

GLOBAL EQUITY INCOME FUND

As at September 2021

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

\$20.6 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)	-2.73	1.65	6.73	19.43	4.95	7.89	6.15
<i>Growth (net)</i>	-3.47	0.88	0.12	9.99	0.32	3.72	2.54
<i>Distribution (net)</i>	0.73	0.77	6.61	9.44	4.63	4.17	3.61
Benchmark (%)	-3.05	3.99	13.69	27.76	13.29	15.18	11.97
Excess Return (%)	0.32	-2.34	-6.96	-8.33	-8.34	-7.29	-5.82

Returns are net of fees.

Past performance is not a reliable indicator of future performance

Top 10 holdings (%)	Sector weightings (%)
TotalEnergies 3.37	Financials 17.92
Royal Dutch Shell 3.07	Health Care 15.43
Unilever 2.96	Information Technology 14.47
Nestlé 2.84	Consumer Staples 11.62
ING Groep 2.67	Consumer Discretionary 10.70
Roche 2.55	Energy 7.47
AXA 2.54	Communication Services 6.37
Merck 2.52	Industrials 5.90
Microsoft 2.49	Utilities 5.07
Sanofi 2.30	Materials 4.10
	Cash 0.93

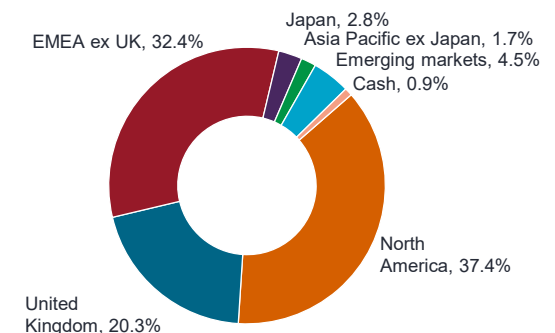
Portfolio characteristics

Portfolio dividend yield ¹	3.69%
Benchmark dividend yield ¹	1.75%
Number of holdings	59

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.

[^] 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)

Janus Henderson
INVESTORS



Fund Manager
Andrew Jones



Fund Manager
Ben Lofthouse

Market commentary

Global equity markets fell in September with investors concerned about the outlook for global growth amid inflationary pressures, rising gas prices, supply-chain bottlenecks, and Chinese regulatory risks. The likelihood of central banks such as the US Federal Reserve and the Bank of England tapering monetary support also weighed on sentiment. At the sector level, energy, financials, and consumer discretionary outperformed whilst materials, utilities and information technology underperformed.

Fund commentary

The Janus Henderson Global Equity Income Fund (Fund) returned -2.73% in September versus the MSCI World ex-Australia (net dividends reinvested) in AUD Index (Benchmark) which declined -3.05%.

This month, the holdings in Royal Dutch Shell and TotalEnergies outperformed helped by a rising oil price with Brent Crude achieving its highest level in 3 years. Financials Bawag, ING and Axa also outperformed aided by the rising bond yield environment which has a positive impact on bank and insurer profitability. Conversely, the exposure to utilities Enel and Iberdrola detracted from returns after the Spanish government announced plans to impose a €2.6bn windfall tax on companies that have benefitted from the surge in Spanish electricity prices. Clothing and apparel retailers VF Corp and Topsports also underperformed as investors reassessed the short term outlook for consumer demand given the inflationary environment and ongoing COVID-19 restrictions in some parts of the world.

During the month, a position was established in Williams Companies, a US energy infrastructure company with a focus on natural gas that yields over 6%. The holding in Lloyds Bank was also increased. The stock's valuation remains attractive and dividend payments have been resumed with a current dividend yield of around 3%. In addition, a higher bond yield environment is likely to be more supportive going forward. The purchase was funded by the sale of French media company Vivendi ahead of its separation from subsidiary Universal Music Group (UMG), which will list separately in Amsterdam, and after a period of strong performance which has left the valuation at less compelling levels.

The outlook for global economic growth remains robust, although the impact of inflationary pressures, supply-chain disruptions, and the possibility of earlier than anticipated monetary policy tightening has dampened sentiment for the moment. Despite strong performance so far this year, equities continue to look attractive on a yield basis relative to bonds. Historically, equities are also well placed relative to other asset classes in a more inflationary environment. We continue with our strategy of selecting companies with strong free cash flow generation and valuation support that are well positioned to benefit from a recovery in global economic activity.

Important information

A Product Disclosure Statement and Additional Information Guide for the Fund dated 30 September 2021 is 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.