



# INTERIM REPORT & ACCOUNTS

For the six months ended  
1 September 2019

Janus Henderson  
— INVESTORS —

Janus Henderson Fixed Interest Monthly Income Fund



# Who are Janus Henderson Investors?

**Janus Henderson Investors exists to help clients achieve their long-term financial goals.**

Our active management offers clients the opportunity to outperform passive portfolios over the course of market cycles. With more than 360 investment professionals, we provide access to some of the industry's most talented and innovative thinkers, spanning equities, fixed income, multi-asset, and alternatives, globally. Our investment teams blend insight, originality, and precision with rigorous analysis, structured processes, and robust risk management. We build client partnerships on openness and trust, channelling expertise from across the business and communicating the views of our experts in a timely and relevant way. As at 30 June 2019, we had £282.7bn assets under management, more than 2,000 employees and 28 offices worldwide. Headquartered in London, we are an independent asset manager that is dual-listed on the New York Stock Exchange and the Australian Securities Exchange.

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\* These collectively comprise the Authorised Fund Manager's report

## **Authorised Fund Manager's report** for the six months ended 1 September 2019

We are pleased to present the Interim Report and Accounts for Janus Henderson Fixed Interest Monthly Income Fund (the 'fund') for the six months ended 1 September 2019.

### **Authorised status**

This fund is an authorised unit trust scheme under section 243 of the Financial Services and Markets Act 2000. It is a UCITS scheme complying with chapter 5 of the Collective Investment Schemes Sourcebook (COLL). The operation of the scheme is governed by the Trust Deed, COLL and Prospectus.

The Scheme was established by a Trust Deed dated 28 March 1979 and authorised by the Financial Conduct Authority (FCA) on 5 April 1979.

Unitholders are not liable for the debts of the fund.

### **Statement of Authorised Fund Manager's responsibilities**

The FCA's COLL requires the Authorised Fund Manager (AFM) to prepare financial statements for each annual accounting year and interim accounting period, which give a true and fair view, in accordance with the Statement of Recommended Practice (SORP) for Authorised Funds issued by the Investment Management Association (IMA) in May 2014, United Kingdom Generally Accepted Accounting Practice (UK GAAP) (United Kingdom Accounting Standards, comprising FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland), of the financial affairs of the fund and of its revenue/expenditure for the period. The AFM is responsible for the management of the fund in accordance with its Trust Deed, Prospectus and the Regulations. The AFM is also responsible for taking reasonable steps for the prevention and detection of fraud and other irregularities.

### **Brexit update**

Janus Henderson Investors has a well-established project underway looking at all possible Brexit impacts including distribution, regulatory permissions and licences, Human Resources, Information Technology and operations. Janus Henderson Investors is seeking to minimise the potential impact on investors, and like all firms, is operating in an environment that is uncertain and subject to change. We are proud of our long history in both the UK and continental Europe, and are in a strong position to continue to serve our investors after the UK leaves the European Union.

### **Other information**

The Accumulation and Income Class units converted into the new E Accumulation and E Income Class units which have a lower management fee, on 24 June 2019 for eligible unitholders. Class E Accumulation and Class E Income units are available for direct investment from individual investors only where no bundled commission payments for financial advice are made. The conversion of units from Accumulation and Income class to E Accumulation and E Income class took place in order to benefit investors who do not use a financial adviser.

## Authorised Fund Manager's report (continued)

### Service providers

	Name	Address	Regulator
<b>Authorised Fund Manager</b>	<b>Henderson Investment Funds Limited</b> Member of the Investment Association  The ultimate holding company is Janus Henderson Group plc	Registered Office: 201 Bishopsgate London EC2M 3AE Registered in England No 2678531 Dealing - 0845 608 8703 Enquiries - 0800 832 832	Authorised and regulated by the Financial Conduct Authority
<b>Directors of the Authorised Fund Manager</b>	R Chaudhuri (to 07.03.19) A Crooke G Foggin G Fogo (from 04.02.19) S Hillenbrand H J de Sausmarez P Shea (from 07.06.19)* F Smith (from 28.03.19)* R Thompson *Independent		
<b>Investment Adviser</b>	<b>Henderson Global Investors Limited</b> The ultimate holding company is Janus Henderson Group plc.	201 Bishopsgate London EC2M 3AE	Authorised and regulated by the Financial Conduct Authority
<b>Unitholder Administrator</b>	<b>DST Financial Services International Limited and DST Financial Services Europe Limited</b>	DST House St Nicholas Lane Basildon Essex SS15 5FS	Authorised and regulated by the Financial Conduct Authority
<b>Trustee</b>	<b>NatWest Trustee and Depository Services Limited</b> The ultimate holding company is the Royal Bank of Scotland Group plc	250 Bishopsgate London EC2M 4AA	Authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and by the Prudential Regulation Authority
<b>Independent Auditors</b>	<b>PricewaterhouseCoopers LLP</b>	141 Bothwell Street Glasgow G2 7EQ	Institute of Chartered Accountants in England and Wales
<b>Legal Adviser</b>	<b>Eversheds Sutherland (International) LLP</b>	One Wood Street London EC2V 7WS	The Law Society

## Authorised Fund Manager's report (continued)

### Investment Fund Managers

John Pattullo, Jenna Barnard and Nicholas Ware

### Investment objective and policy

To achieve a high yield. The fund will invest principally in fixed interest securities including preference shares. The fund may also invest in securities acquired on the conversion of convertible securities held within the portfolio (or pursuant to schemes of reconstruction), derivatives and forward transactions, warrants, money-market instruments and deposits. Derivatives may be used for meeting the investment objective of the fund and for efficient portfolio management.

### Performance summary

Cumulative performance	Six months	One year	Five years	Since launch
	1 Mar 19 - 1 Sep 19	1 Sept 18 - 1 Sep 19	1 Sept 14 - 1 Sep 19	1 May 79 - 1 Sep 19
	%	%	%	%
<b>Class I income</b>	8.3	10.7	31.3	1,686.5
<b>IA Sterling Strategic Bond Sector</b>	5.7	6.5	19.2	1,118.9

Discrete performance	1 Sept 18 -	1 Sept 17 -	1 Sept 16 -	1 Sept 15 -	1 Sept 14 -
	1 Sep 19	1 Sep 18	1 Sep 17	1 Sep 16	1 Sep 15
	%	%	%	%	%
<b>Class I income</b>	10.7	(0.2)	6.7	7.7	3.4

Source: Morningstar, Class I income, NAV to NAV, net of fees and net income reinvested as at 12 noon valuation point. Benchmark values are as at close of business.

Peer group benchmark: IA Sterling Strategic Bond Sector

Peer group benchmark usage: Comparator

Peer group description: The Investment Association (IA) groups funds with similar geographic and/or investment remit into sectors. The fund's ranking within the sector (as calculated by a number of data providers) can be a useful performance comparison against other funds with similar aims.

Class I income is disclosed as it is the primary unit class.

Please remember that past performance is not a guide to future performance. The value of an investment and the revenue from it can fall as well as rise as a result of market and currency fluctuations and you may not get back the amount originally invested.

### Significant portfolio changes for the six months ended 1 September 2019

Largest purchases	£000	Largest sales	£000
UK Treasury 1.625% 22/10/2028	16,684	Australia (Commonwealth of) 2.75% 21/11/2028	33,565
Australia (Commonwealth of) 3.75% 21/04/2037	8,524	Germany (Federal Republic of) 3.25% 04/07/2042	11,086
US Treasury 1% 15/02/2049	7,923	First Data FRN 26/04/2024	8,887
Trivium Packaging Finance 5.50% 15/08/2026	5,538	US Treasury 1% 15/02/2049	8,712
RELX Capital 4.00% 18/03/2029	5,274	Aviva 6.125% Perpetual	8,590
Ardagh Packaging Finance 4.125% 15/08/2026	4,761	Australia (Commonwealth of) 3.75% 21/04/2037	7,911
Sirius XM Radio 4.625% 15/07/2024	4,731	First Data 5.75% 15/01/2024	6,222
IQVIA 5.00% 15/10/2026	4,636	Sirius XM Radio 6.00% 15/07/2024	5,895
First Data FRN 26/04/2024	4,485	HBOS Sterling Finance 7.881% Perpetual	5,752
CommScope Finance 8.25% 01/03/2027	4,160	Ardagh Packaging Finance 7.25% 15/05/2024	5,108
<b>Total purchases</b>	<b>136,621</b>	<b>Total sales</b>	<b>166,894</b>

## Authorised Fund Manager's report (continued)

### Investment review

The fund returned 8.3% based on Class I income over the period under review, compared with the IA Sterling Strategic Bond Sector peer group benchmark which returned 5.7%. The market saw a strong rebound in the beginning of 2019 after a poor final quarter for 2018. During the period under review, assets that normally move in opposite directions rallied together, allowing both high yield and rates to enjoy strong returns for the fund.

For the period under review, the market was buffeted by aggressive trade war rhetoric between the US and China, which included a number of tweets and headlines suggesting either an escalation or resolution, though so far the issue has remained unresolved. Global economic data worsened over the period, hinting that some countries may be close to entering a recession. This forced central banks to reverse course from tightening over fears of inflation (which arguably made conditions too tight) to becoming incrementally dovish, with some countries going so far as to cut rates. Our asset allocation decision to be longer duration (benefiting from the negative economic data) and take on a more defensive posture relative to the fund's history, proved to be a good call. Both US investment grade and high yield traded sideways in terms of spread levels, but prices rallied due to the underlying rate move. European credit spreads tightened in response to the European Central Bank's (ECB's) suggestion that it would resume quantitative easing (stimulus measures) in response to worsening economic data.

