



INTERIM REPORT & ACCOUNTS

For the six months ended
31 December 2019

Janus Henderson
— INVESTORS —

Janus Henderson UK & Europe Funds

Who are Janus Henderson Investors?

Janus Henderson Investors exists to help clients achieve their long-term financial goals.

Our active management offers clients the opportunity to outperform passive portfolios over the course of market cycles. With more than 350 investment professionals, we provide access to some of the industry's most talented and innovative thinkers, spanning equities, fixed income, multi-asset, and alternatives, globally. Our investment teams blend insight, originality, and precision with rigorous analysis, structured processes, and robust risk management. We build client partnerships on openness and trust, channelling expertise from across the business and communicating the views of our experts in a timely and relevant way. As at 31 December 2019, we had £282.9bn assets under management, more than 2,000 employees and 28 offices worldwide. Headquartered in London, we are an independent asset manager that is dual-listed on the New York Stock Exchange and the Australian Securities Exchange.

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Authorised Corporate Director's (ACD) report for the six months ended 31 December 2019

We are pleased to present the Interim Report and Accounts for Janus Henderson UK & Europe Funds (the 'Company') for the period ended 31 December 2019.

Authorised status

The Company is an open ended investment company (OEIC) with variable capital incorporated in England and Wales under registered number IC70 and authorised by the Financial Conduct Authority (FCA) with effect from 21 June 2000. It is a UCITS scheme structured as an umbrella company, comprising of twelve sub-funds ('funds'), complying with chapter 5 of the Collective Investment Schemes Sourcebook (COLL). The operation of the Company is governed by the OEIC regulations, COLL, its Instrument of Incorporation and Prospectus.

The Company has an unlimited duration.

Fund liabilities

The assets of each fund will be treated as separate from those of every other fund and will be invested in accordance with the investment objective and investment policy applicable to the fund. Shareholders are not liable for the debts of the Company.

Statement of Authorised Corporate Director's (ACD) responsibilities

The FCA's COLL requires the Authorised Corporate Director (ACD) to prepare financial statements for each annual accounting year and interim accounting period, which give a true and fair view, in accordance with the Statement of Recommended Practice (SORP) for Authorised Funds issued by the Investment Management Association (IMA) in May 2014, United Kingdom Generally Accepted Accounting Practice (UK GAAP) (United Kingdom Accounting Standards, comprising FRS 102 the Financial Reporting Standard applicable in the UK and Republic of Ireland), of the financial affairs of the Company and their revenue/expenditure for the period. The ACD is responsible for the management of the Company in accordance with its Instrument of Incorporation, Prospectus and the OEIC Regulations. The ACD is also responsible for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Brexit update

Janus Henderson Investors established a Brexit project following the 2016 referendum to look at all possible Brexit impacts including distribution, regulatory permissions and licences, Human Resources, Information Technology and Operations. Through this project, Janus Henderson Investors sought to minimise the potential impact on investors regardless of the end outcome of Brexit.

The project is actively involved in discussions with regulators, industry groups and clients to remain abreast of developments that may impact on our preparations.

The project team is supported by a number of law firms both in the UK and across multiple European countries.

We have a long history in both the UK and continental Europe, and the planned build out of our existing office in Luxembourg was completed in 2019. We are well placed to continue to support our clients globally after Brexit.

Value Assessment

The FCA, the UK financial regulator, recently introduced requirements for Authorised Corporate Directors to conduct a Value Assessment for each fund they manage. Janus Henderson Investors is carrying out its first assessment for all funds as at 31 December 2019 and a summary of the findings will be made available on our website www.janushenderson.com no later than 30 April 2020.

Other information

With effect from 25 October 2019 the Instrument of Incorporation and the Prospectus for the following funds were amended to allow the investment manager more flexibility in the way it manages the following funds:

Janus Henderson Absolute Return Fixed Income Fund;
Janus Henderson Preference & Bond Fund; and
Janus Henderson Strategic Bond Fund.

The amendments allow the investment manager to invest over 35% of the scheme property of each fund in government and public securities ('GAPS') issued by certain governments.

This amendment is not expected to have any impact on the risk profile of the funds or increase the costs payable by investors. The updated investment objectives can be found under the relevant sub-funds within the accounts.

Authorised Corporate Director's (ACD) report (continued)

Service providers

	Name	Address	Regulator
Authorised Corporate Director (ACD)	Henderson Investment Funds Limited Member of the Investment Association The ultimate holding company is Janus Henderson Group plc	Registered Office: 201 Bishopsgate London EC2M 3AE Registered in England No 2678531 Dealing - 0845 608 8703 Enquiries - 0800 832 832	Authorised and regulated by the Financial Conduct Authority
Directors of the ACD	A Crooke G Foggin G Fogo S Hillenbrand H J de Sausmarez P Shea* F Smith* R Thompson *Independent		
Investment Manager	Henderson Global Investors Limited The ultimate holding company is Janus Henderson Group plc	201 Bishopsgate London EC2M 3AE	Authorised and regulated by the Financial Conduct Authority
Shareholder Administrator	DST Financial Services International Limited and DST Financial Services Europe Limited	DST House St Nicholas Lane Basildon Essex SS15 5FS	Authorised and regulated by the Financial Conduct Authority
Depository	NatWest Trustee and Depository Services Limited The ultimate holding company is Royal Bank of Scotland Group plc	250 Bishopsgate London EC2M 4AA	Authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and by the Prudential Regulation Authority
Independent Auditors	PricewaterhouseCoopers LLP	141 Bothwell Street Glasgow G2 7EQ	Institute of Chartered Accountants in England and Wales
Legal Adviser	Eversheds Sutherland (International) LLP	One Wood Street London EC2V 7WS	The Law Society

Director's statement

This report has been prepared in accordance with the requirements of the Collective Investment Schemes Sourcebook as issued and amended by the Financial Conduct Authority. I hereby certify the investment review and financial statements on behalf of the Directors of Henderson Investment Funds Limited.



G Foggin
(Director)

26 February 2020

Global equities rose during the period, with the MSCI World Index 5.1% higher in sterling terms and 9.4% in US dollars. Markets followed the twists and turns of the US/China trade war, with a thaw in relations from October kickstarting an end-of-year rally. Accommodative monetary policy from major central banks, because of economic growth concerns, lent support. A decisive UK election result eased Brexit concerns, adding to the optimism in the final weeks of 2019.

In the UK, the FTSE All Share Index increased 5.5%. Stocks rallied after the Conservative Party won a large parliamentary majority in the 12 December general election, putting the UK on course to make an orderly exit from the European Union (EU). Brexit dominated the headlines. Stocks fell in early August after Boris Johnson's appointment as prime minister raised the risk of a 'no-deal' Brexit. Mr Johnson renegotiated the EU withdrawal deal but called the election after opposition parties indicated that they would try to amend the agreement. UK economic growth remained weak – third-quarter gross domestic product (GDP) expanded by 0.4%, which followed a 0.2% contraction in the second quarter.

European equities rose, with the MSCI Europe ex UK Index up 2.7% in sterling and 8.0% in euros. The diminished Brexit worries and improvement in US/China relations lifted confidence later in the period. The European Central Bank lowered the deposit interest rate to -0.5% from -0.4% in September and restarted quantitative easing in November – in response to economic growth concerns – supporting equities. Eurozone quarterly GDP growth was weak, at just 0.2% in the third quarter, unchanged from the second quarter. Consumer prices rose by 1% year on year in November – an improvement on October and September – raising hopes that the eurozone economy could be picking up. Business confidence in Germany appeared to be returning – the Ifo Institute's Business Climate Index rose to its highest level for six months.

In the US, the S&P 500 Index increased 6.6% in sterling and 10.9% in US dollars. The major US indices repeatedly hit records from October, buoyed by expectations that a trade deal with China was close. These expectations were finally met in December when US President Trump announced a 'phase one' trade deal with China, further boosting stocks. Three interest rate cuts from the US Federal Reserve – an about-turn from its previous policy – supported equities. President Trump's impeachment by the House of Representatives on 18 December, for alleged abuse of power, had little impact because it is assumed he is unlikely to be removed from office. The US economy was relatively resilient – third-quarter GDP grew by an annualised 2.1%, up from 2.0% in the second quarter, but down from 3.1% in the first quarter.

In Japan, the TOPIX Index rose 6.9% in sterling and 12.3% in yen. Concerns about economic growth, trade and the yen's strength held back stocks early in the period. Government plans for a US\$121bn fiscal stimulus and a weakening of the yen against the US dollar boosted sentiment later on. The Bank of Japan (BoJ) indicated in October that it could lower already negative interest rates further to prop up the economy. Annualised GDP growth of 1.8% in the third quarter was down from 2.0% in the second quarter and 2.6% in the first quarter. Consumer prices rose by 0.5% year on year in November although inflation remained stubbornly below the BoJ's 2% target.

Asian stocks strengthened, with the MSCI AC Asia Pacific ex Japan Index up 2.2% in sterling and 6.3% in US dollars. Markets followed the ebb and flow of the US/China trade war. Stocks fell in early August after President Trump threatened tariffs against China, while growing expectations of a trade deal boosted shares from October. Uncertainty about the deal – and Washington's support for anti-government protestors in Hong Kong, which angered Beijing – unsettled markets in November. Confirmation of the 'phase one' trade agreement in December spurred an end-of-year rally. The tensions hurt China's economy – third-quarter GDP growth of 6% year on year was the weakest in almost 30 years. In Hong Kong, the escalating violence weighed on sentiment. Central banks in the Philippines, Thailand, Indonesia, New Zealand, Australia and South Korea cut interest rates, supporting stocks.

Emerging markets rose, with the MSCI Emerging Markets Index higher by 3.1% in sterling and 7.3% in US dollars. Countries faced a range of economic problems, prompting central bank action. In India (MSCI India -0.1% in US dollars), the central bank cut rates five times in 2019 – the last reduction was in October – because of a slowdown in GDP that partly stemmed from a credit squeeze in the non-bank lending sector. Argentina was sharply lower (MSCI Argentina -38.6% in US dollars) after the populist Peronists won October's general election during an economic crisis. Taiwanese equities (MSCI Taiwan +24.9% in US dollars) benefited from the thaw in US/China relations.

In fixed income, the JPM Global Government Bond Index fell 3.3% in sterling but rose 0.6% in US dollars. Yields on core government markets – the US, UK, Germany and Japan – followed a downward trajectory early in the period (bond prices rose, reflecting their inverse relationship with yields). Dovish monetary policy from central banks underpinned markets, while trade concerns kept these perceived 'safe haven' assets in favour. Yields then rose gently until the end of 2019. Much like government bonds, the corporate bond market was strong in US dollars but weaker in sterling during the period. A record US\$434bn corporate bonds were sold globally in September 2019.

In commodity markets, crude oil prices were relatively rangebound for much of the period, although ICE Brent crude prices spiked at over US\$65 per barrel in mid-September after an attack on two oil processing facilities in Saudi Arabia. Prices passed US\$65 per barrel again in mid-December after major producers agreed further output cuts. Gold prices were relatively strong, peaking at over US\$1,550 an ounce in early September, as dovish central banks and the US/China trade dispute helped boost prices.

Aggregated notes to the financial statements for the six months ended 31 December 2019

Accounting policies

Basis of preparation

The interim financial statements have been prepared under the historical cost basis, as modified by the revaluation of investments, and in accordance with the Statement of Recommended Practice (SORP) for UK Authorised Funds issued by the Investment Management Association (IMA) in May 2014, the Financial Reporting Standard 102 (FRS 102), the Financial Conduct Authority's Collective Investment Schemes Sourcebook (COLL) and the Company's Instrument of Incorporation and Prospectus. The financial statements have been prepared on a going concern basis.

The accounting policies, distribution policy and potential risks are consistent with those of the financial statements for the year ended 30 June 2019 and are described in those annual accounts.

Cross-holdings

As at 31 December 2019 there were no sub-fund cross holdings within Janus Henderson UK & Europe Funds (30/06/2019: nil).

Janus Henderson Absolute Return Fixed Income Fund

Authorised Corporate Director's (ACD) report

Investment Fund Managers

Nick Maroutsos, Daniel Siluk, Jason England and Tim Winstone

Investment objective and policy

The fund aims to generate a positive return (more than zero), after the deduction of costs and charges, over a rolling 12 month period. An absolute return performance is not guaranteed over this specific, or any other, time period and consequently capital is in fact at risk.

In normal market conditions, the fund will invest, directly or via the use of eligible derivatives, at least 80% of its Net Asset Value in fixed income and variable rate securities (including Asset Backed and Mortgage Backed Securities), currencies, money market instruments, cash and near cash located anywhere in the world (including emerging markets) and across the credit spectrum. The fund will not invest more than 15% of its Net Asset Value in sub-investment grade fixed income securities and will not invest in fixed income securities that are rated lower than B- or B3, or if unrated, those deemed to be of a comparable quality by the Investment Manager. In certain market conditions, the fund may invest more than 35% of its Net Asset Value in government issued fixed income securities issued by any one body. The fund may also invest in other transferable securities and collective investment schemes. The fund is not constrained by any index or benchmark.

The fund may use derivatives to achieve its investment objective and for the purpose of efficient portfolio management (which aims to reduce risk, reduce cost or generate additional capital or income with a level of risk consistent with the fund's risk profile).

Eligible derivatives may include (but are not limited to) futures, options, swaps and forward currency exchange contracts. These may be exchange traded or over the counter (OTC) transactions.

Performance summary

Cumulative performance	Six months	First published data
	30 Jun 19 - 31 Dec 19	25 Feb 19* - 31 Dec 19
	%	%
Class I accumulation	0.5	1.7
ICE Bank of America ML 3 month Sterling Government Bill Index	0.4	0.7

Source: Morningstar, Class I accumulation, NAV to NAV, net of fees and net income reinvested as at 12 noon valuation point. Benchmark values are as at close of business.

Index: ICE Bank of America ML 3 month Sterling Government Bill Index

Index Usage: Comparator

Index description: The ICE Bank of America ML 3 month Sterling Government Bill Index is an unmanaged index that is comprised of a single UK Gilt issue with approximately three months to final maturity. It provides a useful comparison against which the fund's performance can be assessed over time.

Class I accumulation is disclosed as it is the primary share class.

* Inception date.

Please remember that past performance is not a guide to future performance. The value of an investment and the revenue from it can fall as well as rise as a result of market and currency fluctuations and you may not get back the amount originally invested.

Authorised Corporate Director's (ACD) report (continued)

Significant portfolio changes for the six months ended 31 December 2019

Largest purchases	£000	Largest sales/maturities	£000
Sumitomo Mitsui Financial FRN 16/10/2024	717	Pentair Finance 0.00% 18/12/2019	533
Westpac Banking FRN 16/11/2023	670	Syngenta Wilmington 0.00% 25/10/2019	389
Commonwealth Bank of Australia FRN 11/01/2020	569	Apache 0.00% 30/10/2019	388
Pentair Finance 0.00% 18/12/2019	523	Pentair Finance 0.00% 26/11/2019	387
National Australia Bank FRN 12/04/2023	522	Apache 0.00% 23/10/2019	387
Morgan Stanley FRN 10/06/2020	500	Jabil 0.00% 11/12/2019	380
Australia and New Zealand Banking FRN 06/12/2023	480	Sumitomo Mitsui Financial FRN 16/10/2024	356
Citigroup FRN 08/12/2021	470	Pentair Finance 0.00% 05/11/2019	348
Sydney Airport Finance 3.625% 28/04/2026	459	Pentair Finance 0.00% 14/11/2019	312
Macquarie FRN 12/06/2020	446	Pentair Finance 0.00% 12/11/2019	311
Total purchases	30,272	Total sales/maturities	8,788

Authorised Corporate Director's (ACD) report (continued)

Investment review

The fund returned 0.5% based on Class I accumulation over the period under review, compared with a return of 0.4% in the ICE Bank of America ML 3 month Sterling Government Bill Index.

Yields for 'safe-haven' government bond continued to fall during the initial part of the period (prices rose, reflecting their inverse relationship to yields), although they hit a trough at the end of August before rising up to the end of the period. Economic data showed signs of a turnaround and market sentiment improved as US and China agreed terms for a 'phase one' trade deal and the Conservative Party won a parliamentary majority in the UK's general election.

Major central banks continued to take an accommodative approach to monetary policy. The US Federal Reserve cut interest rates three times over the period, with the reductions aimed at providing some 'insurance' against too-low inflation and the risk of a deeper slump. It hinted later that it would not raise rates until there was a noticeable acceleration in inflation. The European Central Bank pushed rates deeper into negative territory and restarted its asset purchase programme. The Bank of England kept rates on hold.

Credit markets continued to perform well up to the end of the period, due to a continued search for yield among investors and improved market sentiment. High-yield corporates outperformed investment grade, and the more favourable outlook sent the US dollar lower versus most major currencies towards the end of the period.

The portfolio is invested in a core of shorter maturity global investment-grade bonds alongside a smaller number of derivatives-based strategies seeking to add incremental return and mitigate risk.

Contributing most to performance was the fund's core holdings of cash-based, shorter-duration corporate credit, with a focus on issuers in the US, Asia ex-Japan and Australia. These securities benefited from both carry – or the income generated by owning these securities – and, to a lesser extent, capital gains from the tightening in credit spreads over the period as risk premiums declined. Interest rate cuts in both the US and Australia were beneficial for performance early in the period as the duration exposure of the portfolio had been concentrated in these areas. However, yields rose in the final few months of the period, particularly at longer maturities.

At a portfolio level, we maintained a longer duration position than average. Against this, we also held positions to provide some protection should our lower rates view prove incorrect, although these detracted as the higher move in rates was limited. In October, we also initiated a partial credit hedge through index credit derivatives, but credit markets rallied strongly up to year end.

A relative value position aiming to capitalise on the difference in Australian and New Zealand interest rates added value, as did a currency position expecting a weaker euro.

We expect to maintain a higher level of portfolio risk despite recent market volatility, believing that rates will remain low and corporate profitability solid. We expect to maintain duration in the 1-1.5-year range. This is a longer duration position than we have historically taken, but it is informed by our views of scant inflation prospects, continuing global tensions and global central banks remaining in easing mode.

We expect the fixed-income environment in 2020 to be similar to what we experienced in 2019 in that the predominant trend will be one of growing policy accommodation by central banks. While inroads have been made in breaking the US/China trade impasse, a tenable resolution that could reignite the languishing manufacturing sector and soft trade flows is far from certain. Much of the optimism priced into riskier asset classes as we closed out 2019 reflected a 'better case' trade scenario. The high valuations of both corporate credits and equities could quickly reverse should the US and China retreat to a more protectionist stance. Investors should expect higher levels of bond market volatility. One place where this volatility may manifest itself is the longer end of the US Treasury yield curve. Other markets appear better positioned, as their monetary authorities are firmly in the easing camp and their corporate sector may not be as richly priced as comparable US issuers.

The fund utilises derivatives. During the period, derivative positions included using forward foreign exchange contracts for hedging the currency risk of Australian dollar and US dollar-denominated securities back to sterling, bond futures and options on US Treasury futures for managing interest rate exposure, and index credit default swaps to manage credit risk exposure.

Comparative tables for the six months ended 31 December 2019

	Class G accumulation	
	Six months to 31/12/19 (pence per share)	27/06/19 - 30/06/19 (pence per share)
Change in net assets per share		
Opening net asset value per share	99.96	100.00 ¹
Return before operating charges*	0.57	(0.04)
Operating charges	(0.23)	-
Return after operating charges*	0.34	(0.04)
Distributions on accumulation shares	(0.80)	(0.04)
Retained distributions on accumulation shares	0.80	0.04
Closing net asset value per share	100.30	99.96
* after direct transaction costs of:	-	-
Performance		
Return after charges	0.34%	(0.04%)
Other information		
Closing net asset value (£000s)	1	1
Closing number of shares	500	500
Operating charges (annualised)	0.46%	0.43%
Direct transaction costs	0.00%	0.00%
Prices		
Highest share price (pence)	100.61	100.03
Lowest share price (pence)	100.03	100.00

¹ Class G accumulation launched on 27 June 2019 and this is the first published price.

	Class G income	
	Six months to 31/12/19 (pence per share)	27/06/19 - 30/06/19 (pence per share)
Change in net assets per share		
Opening net asset value per share	99.92	100.00 ²
Return before operating charges*	0.56	(0.04)
Operating charges	(0.23)	-
Return after operating charges*	0.33	(0.04)
Distributions on income shares	(0.78)	(0.04)
Closing net asset value per share	99.47	99.92
* after direct transaction costs of:	-	-
Performance		
Return after charges	0.33%	(0.04%)
Other information		
Closing net asset value (£000s)	1	1
Closing number of shares	500	500
Operating charges (annualised)	0.46%	0.43%
Direct transaction costs	0.00%	0.00%
Prices		
Highest share price (pence)	100.58	100.03
Lowest share price (pence)	99.88	100.00

² Class G income launched on 27 June 2019 and this is the first published price.

Comparative tables (continued)

	Class I accumulation	
	Six months to 31/12/19 (pence per share)	25/02/19 - 30/06/19 (pence per share)
Change in net assets per share		
Opening net asset value per share	101.15	100.00 ³
Return before operating charges*	0.75	1.34
Operating charges	(0.28)	(0.19)
Return after operating charges*	0.47	1.15
Distributions on accumulation shares	(0.93)	(0.77)
Retained distributions on accumulation shares	0.93	0.77
Closing net asset value per share	101.62	101.15
* after direct transaction costs of:	-	-
Performance		
Return after charges	0.46%	1.15%
Other information		
Closing net asset value (£000s)	2,595	2,529
Closing number of shares	2,554,323	2,500,499
Operating charges (annualised)	0.56%	0.56%
Direct transaction costs	0.00%	0.00%
Prices		
Highest share price (pence)	101.87	101.25
Lowest share price (pence)	101.23	99.96

³ The fund launched on 25 February 2019 and this is the first published price.

	Class I income	
	Six months to 31/12/19 (pence per share)	25/02/19 - 30/06/19 (pence per share)
Change in net assets per share		
Opening net asset value per share	100.38	100.00 ⁴
Return before operating charges*	0.76	1.34
Operating charges	(0.28)	(0.19)
Return after operating charges*	0.48	1.15
Distributions on income shares	(0.92)	(0.77)
Closing net asset value per share	99.94	100.38
* after direct transaction costs of:	-	-
Performance		
Return after charges	0.48%	1.15%
Other information		
Closing net asset value (£000s)	2,539	2,510
Closing number of shares	2,541,142	2,500,499
Operating charges (annualised)	0.56%	0.56%
Direct transaction costs	0.00%	0.00%
Prices		
Highest share price (pence)	101.10	101.11
Lowest share price (pence)	100.36	99.96

⁴ The fund launched on 25 February 2019 and this is the first published price.

Comparative tables (continued)

	Class S accumulation
	09/12/19 -
	31/12/19
	(pence
	per share)
Change in net assets per share	
Opening net asset value per share	100.00 ⁵
Return before operating charges*	(0.11)
Operating charges	(0.02)
Return after operating charges*	(0.13)
Distributions on accumulation shares	(0.22)
Retained distributions on accumulation shares	0.22
Closing net asset value per share	99.87
* after direct transaction costs of:	-
Performance	
Return after charges	(0.13%)
Other information	
Closing net asset value (£000s)	1
Closing number of shares	500
Operating charges (annualised)	0.31%
Direct transaction costs	0.00%
Prices	
Highest share price (pence)	100.06
Lowest share price (pence)	99.95

⁵ Class S accumulation launched on 9 December 2019 and this is the first published price.

	Class Z accumulation	
	Six months to	25/02/19 -
	31/12/19	30/06/19
	(pence	(pence
	per share)	per share)
Change in net assets per share		
Opening net asset value per share	101.32	100.00 ⁶
Return before operating charges*	0.76	1.34
Operating charges	(0.03)	(0.02)
Return after operating charges*	0.73	1.32
Distributions on accumulation shares	(1.19)	(0.94)
Retained distributions on accumulation shares	1.19	0.94
Closing net asset value per share	102.05	101.32
* after direct transaction costs of:	-	-
Performance		
Return after charges	0.72%	1.32%
Other information		
Closing net asset value (£000s)	24,609	2,533
Closing number of shares	24,113,975	2,500,499
Operating charges (annualised)	0.06%	0.06%
Direct transaction costs	0.00%	0.00%
Prices		
Highest share price (pence)	102.24	101.41
Lowest share price (pence)	101.41	99.97

⁶ The fund launched on 25 February 2019 and this is the first published price.

Comparative tables (continued)

	Class Z income	
	Six months to 31/12/19	25/02/19 - 30/06/19
	(pence per share)	(pence per share)
Change in net assets per share		
Opening net asset value per share	100.38	100.00 ⁷
Return before operating charges*	0.76	1.34
Operating charges	(0.03)	(0.02)
Return after operating charges*	0.73	1.32
Distributions on income shares	(1.17)	(0.94)
Closing net asset value per share	99.94	100.38
* after direct transaction costs of:	-	-
Performance		
Return after charges	0.73%	1.32%
Other information		
Closing net asset value (£000s)	2,499	2,510
Closing number of shares	2,500,499	2,500,499
Operating charges (annualised)	0.06%	0.06%
Direct transaction costs	0.00%	0.00%
Prices		
Highest share price (pence)	101.20	101.23
Lowest share price (pence)	100.41	99.97

⁷ The fund launched on 25 February 2019 and this is the first published price.

Direct transaction costs incurred on securities transactions (including derivatives) are stated after deducting the proportion of the amounts collected from dilution adjustments that relate to direct transaction costs.

Performance values are at close of business on a bid basis, which will differ from those in the Performance summary.

Operating charges

Operating charges are expenses associated with the maintenance and administration of the fund on a day-to-day basis that are actually borne by the share class.

Share class launches and closures

The following share class launched in the period:

Share class	Launch date
Class S accumulation	9 December 2019

There were no share classes closed in the period.

Ongoing charge figure

The annualised ongoing charge figure (OCF) of the fund is calculated as the ratio of the total ongoing charges to the average net asset value for twelve months. Ongoing charges are all expenses deducted from the assets of the fund during the period, except for expenses that are explicitly excluded by regulation.

	31/12/19 %	30/06/19 %	Estimated OCF from 9 December 2019 ¹ %
Class G²	0.46	0.43	n/a
Class I³	0.56	0.56	n/a
Class S⁴	0.31	n/a	0.31
Class Z⁵	0.06	0.06	n/a

The OCF is calculated in accordance with guidelines issued by the European Securities and Markets Authority (ESMA).

¹ The estimated ongoing charge is based on the annual fee rates on launch date as at 9 December 2019.

² Class G accumulation and Class G income launched on 27 June 2019.

³ Class I accumulation and Class I income launched on 25 February 2019.

⁴ Class S accumulation launched on 9 December 2019.

⁵ Class Z accumulation and Class Z income launched on 25 February 2019.

Risk and reward profile

The fund currently has 7 types of share class in issue; G accumulation, G income, I accumulation, I income, S accumulation, Z accumulation and Z income.

Each type of share class has the same risk and reward profile which is as follows:

Typically lower potential risk/reward							Typically higher potential risk/reward
Lower risk							Higher risk
1	2	3	4	5	6	7	

The share classes appear at 2 out of 7. Share classes in higher categories have shown greater and/or more frequent variations in share price in the past 5 years than those in lower categories. The lowest category does not mean risk free.

The Synthetic Risk and Reward Indicator (SRRI) is calculated based on historical volatility over a rolling 5* year period, it is reviewed monthly and updated if volatility has changed materially to cause a movement in the SRRI level. The SRRI is an indicator and may not accurately reflect future volatility and market conditions.

The value of an investment and any income from it can go up or down. When you sell your shares they may be worth less than you paid for them.

The risk/reward rating above is based on medium-term volatility. In the future, the fund's actual volatility could be higher or lower and its rated risk/reward level could change.

The rating does not reflect the possible effects of unusual market conditions or large unpredictable events. Under normal market conditions the following risks may apply:

Currency Hedging When the fund, or a currency hedged share class of the fund (with 'Hedged' in its name), seeks to mitigate (hedge) exchange rate movements of a currency relative to the fund's base currency, the hedging strategy itself may create a positive or negative impact to the capital value of the fund or share class due to differences in short-term interest rates between the currencies.

Default Risk An issuer of a bond (or money market instrument) may become unable or unwilling to pay interest or repay capital to the fund. If this happens or the market perceives this may happen, the value of the bond will fall.

Derivatives and Leverage The fund may use derivatives towards the aim of achieving its investment objective. This can result in 'leverage', which can magnify an investment outcome and gains or losses to the fund may 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.

Exchange Rates If the fund holds assets in currencies other than the base currency of the fund or you invest in a share class of a different currency to the fund (unless 'hedged'), the value of your investment may be impacted by changes in exchange rates.

Interest Rates 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. This risk is generally greater the longer the maturity of a bond investment.

Liquidity Securities within the fund 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.

Prepayment and Extension Callable debt securities (securities whose issuers have the right to pay off the security's principal before the maturity date), such as ABS or MBS, can be impacted from prepayment or extension of maturity. The value of your investment may fall as a result.

The full list of the fund's risks are contained in the 'Risk Factors' section in the fund's prospectus.

There has been no change to the risk ratings in the period.

The SRRI conforms to the ESMA guidelines for the calculation of the SRRI.

* Class I accumulation, I income, Z accumulation and Z income launched on 25 February 2019, Class G accumulation and G income launched on 27 June 2019 and Class S accumulation launched on 9 December 2019. As these share classes do not have a 5 year history, a synthetic history has been created using the fund's relevant sector average.

Portfolio statement as at 31 December 2019

Holding	Investment	Market value £000	Percentage of total net assets %
	Bonds 91.85% (30/06/2019: 94.11%)		
	Australia 33.76% (30/06/2019: 27.93%)		
	Fixed Rate Bond 12.69% (30/06/2019: 9.65%)		
AUD 100,000	AGL Energy 5.00% 05/11/2021	55	0.17
AUD 120,000	Ausgrid Finance 3.75% 30/10/2024	68	0.21
USD 310,000	Ausgrid Finance 3.85% 01/05/2023	244	0.76
AUD 240,000	AusNet Services 2.60% 31/07/2029	127	0.39
AUD 500,000	AusNet Services 7.50% 01/04/2021	285	0.88
AUD 100,000	Australian Gas Networks (Vic 3) 4.50% 17/12/2021	56	0.17
AUD 100,000	Brisbane Airport 6.00% 21/10/2020	55	0.17
AUD 150,000	ConnectEast Finance 3.40% 25/03/2026	83	0.26
AUD 550,000	Liberty Financial 5.10% 01/06/2020	295	0.91
AUD 830,000	Network Finance 2.25% 11/11/2026	431	1.34
AUD 600,000	Optus Finance 3.25% 06/09/2023	333	1.03
AUD 140,000	Perth Airport 5.50% 25/03/2021	78	0.24
AUD 300,000	QPH Finance 5.75% 29/07/2020	163	0.51
AUD 80,000	SCA Property 3.75% 20/04/2021	43	0.13
AUD 200,000	Scentre Management 4.50% 08/09/2021	110	0.34
AUD 600,000	SGSP Australia Assets 3.75% 28/06/2023	339	1.05
USD 100,000	Suncorp-Metway 2.375% 09/11/2020	76	0.23
USD 500,000	Suncorp-Metway 3.30% 15/04/2024	388	1.20
USD 830,000	Sydney Airport Finance 3.625% 28/04/2026	656	2.05
USD 130,000	Telstra 4.80% 12/10/2021	103	0.32
AUD 200,000	United Energy Distribution 2.20% 29/10/2026	105	0.33
		4,093	12.69
	Floating Rate Note 20.45% (30/06/2019: 16.23%)		
AUD 440,000	AAI FRN 18/11/2040	238	0.74
AUD 650,000	Ausgrid Finance FRN 30/10/2024	347	1.08
AUD 850,000	Australia and New Zealand Banking FRN 06/12/2023	457	1.42
AUD 100,000	Australia and New Zealand Banking FRN 08/02/2022	53	0.17
AUD 600,000	Australia and New Zealand Banking FRN 26/07/2029	323	1.00
AUD 200,000	Bank of Queensland FRN 01/05/2020	107	0.33
AUD 450,000	Bank of Queensland FRN 30/10/2024	239	0.74
AUD 240,000	Bendigo and Adelaide Bank FRN 18/08/2020	128	0.40
AUD 80,000	Challenger Life Company FRN 24/11/2020	43	0.13
USD 300,000	Commonwealth Bank of Australia FRN 04/06/2024	229	0.71
AUD 1,000,000	Commonwealth Bank of Australia FRN 11/01/2020	538	1.67
AUD 100,000	ETSA Utilities Finance FRN 13/12/2023	53	0.16
AUD 160,000	Heritage Bank FRN 12/08/2022	85	0.26
AUD 500,000	La Trobe Financial Capital Markets Trusts FRN 11/02/2051 2019 2 A2L	265	0.82
AUD 600,000	La Trobe Financial Capital Markets Trusts FRN 22/09/2029 2019 2 A1L	318	0.99
AUD 100,000	Liberty Financial FRN 07/03/2022	54	0.17
AUD 167,564	Liberty Funding FRN 10/04/2049	89	0.28
AUD 500,000	Liberty Funding FRN 10/06/2051	266	0.83
AUD 800,000	Macquarie FRN 12/06/2020	425	1.32
AUD 200,000	Members Equity Bank FRN 18/07/2022	106	0.33
USD 300,000	National Australia Bank FRN 12/01/2021	227	0.70
USD 630,000	National Australia Bank FRN 12/04/2023	477	1.48
AUD 200,000	National Australia Bank FRN 17/05/2029	108	0.34
AUD 700,000	National Australia Bank FRN 18/11/2031	372	1.15

Portfolio statement (continued)

Holding	Investment	Market value £000	Percentage of total net assets %
	Floating Rate Note <small>(continued)</small>		
AUD 145,154	Pepper Residential Securities Trust FRN 12/08/2058	77	0.24
AUD 110,000	Vicinity Centres FRN 27/06/2025	58	0.18
AUD 1,200,000	Westpac Banking FRN 16/11/2023	641	1.98
AUD 500,000	Westpac Banking FRN 27/08/2029	268	0.83
		<u>6,591</u>	<u>20.45</u>
	Variable Rate Bond 0.62% (30/06/2019: 2.05%)		
USD 260,000	Macquarie 3.189% 28/11/2023	<u>201</u>	<u>0.62</u>
	Canada 4.26% (30/06/2019: 5.14%)		
	Fixed Rate Bond 1.15% (30/06/2019: 2.08%)		
USD 130,000	Bank of Montreal 2.90% 26/03/2022	100	0.31
USD 50,000	Bank of Nova Scotia 2.375% 18/01/2023	38	0.12
USD 170,000	Royal Bank of Canada 2.55% 16/07/2024	130	0.40
USD 130,000	Toronto-Dominion Bank 3.25% 11/03/2024	<u>103</u>	<u>0.32</u>
		<u>371</u>	<u>1.15</u>
	Floating Rate Note 3.11% (30/06/2019: 3.06%)		
USD 300,000	Bank of Montreal FRN 27/08/2021	229	0.71
USD 320,000	Bank of Nova Scotia FRN 25/01/2021	243	0.74
USD 130,000	Canadian Imperial Bank of Commerce FRN 16/06/2020	99	0.31
USD 240,000	Royal Bank of Canada FRN 01/02/2022	183	0.57
USD 200,000	Toronto-Dominion Bank FRN 17/03/2021	151	0.47
USD 130,000	Toronto-Dominion Bank FRN 19/07/2020	<u>99</u>	<u>0.31</u>
		<u>1,004</u>	<u>3.11</u>
	Cayman Islands 0.48% (30/06/2019: 1.60%)		
	Fixed Rate Bond 0.48% (30/06/2019: 1.60%)		
USD 200,000	CK Hutchison International (19) 3.25% 11/04/2024	<u>155</u>	<u>0.48</u>
	China 4.89% (30/06/2019: 5.52%)		
	Fixed Rate Bond 1.93% (30/06/2019: 0.00%)		
USD 400,000	CNOOC Finance (2013) 3.00% 09/05/2023	307	0.95
USD 400,000	Sinopec Group Overseas Development 2018 3.75% 12/09/2023	<u>316</u>	<u>0.98</u>
		<u>623</u>	<u>1.93</u>
	Floating Rate Note 2.96% (30/06/2019: 5.52%)		
AUD 500,000	Agricultural Bank of China FRN 26/09/2022	264	0.82
AUD 200,000	Bank of China FRN 02/03/2020	106	0.33
USD 200,000	Bank of China FRN 07/06/2023	151	0.47
USD 200,000	ICBCIL Finance FRN 15/05/2023	151	0.47
USD 200,000	Industrial & Commercial Bank of China FRN 21/02/2022	152	0.47
AUD 240,000	Industrial & Commercial Bank of China FRN 29/03/2022	<u>128</u>	<u>0.40</u>
		<u>952</u>	<u>2.96</u>

Portfolio statement (continued)

Holding	Investment	Market value £000	Percentage of total net assets %
	Germany 2.16% (30/06/2019: 3.29%)		
	Fixed Rate Bond 1.69% (30/06/2019: 1.73%)		
GBP 170,000	BMW International Investment 1.25% 11/07/2022	170	0.53
GBP 100,000	Daimler International Finance 2.00% 04/09/2023	102	0.31
GBP 200,000	Daimler International Finance 2.75% 04/12/2020	202	0.63
AUD 130,000	Volkswagen Financial Services 3.10% 17/04/2023	71	0.22
		<u>545</u>	<u>1.69</u>
	Floating Rate Note 0.47% (30/06/2019: 1.56%)		
USD 200,000	Volkswagen of America FRN 13/11/2020	152	0.47
	Hong Kong 0.49% (30/06/2019: 0.00%)		
	Fixed Rate Bond 0.49% (30/06/2019: 0.00%)		
USD 200,000	Hutchison Whampoa International (11) 4.625% 13/01/2022	158	0.49
	Japan 2.73% (30/06/2019: 2.07%)		
	Fixed Rate Bond 0.00% (30/06/2019: 0.81%)		
	Floating Rate Note 2.73% (30/06/2019: 1.26%)		
AUD 250,000	Mitsubishi UFJ Financial FRN 01/10/2024	133	0.41
USD 200,000	Mizuho Financial FRN 11/09/2022	152	0.47
USD 200,000	Mizuho Financial FRN 16/07/2023	152	0.47
USD 130,000	Mizuho Financial FRN 28/02/2022	99	0.31
AUD 650,000	Sumitomo Mitsui Financial FRN 16/10/2024	344	1.07
		<u>880</u>	<u>2.73</u>
	Netherlands 0.96% (30/06/2019: 0.00%)		
	Fixed Rate Bond 0.96% (30/06/2019: 0.00%)		
GBP 300,000	Cooperatieve Rabobank 2.25% 23/02/2022	309	0.96
	New Zealand 0.34% (30/06/2019: 0.00%)		
	Fixed Rate Bond 0.34% (30/06/2019: 0.00%)		
AUD 210,000	Spark Finance 2.60% 18/03/2030	110	0.34
	Singapore 1.29% (30/06/2019: 2.58%)		
	Fixed Rate Bond 0.50% (30/06/2019: 0.00%)		
USD 200,000	DBS Bank 4.52% 11/12/2028	161	0.50
	Floating Rate Note 0.79% (30/06/2019: 1.02%)		
USD 337,000	DBS FRN 25/07/2022	255	0.79
	Variable Rate Bond 0.00% (30/06/2019: 1.56%)		
	South Korea 4.36% (30/06/2019: 6.13%)		
	Fixed Rate Bond 1.28% (30/06/2019: 2.61%)		
USD 183,000	Hyundai Capital Services 3.00% 29/08/2022	140	0.43
USD 200,000	Korea East-West Power Company 3.875% 19/07/2023	158	0.49
USD 150,000	Korea Hydro & Nuclear Power 3.00% 19/09/2022	116	0.36
		<u>414</u>	<u>1.28</u>

Portfolio statement (continued)

Holding	Investment	Market value £000	Percentage of total net assets %
	Floating Rate Note 3.08% (30/06/2019: 3.52%)		
USD 200,000	Export-Import Bank of Korea FRN 01/06/2021	151	0.47
USD 205,000	Export-Import Bank of Korea FRN 01/06/2023	157	0.48
USD 200,000	Korea National Oil FRN 16/07/2020	152	0.47
USD 200,000	Korea National Oil FRN 27/03/2020	151	0.47
AUD 650,000	Korea Southern Power FRN 30/10/2024	345	1.07
AUD 70,000	Shinhan Bank FRN 17/03/2021	37	0.12
		<u>993</u>	<u>3.08</u>
	Supranational 0.33% (30/06/2019: 0.00%)		
	Fixed Rate Bond 0.33% (30/06/2019: 0.00%)		
INR 10,150,000	Inter-American Development Bank 5.50% 23/08/2021	106	0.33
	Sweden 0.00% (30/06/2019: 1.01%)		
	Fixed Rate Bond 0.00% (30/06/2019: 1.01%)		
	Switzerland 0.00% (30/06/2019: 0.33%)		
	Fixed Rate Bond 0.00% (30/06/2019: 0.33%)		
	United Kingdom 3.43% (30/06/2019: 5.55%)		
	Fixed Rate Bond 2.07% (30/06/2019: 2.63%)		
USD 420,000	Lloyds Bank 3.90% 12/03/2024	334	1.04
GBP 230,000	Logicor 2019-1 UK 1.875% 17/11/2026	230	0.71
GBP 100,000	Sky 2.875% 24/11/2020	102	0.32
		<u>666</u>	<u>2.07</u>
	Floating Rate Note 0.87% (30/06/2019: 1.33%)		
USD 200,000	Barclays FRN 15/02/2023	153	0.47
USD 170,000	HSBC FRN 18/05/2024	129	0.40
		<u>282</u>	<u>0.87</u>
	Variable Rate Bond 0.49% (30/06/2019: 1.59%)		
USD 200,000	Barclays 3.932% 07/05/2025	159	0.49
	United States 32.37% (30/06/2019: 32.96%)		
	Fixed Rate Bond 13.87% (30/06/2019: 20.86%)		
USD 130,000	Amazon.com 2.40% 22/02/2023	100	0.31
USD 365,000	American Express 3.40% 22/02/2024	288	0.89
USD 430,000	Apple 1.80% 11/09/2024	323	1.01
GBP 210,000	Bank of America 5.50% 22/11/2021	226	0.70
USD 100,000	Broadcom Cayman Finance 2.375% 15/01/2020	75	0.23
USD 300,000	Capital One 2.15% 06/09/2022	227	0.70
GBP 185,000	Citigroup 2.75% 24/01/2024	193	0.60
USD 276,000	Comcast 3.60% 01/03/2024	221	0.68
USD 380,000	Constellation Brands 2.65% 07/11/2022	291	0.91
USD 130,000	Constellation Brands 3.20% 15/02/2023	101	0.31
USD 130,000	CVS Health 2.125% 01/06/2021	98	0.30
USD 145,000	CVS Health 2.625% 15/08/2024	110	0.34
USD 130,000	Goldman Sachs 2.75% 15/09/2020	99	0.31

Portfolio statement (continued)

Holding	Investment	Market value £000	Percentage of total net assets %
Fixed Rate Bond (continued)			
USD 469,000	Hyundai Capital America 3.40% 20/06/2024	362	1.13
USD 130,000	JPMorgan Chase 3.20% 25/01/2023	101	0.31
USD 50,000	Mars 2.70% 01/04/2025	39	0.12
USD 75,000	Molson Coors Brewing 2.10% 15/07/2021	57	0.18
USD 130,000	Morgan Stanley 3.125% 23/01/2023	101	0.31
USD 130,000	Sherwin-Williams 2.25% 15/05/2020	98	0.30
USD 300,000	Simon Property 2.00% 13/09/2024	225	0.70
USD 130,000	Simon Property 2.75% 01/06/2023	100	0.31
USD 240,000	The Walt Disney Company 1.75% 30/08/2024	180	0.56
USD 280,000	Toyota Motor Credit 2.625% 10/01/2023	216	0.67
USD 130,000	Toyota Motor Credit 2.80% 13/07/2022	100	0.31
USD 130,000	Verizon Communications 3.45% 15/03/2021	100	0.31
USD 130,000	Walmart 2.65% 15/12/2024	101	0.31
GBP 300,000	Wells Fargo 5.25% 01/08/2023	339	1.06
		4,471	13.87
Floating Rate Note 17.90% (30/06/2019: 10.51%)			
USD 130,000	American Express FRN 01/08/2022	99	0.31
USD 165,000	American Honda Finance FRN 05/11/2021	125	0.39
USD 250,000	American Honda Finance FRN 11/06/2020	189	0.59
USD 500,000	Bank of America FRN 20/01/2020	383	1.19
USD 270,000	Bank of America FRN 23/07/2024	206	0.64
USD 130,000	Capital One Financial FRN 30/01/2023	98	0.30
USD 400,000	Cardinal Health FRN 15/06/2022	303	0.94
USD 430,000	Caterpillar Financial Services FRN 06/06/2022	328	1.02
USD 587,000	Citigroup FRN 08/12/2021	449	1.38
USD 280,000	Constellation Brands FRN 15/11/2021	211	0.66
USD 430,000	General Motors Financial FRN 05/01/2023	323	1.00
USD 350,000	Goldman Sachs FRN 15/11/2021	266	0.83
USD 300,000	Goldman Sachs FRN 29/11/2023	235	0.73
USD 280,000	IBM Credit FRN 20/01/2021	212	0.66
USD 210,000	JPMorgan Chase FRN 23/04/2024	159	0.49
USD 500,000	JPMorgan Chase FRN 29/10/2020	380	1.18
AUD 120,000	McDonald's FRN 08/03/2024	64	0.20
USD 730,000	Morgan Stanley FRN 10/06/2020	553	1.71
USD 120,000	NBCUniversal Enterprise FRN 01/04/2021	91	0.28
USD 130,000	Nissan Motor Acceptance FRN 13/07/2022	98	0.30
USD 210,000	TD Ameritrade FRN 01/11/2021	159	0.49
USD 170,000	The Walt Disney Company FRN 04/03/2022	129	0.40
USD 300,000	Verizon Communications FRN 16/03/2022	230	0.71
USD 235,000	Vulcan Materials FRN 01/03/2021	178	0.55
USD 400,000	Wells Fargo FRN 24/01/2023	306	0.95
		5,774	17.90

Portfolio statement (continued)

Holding	Investment	Market value £000	Percentage of total net assets %
Variable Rate Bond 0.60% (30/06/2019: 1.59%)			
USD 50,000	Citigroup 2.312% 04/11/2022	38	0.12
USD 200,000	JPMorgan Chase 3.207% 01/04/2023	154	0.48
		<u>192</u>	<u>0.60</u>
Collective Investment Schemes 1.55% (30/06/2019: 0.00%)			
500,000	Deutsche Global Liquidity Managed Platinum Sterling Fund	<u>500</u>	<u>1.55</u>
Derivatives 1.35% (30/06/2019: (0.10%))			
Futures (0.05%) (30/06/2019: (0.17%))			
(6)	CBT US 5 year Note March 2020	5	0.02
10	CBT US 5 year Note March 2020	(3)	(0.01)
40	SFE Australia 3 year Bond March 2020	(17)	(0.06)
		<u>(15)</u>	<u>(0.05)</u>
Options 0.05% (30/06/2019: 0.11%)¹			
357,230	FXO Call 0.85 February 2020	11	0.04
357,230	FXO Put 0.85 February 2020 ²	-	-
66	US 5 year Future Put 118 February 2020	4	0.01
		<u>15</u>	<u>0.05</u>
Swaps (0.07%) (30/06/2019: (0.04%))¹			
Credit Default Index Swaps (0.05%) (30/06/2019: 0.00%)¹			
800,000	CDX 5.00% 20/12/2024 NAIGS33V Pay USD	<u>(16)</u>	<u>(0.05)</u>
Interest Rate Swaps (0.02%) (30/06/2019: (0.04%))¹			
800,000	IRS 0.8607% LIBOR 6 month - Receive Floating - GBP	1	-
500,000	IRS 1.2492% LIBOR 6 month - Receive Floating - GBP	(8)	(0.02)
		<u>(7)</u>	<u>(0.02)</u>
Forward Foreign Exchange Contracts 1.42% (30/06/2019: 0.00%)¹			
	Buy GBP 170,242 : Sell AUD 325,000 January 2020	(2)	(0.01)
	Buy GBP 19,458,571 : Sell USD 25,100,000 February 2020	541	1.68
	Buy GBP 278,532 : Sell EUR 325,000 January 2020	3	0.01
	Buy GBP 9,966,672 : Sell AUD 18,900,000 February 2020	(60)	(0.19)
	Buy USD 300,053 : Sell JPY 32,800,000 January 2020	(1)	-
	Buy USD 394,221 : Sell JPY 43,000,000 January 2020	(1)	-
	Buy USD 425,000 : Sell GBP 327,799 January 2020	(7)	(0.02)
	Buy USD 730,000 : Sell GBP 565,742 February 2020	(16)	(0.05)
		<u>457</u>	<u>1.42</u>
Investment assets including investment liabilities		30,551	94.75
Other net assets		1,694	5.25
Total net assets		<u>32,245</u>	<u>100.00</u>

¹ Unquoted securities

² Due to rounding to nearest £1,000

All investments are listed on recognised stock exchanges and are 'approved securities' within the meaning of FCA rules unless otherwise stated.

Credit ratings

	Market value £000	Percentage of total net assets %
31/12/19		
Investments		
Investment grade (AAA - BBB)	29,617	91.85
Total debt securities	29,617	91.85
Collective investment schemes	500	1.55
Derivatives	434	1.35
Investment assets including investment liabilities	30,551	94.75
Other net assets	1,694	5.25
Total net assets	32,245	100.00

	Market value £000	Percentage of total net assets %
30/06/19		
Investments		
Investment grade (AAA - BBB)	9,116	90.41
Unrated	374	3.70
Total debt securities	9,490	94.11
Derivatives	(10)	(0.10)
Investment assets including investment liabilities	9,480	94.01
Other net assets	604	5.99
Total net assets	10,084	100.00

Statement of total return (unaudited) for the six months ended 31 December 2019

	31/12/19	
	£000	£000
Income		
Net capital losses		(142)
Revenue	357	
Expenses	(19)	
Interest payable and similar charges	(1)	
	<u>337</u>	
Net revenue before taxation	337	
Taxation	-	
	<u>337</u>	
Net revenue after taxation		<u>337</u>
Total return before distributions		195
Distributions		(380)
Change in net assets attributable to shareholders from investment activities		<u>(185)</u>

Statement of change in net assets attributable to shareholders

(unaudited) for the six months ended 31 December 2019

	31/12/19	
	£000	£000
Opening net assets attributable to shareholders*		10,084
Amounts receivable on issue of shares	25,112	
Amounts payable on cancellation of shares	(3,108)	
	<u>22,004</u>	22,004
Dilution adjustment		16
Change in net assets attributable to shareholders from investment activities		(185)
Retained distributions on accumulation shares		326
Closing net assets attributable to shareholders		<u>32,245</u>

* The fund launched on 25 February 2019.

Balance sheet as at 31 December 2019

	31/12/19	30/06/19
	£000	£000
Assets:		
Investments	30,682	9,544
Current assets:		
Debtors	161	71
Cash and bank balances	1,844	601
Total assets	<u>32,687</u>	<u>10,216</u>
Liabilities:		
Investment liabilities	131	64
Creditors:		
Amounts held at derivatives clearing houses and brokers	5	7
Bank overdrafts	274	24
Distribution payable	27	34
Other creditors	5	3
Total liabilities	<u>442</u>	<u>132</u>
Net assets attributable to shareholders	<u>32,245</u>	<u>10,084</u>

Distribution tables for the six months ended 31 December 2019

Interim interest distribution (accounting date 30 September 2019, paid on 29 November 2019)

Group 1: shares purchased prior to 1 July 2019

Group 2: shares purchased on or after 1 July 2019

	Distribution per share	Equalisation	Total distribution per share 29/11/19
Class G accumulation¹			
Group 1	0.3760	-	0.3760
Group 2	0.3760	-	0.3760
Class G income¹			
Group 1	0.3720	-	0.3720
Group 2	0.3720	-	0.3720
Class I accumulation²			
Group 1	0.4508	-	0.4508
Group 2	0.1821	0.2687	0.4508
Class I income²			
Group 1	0.4474	-	0.4474
Group 2	0.2196	0.2278	0.4474
Class Z accumulation²			
Group 1	0.5803	-	0.5803
Group 2	0.5500	0.0303	0.5803
Class Z income²			
Group 1	0.5750	-	0.5750
Group 2	0.5750	-	0.5750

¹ Class G accumulation and Class G income launched on 27 June 2019.

² Class I accumulation, Class I income, Class Z accumulation and Class Z income launched on 25 February 2019.

Distribution tables (continued)

Interim interest distribution (accounting date 31 December 2019, paid on 28 February 2020)

Group 1: shares purchased prior to 1 October 2019

Group 2: shares purchased on or after 1 October 2019

	Distribution per share	Equalisation	Total distribution per share 28/02/20
Class G accumulation¹			
Group 1	0.4220	-	0.4220
Group 2	0.4220	-	0.4220
Class G income¹			
Group 1	0.4120	-	0.4120
Group 2	0.4120	-	0.4120
Class I accumulation²			
Group 1	0.4759	-	0.4759
Group 2	0.3996	0.0763	0.4759
Class I income²			
Group 1	0.4696	-	0.4696
Group 2	0.2616	0.2080	0.4696
Class S accumulation³			
Group 1	0.2240	-	0.2240
Group 2	0.2240	-	0.2240
Class Z accumulation²			
Group 1	0.6061	-	0.6061
Group 2	0.6061	-	0.6061
Class Z income²			
Group 1	0.5968	-	0.5968
Group 2	0.5968	-	0.5968

¹ Class G accumulation and Class G income launched on 27 June 2019.

² Class I accumulation, Class I income, Class Z accumulation, Class Z income launched on 25 February 2019.

³ Class S accumulation launched on 9 December 2019.

Janus Henderson All Stocks Credit Fund

Authorised Corporate Director's (ACD) report

Investment Fund Managers

Philip Payne and James Briggs

Please note that as of 6 March 2019, Hartej Singh has been replaced by James Briggs as a co-manager of this fund.

Investment objective and policy

To provide a return by investing primarily in sterling denominated investment grade corporate bonds. The fund may invest in other transferable securities, money market instruments, derivatives and forward transactions, deposits and units in collective investment schemes.

Performance summary

Cumulative performance

	Six months	One year	Five years	First published data
	30 Jun 19 - 31 Dec 19	31 Dec 18 - 31 Dec 19	31 Dec 14 - 31 Dec 19	4 Sept 00 - 31 Dec 19
	%	%	%	%
Class I accumulation	3.0	9.7	22.9	160.0
Markit iBoxx GBP Non-Gilts all maturities Index	3.0	9.3	24.8	208.4
IA Sterling Corporate Bond Sector	3.0	9.5	22.2	139.8

Discrete performance

	31 Dec 18 - 31 Dec 19	31 Dec 17 - 31 Dec 18	31 Dec 16 - 31 Dec 17	31 Dec 15 - 31 Dec 16	31 Dec 14 - 31 Dec 15
	%	%	%	%	%
Class I accumulation	9.7	(2.0)	4.9	9.7	(0.6)

Source: Morningstar, Class I accumulation, NAV to NAV, net of fees and net income reinvested as at 12 noon valuation point. Benchmark values are as at close of business.

Index: Markit iBoxx GBP Non-Gilts all maturities Index

Index Usage: Comparator

Index description: The Markit iBoxx Non-Gilts all maturities Index is a measure of the combined performance of investment grade corporate bonds issued in pounds sterling. It provides a useful comparison against which the fund's performance can be assessed over time.

Peer group benchmark: IA Sterling Corporate Bond Sector

Peer group benchmark usage: Comparator

Peer group description: 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.

Class I accumulation is disclosed as it is the primary share class.

Please remember that past performance is not a guide to future performance. The value of an investment and the revenue from it can fall as well as rise as a result of market and currency fluctuations and you may not get back the amount originally invested.

Authorised Corporate Director's (ACD) report (continued)

Significant portfolio changes for the six months ended 31 December 2019

Largest purchases	£000	Largest sales/maturities	£000
UK Treasury 1.75% 07/09/2037	12,181	UK Treasury 1.75% 07/09/2037	12,598
UK Treasury 5.00% 07/03/2025	11,164	UK Treasury 5.00% 07/03/2025	11,181
UK Treasury 1.75% 07/09/2022	10,023	UK Treasury 4.75% 07/12/2038	11,081
Logicor 2019-1 UK 1.875% 17/11/2026	7,184	European Investment Bank 6.00% 07/12/2028	10,884
Logicor Financing 1.625% 15/07/2027	6,443	UK Treasury 4.50% 07/12/2042	10,415
Citigroup 1.75% 23/10/2026	6,441	UK Treasury 1.50% 22/07/2047	10,163
Société Générale 1.875% 03/10/2024	5,776	Santander UK 1.875% 17/02/2020	8,775
UK Treasury 4.25% 07/12/2040	5,679	LCR Finance 4.50% 07/12/2028	7,849
Santander UK 2.92% 08/05/2026	4,641	Anheuser-Busch InBev 1.75% 07/03/2025	5,403
Électricité de France 6.125% 02/06/2034	3,924	BAT International Finance 1.75% 05/07/2021	5,398
Total purchases	232,839	Total sales/maturities	563,896

Authorised Corporate Director's (ACD) report (continued)

Investment review

The fund returned 3.0% based on Class I accumulation over the period under review, compared with a return of 3.0% in the Markit iBoxx GBP Non-Gilts all maturities Index and a return of 3.0% in the IA Sterling Corporate Bond Sector peer group benchmark.

Market sentiment continued to be dominated by the synchronised monetary policy easing from major central banks over the second half of the year, which lowered bond yields globally. Moreover, improving global economic data and the US/China 'phase one' trade deal, which was struck in December, further supported global credit markets and excess returns were strong across the board. In the UK, Brexit negotiations and the political deadlock rattled the sterling credit market during the third quarter. However, by the end of the calendar year, the avoidance of a 'no-deal' Brexit and removal of election uncertainties boosted sentiment.

Sterling investment-grade corporate issuance in 2019 was the highest since 2009 amid a rush for corporates to lock in cheap funding as a result of the large falls in global bond yields. Supply was taken down very well as demand for credit continued to be underpinned by 'buy-and-maintain' investors and the generally healthy risk appetite supported by central bank initiatives. The initiatives included the European Central Bank restarting quantitative easing through its corporate sector purchase programme and the US Federal Reserve's repo operations. Credit spreads tightened and corporate bonds outperformed government equivalents, particularly in the higher risk segments.

Sterling investment-grade credit spreads (measured by the iBoxx Sterling non-gilts Index) tightened by 14 basis points (bps) and ended the year at 121bps. Total and excess returns on sterling corporate bonds were positive over the period, with lower quality segments outperforming higher quality ones.

The fund's performance benefited from both asset allocation and security selection. Our overweight to real estate investment trusts, industrial goods and services and financial services added the most value, with issuers such as Aroundtown, the Royal London Mutual Insurance Society and Logicor among the top contributors. Other notable outperformers included overweight positions in Vodafone and General Electric Capital, which continued to recover after underperforming earlier in the year. The biggest single name detractors were underweights to Engie and Legal & General and an underweight to the government of Italy through the 2028 maturity, which outperformed over the period due to a government reshuffle that caused Italian government bonds to rally significantly. In terms of primary market activity over the period, we participated in a number of deals that performed very well in the secondary market, with Sovereign Housing Capital and Royal London among the top contributors. The fund's main overweight positions remain in the financial, retail and utilities sectors and continue to be overweight in BBB credit ratings versus As and AAs. Our main underweights remain in supranational, agency, automotive and travel issuers.

Going into 2020, the market is hoping that central banks continue to engineer more monetary stimulus, economic growth continues to improve, the US/China trade war enters a long-lasting truce and governments turn on the fiscal taps. If all this happens and political risks stay at bay, 2020 may end up a year of mini-cycle recovery in the context of a late-cycle expansion, we believe. Sentiment is certainly a lot more positive than a year ago, which suggests that 2020 should start well with credit spreads holding their ground, in our view. We expect the search for yield, which tightened spreads in 2019, to continue to keep credit supported, too. However, we believe that there is limited room for spreads to significantly tighten from here, given where valuations are currently, and most of the good news is already priced in. Our base case scenario for 2020 is mundane global economic conditions and coupon-like returns from credit. Risks remain skewed to the downside, however, as late-cycle challenges and the risk of rising uncertainty around the forthcoming US election are concerns that could emerge simultaneously in the second half of the year. Additionally, any escalating geopolitical tensions or deterioration in growth expectations could see credit spreads come under pressure once again.

We continue to keep our portfolio beta positioning close to neutral in sterling investment-grade strategies, with a small overweight bias in credit beta in the near term. We will look to add risk selectively in the names that we fundamentally like, predominantly through new issues, and trim risk in those that have done well to lock in profits.

Comparative tables for the six months ended 31 December 2019

	Class A accumulation			
	Six months to 31/12/19 (pence per share)	Year to 30/06/19 (pence per share)	Year to 30/06/18 (pence per share)	Year to 30/06/17 (pence per share)
Change in net assets per share				
Opening net asset value per share	164.72	156.09	155.53	147.89
Return before operating charges*	5.53	10.05	1.99	9.63
Operating charges	(0.76)	(1.42)	(1.43)	(1.63)
Return after operating charges*	4.77	8.63	0.56	8.00
Distributions on accumulation shares	(1.62)	(3.51)	(3.75)	(3.66)
Retained distributions on accumulation shares [^]	1.62	3.51	3.75	3.30
Closing net asset value per share	169.49	164.72	156.09	155.53
* after direct transaction costs of:	-	-	-	-

Performance

Return after charges	2.90%	5.53%	0.36%	5.41%
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Other information

Closing net asset value (£000s)	1,554	2,055	2,158	2,879
Closing number of shares	917,014	1,247,546	1,382,628	1,850,983
Operating charges (annualised)	0.90%	0.90%	0.91%	1.06%
Direct transaction costs	0.00%	0.00%	0.00%	0.00%

Prices

Highest share price (pence)	171.60	165.60	159.60	159.30
Lowest share price (pence)	165.50	154.30	154.60	148.90

[^] Retained distributions prior to 6 April 2017 are net of 20% income tax.

	Class A income			
	Six months to 31/12/19 (pence per share)	Year to 30/06/19 (pence per share)	Year to 30/06/18 (pence per share)	Year to 30/06/17 (pence per share)
Change in net assets per share				
Opening net asset value per share	135.22	131.00	133.69	129.86
Return before operating charges*	4.55	8.33	1.72	8.12
Operating charges	(0.62)	(1.19)	(1.22)	(1.42)
Return after operating charges*	3.93	7.14	0.50	6.70
Distributions on income shares	(1.33)	(2.92)	(3.19)	(2.87)
Closing net asset value per share	137.82	135.22	131.00	133.69
* after direct transaction costs of:	-	-	-	-

Performance

Return after charges	2.91%	5.45%	0.37%	5.16%
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Other information

Closing net asset value (£000s)	1,858	2,742	2,846	5,884
Closing number of shares	1,348,522	2,027,679	2,172,612	4,400,881
Operating charges (annualised)	0.90%	0.90%	0.91%	1.06%
Direct transaction costs	0.00%	0.00%	0.00%	0.00%

Prices

Highest share price (pence)	140.90	136.60	137.20	139.90
Lowest share price (pence)	135.90	128.70	131.30	130.20

Comparative tables (continued)

	Class E accumulation
	08/07/19 -
	31/12/19
	(pence
	per share)
Change in net assets per share	
Opening net asset value per share	167.31 ¹
Return before operating charges*	2.91
Operating charges	(0.53)
Return after operating charges*	2.38
Distributions on accumulation shares	(1.83)
Retained distributions on accumulation shares	1.83
Closing net asset value per share	169.69
* after direct transaction costs of:	-
Performance	
Return after charges	1.42% ²
Other information	
Closing net asset value (£000s)	469
Closing number of shares	276,462
Operating charges (annualised)	0.65%
Direct transaction costs	0.00%
Prices	
Highest share price (pence)	171.60
Lowest share price (pence)	166.10

¹ Class E accumulation launched on 8 July 2019 and this is the first published price.

² Return after charges relates to the period 08/07/19 to 31/12/19 post conversion from the A accumulation share class.

This performance will differ from the other share classes as it does not include returns generated prior to class launch, whilst the other classes returns cover the entire period under review.

