

## TACTICAL INCOME FUND

With a focus on delivering a stable return profile and capital preservation, Janus Henderson's highly experienced Australian Fixed Interest Team have the flexibility to actively change asset allocations in order to take full advantage of the interest rate cycle and credit environments.

### Objective

The Janus Henderson Tactical Income Fund ("Fund") seeks to achieve a total return after fees that exceeds the total return of the Bloomberg AusBond Bank Bill Index and Bloomberg AusBond Composite 0+ Yr Index (equally weighted) ("Benchmark"), by investing in a diversified portfolio of predominantly Australian income producing assets.

### About the Fund

The Fund is an integrated and diversified fixed interest solution, designed to make tactical investment decisions between cash, longer duration fixed interest securities and higher yielding securities, throughout every step of the investment cycle.

### Investment philosophy

The Fund is designed to leverage the considerable expertise of Janus Henderson's Australian Fixed Interest Team ("Team") and gives them the flexibility to actively allocate the Fund's assets based on their assessment of where the best value lies.

The strategies adopted by the Team are based on their analysis and assessment of the outlook for the Australian and global economies, interest rates and fundamentals of the corporate sector within the context of the credit cycle.

Flexible asset allocation ranges allow the Team to adjust the level of fixed interest exposure to aim for enhanced performance in periods of falling interest rates and conversely to preserve value from the adverse impact of rising yields. The overall level of credit risk within the Fund is actively adjusted to reflect the Team's assessment of fundamentals and valuations within the corporate debt market.

### Investment process

The Fund incorporates a three-stage investment process:

#### Stage 1: Strategy formulation

Rank the active duration and credit positions of our core Australian Fixed Income Strategy.

#### Stage 2: Risk calibration

Using these rankings, determine asset allocation.

#### Stage 3: Implementation

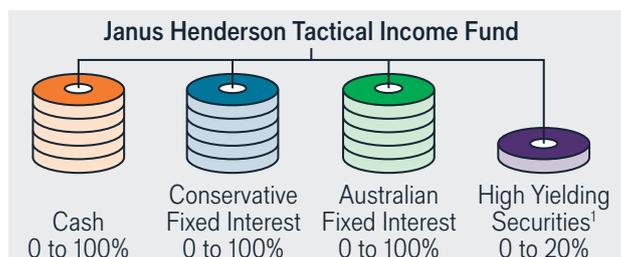
Implement the strategy by investing in a range of cash, fixed interest and higher yielding securities.

By investing in the Fund, the following key investment decisions are managed by the Team:

- **Interest rates:** Determine when to hold longer dated fixed rate assets (e.g. government bonds are typically cheap when interest rates peak in an economic cycle) and when to hold shorter dated floating rate exposure.
- **Sectors:** Consider the right proportion of government securities versus non-government securities, dependent on the adequacy of compensation to investors for the additional risk.
- **Securities:** Determine which non-government securities have stable to improving credit quality. Of these securities, understand which offer an appropriate return for the underlying risk.

### Asset allocation ranges

The Fund gains its exposure by investing in a range of our local fixed interest funds. This provides investors with a highly diversified exposure to a wide range of cash, cash equivalent, short and longer duration fixed interest securities and higher yielding securities. These include securities issued by banks and other corporations, mortgage and other asset backed securities, as well as government bonds.



<sup>1</sup> The maximum aggregate exposure to sub investment grade securities will not exceed 10% of NAV. The maximum exposure to global high yielding securities will not exceed 10% of NAV.

## Key reasons to invest in the Fund

**Fresh approach to defensive investing:** With a focus on delivering a stable return profile and capital preservation, the Team has the flexibility to actively change the asset allocations of the Fund in order to take full advantage of the interest rate cycle and credit environment.

**Managing interest rate risk:** Rising interest rates negatively impact the value of fixed rate securities. Duration is the key measure of that risk. The higher the duration, the more sensitive a fixed interest portfolio is to changes in bond yields.

**Local expertise:** Access to a highly experienced Australian based investment management team with a proven track record of managing cash, money market and fixed interest portfolios.

**Global presence:** Access to the investment knowledge and expertise of Janus Henderson's global network of investment professionals.

## Key facts about the Fund

<b>APIR code</b>	IOF0145AU
<b>ASX mFund</b>	JHI02
<b>Inception date</b>	Jun-09
<b>Risk profile</b>	Low - Medium
<b>Suggested investment time horizon</b>	3 years
<b>Minimum initial investment amount</b>	\$25,000
<b>Minimum additional investment amount</b>	\$5,000
<b>Investment management fee</b>	0.45% p.a.
<b>Buy/Sell spread</b>	0.00% / 0.04%*
<b>Unit pricing</b>	Daily
<b>Income distribution</b>	Quarterly (if any)

Please refer to the Product Disclosure Statement for further information.