The main positive contributors to performance came from our corporate high yield and investment grade holdings. Tactical derivative trades also contributed meaningfully. (Derivatives are financial instruments for which the price is derived from one or more underlying assets and which allow investors to take advantage of price movements in the assets.) When reviewing our top contributors and detractors, we were pleased to see that there were no meaningful negative contributors to performance and that the emphasis on lending only to companies and industries that we consider predictable and consistent served investors well.

The overall shape of the fund remained steady over the period. Indeed, the focus on providing a relatively consistent and attractive income stream to investors means that the investments are naturally skewed to lower rated and riskier corporate bonds. Within this allocation, there is always some rotation driven by changes in company circumstances or perceptions of risk, maturing bonds and relative value.

Notable buys were focused on lower rated investment grade holdings and included IHS Markit (a provider of information, analytics, and solutions to customers in business, finance and government) and Charter Communications Operating Capital (a US cable communications company). In terms of our high yield purchases, we bought Entertainment One, which is an independent international entertainment group producing shows such as Peppa Pig, which received a bid from Hasbro that led to bonds rallying materially.

Notable sales from the fund included Elanco Animal Health, an animal healthcare company that we reduced after the company was rumoured to be bidding for an animal healthcare division of Bayer (which would be re-leveraging — a transaction aimed at significantly increasing the amount of debt). We also sold our holdings in Iron Mountain following softening trends in the business. Finally, we reduced our high yield exposure by reducing our holding to Zayo (a bandwidth infrastructure provider) and selling both Berry Global (packaging) and Silgan (packaging).

The fund used interest rate derivatives to actively manage the overall sensitivity of the fund to changes in government bond yields. This provided a positive contribution of 161 basis points.

Our view as at 10 September 2019 is that we are in the midst of an industrial/manufacturing downturn that started in Asia and has had an impact on Europe (exposure to Asia is high for European exporters). The US is a worry, and looks like it's starting to 'catch down' with the other major economies. Manufacturing purchasing managers' indexes have been weak, leading to questions about whether this is spreading to other parts of the economy (services and consumer) or whether the central banks will be able to cushion it. There are some important central bank meetings this month (the ECB and US Federal Reserve), which will give us an indication in terms of monetary policy stimulus that they can provide. Against this backdrop, we continue to have sympathy with long duration position while also favouring the lower end of the investment grade market and higher end of high yield for the fund.

The fund comprises a mix of credit risk (with the majority of its assets rated sub-investment grade) and interest rate/government bond yield risk. As an income fund, the ability to run high cash balances or to hedge the portfolio with derivatives to mitigate against mark-to-market losses is limited, as these strategies serve to dilute the yield delivered to investors.



## Comparative tables for the six months ended 1 September 2019

	Accumulation			
	Six months to 01/09/19 (pence per unit)	Year to 01/03/19 (pence per unit)	Year to 01/03/18 (pence per unit)	Year to 01/03/17 (pence per unit)
<b>Change in net assets per unit</b>				
Opening net asset value per unit	29.08	28.76	27.67	25.07
Return before operating charges*	2.70	0.72	1.49	3.27
Operating charges	(0.22)	(0.40)	(0.40)	(0.38)
Return after operating charges*	2.48	0.32	1.09	2.89
Distributions on accumulation units	(0.62)	(1.28)	(1.29)	(1.44)
Retained distributions on accumulation units <sup>^</sup>	0.62	1.28	1.29	1.15
Closing net asset value per unit	31.56	29.08	28.76	27.67
* after direct transaction costs of:	-	-	-	-

### Performance

Return after charges	8.53%	1.11%	3.94%	11.53%
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### Other information

Closing net asset value (£000s)	21,435	24,580	34,508	30,708
Closing number of units	67,924,931	84,536,474	119,984,846	110,986,979
Operating charges (annualised)	1.40%	1.41%	1.40%	1.41%
Direct transaction costs	0.00%	0.00%	0.00%	0.00%

### Prices

Highest unit price (pence)	31.67	29.85	30.78	29.04
Lowest unit price (pence)	29.16	28.06	27.43	25.15

<sup>^</sup> Retained distributions prior to 6 April 2017 are net of 20% income tax.

	Income			
	Six months to 01/09/19 (pence per unit)	Year to 01/03/19 (pence per unit)	Year to 01/03/18 (pence per unit)	Year to 01/03/17 (pence per unit)
<b>Change in net assets per unit</b>				
Opening net asset value per unit	21.17	21.91	22.08	20.89
Return before operating charges*	1.94	0.52	1.18	2.45
Operating charges	(0.16)	(0.30)	(0.31)	(0.31)
Return after operating charges*	1.78	0.22	0.87	2.14
Distributions on income units	(0.47)	(0.96)	(1.04)	(0.95)
Closing net asset value per unit	22.48	21.17	21.91	22.08
* after direct transaction costs of:	-	-	-	-

### Performance

Return after charges	8.41%	1.00%	3.94%	10.24%
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### Other information

Closing net asset value (£000s)	288,263	351,628	386,216	397,089
Closing number of units	1,282,119,546	1,661,258,039	1,762,645,380	1,798,560,148
Operating charges (annualised)	1.40%	1.41%	1.40%	1.41%
Direct transaction costs	0.00%	0.00%	0.00%	0.00%

### Prices

Highest unit price (pence)	22.64	22.49	23.74	23.58
Lowest unit price (pence)	21.23	20.67	21.89	20.96

## Comparative tables (continued)

### Class E accumulation 24/06/19 - 01/09/19 (pence per unit)

<b>Change in net assets per unit</b>	
Opening net asset value per unit	30.74 <sup>1</sup>
Return before operating charges*	0.90
Operating charges	(0.05)
Return after operating charges*	0.85
Distributions on accumulation units	(0.31)
Retained distributions on accumulation units	0.31
Closing net asset value per unit	31.59
* after direct transaction costs of:	-

#### Performance

Return after charges	2.78%
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#### Other information

Closing net asset value (£000s)	4,631
Closing number of units	14,662,419
Operating charges (annualised)	0.90%
Direct transaction costs	0.00%

#### Prices

Highest unit price (pence)	31.69
Lowest unit price (pence)	30.71

<sup>1</sup> Class E accumulation launched on 24 June 2019 and this is the first published price.

### Class E income 24/06/19 - 01/09/19 (pence per unit)

<b>Change in net assets per unit</b>	
Opening net asset value per unit	22.13 <sup>2</sup>
Return before operating charges*	0.65
Operating charges	(0.04)
Return after operating charges*	0.61
Distributions on income units	(0.24)
Closing net asset value per unit	22.50
* after direct transaction costs of:	-

#### Performance

Return after charges	2.74%
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#### Other information

Closing net asset value (£000s)	72,470
Closing number of units	322,023,377
Operating charges (annualised)	0.90%
Direct transaction costs	0.00%

#### Prices

Highest unit price (pence)	22.66
Lowest unit price (pence)	22.05

<sup>2</sup> Class E income launched on 24 June 2019 and this is the first published price.

## Comparative tables (continued)

	Class I accumulation			
	Six months to 01/09/19 (pence per unit)	Year to 01/03/19 (pence per unit)	Year to 01/03/18 (pence per unit)	Year to 01/03/17 (pence per unit)
<b>Change in net assets per unit</b>				
Opening net asset value per unit	116.45	114.32	109.20	98.21
Return before operating charges*	10.81	2.92	5.90	12.87
Operating charges	(0.41)	(0.79)	(0.78)	(0.73)
Return after operating charges*	10.40	2.13	5.12	12.14
Distributions on accumulation units	(2.56)	(5.19)	(5.20)	(5.73)
Retained distributions on accumulation units <sup>^</sup>	2.56	5.19	5.20	4.58
Closing net asset value per unit	126.85	116.45	114.32	109.20
* after direct transaction costs of:	-	-	-	-
<b>Performance</b>				
Return after charges	8.93%	1.86%	4.69%	12.36%
<b>Other information</b>				
Closing net asset value (£000s)	145,251	119,635	122,415	87,660
Closing number of units	114,506,134	102,732,878	107,077,493	80,277,876
Operating charges (annualised)	0.68%	0.69%	0.69%	0.69%
Direct transaction costs	0.00%	0.00%	0.00%	0.00%
<b>Prices</b>				
Highest unit price (pence)	127.30	116.99	117.25	109.94
Lowest unit price (pence)	116.78	112.19	108.25	98.54

<sup>^</sup> Retained distributions prior to 6 April 2017 are net of 20% income tax.

