FORM N-30D

Initial annual and semi-annual reports mailed to investment company shareholders pursuant to Rule 30e-1 (other than those required to be submitted as part of Form NCSR)

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JP MORGAN INSTITUTIONAL FUNDS

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[front cover]

J.P. Morgan Institutional
European Equity Fund

Annual Report
November 30, 2000

LETTER TO THE SHAREHOLDERS

January 8, 2001

Dear Shareholder,

It was a difficult year for U.S. investors allocating money overseas. Volatile European equity markets and global economic uncertainty pulled down investment returns. For the twelve months ended November 30, 2000, the J.P. Morgan Institutional European Equity Fund had a total return of -12.20%.

The Fund's benchmark index, the MSCI Europe Index, and peer group, as measured by the Lipper European Region Funds Average, also finished in negative territory. The Fund's benchmark had a total return of -5.52% for the twelve months ended November 30, 2000, while the Fund's peer group had a total return of -1.71% for the same time period.

The Fund's net asset value on November 30, 2000 was $13.72 per share, decreasing from $15.92 per share, after paying dividends of approximately $0.28 per share, including approximately $0.22 in current income and approximately $0.06 in long-term capital gains over the twelve month period. The Fund's net assets were approximately $7.9 million on November 30, while the total net assets of The European Equity Portfolio, in which the Fund invests, totaled $18 million.

This report includes an interview with Nigel Emmett, a member of the portfolio management team for The European Equity Portfolio. Nigel discusses the European equity markets in detail, and explains the factors that influenced Fund performance during the fiscal year. Nigel also provides insight in regard to positioning the Portfolio.

As chairman and president of Asset Management Services, we thank you for investing with J.P. Morgan. Should you have any comments or questions, please contact your Morgan representative, or call J.P. Morgan Funds Services at (800) 766-7722.

Sincerely yours,

/signature/	/signature/
Ramon de Oliveira	Keith M. Schappert
Chairman of Asset Management Services	President of Asset Management Services
J.P. Morgan & Co. Incorporated	J.P. Morgan & Co. Incorporated

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FUND PERFORMANCE

EXAMINING PERFORMANCE

There are several ways to evaluate a mutual fund's historical performance. One way is to look at the growth of a hypothetical investment. The chart at right shows that $1,000,000 invested on February 29, 1996,* would have increased to $1,670,217 on November 30, 2000.

Another way is to review a fund's average annual total return. This calculation takes the Fund's actual return and shows what would have happened if the fund had achieved that return by performing at a constant rate each year. Average annual total returns represent the average yearly change of a fund's value over various time periods, typically one, five, and ten years (or since inception). Total returns for periods of less than one year are not annualized and provide a picture of how a fund has performed over the short-term.

GROWTH OF $1,000,000 SINCE FUND INCEPTION*
February 29, 1996-November 30, 2000

[data from line chart
<TABLE>

<S>	<C>
MSCI Europe Index**	$1,867,246
Lipper European Region Funds Average**	$1,823,172
J.P. Morgan Institutional European Equity Fund	$1,670,217

</TABLE>
PERFORMANCE
<TABLE>
<CAPTION>

	TOTAL RETURNS	AVERAGE ANNUAL TOTAL RETURNS	
	ONE YEAR	THREE YEARS	SINCE INCEPTION*
AS OF NOVEMBER 30, 2000			
<S>	<C>	<C>	<C>
J.P. Morgan Institutional European Equity Fund	(12.20)%	6.52%	11.40%
MSCI Europe Index**	(5.52)%	9.79%	14.05%
Lipper European Region Funds Average**	(1.71)%	10.52%	13.30%
AS OF SEPTEMBER 30, 2000			
J.P. Morgan Institutional European Equity Fund	2.14%	8.17%	13.85%
MSCI Europe Index**	5.46%	10.22%	15.78%
Lipper European Region Funds Average**	19.46%	11.22%	15.75%

</TABLE>
* The J.P. Morgan Institutional European Equity Fund began operations on February 29, 1996.

** The MSCI Europe Index is an unmanaged index which measures European stock market performance. It does not include fees or operating expenses and is not available for actual investment. Lipper Analytical Services, Inc. is a leading source for mutual fund data.

Past performance is no guarantee of future results. Fund returns are net of fees, assume the reinvestment of dividends and reflect the reimbursement of expenses as described in the prospectus. Had expenses not been subsidized, returns would have been lower.

PORTFOLIO MANAGER Q&A

[photo of Nigel F. Emmett]

The following is an interview with NIGEL F. EMMETT, vice president and portfolio manager with J.P. Morgan Investment Management's International Equity Group since joining Morgan in 1997. Nigel earned a B.A. degree in economics from Manchester University, and is the holder of a CFA designation. This interview was conducted on December 15, 2000, and reflects Nigel's views on that date.

HOW WOULD YOU CHARACTERIZE THE EUROPEAN EQUITY MARKETS DURING THE 12-MONTHS ENDED NOVEMBER 30, 2000?

The first half was distinguished by economic growth, optimism, and the outperformance of new economy stocks. During much of the second half, however, the opposite was true. New economy stocks dropped deeply out of favor, and there was a much greater focus on some of the previously neglected value names. Toward the end of the period, we also saw signs of a U.S. slowdown, which, in turn, spread to much of the rest of the world, including Europe.

The market was impacted negatively as well by a consistently weak euro over much of this period. Although there was a small rally as this reporting period came to a close, the euro was still well down over the 12-months. While a cheaper currency helped large volume exporters, by making their goods cheaper to produce relative to the U.S., it hampered much of the rest of the market, particularly those companies that had to translate euro-denominated revenues into dollars.

HOW DID THE PORTFOLIO PERFORM OVER THIS PERIOD?

Over the 12-months, the portfolio underperformed both its benchmark and the competition. We added some value from currency management by underweighting the euro earlier in the year, when it was declining, and then overweighing it at the middle of the period, when the euro strengthened relative to the dollar. Performance attributable to country allocation was roughly neutral, although we benefited from being overweight the U.K., relative to continental Europe, near the end of the period. What contributed most to underperformance was stock selection.

WHICH COMPANIES HELPED PERFORMANCE THE MOST?

A stock that continued to outperform its sector over most of this period was Philips, the Dutch electronics giant. It benefited from a very well managed business, robust sales growth, favorable currency exposure, and a broad catalogue of profitable products.

Elsewhere, in the banking sector, our overweight in Woolwich helped performance. This stock was helped by investor enthusiasm when Barclays acquired Woolwich last summer.

Our decision to underweight British Telecom also helped over the full 12 months. The company's stock underperformed due to investor concerns about its relatively high valuation and pricing pressure within traditional fixed-line operations, both at the residential and business levels. Investors were also wary about British Telecom's need to raise substantial additional capital in order to continue its overseas expansion plans.

Schering, the German pharmaceutical company, helped performance over this period, as well. The stock gained from the company's higher-than-expected sales, which were derived partly from acquisitions, and partly from new products going to market sooner than most investors anticipated.

WHICH STOCKS LAGGED OVER THE PAST 12 MONTHS?

Our exposure to new economy stocks was particularly detrimental to the portfolio, especially during the second half.

In this regard, a stock that underperformed was KTN, the Dutch telecom company. KTN was hurt by a concentration in mobile telecom, and by a need to raise additional capital to continue its roll-out of that business. These issues aside, we think KTN is one of the most attractive telecom companies in continental Europe. We continue to like its business model and feel the company's shares are more reasonably priced than other European telecoms.