Comparative tables (continued)

	Class E income 08/07/19 - 31/12/19 (pence per share)
Change in net assets per share	
Opening net asset value per share	137.34 ³
Return before operating charges*	2.38
Operating charges	(0.43)
Return after operating charges*	1.95
Distributions on income shares	(1.50)
Closing net asset value per share	137.79
* after direct transaction costs of:	-

Performance

Return after charges	1.42% ⁴
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Other information

Closing net asset value (£000s)	859
Closing number of shares	623,186
Operating charges (annualised)	0.65%
Direct transaction costs	0.00%

Prices

Highest share price (pence)	140.90
Lowest share price (pence)	136.40

³ Class E income launched on 8 July 2019 and this is the first published price.

⁴ Return after charges relates to the period 08/07/19 to 31/12/19 post conversion from the A income share class. This performance will differ from the other share classes as it does not include returns generated prior to class launch, whilst the other classes returns cover the entire period under review.

Comparative tables (continued)

	Class I accumulation			
	Six months to 31/12/19 (pence per share)	Year to 30/06/19 (pence per share)	Year to 30/06/18 (pence per share)	Year to 30/06/17 (pence per share)
Change in net assets per share				
Opening net asset value per share	272.07	256.86	255.01	241.33
Return before operating charges*	9.15	16.59	3.24	15.79
Operating charges	(0.76)	(1.38)	(1.39)	(1.36)
Return after operating charges*	8.39	15.21	1.85	14.43
Distributions on accumulation shares	(3.20)	(6.75)	(7.11)	(7.29)
Retained distributions on accumulation shares [^]	3.20	6.75	7.11	6.54
Closing net asset value per share	280.46	272.07	256.86	255.01
* after direct transaction costs of:	-	-	-	-
Performance				
Return after charges	3.08%	5.92%	0.73%	5.98%
Other information				
Closing net asset value (£000s)	191,609	452,047	435,345	14,934
Closing number of shares	68,318,601	166,152,762	169,487,530	5,856,229
Operating charges (annualised)	0.54%	0.53%	0.54%	0.54%
Direct transaction costs	0.00%	0.00%	0.00%	0.00%
Prices				
Highest share price (pence)	283.60	273.50	262.00	260.20
Lowest share price (pence)	273.40	254.30	254.00	243.60

[^] Retained distributions prior to 6 April 2017 are net of 20% income tax.

	Class I income			
	Six months to 31/12/19 (pence per share)	Year to 30/06/19 (pence per share)	Year to 30/06/18 (pence per share)	Year to 30/06/17 (pence per share)
Change in net assets per share				
Opening net asset value per share	136.98	132.26	134.98	131.09
Return before operating charges*	4.59	8.47	1.73	8.14
Operating charges	(0.38)	(0.70)	(0.73)	(0.73)
Return after operating charges*	4.21	7.77	1.00	7.41
Distributions on income shares	(1.61)	(3.05)	(3.72)	(3.52)
Closing net asset value per share	139.58	136.98	132.26	134.98
* after direct transaction costs of:	-	-	-	-
Performance				
Return after charges	3.07%	5.87%	0.74%	5.65%
Other information				
Closing net asset value (£000s)	34,304	13,999	179,376	13,885
Closing number of shares	24,575,426	10,219,411	135,628,630	10,286,999
Operating charges (annualised)	0.54%	0.53%	0.54%	0.54%
Direct transaction costs	0.00%	0.00%	0.00%	0.00%
Prices				
Highest share price (pence)	142.80	138.50	138.60	141.30
Lowest share price (pence)	137.60	130.00	132.60	131.50

Comparative tables (continued)

	Class Z accumulation			
	Six months to 31/12/19 (pence per share)	Year to 30/06/19 (pence per share)	Year to 30/06/18 (pence per share)	Year to 30/06/17 (pence per share)
Change in net assets per share				
Opening net asset value per share	253.03	237.68	234.80	220.44
Return before operating charges*	8.51	15.42	2.98	14.45
Operating charges	(0.05)	(0.07)	(0.10)	(0.09)
Return after operating charges*	8.46	15.35	2.88	14.36
Distributions on accumulation shares	(3.64)	(7.49)	(7.75)	(7.86)
Retained distributions on accumulation shares	3.64	7.49	7.75	7.86
Closing net asset value per share	261.49	253.03	237.68	234.80
* after direct transaction costs of:	-	-	-	-
Performance				
Return after charges	3.34%	6.46%	1.23%	6.51%
Other information				
Closing net asset value (£000s)	396,824	476,462	524,790	569,826
Closing number of shares	151,755,903	188,301,944	220,797,397	242,688,820
Operating charges (annualised)	0.04%	0.03%	0.04%	0.04%
Direct transaction costs	0.00%	0.00%	0.00%	0.00%
Prices				
Highest share price (pence)	264.00	254.30	241.90	239.50
Lowest share price (pence)	254.30	235.80	234.60	223.30
Class A income gross				
Year to 30/06/18 (pence per share)				
Year to 30/06/17 (pence per share)				
Change in net assets per share				
Opening net asset value per share			134.07	130.20
Return before operating charges*			1.07	8.51
Operating charges			(0.31)	(1.43)
Return after operating charges*			0.76	7.08
Distributions on income shares			(0.83)	(3.21)
Final cancellation			(134.00) ⁵	-
Closing net asset value per share			-	134.07
* after direct transaction costs of:			-	-
Performance				
Return after charges			0.57%	5.44%
Other information				
Closing net asset value (£000s)			-	64
Closing number of shares			-	47,922
Operating charges (annualised)			0.91%	1.06%
Direct transaction costs			0.00%	0.00%
Prices				
Highest share price (pence)			137.60 ⁶	140.40
Lowest share price (pence)			134.00 ⁶	130.60

⁵ Class A income gross closed on 2 October 2017.

⁶ to 2 October 2017.

Comparative tables (continued)

	Class I accumulation gross	
	Year to 30/06/18 (pence per share)	Year to 30/06/17 (pence per share)
Change in net assets per share		
Opening net asset value per share	285.43	269.33
Return before operating charges*	2.27	17.62
Operating charges	(0.40)	(1.52)
Return after operating charges*	1.87	16.10
Distributions on accumulation shares	(2.03)	(8.17)
Retained distributions on accumulation shares	2.03	8.17
Final cancellation	(287.30) ⁷	-
Closing net asset value per share	-	285.43
* after direct transaction costs of:	-	-
Performance		
Return after charges	0.66%	5.98%
Other information		
Closing net asset value (£000s)	-	485 487
Closing number of shares	-	170 087 074
Operating charges (annualised)	0.54%	0.54%
Direct transaction costs	0.00%	0.00%
Prices		
Highest share price (pence)	293.10 ⁸	291.10
Lowest share price (pence)	285.20 ⁸	272.40

⁷ Class I accumulation gross closed on 2 October 2017.

⁸ to 2 October 2017.

Comparative tables (continued)

	Class I income gross	
	Year to 30/06/18 (pence per share)	Year to 30/06/17 (pence per share)
Change in net assets per share		
Opening net asset value per share	136.35	132.43
Return before operating charges*	1.11	8.65
Operating charges	(0.19)	(0.75)
Return after operating charges*	0.92	7.90
Distributions on income shares	(0.97)	(3.98)
Final cancellation	(136.30) ⁹	-
Closing net asset value per share	-	136.35
* after direct transaction costs of:	-	-

Performance

Return after charges	0.67%	5.97%
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Other information

Closing net asset value (£000s)	-	175,443
Closing number of shares	-	128,669,409
Operating charges (annualised)	0.54%	0.54%
Direct transaction costs	0.00%	0.00%

Prices

Highest share price (pence)	140.00 ¹⁰	142.90
Lowest share price (pence)	136.30 ¹⁰	132.90

⁹ Class I income gross closed on 2 October 2017.

¹⁰ to 2 October 2017.

Direct transaction costs incurred on securities transactions (including derivatives) are stated after deducting the proportion of the amounts collected from dilution adjustments that relate to direct transaction costs.

Performance values are at close of business on a bid basis, which will differ from those in the Performance summary.

Operating charges

Operating charges are expenses associated with the maintenance and administration of the fund on a day-to-day basis that are actually borne by the share class.

Share class launches and closures

The following share classes launched in the period:

Share class	Launch date
Class E accumulation	8 July 2019
Class E income	8 July 2019

The were no share classes closed in the period.

Share class conversions

	Conversion date
Class A accumulation to Class E accumulation	8 July 2019
Class A income to Class E income	8 July 2019

Some shareholders were converted to the newly launched E share classes as there are no commission payments for financial advice bundled within the E share classes, and these are available for direct investment.

The conversion of A share classes to the E share classes was performed to benefit investors who do not use a financial adviser as a lower management fee is charged.

Ongoing charge figure

The annualised ongoing charge figure (OCF) of the fund is calculated as the ratio of the total ongoing charges to the average net asset value for twelve months. Ongoing charges are all expenses deducted from the assets of the fund during the period, except for expenses that are explicitly excluded by regulation.

	31/12/19 %	30/06/19 %	Estimated OCF from 8 July 2019 ¹ %
Class A	0.90	0.90	n/a
Class E²	0.65	n/a	0.65
Class I	0.54	0.53	n/a
Class Z	0.04	0.03	n/a

The OCF is calculated in accordance with guidelines issued by the European Securities and Markets Authority (ESMA).

¹ The estimated ongoing charge is based on the annual fee rates on launch date as at 8 July 2019.

² Class E accumulation and Class E income launched on 8 July 2019.

Risk and reward profile

The fund currently has 7 types of share class in issue; A accumulation, A income, E accumulation, E income, I accumulation, I income and Z accumulation.

Each type of share class has the same risk and reward profile which is as follows:



The share classes appear at 3 out of 7. Share classes in higher categories have shown greater and/or more frequent variations in share price in the past 5 years than those in lower categories. The lowest category does not mean risk free.

The Synthetic Risk and Reward Indicator (SRRI) is calculated based on historical volatility over a rolling 5* year period, it is reviewed monthly and updated if volatility has changed materially to cause a movement in the SRRI level. The SRRI is an indicator and may not accurately reflect future volatility and market conditions.

The value of an investment and any income from it can go up or down. When you sell your shares, they may be worth less than you paid for them.

The risk/reward rating above is based on medium-term volatility. In the future, the fund's actual volatility could be higher or lower and its rated risk/reward level could change.

The rating does not reflect the possible effects of unusual market conditions or large unpredictable events. Under normal market conditions the following risks may apply:

Country or Region If a fund has a high exposure to a particular country or geographical region it carries a higher level of risk than a fund which is more broadly diversified.

Default Risk An issuer of a bond (or money market instrument) may become unable or unwilling to pay interest or repay capital to the fund. If this happens or the market perceives this may happen, the value of the bond will fall.

Derivatives and Leverage The fund may use derivatives towards the aim of achieving its investment objective. This can result in 'leverage' which can magnify an investment outcome and gains or losses to the fund may 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.

Exchange Rates If the fund holds assets in currencies other than the base currency of the fund or you invest in a share class of a different currency to the fund (unless 'hedged'), the value of your investment may be impacted by changes in exchange rates.

Interest Rates 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. This risk is generally greater the longer the maturity of a bond investment.

Liquidity Securities within the fund 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 full list of the fund's risks are contained in the 'Risk Factors' section of the fund's prospectus.

There has been no change to the risk ratings during the period.

The SRRI conforms to the ESMA guidelines for the calculation of the SRRI.

* Class E accumulation and E income launched on 8 July 2019. As these share classes do not have a 5 year history, a synthetic history has been created using the fund's relevant sector average.

Portfolio statement as at 31 December 2019

Holding	Investment	Market value £000	Percentage of total net assets %
	Bonds 96.15% (30/06/2019: 97.58%)		
	Australia 0.00% (30/06/2019: 0.43%)		
	Fixed Rate Bond 0.00% (30/06/2019: 0.28%)		
	Variable Rate Bond 0.00% (30/06/2019: 0.15%)		
	Belgium 0.80% (30/06/2019: 0.85%)		
	Zero / Discount Rate Bond 0.80% (30/06/2019: 0.85%)		
GBP 4,744,000	Anheuser-Busch InBev 2.85% 25/05/2037	4,999	0.80
	Canada 0.42% (30/06/2019: 0.27%)		
	Fixed Rate Bond 0.42% (30/06/2019: 0.27%)		
GBP 2,549,000	Liberty Living Finance 2.625% 28/11/2024	2,632	0.42
	Czech Republic 0.24% (30/06/2019: 0.40%)		
	Fixed Rate Bond 0.24% (30/06/2019: 0.40%)		
EUR 1,699,000	CPI Property 4.375% Perpetual	1,500	0.24
	Denmark 0.92% (30/06/2019: 0.51%)		
	Fixed Rate Bond 0.92% (30/06/2019: 0.51%)		
GBP 1,650,000	Orsted 2.125% 17/05/2027	1,706	0.27
GBP 3,900,000	Orsted 2.50% 16/05/2033	4,098	0.65
		<u>5,804</u>	<u>0.92</u>
	France 8.36% (30/06/2019: 7.83%)		
	Fixed Rate Bond 7.20% (30/06/2019: 6.31%)		
GBP 3,500,000	Banque Fédérative du Crédit Mutuel 1.375% 20/12/2021	3,521	0.56
GBP 3,200,000	BPCE 2.125% 16/12/2022	3,293	0.52
GBP 3,800,000	Crédit Agricole 1.25% 02/10/2024	3,778	0.60
GBP 4,500,000	Dexia Credit Local 1.125% 15/06/2022	4,513	0.73
GBP 1,600,000	Électricité de France 5.125% 22/09/2050	2,347	0.37
GBP 2,300,000	Électricité de France 5.50% 17/10/2041	3,343	0.53
GBP 1,400,000	Électricité de France 6.00% 23/01/2114	2,298	0.37
GBP 2,750,000	Électricité de France 6.125% 02/06/2034	3,975	0.63
GBP 3,700,000	Orange 3.25% 15/01/2032	4,099	0.66
GBP 5,800,000	Société Générale 1.875% 03/10/2024	5,848	0.94
GBP 2,300,000	Total Capital International 1.66% 22/07/2026	2,332	0.37
GBP 2,585,000	Total Capital International 1.75% 07/07/2025	2,645	0.42
GBP 1,300,000	Vinci 2.25% 15/03/2027	1,366	0.22
GBP 1,600,000	Vinci 2.75% 15/09/2034	1,775	0.28
		<u>45,133</u>	<u>7.20</u>
	Variable Rate Bond 1.16% (30/06/2019: 1.52%)		
GBP 1,529,000	AXA 5.625% 16/01/2054	1,869	0.30
GBP 2,000,000	Électricité de France 6.00% Perpetual	2,216	0.34
GBP 1,450,000	Orange 5.75% Perpetual	1,601	0.26
GBP 1,500,000	Orange 5.875% Perpetual	1,622	0.26
		<u>7,308</u>	<u>1.16</u>

Portfolio statement (continued)

Holding	Investment	Market value £000	Percentage of total net assets %
Germany 7.86% (30/06/2019: 8.03%)			
Fixed Rate Bond 7.86% (30/06/2019: 7.75%)			
GBP 3,200,000	Aroundtown 3.25% 18/07/2027	3,340	0.53
GBP 2,100,000	Aroundtown 3.625% 10/04/2031	2,208	0.35
GBP 2,700,000	Aroundtown 4.75% Perpetual	2,827	0.45
GBP 4,070,000	Deutsche Bahn Finance 1.875% 13/02/2026	4,202	0.67
GBP 2,700,000	Deutsche Telekom International Finance 6.50% 08/04/2022	3,017	0.48
GBP 5,700,000	FMS Wertmanagement 0.875% 14/02/2022	5,708	0.92
GBP 3,500,000	Henkel 1.00% 30/09/2022	3,505	0.56
GBP 2,500,000	innogy Finance 5.50% 06/07/2022	2,767	0.44
GBP 1,700,000	innogy Finance 6.125% 06/07/2039	2,599	0.41
GBP 2,499,000	innogy Finance 6.25% 03/06/2030	3,431	0.55
GBP 954,000	KFW 5.00% 09/06/2036	1,469	0.23
GBP 1,770,000	KFW 5.5% 18/06/2025	2,188	0.35
GBP 2,000,000	KFW 5.75% 07/06/2032	3,022	0.48
EUR 4,100,000	Vivion Investments 3.00% 08/08/2024	3,543	0.56
GBP 2,900,000	Volkswagen Financial Services 1.875% 07/09/2021	2,922	0.47
EUR 3,000,000	ZF Europe Finance 2.00% 23/02/2026	2,597	0.41
		49,345	7.86
Variable Rate Bond 0.00% (30/06/2019: 0.28%)			
Italy 1.42% (30/06/2019: 0.96%)			
Fixed Rate Bond 0.76% (30/06/2019: 0.36%)			
GBP 2,381,000	Enel Finance International 5.75% 14/09/2040	3,458	0.56
GBP 900,000	Enel 5.75% 22/06/2037	1,269	0.20
		4,727	0.76
Variable Rate Bond 0.66% (30/06/2019: 0.60%)			
GBP 4,000,000	Enel 7.75% 10/09/2075	4,166	0.66
Japan 0.45% (30/06/2019: 0.56%)			
Fixed Rate Bond 0.45% (30/06/2019: 0.56%)			
EUR 2,800,000	Takeda Pharmaceutical 3.00% 21/11/2030	2,818	0.45
Luxembourg 0.49% (30/06/2019: 0.74%)			
Fixed Rate Bond 0.49% (30/06/2019: 0.74%)			
EUR 3,600,000	Logicor Financing 1.625% 15/07/2027	3,083	0.49
Netherlands 1.81% (30/06/2019: 1.41%)			
Fixed Rate Bond 1.81% (30/06/2019: 1.41%)			
EUR 3,500,000	JAB 2.25% 19/12/2039	2,949	0.47
USD 4,895,000	LeasePlan 2.875% 24/10/2024	3,694	0.59
GBP 3,978,000	Rabobank Nederland 4.625% 23/05/2029	4,736	0.75
		11,379	1.81
Norway 0.55% (30/06/2019: 0.18%)			
Fixed Rate Bond 0.55% (30/06/2019: 0.18%)			
GBP 3,430,000	DNB Bank 1.375% 12/06/2023	3,443	0.55

Portfolio statement (continued)

Holding	Investment	Market value £000	Percentage of total net assets %
	Romania 0.00% (30/06/2019: 0.14%)		
	Fixed Rate Bond 0.00% (30/06/2019: 0.14%)		
	Spain 1.00% (30/06/2019: 0.76%)		
	Fixed Rate Bond 1.00% (30/06/2019: 0.76%)		
GBP 3,500,000	Abertis Infraestructuras 3.375% 27/11/2026	3,676	0.59
GBP 2,100,000	Iberdrola Finanzas 7.375% 29/01/2024	2,595	0.41
		<u>6,271</u>	<u>1.00</u>
	Supranational 1.87% (30/06/2019: 3.17%)		
	Fixed Rate Bond 1.87% (30/06/2019: 3.17%)		
GBP 3,650,000	European Investment Bank 3.875% 08/06/2037	4,997	0.79
GBP 2,475,000	European Investment Bank 4.50% 07/03/2044	3,941	0.63
GBP 1,861,000	International Bank for Reconstruction & Development 5.75% 07/06/2032	2,826	0.45
		<u>11,764</u>	<u>1.87</u>
	Sweden 0.00% (30/06/2019: 0.13%)		
	Fixed Rate Bond 0.00% (30/06/2019: 0.13%)		
	Switzerland 0.87% (30/06/2019: 1.36%)		
	Fixed Rate Bond 0.33% (30/06/2019: 0.91%)		
USD 1,400,000	Syngenta Finance 4.892% 24/04/2025	1,131	0.18
USD 1,134,000	Syngenta Finance 5.182% 24/04/2028	923	0.15
		<u>2,054</u>	<u>0.33</u>
	Variable Rate Bond 0.54% (30/06/2019: 0.45%)		
GBP 3,000,000	Zurich Finance UK 6.625% Perpetual	3,382	0.54
	United Kingdom 54.25% (30/06/2019: 53.83%)		
	Asset Backed 2.15% (30/06/2019: 2.77%)		
GBP 2,584,731	Connect Plus M25 Issuer 2.607% 31/03/2039	2,810	0.45
GBP 1,400,000	Metropolitan Funding 4.125% 05/04/2048	1,689	0.27
GBP 1,909,220	TC Dudgeon OFTO 3.158% 12/11/2038	2,092	0.33
GBP 1,642,564	Tesco Property Finance 5.744% 13/04/2040	2,140	0.34
GBP 1,355,511	Tesco Property Finance 6.0517% 13/10/2039	1,766	0.28
GBP 2,323,290	White City Property Finance 5.1202% 17/04/2035	2,979	0.48
		<u>13,476</u>	<u>2.15</u>
	Fixed Rate Bond 49.80% (30/06/2019: 47.80%)		
GBP 1,500,000	Accent Capital 2.625% 18/07/2049	1,595	0.25
GBP 2,221,000	Affordable Housing Finance 2.893% 11/08/2043	2,772	0.44
GBP 1,150,000	Anglian Water Services Financing 2.75% 26/10/2029	1,235	0.20
GBP 3,800,000	Annington Funding 2.646% 12/07/2025	3,925	0.63
GBP 1,728,000	Annington Funding 3.685% 12/07/2034	1,909	0.30
GBP 2,189,000	A2Dominion Housing 3.50% 15/11/2028	2,347	0.37
GBP 3,090,000	Barclays 3.00% 08/05/2026	3,235	0.52
GBP 1,200,000	Barclays 3.25% 12/02/2027	1,278	0.20
GBP 1,000,000	Barclays 3.25% 17/01/2033	1,049	0.17
GBP 3,440,000	Bazalgette Finance 2.375% 29/11/2027	3,626	0.58
GBP 2,600,000	Blend Funding 3.459% 21/09/2047	3,024	0.48
GBP 4,300,000	BNP Paribas 3.375% 23/01/2026	4,689	0.75
GBP 1,900,000	British Telecommunications 3.125% 21/11/2031	2,022	0.32

Portfolio statement (continued)

Holding	Investment	Market value £000	Percentage of total net assets %
	Fixed Rate Bond (continued)		
GBP 2,200,000	Broadgate Financing 4.821% 05/07/2033	2,926	0.47
GBP 3,348,000	Bunzl Finance 2.25% 11/06/2025	3,411	0.54
GBP 4,090,000	BUPA Finance 5.00% 08/12/2026	4,702	0.75
GBP 2,540,000	BUPA Finance 5.00% 25/04/2023	2,785	0.44
GBP 1,700,000	Cadent Finance 2.125% 22/09/2028	1,728	0.28
GBP 1,200,000	Cadent Finance 2.625% 22/09/2038	1,224	0.20
GBP 1,400,000	Centrica 4.375% 13/03/2029	1,642	0.26
GBP 1,300,000	Centrica 7.00% 19/09/2033	1,942	0.31
GBP 3,870,000	Co-operative 5.125% 17/05/2024	4,128	0.66
GBP 3,450,000	Coventry Building Society 1.50% 23/01/2023	3,464	0.55
GBP 3,921,000	Coventry Building Society 5.875% 28/09/2022	4,404	0.70
GBP 2,195,000	CPUK Finance 4.25% 28/08/2022	2,229	0.36
GBP 4,623,722	Delamare Finance 5.5457% 19/02/2029	5,361	0.85
GBP 2,260,000	Diageo Finance 1.75% 12/10/2026	2,315	0.37
GBP 2,546,000	Dwr Cymru Financing 6.015% 31/03/2028	3,430	0.55
GBP 1,010,000	Eastern Power Networks 2.125% 25/11/2033	1,006	0.16
GBP 4,389,000	Eastern Power Networks 4.75% 30/09/2021	4,665	0.74
GBP 1,105,000	Eastern Power Networks 6.25% 12/11/2036	1,703	0.27
GBP 3,398,000	Experian Finance 2.125% 27/09/2024	3,516	0.56
GBP 2,598,000	Experian Finance 3.50% 15/10/2021	2,694	0.43
GBP 1,834,000	GlaxoSmithKline Capital 4.25% 18/12/2045	2,538	0.40
GBP 1,951,000	GlaxoSmithKline Capital 5.25% 10/04/2042	2,965	0.47
GBP 1,000,000	GlaxoSmithKline Capital 5.25% 19/12/2033	1,406	0.22
GBP 2,789,000	Heathrow Funding 2.75% Perpetual	2,932	0.47
GBP 4,500,000	Heathrow Funding 6.75% 03/12/2026	5,959	0.95
GBP 2,010,000	HSBC 3.00% 29/05/2030	2,119	0.34
GBP 1,550,000	HSBC 4.75% 24/03/2046	1,973	0.31
GBP 1,815,000	Imperial Brands Finance 5.50% 28/09/2026	2,142	0.34
GBP 1,911,000	Imperial Brands Finance 9.00% 17/02/2022	2,207	0.35
GBP 4,212,000	Informa 3.125% 05/07/2026	4,424	0.71
GBP 2,800,000	Land Securities Capital Markets 2.75% 22/09/2057	3,029	0.48
GBP 2,345,000	Lloyds Bank 5.125% 07/03/2025	2,787	0.44
GBP 3,600,000	Lloyds Bank 6.00% 08/02/2029	4,951	0.79
GBP 978,000	Lloyds Bank 6.50% 17/09/2040	1,643	0.26
GBP 7,200,000	Logicor 2019-1 UK 1.875% 17/11/2026	7,213	1.16
GBP 4,332,000	London & Quadrant Housing 2.25% 20/07/2029	4,378	0.70
GBP 1,150,000	London Power Networks 2.625% 01/03/2029	1,212	0.19
GBP 2,300,000	Manchester Airport Funding 2.875% 30/09/2044	2,416	0.39
GBP 1,000,000	Marks & Spencer 3.25% 10/07/2027	991	0.16
GBP 1,450,000	M&G 3.875% 20/07/2049	1,484	0.24
GBP 3,800,000	M&G 5.56% 20/07/2055	4,226	0.67
GBP 3,290,000	Motability Operations 2.375% 03/07/2039	3,376	0.54
GBP 816,000	Motability Operations 3.625% 10/03/2036	984	0.16
GBP 1,730,000	National Grid Electricity Transmission 2.00% 16/09/2038	1,684	0.27
GBP 2,280,000	National Westminster Bank 6.50% 07/09/2021	2,469	0.39
GBP 4,205,000	Network Rail Infrastructure Finance 3.00% 07/09/2023	4,527	0.72
GBP 4,200,000	Next 3.00% 26/08/2025	4,368	0.70
GBP 2,838,000	NIE Finance 2.50% 27/10/2025	2,958	0.47
GBP 1,090,000	Northern Electric Finance 2.75% 24/05/2049	1,175	0.19
GBP 2,640,000	Northern Powergrid (Yorkshire) 2.25% 09/10/2059	2,589	0.41
GBP 2,600,000	Notting Hill Genesis 2.875% 31/01/2029	2,731	0.44

Portfolio statement (continued)

Holding	Investment	Market value £000	Percentage of total net assets %
Fixed Rate Bond (continued)			
GBP 1,147,000	Optivo Finance 3.283% 22/03/2048	1,301	0.21
GBP 1,276,000	Orbit Capital 3.50% 24/03/2045	1,469	0.23
GBP 2,188,000	Pennon 2.875% Perpetual	2,188	0.35
GBP 3,371,000	Places for People Treasury 2.875% 17/08/2026	3,466	0.55
GBP 3,250,000	PRS Finance 1.50% 24/08/2034	3,155	0.50
GBP 765,000	Prudential 6.125% 19/12/2031	1,026	0.16
GBP 1,699,000	Quilter 4.478% 28/02/2028	1,775	0.28
GBP 1,032,000	RAC Bond 4.565% 06/05/2023	1,042	0.17
GBP 755,000	RAC Bond 4.87% 06/05/2026	747	0.12
GBP 3,720,000	RL Finance Bonds No.4 4.875% 07/10/2049	3,875	0.62
GBP 4,457,000	Royal Bank of Scotland 2.875% 19/09/2026	4,643	0.74
GBP 3,020,000	RSA Insurance 1.625% 28/08/2024	3,027	0.48
GBP 4,500,000	Santander UK 2.92% 08/05/2026	4,697	0.75
GBP 3,620,000	Santander UK 5.125% 14/04/2021	3,807	0.61
GBP 3,200,000	Santander UK 5.75% 02/03/2026	4,059	0.65
GBP 2,020,000	Scottish Hydro Electric 2.25% 27/09/2035	1,992	0.32
GBP 7,079,000	Scottish Widows 5.50% 16/06/2023	7,873	1.26
GBP 1,900,000	Severn Trent Utilities Finance 3.625% 16/01/2026	2,106	0.34
GBP 1,700,000	South Eastern Power Networks 5.625% 30/09/2030	2,285	0.36
GBP 600,000	Southern Electric Power 5.5% 07/06/2032	809	0.13
GBP 2,710,000	Sovereign Housing Capital 2.375% 04/11/2048	2,706	0.43
GBP 1,200,000	SP Manweb 4.875% 20/09/2027	1,471	0.23
GBP 2,030,000	SP Transmission 2.00% 13/11/2031	2,027	0.32
GBP 3,500,000	Tesco 2.50% 02/05/2025	3,604	0.57
GBP 1,300,000	Thames Water Utilities Finance 2.625% 24/01/2032	1,328	0.21
GBP 3,000,000	Thames Water Utilities Finance 4.00% 19/06/2025	3,330	0.53
GBP 450,000	Thames Water Utilities Finance 4.625% 04/06/2046	598	0.10
GBP 3,615,000	THFC Funding No.3 5.20% 11/10/2043	5,280	0.84
GBP 2,369,000	Transport for London 3.875% 23/07/2042	3,088	0.49
GBP 3,800,000	Tritax Big Box REIT 2.625% 14/12/2026	3,909	0.62
GBP 5,852,072	UK Treasury 1.50% 22/07/2047	6,096	0.97
GBP 6,300,000	UK Treasury 1.75% 07/09/2022	6,506	1.05
GBP 1,900,000	UK Treasury 1.75% 07/09/2037	2,060	0.33
GBP 3,579,440	UK Treasury 4.25% 07/12/2040	5,538	0.88
GBP 2,800,000	Unilever 1.50% 22/07/2026	2,820	0.45
GBP 3,986,000	Unite USAF 3.374% 30/06/2023	4,233	0.67
GBP 1,614,000	Unite 3.50% 15/10/2028	1,738	0.28
GBP 1,100,000	Virgin Money 4.00% 25/09/2026	1,149	0.18
GBP 2,124,000	Vodafone 3.00% 12/08/2056	2,112	0.34
GBP 2,740,000	Vodafone 4.875% 03/10/2078	2,961	0.47
GBP 3,000,000	Western Power Distribution East Midlands 5.25% 17/01/2023	3,351	0.53
GBP 1,100,000	Western Power Distribution South West 5.75% 23/03/2040	1,660	0.26
GBP 2,440,000	Westfield Stratford City Finance 1.642% 04/08/2026	2,465	0.39
GBP 1,730,000	Wrekin Housing 2.50% 22/10/2048	1,717	0.27
GBP 3,600,000	Yorkshire Water Finance 1.75% 26/11/2026	3,597	0.57
		312,523	49.80

Portfolio statement (continued)

Holding	Investment	Market value £000	Percentage of total net assets %
Variable Rate Bond 2.30% (30/06/2019: 3.26%)			
GBP 660,000	Aviva 5.9021% 27/07/2020	675	0.11
GBP 5,570,000	Aviva 6.125% Perpetual	6,123	0.98
GBP 4,550,000	HSBC 5.844% Perpetual	6,172	0.98
GBP 629,000	National Grid Finance 5.625% 18/06/2073	710	0.11
GBP 725,000	SSE 3.875% Perpetual	730	0.12
		14,410	2.30
United States 14.84% (30/06/2019: 16.02%)			
Asset Backed 0.00% (30/06/2019: 0.00%)			
GBP 691,955	Lehman Brothers 7.875% 08/05/2018 ¹	14	-
Fixed Rate Bond 14.84% (30/06/2019: 16.02%)			
GBP 1,600,000	Apple 3.60% 31/07/2042	2,064	0.33
GBP 1,500,000	AT&T 4.375% 14/09/2029	1,753	0.28
GBP 2,968,000	AT&T 4.875% 01/06/2044	3,770	0.60
GBP 1,450,000	AT&T 7.00% 30/04/2040	2,268	0.36
GBP 4,400,000	Bank of America 2.30% 25/07/2025	4,551	0.73
GBP 3,400,000	Bank of America 6.125% 15/09/2021	3,685	0.59
GBP 3,000,000	Berkshire Hathaway Finance 2.375% 19/06/2039	3,149	0.50
GBP 1,100,000	Berkshire Hathaway Finance 2.625% 19/06/2059	1,210	0.19
EUR 4,200,000	Boston Scientific 0.625% 01/12/2027	3,528	0.56
USD 3,200,000	Bristol-Myers Squibb 3.40% 26/07/2029	2,585	0.41
GBP 6,500,000	Citigroup 1.75% 23/10/2026	6,466	1.03
GBP 3,300,000	Citigroup 2.75% 24/01/2024	3,450	0.55
GBP 1,900,000	Digital Stout 4.75% 13/10/2023	2,109	0.34
GBP 1,560,000	Fidelity National Information Services 2.25% 03/12/2029	1,557	0.25
GBP 2,680,000	Fidelity National Information Services 2.602% 21/05/2025	2,804	0.45
GBP 1,700,000	Fidelity National Information Services 3.36% 21/05/2031	1,862	0.30
GBP 2,300,000	GE Capital UK Funding 5.875% 18/01/2033	2,945	0.47
GBP 900,000	GE Capital UK Funding 6.25% 05/05/2038	1,238	0.20
GBP 1,722,000	General Electric Capital 5.25% 07/12/2028	2,072	0.33
GBP 1,020,000	General Electric Capital 5.375% 18/12/2040	1,298	0.21
GBP 2,927,000	Goldman Sachs 3.125% 25/07/2029	3,162	0.50
USD 1,400,000	Mars 3.60% 01/04/2034	1,160	0.18
USD 2,211,000	Mars 3.95% 01/04/2049	1,889	0.30
GBP 3,228,000	New York Life Global Funding 1.75% 15/12/2022	3,287	0.52
GBP 3,368,000	Time Warner Cable 5.75% 02/06/2031	4,089	0.65
GBP 1,600,000	Verizon Communications 3.125% 02/11/2035	1,762	0.28
GBP 2,400,000	Verizon Communications 3.375% 27/10/2036	2,714	0.43
GBP 4,130,000	Walmart 5.625% 27/03/2034	6,139	0.98
GBP 2,500,000	Walmart 5.75% 19/12/2030	3,579	0.57
GBP 3,350,000	Wells Fargo 2.50% 02/05/2029	3,485	0.56
GBP 6,600,000	Wells Fargo 5.25% 01/08/2023	7,446	1.19
		93,076	14.84

Portfolio statement (continued)

Holding	Investment	Market value £000	Percentage of total net assets %
	Derivatives 0.10% (30/06/2019: (0.04%))		
	Futures 0.02% (30/06/2019: (0.04%))		
(63)	EUX Euro-Bobl March 2020	38	0.01
(48)	EUX Euro-Bund March 2020	98	0.01
(13)	EUX Euro-Buxl 30 year Bond March 2020	59	0.01
53	ICF Long Gilt March 2020	(70)	(0.01)
		<u>125</u>	<u>0.02</u>
	Swaps 0.08% (30/06/2019: (0.02%))²		
	Credit Default Swaps 0.08% (30/06/2019: (0.02%))²		
4,300,000	CDS 1.00% 20/12/2024 Airbus Pay EUR	(127)	(0.02)
2,050,000	CDS 1.00% 20/12/2024 Renault Pay EUR	9	-
2,050,000	CDS 1.00% 20/12/2024 Renault Pay EUR	9	-
4,100,000	CDS 5.00% 20/12/2024 Fiat Chrysler Automobiles Receive EUR	681	0.12
3,000,000	CDS 5.00% 20/12/2024 Fiat Chrysler Automobiles Receive EUR	499	0.08
1,300,000	CDS 5.00% 20/12/2024 Peugeot Pay EUR	(227)	(0.04)
2,050,000	CDS 5.00% 20/12/2024 Peugeot Pay EUR	(357)	(0.06)
		<u>487</u>	<u>0.08</u>
	Forward Foreign Exchange Contracts 0.00% (30/06/2019: 0.02%)²		
	Buy EUR 100,508 : Sell GBP 85,308 January 2020 ³	-	-
	Buy EUR 1,134,738 : Sell GBP 965,053 January 2020	(3)	-
	Buy EUR 113,800 : Sell GBP 96,818 January 2020 ³	-	-
	Buy EUR 1,307,857 : Sell GBP 1,112,597 January 2020	(3)	-
	Buy EUR 162,300 : Sell GBP 137,595 January 2020 ³	-	-
	Buy EUR 26,163 : Sell GBP 22,250 January 2020 ³	-	-
	Buy EUR 2,669,351 : Sell GBP 2,270,304 January 2020	(6)	-
	Buy EUR 4,018,190 : Sell GBP 3,441,797 January 2020	(34)	(0.01)
	Buy EUR 503,033 : Sell GBP 420,469 January 2020	6	-
	Buy EUR 804,243 : Sell GBP 682,682 January 2020	(1)	-
	Buy EUR 934,955 : Sell GBP 787,835 January 2020	5	-
	Buy GBP 11,379,240 : Sell USD 14,966,762 January 2020	90	0.01
	Buy GBP 11,903 : Sell EUR 14,230 January 2020 ³	-	-
	Buy GBP 25,860 : Sell EUR 30,937 January 2020 ³	-	-
	Buy GBP 26,176,646 : Sell EUR 30,884,618 January 2020	(17)	-
	Buy GBP 3,994,775 : Sell EUR 4,741,769 January 2020	(27)	-
	Buy GBP 670,037 : Sell EUR 787,936 January 2020	2	-
		<u>12</u>	<u>-</u>
	Investment assets including investment liabilities	603,931	96.25
	Other net assets	23,546	3.75
	Total net assets	627,477	100.00

¹ Defaulted

² Unquoted securities

³ Due to rounding to nearest £1,000

All investments are listed on recognised stock exchanges and are 'approved securities' within the meaning of FCA rules unless otherwise stated.

Credit ratings

	Market value £000	Percentage of total net assets %
31/12/19		
Investments		
Investment grade (AAA - BBB)	569,579	90.78
Below investment grade (BB and below)	16,577	2.64
Unrated	17,151	2.73
Total debt securities	603,307	96.15
Derivatives	624	0.10
Investment assets including investment liabilities	603,931	96.25
Other net assets	23,546	3.75
Total net assets	627,477	100.00
	Market value £000	Percentage of total net assets %
30/06/19		
Investments		
Investment grade (AAA - BBB)	860,841	90.87
Below investment grade (BB and below)	40,661	4.29
Unrated	22,884	2.42
Total debt securities	924,386	97.58
Derivatives	(355)	(0.04)
Investment assets including investment liabilities	924,031	97.54
Other net assets	23,274	2.46
Total net assets	947,305	100.00

Statement of total return (unaudited) for the six months ended 31 December 2019

	31/12/19		31/12/18	
	£000	£000	£000	£000
Income				
Net capital gains/(losses)		19,667		(20,079)
Revenue	11,610		17,819	
Expenses	(1,001)		(1,703)	
Interest payable and similar charges	(1)		-	
	<u>10,608</u>		<u>16,116</u>	
Net revenue before taxation	10,608		16,116	
Taxation	-		-	
	<u>10,608</u>		<u>16,116</u>	
Net revenue after taxation		10,608		16,116
Total return before distributions		30,275		(3,963)
Distributions		(10,608)		(16,116)
Change in net assets attributable to shareholders from investment activities		<u>19,667</u>		<u>(20,079)</u>

Statement of change in net assets attributable to shareholders

(unaudited) for the six months ended 31 December 2019

	31/12/19		31/12/18	
	£000	£000	£000	£000
Opening net assets attributable to shareholders*		947,305		1,144,515
Amounts receivable on issue of shares	5,448		23,398	
Amounts payable on inspecie transfer	-		(160,216)	
Amounts payable on cancellation of shares	(354,485)		(93,798)	
		<u>(349,037)</u>		<u>(230,616)</u>
Dilution adjustment		997		292
Change in net assets attributable to shareholders from investment activities		19,667		(20,079)
Retained distributions on accumulation shares		8,545		13,451
Closing net assets attributable to shareholders		<u>627,477</u>		<u>907,563</u>

* The opening net assets attributable to shareholders for the current period do not equal the closing net assets attributable for the comparative period as they are not consecutive periods.

Balance sheet (unaudited) as at 31 December 2019

	31/12/19	30/06/19
	£000	£000
Assets:		
Investments	604,803	924,617
Current assets:		
Debtors	8,127	20,412
Cash and bank balances	27,499	25,263
Total assets	<u>640,429</u>	<u>970,292</u>
Liabilities:		
Investment liabilities	872	586
Creditors:		
Amounts held at derivatives clearing houses and brokers	195	-
Bank overdrafts	11,526	8,586
Distribution payable	202	96
Other creditors	157	13,719
Total liabilities	<u>12,952</u>	<u>22,987</u>
Net assets attributable to shareholders	<u>627,477</u>	<u>947,305</u>

Distribution tables for the six months ended 31 December 2019 (in pence per share)

Interim interest distribution (accounting date 30 September 2019, paid on 29 November 2019)

Group 1: shares purchased prior to 1 July 2019

Group 2: shares purchased on or after 1 July 2019

	Distribution per share	Equalisation	Total distribution per share 29/11/19	Total distribution per share 30/11/18
Class A accumulation				
Group 1	0.8523	-	0.8523	0.9184
Group 2	0.3244	0.5279	0.8523	0.9184
Class A income				
Group 1	0.6999	-	0.6999	0.7703
Group 2	0.3190	0.3809	0.6999	0.7703
Class E accumulation¹				
Group 1	0.9499	-	0.9499	n/a
Group 2	0.5070	0.4429	0.9499	n/a
Class E income¹				
Group 1	0.7798	-	0.7798	n/a
Group 2	0.0394	0.7404	0.7798	n/a
Class I accumulation				
Group 1	1.6616	-	1.6616	1.7508
Group 2	0.8088	0.8528	1.6616	1.7508
Class I income				
Group 1	0.8389	-	0.8389	0.9015
Group 2	0.3465	0.4924	0.8389	0.9015
Class Z accumulation				
Group 1	1.8774	-	1.8774	1.9185
Group 2	0.9323	0.9451	1.8774	1.9185

¹ Class E accumulation and Class E income launched on 8 July 2019.

Distribution tables (continued)

Interim interest distribution (accounting date 31 December 2019, paid on 28 February 2020)

Group 1: shares purchased prior to 1 October 2019

Group 2: shares purchased on or after 1 October 2019

	Distribution per share	Equalisation	Total distribution per share 28/02/20	Total distribution per share 28/02/19
Class A accumulation				
Group 1	0.7724	-	0.7724	0.8983
Group 2	0.2664	0.5060	0.7724	0.8983
Class A income				
Group 1	0.6310	-	0.6310	0.7493
Group 2	0.2251	0.4059	0.6310	0.7493
Class E accumulation¹				
Group 1	0.8800	-	0.8800	n/a
Group 2	0.4456	0.4344	0.8800	n/a
Class E income¹				
Group 1	0.7183	-	0.7183	n/a
Group 2	0.2261	0.4922	0.7183	n/a
Class I accumulation				
Group 1	1.5361	-	1.5361	1.7205
Group 2	1.3740	0.1621	1.5361	1.7205
Class I income				
Group 1	0.7704	-	0.7704	0.4837
Group 2	0.2882	0.4822	0.7704	0.4837
Class Z accumulation				
Group 1	1.7603	-	1.7603	1.9164
Group 2	1.1352	0.6251	1.7603	1.9164

¹ Class E accumulation and Class E income launched on 8 July 2019.

Janus Henderson European Smaller Companies Fund

Authorised Corporate Director's (ACD) report

Investment Fund Managers

Ollie Beckett and Rory Stokes

Investment objective and policy

To aim to provide capital growth by investing primarily in European smaller companies, excluding the United Kingdom.

Performance summary

Cumulative performance

	Six months	One year	Five years	First published data
	30 Jun 19 - 31 Dec 19	31 Dec 18 - 31 Dec 19	31 Dec 14 - 31 Dec 19	31 Jan 85 - 31 Dec 19
	%	%	%	%
Class I accumulation	2.9	22.4	119.2	5,392.0
EMIX Smaller European Companies ex UK Index	4.0	20.6	87.7	-*
IA European Smaller Companies Sector	3.6	20.6	74.8	4,111.9

Discrete performance

	31 Dec 18 - 31 Dec 19	31 Dec 17 - 31 Dec 18	31 Dec 16 - 31 Dec 17	31 Dec 15 - 31 Dec 16	31 Dec 14 - 31 Dec 15
	%	%	%	%	%
Class I accumulation	22.4	(13.4)	33.9	26.8	21.9

Source: Morningstar, Class I accumulation, NAV to NAV, net of fees and net income reinvested as at 12 noon valuation point. Benchmark values are as at close of business.

Index: EMIX Smaller European Companies ex UK Index

Index Usage: Comparator

Index description: The EMIX Smaller European Companies ex UK Index is a measure of the combined performance of over one thousand small and medium sized companies from developed European stock markets. It provides a useful comparison against which the fund's performance can be assessed over time.

Peer group benchmark: IA European Smaller Companies Sector

Peer group benchmark usage: Comparator

Peer group description: 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.

Class I accumulation is disclosed as it is the primary share class.

* Benchmark return is not quoted as the fund inception date is earlier than the benchmark inception date.

Please remember that past performance is not a guide to future performance. The value of an investment and the revenue from it can fall as well as rise as a result of market and currency fluctuations and you may not get back the amount originally invested.

Authorised Corporate Director's (ACD) report (continued)

Significant portfolio changes for the six months ended 31 December 2019

Largest purchases	£000	Largest sales	£000
Stillfront	3,132	Data Respons	3,967
Ipsos	3,105	Interroll	2,781
Arnoldo Mondadori Editore	2,708	JM	2,658
SoftwareONE	2,303	Forbo	2,237
Befesa	2,128	Europris	2,125
Irish Continental	2,068	Wacker Neuson	1,829
XVIVO Perfusion	2,016	Brunel International	1,650
Grieg Seafood	1,998	Barco	1,534
Fagron	1,996	Lenzing	1,495
LISI	1,893	BE Semiconductor Industries	1,375
Total purchases	57,938	Total sales	44,619

Authorised Corporate Director's (ACD) report (continued)

Investment review

The fund returned 2.9% based on Class I accumulation over the period under review, compared with a return of 4.0% in the EMIX Smaller European Companies ex UK Index and a return of 3.6% in the IA European Smaller Companies Sector peer group benchmark.

Markets continued to rally through the second half of 2019 as US/China trade discussions suggested a 'phase one' deal would be signed early in the new year. Stocks also responded positively to the UK general election result and further upward-inflecting economic lead indicators.

The fund performed broadly in line with its benchmark over the period. Contributions included VARTA, which continued to enjoy high levels of demand for its coin batteries from the growing headset and earphone market. BE Semiconductor Industries contributed because of early signs that destocking in the industry is reaching a nadir. Our holding in Data Respons, a Norwegian developer of computer systems and applications, was the subject of a takeover bid. We thought the company could have been worth much more in time, but decided to take profit. We also had good returns from Italian asset manager Anima, which drew positive flows as a result of improved market sentiment and the relaunch of a tax incentive scheme for Italian investors. Online furniture retailer Bygghemma Group First announced strong results. The operational slips that plagued earlier announcements seem behind the company, with it now able to capture structural growth as buyers move online.

On the negative side, online gambling company Kindred lagged, with margins disappointing due to rising costs. Interroll, which produces smart warehouse machinery, was also a drag. Although the company is in a structural growth area, weakness in its clients' end markets reduced growth expectations. Also on the negative side was B&S, a food and beverage distributor that announced mixed results. We are engaging with the company on its communication and disclosure policies. We also had poor returns from agricultural services group Origin Enterprises. Following a disappointing expansion into Eastern Europe, we have seen some major shareholders question management's ability to expand into Brazil (the next area of focus). We like the company's offering in a world where food production must be smarter, while the valuation is appealing.

In terms of other activity, we bought Deutz, which makes off-highway engines (agricultural and industrial generators). The shares sold off due to macroeconomic concerns. However, with a bearish scenario factored into the valuation, a good position in electric vehicles and a potentially interesting joint venture in China, the risk-reward profile seems to be in our favour. We also bought Aixtron. Although order and revenue trends in the first half of 2019 were lacklustre, we expect Aixtron's long-term growth to be driven by a number of exciting, high-growth compound semiconductor applications, most of which are at the point of moving into early commercial revenue. These include 3D sensing, silicon carbide-based power semiconductors, and microLED televisions, among others. We bought a new position in SoftwareONE, an information technology consultant that is the number one Microsoft reseller in the world. We also added Mithra Pharmaceuticals, a company that specialises in women's healthcare. Investor expectations toward the stock are undemanding, in our view, especially because we see notable sales upside to an oral contraceptive that is in the latter stages of regulatory approval. We sold JM and Forbo, which seemed fully valued. We also sold Lenzing as cash generation looked set to be disappointing for a prolonged period, something we were particularly sensitive to at that point in the cycle.

As we see a de-escalation in the US/China trade war and a recession seems less likely, we believe investors will come back to European equities in general. It is at the lower end of the market capitalisation that we see the most attractive valuations, which we think is a big opportunity for European small company investors. The risk would be that we again see an escalation in the trade war and that the economy moves towards a recession, although we believe this scenario is increasingly less likely. The key differential of our strategy versus many of the others is that we will remain aware of valuation. We have done so in the past couple of years and we will do so as we move into 2020. We hope that the value-orientated stocks will be the correct place to be as we move away from recessionary risks.

Comparative tables for the six months ended 31 December 2019

	Six months to 31/12/19 (pence per share)	Class A accumulation		Year to 30/06/17 (pence per share)
		Year to 30/06/19 (pence per share)	Year to 30/06/18 (pence per share)	
Change in net assets per share				
Opening net asset value per share	2,349.07	2,318.97	2,147.73	1,450.34
Return before operating charges*	71.15	67.80	210.64	727.96
Operating charges	(19.71)	(37.70)	(39.40)	(30.57)
Return after operating charges*	51.44	30.10	171.24	697.39
Distributions on accumulation shares	-	(10.58)	-	(3.76)
Retained distributions on accumulation shares	-	10.58	-	3.76
Closing net asset value per share	2,400.51	2,349.07	2,318.97	2,147.73
* after direct transaction costs of:	0.18	0.55	2.29	2.35
Performance				
Return after charges	2.19%	1.30%	7.97%	48.08%
Other information				
Closing net asset value (£000s)	39,778	59,310	66,677	64,078
Closing number of shares	1,657,061	2,524,819	2,875,294	2,983,528
Operating charges (annualised)	1.70%	1.70%	1.71%	1.71%
Direct transaction costs	0.01%	0.02%	0.10%	0.13%
Prices				
Highest share price (pence)	2,430.00	2,428.00	2,426.00	2,207.00
Lowest share price (pence)	2,214.00	1,960.00	2,140.00	1,441.00
Class E accumulation				
08/07/19 - 31/12/19				
(pence per share)				
Change in net assets per share				
Opening net asset value per share	2,392.63 ¹			
Return before operating charges*	27.39			
Operating charges	(13.44)			
Return after operating charges*	13.95			
Distributions on accumulation shares	-			
Retained distributions on accumulation shares	-			
Closing net asset value per share	2,406.58			
* after direct transaction costs of:	0.18			
Performance				
Return after charges	0.58% ²			
Other information				
Closing net asset value (£000s)	18,256			
Closing number of shares	758,575			
Operating charges (annualised)	1.20%			
Direct transaction costs	0.01%			
Prices				
Highest share price (pence)	2,436.00			
Lowest share price (pence)	2,218.00			

¹ Class E accumulation launched on 8 July 2019 and this is the first published price.

² Return after charges relates to the period 08/07/19 to 31/12/19 post conversion from the A accumulation share class.

This performance will differ from the other share classes as it does not include returns generated prior to class launch, whilst the other classes returns cover the entire period under review.

Comparative tables (continued)

	Class I accumulation			
	Six months to 31/12/19 (pence per share)	Year to 30/06/19 (pence per share)	Year to 30/06/18 (pence per share)	Year to 30/06/17 (pence per share)
Change in net assets per share				
Opening net asset value per share	2,658.85	2,602.41	2,389.36	1,599.77
Return before operating charges*	81.06	77.45	235.25	806.96
Operating charges	(11.05)	(21.01)	(22.20)	(17.37)
Return after operating charges*	70.01	56.44	213.05	789.59
Distributions on accumulation shares	-	(34.58)	(19.97)	(17.26)
Retained distributions on accumulation shares	-	34.58	19.97	17.26
Closing net asset value per share	2,728.86	2,658.85	2,602.41	2,389.36
* after direct transaction costs of:	0.21	0.62	2.57	2.65

Performance

Return after charges	2.63%	2.17%	8.92%	49.36%
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Other information

Closing net asset value (£000s)	170,693	149,038	183,994	74,533
Closing number of shares	6,255,107	5,605,367	7,070,143	3,119,374
Operating charges (annualised)	0.84%	0.84%	0.86%	0.86%
Direct transaction costs	0.01%	0.02%	0.10%	0.13%

Prices

Highest share price (pence)	2,762.00	2,727.00	2,713.00	2,454.00
Lowest share price (pence)	2,513.00	2,209.00	2,381.00	1,590.00

Direct transaction costs incurred on securities transactions (including derivatives) are stated after deducting the proportion of the amounts collected from dilution adjustments that relate to direct transaction costs.

Performance values are at close of business on a bid basis, which will differ from those in the Performance summary.

Operating charges

Operating charges are expenses associated with the maintenance and administration of the fund on a day-to-day basis that are actually borne by the share class.

Share class launches and closures

The following share class launched in the period:

Share class	Launch date
Class E accumulation	8 July 2019

There were no share classes closed in the period.

Share class conversions

Share class conversions	Conversion date
Class A accumulation to Class E accumulation	8 July 2019

Some shareholders were converted to the newly launched E share classes as there are no commission payments for financial advice bundled within the E share classes, and these are available for direct investment.

The conversion of A share classes to the E share classes was performed to benefit investors who do not use a financial adviser as a lower management fee is charged.

Ongoing charge figure

The annualised ongoing charge figure (OCF) of the fund is calculated as the ratio of the total ongoing charges to the average net asset value for twelve months. Ongoing charges are all expenses deducted from the assets of the fund during the period, except for expenses that are explicitly excluded by regulation.

	31/12/19 %	30/06/19 %	Estimated OCF from 8 July 2019¹ %
Class A	1.70	1.70	n/a
Class E²	1.20	n/a	1.20
Class I	0.84	0.84	n/a

The OCF is calculated in accordance with guidelines issued by the European Securities and Markets Authority (ESMA).

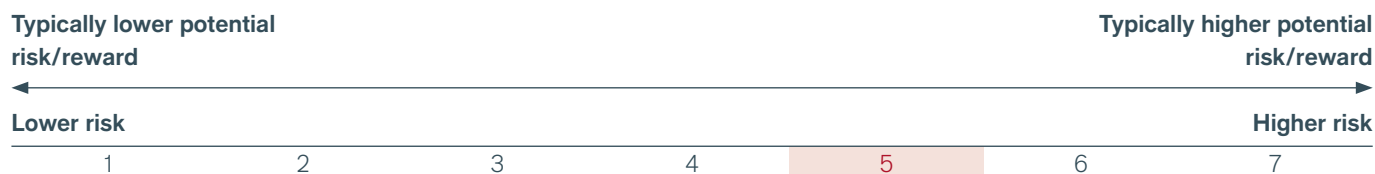
¹ The estimated ongoing charge is based on the annual fee rates on launch date as at 8 July 2019.

² Class E accumulation launched on 8 July 2019.

Risk and reward profile

The fund currently has 3 types of share class in issue; A accumulation, E accumulation and I accumulation.

Each type of share class has the same risk and reward profile which is as follows:



The share classes appear at 5 out of 7. Share classes in higher categories have shown greater and/or more frequent variations in share price in the past 5 years than those in lower categories. The lowest category does not mean risk free.

The Synthetic Risk and Reward Indicator (SRRI) is calculated based on historical volatility over a rolling 5* year period, it is reviewed monthly and updated if volatility has changed materially to cause a movement in the SRRI level. The SRRI is an indicator and may not accurately reflect future volatility and market conditions.

The value of an investment and any income from it can go up or down. When you sell your shares they may be worth less than you paid for them.

The risk/reward rating above is based on medium-term volatility. In the future, the fund's actual volatility could be higher or lower and its rated risk/reward level could change.

The rating does not reflect the possible effects of unusual market conditions or large unpredictable events. Under normal market conditions the following risks may apply:

Country or Region If a fund has a high exposure to a particular country or geographical region it carries a higher level of risk than a fund which is more broadly diversified.

Derivatives The fund may use derivatives with the aim of reducing risk or managing the portfolio more efficiently. However this introduces other risks, in particular, that a derivative counterparty may not meet its contractual obligations.

Exchange Rates If the fund holds assets in currencies other than the base currency of the fund or you invest in a share class of a different currency to the fund (unless 'hedged'), the value of your investment may be impacted by changes in exchange rates.

Equities Shares can lose value rapidly, and typically involve higher risks than bonds or money market instruments. The value of your investment may fall as a result.

Smaller Companies Shares of small and mid-size companies can be more volatile than shares of larger companies, and at times it may be difficult to value or to sell shares at desired times and prices, increasing the risk of losses.

The full list of the fund's risks are contained in the 'Risk Factors' section of the fund's prospectus.

There has been no change to the risk ratings in the period.

The SRRI conforms to the ESMA guidelines for the calculation of the SRRI.

* Class E accumulation launched on 8 July 2019 and as it does not have a 5 year history, a synthetic history has been created using the fund's relevant sector average.

Portfolio statement as at 31 December 2019

Holding	Investment	Market value £000	Percentage of total net assets %
	Equities 96.82% (30/06/2019: 97.72%) Austria 0.00% (30/06/2019: 0.77%) Basic Materials 0.00% (30/06/2019: 0.77%)		
	Belgium 6.97% (30/06/2019: 6.17%) Basic Materials 1.23% (30/06/2019: 1.16%)		
400,026	Recticel	2,806	1.23
	Financials 0.33% (30/06/2019: 0.18%)		
13,295	Immobel	743	0.33
	Health Care 1.51% (30/06/2019: 0.37%)		
140,925	Fagron	2,297	1.00
52,000	Mithra Pharmaceuticals	1,157	0.51
		3,454	1.51
	Industrials 3.90% (30/06/2019: 4.46%)		
895,452	AGFA-Gevaert	3,504	1.53
19,292	Barco	3,565	1.55
22,864	CFE	1,871	0.82
		8,940	3.90
	Cyprus 1.07% (30/06/2019: 0.54%) Industrials 1.07% (30/06/2019: 0.54%)		
315,119	Flex	2,458	1.07
	Denmark 1.84% (30/06/2019: 3.11%) Consumer Goods 0.44% (30/06/2019: 0.89%)		
71,425	TCM	1,016	0.44
	Industrials 0.33% (30/06/2019: 0.94%)		
25,031	FLSmidth	752	0.33
	Technology 1.07% (30/06/2019: 1.28%)		
394,841	Better Collective	2,440	1.07
	Finland 3.24% (30/06/2019: 4.65%) Consumer Goods 1.33% (30/06/2019: 1.59%)		
440,513	Altia	3,049	1.33
	Health Care 0.00% (30/06/2019: 0.70%)		
	Industrials 1.91% (30/06/2019: 2.36%)		
439,018	Outotec	2,146	0.94
121,932	Valmet	2,205	0.97
		4,351	1.91

Portfolio statement (continued)

Holding	Investment	Market value £000	Percentage of total net assets %
	France 14.68% (30/06/2019: 13.53%)		
	Consumer Goods 3.28% (30/06/2019: 2.47%)		
102,251	Kaufman & Broad	3,206	1.40
60,517	Maisons du Monde	665	0.29
45,822	Trigano	3,649	1.59
		<u>7,520</u>	<u>3.28</u>
	Consumer Services 3.10% (30/06/2019: 1.60%)		
129,801	Ipsos	3,167	1.38
925,886	Karnov	3,920	1.72
		<u>7,087</u>	<u>3.10</u>
	Health Care 1.54% (30/06/2019: 1.86%)		
64,436	Vétoquinol	3,516	1.54
	Industrials 2.11% (30/06/2019: 1.68%)		
79,482	LISI	1,997	0.87
98,069	Mersen	2,829	1.24
		<u>4,826</u>	<u>2.11</u>
	Oil & Gas 1.38% (30/06/2019: 1.96%)		
43,727	Gaztransport et Technigaz	3,164	1.38
	Technology 3.27% (30/06/2019: 3.96%)		
108,880	Criteo ADS	1,424	0.62
37,731	Devoteam	3,015	1.32
38,485	Soitec	3,046	1.33
		<u>7,485</u>	<u>3.27</u>
	Germany 12.35% (30/06/2019: 12.99%)		
	Basic Materials 0.72% (30/06/2019: 0.60%)		
59,426	Nabaltec	1,652	0.72
	Consumer Goods 3.03% (30/06/2019: 4.56%)		
46,420	Einhell Germany Preference Shares	2,368	1.04
74,987	Helma Eigenheimbau	2,650	1.16
26,293	Zooplus	1,909	0.83
		<u>6,927</u>	<u>3.03</u>
	Consumer Services 1.73% (30/06/2019: 1.64%)		
43,943	CEWE Stiftung	3,954	1.73
	Financials 0.73% (30/06/2019: 0.78%)		
65,153	Aareal Bank	1,668	0.73
	Health Care 1.30% (30/06/2019: 1.71%)		
88,139	Dermapharm	2,968	1.30
	Industrials 1.13% (30/06/2019: 1.27%)		
284,111	Deutz	1,344	0.59
121,782	SUESS MicroTec	1,238	0.54
		<u>2,582</u>	<u>1.13</u>

Portfolio statement (continued)

Holding	Investment	Market value £000	Percentage of total net assets %
	Technology 3.71% (30/06/2019: 2.43%)		
188,054	Aixtron	1,353	0.59
73,658	AlzChem	1,323	0.58
74,220	Elmos Semiconductor	1,789	0.78
52,928	Mensch und Maschine Software	1,928	0.84
154,672	USU Software	2,097	0.92
		<u>8,490</u>	<u>3.71</u>
	Ireland 2.26% (30/06/2019: 1.11%)		
	Consumer Goods 0.67% (30/06/2019: 0.71%)		
464,953	Origin Enterprises	1,536	0.67
	Consumer Services 1.59% (30/06/2019: 0.40%)		
334,953	Dalata Hotel	1,462	0.64
532,110	Irish Continental	2,164	0.95
		<u>3,626</u>	<u>1.59</u>
	Italy 9.67% (30/06/2019: 7.91%)		
	Consumer Services 1.18% (30/06/2019: 0.00%)		
1,549,807	Arnoldo Mondadori Editore	2,705	1.18
	Financials 7.30% (30/06/2019: 6.59%)		
784,959	Anima	3,061	1.34
722,202	Banca Farmafactoring	3,262	1.43
270,348	doValue	2,813	1.23
440,949	FinecoBank	3,993	1.75
209,170	Gruppo MutuiOnline	3,554	1.55
		<u>16,683</u>	<u>7.30</u>
	Industrials 1.19% (30/06/2019: 1.32%)		
232,433	Carel Industries	2,730	1.19
	Luxembourg 1.02% (30/06/2019: 1.74%)		
	Consumer Services 1.02% (30/06/2019: 1.74%)		
287,629	B&S	2,340	1.02
	Malta 1.95% (30/06/2019: 1.28%)		
	Consumer Services 1.95% (30/06/2019: 1.28%)		
722,031	Aspire Global	1,712	0.75
593,366	Kindred	2,738	1.20
		<u>4,450</u>	<u>1.95</u>
	Netherlands 6.15% (30/06/2019: 7.64%)		
	Financials 2.94% (30/06/2019: 3.20%)		
280,877	Intertrust	4,097	1.79
154,828	Van Lanschot Kempen	2,630	1.15
		<u>6,727</u>	<u>2.94</u>
	Industrials 1.24% (30/06/2019: 1.78%)		
162,246	Kendrion	2,825	1.24

Portfolio statement (continued)

Holding	Investment	Market value £000	Percentage of total net assets %
	Oil & Gas 0.48% (30/06/2019: 0.49%)		
129,414	Fugro	1,093	0.48
	Technology 1.49% (30/06/2019: 2.17%)		
68,681	BE Semiconductor Industries	2,005	0.87
145,648	ICT	1,407	0.62
		<u>3,412</u>	<u>1.49</u>
	Norway 5.73% (30/06/2019: 5.04%)		
	Consumer Goods 0.90% (30/06/2019: 0.00%)		
171,869	Grieg Seafood	2,067	0.90
	Consumer Services 1.60% (30/06/2019: 1.05%)		
781,422	Bygghemma Group First	3,655	1.60
	Financials 1.48% (30/06/2019: 0.99%)		
237,154	Sbanken	1,512	0.66
236,445	Sparebank 1	1,872	0.82
		<u>3,384</u>	<u>1.48</u>
	Industrials 0.25% (30/06/2019: 0.42%)		
304,160	Wallenius Wilhelmsen	570	0.25
	Oil & Gas 1.50% (30/06/2019: 1.24%)		
1,223,605	Odfjell Drilling	3,439	1.50
	Technology 0.00% (30/06/2019: 1.34%)		
	Portugal 1.28% (30/06/2019: 1.21%)		
	Basic Materials 1.28% (30/06/2019: 1.21%)		
962,934	Navigator	2,927	1.28
	Spain 5.98% (30/06/2019: 5.28%)		
	Consumer Services 0.81% (30/06/2019: 0.61%)		
1,511,309	Promotora de Informaciones	1,841	0.81
	Financials 0.92% (30/06/2019: 0.76%)		
115,916	AEDAS Homes	2,107	0.92
	Health Care 1.43% (30/06/2019: 1.90%)		
159,343	Laboratorios Farmacéuticos Rovi	3,281	1.43
	Industrials 2.82% (30/06/2019: 2.01%)		
343,010	Applus Services	3,312	1.45
74,069	Befesa	2,379	1.04
73,698	Fluidra	756	0.33
		<u>6,447</u>	<u>2.82</u>
	Sweden 10.99% (30/06/2019: 12.36%)		
	Basic Materials 2.28% (30/06/2019: 2.66%)		
430,318	Ahlstrom-Munksjö	5,221	2.28

Portfolio statement (continued)

Holding	Investment	Market value £000	Percentage of total net assets %
Consumer Goods 2.75% (30/06/2019: 1.31%)			
182,692	MIPS	2,917	1.28
115,398	Stillfront	3,364	1.47
		<u>6,281</u>	<u>2.75</u>
Consumer Services 2.57% (30/06/2019: 4.69%)			
717,193	AcadeMedia	3,187	1.40
442,020	Dustin	2,682	1.17
		<u>5,869</u>	<u>2.57</u>
Financials 0.00% (30/06/2019: 1.12%)			
Health Care 1.87% (30/06/2019: 1.15%)			
451,016	Ambea	2,848	1.24
105,593	XVIVO Perfusion	1,437	0.63
		<u>4,285</u>	<u>1.87</u>
Industrials 1.52% (30/06/2019: 1.43%)			
465,478	Balco	3,483	1.52
Switzerland 10.80% (30/06/2019: 11.81%)			
Consumer Goods 0.82% (30/06/2019: 1.80%)			
18,177	VARTA	1,867	0.82
Consumer Services 1.60% (30/06/2019: 1.73%)			
43,862	Zur Rose	3,652	1.60
Financials 1.29% (30/06/2019: 0.86%)			
78,204	Swissquote Holding	2,958	1.29
Health Care 2.67% (30/06/2019: 3.15%)			
861,573	Handicare	2,536	1.11
15,401	Medacta	867	0.38
7,419	Siegfried	2,712	1.18
		<u>6,115</u>	<u>2.67</u>
Industrials 3.10% (30/06/2019: 4.27%)			
18,680	Comet	1,785	0.78
1,336	Interroll	2,264	0.99
62,181	KlingelInberg	1,183	0.52
209,317	OC Oerlikon	1,852	0.81
		<u>7,084</u>	<u>3.10</u>
Technology 1.32% (30/06/2019: 0.00%)			
157,048	SoftwareONE	3,024	1.32
United Kingdom 0.84% (30/06/2019: 0.58%)¹			
Industrials 0.84% (30/06/2019: 0.58%)			
222,319	Grafton	1,928	0.84

Portfolio statement (continued)

Holding	Investment	Market value £000	Percentage of total net assets %
	Derivatives 0.00% (30/06/2019: 0.00%)		
	Forward Foreign Exchange Contracts 0.00% (30/06/2019: 0.00%)²		
	Buy EUR 22,813 : Sell GBP 19,405 January 2020 ³	-	-
	Buy EUR 51,611 : Sell GBP 44,035 January 2020 ³	-	-
	Buy GBP 53,285 : Sell EUR 62,467 January 2020 ³	-	-
		-	-
		-	-
	Investment assets	221,460	96.82
	Other net assets	7,267	3.18
	Total net assets	228,727	100.00

¹ These stocks are incorporated and domiciled in Europe and are permitted investments, the country of risk is United Kingdom.