	Class I income			
	Six months to 01/09/19 (pence per unit)	Year to 01/03/19 (pence per unit)	Year to 01/03/18 (pence per unit)	Year to 01/03/17 (pence per unit)
<b>Change in net assets per unit</b>				
Opening net asset value per unit	104.74	107.74	107.89	101.46
Return before operating charges*	9.63	2.53	5.82	11.86
Operating charges	(0.37)	(0.72)	(0.76)	(0.73)
Return after operating charges*	9.26	1.81	5.06	11.13
Distributions on income units	(2.38)	(4.81)	(5.21)	(4.70)
Closing net asset value per unit	111.62	104.74	107.74	107.89
* after direct transaction costs of:	-	-	-	-
<b>Performance</b>				
Return after charges	8.84%	1.68%	4.69%	10.97%
<b>Other information</b>				
Closing net asset value (£000s)	285,610	261,363	303,832	283,998
Closing number of units	255,866,978	249,528,623	281,997,561	263,228,896
Operating charges (annualised)	0.68%	0.69%	0.69%	0.69%
Direct transaction costs	0.00%	0.00%	0.00%	0.00%
<b>Prices</b>				
Highest unit price (pence)	112.40	106.27	111.79	110.22
Lowest unit price (pence)	105.04	102.07	106.96	101.79

## Comparative tables (continued)

	Class Z accumulation			
	Six months to 01/09/19 (pence per unit)	Year to 01/03/19 (pence per unit)	Year to 01/03/18 (pence per unit)	Year to 01/03/2017 (pence per unit)
<b>Change in net assets per unit</b>				
Opening net asset value per unit	156.10	152.23	144.44	129.12
Return before operating charges*	14.55	3.92	7.85	16.91
Operating charges	(0.03)	(0.05)	(0.06)	(0.04)
Return after operating charges*	14.52	3.87	7.79	16.87
Distributions on accumulation units	(3.50)	(7.07)	(7.18)	(7.74)
Retained distributions on accumulation units <sup>^</sup>	3.50	7.07	7.18	6.19
Closing net asset value per unit	170.62	156.10	152.23	144.44
* after direct transaction costs of:	-	-	-	-
<b>Performance</b>				
Return after charges	9.30%	2.54%	5.39%	13.07%
<b>Other information</b>				
Closing net asset value (£000s)	3	2	2	2
Closing number of units	1,500	1,500	1,500	1,500
Operating charges (annualised)	0.03%	0.03%	0.04%	0.03%
Direct transaction costs	0.00%	0.00%	0.00%	0.00%
<b>Prices</b>				
Highest unit price (pence)	171.20	156.81	156.00	145.42
Lowest unit price (pence)	156.55	150.16	143.22	129.55

<sup>^</sup> Retained distributions prior to 6 April 2017 are net of 20% income tax.

	Class A income Euro hedged			
	Six months to 01/09/19 (pence per unit)	Year to 01/03/19 (pence per unit)	Year to 01/03/18 (pence per unit)	Year to 01/03/2017 (pence per unit)
<b>Change in net assets per unit</b>				
Opening net asset value per unit	252.53	273.07	268.02	232.82
Return before operating charges*	35.59	(4.95)	22.03	52.71
Operating charges	(1.88)	(3.66)	(3.85)	(3.62)
Return after operating charges*	33.71	(8.61)	18.18	49.09
Distributions on income units	(5.93)	(11.93)	(13.13)	(13.89)
Closing net asset value per unit	280.31	252.53	273.07	268.02
* after direct transaction costs of:	-	-	-	-
<b>Performance</b>				
Return after charges (Base currency)	13.35%	(3.15%)	6.78%	21.08%
Return after charges (Share class currency)	7.79%	(0.14%)	3.12%	10.38%
<b>Other information</b>				
Closing net asset value (£000s)	19,786	20,226	21,858	21,032
Closing number of units	7,058,550	8,009,361	8,004,360	7,847,251
Operating charges (annualised)	1.38%	1.39%	1.38%	1.39%
Direct transaction costs	0.00%	0.00%	0.00%	0.00%
<b>Prices</b>				
Highest unit price (Euro cents)	314.32	314.53	336.93	338.78
Lowest unit price (Euro cents)	294.50	286.94	309.87	299.35

## Comparative tables (continued)

Direct transaction costs incurred on securities transactions (including derivatives) are stated after deducting the proportion of the amounts collected from dilution adjustments that relate to direct transaction costs.

Performance values are at close of business and on a bid basis, which will differ from those in the Performance summary.

### Operating charges

Operating charges are expenses associated with the maintenance and administration of the fund on a day-to-day basis that are actually borne by the unit class.

### Unit class launches and closures

The following unit classes launched in the period:

<b>Unit class</b>	<b>Launch date</b>
Class E accumulation	24 June 2019
Class E income	24 June 2019

There were no unit classes closed in the period.

### Hedged unit classes

Class A income Euro hedged is a hedged unit class. Hedged unit classes allow the Authorised Fund Manager to use currency hedging transactions to reduce the effect of fluctuations in the rate of exchange between the currency of units in those classes and Sterling which is the base currency of the fund.

## Ongoing charge figure

The annualised ongoing charge figure (OCF) of the fund is calculated as the ratio of the total ongoing charges to the average net asset value for twelve months. Ongoing charges are all expenses deducted from the assets of the fund during the period, except for expenses that are explicitly excluded by regulation.

	01/09/19 %	01/03/19 %	Projected OCF from 24 June 2019 <sup>1</sup> %
<b>Income and Accumulation</b>	1.40	1.41	n/a
<b>Class E<sup>2</sup></b>	0.90	n/a	0.90
<b>Class I</b>	0.68	0.69	n/a
<b>Class Z</b>	0.03	0.03	n/a
<b>Class A income Euro hedged</b>	1.38	1.39	n/a

The OCF is calculated in accordance with guidelines issued by the European Securities and Markets Authority (ESMA).

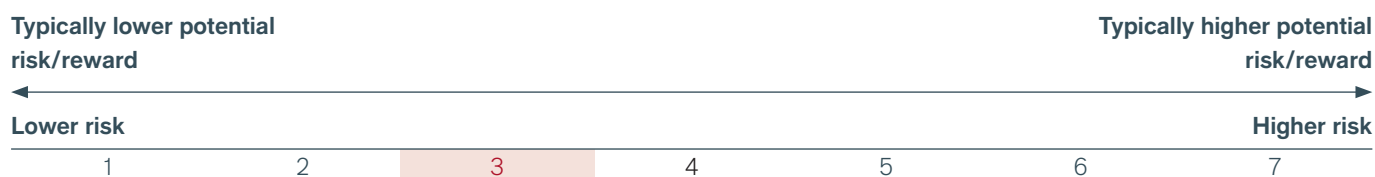
<sup>1</sup> The projected ongoing charge based on the annual fee rates from 24 June 2019.

<sup>2</sup> Class E accumulation and Class E income launched on 24 June 2019.

## Risk and reward profile

The fund currently has 8 unit classes in issue: Accumulation, Income, E accumulation, E income, I accumulation, I income, Z accumulation and A income Euro hedged.

The risk and reward profile of each unit class is as follows:



The unit classes appear at 3 out of 7. Unit classes in higher categories have shown greater and/or more frequent variations in unit prices in the past 5 years than those in lower categories. The lowest category does not mean risk free.

The synthetic risk and reward indicator (SRRI) is calculated based on historical volatility over a rolling 5\* year period; it is reviewed monthly and updated if volatility has changed materially to cause a movement in the SRRI level. The SRRI is an indicator and may not accurately reflect future volatility and market conditions.

The value of an investment in the fund can go up or down. When you sell your units, they may be worth less than you paid for them.

The risk/reward rating above is based on medium-term volatility. In the future, the fund's actual volatility could be higher or lower and its rated risk/reward level could change.

The rating does not reflect the possible effects of unusual market conditions or large unpredictable events. Under normal market conditions the following risks may apply:

**Charges to capital** Some or all of the annual management charge and other costs of the fund may be taken from capital, which may erode capital or reduce potential for capital growth.

**Currency hedging** When the fund, or a currency hedged unit class of the fund (with 'Hedged' in its name), seeks to mitigate (hedge) exchange rate movements of a currency relative to the fund's base currency, the hedging strategy itself may create a positive or negative impact to the capital value of the fund or unit class due to differences in short-term interest rates between the currencies.

**Default risk** An issuer of a bond (or money market instrument) may become unable or unwilling to pay interest or repay capital to the fund. If this happens or the market perceives this may happen, the value of the bond will fall.

**Derivatives and leverage** The fund may use derivatives towards the aim of achieving its investment objective. This can result in 'leverage', which can magnify an investment outcome and gains or losses to the fund may be greater than the cost of the derivative. Derivatives also introduce other risks, in particular, that a derivative counterparty may not meet its contractual obligations.

**High yield bonds** The fund invests in high yield (non-investment grade) bonds and while these generally offer higher rates of interest than investment grade bonds, they are more speculative and more sensitive to adverse changes in market conditions.

**Interest rates** When interest rates rise (or fall), the prices of different securities will be affected differently. In particular, bond values generally fall when interest rates rise. This risk is generally greater the longer the maturity of a bond investment.

**Liquidity** Securities within the fund could become hard to value or to sell at a desired time and price, especially in extreme market conditions when asset prices may be falling, increasing the risk of investment losses.

The full list of the fund's risks are contained in the 'Risk Warnings' section of the fund's prospectus.

There have been no changes to the risk ratings in the period.

The SRRI conforms to the ESMA guidelines for the calculation of the SRRI.

\* Class I accumulation was launched on 22 June 2015, Class E accumulation and Class E income were launched on 24 June 2019 and as these unit classes do not have a 5 year history, a synthetic history has been created using the fund's relevant sector average.

