Janus Henderson
INVESTORS

Janus Henderson Multi-Strategy Fund

Investment Report

Q1 2023

Marketing communication | Not for onward distribution

This document is solely for the use of regulated qualified investors and unregulated qualified investors and professionals and is not for general public distribution.

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. Past performance does not predict future returns.

Overview

Performance (%) – USD (net)

3 month	0.75
1 year	-1.18
3 year	3.56
5 year	4.78
7 year	5.14
10 year	6.14
Since 2012*	7.13
Since inception	3.97

Source: Janus Henderson Investors, as at 31 March 2023.

Notes: Performance presented for a synthetic USD share class since PM inception net of the highest active historical management fee (ranging between 1.0% & 1.6%) and a 20% performance fee until 1 April 2020, then 15% above both the 1m T-Bill hurdle rate and high watermark. Note that effective 1st April 2019 returns directly reference those achieved by the A USD share class, which utilises the aforementioned fee structure with a 1.0% management fee. Returns and Standard Deviation are annualised.

*The Fund and investment team were restructured between 2008 and 2012, when Steve Cain joined as co-portfolio manager, and has been broadly managed in its current form since.

If you are investing in a different currency than shown, this may cause figures to differ from those shown.

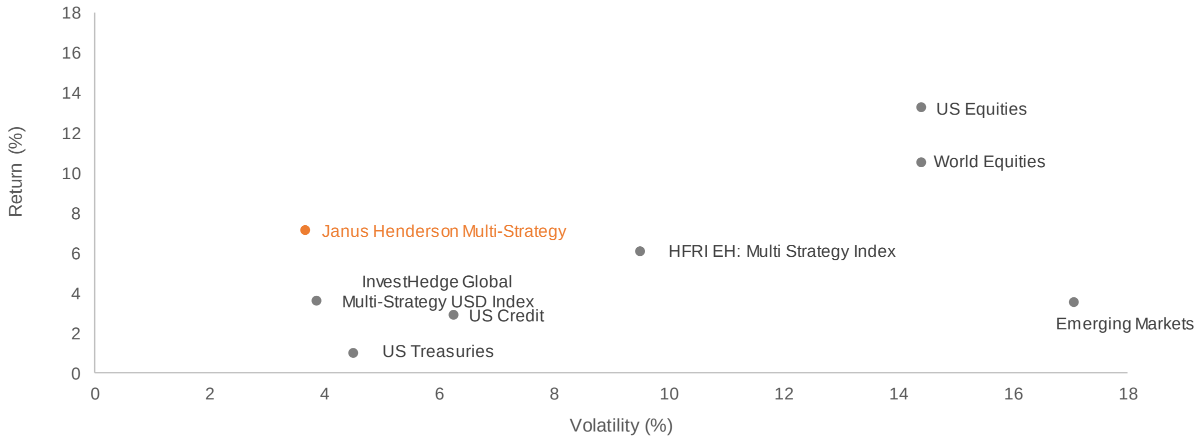
Past performance does not predict future returns.

Market review

The risk rally that started early in the fourth quarter picked up momentum in January on continued expectations of plateauing interest rates underpinned by easing inflation prints. Although, robust economic data in February, the second (now third!) largest banking collapse in US history and a government backed marriage between Swiss banking behemoths Credit Suisse and UBS in March brought note of sobriety to the party. However, the Nasdaq barely winced and finished the quarter with 17.05% gain. The S&P 500 delivered a slightly more sober, but nonetheless impressive, 7.50% gain, while the Down Jones Industrial Average was up just 0.93%. The VIX was equally stoic, falling from 21.67 to 18.70. European and Emerging Market equities also joined the party, returning 7.88% and 8.62% respectfully. Fixed Income markets, however, experienced significant volatility, with the Silicon Valley Bank collapse reversing the steepest inversion in the US 2yr – 10yr yield curve in 40 years. Over the quarter, the US 10-year yield fell from 3.87% to 3.47%, and the German Bund yield also fell from 2.57% to 2.29%, continuing fixed income’s correlation with equity markets, while the Move index increased from 121.61 to 135.93. Commodities were generally weaker, with WTI oil falling 5.49% although gold rose 7.96%.

During the quarter, the Multi Strategy Fund returned 0.75%, bringing its 1-year performance to -1.18% and return since restructuring to 7.13% p.a. During the quarter, the most positive return was from the new FICC RV (Fixed Income, Currency and Commodity Relative Value) strategy, with Event Driven and Convertible Arbitrage also adding value. On the downside, Equity Market Neutral and Protection detracted from returns.