Also in the U.K., and within the telecom sector, a stock that detracted from performance over this period was Cable & Wireless. Being more of a data

carrier/Internet play, its stock declined when this sector suffered a major global correction during the second half. For our part, we favor the company's longer-term prospects, and believe it's very attractively priced.

Another new economy stock that detracted from performance was UPC, a Dutch owner/operator of European broadband networks. The company's stock declined significantly over the period, due to concerns about financing requirements. UPC's business plan calls for a continuous build-out and upgrade of its networks, which requires new capital. While the overall market was very nervous about UPC's ability to raise this new capital, we were less so, because we were, and are, confident that its minority shareholders, such as Microsoft and Motorola, will satisfy the company's present and future financing requirements.

Beyond these, a stock that hurt was the Bank of Scotland. It posted slightly better than expected first half performance, but the bank's stock didn't perform well during the latter half of the fiscal period. This was largely because investors felt the bank was losing its strategic direction and might commit to an overly expensive acquisition.

HAS THE EUROPEAN MARKET BEEN AS VOLATILE AS THE U.S. MARKET OVER THIS PERIOD?

Yes. In fact, it's been more volatile than the United States. The Morgan Stanley Capital International (MSCI) Europe Index, our benchmark, was down almost 6% for the fiscal period. Most of this underperformance occurred during the period's second half shift from growth to value. In line with this, there were dimming expectations for growth next year, with investors taking a jaundiced view of companies that have costly capital needs. A good deal of the region's anemic dollar-denominated return was also attributable to the weakness of the euro relative to the dollar throughout the period.

HOW DO YOU EXPECT EUROPEAN MARKETS TO PERFORM NEXT YEAR?

Performance will be driven by a number of future developments. Among those that would help would be continued strength in domestic demand. Among those that would not help would be unsatisfactory results from exporters as they adjust to a strengthening euro. Of course, a good deal of future performance depends on developments within the U.S. economy. If the U.S. economy has a soft landing, almost everyone, everywhere, is going to benefit. If not, and a hard landing ensues, then all markets will decline, at least temporarily.

With this qualification, we continue to think that the euro is attractive, with good upside potential going forward. We also expect to see better economic growth next year from the European markets, than from the U.S. markets, in spite of the likelihood that the European Central Bank will raise interest rates slightly next year.

LASTLY, IF NEW INVESTORS WERE TO ASK YOU WHY THEY SHOULD PUT THEIR MONEY IN THIS PORTFOLIO, AT THIS POINT IN TIME, HOW WOULD YOU REPLY?

First of all, from the perspective of a potential investor in the region, our analysis indicates that European equities are more attractively priced than their U.S. counterparts, and thus have more upside potential. Keep in mind that many continental European companies are still in the early stages of restructuring and have yet to reap the consequent benefits.

In this regard, we would expect to see further liberalization in the European market and further margin growth going forward.

Why this portfolio? Because, increasingly, the way to make money is to be in the companies with fundamentally strong business franchises, good management, good financials, and the ability to produce growth over the medium- to longer-term. To decide which are the best companies, however, you have to be able to judge them side-by-side, on a global playing field, something that most investors lack the resources to do. We, on the other hand, employ nearly 70 analysts worldwide. Their sole responsibility is to identify the best companies in each industry, at the best share prices relative to their return potential over time. I am confident that we can do so in the months and years ahead.

FUND FACTS

INVESTMENT OBJECTIVE

J.P. Morgan Institutional European Equity Fund seeks to provide a high total return from a portfolio of european equity securities. It is designed for investors who want an actively managed portfolio of European equity securities that seeks to outperform the MSCI Europe Index, which is comprised of more than 500 companies in 14 European countries. As an international investment, the Fund is subject to foreign market, political and currency risks.

Commencement of Investment Operations:
2/29/1996

Fund Net Assets as of 11/30/2000: $7,856,483

Portfolio Net Assets as of 11/30/2000:
$18,064,200

Dividend Payable Date:
(if applicable): 12/20/2000

Capital Gain Payable Date
(if applicable): 12/20/2000

EXPENSE RATIOS

The Fund's current annual expense ratio of 1.00% covers shareholders' expenses for custody, tax reporting, investment advisory, and shareholder services, after reimbursement. The Fund is no-load and does not charge any sales, redemption, or exchange fees. There are no additional charges for buying, selling or safekeeping fund shares, or for wiring redemption proceeds from the Fund.

FUND HIGHLIGHTS

All data as of November 30, 2000

PORTFOLIO ALLOCATION
(As a percentage of total investment securities)

[data from pie chart]

United Kingdom	31.7%
Switzerland	14.0%
France	13.8%
Germany	11.0%
Netherlands	8.9%
Spain	5.7%
Italy	5.3%
Finland	3.7%
Sweden	2.9%
Ireland	1.4%
Denmark	0.8%
United States	0.5%
Belgium	0.3%

LARGEST EQUITY HOLDINGS	COUNTRY	% OF TOTAL INVESTMENTS
Vodafone Group Plc	United Kingdom	5.0%
Glaxo Wellcome Plc	United Kingdom	3.7%
BP Amoco Plc	United Kingdom	2.9%
Nokia Oyj	Finland	2.7%
Allianz AG	Germany	2.6%
Nestle S.A.	Switzerland	2.6%
Total Fina Elf S.A.	France	2.5%
HSBC Holdings Plc	United Kingdom	2.4%
Zurich Financial Services AG	Switzerland	2.3%
Novartis AG	Switzerland	2.3%

DISTRIBUTED BY FUNDS DISTRIBUTOR, INC. J.P. MORGAN INVESTMENT MANAGEMENT, INC. SERVES AS INVESTMENT ADVISOR. SHARES OF THE FUND ARE NOT INSURED BY THE FDIC, ARE NOT BANK DEPOSITS OR OTHER OBLIGATIONS OF THE FINANCIAL INSTITUTION AND ARE NOT GUARANTEED BY THE FINANCIAL INSTITUTION. SHARES OF THE FUND ARE SUBJECT TO INVESTMENT RISK, INCLUDING POSSIBLE LOSS OF THE PRINCIPAL INVESTED. WHILE THE FUND SEEKS TO MAINTAIN A STABLE ASSET VALUE OF $1.00 PER SHARE, IT IS POSSIBLE TO LOSE MONEY BY INVESTING IN THIS FUND.

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 securities. Opinions expressed herein and other Fund data presented are based on current market conditions and are subject to change without notice. The Fund invests in foreign securities which involve special risks including economic and political instability and currency fluctuations; prospective investors should refer to Fund's prospectus for discussion of these risks. The Fund invests through a master portfolio (another Fund with the same objective).

CALL J.P. MORGAN FUNDS SERVICES AT (800) 521-5411 FOR A PROSPECTUS CONTAINING MORE COMPLETE INFORMATION ABOUT THE FUND, INCLUDING MANAGEMENT FEES AND OTHER EXPENSES. PLEASE READ THE PROSPECTUS CAREFULLY BEFORE INVESTING.