## Portfolio statement as at 1 September 2019

Holding	Investment	Market value £000	Percentage of total net assets %
	<b>Equities 1.93% (01/03/2019: 1.96%)</b>		
9,784	Eagle Geophysical <sup>1</sup>	-	-
104,841	Nationwide Building Society CDDS	16,122	1.93
250,000	Provincia De Misiones Cemis <sup>1</sup>	-	-
		<u>16,122</u>	<u>1.93</u>
	<b>Bonds 93.55% (01/03/2019: 91.94%)</b>		
	<b>Asset Backed 0.93% (01/03/2019: 0.42%)</b>		
	<b>Iceland 0.00% (01/03/2019: 0.00%)</b>		
GBP 5,650,000	Kaupthing Singer & Friedlander 7.50% 13/11/2019 <sup>2</sup>	-	-
	<b>Luxembourg 0.00% (01/03/2019: 0.00%)</b>		
EUR 6,767,120	Hellas Telecommunications III 8.50% 15/10/2013 <sup>2</sup>	-	-
	<b>United Kingdom 0.92% (01/03/2019: 0.41%)</b>		
GBP 2,708,735	Tesco Property Finance 5.744% 13/04/2040	3,573	0.43
GBP 3,954,600	Virgin Media 6.25% 28/03/2029	4,201	0.49
		<u>7,774</u>	<u>0.92</u>
	<b>United States 0.01% (01/03/2019: 0.01%)</b>		
GBP 2,473,335	Lehman Brothers 7.875% 08/05/2018 <sup>2</sup>	46	0.01
	<b>Fixed Rate Bond 83.22% (01/03/2019: 79.42%)</b>		
	<b>Argentina 0.00% (01/03/2019: 0.00%)</b>		
USD 250,000	Provincia De Misiones Cemis 6.00% 01/08/2006 <sup>2</sup>	-	-
	<b>Australia 5.90% (01/03/2019: 9.71%)</b>		
AUD 43,000,000	Australia (Commonwealth of) 3.25% 21/04/2025	27,099	3.24
AUD 28,700,000	Australia (Commonwealth of) 3.75% 21/04/2037	22,286	2.66
		<u>49,385</u>	<u>5.90</u>
	<b>Belgium 1.16% (01/03/2019: 1.03%)</b>		
USD 10,150,000	Anheuser-Busch InBev Worldwide 4.75% 23/01/2029	9,731	1.16
	<b>Canada 1.69% (01/03/2019: 0.75%)</b>		
USD 7,749,000	Cott 5.50% 01/04/2025	6,634	0.78
GBP 3,050,000	Entertainment One 4.625% 15/07/2026	3,318	0.40
USD 5,000,000	1011778 BC 4.25% 15/05/2024	4,238	0.51
		<u>14,190</u>	<u>1.69</u>
	<b>Germany 0.00% (01/03/2019: 1.37%)</b>		
	<b>Ireland 3.00% (01/03/2019: 2.92%)</b>		
USD 5,864,000	Ardagh Packaging Finance 4.125% 15/08/2026	4,869	0.58
USD 18,330,000	Ardagh Packaging Finance 6.00% 15/02/2025	15,718	1.88
GBP 3,325,000	Lambay Capital Securities 6.25% Perpetual <sup>3</sup>	42	-
GBP 4,350,000	Virgin Media Receivables Financing Notes II 5.75% 15/04/2023	4,481	0.54
EUR 8,825,000	Waterford Wedgewood 9.875% Perpetual <sup>2</sup>	-	-
		<u>25,110</u>	<u>3.00</u>



## Portfolio statement (continued)

Holding	Investment	Market value £000	Percentage of total net assets %
	<b>Italy 0.00% (01/03/2019: 0.00%)</b>		
GBP 19,680,000	Parmalat Capital Finance 9.375% Perpetual <sup>2</sup>	-	-
	<b>Luxembourg 0.00% (01/03/2019: 0.00%)</b>		
	<b>Netherlands 0.54% (01/03/2019: 0.94%)</b>		
USD 5,000,000	Heineken 4.00% 01/10/2042	4,523	0.54
	<b>United Kingdom 16.84% (01/03/2019: 14.77%)</b>		
GBP 3,900,000	Arqiva Broadcast Finance 6.75% 30/09/2023	4,158	0.50
USD 12,435,000	Bacardi 4.45% 15/05/2025	10,992	1.31
GBP 13,500,000	Barclays VAR Perpetual	13,936	1.66
GBP 5,100,000	BUPA Finance 5.00% 08/12/2026	5,738	0.69
GBP 15,016,000	Cattles 6.875% Perpetual <sup>2</sup>	-	-
GBP 6,618,000	Cattles 7.125% 05/07/2017 <sup>2</sup>	-	-
GBP 1,078,000	City Site Estates 10.50% 31/03/2017 <sup>2</sup>	-	-
GBP 2,260,000	Co-Operative 5.125% 17/05/2024	2,373	0.28
GBP 6,200,000	CPUK Finance 4.25% 28/08/2022	6,258	0.75
GBP 8,600,000	CPUK Finance 4.875% 28/08/2025	8,783	1.05
GBP 1,764,000	Estates & General Investment 11.25% 31/12/2018 <sup>2</sup>	-	-
GBP 4,080,000	Galaxy Bidco 6.50% 31/07/2026	3,907	0.47
GBP 12,230,000	Phoenix 6.625% 18/12/2025	13,543	1.62
USD 3,490,000	Prudential 4.875% Perpetual	2,857	0.34
USD 6,950,000	RELX Capital 4.00% 18/03/2029	6,292	0.75
USD 1,496,000	Royal Bank of Scotland 7.648% Perpetual	1,646	0.20
GBP 1,950,000	Scottish Widows 5.50% 16/06/2023	2,179	0.26
GBP 9,250,000	Scottish Widows 7.00% 16/06/2043	12,379	1.48
GBP 4,450,000	Tesco 5.20% 05/03/2057	6,232	0.74
GBP 10,600,000	Tesco 5.50% 13/01/2033	13,822	1.65
GBP 15,000,000	UK Treasury 1.625% 22/10/2028	16,642	1.98
GBP 2,300,000	Virgin Media 5.00% 15/04/2027	2,409	0.29
AUD 2,260,000	Vodafone 3.25% 13/12/2022	1,311	0.16
GBP 5,000,000	WM Morrison Supermarkets 3.50% 27/07/2026	5,567	0.66
		<u>141,024</u>	<u>16.84</u>
	<b>United States 54.09% (01/03/2019: 47.93%)</b>		
USD 892,000	Adobe 3.25% 01/02/2025	776	0.09
USD 5,010,000	Alphabet 1.998% 15/08/2026	4,146	0.50
USD 5,010,000	Amazon.com 3.15% 22/08/2027	4,420	0.53
USD 5,300,000	American Tower 3.375% 15/10/2026	4,555	0.54
USD 5,180,000	American Tower 3.60% 15/01/2028	4,508	0.54
USD 11,621,000	Aramark 4.75% 01/06/2026	9,781	1.17
USD 5,300,000	Aramark 5.00% 01/02/2028	4,521	0.54
USD 850,000	Aramark 5.00% 01/04/2025	721	0.09
USD 2,115,000	Aramark 5.125% 15/01/2024	1,791	0.21
USD 6,150,000	AT&T 3.60% 17/02/2023	5,278	0.63
USD 946,000	Ball 5.25% 01/07/2025	872	0.10
USD 6,220,000	Becton Dickinson 3.70% 06/06/2027	5,470	0.65
USD 2,428,000	Booking 3.55% 15/03/2028	2,159	0.26

