<u>5,669,117</u>
Change in net assets resulting from operations	<u>\$5,678,027</u>

(a) Amount rounds to less than \$1.

SEE NOTES TO FINANCIAL STATEMENTS.

JUNE 30, 2011

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STATEMENTS OF CHANGES IN NET ASSETS
FOR THE PERIODS INDICATED

	Small Cap Core Portfolio	
	Six Months Ended 6/30/2011 (Unaudited)	Year Ended 12/31/2010
CHANGE IN NET ASSETS RESULTING FROM OPERATIONS:		
Net investment income (loss)	\$ 8,910	\$ 79,776
Net realized gain (loss)	4,407,927	1,274,581
Change in net unrealized appreciation (depreciation)	<u>1,261,190</u>	<u>14,066,091</u>
Change in net assets resulting from operations	<u>5,678,027</u>	<u>15,420,448</u>
DISTRIBUTIONS TO SHAREHOLDERS:		
Class 1		
From net investment income	<u>(83,140)</u>	<u>—</u>
Total distributions to shareholders	<u>(83,140)</u>	<u>—</u>
CAPITAL TRANSACTIONS:		
Change in net assets from capital transactions	<u>(5,469,722)</u>	<u>(732,592)</u>
NET ASSETS:		
Change in net assets	125,165	14,687,856
Beginning of period	<u>72,350,902</u>	<u>57,663,046</u>
End of period	<u>\$ 72,476,067</u>	<u>\$ 72,350,902</u>
Accumulated undistributed net investment income	<u>\$ 6,597</u>	<u>\$ 80,827</u>
CAPITAL TRANSACTIONS:		
Class 1		
Proceeds from shares issued	\$ 6,327,235	\$ 19,840,628
Dividends and distributions reinvested	83,140	—
Cost of shares redeemed	<u>(11,807,815)</u>	<u>(21,272,478)</u>
Change in net assets from Class 1 capital transactions	<u>\$ (5,397,440)</u>	<u>\$ (1,431,850)</u>
Class 2		
Proceeds from shares issued	61,099	1,086,656
Cost of shares redeemed	<u>(133,381)</u>	<u>(387,398)</u>
Change in net assets from Class 2 capital transactions	<u>\$ (72,282)</u>	<u>\$ 699,258</u>
Total change in net assets from capital transactions	<u>\$ (5,469,722)</u>	<u>\$ (732,592)</u>
SHARE TRANSACTIONS:		
Class 1		
Issued	401,518	1,539,522
Reinvested	5,222	—
Redeemed	<u>(749,676)</u>	<u>(1,660,186)</u>
Change in Class 1 Shares	<u>(342,936)</u>	<u>(120,664)</u>
Class 2		
Issued	3,927	87,635
Redeemed	<u>(8,474)</u>	<u>(30,523)</u>
Change in Class 2 Shares	<u>(4,547)</u>	<u>57,112</u>

SEE NOTES TO FINANCIAL STATEMENTS.

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FINANCIAL HIGHLIGHTS
FOR THE PERIODS INDICATED

	Per share operating performance						
	Net asset value, beginning of period	Investment operations			Distributions		
		Net investment income (loss)	Net realized and unrealized gains (losses) on investments	Total from investment operations	Net investment income	Net realized gain	Total distributions
Small Cap Core Portfolio (e)							
Class 1							
Six Months Ended June 30, 2011 (Unaudited)	\$14.95	\$ –(f)	\$ 1.21	\$ 1.21	\$(0.02)	\$ –	\$(0.02)
Year Ended December 31, 2010	11.76	0.02	3.17	3.19	–	–	–
Year Ended December 31, 2009	9.84	0.05(g)	2.11(g)	2.16	(0.08)	(0.16)	(0.24)
Year Ended December 31, 2008	16.06	0.04	(4.73)	(4.69)	(0.03)	(1.50)	(1.53)
Year Ended December 31, 2007	17.82	0.02	(0.95)	(0.93)	–(f)	(0.83)	(0.83)
Year Ended December 31, 2006	15.92	–(f)	2.39	2.39	–	(0.49)	(0.49)
Class 2							
Six Months Ended June 30, 2011 (Unaudited)	14.91	(0.02)	1.20	1.18	–	–	–
Year Ended December 31, 2010	11.76	(0.01)	3.16	3.15	–	–	–
April 24, 2009 (h) through December 31, 2009	9.03	0.01	2.73(g)	2.74	(0.01)	–	(0.01)

(a) Annualized for periods less than one year.

