

# CONTRARIAN FUND

A: JCNAX C: JCNEX I: JCONX N: JCNNX R: JCNRX S: JCNIX T: JSVAX

## At a glance

### Performance

The Fund returned 8.56% and the S&P 500® Index returned 10.56%.

### Contributors/detractors

Stock selection in the industrials sector contributed to relative performance. Stock selection in the healthcare and financials sectors detracted.

### Outlook

Moderating inflation and the Federal Reserve's pivot toward a more accommodating monetary policy in 2023 have created conditions for a broadening of market returns.

## Portfolio management



Nick Schommer, CFA

## Investment environment

- The S&P 500 Index posted a gain for the quarter. Stocks rallied as healthy jobs growth and resilient consumer spending continued to support U.S. economic growth.
- Robust corporate results, particularly from some mega-cap U.S. information technology companies, reignited investor interest in artificial intelligence (AI) and helped fuel the broader market advance along with large-cap outperformance versus small- and mid-cap stocks.
- Stock leadership continued to be driven by the communication services and technology sectors; however, there were positive return contributions from 10 of the 11 sectors, with real estate being the exception.

## Portfolio review

Catalent, a provider of contract drug development and manufacturing services, was a top quarterly relative contributor on news that it is being acquired by Novo Holdings. This acquisition underscores Catalent's valuable manufacturing capabilities in the U.S. and Europe, which became evident during the COVID pandemic as it emerged as one of the largest vaccine manufacturers. Novo Holdings aims to tap Catalent's production expertise and capacity to further Novo Nordisk's market opportunity in GLP-1 weight-loss drugs.

Howmet Aerospace, a manufacturer of specialized aircraft components, was another top contributor to relative performance. The stock climbed in February after reporting a strong year in 2023. Fourth-quarter net income more than doubled year over year and revenue rose by 17%. Growth was driven by significant increases in its Commercial Aerospace and Engine Products businesses. The company remains optimistic about 2024, anticipating continued growth in commercial aerospace.

Teleflex, a medical device company, was among the top relative detractors. The stock underperformed in the quarter due to conservative 2024 guidance after reporting strong fourth-quarter results. Additionally, the company lowered its 2025 long-range plan margin targets due to the impact of recent acquisitions into the business. We remain attracted to the company as we believe its steady growth is undervalued.

by the market and that the company will have the potential to achieve accretive mergers and acquisitions (M&A) in 2024 given its balance sheet capacity.

Packaging company Crown Holdings was also among top relative detractors. The company reported a disappointing quarter, primarily due to weaknesses in its non-core businesses, which included delayed inflation adjustments in its Mexican glass segment. Despite this softness that weighed on its shares, we expect the company to generate economically insensitive growth from the recovery underway in its core aluminum can segment.

## Manager outlook

The past 18–24 months have been filled with recession anxieties and predictions, yet the economy has demonstrated surprising resilience. Inflation is well off-peak levels and regardless of the ongoing debate about the number of rate cuts this year, it has prompted a shift in the Federal Reserve's stance from an aggressive rate-hiking cycle toward a more accommodative monetary stance. This shift, combined with continued secular growth trends in technology and AI, has created a positive environment for risk assets.

While large-cap technology stocks have led the market rally, there were signs in the first quarter of leadership broadening into other sectors. This wider range of performance is a welcome sight for our strategy as our distinct portfolio of ideas can provide diverse return drivers across segments, sizes, and styles. Meanwhile, we remain optimistic about the quality of the individual stocks we own in defensive sectors,

like healthcare and utilities, although these sectors have recently lagged in this risk-on environment.

We would also anticipate small- and mid-cap stocks, as well as companies with financial leverage, to perform relatively well as more accommodative monetary policy takes hold. Funding costs have been declining and companies are regaining access to capital markets — as demonstrated by the healthy high-yield new issuance in the first quarter. Companies are taking steps to address looming debt maturities over the next couple years and should be key beneficiaries of this improved funding environment.

Although the market remains constructive for risk assets, we are aware that investor positioning has become more bullish and crowded in certain segments of the market. Additionally, retail activity remains elevated. This is in stark contrast to investor positioning six months ago, when investor cash levels were high and supportive of future market returns. However, given the resilient economy and moderating of inflation, we remain constructive on the overall market and are finding a number of new opportunities in areas that have been left behind.

Overall, we believe our portfolio remains well positioned to provide diversified equity exposure that stands apart from the market. The S&P 500's heavy concentration, with the top seven stocks now comprising roughly 30% of the index, underscores the value of our distinct strategy to capturing investment opportunities.