STATEMENT OF ASSETS AND LIABILITIES

NOVEMBER 30, 2000

ASSETS	

Investment in The European Equity Portfolio ("Portfolio"), at value	$7,807,532
Receivable for Expense Reimbursements	9,139
Deferred Organization Expenses	436
Prepaid Expenses and Other Assets	81,137
TOTAL ASSETS	7,898,244
LIABILITIES	
Shareholder Servicing Fee Payable	670
Administrative Services Fee Payable	159
Accrued Expenses and Other Liabilities	40,932
TOTAL LIABILITIES	41,761
NET ASSETS	
Applicable to 572,788 Shares of Beneficial Interest Outstanding (par value $0.001, unlimited shares authorized)	$7,856,483
Net Asset Value, Offering and Redemption Price Per Share	$13.72
ANALYSIS OF NET ASSETS	
Paid-in Capital	$7,732,864
Distributions in Excess of Net Investment Income	(15,577)
Accumulated Net Realized Loss on Investment	(112,787)
Net Unrealized Appreciation on Investment	251,983
NET ASSETS	$7,856,483

</TABLE>

 The Accompanying Notes are an Integral Part of the Financial Statements.

J.P. MORGAN INSTITUTIONAL EUROPEAN EQUITY FUND
STATEMENT OF OPERATIONS

FOR THE YEAR ENDED NOVEMBER 30, 2000
<TABLE>

<S>	<C>
INVESTMENT INCOME	
INCOME	
Allocated Investment Income from Portfolio	$ 185,158
Allocated Portfolio Expenses	(108,439)
Investment Income	76,719
FUND EXPENSES	
Financial and Fund Accounting Services Fee	42,742
Transfer Agent Fees	16,489
Registration Fees	13,938
Professional Fees	12,320
Shareholder Servicing Fee	10,868
Printing Expenses	5,246
Administrative Services Fee	2,631
Amortization of Organization Expenses	1,771
Fund Services Fee	172
Administration Fee	120
Trustees' Fees and Expenses	103
Miscellaneous	6,642
Total Fund Expenses	113,042
Less: Reimbursement of Expenses	(112,279)
Net Fund Expenses	763
NET INVESTMENT INCOME	75,956
REALIZED AND UNREALIZED GAIN (LOSS)	
NET REALIZED LOSS ON INVESTMENT ALLOCATED FROM PORTFOLIO	(146,463)
NET CHANGE IN UNREALIZED APPRECIATION (DEPRECIATION) ON INVESTMENT ALLOCATED FROM PORTFOLIO	(966,545)
NET DECREASE IN NET ASSETS RESULTING FROM OPERATIONS	$(1,037,052)

</TABLE>

J.P. MORGAN INSTITUTIONAL EUROPEAN EQUITY FUND
STATEMENT OF CHANGES IN NET ASSETS

FOR THE YEARS ENDED NOVEMBER 30

	2000	1999
DECREASE IN NET ASSETS FROM OPERATIONS		
Net Investment Income	$75,956	$127,222
Net Realized Gain (Loss) on Investment Allocated from Portfolio	(146,463)	173,109
Net Change in Unrealized Appreciation (Depreciation) on Investment Allocated from Portfolio	(966,545)	1,131,118
Net Increase in Net Assets Resulting from Operations	(1,037,052)	1,431,449
DISTRIBUTIONS TO SHAREHOLDERS FROM		
Net Investment Income	(201,456)	(186,384)
Net Realized Gain	-	(112,665)
In Excess of Net Realized Gain	(8,736)	(195,908)
Total Distributions to Shareholders	(210,192)	(494,957)
TRANSACTIONS IN SHARES OF BENEFICIAL INTEREST		
Proceeds from Shares of Beneficial Interest Sold	2,075,002	3,706,415
Reinvestment of Distributions	41,382	148,087
Cost of Shares of Beneficial Interest Redeemed	(4,707,752)	(5,534,838)
Net Decrease from Transactions in Shares of Beneficial Interest	(2,591,368)	(1,680,336)
Total Decrease in Net Assets	(3,838,612)	(743,844)
NET ASSETS		
Beginning of Year	11,695,095	12,438,939
End of Year	$7,856,483	$11,695,095
Undistributed Net Investment Income	-	$154,892
TRANSACTIONS IN SHARES OF BENEFICIAL INTEREST		
Shares of Beneficial Interest Sold	134,469	249,207
Shares of Beneficial Interest Reinvested	2,508	10,547
Shares of Beneficial Interest Redeemed	(299,005)	(369,687)
Net Increase (Decrease) in Shares of Beneficial Interest	(162,028)	(109,933)

J.P. MORGAN INSTITUTIONAL EUROPEAN EQUITY FUND
FINANCIAL HIGHLIGHTS

SELECTED DATA FOR A SHARE OUTSTANDING THROUGHOUT EACH PERIOD ARE AS FOLLOWS:

	FOR THE YEARS ENDED NOVEMBER 30		FOR THE ELEVEN MONTHS ENDED	FOR THE FISCAL YEAR ENDED	FOR THE PERIOD FEBRUARY 29, 1996 (COMMENCEMENT OF OPERATIONS) THROUGH
	2000	1999	NOVEMBER 30, 1998	DECEMBER 31, 1997	DECEMBER 31, 1996
NET ASSET VALUE PER SHARE, BEGINNING OF PERIOD	$15.92	$14.73	$12.56	$11.56	$10.00
INCOME FROM INVESTMENT OPERATIONS					
Net Investment Income	0.04	0.25	0.20	0.21	0.12
Net Realized and Unrealized Gain (Loss) on Investment	(1.96)	1.55	1.97	2.34	1.59

Total From Investment Operations	(1.92)	1.80	2.17	2.55	1.71
LESS DISTRIBUTIONS TO SHAREHOLDERS FROM					
Net Investment Income	(0.22)	(0.23)	-	(0.17)	(0.10)
Net Realized Gain	-	(0.14)	-	(1.38)	(0.05)
In Excess of Net Realized Gain	(0.06)	(0.24)	-	-	-
Total Distributions to Shareholders	(0.28)	(0.61)	-	(1.55)	(0.15)
NET ASSET VALUE PER SHARE, END OF PERIOD	$13.72	$15.92	$14.73	$12.56	$11.56
RATIOS AND SUPPLEMENTAL DATA					
Total Return	(12.20)%	12.72%	17.28%(a)	22.27%	17.10%(a)
Net Assets, End of Year (in thousands)	$7,856	$11,695	$12,439	$10,174	$6,532
Ratios to Average Net Assets					
Net Expenses	1.00%	0.99%	1.00%(b)	1.00%	1.00%(b)
Net Investment Income	0.70%	1.10%	1.32%(b)	1.57%	1.68%(b)
Expenses without Reimbursement	2.04%	2.17%	1.77%(b)	2.08%	2.50%(c)
Interest Expense	-	0.02%	0.05%(b)	-	-

</TABLE>

(a) Not annualized
(b) Annualized
(c) After consideration of certain state limitations.

The Accompanying Notes are an Integral Part of the Financial Statements.

J.P. MORGAN INSTITUTIONAL EUROPEAN EQUITY FUND NOTES TO FINANCIAL STATEMENTS

NOVEMBER 30, 2000

1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

ORGANIZATION--J.P. Morgan Institutional European Equity Fund (the "Fund'') is a separate series of the J.P. Morgan Institutional Funds, a Massachusetts business trust (the "Trust'') which was organized on November 4, 1992. The Trust is registered under the Investment Company Act of 1940, as amended, as an open-end management investment company. The Fund commenced operations on February 29, 1996.