## Portfolio statement (continued)

Holding	Investment	Market value £000	Percentage of total net assets %
<b>United States</b> (continued)			
USD 8,498,000	Booking 3.60% 01/06/2026	7,473	0.89
USD 7,695,000	Boston Scientific 4.00% 01/03/2029	7,049	0.84
USD 10,440,000	Boyd Gaming 6.375% 01/04/2026	9,087	1.09
USD 10,596,000	Catalent Pharma Solutions 4.875% 15/01/2026	8,831	1.05
USD 3,780,000	CCO 5.00% 01/02/2028	3,259	0.39
USD 2,365,000	CCO 5.875% 01/05/2027	2,068	0.25
USD 10,200,000	Charter Communications Operating Capital 4.908% 23/07/2025	9,255	1.11
USD 2,860,000	Comcast 3.95% 15/10/2025	2,574	0.31
USD 2,030,000	Comcast 4.15% 15/10/2028	1,891	0.23
USD 5,000,000	Conagra Brands 4.85% 01/11/2028	4,702	0.56
USD 4,620,000	Constellation Brands 3.70% 06/12/2026	4,070	0.49
USD 2,289,000	Constellation Brands 4.75% 15/11/2024	2,093	0.25
USD 12,990,000	Crown Americas 4.75% 01/02/2026	11,200	1.34
USD 10,220,000	Crown Castle International 3.65% 01/09/2027	8,905	1.06
USD 4,200,000	Crown Castle International 3.80% 15/02/2028	3,688	0.44
USD 6,671,000	CyrusOne 5.375% 15/03/2027	5,813	0.69
USD 11,180,000	Diamond International 6.02% 15/06/2026	10,359	1.24
USD 5,266,000	Diamond International 7.125% 15/06/2024	4,558	0.54
USD 4,964,000	Diamond Sports 5.375% 15/08/2020	4,280	0.51
USD 3,828,000	Diamond Sports 6.625% 15/08/2027	3,293	0.39
USD 2,710,000	Digital Realty Trust 4.75% 01/10/2025	2,469	0.29
USD 1,609,000	Elanco Animal Health 4.272% 28/08/2023	1,384	0.17
USD 6,452,000	Elanco Animal Health 4.90% 28/08/2028	5,773	0.69
USD 3,759,000	EMC 3.375% 01/06/2023	3,060	0.37
EUR 3,100,000	Equinix 2.875% 01/10/2025	2,914	0.35
USD 5,200,000	Equinix 5.375% 01/04/2023	4,355	0.52
GBP 1,140,000	Fidelity National Information Services 2.602% 21/05/2025	1,202	0.14
GBP 1,820,000	Fiserv 3.00% 01/07/2031	1,959	0.23
USD 5,000,000	GLP Capital 5.375% 15/04/2026	4,507	0.54
USD 5,000,000	GLP Capital 5.75% 01/06/2028	4,666	0.56
USD 3,070,000	HCA 4.50% 15/02/2027	2,732	0.33
USD 1,914,000	HCA 5.00% 15/03/2024	1,716	0.20
USD 5,300,000	HCA 5.25% 15/06/2026	4,911	0.59
USD 7,560,000	HCA 5.875% 15/02/2026	7,081	0.85
USD 3,000,000	Hilton Worldwide Finance 4.625% 01/04/2025	2,543	0.30
USD 10,884,000	Hilton Worldwide Finance 4.875% 01/04/2027	9,406	1.12
USD 10,180,000	IHS Markit 4.75% 15/02/2025	9,110	1.09
USD 3,640,000	IHS Markit 5.00% 01/11/2022	3,190	0.38
USD 9,980,000	Infor US 6.50% 15/05/2022	8,328	0.99
USD 18,900,000	IQVIA 5.00% 15/10/2026	16,374	1.96
USD 5,000,000	KFC 5.00% 01/06/2024	4,244	0.51
USD 3,066,000	Lamb Weston 4.625% 01/11/2024	2,632	0.31
USD 10,315,000	Lamb Weston 4.875% 01/11/2026	8,840	1.06
USD 3,996,000	Lions Gate Capital 5.875% 01/11/2024	3,412	0.41
USD 4,550,000	Lions Gate Capital 6.375% 01/02/2024	3,946	0.47
EUR 4,410,000	Mastercard 2.10% 01/12/2027	4,688	0.56
USD 10,955,000	Match 5.00% 15/12/2027	9,445	1.13
USD 5,670,000	McCormick 3.25% 15/11/2025	4,757	0.57
USD 9,000,000	McCormick 3.40% 15/08/2027	7,829	0.93

## Portfolio statement (continued)

Holding	Investment	Market value £000	Percentage of total net assets %
<b>United States (continued)</b>			
EUR 5,000,000	Microsoft 3.125% 06/12/2028	5,788	0.69
USD 15,050,000	Post 5.50% 01/03/2025	12,929	1.54
USD 17,330,000	Reynolds 7.00% 15/07/2024	14,711	1.76
USD 9,208,000	salesforce.com 3.70% 11/04/2028	8,438	1.01
USD 19,804,000	Service International 4.625% 15/12/2027	16,954	2.01
USD 5,930,000	Sirius XM Radio 4.625% 15/07/2024	5,082	0.61
USD 7,205,000	Sirius XM Radio 5.00% 01/08/2027	6,242	0.75
USD 5,383,000	Sirius XM Radio 5.375% 15/04/2025	4,586	0.55
USD 4,405,000	Sysco 3.55% 15/03/2025	3,856	0.46
USD 904,000	The Walt Disney Company 1.85% 30/07/2026	734	0.09
USD 11,973,000	T-Mobile USA 4.50% 01/02/2026	10,200	1.22
USD 2,875,000	T-Mobile USA 4.75% 01/02/2028	2,485	0.30
USD 4,145,000	Total System Services 4.00% 01/06/2023	3,593	0.43
USD 9,784,000	TransDigm 6.25% 15/03/2026	8,666	1.03
USD 6,525,000	Trivium Packaging Finance 5.50% 15/08/2026	5,666	0.68
USD 5,000,000	Verisk Analytics 4.00% 15/06/2025	4,443	0.53
USD 6,077,000	Verizon Communications 4.016% 03/12/2029	5,634	0.67
USD 4,000,000	Verizon Communications 4.50% 10/08/2033	3,875	0.46
AUD 6,400,000	Verizon Communications 4.50% 17/08/2027	4,116	0.49
USD 2,854,000	VMware 3.90% 21/08/2027	2,394	0.29
USD 5,010,000	Walmart 3.70% 26/06/2028	4,619	0.55
GBP 1,400,000	Washington Mutual Bank 5.50% 10/06/2019 <sup>2</sup>	-	-
USD 5,180,000	WMG Acquisition 5.50% 15/04/2026	4,455	0.53
USD 2,100,000	Zayo 6.00% 01/04/2023	1,778	0.21
USD 855,000	Zoetis 3.90% 20/08/2028	778	0.09
		452,941	54.09
<b>Secured Loans 4.00% (01/03/2019: 4.67%)<sup>4</sup></b>			
<b>Canada 0.99% (01/03/2019: 1.07%)</b>			
USD 10,120,963	The Stars FRN 10/07/2025 B	8,331	0.99
<b>United Kingdom 1.46% (01/03/2019: 1.52%)</b>			
GBP 3,786,446	Froneri International FRN 31/01/2025 B1	3,773	0.45
USD 6,090,000	Warner Music FRN 01/11/2023 F	4,977	0.59
GBP 3,600,000	ZPG FRN 23/07/2025 B1	3,498	0.42
		12,248	1.46
<b>United States 1.55% (01/03/2019: 2.08%)</b>			
USD 12,956,453	McAfee FRN 30/09/2024 B	10,642	1.28
EUR 2,456,438	McAfee FRN 30/09/2024 B1	2,223	0.27
USD 20,986	SS&C Technologies FRN 16/04/2025 B3	17	-
USD 13,897	SS&C Technologies FRN 16/04/2025 B4	11	-
		12,893	1.55
<b>Stepped Rate Bond 1.92% (01/03/2019: 2.04%)</b>			
<b>United Kingdom 1.92% (01/03/2019: 2.04%)</b>			
GBP 14,322,000	Co-Operative 7.50% 08/07/2026	16,076	1.92

## Portfolio statement (continued)

Holding	Investment	Market value £000	Percentage of total net assets %
	<b>Variable Rate Bond 3.48% (01/03/2019: 5.39%)</b>		
	<b>Switzerland 0.59% (01/03/2019: 0.57%)</b>		
USD 5,500,000	UBS 7.00% Perpetual	4,943	0.59
	<b>United Kingdom 2.89% (01/03/2019: 4.57%)</b>		
USD 6,310,000	Barclays 6.278% Perpetual	5,414	0.65
GBP 3,775,000	HBOS Sterling Finance 7.881% Perpetual	5,717	0.68
USD 7,950,000	Lloyds Banking 6.657% Perpetual	6,847	0.81
USD 5,760,000	RBS Capital Trust II FRN Perpetual	6,243	0.75
		<u>24,221</u>	<u>2.89</u>
	<b>United States 0.00% (01/03/2019: 0.25%)</b>		
	<b>Derivatives (1.55%) (01/03/2019: 2.21%)</b>		
	<b>Futures 0.15% (01/03/2019: 0.01%)</b>		
204	ASX Australia 10 Year Bond September 2019	455	0.05
120	CBT US 10 Year Note December 2019	4	-
62	EUX Euro-Bund 50 September 2019	458	0.06
517	ICF Long Gilt December 2019	355	0.04
		<u>1,272</u>	<u>0.15</u>
	<b>Forward Foreign Exchange Contracts (1.64%) (01/03/2019: 2.25%)<sup>4</sup></b>		
	Buy AUD 144,000 : Sell GBP 80,500 November 2019	(1)	-
	Buy AUD 220,600 : Sell GBP 121,422 November 2019	1	-
	Buy AUD 31,299,580 : Sell GBP 17,386,453 October 2019	(81)	(0.01)
	Buy AUD 38,537 : Sell GBP 20,992 September 2019 <sup>5</sup>	-	-
	Buy AUD 473,400 : Sell GBP 265,003 October 2019	(3)	-
	Buy AUD 521,400 : Sell GBP 290,736 October 2019	(2)	-
	Buy AUD 601,900 : Sell GBP 335,654 November 2019	(3)	-
	Buy EUR 150,454 : Sell GBP 136,695 September 2019	(1)	-
	Buy EUR 18,196 : Sell GBP 16,279 September 2019 <sup>5</sup>	-	-
	Buy EUR 210,300 : Sell GBP 188,067 October 2019	2	-
	Buy EUR 216,600 : Sell GBP 194,854 September 2019	1	-
	Buy EUR 225,800 : Sell GBP 205,888 October 2019	(1)	-
	Buy EUR 237,100 : Sell GBP 219,435 October 2019	(5)	-
	Buy EUR 324,000 : Sell GBP 292,128 October 2019	1	-
	Buy EUR 324,700 : Sell GBP 298,262 October 2019	(4)	-
	Buy EUR 33,399 : Sell GBP 30,277 September 2019 <sup>5</sup>	-	-
	Buy EUR 345,900 : Sell GBP 321,925 October 2019	(9)	-
	Buy EUR 370,786 : Sell GBP 331,589 September 2019	4	-
	Buy EUR 4,644,566 : Sell GBP 4,281,218 October 2019	(74)	(0.01)
	Buy EUR 480,007 : Sell GBP 427,540 September 2019	7	-
	Buy EUR 483,500 : Sell GBP 445,679 October 2019	(8)	-
	Buy EUR 60,300 : Sell GBP 54,842 November 2019 <sup>5</sup>	-	-
	Buy EUR 70,000 : Sell GBP 64,419 November 2019	(1)	-
	Buy EUR 9,779 : Sell GBP 8,778 September 2019 <sup>5</sup>	-	-
	Buy EUR 99,394 : Sell GBP 90,235 September 2019 <sup>5</sup>	-	-
	Buy GBP 128,967 : Sell AUD 232,900 November 2019 <sup>5</sup>	-	-
	Buy GBP 135,733,889 : Sell USD 164,320,614 November 2019	1,229	0.15
	Buy GBP 143,462 : Sell USD 183,300 September 2019	(7)	-
	Buy GBP 14,512,511 : Sell EUR 16,097,477 October 2019	(70)	(0.01)

