

Term sheet

To prospectus dated December 1, 2005,
prospectus supplement dated October 12, 2006 and
product supplement no. 81-I dated June 8, 2007

Term Sheet No. 2 to
Product Supplement No. 81-I
Registration Statement No. 333-130051
Dated June 22, 2007; Rule 433



JPMorgan Chase & Co.

\$

Return Enhanced Notes Linked to the PHLX Semiconductor SectorSM Index due January 7, 2008

Structured
Investments

General

- The notes are designed for investors who seek a return of three times the appreciation of the PHLX Semiconductor SectorSM Index up to a maximum total return on the notes of 13.35% at maturity. Investors should be willing to forgo interest and dividend payments and, if the Index declines, be willing to lose some or all of their principal.
- Senior unsecured obligations of JPMorgan Chase & Co. maturing January 7, 2008[†].
- Minimum denominations of \$50,000 and integral multiples of \$1,000 in excess thereof.
- The notes are expected to price on or about June 29, 2007^{††} and are expected to settle on or about July 5, 2007.

Key Terms

Index: The PHLX Semiconductor SectorSM Index (the "Index")

Upside Leverage Factor: 3

Payment at Maturity: If the Ending Index Level is greater than the Initial Index Level, you will receive a cash payment that provides you with a return per \$1,000 principal amount note equal to the Index Return multiplied by three, subject to a Maximum Total Return on the notes of 13.35%*. For example, if the Index Return is more than 4.45%, you will receive the Maximum Total Return on the notes of 13.35%*, which entitles you to a maximum payment at maturity of \$1,133.50 for every \$1,000 principal amount note that you hold. Accordingly, if the Index Return is positive, your payment per \$1,000 principal amount note will be calculated as follows, subject to the Maximum Total Return:

$$\$1,000 + [\$1,000 \times (\text{Index Return} \times 3)]$$

*The actual Maximum Total Return on the notes will be set on the pricing date and will not be less than 13.35%.

Your investment will be fully exposed to any decline in the Index. If the Ending Index Level declines from the Initial Index Level, you will lose 1% of the principal amount of your notes for every 1% that the Index declines beyond the Initial Index Level. Accordingly, if the Index Return is negative, your payment per \$1,000 principal amount note will be calculated as follows:

$$\$1,000 + (\$1,000 \times \text{Index Return})$$

You will lose some or all of your investment at maturity if the Ending Index Level declines from the Initial Index Level.

Index Return: The performance of the Index from the Initial Index Level to the Ending Index Level, calculated as follows:

$$\frac{\text{Ending Index Level} - \text{Initial Index Level}}{\text{Initial Index Level}}$$

Initial Index Level: The Index closing level on the pricing date.

Ending Index Level: The arithmetic average of the Index closing levels on each of the five Ending Averaging Dates.

Ending Averaging Dates[†]: December 26, 2007, December 27, 2007, December 28, 2007, December 31, 2007 and January 2, 2008

Maturity Date[†]: January 7, 2008

CUSIP:

[†] Subject to postponement in the event of a market disruption event and as described under "Description of Notes — Payment at Maturity" in the accompanying product supplement no. 81-I.

^{††} The pricing of the notes is subject to our special tax counsel delivering to us their opinion as described under "Selected Purchase Considerations — Capital Gains Tax Treatment."

Investing in the Return Enhanced Notes involves a number of risks. See "Risk Factors" beginning on page PS-5 of the accompanying product supplement no. 81-I and "Selected Risk Considerations" beginning on page TS-3 of this term sheet.

JPMorgan Chase & Co. has filed a registration statement (including a prospectus) with the Securities and Exchange Commission, or SEC, for the offering to which this term sheet relates. Before you invest, you should read the prospectus in that registration statement and the other documents relating to this offering that JPMorgan Chase & Co. has filed with the SEC for more complete information about JPMorgan Chase & Co. and this offering. You may get these documents without cost by visiting EDGAR on the SEC website at www.sec.gov. Alternatively, JPMorgan Chase & Co., any agent or any dealer participating in this offering will arrange to send you the prospectus, each prospectus supplement, product supplement no. 81-I and this term sheet if you so request by calling toll-free 866-535-9248.