The Fund invests all of its investable assets in The European Equity Portfolio (the "Portfolio''), a diversified open-end management investment company having the same investment objective as the Fund. The value of such investment included in the Statement of Assets and Liabilities reflects the Fund's proportionate interest in the net assets of the Portfolio(approximately 43.3% at November 30, 2000). The performance of the Fund is directly affected by the performance of the Portfolio. The financial statements of the Portfolio, including the Schedule of Investments, are included elsewhere in this report and should be read in conjunction with the Fund's financial statements.

The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts and disclosures. Actual amounts could differ from those estimates. The following is a summary of the significant accounting policies of the Fund:

SECURITY VALUATION--Valuation of securities by the Portfolio is discussed in Note 1 of the Portfolio's Notes to Financial Statements that are included elsewhere in this report.

INVESTMENT INCOME--The Fund earns income, net of expenses, daily on its investment in the Portfolio. All net investment income, realized and unrealized gains and losses of the Portfolio is allocated pro-rata among the Fund and other investors in the Portfolio at the time of such determination.

EXPENSES--Expenses incurred by the Trust with respect to any two or more Funds in the Trust are allocated in proportion to the net assets of each Fund in the Trust, except where allocations of direct expenses to each Fund can otherwise be made fairly.

ORGANIZATION EXPENSES--The Fund incurred organization expenses in the amount of $11,800 which have been deferred and are being amortized on a straight-line basis over a period not to exceed five years beginning with the commencement of operations of the Fund.

INCOME TAX STATUS--It is the Fund's policy to distribute all net investment income and net realized gains to shareholders and to otherwise qualify as a regulated investment company under the provisions of the Internal Revenue Code. Accordingly, no provision has been made for federal or state income taxes.

DISTRIBUTIONS TO SHAREHOLDERS--Distributions to a shareholder are recorded on the ex-dividend date. Distributions from net investment income and distributions from net realized gains, if any, are paid annually.

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2. TRANSACTIONS WITH AFFILIATES

ADMINISTRATIVE SERVICES--The Trust has an Administrative Services Agreement (the "Services Agreement") with Morgan Guaranty Trust Company of New York ("Morgan") under which Morgan is responsible for certain aspects of the administration and operation of the Fund. Under the Services Agreement, the Trust has agreed to pay Morgan a fee equal to its allocable share of an annual complex-wide charge. This charge is calculated based on the aggregate average daily net assets of the Trust and certain other registered investment companies for which J.P. Morgan Investment Management, Inc. ("JPMIM") acts as investment advisor in accordance with the following annual schedule: 0.09% on the first $7 billion of their aggregate average daily net assets and 0.04% of their aggregate average daily net assets in excess of $7 billion less the complex-wide fees payable to Funds Distributor, Inc. The portion of this charge payable by the Fund is determined by the proportionate share that its net assets bear to the net assets of the Trust and certain other investment companies for which Morgan provides similar services.

Morgan has agreed to reimburse the Fund to the extent the total operating expenses (excluding interest, taxes and extraordinary expenses) of the Fund, including the expenses allocated to the Fund from the Portfolio, exceed 1.00% of the Fund's average daily net assets through February 28, 2001.

ADMINISTRATION--The Trust has retained Funds Distributor, Inc. ("FDI"), a registered broker-dealer, to serve as the co-administrator and distributor for the Fund. Under a Co-Administration Agreement between FDI and the Trust, FDI provides administrative services necessary for the

2. TRANSACTIONS WITH AFFILIATES (CONTINUED)

operations of the Fund, furnishes office space and facilities required for conducting the business of the Fund and pays the compensation of the Fund's officers affiliated with FDI. The Fund has agreed to pay FDI fees equal to its allocable share of an annual complex-wide charge of $425,000 plus FDI's out-of-pocket expenses. The portion of this charge payable by the Fund is determined by the proportionate share that its net assets bear to the net assets of the Trust and certain other investment companies for which FDI provides similar services.

SHAREHOLDER SERVICING--The Trust has a Shareholder Servicing Agreement with Morgan under which Morgan provides account administration and personal account maintenance service to Fund shareholders. The agreement provides for the Fund to pay Morgan a fee for these services that is computed daily and paid monthly at an annual rate of 0.10% of the average daily net assets of the Fund.

FUND SERVICES--The Trust has a Fund Services Agreement with Pierpont Group, Inc. ("PGI") to assist the Trustees in exercising their overall supervisory responsibilities for the Trust's affairs. The Trustees of the Trust represent all the existing shareholders of PGI.

TRUSTEES--Each Trustee receives an aggregate annual fee of $75,000 for serving on the boards of the Trust, the J.P. Morgan Funds, the J.P. Morgan Institutional Funds, and other registered investment companies in which they invest. The Trustees' fees and expenses shown in the financial statements represent the Fund's allocated portion of the total Trustees' fees and expenses. The Trust's Chairman and Chief Executive Officer also serves as Chairman of PGI and receives compensation and employee benefits from PGI. The allocated portion of such compensation and benefits included in the Fund Services Fee shown on the Statement of Operations was $30.

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3. FEDERAL INCOME TAXES

For Federal income tax purposes, the Fund utilized its capital loss carryforward of $11,434.

The Fund elected to treat net capital losses of approximately $151,961 and Passive Foreign Investment Company losses of $14,076 incurred in the one month period ended November 30, 2000 as having been incurred in the next taxable year

Income distributions and capital gain distributions, if any, are determined in accordance with income tax regulations which may differ from generally accepted accounting principles. These differences are primarily due to the differing treatment of net operating losses, foreign currency and tax allocation. Accordingly, these permanent differences in the character of income and distributions between financials statements and tax basis have been reclassified to paid-in-capital. During the year ended November 30, 2000, the following reclassifications were made: Accumulated Net Realized Loss was decreased by $77,260 while Undistributed Net Investment Income and Paid-in-Capital were decreased by $44,969 and $32,291 respectively.

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4. BANK LOANS

The Fund may borrow money for temporary or emergency purposes, such as funding shareholder redemptions. Effective May 23, 2000, the Fund, along with certain other Funds managed by JPMIM, entered into a $150,000,000 bank line of credit agreement with DeutscheBank. Borrowings under the agreement will bear interest at approximate market rates. A commitment fee is charged at an annual rate of 0.085% on the unused portion of the committed amount.

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5. CONCENTRATIONS OF RISK

From time to time, the Fund 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 Fund.

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6. SUBSEQUENT EVENT

The merger of J.P. Morgan & Co. Incorporated, the former parent company of the Fund's adviser, J.P. Morgan Investment Management, Inc. ("JPMIM"), with and into The Chase Manhattan Corporation was consummated on December 31, 2000. J.P. Morgan Chase & Co. will be the new parent company of JPMIM, which will continue to serve as the Fund's adviser.