² Unquoted securities

³ Due to rounding to nearest £1,000

All investments are listed on recognised stock exchanges and are 'approved securities' within the meaning of FCA rules unless otherwise stated.

Statement of total return (unaudited) for the six months ended 31 December 2019

	31/12/19		31/12/18	
	£000	£000	£000	£000
Income				
Net capital gains/(losses)		5,354		(32,449)
Revenue	1,074		761	
Expenses	(1,062)		(1,278)	
Interest payable and similar charges	(8)		(10)	
Net revenue/(expense) before taxation	4		(527)	
Taxation	48		(36)	
Net revenue/(expense) after taxation		52		(563)
Total return before distributions		5,406		(33,012)
Distributions		-		-
Change in net assets attributable to shareholders from investment activities		5,406		(33,012)

Statement of change in net assets attributable to shareholders

(unaudited) for the six months ended 31 December 2019

	31/12/19		31/12/18	
	£000	£000	£000	£000
Opening net assets attributable to shareholders*		208,348		250,671
Amounts receivable on issue of shares	28,878		11,545	
Amounts payable on cancellation of shares	(13,978)		(26,608)	
		14,900		(15,063)
Dilution adjustment		73		-
Change in net assets attributable to shareholders from investment activities		5,406		(33,012)
Closing net assets attributable to shareholders		228,727		202,596

* The opening net assets attributable to shareholders for the current period do not equal the closing net assets attributable for the comparative period as they are not consecutive periods.

Balance sheet (unaudited) as at 31 December 2019

	31/12/19 £000	30/06/19 £000
Assets:		
Investments	221,460	203,592
Current assets:		
Debtors	915	1,048
Cash and bank balances	12,997	6,649
Total assets	<u>235,372</u>	<u>211,289</u>
Liabilities:		
Creditors:		
Bank overdrafts	5,056	1,875
Other creditors	1,589	1,066
Total liabilities	<u>6,645</u>	<u>2,941</u>
Net assets attributable to shareholders	<u>228,727</u>	<u>208,348</u>

Janus Henderson Index Linked Bond Fund

Authorised Corporate Director's (ACD) report

Investment Fund Managers

Andrew Mulliner and Bethany Payne

Investment objective and policy

To provide a return by investing primarily in United Kingdom Government issued index linked securities. The fund may invest in other transferable securities, money market instruments, derivatives and forward transactions, deposits and units in collective investment schemes.

Performance summary

Cumulative performance	Six months	One year	Five years	First published data
	30 Jun 19 - 31 Dec 19	31 Dec 18 - 31 Dec 19	31 Dec 14 - 31 Dec 19	4 Sep 00 - 31 Dec 19
	%	%	%	%
Class I accumulation	(2.2)	6.9	33.4	242.8
FTSE Actuaries UK Index-Linked Gilts greater than 5 years to maturity Index	(1.5)	6.8	37.3	284.0
IA UK Index-Linked Gilts Sector	(2.2)	5.9	32.8	228.3

Discrete performance

	31 Dec 18 - 31 Dec 19	31 Dec 17 - 31 Dec 18	31 Dec 16 - 31 Dec 17	31 Dec 15 - 31 Dec 16	31 Dec 14 - 31 Dec 15
	%	%	%	%	%
Class I accumulation	6.9	(2.1)	2.0	26.6	(1.3)

Source: Morningstar, Class I accumulation, NAV to NAV, net of fees and net income reinvested as at 12 noon valuation point. Benchmark values are as at close of business.

Index: FTSE Actuaries UK Index-Linked Gilts greater than 5 years to maturity Index

Index Usage: Comparator

Index description: The FTSE Actuaries UK Index-Linked Gilts greater than 5 years to maturity Index is a measure of the combined performance of index-linked bonds issued by the British government with greater than 5 years to maturity. It provides a useful comparison against which the fund's performance can be assessed over time.

Peer group benchmark: IA UK Index-Linked Gilts Sector

Peer group benchmark usage: Comparator

Peer group description: 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.

Class I accumulation is disclosed as it is the primary share class.

Please remember that past performance is not a guide to future performance. The value of an investment and the revenue from it can fall as well as rise as a result of market and currency fluctuations and you may not get back the amount originally invested.

Authorised Corporate Director's (ACD) report (continued)

Significant portfolio changes for the six months ended 31 December 2019

Largest purchases	£000	Largest sales	£000
UK Treasury 0.125% Index-Linked 10/08/2041	3,992	UK Treasury 1.25% Index-Linked 22/11/2027	4,798
UK Treasury 0.125% Index-Linked 22/03/2029	3,609	UK Treasury 0.125% Index-Linked 22/03/2026	4,110
UK Treasury 0.125% Index-Linked 22/03/2044	2,724	UK Treasury 4.125% Index-Linked 22/07/2030	2,081
UK Treasury 0.75% Index-Linked 22/03/2034	2,246	UK Treasury 0.625% Index-Linked 22/11/2042	906
Indonesia (Republic of) 8.375% 15/03/2034	2,169	UK Treasury 0.125% Index-Linked 10/08/2028	798
UK Treasury 0.125% Index-Linked 10/08/2048	2,044	UK Treasury 1.25% Index-Linked 22/11/2055	666
UK Treasury 0.125% Index-Linked 22/03/2068	1,946	UK Treasury 0.375% Index-Linked 22/03/2062	545
UK Treasury 1.125% Index-Linked 22/11/2037	1,696	UK Treasury 1.125% Index-Linked 22/11/2037	544
UK Treasury 0.125% Index-Linked 22/11/2036	1,644	UK Treasury 0.25% Index-Linked 22/03/2052	539
UK Treasury 0.50% Index-Linked 22/03/2050	1,618	UK Treasury 0.50% Index-Linked 22/03/2050	527
Total purchases	34,940	Total sales	18,513

Authorised Corporate Director's (ACD) report (continued)

Investment review

The fund fell 2.2% based on Class I accumulation over the period under review, compared with a fall of 1.5% in the FTSE Actuaries UK Index-Linked Gilts greater than 5 years to maturity Index and a fall of 2.2% in the IA UK Index-Linked Gilts Sector peer group benchmark.

Yields for 'safe-haven' government bonds continued to fall during the initial part of the period (prices rose, reflecting their inverse relationship to yields), although they hit a trough at the end of August and rose up to the end of the period. Economic data showed signs of a turnaround and market sentiment improved as the US and China agreed terms for a 'phase one' trade deal. In the UK, the Conservative Party's decisive victory in the December's general election was a tailwind for sterling and gilts underperformed. Returns from inflation-linked gilts were negatively impacted by a consultation on the retail price index (RPI) after the UK Statistics Authority announced its intention to align it with the lower CPIH (consumer price inflation including owner/occupiers' housing costs) inflation measure, with the change due to take effect between 2025 and 2030. The rise in sterling in the fourth quarter also helped to dampen inflation expectations.

Major central banks continued to take an accommodative approach to monetary policy. The US Federal Reserve (Fed) cut interest rates three times over the period, with the reductions aimed at providing some 'insurance' against too-low inflation and the risk of a deeper slump. It hinted later that it would not raise rates until there was a noticeable acceleration in inflation. The European Central Bank (ECB) pushed rates deeper into negative territory and restarted its asset purchase programme, buying around €20bn a month across both government and investment-grade corporate debt. However, on its own, this is unlikely to move economic growth, if governments remain hesitant to implement fiscal stimulus. In contrast, Sweden raised rates to zero in November as the Riksbank decided to exit negative interest rate policy.

The fund started the second half of 2019 with interest rate duration at the upper end of the range through positions in the US, Canada, Sweden, Australia and New Zealand. The sharp fall in government bond yields in July and August, particularly in core markets, allowed these positions to perform well. We subsequently reduced this duration position to lock in some of the gains and took profits on our position on expectations of a flatter euro yield curve. In the fourth quarter of the year, our duration positioning saw some modest underperformance as yields rose, but we made gains from inflation positions (in the UK and US).

Inflation strategies were beneficial. In the UK, we were positioned for breakeven inflation expectations to fall through a position in inflation swaps. This benefited from the rise in sterling, which dampened inflation expectations, and the announcement of the RPI review. In the US, we established a position for breakeven inflation to rise from depressed levels, which performed well in December.

Emerging market positioning in Mexico continued to perform well after the country's central bank cut rates.

Currency strategies made a small positive contribution – we were positioned for outperformance of the Indonesian rupiah.

Most major central banks are expected to maintain an easing (or neutral) monetary policy bias. While European economic growth is expected to pick up to 1% versus 2018, the sensitivity of the eurozone region to fragile global growth means that the ECB is expected to stay highly accommodative. This should anchor eurozone sovereign yields around zero. In the UK, the Bank of England may lean towards a rate cut if the country's economy weakens as the Brexit drag continues. In the US, the Fed has a dovish bias but will need weak economic data to enact further cuts. The bar for raising rates is high.

Within government bond markets, we are positive on US Treasury inflation-linked securities relative to nominal equivalents. Elsewhere, we remain overweight to interest rate duration in the eurozone area and countries such as Sweden and Canada and, also, emerging markets such as Mexico where higher real yields, and falling inflation, provide scope for rate cuts. The long-term uptrend in the US dollar has stalled with risks to the downside, which should add some support for emerging market currencies.

We continue to maintain our interest rate duration above average and hold a more cautious view on high-yield corporate debt, due to the uncertain growth and geopolitical backdrop, which we expect to push credit spreads wider from here. Secured credit continues to be attractive on a relative basis, as does emerging market debt, relative to developed markets.

The fund utilises derivatives. During the period, derivative positions included using government bond futures and interest rate and inflation swaps to implement active positions and manage overall interest rate exposure. Forward foreign exchange contracts were used to implement currency positions.

Comparative tables for the six months ended 31 December 2019

	Class A income			
	Six months to 31/12/19 (pence per share)	Year to 30/06/19 (pence per share)	Year to 30/06/18 (pence per share)	Year to 30/06/17 (pence per share)
Change in net assets per share				
Opening net asset value per share	491.50	454.05	450.27	424.16
Return before operating charges*	(5.80)	41.66	7.89	30.26
Operating charges	(2.34)	(4.21)	(4.11)	(4.15)
Return after operating charges*	(8.14)	37.45	3.78	26.11
Distributions on income shares	-	-	-	-
Closing net asset value per share	483.36	491.50	454.05	450.27
* after direct transaction costs of:	-	-	-	-

Performance

Return after charges	(1.66%)	8.25%	0.84%	6.16%
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Other information

Closing net asset value (£000s)	11,213	11,723	13,050	13,769
Closing number of shares	2,319,752	2,385,140	2,874,205	3,057,838
Operating charges (annualised)	0.91%	0.91%	0.91%	0.91%
Direct transaction costs	0.00%	0.00%	0.00%	0.00%

Prices

Highest share price (pence)	552.10	505.20	475.30	488.90
Lowest share price (pence)	479.70	438.40	434.30	418.20

	Class D accumulation			
	Six months to 31/12/19 (pence per share)	Year to 30/06/19 (pence per share)	Year to 30/06/18 (pence per share)	Year to 30/06/17 (pence per share)
Change in net assets per share				
Opening net asset value per share	377.94	347.01	342.02	319.96
Return before operating charges*	(4.51)	31.96	5.99	23.05
Operating charges	(0.59)	(1.03)	(1.00)	(0.99)
Return after operating charges*	(5.10)	30.93	4.99	22.06
Distributions on accumulation shares	-	-	-	-
Retained distributions on accumulation shares	-	-	-	-
Closing net asset value per share	372.84	377.94	347.01	342.02
* after direct transaction costs of:	-	-	-	-

Performance

Return after charges	(1.35%)	8.91%	1.46%	6.89%
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Other information

Closing net asset value (£000s)	30	31	29	31
Closing number of shares	8,097	8,097	8,250	8,950
Operating charges (annualised)	0.29%	0.29%	0.29%	0.29%
Direct transaction costs	0.00%	0.00%	0.00%	0.00%

Prices

Highest share price (pence)	425.00	388.30	361.50	370.90
Lowest share price (pence)	369.70	335.50	330.20	315.70

Comparative tables (continued)

	Class E income 08/07/19 - 31/12/19 (pence per share)
Change in net assets per share	
Opening net asset value per share	504.33 ¹
Return before operating charges*	(18.76)
Operating charges	(1.63)
Return after operating charges*	(20.39)
Distributions on income shares	-
Closing net asset value per share	483.94
* after direct transaction costs of:	-
Performance	
Return after charges	(4.04%) ²
Other information	
Closing net asset value (£000s)	497
Closing number of shares	102,692
Operating charges (annualised)	0.66%
Direct transaction costs	0.00%
Prices	
Highest share price (pence)	552.30
Lowest share price (pence)	480.10

¹ Class E income launched on 8 July 2019 and this is the first published price.

² Return after charges relates to the period 08/07/19 to 31/12/19 post conversion from the A income share class. This performance will differ from the other share classes as it does not include returns generated prior to class launch, whilst the other classes returns cover the entire period under review.

	Class I accumulation			
	Six months to 31/12/19 (pence per share)	Year to 30/06/19 (pence per share)	Year to 30/06/18 (pence per share)	Year to 30/06/17 (pence per share)
Change in net assets per share				
Opening net asset value per share	589.53	542.61	536.15	502.78
Return before operating charges*	(7.04)	49.91	9.37	36.30
Operating charges	(1.65)	(2.99)	(2.91)	(2.93)
Return after operating charges*	(8.69)	46.92	6.46	33.37
Distributions on accumulation shares	-	-	-	-
Retained distributions on accumulation shares	-	-	-	-
Closing net asset value per share	580.84	589.53	542.61	536.15
* after direct transaction costs of:	-	-	-	-
Performance				
Return after charges	(1.47%)	8.65%	1.20%	6.64%
Other information				
Closing net asset value (£000s)	120,388	105,691	108,056	21,211
Closing number of shares	20,726,677	17,927,981	19,914,073	3,956,259
Operating charges (annualised)	0.54%	0.54%	0.54%	0.54%
Direct transaction costs	0.00%	0.00%	0.00%	0.00%
Prices				
Highest share price (pence)	662.70	605.80	566.30	581.70
Lowest share price (pence)	576.10	524.30	517.50	496.10

Comparative tables (continued)

	Class I income			
	Six months to 31/12/19 (pence per share)	Year to 30/06/19 (pence per share)	Year to 30/06/18 (pence per share)	Year to 30/06/17 (pence per share)
Change in net assets per share				
Opening net asset value per share	511.49	470.78	465.17	436.23
Return before operating charges*	(6.12)	43.31	8.13	31.48
Operating charges	(1.43)	(2.60)	(2.52)	(2.54)
Return after operating charges*	(7.55)	40.71	5.61	28.94
Distributions on income shares	-	-	-	-
Closing net asset value per share	503.94	511.49	470.78	465.17
* after direct transaction costs of:	-	-	-	-
Performance				
Return after charges	(1.48%)	8.65%	1.21%	6.63%
Other information				
Closing net asset value (£000s)	37,265	39,217	43,329	62,656
Closing number of shares	7,394,705	7,667,298	9,203,548	13,469,458
Operating charges (annualised)	0.54%	0.54%	0.54%	0.54%
Direct transaction costs	0.00%	0.00%	0.00%	0.00%
Prices				
Highest share price (pence)	575.00	525.60	491.40	504.70
Lowest share price (pence)	499.90	454.90	449.00	430.40
	Class Z accumulation			
	Six months to 31/12/19 (pence per share)	Year to 30/06/19 (pence per share)	Year to 30/06/18 (pence per share)	Year to 30/06/17 (pence per share)
Change in net assets per share				
Opening net asset value per share	347.50	318.26	312.90	292.00
Return before operating charges*	(4.19)	29.37	5.49	21.03
Operating charges	(0.07)	(0.13)	(0.13)	(0.13)
Return after operating charges*	(4.26)	29.24	5.36	20.90
Distributions on accumulation shares	-	-	(0.09)	-
Retained distributions on accumulation shares	-	-	0.09	-
Closing net asset value per share	343.24	347.50	318.26	312.90
* after direct transaction costs of:	-	-	-	-
Performance				
Return after charges	(1.23%)	9.19%	1.71%	7.16%
Other information				
Closing net asset value (£000s)	15,412	16,317	14,005	15,408
Closing number of shares	4,490,181	4,695,514	4,400,659	4,924,252
Operating charges (annualised)	0.04%	0.04%	0.04%	0.04%
Direct transaction costs	0.00%	0.00%	0.00%	0.00%
Prices				
Highest share price (pence)	391.00	357.00	330.80	339.10
Lowest share price (pence)	340.30	307.90	302.10	288.20

Comparative tables (continued)

	Class A income gross	
	Year to 30/06/18 (pence per share)	Year to 30/06/17 (pence per share)
Change in net assets per share		
Opening net asset value per share	456.10	429.01
Return before operating charges*	(2.08)	30.84
Operating charges	(1.32)	(3.75)
Return after operating charges*	(3.40)	27.09
Distributions on income shares	-	-
Final cancellation	(452.70) ³	-
Closing net asset value per share	-	456.10
* after direct transaction costs of:	-	-
Performance		
Return after charges	(0.75%)	6.31%
Other information		
Closing net asset value (£000s)	-	3,401
Closing number of shares	-	745,709
Operating charges (annualised)	0.81%	0.81%
Direct transaction costs	0.00%	0.00%
Prices		
Highest share price (pence)	481.50 ⁴	495.10
Lowest share price (pence)	440.20 ⁴	423.10

³ Class A income gross closed on 2 October 2017.

⁴ to 2 October 2017.

Comparative tables (continued)

	Class I accumulation gross	
	Year to 30/06/18 (pence per share)	Year to 30/06/17 (pence per share)
Change in net assets per share		
Opening net asset value per share	548.07	514.03
Return before operating charges*	(2.63)	37.02
Operating charges	(1.04)	(2.98)
Return after operating charges*	(3.67)	34.04
Distributions on accumulation shares	-	-
Retained distributions on accumulation shares	-	-
Final cancellation	(544.40) ⁵	-
Closing net asset value per share	-	548.07
* after direct transaction costs of:	-	-
Performance		
Return after charges	(0.67%)	6.62%
Other information		
Closing net asset value (£000s)	-	95,410
Closing number of shares	-	17,408,180
Operating charges	0.54%	0.54%
Direct transaction costs	0.00%	0.00%
Prices		
Highest share price (pence)	578.90 ⁶	594.60
Lowest share price (pence)	529.00 ⁶	507.20

⁵ Class I accumulation gross closed on 2 October 2017.

⁶ to 2 October 2017.

Comparative tables (continued)

	Class I income gross	
	Year to 30/06/18 (pence per share)	Year to 30/06/17 (pence per share)
Change in net assets per share		
Opening net asset value per share	466.97	437.96
Return before operating charges*	(2.28)	31.56
Operating charges	(0.89)	(2.55)
Return after operating charges*	(3.17)	29.01
Distributions on income shares	-	-
Final cancellation	(463.80) ⁷	-
Closing net asset value per share	-	466.97
* after direct transaction costs of:	-	-
Performance		
Return after charges	(0.68%)	6.62%
Other information		
Closing net asset value (£000s)	-	10,463
Closing number of shares	-	2,240,706
Operating charges	0.54%	0.54%
Direct transaction costs	0.00%	0.00%
Prices		
Highest share price (pence)	493.30 ⁸	506.60
Lowest share price (pence)	450.70 ⁸	432.10

⁷ Class I income gross closed on 2 October 2017.

⁸ to 2 October 2017.

Direct transaction costs incurred on securities transactions (including derivatives) are stated after deducting the proportion of the amounts collected from dilution adjustments that relate to direct transaction costs.

Performance values are at close of business on a bid basis, which will differ from those in the Performance summary.

Operating charges

Operating charges are expenses associated with the maintenance and administration of the fund on a day-to-day basis that are actually borne by the share class.

Share class launches and closures

The following share class launched in the period:

Share class	Launch date
Class E income	8 July 2019

There were no share classes closed in the period.

Share class conversions	Conversion date
Class A income to Class E income	8 July 2019

Some shareholders were converted to the newly launched E share classes as there are no commission payments for financial advice bundled within the E share classes, and these are available for direct investment.

The conversion of A share classes to the E share classes was performed to benefit investors who do not use a financial adviser as a lower management fee is charged.

Ongoing charge figure

The annualised ongoing charge figure (OCF) of the fund is calculated as the ratio of the total ongoing charges to the average net asset value for twelve months. Ongoing charges are all expenses deducted from the assets of the fund during the period, except for expenses that are explicitly excluded by regulation.

	31/12/19 %	30/06/19 %	Estimated OCF from 8 July 2019 ¹ %
Class A	0.91	0.91	n/a
Class D	0.29	0.29	n/a
Class E²	0.66	n/a	0.66
Class I	0.54	0.54	n/a
Class Z	0.04	0.04	n/a

The OCF is calculated in accordance with guidelines issued by the European Securities and Markets Authority (ESMA).

¹ The estimated ongoing charge is based on the annual fee rates on launch date as at 8 July 2019.

² Class E income launched on 8 July 2019.

Risk and reward profile

The fund currently has 6 types of share class in issue; A income, D accumulation, E income, I accumulation, I income and Z accumulation.

Each type of share class has the same risk and reward profile which is as follows:



The share classes appear at 5 out of 7. Share classes in higher categories have shown greater and/or more frequent variations in share price in the past 5 years than those in lower categories. The lowest category does not mean risk free.

The Synthetic Risk and Reward Indicator (SRRI) is calculated based on historical volatility over a rolling 5* year period, it is reviewed monthly and updated if volatility has changed materially to cause a movement in the SRRI level. The SRRI is an indicator and may not accurately reflect future volatility and market conditions.

The value of an investment and any income from it can go up or down. When you sell your shares, they may be worth less than you paid for them.

The risk/reward rating above is based on medium-term volatility. In the future, the fund's actual volatility could be higher or lower and its rated risk/reward level could change.

The rating does not reflect the possible effects of unusual market conditions or large unpredictable events. Under normal market conditions the following risks may apply:

Country or Region If a fund has a high exposure to a particular country or geographical region it carries a higher level of risk than a fund which is more broadly diversified.

Derivatives and Leverage The fund may use derivatives towards the aim of achieving its investment objective. This can result in 'leverage', which can magnify an investment outcome and gains or losses to the fund may 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.

Default Risk An issuer of a bond (or money market instrument) may become unable or unwilling to pay interest or repay capital to the fund. If this happens or the market perceives this may happen, the value of the bond will fall.

Interest Rates 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. This risk is generally greater the longer the maturity of a bond investment.

Liquidity Securities within the fund 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 full list of the fund's risks are contained in the 'Risk Factors' section of the fund's prospectus.

There has been no change to the risk ratings in the period.

The SRRI conforms to the ESMA guidelines for the calculation of the SRRI.

* Class E income launched on 8 July 2019 and as it does not have a 5 year history, a synthetic history has been created using the fund's relevant sector average.

Portfolio statement as at 31 December 2019

Holding	Investment	Market value £000	Percentage of total net assets %
	Bonds 98.84% (30/06/2019: 98.25%)		
	Indonesia 1.13% (30/06/2019: 0.00%)		
	Fixed Rate Bond 1.13% (30/06/2019: 0.00%)		
IDR 36,000,000,000	Indonesia (Republic of) 8.375% 15/03/2034	2,093	1.13
	Japan 1.39% (30/06/2019: 0.83%)		
	Fixed Rate Bond 1.39% (30/06/2019: 0.83%)		
JPY 327,550,000	Japan (Government of) 0.80% 20/03/2058	2,561	1.39
	United Kingdom 96.32% (30/06/2019: 97.42%)		
	Index Linked Bond 96.32% (30/06/2019: 97.42%)		
GBP 4,887,468	UK Treasury 0.125% Index-Linked 10/08/2028	6,312	3.42
GBP 3,165,928	UK Treasury 0.125% Index-Linked 10/08/2041	5,100	2.76
GBP 3,173,226	UK Treasury 0.125% Index-Linked 10/08/2048	5,762	3.12
GBP 6,108,599	UK Treasury 0.125% Index-Linked 22/03/2029	9,399	5.09
GBP 4,800,124	UK Treasury 0.125% Index-Linked 22/03/2044	9,272	5.02
GBP 3,934,749	UK Treasury 0.125% Index-Linked 22/03/2046	7,347	3.98
GBP 3,307,042	UK Treasury 0.125% Index-Linked 22/03/2058	7,457	4.04
GBP 3,783,566	UK Treasury 0.125% Index-Linked 22/03/2068	10,467	5.65
GBP 3,420,552	UK Treasury 0.125% Index-Linked 22/11/2036	5,541	3.00
GBP 1,793,430	UK Treasury 0.125% Index-Linked 22/11/2056	3,849	2.08
GBP 2,143,269	UK Treasury 0.125% Index-Linked 22/11/2065	5,379	2.91
GBP 3,655,156	UK Treasury 0.25% Index-Linked 22/03/2052	8,213	4.44
GBP 3,664,820	UK Treasury 0.375% Index-Linked 22/03/2062	10,203	5.51
GBP 3,653,282	UK Treasury 0.50% Index-Linked 22/03/2050	9,506	5.14
GBP 4,131,007	UK Treasury 0.625% Index-Linked 22/03/2040	9,120	4.94
GBP 3,429,555	UK Treasury 0.625% Index-Linked 22/11/2042	8,145	4.41
GBP 5,085,212	UK Treasury 0.75% Index-Linked 22/03/2034	9,485	5.13
GBP 3,526,212	UK Treasury 0.75% Index-Linked 22/11/2047	9,548	5.17
GBP 3,884,394	UK Treasury 1.125% Index-Linked 22/11/2037	9,488	5.13
GBP 4,269,389	UK Treasury 1.25% Index-Linked 22/11/2032	8,756	4.74
GBP 2,636,876	UK Treasury 1.25% Index-Linked 22/11/2055	9,973	5.39
GBP 2,344,733	UK Treasury 2.00% Index-Linked 26/01/2035	6,722	3.64
GBP 791,436	UK Treasury 4.125% Index-Linked 22/07/2030	2,975	1.61
		178,019	96.32
	Collective Investment Schemes 0.24% (30/06/2019: 0.76%)		
441,275	Deutsche Global Liquidity Managed Platinum Sterling Fund	441	0.24
	Derivatives 0.28% (30/06/2019: 0.50%)		
	Futures 0.02% (30/06/2019: 0.07%)		
58	CBT US 5 year Note March 2020	(41)	(0.02)
37	EUX Euro-BTP March 2020	(4)	-
(41)	EUX Euro-Bund March 2020	90	0.04
(12)	OSE Japan 10 year Bond March 2020	(3)	-
		42	0.02

Portfolio statement (continued)

Holding	Investment	Market value £000	Percentage of total net assets %
	Swaps 0.26% (30/06/2019: 0.43%)¹		
	Inflation Index Swaps 0.07% (30/06/2019: (0.19%))¹		
12,400,000	IIS 1.8535% November 2029 - Pay Fixed - USD	123	0.07
3,100,000	IIS 1.9888% December 2029 - Pay Fixed - USD	(1)	-
		122	0.07
	Interest Rate Swaps 0.19% (30/06/2019: 0.62%)¹		
600,000	IRS 0.0588% EURIBOR 6 month - Receive Fixed - EUR	(5)	-
19,100,000	IRS 0.112% EURIBOR 6 month - Receive Floating - EUR	(197)	(0.11)
49,800,000	IRS 0.3568% STIBOR 3 month - Receive Fixed - SEK	(120)	(0.07)
109,289,391	IRS 0.40% STIBOR 3 month - Receive Fixed - SEK	26	0.01
4,400,000	IRS -0.5308% EURIBOR 6 month - Receive Floating - EUR	73	0.04
9,700,000	IRS 0.6408% EURIBOR 6 month - Receive Fixed - EUR	383	0.21
20,200,000	IRS 1.411% BA 3 month - Receive Fixed - CAD	(386)	(0.20)
90,500,000	IRS 1.8025% LIBOR 3 month - Receive Fixed - USD	117	0.06
19,400,000	IRS 2.0663% LIBOR 3 month - Receive Floating - USD	(237)	(0.13)
82,700,000	IRS 6.71% TIE 6 month - Receive Fixed - MXN	15	0.01
98,600,000	IRS 7.871% TIE 3 month - Receive Fixed - MXN	194	0.10
198,400,000	IRS 8.2225% TIE 28 day - Receive Fixed - MXN	479	0.27
		342	0.19
	Forward Foreign Exchange Contracts 0.00% (30/06/2019: 0.00%)¹		
	Buy AUD 3,200,000 : Sell JPY 239,727,680 March 2020	29	0.02
	Buy CAD 10,662 : Sell GBP 6,223 January 2020 ²	-	-
	Buy CAD 18,521 : Sell GBP 10,869 January 2020 ²	-	-
	Buy CAD 20,374 : Sell GBP 11,894 January 2020 ²	-	-
	Buy CAD 29,744 : Sell GBP 17,067 January 2020 ²	-	-
	Buy CAD 29,926 : Sell GBP 17,400 January 2020 ²	-	-
	Buy CAD 3,347 : Sell GBP 1,931 January 2020 ²	-	-
	Buy CAD 53,180 : Sell GBP 30,287 January 2020	1	-
	Buy GBP 11,662 : Sell CAD 20,020 January 2020 ²	-	-
	Buy GBP 12,503 : Sell MXN 311,370 January 2020 ²	-	-
	Buy GBP 12,873 : Sell SEK 158,060 January 2020 ²	-	-
	Buy GBP 13,055 : Sell SEK 160,341 January 2020 ²	-	-
	Buy GBP 13,250 : Sell SEK 161,836 January 2020 ²	-	-
	Buy GBP 14,449 : Sell MXN 356,285 January 2020 ²	-	-
	Buy GBP 1,834,938 : Sell AUD 3,521,503 March 2020	(33)	(0.02)
	Buy GBP 18,531 : Sell SEK 227,347 January 2020 ²	-	-
	Buy GBP 18,698 : Sell CAD 32,354 January 2020 ²	-	-
	Buy GBP 19,974 : Sell JPY 2,862,100 January 2020 ²	-	-
	Buy GBP 21,046 : Sell SEK 261,863 January 2020 ²	-	-
	Buy GBP 22,510 : Sell EUR 26,345 January 2020 ²	-	-
	Buy GBP 2,262,053 : Sell USD 2,979,072 March 2020	18	0.01
	Buy GBP 2,421,149 : Sell USD 3,184,462 January 2020	19	0.01
	Buy GBP 24,265 : Sell CAD 42,257 January 2020 ²	-	-
	Buy GBP 2,462,628 : Sell JPY 350,436,377 January 2020	27	0.01
	Buy GBP 249,424 : Sell SEK 3,098,654 January 2020	(1)	-
	Buy GBP 2,645 : Sell SEK 32,217 January 2020 ²	-	-
	Buy GBP 26,459 : Sell CAD 46,663 January 2020	(1)	-
	Buy GBP 281,475 : Sell EUR 332,099 January 2020 ²	-	-
	Buy GBP 32,445 : Sell CAD 55,570 January 2020 ²	-	-
	Buy GBP 35,281 : Sell USD 46,222 January 2020 ²	-	-

Portfolio statement (continued)

Holding	Investment	Market value £000	Percentage of total net assets %
Forward Foreign Exchange Contracts <small>(continued)</small>			
	Buy GBP 3,973 : Sell MXN 101,284 January 2020 ²	-	-
	Buy GBP 45,837 : Sell USD 60,249 January 2020 ²	-	-
	Buy GBP 45,878 : Sell MXN 1,140,540 January 2020	1	-
	Buy GBP 5,096 : Sell CAD 8,889 January 2020 ²	-	-
	Buy GBP 52,744 : Sell USD 70,451 January 2020 ²	-	-
	Buy GBP 572,186 : Sell MXN 14,653,778 January 2020	(11)	(0.01)
	Buy GBP 6,027 : Sell CAD 10,520 January 2020 ²	-	-
	Buy GBP 6,050 : Sell SEK 74,515 January 2020 ²	-	-
	Buy GBP 7,678 : Sell CAD 13,197 January 2020 ²	-	-
	Buy GBP 8,490 : Sell SEK 106,269 January 2020 ²	-	-
	Buy GBP 8,556 : Sell CAD 14,606 January 2020 ²	-	-
	Buy GBP 97,899 : Sell CAD 169,542 January 2020	(1)	-
	Buy GBP 9,833 : Sell SEK 122,624 January 2020 ²	-	-
	Buy IDR 36,879,810,000 : Sell USD 2,605,426 March 2020	32	0.02
	Buy JPY 516,644,003 : Sell GBP 3,633,585 March 2020	(36)	(0.02)
	Buy JPY 5,509,000 : Sell GBP 38,550 January 2020 ²	-	-
	Buy JPY 6,112,800 : Sell GBP 43,282 January 2020	(1)	-
	Buy MXN 181,889 : Sell GBP 7,351 January 2020 ²	-	-
	Buy MXN 184,412 : Sell GBP 7,420 January 2020 ²	-	-
	Buy MXN 190,430 : Sell GBP 7,451 January 2020 ²	-	-
	Buy MXN 197,623 : Sell GBP 7,901 January 2020 ²	-	-
	Buy MXN 217,000 : Sell GBP 8,470 January 2020 ²	-	-
	Buy MXN 217,616 : Sell GBP 8,633 January 2020 ²	-	-
	Buy MXN 243,276 : Sell GBP 9,808 January 2020 ²	-	-
	Buy MXN 361,978 : Sell GBP 14,314 January 2020 ²	-	-
	Buy MXN 534,176 : Sell GBP 20,918 January 2020 ²	-	-
	Buy MXN 66,740 : Sell GBP 2,678 January 2020 ²	-	-
	Buy SEK 109,283 : Sell GBP 8,729 January 2020 ²	-	-
	Buy SEK 161,836 : Sell GBP 13,243 January 2020 ²	-	-
	Buy SEK 186,007 : Sell GBP 14,883 January 2020 ²	-	-
	Buy SEK 315,448 : Sell GBP 25,664 January 2020 ²	-	-
	Buy SEK 45,299 : Sell GBP 3,647 January 2020 ²	-	-
	Buy SEK 96,759 : Sell GBP 7,930 January 2020 ²	-	-
	Buy USD 106,066 : Sell GBP 79,352 January 2020	1	-
	Buy USD 2,652,607 : Sell TWD 80,360,720 March 2020	(37)	(0.02)
	Buy USD 29,084 : Sell GBP 22,149 January 2020 ²	-	-
	Buy USD 53,772 : Sell GBP 41,209 January 2020	(1)	-
	Buy USD 72,703 : Sell GBP 55,262 January 2020 ²	-	-
		6	-
	Investment assets including investment liabilities	183,626	99.36
	Other net assets	1,179	0.64
	Total net assets	184,805	100.00

¹ Unquoted securities

² Due to rounding to nearest £1,000

All investments are listed on recognised stock exchanges and are 'approved securities' within the meaning of FCA rules unless otherwise stated.

Credit ratings

	Market value £000	Percentage of total net assets %
31/12/19		
Investments		
Investment grade (AAA - BBB)	182,673	98.84
Total debt securities	182,673	98.84
Collective investment schemes	441	0.24
Derivatives	512	0.28
Investment assets including investment liabilities	183,626	99.36
Other net assets	1,179	0.64
Total net assets	184,805	100.00

	Market value £000	Percentage of total net assets %
30/06/19		
Investments		
Investment grade (AAA - BBB)	169,941	98.25
Total debt securities	169,941	98.25
Collective investment schemes	1,321	0.76
Derivatives	867	0.50
Investment assets including investment liabilities	172,129	99.51
Other net assets	850	0.49
Total net assets	172,979	100.00

Statement of total return (unaudited) for the six months ended 31 December 2019

	31/12/19		31/12/18	
	£000	£000	£000	£000
Income				
Net capital losses		(3,361)		(2,325)
Revenue	576		2,381	
Expenses	<u>(502)</u>		<u>(452)</u>	
Net revenue before taxation	74		1,929	
Taxation	<u>-</u>		<u>-</u>	
Net revenue after taxation		<u>74</u>		<u>1,929</u>
Total return before distributions		(3,287)		(396)
Distributions		-		-
Change in net assets attributable to shareholders from investment activities		<u>(3,287)</u>		<u>(396)</u>

Statement of change in net assets attributable to shareholders

(unaudited) for the six months ended 31 December 2019

	31/12/19		31/12/18	
	£000	£000	£000	£000
Opening net assets attributable to shareholders*		172,979		178,469
Amounts receivable on issue of shares	26,385		5,495	
Amounts payable on cancellation of shares	<u>(11,287)</u>		<u>(19,942)</u>	
		15,098		(14,447)
Dilution adjustment		15		7
Change in net assets attributable to shareholders from investment activities		(3,287)		(396)
Closing net assets attributable to shareholders		<u>184,805</u>		<u>163,633</u>

* The opening net assets attributable to shareholders for the current period do not equal the closing net assets attributable for the comparative period as they are not consecutive periods.

Balance sheet (unaudited) as at 31 December 2019

	31/12/19	30/06/19
	£000	£000
Assets:		
Investments	184,742	173,022
Current assets:		
Debtors	685	1,007
Cash and bank balances	1,825	1,368
Total assets	<u>187,252</u>	<u>175,397</u>
Liabilities:		
Investment liabilities	1,116	893
Creditors:		
Amounts held at derivatives clearing houses and brokers	689	998
Bank overdrafts	370	197
Other creditors	272	330
Total liabilities	<u>2,447</u>	<u>2,418</u>
Net assets attributable to shareholders	<u>184,805</u>	<u>172,979</u>

Distribution tables for the six months ended 31 December 2019 (in pence per share)

There are no distributions for the periods ended 30 September 2019 (30 September 2018: nil) and 31 December 2019 (31 December 2018: nil), therefore no distribution table has been provided and shareholders will not receive tax vouchers.

Janus Henderson Institutional Long Dated Credit Fund

Authorised Corporate Director's (ACD) report

Investment Fund Managers

Philip Payne and James Briggs

Investment objective and policy

To provide a return by investing primarily in long dated sterling denominated investment grade corporate bonds. In line with the scheme's performance comparator index the term corporate bond will include debt instruments issued by any entity other than a Government or local authority. The fund may also invest in other transferable securities, money market instruments, derivatives and forward transactions, deposits and units in collective investment schemes.

Performance summary

Cumulative performance	Six months	One year	Five years	First published data
	30 Jun 19 - 31 Dec 19	31 Dec 18 - 31 Dec 19	31 Dec 14 - 31 Dec 19	18 Apr 97 - 31 Dec 19
	%	%	%	%
Class I accumulation	5.1	17.4	36.7	235.2
Markit iBoxx GBP Non-Gilts greater than 15 years to maturity Index	5.6	17.4	39.6	260.9
IA Sterling Corporate Bond Sector	3.0	9.5	22.2	139.8

Discrete performance

	31 Dec 18 - 31 Dec 19	31 Dec 17 - 31 Dec 18	31 Dec 16 - 31 Dec 17	31 Dec 15 - 31 Dec 16	31 Dec 14 - 31 Dec 15
	%	%	%	%	%
Class I accumulation	17.4	(4.5)	6.0	17.5	(2.0)

Source: Morningstar, Class I accumulation, NAV to NAV, net of fees and net income reinvested as at 12 noon valuation point. Benchmark values are as at close of business.

Index: Markit iBoxx GBP Non-Gilts greater than 15 years to maturity Index

Index Usage: Comparator

Index description: The Markit iBoxx GBP Non-Gilts greater than 15 years to maturity Index is a measure of the combined performance of investment grade corporate bonds issued in pounds sterling with greater than 15 years to maturity. It provides a useful comparison against which the fund's performance can be assessed over time.

Peer group benchmark: IA Sterling Corporate Bond Sector

Peer group benchmark usage: Comparator

Peer group description: 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.

Class I accumulation is disclosed as it is the primary share class.

Please remember that past performance is not a guide to future performance. The value of an investment and the revenue from it can fall as well as rise as a result of market and currency fluctuations and you may not get back the amount originally invested.

Authorised Corporate Director's (ACD) report (continued)

Significant portfolio changes for the six months ended 31 December 2019

Largest purchases	£000	Largest sales	£000
UK Treasury 1.75% 07/09/2037	3,630	UK Treasury 1.50% 22/07/2047	3,796
UK Treasury 4.25% 07/12/2040	3,548	UK Treasury 4.25% 07/12/2040	2,922
UK Treasury 1.50% 22/07/2047	3,273	Veolia Environnement 6.125% 29/10/2037	2,911
UK Treasury 4.25% 07/12/2049	2,284	UK Treasury 1.75% 07/09/2037	2,406
UK Treasury 4.50% 07/12/2042	1,573	E.ON International Finance 6.75% 27/01/2039	1,871
RL Finance Bonds No.4 4.875% 07/10/2049	1,568	UK Treasury 4.25% 07/12/2049	1,828
Orsted 5.75% 09/04/2040	1,475	UK Treasury 4.50% 07/12/2042	1,571
Northern Powergrid (Yorkshire) 2.25% 09/10/2059	1,379	Wellcome Trust Finance 4.625% 25/07/2036	1,394
Yorkshire Water Finance 2.75% 18/04/2041	1,258	BAT International Finance 6.00% 24/11/2034	1,290
Accent Capital 2.625% 18/07/2049	1,114	Walmart 5.625% 27/03/2034	1,211
Total purchases	38,175	Total sales	52,019

Investment review

The fund returned 5.1% based on Class I accumulation over the period under review, compared with a return of 5.6% in the Markit iBoxx Sterling Non-Gilts greater than 15 years to maturity Index and return of 3.0% in the IA Sterling Corporate Bond Sector peer group benchmark.

Market sentiment continued to be dominated by the synchronised monetary policy easing from major central banks over the second half of the year, which lowered bond yields globally. Improving global economic data and the US/China 'phase one' trade deal, which was struck in December, further supported global credit markets and excess returns were strong across the board. In the UK, Brexit negotiations and the political deadlock rattled the sterling credit market during the third quarter. However, by the end of the calendar year, the avoidance of a no-deal Brexit and the removal of election uncertainties boosted sentiment.

Sterling investment-grade corporate issuance in 2019 was the highest since 2009 amid a rush for corporates to lock in cheap funding as a result of the large falls in global bond yields. Supply was taken down very well as demand for credit continued to be underpinned by 'buy-and-maintain' investors and the generally healthy risk appetite supported by central bank initiatives. The initiatives included the European Central Bank restarting quantitative easing through its corporate sector purchase programme and the US Federal Reserve's repo operations. Credit spreads tightened and corporate bonds outperformed government equivalents, particularly in the higher risk segments.

Long-dated sterling investment-grade credit spreads (as measured by the iBoxx Sterling Non-Gilts greater than 15 years to maturity Index) tightened and ended the period at 125 basis points. Total and excess returns on long-dated sterling corporate bonds were positive over the period, with lower quality segments outperforming higher quality ones.

Selective overweight holdings in financials and non-financials benefited performance over the period, with issuers such as the RL Finance Bonds, University of Cambridge, Lloyds Banking and Aroundtown among the top contributors. The biggest detractors were our underweight positions in housing associations, sovereigns and agencies. Our underweight positions in some ultra-long maturity bonds from Legal & General, the University of Oxford and the Wellcome Trust Finance detracted as they performed well. In terms of primary market activity over the period, we established new positions in JAB, the Sovereign Housing Capital and RL Finance Bonds. Most of these deals performed very well in the secondary market, with RL Finance Bonds among the top contributors. The fund's main overweight positions remain in financial services, real estate investment trusts, healthcare, food and beverage, retail and utilities. Our main underweights remain in housing associations, agencies and banks.

Going into 2020, the market is hoping that central banks continue to engineer more monetary stimulus, economic growth continues to improve, the US/China trade war enters a long-lasting truce and governments turn on the fiscal taps. If all this happens and political risks stay at bay, 2020 may end up a year of mini-cycle recovery in the context of a late-cycle expansion, we believe. Sentiment is certainly a lot more positive than a year ago, which suggests 2020 should start well with credit spreads holding their ground, in our view. We expect the search for yield, which tightened spreads in 2019, to continue to keep credit supported, too. However, we believe there is limited room for spreads to tighten significantly from here, given where valuations are currently, and most of the good news is already priced in. Our base case scenario for 2020 is mundane global economic conditions and coupon-like returns from credit. Risks remain skewed to the downside, however, as late-cycle challenges and the risk of rising uncertainty around the forthcoming US election are concerns that could emerge simultaneously in the second half of the year. Additionally, any escalating geopolitical tensions or deterioration in growth expectations could see credit spreads come under pressure once again.

We continue to keep our portfolio beta positioning close to neutral in sterling investment-grade strategies, with a small overweight bias in credit beta in the near term. We will look to add risk selectively in the names that we fundamentally like, predominantly through new issues, and trim risk in those that have done well to lock in profits.

Comparative tables for the six months ended 31 December 2019

	Class A income			
	Six months to 31/12/19 (pence per share)	Year to 30/06/19 (pence per share)	Year to 30/06/18 (pence per share)	Year to 30/06/17 (pence per share)
Change in net assets per share				
Opening net asset value per share	204.05	191.92	196.93	188.40
Return before operating charges*	11.83	18.72	1.86	15.04
Operating charges	(0.99)	(1.74)	(1.80)	(2.10)
Return after operating charges*	10.84	16.98	0.06	12.94
Distributions on income shares	(2.29)	(4.85)	(5.07)	(4.41)
Closing net asset value per share	212.60	204.05	191.92	196.93
* after direct transaction costs of:	-	-	-	-
Performance				
Return after charges	5.31%	8.85%	0.03%	6.87%
Other information				
Closing net asset value (£000s)	3,171	3,536	3,962	6,295
Closing number of shares	1,491,834	1,732,941	2,064,220	3,196,884
Operating charges (annualised)	0.91%	0.90%	0.91%	1.05%
Direct transaction costs	0.00%	0.00%	0.00%	0.00%
Prices				
Highest share price (pence)	224.00	207.80	205.60	217.40
Lowest share price (pence)	206.00	182.40	191.10	187.70
Class E income				
08/07/19 - 31/12/19				
(pence per share)				
Change in net assets per share				
Opening net asset value per share	210.57 ¹			
Return before operating charges*	5.26			
Operating charges	(0.69)			
Return after operating charges*	4.57			
Distributions on income shares	(2.55)			
Closing net asset value per share	212.59			
* after direct transaction costs of:	-			
Performance				
Return after charges	2.17% ²			
Other information				
Closing net asset value (£000s)	322			
Closing number of shares	151,367			
Operating charges (annualised)	0.66%			
Direct transaction costs	0.00%			
Prices				
Highest share price (pence)	224.10			
Lowest share price (pence)	207.60			

¹ Class E income launched on 8 July 2019 and this is the first published price.

² Return after charges relates to the period 08/07/19 to 31/12/19 post conversion from the A income share class. This performance will differ from the other share classes as it does not include returns generated prior to class launch, whilst the other classes returns cover the entire period under review.

Comparative tables (continued)

	Class I accumulation			
	Six months to 31/12/19 (pence per share)	Year to 30/06/19 (pence per share)	Year to 30/06/18 (pence per share)	Year to 30/06/17 (pence per share)
Change in net assets per share				
Opening net asset value per share	408.99	373.88	372.45	347.03
Return before operating charges*	23.63	37.17	3.47	28.55
Operating charges	(1.17)	(2.06)	(2.04)	(2.02)
Return after operating charges*	22.46	35.11	1.43	26.53
Distributions on accumulation shares	(5.40)	(10.97)	(11.10)	(10.99)
Retained distributions on accumulation shares [^]	5.40	10.97	11.10	9.88
Closing net asset value per share	431.45	408.99	373.88	372.45
* after direct transaction costs of:	-	-	-	-
Performance				
Return after charges	5.49%	9.39%	0.38%	7.64%
Other information				
Closing net asset value (£000s)	129,407	215,493	224,582	1,980
Closing number of shares	29,993,787	52,689,673	60,067,768	531,722
Operating charges (annualised)	0.54%	0.54%	0.54%	0.54%
Direct transaction costs	0.00%	0.00%	0.00%	0.00%
Prices				
Highest share price (pence)	449.20	414.20	389.20	400.70
Lowest share price (pence)	412.90	358.20	367.20	348.00

[^] Retained distributions prior to 6 April 2017 are net of 20% income tax.

	Class I income			
	Six months to 31/12/19 (pence per share)	Year to 30/06/19 (pence per share)	Year to 30/06/18 (pence per share)	Year to 30/06/17 (pence per share)
Change in net assets per share				
Opening net asset value per share	209.40	196.84	201.94	193.22
Return before operating charges*	12.09	19.21	1.94	15.28
Operating charges	(0.60)	(1.06)	(1.09)	(1.11)
Return after operating charges*	11.49	18.15	0.85	14.17
Distributions on income shares	(2.76)	(5.59)	(5.95)	(5.45)
Closing net asset value per share	218.13	209.40	196.84	201.94
* after direct transaction costs of:	-	-	-	-
Performance				
Return after charges	5.49%	9.22%	0.42%	7.33%
Other information				
Closing net asset value (£000s)	100,762	17,456	181,546	44,517
Closing number of shares	46,194,003	8,336,220	92,228,126	22,044,059
Operating charges (annualised)	0.54%	0.54%	0.54%	0.54%
Direct transaction costs	0.00%	0.00%	0.00%	0.00%
Prices				
Highest share price (pence)	230.00	213.40	211.00	223.10
Lowest share price (pence)	211.40	187.20	196.10	192.70

Comparative tables (continued)

	Class Z accumulation			
	Six months to 31/12/19 (pence per share)	Year to 30/06/19 (pence per share)	Year to 30/06/18 (pence per share)	Year to 30/06/17 (pence per share)
Change in net assets per share				
Opening net asset value per share	258.01	234.49	232.55	214.84
Return before operating charges*	14.99	23.62	2.01	17.78
Operating charges	(0.05)	(0.10)	(0.07)	(0.07)
Return after operating charges*	14.94	23.52	1.94	17.71
Distributions on accumulation shares	(4.11)	(8.28)	(8.11)	(8.03)
Retained distributions on accumulation shares	4.11	8.28	8.11	8.03
Closing net asset value per share	272.95	258.01	234.49	232.55
* after direct transaction costs of:	-	-	-	-

Performance

Return after charges	5.79%	10.03%	0.83%	8.24%
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Other information

Closing net asset value (£000s)	1	1	-	2
Closing number of shares	206	206	206	1,000
Operating charges (annualised)	0.04%	0.04%	0.03%	0.03%
Direct transaction costs	0.00%	0.00%	0.00%	0.00%

Prices

Highest share price (pence)	283.60	261.30	243.30	248.70
Lowest share price (pence)	260.50	225.20	230.00	216.60

	Class A income gross	
	Year to 30/06/18 (pence per share)	Year to 30/06/17 (pence per share)
Change in net assets per share		
Opening net asset value per share	198.62	189.96
Return before operating charges*	1.55	15.72
Operating charges	(0.46)	(2.11)
Return after operating charges*	1.09	13.61
Distributions on income shares	(1.31)	(4.95)
Final cancellation	(198.40) ³	-
Closing net asset value per share	-	198.62
* after direct transaction costs of:	-	-

Performance

Return after charges	0.55%	7.16%
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Other information

Closing net asset value (£000s)	-	78
Closing number of shares	-	39,093
Operating charges (annualised)	0.91%	1.05%
Direct transaction costs	0.00%	0.00%

Prices

Highest share price (pence)	207.40 ⁴	219.60
Lowest share price (pence)	197.80 ⁴	189.50

³ Class A income gross closed on 2 October 2017.

⁴ to 2 October 2017.

Comparative tables (continued)

	Class I accumulation gross	
	Year to 30/06/18 (pence per share)	Year to 30/06/17 (pence per share)
Change in net assets per share		
Opening net asset value per share	414.11	384.52
Return before operating charges*	3.28	31.81
Operating charges	(0.59)	(2.22)
Return after operating charges*	2.69	29.59
Distributions on accumulation shares	(3.11)	(12.25)
Retained distributions on accumulation shares	3.11	12.25
Final cancellation	(416.80) ⁵	-
Closing net asset value per share	-	414.11
* after direct transaction costs of:	-	-
Performance		
Return after charges	0.65%	7.70%
Other information		
Closing net asset value (£000s)	-	273,249
Closing number of shares	-	65,985,256
Operating charges (annualised)	0.54%	0.54%
Direct transaction costs	0.00%	0.00%
Prices		
Highest share price (pence)	432.80 ⁶	444.70
Lowest share price (pence)	412.40 ⁶	386.70

⁵ Class I accumulation gross closed on 2 October 2017.

⁶ to 2 October 2017.

Comparative tables (continued)

	Class I income gross	
	Year to 30/06/18 (pence per share)	Year to 30/06/17 (pence per share)
Change in net assets per share		
Opening net asset value per share	197.57	188.96
Return before operating charges*	1.60	15.64
Operating charges	(0.28)	(1.08)
Return after operating charges*	1.32	14.56
Distributions on income shares	(1.49)	(5.95)
Final cancellation	(197.40) ⁷	-
Closing net asset value per share	-	197.57
* after direct transaction costs of:	-	-

Performance

Return after charges	0.67%	7.71%
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Other information

Closing net asset value (£000s)	-	146,282
Closing number of shares	-	74,039,951
Operating charges (annualised)	0.54%	0.54%
Direct transaction costs	0.00%	0.00%

Prices

Highest share price (pence)	206.50 ⁸	218.50
Lowest share price (pence)	196.70 ⁸	188.70

⁷ Class I income gross closed on 2 October 2017.

⁸ to 2 October 2017.

Direct transaction costs incurred on securities transactions (including derivatives) are stated after deducting the proportion of the amounts collected from dilution adjustments that relate to direct transaction costs.

Performance values are at close of business on a bid basis, which will differ from those in the Performance summary.

Operating charges

Operating charges are expenses associated with the maintenance and administration of the fund on a day-to-day basis that are actually borne by the share class.

Share class launches and closures

The following share class launched in the period:

Share class	Launch date
Class E income	8 July 2019

There were no share classes closed in the period.

Share class conversions	Conversion date
Class A income to Class E income	8 July 2019

Some shareholders were converted to the newly launched E share classes as there are no commission payments for financial advice bundled within the E share classes, and these are available for direct investment.

The conversion of A share classes to the E share classes was performed to benefit investors who do not use a financial adviser as a lower management fee is charged.

Ongoing charge figure

The annualised ongoing charge figure (OCF) of the fund is calculated as the ratio of the total ongoing charges to the average net asset value for twelve months. Ongoing charges are all expenses deducted from the assets of the fund during the period, except for expenses that are explicitly excluded by regulation.

	31/12/19 %	30/06/19 %	Estimated OCF from 8 July 2019 ¹ %
Class A	0.91	0.90	n/a
Class E²	0.66	n/a	0.66
Class I	0.54	0.54	n/a
Class Z	0.04	0.04	n/a

The OCF is calculated in accordance with guidelines issued by the European Securities and Markets Authority (ESMA).

¹ The estimated ongoing charge is based on the annual fee rates on launch date as at 8 July 2019.

² Class E income launched on 8 July 2019.

Risk and reward profile

The fund currently has 5 types of share class in issue; A income, E income, I accumulation, I income and Z accumulation.

Each type of share class has the same risk and reward profile which is as follows:



The share classes appear at 4 out of 7. Share classes in higher categories have shown greater and/or more frequent variations in share price in the past 5 years than those in lower categories. The lowest category does not mean risk free.

The Synthetic Risk and Reward Indicator (SRRI) is calculated based on historical volatility over a rolling 5* year period, it is reviewed monthly and updated if volatility has changed materially to cause a movement in the SRRI level. The SRRI is an indicator and may not accurately reflect future volatility and market conditions.

The value of an investment and any income from it can go up or down. When you sell your shares, they may be worth less than you paid for them.

The risk/reward rating above is based on medium-term volatility. In the future, the fund's actual volatility could be higher or lower and its rated risk/reward level could change.

The rating does not reflect the possible effects of unusual market conditions or large unpredictable events. Under normal market conditions the following risks may apply:

Country or Region If a fund has a high exposure to a particular country or geographical region it carries a higher level of risk than a fund which is more broadly diversified.

Derivatives and Leverage The fund may use derivatives towards the aim of achieving its investment objective. This can result in 'leverage', which can magnify an investment outcome and gains or losses to the fund may 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.

Default Risk An issuer of a bond (or money market instrument) may become unable or unwilling to pay interest or repay capital to the fund. If this happens or the market perceives this may happen, the value of the bond will fall.

Interest Rates 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. This risk is generally greater the longer the maturity of a bond investment.

Liquidity Securities within the fund 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 full list of the fund's risks are contained in the 'Risk Factors' section of the fund's prospectus.

There has been no change to the risk ratings in the period.

The SRRI conforms to the ESMA guidelines for the calculation of the SRRI.

* Class E income launched on 8 July 2019 and as it does not have a 5 year history, a synthetic history has been created using the fund's relevant sector average.