## Portfolio statement (continued)

Holding	Investment	Market value £000	Percentage of total net assets %
<b>Forward Foreign Exchange Contracts</b> <small>(continued)</small>			
	Buy GBP 170,003,134 : Sell USD 216,746,867 September 2019	(7,852)	(0.94)
	Buy GBP 20,725,803 : Sell AUD 37,016,818 November 2019	264	0.03
	Buy GBP 209,464 : Sell EUR 233,000 October 2019	(2)	-
	Buy GBP 246,154,691 : Sell USD 308,603,295 October 2019	(6,707)	(0.80)
	Buy GBP 268,350 : Sell USD 325,200 November 2019	2	-
	Buy GBP 275,143 : Sell USD 346,956 September 2019	(10)	-
	Buy GBP 301,027 : Sell EUR 334,200 October 2019	(2)	-
	Buy GBP 364,007 : Sell USD 459,300 October 2019	(12)	-
	Buy GBP 39,190,802 : Sell AUD 71,638,500 September 2019	(434)	(0.05)
	Buy GBP 4,084,189 : Sell USD 5,214,431 September 2019	(195)	(0.02)
	Buy GBP 4,120,088 : Sell USD 5,195,855 September 2019	(143)	(0.02)
	Buy GBP 4,258,023 : Sell USD 5,235,035 November 2019	(27)	-
	Buy GBP 4,281,305 : Sell AUD 7,695,458 October 2019	27	-
	Buy GBP 4,481,557 : Sell USD 5,487,059 November 2019	(10)	-
	Buy GBP 4,646,016 : Sell USD 5,930,000 September 2019	(220)	(0.03)
	Buy GBP 4,766,637 : Sell USD 6,102,764 September 2019	(241)	(0.03)
	Buy GBP 4,799,992 : Sell USD 5,817,567 November 2019	38	-
	Buy GBP 4,815,117 : Sell USD 5,864,000 October 2019	10	-
	Buy GBP 4,938,950 : Sell USD 6,012,040 October 2019	13	-
	Buy GBP 57,036 : Sell USD 69,441 November 2019 <sup>5</sup>	-	-
	Buy GBP 603,084 : Sell AUD 1,070,700 October 2019	11	-
	Buy GBP 6,908,992 : Sell EUR 7,418,297 November 2019	182	0.02
	Buy GBP 8,261,209 : Sell USD 10,271,969 October 2019	(155)	(0.02)
	Buy GBP 8,558,859 : Sell AUD 15,348,130 September 2019	69	0.01
	Buy GBP 948,445 : Sell USD 1,191,000 September 2019	(29)	-
	Buy JPY 1,983,666,250 : Sell AUD 27,700,000 October 2019	55	0.01
	Buy USD 1,161,230 : Sell GBP 915,603 September 2019	37	-
	Buy USD 1,219,500 : Sell GBP 998,943 October 2019 <sup>5</sup>	-	-
	Buy USD 128,214 : Sell GBP 105,327 November 2019 <sup>5</sup>	-	-
	Buy USD 1,356 : Sell GBP 1,064 September 2019 <sup>5</sup>	-	-
	Buy USD 1,460,463 : Sell GBP 1,198,079 October 2019	(1)	-
	Buy USD 1,461,687 : Sell GBP 1,200,863 October 2019	(3)	-
	Buy USD 1,602,700 : Sell GBP 1,284,970 October 2019	28	-
	Buy USD 20,128 : Sell GBP 16,183 October 2019 <sup>5</sup>	-	-
	Buy USD 2,062,498 : Sell GBP 1,693,671 November 2019	(5)	-
	Buy USD 2,205,840 : Sell GBP 1,748,538 October 2019	59	0.01
	Buy USD 2,206,275 : Sell GBP 1,810,123 November 2019	(4)	-
	Buy USD 25,526 : Sell GBP 20,929 October 2019 <sup>5</sup>	-	-
	Buy USD 260,204 : Sell GBP 212,516 November 2019 <sup>5</sup>	-	-
	Buy USD 2,691,111 : Sell GBP 2,212,559 October 2019	(8)	-
	Buy USD 269,700 : Sell GBP 212,975 September 2019	8	-
	Buy USD 27,152 : Sell GBP 21,642 October 2019	1	-
	Buy USD 30,187 : Sell GBP 23,928 September 2019	1	-
	Buy USD 33,437 : Sell GBP 26,550 September 2019	1	-
	Buy USD 3,427,783 : Sell GBP 2,814,106 October 2019	(5)	-
	Buy USD 388,500 : Sell GBP 320,582 November 2019	(3)	-
	Buy USD 394,787 : Sell GBP 312,373 September 2019	12	-
	Buy USD 411,000 : Sell GBP 327,812 October 2019	9	-
	Buy USD 4,548,068 : Sell GBP 3,754,115 October 2019	(28)	-
	Buy USD 483,200 : Sell GBP 378,976 September 2019	18	-

## Portfolio statement (continued)

Holding	Investment	Market value £000	Percentage of total net assets %
<b>Forward Foreign Exchange Contracts</b> <small>(continued)</small>			
	Buy USD 502,743 : Sell GBP 413,478 November 2019	(2)	-
	Buy USD 533,907 : Sell GBP 425,410 October 2019	12	-
	Buy USD 5,414,655 : Sell GBP 4,255,046 September 2019	188	0.02
	Buy USD 55,258 : Sell GBP 44,941 November 2019 <sup>5</sup>	-	-
	Buy USD 5,556,894 : Sell GBP 4,554,347 October 2019	(1)	-
	Buy USD 5,736,207 : Sell GBP 4,699,025 October 2019	1	-
	Buy USD 58,034 : Sell GBP 45,706 September 2019	2	-
	Buy USD 6,173,395 : Sell GBP 5,069,102 November 2019	(16)	-
	Buy USD 6,240,724 : Sell GBP 4,965,807 October 2019	148	0.02
	Buy USD 67,225 : Sell GBP 55,020 November 2019 <sup>5</sup>	-	-
	Buy USD 676,100 : Sell GBP 557,805 October 2019	(4)	-
	Buy USD 68,600 : Sell GBP 55,943 November 2019 <sup>5</sup>	-	-
	Buy USD 6,889,480 : Sell GBP 5,685,051 November 2019	(46)	(0.01)
	Buy USD 7,316,550 : Sell GBP 5,831,221 October 2019	164	0.02
	Buy USD 7,730,711 : Sell GBP 6,193,000 October 2019	141	0.02
	Buy USD 78,908 : Sell GBP 64,059 November 2019	1	-
	Buy USD 8,362 : Sell GBP 6,803 October 2019 <sup>5</sup>	-	-
	Buy USD 92,685 : Sell GBP 72,842 September 2019	3	-
	Buy USD 94,500 : Sell GBP 77,577 October 2019 <sup>5</sup>	-	-
		<u>(13,685)</u>	<u>(1.64)</u>
<b>Forward Foreign Exchange Contracts (Hedged share classes)</b> <b>(0.06%) (01/03/2019: (0.05%))<sup>4</sup></b>			
	Buy EUR 1,988 : Sell GBP 1,813 September 2019 <sup>5</sup>	-	-
	Buy EUR 21,918,192 : Sell GBP 20,356,806 September 2019	(526)	(0.06)
	Buy EUR 230,756 : Sell GBP 209,545 September 2019	(1)	-
	Buy EUR 666,703 : Sell GBP 619,209 September 2019	(15)	-
	Buy GBP 136,695 : Sell EUR 150,374 September 2019	1	-
	Buy GBP 23,332 : Sell EUR 25,272 September 2019 <sup>5</sup>	-	-
	Buy GBP 30,277 : Sell EUR 33,380 September 2019 <sup>5</sup>	-	-
	Buy GBP 35,783 : Sell EUR 39,217 September 2019 <sup>5</sup>	-	-
	Buy GBP 39,269 : Sell EUR 43,375 September 2019 <sup>5</sup>	-	-
	Buy GBP 4,307 : Sell EUR 4,696 September 2019 <sup>5</sup>	-	-
	Buy GBP 43,353 : Sell EUR 46,748 September 2019	1	-
	Buy GBP 6,507 : Sell EUR 7,100 September 2019 <sup>5</sup>	-	-
	Buy GBP 89,640 : Sell EUR 96,921 September 2019	2	-
	Buy GBP 90,235 : Sell EUR 99,345 September 2019 <sup>5</sup>	-	-
	Buy GBP 92,316 : Sell EUR 99,373 September 2019	2	-
		<u>(536)</u>	<u>(0.06)</u>
<b>Investment assets including investment liabilities</b>		<b>786,609</b>	<b>93.93</b>
Other net assets		50,840	6.07
<b>Total net assets</b>		<b>837,449</b>	<b>100.00</b>

<sup>1</sup> Suspended or delisted securities

<sup>2</sup> Defaulted

<sup>3</sup> Manually priced securities

<sup>4</sup> Unquoted securities

<sup>5</sup> Due to rounding to nearest £1,000

All investments are listed on recognised stock exchanges and are 'approved securities' within the meaning of FCA rules unless otherwise stated.