You may revoke your offer to purchase the notes at any time prior to the time at which we accept such offer by notifying the applicable agent. We reserve the right to change the terms of, or reject any offer to purchase the notes prior to their issuance. In the event of any changes to the terms of the notes, we will notify you and you will be asked to accept such changes in connection with your purchase. You may also choose to reject such changes in which case we may reject your offer to purchase.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of the notes or passed upon the accuracy or the adequacy of this term sheet or the accompanying prospectus supplements and prospectus. Any representation to the contrary is a criminal offense.

	Price to Public	Fees and Commissions (1)	Proceeds to Us
Per note	\$	\$	\$
Total	\$	\$	\$

(1) Please see "Supplemental Underwriting Information" in this term sheet for information about fees and commissions.

The notes are not bank deposits and are not insured by the Federal Deposit Insurance Corporation or any other governmental agency, nor are they obligations of, or guaranteed by, a bank.

JPMorgan

June 22, 2007

ADDITIONAL TERMS SPECIFIC TO THE NOTES

You should read this term sheet together with the prospectus dated December 1, 2005, as supplemented by the prospectus supplement dated October 12, 2006 relating to our Series E medium-term notes of which these notes are a part, and the more detailed information contained in product supplement no. 81-I dated June 8, 2007. **This term sheet, together with the documents listed below, contains the terms of the notes and supersedes all other prior or contemporaneous oral statements as well as any other written materials including preliminary or indicative pricing terms, correspondence, trade ideas, structures for implementation, sample structures, fact sheets, brochures or other educational materials of ours.** You should carefully consider, among other things, the matters set forth in "Risk Factors" in the accompanying product supplement no. 81-I, as the notes involve risks not associated with conventional debt securities. We urge you to consult your investment, legal, tax, accounting and other advisers before you invest in the notes.

You may access these documents on the SEC website at www.sec.gov as follows (or if such address has changed, by reviewing our filings for the relevant date on the SEC website):

- Product supplement no. 81-I dated June 8, 2007:
http://www.sec.gov/Archives/edgar/data/19617/000089109207002377/e27573_424b2.pdf
- Prospectus supplement dated October 12, 2006:
http://www.sec.gov/Archives/edgar/data/19617/000089109206003117/e25276_424b2.pdf
- Prospectus dated December 1, 2005:
http://www.sec.gov/Archives/edgar/data/19617/000089109205002389/e22923_base.txt

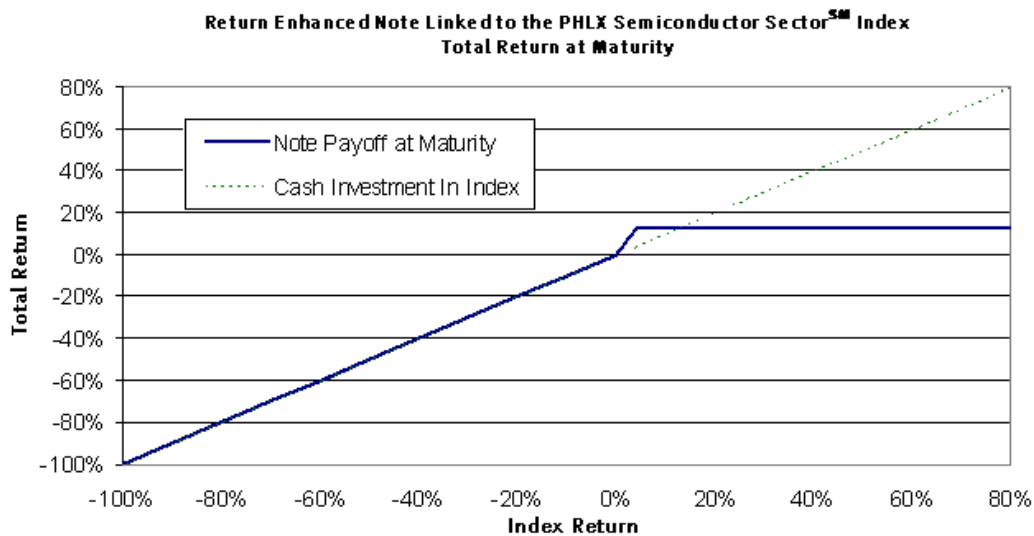
Our Central Index Key, or CIK, on the SEC website is 19617. As used in this term sheet, the "Company," "we," "us" or "our" refers to JPMorgan Chase & Co.

