

GLOBAL RESEARCH GROWTH FUND

As at November 2022

Fund objective

The Fund seeks long-term growth of capital by investing primarily in equity securities selected for their growth potential.

Investment approach

The Fund is an actively managed portfolio of high-conviction investment ideas diversified across all market capitalisations, styles and geographies (excluding Australia). The Manager leverages seven global sector research teams and provides a traditional growth investment approach to the global equity market. The Fund is fundamentally driven with a focus on bottom-up research, quantitative modelling and valuation analysis.

Benchmark

MSCI World Index ex Australia, net dividends reinvested, in AUD

Risk profile

High

Suggested timeframe

5-7 years

Inception date

18 December 2009

Fund size

\$23.1 million

Minimum investment

\$25,000

Management cost (%)

0.75 p.a.

Buy/sell spread (%)

0.15/0.15[^]

Base currency

AUD

Distribution frequency (if any)

Annually

ARSN code

140 461 945

APIR code

ETL0186AU

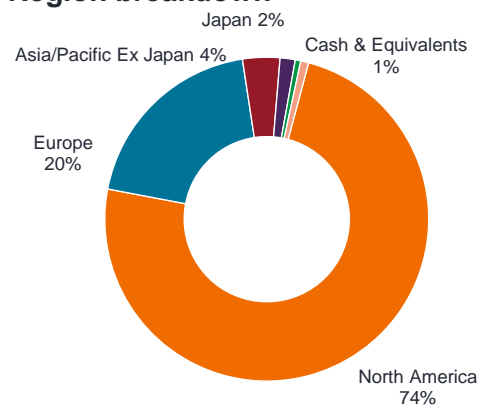
Performance	1 month (%)	3 months (%)	6 months (%)	1 year (%)	3 years (% p.a.)	5 years (% p.a.)	10 years (% p.a.)	Since inception (% p.a.)
Fund (net)	2.30	3.11	2.21	-16.44	8.13	11.45	15.22	12.29
Growth (net)	2.30	3.11	1.63	-16.91	1.38	3.72	5.21	4.59
Income (net)	0.00	0.00	0.58	0.47	6.75	7.73	10.01	7.70
Benchmark	2.02	6.43	5.25	-5.89	7.93	10.12	14.66	11.48
Excess return*	0.28	-3.32	-3.04	-10.55	0.20	1.33	0.56	0.81

*Excess return is measured against net performance.

Past performance is not a reliable indication of future results. Returns over one year are annualised.

Sector weightings (%)	Top 10 holdings (%)		
Information Technology	38.82	Apple Inc	10.48
Consumer Discretionary	12.30	Microsoft Corp	9.70
Health Care	13.13	Alphabet Inc	5.86
Communication Services	10.18	Amazon.com Inc	4.28
Industrials	11.78	ASML Holding NV	3.32
Consumer Staples	5.76	Visa Inc	2.52
Financials	3.66	Mastercard Inc	2.48
Materials	1.26	T-Mobile US Inc	2.27
Energy	0.91	Constellation Brands Inc	2.26
Real Estate	1.03	Ferguson PLC	2.17
Utilities	0.38		
Cash & Equivalents	0.79		

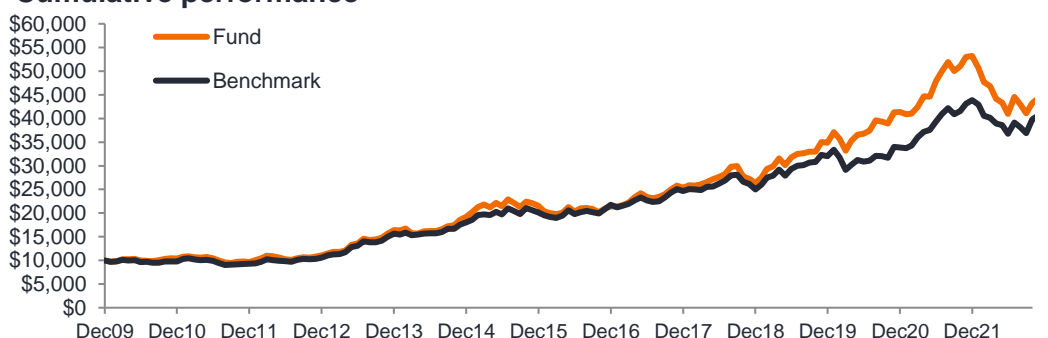
Region breakdown



Portfolio characteristics

	Fund	Benchmark
Number of holdings	86	1448
Active share	74.76	-
Turnover (12m)	19.29	-
Standard deviation (5yrs)	13.45	12.06
Sharpe ratio (5yrs)	0.63	0.53
Tracking error (5yrs)	4.44	-

Cumulative performance



Fund returns are net of fees.