Portfolio statement as at 31 December 2019

Holding	Investment	Market value £000	Percentage of total net assets %
	Bonds 97.98% (30/06/2019: 98.60%)		
	Australia 1.34% (30/06/2019: 1.29%)		
	Fixed Rate Bond 1.34% (30/06/2019: 1.29%)		
GBP 2,300,000	BHP Billiton Finance 4.30% 25/09/2042	3,130	1.34
	Belgium 1.29% (30/06/2019: 0.90%)		
	Zero / Discount Rate Bond 1.29% (30/06/2019: 0.90%)		
GBP 2,857,000	Anheuser-Busch InBev 2.85% 25/05/2037	3,011	1.29
	Denmark 1.14% (30/06/2019: 0.50%)		
	Fixed Rate Bond 1.14% (30/06/2019: 0.50%)		
GBP 1,150,000	Orsted 2.50% 16/05/2033	1,208	0.52
GBP 950,000	Orsted 5.75% 09/04/2040	1,462	0.62
		2,670	1.14
	France 8.74% (30/06/2019: 10.88%)		
	Fixed Rate Bond 8.74% (30/06/2019: 10.88%)		
GBP 2,100,000	Électricité de France 5.125% 22/09/2050	3,080	1.32
GBP 1,600,000	Électricité de France 5.50% 17/10/2041	2,326	1.00
GBP 1,100,000	Électricité de France 5.50% 27/03/2037	1,545	0.66
GBP 2,400,000	Électricité de France 6.00% 23/01/2114	3,940	1.69
GBP 1,800,000	Engie 5.00% 01/10/2060	3,102	1.33
GBP 650,000	Orange 5.375% 22/11/2050	1,012	0.43
GBP 646,000	Reseau Ferre de France 4.83% 25/03/2060	1,130	0.48
GBP 1,133,000	Reseau Ferre de France 5.00% 11/03/2052	1,894	0.81
GBP 892,000	Reseau Ferre de France 5.25% 31/01/2035	1,291	0.55
GBP 1,000,000	Vinci 2.75% 15/09/2034	1,109	0.47
		20,429	8.74
	Germany 3.51% (30/06/2019: 4.22%)		
	Fixed Rate Bond 3.51% (30/06/2019: 4.22%)		
GBP 1,765,000	Aroundtown 3.625% 10/04/2031	1,856	0.79
GBP 1,400,000	E.ON International Finance 5.875% 30/10/2037	2,047	0.88
GBP 2,200,000	innogy Finance 6.125% 06/07/2039	3,364	1.44
GBP 700,000	Siemens 3.75% 10/09/2042	928	0.40
		8,195	3.51
	Italy 2.40% (30/06/2019: 1.54%)		
	Fixed Rate Bond 2.40% (30/06/2019: 1.54%)		
GBP 2,463,000	Enel Finance International 5.75% 14/09/2040	3,578	1.53
GBP 1,436,000	Enel 5.75% 22/06/2037	2,024	0.87
		5,602	2.40
	Mexico 0.37% (30/06/2019: 0.35%)		
	Fixed Rate Bond 0.37% (30/06/2019: 0.35%)		
GBP 795,000	Mexico (United Mexican States) 5.625% 19/03/2114	875	0.37

Portfolio statement (continued)

Holding	Investment	Market value £000	Percentage of total net assets %
	Netherlands 0.88% (30/06/2019: 0.38%)		
	Fixed Rate Bond 0.88% (30/06/2019: 0.38%)		
EUR 1,300,000	JAB 2.25% 19/12/2039	1,096	0.47
GBP 500,000	Rabobank Nederland 5.375% 03/08/2060	964	0.41
		<u>2,060</u>	<u>0.88</u>
	Norway 0.37% (30/06/2019: 0.35%)		
	Fixed Rate Bond 0.37% (30/06/2019: 0.35%)		
GBP 617,000	Equinor 4.25% 10/04/2041	856	0.37
	Supranational 4.19% (30/06/2019: 4.20%)		
	Fixed Rate Bond 4.19% (30/06/2019: 4.20%)		
GBP 1,788,000	European Investment Bank 3.875% 08/06/2037	2,448	1.05
GBP 1,800,000	European Investment Bank 4.50% 07/03/2044	2,865	1.23
GBP 1,280,000	European Investment Bank 4.625% 12/10/2054	2,332	1.00
GBP 1,341,000	European Investment Bank 5.00% 15/04/2039	2,136	0.91
		<u>9,781</u>	<u>4.19</u>
	Sweden 0.60% (30/06/2019: 0.59%)		
	Fixed Rate Bond 0.60% (30/06/2019: 0.59%)		
GBP 829,000	Vattenfall 6.875% 15/04/2039	1,410	0.60
	United Kingdom 56.55% (30/06/2019: 56.85%)		
	Asset Backed 1.75% (30/06/2019: 2.09%)		
GBP 617,000	Housing & Care 21 3.288% 08/11/2049	704	0.30
GBP 900,000	Metropolitan Funding 4.125% 05/04/2048	1,086	0.46
GBP 1,117,529	Tesco Property Finance 5.4111% 13/07/2044	1,413	0.61
GBP 376,823	Tesco Property Finance 5.744% 13/04/2040	491	0.21
GBP 310,743	Tesco Property Finance 6.0517% 13/10/2039	405	0.17
		<u>4,099</u>	<u>1.75</u>
	Fixed Rate Bond 52.06% (30/06/2019: 51.53%)		
GBP 1,100,000	Accent Capital 2.625% 18/07/2049	1,170	0.50
GBP 735,000	Affinity Sutton Capital Markets 5.981% 17/09/2038	1,148	0.49
GBP 2,957,000	Affordable Housing Finance 2.893% 11/08/2043	3,690	1.59
GBP 1,356,000	Affordable Housing Finance 3.80% 20/05/2042	1,906	0.82
GBP 700,000	Annington Funding 3.685% 12/07/2034	773	0.33
GBP 1,571,000	Annington Funding 3.935% 12/07/2047	1,825	0.78
GBP 1,048,000	BAT International Finance 2.25% 09/09/2052	760	0.33
GBP 550,000	BAT International Finance 6.00% 24/11/2034	712	0.30
GBP 1,400,000	BG Energy Capital 5.00% 04/11/2036	1,994	0.85
GBP 1,632,000	Blend Funding 3.459% 21/09/2047	1,898	0.81
GBP 1,000,000	British Telecommunications 3.625% 21/11/2047	1,101	0.47
GBP 2,872,000	Cadent Finance 2.625% 22/09/2038	2,929	1.26
GBP 617,000	Cadent Finance 2.75% 22/09/2046	631	0.27
GBP 800,000	Centrica 4.25% 12/09/2044	969	0.41
GBP 720,903	Delamare Finance 5.5457% 19/02/2029	836	0.36
GBP 1,233,000	Dwr Cymru Financing 2.50% 31/03/2036	1,341	0.57
GBP 400,000	Dwr Cymru Financing 4.473% 31/03/2057	645	0.28
GBP 1,356,000	Eastern Power Networks 6.25% 12/11/2036	2,090	0.89
GBP 1,048,000	Gatwick Funding 3.125% 28/09/2039	1,132	0.48

Portfolio statement (continued)

Holding	Investment	Market value £000	Percentage of total net assets %
	Fixed Rate Bond (continued)		
GBP 802,000	Gatwick Funding 5.75% 23/01/2037	1,147	0.49
GBP 1,926,000	GlaxoSmithKline Capital 4.25% 18/12/2045	2,666	1.14
GBP 1,911,000	GlaxoSmithKline Capital 5.25% 10/04/2042	2,905	1.24
GBP 1,144,000	GlaxoSmithKline Capital 6.375% 09/03/2039	1,888	0.81
GBP 525,117	Harbour Funding 5.28% 31/03/2044	711	0.30
GBP 1,849,000	Heathrow Funding 2.75% Perpetual	1,944	0.83
GBP 1,171,000	Heathrow Funding 4.625% 31/10/2046	1,652	0.71
GBP 925,000	Heathrow Funding 5.875% 13/05/2041	1,445	0.62
GBP 1,500,000	HSBC 4.75% 24/03/2046	1,909	0.82
GBP 698,000	HSBC 6.00% 29/03/2040	951	0.41
GBP 550,000	HSBC 7.00% 07/04/2038	813	0.35
GBP 1,100,000	Incommunities Treasury 3.25% 21/03/2049	1,294	0.55
GBP 432,000	Karbon Homes 3.375% 15/11/2047	525	0.22
GBP 1,788,000	Land Securities Capital Markets 2.75% 22/09/2057	1,934	0.83
GBP 833,000	LCR Finance 4.50% 07/12/2038	1,246	0.53
GBP 1,063,000	LCR Finance 5.10% 07/03/2051	1,967	0.84
GBP 1,250,000	Lloyds Bank 6.50% 17/09/2040	2,100	0.90
GBP 900,000	London & Quadrant Housing 2.75% 20/07/2057	881	0.38
GBP 1,028,000	London & Quadrant Housing 3.75% Perpetual	1,230	0.53
GBP 1,280,000	Manchester Airport Funding 2.875% 30/09/2044	1,345	0.58
GBP 931,000	Manchester Airport Funding 4.75% 31/03/2034	1,210	0.52
GBP 2,049,000	M&G 5.56% 20/07/2055	2,279	0.98
GBP 1,810,000	Motability Operations 2.375% 03/07/2039	1,857	0.79
GBP 1,300,000	Motability Operations 3.625% 10/03/2036	1,567	0.67
GBP 870,000	National Grid Electricity Transmission 2.00% 16/09/2038	847	0.36
GBP 617,000	National Grid Electricity Transmission 2.75% 06/02/2035	671	0.29
GBP 400,000	Northern Electric Finance 2.75% 24/05/2049	431	0.18
GBP 762,000	Northern Gas Networks Finance 4.875% 15/11/2035 'B'	1,029	0.44
GBP 386,000	Northern Gas Networks Finance 5.625% 23/03/2040	580	0.25
GBP 1,400,000	Northern Powergrid (Yorkshire) 2.25% 09/10/2059	1,373	0.59
GBP 1,633,000	Notting Hill Housing Trust 3.25% 12/10/2048	1,744	0.75
GBP 863,000	Optivo Finance 3.283% 22/03/2048	979	0.42
GBP 1,300,000	Orbit Capital 3.50% 24/03/2045	1,496	0.64
GBP 802,000	Peabody Capital No.2 3.25% 14/09/2048	892	0.38
GBP 438,000	Peabody Capital No.2 4.625% 12/12/2053	628	0.27
GBP 1,600,000	RL Finance Bonds No.4 4.875% 07/10/2049	1,667	0.71
GBP 1,837,000	Sanctuary Capital 5.00% 26/04/2047	2,792	1.19
GBP 860,000	Scottish Hydro Electric 2.25% 27/09/2035	848	0.36
GBP 1,378,000	Scottish Widows 7.00% 16/06/2043	1,896	0.81
GBP 272,000	Severn Trent Utilities Finance 4.875% 24/01/2042	385	0.16
GBP 845,000	Southern Electric Power 4.625% 20/02/2037	1,093	0.47
GBP 1,233,000	Southern Gas Network 3.10% 15/09/2036	1,366	0.58
GBP 940,000	Sovereign Housing Capital 2.375% 04/11/2048	939	0.40
GBP 658,000	Sovereign Housing Capital 4.768% 01/06/2043	945	0.40
GBP 400,000	Thames Water Utilities Finance 4.375% 03/07/2034	488	0.21
GBP 986,000	Thames Water Utilities Finance 4.625% 04/06/2046	1,310	0.56
GBP 1,479,000	Thames Water Utilities Finance 5.50% 11/02/2041	2,122	0.91
GBP 1,486,000	THFC Funding No.2 6.35% 08/07/2039	2,362	1.01
GBP 2,342,000	THFC Funding No.3 5.20% 11/10/2043	3,421	1.47

Portfolio statement (continued)

Holding	Investment	Market value £000	Percentage of total net assets %
Fixed Rate Bond (continued)			
GBP 493,000	Transport for London 3.625% 15/05/2045	628	0.27
GBP 1,600,000	Transport for London 3.875% 23/07/2042	2,085	0.89
GBP 500,000	Transport for London 4.00% 07/04/2064	771	0.33
GBP 763,275	UK Treasury 1.50% 22/07/2047	795	0.34
GBP 1,649,192	UK Treasury 1.625% 22/10/2071	1,932	0.83
GBP 1,720,000	UK Treasury 1.75% 07/09/2037	1,865	0.80
GBP 420,000	UK Treasury 4.25% 07/12/2040	650	0.28
GBP 300,000	UK Treasury 4.25% 07/12/2049	518	0.22
GBP 1,000,000	University of Cambridge 2.35% 27/06/2078	1,215	0.52
GBP 993,000	University of Cambridge 3.75% 17/10/2052	1,527	0.65
GBP 493,000	University of Liverpool 3.375% 25/06/2055	697	0.30
GBP 493,000	University of Manchester 4.25% 04/07/2053	786	0.34
GBP 802,000	University of Southampton 2.25% 11/04/2057	829	0.35
GBP 1,972,000	Vodafone 3.00% 12/08/2056	1,961	0.84
GBP 1,278,000	Vodafone 3.375% Perpetual	1,348	0.58
GBP 1,171,000	Wellcome Trust Finance 4.00% 09/05/2059	2,000	0.86
GBP 1,000,000	Western Power Distribution South West 5.75% 23/03/2040	1,510	0.65
GBP 800,000	Wrekin Housing 2.50% 22/10/2048	794	0.34
GBP 1,200,000	Yorkshire Water Finance 2.75% 18/04/2041	1,264	0.54
GBP 550,000	Yorkshire Water Finance 5.50% 28/05/2037	824	0.35
GBP 200,000	Yorkshire Water Finance 6.375% 19/08/2039	328	0.14
		121,647	52.06
Stepped Rate Bond 0.00% (30/06/2019: 0.24%)			
Variable Rate Bond 2.74% (30/06/2019: 2.99%)			
GBP 971,000	Aviva 6.875% 20/05/2058	1,407	0.60
GBP 686,000	HBOS Sterling Finance 7.881% Perpetual	1,069	0.46
GBP 1,250,000	HSBC 5.844% Perpetual	1,695	0.73
GBP 1,849,000	M&G 6.34% 19/12/2063	2,225	0.95
		6,396	2.74
United States 16.60% (30/06/2019: 16.55%)			
Fixed Rate Bond 16.60% (30/06/2019: 16.55%)			
GBP 1,295,000	Apple 3.60% 31/07/2042	1,671	0.72
GBP 1,400,000	AT&T 4.25% 01/06/2043	1,631	0.70
GBP 2,612,000	AT&T 4.875% 01/06/2044	3,318	1.42
GBP 2,000,000	AT&T 7.00% 30/04/2040	3,129	1.34
GBP 1,600,000	Berkshire Hathaway Finance 2.375% 19/06/2039	1,679	0.72
GBP 1,800,000	Berkshire Hathaway Finance 2.625% 19/06/2059	1,980	0.85
USD 961,000	Bristol-Myers Squibb 4.25% 26/10/2049	861	0.37
GBP 1,329,000	Citigroup 6.80% 25/06/2038	2,204	0.94
GBP 1,081,000	Citigroup 7.375% 01/09/2039	1,898	0.81
GBP 733,000	GE Capital UK Funding 6.25% 05/05/2038	1,008	0.43
GBP 982,000	GE Capital UK Funding 8.00% 14/01/2039	1,541	0.66
GBP 432,000	General Electric Capital 4.875% 18/09/2037	469	0.20
GBP 1,240,000	General Electric Capital 5.375% 18/12/2040	1,578	0.68

Portfolio statement (continued)

Holding	Investment	Market value £000	Percentage of total net assets %
Fixed Rate Bond (continued)			
GBP 582,000	Goldman Sachs 6.875% 18/01/2038	872	0.37
USD 572,000	Mars 3.95% 01/04/2049	489	0.21
USD 835,000	Mars 4.125% 01/04/2054	721	0.31
GBP 2,965,000	Pfizer 2.735% 15/06/2043	3,230	1.38
GBP 1,676,000	Time Warner Cable 5.25% 15/07/2042	1,984	0.85
GBP 900,000	Verizon Communications 3.125% 02/11/2035	991	0.42
GBP 2,096,000	Verizon Communications 3.375% 27/10/2036	2,370	1.01
GBP 648,000	Walmart 4.875% 19/01/2039	958	0.41
GBP 725,000	Walmart 5.25% 28/09/2035	1,074	0.46
GBP 1,500,000	Walmart 5.625% 27/03/2034	2,230	0.95
GBP 700,000	Wells Fargo 4.875% 29/11/2035	901	0.39
		38,787	16.60
Derivatives 0.08% (30/06/2019: (0.04%))			
Futures 0.01% (30/06/2019: (0.01%))			
(3)	CBT US Ultra Bond March 2020	12	0.01
(5)	EUX Euro-Buxl 30 year Bond March 2020	23	0.01
10	ICF Long Gilt March 2020	(13)	(0.01)
		22	0.01
Swaps 0.07% (30/06/2019: (0.04%))¹			
Credit Default Swaps 0.07% (30/06/2019: (0.04%))¹			
1,500,000	CDS 1.00% 20/12/2024 Airbus Pay EUR	(44)	(0.02)
700,000	CDS 1.00% 20/12/2024 Renault Pay EUR	3	-
700,000	CDS 1.00% 20/12/2024 Renault Pay EUR	3	-
1,400,000	CDS 5.00% 20/12/2024 Fiat Chrysler Automobiles Receive EUR	233	0.10
1,000,000	CDS 5.00% 20/12/2024 Fiat Chrysler Automobiles Receive EUR	166	0.07
450,000	CDS 5.00% 20/12/2024 Peugeot Pay EUR	(78)	(0.03)
700,000	CDS 5.00% 20/12/2024 Peugeot Pay EUR	(122)	(0.05)
		161	0.07
Forward Foreign Exchange Contracts 0.00% (30/06/2019: 0.01%)¹			
Buy EUR 10,600 : Sell GBP 9,064 January 2020 ²		-	-
Buy EUR 8,468 : Sell GBP 7,202 January 2020 ²		-	-
Buy GBP 1,080,978 : Sell EUR 1,283,113 January 2020		(7)	-
Buy GBP 2,017,567 : Sell USD 2,653,643 January 2020		15	-
Buy GBP 257,858 : Sell EUR 304,235 January 2020 ²		-	-
Buy GBP 41,921 : Sell EUR 49,700 January 2020 ²		-	-
Buy USD 5,000 : Sell GBP 3,789 January 2020 ²		-	-
Buy USD 5,800 : Sell GBP 4,430 January 2020 ²		-	-
		8	-
Investment assets including investment liabilities		229,139	98.06
Other net assets		4,524	1.94
Total net assets		233,663	100.00

¹ Unquoted securities

² Due to rounding to nearest £1,000

All investments are listed on recognised stock exchanges and are 'approved securities' within the meaning of FCA rules unless otherwise stated.

Credit ratings

	Market value £000	Percentage of total net assets %
31/12/19		
Investments		
Investment grade (AAA - BBB)	215,668	92.30
Below investment grade (BB and below)	1,069	0.46
Unrated	12,211	5.22
Total debt securities	228,948	97.98
Derivatives	191	0.08
Investment assets including investment liabilities	229,139	98.06
Other net assets	4,524	1.94
Total net assets	233,663	100.00
	Market value £000	Percentage of total net assets %
30/06/19		
Investments		
Investment grade (AAA - BBB)	216,290	91.46
Below investment grade (BB and below)	5,060	2.14
Unrated	11,829	5.00
Total debt securities	233,179	98.60
Derivatives	(90)	(0.04)
Investment assets including investment liabilities	233,089	98.56
Other net assets	3,397	1.44
Total net assets	236,486	100.00

Statement of total return (unaudited) for the six months ended 31 December 2019

	31/12/19		31/12/18	
	£000	£000	£000	£000
Income				
Net capital gains/(losses)		9,941		(12,554)
Revenue	3,794		7,070	
Expenses	(679)		(1,090)	
Net revenue before taxation	3,115		5,980	
Taxation	-		-	
Net revenue after taxation		3,115		5,980
Total return before distributions		13,056		(6,574)
Distributions		(3,115)		(5,980)
Change in net assets attributable to shareholders from investment activities		9,941		(12,554)

Statement of change in net assets attributable to shareholders

(unaudited) for the six months ended 31 December 2019

	31/12/19		31/12/18	
	£000	£000	£000	£000
Opening net assets attributable to shareholders*		236,486		410,090
Amounts receivable on issue of shares	12,704		2,273	
Amounts payable on cancellation of shares	(27,843)		(11,951)	
		(15,139)		(9,678)
Dilution adjustment		121		-
Change in net assets attributable to shareholders from investment activities		9,941		(12,554)
Retained distributions on accumulation shares		2,254		3,347
Closing net assets attributable to shareholders		233,663		391,205

* The opening net assets attributable to shareholders for the current period do not equal the closing net assets attributable for the comparative period as they are not consecutive periods.

Balance sheet (unaudited) as at 31 December 2019

	31/12/19 £000	30/06/19 £000
Assets:		
Investments	229,403	233,200
Current assets:		
Debtors	3,134	6,781
Cash and bank balances	6,780	5,631
Total assets	<u>239,317</u>	<u>245,612</u>
Liabilities:		
Investment liabilities	264	111
Creditors:		
Amounts held at derivatives clearing houses and brokers	35	-
Bank overdrafts	4,084	3,922
Distribution payable	656	126
Other creditors	615	4,967
Total liabilities	<u>5,654</u>	<u>9,126</u>
Net assets attributable to shareholders	<u>233,663</u>	<u>236,486</u>

Distribution tables for the six months ended 31 December 2019 (in pence per share)

Interim interest distribution (accounting date 30 September 2019, paid on 29 November 2019)

Group 1: shares purchased prior to 1 July 2019

Group 2: shares purchased on or after 1 July 2019

	Distribution per share	Equalisation	Total distribution per share 29/11/19	Total distribution per share 30/11/18
Class A income				
Group 1	1.1466	-	1.1466	1.2414
Group 2	0.6407	0.5059	1.1466	1.2414
Class E income¹				
Group 1	1.2703	-	1.2703	n/a
Group 2	0.4738	0.7965	1.2703	n/a
Class I accumulation				
Group 1	2.6973	-	2.6973	2.7676
Group 2	1.5881	1.1092	2.6973	2.7676
Class I income				
Group 1	1.3817	-	1.3817	1.4584
Group 2	0.7793	0.6024	1.3817	1.4584
Class Z accumulation				
Group 1	2.0122	-	2.0122	2.1819
Group 2	2.0122	-	2.0122	2.1819

¹ Class E income launched on 8 July 2019.

Distribution tables (continued)

Interim interest distribution (accounting date 31 December 2019, paid on 28 February 2020)

Group 1: shares purchased prior to 1 October 2019

Group 2: shares purchased on or after 1 October 2019

	Distribution per share	Equalisation	Total distribution per share 28/02/20	Total distribution per share 28/02/19
Class A income				
Group 1	1.1426	-	1.1426	1.2525
Group 2	0.6053	0.5373	1.1426	1.2525
Class E income¹				
Group 1	1.2785	-	1.2785	n/a
Group 2	0.2165	1.0620	1.2785	n/a
Class I accumulation				
Group 1	2.7020	-	2.7020	2.7944
Group 2	1.3166	1.3854	2.7020	2.7944
Class I income				
Group 1	1.3798	-	1.3798	1.4606
Group 2	0.6796	0.7002	1.3798	1.4606
Class Z accumulation				
Group 1	2.0947	-	2.0947	2.0559
Group 2	2.0947	-	2.0947	2.0559

¹ Class E income launched on 8 July 2019.

Janus Henderson Institutional Long Dated Gilt Fund

Authorised Corporate Director's (ACD) report

Investment Fund Managers

Andrew Mulliner and Bethany Payne

Investment objective and policy

To aim to provide a return by investing primarily in long dated United Kingdom Government securities. The fund may invest in other transferable securities, money market instruments, derivatives and forward transactions, deposits and units in collective investment schemes.

Performance summary

Cumulative performance	Six months	One year	Five years	First published data
	30 Jun 19 - 31 Dec 19	31 Dec 18 - 31 Dec 19	31 Dec 14 - 31 Dec 19	4 Sep 00 - 31 Dec 19
	%	%	%	%
Class I accumulation	2.8	12.0	32.3	0.0
FTSE Actuaries UK Conventional Gilts greater than 15 years to maturity Index	3.7	12.0	37.6	0.0
IA UK Gilts Sector	1.7	7.2	20.5	0.0

Discrete performance

	31 Dec 18 - 31 Dec 19	31 Dec 17 - 31 Dec 18	31 Dec 16 - 31 Dec 17	31 Dec 15 - 31 Dec 16	31 Dec 14 - 31 Dec 15
	%	%	%	%	%
Class I accumulation	12.0	(1.5)	2.7	17.4	(0.6)

Source: Morningstar, Class I accumulation, NAV to NAV, net of fees and net income reinvested as at 12 noon valuation point. Benchmark values are as at close of business.

Index: FTSE Actuaries UK Conventional Gilts greater than 15 years to maturity Index

Index Usage: Comparator

Index description: The FTSE Actuaries UK Conventional Gilts greater than 15 years to maturity Index is a measure of the combined performance of bonds issued by the British government with more than 15 years to maturity. It provides a useful comparison against which the fund's performance can be assessed over time.

Peer group benchmark: IA UK Gilts Sector

Peer group benchmark usage: Comparator

Peer group description: 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.

Class I accumulation is disclosed as it is the primary share class.

Please remember that past performance is not a guide to future performance. The value of an investment and the revenue from it can fall as well as rise as a result of market and currency fluctuations and you may not get back the amount originally invested.

Authorised Corporate Director's (ACD) report (continued)

Significant portfolio changes for the six months ended 31 December 2019

Largest purchases	£000	Largest sales	£000
UK Treasury 1.75% 07/09/2037	3,093	UK Treasury 4.25% 07/03/2036	3,241
UK Treasury 1.50% 22/07/2047	2,072	UK Treasury 1.75% 07/09/2037	1,907
UK Treasury 3.25% 22/01/2044	2,070	UK Treasury 3.25% 22/01/2044	1,597
UK Treasury 1.625% 22/10/2054	1,152	UK Treasury 1.50% 22/07/2047	1,546
UK Treasury 4.25% 07/12/2049	1,094	UK Treasury 1.625% 22/10/2054	817
UK Treasury 4.25% 07/12/2040	940	UK Treasury 4.25% 07/12/2055	689
UK Treasury 4.25% 07/12/2055	840	UK Treasury 4.25% 07/12/2049	638
UK Treasury 1.75% 22/07/2057	770	UK Treasury 4.25% 07/12/2046	598
UK Treasury 1.75% 22/01/2020	751	UK Treasury 4.25% 07/09/2039	403
UK Treasury 2.50% 22/07/2065	711	UK Treasury 4.25% 07/12/2040	338
Total purchases	19,138	Total sales	13,336

Investment review

The fund returned 2.8% based on Class I accumulation over the period under review, compared with a return of 3.7% in the FTSE Actuaries UK Conventional Gilts greater than 15 years to maturity Index and a return of 1.7% in the IA UK Gilts Sector peer group benchmark.

Yields for 'safe-haven' government bonds continued to fall during the initial part of the period (prices rose, reflecting their inverse relationship to yields), although they hit a trough at the end of August and rose up to the end of the period. Economic data showed signs of a turnaround and market sentiment improved as the US and China agreed terms for a 'phase one' trade deal. In the UK, the Conservative Party's decisive victory in December's general election was a tailwind for sterling and gilts underperformed. Returns from inflation-linked gilts were negatively impacted by a consultation on the retail price index (RPI) after the UK Statistics Authority announced its intention to align it with the lower CPIH (consumer price inflation including owner/occupiers' housing costs) inflation measure, with the change due to take effect between 2025 and 2030. The rise in sterling in the fourth quarter also helped to dampen inflation expectations.

Major central banks continued to take an accommodative approach to monetary policy. The US Federal Reserve (Fed) cut interest rates three times over the period, with the reductions aimed at providing some 'insurance' against too-low inflation and the risk of a deeper slump. It later hinted that it would not raise rates until there was a noticeable acceleration in inflation. The European Central Bank (ECB) pushed rates deeper into negative territory and restarted its asset purchase programme, buying around €20bn a month across both government and investment-grade corporate debt. However, on its own, this is unlikely to move economic growth, if governments remain hesitant to implement fiscal stimulus. In contrast, Sweden raised rates to zero in November as the Riksbank decided to exit negative interest rate policy.

The fund started the second half of 2019 with interest rate duration at the upper end of the range through positions in the US, Canada, Sweden, Australia and New Zealand. The sharp fall in government bond yields in July and August, particularly in core markets, allowed these positions to perform well. We subsequently reduced this duration position to lock in some of the gains and took profits on our position on expectations of a flatter euro yield curve. In the fourth quarter of the year, our duration positioning saw some modest underperformance as yields rose, but we made gains from inflation positions (in the UK and US).

Inflation strategies were beneficial. In the UK, we were positioned for breakeven inflation expectations to fall through a position in inflation swaps. This benefited from the rise in sterling, which dampened inflation expectations, and the announcement of the RPI review. In the US, we established a position for breakeven inflation to rise from depressed levels, which performed well in December.

Emerging market positioning in Mexico continued to perform well after the country's central bank cut rates.

Currency strategies made a small positive contribution – we were positioned for outperformance of the Indonesian rupiah.

Most major central banks are expected to maintain an easing (or neutral) monetary policy bias. While European economic growth is expected to pick up to 1% versus 2018, the sensitivity of the eurozone region to fragile global growth means that the ECB is expected to stay highly accommodative. This should anchor eurozone sovereign yields around zero. In the UK, the Bank of England may lean towards a rate cut if the economy weakens as the Brexit drag continues. In the US, the Fed has a dovish bias but will need weak economic data to enact further cuts. The bar for raising rates is high.

Within government bond markets, we are positive on US Treasury inflation-linked securities relative to nominal equivalents. Elsewhere, we remain overweight to interest rate duration in the eurozone area and countries such as Sweden and Canada and, also, emerging markets such as Mexico where higher real yields, and falling inflation, provide scope for rate cuts. The long-term uptrend in the US dollar has stalled with risks to the downside, which should add some support for emerging market currencies.

We continue to maintain our interest rate duration above average and hold a more cautious view on high-yield corporate debt, due to the uncertain growth and geopolitical backdrop, which we expect to push credit spreads wider from here. Secured credit continues to be attractive on a relative basis, as does emerging market debt, relative to developed markets.

The fund utilises derivatives. During the period, derivative positions included using government bond futures and interest rate and inflation swaps to implement active positions and manage overall interest rate exposure. Forward foreign exchange contracts were used to implement currency positions.

Comparative tables for the six months ended 31 December 2019

	Class A accumulation			
	Six months to 31/12/19 (pence per share)	Year to 30/06/19 (pence per share)	Year to 30/06/18 (pence per share)	Year to 30/06/17 (pence per share)
Change in net assets per share				
Opening net asset value per share	234.44	220.49	214.10	220.09
Return before operating charges*	8.95	16.00	8.38	(3.73)
Operating charges	(1.17)	(2.05)	(1.99)	(2.02)
Return after operating charges*	7.78	13.95	6.39	(5.75)
Distributions on accumulation shares	(0.92)	(2.70)	(2.77)	(2.55)
Retained distributions on accumulation shares [^]	0.92	2.70	2.77	2.31
Closing net asset value per share	242.22	234.44	220.49	214.10
* after direct transaction costs of:	-	-	-	-
Performance				
Return after charges	3.32%	6.33%	2.98%	(2.61%)
Other information				
Closing net asset value (£000s)	1,134	1,185	867	845
Closing number of shares	468,093	505,301	393,126	394,635
Operating charges (annualised)	0.94%	0.93%	0.92%	0.92%
Direct transaction costs	0.00%	0.00%	0.00%	0.00%
Prices				
Highest share price (pence)	265.00	237.40	224.10	241.30
Lowest share price (pence)	235.60	205.60	206.70	203.70

[^] Retained distributions prior to 6 April 2017 are net of 20% income tax.

Comparative tables (continued)

	Class A income			
	Six months to 31/12/19 (pence per share)	Year to 30/06/19 (pence per share)	Year to 30/06/18 (pence per share)	Year to 30/06/17 (pence per share)
Change in net assets per share				
Opening net asset value per share	208.78	198.74	195.44	203.04
Return before operating charges*	7.99	14.31	7.63	(3.62)
Operating charges	(1.04)	(1.84)	(1.81)	(1.86)
Return after operating charges*	6.95	12.47	5.82	(5.48)
Distributions on income shares	(0.82)	(2.43)	(2.52)	(2.12)
Closing net asset value per share	214.91	208.78	198.74	195.44
* after direct transaction costs of:	-	-	-	-
Performance				
Return after charges	3.33%	6.27%	2.98%	(2.70%)
Other information				
Closing net asset value (£000s)	8,779	8,298	8,216	10,682
Closing number of shares	4,085,208	3,974,667	4,134,156	5,465,468
Operating charges (annualised)	0.94%	0.93%	0.92%	0.92%
Direct transaction costs	0.00%	0.00%	0.00%	0.00%
Prices				
Highest share price (pence)	236.00	212.10	204.50	222.60
Lowest share price (pence)	209.80	184.70	187.50	187.60
Class E accumulation				
08/07/19 - 31/12/19 (pence per share)				
Change in net assets per share				
Opening net asset value per share	240.79 ¹			
Return before operating charges*	2.56			
Operating charges	(0.82)			
Return after operating charges*	1.74			
Distributions on accumulation shares	(1.23)			
Retained distributions on accumulation shares	1.23			
Closing net asset value per share	242.53			
* after direct transaction costs of:	-			
Performance				
Return after charges	0.72% ²			
Other information				
Closing net asset value (£000s)	25			
Closing number of shares	10,470			
Operating charges (annualised)	0.69%			
Direct transaction costs	0.00%			
Prices				
Highest share price (pence)	265.10			
Lowest share price (pence)	236.10			

¹ Class E accumulation launched on 8 July 2019 and this is the first published price.

² Return after charges relates to the period 08/07/19 to 31/12/19 post conversion from the A accumulation share class.

This performance will differ from the other share classes as it does not include returns generated prior to class launch, whilst the other classes returns cover the entire period under review.

Comparative tables (continued)

	Class E income 08/07/19 - 31/12/19 (pence per share)
Change in net assets per share	
Opening net asset value per share	214.43 ³
Return before operating charges*	2.31
Operating charges	(0.73)
Return after operating charges*	1.58
Distributions on income shares	(1.09)
Closing net asset value per share	214.92
* after direct transaction costs of:	-

Performance

Return after charges	0.74% ⁴
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Other information

Closing net asset value (£000s)	98
Closing number of shares	45,400
Operating charges (annualised)	0.69%
Direct transaction costs	0.00%

Prices

Highest share price (pence)	236.10
Lowest share price (pence)	210.30

³ Class E income launched on 8 July 2019 and this is the first published price.

⁴ Return after charges relates to the period 08/07/19 to 31/12/19 post conversion from the A income share class. This performance will differ from the other share classes as it does not include returns generated prior to class launch, whilst the other classes returns cover the entire period under review.

	Six months to 31/12/19 (pence per share)	Class I accumulation		
		Year to 30/06/19 (pence per share)	Year to 30/06/18 (pence per share)	Year to 30/06/17 (pence per share)
Change in net assets per share				
Opening net asset value per share	348.93	326.97	316.32	324.13
Return before operating charges*	13.33	23.79	12.41	(5.54)
Operating charges	(1.07)	(1.83)	(1.76)	(1.78)
Return after operating charges*	12.26	21.96	10.65	(7.32)
Distributions on accumulation shares	(2.06)	(5.19)	(5.28)	(4.96)
Retained distributions on accumulation shares [^]	2.06	5.19	5.28	4.47
Closing net asset value per share	361.19	348.93	326.97	316.32
* after direct transaction costs of:	-	-	0.01	-
Performance				
Return after charges	3.51%	6.72%	3.37%	(2.26%)
Other information				
Closing net asset value (£000s)	14,840	13,958	19,470	14,494
Closing number of shares	4,108,466	4,000,306	5,954,904	4,582,010
Operating charges (annualised)	0.57%	0.56%	0.55%	0.55%
Direct transaction costs	0.00%	0.00%	0.00%	0.00%
Prices				
Highest share price (pence)	394.70	353.30	331.30	355.50
Lowest share price (pence)	350.70	305.10	306.10	300.50

[^] Retained distributions prior to 6 April 2017 are net of 20% income tax.

Comparative tables (continued)

	Class Z accumulation			
	Six months to 31/12/19 (pence per share)	Year to 30/06/19 (pence per share)	Year to 30/06/18 (pence per share)	Year to 30/06/17 (pence per share)
Change in net assets per share				
Opening net asset value per share	254.75	237.52	228.64	232.76
Return before operating charges*	9.72	17.37	9.00	(4.00)
Operating charges	(0.11)	(0.14)	(0.12)	(0.12)
Return after operating charges*	9.61	17.23	8.88	(4.12)
Distributions on accumulation shares	(2.19)	(4.99)	(4.99)	(4.74)
Retained distributions on accumulation shares	2.19	4.99	4.99	4.74
Closing net asset value per share	264.36	254.75	237.52	228.64
* after direct transaction costs of:	-	-	-	-
Performance				
Return after charges	3.77%	7.25%	3.88%	(1.77%)
Other information				
Closing net asset value (£000s)	23,298	17,439	13,279	12,355
Closing number of shares	8,812,990	6,845,475	5,590,541	5,403,725
Operating charges (annualised)	0.07%	0.06%	0.05%	0.05%
Direct transaction costs	0.00%	0.00%	0.00%	0.00%
Prices				
Highest share price (pence)	288.40	257.90	240.20	255.70
Lowest share price (pence)	256.00	222.00	221.90	216.60

Comparative tables (continued)

	Class I accumulation gross	
	Year to 30/06/18 (pence per share)	Year to 30/06/17 (pence per share)
Change in net assets per share		
Opening net asset value per share	342.52	350.39
Return before operating charges*	(1.04)	(5.90)
Operating charges	(0.48)	(1.97)
Return after operating charges*	(1.52)	(7.87)
Distributions on accumulation shares	(1.36)	(5.35)
Retained distributions on accumulation shares	1.36	5.35
Final cancellation	(341.00) ⁵	-
Closing net asset value per share	-	342.52
* after direct transaction costs of:	0.01	-
Performance		
Return after charges	(0.44%)	(2.25%)
Other information		
Closing net asset value (£000s)	-	6,533
Closing number of shares	-	1,907,427
Operating charges (annualised)	0.55%	0.55%
Direct transaction costs	0.00%	0.00%
Prices		
Highest share price (pence)	358.70 ⁶	384.60
Lowest share price (pence)	336.90 ⁶	325.30

⁵ Class I accumulation gross closed on 2 October 2017.

⁶ to October 2017.

Direct transaction costs incurred on securities transactions (including derivatives) are stated after deducting the proportion of the amounts collected from dilution adjustments that relate to direct transaction costs.

Performance values are at close of business on a bid basis, which will differ from those in the Performance summary.

Operating charges

Operating charges are expenses associated with the maintenance and administration of the fund on a day-to-day basis that are actually borne by the share class.

Share class launches and closures

The following share classes launched in the period:

Share class	Launch date
Class E accumulation	8 July 2019
Class E income	8 July 2019

There were no share classes closed in the period.

Share class conversions

Share class conversions	Conversion date
Class A accumulation to Class E accumulation	8 July 2019
Class A income to Class E income	8 July 2019

Some shareholders were converted to the newly launched E share classes as there are no commission payments for financial advice bundled within the E share classes, and these are available for direct investment.

The conversion of A share classes to the E share classes was performed to benefit investors who do not use a financial adviser as a lower management fee is charged.

Ongoing charge figure

The annualised ongoing charge figure (OCF) of the fund is calculated as the ratio of the total ongoing charges to the average net asset value for twelve months. Ongoing charges are all expenses deducted from the assets of the fund during the period, except for expenses that are explicitly excluded by regulation.

	31/12/19 %	30/06/19 %	Estimated OCF from 8 July 2019 ¹ %
Class A	0.94	0.93	n/a
Class E ²	0.69	n/a	0.69
Class I	0.57	0.56	n/a
Class Z	0.07	0.06	n/a

The OCF is calculated in accordance with guidelines issued by the European Securities and Markets Authority (ESMA).

¹ The estimated ongoing charge is based on the annual fee rates on launch date as at 8 July 2019.

² Class E accumulation and Class E income launched on 8 July 2019.

Risk and reward profile

The fund currently has 6 types of share class in issue; A accumulation, A income, E accumulation, E income, I accumulation and Z accumulation.

Each type of share class has the same risk and reward profile which is as follows:



The share classes appear at 5 out of 7. Share classes in higher categories have shown greater and/or more frequent variations in share price in the past 5 years than those in lower categories. The lowest category does not mean risk free.

The Synthetic Risk and Reward Indicator (SRRI) is calculated based on historical volatility over a rolling 5* year period, it is reviewed monthly and updated if volatility has changed materially to cause a movement in the SRRI level. The SRRI is an indicator and may not accurately reflect future volatility and market conditions.

The value of an investment and any income from it can go up or down. When you sell your shares, they may be worth less than you paid for them.

The risk/reward rating above is based on medium-term volatility. In the future, the fund's actual volatility could be higher or lower and its rated risk/reward level could change.

The rating does not reflect the possible effects of unusual market conditions or large unpredictable events. Under normal market conditions the following risks may apply:

Country or Region If a fund has a high exposure to a particular country or geographical region it carries a higher level of risk than a fund which is more broadly diversified.

Default Risk An issuer of a bond (or money market instrument) may become unable or unwilling to pay interest or repay capital to the fund. If this happens or the market perceives this may happen, the value of the bond will fall.

Derivatives and Leverage The fund may use derivatives towards the aim of achieving its investment objective. This can result in 'leverage', which can magnify an investment outcome and gains or losses to the fund may 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.

Interest Rates 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. This risk is generally greater the longer the maturity of a bond investment.

Liquidity Securities within the fund 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 full list of the fund's risks are contained in the 'Risk Factors' section of the fund's prospectus.

There has been no change to the risk ratings in the period.

The SRRI conforms to the ESMA guidelines for the calculation of the SRRI.

* Class E accumulation and E income launched on 8 July 2019. As these share classes do not have a 5 year history, a synthetic history has been created using the fund's relevant sector average.

Portfolio statement as at 31 December 2019

Holding	Investment	Market value £000	Percentage of total net assets %
	Bonds 96.57% (30/06/2019: 97.44%)		
	Indonesia 1.14% (30/06/2019: 0.00%)		
	Fixed Rate Bond 1.14% (30/06/2019: 0.00%)		
IDR 9,423,000,000	Indonesia (Republic of) 8.375% 15/03/2034	548	1.14
	Japan 1.39% (30/06/2019: 1.50%)		
	Fixed Rate Bond 1.39% (30/06/2019: 1.50%)		
JPY 85,500,000	Japan (Government of) 0.80% 20/03/2058	669	1.39
	United Kingdom 94.04% (30/06/2019: 95.94%)		
	Fixed Rate Bond 94.04% (30/06/2019: 95.94%)		
GBP 2,192,860	UK Treasury 1.50% 22/07/2047	2,284	4.74
GBP 966,740	UK Treasury 1.625% 22/10/2054	1,064	2.21
GBP 909,684	UK Treasury 1.625% 22/10/2071	1,066	2.21
GBP 2,883,274	UK Treasury 1.75% 07/09/2037	3,125	6.49
GBP 1,406,144	UK Treasury 1.75% 22/01/2020	1,551	3.22
GBP 1,619,573	UK Treasury 1.75% 22/07/2057	1,874	3.89
GBP 1,556,610	UK Treasury 2.50% 22/07/2065	2,257	4.69
GBP 2,130,148	UK Treasury 3.25% 22/01/2044	2,975	6.18
GBP 1,994,897	UK Treasury 3.50% 22/01/2045	2,920	6.06
GBP 1,302,094	UK Treasury 3.50% 22/07/2068	2,393	4.97
GBP 1,689,859	UK Treasury 3.75% 22/07/2052	2,805	5.82
GBP 1,518,747	UK Treasury 4.00% 22/01/2060	2,858	5.93
GBP 1,424,432	UK Treasury 4.25% 07/09/2039	2,175	4.51
GBP 1,743,409	UK Treasury 4.25% 07/12/2040	2,697	5.60
GBP 1,288,374	UK Treasury 4.25% 07/12/2046	2,144	4.45
GBP 1,357,511	UK Treasury 4.25% 07/12/2049	2,346	4.87
GBP 1,565,809	UK Treasury 4.25% 07/12/2055	2,929	6.08
GBP 1,841,824	UK Treasury 4.50% 07/12/2042	3,013	6.25
GBP 1,766,331	UK Treasury 4.75% 07/12/2038	2,829	5.87
		<u>45,305</u>	<u>94.04</u>
	Collective Investment Schemes 1.90% (30/06/2019: 1.18%)		
913,927	Deutsche Global Liquidity Managed Platinum Sterling Fund	914	1.90
	Derivatives 0.18% (30/06/2019: 0.48%)		
	Futures (0.02%) (30/06/2019: 0.07%)		
13	CBT US 5 year Note March 2020	(9)	(0.02)
9	EUX Euro-BTP March 2020	(1)	-
(10)	EUX Euro-Bund March 2020	22	0.04
20	ICF Long Gilt March 2020	(19)	(0.04)
(3)	OSE Japan 10 year Bond March 2020	(1)	-
		<u>(8)</u>	<u>(0.02)</u>
	Swaps 0.19% (30/06/2019: 0.41%)¹		
	Inflation Index Swaps 0.07% (30/06/2019: (0.16%))¹		
3,240,000	IIS 1.8535% November 2029 - Pay Fixed - USD	32	0.07
785,000	IIS 1.9888% December 2029 - Pay Fixed - USD ²	-	-
		<u>32</u>	<u>0.07</u>

Portfolio statement (continued)

Holding	Investment	Market value £000	Percentage of total net assets %
	Interest Rate Swaps 0.12% (30/06/2019: 0.57%)¹		
520,000	IRS 0.0588% EURIBOR 6 month - Receive Fixed - EUR	(5)	(0.01)
4,060,000	IRS 0.112% EURIBOR 6 month - Receive Floating - EUR	(42)	(0.09)
7,640,000	IRS 0.00%0.1287% STIBOR 3 month - Receive Fixed - SEK	(14)	(0.03)
10,080,000	IRS 0.3568% STIBOR 3 month - Receive Fixed - SEK	(24)	(0.05)
24,795,030	IRS 0.40% STIBOR 3 month - Receive Fixed - SEK	6	0.01
1,650,000	IRS -0.5308% EURIBOR 6 month - Receive Floating - EUR	27	0.06
2,060,000	IRS 0.6408% EURIBOR 6 month - Receive Fixed - EUR	81	0.17
4,860,000	IRS 1.411% BA 3 month - Receive Fixed - CAD	(93)	(0.19)
20,430,000	IRS 1.8025% LIBOR 3 month - Receive Fixed - USD	26	0.06
3,000,000	IRS 1.8153% LIBOR 3 month - Receive Fixed - USD	5	0.01
630,000	IRS 1.9922% LIBOR 3 month - Receive Floating - USD	(4)	(0.01)
4,380,000	IRS 2.0663% LIBOR 3 month - Receive Floating - USD	(53)	(0.11)
30,680,000	IRS 6.71% TIE 6 month - Receive Fixed - MXN	6	0.01
21,150,000	IRS 7.871% TIE 3 month - Receive Fixed - MXN	42	0.09
42,530,000	IRS 8.2225% TIE 28 day - Receive Fixed - MXN	103	0.20
		61	0.12
	Forward Foreign Exchange Contracts 0.01% (30/06/2019: 0.00%)¹		
	Buy AUD 810,000 : Sell JPY 60,687,549 March 2020	7	0.02
	Buy CAD 12,795 : Sell GBP 7,287 January 2020 ²	-	-
	Buy CAD 2,565 : Sell GBP 1,497 January 2020 ²	-	-
	Buy CAD 4,456 : Sell GBP 2,615 January 2020 ²	-	-
	Buy CAD 4,902 : Sell GBP 2,862 January 2020 ²	-	-
	Buy CAD 7,156 : Sell GBP 4,106 January 2020 ²	-	-
	Buy CAD 7,200 : Sell GBP 4,186 January 2020 ²	-	-
	Buy GBP 103,972 : Sell MXN 2,662,733 January 2020	(2)	-
	Buy GBP 1,184 : Sell MXN 30,190 January 2020 ²	-	-
	Buy GBP 12,190 : Sell CAD 21,110 January 2020 ²	-	-
	Buy GBP 1,226 : Sell CAD 2,139 January 2020 ²	-	-
	Buy GBP 13,119 : Sell MXN 326,154 January 2020 ²	-	-
	Buy GBP 1,450 : Sell CAD 2,531 January 2020 ²	-	-
	Buy GBP 1,777 : Sell SEK 21,887 January 2020 ²	-	-
	Buy GBP 1,847 : Sell CAD 3,175 January 2020 ²	-	-
	Buy GBP 1,857 : Sell SEK 22,653 January 2020 ²	-	-
	Buy GBP 2,000 : Sell SEK 25,036 January 2020 ²	-	-
	Buy GBP 2,058 : Sell CAD 3,514 January 2020 ²	-	-
	Buy GBP 2,301 : Sell SEK 28,701 January 2020 ²	-	-
	Buy GBP 2,806 : Sell CAD 4,817 January 2020 ²	-	-
	Buy GBP 3,050 : Sell SEK 37,452 January 2020 ²	-	-
	Buy GBP 3,175 : Sell SEK 39,000 January 2020 ²	-	-
	Buy GBP 3,226 : Sell SEK 39,406 January 2020 ²	-	-
	Buy GBP 3,585 : Sell MXN 89,276 January 2020 ²	-	-
	Buy GBP 4,133 : Sell MXN 101,907 January 2020 ²	-	-
	Buy GBP 449,632 : Sell AUD 862,907 March 2020	(8)	(0.02)
	Buy GBP 4,499 : Sell CAD 7,784 January 2020 ²	-	-
	Buy GBP 4,532 : Sell SEK 55,600 January 2020 ²	-	-
	Buy GBP 5,049 : Sell SEK 62,815 January 2020 ²	-	-
	Buy GBP 5,059 : Sell SEK 62,844 January 2020 ²	-	-
	Buy GBP 558,356 : Sell USD 735,342 March 2020	4	0.01

Portfolio statement (continued)

Holding	Investment	Market value £000	Percentage of total net assets %
Forward Foreign Exchange Contracts (continued)			
	Buy GBP 5,838 : Sell CAD 10,167 January 2020 ²	-	-
	Buy GBP 5,909 : Sell CAD 10,422 January 2020 ²	-	-
	Buy GBP 596,725 : Sell USD 784,854 January 2020	5	0.01
	Buy GBP 696,696 : Sell JPY 99,141,076 January 2020	8	0.02
	Buy GBP 75,862 : Sell EUR 89,506 January 2020 ²	-	-
	Buy GBP 7,806 : Sell CAD 13,370 January 2020 ²	-	-
	Buy IDR 9,116,860,000 : Sell USD 644,073 March 2020	8	0.02
	Buy JPY 125,387,313 : Sell GBP 881,856 March 2020	(9)	(0.02)
	Buy JPY 3,049,700 : Sell GBP 21,341 January 2020 ²	-	-
	Buy JPY 551,700 : Sell GBP 3,857 January 2020 ²	-	-
	Buy MXN 104,759 : Sell GBP 4,142 January 2020 ²	-	-
	Buy MXN 154,678 : Sell GBP 6,057 January 2020 ²	-	-
	Buy MXN 52,001 : Sell GBP 2,102 January 2020 ²	-	-
	Buy MXN 52,232 : Sell GBP 2,102 January 2020 ²	-	-
	Buy MXN 53,957 : Sell GBP 2,111 January 2020 ²	-	-
	Buy MXN 56,796 : Sell GBP 2,271 January 2020 ²	-	-
	Buy MXN 62,838 : Sell GBP 2,453 January 2020 ²	-	-
	Buy MXN 62,981 : Sell GBP 2,498 January 2020 ²	-	-
	Buy MXN 70,573 : Sell GBP 2,845 January 2020 ²	-	-
	Buy SEK 12,782 : Sell GBP 1,029 January 2020 ²	-	-
	Buy SEK 170,724 : Sell GBP 13,939 January 2020 ²	-	-
	Buy SEK 22,653 : Sell GBP 1,857 January 2020 ²	-	-
	Buy SEK 27,422 : Sell GBP 2,190 January 2020 ²	-	-
	Buy SEK 39,406 : Sell GBP 3,225 January 2020 ²	-	-
	Buy SEK 46,277 : Sell GBP 3,703 January 2020 ²	-	-
	Buy SEK 76,130 : Sell GBP 6,194 January 2020 ²	-	-
	Buy USD 30,118 : Sell GBP 22,852 January 2020 ²	-	-
	Buy USD 668,278 : Sell TWD 20,245,467 March 2020	(10)	(0.03)
		3	0.01
		47,524	98.65
	Investment assets including investment liabilities		
	Other net assets	650	1.35
	Total net assets	48,174	100.00

¹ Unquoted securities

² Due to rounding to nearest £1,000

All investments are listed on recognised stock exchanges and are 'approved securities' within the meaning of FCA rules unless otherwise stated.

Credit ratings

	Market value £000	Percentage of total net assets %
31/12/19		
Investments		
Investment grade (AAA - BBB)	46,522	96.57
Total debt securities	46,522	96.57
Collective investment schemes	914	1.90
Derivatives	88	0.18
Investment assets including investment liabilities	47,524	98.65
Other net assets	650	1.35
Total net assets	48,174	100.00
	Market value £000	Percentage of total net assets %
30/06/19		
Investments		
Investment grade (AAA - BBB)	39,834	97.44
Total debt securities	39,834	97.44
Collective investment schemes	482	1.18
Derivatives	197	0.48
Investment assets including investment liabilities	40,513	99.10
Other net assets	367	0.90
Total net assets	40,880	100.00

Statement of total return (unaudited) for the six months ended 31 December 2019

	31/12/19		31/12/18	
	£000	£000	£000	£000
Income				
Net capital gains/(losses)		1,084		(1,063)
Revenue	406		390	
Expenses	(94)		(83)	
Interest payable and similar charges	(4)		-	
	<u>308</u>		<u>307</u>	
Taxation	-		-	
Net revenue after taxation		<u>308</u>		<u>307</u>
Total return before distributions		1,392		(756)
Distributions		(308)		(307)
Change in net assets attributable to shareholders from investment activities		<u>1,084</u>		<u>(1,063)</u>

Statement of change in net assets attributable to shareholders

(unaudited) for the six months ended 31 December 2019

	31/12/19		31/12/18	
	£000	£000	£000	£000
Opening net assets attributable to shareholders*		40,880		41,832
Amounts receivable on issue of shares	18,385		5,510	
Amounts payable on cancellation of shares	<u>(12,461)</u>		<u>(11,431)</u>	
		5,924		(5,921)
Dilution adjustment		3		2
Change in net assets attributable to shareholders from investment activities		1,084		(1,063)
Retained distributions on accumulation shares		283		245
Closing net assets attributable to shareholders		<u>48,174</u>		<u>35,095</u>

* The opening net assets attributable to shareholders for the current period do not equal the closing net assets attributable for the comparative period as they are not consecutive periods.

Balance sheet (unaudited) as at 31 December 2019

	31/12/19	30/06/19
	£000	£000
Assets:		
Investments	47,818	40,705
Current assets:		
Debtors	429	375
Cash and bank balances	608	362
Total assets	<u>48,855</u>	<u>41,442</u>
Liabilities:		
Investment liabilities	294	192
Creditors:		
Amounts held at derivatives clearing houses and brokers	161	226
Bank overdrafts	97	43
Distribution payable	14	25
Other creditors	115	76
Total liabilities	<u>681</u>	<u>562</u>
Net assets attributable to shareholders	<u>48,174</u>	<u>40,880</u>

Distribution tables for the six months ended 31 December 2019 (in pence per share)

Interim interest distribution (accounting date 30 September 2019, paid on 29 November 2019)

Group 1: shares purchased prior to 1 July 2019

Group 2: shares purchased on or after 1 July 2019

	Distribution per share	Equalisation	Total distribution per share 29/11/19	Total distribution per share 30/11/18
Class A accumulation				
Group 1	0.5438	-	0.5438	0.6199
Group 2	0.1723	0.3715	0.5438	0.6199
Class A income				
Group 1	0.4803	-	0.4803	0.5603
Group 2	0.1500	0.3303	0.4803	0.5603
Class E accumulation¹				
Group 1	0.6928	-	0.6928	n/a
Group 2	0.2716	0.4212	0.6928	n/a
Class E income¹				
Group 1	0.6103	-	0.6103	n/a
Group 2	0.0962	0.5141	0.6103	n/a
Class I accumulation				
Group 1	1.1487	-	1.1487	1.1985
Group 2	0.4264	0.7223	1.1487	1.1985
Class Z accumulation				
Group 1	1.1802	-	1.1802	1.1839
Group 2	0.7347	0.4455	1.1802	1.1839

¹ Class E accumulation and Class E income launched on 8 July 2019.

Distribution tables (continued)

Interim interest distribution (accounting date 31 December 2019, paid on 28 February 2020)

Group 1 : shares purchased prior to 1 October 2019

Group 2 : shares purchased on or after 1 October 2019

	Distribution per share	Equalisation	Total distribution per share 28/02/20	Total distribution per share 28/02/19
Class A accumulation				
Group 1	0.3790	-	0.3790	0.6610
Group 2	0.0857	0.2933	0.3790	0.6610
Class A income				
Group 1	0.3388	-	0.3388	0.5935
Group 2	0.0891	0.2497	0.3388	0.5935
Class E accumulation¹				
Group 1	0.5365	-	0.5365	n/a
Group 2	0.5365	-	0.5365	n/a
Class E income¹				
Group 1	0.4777	-	0.4777	n/a
Group 2	0.0724	0.4053	0.4777	n/a
Class I accumulation				
Group 1	0.9106	-	0.9106	1.2735
Group 2	0.3114	0.5992	0.9106	1.2735
Class Z accumulation				
Group 1	1.0076	-	1.0076	1.2137
Group 2	0.3783	0.6293	1.0076	1.2137

¹ Class E accumulation and Class E income launched on 8 July 2019.

Janus Henderson Institutional Short Duration Bond Fund

Authorised Corporate Director's (ACD) report

Investment Fund Managers

Denis Struc, Ian Bettney and Colin Fleury

Investment objective and policy

The fund aims to generate capital and income returns through investment in a diversified portfolio of short duration fixed income and variable rate securities. The fund may invest in Cash, Certificates of Deposit (CDs), Time Deposits, Commercial Paper, Floating Rate Notes, Fixed Rate Corporate Bonds, Covered Bonds, Asset Backed Securities (ABS including residential mortgage backed securities (RMBS)), government issued or guaranteed securities and securities issued by supranational or public international bodies. The fund may also invest in derivatives for the hedging of credit, currency and interest rate risk.

Performance summary

Cumulative performance	Six months	One year	Five years	First published data
	30 Jun 19 - 31 Dec 19	31 Dec 18 - 31 Dec 19	31 Dec 14 - 31 Dec 19	24 Nov 15 - 31 Dec 19
	%	%	%	%
Class Z accumulation	0.5	1.3	0.0	3.9
3 Month GBP LIBOR Interest Rate	0.4	0.8	0.0	2.4

Discrete performance	31 Dec 18 - 31 Dec 19	31 Dec 17 - 31 Dec 18	31 Dec 16 - 31 Dec 17	24 Nov 15 - 31 Dec 16
	%	%	%	%
Class Z accumulation	1.3	0.6	0.7	1.1

Source: BNP Paribas, Class Z accumulation, gross of fees and gross income reinvested as at close of business valuation point. Benchmark values are as at close of business.

Index: 3 Month GBP LIBOR Interest Rate

Index Usage: Comparator

Index description: 3 Month GBP LIBOR is the interest rate at which a selection of banks in London will lend pounds sterling to one another for three months. It provides a useful comparison against which the fund's performance can be assessed over time.

Class Z accumulation is disclosed as it is the primary share class.

Please remember that past performance is not a guide to future performance. The value of an investment and the revenue from it can fall as well as rise as a result of market and currency fluctuations and you may not get back the amount originally invested.

Authorised Corporate Director's (ACD) report (continued)

Significant portfolio changes for the six months ended 31 December 2019

Largest purchases	£000	Largest sales/maturities	£000
DZ Bank 0.86% 26/03/2020	20,000	Gracechurch Card FRN 15/07/2021	21,500
Magoi BV FRN 27/07/2039 2019 1 A	19,281	Landesbank Hessen Thüringen 1.05% 27/09/2019	20,000
Volkswagen Car Lease FRN 21/06/2025 29 A	15,727	Crédit Agricole 0.81% 02/09/2019	20,000
First Abu Dhabi Bank 1.00% 12/11/2020	15,000	Nationwide Building Society 0.85% 10/03/2020	15,002
Crédit Industriel et Commercial 0.94% 01/09/2020	15,000	Handelsbanken 0.93% 07/11/2019	15,000
Mitsubishi UFJ Financial 0.83% 27/01/2020	15,000	Handelsbanken 0.90% 02/12/2019	15,000
Nationwide Building Society 0.85% 10/03/2020	15,000	Credit Suisse 1.12% 14/10/2019	15,000
Credit Suisse 0.96% 14/10/2020	15,000	Bank of Montreal 1.20% 06/12/2019	15,000
Crédit Agricole 0.82% 28/02/2020	15,000	Mitsubishi UFJ Trust And Banking 0.80% 24/10/2019	15,000
Handelsbanken 0.90% 07/05/2020	15,000	Standard Chartered Bank 0.97% 22/08/2019	15,000
Total purchases	560,361	Total sales/maturities	537,837

Authorised Corporate Director's (ACD) report (continued)

Investment review

The fund returned 0.5% based on Class Z accumulation over the period under review, compared with a return of 0.4% in the 3 month GBP LIBOR Interest Rate.

Fixed-income markets delivered a positive total return over the period under review. Income was the primary driver of returns as credit spreads moved marginally wider over the period. Movements in government bond markets also detracted from performance, as yields rose (prices fell reflecting their inverse relationship with yields) across the curve.

The period was heavy with macroeconomic news. The European Central Bank announced an easing package including a cut in the deposit rate, 'tiering' to help prop up banks' balance sheets, and an open-ended asset purchase programme of €20bn a month. The US Federal Reserve reduced interest rates three times during the period.

Towards the end of the period, the market tone became more positive as the likelihood of a 'phase one' trade deal between the US and China increased, with an agreement reached during the month. In the UK, political uncertainty declined after the Conservative Party won a comfortable parliamentary majority in the general election.

Positive contributions came from all three of the principal asset classes – money market instruments, corporate bonds and asset-backed securities (ABS). Positive contributions were strongest from our holdings in corporate bonds and money markets, with a slightly smaller contribution from ABS.

Within ABS, returns during the period were driven primarily by income. The main contributors to performance included our holdings in UK prime residential mortgage-backed securities (RMBS), UK automotive loans and credit cards. UK assets benefited from the Conservatives' win in the general election, which provided some clarity around Brexit. The low positioning in European RMBS detracted relative to the broader ABS market because these sectors generated strong returns over the period.

While corporate bond spreads typically moved wider over the period, within the portfolio we benefited from a mild spread compression in the securities we held. At a sectoral level, performance was driven by our positioning in the financial sector. Total returns were ahead of the broader market, reflecting our credit selection and our preference for higher rated corporates.

During the period, the fund made use of currency forwards and interest rate swaps. These instruments were used to hedge both currency and interest rate risk.

Geopolitical risks including the trade agreement between the US and China, tensions in the Middle East and Brexit negotiations remain present and have the potential to cause a 'risk-off' move in markets. Added to this is a low global economic growth backdrop, susceptible to further weakness dependant on how the geopolitical picture evolves.

Central bank monetary policy easing remains a key driver of the technical strength in markets, despite generally expensive valuations. However, the uncertain growth and geopolitical backdrop, combined with rates volatility, are likely to be a larger determinant of movements in credit going forward. As a result, fund activity from this juncture is likely to evolve depending on the balance between central bank policy, and the economic and political landscape.

We expect coupon income to continue to drive the fund's returns.

Comparative table for the six months ended 31 December 2019

	Class Z accumulation			
	Six months to 31/12/19 (pence per share)	Year to 30/06/19 (pence per share)	Year to 30/06/18 (pence per share)	Year to 30/06/17 (pence per share)
Change in net assets per share				
Opening net asset value per share	103.28	102.18	101.57	100.60
Return before operating charges*	0.58	1.13	0.65	1.01
Operating charges	(0.02)	(0.03)	(0.04)	(0.04)
Return after operating charges*	0.56	1.10	0.61	0.97
Distributions on accumulation shares	(0.45)	(0.83)	(0.54)	(0.61)
Retained distributions on accumulation shares	0.45	0.83	0.54	0.61
Closing net asset value per share	103.84	103.28	102.18	101.57
* after direct transaction costs of:	-	-	-	-
Performance				
Return after charges	0.54%	1.08%	0.60%	0.96%
Other information				
Closing net asset value (£000s)	1,070,496	1,084,257	1,166,635	1,442,096
Closing number of shares	1,030,941,773	1,049,790,246	1,141,656,451	1,419,821,418
Operating charges (annualised)	0.03%	0.03%	0.04%	0.04%
Direct transaction costs	0.00%	0.00%	0.00%	0.00%
Prices				
Highest share price (pence)	103.86	103.30	102.24	101.62
Lowest share price (pence)	103.31	102.22	101.60	100.63

Direct transaction costs incurred on securities transactions (including derivatives) are stated after deducting the proportion of the amounts collected from dilution adjustments that relate to direct transaction costs.

Performance values are at close of business on a bid basis, which will differ from those in the Performance summary.

Operating charges

Operating charges are expenses associated with the maintenance and administration of the fund on a day-to-day basis that are actually borne by the share class.

Share class launches and closures

There were no share classes launched or closed in the period.

Ongoing charge figure

The annualised ongoing charge figure (OCF) of the fund is calculated as the ratio of the total ongoing charges to the average net asset value for twelve months. Ongoing charges are all expenses deducted from the assets of the fund during the period, except for expenses that are explicitly excluded by regulation.

	31/12/19 %	30/06/19 %
Class Z	0.03	0.03

The OCF is calculated in accordance with guidelines issued by the European Securities and Markets Authority (ESMA).

Risk and reward profile

The fund currently has one type of share class in issue; Z accumulation.

The risk and reward profile is as follows:



The share class appears at 3 out of 7. Share classes in higher categories have shown greater and/or more frequent variations in share price in the past 5 years than those in lower categories. The lowest category does not mean risk free.