What Is the Total Return on the Notes at Maturity Assuming a Range of Performance for the Index?

The following table and graph illustrate the hypothetical total return at maturity on the notes. The "total return" as used in this term sheet is the number, expressed as a percentage, that results from comparing the payment at maturity per \$1,000 principal amount note to \$1,000. The hypothetical total returns set forth below assume an Initial Index Level of 500 and a Maximum Total Return on the notes of 13.35%. The hypothetical total returns set forth below are for illustrative purposes only and may not be the actual total returns applicable to a purchaser of the notes. The numbers appearing in the following table, graph and examples have been rounded for ease of analysis.

Ending Index Level	Index Return	Total Return
900.00	80.00%	13.35%
825.00	65.00%	13.35%
750.00	50.00%	13.35%
700.00	40.00%	13.35%
625.00	25.00%	13.35%
575.00	15.00%	13.35%
550.00	10.00%	13.35%
525.00	5.00%	13.35%
522.25	4.45%	13.35%
512.50	2.50%	7.50%
505.00	1.00%	3.00%
500.00	0.00%	0.00%
450.00	-10.00%	-10.00%

400.00	-20.00%	-20.00%
350.00	-30.00%	-30.00%
300.00	-40.00%	-40.00%
250.00	-50.00%	-50.00%
200.00	-60.00%	-60.00%
150.00	-70.00%	-70.00%
100.00	-80.00%	-80.00%
50.00	-90.00%	-90.00%
0	-100.00%	-100.00%



Hypothetical Examples of Amounts Payable at Maturity

The following examples illustrate how the total returns set forth in the table and graph above are calculated.

Example 1: The level of the Index increases from the Initial Index Level of 500 to an Ending Index Level of 512.50.

Because the Ending Index Level of 512.50 is greater than the Initial Index Level of 500 and the Index Return of 2.50% multiplied by 3 does not exceed the hypothetical Maximum Total Return of 13.35%, the investor receives a payment at maturity of \$1,075 per \$1,000 principal amount note, calculated as follows:

$$\$1,000 + [\$1,000 \times (2.50\% \times 3)] = \$1,075$$

Example 2: The level of the Index increases from the Initial Index Level of 500 to an Ending Index Level of 575.

Because the Ending Index level of 575 is greater than the Initial Index Level of 500 and the Index Return of 15% multiplied by 3 exceeds the hypothetical Maximum Total Return of 13.35%, the investor receives a payment at maturity of \$1,133.50 per \$1,000 principal amount note, the maximum payment on the notes.

Example 3: The level of the Index decreases from the Initial Index Level of 500 to an Ending Index Level of 400.

Because the Ending Index Level of 400 is less than the Initial Index Level of 500, the Index Return is negative and the investor receives a payment at maturity of \$800 per \$1,000 principal amount note, calculated as follows:

$$\$1,000 + (\$1,000 \times -20\%) = \$800$$

Selected Purchase Considerations

- **APPRECIATION POTENTIAL** — The notes provide the opportunity to enhance equity returns by multiplying a positive Index Return by three, up to the Maximum Total Return on the notes of 13.35%, or \$1,133.50 for every \$1,000 principal amount note. The actual Maximum Total Return on the notes will be set on the pricing date and will not be less than 13.35%. Because the notes are our senior unsecured obligations, payment of any amount at maturity is subject to our ability to pay our obligations as they become due.
- **DIVERSIFICATION OF THE PHLX SEMICONDUCTOR SECTORSM INDEX** — The return on the notes is linked to the PHLX Semiconductor SectorSM Index. The PHLX Semiconductor SectorSM Index is a price-weighted index composed of nineteen companies primarily involved in the design, distribution, manufacture and sale of semiconductors. For additional information about the Index, see the information set forth under “The PHLX Semiconductor SectorSM Index” in the accompanying product supplement no. 81-I.
- **CAPITAL GAINS TAX TREATMENT** — You should review carefully the section entitled “Certain U.S. Federal Income Tax Consequences” in the accompanying product supplement no. 81-I. The pricing of the notes is subject to delivery of an opinion of our special tax counsel, Davis Polk & Wardwell, that it is reasonable to treat your purchase and ownership of the notes as an “open transaction” for U.S. federal income tax purposes. The opinion will be subject to the limitations described in the section entitled “Certain U.S. Federal Income Tax Consequences” in product supplement no. 81-I and will be based on certain factual representations to be received from us on or prior to the pricing date. Assuming this characterization is respected, your gain or loss on the notes should be treated as short-term capital gain or loss.