(b) Not annualized for periods less than one year.

(c) Includes adjustments in accordance with accounting principles generally accepted in the United States of America and as such, the net asset value for financial reporting purposes and the returns based upon those net asset values may differ from the net asset value and returns for shareholder transactions.

(d) Includes earnings credits and interest expense, each of which is less than 0.01%, if applicable or unless otherwise noted.

(e) Small Cap Core Portfolio acquired all of the assets and liabilities of JPMorgan Small Company Portfolio (“Predecessor Portfolio”) in a reorganization on April 24, 2009. The Predecessor Portfolio’s performance and financial history have been adopted by Small Cap Core Portfolio and have been used since the reorganization. As a result, the financial highlight information reflects that of the Predecessor Portfolio for the periods prior to its reorganization with Small Cap Core Portfolio.

(f) Amount rounds to less than \$0.01.

(g) Includes gains resulting from litigation payments on securities owned in a prior year. Without these gains, the net realized and unrealized gains (losses) on investments per share would have been \$2.10, and \$2.72, and the total returns would have been 22.47% and 30.26% for Class 1 and Class 2, respectively.

(h) Because of the reorganization with the Predecessor Portfolio in which the performance and financial history of the Small Cap Core Portfolio was replaced with that of the Predecessor Portfolio, the performance and the financial history began on April 24, 2009.

SEE NOTES TO FINANCIAL STATEMENTS.

Ratios/Supplemental data

Net asset value, end of period	Total return (excludes sales charge) (b)(c)	Net assets, end of period (000's)	Ratios to average net assets (a)			
			Net expenses (d)	Net investment income (loss)	Expenses without waivers, reimbursements and earnings credits	Portfolio turnover rate (b)
\$16.14	8.09%	\$70,396	0.93%	0.03%	0.94%	25%
14.95	27.13	70,356	0.99	0.13	1.04	45
11.76	22.58(g)	56,761	0.98	0.42	1.34	55
9.84	(31.98)	49,825	1.08	0.29	1.15	45
16.06	(5.67)	82,402	1.15	0.14	1.15	44
17.82	15.01	95,311	1.15	0.01	1.15	39
16.09	7.91	2,080	1.18	(0.22)	1.18	25
14.91	26.79	1,995	1.24	(0.09)	1.28	45
11.76	30.37(g)	902	1.17	0.26	1.45	55

SEE NOTES TO FINANCIAL STATEMENTS.

NOTES TO FINANCIAL STATEMENTS

AS OF JUNE 30, 2011 (Unaudited)

1. Organization

JPMorgan Insurance Trust (the "Trust") is registered under the Investment Company Act of 1940, as amended (the "1940 Act"), as an open-end management investment company established as a Massachusetts business trust.

The following is a separate Portfolio of the Trust (the "Portfolio") covered by this report:

	Classes Offered	Diversified/Non-Diversified
Small Cap Core Portfolio	Class 1 and Class 2	Diversified

Portfolio shares are offered only to separate accounts of participating insurance companies and Eligible Plans. Individuals may not purchase shares directly from the Portfolio.

All classes of shares have equal rights as to earnings, assets and voting privileges except that each class may bear different distribution and service fees and each class has exclusive voting rights with respect to its distribution plan or administrative services plan.

2. Significant Accounting Policies

The following is a summary of significant accounting policies followed by the Trust in the preparation of its financial statements. The policies are in accordance with accounting principles generally accepted in the United States of America. The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of income and expenses for the period. Actual results could differ from those estimates.

A. Valuation of Investments — Equity securities listed on a North American, Central American, South American or Caribbean securities exchange shall generally be valued at the last sale price on the exchange on which the security is principally traded that is reported before the time when the net assets of the Portfolio are valued. The value of securities listed on The NASDAQ Stock Market LLC shall generally be the NASDAQ Official Closing Price. Fixed income securities (other than certain short-term investments maturing in less than 61 days) are valued each day based on readily available market quotations received from independent or affiliated pricing services approved by the Board of Trustees or third party broker-dealers. Such pricing services and broker-dealers will generally provide bid-side quotations. Generally, short-term investments of sufficient credit quality maturing in less than 61 days are valued at amortized cost, which approximates market value. Certain investments of the Portfolio may, depending upon market conditions, trade in relatively thin markets and/or in markets that experience significant volatility. As a result of these conditions, the prices used by the Portfolio to value securities may differ from the value that would be realized if these securities were sold, and the differences could be material. Futures and options shall generally be valued on the basis of available market quotations. Swaps and other derivatives are valued daily, primarily using independent or affiliated pricing services approved by the Board of Trustees. If valuations are not available from such services or values received are deemed not representative of market value, values will be obtained from a third party broker-dealer or counterparty. Investments in other open-end investment companies are valued at such investment company's current day closing net asset value per share.

