

CASH FUND – INSTITUTIONAL

As at August 2023

Fund objective

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

Investment approach

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

Benchmark

Bloomberg AusBond Bank Bill Index

Risk profile

Very Low

Suggested timeframe

1 year

Inception date

31 July 2008

Fund size

\$508.9 million

Minimum investment

\$100,000

Management cost (%)

0.10 p.a.

Buy/sell spread (%)

0.00/0.00

Distribution frequency (if any)

Monthly

ARSN code

127 731 006

APIR code

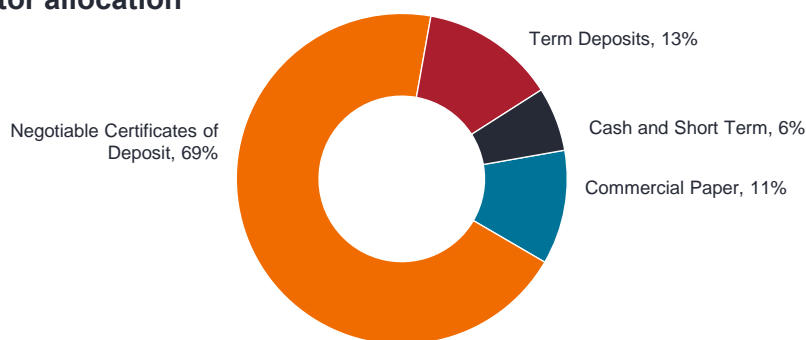
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Performance	1 month (%)	3 months (%)	6 months (%)	1 year (%)	3 years (% p.a.)	5 years (% p.a.)	10 years (% p.a.)	Since inception (% p.a.)
Fund (gross)	0.39	1.10	2.02	3.55	1.35	1.40	1.95	2.87
Fund (net)	0.38	1.07	1.97	3.45	1.23	1.26	1.76	2.68
Benchmark	0.37	1.04	1.94	3.37	1.25	1.24	1.72	2.60
Excess return*	0.01	0.03	0.03	0.08	-0.02	0.02	0.04	0.08

*Excess return is measured against net performance.

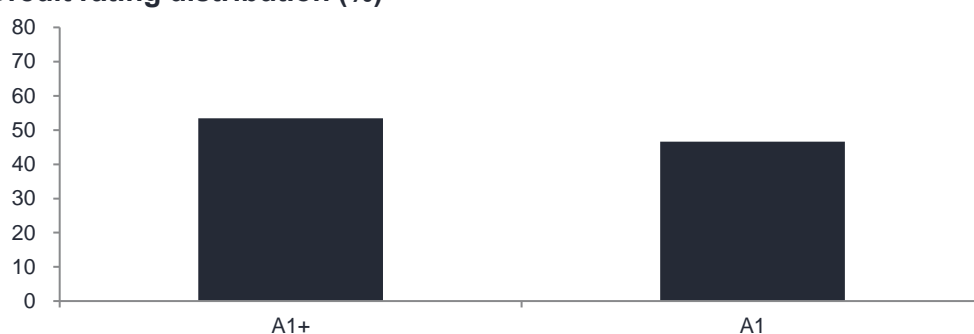
Past performance is not a reliable indicator of future performance.

Sector allocation



Rounding accounts for small +/- from 100%.

Credit rating distribution (%)



Portfolio characteristics

Estimated Weighted Average Yield to Maturity (EWAYTM) ¹	4.21
Benchmark EWAYTM	3.45
Running yield	4.23
Weighted Average Credit Quality	AAA

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

Modified duration	Years
Fund	0.13
Benchmark	0.12
Active Position	0.01

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(continued)



**Head of Australian
Fixed Interest**
Jay Sivapalan

Fund performance

The Janus Henderson Cash Fund - Institutional (Fund) returned 0.38% (net) and 0.39% (gross). The Fund outperformed the Bloomberg AusBond Bank Bill Index (Benchmark) in August by 0.01%. The Fund continues its outperformance, beating the Benchmark over the longer term including by 0.08% (net) over the year, and 0.08% (net) since inception per annum.

The Fund continues to benefit and outperform from selection of securities providing income advantage via allocation to major bank term deposits, short commercial paper, and securities issued by regional banks, which are earning a margin over bank bill swap rates. The Fund has maintained a relatively neutral duration position relative to the Benchmark with market pricing of near term RBA cash rates relatively fair in our opinion.

Market review

Markets are balancing the uncertainties, pricing only a fraction of a hike for the RBA, peaking at 4.16% in early March 2024. A whole RBA cut is not priced until late 2024. Against the current cash rate of 4.10%, three-month bank bills ended 13bps lower at 4.13%. Six-month bank bill yields ended 27bps lower at 4.37%.

Market outlook

The RBA are now monitoring the balance between the slowing household sector, the strong labour market, and high wages growth. We remain in the midst of the peaking of the economy but believe that policy will continue to grip and slow economic growth, with a shallow recession starting early next year not off the table. The RBA will now be monitoring the global economy closely for signs of faster than expected slowing.

We currently see market pricing of less than one hike and easing in very late 2024 as underestimating the economic headwinds in 2024. We currently see the Australian yield curve as under-valued. We remain on the lookout for tactical opportunities to add further duration on spikes in yields triggered by central bank signalling and data flows.

For in-depth economic analysis and the Australian Fixed Interest Team's outlook, visit go.janushenderson.com/Viewpoint-Sep23.

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Investment strategy

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

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

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

Term deposits – Banks are paying a reasonable premium to take deposit funding in the form of term deposits and notice accounts. As such, we have allocated a reasonable amount to these deposits.

Important information

The Product Disclosure Statement for the Fund, dated 30 September 2022, and the Additional Information Guide, dated 9 August 2023, are available at www.janushenderson.com/australia.

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 was prepared by Janus Henderson Investors (Australia) Funds Management Limited ABN 43 164 177 244, AFS Licence 444268 and 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 contains general information only and does not take account of your individual objectives, financial situation or needs. 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. Target Market Determinations for funds issued by Janus Henderson are available here: www.janushenderson.com/TMD. Dollar figures shown are in Australian Dollars (AUD), unless otherwise stated.