JANUS HENDERSON HORIZON FUND - GLOBAL HIGH YIELD BOND FUND

A2 USD ISIN LU0978624194

At a glance

Performance
The Fund returned −2.02%, the Index returned −2.26% and the Sector returned −2.02%.

Contributors/detractors
Security selection and sector allocation contributed to performance. The fund's small overweight credit beta position relative to the benchmark detracted, as credit spreads widened.

Outlook
We believe the underlying environment for high yield bonds remains supportive. Economic activity has been more resilient than expected, while credit technicals appear healthy and supported by inflows.

Portfolio management



Tom Ross, CFA



Brent Olson



Agnieszka Konwent-Morawski, CFA

Investment environment

- Global high yield bonds posted a negative excess return (versus equivalent government debt), driven by higher underlying government bond yields and widening credit spreads.
- The sharp rise in global government bond yields was the dominant market narrative during the month. Long-term yields in most major markets hit multi-year highs as rising oil prices drove up inflation expectations and increased the likelihood that policymakers could tighten monetary policy further.
- High yield bond markets weakened in tandem with other fixed income sectors, amid weaker risk sentiment and elevated issuance across credit markets.
- The US Federal Reserve (Fed) raised the federal funds rate by 25 basis points (bps) to 4.0%, its first monetary policy tightening since July 2023. Chair Kevin Warsh said the economy was strong, but that inflation had been too high for too long. The European Central Bank (ECB) also raised policy rates.
- All regions posted negative excess returns. Emerging market high yield bonds were relative outperformers, while the US high yield bond market lagged.
- All ratings categories in the US and European high yield bond markets posted negative excess returns. In the US, CCC-rated bonds materially underperformed, amid concern that higher financing costs could make refinancing difficult for lower-quality issuers. This was followed by B-rated bonds and then BB-rated bonds.
- In Europe, B-rated bonds outperformed on a relative basis, followed by BB-rated bonds. CCC-rated bonds underperformed.

Portfolio review

Security selection and sector allocation contributed to performance. The fund's small overweight credit beta position relative to the benchmark detracted, as credit spreads widened.

At the sector level, the fund's overweight position in emerging market sovereign bonds and an underweight position in insurance contributed, while an overweight position in leisure detracted. Security selection in telecommunications, capital goods and banking contributed. Selections in leisure, basic industry and transportation detracted. In terms of regions, security selection in European and emerging market high yield bonds contributed.

Marketing communication
Past performance does not predict future returns.
References made to individual securities do not constitute a recommendation to buy, sell or hold any security, investment strategy or market sector, and should not be assumed to be profitable. Janus Henderson Investors, its affiliated advisor, or its employees, may have a position in the securities mentioned. There is no guarantee that past trends will continue, or forecasts will be realised.

At the issuer level, an overweight position in chemicals firm Styrolution (an Ineos company) contributed to performance. The bonds rallied following progress towards the introduction of EU measures to protect the chemicals sector in Europe. The overweight position in CoreWeave also contributed after its bonds rallied back from weakness in August. CoreWeave is expected to benefit from increasing demand for data and chips and a shortage of supply over the coming months. The holdings in Pakistani sovereign bonds, US nursing home provider LifePoint Health (RGCARE) and arts and crafts US retailer Michaels also added to performance. Finally, data centre developer CleanSpark contributed to returns after it successfully raised over $2 billion to finance a data centre in Georgia. While data centres are a growing sector in the US high yield bond market, CleanSpark and other data-centre-related companies sit within the telecommunications sector in the global index.

Conversely, US regional theme park operator Six Flags Entertainment detracted from performance. The company reported a sharply wider second-quarter net loss in August, driven by falling attendance, which continued to weigh on performance in September. A broader consumer belt-tightening trend has also impacted discretionary leisure spending. Overweight positions in homebuilder LGI Homes and casino developer Mohegan, which sold off due to broader weakness across gaming and leisure issuers, also detracted from performance.

In terms of activity, we continued to reduce risk in the portfolio in the first half of the month. Given the uncertainty around rates, we reduced the allocation to expensive long-duration BB-rated credits, where spreads had reached very tight levels. We also reduced exposure to French credits due to concerns over French government bond volatility, and we reduced the position in well-performing B-rated issuers, which can often underperform in a sell-off. We took profits in software holdings such as Almaviva and TeamSystem, following substantial spread compression, and reduced exposure to cyclical and higher-beta credits, including automotive issuer ZF and select telecom credits. We continued to raise liquidity through floating-rate notes and other defensive positions.

Towards the end of the month, spread widening in the market led us to look for opportunities to add some risk back in. We selectively added a number of positions, including CPI Property Group and Toucan, to exploit what we viewed as valuation dislocations created by the sharp sell-off. We also added some new issues that had come to market, notably a refinancing deal from German healthcare company Bayer, nursing home operator Clariane, and telecoms firm KPN.