The Synthetic Risk and Reward Indicator (SRRI) is calculated based on historical volatility over a rolling 5* year period, it is reviewed monthly and updated if volatility has changed materially to cause a movement in the SRRI level. The SRRI is an indicator and may not accurately reflect future volatility and market conditions.

The value of an investment and any income from it can go up or down. When you sell your shares they may be worth less than you paid for them.

The risk/reward rating above is based on medium-term volatility. In the future, the fund's actual volatility could be higher or lower and its rated risk/reward level could change.

The rating does not reflect the possible effects of unusual market conditions or large unpredictable events. Under normal market conditions the following risks may apply:

Default Risk An issuer of a bond (or money market instrument) may become unable or unwilling to pay interest or repay capital to the fund. If this happens or the market perceives this may happen, the value of the bond will fall.

Derivatives The fund may use derivatives with the aim of reducing risk or managing the portfolio more efficiently. However this introduces other risks, in particular, that a derivative counterparty may not meet its contractual obligations.

Interest Rates 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. This risk is generally greater the longer the maturity of a bond investment.

Liquidity Securities within the fund 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.

Prepayment and Extension Callable debt securities (securities whose issuers have the right to pay off the security's principal before the maturity date), such as ABS or MBS, can be impacted from prepayment or extension of maturity. The value of your investment may fall as a result.

The full list of the fund's risks are contained in the 'Risk Factors' section of the fund's prospectus.

There has been no change to the risk rating during the period.

The SRRI conforms to the ESMA guidelines for the calculation of the SRRI.

* Class Z accumulation launched on 24 November 2015 and as it does not have a 5 year history, a synthetic history has been created using the fund's relevant sector average.

Portfolio statement as at 31 December 2019

Holding	Investment	Market value £000	Percentage of total net assets %
	Bonds 58.71% (30/06/2019: 61.81%)		
	Australia 5.16% (30/06/2019: 5.22%)		
	Asset Backed 0.30% (30/06/2019: 0.43%)		
AUD 6,121,864	Driver Australia Five Trust FRN 21/07/2026	3,247	0.30
	Fixed Rate Bond 1.59% (30/06/2019: 1.56%)		
GBP 17,000,000	National Australia Bank 0.875% 26/06/2020	16,998	1.59
	Floating Rate Note 3.27% (30/06/2019: 3.23%)		
GBP 12,000,000	Commonwealth Bank of Australia FRN 12/07/2021	12,024	1.12
GBP 8,000,000	Westpac Banking FRN 03/04/2020	8,001	0.75
GBP 15,000,000	Westpac Banking FRN 10/01/2020	15,000	1.40
		35,025	3.27
	Austria 0.59% (30/06/2019: 0.73%)		
	Floating Rate Note 0.59% (30/06/2019: 0.73%)		
EUR 7,481,760	Fact FRN 20/11/2025	6,365	0.59
	Belgium 0.48% (30/06/2019: 0.77%)		
	Asset Backed 0.48% (30/06/2019: 0.50%)		
EUR 6,000,000	BL FRN 25/03/2034	5,094	0.48
	Floating Rate Note 0.00% (30/06/2019: 0.27%)		
	Europe 0.26% (30/06/2019: 0.00%)		
	Floating Rate Note 0.26% (30/06/2019: 0.00%)		
EUR 3,300,000	Euroclear Bank FRN 10/07/2020	2,801	0.26
	France 3.61% (30/06/2019: 3.90%)		
	Asset Backed 0.17% (30/06/2019: 0.42%)		
EUR 2,157,211	FCT Ginkgo FRN 18/05/2043	1,830	0.17
	Fixed Rate Bond 1.74% (30/06/2019: 1.74%)		
GBP 5,500,000	Banque Fédérative du Credit Mutuel 0.875% 08/06/2020	5,497	0.51
GBP 12,963,000	Natixis 5.875% 24/02/2020	13,054	1.23
		18,551	1.74
	Floating Rate Note 1.70% (30/06/2019: 1.74%)		
GBP 6,000,000	Banque Fédérative du Crédit Mutuel FRN 16/01/2020	6,000	0.56
EUR 14,400,000	Purple Master Credit Cards FRN 25/10/2030	12,233	1.14
		18,233	1.70
	Germany 11.86% (30/06/2019: 9.42%)		
	Asset Backed 0.67% (30/06/2019: 1.53%)		
EUR 2,173,573	Cars Alliance Auto Loans Germany FRN 18/05/2027 2016-G1V A	1,843	0.17
EUR 120,115	E-Carat FRN 18/10/2024 2016-1 A	102	0.01
EUR 2,939,844	Red & Black Auto Germany FRN 15/09/2025	2,495	0.23
EUR 3,266,567	Silver Arrow FRN 15/07/2025	2,772	0.26
		7,212	0.67

Portfolio statement (continued)

Holding	Investment	Market value £000	Percentage of total net assets %
	Fixed Rate Bond 3.18% (30/06/2019: 2.58%)		
EUR 4,880,000	BMW Finance 0.125% 15/04/2020	4,139	0.39
GBP 5,000,000	Daimler 1.5% 13/01/2022	5,020	0.47
GBP 5,000,000	Daimler 2.75% 04/12/2020	5,069	0.47
GBP 8,500,000	Henkel 1.00% 30/09/2022	8,512	0.80
USD 15,000,000	Siemens 1.70% 15/09/2021	11,306	1.05
		<u>34,046</u>	<u>3.18</u>
	Floating Rate Note 8.01% (30/06/2019: 5.31%)		
EUR 9,231,423	Bavarian Sky FRN 20/09/2026 5 A	7,855	0.73
EUR 9,400,000	Bavarian Sky FRN 20/12/2026 GER9 A	8,037	0.75
EUR 5,000,000	BMW Finance FRN 15/01/2021	4,246	0.40
EUR 22,500,000	Cars Alliance Auto Loans Germany FRN 18/08/2031	19,152	1.80
EUR 10,603,435	Limes Funding FRN 22/09/2029 2019 1 A	9,025	0.84
EUR 14,142,293	PBD Germany Auto FRN 19/09/2031	12,015	1.12
EUR 7,089,899	SC Germany Auto FRN 13/12/2027	6,023	0.56
EUR 5,314,520	VCL Multi-Compartment FRN 21/01/2025	4,515	0.42
EUR 17,455,515	Volkswagen Car Lease FRN 21/06/2025 29 A	14,880	1.39
		<u>85,748</u>	<u>8.01</u>
	Japan 1.03% (30/06/2019: 1.01%)		
	Floating Rate Note 1.03% (30/06/2019: 1.01%)		
GBP 11,000,000	Sumitomo Mitsui Banking FRN 07/09/2020	10,992	1.03
	Netherlands 5.27% (30/06/2019: 3.92%)		
	Asset Backed 0.53% (30/06/2019: 0.80%)		
EUR 6,648,750	Matsuba FRN 27/08/2021	5,643	0.53
	Fixed Rate Bond 1.31% (30/06/2019: 1.29%)		
GBP 14,000,000	ABN AMRO Bank 1.00% 30/06/2020	14,004	1.31
	Floating Rate Note 3.43% (30/06/2019: 1.83%)		
EUR 22,600,000	Magoi BV FRN 27/07/2039 2019 1 A	19,338	1.80
EUR 20,548,173	Storm FRN 22/06/2054	17,468	1.63
		<u>36,806</u>	<u>3.43</u>
	Norway 0.38% (30/06/2019: 0.49%)		
	Asset Backed 0.38% (30/06/2019: 0.49%)		
NOK 47,174,834	Nordax Nordic FRN 15/12/2040 6A	4,054	0.38
	Singapore 0.93% (30/06/2019: 0.92%)		
	Floating Rate Note 0.93% (30/06/2019: 0.92%)		
GBP 10,000,000	DBS Bank FRN 25/05/2020	10,003	0.93
	Spain 0.81% (30/06/2019: 1.22%)		
	Asset Backed 0.81% (30/06/2019: 1.22%)		
EUR 10,214,557	Asset-Backed European Securitisation Transaction Thirteen Fondo de Titulización FRN 23/08/2030	8,664	0.81

Portfolio statement (continued)

Holding	Investment	Market value £000	Percentage of total net assets %
Switzerland 0.00% (30/06/2019: 1.65%)			
Floating Rate Note 0.00% (30/06/2019: 1.65%)			
United Kingdom 22.69% (30/06/2019: 28.49%)			
Asset Backed 12.39% (30/06/2019: 18.31%)			
GBP 4,500,000	Brass FRN 16/11/2066 8X A2	4,496	0.42
GBP 5,768,129	Charter Mortgage Funding FRN 12/06/2055 2018-1 A	5,736	0.54
GBP 1,733,237	Duncan Funding FRN 17/04/2063 2016-1X A1B	1,735	0.16
GBP 9,445,113	Duncan Funding FRN 17/12/2062 2015-1 A1	9,461	0.88
GBP 865,920	E-Carat FRN 18/03/2024	866	0.08
GBP 15,821,674	Elvet Mortgages FRN 22/10/2058	15,842	1.48
GBP 16,896,729	Friary No.4 FRN 21/01/2050	16,826	1.58
GBP 304,738	Gosforth Funding FRN 24/07/2058 2016-2X A1	305	0.03
GBP 6,428,571	Holmes Master Issuer FRN 15/10/2054 2017-1	6,428	0.60
GBP 8,437,500	Lanark Master Issuer FRN 22/12/2054	8,442	0.79
GBP 8,331,250	Lanark Master Issuer FRN 22/12/2069	8,328	0.78
GBP 1,118,003	LaSer ABS FRN 25/09/2030 2017-1 A	1,119	0.10
GBP 7,312,464	Orbita Funding FRN 16/10/2024	7,313	0.68
GBP 5,000,000	PCL Funding FRN 15/06/2023	4,993	0.47
GBP 9,425,000	PCL Funding II FRN 15/06/2022	9,441	0.88
USD 4,200,000	Penarth Master Issuer FRN 18/03/2022	3,169	0.30
GBP 5,000,000	Penarth Master Issuer FRN 18/05/2022	5,002	0.47
GBP 13,100,000	Permanent Master Issuer FRN 15/07/2058	13,090	1.22
GBP 4,150,000	Permanent Master Issuer FRN 15/07/2058 2016-1 1A1	4,149	0.39
USD 3,443,145	Silverstone Master Issuer FRN 21/01/2070 1X 1A	2,594	0.24
USD 4,250,000	Silverstone Master Issuer FRN 21/01/2070 1X 2A2	3,210	0.30
		<u>132,545</u>	<u>12.39</u>
Fixed Rate Bond 5.28% (30/06/2019: 5.97%)			
GBP 15,700,000	Coventry Building Society 1.00% 05/05/2020	15,700	1.47
EUR 10,000,000	GlaxoSmithKline Capital 0.00% 12/09/2020	8,486	0.79
EUR 5,650,000	GlaxoSmithKline Capital 0.00% 23/09/2021	4,798	0.45
GBP 2,016,000	Northern Electric Finance 8.875% 16/10/2020	2,137	0.20
GBP 9,000,000	Northern Powergrid Yorkshire 9.25% 17/01/2020	9,028	0.84
GBP 10,000,000	Santander UK 1.625% 10/05/2021	10,069	0.94
GBP 6,266,000	Santander UK 1.875% 17/02/2020	6,273	0.59
		<u>56,491</u>	<u>5.28</u>
Floating Rate Note 5.02% (30/06/2019: 4.21%)			
GBP 7,659,000	Brass FRN 16/10/2059	7,661	0.72
GBP 13,837,319	Friary No.3 FRN 21/04/2048	13,878	1.29
EUR 6,500,000	HSBC FRN 09/03/2020	5,511	0.51
GBP 6,000,000	HSBC FRN 09/03/2020	5,998	0.56
GBP 11,000,000	Royal Bank of Scotland FRN 15/05/2020	11,007	1.03
GBP 9,683,584	Turbo Finance FRN 20/02/2026	9,694	0.91
		<u>53,749</u>	<u>5.02</u>

Portfolio statement (continued)

Holding	Investment	Market value £000	Percentage of total net assets %
	United States 5.64% (30/06/2019: 4.07%)		
	Fixed Rate Bond 4.85% (30/06/2019: 3.26%)		
EUR 8,500,000	Berkshire Hathaway 0.50% 13/03/2020	7,208	0.67
USD 10,000,000	Citibank 3.05% 01/05/2020	7,571	0.71
EUR 12,480,000	Colgate-Palmolive 0.00% 12/11/2021	10,622	0.99
USD 14,000,000	Metropolitan Life Global Funding 3.375% 11/01/2022	10,866	1.01
EUR 6,110,000	PACCAR Financial Europe 0.125% 19/05/2020	5,185	0.48
USD 14,000,000	US Bank Cincinnati 1.95% 09/01/2023	10,559	0.99
		<u>52,011</u>	<u>4.85</u>
	Floating Rate Note 0.79% (30/06/2019: 0.81%)		
USD 11,000,000	Wells Fargo FRN 04/03/2021	8,405	0.79
	Certificates of Deposit 38.83% (30/06/2019: 33.74%)		
	Canada 0.00% (30/06/2019: 1.39%)		
	Denmark 0.00% (30/06/2019: 0.92%)		
	Finland 3.27% (30/06/2019: 1.38%)		
GBP 10,000,000	Nordea Bank 0.80% 16/03/2020	10,002	0.93
GBP 10,000,000	Nordea Bank 0.86% 09/10/2020	9,999	0.93
GBP 15,000,000	Nordea Bank 0.89% 07/01/2020	15,001	1.41
		<u>35,002</u>	<u>3.27</u>
	France 6.08% (30/06/2019: 5.08%)		
GBP 15,000,000	Crédit Agricole 0.82% 28/02/2020	15,003	1.40
GBP 15,000,000	Crédit Industriel et Commercial 0.94% 01/09/2020	15,009	1.40
GBP 10,000,000	Société Générale 0.97% 01/07/2020	10,007	0.93
GBP 10,000,000	Société Générale 1.02% 21/12/2020	10,010	0.94
GBP 15,000,000	Société Générale 1.16% 17/02/2020	15,009	1.41
		<u>65,038</u>	<u>6.08</u>
	Germany 1.87% (30/06/2019: 1.85%)		
GBP 20,000,000	DZ Bank 0.86% 26/03/2020	20,007	1.87
	Japan 1.40% (30/06/2019: 0.00%)		
GBP 15,000,000	Mitsubishi UFJ Financial 0.83% 27/01/2020	15,002	1.40
	Netherlands 4.67% (30/06/2019: 3.23%)		
GBP 10,000,000	ING Bank 0.93% 29/09/2020	10,005	0.93
GBP 15,000,000	ING Bank 1.04% 28/02/2020	15,007	1.40
GBP 10,000,000	ING Bank 1.08% 11/05/2020	10,011	0.94
GBP 5,000,000	Rabobank Nederland 0.94% 09/04/2020	5,003	0.47
GBP 10,000,000	Rabobank Nederland 1.18% 17/01/2020	10,003	0.93
		<u>50,029</u>	<u>4.67</u>
	Singapore 2.80% (30/06/2019: 2.77%)		
GBP 10,000,000	United Overseas Bank 0.84% 04/05/2020	10,003	0.94
GBP 10,000,000	United Overseas Bank 0.84% 18/05/2020	10,003	0.93
GBP 10,000,000	United Overseas Bank 0.855% 23/06/2020	10,002	0.93
		<u>30,008</u>	<u>2.80</u>

Portfolio statement (continued)

Holding	Investment	Market value £000	Percentage of total net assets %
Sweden 3.27% (30/06/2019: 2.77%)			
GBP 15,000,000	Handelsbanken 0.90% 07/05/2020	15,007	1.41
GBP 10,000,000	SEB 0.80% 06/03/2020	10,002	0.93
GBP 10,000,000	SEB 0.96% 20/05/2020	10,007	0.93
		<u>35,016</u>	<u>3.27</u>
Switzerland 4.67% (30/06/2019: 2.31%)			
GBP 10,000,000	Credit Suisse 0.91% 13/07/2020	10,005	0.93
GBP 15,000,000	Credit Suisse 0.96% 14/10/2020	15,010	1.41
GBP 5,000,000	Credit Suisse 1.00% 03/09/2020	5,005	0.47
GBP 10,000,000	UBS 0.87% 23/07/2020	10,002	0.93
GBP 10,000,000	UBS 0.95% 27/10/2020	10,005	0.93
		<u>50,027</u>	<u>4.67</u>
United Arab Emirates 3.32% (30/06/2019: 2.82%)			
GBP 10,000,000	First Abu Dhabi Bank 0.90% 17/06/2020	10,005	0.93
GBP 10,500,000	First Abu Dhabi Bank 0.92% 30/04/2020	10,506	0.98
GBP 15,000,000	First Abu Dhabi Bank 1.00% 12/11/2020	15,013	1.41
		<u>35,524</u>	<u>3.32</u>
United Kingdom 7.48% (30/06/2019: 9.22%)			
GBP 15,000,000	Barclays 0.87% 09/03/2020	15,004	1.41
GBP 15,000,000	Nationwide Building Society 0.90% 17/06/2020	15,006	1.41
GBP 10,000,000	Nationwide Building Society 0.90% 26/05/2020	10,005	0.93
GBP 10,000,000	Santander UK 0.92% 01/04/2020	10,005	0.93
GBP 10,000,000	Standard Chartered Bank 0.90% 14/04/2020	10,005	0.93
GBP 10,000,000	Standard Chartered Bank 0.90% 23/03/2020	10,004	0.93
GBP 10,000,000	Standard Chartered Bank 0.95% 15/05/2020	10,007	0.94
		<u>80,036</u>	<u>7.48</u>
Derivatives (0.04%) (30/06/2019: (0.09%))			
Swaps (0.03%) (30/06/2019: (0.07%))¹			
Interest Rate Swaps (0.03%) (30/06/2019: (0.07%))¹			
8,500,000	IRS -0.2155% EURIBOR 3 month - Receive Floating - EUR	(2)	-
6,110,000	IRS -0.269% EURIBOR 3 month - Receive Floating - EUR	(6)	-
4,880,000	IRS -0.2844% EURIBOR 3 month - Receive Floating - EUR	1	-
10,000,000	IRS -0.366% EURIBOR 3 month - Receive Floating - EUR ²	-	-
6,480,000	IRS -0.426% EURIBOR 3 month - Receive Floating - EUR	9	-
6,000,000	IRS -0.427% EURIBOR 3 month - Receive Floating - EUR	8	-
5,500,000	IRS 0.50% LIBOR 3 month - Receive Floating - GBP	6	-
5,650,000	IRS -0.501% EURIBOR 3 month - Receive Floating - EUR	11	-
7,800,000	IRS 0.53% LIBOR 3 month - Receive Floating - GBP	7	-
9,000,000	IRS 0.5475% LIBOR 3 month - Receive Floating - GBP	1	-
8,500,000	IRS 0.654% LIBOR 3 month - Receive Floating - GBP	21	-
6,000,000	IRS 0.754% LIBOR 3 month - Receive Floating - GBP ²	-	-
5,000,000	IRS 0.7562% LIBOR 3 month - Receive Floating - GBP	(1)	-
12,963,000	IRS 1.07% LIBOR 3 month - Receive Floating - GBP	(6)	-
7,900,000	IRS 1.10% LIBOR 3 month - Receive Floating - GBP	(8)	-
17,000,000	IRS 1.121% LIBOR 3 month - Receive Floating - GBP	(29)	-
14,000,000	IRS 1.1225% LIBOR 3 month - Receive Floating - GBP	(25)	-

Portfolio statement (continued)

Holding	Investment	Market value £000	Percentage of total net assets %
Interest Rate Swaps (continued)			
10,000,000	IRS 1.1367% LIBOR 3 month - Receive Floating - GBP	(54)	(0.01)
5,000,000	IRS 1.1377% LIBOR 3 month - Receive Floating - GBP	(42)	-
2,016,000	IRS 1.161% LIBOR 3 month - Receive Floating - GBP	(7)	-
14,000,000	IRS 1.5754% LIBOR 3 month - Receive Floating - USD	31	-
14,000,000	IRS 1.6295% LIBOR 3 month - Receive Floating - USD	11	-
10,000,000	IRS 2.7122% LIBOR 3 month - Receive Floating - USD	(22)	-
15,000,000	IRS 2.981% LIBOR 3 month - Receive Floating - USD	(240)	(0.02)
		<u>(336)</u>	<u>(0.03)</u>
Forward Foreign Exchange Contracts (0.01%) (30/06/2019: (0.02%))¹			
	Buy AUD 376,326 : Sell GBP 200,598 January 2020	(1)	-
	Buy EUR 10,000,279 : Sell GBP 8,427,024 January 2020	54	0.01
	Buy EUR 1,406 : Sell GBP 1,194 January 2020 ²	-	-
	Buy EUR 1,412,538 : Sell GBP 1,207,827 January 2020	(10)	-
	Buy EUR 1,464,707 : Sell GBP 1,250,132 January 2020	(8)	-
	Buy EUR 270,384 : Sell GBP 229,964 January 2020	(1)	-
	Buy EUR 272,577 : Sell GBP 232,369 January 2020	(1)	-
	Buy EUR 359,440 : Sell GBP 307,136 January 2020	(2)	-
	Buy EUR 496,200 : Sell GBP 422,156 January 2020	(1)	-
	Buy EUR 578,378 : Sell GBP 495,868 January 2020	(5)	-
	Buy GBP 10,221 : Sell AUD 19,352 January 2020 ²	-	-
	Buy GBP 10,642,066 : Sell EUR 12,723,606 January 2020	(149)	(0.02)
	Buy GBP 10,652,908 : Sell USD 13,988,240 January 2020	102	0.01
	Buy GBP 155,391 : Sell USD 203,948 January 2020	2	-
	Buy GBP 204,702,483 : Sell EUR 241,519,026 January 2020	(131)	(0.01)
	Buy GBP 3,375,886 : Sell AUD 6,477,669 January 2020	(61)	(0.01)
	Buy GBP 36,387 : Sell USD 47,768 January 2020 ²	-	-
	Buy GBP 4,155,369 : Sell NOK 49,864,288 January 2020	(125)	(0.01)
	Buy GBP 41,818 : Sell USD 55,857 January 2020 ²	-	-
	Buy GBP 47,763,970 : Sell USD 62,822,468 January 2020	379	0.03
	Buy GBP 7,989,970 : Sell EUR 9,484,036 January 2020	(53)	-
	Buy GBP 8,445,257 : Sell EUR 10,105,000 January 2020	(125)	(0.01)
	Buy NOK 2,687,311 : Sell GBP 229,584 January 2020	1	-
	Buy USD 38,494 : Sell GBP 29,174 January 2020 ²	-	-
	Buy USD 41,085 : Sell GBP 31,656 January 2020	(1)	-
	Buy USD 54,204 : Sell GBP 40,552 January 2020 ²	-	-
	Buy USD 55,266 : Sell GBP 42,008 January 2020 ²	-	-
	Buy USD 7,499 : Sell GBP 5,793 January 2020 ²	-	-
	Buy USD 96,562 : Sell GBP 73,141 January 2020 ²	-	-
		<u>(136)</u>	<u>(0.01)</u>
	Investment assets including investment liabilities	1,043,734	97.50
	Other net assets	26,762	2.50
	Total net assets	1,070,496	100.00

¹ Unquoted securities

² Due to rounding to nearest £1,000

All investments are listed on recognised stock exchanges and are 'approved securities' within the meaning of FCA rules unless otherwise stated.

Credit ratings

	Market value £000	Percentage of total net assets %
31/12/19		
Investments		
Investment grade (AAA - BBB)*	974,394	91.02
Unrated	69,812	6.52
Total debt securities	1,044,206	97.54
Derivatives	(472)	(0.04)
Investment assets including investment liabilities	1,043,734	97.50
Other net assets	26,762	2.50
Total net assets	1,070,496	100.00
	Market value £000	Percentage of total net assets %
30/06/19		
Investments		
Investment grade (AAA - BBB)*	959,116	88.46
Unrated	76,900	7.09
Total debt securities	1,036,016	95.55
Derivatives	(1,026)	(0.09)
Investment assets including investment liabilities	1,034,990	95.46
Other net assets	49,267	4.54
Total net assets	1,084,257	100.00

* Certificate of deposits included within investment grade have been rated based on the rating of the issuer.

Statement of total return (unaudited) for the six months ended 31 December 2019

	31/12/19		31/12/18	
	£000	£000	£000	£000
Income				
Net capital gains/(losses)		1,033		(930)
Revenue	4,915		4,649	
Expenses	(187)		(197)	
Interest payable and similar charges	(4)		(4)	
	<u>4,724</u>		<u>4,448</u>	
Net revenue before taxation	4,724		4,448	
Taxation	-		-	
	<u>4,724</u>		<u>4,448</u>	
Net revenue after taxation		4,724		4,448
Total return before distributions		5,757		3,518
Distributions		(4,724)		(4,448)
Change in net assets attributable to shareholders from investment activities		<u>1,033</u>		<u>(930)</u>

Statement of change in net assets attributable to shareholders

(unaudited) for the six months ended 31 December 2019

	31/12/19		31/12/18	
	£000	£000	£000	£000
Opening net assets attributable to shareholders*		1,084,257		1,166,635
Amounts receivable on issue of shares	37,163		-	
Amounts payable on cancellation of shares	(56,687)		(67,635)	
		(19,524)		(67,635)
Dilution adjustment		23		16
Change in net assets attributable to shareholders from investment activities		1,033		(930)
Retained distributions on accumulation shares		4,707		4,391
Closing net assets attributable to shareholders		<u>1,070,496</u>		<u>1,102,477</u>

* The opening net assets attributable to shareholders for the current period do not equal the closing net assets attributable for the comparative period as they are not consecutive periods.

Balance sheet (unaudited) as at 31 December 2019

	31/12/19	30/06/19
	£000	£000
Assets:		
Investments	1,044,850	1,036,578
Current assets:		
Debtors	4,488	13,189
Cash and bank balances	29,539	46,166
Total assets	<u>1,078,877</u>	<u>1,095,933</u>
Liabilities:		
Investment liabilities	1,116	1,588
Creditors:		
Amounts held at derivatives clearing houses and brokers	30	-
Bank overdrafts	7,147	-
Other creditors	88	10,088
Total liabilities	<u>8,381</u>	<u>11,676</u>
Net assets attributable to shareholders	<u>1,070,496</u>	<u>1,084,257</u>

Distribution tables for the six months ended 31 December 2019 (in pence per share)

Interim interest distribution (accounting date 30 September 2019, paid on 29 November 2019)

Group 1: shares purchased prior to 1 July 2019

Group 2: shares purchased on or after 1 July 2019

	Distribution per share	Equalisation	Total distribution per share 29/11/19	Total distribution per share 30/11/18
Class Z accumulation				
Group 1	0.2302	-	0.2302	0.1982
Group 2	0.0913	0.1389	0.2302	0.1982

Interim interest distribution (accounting date 31 December 2019, paid on 28 February 2020)

Group 1: shares purchased prior to 1 October 2019

Group 2: shares purchased on or after 1 October 2019

	Distribution per share	Equalisation	Total distribution per share 28/02/20	Total distribution per share 28/02/19
Class Z accumulation				
Group 1	0.2221	-	0.2221	0.1996
Group 2	0.0642	0.1579	0.2221	0.1996

Janus Henderson Institutional UK Gilt Fund

Authorised Corporate Director's (ACD) report

Investment Fund Managers

Andrew Mulliner and Bethany Payne

Investment objective and policy

To provide a return by investing primarily in United Kingdom Government securities. The fund may invest in other transferable securities, money market instruments, derivatives and forward transactions, deposits and units in collective investment schemes.

Performance summary

Cumulative performance	Six months	One year	Five years	First published data
	30 Jun 19 - 31 Dec 19	31 Dec 18 - 31 Dec 19	31 Dec 14 - 31 Dec 19	4 Sep 00 - 31 Dec 19
	%	%	%	%
Class I accumulation	1.7	7.3	17.2	120.8
FTSE Actuaries All Stocks Gilt Index	2.1	6.9	21.2	174.0
IA UK Gilts	1.7	7.2	20.5	127.8

Discrete performance

	31 Dec 18 - 31 Dec 19	31 Dec 17 - 31 Dec 18	31 Dec 16 - 31 Dec 17	31 Dec 15 - 31 Dec 16	31 Dec 14 - 31 Dec 15
	%	%	%	%	%
Class I accumulation	7.3	(1.0)	1.2	9.1	(0.1)

Source: Morningstar, Class I accumulation, NAV to NAV, net of fees and net income reinvested as at 12 noon valuation point. Benchmark values are as at close of business.

Index: FTSE Actuaries All Stocks Gilt Index

Index Usage: Comparator

Index description: The FTSE Actuaries All Stock Gilt Index is a measure of the combined performance of conventional bonds issued by the British government. It provides a useful comparison against which the fund's performance can be assessed over time.

Peer group benchmark: IA UK Gilts

Peer group benchmark usage: Comparator

Peer group description: 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.

Class I accumulation is disclosed as it is the primary share class.

Please remember that past performance is not a guide to future performance. The value of an investment and the revenue from it can fall as well as rise as a result of market and currency fluctuations and you may not get back the amount originally invested.

Authorised Corporate Director's (ACD) report (continued)

Significant portfolio changes for the six months ended 31 December 2019

Largest purchases	£000	Largest sales	£000
UK Treasury 1.50% 22/07/2026	7,877	UK Treasury 4.75% 07/12/2030	11,401
UK Treasury 1.75% 07/09/2037	2,944	UK Treasury 4.25% 07/03/2036	10,475
UK Treasury 0.875% 22/10/2029	2,872	UK Treasury 4.25% 07/06/2032	9,566
UK Treasury 0.625% 07/06/2025	2,381	UK Treasury 4.25% 07/12/2055	9,198
UK Treasury 1.625% 22/10/2054	2,227	UK Treasury 1.50% 22/07/2026	9,150
UK Treasury 1.625% 22/10/2071	2,139	UK Treasury 4.00% 07/03/2022	8,473
UK Treasury 4.75% 07/12/2030	1,494	UK Treasury 2.00% 22/07/2020	7,248
UK Treasury 1.25% 22/07/2027	1,463	UK Treasury 4.75% 07/12/2038	6,990
Indonesia (Republic of) 8.375% 15/03/2034	1,063	UK Treasury 4.75% 07/03/2020	6,971
UK Treasury 4.25% 07/06/2032	442	UK Treasury 1.625% 22/10/2028	6,970
Total purchases	25,361	Total sales	214,071

Investment review

The fund returned 1.7% based on Class I accumulation over the period under review, compared with a return of 2.1% in the FTSE Actuaries All Stocks Gilt Index and a return of 1.7% in the IA UK Gilts peer group benchmark.

Yields for 'safe-haven' government bonds continued to fall during the initial part of the period (prices rose, reflecting their inverse relationship to yields), although they hit a trough at the end of August and rose up to the end of the period. Economic data showed signs of a turnaround and market sentiment improved as the US and China agreed terms for a 'phase one' trade deal. In the UK, the Conservative Party's decisive victory in December's general election was a tailwind for sterling and gilts underperformed. Returns from inflation-linked gilts were negatively impacted by a consultation on the retail price index after the UK Statistics Authority announced its intention to align it with the lower CPIH (consumer price inflation including owner/occupiers' housing costs) inflation measure, with the change due to take effect between 2025 and 2030. The rise in sterling in the fourth quarter also helped to dampen inflation expectations.

Major central banks continued to take an accommodative approach to monetary policy. The Federal Reserve (Fed) cut interest rates three times over the period, with the reductions aimed at providing some 'insurance' against too-low inflation and the risk of a deeper slump. It later hinted that it would not raise rates until there was a noticeable acceleration in inflation. The European Central Bank (ECB) pushed rates deeper into negative territory and restarted its asset purchase programme, buying around €20bn a month across both government and investment-grade corporate debt. However, on its own, this is unlikely to move economic growth, if governments remain hesitant to implement fiscal stimulus. In contrast, Sweden raised rates to zero in November as the Riksbank decided to exit negative interest rate policy.

The fund started the second half of 2019 with interest rate duration at the upper end of the range through positions in the US, Canada, Sweden, Australia and New Zealand. The sharp fall in government bond yields in July and August, particularly in core markets, allowed these positions to perform well. We subsequently reduced this duration position to lock in some of the gains and took profits on our position on expectations of a flatter euro yield curve. In the fourth quarter of the year, our duration positioning saw some modest underperformance as yields rose, but we made gains from inflation positions (in the UK and US).

Inflation strategies were beneficial. In the UK, we were positioned for breakeven inflation expectations to fall through a position in inflation swaps. This benefited from the rise in sterling, which dampened inflation expectations, and the announcement of the RPI review. In the US, we established a position for breakeven inflation to rise from depressed levels, which performed well in December.

Emerging market positioning in Mexico continued to perform well after the country's central bank cut rates.

Currency strategies made a small positive contribution – we were positioned for outperformance of the Indonesian rupiah.

Most major central banks are expected to maintain an easing (or neutral) monetary policy bias. While European growth is expected to pick up to 1% versus 2018, the sensitivity of the eurozone region to fragile global growth means the ECB is expected to stay highly accommodative. This should anchor eurozone sovereign yields around zero. In the UK, the Bank of England may lean towards a rate cut if the economy weakens as the Brexit drag continues. In the US, the Fed has a dovish bias but will need weak economic data to enact further cuts. The bar for raising rates is high.

Within government bond markets, we are positive on US Treasury inflation-linked securities relative to nominal equivalents. Elsewhere, we remain overweight to interest rate duration in the eurozone area and countries such as Sweden and Canada and, also, emerging markets such as Mexico where higher real yields, and falling inflation, provide scope for rate cuts. The long-term uptrend in the US dollar has stalled with risks to the downside, which should add some support for emerging market currencies.

We continue to maintain our interest rate duration above average and hold a more cautious view on high-yield corporate debt, due to the uncertain growth and geopolitical backdrop, which we expect to push credit spreads wider from here. Secured credit continues to be attractive on a relative basis, as does emerging market debt, relative to developed markets.

The fund utilises derivatives. During the period, derivative positions included using government bond futures and interest rate and inflation swaps to implement active positions and manage overall interest rate exposure. Forward foreign exchange contracts were used to implement currency positions.

Comparative tables for the six months ended 31 December 2019

	Class A income			
	Six months to 31/12/19 (pence per share)	Year to 30/06/19 (pence per share)	Year to 30/06/18 (pence per share)	Year to 30/06/17 (pence per share)
Change in net assets per share				
Opening net asset value per share	213.83	207.10	207.45	212.62
Return before operating charges*	5.11	10.45	3.30	(1.81)
Operating charges	(1.02)	(1.88)	(1.88)	(1.92)
Return after operating charges*	4.09	8.57	1.42	(3.73)
Distributions on income shares	(1.53)	(1.84)	(1.77)	(1.44)
Closing net asset value per share	216.39	213.83	207.10	207.45
* after direct transaction costs of:	-	-	-	-
Performance				
Return after charges	1.91%	4.14%	0.68%	(1.75%)
Other information				
Closing net asset value (£000s)	828	1,024	827	948
Closing number of shares	382,480	479,035	399,420	456,962
Operating charges (annualised)	0.92%	0.91%	0.91%	0.91%
Direct transaction costs	0.00%	0.00%	0.00%	0.00%
Prices				
Highest share price (pence)	230.25	215.80	212.70	222.80
Lowest share price (pence)	214.40	198.80	201.00	203.00
	Class D accumulation			
	Six months to 31/12/19 (pence per share)	Year to 30/06/19 (pence per share)	Year to 30/06/18 (pence per share)	Year to 30/06/17 (pence per share)
Change in net assets per share				
Opening net asset value per share	157.94	150.70	148.74	150.36
Return before operating charges*	3.74	7.68	2.39	(1.18)
Operating charges	(0.25)	(0.44)	(0.43)	(0.44)
Return after operating charges*	3.49	7.24	1.96	(1.62)
Distributions on accumulation shares	(1.64)	(2.29)	(2.20)	(2.08)
Retained distributions on accumulation shares	1.64	2.29	2.20	2.08
Closing net asset value per share	161.43	157.94	150.70	148.74
* after direct transaction costs of:	-	-	-	-
Performance				
Return after charges	2.21%	4.80%	1.32%	(1.08%)
Other information				
Closing net asset value (£000s)	14,372	13,112	10,852	9,995
Closing number of shares	8,902,893	8,301,968	7,201,569	6,719,765
Operating charges (annualised)	0.30%	0.29%	0.29%	0.29%
Direct transaction costs	0.00%	0.00%	0.00%	0.00%
Prices				
Highest share price (pence)	170.25	159.00	152.70	157.80
Lowest share price (pence)	158.40	145.20	145.30	144.30

Comparative tables (continued)

	Class E income 08/07/19 - 31/12/19 (pence per share)
Change in net assets per share	
Opening net asset value per share	217.09 ¹
Return before operating charges*	1.80
Operating charges	(0.71)
Return after operating charges*	1.09
Distributions on income shares	(1.80)
Closing net asset value per share	216.38
* after direct transaction costs of:	-

Performance

Return after charges	0.50% ²
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Other information

Closing net asset value (£000s)	169
Closing number of shares	78,002
Operating charges (annualised)	0.67%
Direct transaction costs	0.00%

Prices

Highest share price (pence)	230.33
Lowest share price (pence)	214.48

¹ Class E income launched on 8 July 2019 and this is the first published price.

² Return after charges relates to the period 08/07/19 to 31/12/19 post conversion from the A income share class. This performance will differ from the other share classes as it does not include returns generated prior to class launch, whilst the other classes returns cover the entire period under review.

	Six months to 31/12/19 (pence per share)	Class I accumulation		Year to 30/06/17 (pence per share)
		Year to 30/06/19 (pence per share)	Year to 30/06/18 (pence per share)	
Change in net assets per share				
Opening net asset value per share	346.34	331.26	327.82	332.63
Return before operating charges*	8.22	16.87	5.21	(2.63)
Operating charges	(1.01)	(1.79)	(1.77)	(1.79)
Return after operating charges*	7.21	15.08	3.44	(4.42)
Distributions on accumulation shares	(3.15)	(4.21)	(4.02)	(3.76)
Retained distributions on accumulation shares [^]	3.15	4.21	4.02	3.37
Closing net asset value per share	353.55	346.34	331.26	327.82
* after direct transaction costs of:	-	-	0.01	-
Performance				
Return after charges	2.08%	4.55%	1.05%	(1.33%)
Other information				
Closing net asset value (£000s)	5,957	6,620	30,828	5,548
Closing number of shares	1,684,976	1,911,355	9,306,308	1,692,406
Operating charges (annualised)	0.55%	0.54%	0.54%	0.54%
Direct transaction costs	0.00%	0.00%	0.00%	0.00%
Prices				
Highest share price (pence)	373.17	348.70	336.30	348.70
Lowest share price (pence)	347.30	318.90	319.80	318.40

[^] Retained distributions prior to 6 April 2017 are net of 20% income tax.

Comparative tables (continued)

	Class I income			
	Six months to 31/12/19 (pence per share)	Year to 30/06/19 (pence per share)	Year to 30/06/18 (pence per share)	Year to 30/06/17 (pence per share)
Change in net assets per share				
Opening net asset value per share	212.09	205.42	205.78	210.93
Return before operating charges*	5.08	10.36	3.26	(1.89)
Operating charges	(0.61)	(1.11)	(1.11)	(1.13)
Return after operating charges*	4.47	9.25	2.15	(3.02)
Distributions on income shares	(1.93)	(2.58)	(2.51)	(2.13)
Closing net asset value per share	214.63	212.09	205.42	205.78
* after direct transaction costs of:	-	-	-	-

Performance

Return after charges	2.11%	4.50%	1.04%	(1.43%)
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Other information

Closing net asset value (£000s)	2,076	2,101	2,498	2,881
Closing number of shares	967,168	990,497	1,216,043	1,400,192
Operating charges (annualised)	0.55%	0.54%	0.54%	0.54%
Direct transaction costs	0.00%	0.00%	0.00%	0.00%

Prices

Highest share price (pence)	228.53	214.20	211.10	221.10
Lowest share price (pence)	212.70	197.20	199.50	201.40

	Class Z accumulation			
	Six months to 31/12/19 (pence per share)	Year to 30/06/19 (pence per share)	Year to 30/06/18 (pence per share)	Year to 30/06/17 (pence per share)
Change in net assets per share				
Opening net asset value per share	229.28	218.21	214.85	216.65
Return before operating charges*	5.43	11.16	3.45	(1.71)
Operating charges	(0.07)	(0.09)	(0.09)	(0.09)
Return after operating charges*	5.36	11.07	3.36	(1.80)
Distributions on accumulation shares	(2.69)	(3.86)	(3.72)	(3.54)
Retained distributions on accumulation shares	2.69	3.86	3.72	3.54
Closing net asset value per share	234.64	229.28	218.21	214.85
* after direct transaction costs of:	-	-	-	-

Performance

Return after charges	2.34%	5.07%	1.56%	(0.83%)
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Other information

Closing net asset value (£000s)	64,259	252,474	259,000	274,408
Closing number of shares	27,386,670	110,118,005	118,691,356	127,719,944
Operating charges (annualised)	0.05%	0.04%	0.04%	0.04%
Direct transaction costs	0.00%	0.00%	0.00%	0.00%

Prices

Highest share price (pence)	247.26	230.80	220.60	227.50
Lowest share price (pence)	229.90	210.40	210.30	208.20

Comparative tables (continued)

	Class I accumulation gross	
	Year to 30/06/18 (pence per share)	Year to 30/06/17 (pence per share)
Change in net assets per share		
Opening net asset value per share	354.02	358.77
Return before operating charges*	(1.32)	(2.82)
Operating charges	(0.50)	(1.93)
Return after operating charges*	(1.82)	(4.75)
Distributions on accumulation shares	(0.98)	(4.06)
Retained distributions on accumulation shares	0.98	4.06
Final cancellation	(352.20) ³	-
Closing net asset value per share	-	354.02
* after direct transaction costs of:	0.01	-
Performance		
Return after charges	(0.51%)	(1.32%)
Other information		
Closing net asset value (£000s)	-	25,501
Closing number of shares	-	7,203,015
Operating charges (annualised)	0.54%	0.54%
Direct transaction costs	0.00%	0.00%
Prices		
Highest share price (pence)	363.20 ⁴	376.40
Lowest share price (pence)	349.90 ⁴	344.00

³ Class I accumulation gross closed 2 October 2017.

⁴ to 2 October 2017.

Direct transaction costs incurred on securities transactions (including derivatives) are stated after deducting the proportion of the amounts collected from dilution adjustments that relate to direct transaction costs.

Performance values are at close of business and on a bid basis, which will differ from those in the Performance summary.

Operating charges

Operating charges are expenses associated with the maintenance and administration of the fund on a day-to-day basis that are actually borne by the share class.

Share class launches and closures

The following share class launched in the period:

Share class	Launch date
Class E income	8 July 2019

There were no share classes closed in the period.

Share class conversions

Share class conversions	Conversion date
Class A income to Class E income	8 July 2019

Some shareholders were converted to the newly launched E share classes as there are no commission payments for financial advice bundled within the E share classes, and these are available for direct investment.

The conversion of A share classes to the E share classes was performed to benefit investors who do not use a financial adviser as a lower management fee is charged

Ongoing charge figure

The annualised ongoing charge figure (OCF) of the fund is calculated as the ratio of the total ongoing charges to the average net asset value for twelve months. Ongoing charges are all expenses deducted from the assets of the fund during the period, except for expenses that are explicitly excluded by regulation.

	31/12/19 %	30/06/19 %	Estimated OCF from 8 July 2019 ¹ %
Class A	0.92	0.91	n/a
Class D	0.30	0.29	n/a
Class E²	0.67	n/a	0.67
Class I	0.55	0.54	n/a
Class Z	0.05	0.04	n/a

The OCF is calculated in accordance with guidelines issued by the European Securities and Markets Authority (ESMA).

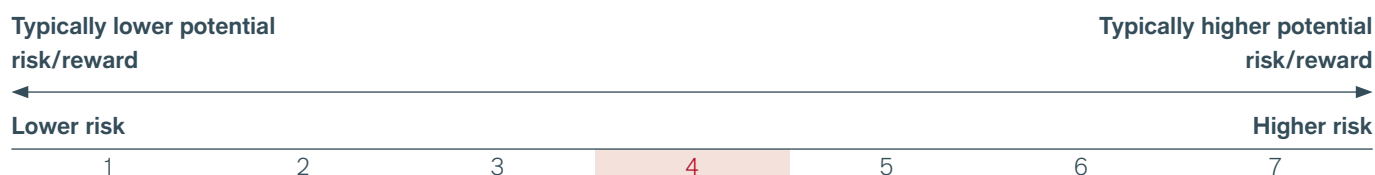
¹ The estimated ongoing charge is based on the annual fee rates on launch date as at 8 July 2019.

² Class E income launched on 8 July 2019.

Risk and reward profile

The fund currently has 6 types of share class in issue; A income, D accumulation, E income, I accumulation, I income and Z accumulation.

Each type of share class has the same risk and reward profile which is as follows:



The share classes appear at 4 out of 7. Share classes in higher categories have shown greater and/or more frequent variations in share price in the past 5 years than those in lower categories. The lowest category does not mean risk free.

The Synthetic Risk and Reward Indicator (SRRI) is calculated based on historical volatility over a rolling 5* year period, it is reviewed monthly and updated if volatility has changed materially to cause a movement in the SRRI level. The SRRI is an indicator and may not accurately reflect future volatility and market conditions.

The value of an investment and any income from it can go up or down. When you sell your shares, they may be worth less than you paid for them.

The risk/reward rating above is based on medium-term volatility. In the future, the fund's actual volatility could be higher or lower and its rated risk/reward level could change.

The rating does not reflect the possible effects of unusual market conditions or large unpredictable events. Under normal market conditions the following risks may apply:

Country or Region If a fund has a high exposure to a particular country or geographical region it carries a higher level of risk than a fund which is more broadly diversified.

Default Risk An issuer of a bond (or money market instrument) may become unable or unwilling to pay interest or repay capital to the fund. If this happens or the market perceives this may happen, the value of the bond will fall.

Derivatives and Leverage The fund may use derivatives towards the aim of achieving its investment objective. This can result in 'leverage', which can magnify an investment outcome and gains or losses to the fund may 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.

Interest Rates 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. This risk is generally greater the longer the maturity of a bond investment.

Liquidity Securities within the fund 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 full list of the fund's risks are contained in the 'Risk Factors' section of the fund's prospectus.

There has been no change to the risk ratings in the period.

The SRRI conforms to the ESMA guidelines for the calculation of the SRRI.

* Class E income launched on 8 July 2019 and as it does not have a 5 year history, a synthetic history has been created using the fund's relevant sector average.

Portfolio statement as at 31 December 2019

Holding	Investment	Market value £000	Percentage of total net assets %
	Bonds 97.97% (30/06/2019: 96.61%)		
	Indonesia 1.17% (30/06/2019: 0.00%)		
	Fixed Rate Bond 1.17% (30/06/2019: 0.00%)		
IDR 17,642,000,000	Indonesia (Republic of) 8.375% 15/03/2034	1,026	1.17
	Japan 1.21% (30/06/2019: 1.64%)		
	Fixed Rate Bond 1.21% (30/06/2019: 1.64%)		
JPY 135,500,000	Japan (Government of) 0.80% 20/03/2058	1,059	1.21
	United Kingdom 95.59% (30/06/2019: 94.97%)		
	Fixed Rate Bond 95.59% (30/06/2019: 94.97%)		
GBP 1,720,629	UK Treasury 0.50% 22/07/2022	1,720	1.96
GBP 2,371,466	UK Treasury 0.625% 07/06/2025	2,371	2.70
GBP 1,756,039	UK Treasury 0.75% 22/07/2023	1,767	2.02
GBP 1,900,497	UK Treasury 0.875% 22/10/2029	1,912	2.18
GBP 1,643,253	UK Treasury 1.00% 22/04/2024	1,672	1.91
GBP 1,409,155	UK Treasury 1.25% 22/07/2027	1,470	1.68
GBP 2,049,839	UK Treasury 1.50% 22/01/2021	2,069	2.36
GBP 2,768,064	UK Treasury 1.50% 22/07/2026	2,925	3.33
GBP 1,451,865	UK Treasury 1.50% 22/07/2047	1,512	1.73
GBP 1,605,190	UK Treasury 1.625% 22/10/2028	1,728	1.97
GBP 966,204	UK Treasury 1.625% 22/10/2054	1,064	1.21
GBP 672,293	UK Treasury 1.625% 22/10/2071	788	0.90
GBP 1,745,567	UK Treasury 1.75% 07/09/2022	1,803	2.06
GBP 2,090,391	UK Treasury 1.75% 07/09/2037	2,266	2.59
GBP 572,629	UK Treasury 1.75% 22/01/2020	632	0.72
GBP 1,094,548	UK Treasury 1.75% 22/07/2057	1,267	1.45
GBP 1,651,038	UK Treasury 2.25% 07/09/2023	1,753	2.00
GBP 1,161,322	UK Treasury 2.50% 22/07/2065	1,684	1.92
GBP 1,617,383	UK Treasury 2.75% 07/09/2024	1,779	2.03
GBP 1,643,101	UK Treasury 3.25% 22/01/2044	2,295	2.62
GBP 1,659,911	UK Treasury 3.50% 22/01/2045	2,430	2.77
GBP 1,154,790	UK Treasury 3.50% 22/07/2068	2,123	2.42
GBP 1,552,692	UK Treasury 3.75% 07/09/2020	1,586	1.81
GBP 1,705,828	UK Treasury 3.75% 07/09/2021	1,797	2.05
GBP 1,417,662	UK Treasury 3.75% 22/07/2052	2,353	2.68
GBP 1,230,111	UK Treasury 4.00% 07/03/2022	1,323	1.51
GBP 1,418,674	UK Treasury 4.00% 22/01/2060	2,669	3.04
GBP 1,788,485	UK Treasury 4.25% 07/03/2036	2,610	2.98
GBP 4,207,339	UK Treasury 4.25% 07/06/2032	5,825	6.64
GBP 1,368,047	UK Treasury 4.25% 07/09/2039	2,089	2.38
GBP 1,863,225	UK Treasury 4.25% 07/12/2027	2,380	2.71
GBP 1,493,048	UK Treasury 4.25% 07/12/2040	2,310	2.64
GBP 1,388,601	UK Treasury 4.25% 07/12/2046	2,311	2.64
GBP 1,188,141	UK Treasury 4.25% 07/12/2049	2,053	2.34
GBP 1,329,414	UK Treasury 4.25% 07/12/2055	2,486	2.84
GBP 1,600,601	UK Treasury 4.50% 07/12/2042	2,618	2.99
GBP 1,693,361	UK Treasury 4.75% 07/12/2030	2,385	2.72
GBP 989,871	UK Treasury 4.75% 07/12/2038	1,586	1.81
GBP 2,450,350	UK Treasury 5.00% 07/03/2025	2,998	3.41
GBP 888,826	UK Treasury 6.00% 07/12/2028	1,295	1.48
GBP 1,890,530	UK Treasury 8.00% 07/06/2021	2,091	2.39
		<u>83,795</u>	<u>95.59</u>

Portfolio statement (continued)

Holding	Investment	Market value £000	Percentage of total net assets %
	Collective Investment Schemes 0.84% (30/06/2019: 1.88%)		
735,415	Deutsche Global Liquidity Managed Platinum Sterling Fund	735	0.84
	Derivatives 0.25% (30/06/2019: 0.49%)		
	Futures 0.03% (30/06/2019: 0.06%)		
22	CBT US 5 year Note March 2020	(16)	(0.02)
16	EUX Euro-BTP March 2020	(2)	-
(19)	EUX Euro-Bund March 2020	42	0.05
(5)	OSE Japan 10 year Bond March 2020	(1)	-
		23	0.03
	Swaps 0.21% (30/06/2019: 0.43%)¹		
	Inflation Index Swaps 0.06% (30/06/2019: (0.18%))¹		
5,610,000	IIS 1.8535% November 2029 - Pay Fixed - USD	55	0.06
1,450,000	IIS 1.9888% December 2029 - Pay Fixed - USD ²	-	-
		55	0.06
	Interest Rate Swaps 0.15% (30/06/2019: 0.61%)¹		
10,268,000	IRS 0.112% EURIBOR 6 month - Receive Floating - EUR	(106)	(0.12)
17,600,000	IRS 0.3568% STIBOR 3 month - Receive Fixed - SEK	(43)	(0.05)
53,510,871	IRS 0.40% STIBOR 3 month - Receive Fixed - SEK	13	0.01
4,882,000	IRS 0.6408% EURIBOR 6 month - Receive Fixed - EUR	193	0.22
9,600,000	IRS 1.411% BA 3 month - Receive Fixed - CAD	(183)	(0.21)
41,725,000	IRS 1.8025% LIBOR 3 month - Receive Fixed - USD	54	0.06
8,130,000	IRS 2.0663% LIBOR 3 month - Receive Floating - USD	(99)	(0.11)
157,100,000	IRS 7.871% TIIE 3 month - Receive Fixed - MXN	308	0.35
		137	0.15
	Forward Foreign Exchange Contracts 0.01% (30/06/2019: 0.00%)¹		
	Buy AUD 1,500,000 : Sell JPY 112,372,035 March 2020	13	0.02
	Buy CAD 14,136 : Sell GBP 8,111 January 2020 ²	-	-
	Buy CAD 14,222 : Sell GBP 8,269 January 2020 ²	-	-
	Buy CAD 25,274 : Sell GBP 14,394 January 2020 ²	-	-
	Buy CAD 5,067 : Sell GBP 2,957 January 2020 ²	-	-
	Buy CAD 8,802 : Sell GBP 5,165 January 2020 ²	-	-
	Buy CAD 9,682 : Sell GBP 5,652 January 2020 ²	-	-
	Buy GBP 10,727 : Sell MXN 267,150 January 2020 ²	-	-
	Buy GBP 1,082 : Sell SEK 13,175 January 2020 ²	-	-
	Buy GBP 1,093,466 : Sell USD 1,438,202 January 2020	9	0.01
	Buy GBP 1,105,953 : Sell JPY 157,379,066 January 2020	12	0.01
	Buy GBP 11,171 : Sell MXN 286,097 January 2020 ²	-	-
	Buy GBP 11,532 : Sell CAD 20,083 January 2020 ²	-	-
	Buy GBP 11,673 : Sell CAD 20,586 January 2020 ²	-	-
	Buy GBP 12,499 : Sell MXN 308,197 January 2020 ²	-	-
	Buy GBP 132,515 : Sell EUR 156,348 January 2020 ²	-	-
	Buy GBP 15,419 : Sell CAD 26,410 January 2020 ²	-	-
	Buy GBP 19,807 : Sell USD 26,457 January 2020 ²	-	-
	Buy GBP 20,728 : Sell USD 27,245 January 2020 ²	-	-
	Buy GBP 21,846 : Sell CAD 37,833 January 2020 ²	-	-
	Buy GBP 2,422 : Sell CAD 4,224 January 2020 ²	-	-
	Buy GBP 2,864 : Sell CAD 5,000 January 2020 ²	-	-
	Buy GBP 2,950 : Sell MXN 75,193 January 2020 ²	-	-

Portfolio statement (continued)

Holding	Investment	Market value £000	Percentage of total net assets %
Forward Foreign Exchange Contracts (continued)			
	Buy GBP 3,027 : Sell SEK 37,279 January 2020 ²	-	-
	Buy GBP 3,260 : Sell SEK 40,804 January 2020 ²	-	-
	Buy GBP 3,649 : Sell CAD 6,272 January 2020 ²	-	-
	Buy GBP 3,872 : Sell SEK 48,283 January 2020 ²	-	-
	Buy GBP 39,714 : Sell MXN 987,315 January 2020 ²	-	-
	Buy GBP 4,066 : Sell CAD 6,942 January 2020 ²	-	-
	Buy GBP 5,046 : Sell SEK 61,960 January 2020 ²	-	-
	Buy GBP 5,165 : Sell SEK 63,442 January 2020 ²	-	-
	Buy GBP 5,306 : Sell SEK 64,811 January 2020 ²	-	-
	Buy GBP 5,543 : Sell CAD 9,515 January 2020 ²	-	-
	Buy GBP 7,546 : Sell SEK 92,580 January 2020 ²	-	-
	Buy GBP 7,866 : Sell SEK 97,726 January 2020 ²	-	-
	Buy GBP 822,360 : Sell AUD 1,578,224 March 2020	(15)	(0.02)
	Buy GBP 8,348 : Sell SEK 103,868 January 2020 ²	-	-
	Buy GBP 846,680 : Sell USD 1,115,058 March 2020	7	0.01
	Buy GBP 8,886 : Sell CAD 15,376 January 2020 ²	-	-
	Buy IDR 15,887,100,000 : Sell USD 1,122,367 March 2020	14	0.02
	Buy JPY 249,358,647 : Sell GBP 1,753,753 March 2020	(18)	(0.02)
	Buy JPY 5,082,800 : Sell GBP 35,568 January 2020 ²	-	-
	Buy JPY 919,500 : Sell GBP 6,428 January 2020 ²	-	-
	Buy MXN 157,587 : Sell GBP 6,369 January 2020 ²	-	-
	Buy MXN 164,761 : Sell GBP 6,629 January 2020 ²	-	-
	Buy MXN 168,196 : Sell GBP 6,725 January 2020 ²	-	-
	Buy MXN 169,934 : Sell GBP 6,649 January 2020 ²	-	-
	Buy MXN 179,870 : Sell GBP 7,021 January 2020 ²	-	-
	Buy MXN 191,649 : Sell GBP 7,603 January 2020 ²	-	-
	Buy MXN 199,754 : Sell GBP 8,053 January 2020 ²	-	-
	Buy MXN 27,193 : Sell GBP 1,090 January 2020 ²	-	-
	Buy MXN 300,663 : Sell GBP 11,889 January 2020 ²	-	-
	Buy MXN 442,835 : Sell GBP 17,341 January 2020 ²	-	-
	Buy SEK 124,951 : Sell GBP 10,166 January 2020 ²	-	-
	Buy SEK 21,411 : Sell GBP 1,724 January 2020 ²	-	-
	Buy SEK 252,524 : Sell GBP 20,705 January 2020 ²	-	-
	Buy SEK 37,123 : Sell GBP 3,042 January 2020 ²	-	-
	Buy SEK 45,966 : Sell GBP 3,672 January 2020 ²	-	-
	Buy SEK 64,811 : Sell GBP 5,303 January 2020 ²	-	-
	Buy SEK 77,141 : Sell GBP 6,172 January 2020 ²	-	-
	Buy USD 1,134,258 : Sell TWD 34,362,342 March 2020	(16)	(0.02)
	Buy USD 27,359 : Sell GBP 20,796 January 2020 ²	-	-
	Buy USD 34,806 : Sell GBP 26,506 January 2020 ²	-	-
	Buy USD 42,165 : Sell GBP 31,545 January 2020 ²	-	-
		6	0.01
	Investment assets including investment liabilities	86,836	99.06
	Other net assets	825	0.94
	Total net assets	87,661	100.00

¹ Unquoted securities

² Due to rounding to nearest £1,000

All investments are listed on recognised stock exchanges and are 'approved securities' within the meaning of FCA rules unless otherwise stated.

Credit ratings

	Market value £000	Percentage of total net assets %
31/12/19		
Investments		
Investment grade (AAA - BBB)	85,880	97.97
Total debt securities	85,880	97.97
Collective investment schemes	735	0.84
Derivatives	221	0.25
Investment assets including investment liabilities	86,836	99.06
Other net assets	825	0.94
Total net assets	87,661	100.00
	Market value £000	Percentage of total net assets %
30/06/19		
Investments		
Investment grade (AAA - BBB)	266,007	96.61
Total debt securities	266,007	96.61
Collective investment schemes	5,183	1.88
Derivatives	1,337	0.49
Investment assets including investment liabilities	272,527	98.98
Other net assets	2,804	1.02
Total net assets	275,331	100.00

Statement of total return (unaudited) for the six months ended 31 December 2019

	31/12/19		31/12/18	
	£000	£000	£000	£000
Income				
Net capital gains/(losses)		9,725		(3,654)
Revenue	1,176		2,452	
Expenses	(70)		(98)	
Interest payable and similar charges	(20)		-	
Net revenue before taxation	1,086		2,354	
Taxation	-		-	
Net revenue after taxation		1,086		2,354
Total return before distributions		10,811		(1,300)
Distributions		(1,086)		(2,353)
Change in net assets attributable to shareholders from investment activities		9,725		(3,653)

Statement of change in net assets attributable to shareholders

(unaudited) for the six months ended 31 December 2019

	31/12/19		31/12/18	
	£000	£000	£000	£000
Opening net assets attributable to shareholders*		275,331		304,005
Amounts receivable on issue of shares	22,168		10,324	
Amounts payable on cancellation of shares	(220,541)		(34,298)	
		(198,373)		(23,974)
Dilution adjustment		63		5
Change in net assets attributable to shareholders from investment activities		9,725		(3,653)
Retained distributions on accumulation shares		915		2,294
Closing net assets attributable to shareholders		87,661		278,677

* The opening net assets attributable to shareholders for the current period do not equal the closing net assets attributable for the comparative period as they are not consecutive periods.

Balance sheet (unaudited) as at 31 December 2019

	31/12/19	30/06/19
	£000	£000
Assets:		
Investments	87,335	273,991
Current assets:		
Debtors	686	2,529
Cash and bank balances	1,291	3,135
Total assets	89,312	279,655
Liabilities:		
Investment liabilities	499	1,464
Creditors:		
Amounts held at derivatives clearing houses and brokers	517	1,577
Bank overdrafts	559	1,118
Distribution payable	6	9
Other creditors	70	156
Total liabilities	1,651	4,324
Net assets attributable to shareholders	87,661	275,331

Distribution tables for the six months ended 31 December 2019 (in pence per share)

Interim interest distribution (accounting date 30 September 2019, paid on 29 November 2019)

Group 1: shares purchased prior to 1 July 2019

Group 2: shares purchased on or after 1 July 2019

	Distribution per share	Equalisation	Total distribution per share 29/11/19	Total distribution per share 30/11/18
Class A income				
Group 1	1.2302	-	1.2302	0.4036
Group 2	0.7214	0.5088	1.2302	0.4036
Class D accumulation				
Group 1	1.1637	-	1.1637	0.5286
Group 2	0.6458	0.5179	1.1637	0.5286
Class E income¹				
Group 1	1.3588	-	1.3588	n/a
Group 2	-	1.3588	1.3588	n/a
Class I accumulation				
Group 1	2.3242	-	2.3242	0.9770
Group 2	1.5872	0.7370	2.3242	0.9770
Class I income				
Group 1	1.4240	-	1.4240	0.5901
Group 2	0.7946	0.6294	1.4240	0.5901
Class Z accumulation				
Group 1	1.8386	-	1.8386	0.9015
Group 2	1.2302	0.6084	1.8386	0.9015

¹ Class E income launched on 8 July 2019.

Distribution tables (continued)

Interim interest distribution (accounting date 31 December 2019, paid on 28 February 2020)

Group 1: shares purchased prior to 1 October 2019

Group 2: shares purchased on or after 1 October 2019

	Distribution per share	Equalisation	Total distribution per share 28/02/20	Total distribution per share 28/02/19
Class A income				
Group 1	0.3047	-	0.3047	0.4286
Group 2	-	0.3047	0.3047	0.4286
Class D accumulation				
Group 1	0.4803	-	0.4803	0.5476
Group 2	0.1200	0.3603	0.4803	0.5476
Class E income¹				
Group 1	0.4435	-	0.4435	n/a
Group 2	0.0089	0.4346	0.4435	n/a
Class I accumulation				
Group 1	0.8259	-	0.8259	1.0016
Group 2	0.3456	0.4803	0.8259	1.0016
Class I income				
Group 1	0.5030	-	0.5030	0.6139
Group 2	0.1817	0.3213	0.5030	0.6139
Class Z accumulation				
Group 1	0.8468	-	0.8468	0.9284
Group 2	0.3262	0.5206	0.8468	0.9284

¹ Class E income launched on 8 July 2019.

Janus Henderson Preference & Bond Fund

Authorised Corporate Director's (ACD) report

Investment Fund Managers

Jenna Barnard, John Pattullo and Rebecca Young

Investment objective and policy

To provide a return by investing primarily in preference shares, Government securities, corporate bonds, Eurobonds and other bonds. Where the fund invests in currencies other than sterling, the fund will always be hedged at least 80% to sterling in aggregate. In certain market conditions, the fund may invest more than 35% of its Net Asset Value in government issued fixed income securities issued by any one body. The fund may invest in other transferable securities, money market instruments and forward transactions, deposits and units in collective investment schemes. The fund may use financial instruments, known as derivatives, to achieve the fund's investment objective and for the purpose of efficient portfolio management (or other equivalent description) which aims to reduce risk, reduce cost or generate additional capital or income with a level of risk consistent with that of the risk profile of the fund.