REPORT OF INDEPENDENT ACCOUNTANTS

To the Trustees and Shareholders of
J.P. Morgan Institutional European Equity Fund

In our opinion, the accompanying statement of assets and liabilities and the related statements of operations and of changes in net assets and the financial highlights present fairly, in all material respects, the financial position of J.P. Morgan Institutional European Equity Fund (one of the series constituting part of J.P. Institutional Morgan Funds, hereafter referred to as the "Fund") at November 30, 2000, the results of its operations for the year then ended, the changes in its net assets for each of the two years in the period then ended and the financial highlights for each of the two years in the period then ended, for the eleven months ended November 30, 1998, for the year ended December 31, 1997 and for the period February 29, 1996 (commencement of operations) through December 31, 1996, in conformity with accounting principles generally accepted in the United States of America. These financial statements and financial highlights (hereafter referred to as "financial statements") are the responsibility of the Fund's management; our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits of these financial statements in accordance with auditing standards generally accepted in the United States of America, which require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

PricewaterhouseCoopers LLP
New York, New York
January 16, 2001

THE EUROPEAN EQUITY PORTFOLIO
Annual Report November 30, 2000

(The following pages should be read in conjunction with J.P. Morgan Institutional European Equity Fund Annual Financial Statements)

THE EUROPEAN EQUITY PORTFOLIO
SCHEDULE OF INVESTMENTS

NOVEMBER 30, 2000
<TABLE>
<CAPTION>

SHARES		VALUE
<C>	<S>	<C>
COMMON STOCKS - 99.0%		
BELGIUM - 0.3%		
2,493	Agfa Gevaert NV(s)	$ 59,678
DENMARK - 0.8%		
730	Novo Nordisk A/S Cl B(s)	141,456
FINLAND - 3.7%		
11,546	Nokia Oyj(s)	483,932
4,849	Sonera Oyj(s)	92,818
8,724	Stora Enso Oyj R Shares(s)	86,118
		662,868
FRANCE - 13.8%		
885	Alcatel Optronics(s)(+)	44,604
6,822	Alcatel S.A.(s)	338,487
3,039	Aventis S.A.(s)	238,480
967	Axa(s)	135,521
1,643	BNP Paribas S.A.(s)	127,001
2,082	Carrefour S.A.(s)	125,504
2,321	Christian Dior S.A.(s)	103,746
2,391	Fimatex(s)(+)	19,731
1,149	Genset S.A.(s)	54,509
696	Groupe Danone(s)	92,513
1,141	Lafarge S.A.(s)	85,664
1,262	Lagardere S.C.A.(s)	66,242
1,121	Renault S.A.(s)	53,571
616	Technip S.A.(s)	71,423
3,107	Total Fina Elf S.A. B Shares(s)	444,359
5,500	Vivendi Environnement(s)	227,411
3,828	Vivendi S.A.(s)	236,584
		2,465,350
GERMANY - 10.5%		
1,368	Allianz AG(s)	472,275
5,177	BASF AG(s)	195,354
4,092	Bayer AG(s)	178,989
614	Consors Discount-Broker AG(s)(+)	27,258
1,299	Deutsche Bank AG(s)	93,739
5,453	Deutsche Telekom AG(s)	171,403
3,568	Dresdner Bank AG(s)	131,874
3,080	E.ON AG(s)	174,269

680	Intershop Communications AG(s)(+)	19,350
1,756	Schering AG(s)	95,810
2,269	Siemens AG(s)	258,146
1,170	Volkswagen AG(s)	57,940
		1,876,407
IRELAND - 1.4%		
3,665	CRH Plc(s)	53,437
1,000	Fyffes Plc(s)	592
10,808	Irish Life & Permanent Plc(s)	118,071

SHARES		VALUE
40,992	Smurfit (Jefferson) Group Plc(s)	$ 65,299
2,202	Trintech Group Plc ADR(s)(+)	15,449
		252,848
ITALY - 5.3%		
18,321	Credito Emiliano Spa(s)	78,783
35,009	ENI Spa(s)	210,883
6,215	Mediolanum Spa(s)	74,658
10,888	Saipem Spa(s)	54,971
22,190	Telecom Italia Spa(s)	256,900
52,690	Unicredito Italiano Spa(s)	263,725
		939,920
NETHERLANDS - 8.9%		
1,572	ASM Lithography Holding NV(s)(+)	32,992
3,000	Heineken Holding NV(s)	109,027
4,206	ING Groep NV(s)	303,075
10,682	Koninklijke (Royal) Philips Electronics NV(s)	353,433
3,111	Numico NV(s)	160,858
5,079	Royal Dutch Petroleum Co.(s)	304,616
16,875	Royal KPN NV(s)	227,389
3,631	United Pan-Europe Communication NV(s)(+)	41,089
1,290	VNU NV(s)	56,370
		1,588,849
SPAIN - 5.7%		
2,605	ACS, Actividades Construccion y Servicios S.A.(s)	60,568
7,116	Amadeus Global Travel Distribution S.A.(s)(+)	53,890
22,226	Banco Bilbao Vizcaya Argentaria S.A.(s)	297,172
18,943	Iberdrola S.A.(s)	226,728
24,296	Telefonica S.A.(s)(+)	381,740
		1,020,098
SWEDEN - 2.9%		
10,428	Ericsson LM Cl B(s)	119,055
18,987	Skandia Forsakrings AB(s)	289,661
9,656	Skandinaviska Enskilda Banken Cl A(s)	103,502
		512,218
SWITZERLAND - 14.0%		
669	ABB Ltd.(s)	60,895
67	Compagnie Financiere Richemont AG A Units(s)	184,927
631	Credit Suisse Group(s)	109,965
216	Nestle S.A.(s)	469,132
256	Novartis AG(s)	415,311
34	Roche Holding AG(s)	336,905
48	SGS Societe Generale de Surveillance Holding S.A.(s)	58,735
52	The Swatch Group AG B Shares(s)	59,915
2,844	UBS AG(s)	393,225
771	Zurich Financial Services AG(s)	415,748
		2,504,758

</TABLE>
The Accompanying Notes are an Integral Part of the Financial Statements. 15

THE EUROPEAN EQUITY PORTFOLIO
SCHEDULE OF INVESTMENTS

NOVEMBER 30, 2000
<TABLE>
<CAPTION>

SHARES		VALUE
<C>	<S>	<C>
UNITED KINGDOM - 31.7%		
3,425	3I Group Plc(s)	$ 60,781
9,000	ARM Holdings Plc(s)(+)	56,130
1,690	Barclays Plc(s)	47,358
25,931	BG Group Plc(s)	105,213
14,652	Billiton Plc(s)	47,767
2,065	Bookham Technology Plc(s)	25,728
66,315	BP Amoco Plc(s)	515,575
4,000	British Airways Plc(s)	22,679
10,621	British SKY Broadcasting Plc(s)(+)	148,137
5,101	British Telecommunications Plc(s)	44,033
4,293	Cable & Wireless Plc(s)	53,062
2,171	Celltech Group Plc(s)(+)	35,542
34,297	Chubb Plc(s)	107,923
11,985	Gallagher Group Plc(s)	76,446
22,901	Glaxo Wellcome Plc(s)	667,716
11,939	Glynwed International Plc(s)	32,999
15,354	Granada Compass Plc(s)(+)	146,358
13,400	Hanson Plc(s)	72,651
12,400	Hays Plc(s)	61,517
13,000	Hilton Group Plc(s)	34,550
32,402	HSBC Holdings Plc(s)	426,668
4,776	Johnson Matthey Plc(s)	72,435
15,683	Lloyds TSB Group Plc(s)	149,605
1,579	Logica Plc(s)	31,356
7,055	Marconi Plc(s)	67,000
27,470	MFI Furniture Group Plc(s)	26,282
9,237	Nycomed Amersham Plc(s)	72,927
6,696	Pearson Plc(s)	149,771
17,267	QXL.com Ricardo Plc(s)	4,283
10,577	Reckitt Benckiser Plc(s)	134,330
4,450	Reuters Group Plc(s)	65,473
26,942	Royal & Sun Alliance Insurance Group Plc(s)	205,836
7,617	Royal Bank of Scotland Plc(s)(+)	156,551
17,925	ScottishPower Plc(s)	133,898
13,523	Severn Trent Plc(s)	144,335
16,172	SmithKline Beecham Plc(s)	210,775
4,124	Standard Chartered Plc(s)	53,457
58,392	Tesco Plc(s)	234,231
8,900	TI Group Plc(s)	49,451
259,008	Vodafone Group Plc(s)	885,694
		5,636,523
TOTAL COMMON STOCKS		17,660,973
(Cost $15,241,666)		
PREFERRED STOCKS - 0.5%		
GERMANY - 0.5%		
355	MLP AG(s)	35,222
402	SAP AG(s)	52,579
TOTAL PREFERRED STOCKS		87,801
(Cost $79,385)		