\*Current buy/sell spread became effective as at 25 August 2020. For more information and most up to date buy/sell spread information visit [www.janushenderson.com/en-au/investor/buy-sell-spreads](http://www.janushenderson.com/en-au/investor/buy-sell-spreads).

FOR MORE INFORMATION, VISIT [JANUSHENDERSON.COM/AUSTRALIA](http://JANUSHENDERSON.COM/AUSTRALIA)

### Important Information

This document is issued by Janus Henderson Investors (Australia) Funds Management Limited (AFSL 444268, ABN 43 164 177 244). Whilst Janus Henderson Investors (Australia) Funds Management Limited believe that the information is correct at the date of this document, no warranty or representation is given to this effect and no responsibility can be accepted by Janus Henderson Investors (Australia) Funds Management Limited to any end users for any action taken on the basis of this information. The information herein shall not in any way constitute advice or an invitation to invest. It is solely for information purposes and subject to change without notice. Past performance is not indicative of future performance. All opinions and estimates in this information are subject to change without notice. Please read and consider the Product Disclosure Statement and Additional Information Guide for the Fund available at [www.janushenderson.com/australia](http://www.janushenderson.com/australia). Target Market Determinations for funds issued by Janus Henderson are available here: [www.janushenderson.com/TMD](http://www.janushenderson.com/TMD)

Janus Henderson Investors (Australia) Funds Management Limited (AFSL 444268, ABN 43 164 177 244) is not under any obligation to update this information to the extent that it is or becomes out of date or incorrect. Janus Henderson Investors Australia is the name under which Janus Henderson Investors Australia Limited (ABN 47 124 279 518), Janus Henderson Investors (Australia) Funds Management Limited (AFSL 444268, ABN 43 164 177 244) and Janus Henderson Investors (Australia) Institutional Funds Management Limited (AFSL 444266, ABN 16 165 119 531) operate. These companies are wholly owned subsidiaries of Janus Henderson Group plc (incorporated in Jersey, registered no.101484, registered office 13 Castle Street, St Helier, Jersey JE1 1ES). Dollar figures shown are in Australian Dollars (AUD), unless otherwise stated. Janus Henderson, Intech and Knowledge Shared are trademarks of Janus Henderson Group plc or one of its subsidiaries. © Janus Henderson Group plc.

The rating issued 08/2021 is published by Lonsec Research Pty Ltd ABN 11 151 658 561 AFSL 421 445 (Lonsec). Ratings are general advice only, and have been prepared without taking account of your objectives, financial situation or needs. Consider your personal circumstances, read the product disclosure statement and seek independent financial advice before investing. The rating is not a recommendation to purchase, sell or hold any product. Past performance information is not indicative of future performance. Ratings are subject to change without notice and Lonsec assumes no obligation to update. Lonsec uses objective criteria and receives a fee from the Fund Manager. Visit [lonsec.com.au](http://lonsec.com.au) for ratings information and to access the full report. © 2020 Lonsec. All rights reserved.

The Zenith Investment Partners (ABN 27 103 132 672, AFS Licence 226872) ("Zenith") rating (assigned June 2021) referred to in this document is limited to "General Advice" (s766B Corporations Act 2001) for Wholesale clients only. This advice has been prepared without taking into account the objectives, financial situation or needs of any individual and is subject to change at any time without prior notice. It is not a specific recommendation to purchase, sell or hold the relevant product(s). Investors should seek independent financial advice before making an investment decision and should consider the appropriateness of this advice in light of their own objectives, financial situation and needs. Investors should obtain a copy of and consider the PDS or offer document before making any decision and refer to the full Zenith Product Assessment available on the Zenith website. Past performance is not an indication of future performance. Zenith usually charges the product issuer, fund manager or related party to conduct Product Assessments. Full details regarding Zenith's methodology, ratings definitions and regulatory compliance are available on our Product Assessments and at <http://www.zenithpartners.com.au/RegulatoryGuidelines> H048839\_0821

## The Team

The team manages assets across the full spectrum of the fixed interest universe. This ranges from cash portfolios to long duration bond portfolios and covers a wide range of issuers extending from governments to corporations and asset backed securities.

The team of eight investment professionals have been managing fixed interest portfolios for over 19 years. The Team manages in excess of \$14bn (as at 30 June 2021) on behalf of a wide range of institutional and retail clients.

## Researcher ratings (for adviser use only)



## Platform availability

- AMP Advantage
- AMP North
- AMP Summit
- ANZ OneAnswer
- BT Panorama
- Colonial FirstWrap
- Hub 24
- IOOF eXpand
- Macquarie Wrap
- MLC Navigator
- Praemium
- uXchange
- AMP iAccess
- AMP PPS
- ANZ Grow Wrap
- Asgard
- BT Wrap
- Federation Alliance
- IAS
- IOOF Pursuit
- mFunds
- Netwealth
- Powerwrap

**Janus Henderson**  
INVESTORS