DEVELOPED WORLD BOND FUND

A: HFAAX C: HFACX I: HFAIX N: HFARX S: HFASX T: HFATX

At a glance

Performance
The Fund returned -1.20% and the Bloomberg Global Aggregate Credit Index returned 0.05%.

Contributors/detractors
High duration constituted the bulk of negative contributions to relative performance during the quarter. The portfolio's investment-grade bond holding positively contributed on a relative basis.

Outlook
We continue to monitor the effects of monetary policy and whether central banks can cut rates fast enough to execute a "soft landing" for markets.

Portfolio management

Jenna Barnard, CFA

John Pattullo

Investment environment

- The first quarter was a stellar period for risk assets. Investors latched onto the soft landing narrative as well as the notion of immaculate disinflation – i.e., inflation that appears to have been more of a supply-side shock than demand side and fades without a corresponding rise in unemployment.
- Several equity indices hit record highs. The S&P 500® rose over 10%, marking the first time in over a decade it has achieved back-to-back quarterly gains in the double digits.
- Against this backdrop, bond yields generally drifted higher and prices modestly lower – they entered the year discounting nearly six U.S. interest rate cuts and ended the quarter discounting only three. This was due, essentially, to the market running ahead of itself, expecting a linear fall in inflation (and to a lesser extent, in growth and employment), whereas in the words of U.S. Federal Reserve (Fed) Chairman Jerome H. Powell, the trajectory has been bumpy. U.S. economic growth has also been stronger than expected, but the good news is that the employment market is "more balanced."
- Credit spreads started the year tight and became even tighter. Both investment grade and high yield performed better than the underlying reference sovereign bonds.
- Optimists adhering to the soft landing narrative point to a small but fading fiscal boost, significant productivity gains (from artificial intelligence and elsewhere), and favorable immigration dynamics, easing the worker shortage and wage inflation. Pessimists focus on the long and variable lags of monetary policy and argue that the yield curve, inverted for a record length of time, stands as a harbinger of recession as much as ever.

Portfolio review

The vast bulk of the negative contributions to relative performance came from the portfolio's high duration, i.e., interest rate sensitivity. The portfolio's investment-grade bond holdings performed well.

Over the quarter, duration was kept long and marginally increased in predominately quality sovereign and investment-grade names. We have moved some of the duration out of the United States into Europe, the U.K., Australia, and Canada given the similar pricing of future rate cuts but less growth and inflation risk than the U.S. market. We continue to believe risk markets are priced for perfection. We did increase the investment-grade credit weighting materially (around 10%), buying predominately select new issues in the middle and shorter end of the curve.

Manager outlook

We believe that broadly, the global interest rate-cutting cycle remains on track – possibly slightly delayed in America, possibly slightly sooner in Europe. Inflation continues to rise less fast and is experiencing some quite dramatic falls, particularly in the UK and Europe as well as other countries (Canada, Switzerland, etc.). European growth, especially in the core, looks recessionary and the European Central Bank (ECB) has teed up a June rate cut, with more to follow. The Swiss set the ball rolling with a surprise March rate cut. While it would be unusual for the ECB to cut rates ahead of the Fed, we must remember that the Fed was slow to raise rates and the growth differential is significant.

The question is whether central banks can cut rates fast enough to glide into this elusive “soft landing.” Equities typically correlate closely with employment growth and rarely fall until the onset of a recession.

Developed World Bond Fund (as of 03/31/24)

Performance - USD (%)

Returns	Cumulative 1Q24	Cumulative YTD	Cumulative 1 Yr	Annualized 3 Yr	Annualized 5 Yr	Annualized 10 Yr	Annualized Since Inception (09/30/03)
Class I Shares	-1.20	-1.20	0.99	-3.54	0.19	2.24	3.96
Class T Shares	-1.25	-1.25	0.61	-3.76	-0.02	2.03	3.82
Class N Shares	-1.07	-1.07	0.99	-3.52	0.22	2.24	3.93
Class A Shares @ NAV	-1.26	-1.26	0.65	-3.79	-0.05	2.00	3.81
Class A Shares @ MOP	-5.95	-5.95	-4.13	-5.34	-1.02	1.50	3.56
Bloomberg Global Aggregate Credit Index	0.05	0.05	5.59	-1.58	1.31	2.60	3.75

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.

