

GLOBAL EQUITY INCOME FUND

As at November 2020

Fund objective

To achieve dividend yield that exceeds the dividend yield of the MSCI World ex-Australia Index (net dividends reinvested) in AUD with the potential for long-term capital growth.

Investment approach

The Fund is actively managed and typically holds between 50-80 companies diversified across geographic regions and industrial sectors. The Fund seeks to deliver regular income distributions with the potential for long-term capital growth through its investment in companies that the Manager has identified as having the potential to generate strong and growing levels of free cash flow.

Benchmark

MSCI World ex-Australia Index (net dividends reinvested) in AUD

Risk profile

High

Suggested timeframe

5 years

Inception date

1 May 2015

Fund size

\$34.2 million

Minimum investment

\$25,000

Management cost (%)

0.85 p.a.

Buy/sell spread (%)

0.15/0.15[^]

Base currency

AUD

Currency hedging

Unhedged

Distribution frequency

Quarterly

ARSN code

604 135 784

APIR code

HGI0005AU

ASX mFund

JHI03

Performance	1 month (%)	3 months (%)	6 months (%)	1 year (%)	3 years (% p.a.)	5 years (% p.a.)	Since inception (% p.a.)
Fund (net)	9.26	6.77	5.40	-4.15	2.83	4.72	4.97
<i>Growth (net)</i>	9.26	6.77	3.87	-6.17	0.08	1.89	2.37
<i>Distribution (net)</i>	0.00	0.00	1.53	2.03	2.76	2.83	2.60
Benchmark (%)	7.43	5.89	8.99	5.35	10.71	10.54	10.17
Excess Return (%)	1.83	0.88	-3.59	-9.50	-7.88	-5.82	-5.20

Returns are net of fees.

Past performance is not a reliable indicator of future performance

Top 10 holdings	(%)	Sector weightings	(%)
Microsoft	3.76	Information Technology	17.31
Taiwan Semiconductor Manufacturing	3.47	Financials	15.47
Samsung Electronics	3.32	Health Care	14.34
Cisco Systems	2.69	Consumer Staples	12.13
Nestlé	2.41	Industrials	8.18
Zurich Insurance Group	2.27	Utilities	8.13
Novartis	2.22	Communication Services	7.03
UBS Group	2.20	Consumer Discretionary	5.90
Unilever	2.16	Materials	4.28
Roche	2.15	Energy	2.92
		Real Estate	2.76
		Cash	1.55

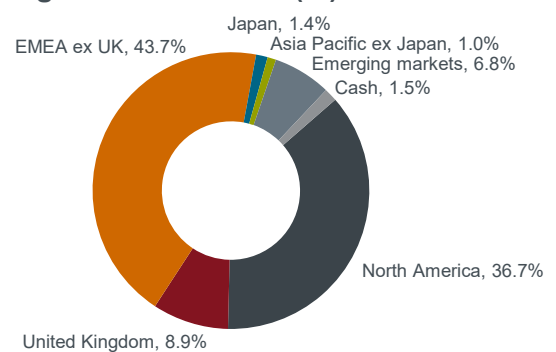
Portfolio characteristics

Portfolio dividend yield ¹	3.42%
Benchmark dividend yield ¹	1.90%
Number of holdings	70

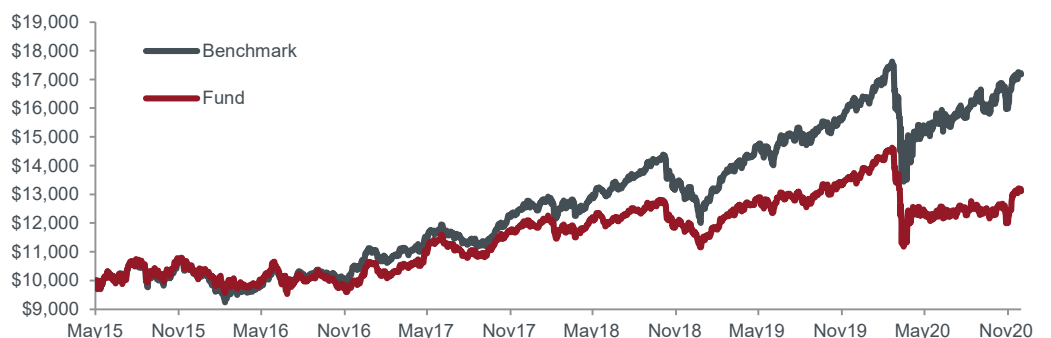
¹ Portfolio (and Benchmark) dividend yield is a weighted calculation of the dividends paid by the underlying portfolio holdings (benchmark securities over the last 12 months divided by their closing share price). It is not representative of the Fund's actual distributions.

Past performance is not a guarantee of future performance.

Regional breakdown (%)



Cumulative performance



Fund returns are net of fees.

[^] Current spread became effective as at 13 May 2020. For more information and most up to date buy/sell spread information visit www.janushenderson.com/en-au/investor/buy-sell-spreads

GLOBAL EQUITY INCOME FUND

(continued)



Fund Manager
Andrew Jones



Fund Manager
Ben Lofthouse

Market commentary

Global equity markets rose strongly in November to record the best monthly return for many years. Excellent COVID-19 vaccine trial results from three different providers offered hope that an end to the pandemic was now in sight. This positive news, alongside the eventual confirmation that Joe Biden would be the next US president, significantly boosted sentiment. Given the encouraging news flow, cyclically exposed sectors such as energy, finance and industrials outperformed whilst more defensive sectors such as utilities, consumer staples and health care underperformed.

Fund commentary

The Janus Henderson Global Equity Income Fund (Fund) returned 9.26% in November versus the MSCI World ex Australia Index (net dividends reinvested in AUD) (Benchmark) which gained 7.43% in Australian dollar terms.

The Fund's holdings in financial companies such as AXA, Allianz, Zurich Insurance, ING and UBS were all beneficial for performance as investors re-evaluated the outlook for global economic activity. The positions in Total, Repsol and Royal Dutch Shell also performed well with the oil price up over 27% during the month. Conversely holdings in Nestle, Unilever, Roche and Bristol-Myers Squibb detracted from returns.

Given the strong rebound in financials, the opportunity was taken to sell the positions in Direct Line and Munich Re with some of the proceeds used to increase the position in AXA and CME, the derivatives exchange. SGS, the global industrial inspection and testing company, was also sold after a period of strong performance with the proceeds reinvested in SKF, a global leader in industrial seals and bearings which is well positioned to benefit from a pick-up in activity levels. Elsewhere the holdings in Cisco, Samsung and Panasonic were also increased.

In the short-term, the outlook for global economic growth remains challenging but the longer-term outlook has improved given the vaccine news, whilst monetary and fiscal policy remains supportive. Equity markets have performed well this year despite the pandemic, but still look attractive on a yield basis relative to bonds. Some sectors and stocks have been overlooked by investors and now offer a compelling investment opportunity which as active investors we are well positioned to take advantage of. We continue with our strategy of selecting companies with strong free cash flow generation and valuation support that are well positioned to benefit as the global economy starts to recover.

Important information

A new Product Disclosure Statement and Additional Information Guide for the Fund dated 30 September 2020 is available at www.janushenderson.com/australia.

Commodity prices are shown in US dollars (USD) unless otherwise stated. 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. Dollar figures shown are in Australian Dollars (AUD), unless otherwise stated.