## Contrarian Fund (as of 03/31/24)

### Performance - USD (%)

Returns	Cumulative			Annualized			
	1Q24	YTD	1 Yr	3 Yr	5 Yr	10 Yr	Since Inception (02/29/00)
Class I Shares	8.56	8.56	20.67	5.59	14.17	9.34	8.45
Class T Shares	8.53	8.53	20.55	5.46	14.01	9.18	8.35
Class N Shares	8.58	8.58	20.78	5.70	14.27	9.35	8.42
Class A Shares @ NAV	8.45	8.45	20.36	5.32	13.86	9.04	8.21
Class A Shares @ MOP	2.21	2.21	13.43	3.26	12.53	8.40	7.94
S&P 500® Index	10.56	10.56	29.88	11.49	15.04	12.96	7.77

Returns quoted are past performance and do not guarantee future results; current performance may be lower or higher. Investment returns and principal value will vary; there may be a gain or loss when shares are sold. For the most recent month-end performance call 800.668.0434 or visit [janushenderson.com/performance](http://janushenderson.com/performance).

Maximum Offering Price (MOP) returns include the maximum sales charge of 5.75%. Net Asset Value (NAV) returns exclude this charge, which would have reduced returns.

#### Expense Ratios (% as of most recent prospectus)

Class I: Gross 0.73, Net 0.73 Class T: Gross 0.87, Net 0.87 Class N: Gross 0.62, Net 0.62 Class A: Gross 0.99, Net 0.99

Net expense ratios reflect the expense waiver, if any, contractually agreed to for a one-year period commencing on January 26, 2024. This contractual waiver may be terminated or modified only at the discretion of the Board of Trustees.

Not all Funds and Share classes may be available. Please consult your financial professional.

### Portfolio

Top Contributors (%)	Average Weight	Relative Contribution	Top Detractors (%)	Average Weight	Relative Contribution
Vertiv Holdings Co	3.21	1.52	Teleflex Inc	6.03	-1.27
Catalent Inc	3.28	0.90	Crown Holdings Inc	4.32	-1.21
Howmet Aerospace Inc	3.93	0.54	Sotera Health Co	2.35	-1.10
Core & Main Inc	1.75	0.47	Caesars Entertainment I	4.83	-0.89
Advanced Micro Devic	3.70	0.34	Sempra Energy	3.67	-0.51

The holdings identified in this table, in compliance with Janus Henderson policy, do not represent all of the securities purchased, held or sold during the period. To obtain a list showing every holding as a percentage of the portfolio at the end of the most recent publicly available disclosure period, contact 800.668.0434 or visit [janushenderson.com/info](http://janushenderson.com/info).

Relative contribution reflects how the portfolio's holdings impacted return relative to the benchmark. Cash and securities not held in the portfolio are not shown.

Top Holdings (%)	Fund
Teleflex Inc	5.51
Caesars Entertainment Inc	4.76
Marvell Technology Inc	3.90
Vertiv Holdings Co	3.80
Crown Holdings Inc	3.77
Amazon.com Inc	3.69
Occidental Petroleum Corp	3.68
Constellium SE	3.62
PNC Financial Services Group Inc	3.59
Howmet Aerospace Inc	3.54
<b>Total</b>	<b>39.86</b>

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INVESTORS

#### Definitions

Diversification neither assures a profit nor eliminates the risk of experiencing investment losses.

Monetary policy refers to the policies of a central bank, aimed at influencing the level of inflation and growth in an economy. It includes controlling interest rates and the supply of money.

**Please consider the charges, risks, expenses and investment objectives carefully before investing. For a prospectus or, if available, a summary prospectus containing this and other information, please call Janus Henderson at 800.668.0434 or download the file from [janushenderson.com/info](http://janushenderson.com/info). Read it carefully before you invest or send money.**

Performance for Class A and I Shares that includes periods prior to 7/6/09 reflects the performance of one or more share classes of the Fund or a predecessor fund, adjusted, where applicable and permitted, for differing fees and expenses. See the Fund's prospectus for further details.

Performance for Class N Shares that includes periods prior to 8/4/17 reflects the performance of another share class of the Fund, adjusted, where applicable and permitted, for differing fees and expenses. See the Fund's prospectus for further details.

Returns include reinvestment of dividends and capital gains.

Discussion is based on the performance of Class I Shares.

This Fund has a performance-based management fee that may adjust up or down based on the Fund's performance.

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Holdings are subject to change without notice.

For equity portfolios, relative contribution compares the performance of a security in the portfolio to the benchmark's total return, factoring in the difference in weight of that security in the benchmark. Returns are calculated using daily returns and previous day ending weights rolled up by ticker, gross of advisory fees, may exclude certain derivatives and does not represent actual performance.

**There is no assurance the stated objective(s) will be met.**

**Investing involves risk, including the possible loss of principal and fluctuation of value.**

**Smaller capitalization securities** may be less stable and more susceptible to adverse developments, and may be more volatile and less liquid than larger capitalization securities.

**Growth stocks** are subject to increased risk of loss and price volatility and may not realize their perceived growth potential.

**Value stocks** can continue to be undervalued by the market for long periods of time and may not appreciate to the extent expected.

**Funds classified as "nondiversified"** can take larger positions in a smaller number of issuers than "diversified" funds, which could lead to greater volatility.

**S&P 500® Index** reflects U.S. large-cap equity performance and represents broad U.S. equity market performance.

Index performance does not reflect the expenses of managing a portfolio as an index is unmanaged and not available for direct investment.

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