Performance summary

Cumulative performance	Six months	One year	Five years	First published data
	30 Jun 19 - 31 Dec 19	31 Dec 18 - 31 Dec 19	31 Dec 14 - 31 Dec 19	31 Oct 78 - 31 Dec 19
	%	%	%	%
Class I accumulation	3.3	12.1	28.0	1,876.1
IA Sterling Strategic Bond Sector	2.9	9.2	19.6	-*

Discrete performance

	31 Dec 18 - 31 Dec 19	31 Dec 17 - 31 Dec 18	31 Dec 16 - 31 Dec 17	31 Dec 15 - 31 Dec 16	31 Dec 14 - 31 Dec 15
	%	%	%	%	%
Class I accumulation	12.1	(2.5)	8.2	5.7	2.4

Source: Morningstar, Class I accumulation, NAV to NAV, net of fees and net income reinvested as at 12 noon valuation point.

The fund is not running against specific benchmark, for internal risk monitoring, the IA Sterling Strategic Bond Sector is used.

Peer group benchmark: IA Sterling Strategic Bond Sector

Peer group benchmark usage: Comparator

Peer group description: 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.

Class I accumulation is disclosed as it is the primary share class.

* Benchmark return is not quoted as the fund inception date is earlier than the benchmark inception date.

Please remember that past performance is not a guide to future performance. The value of an investment and the revenue from it can fall as well as rise as a result of market and currency fluctuations and you may not get back the amount originally invested.

Authorised Corporate Director's (ACD) report (continued)

Significant portfolio changes for the six months ended 31 December 2019

Largest purchases	£000	Largest sales/maturities	£000
UK Treasury 1.625% 22/10/2028	16,684	Australia (Commonwealth of) 3.75% 21/04/2037	19,844
Equinix 3.20% 18/11/2029	9,883	Australia (Commonwealth of) 2.75% 21/11/2028	17,962
Live Nation Entertainment 4.75% 15/10/2027	9,670	UK Treasury 1.625% 22/10/2028	16,173
Trivium Packaging Finance 5.50% 15/08/2026	8,864	Australia (Commonwealth of) 2.75% 21/04/2024	11,561
Hasbro 3.90% 19/11/2029	8,573	First Data FRN 26/04/2024	8,182
Australia (Commonwealth of) 2.25% 21/11/2022	8,276	HBOS Sterling Finance 7.881% Perpetual	6,812
Australia (Commonwealth of) 3.75% 21/04/2037	8,153	HSBC 5.375% 22/08/2033	6,681
Yum! Brands 4.75% 15/01/2030	7,205	Reynolds 7.00% 15/07/2024	6,122
CSC Holdings 5.75% 15/01/2030	7,155	Lions Gate Capital 5.875% 01/11/2024	4,580
Digital Realty Trust 3.60% 01/07/2029	6,942	Berry Global 5.50% 15/05/2022	4,512
Total purchases	212,088	Total sales/maturities	156,146

Investment review

The fund returned 3.3% based on Class I accumulation over the period under review, compared with return of 2.9 % in the IA Sterling Strategic Bond Sector peer group benchmark.

The period was interesting, involving significant gyrations and rotations in asset class behaviour. Broadly speaking, the first half of the period was more defensive and disinflationary while the second half, especially December, was reflationary with significant 'risk on' sentiment and a strong rise in equities. As an illustration of this, the gilt market rose 6.6% in the third quarter but dropped 4.2% in the fourth quarter. Sterling investment-grade bonds rose by 3.7% in the third quarter but fell by 0.7% in the fourth quarter. US high yield (hedged to sterling) rose by 0.8% and by 2.2%, respectively, in the third and fourth quarters (gaining 1.9% in December alone). These movements related to the market's interpretation of the evolution of central bank policy.

In July, European Central Bank (ECB) President Mario Draghi hinted that rates would be lowered and a quantitative easing (QE) bond programme implemented. He signalled that the ECB wanted to reinterpret its inflation mandate as symmetrical, such that it will try to get inflation above 2%. Current core European inflation is, and has been for years, around 1%. Rates were eventually cut in September and a new open-ended QE programme (including corporate bonds) was announced, which will continue until inflation converges at or around 2%. Mr Draghi, who retired in October, called for fiscal policy to expand and work in unison with monetary policy to achieve higher growth and inflation outcomes.

US Federal Reserve (Fed) Chairman Jerome Powell cut rates by just 0.25% in July, which failed to impress the markets. His reference to a 'mid-cycle adjustment' (meaning a modest one-off cut) was a policy error and caused a tightening in financial conditions: equities fell, the yield curve flattened dramatically and the US dollar rose. Worries over the Fed's lack of dovishness in August sent 10-year Treasury yields close to their lows, reaching 1.43% in early September. Inflation expectation slumped and activity waned globally as trade wars, tariff escalation, Middle East and Hong Kong tensions and Brexit worsened a poor situation. The economic growth numbers were worrying, most pertinently in Asia and Europe and focused on trade and manufacturing activity.

In essence, markets were telling the Fed that it was not dovish enough and needed to signal a willingness to cut more aggressively. Two more cuts followed and the lagged policy response began to emerge in the economic data, which generally became less bad and appears to have bottomed. This seemed to set off some algorithmic/quantitative equity rotation back to cyclical/value stocks for some of September. It seemed too early for this move given the economic data but investors, and indeed quant computer systems, now try to get ahead of everybody else. Equity markets leapt on this reflationary sentiment and cyclicals rallied while bond yields drifted higher. We believe this to be a medium-term cyclical rise, rather than a structural breakout of growth and inflation. Yield curves are steeper, the US dollar is a little weaker and commodities are stronger – all classic reflation trades.

We outperformed the sector during the period, ending what was a strong 2019 for fund performance. The fund performed particularly well in the third quarter as the credit book and the portfolio, which were positioned longer duration than our peers, helped generate excess relative returns. As the reflationary narrative took hold later in the fourth quarter, we were slow to cut duration and did not hold enough low-quality credit. We are pleased with performance over the period as all areas of our allocation assisted, including a sizeable contribution from trading interest rate futures. Other sources of outperformance included the UK allocation, which experienced a strong risk-on rally in the last weeks of the year after the market received the election results well.

Our holding in Entertainment One (who own the rights to Peppa Pig) was taken over by Hasbro causing an uplift in the bond 's price. We were active over the period in question, bringing the aforementioned sovereign allocation down in Q4 and adding credit throughout the period in preferred 'sensible income' names such as Yum Brands, Live Nation, Equinix and American Tower. This led to the duration of the Fund falling materially, ending the year at 4.6 years.

The fund's duration meaningfully declined during the period. The fund moved to a more cyclically positive positioning, which we expect to play out over 2020. We remain structural bulls on core bond markets but have always been pragmatic on the cyclical management of duration viewed through the prism of the rate of change in the data. The current period of phase transition and bottoming in the manufacturing cycle will be choppy and potentially lengthy, we believe, but we are increasingly confident that the worst of the downturn (which we anticipated in early 2018) is behind us. Given the significant uplift in capital values, it is important to have some patience and perspective on the potential bond returns from here. The summer may present an opportunity to lengthen duration once we determine the sustainability of the current reflation. We will remain flexible in our thinking. Our core focus remains on providing a dependable and realistic quarterly income stream for our investors without capital destruction throughout the economic cycle.

Comparative tables for the six months ended 31 December 2019

	Class A income			
	Six months to 31/12/19 (pence per share)	Year to 30/06/19 (pence per share)	Year to 30/06/18 (pence per share)	Year to 30/06/17 (pence per share)
Change in net assets per share				
Opening net asset value per share	52.90	51.21	53.72	51.92
Return before operating charges*	1.89	4.49	0.54	4.92
Operating charges	(0.38)	(0.72)	(0.76)	(0.76)
Return after operating charges*	1.51	3.77	(0.22)	4.16
Distributions on income shares	(1.03)	(2.08)	(2.29)	(2.36)
Closing net asset value per share	53.38	52.90	51.21	53.72
* after direct transaction costs of:	-	-	-	-
Performance				
Return after charges	2.85%	7.36%	(0.41%)	8.01%
Other information				
Closing net asset value (£000s)	99,538	127,269	131,832	142,653
Closing number of shares	186,459,639	240,576,818	257,427,871	265,532,975
Operating charges (annualised)	1.40%	1.40%	1.41%	1.41%
Direct transaction costs	0.00%	0.00%	0.01%	0.01%
Prices				
Highest share price (pence)	54.60	53.54	54.67	54.79
Lowest share price (pence)	52.87	50.12	51.84	52.30
Class E income				
08/07/19 - 31/12/19				
(pence per share)				
Change in net assets per share				
Opening net asset value per share	53.14 ¹			
Return before operating charges*	1.63			
Operating charges	(0.23)			
Return after operating charges*	1.40			
Distributions on income shares	(1.03)			
Closing net asset value per share	53.51			
* after direct transaction costs of:	-			
Performance				
Return after charges	2.63% ²			
Other information				
Closing net asset value (£000s)	28,136			
Closing number of shares	52,581,158			
Operating charges (annualised)	0.90%			
Direct transaction costs	0.00%			
Prices				
Highest share price (pence)	54.65			
Lowest share price (pence)	52.87			

¹ Class E income launched on 8 July 2019 and this is the first published price.

² Return after charges relates to the period 08/07/19 to 31/12/19 post conversion from the A income share class. This performance will differ from the other share classes as it does not include returns generated prior to class launch, whilst the other classes returns cover the entire period under review.

Comparative tables (continued)

	Class I accumulation			
	Six months to 31/12/19 (pence per share)	Year to 30/06/19 (pence per share)	Year to 30/06/18 (pence per share)	Year to 30/06/17 (pence per share)
Change in net assets per share				
Opening net asset value per share	154.21	142.37	142.06	130.42
Return before operating charges*	5.51	12.85	1.31	13.31
Operating charges	(0.55)	(1.01)	(1.00)	(0.95)
Return after operating charges*	4.96	11.84	0.31	12.36
Distributions on accumulation shares	(3.06)	(6.00)	(6.26)	(6.87)
Retained distributions on accumulation shares [^]	3.06	6.00	6.26	6.15
Closing net asset value per share	159.17	154.21	142.37	142.06
* after direct transaction costs of:	-	-	0.01	0.01

Performance

Return after charges	3.22%	8.32%	0.22%	9.48%
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Other information

Closing net asset value (£000s)	86,994	76,509	64,091	55,619
Closing number of shares	54,653,371	49,613,814	45,018,319	39,153,094
Operating charges (annualised)	0.69%	0.69%	0.69%	0.69%
Direct transaction costs	0.00%	0.00%	0.01%	0.01%

Prices

Highest share price (pence)	159.70	154.50	146.50	143.30
Lowest share price (pence)	154.10	141.70	142.40	131.40

[^] Retained distributions prior to 6 April 2017 are net of 20% income tax.

	Class I income			
	Six months to 31/12/19 (pence per share)	Year to 30/06/19 (pence per share)	Year to 30/06/18 (pence per share)	Year to 30/06/17 (pence per share)
Change in net assets per share				
Opening net asset value per share	57.76	55.55	57.90	55.58
Return before operating charges*	2.06	4.90	0.56	5.30
Operating charges	(0.21)	(0.39)	(0.40)	(0.40)
Return after operating charges*	1.85	4.51	0.16	4.90
Distributions on income shares	(1.14)	(2.30)	(2.51)	(2.58)
Closing net asset value per share	58.47	57.76	55.55	57.90
* after direct transaction costs of:	-	-	-	-

Performance

Return after charges	3.20%	8.12%	0.28%	8.82%
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Other information

Closing net asset value (£000s)	598,019	559,457	585,139	359,628
Closing number of shares	1,022,696,000	968,626,637	1,053,392,355	621,170,663
Operating charges (annualised)	0.69%	0.69%	0.69%	0.69%
Direct transaction costs	0.00%	0.00%	0.01%	0.01%

Prices

Highest share price (pence)	59.69	58.46	59.00	59.05
Lowest share price (pence)	57.74	54.54	56.22	56.00

Comparative tables (continued)

	Class Z accumulation			
	Six months to 31/12/19 (pence per share)	Year to 30/06/19 (pence per share)	Year to 30/06/18 (pence per share)	Year to 30/06/17 (pence per share)
Change in net assets per share				
Opening net asset value per share	236.31	216.75	214.87	196.01
Return before operating charges*	8.46	19.63	1.97	20.04
Operating charges	(0.05)	(0.07)	(0.09)	(0.08)
Return after operating charges*	8.41	19.56	1.88	19.96
Distributions on accumulation shares	(4.77)	(9.28)	(9.61)	(10.47)
Retained distributions on accumulation shares [^]	4.77	9.28	9.61	9.37
Closing net asset value per share	244.72	236.31	216.75	214.87
* after direct transaction costs of:	-	-	0.02	0.01
Performance				
Return after charges	3.56%	9.02%	0.87%	10.18%
Other information				
Closing net asset value (£000s)	21,911	20,860	20,032	20,987
Closing number of shares	8,953,743	8,827,435	9,242,240	9,766,960
Operating charges (annualised)	0.03%	0.03%	0.04%	0.04%
Direct transaction costs	0.00%	0.00%	0.01%	0.01%
Prices				
Highest share price (pence)	245.50	236.80	222.40	216.70
Lowest share price (pence)	236.30	216.30	215.40	197.50

[^] Retained distributions prior to 6 April 2017 are net of 20% income tax.

Comparative tables (continued)

	Class A income gross	
	Year to 30/06/18 (pence per share)	Year to 30/06/17 (pence per share)
Change in net assets per share		
Opening net asset value per share	54.39	52.56
Return before operating charges*	1.06	5.30
Operating charges	(0.20)	(0.77)
Return after operating charges*	0.86	4.53
Distributions on income shares	(0.60)	(2.70)
Final cancellation	(54.65) ³	-
Closing net asset value per share	-	54.39
* after direct transaction costs of:	-	-
Performance		
Return after charges	1.58%	8.62%
Other information		
Closing net asset value (£000s)	-	1,993
Closing number of shares	-	3,665,145
Operating charges (annualised)	1.41%	1.41%
Direct transaction costs	0.01%	0.01%
Prices		
Highest share price (pence)	55.35 ⁴	55.55
Lowest share price (pence)	54.46 ⁴	52.95

³ Class A income gross closed on 2 October 2017.

⁴ to 2 October 2017.

Comparative tables (continued)

	Class I income gross	
	Year to 30/06/18 (pence per share)	Year to 30/06/17 (pence per share)
Change in net assets per share		
Opening net asset value per share	58.73	56.38
Return before operating charges*	1.15	5.69
Operating charges	(0.11)	(0.40)
Return after operating charges*	1.04	5.29
Distributions on income shares	(0.66)	(2.94)
Final cancellation	(59.11) ⁵	-
Closing net asset value per share	-	58.73
* after direct transaction costs of:	-	-
Performance		
Return after charges	1.77%	9.38%
Other information		
Closing net asset value (£000s)	-	168,064
Closing number of shares	-	286,159,637
Operating charges (annualised)	0.69%	0.69%
Direct transaction costs	0.01%	0.01%
Prices		
Highest share price (pence)	59.85 ⁶	59.91
Lowest share price (pence)	58.83 ⁶	56.81

⁵ Class I income gross closed on 2 October 2017.

⁶ to 2 October 2017.

Comparative tables (continued)

	Class Z accumulation gross	
	Year to 30/06/18 (pence per share)	Year to 30/06/17 (pence per share)
Change in net assets per share		
Opening net asset value per share	253.10	229.51
Return before operating charges*	4.93	23.69
Operating charges	(0.03)	(0.10)
Return after operating charges*	4.90	23.59
Distributions on accumulation shares	(2.86)	(12.70)
Retained distributions on accumulation shares	2.86	12.70
Final cancellation	(258.00) ⁷	-
Closing net asset value per share	-	253.10
* after direct transaction costs of:	0.02	0.02
Performance		
Return after charges	1.94%	10.28%
Other information		
Closing net asset value (£000s)	-	213
Closing number of shares	-	84,375
Operating charges (annualised)	0.04%	0.04%
Direct transaction costs	0.01%	0.01%
Prices		
Highest share price (pence)	258.20 ⁸	255.10
Lowest share price (pence)	253.60 ⁸	231.30

⁷ Class Z accumulation gross closed on 2 October 2017.

⁸ to 2 October 2017.

Direct transaction costs incurred on securities transactions (including derivatives) are stated after deducting the proportion of the amounts collected from dilution adjustments that relate to direct transaction costs.

Performance values are at close of business on a bid basis, which will differ from those in the Performance summary.

Operating charges

Operating charges are expenses associated with the maintenance and administration of the fund on a day-to-day basis that are actually borne by the share class.

Share class launches and closures

The following share class launched in the period:

Share class	Launch date
Class E income	8 July 2019

There were no share classes closed in the period.

Share class conversions

Share class conversions	Conversion date
Class A income to Class E income	8 July 2019

Some shareholders were converted to the newly launched E share classes as there are no commission payments for financial advice bundled within the E share classes, and these are available for direct investment.

The conversion of A share classes to the E share classes was performed to benefit investors who do not use a financial adviser as a lower management fee is charged.

Ongoing charge figure

The annualised ongoing charge figure (OCF) of the fund is calculated as the ratio of the total ongoing charges to the average net asset value for twelve months. Ongoing charges are all expenses deducted from the assets of the fund during the period, except for expenses that are explicitly excluded by regulation.

	31/12/19 %	30/06/19 %	Estimated OCF from 8 July 2019 ¹ %
Class A	1.40	1.40	n/a
Class E²	0.90	n/a	0.90
Class I	0.69	0.69	n/a
Class Z	0.03	0.03	n/a

The OCF is calculated in accordance with guidelines issued by the European Securities and Markets Authority (ESMA).

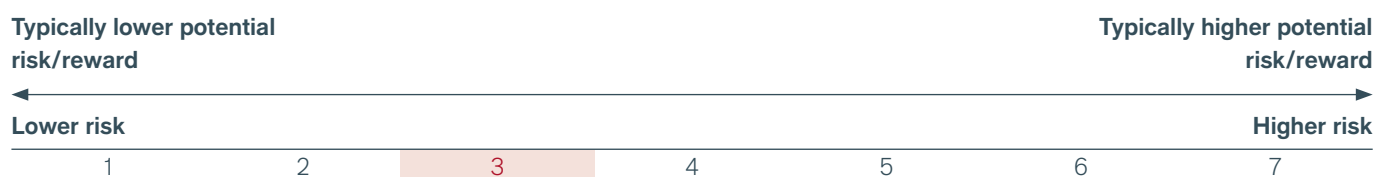
¹ The estimated ongoing charge is based on the annual fee rates on launch date as at 8 July 2019.

² Class E income launched on 8 July 2019.

Risk and reward profile

The fund currently has 5 types of share class in issue; A income, E income, I accumulation, I income and Z accumulation.

Each type of share class has the same risk and reward profile which is as follows:



The share classes appear at 3 out of 7. Share classes in higher categories have shown greater and/or more frequent variations in share price in the past 5 years than those in lower categories. The lowest category does not mean risk free.

The Synthetic Risk and Reward Indicator (SRRI) is calculated based on historical volatility over a rolling 5* year period, it is reviewed monthly and updated if volatility has changed materially to cause a movement in the SRRI level. The SRRI is an indicator and may not accurately reflect future volatility and market conditions.

The value of an investment and any income from it can go up or down. When you sell your shares, they may be worth less than you paid for them.

The risk/reward rating above is based on medium-term volatility. In the future, the fund's actual volatility could be higher or lower and its rated risk/reward level could change.

The rating does not reflect the possible effects of unusual market conditions or large unpredictable events. Under normal market conditions the following risks may apply:

Charges to Capital Some or all of the annual management charge and other costs of the fund may be taken from capital, which may erode capital or reduce potential for capital growth.

Currency Hedging When the fund, or a currency hedged share class of the fund (with 'Hedged' in its name), seeks to mitigate (hedge) exchange rate movements of a currency relative to the fund's base currency, the hedging strategy itself may create a positive or negative impact to the capital value of the fund or share class due to differences in short-term interest rates between the currencies.

Default Risk An issuer of a bond (or money market instrument) may become unable or unwilling to pay interest or repay capital to the fund. If this happens or the market perceives this may happen, the value of the bond will fall.

Derivatives and Leverage The fund may use derivatives towards the aim of achieving its investment objective. This can result in 'leverage', which can magnify an investment outcome and gains or losses to the fund may 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.

Interest Rates 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. This risk is generally greater the longer the maturity of a bond investment.

High Yield Bonds The fund invests in high yield (non-investment grade) bonds and while these generally offer higher rates of interest than investment grade bonds, they are more speculative and more sensitive to adverse changes in market conditions.

Liquidity Securities within the fund 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 full list of the fund's risks are contained in the 'Risk Factors' section of the fund's prospectus.

There has been no change to the risk ratings in the period.

The SRRI conforms to the ESMA guidelines for the calculation of the SRRI.

* Class E income launched on 8 July 2019 and as it does not have a 5 year history, a synthetic history has been created using the fund's relevant sector average.

Portfolio statement as at 31 December 2019

Holding	Investment	Market value £000	Percentage of total net assets %
	Equities 1.90% (30/06/2019: 1.84%)		
	United Kingdom 1.90% (30/06/2019: 1.84%)		
	Consumer Goods 0.00% (30/06/2019: 0.00%)		
310,000	Whitnash 6.50% Preference ¹	-	-
550,000	Whitnash 9.00% Preference ¹	-	-
		-	-
	Financials 1.90% (30/06/2019: 1.84%)		
95,700	Nationwide Building Society CDDS	15,888	1.90
	Bonds 91.94% (30/06/2019: 92.42%)		
	Australia 4.05% (30/06/2019: 8.90%)		
	Fixed Rate Bond 4.05% (30/06/2019: 8.90%)		
AUD 15,300,000	Australia (Commonwealth of) 2.25% 21/11/2022	8,429	1.01
AUD 43,000,000	Australia (Commonwealth of) 3.25% 21/04/2025	25,385	3.04
		33,814	4.05
	Belgium 1.23% (30/06/2019: 1.10%)		
	Fixed Rate Bond 1.23% (30/06/2019: 1.10%)		
USD 9,640,000	Anheuser-Busch InBev 4.75% 23/01/2029	8,435	1.01
USD 2,040,000	Anheuser-Busch 4.90% 01/02/2046	1,827	0.22
		10,262	1.23
	Canada 1.94% (30/06/2019: 1.36%)		
	Fixed Rate Bond 1.94% (30/06/2019: 1.36%)		
USD 4,585,000	Cott 5.50% 01/04/2025	3,617	0.43
GBP 2,960,000	Entertainment One 4.625% 15/07/2026	3,189	0.38
USD 4,280,000	Stars 7.00% 15/07/2026	3,497	0.42
USD 4,950,000	1011778 BC 4.25% 15/05/2024	3,831	0.46
USD 2,770,000	1011778 BC 4.375% 15/01/2028	2,096	0.25
		16,230	1.94
	France 2.08% (30/06/2019: 1.94%)		
	Fixed Rate Bond 1.33% (30/06/2019: 1.94%)		
GBP 10,000,000	Orange 3.25% 15/01/2032	11,077	1.33
	Variable Rate Bond 0.75% (30/06/2019: 0.00%)		
GBP 5,115,000	AXA 5.625% 16/01/2054	6,251	0.75
	Germany 0.70% (30/06/2019: 0.58%)		
	Fixed Rate Bond 0.70% (30/06/2019: 0.58%)		
USD 5,800,000	Deutsche Telekom 1.95% 19/09/2021	4,378	0.53
EUR 1,640,000	WEPA Hygieneprodukte 2.875% 15/12/2027	1,437	0.17
		5,815	0.70
	Ireland 1.27% (30/06/2019: 0.73%)		
	Fixed Rate Bond 1.27% (30/06/2019: 0.73%)		
USD 7,408,000	Ardagh Packaging Finance 4.125% 15/08/2026	5,732	0.69
USD 6,115,000	Ardagh Packaging Finance 6.00% 15/02/2025	4,841	0.58
		10,573	1.27

Portfolio statement (continued)

Holding	Investment	Market value £000	Percentage of total net assets %
	Luxembourg 1.06% (30/06/2019: 0.00%)		
	Fixed Rate Bond 1.06% (30/06/2019: 0.00%)		
EUR 4,490,000	ARD Finance 5.00% 30/06/2027	3,831	0.46
USD 3,929,000	ARD Finance 6.50% 30/06/2027	3,067	0.37
USD 2,484,000	Camelot Financial Services 4.50% 01/11/2026	1,927	0.23
		<u>8,825</u>	<u>1.06</u>
	Netherlands 1.21% (30/06/2019: 1.05%)		
	Fixed Rate Bond 1.21% (30/06/2019: 1.05%)		
USD 5,000,000	Heineken 3.50% 29/01/2028	4,000	0.48
USD 7,790,000	Ziggo 4.875% 15/01/2030	6,071	0.73
		<u>10,071</u>	<u>1.21</u>
	Switzerland 0.14% (30/06/2019: 0.00%)		
	Fixed Rate Bond 0.14% (30/06/2019: 0.00%)		
USD 1,400,000	Swiss RE Finance (Luxembourg) 5.00% 02/04/2049	1,181	0.14
	United Kingdom 22.95% (30/06/2019: 25.66%)		
	Asset Backed 0.41% (30/06/2019: 0.91%)		
GBP 9,969,144	DECO Series FRN 27/01/2036 ²	-	-
GBP 2,608,778	Tesco Property Finance 5.744% 13/04/2040	3,400	0.41
		<u>3,400</u>	<u>0.41</u>
	Fixed Rate Bond 15.13% (30/06/2019: 15.47%)		
GBP 3,850,000	Arqiva Broadcast Finance 6.75% 30/09/2023	4,095	0.49
USD 11,898,000	Bacardi 4.45% 15/05/2025	9,685	1.15
GBP 6,900,000	Barclays VAR Perpetual	7,519	0.89
GBP 7,000,000	Cattles 6.875% Perpetual ²	-	-
GBP 2,160,000	Co-operative 5.125% 17/05/2024	2,304	0.28
GBP 5,500,000	CPUK Finance 4.25% 28/08/2022	5,586	0.67
GBP 1,100,000	CPUK Finance 4.875% 28/08/2025	1,134	0.14
GBP 1,140,000	Friends Life 8.25% 21/04/2022	1,316	0.16
GBP 4,856,000	Friends Life 12.00% 21/05/2021	5,567	0.67
GBP 5,990,000	Galaxy Bidco 6.50% 31/07/2026	6,341	0.76
GBP 6,300,000	Heathrow Funding 6.00% 20/03/2020	6,363	0.76
EUR 580,000	Motion Bondco 4.50% 15/11/2027	515	0.06
USD 5,710,000	Motion Bondco 6.625% 15/11/2027	4,558	0.55
USD 4,000,000	Nationwide Building Society 4.00% 14/09/2026	3,179	0.38
GBP 4,750,000	Phoenix 4.125% 20/07/2022	4,971	0.60
GBP 11,700,000	Phoenix 6.625% 18/12/2025	13,612	1.62
USD 2,920,000	Prudential 4.875% Perpetual	2,242	0.27
GBP 800,000	Prudential 6.125% 19/12/2031	1,073	0.13
USD 6,617,000	RELX Capital 4.00% 18/03/2029	5,425	0.65
USD 604,000	Royal Bank of Scotland 7.648% Perpetual	654	0.08
GBP 6,000,000	Scottish Widows 5.50% 16/06/2023	6,674	0.80
GBP 2,260,000	Scottish Widows 7.00% 16/06/2043	3,110	0.37
GBP 3,650,000	Tesco 5.20% 05/03/2057	4,810	0.58
GBP 5,200,000	Tesco 5.50% 13/01/2033	6,474	0.78

Portfolio statement (continued)

Holding	Investment	Market value £000	Percentage of total net assets %
Fixed Rate Bond (continued)			
GBP 3,450,000	Tesco 6.125% 24/02/2022	3,783	0.45
GBP 2,200,000	Virgin Media 5.00% 15/04/2027	2,328	0.28
GBP 5,143,500	Virgin Media 6.25% 28/03/2029	5,460	0.65
AUD 1,950,000	Vodafone 3.25% 13/12/2022	1,075	0.13
GBP 5,364,000	WM Morrison Supermarkets 4.75% 04/07/2029	6,487	0.78
		126,340	15.13
Secured Loans 0.42% (30/06/2019: 0.63%)³			
GBP 3,469,954	Froneri International FRN 31/01/2025 B1	3,469	0.42
GBP (400,000)	ZPG FRN 23/07/2025 A2	(394)	(0.05)
GBP 400,000	ZPG FRN 23/07/2025 B1	394	0.05
		3,469	0.42
Stepped Rate Bond 2.22% (30/06/2019: 2.35%)			
GBP 12,182,000	Co-operative 7.50% 08/07/2026	13,916	1.67
GBP 4,562,000	Royal Bank of Scotland 5.625% Perpetual	4,581	0.55
		18,497	2.22
Variable Rate Bond 4.77% (30/06/2019: 6.30%)			
GBP 9,000,000	Aviva 6.125% Perpetual	9,892	1.19
USD 7,540,000	Barclays 6.278% Perpetual	6,445	0.77
GBP 9,447,000	BUPA Finance 6.125% Perpetual	9,730	1.17
USD 1,000,000	HBOS Capital Funding 6.85% Perpetual	771	0.09
GBP 4,508,000	HBOS Sterling Finance 7.881% Perpetual	7,027	0.84
USD 5,558,000	Lloyds Bank 6.657% Perpetual	4,999	0.60
USD 901,000	RBS Capital Trust II FRN Perpetual	956	0.11
		39,820	4.77
United States 55.31% (30/06/2019: 51.10%)			
Asset Backed 0.00% (30/06/2019: 0.00%)			
GBP 1,121,444	Lehman Brothers 7.875% 08/05/2018 ²	22	-
Fixed Rate Bond 53.53% (30/06/2019: 49.90%)			
USD 4,800,000	Abbott Laboratories 3.75% 30/11/2026	3,959	0.47
USD 4,500,000	Abbott Laboratories 4.75% 30/11/2036	4,260	0.51
USD 887,000	Adobe 3.25% 01/02/2025	707	0.08
USD 5,000,000	Alphabet 1.998% 15/08/2026	3,756	0.45
USD 12,268,000	Amazon.com 3.15% 22/08/2027	9,814	1.17
USD 5,100,000	American Tower 3.375% 15/10/2026	4,003	0.48
USD 5,160,000	American Tower 3.60% 15/01/2028	4,093	0.49
USD 6,520,000	American Tower 3.70% 15/10/2049	4,905	0.59
USD 6,650,000	Apple 3.35% 09/02/2027	5,347	0.64
USD 5,904,000	Aramark 4.75% 01/06/2026	4,635	0.56
USD 3,100,000	Aramark 5.00% 01/02/2028	2,466	0.30
USD 705,000	Aramark 5.00% 01/04/2025	555	0.07
USD 5,550,000	AT&T 3.60% 17/02/2023	4,373	0.52
USD 873,000	Ball 5.25% 01/07/2025	734	0.09
USD 5,910,000	Becton Dickinson 3.70% 06/06/2027	4,748	0.57
USD 2,306,000	Booking 3.55% 15/03/2028	1,855	0.22
USD 7,988,000	Booking 3.60% 01/06/2026	6,437	0.77
USD 7,346,000	Boston Scientific 4.00% 01/03/2029	6,137	0.74

Portfolio statement (continued)

Holding	Investment	Market value £000	Percentage of total net assets %
	Fixed Rate Bond (continued)		
USD 774,000	Boyd Gaming 6.375% 01/04/2026	629	0.08
USD 7,984,000	Catalent Pharma Solutions 4.875% 15/01/2026	6,238	0.75
USD 5,600,000	CCO 4.75% 01/03/2030	4,303	0.52
USD 3,324,000	CCO 5.00% 01/02/2028	2,633	0.32
USD 2,300,000	CCO 5.875% 01/05/2027	1,836	0.22
USD 9,600,000	Charter Communications Operating Capital 4.908% 23/07/2025	7,980	0.96
USD 4,800,000	Cintas Corporation No.2 3.70% 01/04/2027	3,931	0.47
USD 2,900,000	Comcast 3.90% 01/03/2038	2,425	0.29
USD 2,851,000	Comcast 3.95% 15/10/2025	2,349	0.28
USD 6,725,000	Comcast 4.15% 15/10/2028	5,718	0.69
USD 4,470,000	Constellation Brands 3.70% 06/12/2026	3,583	0.43
USD 2,296,000	Constellation Brands 4.75% 15/11/2024	1,921	0.23
USD 12,082,000	Crown Americas 4.75% 01/02/2026	9,633	1.15
USD 5,500,000	Crown Castle International 3.40% 15/02/2021	4,208	0.50
USD 9,910,000	Crown Castle International 3.65% 01/09/2027	7,917	0.95
USD 3,900,000	Crown Castle International 4.30% 15/02/2029	3,263	0.39
USD 8,692,000	CSC Holdings 5.75% 15/01/2030	7,004	0.84
USD 4,090,000	CyrusOne 3.45% 15/11/2029	3,096	0.37
USD 9,770,000	Dell International 6.02% 15/06/2026	8,490	1.02
USD 5,350,000	Diamond Sports 5.375% 15/08/2020	4,085	0.49
USD 8,800,000	Digital Realty Trust 3.60% 01/07/2029	6,915	0.83
USD 2,710,000	Digital Realty Trust 4.75% 01/10/2025	2,274	0.27
USD 1,609,000	Elanco Animal Health 4.272% 28/08/2023	1,283	0.15
USD 6,432,000	Elanco Animal Health 4.90% 28/08/2028	5,284	0.63
USD 3,344,000	EMC 3.375% 01/06/2023	2,575	0.31
EUR 5,300,000	Equinix 2.875% 01/10/2025	4,630	0.55
USD 12,848,000	Equinix 3.20% 18/11/2029	9,735	1.16
GBP 1,110,000	Fidelity National Information Services 2.602% 21/05/2025	1,161	0.14
GBP 1,760,000	Fiserv 3.00% 01/07/2031	1,862	0.22
USD 5,120,000	Fiserv 4.40% 01/07/2049	4,388	0.53
USD 5,090,000	Global Payments 3.20% 15/08/2029	3,916	0.47
USD 4,008,000	Global Payments 4.00% 01/06/2023	3,183	0.38
USD 5,090,000	GLP Capital 4.00% 15/01/2030	3,922	0.47
USD 11,052,000	Hasbro 3.90% 19/11/2029	8,403	1.01
USD 5,360,000	HCA 4.50% 15/02/2027	4,364	0.52
USD 1,671,000	HCA 5.00% 15/03/2024	1,379	0.17
USD 9,740,000	HCA 5.25% 15/06/2026	8,237	0.99
USD 2,538,000	Hilton Worldwide Finance 4.875% 01/04/2027	2,036	0.24
USD 9,870,000	IHS Markit 4.75% 15/02/2025	8,139	0.98
USD 3,330,000	IHS Markit 5.00% 01/11/2022	2,679	0.32
USD 144,000	International Flavors & Fragrances 4.45% 26/09/2028	119	0.01
USD 5,231,000	IQVIA 5.00% 15/05/2027	4,177	0.50
USD 3,500,000	IQVIA 5.00% 15/10/2026	2,787	0.33
USD 5,070,000	KFC 5.25% 01/06/2026	4,038	0.48
USD 5,660,000	Lamb Weston 4.625% 01/11/2024	4,534	0.54
USD 4,115,000	Lamb Weston 4.875% 01/11/2026	3,293	0.39
USD 11,950,000	Live Nation Entertainment 4.75% 15/10/2027	9,336	1.12
EUR 4,400,000	Mastercard 2.10% 01/12/2027	4,249	0.51
USD 4,790,000	Mastercard 3.50% 26/02/2028	3,900	0.47
USD 2,825,000	Match 5.00% 15/12/2027	2,223	0.27
USD 4,950,000	Match 5.625% 15/02/2029	3,979	0.48

Portfolio statement (continued)

Holding	Investment	Market value £000	Percentage of total net assets %
	Fixed Rate Bond (continued)		
USD 4,750,000	McCormick 3.40% 15/08/2027	3,740	0.45
USD 5,500,000	McDonald's 2.75% 09/12/2020	4,180	0.50
GBP 6,000,000	McDonald's 2.95% 15/03/2034	6,469	0.78
USD 9,590,000	Microsoft 3.30% 06/02/2027	7,738	0.93
USD 6,762,000	MSCI 4.00% 15/11/2029	5,175	0.62
USD 5,390,000	Newell Rubbermaid 4.2% 01/04/2026	4,243	0.51
USD 4,950,000	Post 5.50% 01/03/2025	3,914	0.47
USD 8,883,000	salesforce.com 3.70% 11/04/2028	7,356	0.88
USD 6,446,000	Service International 4.625% 15/12/2027	5,073	0.61
USD 1,960,000	Service International 5.125% 01/06/2029	1,572	0.19
USD 3,341,000	Sirius XM Radio 4.625% 15/07/2024	2,648	0.32
USD 4,650,000	Sirius XM Radio 5.375% 15/04/2025	3,627	0.43
USD 4,413,000	Sysco 3.55% 15/03/2025	3,547	0.43
USD 902,000	The Walt Disney Company 1.85% 30/07/2026	669	0.08
USD 10,709,000	T-Mobile 4.50% 01/02/2026	8,286	0.99
USD 3,019,000	T-Mobile 4.75% 01/02/2028	2,388	0.29
USD 7,769,000	TransDigm 6.25% 15/03/2026	6,349	0.76
USD 10,450,000	Trivium Packaging Finance 5.50% 15/08/2026	8,312	1.00
USD 14,000,000	US Treasury 2.75% 15/11/2023	10,999	1.31
USD 7,423,000	Verisk Analytics 4.00% 15/06/2025	6,034	0.72
USD 5,484,000	Verizon Communications 4.016% 03/12/2029	4,615	0.55
USD 3,800,000	Verizon Communications 4.50% 10/08/2033	3,348	0.40
AUD 12,020,000	Verizon Communications 4.50% 17/08/2027	7,236	0.87
USD 9,590,000	Visa 2.75% 15/09/2027	7,576	0.91
USD 2,522,000	VMware 3.90% 21/08/2027	1,993	0.24
USD 14,590,000	Walmart 3.70% 26/06/2028	12,133	1.44
AUD 3,500,000	Wells Fargo 4.00% 27/04/2027	2,036	0.24
USD 4,950,000	WMG Acquisition 5.50% 15/04/2026	3,933	0.47
USD 8,708,000	Yum! Brands 4.75% 15/01/2030	6,886	0.83
USD 817,000	Zoetis 3.90% 20/08/2028	669	0.08
USD 1,338,000	1011778 BC 3.875% 15/01/2028	1,013	0.12
		<u>446,783</u>	<u>53.53</u>
	Secured Loans 1.78% (30/06/2019: 1.20%)³		
USD 2,758,000	Clarivate Analytics FRN 28/10/2026 B	2,093	0.25
USD 1,000,000	Grifols FRN 08/11/2027	761	0.09
USD 4,457,962	McAfee FRN 30/09/2024 B	3,378	0.40
EUR 2,156,220	McAfee FRN 30/09/2024 B1	1,833	0.22
USD 8,842,305	Refinitiv FRN 10/01/2025 B	6,732	0.82
USD 17,358	SS&C Technologies FRN 16/04/2025 B3	13	-
USD 11,794	SS&C Technologies FRN 16/04/2025 B4	9	-
		<u>14,819</u>	<u>1.78</u>
	Derivatives 2.04% (30/06/2019: (1.12%))		
	Futures 0.03% (30/06/2019: 0.08%)		
(592)	CBT US 5 year Note March 2020	<u>283</u>	<u>0.03</u>

Portfolio statement (continued)

Holding	Investment	Market value £000	Percentage of total net assets %
Forward Foreign Exchange Contracts 2.01% (30/06/2019: (1.20%))³			
	Buy AUD 1,331,712 : Sell GBP 702,521 March 2020	4	-
	Buy AUD 14,307,374 : Sell GBP 7,529,519 February 2020	61	0.01
	Buy AUD 1,495,000 : Sell GBP 794,200 January 2020	(1)	-
	Buy AUD 17,232,390 : Sell GBP 9,091,867 March 2020	50	0.01
	Buy AUD 21,750,000 : Sell GBP 11,544,510 January 2020	(4)	-
	Buy AUD 31,688 : Sell GBP 16,371 March 2020 ⁴	-	-
	Buy AUD 420,750 : Sell GBP 222,362 February 2020	1	-
	Buy AUD 6,200,104 : Sell GBP 3,216,732 March 2020	72	0.01
	Buy AUD 70,000 : Sell GBP 37,349 January 2020 ⁴	-	-
	Buy AUD 751,953 : Sell GBP 401,214 January 2020	(2)	-
	Buy AUD 8,675,471 : Sell GBP 4,562,402 March 2020	40	-
	Buy AUD 8,730,996 : Sell GBP 4,559,029 March 2020	73	0.01
	Buy EUR 19,077 : Sell GBP 16,202 March 2020 ⁴	-	-
	Buy EUR 92,400 : Sell GBP 78,432 March 2020 ⁴	-	-
	Buy GBP 1,038,689 : Sell USD 1,389,252 March 2020	(8)	-
	Buy GBP 1,113,678 : Sell USD 1,435,294 January 2020	31	-
	Buy GBP 121,772 : Sell USD 159,112 March 2020	2	-
	Buy GBP 1,387,544 : Sell EUR 1,640,000 March 2020	(6)	-
	Buy GBP 139,910 : Sell AUD 263,700 January 2020 ⁴	-	-
	Buy GBP 140,669,218 : Sell USD 180,896,861 February 2020	4,303	0.51
	Buy GBP 160,803,550 : Sell USD 209,545,311 March 2020	2,958	0.35
	Buy GBP 1,684,308 : Sell USD 2,184,226 February 2020	38	-
	Buy GBP 1,701,322 : Sell USD 2,239,148 March 2020	15	-
	Buy GBP 1,701,562 : Sell USD 2,195,888 January 2020	45	0.01
	Buy GBP 176,840,020 : Sell USD 224,304,928 January 2020	7,624	0.90
	Buy GBP 1,799,607 : Sell USD 2,331,803 February 2020	42	0.01
	Buy GBP 1,843,465 : Sell USD 2,382,111 January 2020	46	0.01
	Buy GBP 1,926,442 : Sell USD 2,484,000 January 2020	52	0.01
	Buy GBP 19,573,527 : Sell AUD 36,698,067 February 2020	104	0.01
	Buy GBP 2,138,947 : Sell EUR 2,496,875 March 2020	18	-
	Buy GBP 2,312,522 : Sell USD 2,996,329 February 2020	54	0.01
	Buy GBP 2,387,761 : Sell USD 3,145,780 March 2020	18	-
	Buy GBP 239,574 : Sell USD 309,000 February 2020	7	-
	Buy GBP 2,397,858 : Sell USD 3,074,860 January 2020	78	0.01
	Buy GBP 2,432,481 : Sell USD 3,154,550 February 2020	54	0.01
	Buy GBP 2,478,294 : Sell USD 3,200,158 February 2020	66	0.01
	Buy GBP 2,489,021 : Sell USD 3,263,239 March 2020	31	-
	Buy GBP 2,574,659 : Sell USD 3,327,035 January 2020	65	0.01
	Buy GBP 273,761 : Sell USD 361,691 March 2020	1	-
	Buy GBP 28,619,596 : Sell AUD 53,508,989 January 2020	229	0.03
	Buy GBP 29,493 : Sell USD 38,331 March 2020	1	-
	Buy GBP 3,050,765 : Sell USD 3,929,000 February 2020	89	0.01
	Buy GBP 3,166,050 : Sell USD 4,087,927 February 2020	84	0.01
	Buy GBP 3,237,860 : Sell USD 4,196,952 March 2020	76	0.01
	Buy GBP 3,287,327 : Sell USD 4,241,802 January 2020	87	0.01
	Buy GBP 3,510,641 : Sell USD 4,527,466 February 2020	98	0.01
	Buy GBP 3,625,030 : Sell USD 4,690,317 February 2020	89	0.01
	Buy GBP 3,625,660 : Sell USD 4,674,334 January 2020	99	0.01
	Buy GBP 3,657,394 : Sell USD 4,716,322 January 2020	99	0.01
	Buy GBP 38,198,852 : Sell AUD 72,384,006 March 2020	(201)	(0.02)
	Buy GBP 3,862,508 : Sell EUR 4,490,000 February 2020	52	0.01
	Buy GBP 4,029,883 : Sell USD 5,298,459 March 2020	39	-
	Buy GBP 4,334,913 : Sell USD 5,669,130 March 2020	64	0.01

Portfolio statement (continued)

Holding	Investment	Market value £000	Percentage of total net assets %
Forward Foreign Exchange Contracts (continued)			
	Buy GBP 4,367,075 : Sell USD 5,844,957 March 2020	(36)	-
	Buy GBP 4,405,069 : Sell USD 5,700,855 January 2020	104	0.01
	Buy GBP 445,036 : Sell USD 585,311 March 2020	4	-
	Buy GBP 5,007,237 : Sell USD 6,608,408 March 2020	29	-
	Buy GBP 501,838 : Sell EUR 580,000 January 2020	10	-
	Buy GBP 5,239,550 : Sell EUR 5,989,063 January 2020	161	0.02
	Buy GBP 564,657 : Sell JPY 78,783,960 January 2020	17	-
	Buy GBP 566,439 : Sell JPY 78,806,164 January 2020	19	-
	Buy GBP 5,831,646 : Sell USD 7,550,825 January 2020	135	0.02
	Buy GBP 6,284,049 : Sell EUR 7,281,132 February 2020	104	0.01
	Buy GBP 644,859 : Sell USD 862,500 March 2020	(5)	-
	Buy GBP 797,573 : Sell USD 1,043,698 March 2020	11	-
	Buy GBP 893,030 : Sell USD 1,166,862 March 2020	14	-
	Buy GBP 929,160 : Sell USD 1,191,800 January 2020	30	-
	Buy GBP 9,302,843 : Sell USD 11,988,868 January 2020	258	0.03
	Buy JPY 78,783,960 : Sell GBP 566,439 January 2020	(19)	-
	Buy JPY 994,553,896 : Sell AUD 13,400,000 January 2020	(199)	(0.02)
	Buy USD 12,150,994 : Sell GBP 9,383,832 February 2020	(224)	(0.03)
	Buy USD 1,375,215 : Sell GBP 1,045,968 March 2020	(10)	-
	Buy USD 148,000 : Sell GBP 110,578 March 2020	1	-
	Buy USD 1,484,850 : Sell GBP 1,150,486 January 2020	(30)	-
	Buy USD 181,100 : Sell GBP 137,244 March 2020	(1)	-
	Buy USD 2,000,000 : Sell GBP 1,555,979 January 2020	(47)	(0.01)
	Buy USD 203,600 : Sell GBP 156,174 March 2020	(3)	-
	Buy USD 20,805 : Sell GBP 16,119 January 2020 ⁴	-	-
	Buy USD 21,461 : Sell GBP 16,562 February 2020 ⁴	-	-
	Buy USD 269,920 : Sell GBP 205,776 March 2020	(2)	-
	Buy USD 355,550 : Sell GBP 275,737 January 2020	(8)	-
	Buy USD 35,589 : Sell GBP 27,540 January 2020	(1)	-
	Buy USD 373,698 : Sell GBP 290,419 February 2020	(9)	-
	Buy USD 382,266 : Sell GBP 295,135 January 2020	(7)	-
	Buy USD 4,031,115 : Sell GBP 3,054,947 March 2020	(18)	-
	Buy USD 426,034 : Sell GBP 328,154 January 2020	(7)	-
	Buy USD 5,544,688 : Sell GBP 4,295,965 January 2020	(113)	(0.01)
	Buy USD 630,507 : Sell GBP 490,824 January 2020	(15)	-
	Buy USD 666,110 : Sell GBP 506,102 March 2020	(4)	-
	Buy USD 674,216 : Sell GBP 510,862 March 2020	(3)	-
	Buy USD 7,306,786 : Sell GBP 5,530,422 March 2020	(26)	-
	Buy USD 8,030,168 : Sell GBP 6,235,187 February 2020	(182)	(0.02)
	Buy USD 878,835 : Sell GBP 675,878 February 2020	(13)	-
		<u>16,752</u>	<u>2.01</u>
	Investment assets including investment liabilities	800,172	95.88
	Other net assets	34,426	4.12
	Total net assets	834,598	100.00

¹ Suspended or delisted securities

² Defaulted

³ Unquoted securities

⁴ Due to rounding to nearest £1,000

All investments are listed on recognised stock exchanges and are 'approved securities' within the meaning of FCA rules unless otherwise stated.

Credit ratings

	Market value £000	Percentage of total net assets %
31/12/19		
Investments		
Investment grade (AAA - BBB)	466,421	55.89
Below investment grade (BB and below)	294,319	35.27
Unrated	6,509	0.78
Total debt securities	767,249	91.94
Derivatives	17,035	2.04
Equities	15,888	1.90
Investment assets including investment liabilities	800,172	95.88
Other net assets	34,426	4.12
Total net assets	834,598	100.00
	Market value £000	Percentage of total net assets %
30/06/19		
Investments		
Investment grade (AAA - BBB)	447,940	57.12
Below investment grade (BB and below)	266,558	34.00
Unrated	10,224	1.30
Total debt securities	724,722	92.42
Derivatives	(8,814)	(1.12)
Equities	14,393	1.84
Investment assets including investment liabilities	730,301	93.14
Other net assets	53,794	6.86
Total net assets	784,095	100.00

Statement of total return (unaudited) for the six months ended 31 December 2019

	31/12/19		31/12/18	
	£000	£000	£000	£000
Income				
Net capital gains/(losses)		12,878		(13,768)
Revenue	15,469		16,169	
Expenses	(3,143)		(3,047)	
Interest payable and similar charges	(9)		(8)	
Net revenue before taxation	12,317		13,114	
Taxation	-		(88)	
Net revenue after taxation		12,317		13,026
Total return before distributions		25,195		(742)
Distributions		(15,853)		(16,131)
Change in net assets attributable to shareholders from investment activities		9,342		(16,873)

Statement of change in net assets attributable to shareholders

(unaudited) for the six months ended 31 December 2019

	31/12/19		31/12/18	
	£000	£000	£000	£000
Opening net assets attributable to shareholders*		784,095		801,094
Amounts receivable on issue of shares	53,888		26,983	
Amounts payable on cancellation of shares	(14,762)		(81,341)	
		39,126		(54,358)
Dilution adjustment		-		51
Change in net assets attributable to shareholders from investment activities		9,342		(16,873)
Retained distributions on accumulation shares		2,030		1,840
Unclaimed distributions		5		6
Closing net assets attributable to shareholders		834,598		731,760

* The opening net assets attributable to shareholders for the current period do not equal the closing net assets attributable for the comparative period as they are not consecutive periods.

Balance sheet (unaudited) as at 31 December 2019

	31/12/19	30/06/19
	£000	£000
Assets:		
Investments	801,376	740,894
Current assets:		
Debtors	11,193	14,155
Cash and bank balances	70,953	74,131
Total assets	<u>883,522</u>	<u>829,180</u>
Liabilities:		
Investment liabilities	1,204	10,593
Creditors:		
Amounts held at derivatives clearing houses and brokers	283	667
Bank overdrafts	30,213	19,464
Distribution payable	6,856	6,816
Other creditors	10,368	7,545
Total liabilities	<u>48,924</u>	<u>45,085</u>
Net assets attributable to shareholders	<u>834,598</u>	<u>784,095</u>

Distribution tables for the six months ended 31 December 2019 (in pence per share)

Interim interest distribution (accounting date 30 September 2019, paid on 29 November 2019)

Group 1: shares purchased prior to 1 July 2019

Group 2: shares purchased on or after 1 July 2019

	Distribution per share	Equalisation	Total distribution per share 29/11/19	Total distribution per share 30/11/18
Class A income				
Group 1	0.5287	-	0.5287	0.5324
Group 2	0.2366	0.2921	0.5287	0.5324
Class E income¹				
Group 1	0.5310	-	0.5310	n/a
Group 2	0.2393	0.2917	0.5310	n/a
Class I accumulation				
Group 1	1.5695	-	1.5695	1.5048
Group 2	0.8242	0.7453	1.5695	1.5048
Class I income				
Group 1	0.5879	-	0.5879	0.5870
Group 2	0.2825	0.3054	0.5879	0.5870
Class Z accumulation				
Group 1	2.4383	-	2.4383	2.3210
Group 2	1.3426	1.0957	2.4383	2.3210

¹ Class E income launched on 8 July 2019.

Distribution tables (continued)

Interim interest distribution (accounting date 31 December 2019, paid on 28 February 2020)

Group 1 : shares purchased prior to 1 October 2019

Group 2 : shares purchased on or after 1 October 2019

	Distribution per share	Equalisation	Total distribution per share 28/02/20	Total distribution per share 28/02/19
Class A income				
Group 1	0.4974	-	0.4974	0.5287
Group 2	0.2571	0.2403	0.4974	0.5287
Class E income¹				
Group 1	0.4984	-	0.4984	n/a
Group 2	0.2743	0.2241	0.4984	n/a
Class I accumulation				
Group 1	1.4947	-	1.4947	1.5128
Group 2	0.7947	0.7000	1.4947	1.5128
Class I income				
Group 1	0.5541	-	0.5541	0.5840
Group 2	0.3408	0.2133	0.5541	0.5840
Class Z accumulation				
Group 1	2.3284	-	2.3284	2.3375
Group 2	1.0829	1.2455	2.3284	2.3375

¹ Class E income launched on 8 July 2019.

Janus Henderson Strategic Bond Fund

Authorised Corporate Director's (ACD) report

Investment Fund Managers

Jenna Barnard and John Pattullo

Investment objective and policy

To provide a return by investing in higher yielding assets including high yield bonds, investment grade bonds, government bonds, preference shares and other bonds. The fund may also invest in equities. In certain market conditions, the fund may invest more than 35% of its Net Asset Value in government issued fixed income securities issued by any one body. The fund will take strategic asset allocation decisions between countries, asset classes, sectors and credit ratings. The fund may invest in other transferable securities, money market instruments, derivatives and forward transactions, deposits and units in collective investment schemes.

Performance summary

Cumulative performance	Six months	One year	Five years	First published data
	30 Jun 19 - 31 Dec 19	31 Dec 18 - 31 Dec 19	31 Dec 14 - 31 Dec 19	31 Jan 95 - 31 Dec 19
	%	%	%	%
Class I accumulation	2.1	9.6	22.4	146.1
IA Sterling Strategic Bond Sector	2.9	9.2	19.6	144.5

Discrete performance

	31 Dec 18 - 31 Dec 19	31 Dec 17 - 31 Dec 18	31 Dec 16 - 31 Dec 17	31 Dec 15 - 31 Dec 16	31 Dec 14 - 31 Dec 15
	%	%	%	%	%
Class I accumulation	9.6	(1.4)	6.0	4.4	2.3

Source: Morningstar, Class I accumulation, NAV to NAV, net of fees and net income reinvested as at 12 noon valuation point.

The fund is not running against a specific benchmark, for internal risk monitoring, the IA Sterling Strategic Bond Sector is used.

Peer group benchmark: IA Sterling Strategic Bond Sector

Peer group description: 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.

Class I accumulation is disclosed as it is the primary share class.

Please remember that past performance is not a guide to future performance. The value of an investment and the revenue from it can fall as well as rise as a result of market and currency fluctuations and you may not get back the amount originally invested.

Authorised Corporate Director's (ACD) report (continued)

Significant portfolio changes for the six months ended 31 December 2019

Largest purchases	£000	Largest sales	£000
UK Treasury 0.625% 07/06/2025	135,307	UK Treasury 0.625% 07/06/2025	133,866
UK Treasury 0.50% 22/07/2022	133,926	Australia (Commonwealth of) 2.75% 21/11/2028	114,402
Australia (Commonwealth of) 2.00% 21/12/2021	62,590	Canada (Government of) 2.00% 01/06/2028	96,049
UK Treasury 1.625% 22/10/2028	53,388	UK Treasury 1.625% 22/10/2028	74,398
Australia (Commonwealth of) 2.25% 21/11/2022	52,741	Australia (Commonwealth of) 2.25% 21/05/2028	64,525
UK Treasury 0.75% 22/07/2023	41,246	Australia (Commonwealth of) 3.75% 21/04/2037	60,104
Charter Communications Operating Capital 4.20% 15/03/2028	27,204	Germany (Federal Republic of) 1.25% 15/08/2048	25,506
Australia (Commonwealth of) 2.75% 21/11/2028	26,671	Verizon Communications 2.875% 15/01/2038	25,348
US Treasury 2.75% 15/11/2023	25,986	UK Treasury 1.50% 22/07/2047	25,251
UK Treasury 1.50% 22/07/2047	25,414	Australia (Commonwealth of) 1.75% 21/11/2020	21,234
Total purchases	1,120,936	Total sales	906,544

Investment review

The fund returned 2.1% based on Class I accumulation over the period under review, compared with a return of 2.9% in the IA Sterling Strategic Bond Sector peer group benchmark.

The period was interesting, involving significant momentum shifts in asset class behaviour. Broadly speaking, the first half of the period was more defensive and disinflationary while the second half, especially December, was reflationary and led to a strong rise in equities. As an illustration of this, the gilt market rose by 6.6% in the third quarter but declined by 4.15% in the fourth quarter. Sterling investment-grade bonds rose by 3.7% in the third quarter but fell by 0.7% in the fourth quarter. US high yield (hedged to sterling) rose by 0.8% and by 2.2%, respectively, in the third and fourth quarters (gaining 1.9% in December alone).

In July, European Central Bank (ECB) President Mario Draghi hinted that rates would be lowered and a quantitative easing (QE) bond programme implemented. He signalled that the ECB wanted to reinterpret its inflation mandate as symmetrical, such that it will try to get inflation above 2%. Current core European inflation is, and has been for years, around 1%. Rates were cut in September and a new open-ended QE programme (including corporate bonds) was announced, which will continue until inflation converges at or around 2%. Mr Draghi, who retired in October, also called for fiscal policy to expand and work in unison with monetary policy to achieve higher growth and inflation outcomes.

US Federal Reserve (Fed) chairman Jerome Powell cut rates by just 0.25% at the end of July, which failed to impress markets. His reference to a 'mid-cycle adjustment' (meaning a modest one-off cut) was a policy error and caused a tightening in financial conditions: equities fell, the yield curve flattened dramatically and the US dollar strengthened. Worries over the Fed's lack of dovishness in August sent 10-year Treasury yields close to their lows, reaching 1.43% in early September. Inflation expectations slumped and activity waned globally as trade wars, tariff escalation, Middle East and Hong Kong tensions and Brexit worsened a poor situation. The economic growth numbers were worrying, most pertinently in Asia and Europe and focused on trade and manufacturing activity.

In essence, markets were telling the Fed that it was not dovish enough and needed to signal a willingness to cut rates more aggressively. Two more cuts followed and the lagged policy response began to emerge in economic data, which generally became less bad and appears to have bottomed. This seemed to set off some algorithmic/quantitative equity rotation back to cyclical/value stocks for some of September. It seemed too early for this move given the economic data but investors, and indeed quantitative computer systems, now try to get ahead of everybody else. Equities leapt on this reflationary sentiment and cyclicals rallied while bond yields drifted higher.

The fund lagged the sector a little over the period, but our calendar year outperformance remains pleasing. We performed well in the deflationary period but, in hindsight, were a little slow to add credit beta in the reflationary period. We lacked high beta credit positioning and had too much defensive sovereign bond positioning (and quality investment grade) later in the period. Our interest rate overlay also added value but faded a little into the end of the period. In hindsight, we would have expected bond yields to have risen more into year end, given the strength of equities and risk markets in general. A modest short position in interest rate futures detracted in November as the bond market washed around on geopolitical uncertainty. High-yield bonds and investment-grade bonds performed well while sovereigns lagged a little but with significant gyrations within a choppy market backdrop. December was strong for risk, with the S&P 500 Index up nearly 5%. High yield had a strong seasonal rally while gilts were weak (as sterling strengthened into the election). We were not well positioned for the December risk rally relative to some of our high beta competitors – if anything, we held too many quality industrial investment-grade bonds. In the primary market we added to two data centres, Equinix and CyrusOne, and in the secondary market we added to Keurig Dr Pepper, Experian Finance, Charter Communications Operating Capital and Moody's, among others. We took good profit on some of our Australian and European bonds, reducing our interest rate sensitivity, which changed materially from very long in August to gradually lower over the end of the period.

The fund's duration reduced meaningfully during the period. The fund moved to a more cyclically positive positioning, which we expect to play out over 2020. We remain structural bulls on core bond markets but have always been pragmatic on the cyclical management of duration viewed through the prism of the rate of change in the data. The current period of phase transition and bottoming in the manufacturing cycle will be choppy and potentially lengthy, in our view, but we are increasingly confident that the worst of the downturn (that we anticipated in early 2018) is behind us. Given the significant uplift in capital values, it is important to have some patience and perspective on potential bond returns from here. The summer may present an opportunity to lengthen duration once we determine the sustainability of the current reflation. We will remain flexible in our thinking.

Comparative tables for the six months ended 31 December 2019

	Class A income			
	Six months to 31/12/19 (pence per share)	Year to 30/06/19 (pence per share)	Year to 30/06/18 (pence per share)	Year to 30/06/17 (pence per share)
Change in net assets per share				
Opening net asset value per share	125.25	120.95	125.98	123.96
Return before operating charges*	3.00	9.77	1.06	8.74
Operating charges	(0.89)	(1.70)	(1.75)	(1.77)
Return after operating charges*	2.11	8.07	(0.69)	6.97
Distributions on income shares	(1.64)	(3.77)	(4.34)	(4.95)
Closing net asset value per share	125.72	125.25	120.95	125.98
* after direct transaction costs of:	-	0.01	0.01	0.01

Performance

Return after charges	1.68%	6.67%	(0.55%)	5.62%
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Other information

Closing net asset value (£000s)	114,572	119,620	128,296	141,182
Closing number of shares	91,134,800	95,504,454	106,071,549	112,064,232
Operating charges (annualised)	1.40%	1.40%	1.40%	1.40%
Direct transaction costs	0.00%	0.01%	0.01%	0.01%

Prices

Highest share price (pence)	130.10	126.40	127.90	130.00
Lowest share price (pence)	124.80	118.70	121.80	124.10

Class E income 08/07/19 - 31/12/19 (pence per share)

Change in net assets per share	
Opening net asset value per share	125.63 ¹
Return before operating charges*	2.61
Operating charges	(0.55)
Return after operating charges*	2.06
Distributions on income shares	(1.65)
Closing net asset value per share	126.04
* after direct transaction costs of:	-

Performance

Return after charges	1.64% ²
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Other information

Closing net asset value (£000s)	7,158
Closing number of shares	5,678,975
Operating charges (annualised)	0.90%
Direct transaction costs	0.00%

Prices

Highest share price (pence)	130.20
Lowest share price (pence)	124.80

¹ Class E income launched on 8 July 2019 and this is the first published price.

² Return after charges relates to the period 08/07/19 to 31/12/19 post conversion from the A income share class. This performance will differ from the other share classes as it does not include returns generated prior to class launch, whilst the other classes returns cover the entire period under review.

Comparative tables (continued)

	Class I accumulation			
	Six months to 31/12/19 (pence per share)	Year to 30/06/19 (pence per share)	Year to 30/06/18 (pence per share)	Year to 30/06/17 (pence per share)
Change in net assets per share				
Opening net asset value per share	351.34	326.62	326.20	306.46
Return before operating charges*	8.39	29.98	2.68	23.38
Operating charges	(1.22)	(2.26)	(2.27)	(2.20)
Return after operating charges*	7.17	24.75	0.41	21.18
Distributions on accumulation shares	(4.74)	(10.56)	(11.65)	(14.11)
Retained distributions on accumulation shares [^]	4.74	10.56	11.65	12.67
Closing net asset value per share	358.51	351.34	326.62	326.20
* after direct transaction costs of:	-	0.02	0.02	0.02
Performance				
Return after charges	2.04%	7.57%	0.13%	6.91%
Other information				
Closing net asset value (£000s)	1,163,249	975,018	807,770	447,750
Closing number of shares	324,465,959	277,514,358	247,312,803	137,263,784
Operating charges (annualised)	0.68%	0.68%	0.69%	0.69%
Direct transaction costs	0.00%	0.01%	0.01%	0.01%
Prices				
Highest share price (pence)	365.30	352.10	333.40	329.00
Lowest share price (pence)	350.10	323.90	326.00	309.00

[^] Retained distributions prior to 6 April 2017 are net of 20% income tax.