PRINCIPAL AMOUNT		VALUE
SHORT-TERM INVESTMENTS - 0.5%		
U.S. TREASURY SECURITIES - 0.5%		
$100,000	U.S. Treasury Bill, 5.96%, 3/22/01(s)(y)	$ 98,147

(Cost $98,137)

TOTAL INVESTMENT SECURITIES - 100.0%	$17,846,921

(Cost $15,419,188)
</TABLE>

FORWARD FOREIGN CURRENCY EXCHANGE CONTRACTS
<TABLE>
<CAPTION>

CONTRACTS TO BUY		SETTLEMENT DATE	CONTRACTUAL VALUE	VALUE AT 11/30/00	UNREALIZED APPRECIATION (DEPRECIATION)
<C>	<S>	<C>	<C>	<C>	<C>
263,295	CHF	02/23/01	$ 150,000	$ 152,851	$ 2,851
2,270,134	EUR	02/23/01	1,951,539	1,983,798	32,259
190,000	GBP	02/23/01	272,147	269,833	(2,314)
765,027	NOK	02/23/01	81,149	82,381	1,232
3,217,816	SEK	02/23/01	317,652	322,790	5,138
			$2,772,487	$2,811,653	$39,166

CONTRACTS TO SELL		SETTLEMENT DATE	SETTLEMENT VALUE	VALUE AT 11/30/00	UNREALIZED APPRECIATION (DEPRECIATION)
1,386,794	CHF	02/23/01	$ 779,409	$ 805,079	$(25,670)
1,190,000	EUR	02/23/01	1,027,888	1,039,904	(12,016)
575,506	EUR	12/04/00	500,000	500,963	(963)
460,000	GBP	02/23/01	653,960	653,279	681
605,520	SEK	02/23/01	60,000	60,742	(742)
			$3,021,257	$3,059,967	$(38,710)

</TABLE>
<TABLE>
<CAPTION>
FUTURES CONTRACTS

PURCHASED	EXPIRATION DATE	UNDERLYING FACE AMOUNT AT VALUE	UNREALIZED APPRECIATION
<S>	<C>	<C>	<C>
2 FTSE 100 Index	December 2000	$174,217	$940

</TABLE>

NOVEMBER 30, 2000
<TABLE>
<CAPTION>

<C>	<S>
MARKET SECTOR	% OF TOTAL INVESTMENTS
FINANCE	16.7%
INDUSTRIAL CYCLICAL	15.0%
PHARMACEUTICALS	12.4%
TELECOMMUNICATIONS	12.1%
INSURANCE	8.9%
ENERGY	8.3%
CONSUMER STABLE	5.8%
SOFTWARE & SERVICES	5.1%
CONSUMER CYCLICAL	4.0%
UTILITIES	3.6%
CONSUMER SERVICES	3.3%
RETAIL	3.2%
SEMICONDUCTORS	1.0%
SHORT-TERM INVESTMENTS	0.5%
CAPITAL MARKETS	0.1%

</TABLE>
ADR - American Depositary Receipt
CHF - Swiss Franc
EUR - Euro

GBP - British Pound
NOK - Norwegian Krone
SEK - Swedish Krona
(s) Security is fully or partially segregated with custodian as collateral for futures
or with brokers as initial margin for futures contracts.
(y) Yield to maturity
(+) Non-income producing security

THE EUROPEAN EQUITY PORTFOLIO
STATEMENT OF ASSETS AND LIABILITIES

NOVEMBER 30, 2000
<TABLE>

<S>	<C>
ASSETS	
Investments at Value (Cost $15,419,188)	$17,846,921
Receivable for Investments Sold	4,838,652
Foreign Currency at Value (Cost $42,623)	42,997
Unrealized Appreciation of Forward Foreign Currency Contracts	42,161
Foreign Tax Reclaim Receivable	29,208
Dividend and Interest Receivable	22,272
Receivable for Expense Reimbursement	7,423
Variation Margin Receivable	1,833
Prepaid Expenses and Other Assets	90
TOTAL ASSETS	22,831,557
LIABILITIES	
Payable for Investments Purchased	4,293,035
Due to Custodian	351,555
Unrealized Depreciation of Forward Foreign Currency Contracts	41,705
Advisory Fee Payable	10,671
Administrative Services Fee Payable	391
Accrued Expenses and Other Liabilities	70,000
TOTAL LIABILITIES	4,767,357
NET ASSETS	
Applicable to Investors' Beneficial Interests	$18,064,200

</TABLE>

THE EUROPEAN EQUITY PORTFOLIO
STATEMENT OF OPERATIONS

FOR THE YEAR ENDED NOVEMBER 30, 2000
<TABLE>

<S>	<C>
INVESTMENT INCOME	
INCOME	
Dividend Income (Net of Foreign Withholding Tax of $60,554)	$ 366,220
Interest Income	53,812
Investment Income	420,032
EXPENSES	
Advisory Fee	158,680
Custodian Fees and Expenses	142,609
Professional Fee	50,090
Printing Expenses	10,084
Administrative Services Fee	5,929
Organization Expenses	1,392
Fund Services Fee	384
Trustees' Fees and Expenses	274
Administration Fee	172
Miscellaneous	230
Total Expenses	369,844
Less: Reimbursement of Expenses	(124,861)

Net Expenses	244,983
NET INVESTMENT INCOME	175,049
REALIZED AND UNREALIZED GAIN (LOSS)	
NET REALIZED LOSS ON	
Investment Transactions	(171,175)
Futures Contracts	(4,789)
Foreign Currency Transactions	(277,213)
Net Realized Loss	(453,177)
NET CHANGE IN UNREALIZED APPRECIATION (DEPRECIATION) ON	
Investment Transactions	(1,915,100)
Futures Contracts	(6,026)
Foreign Currency Contracts and Translations	20,211
Net Change in Unrealized Appreciation (Depreciation)	(1,900,915)
NET DECREASE IN NET ASSETS RESULTING FROM OPERATIONS	$(2,179,043)