Performance, volatility and correlations: Jan 2012 – present



	Janus Henderson Multi-Strategy	World Equities	US Equities	Emerging Markets	US Credit	US Treasuries	HFRI EH: Multi-Strategy Index	InvestHedge Global Multi-Strategy USD Index
Ann Return (%)	7.13	10.57	13.29	3.52	2.90	1.01	6.12	3.59
Ann Volatility (%)	3.67	14.40	14.41	17.07	6.25	4.50	9.50	3.86
Correlation to JH Multi-Strategy		0.05	0.06	0.05	-0.03	-0.1	0.12	0.15

Source: Janus Henderson Investors, Datastream as at 31 March 2023. Performance and risk since 31 December 2011, annualised, net of fees.

Past performance is not a guide to future performance. Returns and Standard Deviation are annualised. Performance presented for a synthetic USD share class since inception net of the highest active historical management fee (ranging between 1.0% & 1.6%) and a 20% performance fee to 1 April 2020 15% thereafter, above both the 1m T-Bill hurdle rate and high watermark. Note that effective 1st April 2019 returns directly reference those achieved by the A USD share class, which utilises the aforementioned fee structure with a 1.0% management fee.

Past performance does not predict future returns.

Note: Markets represented by S&P 500 (US Equities), MSCI indices for World and Emerging Markets equities, Barclays for US Credit and BofA ML for US Treasuries. The Fund and investment team were restructured between 2008 and 2012, when Steve Cain joined as co-portfolio manager, and has been broadly managed in its current form since.

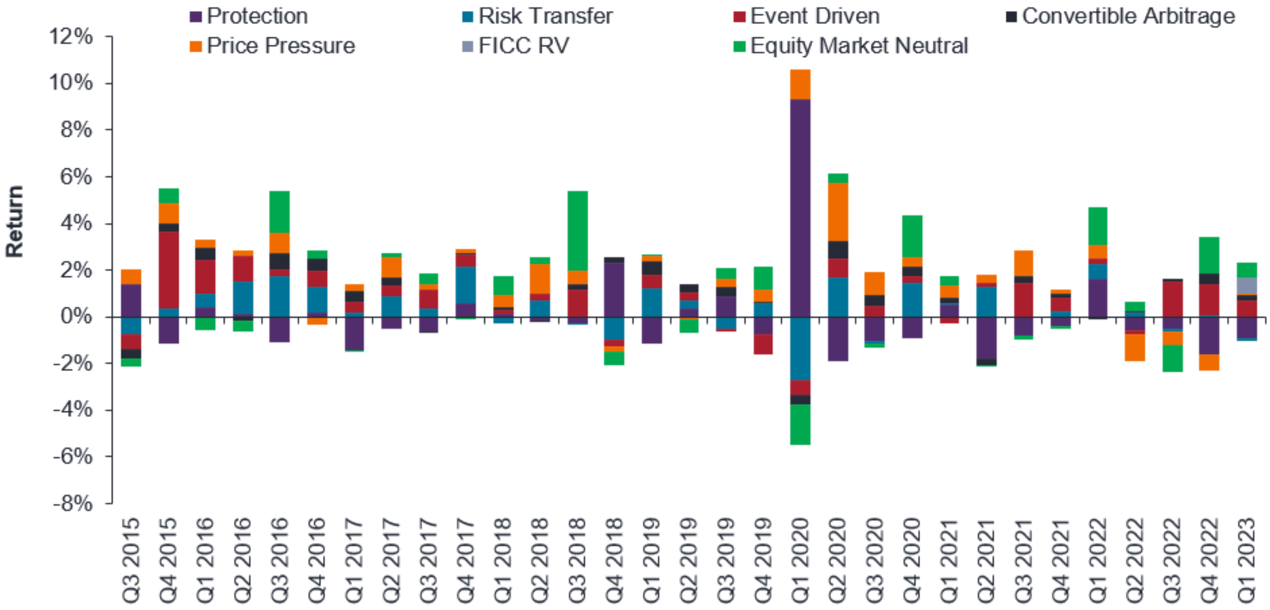
First quarter 2023 attribution

Strategy	Gross return (%)
Convertible Arbitrage	0.24
Event Driven	0.69
Price Pressure	0.05
Risk Transfer	-0.11
Equity Market Neutral	-0.65
FICC RV	0.70
Protection	-0.94
Treasury	1.04
Total	1.01

Source: Janus Henderson Investors and Bloomberg, as at 31 March 2023.