[^] For more information and most up to date buy/sell spread information visit www.janushenderson.com/en-au/investor/buy-sell-spreads

GLOBAL RESEARCH GROWTH FUND

(continued)

Janus Henderson
INVESTORS



**Director of Centralised
Equity Research**
Matthew Peron

Fund performance

The Janus Henderson Global Research Growth Fund (Fund) outperformed the MSCI World Index (net dividends reinvested) in AUD (Benchmark) for the month, aided by stock selection in information technology and health care. Stock selection in consumer discretionary and communication services detracted.

Top individual contributors included ASML Holding, a manufacturer of semiconductor equipment. In October the company reported better-than-expected quarterly results, with record bookings and a massive orders backlog. Additionally, it raised its revenue and EPS targets for the next few years, supported by planned capacity expansions. Demand for its proprietary extreme ultraviolet (EUV) lithography scanners has been particularly strong. Our longer-term outlook for ASML remains positive as we believe that even in a slower global economy customers will continue to rely on ASML's technology to advance their road maps.

The stock of Taiwan Semiconductor Manufacturing Company also outperformed after falling in October on concerns over a projected industry-wide decline in semiconductor sales next year. The company's guidance has been relatively positive for 2023 despite the more cautious forecast for broader semiconductor sales. Taiwan Semiconductor has benefited from sustained pricing power and diversified end markets, advantages that may support its relative performance even in a downcycle for the broader semiconductor market. Investor sentiment toward the company was also lifted by news that Warren Buffet's Berkshire Hathaway purchased more than \$4.1 billion in TSMC stock. We remain upbeat in our longer-term outlook for Taiwan Semiconductor, as we believe new product introductions may bode well for its long-term performance.

Nvidia also contributed, as the graphics chip maker reported slightly better-than-expected quarterly revenues. The company also raised guidance modestly to reflect moderate growth trends in gaming, data centers, and the automotive industry. Nvidia has continued to make new product announcements across gaming, data center, automotive, software, and services. Most recently, it introduced new gaming chips that use AI to enhance graphics. It also announced a multi-year partnership with Microsoft to create one of the world's most powerful AI-driven supercomputers. This project will require tens of thousands of Nvidia GPUs, as well as Nvidia's networking and enterprise software capabilities.

Apple was a notable detractor for the month. In October the computer hardware and services company reported better-than-expected top- and bottom-line growth, fueled by higher Mac and iPhone sales. However, Apple cautioned that year-over-year revenue growth may slow in the fourth quarter due to currency headwinds and some difficult sales comparisons from the fourth quarter of 2021. Softening advertising revenues, COVID-related production disruptions in China, and a slower-than-anticipated pace of iPhone 14 sales also pressured the stock. Despite these headwinds, our research suggests that Apple's strong execution is helping the company successfully navigate the current challenging macroeconomic environment, supported by its integration of hardware, software, and services.

E-commerce and cloud computing company Amazon.com was also a detractor. In late October, the company reported third-quarter earnings that broadly missed analysts' consensus estimates. It also reduced its revenue guidance for the fourth quarter, given expectations that a weaker economy and inflation concerns may dampen holiday spending. Supply chain issues also led to higher order fulfillment costs. Moreover, the company reported disappointing year-over-year revenue growth for Amazon Web Services (AWS), typically one of its most steady growth businesses. This revenue deceleration reflected currency headwinds, enterprise cost-cutting, and some pricing concessions. On a positive note, advertising revenue has remained relatively strong, due in part to the company's Prime Day initiatives.

Wireless communications services provider T-Mobile also detracted, as the stock gave back some ground after a strong October advance. In late October the company announced much better-than-expected earnings, supported by new customer growth across most of its business segments. It also reported strength in subscriber growth, customer retention metrics, and average revenue per user. The company also continues to seek new business as it expands into traditionally underserved markets such as small towns and rural communities. It has also been buying back stock at a faster-than-expected pace, which has benefited existing shareholders.