Manager outlook

Despite the weakness across credit and government bond markets, we believe the underlying environment for high yield corporate bonds remains broadly supportive. Economic activity has been more resilient than expected, and we expect third-quarter corporate earnings to provide further evidence that corporate fundamentals remain intact. Credit technicals also look healthy, with continued inflows into the asset class, while the all-in yields currently offered by high yield credit could improve the attractiveness of the asset class. As of the end of September, the effective yield on US high yield credit was 8.4%, while European high yield credit stood at 6.8%.

We view the macroeconomic backdrop as the main challenge. Higher energy prices and prolonged geopolitical tensions have pushed inflation higher and increased the risk that interest rates may remain elevated for longer. As a result, we expect volatility in government bond markets to persist. Elsewhere, we think France is likely to remain a key focus given the uncertain political situation around the proposed 2027 budget.

Nevertheless, we believe periods of market weakness can create buying opportunities to add high-quality credits at more attractive valuations. Rather than taking indiscriminate broad-market risk, we intend to continue to seek opportunities where spread widening provides attractive compensation for the underlying fundamental risk or creates valuation dislocations. We have already increased portfolio risk following the recent sell-off and may look to add further risk if markets continue to weaken, while being mindful of taking profits on issuers where spreads move too tight.

We think the primary market should remain an important source of opportunities, as broader financing requirements remain substantial. September demonstrated that patience can be rewarded, as issuers were required to offer more attractive new issue premiums as the month progressed.

Looking ahead, the growing funding requirements associated with the artificial intelligence (AI) investment cycle could create an increasingly interesting supply of corporate bonds, potentially including very large data centre financing transactions. That said, questions around returns on investment, amid the substantial spending plans of the hyperscalers, and potential lower-cost disruption (particularly from Chinese open-source models) reinforce the need for selectivity across the whole AI ecosystem, in our view.

Overall, we remain constructive about corporate credit fundamentals but selective about risk. With spreads wider and valuations more attractive than during the summer, we believe the portfolio is well positioned to seek to take advantage of further market dislocation while maintaining a focus on issuer quality, relative value and attractive new-issue premiums.

Performance (%)

	Cumulative				Annualised		
Returns	**1 Month**	**3 Month**	**YTD**	**1 Year**	**3 Year**	**5 Year**	**10 Year**
A2 USD (Net) with sales charge	-6.92	-6.62	-4.34	-3.47	6.57	1.16	3.96
Index	-2.26	-1.71	0.73	2.01	8.38	3.56	4.93
Sector	-2.02	-1.49	0.47	1.72	7.53	3.30	4.31
A2 USD (Net)	-2.02	-1.71	0.69	1.61	8.40	2.21	4.50

Calendar year	**YTD at Q3 2026**	**2025**	**2024**	**2023**	**2022**	**2021**
A2 USD (Net)	0.69	7.77	9.72	11.13	-14.61	0.41
Index	0.73	8.45	9.24	12.97	-11.38	3.04
Sector	0.47	7.63	8.19	11.95	-10.16	3.81

Performance is on a net of fees basis, with gross income reinvested. Source: at 30/09/26. © 2026 Morningstar, Inc. All rights reserved. The information contained herein: (1) is proprietary to Morningstar and/or its content providers; (2) may not be copied or distributed; and (3) is not warranted to be accurate, complete, or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information. **Past performance does not predict future returns. The value of an investment and the income from it can fall as well as rise and you may not get back the amount originally invested.**

Fund charges will impact the value of your investment. In particular, the ongoing charges applicable to each fund will dilute investment performance, particularly over time. For further explanation of charges please visit our Fund Charges page at www.janushenderson.com.

Note that any differences among portfolio securities currencies, share class currencies and costs to be paid or represented in currencies other than your home currency will expose you to currency risk. Costs and returns may increase or decrease as a result of currency and exchange rate fluctuations.

Past performance does not predict future returns.

Fund details

Inception date	19 November 2013
Total net assets	$549.35m
Asset class	Fixed Income
Domicile	Luxembourg
Structure	SICAV
Base currency	USD
Index	ICE BofA Global High Yield Constrained Index (100% Hedged)
Morningstar sector	Global High Yield Bond - USD Hedged
SFDR category	Article 8

In accordance with the Sustainable Finance Disclosure Regulation, the Fund is classified as Article 8 and promotes, among other characteristics, environmental and/or social characteristics, and invests in companies with good governance practices.