Maximum Offering Price (MOP) returns include the maximum sales charge of 4.75%. Net Asset Value (NAV) returns exclude this charge, which would have reduced returns.

Expense Ratios (% as of most recent prospectus)

Class I: Gross 0.69, Net 0.57 Class T: Gross 0.84, Net 0.82 Class N: Gross 0.59, Net 0.57 Class A: Gross 1.03, Net 0.82

Net expense ratios reflect the expense waiver, if any, contractually agreed to for at least a one-year period commencing on October 27, 2023. 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 Holdings (%)	Fund
Swiss Confederation Government Bond 0.50 05/27/2030	3.86
Australia Government Bond 3.25 04/21/2029	3.57
United Kingdom Gilt 1.25 07/22/2027	2.61
Netherlands Government Bond 0.75 07/15/2028	2.55
French Republic Government Bond OAT 3.00 05/25/2033	2.08
Sweden Government Bond 0.13 05/12/2031	2.04
New Zealand Government Bond 0.50 05/15/2026	1.88
Australia Government Bond 2.75 05/21/2041	1.86
Netherlands Government Bond 0.50 07/15/2032	1.56
Fannie Mae Pool 3.00 04/01/2052	1.38
Total	**23.39**

FOR MORE INFORMATION PLEASE VISIT **JANUSHENDERSON.COM**

Janus Henderson INVESTORS

Definitions

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.
Duration measures a bond price's sensitivity to changes in interest rates. The longer a bond's duration, the higher its sensitivity to changes in interest rates and vice versa.
Credit Spread is the difference in yield between securities with similar maturity but different credit quality. Widening spreads generally indicate deteriorating creditworthiness of corporate borrowers, and narrowing indicate improving.
S&P 500® Index reflects U.S. large-cap equity performance and represents broad U.S. equity market performance.
A yield curve plots the yields (interest rate) of bonds with equal credit quality but differing maturity dates. Typically bonds with longer maturities have higher yields.
An inverted yield curve occurs when short-term yields are higher than long-term yields.

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. Read it carefully before you invest or send money.

Performance for Class A, I and T Shares that includes periods prior to 6/5/17 reflects the performance of one or more share classes of a predecessor 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.

The opinions are as of 03/31/24, are subject to change and may not reflect the views of others in the organization. Janus Henderson may have a business relationship with certain entities discussed. The comments should not be construed as a recommendation of individual holdings or market sectors, but as an illustration of broader themes.

Holdings are subject to change without notice.

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

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

Foreign securities are subject to additional risks including currency fluctuations, political and economic uncertainty, increased volatility, lower liquidity and differing financial and information reporting standards, all of which are magnified in emerging markets.

Fixed income securities are subject to interest rate, inflation, credit and default risk. The bond market is volatile. As interest rates rise, bond prices usually fall, and vice versa. The return of principal is not guaranteed, and prices may decline if an issuer fails to make timely payments or its credit strength weakens.

Mortgage-backed securities (MBS) may be more sensitive to interest rate changes. They are subject to extension risk, where borrowers extend the duration of their mortgages as interest rates rise, and prepayment risk, where borrowers pay off their mortgages earlier as interest rates fall. These risks may reduce returns.

High-yield or "junk" bonds involve a greater risk of default and price volatility and can experience sudden and sharp price swings.

Derivatives can be more volatile and sensitive to economic or market changes than other investments, which could result in losses exceeding the original investment and magnified by leverage.

Environmental, Social and Governance (ESG) or sustainable investing considers factors beyond traditional financial analysis. This may limit available investments and cause performance and exposures to differ from, and potentially be more concentrated in certain areas than, the broader market.

Bloomberg Global Aggregate Credit Index measures the credit sector of the global investment grade fixed-rate bond market, including corporate, government and agency securities.

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

Mutual funds distributed by Janus Henderson Distributors US LLC.