	Class I income			
	Six months to 31/12/19 (pence per share)	Year to 30/06/19 (pence per share)	Year to 30/06/18 (pence per share)	Year to 30/06/17 (pence per share)
Change in net assets per share				
Opening net asset value per share	137.15	131.58	136.16	133.11
Return before operating charges*	3.29	10.67	1.16	9.41
Operating charges	(0.48)	(0.90)	(0.94)	(0.94)
Return after operating charges*	2.81	9.77	0.22	8.47
Distributions on income shares	(1.85)	(4.20)	(4.80)	(5.42)
Closing net asset value per share	138.11	137.15	131.58	136.16
* after direct transaction costs of:	-	0.01	0.01	0.01
Performance				
Return after charges	2.05%	7.43%	0.16%	6.36%
Other information				
Closing net asset value (£000s)	1,421,803	1,294,506	1,186,020	750,378
Closing number of shares	1,029,451,150	943,875,930	901,363,675	551,106,085
Operating charges (annualised)	0.68%	0.68%	0.69%	0.69%
Direct transaction costs	0.00%	0.01%	0.01%	0.01%
Prices				
Highest share price (pence)	142.60	138.50	138.40	139.70
Lowest share price (pence)	136.60	129.40	132.50	133.60

Comparative tables (continued)

	Class Z accumulation			
	Six months to 31/12/19 (pence per share)	Year to 30/06/19 (pence per share)	Year to 30/06/18 (pence per share)	Year to 30/06/17 (pence per share)
Change in net assets per share				
Opening net asset value per share	384.27	354.91	352.16	328.74
Return before operating charges*	9.21	29.47	2.89	25.12
Operating charges	(0.08)	(0.11)	(0.14)	(0.14)
Return after operating charges*	9.13	29.36	2.75	24.98
Distributions on accumulation shares	(5.30)	(11.70)	(12.82)	(15.35)
Retained distributions on accumulation shares [^]	5.30	11.70	12.82	13.79
Closing net asset value per share	393.40	384.27	354.91	352.16
* after direct transaction costs of:	-	0.02	0.02	0.02
Performance				
Return after charges	2.38%	8.27%	0.78%	7.60%
Other information				
Closing net asset value (£000s)	10,963	11,749	11,158	11,496
Closing number of shares	2,786,864	3,057,563	3,143,862	3,264,424
Operating charges (annualised)	0.03%	0.03%	0.04%	0.04%
Direct transaction costs	0.00%	0.01%	0.01%	0.01%
Prices				
Highest share price (pence)	399.90	385.10	361.00	355.10
Lowest share price (pence)	382.90	352.60	352.60	331.50

[^] Retained distributions prior to 6 April 2017 are net of 20% income tax.

Comparative tables (continued)

	Class A income gross	
	Year to 30/06/18 (pence per share)	Year to 30/06/17 (pence per share)
Change in net assets per share		
Opening net asset value per share	127.55	125.50
Return before operating charges*	1.87	9.49
Operating charges	(0.46)	(1.80)
Return after operating charges*	1.14	7.69
Distributions on income shares	(1.16)	(5.64)
Final cancellation	(127.80) ³	-
Closing net asset value per share	-	127.55
* after direct transaction costs of:	0.01	0.01
Performance		
Return after charges	1.11%	6.13%
Other information		
Closing net asset value (£000s)	-	6,808
Closing number of shares	-	5,337,006
Operating charges (annualised)	1.40%	1.40%
Direct transaction costs	0.01%	0.01%
Prices		
Highest share price (pence)	129.50 ⁴	131.80
Lowest share price (pence)	127.60 ⁴	125.70

³ Class A income gross closed on 2 October 2017.

⁴ to 2 October 2017.

Comparative tables (continued)

	Class I accumulation gross	
	Year to 30/06/18 (pence per share)	Year to 30/06/17 (pence per share)
Change in net assets per share		
Opening net asset value per share	380.71	355.92
Return before operating charges*	5.48	27.35
Operating charges	(0.69)	(2.56)
Return after operating charges*	4.79	24.79
Distributions on accumulation shares	(3.53)	(16.57)
Retained distributions on accumulation shares	3.53	16.57
Final cancellation	(385.50) ⁵	-
Closing net asset value per share	-	380.71
* after direct transaction costs of:	0.03	0.02
Performance		
Return after charges	1.26%	6.97%
Other information		
Closing net asset value (£000s)	-	102,527
Closing number of shares	-	26,930,600
Operating charges (annualised)	0.69%	0.69%
Direct transaction costs	0.01%	0.01%
Prices		
Highest share price (pence)	387.00 ⁶	383.80
Lowest share price (pence)	381.00 ⁶	358.90

⁵ Class I accumulation gross closed on 2 October 2017.

⁶ to 2 October 2017.

Comparative tables (continued)

	Class I income gross	
	Year to 30/06/18 (pence per share)	Year to 30/06/17 (pence per share)
Change in net assets per share		
Opening net asset value per share	101.98	99.69
Return before operating charges*	1.46	7.55
Operating charges	(0.19)	(0.70)
Return after operating charges*	1.27	6.85
Distributions on income shares	(0.95)	(4.56)
Final cancellation	(102.30) ⁷	-
Closing net asset value per share	-	101.98
* after direct transaction costs of:	0.01	0.01
Performance		
Return after charges	1.25%	6.87%
Other information		
Closing net asset value (£000s)	-	355,803
Closing number of shares	-	348,888,869
Operating charges (annualised)	0.69%	0.69%
Direct transaction costs	0.01%	0.01%
Prices		
Highest share price (pence)	103.70 ⁸	104.80
Lowest share price (pence)	102.10 ⁸	100.20

⁷ Class I income gross closed on 2 October 2017.

⁸ to 2 October 2017.

Comparative tables (continued)

	Class Z accumulation gross	
	Year to 30/06/18 (pence per share)	Year to 30/06/17 (pence per share)
Change in net assets per share		
Opening net asset value per share	387.88	360.31
Return before operating charges*	5.66	27.72
Operating charges	(0.04)	(0.15)
Return after operating charges*	5.62	27.57
Distributions on accumulation shares	(3.65)	(17.25)
Retained distributions on accumulation shares	3.65	17.25
Final cancellation	(393.50) ⁹	-
Closing net asset value per share	-	387.88
* after direct transaction costs of:	0.03	0.02

Performance

Return after charges	1.45%	7.65%
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Other information

Closing net asset value (£000s)	-	196
Closing number of shares	-	50,610
Operating charges (annualised)	0.04%	0.04%
Direct transaction costs	0.01%	0.01%

Prices

Highest share price (pence)	394.70 ¹⁰	391.00
Lowest share price (pence)	388.20 ¹⁰	363.30

⁹ Class Z accumulation gross closed on 2 October 2017.

¹⁰ to 2 October 2017.

Direct transaction costs incurred on securities transactions (including derivatives) are stated after deducting the proportion of the amounts collected from dilution adjustments that relate to direct transaction costs.

Performance values are at close of business on a bid basis, which will differ from those in the Performance summary.

Operating charges

Operating charges are expenses associated with the maintenance and administration of the fund on a day-to-day basis that are actually borne by the share class.

Share class launches and closures

The following share class launched in the period:

Share class	Launch date
Class E income	8 July 2019

There were no share classes closed in the period.

Share class conversions

Share class conversions	Conversion date
Class A income to Class E income	8 July 2019

Some shareholders were converted to the newly launched E share classes as there are no commission payments for financial advice bundled within the E share classes, and these are available for direct investment.

The conversion of A share classes to the E share classes was performed to benefit investors who do not use a financial adviser as a lower management fee is charged.

Ongoing charge figure

The annualised ongoing charge figure (OCF) of the fund is calculated as the ratio of the total ongoing charges to the average net asset value for twelve months. Ongoing charges are all expenses deducted from the assets of the fund during the period, except for expenses that are explicitly excluded by regulation.

	31/12/19 %	30/06/19 %	Estimated OCF from 8 July 2019 ¹ %
Class A	1.40	1.40	n/a
Class E²	0.90	n/a	0.90
Class I	0.68	0.68	n/a
Class Z	0.03	0.03	n/a

The OCF is calculated in accordance with guidelines issued by the European Securities and Markets Authority (ESMA).

¹ The estimated ongoing charge is based on the annual fee rates on launch date as at 8 July 2019.

² Class E income launched on 8 July 2019.

Risk and reward profile

The fund currently has 5 types of share class in issue; A income, E income, I accumulation, I income and Z accumulation.

Each type of share class has the same risk and reward profile which is as follows:



The share classes appear at 3 out of 7. Share classes in higher categories have shown greater and/or more frequent variations in share price in the past 5 years than those in lower categories. The lowest category does not mean risk free.

The Synthetic Risk and Reward Indicator (SRRI) is calculated based on historical volatility over a rolling 5* year period, it is reviewed monthly and updated if volatility has changed materially to cause a movement in the SRRI level. The SRRI is an indicator and may not accurately reflect future volatility and market conditions.

The value of an investment and any income from it can go up and down. When you sell your shares, they may be worth less than what you paid for them.

The risk/reward rating above is based on medium-term volatility. In the future, the fund's actual volatility could be higher or lower and its rated risk/reward level could change.

The rating does not reflect the possible effects of unusual market conditions or large unpredictable events. Under normal market conditions the following risks may apply:

Charges to Capital Some or all of the annual management charge and other costs of the fund may be taken from capital, which may erode capital or reduce potential for capital growth.

Country or Region If a fund has a high exposure to a particular country or geographical region it carries a higher level of risk than a fund which is more broadly diversified.

Currency Hedging When the fund, or a currency hedged share class of the fund (with 'Hedged' in its name), seeks to mitigate (hedge) exchange rate movements of a currency relative to the fund's base currency, the hedging strategy itself may create a positive or negative impact to the capital value of the fund or share class due to differences in short-term interest rates between the currencies.

Default Risk An issuer of a bond (or money market instrument) may become unable or unwilling to pay interest or repay capital to the fund. If this happens or the market perceives this may happen, the value of the bond will fall.

Derivatives and Leverage The fund may use derivatives towards the aim of achieving its investment objective. This can result in 'leverage', which can magnify an investment outcome and gains or losses to the fund may 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.

High Yield Bonds The fund invests in high yield (non-investment grade) bonds and while these generally offer higher rates of interest than investment grade bonds, they are more speculative and more sensitive to adverse changes in market conditions.

Interest Rates 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. This risk is generally greater the longer the maturity of a bond investment.

Liquidity Securities within the fund 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 full list of the fund's risks are contained in the 'Risk Factors' section of the fund's prospectus.

There has been no change to the risk ratings in the period.

The SRRI conforms to the ESMA guidelines for the calculation of the SRRI.

* Class E income launched on 8 July 2019 and as it does not have a 5 year history, a synthetic history has been created using the fund's relevant sector average.

Portfolio statement as at 31 December 2019

Holding	Investment	Market value £000	Percentage of total net assets %
	Equities 0.80% (30/06/2019: 0.82%)		
	United Kingdom 0.80% (30/06/2019: 0.82%)		
	Financials 0.80% (30/06/2019: 0.82%)		
14,000	Lloyds Banking 9.25% Non-Cumulative Preference	22	-
130,350	Nationwide Building Society CDDS	21,640	0.80
		<u>21,662</u>	<u>0.80</u>
	Bonds 89.74% (30/06/2019: 95.70%)		
	Australia 5.85% (30/06/2019: 10.46%)		
	Fixed Rate Bond 5.85% (30/06/2019: 10.46%)		
AUD 117,000,000	Australia (Commonwealth of) 2.00% 21/12/2021	63,384	2.33
AUD 97,500,000	Australia (Commonwealth of) 2.25% 21/11/2022	53,713	1.98
AUD 73,491,000	Australia (Commonwealth of) 2.75% 21/04/2024	41,875	1.54
		<u>158,972</u>	<u>5.85</u>
	Belgium 1.79% (30/06/2019: 1.41%)		
	Fixed Rate Bond 1.79% (30/06/2019: 1.41%)		
AUD 10,070,000	Anheuser-Busch InBev 3.25% 06/09/2022	5,549	0.20
AUD 23,090,000	Anheuser-Busch InBev 3.75% 06/09/2024	13,210	0.49
AUD 7,000,000	Anheuser-Busch InBev 4.10% 06/09/2027	4,128	0.15
CAD 26,000,000	Anheuser-Busch InBev 2.60% 15/05/2024	15,135	0.56
EUR 10,220,000	Anheuser-Busch InBev 2.75% 17/03/2036	10,517	0.39
		<u>48,539</u>	<u>1.79</u>
	Canada 3.71% (30/06/2019: 8.26%)		
	Fixed Rate Bond 3.71% (30/06/2019: 8.26%)		
CAD 68,500,000	Canada (Government of) 0.50% 01/03/2022	38,871	1.43
CAD 87,500,000	Canada (Government of) 1.75% 01/03/2023	51,040	1.89
USD 6,368,000	Cott 5.50% 01/04/2025	5,023	0.18
GBP 5,380,000	Entertainment One 4.625% 15/07/2026	5,797	0.21
		<u>100,731</u>	<u>3.71</u>
	France 2.38% (30/06/2019: 2.79%)		
	Fixed Rate Bond 2.38% (30/06/2019: 2.79%)		
EUR 24,800,000	Air Liquide Finance 0.625% 20/06/2030	21,518	0.79
EUR 3,600,000	Danone 1.208% 03/11/2028	3,299	0.12
EUR 26,400,000	Orange 2.00% 15/01/2029	24,912	0.92
GBP 10,000,000	Orange 3.25% 15/01/2032	11,077	0.41
EUR 1,020,000	Sodexo 0.75% 14/04/2027	893	0.03
GBP 2,900,000	Sodexo 1.75% 26/06/2028	2,981	0.11
		<u>64,680</u>	<u>2.38</u>
	Germany 2.25% (30/06/2019: 2.05%)		
	Asset Backed 0.00% (30/06/2019: 0.00%)		
EUR 1,231,147	Talisman Finance FRN 22/10/2016 ¹	-	-
	Fixed Rate Bond 2.25% (30/06/2019: 2.05%)		
EUR 18,085,000	Deutsche Bahn Finance 1.625% 16/08/2033	17,187	0.62
USD 11,400,000	Deutsche Telekom 2.225% 17/01/2020	8,606	0.32
EUR 19,720,000	Deutsche Telekom 1.375% 05/07/2034	16,858	0.62

Portfolio statement (continued)

Holding	Investment	Market value £000	Percentage of total net assets %
	Fixed Rate Bond (continued)		
AUD 6,879,000	KFW 3.20% 15/03/2028	4,049	0.15
EUR 11,360,000	Symrise 1.25% 29/11/2025	9,980	0.37
EUR 5,250,000	WEPA Hygieneprodukte 2.875% 15/12/2027	4,599	0.17
		<u>61,279</u>	<u>2.25</u>
	Ireland 0.51% (30/06/2019: 0.29%)		
	Fixed Rate Bond 0.51% (30/06/2019: 0.29%)		
USD 17,575,000	Ardagh Packaging Finance 6.00% 15/02/2025	<u>13,913</u>	<u>0.51</u>
	Luxembourg 0.00% (30/06/2019: 0.22%)		
	Secured Loans 0.00% (30/06/2019: 0.22%)²		
	Netherlands 0.78% (30/06/2019: 0.97%)		
	Fixed Rate Bond 0.78% (30/06/2019: 0.97%)		
EUR 12,350,000	Heineken 1.50% 03/10/2029	11,364	0.42
USD 12,220,000	Heineken 3.50% 29/01/2028	<u>9,777</u>	<u>0.36</u>
		<u>21,141</u>	<u>0.78</u>
	Spain 0.56% (30/06/2019: 0.67%)		
	Fixed Rate Bond 0.56% (30/06/2019: 0.67%)		
EUR 16,700,000	Amadeus IT 1.50% 18/09/2026	<u>15,165</u>	<u>0.56</u>
	Supranational 0.64% (30/06/2019: 0.76%)		
	Fixed Rate Bond 0.64% (30/06/2019: 0.76%)		
AUD 30,230,000	European Investment Bank 3.10% 17/08/2026	<u>17,512</u>	<u>0.64</u>
	Switzerland 1.04% (30/06/2019: 1.24%)		
	Fixed Rate Bond 1.04% (30/06/2019: 1.24%)		
EUR 10,700,000	Argentum Givaudan Finance 2.00% 17/09/2030	10,222	0.38
EUR 13,350,000	Novartis Finance 1.375% 14/08/2030	12,241	0.44
EUR 6,220,000	Novartis Finance 1.70% 14/08/2038	<u>5,920</u>	<u>0.22</u>
		<u>28,383</u>	<u>1.04</u>
	United Kingdom 20.76% (30/06/2019: 15.52%)		
	Asset Backed 0.24% (30/06/2019: 0.33%)		
GBP 1,993,829	DECO Series FRN 27/01/2036 ¹	-	-
GBP 5,024,312	Tesco Property Finance 5.744% 13/04/2040	<u>6,547</u>	<u>0.24</u>
		<u>6,547</u>	<u>0.24</u>
	Fixed Rate Bond 16.28% (30/06/2019: 9.72%)		
GBP 5,700,000	Arqiva Broadcast Finance 6.75% 30/09/2023	6,063	0.22
USD 18,309,000	Bacardi 4.45% 15/05/2025	14,906	0.55
USD 8,950,000	Bacardi 4.70% 15/05/2028	7,365	0.27
GBP 1,000,000	Cattles 6.875% Perpetual ¹	-	-
GBP 10,810,000	Co-operative 5.125% 17/05/2024	11,530	0.42
GBP 13,100,000	CPUK Finance 4.25% 28/08/2022	13,306	0.49
GBP 2,500,000	CPUK Finance 4.875% 28/08/2025	2,576	0.09
USD 14,571,000	Experian Finance 2.75% 08/03/2030	10,837	0.40
USD 12,530,000	Experian Finance 4.25% 01/02/2029	10,408	0.38
GBP 3,840,000	Friends Life 8.25% 21/04/2022	4,433	0.16

Portfolio statement (continued)

Holding	Investment	Market value £000	Percentage of total net assets %
Fixed Rate Bond (continued)			
GBP 4,136,000	Friends Life 12.00% 21/05/2021	4,742	0.17
GBP 3,560,000	Heathrow Funding 6.00% 20/03/2020	3,595	0.13
AUD 16,240,000	Lloyds Bank 4.25% 22/11/2027	9,288	0.34
USD 7,200,000	Lloyds Bank 4.375% 22/03/2028	5,995	0.22
EUR 1,870,000	Motion Bondco 4.50% 15/11/2027	1,659	0.06
USD 15,115,000	Motion Bondco 6.625% 15/11/2027	12,066	0.44
GBP 20,500,000	Phoenix 4.125% 20/07/2022	21,454	0.79
GBP 9,100,000	Phoenix 6.625% 18/12/2025	10,588	0.39
USD 7,390,000	Prudential 4.875% Perpetual	5,675	0.21
GBP 608,000	Prudential 6.125% 19/12/2031	816	0.03
EUR 1,400,000	RELX Finance 1.50% 13/05/2027	1,259	0.05
USD 7,000,000	Royal Bank of Scotland 5.125% 28/05/2024	5,725	0.21
USD 2,917,000	Royal Bank of Scotland 7.648% Perpetual	3,160	0.12
GBP 5,000,000	Scottish Widows 5.50% 16/06/2023	5,562	0.20
GBP 2,515,000	Scottish Widows 7.00% 16/06/2043	3,461	0.13
GBP 2,900,000	Tesco 2.50% 02/05/2025	2,987	0.11
GBP 2,550,000	Tesco 5.20% 05/03/2057	3,361	0.12
GBP 10,400,000	Tesco 5.50% 13/01/2033	12,948	0.48
GBP 11,500,000	Tesco 6.125% 24/02/2022	12,610	0.46
USD 4,866,000	Tesco 6.15% 15/11/2037	4,287	0.16
GBP 134,000,000	UK Treasury 0.50% 22/07/2022	133,953	4.94
GBP 41,000,000	UK Treasury 0.75% 22/07/2023	41,261	1.53
GBP 10,240,000	Unilever 1.50% 22/07/2026	10,312	0.38
USD 19,500,000	Unilever 2.125% 06/09/2029	14,297	0.53
GBP 9,189,900	Virgin Media 6.25% 28/03/2029	9,755	0.36
AUD 9,800,000	Vodafone 3.25% 13/12/2022	5,404	0.20
USD 7,000,000	Vodafone 4.375% 30/05/2028	5,859	0.22
GBP 7,953,000	WM Morrison Supermarkets 3.50% 27/07/2026	8,747	0.32
		442,250	16.28
Secured Loans 0.33% (30/06/2019: 0.37%)²			
GBP 8,986,743	Froneri International FRN 31/01/2025 B1	8,984	0.33
Stepped Rate Bond 1.25% (30/06/2019: 1.42%)			
GBP 13,125,000	Co-operative 6.875% 08/07/2020	13,491	0.50
GBP 14,819,000	Co-operative 7.50% 08/07/2026	16,929	0.62
GBP 3,538,000	Royal Bank of Scotland 5.625% Perpetual	3,552	0.13
		33,972	1.25
Variable Rate Bond 2.66% (30/06/2019: 3.68%)			
GBP 5,000,000	Aviva 6.125% Perpetual	5,496	0.20
USD 29,680,000	Barclays 6.278% Perpetual	25,369	0.93
GBP 14,289,000	BUPA Finance 6.125% Perpetual	14,718	0.54
GBP 8,502,000	HBOS Sterling Finance 7.881% Perpetual	13,252	0.49
USD 10,152,000	Lloyds Bank 6.657% Perpetual	9,130	0.34
USD 4,204,000	RBS Capital Trust II FRN Perpetual	4,459	0.16
		72,424	2.66

Portfolio statement (continued)

Holding	Investment	Market value £000	Percentage of total net assets %
	United States 49.47% (30/06/2019: 51.06%)		
	Asset Backed 0.00% (30/06/2019: 0.00%)		
GBP 858,978	Lehman Brothers 7.875% 08/05/2018 ¹	17	-
	Fixed Rate Bond 48.79% (30/06/2019: 50.50%)		
EUR 13,290,000	Abbott Ireland Financing 1.50% 27/09/2026	12,169	0.45
USD 11,180,000	Abbott Laboratories 2.95% 15/03/2025	8,785	0.32
USD 11,549,000	Adobe 3.25% 01/02/2025	9,210	0.34
USD 71,446,000	Alphabet 1.998% 15/08/2026	53,665	1.97
USD 61,080,000	Amazon.com 3.15% 22/08/2027	48,864	1.80
USD 6,988,000	American Tower 3.375% 15/05/2024	5,469	0.20
USD 14,240,000	American Tower 3.60% 15/01/2028	11,294	0.42
USD 10,500,000	American Tower 3.80% 15/08/2029	8,474	0.31
EUR 13,350,000	Apple 1.375% 24/05/2029	12,346	0.45
AUD 24,500,000	Apple 2.65% 10/06/2020	13,078	0.48
USD 3,545,000	Apple 3.35% 09/02/2027	2,850	0.10
AUD 15,650,000	Apple 3.70% 28/08/2022	8,779	0.32
USD 18,237,000	Aramark 4.75% 01/06/2026	14,317	0.53
USD 13,320,000	Ardagh Packaging Finance 5.25% 15/08/2027	10,583	0.39
USD 14,000,000	AT&T 2.45% 30/06/2020	10,604	0.39
CAD 16,500,000	Bank of America 3.407% 20/09/2025	9,894	0.36
AUD 7,850,000	Bank of America 4.25% 05/03/2020	4,187	0.15
USD 11,180,000	Becton Dickinson 3.363% 06/06/2024	8,790	0.32
USD 17,360,000	Becton Dickinson 3.70% 06/06/2027	13,946	0.51
EUR 7,400,000	Booking 1.80% 03/03/2027	6,800	0.25
USD 6,530,000	Booking 3.60% 01/06/2026	5,262	0.19
USD 18,640,000	Boston Scientific 3.45% 01/03/2024	14,723	0.54
USD 2,890,000	Boston Scientific 4.00% 01/03/2029	2,414	0.09
USD 6,851,000	Boyd Gaming 6.375% 01/04/2026	5,564	0.20
USD 13,573,000	Catalent Pharma Solutions 4.875% 15/01/2026	10,604	0.39
USD 11,739,000	CCO 5.375% 01/06/2029	9,482	0.35
USD 6,995,000	CCO 5.875% 01/05/2027	5,584	0.21
USD 33,100,000	Charter Communications Operating Capital 4.20% 15/03/2028	26,636	0.98
USD 7,030,000	Cintas Corporation No.2 2.90% 01/04/2022	5,413	0.20
USD 7,030,000	Cintas Corporation No.2 3.70% 01/04/2027	5,757	0.21
EUR 20,880,000	Coca-Cola 1.25% 08/03/2031	18,898	0.70
EUR 4,800,000	Coca-Cola 1.625% 09/03/2035	4,507	0.17
USD 13,000,000	Coca-Cola 2.125% 06/09/2029	9,567	0.35
USD 7,949,000	Comcast 3.375% 15/08/2025	6,369	0.23
USD 14,076,000	Comcast 3.95% 15/10/2025	11,597	0.43
USD 19,443,000	Comcast 4.15% 15/10/2028	16,531	0.61
USD 9,200,000	Constellation Brands 3.50% 09/05/2027	7,256	0.27
USD 5,979,000	Constellation Brands 4.75% 15/11/2024	5,003	0.18
USD 13,750,000	Crown Castle International 3.10% 15/11/2029	10,512	0.39
USD 3,724,000	Crown Castle International 3.20% 01/09/2024	2,908	0.11
USD 14,394,000	Crown Castle International 3.65% 01/09/2027	11,499	0.42
USD 8,590,000	Crown Castle International 3.80% 15/02/2028	6,912	0.25
USD 11,891,000	CyrusOne 2.90% 15/11/2024	9,011	0.33
USD 38,825,000	Dell International 5.45% 15/06/2023	31,791	1.17
USD 3,417,000	DH Europe Finance II 2.60% 15/11/2029	2,570	0.09
EUR 11,220,000	DH Europe Finance 0.45% 18/03/2028	9,381	0.35
EUR 10,160,000	DH Europe Finance 0.75% 18/09/2031	8,387	0.31

Portfolio statement (continued)

Holding	Investment	Market value £000	Percentage of total net assets %
	Fixed Rate Bond (continued)		
USD 8,831,000	Diamond Sports 5.375% 15/08/2020	6,743	0.25
USD 7,080,000	Digital Realty Trust 4.75% 01/10/2025	5,940	0.22
USD 9,100,000	Elanco Animal Health 4.90% 28/08/2028	7,475	0.28
EUR 8,200,000	Equinix 2.875% 01/10/2025	7,164	0.26
USD 23,666,000	Equinix 3.20% 18/11/2029	17,931	0.66
USD 14,510,000	Estée Lauder 3.15% 15/03/2027	11,569	0.43
USD 11,750,000	Fidelity National Information Services 3.00% 15/08/2026	9,178	0.34
EUR 9,480,000	Fiserv 1.625% 01/07/2030	8,379	0.31
USD 10,070,000	Fiserv 2.75% 01/07/2024	7,736	0.28
USD 8,393,000	Fiserv 3.50% 01/07/2029	6,659	0.25
USD 23,125,000	HCA 4.125% 15/06/2029	18,522	0.68
USD 3,433,000	HCA 5.00% 15/03/2024	2,833	0.10
USD 11,810,000	HCA 5.25% 15/06/2026	9,988	0.37
USD 2,467,000	HCA 5.875% 01/02/2029	2,153	0.08
USD 5,660,000	IHS Markit 5.00% 01/11/2022	4,554	0.17
EUR 930,000	International Flavors & Fragrances 1.80% 25/09/2026	825	0.03
USD 469,000	International Flavors & Fragrances 4.45% 26/09/2028	387	0.01
USD 8,470,000	Johnson & Johnson 2.45% 01/03/2026	6,493	0.24
AUD 5,070,000	JPMorgan Chase 4.50% 30/01/2026	3,015	0.11
USD 17,180,000	Keurig Dr Pepper 4.597% 25/05/2028	14,563	0.54
USD 13,810,000	Lamb Weston 4.875% 01/11/2026	11,050	0.41
USD 17,800,000	Live Nation Entertainment 4.75% 15/10/2027	13,907	0.51
USD 11,643,000	Mars 2.70% 01/04/2025	8,994	0.33
USD 20,643,000	Mars 3.20% 01/04/2030	16,505	0.61
EUR 32,490,000	Mastercard 2.10% 01/12/2027	31,376	1.15
USD 9,100,000	McCormick 3.15% 15/08/2024	7,133	0.26
USD 4,241,000	McCormick 3.40% 15/08/2027	3,339	0.12
EUR 18,700,000	McDonald's 2.625% 11/06/2029	18,610	0.68
CAD 17,820,000	McDonald's 3.125% 04/03/2025	10,637	0.39
AUD 28,850,000	McDonald's 3.45% 08/09/2026	16,327	0.60
EUR 10,000,000	Microsoft 3.125% 06/12/2028	10,634	0.39
USD 41,920,000	Microsoft 3.30% 06/02/2027	33,824	1.24
USD 6,450,000	Microsoft 3.45% 08/08/2036	5,336	0.20
EUR 10,390,000	Moody's 0.95% 25/02/2030	8,853	0.33
EUR 13,330,000	PepsiCo 1.125% 18/03/2031	11,947	0.44
USD 6,914,000	PepsiCo 2.625% 29/07/2029	5,327	0.20
USD 10,493,000	PepsiCo 3.375% 29/07/2049	8,309	0.31
EUR 9,930,000	Procter & Gamble 1.20% 30/10/2028	9,084	0.33
USD 15,210,000	Public Storage 3.385% 01/05/2029	12,199	0.45
USD 34,921,000	salesforce.com 3.70% 11/04/2028	28,920	1.06
USD 16,068,000	Service International 4.625% 15/12/2027	12,645	0.47
USD 5,936,000	Service International 5.125% 01/06/2029	4,761	0.18
USD 12,045,000	Sirius XM 5.375% 15/04/2025	9,395	0.35
USD 12,880,000	Sirius XM 5.50% 01/07/2029	10,512	0.39
EUR 12,380,000	Stryker 1.00% 03/12/2031	10,407	0.38
USD 11,500,000	Sysco 3.55% 15/03/2025	9,244	0.34
USD 21,338,000	The Walt Disney Company 1.85% 30/07/2026	15,830	0.58
USD 20,535,000	The Walt Disney Company 2.00% 01/09/2029	15,044	0.55
CAD 22,378,000	The Walt Disney Company 2.758% 07/10/2024	13,291	0.49
USD 2,534,000	T-Mobile 4.50% 01/02/2026	1,961	0.07
USD 3,997,000	T-Mobile 4.75% 01/02/2028	3,161	0.12

Portfolio statement (continued)

Holding	Investment	Market value £000	Percentage of total net assets %
	Fixed Rate Bond (continued)		
USD 10,020,000	T-Mobile 6.50% 15/01/2026	8,110	0.30
USD 117,000,000	US Treasury 2.75% 15/11/2023	91,925	3.38
AUD 25,200,000	Verizon Communications 2.65% 06/05/2030	13,053	0.48
AUD 10,580,000	Verizon Communications 3.50% 17/02/2023	5,890	0.22
USD 13,683,000	Verizon Communications 4.016% 03/12/2029	11,514	0.42
AUD 16,640,000	Verizon Communications 4.50% 17/08/2027	10,018	0.37
USD 39,000,000	Visa 2.75% 15/09/2027	30,808	1.13
USD 23,670,000	Visa 3.15% 14/12/2025	18,891	0.70
USD 6,119,000	VMware 3.90% 21/08/2027	4,835	0.18
EUR 18,000,000	Walmart 2.55% 08/04/2026	17,630	0.65
USD 13,610,000	Walmart 3.70% 26/06/2028	11,319	0.42
USD 14,000,000	Wells Fargo 3.00% 22/01/2021	10,691	0.39
AUD 22,200,000	Wells Fargo 3.70% 27/07/2026	12,648	0.47
AUD 13,600,000	Wells Fargo 4.00% 27/04/2027	7,913	0.29
USD 2,398,000	Zoetis 3.90% 20/08/2028	1,964	0.07
		<u>1,326,120</u>	<u>48.79</u>
	Secured Loans 0.68% (30/06/2019: 0.56%)²		
USD 10,902,624	McAfee FRN 30/09/2024 B	8,261	0.31
EUR 5,292,540	McAfee FRN 30/09/2024 B1	4,499	0.17
USD 7,288,239	Refinitiv FRN 10/01/2025 B	5,548	0.20
USD 44,223	SS&C Technologies FRN 16/04/2025 B3	34	-
USD 30,048	SS&C Technologies FRN 16/04/2025 B4	23	-
		<u>18,365</u>	<u>0.68</u>
	Derivatives 1.84% (30/06/2019: (1.82%))		
	Futures 0.08% (30/06/2019: 0.08%)		
(1,920)	CBT US 5 year Note March 2020	917	0.03
(810)	EUX Euro-Bund March 2020	1,187	0.05
		<u>2,104</u>	<u>0.08</u>
	Swaps (0.07%) (30/06/2019: (0.07%))²		
	Credit Default Swaps (0.07%) (30/06/2019: (0.07%))²		
7,725,000	CDS 1.00% 20/06/2023 Commonwealth Bank Pay USD	(166)	(0.01)
7,725,000	CDS 1.00% 20/06/2023 Commonwealth Bank Pay USD	(166)	(0.01)
15,450,000	CDS 1.00% 20/06/2023 National Australia Bank Pay USD	(331)	(0.01)
7,725,000	CDS 1.00% 20/06/2023 Westpac Banking Pay USD	(157)	(0.01)
7,725,000	CDS 1.00% 20/06/2023 Westpac Banking Pay USD	(157)	(0.01)
10,750,000	CDS 1.00% 20/12/2020 Host Hotels Pay USD	(73)	-
10,750,000	CDS 1.00% 20/12/2020 Host Hotels Pay USD	(73)	-
9,000,000	CDS 1.00% 20/12/2021 Renault Pay EUR	(93)	-
26,200,000	CDS 1.00% 20/12/2023 Arrow Electronics Pay USD	(432)	(0.01)
13,100,000	CDS 1.00% 20/12/2023 Avnet Pay USD	(162)	(0.01)
		<u>(1,810)</u>	<u>(0.07)</u>
	Forward Foreign Exchange Contracts 1.83% (30/06/2019: (1.83%))²		
	Buy AUD 113,613,048 : Sell GBP 59,942,629 March 2020	330	0.01
	Buy AUD 18,780,714 : Sell GBP 9,743,791 March 2020	220	0.01
	Buy AUD 200,000 : Sell GBP 106,710 January 2020	(1)	-
	Buy AUD 2,158,576 : Sell GBP 1,151,736 January 2020	(6)	-

Portfolio statement (continued)

Holding	Investment	Market value £000	Percentage of total net assets %
Forward Foreign Exchange Contracts² (continued)			
	Buy AUD 2,259,251 : Sell GBP 1,200,198 January 2020	(1)	-
	Buy AUD 26,275,521 : Sell GBP 13,818,211 March 2020	121	-
	Buy AUD 26,443,691 : Sell GBP 13,807,997 March 2020	221	0.01
	Buy AUD 324,625 : Sell GBP 168,627 March 2020	4	-
	Buy AUD 345,100 : Sell GBP 180,957 February 2020	2	-
	Buy AUD 3,964,625 : Sell GBP 2,095,259 February 2020	8	-
	Buy AUD 43,332,945 : Sell GBP 22,804,761 February 2020	185	0.01
	Buy AUD 618,600 : Sell GBP 328,342 January 2020 ³	-	-
	Buy AUD 79,625 : Sell GBP 41,139 March 2020	1	-
	Buy AUD 8,486,400 : Sell GBP 4,476,851 March 2020	25	-
	Buy CAD 338,000 : Sell GBP 196,811 February 2020 ³	-	-
	Buy CAD 55,228,044 : Sell GBP 31,905,918 March 2020	185	0.01
	Buy EUR 10,381,061 : Sell GBP 8,999,801 January 2020	(198)	(0.01)
	Buy EUR 1,064,690 : Sell GBP 921,088 January 2020	(18)	-
	Buy EUR 1,205,800 : Sell GBP 1,032,422 March 2020	(8)	-
	Buy EUR 302,600 : Sell GBP 256,096 March 2020	1	-
	Buy EUR 312,500 : Sell GBP 263,889 March 2020	2	-
	Buy EUR 313,700 : Sell GBP 270,615 February 2020	(4)	-
	Buy EUR 361,700 : Sell GBP 306,051 March 2020	1	-
	Buy EUR 43,457 : Sell GBP 37,484 January 2020	(1)	-
	Buy EUR 4,527,811 : Sell GBP 3,918,088 January 2020	(79)	-
	Buy EUR 509,600 : Sell GBP 436,208 March 2020	(3)	-
	Buy EUR 6,441,470 : Sell GBP 5,574,830 January 2020	(113)	-
	Buy EUR 71,584 : Sell GBP 61,510 February 2020	(1)	-
	Buy EUR 723,300 : Sell GBP 605,742 March 2020	9	-
	Buy EUR 7,494,004 : Sell GBP 6,491,413 January 2020	(137)	(0.01)
	Buy EUR 8,520,395 : Sell GBP 7,386,955 January 2020	(163)	(0.01)
	Buy EUR 860,524 : Sell GBP 730,836 March 2020 ³	-	-
	Buy EUR 890,600 : Sell GBP 765,748 February 2020	(10)	-
	Buy GBP 10,103,191 : Sell USD 12,986,325 January 2020	306	0.01
	Buy GBP 10,559,899 : Sell EUR 12,277,370 February 2020	140	0.01
	Buy GBP 10,564,468 : Sell USD 14,130,025 March 2020	(79)	-
	Buy GBP 10,577,955 : Sell USD 13,649,261 January 2020	281	0.01
	Buy GBP 1,123,836 : Sell EUR 1,299,640 January 2020	22	-
	Buy GBP 112,610,173 : Sell EUR 130,477,905 February 2020	1,870	0.07
	Buy GBP 1,156,538 : Sell EUR 1,339,000 January 2020	21	-
	Buy GBP 117,866,776 : Sell AUD 220,986,385 February 2020	623	0.02
	Buy GBP 118,774,442 : Sell EUR 138,649,992 March 2020	979	0.04
	Buy GBP 11,915,922 : Sell USD 15,362,444 January 2020	326	0.01
	Buy GBP 13,263,810 : Sell USD 17,103,746 January 2020	361	0.01
	Buy GBP 13,421,284 : Sell AUD 25,154,136 January 2020	75	-
	Buy GBP 13,718,924 : Sell AUD 25,948,080 March 2020	(47)	-
	Buy GBP 14,336,102 : Sell USD 18,553,178 January 2020	339	0.01
	Buy GBP 1,513,993 : Sell USD 1,948,919 January 2020	44	-
	Buy GBP 159,074 : Sell EUR 187,410 March 2020 ³	-	-
	Buy GBP 1,617,996 : Sell EUR 1,870,000 January 2020	32	-
	Buy GBP 16,258,911 : Sell AUD 31,178,564 March 2020	(282)	(0.01)
	Buy GBP 16,822,643 : Sell USD 22,202,041 March 2020	98	-
	Buy GBP 169,797,236 : Sell AUD 321,753,231 March 2020	(895)	(0.03)
	Buy GBP 1,726,486 : Sell USD 2,223,648 February 2020	50	-

Portfolio statement (continued)

Holding	Investment	Market value £000	Percentage of total net assets %
Forward Foreign Exchange Contracts² (continued)			
	Buy GBP 1,731,631 : Sell JPY 241,606,400 January 2020	53	-
	Buy GBP 1,733,273 : Sell JPY 241,142,750 January 2020	58	-
	Buy GBP 180,098,756 : Sell EUR 205,861,722 January 2020	5,550	0.20
	Buy GBP 1,805,755 : Sell USD 2,415,200 March 2020	(14)	-
	Buy GBP 18,576,521 : Sell USD 23,973,237 January 2020	491	0.02
	Buy GBP 1,883,986 : Sell USD 2,415,360 January 2020	62	-
	Buy GBP 1,890,867 : Sell USD 2,499,955 March 2020	8	-
	Buy GBP 19,379 : Sell EUR 22,750 March 2020 ³	-	-
	Buy GBP 205,598 : Sell USD 270,851 March 2020	2	-
	Buy GBP 2,220,361 : Sell USD 2,859,789 February 2020	65	-
	Buy GBP 2,243,945 : Sell EUR 2,611,200 January 2020	30	-
	Buy GBP 2,290,678 : Sell USD 2,937,785 January 2020	74	-
	Buy GBP 241,090 : Sell EUR 287,700 March 2020	(3)	-
	Buy GBP 2,420,315 : Sell USD 3,131,232 January 2020	58	-
	Buy GBP 2,602,475 : Sell USD 3,338,100 January 2020	84	-
	Buy GBP 2,631,248 : Sell USD 3,413,686 January 2020	56	-
	Buy GBP 274,683,290 : Sell USD 357,943,561 March 2020	5,053	0.19
	Buy GBP 276,927 : Sell EUR 325,700 March 2020 ³	-	-
	Buy GBP 293,103 : Sell USD 377,324 January 2020	8	-
	Buy GBP 3,031,933 : Sell USD 3,888,544 January 2020	98	-
	Buy GBP 345,619,108 : Sell USD 444,456,952 February 2020	10,572	0.40
	Buy GBP 3,467,069 : Sell AUD 6,530,271 January 2020	2	-
	Buy GBP 382,828 : Sell EUR 447,400 February 2020	3	-
	Buy GBP 3,855,641 : Sell USD 4,966,416 February 2020	112	-
	Buy GBP 4,235,670 : Sell AUD 7,978,040 January 2020	3	-
	Buy GBP 425,954,377 : Sell USD 540,283,053 January 2020	18,362	0.69
	Buy GBP 4,392,344 : Sell USD 5,660,799 January 2020	122	-
	Buy GBP 4,441,831 : Sell EUR 5,250,000 March 2020	(19)	-
	Buy GBP 457,770 : Sell AUD 862,800 January 2020 ³	-	-
	Buy GBP 5,558,826 : Sell USD 7,334,667 March 2020	34	-
	Buy GBP 6,026,952 : Sell USD 7,798,091 February 2020	148	0.01
	Buy GBP 6,237,083 : Sell USD 8,177,148 March 2020	77	-
	Buy GBP 650,495 : Sell USD 839,000 February 2020	18	-
	Buy GBP 700,149 : Sell USD 906,200 February 2020	17	-
	Buy GBP 707,557 : Sell USD 930,100 March 2020	7	-
	Buy GBP 744,950 : Sell EUR 866,800 February 2020	9	-
	Buy GBP 7,523,198 : Sell USD 9,863,417 March 2020	93	-
	Buy GBP 7,732,662 : Sell USD 9,915,875 January 2020	252	0.01
	Buy GBP 791,323 : Sell EUR 921,700 February 2020	9	-
	Buy GBP 83,378,951 : Sell CAD 142,036,446 February 2020	792	0.03
	Buy GBP 839,245 : Sell EUR 985,205 March 2020	2	-
	Buy GBP 84,101,817 : Sell CAD 140,993,183 January 2020	2,067	0.08
	Buy GBP 8,533,916 : Sell USD 10,997,928 January 2020	237	0.01
	Buy GBP 8,697,181 : Sell USD 11,261,422 January 2020	201	0.01
	Buy GBP 8,874,298 : Sell EUR 10,352,804 February 2020	88	-
	Buy GBP 909,737 : Sell USD 1,182,365 March 2020	19	-
	Buy GBP 9,207,699 : Sell USD 11,888,758 February 2020	246	0.01
	Buy GBP 9,236,636 : Sell USD 11,985,117 January 2020	195	0.01
	Buy GBP 9,398,358 : Sell USD 12,049,734 January 2020	308	0.01
	Buy GBP 968,056 : Sell USD 1,249,316 January 2020	26	-

Portfolio statement (continued)

Holding	Investment	Market value £000	Percentage of total net assets %
Forward Foreign Exchange Contracts² <small>(continued)</small>			
	Buy GBP 9,815,815 : Sell AUD 18,476,609 January 2020	12	-
	Buy GBP 9,850,740 : Sell USD 12,977,476 March 2020	75	-
	Buy GBP 99,914,362 : Sell AUD 186,806,149 January 2020	798	0.03
	Buy JPY 241,606,400 : Sell GBP 1,737,095 January 2020	(58)	-
	Buy JPY 3,132,080,202 : Sell AUD 42,200,000 January 2020	(627)	(0.02)
	Buy USD 1,005,153 : Sell GBP 782,470 January 2020	(24)	-
	Buy USD 1,170,100 : Sell GBP 888,184 March 2020	(7)	-
	Buy USD 12,023,347 : Sell GBP 9,285,254 February 2020	(222)	(0.01)
	Buy USD 1,206,721 : Sell GBP 914,504 March 2020	(6)	-
	Buy USD 1,469,048 : Sell GBP 1,111,906 March 2020	(5)	-
	Buy USD 15,046,683 : Sell GBP 11,516,048 March 2020	(182)	(0.01)
	Buy USD 16,610,867 : Sell GBP 12,828,458 February 2020	(307)	(0.01)
	Buy USD 171,500 : Sell GBP 129,147 March 2020 ³	-	-
	Buy USD 2,336,267 : Sell GBP 1,810,178 January 2020	(48)	-
	Buy USD 235,391 : Sell GBP 178,985 March 2020	(2)	-
	Buy USD 251,785 : Sell GBP 191,950 March 2020	(2)	-
	Buy USD 2,771,001 : Sell GBP 2,131,070 February 2020	(42)	-
	Buy USD 337,909 : Sell GBP 262,606 February 2020	(8)	-
	Buy USD 394,882 : Sell GBP 306,686 February 2020	(9)	-
	Buy USD 4,008,926 : Sell GBP 3,068,257 March 2020	(48)	-
	Buy USD 403,300 : Sell GBP 311,693 February 2020	(8)	-
	Buy USD 4,171,048 : Sell GBP 3,172,436 March 2020	(30)	-
	Buy USD 480,000 : Sell GBP 358,630 March 2020	3	-
	Buy USD 50,882 : Sell GBP 39,422 January 2020	(1)	-
	Buy USD 52,500 : Sell GBP 40,517 February 2020	(1)	-
	Buy USD 555,000 : Sell GBP 425,721 March 2020	(8)	-
	Buy USD 587,200 : Sell GBP 445,001 March 2020	(3)	-
	Buy USD 617,023 : Sell GBP 476,102 February 2020	(11)	-
	Buy USD 8,981,878 : Sell GBP 6,805,692 March 2020	(40)	-
	Buy USD 90,069 : Sell GBP 69,700 January 2020	(2)	-
	Buy USD 968,869 : Sell GBP 748,031 January 2020	(17)	-
		49,741	1.83
	Investment assets including investment liabilities	2,510,691	92.38
	Other net assets	207,054	7.62
	Total net assets	2,717,745	100.00

¹ Defaulted

² Unquoted securities

³ Due to rounding to nearest £1,000

All investments are listed on recognised stock exchanges and are 'approved securities' within the meaning of FCA rules unless otherwise stated.

Credit ratings

	Market value £000	Percentage of total net assets %
31/12/19		
Investments		
Investment grade (AAA - BBB)	2,063,538	75.93
Below investment grade (BB and below)	356,711	13.12
Unrated	18,745	0.69
Total debt securities	2,438,994	89.74
Derivatives	50,035	1.84
Equities	21,662	0.80
Investment assets including investment liabilities	2,510,691	92.38
Other net assets	207,054	7.62
Total net assets	2,717,745	100.00
	Market value £000	Percentage of total net assets %
30/06/19		
Investments		
Investment grade (AAA - BBB)	1,848,763	77.00
Below investment grade (BB and below)	429,715	17.90
Unrated	19,148	0.80
Total debt securities	2,297,626	95.70
Derivatives	(43,633)	(1.82)
Equities	19,624	0.82
Investment assets including investment liabilities	2,273,617	94.70
Other net assets	127,276	5.30
Total net assets	2,400,893	100.00

Statement of total return (unaudited) for the six months ended 31 December 2019

	31/12/19		31/12/18	
	£000	£000	£000	£000
Income				
Net capital gains/(losses)		23,277		(22,530)
Revenue	34,029		36,579	
Expenses	(9,439)		(7,723)	
Interest payable and similar charges	(40)		(20)	
Net revenue before taxation	24,550		28,836	
Taxation	-		(306)	
Net revenue after taxation		24,550		28,530
Total return before distributions		47,827		6,000
Distributions		(34,725)		(35,412)
Change in net assets attributable to shareholders from investment activities		13,102		(29,412)

Statement of change in net assets attributable to shareholders

(unaudited) for the six months ended 31 December 2019

	31/12/19		31/12/18	
	£000	£000	£000	£000
Opening net assets attributable to shareholders*		2,400,893		2,133,244
Amounts receivable on issue of shares	343,397		63,492	
Amounts payable on cancellation of shares	(54,991)		(112,835)	
		288,406		(49,343)
Dilution adjustment		50		-
Change in net assets attributable to shareholders from investment activities		13,102		(29,412)
Retained distributions on accumulation shares		15,290		13,692
Unclaimed distributions		4		2
Closing net assets attributable to shareholders		2,717,745		2,068,183

* The opening net assets attributable to shareholders for the current period do not equal the closing net assets attributable for the comparative period as they are not consecutive periods.

Balance sheet (unaudited) as at 31 December 2019

	31/12/19	30/06/19
	£000	£000
Assets:		
Investments	2,516,301	2,322,700
Current assets:		
Debtors	22,481	47,853
Cash and bank balances	299,180	212,914
Total assets	<u>2,837,962</u>	<u>2,583,467</u>
Liabilities:		
Investment liabilities	5,610	49,083
Creditors:		
Amounts held at derivatives clearing houses and brokers	2,105	2,087
Bank overdrafts	94,639	67,397
Distribution payable	9,751	10,365
Other creditors	8,112	53,642
Total liabilities	<u>120,217</u>	<u>182,574</u>
Net assets attributable to shareholders	<u>2,717,745</u>	<u>2,400,893</u>

Distribution tables for the six months ended 31 December 2019 (in pence per share)

Interim interest distribution (accounting date 30 September 2019, paid on 29 November 2019)

Group 1: shares purchased prior to 1 July 2019

Group 2: shares purchased on or after 1 July 2019

	Distribution per share	Equalisation	Total distribution per share 29/11/19	Total distribution per share 30/11/18
Class A income				
Group 1	0.8653	-	0.8653	0.9826
Group 2	0.4300	0.4353	0.8653	0.9826
Class E income¹				
Group 1	0.8679	-	0.8679	n/a
Group 2	0.3784	0.4895	0.8679	n/a
Class I accumulation				
Group 1	2.4882	-	2.4882	2.7070
Group 2	1.1733	1.3149	2.4882	2.7070
Class I income				
Group 1	0.9714	-	0.9714	1.0906
Group 2	0.5158	0.4556	0.9714	1.0906
Class Z accumulation				
Group 1	2.7744	-	2.7744	2.9902
Group 2	1.4654	1.3090	2.7744	2.9902

¹ Class E income launched on 8 July 2019.

Distribution tables (continued)

Interim interest distribution (accounting date 31 December 2019, paid on 28 February 2020)

Group 1: shares purchased prior to 1 October 2019

Group 2: shares purchased on or after 1 October 2019

	Distribution per share	Equalisation	Total distribution per share 28/02/20	Total distribution per share 28/02/19
Class A income				
Group 1	0.7755	-	0.7755	0.9888
Group 2	0.4521	0.3234	0.7755	0.9888
Class E income¹				
Group 1	0.7774	-	0.7774	n/a
Group 2	0.3951	0.3823	0.7774	n/a
Class I accumulation				
Group 1	2.2563	-	2.2563	2.7525
Group 2	1.2433	1.0130	2.2563	2.7525
Class I income				
Group 1	0.8743	-	0.8743	1.0998
Group 2	0.5566	0.3177	0.8743	1.0998
Class Z accumulation				
Group 1	2.5253	-	2.5253	3.0448
Group 2	0.9219	1.6034	2.5253	3.0448

¹ Class E income launched on 8 July 2019.

Janus Henderson UK Equity Income & Growth Fund

Authorised Corporate Director's (ACD) report

Investment Fund Managers

James Henderson and Laura Foll

Investment objective and policy

The fund aims to provide dividend income with prospects for both income and capital growth over the medium to long term by investing primarily in United Kingdom companies. The fund may invest in fixed interest and convertible securities as well as ordinary shares. The fund may invest in other transferable securities, money market instruments, deposits and units in collective investment schemes. Derivatives and forward transactions may be used for the purposes of efficient portfolio management only.

Performance summary

Cumulative performance	Six months	One year	Five years	First published data
	30 Jun 19 - 31 Dec 19	31 Dec 18 - 31 Dec 19	31 Dec 14 - 31 Dec 19	4 Oct 74 - 31 Dec 19
	%	%	%	%
Class I income	4.5	12.1	20.0	19,931.4
FTSE All Share Index	5.5	19.2	43.8	-*
IA UK Equity Income Sector	8.3	20.1	38.5	19,589.4

Discrete performance

	31 Dec 18 - 31 Dec 19	31 Dec 17 - 31 Dec 18	31 Dec 16 - 31 Dec 17	31 Dec 15 - 31 Dec 16	31 Dec 14 - 31 Dec 15
	%	%	%	%	%
Class I income	12.1	(12.8)	8.8	9.5	3.0

Source: Morningstar, Class I income, NAV to NAV, net of fees and net income reinvested as at 12 noon valuation point. Benchmark values are as at close of business.

Index: FTSE All Share Index

Index Usage: Comparator

Index description: The FTSE All Share Index is a measure of the combined performance of a large number of the companies listed on the London Stock Exchange and includes large, medium and smaller companies. It provides a useful comparison against which the fund's performance can be assessed over time.

Peer group benchmark: IA UK Equity Income Sector

Peer group benchmark usage: Comparator

Peer group description: 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.

Class I income is disclosed as it is the primary share class.

* Benchmark return is not quoted as the fund inception date is earlier than the benchmark inception date.

Please remember that past performance is not a guide to future performance. The value of an investment and the revenue from it can fall as well as rise as a result of market and currency fluctuations and you may not get back the amount originally invested.

Authorised Corporate Director's (ACD) report (continued)

Significant portfolio changes for the six months ended 31 December 2019

Largest purchases	£000	Largest sales	£000
Royal Bank of Scotland	3,427	HSBC	7,143
GlaxoSmithKline	3,017	Greene King	5,054
Mondi	1,939	Castings	2,553
M&G	1,518	Numis	2,077
Taylor Wimpey	1,502	Sanditon Investment Trust	1,719
British American Tobacco	1,372	Ten Entertainment	1,621
lbstock	1,281	H&T	1,504
Hammerson	546	Avon Rubber	1,426
Senior	414	Johnson Service	1,371
Chesnara	135	4D Pharma	890
Total purchases	15,151	Total sales	38,431

Authorised Corporate Director's (ACD) report (continued)

Investment review

The fund returned 4.5% based on Class I income over the period under review, compared with a return of 5.5% in the FTSE All Share Index and a return of 8.3% in the IA UK Equity Income Sector peer group benchmark.

UK equities enjoyed a strong period. Sterling rose from recent lows as it became clear that a negotiated exit from the European Union was the preferred route under the new prime minister, Boris Johnson. The general election in December, with a large Conservative parliamentary majority, removed a valuation overhang on a number of stocks in the UK market that could have been nationalised under a Labour Party-led government, such as National Grid and Severn Trent. In a period when sterling rose and there was an expectation (towards the end of 2019) that the domestic economy could recover, it was the more domestic companies that tended to outperform the market. In this context, the FTSE 250 and FTSE SmallCap indices, where companies on average have a higher percentage of sales and earnings generated in the UK, outperformed the large company FTSE 100 Index, where the majority of earnings are generated overseas.

The fund's relative underperformance during the period was primarily a result of stock selection rather than sector allocation. Three stocks mainly contributed to the underperformance – Renold, Senior and Fastjet.

The largest positive contributor to performance was pub operator and brewer Greene King, which received a cash takeover approach at a substantial premium to its share price from Hong Kong conglomerate CK Asset. Avon Rubber shares performed well after it acquired a helmet and body armour business from industrial conglomerate 3M. The purchase was perceived to be complementary to Avon's existing defence equipment business.

The largest detractor was industrial chain producer Renold. The company discovered historical overstatement of profits in one of its divisions which, combined with a difficult demand backdrop for the industrial sector, led to material earnings downgrades. Aerospace equipment provider Senior was also a large detractor. The company provides equipment such as wing components for the Boeing 737 Max aircraft. Senior's equipment was not responsible for the accidents that led to the grounding of the aircraft, but the problems caused material uncertainty around future earnings growth. We added a small amount to the holding during the period. Although there is near-term uncertainty around earnings, over the long term Senior is well positioned on new planes with Airbus and Boeing and, we think, in a better end market to allow margin growth. Low-cost African airline Fastjet detracted because its business in Zimbabwe encountered very difficult trading conditions. The position is small as a percentage of the overall fund, equivalent to less than 0.1% at the end of December.

Among the largest purchases during the period was an addition to the position in Royal Bank of Scotland. The shares are not, in our view, factoring in an improvement in returns from the current level. This could be too pessimistic if, under new chief executive officer Alison Rose, the bank takes measures to significantly scale back its NatWest markets business, which has been a material drag on group returns for a number of years. Other purchases included a new position in UK brick manufacturer Ibstock. The UK brick market is currently undersupplied, with no material new capacity due on stream for a number of years, leaving Ibstock in a strong position given its leading market share.

The UK equity market rose strongly during 2019, with particular strength among the medium-sized companies within the FTSE 250 Index. This may lead to some concern that there could be a period of consolidation for share prices following good performance. However, in our view, the valuation of the portfolio remains modest (12.5 times forward earnings at the end of December) and the portfolio dividend yield remains attractive (4.9% forward dividend yield), particularly in the context of low government bond yields.

Comparative tables for the six months ended 31 December 2019

	Class A accumulation			
	Six months to 31/12/19 (pence per share)	Year to 30/06/19 (pence per share)	Year to 30/06/18 (pence per share)	Year to 30/06/17 (pence per share)
Change in net assets per share				
Opening net asset value per share	698.63	764.83	745.04	619.09
Return before operating charges*	33.73	(54.20)	32.51	137.95
Operating charges	(5.87)	(12.00)	(12.72)	(12.00)
Return after operating charges*	27.86	(66.20)	19.79	125.95
Distributions on accumulation shares	(15.33)	(30.35)	(26.86)	(26.35)
Retained distributions on accumulation shares	15.33	30.35	26.86	26.35
Closing net asset value per share	726.49	698.63	764.83	745.04
* after direct transaction costs of:	0.26	0.23	0.28	0.44

Performance

Return after charges	3.99%	(8.66%)	2.66%	20.34%
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Other information

Closing net asset value (£000s)	156	499	611	455
Closing number of shares	21,542	71,392	79,918	61,023
Operating charges (annualised)	1.70%	1.70%	1.69%	1.70%
Direct transaction costs	0.04%	0.03%	0.04%	0.06%

Prices

Highest share price (pence)	734.90	771.50	785.90	768.80
Lowest share price (pence)	656.10	644.90	715.80	602.90

	Class A income			
	Six months to 31/12/19 (pence per share)	Year to 30/06/19 (pence per share)	Year to 30/06/18 (pence per share)	Year to 30/06/17 (pence per share)
Change in net assets per share				
Opening net asset value per share	556.07	636.06	642.29	553.56
Return before operating charges*	26.50	(45.30)	27.47	122.59
Operating charges	(4.64)	(9.85)	(10.84)	(10.61)
Return after operating charges*	21.86	(55.15)	16.63	111.98
Distributions on income shares	(12.14)	(24.84)	(22.86)	(23.25)
Closing net asset value per share	565.79	556.07	636.06	642.29
* after direct transaction costs of:	0.21	0.18	0.24	0.39

Performance

Return after charges	3.93%	(8.67%)	2.59%	20.23%
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Other information

Closing net asset value (£000s)	16,997	44,915	56,176	65,784
Closing number of shares	3,004,124	8,077,260	8,831,845	10,242,208
Operating charges (annualised)	1.70%	1.70%	1.69%	1.70%
Direct transaction costs	0.04%	0.03%	0.04%	0.06%

Prices

Highest share price (pence)	577.00	641.60	664.10	672.00
Lowest share price (pence)	522.20	531.00	603.00	539.10

Comparative tables (continued)

	Class C income			
	Six months to 31/12/19 (pence per share)	Year to 30/06/19 (pence per share)	Year to 30/06/18 (pence per share)	Year to 30/06/17 (pence per share)
Change in net assets per share				
Opening net asset value per share	157.35	179.98	181.75	156.64
Return before operating charges*	7.52	(12.82)	7.77	34.70
Operating charges	(1.33)	(2.78)	(3.07)	(3.01)
Return after operating charges*	6.19	(15.60)	4.70	31.69
Distributions on income shares	(3.44)	(7.03)	(6.47)	(6.58)
Closing net asset value per share	160.10	157.35	179.98	181.50
* after direct transaction costs of:	0.06	0.05	0.07	0.11

Performance

Return after charges	3.93%	(8.67%)	2.59%	20.23%
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Other information

Closing net asset value (£000s)	6,172	112,933	134,198	140,562
Closing number of shares	3,855,027	71,771,287	74,561,211	77,339,115
Operating charges (annualised)	1.70%	1.70%	1.69%	1.70%
Direct transaction costs	0.04%	0.03%	0.04%	0.06%

Prices

Highest share price (pence)	163.30	181.60	187.90	190.10
Lowest share price (pence)	147.80	150.30	170.60	152.60

Class E accumulation 08/07/19 - 31/12/19 (pence per share)

Change in net assets per share

Opening net asset value per share	707.70 ¹
Return before operating charges*	24.54
Operating charges	(4.00)
Return after operating charges*	20.54
Distributions on accumulation shares	(15.34)
Retained distributions on accumulation shares	15.34
Closing net asset value per share	728.24
* after direct transaction costs of:	0.26

Performance

Return after charges	2.90% ²
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Other information

Closing net asset value (£000s)	348
Closing number of shares	47,721
Operating charges (annualised)	1.20%
Direct transaction costs	0.04%

Prices

Highest share price (pence)	736.60
Lowest share price (pence)	656.40

¹ Class E accumulation launched on 8 July 2019 and this is the first published price.

² Return after charges relates to the period 08/07/19 to 31/12/19 post conversion from the A accumulation share class.

This performance will differ from the other share classes as it does not include returns generated prior to class launch, whilst the other classes returns cover the entire period under review.

Comparative tables (continued)

	Class E income 08/07/19 - 31/12/19 (pence per share)
Change in net assets per share	
Opening net asset value per share	159.42 ³
Return before operating charges*	5.39
Operating charges	(0.89)
Return after operating charges*	4.50
Distributions on income shares	(3.44)
Closing net asset value per share	160.48
* after direct transaction costs of:	0.06

Performance

Return after charges	2.82% ⁴
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Other information

Closing net asset value (£000s)	134,380
Closing number of shares	83,734,244
Operating charges (annualised)	1.20%
Direct transaction costs	0.04%

Prices

Highest share price (pence)	163.70
Lowest share price (pence)	147.90

³ Class E income launched on 8 July 2019 and this is the first published price.

⁴ Return after charges relates to the period 08/07/19 to 31/12/19 post conversion from the A income and C income share classes. This performance will differ from the other share classes as it does not include returns generated prior to class launch, whilst the other classes returns cover the entire period under review.