Past performance does not predict future returns.

Quarterly attribution



Source: Janus Henderson Investors, internal estimates, based on representative account, gross of fees, in USD as at 31 March 2023.

Notes: Information relating to portfolio holdings is based on the representative account, gross of management and performance fees, in USD. Data is based on a representative account of the strategy and may vary from other accounts in the strategy, due to asset size and other factors. The representative account is believed to most closely reflect the current portfolio management style.

Past performance does not predict future returns.

Strategy correlation % (2012 - present)

	Equity Market Neutral	Price Pressure	Convertible Arbitrage	Event Driven	Risk Transfer	Portfolio Protection
Equity Market Neutral	1.00					
Price Pressure	-0.10	1.00				
Convertible Arbitrage	0.16	-0.06	1.00			
Event Driven	-0.05	0.30	-0.16	1.00		
Risk Transfer	0.33	-0.03	0.23	0.07	1.00	
Portfolio Protection	-0.28	0.04	-0.19	-0.11	-0.42	1.00

Source: Refinitiv Datastream, Janus Henderson Investors analysis, data as at 31 March 2023.

Note: Strategy: Janus Henderson Multi Strategy representative account, gross of fees, in USD.

Information relating to portfolio holdings is based on the representative account in the composite and may vary for other accounts in the strategy due to asset size, client guidelines and other factors. The representative account is believed to most closely reflect the current portfolio management style. The Fund and investment team were restructured between 2008 and 2012, when Steve Cain joined as co-portfolio manager, and has been broadly managed in its current form since.

Past performance does not predict future returns.

First quarter 2023 strategy commentary

Convertible arbitrage

Our convertible bond strategy benefitted from the primary market activity that started again after a record low issuance year in 2022. The standout performer from the primary side was the $600m issue of Wynn Macau bonds. The bonds were received well after issue in March and continued to richen over the month. Our mandatory bonds also contributed positively to returns, with both Siemens Energy in Europe and Clarivate in the US adding value over the quarter. Despite the stock rising over the quarter, we saw good returns from our synthetic put position in MicroStrategy, as borrow came off its highs and the bond valuation improved.

Event driven

The largest contributor in Event Driven was in capital structure positions as the share class spreads between both Roche Bearer / Roche Genusshein and between Heineken ordinary / Heineken Holding narrowed sharply during the period. The catalyst for both moves were placings, the former by a family member in the expensive Bearer shares and the latter by Mexican brewer Femsa in both lines of stock. M&A contributions were broadly flat as existing positions generally narrowed to their offers. In the US, United Healthcare closed its $5.4bn acquisition of home-health company LHC Group after the Federal Trade Commission (FTC) declined to challenge the deal. The Umpqua Holdings merger with Columbia Banking Systems also closed after receiving the required regulatory approvals. The position in digital media company Tegna, however, was negative as the Federal Communications Committee (FCC) put off consideration of Standard General's (SG) acquisition of the broadcaster, effectively blocking the deal, citing competition concerns. SG intends to continue its pursuit of Tegna and challenge the FCC's decision.

Price pressure

The quarter brought some stability to the Fixed Income strategy, with positive returns from auctions in the US and UK, although given the small position size these were only marginally positive at the total fund level. This offset some weakness in Germany and Italy, although French and Australian auctions were also positive. We are seeing the headwinds that negatively impacted the sub-strategy in 2022 subside and as such are adding exposure back to the strategy. Within Equity Price Pressure, activity picked up during the period and the strategy participated in 65 trades during the quarter, almost double the same period in 2022. Although IPOs are still in hibernation. Within secondaries, renewable energy generator EDP Renovaveis SA issued €1bn in new equity to fund the tender offer for its Brazilian subsidiary, while Siemens Energy launched a €1.2bn capital raise to help fund their acquisition of Siemens Gamesa. Within block trades, a placing in Charles Schwab detracted the most value as the stock suffered following the collapse of Silicon Valley Bank. This offset a positive contribution from the largely expected sell down of the Thompson Reuters stake in London Stock Exchange.