</TABLE>

The Accompanying Notes are an Integral Part of the Financial Statements. 19

THE EUROPEAN EQUITY PORTFOLIO
STATEMENT OF CHANGES IN NET ASSETS

<TABLE>
<CAPTION>

FOR THE YEARS ENDED NOVEMBER 30 INCREASE (DECREASE) IN NET ASSETS	2000	1999
FROM OPERATIONS		
<S>	<C>	<C>
Net Investment Income	$ 175,049	$ 222,515
Net Realized Gain (Loss) on Investments, Futures, and Foreign Currency Transactions	(453,177)	440,485
Net Change in Unrealized Appreciation on Investments, Futures and Foreign Currency Contracts and Translations	(1,900,915)	2,408,676
Net Increase (Decrease) in Net Assets Resulting from Operations	(2,179,043)	3,071,676
TRANSACTIONS IN INVESTORS' BENEFICIAL INTERESTS		
Contributions	59,216,973	14,558,410
Withdrawals	(64,403,587)	(19,480,002)
Net Decrease from Transactions in Investors' Beneficial Interests	(5,186,614)	(4,921,592)
Total Decrease in Net Assets	(7,365,657)	(1,849,916)
NET ASSETS		
Beginning of Year	25,429,857	27,279,773
End of Year	$18,064,200	$25,429,857

</TABLE>
<TABLE>
<CAPTION>
SUPPLEMENTARY DATA

	FOR THE YEARS ENDED NOVEMBER 30		FOR THE ELEVEN MONTHS ENDED ENDED DECEMBER 31 NOVEMBER 30,	FOR THE YEARS DECEMBER 31,		FOR THE PERIOD MARCH 28, 1995 (COMMENCEMENT OF OPERATIONS) THROUGH December 31,
	2000	1999	1998	1997	1996	1995
RATIOS TO AVERAGE NET ASSETS						
<S>	<C>	<C>	<C>	<C>	<C>	<C>
Net Expenses	1.00%	1.00%	0.87%(a)	0.88%	0.84%	0.90%(a)
Net Investment Income	0.72%	0.89%	1.17%(a)	1.47%	1.65%	1.67%(a)
Expenses without Reimbursement	1.51%	1.59%	1.11%(a)	0.89%	0.84%	0.90%(a)
Portfolio Turnover	86%	68%	99%(b)	65%	57%	36%(b)

</TABLE>

(a) Annualized
(b) Not annualized

NOVEMBER 30, 2000

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1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

ORGANIZATION--The European Equity Portfolio (the "Portfolio") is one of five subtrusts (portfolios) comprising The Series Portfolio (the "Series Portfolio"). The Series Portfolio is registered under the Investment Company Act of 1940, as amended, as a no-load open-end, diversified management investment company, which was organized as a trust under the laws of the State of New York on June 24, 1994. The Portfolio's investment objective is to provide a high total return from a portfolio of equity securities of European companies. The Portfolio commenced operations on March 28, 1995. The Declaration of the Trust permits the Trustees to issue an unlimited number of beneficial interests in the Portfolio.

The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts and disclosures. Actual amounts could differ from those estimates. The following is a summary of the significant accounting policies of the Portfolio:

SECURITY VALUATIONS--Securities traded on principal securities exchanges are valued at the last reported sales price, or mean of the latest bid and asked prices when no last sales price is available. Securities traded over-the-counter and certain foreign securities are valued at the quoted bid price from a market maker or dealer. When valuations are not readily available, securities are valued at fair value as determined in accordance with procedures adopted by the Trustees. All short-term securities with a remaining maturity of sixty days or less are valued using the amortized cost method.

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. If events materially affecting the value of foreign securities occur between the time when the exchange on which they are traded closes and the time when the Portfolio's net assets are calculated, such securities will be valued at fair value in accordance with procedures adopted by the Trustees.

REPURCHASE AGREEMENTS--The Portfolio may enter into repurchase agreements with brokers, dealers or banks that meet the credit guidelines approved by the Trustees. The Portfolio's custodian (or designated subcustodians, as the case may be under tri-party repurchase agreements) takes possession of the collateral pledged for investments in repurchase agreements on behalf of the Portfolio. It is the policy of the Portfolio to mark-to-market the collateral on a daily basis to determine that the value, including accrued interest, is at least equal to the repurchase price plus accrued interest. In the event of default of the obligation to repurchase, the Portfolio has the right to liquidate the collateral and apply the proceeds in satisfaction of the obligation. In the event of default or bankruptcy by the seller of the agreement, realization and/or retention of the collateral or proceeds may be subject to legal proceedings.

SECURITY TRANSACTIONS--Security transactions are accounted for as of the trade date. Realized gains and losses are determined on the identified cost basis, which is also used for federal income tax purposes.

INVESTMENT INCOME--Dividend income less foreign taxes withheld (if any) is recorded as of the ex-dividend date or as of the time that the relevant ex-dividend and amount becomes known. Interest income is recorded on the accrual basis and includes accretion of discounts and amortization of premiums.

ORGANIZATION EXPENSES--The Portfolio incurred organization expenses in the amount of $27,700 which have been deferred and have been amortized on a straight-line basis over a period not to exceed five years beginning with the commencement of operations of the Portfolio.

FUTURES CONTRACTS--The Portfolio may enter into futures contracts in order to hedge existing portfolio securities, or securities the Portfolio intends to purchase, against fluctuations in value caused by changes in prevailing market interest rates or securities movements and to manage exposure to changing interest rates and securities prices. The risks of entering into futures contracts include the possibility that the change in value of the contract may not correlate with the changes in value of the underlying securities. Upon entering into a futures contract, the Portfolio is required to deposit either cash or securities in an amount equal to a certain percentage of the contract value (initial margin). Subsequent payments (variation margin) are made or received daily, in cash, by the Portfolio. The variation margin is equal to the daily change in the contract value and is recorded as unrealized gain or loss. The Portfolio will recognize a gain or loss when the contract is closed or expires.

FOREIGN CURRENCY TRANSACTIONS--All assets and liabilities initially expressed in foreign currencies are translated into U.S. dollars at prevailing exchange rates at period end. Purchases and sales of investment securities, dividend and interest income, and certain expenses are translated at the rates of exchange prevailing on the respective dates of such transactions. Realized and unrealized gains and losses from foreign currency translations arise from changes in currency exchange rates and are reported in the Statement of Operations.

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1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Although the net assets of the Portfolio are presented at the exchange rates and market values prevailing at the end of the period, the Portfolio does not isolate the portion of the results of operations arising from changes in foreign exchange rates from the fluctuations arising from changes in the market prices of securities during the period.

FORWARD FOREIGN CURRENCY EXCHANGE CONTRACTS--The Portfolio may enter into forward foreign currency exchange contracts to facilitate transactions of securities denominated in a foreign currency or to manage the Portfolio's exposure to foreign currency exchange fluctuations or to adjust the Portfolio's exposure relative to the benchmark. The net U.S. dollar value of foreign currency underlying all contractual commitments held by the Portfolio and the resulting unrealized appreciation or depreciation are determined daily using prevailing exchange rates. The Portfolio bears the risk of an unfavorable change in the foreign currency exchange rate underlying the forward contract. Additionally, losses may arise if the counterparties do not perform under the contract terms.

INCOME TAX STATUS--The Portfolio intends to be treated as a partnership for federal income tax purposes. As such, each investor in the Portfolio will be taxed on its share of the Portfolio's ordinary income and capital gains. It is intended that the Portfolio's assets will be managed in such a way that an investor in the Portfolio will be able to satisfy the requirements of Subchapter M of the Internal Revenue Code.

FOREIGN TAXES--The Portfolio may be subject to foreign taxes on income, gains on investments or currency repatriation, a portion of which may be recoverable. The Portfolio will accrue such taxes and recoveries as applicable, based upon their current interpretation of tax rules and regulations that exist in the markets in which they invest.