	Class G accumulation	
	Six months to 31/12/19 (pence per share)	14/02/19 - 30/06/19 (pence per share)
Change in net assets per share		
Opening net asset value per share	101.47	100.00 ⁵
Return before operating charges*	4.92	1.73
Operating charges	(0.37)	(0.26)
Return after operating charges*	4.55	1.47
Distributions on accumulation shares	(1.85)	(2.32)
Retained distributions on accumulation shares	1.85	2.32
Closing net asset value per share	106.02	101.47
* after direct transaction costs of:	0.04	0.03

Performance

Return after charges	4.48%	1.47%
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Other information

Closing net asset value (£000s)	195	1
Closing number of shares	183,576	542
Operating charges (annualised)	0.74%	0.71%
Direct transaction costs	0.04%	0.03%

Prices

Highest share price (pence)	107.20	103.50
Lowest share price (pence)	95.40	97.68

⁵ Class G accumulation launched on 14 February 2019 and this is the first published price.

Comparative tables (continued)

	Class I accumulation			
	Six months to 31/12/19 (pence per share)	Year to 30/06/19 (pence per share)	Year to 30/06/18 (pence per share)	Year to 30/06/17 (pence per share)
Change in net assets per share				
Opening net asset value per share	1,306.42	1,418.06	1,369.70	1,128.37
Return before operating charges*	63.37	(100.58)	59.87	252.11
Operating charges	(5.42)	(11.06)	(11.51)	(10.78)
Return after operating charges*	57.95	(111.64)	48.36	241.33
Distributions on accumulation shares	(29.40)	(57.90)	(51.08)	(49.63)
Retained distributions on accumulation shares	29.40	57.90	51.08	49.63
Closing net asset value per share	1,364.37	1,306.42	1,418.06	1,369.70
* after direct transaction costs of:	0.49	0.42	0.51	0.80

Performance

Return after charges	4.44%	(7.87%)	3.53%	21.39%
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Other information

Closing net asset value (£000s)	24,059	26,502	38,334	63,987
Closing number of shares	1,763,411	2,028,561	2,703,243	4,671,634
Operating charges (annualised)	0.84%	0.84%	0.83%	0.84%
Direct transaction costs	0.04%	0.03%	0.04%	0.06%

Prices

Highest share price (pence)	1,380.00	1,431.00	1,456.00	1,412.00
Lowest share price (pence)	1,228.00	1,201.00	1,324.00	1,099.00

	Class I income			
	Six months to 31/12/19 (pence per share)	Year to 30/06/19 (pence per share)	Year to 30/06/18 (pence per share)	Year to 30/06/17 (pence per share)
Change in net assets per share				
Opening net asset value per share	634.32	720.13	721.71	617.37
Return before operating charges*	30.37	(51.33)	30.97	136.98
Operating charges	(2.62)	(5.54)	(6.00)	(5.86)
Return after operating charges*	27.75	(56.87)	24.97	131.12
Distributions on income shares	(14.20)	(28.94)	(26.55)	(26.78)
Closing net asset value per share	647.87	634.32	720.13	721.71
* after direct transaction costs of:	0.24	0.21	0.27	0.43

Performance

Return after charges	4.37%	(7.90%)	3.46%	21.24%
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Other information

Closing net asset value (£000s)	57,284	64,663	94,388	129,082
Closing number of shares	8,841,896	10,194,024	13,107,161	17,885,611
Operating charges (annualised)	0.84%	0.84%	0.83%	0.84%
Direct transaction costs	0.04%	0.03%	0.04%	0.06%

Prices

Highest share price (pence)	660.80	726.60	749.20	754.60
Lowest share price (pence)	596.40	603.60	681.50	601.30

Comparative tables (continued)

	Class Z accumulation			
	Six months to 31/12/19 (pence per share)	Year to 30/06/19 (pence per share)	Year to 30/06/18 (pence per share)	Year to 30/06/17 (pence per share)
Change in net assets per share				
Opening net asset value per share	213.95	230.44	220.84	180.54
Return before operating charges*	10.43	(16.36)	9.71	40.42
Operating charges	(0.06)	(0.13)	(0.11)	(0.12)
Return after operating charges*	10.37	(16.49)	9.60	40.30
Distributions on accumulation shares	(4.83)	(9.51)	(8.32)	(8.03)
Retained distributions on accumulation shares	4.83	9.51	8.32	8.03
Closing net asset value per share	224.32	213.95	230.44	220.84
* after direct transaction costs of:	0.08	0.07	0.08	0.13

Performance

Return after charges	4.85%	(7.16%)	4.35%	22.32%
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Other information

Closing net asset value (£000s)	13,173	19,312	21,807	22,996
Closing number of shares	5,872,486	9,026,198	9,463,157	10,412,825
Operating charges (annualised)	0.06%	0.06%	0.05%	0.06%
Direct transaction costs	0.04%	0.03%	0.04%	0.06%

Prices

Highest share price (pence)	226.90	232.60	236.40	227.60
Lowest share price (pence)	201.40	195.90	214.80	175.90

	Class Z income			
	Six months to 31/12/19 (pence per share)	Year to 30/06/19 (pence per share)	Year to 30/06/18 (pence per share)	Year to 30/06/17 (pence per share)
Change in net assets per share				
Opening net asset value per share	199.34	224.60	223.41	189.67
Return before operating charges*	9.59	(16.02)	9.62	42.20
Operating charges	(0.06)	(0.12)	(0.11)	(0.13)
Return after operating charges*	9.53	(16.14)	9.51	42.07
Distributions on income shares	(4.50)	(9.12)	(8.32)	(8.33)
Closing net asset value per share	204.37	199.34	224.60	223.41
* after direct transaction costs of:	0.07	0.07	0.08	0.13

Performance

Return after charges	4.78%	(7.19%)	4.26%	22.18%
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Other information

Closing net asset value (£000s)	1,971	1,986	2,310	2,691
Closing number of shares	964,666	996,105	1,028,457	1,204,581
Operating charges (annualised)	0.06%	0.06%	0.05%	0.06%
Direct transaction costs	0.04%	0.03%	0.04%	0.06%

Prices

Highest share price (pence)	208.40	226.70	223.40	233.50
Lowest share price (pence)	187.60	189.00	212.20	184.80

Comparative tables (continued)

	Class A accumulation (EUR hedged)			
	Six months to 31/12/19 (pence per share)	Year to 30/06/19 (pence per share)	Year to 30/06/18 (pence per share)	Year to 30/06/17 (pence per share)
Change in net assets per share				
Opening net asset value per share	980.17	1,075.69	1,051.55	834.32
Return before operating charges*	(12.34)	(78.38)	42.19	233.90
Operating charges	(8.02)	(17.14)	(18.05)	(16.67)
Return after operating charges*	(20.36)	(95.52)	24.14	217.23
Distributions on accumulation shares	(21.81)	(41.50)	(37.87)	(36.93)
Retained distributions on accumulation shares	21.81	41.50	37.87	36.93
Closing net asset value per share	959.81	980.17	1,075.69	1,051.55
* after direct transaction costs of:	0.36	0.32	0.40	0.61

Performance

Return after charges (Base currency)	(2.08%)	(8.88%)	2.30%	26.04%
Return after charges (Share class currency)	3.41%	(9.94%)	1.57%	19.29%

Other information

Closing net asset value (£000s)	15	6	130	81
Closing number of shares	1,578	650	12,051	7,699
Operating charges (annualised)	1.70%	1.70%	1.69%	1.70%
Direct transaction costs	0.04%	0.03%	0.04%	0.06%

Prices

Highest share price (Euro cents)	1,146.00	1,227.00	1,251.00	1,237.00
Lowest share price (Euro cents)	1,027.00	1,018.00	1,141.00	977.60

	Class A accumulation (USD hedged)			
	Six months to 31/12/19 (pence per share)	Year to 30/06/19 (pence per share)	Year to 30/06/18 (pence per share)	Year to 30/06/17 (pence per share)
Change in net assets per share				
Opening net asset value per share	928.48	963.07	941.31	755.44
Return before operating charges*	14.14	(18.16)	37.36	201.47
Operating charges	(7.89)	(16.43)	(15.60)	(15.60)
Return after operating charges*	6.25	(34.59)	21.76	185.87
Distributions on accumulation shares	(20.94)	(34.38)	(33.10)	(33.49)
Retained distributions on accumulation shares	20.94	34.38	33.10	33.49
Closing net asset value per share	934.73	928.48	963.07	941.31
* after direct transaction costs of:	0.35	0.31	0.34	0.57

Performance

Return after charges (Base currency)	0.67%	(3.59%)	2.31%	24.60%
Return after charges (Share class currency)	4.79%	(7.06%)	3.99%	21.08%

Other information

Closing net asset value (£000s)	2	2	258	211
Closing number of shares	250	250	26,811	22,413
Operating charges (annualised)	1.70%	1.70%	1.69%	1.70%
Direct transaction costs	0.04%	0.03%	0.04%	0.06%

Prices

Highest share price (USD cents)	1,252.00	1,283.00	1,304.00	1,260.00
Lowest share price (USD cents)	1,112.00	1,081.00	1,186.00	983.80

Comparative tables (continued)

Performance values are at close of business on a bid basis, which will differ from those in the Performance summary.

Operating charges

Operating charges are expenses associated with the maintenance and administration of the fund on a day-to-day basis that are actually borne by the share class.

Share class launches and closures

The following share classes launched in the period:

Share class	Launch date
Class E accumulation	8 July 2019
Class E income	8 July 2019

There were no share classes closed in the period.

Share class conversions

	Conversion date
Class A accumulation to Class E accumulation	8 July 2019
Class A income and Class C income to Class E income	8 July 2019

Some shareholders were converted to the newly launched E share classes as there are no commission payments for financial advice bundled within the E share classes, and these are available for direct investment.

The conversion of A and C share classes to the E share classes was performed to benefit investors who do not use a financial adviser as a lower management fee is charged.

Hedged share classes

Class A accumulation (EUR hedged) and Class A accumulation (USD hedged) are hedged share classes. Hedged share classes allow the ACD to use currency hedging transactions to reduce the effect of fluctuations in the rate of exchange between the currency of shares in those classes and Sterling which is the base currency of the fund.

Ongoing charge figure

The annualised ongoing charge figure (OCF) of the fund is calculated as the ratio of the total ongoing charges to the average net asset value for twelve months. Ongoing charges are all expenses deducted from the assets of the fund during the period, except for expenses that are explicitly excluded by regulation.

	31/12/19 %	30/06/19 %	Estimated OCF from 8 July 2019 ¹ %
Class A	1.70	1.70	n/a
Class C	1.70	1.70	n/a
Class E²	1.20	n/a	1.20
Class G³	0.74	0.71	n/a
Class I	0.84	0.84	n/a
Class Z	0.06	0.06	n/a
Class A accumulation (EUR hedged)	1.70	1.70	n/a
Class A accumulation (USD hedged)	1.70	1.70	n/a

The OCF is calculated in accordance with guidelines issued by the European Securities and Markets Authority (ESMA).

¹ The estimated ongoing charge is based on the annual fee rates on launch date as at 8 July 2019.

² Class E accumulation and Class E income launched on 8 July 2019.

³ Class G accumulation launched on 14 February 2019.

Risk and reward profile

The fund currently has 12 types of share class in issue; A accumulation, A income, C income, E accumulation, E income, G accumulation, I accumulation, I income, Z accumulation, Z income, A accumulation (EUR hedged) and A accumulation (USD hedged).

Each type of share class has the same risk and reward profile which is as follows:



The share classes appear at 5 out of 7. Share classes in higher categories have shown greater and/or more frequent variations in share price in the past 5 years than those in lower categories. The lowest category does not mean risk free.

The Synthetic Risk and Reward Indicator (SRRI) is calculated based on historical volatility over a rolling 5* year period, it is reviewed monthly and updated if volatility has changed materially to cause a movement in the SRRI level. The SRRI is an indicator and may not accurately reflect future volatility and market conditions.

The value of an investment and any income from it can go up or down. When you sell your shares they may be worth less than you paid for them.

The risk/reward rating above is based on medium-term volatility. In the future, the fund's actual volatility could be higher or lower and its rated risk/reward level could change.

The rating does not reflect the possible effects of unusual market conditions or large unpredictable events. Under normal market conditions the following risks may apply:

Charges to Capital Some or all of the annual management charge and other costs of the fund may be taken from capital, which may erode capital or reduce potential for capital growth.

Concentration This fund may have a particularly concentrated portfolio relative to its investment universe or other funds in its sector. An adverse event impacting even a small number of holdings could create significant volatility or losses for the fund.

Country or Region If a fund has a high exposure to a particular country or geographical region it carries a higher level of risk than a fund which is more broadly diversified.

Derivatives The fund may use derivatives with the aim of reducing risk or managing the portfolio more efficiently. However this introduces other risks, in particular, that a derivative counterparty may not meet its contractual obligations.

Equities Shares can lose value rapidly, and typically involve higher risks than bonds or money market instruments. The value of your investment may fall as a result.

Smaller Companies Shares of small and mid-size companies can be more volatile than shares of larger companies, and at times it may be difficult to value or to sell shares at desired times and prices, increasing the risk of losses.

The full list of the fund's risks are contained in the 'Risk Factors' section of the fund's prospectus.

There has been no change to the risk ratings in the period.

The SRRI conforms to the ESMA guidelines for the calculation of the SRRI.

* Class G accumulation launched on 14 February 2019, Class E accumulation and Class E income launched on 8 July 2019. As these share classes do not have a 5 year history, a synthetic history has been created using the fund's relevant sector average.

Portfolio statement as at 31 December 2019

Holding	Investment	Market value £000	Percentage of total net assets %
	Equities 98.83% (30/06/2019: 99.50%)		
	Ireland 0.00% (30/06/2019: 0.29%)		
	Financials 0.00% (30/06/2019: 0.29%)		
	Netherlands 6.83% (30/06/2019: 7.40%)		
	Oil & Gas 6.83% (30/06/2019: 7.40%)		
475,000	Royal Dutch Shell 'A'	10,617	4.17
302,808	Royal Dutch Shell 'B'	6,781	2.66
		<u>17,398</u>	<u>6.83</u>
	Singapore 0.28% (30/06/2019: 0.47%)		
	Utilities 0.28% (30/06/2019: 0.47%)		
7,257,349	Simec Atlantis Energy	<u>726</u>	<u>0.28</u>
	United Kingdom 90.94% (30/06/2019: 90.58%)		
	Basic Materials 3.20% (30/06/2019: 2.20%)		
2,077,062	Carclo	390	0.15
108,549	Croda International	5,558	2.18
125,000	Mondi	2,216	0.87
		<u>8,164</u>	<u>3.20</u>
	Consumer Goods 3.03% (30/06/2019: 1.67%)		
50,000	British American Tobacco	1,616	0.63
600,000	Headlam	3,210	1.26
1,500,000	Taylor Wimpey	2,901	1.14
		<u>7,727</u>	<u>3.03</u>
	Consumer Services 4.62% (30/06/2019: 7.55%)		
1,418,202	Conviviality ¹	-	-
85,356,657	Fastjet	154	0.06
3,931,657	FastJet (Warrants) ²	-	-
994,601	Halfords	1,684	0.66
2,481,634	Marston's	3,156	1.24
500,000	Mirriad Advertising	73	0.03
1,755,000	Shoe Zone	2,807	1.10
800,694	Studio Retail Group	1,898	0.74
662,500	Ten Entertainment	2,001	0.79
		<u>11,773</u>	<u>4.62</u>
	Financials 37.38% (30/06/2019: 38.58%)		
3,591,500	ACHP ²	-	-
2,705,159	Appreciate	1,508	0.59
500,000	Aviva	2,094	0.82
2,116,947	Chesnara	6,690	2.63
32,905,500	Cluff Natural Resources	510	0.20
1,763,199	Direct Line Insurance	5,510	2.16
510,112	EPE Special Opportunities	918	0.36
600,000	Hammerson REIT	1,852	0.73
374,044	Henderson Alternative Strategies Trust	980	0.38
348,335	Hiscox	4,960	1.95
1,206,683	HSBC	7,142	2.80
203,500,000	Hume Capital Securities ¹	-	-

Portfolio statement (continued)

Holding	Investment	Market value £000	Percentage of total net assets %
Financials (continued)			
1,557,401	International Personal Finance	2,507	0.98
1,211,949	M&G	2,875	1.13
1,049,976	Numis	3,139	1.23
1,739,500	Palace Capital	5,662	2.22
1,191,415	Phoenix	8,924	3.51
513,123	Provident Financial	2,345	0.92
511,949	Prudential	7,418	2.92
3,482,300	Redde	3,691	1.45
2,422,260	Royal Bank of Scotland	5,821	2.28
1,186,120	Sabre Insurance	3,653	1.43
801,661	St. Modwen Properties	3,984	1.56
1,250,000	Standard Chartered	8,905	3.51
1,256,250	Standard Life Aberdeen	4,122	1.62
		<u>95,210</u>	<u>37.38</u>
Health Care 4.19% (30/06/2019: 3.20%)			
600,000	GlaxoSmithKline	10,674	4.19
300,000	Oxford Pharmascience ¹	-	-
		<u>10,674</u>	<u>4.19</u>
Industrials 27.99% (30/06/2019: 27.70%)			
185,000	Avon Rubber	3,867	1.52
698,076	Babcock International	4,394	1.72
650,000	BAE Systems	3,671	1.44
1,803,531	Balfour Beatty	4,714	1.85
1,900,965	Carillion ¹	-	-
633,805	Castings	2,662	1.04
1,547,275	Epwin	1,609	0.63
327,425	Hill & Smith	4,823	1.89
500,000	Ibstock	1,575	0.62
3,800,400	iEnergizer	9,882	3.89
194,266	IMI	2,290	0.90
1,095,395	Interserve ¹	-	-
1,819,000	Johnson Service	3,565	1.40
736,411	Meggitt	4,837	1.90
1,300,000	Morgan Advanced Materials	4,121	1.62
1,441,561	Renewi	522	0.20
7,445,274	Renold	1,338	0.53
34,731,610	Rolls Royce Preference Shares	35	0.01
755,035	Rolls-Royce	5,158	2.02
1,200,000	Royal Mail	2,716	1.07
3,126,329	Senior	5,405	2.12
1,650,000	TT Electronics	4,125	1.62
		<u>71,309</u>	<u>27.99</u>
Oil & Gas 3.92% (30/06/2019: 4.27%)			
1,514,254	BP	7,141	2.81
8,000,000	Iluka	2,320	0.91
180,000	Indus Gas	513	0.20
		<u>9,974</u>	<u>3.92</u>

Portfolio statement (continued)

Holding	Investment	Market value £000	Percentage of total net assets %
	Telecommunications 1.74% (30/06/2019: 1.44%)		
3,013,235	Vodafone	4,422	1.74
	Utilities 4.87% (30/06/2019: 3.97%)		
2,567,355	Aggregated Micro Power	2,131	0.84
2,350,000	Centrica	2,099	0.82
400,000	National Grid	3,777	1.48
175,000	Severn Trent	4,401	1.73
		<u>12,408</u>	<u>4.87</u>
	United States 0.78% (30/06/2019: 0.76%)		
	Industrials 0.78% (30/06/2019: 0.76%)		
736,980	Somero Enterprises	1,990	0.78
	Derivatives 0.00% (30/06/2019: 0.00%)		
	Forward Foreign Exchange Contracts (Hedged share classes) 0.00% (30/06/2019: 0.00%)³		
	Buy EUR 18,107 : Sell GBP 15,151 January 2020 ⁴	-	-
	Buy EUR 237 : Sell GBP 203 January 2020 ⁴	-	-
	Buy GBP 320 : Sell EUR 382 January 2020 ⁴	-	-
	Buy GBP 64 : Sell USD 85 January 2020 ⁴	-	-
	Buy USD 3,157 : Sell GBP 2,364 January 2020 ⁴	-	-
	Buy USD 41 : Sell GBP 32 January 2020 ⁴	-	-
		<u>-</u>	<u>-</u>
		<u>-</u>	<u>-</u>
	Investment assets	251,775	98.83
	Other net assets	2,977	1.17
	Total net assets	<u>254,752</u>	<u>100.00</u>

The classification is based on the country of risk and a relevant industry classification standard.

¹ Suspended or delisted securities

² Manually priced securities

³ Unquoted securities

⁴ Due to rounding to nearest £1,000

All investments are listed on recognised stock exchanges and are 'approved securities' within the meaning of FCA rules unless otherwise stated.

Statement of total return (unaudited) for the six months ended 31 December 2019

	31/12/19		31/12/18	
	£000	£000	£000	£000
Income				
Net capital gains/(losses)		5,566		(51,983)
Revenue	5,906		6,106	
Expenses	(1,341)		(2,011)	
Interest payable and similar charges	-		(1)	
Net revenue before taxation	4,565		4,094	
Taxation	(40)		(30)	
Net revenue after taxation		4,525		4,064
Total return before distributions		10,091		(47,919)
Distributions		(5,677)		(5,848)
Change in net assets attributable to shareholders from investment activities		4,414		(53,767)

Statement of change in net assets attributable to shareholders

(unaudited) for the six months ended 31 December 2019

	31/12/19		31/12/18	
	£000	£000	£000	£000
Opening net assets attributable to shareholders*		270,819		348,212
Amounts receivable on issue of shares	5,624		4,090	
Amounts payable on cancellation of shares	(26,971)		(24,770)	
		(21,347)		(20,680)
Change in net assets attributable to shareholders from investment activities		4,414		(53,767)
Retained distributions on accumulation shares		840		1,000
Unclaimed distributions		26		18
Closing net assets attributable to shareholders		254,752		274,783

* The opening net assets attributable to shareholders for the current period do not equal the closing net assets attributable for the comparative period as they are not consecutive periods.

Balance sheet (unaudited) as at 31 December 2019

	31/12/19 £000	30/06/19 £000
Assets:		
Investments	251,775	269,478
Current assets:		
Debtors	1,326	1,679
Cash and bank balances	5,448	5,373
Total assets	258,549	276,530
Liabilities:		
Creditors:		
Bank overdrafts	1,653	-
Distribution payable	1,785	3,689
Other creditors	359	2,022
Total liabilities	3,797	5,711
Net assets attributable to shareholders	254,752	270,819

Distribution tables for the six months ended 31 December 2019 (in pence per share)

Interim dividend distribution (accounting date 30 September 2019, paid on 29 November 2019)

Group 1: shares purchased prior to 1 July 2019

Group 2: shares purchased on or after 1 July 2019

	Distribution per share	Equalisation	Total distribution per share 29/11/19	Total distribution per share 30/11/18
Class A accumulation				
Group 1	9.4446	-	9.4446	7.2936
Group 2	6.4611	2.9835	9.4446	7.2936
Class A income				
Group 1	7.5227	-	7.5227	6.0663
Group 2	1.3508	6.1719	7.5227	6.0663
Class C income				
Group 1	2.1292	-	2.1292	1.7164
Group 2	0.2876	1.8416	2.1292	1.7164
Class E accumulation¹				
Group 1	9.4454	-	9.4454	n/a
Group 2	4.7815	4.6639	9.4454	n/a
Class E income¹				
Group 1	2.1290	-	2.1290	n/a
Group 2	0.2889	1.8401	2.1290	n/a
Class G accumulation²				
Group 1	0.9653	-	0.9653	n/a
Group 2	0.9653	-	0.9653	n/a
Class I accumulation				
Group 1	18.0144	-	18.0144	13.9089
Group 2	7.7394	10.2750	18.0144	13.9089
Class I income				
Group 1	8.7479	-	8.7479	7.0632
Group 2	2.1140	6.6339	8.7479	7.0632
Class Z accumulation				
Group 1	2.9451	-	2.9451	2.2759
Group 2	2.9451	-	2.9451	2.2759
Class Z income				
Group 1	2.7658	-	2.7658	2.2206
Group 2	2.1693	0.5965	2.7658	2.2206
Class A accumulation (EUR hedged)³				
Group 1	15.7956	-	15.7956	11.6237
Group 2	1.6168	14.1788	15.7956	11.6237
Class A accumulation (USD hedged)⁴				
Group 1	16.3846	-	16.3846	5.0075
Group 2	16.3846	-	16.3846	5.0075

¹ Class E accumulation and Class E income launched on 8 July 2019.

² Class G accumulation launched on 14 February 2019.

³ in Euro cents per share

⁴ in USD cents per share

Distribution tables (continued)

Interim dividend distribution (accounting date 31 December 2019, paid on 28 February 2020)

Group 1: shares purchased prior to 1 October 2019

Group 2: shares purchased on or after 1 October 2019

	Distribution per share	Equalisation	Total distribution per share 28/02/20	Total distribution per share 28/02/19
Class A accumulation				
Group 1	5.8870	-	5.8870	5.8228
Group 2	3.2393	2.6477	5.8870	5.8228
Class A income				
Group 1	4.6214	-	4.6214	4.7957
Group 2	1.4582	3.1632	4.6214	4.7957
Class C income				
Group 1	1.3069	-	1.3069	1.3568
Group 2	0.3520	0.9549	1.3069	1.3568
Class E accumulation¹				
Group 1	5.8973	-	5.8973	n/a
Group 2	3.0215	2.8758	5.8973	n/a
Class E income¹				
Group 1	1.3100	-	1.3100	n/a
Group 2	0.3550	0.9550	1.3100	n/a
Class G accumulation²				
Group 1	0.8854	-	0.8854	n/a
Group 2	0.8854	-	0.8854	n/a
Class I accumulation				
Group 1	11.3857	-	11.3857	11.1594
Group 2	6.8016	4.5841	11.3857	11.1594
Class I income				
Group 1	5.4520	-	5.4520	5.6142
Group 2	1.2463	4.2057	5.4520	5.6142
Class Z accumulation				
Group 1	1.8894	-	1.8894	1.8335
Group 2	1.8894	-	1.8894	1.8335
Class Z income				
Group 1	1.7330	-	1.7330	1.7712
Group 2	0.3878	1.3452	1.7330	1.7712
Class A accumulation (EUR hedged)³				
Group 1	9.2444	-	9.2444	9.2368
Group 2	7.2157	2.0287	9.2444	9.2368
Class A accumulation (USD hedged)⁴				
Group 1	10.1264	-	10.1264	9.9137
Group 2	10.1264	-	10.1264	9.9137

¹ Class E accumulation and Class E income launched on 8 July 2019.

² Class G accumulation launched on 14 February 2019.

³ in Euro cents per share

⁴ in USD cents per share

Janus Henderson UK Smaller Companies Fund

Authorised Corporate Director's (ACD) report

Investment Fund Manager

Neil Hermon

Investment objective and policy

To aim to provide capital growth by investing primarily in United Kingdom smaller companies.

Performance summary

Cumulative performance	Six months	One year	Five years	First published data
	30 Jun 19 - 31 Dec 19	31 Dec 18 - 31 Dec 19	31 Dec 14 - 31 Dec 19	31 Jan 83 - 31 Dec 19
	%	%	%	%
Class I accumulation	15.0	31.9	84.0	5,259.4
Numis Smaller Companies ex Investment Trusts Index	13.3	25.2	55.6	-*
IA UK Smaller Companies	12.1	25.4	75.3	5,413.2

Discrete performance

	31 Dec 18 - 31 Dec 19	31 Dec 17 - 31 Dec 18	31 Dec 16 - 31 Dec 17	31 Dec 15 - 31 Dec 16	31 Dec 14 - 31 Dec 15
	%	%	%	%	%
Class I accumulation	31.9	(13.3)	28.1	8.4	15.9

Source: Morningstar, Class I accumulation, NAV to NAV, net of fees and net income reinvested as at 12 noon valuation point. Benchmark values are as at close of business.

Index: Numis Smaller Companies ex Investment Trusts Index

Index Usage: Comparator

Index description: The Numis Smaller Companies ex Investment Trusts Index is a measure of the combined performance of smaller companies (the bottom 10%) listed on the London Stock Exchange excluding investment companies. It provides a useful comparison against which the fund's performance can be assessed over time.

Peer group benchmark: IA UK Smaller Companies

Peer group benchmark usage: Comparator

Peer group description: 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.

Class I accumulation is disclosed as it is the primary share class.

* Benchmark return is not quoted as the fund inception date is earlier than the benchmark inception date.

Please remember that past performance is not a guide to future performance. The value of an investment and the revenue from it can fall as well as rise as a result of market and currency fluctuations and you may not get back the amount originally invested.

Authorised Corporate Director's (ACD) report (continued)

Significant portfolio changes for the six months ended 31 December 2019

Largest purchases	£000	Largest sales	£000
Chemring	2,012	Aveva	3,443
Bellway	1,491	Ibstock	2,516
Intermediate Capital	1,452	Unite	1,446
Vesuvius	1,216	Tarsus	653
Liontrust Asset Management	1,163	Charles Taylor	360
Future	1,101	Blue Prism	355
Volusion	1,078	Burford Capital	296
Clinigen	1,047	Renishaw	279
Balfour Beatty	1,023	Lookers	265
Ascential	1,009	AJ Bell	250
Total purchases	53,143	Total sales	11,262

Investment review

The fund return 15.0% based on Class I accumulation over the period under review, compared with a return of 13.3% in the Numis Smaller Companies ex Investment Trusts Index and a return of 12.1% in the IA UK Smaller Companies peer group benchmark.

UK stocks rose in the period. Boris Johnson won the Conservative Party leadership contest and was installed as prime minister. The Conservatives then won a resounding victory in the general election, providing increased clarity that the UK will leave the European Union (EU) in early 2020. It also removed the prospect of a government led by the Labour Party's Jeremy Corbyn, who the market viewed as less business friendly. There was increasingly positive rhetoric about the US and China signing a trade deal. The US Federal Reserve (Fed) cut interest rates for a third time in 2019, in October, while Mario Draghi warned that the global economy faced 'protracted weakness' going into 2020 at his last meeting as European Central Bank president. The more domestic mid-cap index outperformed the more international large-cap index during the period.

Positive contributors to performance included Bellway, a UK housebuilder, which rose 40.5% as housebuilders benefited from the Conservatives' election victory and the likely continued commitment to a strong housing market. Learning Technologies, an e-learning services and technology company, rose 48.4% as investors looked to buy into high-growth businesses where earnings expectations have the scope to rise. GBG, a software business specialising in identity and location verification, rose 41.8% after it reported interim results that showed strong organic sales and profit growth.

On the negative side, Burford Capital, a provider of litigation finance, fell 56.0% after a short attack alleging the company was insolvent, facing potential liquidity issues and undertaking aggressive accounting. Management robustly rebutted the allegations and purchased a material amount of stock. We do not believe the company to be insolvent, the market was already aware of the liquidity issues and management have committed to increased disclosure to allay fears about their inherently opaque accounting practices. Clinigen, a specialist pharmaceutical group, fell 7.6% due to a negative broker note and small downgrades in its full-year results, despite an announcement in July that the board was confident of hitting expectations. We initiated a position in Liontrust Asset Management. The company is enjoying strong asset flows, which we think will continue to benefit from structural trends in socially responsible investing, where it has an established franchise. We initiated a position in Frontier Developments, a gaming software developer. The company is well-placed to benefit from its growing list of successful titles and the predictions for its latest game, Planet Zoo, are promising. We bought a position in Benchmark, an animal health business focused on fishing. The company has materially underperformed since an initial public offering, but a new management team and the industry's long-term prospects are positive, providing scope for a strong recovery in the business. We bought a position in Chemring, a defence business specialising in advanced countermeasure products, sensors and electronic equipment that are primarily sold to the US Department of Defense. We expect Chemring to benefit from an expansion in US military spending and growth in underlying operating margins as new products move to full production.

To finance these purchases, we sold our position in Ibstock, a brick manufacturer, after the share price moved to a level that we felt was unjustifiable given likely future growth. We disposed of our position in Unite, an owner and developer of student accommodation, on valuation grounds. We sold our position in Aveva, a software design business, after the company entered the FTSE 100 Index and no longer qualified for the portfolio.

The Conservatives' election victory has given a significant boost to the UK small and mid-cap equity market and provided political clarity. However, it is unclear as to what the UK's future trading relationship with Europe will be and what trade deal can be negotiated.

The UK economy has flirted with recession. The political and Brexit uncertainty has weighed on consumer and business confidence, delaying and postponing investment and purchasing decisions, and dampening economic growth. It is hoped that the UK economy will strengthen now some of this uncertainty has cleared, helped by potential tax cuts and boosts to public spending.

Globally, economic conditions are challenging. Europe, in particular, is showing signs of economic weakness. Trade tensions are providing negative commentary and the volatility of US/China relations is not helpful. However, progress on the 'phase one' trade deal raises hopes that the US/China tensions can be de-escalated in 2020. After a rise in US interest rates in 2018, the Fed reversed the policy, although its commentary indicates that we are currently in a mid-cycle pause.

In the corporate sector, conditions are intrinsically stronger than they were during the financial crisis of 2008-09. Balance sheets are more robust and dividends are growing.

In terms of valuations, the equity market is now trading below long-term averages. Mergers and acquisitions (M&A) remain a supportive feature for the smaller companies area. If corporate confidence improves, M&A will increase, especially as little or no return can currently be generated from cash and the cost of debt is historically low. We have seen significant interest in UK corporates from abroad and from private equity, and given the relatively low valuation of UK equities and a weak currency, we expect this trend to continue.

Comparative tables for the six months ended 31 December 2019

	Class A accumulation			
	Six months to 31/12/19 (pence per share)	Year to 30/06/19 (pence per share)	Year to 30/06/18 (pence per share)	Year to 30/06/17 (pence per share)
Change in net assets per share				
Opening net asset value per share	786.86	834.01	718.31	533.13
Return before operating charges*	119.63	(34.01)	128.99	196.04
Operating charges	(6.72)	(13.14)	(13.29)	(10.86)
Return after operating charges*	112.91	(47.15)	115.70	185.18
Distributions on accumulation shares	-	(7.14)	(5.26)	(4.98)
Retained distributions on accumulation shares	-	7.14	5.26	4.98
Closing net asset value per share	899.77	786.86	834.01	718.31
* after direct transaction costs of:	-	0.87	0.75	0.67
Performance				
Return after charges	14.35%	(5.65%)	16.11%	34.73%
Other information				
Closing net asset value (£000s)	14,625	55,933	63,227	58,115
Closing number of shares	1,625,439	7,108,397	7,581,071	8,090,545
Operating charges (annualised)	1.70%	1.70%	1.70%	1.70%
Direct transaction costs	0.00%	0.11%	0.10%	0.10%
Prices				
Highest share price (pence)	903.80	842.20	856.10	739.10
Lowest share price (pence)	726.60	677.10	715.40	505.70

Comparative tables (continued)

	Class E accumulation
	08/07/19 -
	31/12/19
	(pence
	per share)
Change in net assets per share	
Opening net asset value per share	780.29 ¹
Return before operating charges*	126.24
Operating charges	(4.60)
Return after operating charges*	121.64
Distributions on accumulation shares	-
Retained distributions on accumulation shares	-
Closing net asset value per share	901.93
* after direct transaction costs of:	-
Performance	
Return after charges	15.59% ²
Other information	
Closing net asset value (£000s)	47,729
Closing number of shares	5,291,784
Operating charges (annualised)	1.20%
Direct transaction costs	0.00%
Prices	
Highest share price (pence)	906.00
Lowest share price (pence)	727.00

¹ Class E accumulation launched on 8 July 2019 and this is the first published price.

² Return after charges relates to the period 08/07/19 to 31/12/19 post conversion from the A accumulation share class.

This performance will differ from the other share classes as it does not include returns generated prior to class launch, whilst the other classes returns cover the entire period under review.

Comparative tables (continued)

	Class I accumulation			
	Six months to 31/12/19 (pence per share)	Year to 30/06/19 (pence per share)	Year to 30/06/18 (pence per share)	Year to 30/06/17 (pence per share)
Change in net assets per share				
Opening net asset value per share	930.05	977.37	834.60	614.18
Return before operating charges*	141.98	(39.69)	150.54	226.69
Operating charges	(3.94)	(7.63)	(7.77)	(6.27)
Return after operating charges*	138.04	(47.32)	142.77	220.42
Distributions on accumulation shares	-	(15.00)	(13.08)	(12.80)
Retained distributions on accumulation shares	-	15.00	13.08	12.80
Closing net asset value per share	1,068.09	930.05	977.37	834.60
* after direct transaction costs of:	-	1.02	0.88	0.78

Performance

Return after charges	14.84%	(4.84%)	17.11%	35.89%
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Other information

Closing net asset value (£000s)	136,183	101,704	82,331	61,245
Closing number of shares	12,750,228	10,935,313	8,423,740	7,338,149
Operating charges (annualised)	0.84%	0.84%	0.85%	0.85%
Direct transaction costs	0.00%	0.11%	0.10%	0.10%

Prices

Highest share price (pence)	1,073.00	988.30	1,003.00	858.20
Lowest share price (pence)	859.80	796.90	831.30	582.70

	Class Z accumulation			
	Six months to 31/12/19 (pence per share)	Year to 30/06/19 (pence per share)	Year to 30/06/18 (pence per share)	Year to 30/06/17 (pence per share)
Change in net assets per share				
Opening net asset value per share	647.16	674.80	571.76	417.50
Return before operating charges*	99.17	(27.26)	103.42	154.61
Operating charges	(0.20)	(0.38)	(0.38)	(0.35)
Return after operating charges*	98.97	(27.64)	103.04	154.26
Distributions on accumulation shares	-	(16.10)	(13.85)	(11.89)
Retained distributions on accumulation shares	-	16.10	13.85	11.89
Closing net asset value per share	746.13	647.16	674.80	571.76
* after direct transaction costs of:	-	0.71	0.61	0.53

Performance

Return after charges	15.29%	(4.10%)	18.02%	36.95%
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Other information

Closing net asset value (£000s)	55,372	26,064	26,664	22,675
Closing number of shares	7,421,298	4,027,517	3,951,443	3,965,863
Operating charges (annualised)	0.06%	0.06%	0.06%	0.07%
Direct transaction costs	0.00%	0.11%	0.10%	0.10%

Prices

Highest share price (pence)	749.50	683.20	692.20	587.60
Lowest share price (pence)	598.90	552.30	569.50	396.20

Comparative tables (continued)

Direct transaction costs incurred on securities transactions are stated after deducting the proportion of the amounts collected from dilution adjustments that relate to direct transaction costs.

Performance values are at close of business on a bid basis, which will differ from those in the Performance summary.

Operating charges

Operating charges are expenses associated with the maintenance and administration of the fund on a day-to-day basis that are actually borne by the share class.

Share class launches and closures

The following share class launched in the period:

Share class	Launch date
Class E accumulation	8 July 2019

There were no share classes closed in the period.

Share class conversions	Conversion date
Class A accumulation to Class E accumulation	8 July 2019

Some shareholders were converted to the newly launched E share classes as there are no commission payments for financial advice bundled within the E share classes, and these are available for direct investment.

The conversion of A share classes to the E share classes was performed to benefit investors who do not use a financial adviser as a lower management fee is charged.

Ongoing charge figure

The annualised ongoing charge figure (OCF) of the fund is calculated as the ratio of the total ongoing charges to the average net asset value for twelve months. Ongoing charges are all expenses deducted from the assets of the fund during the period, except for expenses that are explicitly excluded by regulation.

	31/12/19 %	30/06/19 %	Estimated OCF from 8 July 2019 ¹ %
Class A	1.70	1.70	n/a
Class E²	1.20	n/a	1.20
Class I	0.84	0.84	n/a
Class Z	0.06	0.06	n/a

The OCF is calculated in accordance with guidelines issued by the European Securities and Markets Authority (ESMA).

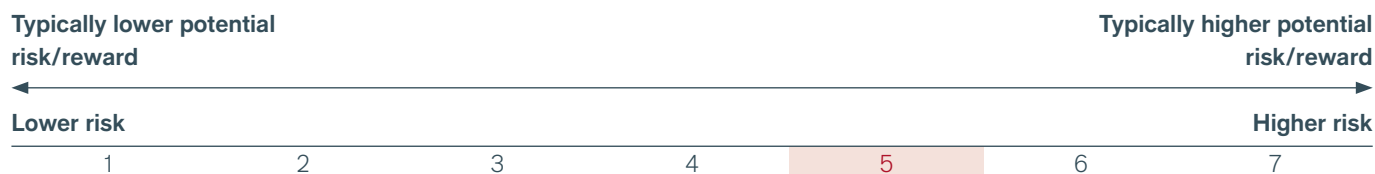
¹ The estimated ongoing charge is based on the annual fee rates on launch date as at 8 July 2019.

² Class E accumulation launched on 8 July 2019.

Risk and reward profile

The fund currently has 4 types of share class in issue; A accumulation, E accumulation, I accumulation and Z accumulation.

Each type of share class has the same risk and reward profile which is as follows:



The share classes appear at 5 out of 7. Share classes in higher categories have shown greater and/or more frequent variations in share price in the past 5 years than those in lower categories. The lowest category does not mean risk free.

The Synthetic Risk and Reward Indicator (SRRI) is calculated based on historical volatility over a rolling 5* year period, it is reviewed monthly and updated if volatility has changed materially to cause a movement in the SRRI level. The SRRI is an indicator and may not accurately reflect future volatility and market conditions.

The value of an investment and any income from it can go up or down. When you sell your shares they may be worth less than you paid for them.

The risk/reward rating above is based on medium-term volatility. In the future, the fund's actual volatility could be higher or lower and its rated risk/reward level could change.

The rating does not reflect the possible effects of unusual market conditions or large unpredictable events. Under normal market conditions the following risks may apply:

Country or Region If a fund has a high exposure to a particular country or geographical region it carries a higher level of risk than a fund which is more broadly diversified.

Derivatives The fund may use derivatives with the aim of reducing risk or managing the portfolio more efficiently. However this introduces other risks, in particular, that a derivative counterparty may not meet its contractual obligations.

Equities Shares can lose value rapidly, and typically involve higher risks than bonds or money market instruments. The value of your investment may fall as a result.

Smaller Companies Shares of small and mid-size companies can be more volatile than shares of larger companies, and at times it may be difficult to value or to sell shares at desired times and prices, increasing the risk of losses.

The full list of the fund's risks are contained in the 'Risk Factors' section of the fund's prospectus.

There has been no change to the risk ratings during the period.

The SRRI conforms to the ESMA guidelines for the calculation of the SRRI.

* Class E accumulation launched on 8 July 2019 and as it does not have a 5 year history, a synthetic history has been created using the fund's relevant sector average.

Portfolio statement as at 31 December 2019

Holding	Investment	Market value £000	Percentage of total net assets %
	Equities 96.54% (30/06/2019: 96.99%)		
	Ireland 0.00% (30/06/2019: 0.68%)		
	Consumer Services 0.00% (30/06/2019: 0.68%)		
	Singapore 0.80% (30/06/2019: 0.61%)		
	Industrials 0.80% (30/06/2019: 0.61%)		
65,124	XP Power	2,019	0.80
	United Kingdom 93.36% (30/06/2019: 93.54%)		
	Basic Materials 3.94% (30/06/2019: 3.71%)		
920,000	Scapa	2,245	0.88
990,000	Synthomer	3,503	1.38
171,173	Victrex	4,268	1.68
		<u>10,016</u>	<u>3.94</u>
	Consumer Goods 8.49% (30/06/2019: 6.85%)		
220,000	Bellway	8,376	3.31
965,000	Codemasters	2,683	1.06
685,000	Countryside Properties	3,118	1.23
373,132	Crest Nicholson	1,611	0.63
70,862	Frontier Developments	866	0.34
875,000	Team17	3,281	1.29
428,437	Watches Of Switzerland	1,611	0.63
		<u>21,546</u>	<u>8.49</u>
	Consumer Services 10.95% (30/06/2019: 10.58%)		
810,000	Ascential	3,175	1.25
1,949,501	Cineworld	4,272	1.69
772,114	DFS Furniture	2,231	0.88
215,000	Euromoney Institutional Investor	2,799	1.10
200,000	Future	2,900	1.14
1,878,333	GoCo	1,953	0.77
381,973	Gym	1,104	0.43
680,000	Hollywood Bowl	1,938	0.76
2,300,000	Hyve	2,346	0.92
350,000	Joules	805	0.32
1,000,000	Lookers	550	0.22
490,000	Marshall Motor	750	0.30
181,603	Mitchells & Butlers	834	0.33
231,119	Next Fifteen Communications	1,243	0.49
1,444,069	SafeStyle UK	895	0.35
		<u>27,795</u>	<u>10.95</u>
	Financials 22.45% (30/06/2019: 22.65%)		
710,566	Brewin Dolphin	2,646	1.04
197,045	Burford Capital	1,403	0.55
4,217,482	Capital & Regional	1,071	0.42
872,745	CLS	2,631	1.04
699,120	Grainger	2,190	0.86
425,650	Helical	2,018	0.79
793,529	Impax Asset Management	3,087	1.22
840,000	IntegraFin	3,738	1.47

Portfolio statement (continued)

Holding	Investment	Market value £000	Percentage of total net assets %
Financials (continued)			
535,000	Intermediate Capital	8,613	3.40
1,169,046	John Laing	4,442	1.75
621,782	Jupiter Fund Management	2,547	1.00
3,575,000	Just	2,824	1.11
140,000	Liontrust Asset Management	1,540	0.61
850,000	OneSavings Bank	3,684	1.45
930,000	Paragon Banking	5,012	1.98
165,000	Safestore	1,330	0.52
250,000	Savills	2,838	1.12
1,241,993	Sherborne Investors 'A'	739	0.29
680,000	St. Modwen Properties	3,380	1.33
370,000	Urban & Civic	1,277	0.50
		57,010	22.45
Health Care 5.93% (30/06/2019: 5.91%)			
42,672	Advanced Medical Solutions	126	0.05
1,525,000	Alliance Pharma	1,283	0.51
1,536,558	Benchmark	661	0.26
565,000	Clinigen	5,222	2.05
284,071	Consort Medical	2,912	1.15
140,070	Dechra Pharmaceuticals	4,062	1.60
549,716	Spire Healthcare	781	0.31
		15,047	5.93
Industrials 29.22% (30/06/2019: 30.34%)			
1,850,000	AA	1,076	0.42
38,727	AB Dynamics	802	0.32
128,118	Avon Rubber	2,678	1.05
1,415,000	Balfour Beatty	3,699	1.46
250,000	Bodycote	2,380	0.94
975,000	Chemring	2,345	0.92
2,516,359	Coats	1,877	0.74
302,747	Costain	483	0.19
650,696	Eurocell	1,562	0.62
1,851	Gooch & Housego	26	0.01
265,000	Howden Joinery	1,782	0.70
42,000	James Fisher & Sons	851	0.33
3,200,000	Learning Technologies	4,575	1.81
1,080,000	Luceco	1,365	0.54
405,000	Midwich	2,195	0.86
664,180	Northgate	2,066	0.81
283,827	Oxford Instruments	4,370	1.72
268,025	Polypipe	1,447	0.57
99,000	Renishaw	3,729	1.47
388,728	ReStore	2,107	0.83
597,625	Rotork	2,002	0.79
710,000	RWS	4,323	1.70
540,000	Sanne	3,656	1.44
995,953	Severfield	837	0.33
2,250,000	SIG	2,768	1.09
227,958	Smart Metering Systems	1,288	0.51

Portfolio statement (continued)

Holding	Investment	Market value £000	Percentage of total net assets %
Industrials (continued)			
92,000	Spectris	2,674	1.05
454,146	SThree	1,721	0.68
1,619,699	Thruvision	441	0.17
635,000	Tyman	1,724	0.68
207,000	Ultra Electronics	4,375	1.72
741,517	Vesuvius	3,708	1.46
162,093	Vitec	1,783	0.70
578,956	Volution	1,488	0.59
		<u>74,203</u>	<u>29.22</u>
Oil & Gas 4.03% (30/06/2019: 4.02%)			
1,560,000	Cairn Energy	3,198	1.25
510,000	Hunting	2,129	0.84
2,910,000	Premier Oil	2,858	1.13
934,908	Serica Energy	1,208	0.48
595,239	Tekmar	833	0.33
		<u>10,226</u>	<u>4.03</u>
Technology 6.80% (30/06/2019: 8.04%)			
200,487	Aptitude Software	1,247	0.49
644,124	Blancco Technology	1,095	0.43
145,000	Computacenter	2,571	1.01
580,000	GBG	4,523	1.78
405,000	RM	1,158	0.46
284,421	SDL	1,695	0.67
265,849	Softcat	3,063	1.21
415,059	Spirent Communications	1,044	0.41
1,402,650	Tribal	870	0.34
		<u>17,266</u>	<u>6.80</u>
Telecommunications 1.55% (30/06/2019: 1.44%)			
296,529	Gamma Communications	3,944	1.55
United States 2.38% (30/06/2019: 2.16%)			
Consumer Goods 1.65% (30/06/2019: 1.40%)			
1,580,000	TI Fluid Systems	4,203	1.65
Industrials 0.73% (30/06/2019: 0.76%)			
736,724	Alpha Financial Markets Consulting	1,842	0.73
Investment assets		245,117	96.54
	Other net assets	8,792	3.46
Total net assets		253,909	100.00

All investments are listed on recognised stock exchanges and are 'approved securities' within the meaning of FCA rules unless otherwise stated.

The classification is based on the country of risk and a relevant industry classification standard.

Statement of total return (unaudited) for the six months ended 31 December 2019

	31/12/19		31/12/18	
	£000	£000	£000	£000
Income				
Net capital gains/(losses)		26,728		(31,395)
Revenue	1,913		1,519	
Expenses	<u>(853)</u>		<u>(858)</u>	
Net revenue before taxation	1,060		661	
Taxation	<u>-</u>		<u>-</u>	
Net revenue after taxation		<u>1,060</u>		<u>661</u>
Total return before distributions		27,788		(30,734)
Distributions		-		-
Change in net assets attributable to shareholders from investment activities		<u>27,788</u>		<u>(30,734)</u>

Statement of change in net assets attributable to shareholders

(unaudited) for the six months ended 31 December 2019

	31/12/19		31/12/18	
	£000	£000	£000	£000
Opening net assets attributable to shareholders*		183,701		172,222
Amounts receivable on issue of shares	61,590		15,691	
Amounts payable on cancellation of shares	<u>(19,486)</u>		<u>(3,898)</u>	
		42,104		11,793
Dilution adjustment		316		-
Change in net assets attributable to shareholders from investment activities		27,788		(30,734)
Closing net assets attributable to shareholders		<u>253,909</u>		<u>153,281</u>

* The opening net assets attributable to shareholders for the current period do not equal the closing net assets attributable for the comparative period as they are not consecutive periods.

Balance sheet (unaudited) as at 31 December 2019

	31/12/19 £000	30/06/19 £000
Assets:		
Investments	245,117	178,176
Current assets:		
Debtors	1,201	1,229
Cash and bank balances	8,161	4,685
Total assets	<u>254,479</u>	<u>184,090</u>
Liabilities:		
Creditors:		
Other creditors	570	389
Total liabilities	<u>570</u>	<u>389</u>
Net assets attributable to shareholders	<u>253,909</u>	<u>183,701</u>

Appendix - additional information

Securities financing transactions

The funds engage in securities financing transactions (SFTs) (as defined in Article 3 of Regulation (EU) 2015/2365, securities financing transactions include repurchase transactions, securities or commodities lending and securities or commodities borrowing, buy-sell back transactions or sell-buy back transactions and margin lending transactions). In accordance with Article 13 of the Regulation, the funds' involvement in and exposures related to securities lending for the six months ended 31 December 2019 are detailed below.

Global data

The table lists the amount of securities on loan as a proportion of total lendable assets and the funds' assets under management (AUM) as at 31 December 2019:

Fund	Market value of securities on loan £000	% of lendable assets	% of AUM
Janus Henderson All Stocks Credit Fund	10,906	1.81%	1.74%
Janus Henderson Institutional Long Dated Credit Fund	5,019	2.19%	2.15%
Janus Henderson Preference & Bond Fund	12,343	1.58%	1.48%
Janus Henderson Strategic Bond Fund	177,644	7.22%	6.54%
Janus Henderson UK Equity Income & Growth Fund	15,174	6.03%	5.96%

Concentration data

The following table lists the ten largest collateral issuers by value of collateral received (across all SFTs) for each fund as at 31 December 2019:

Issuer	Market value of collateral received £000	Issuer	Market value of collateral received £000
Janus Henderson All Stocks Credit Fund*		Janus Henderson Institutional Long Dated Credit Fund	
Government of New Zealand	5,828	Government of New Zealand	3,992
Government of Germany	3,124	Government of Germany	600
Government of France	2,133	Government of France	409
US Treasury	588	Bank Nederlandse Gemeenten	122
Kingdom of Spain	123	US Treasury	113
Government of Ireland	36	Kingdom of Spain	84
European Financial Stability Facility	10	RATP	28
		Government of Ireland	24
		European Financial Stability Facility	7
Janus Henderson Preference & Bond Fund		Janus Henderson Strategic Bond Fund	
Government of Germany	1,785	Government of New Zealand	15,465
Government of France	1,219	Sophos	7,605
European Investment Bank	487	Iliad	7,553
Sophos	474	Tate & Lyle	7,460
Tate & Lyle	427	STMicroelectronics	6,837
Iliad	427	International Workplace	6,196
STMicroelectronics	421	Barclays Bank	5,569
International Workplace	350	BP	5,454
Barclays Bank	343	ConvaTec	5,219
US Treasury	336	Wizz Air	4,585

* All collateral issuers have been included.

Appendix - additional information (unaudited) (continued)

Securities financing transactions (continued)

Concentration data (continued)

Issuer	Market value of collateral received £000
Janus Henderson UK Equity Income & Growth Fund	
Unilever	1,058
Intesa Sanpaolo	1,028
Enel	1,028
Air Liquide	832
Essilor International	811
Nestle	767
UBS	725
L'Oréal	654
Royal Dutch Shell	544
CIGNA Corporation	503

The following table details the top ten counterparties of each type of SFTs (based on gross volume of outstanding transactions), for each fund as at 31 December 2019:

Counterparty	Market value of securities on loan £000	Settlement basis	Counterparty	Market value of securities on loan £000	Settlement basis
Janus Henderson All Stocks Credit Fund			Janus Henderson Institutional Long Dated Credit Fund		
JP Morgan	5,664	Triparty	JP Morgan	3,879	Triparty
Barclays	5,242	Triparty	Barclays	1,006	Triparty
	10,906		BNP Paribas	134	Triparty
				5,019	
Janus Henderson Preference & Bond Fund			Janus Henderson Strategic Bond Fund		
Société Générale	8,928	Triparty	Société Générale	145,071	Triparty
Barclays	2,995	Triparty	JP Morgan	15,029	Triparty
Credit Suisse	420	Triparty	Bank of Nova Scotia	14,747	Triparty
	12,343		Barclays	1,888	Triparty
			Credit Suisse	901	Triparty
			Deutsche Bank	8	Triparty
				177,644	
Janus Henderson UK Equity Income & Growth Fund					
ABN Amro	8,897	Triparty			
Natixis	3,085	Triparty			
Bank of Nova Scotia	2,946	Triparty			
Deutsche Bank	128	Triparty			
Citigroup	52	Triparty			
Merrill Lynch	48	Triparty			
JP Morgan	15	Triparty			
Société Générale	3	Triparty			
	15,174				

All counterparties have been included.

Appendix - additional information (unaudited) (continued)

Securities financing transactions (continued)

Aggregate transaction data

The following tables provide an analysis of the collateral received by each fund in respect of each type of SFTs as at 31 December 2019:

Counterparty	Counterparty country of origin	Type	Quality	Collateral Currency	Settlement basis	Custodian	Market value of collateral received £000
Janus Henderson All Stocks Credit Fund							
Barclays	United Kingdom	Government Bond	Investment grade	EUR	Triparty	BNP Paribas	5,257
Barclays	United Kingdom	Government Bond	Investment grade	USD	Triparty	BNP Paribas	588
JP Morgan	United States	Corporate Bond	Investment grade	EUR	Triparty	BNP Paribas	10
JP Morgan	United States	Government Bond	Investment grade	EUR	Triparty	BNP Paribas	159
JP Morgan	United States	Government Bond	Investment grade	NZD	Triparty	BNP Paribas	5,828
							11,842
Janus Henderson Institutional Long Dated Credit Fund							
Barclays	United Kingdom	Government Bond	Investment grade	EUR	Triparty	BNP Paribas	1,009
Barclays	United Kingdom	Government Bond	Investment grade	USD	Triparty	BNP Paribas	113
BNP Paribas	France	Corporate Bond	Investment grade	EUR	Triparty	BNP Paribas	150
JP Morgan	United States	Corporate Bond	Investment grade	EUR	Triparty	BNP Paribas	7
JP Morgan	United States	Government Bond	Investment grade	EUR	Triparty	BNP Paribas	109
JP Morgan	United States	Government Bond	Investment grade	NZD	Triparty	BNP Paribas	3,991
							5,379
Janus Henderson Preference & Bond Fund							
Barclays	United Kingdom	Government Bond	Investment grade	EUR	Triparty	BNP Paribas	3,003
Barclays	United Kingdom	Government Bond	Investment grade	USD	Triparty	BNP Paribas	336
Credit Suisse	Switzerland	Corporate Bond	Investment grade	CAD	Triparty	BNP Paribas	9
Credit Suisse	Switzerland	Corporate Bond	Investment grade	EUR	Triparty	BNP Paribas	488
Société Générale	France	Equity	Main market listing	CHF	Triparty	BNP Paribas	790
Société Générale	France	Equity	Main market listing	EUR	Triparty	BNP Paribas	1,809
Société Générale	France	Equity	Main market listing	GBP	Triparty	BNP Paribas	6,907
Société Générale	France	Equity	Main market listing	JPY	Triparty	BNP Paribas	234
Société Générale	France	Equity	Main market listing	USD	Triparty	BNP Paribas	180
							13,756
Janus Henderson Strategic Bond Fund							
Bank of Nova Scotia	Canada	Equity	Main market listing	AUD	Triparty	BNP Paribas	8
Bank of Nova Scotia	Canada	Equity	Main market listing	CAD	Triparty	BNP Paribas	646
Bank of Nova Scotia	Canada	Equity	Main market listing	EUR	Triparty	BNP Paribas	1,393
Bank of Nova Scotia	Canada	Equity	Main market listing	GBP	Triparty	BNP Paribas	10,826
Bank of Nova Scotia	Canada	Equity	Main market listing	JPY	Triparty	BNP Paribas	30
Bank of Nova Scotia	Canada	Equity	Main market listing	USD	Triparty	BNP Paribas	3,484
Barclays	United Kingdom	Government Bond	Investment grade	EUR	Triparty	BNP Paribas	1,893
Barclays	United Kingdom	Government Bond	Investment grade	USD	Triparty	BNP Paribas	212
Credit Suisse	Switzerland	Corporate Bond	Investment grade	CAD	Triparty	BNP Paribas	20
Credit Suisse	Switzerland	Corporate Bond	Investment grade	EUR	Triparty	BNP Paribas	1,047
Deutsche Bank	Germany	Equity	Main market listing	CHF	Triparty	BNP Paribas	6
Deutsche Bank	Germany	Equity	Main market listing	EUR	Triparty	BNP Paribas	1
Deutsche Bank	Germany	Equity	Main market listing	JPY	Triparty	BNP Paribas	1
Deutsche Bank	Germany	Equity	Main market listing	USD	Triparty	BNP Paribas	3
JP Morgan	United States	Corporate Bond	Investment grade	EUR	Triparty	BNP Paribas	27
JP Morgan	United States	Government Bond	Investment grade	EUR	Triparty	BNP Paribas	422
JP Morgan	United States	Government Bond	Investment grade	NZD	Triparty	BNP Paribas	15,465

Appendix - additional information (unaudited) (continued)

Securities financing transactions (continued)

Aggregate transaction data (continued)

Counterparty	Counterparty country of origin	Type	Quality	Collateral Currency	Settlement basis	Custodian	Market value of collateral received £000
Janus Henderson Strategic Bond Fund							
Société Générale	France	Equity	Main market listing	CHF	Triparty	BNP Paribas	13,110
Société Générale	France	Equity	Main market listing	EUR	Triparty	BNP Paribas	29,417
Société Générale	France	Equity	Main market listing	GBP	Triparty	BNP Paribas	111,928
Société Générale	France	Equity	Main market listing	HKD	Triparty	BNP Paribas	3
Société Générale	France	Equity	Main market listing	JPY	Triparty	BNP Paribas	3,803
Société Générale	France	Equity	Main market listing	USD	Triparty	BNP Paribas	2,931
							196,676
Janus Henderson UK Equity Income & Growth Fund							
ABN Amro	Netherlands	Equity	Main market listing	CHF	Triparty	BNP Paribas	1,691
ABN Amro	Netherlands	Equity	Main market listing	EUR	Triparty	BNP Paribas	6,689
ABN Amro	Netherlands	Equity	Main market listing	GBP	Triparty	BNP Paribas	424
ABN Amro	Netherlands	Equity	Main market listing	SEK	Triparty	BNP Paribas	382
ABN Amro	Netherlands	Equity	Main market listing	USD	Triparty	BNP Paribas	1,035
Bank of Nova Scotia	Canada	Equity	Main market listing	AUD	Triparty	BNP Paribas	2
Bank of Nova Scotia	Canada	Equity	Main market listing	CAD	Triparty	BNP Paribas	129
Bank of Nova Scotia	Canada	Equity	Main market listing	EUR	Triparty	BNP Paribas	277
Bank of Nova Scotia	Canada	Equity	Main market listing	GBP	Triparty	BNP Paribas	2,167
Bank of Nova Scotia	Canada	Equity	Main market listing	JPY	Triparty	BNP Paribas	6
Bank of Nova Scotia	Canada	Equity	Main market listing	USD	Triparty	BNP Paribas	693
Citigroup	United States	Equity	Main market listing	EUR	Triparty	BNP Paribas	52
Citigroup	United States	Equity	Main market listing	JPY	Triparty	BNP Paribas	5
Deutsche Bank	Germany	Equity	Main market listing	CHF	Triparty	BNP Paribas	6
Deutsche Bank	Germany	Equity	Main market listing	EUR	Triparty	BNP Paribas	44
Deutsche Bank	Germany	Equity	Main market listing	GBP	Triparty	BNP Paribas	14
Deutsche Bank	Germany	Equity	Main market listing	JPY	Triparty	BNP Paribas	9
Deutsche Bank	Germany	Equity	Main market listing	USD	Triparty	BNP Paribas	69
JP Morgan	United States	Equity	Main market listing	GBP	Triparty	BNP Paribas	2
JP Morgan	United States	Equity	Main market listing	HKD	Triparty	BNP Paribas	10
JP Morgan	United States	Equity	Main market listing	SEK	Triparty	BNP Paribas	3
JP Morgan	United States	Equity	Main market listing	USD	Triparty	BNP Paribas	2
Merrill Lynch	United States	Government Bond	Investment grade	JPY	Triparty	BNP Paribas	52
Natixis	France	Equity	Main market listing	CHF	Triparty	BNP Paribas	301
Natixis	France	Equity	Main market listing	EUR	Triparty	BNP Paribas	2,537
Natixis	France	Equity	Main market listing	GBP	Triparty	BNP Paribas	127
Natixis	France	Equity	Main market listing	HKD	Triparty	BNP Paribas	45
Natixis	France	Equity	Main market listing	JPY	Triparty	BNP Paribas	374
Natixis	France	Equity	Main market listing	USD	Triparty	BNP Paribas	44
Société Générale	France	Equity	Main market listing	GBP	Triparty	BNP Paribas	3
							17,194

Appendix - additional information (unaudited) (continued)

Securities financing transactions (continued)

Aggregate transaction data (continued)

All collateral is held in segregated accounts.

The lending and collateral transactions are on an open basis and can be recalled on demand.

Re-use of collateral

The funds do not engage in any re-use of collateral.

Return and cost on securities lending activities

The following table details the funds' return and costs for each type of SFTs for the six months ended 31 December 2019:

	Total gross amount of stock lending revenue £000	Direct and indirect costs and fees deducted by securities lending agent £000	Net stock lending revenue retained by the fund £000	% return retained by the securities lending agent	% return retained by the fund
Janus Henderson All Stocks Credit Fund	52	8	44	15%	85%
Janus Henderson Institutional Long Dated Credit Fund	27	4	23	15%	85%
Janus Henderson Institutional UK Gilt Fund	21	3	18	15%	85%
Janus Henderson Preference & Bond Fund	18	3	15	15%	85%
Janus Henderson Strategic Bond Fund	138	21	117	15%	85%
Janus Henderson UK Equity Income & Growth Fund	22	3	19	15%	85%

Further information

Shareholder enquiries

If you have any queries about your fund holding, either contact your professional adviser or telephone us on one of the numbers below:

For dealing enquiries including buying and selling shares please telephone at local rate: **0845 608 8703**

The following line is also available:

Client Services: **0800 832 832**

or you can contact us via e-mail at **support@janushenderson.com**

We may record telephone calls for our mutual protection and to improve customer service.

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