

GLOBAL EQUITY INCOME FUND

As at October 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

\$21.1 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 (if any)

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)	0.25	-1.83	6.19	22.56	6.93	8.42	6.11
<i>Growth (net)</i>	0.25	-2.56	-0.39	12.87	2.21	4.23	2.55
<i>Distribution (net)</i>	0.00	0.74	6.58	9.69	4.71	4.19	3.57
Benchmark (%)	1.65	1.61	12.01	31.36	16.04	15.88	12.08
Excess Return (%)	-1.40	-3.44	-5.82	-8.80	-9.11	-7.46	-5.97

Returns are net of fees.

Past performance is not a reliable indicator of future performance

Top 10 holdings (%)	Sector weightings (%)
TotalEnergies 3.32	Financials 17.35
Royal Dutch Shell 2.99	Information Technology 14.84
Nestlé 2.91	Health Care 14.38
Microsoft 2.76	Consumer Staples 11.49
Unilever 2.75	Consumer Discretionary 10.60
ING Groep 2.61	Energy 7.36
Roche 2.54	Industrials 5.82
AXA 2.49	Utilities 5.10
Sanofi 2.24	Materials 4.13
Novartis 2.15	Communication Services 4.00
	Cash 4.93

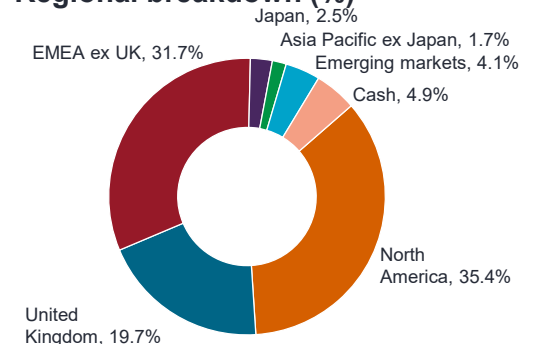
Portfolio characteristics

Portfolio dividend yield ¹	3.60%
Benchmark dividend yield ¹	1.68%
Number of holdings	59

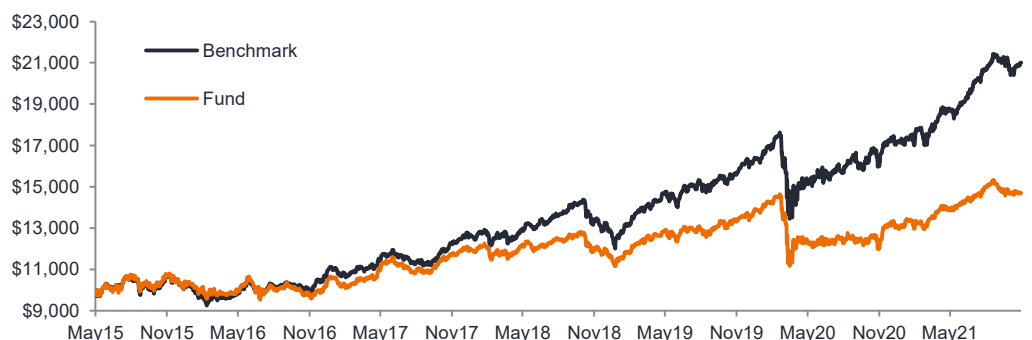
¹ Portfolio (and Benchmark) dividend yield is a weighted calculation of the dividends paid by the underlying portfolio holdings (benchmark securities over the last 12 months divided by their closing share price. It is not representative of the Fund's actual distributions.

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)



Fund Manager
Andrew Jones



Fund Manager
Ben Lofthouse

Market commentary

Global equity markets rebounded in October with a strong start to the corporate earnings season propelling the US market to new all-time highs. Companies have generally reported good revenue growth driven by a pick-up in demand as economies re-open. A number have however also highlighted the impact of supply chain disruption and labour shortages, with rising energy and commodity prices also a concern. At the sector level, energy, consumer discretionary and information technology outperformed whilst communication services, consumer staples and health care underperformed.

Fund commentary

The Janus Henderson Global Equity Income Fund (Fund) returned 0.25% in October versus the MSCI World ex-Australia (net dividends reinvested) in AUD Index (Benchmark) which gained 1.65% in Australian dollar terms.

This month, the Fund's holding in Samsung Electronics detracted from returns after the company announced slightly weaker than expected results. The position in medical devices company Medtronic also underperformed after it announced a delay to the launch of one of its key products. Conversely, Spanish utility Iberdrola outperformed after announcing decent results whilst regulatory risks also looked to be receding. The holding in Air Products & Chemicals was also beneficial after the completion of the Jazan joint venture was confirmed on more favourable terms than expected, leading to earnings upgrades.

During the month, the holding in telecommunications company Verizon was sold and a new position established in payment services provider Fidelity National Information Services (FIS). Verizon offers an attractive dividend yield but operates in an increasingly competitive market with significant capital expenditure still required by the company. FIS meanwhile is transforming into a faster growth business post its 2019 acquisition of Worldpay with the potential for strong revenue, earnings and dividend growth helped by significant synergies post the deal.

The outlook for global economic growth remains robust, although the impact of inflationary pressures, supply-chain disruptions, and the prospect of 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.