Securities or other assets for which market quotations are not readily available or for which market quotations do not represent the value at the time of pricing (including certain illiquid securities) are fair valued in accordance with procedures established by and under the supervision and responsibility of the Board of Trustees. Under these procedures, the Portfolio primarily employs a market-based approach which may use related or comparable assets or liabilities, recent transactions, market multiples, book values, and other relevant information for the investment to determine the fair value of the investment. The Portfolio may also use an income-based valuation approach in which the anticipated future cash flows of the investment are discounted to calculate fair value. Discounts may also be applied due to the nature or duration of any restrictions on the disposition of the investments. It is possible that the estimated values may differ significantly from the values that would have been used had a ready market for the investments existed, and such differences could be material. Trading in securities on most foreign exchanges and over-the-counter markets is normally completed before the close of the domestic market and may also take place on days when the domestic market is closed. In accordance with procedures adopted by the Board of Trustees, the Portfolio applies fair value pricing on equity securities on a daily basis except for North American, Central American, South American and Caribbean equity securities held in its portfolio by utilizing the quotations of an independent pricing service, unless the Portfolio's advisor determines that use of another valuation methodology is appropriate. The pricing service uses statistical analyses and quantitative models to adjust local market prices using factors such as subsequent movement and changes in the prices of indices, securities and exchange rates in other markets, in determining fair value as of the time the Portfolio calculates its net asset values.

Valuations reflected in this report are as of the report date. As a result, changes in valuation due to market events and/or issuer related events after the report date and prior to issuance of the report are not reflected herein.

The various inputs that are used in determining the fair value of the Portfolio's investments are summarized into the three broad levels listed below.

- Level 1 – quoted prices in active markets for identical securities
- Level 2 – other significant observable inputs (including quoted prices for similar securities, interest rates, prepayment speeds, credit risk, etc.)
- Level 3 – significant unobservable inputs (including the Portfolio's own assumptions in determining the fair value of investments)

A financial instrument's level within the fair value hierarchy is based on the lowest level of any input both individually and in aggregate that is significant to the fair value measurement. The inputs or methodology used for valuing securities are not necessarily an indication of the risk associated with investing in those securities.

The following table represents each valuation input by sector as presented on the Schedule of Portfolio Investments (“SOI”):

	Level 1 Quoted prices	Level 2 Other significant observable inputs	Level 3 Significant unobservable inputs	Total
Total Investments in Securities #	<u>\$72,230,193</u>	<u>\$160,431</u>	<u>\$—</u>	<u>\$72,390,624</u>
Appreciation in Other Financials Instruments				
Futures Contracts	<u>\$ 91,609</u>	<u>\$ —</u>	<u>\$—</u>	<u>\$ 91,609</u>

Portfolio holdings designated as Level 1 and Level 2 are disclosed individually in the SOI. Level 2 consists of a U.S. Treasury Note that is held for futures collateral. Please refer to the SOI for industry specifics of the portfolio holdings.

There were no transfers between Levels 1 and 2 during the six months ended June 30, 2011.

B. Futures Contracts – The Portfolio uses index futures contracts to gain or reduce exposure to the stock market, maintain liquidity and minimize transaction costs. The Portfolio buys futures contracts to immediately invest incoming cash in the market or sell futures in response to cash outflows, thereby simulating an invested position in the underlying index while maintaining a cash balance for liquidity. The use of futures contracts exposes the Portfolio to equity price risk.