Investment objective

The Fund aims to provide an income with the potential for capital growth over the long term. The Fund invests at least 80% of its assets in high yield (non-investment grade, equivalent to BB+ rated or lower) corporate bonds, in any country. The Fund may invest up to 20% of its net assets in contingent convertible bonds (CoCos).

Fund specific risks

An issuer of a bond (or money market instrument) may become unable or unwilling to pay interest or repay capital. If this happens or the market perceives this may happen, the value of the bond will fall. When interest rates rise (or fall), the prices of different securities will be affected differently. In particular, bond values generally fall when interest rates rise (or are expected to rise). This risk is typically greater the longer the maturity of a bond investment. While high yield (non-investment grade) bonds generally offer higher rates of interest than investment grade bonds, they are more speculative and more sensitive to adverse changes in market conditions. CoCos can fall sharply in value if the financial strength of an issuer weakens and a predetermined trigger event causes the bonds to be converted into shares/units of the issuer or to be partly or wholly written off. Emerging markets expose investors to higher volatility and greater risk of loss than developed markets; they are susceptible to adverse political and economic events, and may be less well regulated with less robust custody and settlement procedures. Derivatives may be used to help achieve the investment objective. This can result in leverage (higher levels of debt), which can magnify an investment outcome. Gains or losses may therefore be greater than the cost of the derivative. Derivatives also introduce other risks, in particular, that a derivative counterparty may not meet its contractual obligations. When the Fund, or a share/unit class, seeks to mitigate exchange rate movements of a currency relative to the base currency (hedge), the hedging strategy itself may positively or negatively impact the value of the Fund due to differences in short-term interest rates between the currencies. Securities could become hard to value or to sell at a desired time and price, especially in extreme market conditions when asset prices may be falling, increasing the risk of investment losses. The Fund may incur a higher level of transaction costs as a result of investing in less actively traded or less developed markets compared to a fund that invests in more active/developed markets. Some or all of the ongoing charges and other costs of the Fund may be taken from capital, which may erode capital or reduce potential for capital growth. In addition to income, this share class may distribute realised and unrealised capital gains and original capital invested. Fees, charges and expenses are also deducted from capital. Both factors may result in capital erosion and reduced potential for capital growth. Investors should also note that distributions of this nature may be treated (and taxable) as income depending on local tax legislation. Losses could be incurred if a counterparty became unwilling or unable to meet its obligations, or as a result of failure or delay in operational processes or the failure of a third party provider.

FOR MORE INFORMATION PLEASE VISIT **JANUSHENDERSON.COM**

Janus Henderson
INVESTORS

Source: Janus Henderson Investors, as at 30 September 2026, unless otherwise noted.

Issued in Singapore by Janus Henderson Investors (Singapore) Limited, licensed and regulated by the Monetary Authority of Singapore, Company Registration No. 199700782N. **This advertisement has not been reviewed by the Monetary Authority of Singapore.** The content herein is produced for information purposes only and does not constitute investment advice or as an offer to sell, buy or a recommendation for any security. Janus Henderson Investors is not responsible for any unlawful distribution of this document to any third parties, in whole or in part, and do not make any warranties with regards to the results obtained from its use. In preparing this document, Janus Henderson Investors has reasonable belief to rely upon the accuracy and completeness of all information available from public sources. **Past performance does not predict future returns. Investing involves risk, including the possible loss of principal and fluctuation of value.** The Fund may employ investment techniques and instruments for investment purposes, such as trading in futures, options and swaps and other financial derivative instruments. This document has been prepared by Janus Henderson Investors (Singapore) Limited, the Singapore Representative of the Fund. The Fund is distributed by authorised distributors. The prospectus and Product Highlights Sheet ("PHS") of the Fund are available and may be obtained from the Singapore Representative's office and the authorized distributors' offices. Investors should read the prospectus and PHS before deciding whether to invest in the shares of the Fund. Investors are warned that they should only make their investments based on the most recent offering documents which contains information about fees, expenses and risks, which is available from appointed intermediaries, and which should be read carefully. An investment in the Fund may not be suitable for all investors and is not available to all investors in all jurisdictions; it is not available to US persons. The rate of return may vary and the principal value of an investment will fluctuate due to market and foreign exchange movements. Shares, if redeemed, may be worth more or less than their original cost. Investors are advised to consult your intermediary who will give you advice on the product suitability and help you determine how your investment would be consistent with your own investment objectives. The investment decisions are yours and an investment in the Fund may not be suitable for everyone. If in doubt, please contact your intermediary for clarification. Portfolio holdings are subject to change without notice. © 2026 Morningstar. All Rights Reserved. CFA® and Chartered Financial Analyst® are trademarks owned by CFA Institute. Janus Henderson® and any other trademarks used herein are trademarks of Janus Henderson Group Ltd. or one of its subsidiaries. © Janus Henderson Group Ltd.