## Credit ratings

	Market value £000	Percentage of total net assets %
<b>01/09/19</b>		
<b>Investments</b>		
Investment grade (AAA - BBB)	339,510	40.54
Below investment grade (BB and below)	428,084	51.12
Unrated	15,842	1.89
<b>Total debt securities</b>	<b>783,436</b>	<b>93.55</b>
Derivatives	(12,949)	(1.55)
Equities	16,122	1.93
<b>Investment assets including investment liabilities</b>	<b>786,609</b>	<b>93.93</b>
Other net assets	50,840	6.07
<b>Total net assets</b>	<b>837,449</b>	<b>100.00</b>

	Market value £000	Percentage of total net assets %
<b>01/03/19</b>		
<b>Investments</b>		
Investment grade (AAA - BBB)	310,326	39.92
Below investment grade (BB and below)	391,111	50.30
Unrated	13,358	1.72
<b>Total debt securities</b>	<b>714,795</b>	<b>91.94</b>
Derivatives	17,181	2.21
Equities	15,245	1.96
<b>Investment assets including investment liabilities</b>	<b>747,221</b>	<b>96.11</b>
Other net assets	30,213	3.89
<b>Total net assets</b>	<b>777,434</b>	<b>100.00</b>

## Statement of total return (unaudited) for the six months ended 1 September 2019

	01/09/19		01/09/18	
	£000	£000	£000	£000
Income				
Net capital gains/(losses)		54,335		(18,435)
Revenue	17,987		19,914	
Expenses	(4,120)		(4,396)	
Interest payable and similar charges	(9)		(3)	
Net revenue before taxation	13,858		15,515	
Taxation	20		(120)	
Net revenue after taxation		<u>13,878</u>		<u>15,395</u>
Total return before distributions		68,213		(3,040)
Distributions		(17,363)		(18,647)
<b>Change in net assets attributable to unitholders from investment activities</b>		<u><b>50,850</b></u>		<u><b>(21,687)</b></u>

## Statement of change in net assets attributable to unitholders

(unaudited) for the six months ended 1 September 2019

	01/09/19		01/09/18	
	£000	£000	£000	£000
<b>Opening net assets attributable to unitholders*</b>		<b>777,434</b>		<b>868,831</b>
Amounts receivable on issue of units	42,629		31,334	
Amounts payable on cancellation of units	(36,742)		(100,974)	
		5,887		(69,640)
Dilution adjustment		8		286
Change in net assets attributable to unitholders from investment activities		50,850		(21,687)
Retained distributions on accumulation units		3,248		3,054
Unclaimed distributions		22		24
<b>Closing net assets attributable to unitholders</b>		<u><b>837,449</b></u>		<u><b>780,868</b></u>

\* The opening net assets attributable to unitholders for the current period do not equal the closing net assets attributable for the comparative period as they are not consecutive periods.

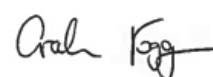


## Balance sheet (unaudited) as at 1 September 2019

	01/09/19 £000	01/03/19 £000
<b>Assets:</b>		
Investments	803,586	750,935
Current assets:		
Debtors	11,278	34,049
Cash and bank balances	71,582	42,604
<b>Total assets</b>	<b>886,446</b>	<b>827,588</b>
<b>Liabilities:</b>		
Investment liabilities	16,977	3,714
Creditors:		
Amounts held at derivatives clearing houses and brokers	1,301	635
Bank overdrafts	26,441	13,100
Distribution payable	2,469	2,407
Other creditors	1,809	30,298
<b>Total liabilities</b>	<b>48,997</b>	<b>50,154</b>
<b>Net assets attributable to unitholders</b>	<b>837,449</b>	<b>777,434</b>

## Directors' statement

This report has been prepared in accordance with the requirements of the Collective Investment Schemes Sourcebook as issued and amended by the Financial Conduct Authority. We hereby certify the investment review and financial statements on behalf of the Directors of Henderson Investment Funds Limited.



G Foggin  
(Director)



S Hillenbrand  
(Director)

28 October 2019

## **Notes to the financial statements** for the six months ended 1 September 2019

### **Accounting policies**

#### **Basis of preparation**

The interim financial statements have been prepared under the historical cost basis, as modified by the revaluation of investments, and in accordance with the Statement of Recommended Practice (SORP) for UK Authorised Funds issued by the Investment Management Association (IMA) in May 2014, the Financial Reporting Standard 102 (FRS 102), the Financial Conduct Authority's (FCA) Collective Investment Schemes Sourcebook (COLL), Trust Deed and Prospectus. The financial statements have been prepared on a going concern basis.

The accounting policies, distribution policy and potential risks are consistent with those of the financial statements for the year ended 1 March 2019 and are described in those annual accounts.

## Distribution tables for the six months ended 1 September 2019 (in pence per unit)

### Interim interest distribution (accounting date 31 March 2019, paid on 30 April 2019)

Group 1: units purchased prior to 2 March 2019

Group 2: units purchased on or after 2 March 2019

	Distribution per unit	Equalisation	Total distribution per unit 30/04/19	Total distribution per unit 30/04/18
<b>Accumulation</b>				
Group 1	0.1029	-	0.1029	0.1029
Group 2	0.0447	0.0582	0.1029	0.1029
<b>Income</b>				
Group 1	0.0796	-	0.0796	0.0796
Group 2	0.0186	0.0610	0.0796	0.0796
<b>Class I accumulation</b>				
Group 1	0.4272	-	0.4272	0.4272
Group 2	0.1717	0.2555	0.4272	0.4272
<b>Class I income</b>				
Group 1	0.4087	-	0.4087	0.4087
Group 2	0.1862	0.2225	0.4087	0.4087
<b>Class Z accumulation</b>				
Group 1	0.5840	-	0.5840	0.5840
Group 2	0.5840	-	0.5840	0.5840

### Interim interest distribution (accounting date 30 April 2019, paid on 31 May 2019)

Group 1: units purchased prior to 1 April 2019

Group 2: units purchased on or after 1 April 2019

	Distribution per unit	Equalisation	Total distribution per unit 31/05/19	Total distribution per unit 31/05/18
<b>Accumulation</b>				
Group 1	0.1029	-	0.1029	0.1029
Group 2	0.0462	0.0567	0.1029	0.1029
<b>Income</b>				
Group 1	0.0763	-	0.0763	0.0796
Group 2	0.0437	0.0326	0.0763	0.0796
<b>Class I accumulation</b>				
Group 1	0.4272	-	0.4272	0.4272
Group 2	0.1984	0.2288	0.4272	0.4272
<b>Class I income</b>				
Group 1	0.3745	-	0.3745	0.4087
Group 2	0.1926	0.1819	0.3745	0.4087
<b>Class Z accumulation</b>				
Group 1	0.5840	-	0.5840	0.5840
Group 2	0.5840	-	0.5840	0.5840

## Distribution tables (continued)

### Interim interest distribution (accounting date 31 May 2019, paid on 28 June 2019)

Group 1: units purchased prior to 1 May 2019

Group 2: units purchased on or after 1 May 2019

	Distribution per unit	Equalisation	Total distribution per unit 28/06/19	Total distribution per unit 29/06/18
<b>Accumulation</b>				
Group 1	0.1029	-	0.1029	0.1029
Group 2	0.0302	0.0727	0.1029	0.1029
<b>Income</b>				
Group 1	0.0796	-	0.0796	0.0796
Group 2	0.0086	0.0710	0.0796	0.0796
<b>Class I accumulation</b>				
Group 1	0.4272	-	0.4272	0.4272
Group 2	0.1368	0.2904	0.4272	0.4272
<b>Class I income</b>				
Group 1	0.4087	-	0.4087	0.4087
Group 2	0.1462	0.2625	0.4087	0.4087
<b>Class Z accumulation</b>				
Group 1	0.5840	-	0.5840	0.5840
Group 2	0.5840	-	0.5840	0.5840

### Interim interest distribution (accounting date 31 May 2019, paid on 28 June 2019)

Group 1: units purchased prior to 2 March 2019

Group 2: units purchased on or after 2 March 2019

	Distribution per unit	Equalisation	Total distribution per unit 28/06/19	Total distribution per unit 29/06/18
<b>Class A income Euro hedged<sup>1</sup></b>				
Group 1	3.3737	-	3.3737	3.6029
Group 2	2.2216	1.1521	3.3737	3.6029

<sup>1</sup> in Euro cents per unit

## Distribution tables (continued)

### Interim interest distribution (accounting date 30 June 2019, paid on 31 July 2019)

Group 1: units purchased prior to 1 June 2019

Group 2: units purchased on or after 1 June 2019

	Distribution per unit	Equalisation	Total distribution per unit 31/07/19	Total distribution per unit 31/07/18
<b>Accumulation</b>				
Group 1	0.1029	-	0.1029	0.1029
Group 2	0.0248	0.0781	0.1029	0.1029
<b>Income</b>				
Group 1	0.0796	-	0.0796	0.0796
Group 2	0.0294	0.0502	0.0796	0.0796
<b>Class E accumulation<sup>1</sup></b>				
Group 1	0.1029	-	0.1029	n/a
Group 2	-	0.1029	0.1029	n/a
<b>Class E income<sup>1</sup></b>				
Group 1	0.0796	-	0.0796	n/a
Group 2	0.0099	0.0697	0.0796	n/a
<b>Class I accumulation</b>				
Group 1	0.4272	-	0.4272	0.4272
Group 2	0.1411	0.2861	0.4272	0.4272
<b>Class I income</b>				
Group 1	0.3967	-	0.3967	0.4087
Group 2	0.1785	0.2182	0.3967	0.4087
<b>Class Z accumulation</b>				
Group 1	0.5840	-	0.5840	0.5840
Group 2	0.5840	-	0.5840	0.5840

<sup>1</sup> Class E accumulation and Class E income launched on 24 June 2019.

