

CASH FUND – INSTITUTIONAL

As at May 2025

Fund objective

The Fund seeks to achieve a total return after fees that exceed the total return of the Benchmark, over rolling annual periods.

Investment approach

The Fund is an actively managed portfolio of high quality short term securities that seek to provide investors with low risk exposure to secure cash investments and returns that closely track the prevailing level of short-term interest rates. The manager seeks to add value using a combination of interest rate and yield enhancement strategies.

Benchmark

Bloomberg AusBond Bank Bill Index

Risk profile

Very Low

Suggested timeframe

1 year

Inception date

31 July 2008

Fund size

\$257.0 million

Minimum investment

\$100,000

Management cost (%)

0.10 p.a.

Buy/sell spread (%)

0.00/0.00

Distribution frequency
(if any)

Monthly

ARSN code

127 731 006

APIR code

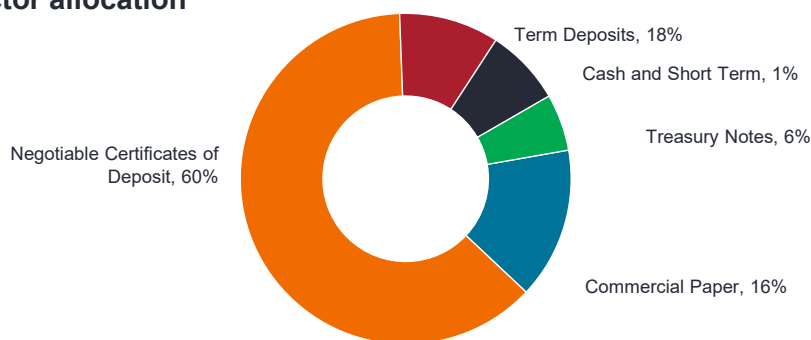
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Performance	1 month (%)	3 months (%)	6 months (%)	1 year (%)	3 years (% p.a.)	5 years (% p.a.)	10 years (% p.a.)	Since inception (% p.a.)
Fund (gross)	0.36	1.17	2.33	4.75	4.02	2.44	2.24	3.06
Fund (net)	0.35	1.15	2.28	4.64	3.91	2.33	2.08	2.87
Benchmark	0.34	1.05	2.16	4.42	3.79	2.28	2.02	2.78
Excess return*	0.01	0.10	0.12	0.22	0.12	0.05	0.06	0.09

*Excess return is measured against net performance.

Past performance is not a reliable indicator of future performance.

Sector allocation



Rounding accounts for small +/- from 100%.

Credit rating distribution (%)



Portfolio characteristics

Estimated Weighted Average Yield to Maturity (EWAYTM) ¹	3.92
Benchmark EWAYTM	3.76
Running yield	3.95
Weighted Average Credit Quality	AAA

¹Estimated Weighted Average Yield to Maturity is a measure of the average annual yield of all securities in the Fund.

Modified duration	Years
Fund	0.20
Benchmark	0.12
Active Position	0.08

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(continued)

Janus Henderson
INVESTORS

**Head of Australian
Fixed Interest**
Jay Sivapalan

Fund performance

The Janus Henderson Cash Fund - Institutional (Fund) returned 0.35% (net) and 0.36% (gross). The Fund performed in line with the Bloomberg AusBond Bank Bill Index (Benchmark) in May, which returned 0.34% for the month. The Fund continues its outperformance, beating the Benchmark over the longer term including by 0.22% (net) over the year, and 0.09% (net) since inception per annum.

The spread between the six-month Australian bank bills and the overnight interbank swap rate (Bills-OIS spread) continued to taper back to near-term averages which the Fund benefited from. Duration in the Fund was maintained higher than the Benchmark, allowing positioning to benefit from the rally in six-month bill yields.

The Fund continues to provide a yield advantage from its selection of securities along the bank bill curve, as well as higher yields available from major bank term deposits, short commercial paper, and securities issued by regional banks.

Market review

The global outlook remains highly uncertain, as trade policy and geopolitics developments continue to follow an uneven path. Market volatility stems from tariff reliefs and new sectoral tariffs on items like electric vehicles and steel. Economic growth is mild, inflation steady, with central banks modestly easing.

The Reserve Bank of Australia (RBA) lowered the cash rate to 3.85%. Three-month bank bills were down 15 basis point (bps), to 3.73% by month end. Six-month bank bill yields ended 11bps lower at 3.77%.

Market outlook

Markets continue to price a further 90bps of easing by the RBA, watching for two-sided risks in the current unclear environment.

Our base case for the RBA to ease 150bps in total to 2.85%. Our low case reflects a weaker economic outcome and the RBA easing by a total of 250bps. We allocate a more modest weight to the low case, as global uncertainties moderated in the month. Duration remains neutral, as we see better market opportunities elsewhere. We remain vigilant through the volatility to take advantage of mispricing and continue to favour the shorter part of the yield curve.

Reflecting the latest market expectations, the forecasted average cash rate for the next year is around 3.3%. We continue to favour six-month money market securities and deposits due to their appealing yield advantage with current opportunities yielding 3.9% - 4.2%.

For in-depth economic analysis and the Australian Fixed Interest Team's outlook, visit <https://go.janushenderson.com/Viewpoint-Jun25>

Investment strategy

The following is a summary of the key strategies in the Fund:

Non-major banks – Non-major banks pay a premium above major banks to compete for funding. The Fund has allocated a prudent proportion to this sector for investors to enjoy slightly higher yields.

Commercial paper – We favour a selective allocation to high quality commercial paper as the available yield premium is relatively attractive versus other money market instruments. Margins on commercial paper have been wide, creating opportunity to further enhance yield pick-up for the Fund.

Term Deposit – Banks are continuing to offer attractive margins for institutional term deposits. This continues to make term deposits an attractive proposition for the Fund.

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Important information

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