Risk transfer

Risk transfer ended the quarter slightly negative. Our short dividend volatility positions lost ground in March as the government-backed merger between Credit Suisse and UBS, to stave off a potential bankruptcy of the former, sent shockwaves through European risk assets. We took this opportunity to add to our positioning here. We also saw a small negative from our 'vanilla' long dividend positions, but this was offset by positive moves in our correlation exposures. The best performer was our short equity repo position, where we benefitted from a widening in rates and a reversion in the spread between repo and IG credit, the other leg of this pair trade.

Equity market neutral

Within Equity Market Neutral we spent the early part of the quarter reducing positions in strongly performing cyclicals, financials, property and leisure stocks in the UK, which had recovered post the disastrous "KamiKwasi" budget. This proved well timed and enabled the strategy to weather the mini banking crisis in March. We felt the latest financial crisis would be reasonably well contained by the (now experienced in this scenario) governments and central banks, and with China opening up, we added to some financials and cyclically related exposure. However, weak oil and gas prices weighed on energy positions. Additionally, a risk-controlled basket of short positions in unprofitable US technology stocks was also negative, as share prices reacted to expectations that interest rates might be plateauing as inflation prints moderated.

FICC RV (Fixed Income, Currency and Commodity Relative Value)

We launched the new FICC RV strategy at the start of January, with a view there would be increasing opportunities within this space given the increase in interest rates and inflationary backdrop. This proved timely as a curve steepener trade to benefit from a narrowing in the 40-year record yield differential between the 2- and 10-year US treasuries added the most value during the quarter. The yield difference collapsed after Silicon Valley Bank filed for bankruptcy and investors sharply reduced their forecast for US interest rate rises. We also moved the Commodity Alpha strategy to FICC RV at the start of the quarter; however, performance was negative due to positioning across energies and soft commodities.

Protection

Protection was a detractor from performance during the quarter, with Trend Following accounting for a majority of this early in the quarter. Short fixed income and interest rates and long commodity exposure in January weighed most on returns as treasuries rallied and commodities declined. Given our short look-back, positioning changed quickly to broadly flatten the fixed income exposure and move short commodities. Hence, our Trend following strategy held up relatively well when Silicon Valley Bank collapsed in March, an event which hit many trend strategies hard – for example, the SG Trend index lost 9.7% between 8-13 March. Credit tightening early in the period also weighed on Macro Convexity's short exposure, although this recovered somewhat in March, and we took the opportunity to close the position. Systematic Long Volatility was broadly flat during the period.

Fund outlook

The first quarter has shown that the transition from a low interest rate environment to a higher interest rate environment is unlikely to be a smooth one. While we do not see the issues that affected certain financial institutions over the quarter as systemic, it shows that business models will need to adjust to higher rates: if 2022 was the year of rising interest rates, 2023 and 2024 will be the years of living with them. The increased market volatility is providing opportunities within Equity Market Neutral and FICC RV, and encouragingly activity is picking up in Equity Price Pressure, convertible new issuance, and strategic deals within M&A. Additionally, the headwinds impacting Fixed Income Price Pressure in 2022 appear to be subsiding and we are starting to increase exposure here. This uncertain environment does present challenges for risk management, but it is also providing opportunities that the diverse nature of Multi Strategy is ideally suited to take advantage of.

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

Janus Henderson INVESTORS

Important information

Janus Henderson Multi-Strategy Fund (as at 31/03/23)

Risks. Investments in hedge funds are speculative and involve a high degree of risk. Investors could lose their entire investment. Investing in alternative investments is only appropriate for investors who are willing to bear the high economic risks of such investment, which can include: (i) a lack of liquidity in that there may be no secondary market for the Fund and none expected to develop; (ii) restrictions on transferring interests in the Fund; (iii) a potential lack of diversification and resulting higher risk due to concentration of trading authority with a single advisor; (iv) an absence of information regarding valuation and pricing; (v) delays in tax reporting; and (vi) less regulation than that governing other investment vehicles. In seeking to achieve a Fund's objectives, the Investment Manager may use complex instruments and strategies such as: (i) leverage; (ii) short-selling; (iii) hedging; (iv) short-term trading; (v) investing in derivatives, such as options and futures contracts; (vi) investing in smaller companies, speculative instruments and privately issued securities; and (vii) investing with an emphasis on a particular sector or geographical area. A Fund investing in overseas securities is exposed to and may hold currencies other than the base currency of the Fund. As a result, exchange rate movements may cause the value of investments to increase or decrease. The strategies employed may result in the net asset value of a Fund exhibiting a higher level of risk and volatility and higher expenses than other investments. Further information, including a discussion of the risks of an investment in a particular Fund, is set out in the relevant fund's offering memorandum (the "OM"). An investment in any fund should only be made after review of, and on the basis of the terms set out in, the OM, and following consultation with your independent financial adviser. The information in this document is qualified in its entirety by the information in the OM, which may be different from the information set out here.