Futures contracts provide for the delayed delivery of the underlying instrument at a fixed price or for a cash amount based on the change in the value of the underlying instrument at a specific date in the future. Upon entering into a futures contract, the Portfolio is required to deposit with the broker, cash or securities in an amount equal to a certain percentage of the contract amount which is referred to as the initial margin deposit. Subsequent payments, referred to as variation margin, are made or received by the Portfolio periodically and are based on changes in the market value of open futures contracts. Changes in the market value of open futures contracts are recorded as unrealized appreciation or depreciation in the Statement of Operations. Realized gains or losses, representing the difference between the value of the contract at the time it was opened and the value at the time it was closed, are reported in the Statement of Operations at the closing or expiration of futures contracts. Securities deposited as initial margin are designated in the SOI and cash deposited is recorded on the Statement of Assets and Liabilities. A receivable from and/or a payable to brokers for the daily variation margin is also recorded on the Statement of Assets and Liabilities.

The Portfolio may be subject to the risk that the change in the value of the futures contract may not correlate perfectly with the underlying instrument. Use of long futures contracts subjects the Portfolio to risk of loss in excess of the amounts shown on the Statement of Assets and Liabilities, up to the notional amount of the futures contracts. Use of short futures contracts subjects the Portfolio to unlimited risk of loss. The Portfolio may enter into futures contracts only on exchanges or boards of trade. The exchange or board of trade acts as the counterparty to each futures transaction; therefore, the Portfolio’s credit risk is limited to failure of the exchange or board of trade. Under some circumstances, futures exchanges may establish daily limits on the amount that the price of a futures contract can vary from the previous day’s settlement price, which could effectively prevent liquidation of unfavorable positions.

The table below discloses the volume of the Portfolio’s futures activities during the six months ended June 30, 2011:

Futures Contracts:	
Average Notional Balance Long	\$1,890,677
Ending Notional Balance Long	1,815,880

C. Security Transactions and Investment Income – Investment transactions are accounted for on the trade date (the date the order to buy or sell is executed). Securities gains and losses are calculated on a specifically identified cost basis. Interest income is determined on the basis of coupon interest accrued using the effective interest method adjusted for amortization of premiums and accretion of discounts. Dividend income less foreign taxes withheld, if any, is recorded on the ex-dividend date or when a Portfolio first learns of the dividend.

The Portfolio records distributions received in excess of income from underlying investments as a reduction of cost of investments and/or realized gain. Such amounts are based on estimates if actual amounts are not available and actual amounts of income, realized gain and return of capital may differ from the estimated amounts. The Portfolio adjusts the estimated amounts of components of distributions (and consequently its net investment income) as necessary once the issuers provide information about the actual composition of the distributions.

D. Allocation of Income and Expenses – In calculating the net asset value per share of each class, investment income, realized and unrealized gains and losses and expenses other than class specific expenses are allocated daily to each class of shares based upon the proportion of net assets of each class at the beginning of each day. Expenses directly attributable to a portfolio are charged directly to that portfolio while the expenses attributable to more than one portfolio of the Trust are allocated among the respective portfolios. Each class of shares bears its pro-rata portion of expenses attributable to the Portfolio, except that each class separately bears expenses related specifically to that class, such as distribution fees.

E. Federal Income Taxes – The Portfolio is treated as a separate taxable entity for Federal income tax purposes. The Portfolio’s policy is to comply with the provisions of the Internal Revenue Code of 1986, as amended (the “Code”), applicable to regulated investment companies and to distribute to shareholders all of its distributable net investment income and net realized gain on investments. Accordingly, no provision for Federal income tax

NOTES TO FINANCIAL STATEMENTS
AS OF JUNE 30, 2011 (Unaudited) (continued)

is necessary. The Portfolio is also a segregated portfolio of assets for insurance purposes and intends to comply with the diversification requirements of Subchapter L of the Code. The Portfolio is not aware of any tax positions for which it is reasonably possible that the total amounts of unrecognized tax benefits or losses will significantly change in the next twelve months. However, the Portfolio's conclusions may be subject to future review based on changes in, or the interpretation of, the accounting standards or tax laws and regulations. The Portfolio's Federal tax returns for the prior three fiscal years remain subject to examination by the Internal Revenue Service.

F. Dividends and Distributions to Shareholders – Dividends from net investment income are declared and paid annually. Dividends are declared separately for each class. No class has preferential dividend rights; differences in per share rates are due to differences in separate class expenses. Net realized capital gains, if any, are distributed at least annually. The amount of dividends and distributions from net investment income and net realized capital gains is determined in accordance with Federal income tax regulations, which may differ from accounting principles generally accepted in the United States of America. To the extent these "book/tax" differences are permanent in nature (i.e., that they result from other than timing of recognition – "temporary differences"), such amounts are reclassified within the capital accounts based on their Federal tax-basis treatment.

