

Janus Henderson Global Equity Income Fund

September 2021

For promotional purposes

Fund Managers Names

Ben Lofthouse, CFA, Andrew Jones

Macro backdrop

Global equity markets fell in September with investors concerned about the outlook for global growth amid inflationary pressures, rising gas prices, supply-chain bottlenecks and Chinese regulatory risks. The likelihood of central banks such as the US Federal Reserve (Fed) and the Bank of England tapering monetary support also weighed on sentiment. At the sector level, energy, financials, and consumer discretionary outperformed while materials, utilities and information technology underperformed.

Fund performance and activity

The fund returned -1.8% in September versus the MSCI World which fell -2.1% and the IA Global Equity income peer group average which returned -1.4%.

This month the holdings in Royal Dutch Shell and TotalEnergies outperformed, helped by a rising oil price with Brent Crude achieving its highest level in three years. Financial companies Bawag, ING and Axa also outperformed, aided by the rising bond yield environment which typically has a positive impact on bank and insurer profitability. Conversely, the exposure to utilities companies Enel and Iberdrola detracted from returns after the Spanish government announced plans to impose a €2.6 billion windfall tax on companies that have benefited from the surge in Spanish electricity prices. Clothing and apparel retailers VF Corp and TopSports also underperformed as investors reassessed the short-term outlook for consumer demand given the inflationary environment and ongoing Covid-19 restrictions in some parts of the world.

During the month the holdings in Lloyds Bank, ING, Bawag and Citigroup were increased. Bank valuations remained attractive with dividend payments being restored and several share buybacks being announced as a means of returning excess capital to shareholders. In addition, a higher bond yield environment is likely to be more supportive. The purchases were funded by the sale of French media company Vivendi ahead of its separation from subsidiary Universal Music Group (UMG), which will list separately in Amsterdam, and after a period of strong performance which left the valuation at less compelling levels.

Outlook/strategy

The outlook for global economic growth remains robust, although the impact of inflationary pressures, supply-chain disruptions, and the possibility of earlier than anticipated monetary policy tightening has dampened sentiment for the moment. Despite strong performance so far this year, equities continued to look attractive on a yield basis relative to bonds. Historically, equities are also well placed relative to other asset classes in a more inflationary environment. We continue with our strategy of selecting companies with strong free cash flow generation and valuation support that are well positioned to benefit from a recovery in global economic activity.

Source: Janus Henderson Investors, as at 30 September 2021

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Fund information

Index MSCI World Index
Index usage Target, Comparator

The MSCI World Index is a measure of the combined performance of large and medium sized companies from developed stock markets around the world. It is the income target for the Fund and provides a useful comparison against which the Fund's performance can be assessed over time.

Peer group benchmark IA Global Equity Income
Peer group benchmark usage Comparator

The Investment Association (IA) groups funds with similar geographic and/or investment remit into sectors. The Fund's ranking within the sector (as calculated by a number of data providers) can be a useful performance comparison against other funds with similar aims.

Objective The Fund aims to provide an income in excess of the income generated by the MSCI World Index over a 1 year period with the potential for capital growth over the long term (5 years or more).

Performance in (GBP)

Performance %	I (Net)	Index	Peer group	Quartile ranking
1 month	-1.8	-2.1	-1.4	3rd
YTD	8.5	15.0	12.1	4th
1 year	17.3	24.1	21.8	3rd
3 years (annualised)	5.0	12.5	7.9	4th
5 years (annualised)	6.9	13.5	8.5	4th
10 years (annualised)	-	-	-	-
Since inception 17 Jan 2014 (annualised)	8.3	13.6	8.9	-

Source: at 30 Sep 2021. © 2021 Morningstar. All rights reserved, performance is with gross income reinvested. Performance/performance target related data will display only where relevant to the share class inception date and annualised target time period.

Discrete year performance %	I (Net)	Index	Peer group
30 Sep 2020 to 30 Sep 2021	17.3	24.1	21.8
30 Sep 2019 to 30 Sep 2020	-5.7	5.8	-3.8
30 Sep 2018 to 30 Sep 2019	4.6	8.4	7.3
30 Sep 2017 to 30 Sep 2018	5.9	15.1	6.9
30 Sep 2016 to 30 Sep 2017	14.2	15.0	12.0

Source: at 30 Sep 2021. © 2021 Morningstar. All rights reserved, performance is with gross income reinvested. Discrete performance data may change due to final dividend information being received after quarter end.

Source for target returns (where applicable) – Janus Henderson. Where quartiles are shown, 1st quartile means the share class is ranked in the top 25% of share classes in its sector.

Please note the performance target is to be achieved over a specific annualised time period. Refer to the performance target wording within the objective.

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Past performance is not a guide to future performance. 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.

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Important information

Please read all scheme documents before investing. Before entering into an investment agreement in respect of an investment referred to in this document, you should consult your own professional and/or investment adviser. Past performance is not a guide to future performance. 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. Tax assumptions and reliefs depend upon an investor's particular circumstances and may change if those circumstances or the law change. If you invest through a third party provider you are advised to consult them directly as charges, performance and terms and conditions may differ materially. Nothing in this document is intended to or should be construed as advice. This document is not a recommendation to sell or purchase any investment. It does not form part of any contract for the sale or purchase of any investment. Any investment application will be made solely on the basis of the information contained in the Prospectus (including all relevant covering documents), which will contain investment restrictions. This document is intended as a summary only and potential investors must read the prospectus, and where relevant, the key investor information document before investing. [We may record telephone calls for our mutual protection, to improve customer service and for regulatory record keeping purposes.]

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