Disclosures. Audited financial statements and a semi annual report with unaudited financial information will be sent to shareholders within four months (unaudited reports) and six months (audited reports) of the period to which they relate. Class accounts for the Janus Henderson Funds will be prepared in the currency of each class in accordance with International Financial Reporting Standards. Class accounts for the other Funds will be prepared in the currency of each class in accordance with Generally Accepted Accounting Standards. A copy of the most recent financial statements will, when available, be sent to shareholders and prospective shareholders on request. The Funds and the Investment Manager may have entered into side letters with investors, which contain material terms, granting preferential portfolio transparency rights to such investors. Jurisdictional Information for recipients of this document: In Switzerland: The representative in Switzerland is ARM Swiss Representatives SA, Route de Cité-Ouest 2, 1196 Gland, Switzerland. The paying agent in Switzerland is Banque Cantonalede Genève, 17, quaide I'Ile, 1204 Geneva,Switzerland. The Prospectus, the Articles of Association, the Financial Statements, the Presentations and Newsletters can be obtained free of charge from the representative in Switzerland. The place of performance and jurisdiction is the registered office of the representative in Switzerland with regards to the Shares distributed in and from Switzerland. The distribution Units in Switzerland will be exclusively made to, and directed at qualified investors The Fund has not been and will not be registered with the Swiss Financial Market Supervisory Authority (FINMA). This document and/or any other offering materials relating to the Units may be made available in Switzerland solely to Qualified Investors.

In the United Kingdom: This document may be issued in the United Kingdom by Janus Henderson Investors US LLC to, and/or is directed at, only persons to or at whom it may lawfully be issued or directed under the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 including persons who are authorized under the Financial Services and Markets Act 2000 ("FSMA"), certain persons having professional experience in matters relating to investments, high net worth companies, high net worth unincorporated associations or partnerships, or trustees of high value trusts or persons who qualify as certified sophisticated investors. This document must not be relied or acted upon by any other persons in the United Kingdom.

Alternative Investment Fund Managers Directive: This fund has not been notified for marketing to any EU regulator under Article 42 of the Alternative Investment Fund Managers Directive (Directive (2011/61/EU)) (the "AIFMD"). This document should not be considered a marketing communication In relation to other Member States where the Fund has not been notified, this document may only be distributed and shares may only be offered or placed in a Member State: (i) at the investor's own initiative; or (ii) to the extent that this document may otherwise be lawfully distributed and the shares may lawfully be offered or placed in that Member State.

All other jurisdictions: Availability of shares in the Funds may be limited by applicable law in certain jurisdictions and this document and any related material may not be distributed or published in any jurisdiction, except under circumstances that will result in compliance with applicable laws and regulations. Further limitations on the availability of shares in the Funds may be imposed. Please refer to each Fund's OM in this regard. This document is not intended to constitute legal, tax or accounting advice or investment recommendations. Investors and prospective investors should consult their own advisors regarding such matters. We may record telephone calls for our mutual protection, to improve customer service and for regulatory record keeping purposes.

Important information. The management company of the Fund is Janus Henderson Investors US LLC. JHIUSL is an US based Investment Adviser registered with the Securities Exchange Commission and with registered address at 151 Detroit Street, Denver, CO 80206, United States. Under the scope of the AIFMD, JHIUSL acts as the non-EU AIFM of the Fund. Issued by Janus Henderson investors. Janus Henderson Investors is the name under which investment products and services are provided by Henderson Global Investors Limited (reg. no. 906355), firm incorporated and registered in England and Wales with registered office at 201 Bishopsgate, London, United Kingdom.

Janus Henderson Investors Europe S.A. is authorised to conduct its business in France through its French branch in accordance with the provisions of the European passporting system for investment service providers pursuant to Directive 2004/39 of 21 April 2004 on markets in financial instruments. The French branch of Janus Henderson Investors Europe S.A. is registered in France as a société anonyme of an EC Member State or a State party to the Agreement on the European Economic Area, registered with the Paris Trade and Companies Register (RCS) under number 848 778 544, and its registered office is located at 32, rue des Mathurins, 75008 Paris, France.

GC-0323-122709 30-08-23 200-99-121972 05-23