3. Fees and Other Transactions with Affiliates

A. Investment Advisory Fee – Pursuant to the Investment Advisory Agreement, J.P. Morgan Investment Management Inc. ("JPMIM" or the "Advisor") acts as the investment advisor to the Portfolio. The Advisor is a wholly-owned subsidiary of JPMorgan Asset Management Holdings Inc., which is a wholly-owned subsidiary of JPMorgan Chase & Co. ("JPMorgan"). The Advisor supervises the investments of the Portfolio and for such services is paid a fee. The fee is accrued daily and paid monthly based on the Portfolio's average daily net assets at an annual fee rate of 0.65%.

The Advisor waived Investment Advisory fees and/or reimbursed expenses as outlined in Note 3.E.

B. Administration Fee – Pursuant to an Administration Agreement, JPMorgan Funds Management, Inc. (the "Administrator"), an indirect, wholly-owned subsidiary of JPMorgan, provides certain administration services to the Portfolio. In consideration of these services, the Administrator receives a fee computed daily and paid monthly at the annual rate of 0.15% of the first \$25 billion of the average daily net assets of all funds in the J.P. Morgan Funds Complex (excluding certain funds of funds and money market funds) and 0.075% of the average daily net assets in excess of \$25 billion of all such funds. For the six months ended June 30, 2011, the annualized effective rate was 0.09% of the Portfolio's average daily net assets.

J.P. Morgan Investor Services, Co. ("JPMIS"), an indirect, wholly-owned subsidiary of JPMorgan, serves as the Portfolio's Sub-administrator (the "Sub-administrator"). For its services as Sub-administrator, JPMIS receives a portion of the fees payable to the Administrator.

C. Distribution Fees – Pursuant to a Distribution Agreement, JPMorgan Distribution Services, Inc. (the "Distributor"), a wholly-owned subsidiary of JPMorgan, serves as the Trust's exclusive underwriter and promotes and arranges for the sale of the Portfolio's shares.

The Board of Trustees has adopted a Distribution Plan (the "Distribution Plan") for Class 2 Shares of the Portfolio in accordance with Rule 12b-1 under the 1940 Act. The Distribution Plan provides that the Portfolio shall pay distribution fees, including payments to the Distributor, at an annual rate of 0.25% of the average daily net assets of Class 2 Shares.

D. Custodian and Accounting Fees – JPMorgan Chase Bank, N.A. ("JPMCB"), an affiliate of the Portfolio, provides portfolio custody and accounting services for the Portfolio. The amounts paid directly to JPMCB by the Portfolio for custody and accounting services are included in Custodian and accounting fees in the Statement of Operations. The custodian fees may be reduced by credits earned by the Portfolio, based on uninvested cash balances held by the custodian. Such earnings credits are presented separately in the Statement of Operations.

Interest expense, if any, paid to the custodian related to cash overdrafts is included in Interest expense to affiliates in the Statement of Operations.

E. Waivers and Reimbursements – The Advisor, Administrator and Distributor have contractually agreed to waive fees and/or reimburse the Portfolio to the extent that total annual operating expenses (excluding acquired fund fees and expenses, dividend expense related to short sales, interest, taxes, extraordinary expenses and expenses related to the Board of Trustees' deferred compensation plan) exceed the percentages of the Portfolio's respective average daily net assets as shown in the table below:

	Class 1	Class 2
	1.03%	1.28%

The contractual expense limitation agreements were in effect for the six months ended June 30, 2011. The expense limitation percentages in the table above are in place until at least April 30, 2012.

For the six months ended June 30, 2011, the Advisor contractually waived fees for the Portfolio in the amount of \$1,211. The Advisor does not expect the Portfolio to repay any such waived fees in future years.

Additionally, the Portfolio may invest in one or more money market funds advised by the Advisor or its affiliates. The Advisor, Administrator and the Distributor waive fees in an amount sufficient to offset the respective fees each charges to the affiliated money market fund on the Portfolio's investment in such affiliated money market fund. A portion of the waiver is voluntary.

The amount of waivers resulting from investments in the money market funds for the six months ended June 30, 2011 was \$1,593.