However, the Internal Revenue Service or a court may not respect this characterization or treatment of the notes, in which case the timing and character of any income or loss on the notes could be significantly and adversely affected. You should consult your tax adviser regarding the treatment of the notes, including possible alternative characterizations.

Selected Risk Considerations

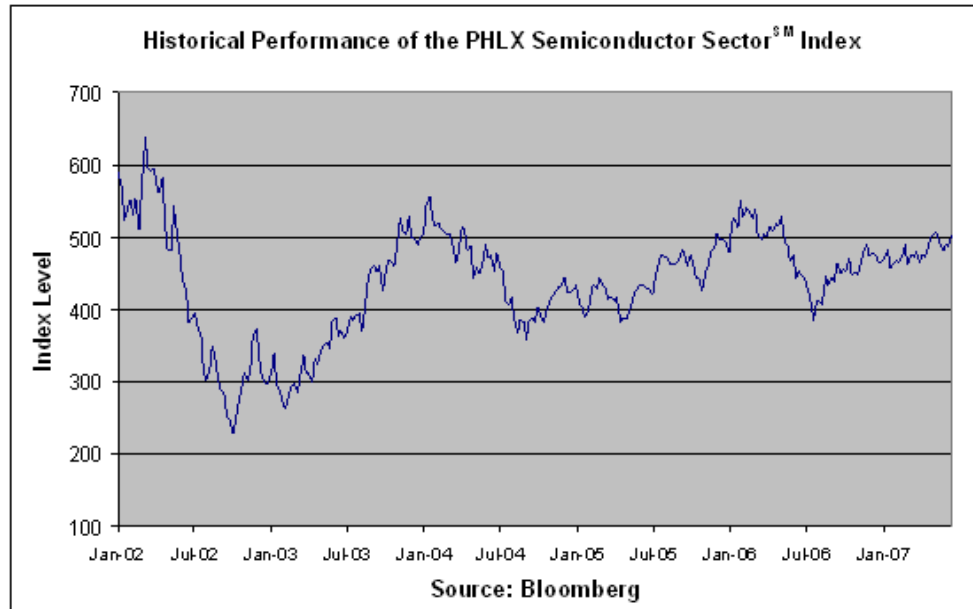
An investment in the notes involves significant risks. Investing in the notes is not equivalent to investing directly in the Index or any of the component stocks of the Index. These risks are explained in more detail in the “Risk Factors” section of the accompanying product supplement no. 81-I dated June 8, 2007.