## Distribution tables (continued)

### Interim interest distribution (accounting date 31 July 2019, paid on 30 August 2019)

Group 1: units purchased prior to 1 July 2019

Group 2: units purchased on or after 1 July 2019

	Distribution per unit	Equalisation	Total distribution per unit 30/08/19	Total distribution per unit 31/08/18
<b>Accumulation</b>				
Group 1	0.1029	-	0.1029	0.1029
Group 2	0.0245	0.0784	0.1029	0.1029
<b>Income</b>				
Group 1	0.0796	-	0.0796	0.0796
Group 2	0.0185	0.0611	0.0796	0.0796
<b>Class E accumulation<sup>1</sup></b>				
Group 1	0.1029	-	0.1029	n/a
Group 2	0.0495	0.0534	0.1029	n/a
<b>Class E income<sup>1</sup></b>				
Group 1	0.0796	-	0.0796	n/a
Group 2	0.0121	0.0675	0.0796	n/a
<b>Class I accumulation</b>				
Group 1	0.4272	-	0.4272	0.4272
Group 2	0.0879	0.3393	0.4272	0.4272
<b>Class I income</b>				
Group 1	0.4087	-	0.4087	0.4087
Group 2	0.1672	0.2415	0.4087	0.4087
<b>Class Z accumulation</b>				
Group 1	0.5840	-	0.5840	0.5840
Group 2	0.5840	-	0.5840	0.5840

<sup>1</sup> Class E accumulation and Class E income launched on 24 June 2019.

## Distribution tables (continued)

### Interim interest distribution (accounting date 1 September 2019, paid on 30 September 2019)

Group 1: units purchased prior to 1 August 2019

Group 2: units purchased on or after 1 August 2019

	Distribution per unit	Equalisation	Total distribution per unit 30/09/19	Total distribution per unit 28/09/18
<b>Accumulation</b>				
Group 1	0.1029	-	0.1029	0.1029
Group 2	0.0002	0.1027	0.1029	0.1029
<b>Income</b>				
Group 1	0.0793	-	0.0793	0.0796
Group 2	0.0235	0.0558	0.0793	0.0796
<b>Class E accumulation<sup>1</sup></b>				
Group 1	0.1029	-	0.1029	n/a
Group 2	0.0164	0.0865	0.1029	n/a
<b>Class E income<sup>1</sup></b>				
Group 1	0.0794	-	0.0794	n/a
Group 2	0.0134	0.0660	0.0794	n/a
<b>Class I accumulation</b>				
Group 1	0.4272	-	0.4272	0.4272
Group 2	0.0615	0.3657	0.4272	0.4272
<b>Class I income</b>				
Group 1	0.3876	-	0.3876	0.4087
Group 2	0.1537	0.2339	0.3876	0.4087
<b>Class Z accumulation</b>				
Group 1	0.5840	-	0.5840	0.5840
Group 2	0.5840	-	0.5840	0.5840

<sup>1</sup> Class E accumulation and Class E income launched on 24 June 2019.

### Interim interest distribution (accounting date 1 September 2019, paid on 30 September 2019)

Group 1: units purchased prior to 1 June 2019

Group 2: units purchased on or after 1 June 2019

	Distribution per unit	Equalisation	Total distribution per unit 30/09/19	Total distribution per unit 28/09/18
<b>Class A income Euro hedged<sup>1</sup></b>				
Group 1	3.2175	-	3.2175	3.4654
Group 2	2.1006	1.1169	3.2175	3.4654

<sup>1</sup> in Euro cents per unit

## Appendix - additional information (unaudited)

### Securities financing transactions

The fund engages in securities financing transactions (SFTs) (as defined in Article 3 of Regulation (EU) 2015/2365, securities financing transactions include repurchase transactions, securities or commodities lending and securities or commodities borrowing, buy-sell back transactions or sell-buy back transactions and margin lending transactions). In accordance with Article 13 of the Regulation, the fund's involvement in and exposures related to securities lending for the six months ended 1 September 2019 are detailed below.

### Global data

The table lists the amount of securities on loan as a proportion of total lendable assets and the fund's assets under management (AUM) as at 1 September 2019:

<b>Fund</b>	<b>Market value of securities on loan £000</b>	<b>% of lendable assets</b>	<b>% of AUM</b>
Janus Henderson Fixed Interest Monthly Income Fund	6,035	0.75%	0.72%

### Concentration data

The following table lists the ten largest collateral issuers by value of collateral received (across all SFTs) for the fund as at 1 September 2019:

<b>Issuer</b>	<b>Market value of collateral received £000</b>
Government of France	4,060
European Investment Bank	1,171
Government of Germany	447
UK Treasury	230
Kingdom of Sweden	209
African Development Bank	94
RATP	81
International Bank for Reconstruction and Development	76
Government of Canada	32
International Finance	10

The following table details the top ten counterparties of each type of SFTs (based on gross volume of outstanding transactions), for the fund as at 1 September 2019:

<b>Counterparty</b>	<b>Market value of securities on loan £000</b>	<b>Settlement basis</b>
JP Morgan	4,580	Triparty
Credit Suisse	1,267	Triparty
Goldman Sachs	188	Triparty
	<b>6,035</b>	

All counterparties have been included



## Appendix - additional information (unaudited) (continued)

### Securities financing transactions (continued)

#### Aggregate transaction data

The following table provides an analysis of the collateral received by the fund in respect of each type of SFTs as at 1 September 2019:

Counterparty	Counterparty country of origin	Type	Quality	Collateral Currency	Settlement basis	Custodian	Market value of collateral received £000
Credit Suisse	Switzerland	Corporate Bond	Investment grade	EUR	Triparty	BNP Paribas	1,029
Credit Suisse	Switzerland	Corporate Bond	Investment grade	GBP	Triparty	BNP Paribas	14
Credit Suisse	Switzerland	Corporate Bond	Investment grade	USD	Triparty	BNP Paribas	298
Goldman Sachs	United States	Government Bond	Investment grade	GBP	Triparty	BNP Paribas	207
JP Morgan	United States	Corporate Bond	Investment grade	EUR	Triparty	BNP Paribas	89
JP Morgan	United States	Corporate Bond	Investment grade	JPY	Triparty	BNP Paribas	10
JP Morgan	United States	Government Bond	Investment grade	CAD	Triparty	BNP Paribas	32
JP Morgan	United States	Government Bond	Investment grade	EUR	Triparty	BNP Paribas	4,507
JP Morgan	United States	Government Bond	Investment grade	GBP	Triparty	BNP Paribas	23
JP Morgan	United States	Government Bond	Investment grade	SEK	Triparty	BNP Paribas	209
							<b>6,418</b>

All collateral is held in segregated accounts.

The lending and collateral transactions are on an open basis and can be recalled on demand.

#### Re-use of collateral

The funds do not engage in any re-use of collateral.

#### Return and cost on securities lending activities

The following table details the fund's return and costs for each type of SFTs for the six months ended 1 September 2019:

Fund	Total gross amount of stock lending revenue £000	Direct and indirect costs and fees deducted by securities lending agent £000	Net stock lending revenue retained by the fund £000	% return of the securities lending agent	% return of the fund
Janus Henderson Fixed Interest Monthly Income Fund	11	2	9	15%	85%

## Further information

### Unitholder enquiries

If you have any queries about your fund holding, either contact your professional adviser or telephone us on one of the numbers below:

For dealing enquiries including buying and selling units please telephone at local rate: **0845 608 8703**

The following line is also available:

Client Services: **0800 832 832**

or you can contact us via e-mail at **[support@janushenderson.com](mailto:support@janushenderson.com)**

We may record telephone calls for our mutual protection and to improve customer service.

## Important Information

Janus Henderson Investors is the name under which investment products and services are provided by Janus Capital International Limited (reg no. 3594615), Henderson Global Investors Limited (reg. no. 906355), Henderson Investment Funds Limited (reg. no. 2678531), AlphaGen Capital Limited (reg. no. 962757), Henderson Equity Partners Limited (reg. no.2606646), (each registered in England and Wales at 201 Bishopsgate, London EC2M 3AE and regulated by the Financial Conduct Authority) and Henderson Management S.A. (reg no. B22848 at 2 Rue de Bitbourg, L-1273, Luxembourg and regulated by the Commission de Surveillance du Secteur Financier).

We may record telephone calls for our mutual protection, to improve customer service and for regulatory record keeping purposes.

Unless otherwise stated, all data is sourced by Janus Henderson Investors.

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