F. Other – Certain officers of the Trust are affiliated with the Advisor, the Administrator and the Distributor. Such officers, with the exception of the Chief Compliance Officer, receive no compensation from the Portfolio for serving in their respective roles.

The Board of Trustees appointed a Chief Compliance Officer to the Portfolio in accordance with federal securities regulations. The Portfolio, along with other affiliated portfolios, makes reimbursement payments, on a pro-rata basis, to the Administrator for a portion of the fees associated with the Office of the Chief Compliance Officer. Such fees are included in Trustees' and Chief Compliance Officer's fees in the Statement of Operations.

The Trust adopted a Trustee Deferred Compensation Plan (the "Plan") which allows the Independent Trustees to defer the receipt of all or a portion of compensation related to performance of their duties as a Trustee. The deferred fees are invested in various J.P. Morgan Funds until distribution in accordance with the Plan.

During the six months ended June 30, 2011, the Portfolio may have purchased securities from an underwriting syndicate in which the principal underwriter or members of the syndicate are affiliated with the Advisor.

The Portfolio may use related party broker/dealers. For the six months ended June 30, 2011, the Portfolio did not incur any brokerage commissions with broker/dealers affiliated with the Advisor.

The Securities and Exchange Commission ("SEC") has granted an exemptive order permitting the Portfolio to engage in principal transactions with J.P. Morgan Securities, Inc., an affiliated broker, involving taxable money market instruments subject to certain conditions.

4. Investment Transactions

During the six months ended June 30, 2011, purchases and sales of investments (excluding short-term investments) were as follows:

	Purchases (excluding U.S. Government)	Sales (excluding U.S. Government)
	\$18,154,138	\$23,626,800

During six months ended June 30, 2011, there were no purchases or sales of U.S. Government securities.

5. Federal Income Tax Matters

For Federal income tax purposes, the cost and unrealized appreciation (depreciation) in value of the investment securities at June 30, 2011 were as follows:

	Aggregate Cost	Gross Unrealized Appreciation	Gross Unrealized Depreciation	Net Unrealized Appreciation (Depreciation)
	\$54,584,861	\$19,833,347	\$2,027,584	\$17,805,763

Under the recently enacted Regulated Investment Company Modernization Act of 2010 ("the Act"), net capital losses recognized by the Portfolio after December 31, 2010, may get carried forward indefinitely, and retain their character as short-term and/or long term losses. Prior to this Act, pre-enactment net capital losses incurred by the Portfolio were carried forward for eight years and treated as short-term losses. The Act requires that post-enactment net capital losses are used before pre-enactment net capital losses.

6. Borrowings

The Trust and JPMCB have entered into a financing arrangement. Under this arrangement, JPMCB provides an unsecured, uncommitted credit facility in the aggregate amount of \$100 million to certain of the J.P. Morgan Funds including the Portfolio. Advances under the arrangement are taken primarily for temporary or emergency purposes, including the meeting of redemption requests that otherwise might require the untimely disposition of securities, and are subject to the Portfolio's borrowing restrictions. Interest on borrowings is payable at a rate determined by JPMCB at the time of borrowing. This agreement has been extended until November 15, 2011.

The Portfolio had no borrowings outstanding from another portfolio or from the unsecured, uncommitted credit facility at June 30, 2011, or at any time during the six months then ended.

Interest expense paid, if any, as a result of borrowings from another portfolio or from the unsecured, uncommitted credit facility is included in Interest expense to affiliates in the Statement of Operations.

7. Risks, Concentrations and Indemnifications

In the normal course of business, the Portfolio enters into contracts that contain a variety of representations which provide general indemnifications. The Portfolio's maximum exposure under these arrangements is unknown, as this would involve future claims that may be made against the Portfolio that have not yet occurred. However, based on experience, the Portfolio expects the risk of loss to be remote.

From time to time, the Portfolio may have a concentration of several shareholders holding a significant percentage of shares outstanding. Investment activities of these shareholders could have a material impact on the Portfolio.

SCHEDULE OF SHAREHOLDER EXPENSES

(Unaudited)

Hypothetical \$1,000 Investment

As a shareholder of the Portfolio, you incur ongoing costs, including investment advisory fees, administration fees, distribution fees (for Class 2 shares) and other Portfolio expenses. Because the Portfolio is a funding vehicle for Policies and Eligible Plans, you may also incur sales charges and other fees relating to the Policies or Eligible Plans. The examples below are intended to help you understand your ongoing costs (in dollars) of investing in the Portfolio, but not the costs of the Policies or Eligible Plans, and to compare these ongoing costs with the ongoing costs of investing in other mutual funds. The examples assume that you had a \$1,000 investment in the Class at the beginning of the reporting period, January 1, 2011, and continued to hold your shares at the end of the reporting period, June 30, 2011.