- **YOUR INVESTMENT IN THE NOTES MAY RESULT IN A LOSS** — The notes do not guarantee any return of principal. The return on the notes at maturity is linked to the performance of the Index and will depend on whether, and the extent to which, the Index Return is positive or negative. Your investment will be fully exposed to any decline in the Ending Index Level as compared to the Initial Index Level.
- **YOUR MAXIMUM GAIN ON THE NOTES IS LIMITED TO THE MAXIMUM TOTAL RETURN** — If the Ending Index Level is greater than the Initial Index Level, for each \$1,000 principal amount note, you will receive at maturity \$1,000 plus an additional amount that will not exceed a predetermined percentage of the principal amount, regardless of the appreciation in the Index, which may be significant. We refer to this percentage as the Maximum Total Return, which will be set on the pricing date and will not be less than 13.35%.
- **YOUR RETURN IS LINKED TO THE PERFORMANCE OF A SINGLE INDUSTRY** — All of the securities underlying the PHLX Semiconductor SectorSM Index are issued by companies whose primary lines of business are directly associated with the semiconductor industry. Because the value of the notes is linked to the performance of the Index, an investment in these notes will be concentrated in this industry. As a result, the value of the notes may be subject to greater volatility and be more adversely affected by a single economic, political or regulatory occurrence affecting this industry than a different investment linked to securities of a more broadly diversified group of issuers. In addition, the semiconductor industry is significantly affected by a number of factors in local, national and worldwide economic conditions as well as by technological developments, the availability of highly skilled employees, changes in industry standards, a highly competitive work environment, natural disasters, supply disruptions, geopolitical events and other factors, including those described under “Risk Factors” in the accompanying product supplement no. 81-I. These factors could cause a downturn in the semiconductor industry generally or regionally and could cause the value of the stocks included in the Index and the level of the Index to decline or remain flat during the term of the notes.
- **CERTAIN BUILT-IN COSTS ARE LIKELY TO ADVERSELY AFFECT THE VALUE OF THE NOTES PRIOR TO MATURITY** — While the payment at maturity described in this term sheet is based on the full principal amount of your notes, the original issue price of the notes includes the agent’s commission and the cost of hedging our obligations under the notes through one or more of our affiliates. As a result, the price, if any, at which J.P. Morgan Securities Inc., whom we refer to as JPMSI, will be willing to purchase notes from you in secondary market transactions, if at all, will likely be lower than the original issue price, and any sale prior to the maturity date could result in a substantial loss to you. The notes are not designed to be short-term trading instruments. Accordingly, you should be able and willing to hold your notes to maturity.
- **NO INTEREST OR DIVIDEND PAYMENTS OR VOTING RIGHTS** — As a holder of the notes, you will not receive interest payments, and you will not have voting rights or rights to receive cash dividends or other distributions or other rights that holders of securities composing the PHLX Semiconductor SectorSM Index would have.
- **LACK OF LIQUIDITY** — The notes will not be listed on any securities exchange. JPMSI intends to offer to purchase the notes in the secondary market but is not required to do so. Even if there is a secondary market, it may not provide enough liquidity to allow you to trade or sell the notes easily. Because other dealers are not likely to make a secondary market for the notes, the price at which you may be able to trade your notes is likely to depend on the price, if any, at which JPMSI is willing to buy the notes.
- **POTENTIAL CONFLICTS** — We and our affiliates play a variety of roles in connection with the issuance of the notes, including acting as calculation agent and hedging our obligations under the notes. In performing these duties, the economic interests of the calculation agent and other affiliates of ours are potentially adverse to your interests as an investor in the notes.
- **MANY ECONOMIC AND MARKET FACTORS WILL IMPACT THE VALUE OF THE NOTES** — In addition to the level of the Index on any day, the value of the notes will be affected by a number of economic and market factors that may either offset or magnify each other, including:
 - the expected volatility of the Index;
 - the time to maturity of the notes;
 - the dividend rate on the common stocks underlying the Index;
 - interest and yield rates in the market generally;
 - developments in the semiconductor industry;
 - a variety of economic, financial, political, regulatory or judicial events; and
 - our creditworthiness, including actual or anticipated downgrades in our credit ratings.
- **THE OFFERING OF THE NOTES MAY BE TERMINATED BEFORE PRICING** — This term sheet has not been reviewed by our special tax counsel, Davis Polk & Wardwell, and the pricing of the offering of the notes is subject to delivery by them of an opinion regarding the tax treatment of the notes as described under “Selected Purchase Considerations — Capital Gains Tax Treatment” above. If our special tax counsel does not deliver this opinion prior to pricing, the offering of the notes will be terminated.

Historical Information

The following graph sets forth the historical weekly performance of the PHLX Semiconductor SectorSM Index based on the weekly Index closing level from January 4, 2002 through June 15, 2007. The Index closing level on June 21, 2007 was 512.50. We obtained the Index closing levels below from Bloomberg Financial Markets. We make no representation or warranty as to the accuracy or completeness of the information obtained from Bloomberg Financial Markets.

The historical levels of the Index should not be taken as an indication of future performance, and no assurance can be given as to the Index closing level on any of the Ending Averaging Dates. We cannot give you assurance that the performance of the Index will result in the return of any of your initial investment.



Supplemental Underwriting Information

JPMSI, acting as agent for JPMorgan Chase & Co., will receive a commission that will depend on market conditions on the pricing date. In no event will that commission, which includes structuring and development fees, exceed \$10.00 per \$1,000 principal amount note. See "Underwriting" beginning on page PS-22 of the accompanying product supplement no. 81-1.

For a different portion of the notes to be sold in this offering, an affiliated bank will receive a fee and another affiliate will receive a structuring and development fee. In no event will the total amount of these fees exceed \$10.00 per \$1,000 principal amount note.