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2. TRANSACTIONS WITH AFFILIATES

ADVISORY--The Portfolio has an Investment Advisory Agreement with J.P. Morgan Investment Management, Inc. ("JPMIM"), an affiliate of Morgan Guaranty Trust Company of New York ("Morgan") and a wholly owned subsidiary of J.P. Morgan & Co. Incorporated ("J.P. Morgan"). Under the terms of the agreement, the Portfolio pays JPMIM at an annual rate of 0.65% of the Portfolio's average daily net assets.

The Portfolio may invest in one or more affiliated money market funds: J.P. Morgan Institutional Prime Money Market Fund, J.P. Morgan Institutional Tax Exempt Money Market Fund, J.P. Morgan Institutional Federal Money Market Fund and J.P. Morgan Institutional Treasury Money Market Fund. The Advisor has agreed to reimburse its advisory fee from the Portfolio in an amount to offset any investment advisory, administrative fee and shareholder servicing fees related to a Portfolio investment in an affiliated money market fund.

ADMINISTRATIVE SERVICES--The Portfolio has an Administrative Services Agreement (the "Services Agreement") with Morgan under which Morgan is responsible for certain aspects of the administration and operation of the Portfolio. Under the Services Agreement, the Portfolio has agreed to pay Morgan a fee equal to its allocable share of an annual complex-wide charge. This charge is calculated based on the aggregate average daily net assets of the Portfolio and certain other registered investment companies for which JPMIM acts as investment advisor in accordance with the following annual schedule: 0.09% on the first $7 billion of their aggregate average daily net assets and 0.04% of their aggregate average daily net assets in excess of $7 billion less the complex-wide fees payable to Funds Distributor, Inc. The portion of this charge payable by the Portfolio is determined by the proportionate share that its net assets bear to the net assets of the Trust and certain other investment companies for which Morgan provides similar services.

Morgan has agreed to reimburse the Portfolio to the extent the total operating expenses (excluding interest, taxes and extraordinary expenses) of the Portfolio exceed 1.00% of the Portfolio's average daily net assets through February 28, 2001.

ADMINISTRATION--The Portfolio has retained Funds Distributor, Inc. ("FDI"), a registered broker-dealer, to serve as the co-administrator and distributor for the Fund. Under a Co-Administration Agreement between FDI and the Portfolio, FDI provides administrative services necessary for the operations of the Portfolio, furnishes office space and facilities required for conducting the business of the Portfolio and pays the compensation of the Portfolio's officers affiliated with FDI. The Portfolio has agreed to pay FDI fees equal to its allocable share of an annual complex-wide charge of $425,000 plus FDI's out-of-pocket expenses. The portion of this charge payable by the

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2. TRANSACTIONS WITH AFFILIATES (CONTINUED)

Portfolio is determined by the proportionate share that its net assets bear to the net assets of the Trust and certain other investment companies for which FDI provides similar services.

FUND SERVICES--The Portfolio has a Fund Services Agreement with Pierpont Group, Inc. ("PGI") to assist the Trustees in exercising their overall supervisory responsibilities for the Portfolio's affairs. The Trustees of the Portfolio represent all the existing shareholders of PGI.

TRUSTEES--Each Trustee receives an aggregate annual fee of $75,000 for serving on the boards of the Trust, the J.P. Morgan Funds, the J.P. Morgan Institutional Funds, and other registered investment companies in which they invest. The Trustees' fees and expenses shown in the financial statements represent the Fund's allocated portion of the total Trustees' fees and expenses. The Trust's Chairman and Chief Executive Officer also serves as Chairman of PGI and receives compensation and employee benefits from PGI. The allocated portion of such compensation and benefits included in the Fund Services Fee shown on the Statement of Operations was $73.

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3. FEDERAL INCOME TAXES

As of November 30, 2000, accumulated net unrealized appreciation was $2,399,730, based on the aggregate cost of investments for federal income tax purposes of $15,447,191, which consisted of unrealized appreciation of $3,019,219 and unrealized depreciation of $619,489.

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4. INVESTMENT TRANSACTIONS

During the year ended November 30, 2000, the Portfolio purchased $19,818,019 of investment securities and sold $23,856,360 of investment securities other than short- term investments.

5. CONCENTRATIONS OF RISK

The Portfolio may have elements of risk not typically associated with investments in the United States due to concentrated investments in a limited number of countries or regions which may vary throughout the year. Such concentrations may subject the Portfolio to additional risks resulting from political or economic conditions in such countries or regions and the possible imposition of adverse governmental laws or currency exchange restrictions could cause the securities and their markets to be less liquid and their prices more volatile than those of comparable U.S. securities.

6. CREDIT AGREEMENT

The Portfolio is party to a revolving line of credit agreement (the "Agreement") as discussed more fully in Note 4 of the Fund's Notes to the Financial Statements, which are included elsewhere in this report.

7. SUBSEQUENT EVENT

The merger of J.P. Morgan & Co. Incorporated, the former parent company of the Portfolio's adviser, J.P. Morgan Investment Management, Inc. ("JPMIM"), with and into The Chase Manhattan Corporation was consummated on December 31, 2000. J.P. Morgan Chase & Co. will be the new parent company of JPMIM, which will continue to serve as the Portfolio's adviser.

REPORT OF INDEPENDENT ACCOUNTANTS

To the Trustees and Shareholders of
The European Equity Portfolio

In our opinion, the accompanying statement of assets and liabilities, including the schedule of investments, and the related statements of operations and of changes in net assets and the supplementary data present fairly, in all material respects, the financial position of The European Equity Portfolio (one of the portfolios comprising part of The Series Portfolio, hereafter referred to as the "Portfolio") at November 30, 2000, the results of its operations for the year then ended, the changes in its net assets for each of the two years in the period then ended and the supplementary data for each of the two years in the period then ended, for the eleven months ended November 30, 1998, for each of the two years in the period ended December 31, 1997 and for the period March 28, 1995 (commencement of operations) through December 31, 1995, in conformity with accounting principles generally accepted in the United States of America. These financial statements and supplementary data (hereafter referred to as "financial statements") are the responsibility of the Portfolio's management; our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits of these financial statements in accordance with auditing standards generally accepted in the United States of America, which require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audits, which included confirmation of securities at November 30, 2000 by correspondence with the custodian and brokers, provide a reasonable basis for our opinion.

PricewaterhouseCoopers LLP
New York, New York
January 16, 2001

[back cover]

J.P. MORGAN INSTITUTIONAL FUNDS

Federal Money Market Fund

Prime Money Market Fund

Treasury Money Market Fund

Tax Aware Enhanced Income Fund:
Institutional Shares

Tax Exempt Money Market Fund

Short Term Bond Fund

Bond Fund

Global Strategic Income Fund

Tax Exempt Bond Fund

California Bond Fund:
Institutional Shares

New York Tax Exempt Bond Fund

Diversified Fund

Disciplined Equity Fund

Large Cap Growth Fund:
Institutional Shares

Market Neutral Fund: Institutional Shares

Tax Aware U.S. Equity Fund: Institutional Shares

Tax Aware Disciplined Equity Fund: Institutional Shares

U.S. Equity Fund

U.S. Small Company Fund

Emerging Markets Equity Fund

European Equity Fund

International Equity Fund

International Opportunities Fund

SmartIndex(tm) Fund: Institutional Shares

For more information on the J.P. Morgan Institutional Funds, call J.P. Morgan Funds Services at (800) 766-7722.

Morgan Guaranty Trust Company
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Newark, Delaware 19713-2107

MAILING
INFORMATION

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