GLOBAL RESEARCH GROWTH FUND

(continued)

Market review

Equity markets posted positive returns for a second consecutive month, as consumer price data showed moderating inflation for October. Federal Reserve (Fed) President Jerome Powell also indicated that the central bank may begin easing the pace of rate hikes. These developments raised hopes that the economy could still experience a “soft landing” – rather than a more severe economic downturn. The U.S. dollar, which recently had tested multi-year highs, also fell during the month, calming some concerns over global financial stability. The price of oil, as reflected by the both the U.S. benchmark West Texas Intermediate (WTI) and European benchmark Brent Crude, declined to below \$80 per barrel by month-end, as slower global economic growth tempered demand.

Market outlook

Investors continue to closely watch economic and inflation data for clues about the future path of the economy, interest rates, and the subsequent effects on corporate earnings. Despite a synchronized shift in quantitative tightening among central banks globally, inflation remains high in many countries. As a result, we have adopted a more cautious outlook for the global economy. Meanwhile, on a relative basis, the U.S. economy has remained somewhat resilient, with a strong labor market. These fundamentals have given investors hope that a downturn in the U.S. may not be as severe as in other parts of the world, and that the U.S. may bolster the global economy.

We remain committed to our strategy of investing in quality businesses able to demonstrate future earnings growth by providing innovative products and services, while also focusing on the price we pay for that growth. Our investment universe has expanded with the market sell-off as we continue to find good companies supporting our investment themes in e-commerce, cloud computing, digital payments, and healthcare innovation. Nonetheless, macroeconomic headwinds have prompted us to take additional measures to manage the Portfolio’s risk. To that end, we are being vigilant in our evaluation of stock-specific risk, including stress-testing each company’s free cash flow to assess any potential impact from the current economic environment. We’ve also shortened the Portfolio’s equity duration with the goal of further reducing its sensitivity to rising interest rates. We believe these measures, in combination with our focus on companies participating in secular growth trends, will enable us to pursue our goal of long-term growth of capital.

Important information

Equity Trustees Limited (“Equity Trustees”) (ABN 46 004 031 298), AFSL 240975, is the Responsible Entity (“Responsible Entity”) for the Janus Henderson Global Growth Research Fund. Equity Trustees is a subsidiary of EQT Holdings Limited (ABN 22 607 797 615), a publicly listed company on the Australian Securities Exchange (ASX: EQT). The Responsible Entity has appointed Janus Capital Management LLC (“Manager”) to manage the investments of the Fund. Past performance is not a reliable indicator of future performance. Performance source: Morningstar, Janus Henderson. Performance figures are calculated using the exit price net of fees and assume distributions are reinvested. Due to rounding the figures in the holdings, breakdowns may not add up to 100%. The information in this monthly report should not be considered a recommendation to purchase, sell or hold any particular security. Securities and sectors mentioned in this monthly report are presented to illustrate companies and sectors in which the Fund has invested. Holdings are subject to change daily. This monthly report has been prepared by Janus Henderson Investors (Australia) Funds Management Limited, AFSL 444268, to provide you with general information only. In preparing this information, we did not take into account the investment objectives, financial situation or particular needs of any particular person. The value of an investment and the income from it can fall as well as rise and you may not get back the amount originally invested. None of Janus Henderson Investors (Australia) Funds Management Limited nor any of the Janus Henderson group entities nor their respective related bodies corporate, associates, affiliates, officers, employees, agents or any other person are, to the extent permitted by law, responsible for any loss or damage suffered as a result of any reliance by any reader or prospective investor. You should consider the current PDS, available at www.janushenderson.com/Australia, before making a decision about the Fund. Janus Henderson Global Growth Research Fund’s Target Market Determination is available here www.janushenderson.com/TMD. A Target Market Determination is a document which is required to be made available from 5 October 2021. It describes who this financial product is likely to be appropriate for (i.e. the target market), and any conditions around how the product can be distributed to investors. It also describes the events or circumstances where the Target Market Determination for this financial product may need to be reviewed. Dollar figures shown are in Australian Dollars (AUD), unless otherwise stated.