Actual Expenses

For each Class of the Portfolio in the table below, the first line provides information about actual account values and actual expenses. You may use the information in this line, together with the amount you invested, to estimate the expenses that you paid over the period. Simply divide your account value by \$1,000 (for example, an \$8,600 account value divided by \$1,000 = 8.6), then multiply the result by the number in the first line of each Class under the heading entitled "Expenses Paid During" to estimate the expenses you paid on your account during this period.

Hypothetical Example for Comparison Purposes

The second line of each Class in the table below provides information about hypothetical account values and hypothetical expenses based on the Class' actual expense ratio and an assumed rate of return of 5% per year before expenses, which is not the Class' actual return. The hypothetical account values and expenses may not be used to estimate the actual ending account balance or expenses you paid for the period. You may use this information to compare the ongoing costs of investing in the Class of the Portfolio and other portfolios. To do so, compare this 5% hypothetical example with the 5% hypothetical examples that appear in the shareholder reports of the other funds. Please note that the expenses shown in the table are meant to highlight your ongoing costs only and do not reflect any transaction costs, such as sales charges (loads) or redemption fees or the costs associated with the Policies and Eligible Plans through which the Portfolio is held. Therefore, the second line for each Class in the table is useful in comparing ongoing costs only, and will not help you determine the relative total costs of owning different portfolios. In addition, if these transaction costs were included, your costs would have been higher. The examples also assume all dividends and distributions have been reinvested.

	Beginning Account Value, January 1, 2011	Ending Account Value, June 30, 2011	Expenses Paid During January 1, 2011 to June 30, 2011*	Annualized Expense Ratio
Class 1				
Actual	\$1,000.00	\$1,080.90	\$4.80	0.93%
Hypothetical	1,000.00	1,020.18	4.66	0.93
Class 2				
Actual	1,000.00	1,079.10	6.08	1.18
Hypothetical	1,000.00	1,018.94	5.91	1.18

* Expenses are equal to the Portfolio's annualized expense ratio, multiplied by the average account value over the period, multiplied by 181/365 (to reflect the one-half year period).

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J.P. Morgan Funds are distributed by JPMorgan Distribution Services, Inc., which is an affiliate of JPMorgan Chase & Co. Affiliates of JPMorgan Chase & Co. receive fees for providing various services to the funds.

Contact JPMorgan Distribution Services, Inc. at 1-800-480-4111 for a portfolio prospectus. You can also visit us at www.jpmorganfunds.com. Investors should carefully consider the investment objectives and risk as well as charges and expenses of the mutual fund before investing. The prospectus contains this and other information about the mutual fund. Read the prospectus carefully before investing.

The Portfolio files a complete schedule of its portfolio holdings for the first and third quarters of its fiscal year with the SEC on Form N-Q. The Portfolio's Forms N-Q are available on the SEC's website at <http://www.sec.gov> and may be reviewed and copied at the SEC's Public Reference Room in Washington, DC. Information on the operation of the SEC's Public Reference Room may be obtained by calling 1-800-SEC-0330. Shareholders may request the Form N-Q without charge by calling 1-800-480-4111 or by visiting the variable insurance portfolio section of the J.P. Morgan Funds' website at www.jpmorganfunds.com.

A description of the Portfolio's policies and procedures with respect to the disclosure of the Portfolio's holdings is available in the prospectus and Statement of Additional Information.

A copy of proxy policies and procedures is available without charge upon request by calling 1-800-480-4111 and a description of such policies and procedures is on the SEC's website at www.sec.gov. The Trustees have delegated the authority to vote proxies for securities owned by the Portfolio to the Advisor. A copy of the Portfolio's voting record for the most recent 12-month period ended June 30 is available on the SEC's website at www.sec.gov or at the Portfolio's website at www.jpmorganfunds.com no later than August 31 of each year. The Portfolio's proxy voting record will include, among other things, a brief description of the matter voted on for each portfolio security, and will state how each vote was cast, for example, for or against the proposal.

J.P.Morgan
Asset Management

