

INSTITUTIONAL JAPAN INDEX OPPORTUNITIES FUND

At a glance

Performance*

The Fund returned 11.50%, the Index returned 11.93% and the Peer Group returned 9.27%.

Contributors/detractors

Performance was broadly in line with its benchmark

Outlook

We expect performance to be predominantly driven by equity market direction due to the fund's index core.

Portfolio management



Diversified Alternatives Team

Investment environment

- Japanese stocks rose as they benefited from a positive global mood, continued optimism about corporate governance reforms and as the Bank of Japan (BoJ) announced a long-expected policy shift.
- A weakening yen, which boosted exporters, continued to attract interest from foreign equity investors, while some favourable corporate results also cheered the market. The rally propelled the benchmark Nikkei 225 Index to all-time highs, with the previous record having held for 34 years.
- In March, the BoJ raised interest rates for the first time since 2007 - from -0.1% to 0.0% - and ended its yield curve control programme. Although the move was largely expected, it marked the start of a significant shift in its monetary policy stance.
- The annual core inflation rate, which excludes fresh food prices, cooled to 2.0% January - the first time it had reached the central bank's long-term target since

March 2022 - although it reaccelerated to 2.8% in February.

- Japan's economy avoided a technical recession as fourth quarter GDP was revised upwards to 0.4% growth (annualised basis) after it was initially estimated to have shrunk by the same margin.
- The yen weakened against the US dollar, reaching a 34-year low in March, which reflected the divergence in monetary policy between Japan and the US.

Portfolio review

Within the investment strategies, Event Driven was broadly flat, while Liquidity and Relative Value were small positives. However, the allocation to the Global Multi Strategy Fund detracted from returns.

Manager outlook

We expect performance to be predominantly driven by equity market direction due to the fund's index core.

Marketing communication

Past performance does not predict future returns.

References made to individual securities do not constitute a recommendation to buy, sell or hold any security, investment strategy or market sector, and should not be assumed to be profitable. Janus Henderson Investors, its affiliated advisor, or its employees, may have a position in the securities mentioned.

*For benchmark/usage and peer group, if applicable, refer to Fund details on page 2. For relevant descriptions, risks and the Fund's investment policy statement, refer to Additional fund information on page 3.

Performance (%)

Returns	Cumulative				Annualised			
	1 Month	3 Month	YTD	1 Year	3 Year	5 Year	10 Year	Since inception (20/01/06)
I Acc (Net)	3.10	11.50	11.50	22.01	6.62	8.29	9.55	5.24
Index	3.33	11.93	11.93	22.74	6.93	8.50	9.99	5.51
Peer Group	2.73	9.27	9.27	17.53	4.08	7.46	9.27	4.67
I Acc (Gross)	—	—	—	—	—	8.66	10.06	5.78
Target	—	—	—	—	—	8.87	10.18	5.61

12 month rolling

	Mar 2023- Mar 2024	Mar 2022- Mar 2023	Mar 2021- Mar 2022	Mar 2020- Mar 2021	Mar 2019- Mar 2020
I Acc (Net)	22.01	1.09	-1.72	26.55	-2.93
Index	22.74	1.49	-1.84	26.01	-2.39
Peer Group	17.53	0.42	-4.48	31.86	-3.61

On 02/08/22 the fund received a windfall tax refund as a result of a successful settlement of historic tax claims filed with HM Revenue & Customs that increased the NAV by 0.67%. This uplift is reflected in all performance figures that span that date. Performance is on a net of fees basis, with gross income reinvested. Source: at 31/03/24. © 2024 Morningstar, Inc. All rights reserved. The information contained herein: (1) is proprietary to Morningstar and/or its content providers; (2) may not be copied or distributed; and (3) is not warranted to be accurate, complete, or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information. **Past performance does not predict future returns.** Performance/performance target related data will display only where relevant to the share class inception date and annualised target time period. **The value of an investment and the income from it can fall as well as rise and you may not get back the amount originally invested.** Source for target returns (where applicable) - Janus Henderson Investors. This is a representative share class for the fund, other share classes are available and may be more suitable for your investment needs.

Fund charges will impact the value of your investment. In particular, the ongoing charges applicable to each fund will dilute investment performance, particularly over time. For further explanation of charges please visit our Fund Charges page at www.janushenderson.com.

Note that any differences among portfolio securities currencies, share class currencies and costs to be paid or represented in currencies other than your home currency will expose you to currency risk. Costs and returns may increase or decrease as a result of currency and exchange rate fluctuations.

Investment objective

The Fund aims to provide a return, of at least that achieved by the Solactive GBS Japan customised Index (the Reference Index) +0.5% per annum, before the deduction of charges, over any 5 year period.

For the fund's investment policy, refer to the Additional fund information on page 3.

Past performance does not predict future returns.

Fund details

Inception date	01 December 2005
Total net assets	121.85m
Asset class	Equities
Domicile	United Kingdom
Structure	OEIC
Base currency	GBP
Index	Solactive GBS Japan Customised Index
Peer group	IA Japan Equity

For benchmark/usage description, refer to Additional fund information on page 3.

Additional fund information

Tax assumptions and reliefs depend upon an investor's particular circumstances and may be subject to change. Please note the performance target is to be achieved over a specific annualised time period. Refer to the performance target wording within the objective. Availability of share classes shown may be limited by law in certain jurisdictions. Performance records are detailed on the specific KIID, fees and charges may vary and further information can be found in the fund's prospectus and KIID which must be reviewed before investing. Please consult your local sales representative if you have any further queries. From 31 October 2020, the Benchmark changed to the Solactive GBS Japan customised Index from the FTSE customised Japan Index, the Investment Objective, Performance Target Index & Policy also changed. Past performance shown before this date was achieved under circumstances that no longer apply. These are the views of the author at the time of publication and may differ from the views of other individuals/teams at Janus Henderson Investors. Any securities, funds, sectors or indices mentioned within this article do not constitute or form part of any offer or solicitation to buy or sell them. The information in this commentary does not qualify as an investment recommendation. Investment into the fund will acquire units/shares of the fund itself and not the underlying assets owned by the fund. Cash balances and exposures are based on settled and unsettled trades as at the reporting date.

The Solactive GBS Japan customised Index is a measure of the combined performance of large and medium sized companies listed on Japanese stock markets. It forms the basis of the Fund's performance target.

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.

Investment policy

The Fund invests at least 80% of its assets in shares (also known as equities) of companies, of any size, in any industry, which are included in the Reference Index. The Fund may also invest in other assets including bonds, Collective Investment Schemes (including those managed by Janus Henderson), cash and money market instruments, and may use derivatives (complex financial instruments), including total return swaps, with the aim of making investment gains in line with the Fund's objective, to reduce risk or to manage the Fund more efficiently. The Fund is in part passively managed as its investments in at least 80% of its assets within shares of the Reference Index seek to replicate the components of the Reference Index. The components of the Reference Index will not be identically replicated, and this can lead to differences in performance. The 'customised' aspect of the Reference Index indicates that its performance is adjusted to reflect the actual tax rates applicable to dividend income received by the fund. As an additional means of assessing the performance of the Fund, the IA Japan sector average, which is based on a peer group of broadly similar funds, may also provide a useful comparator.

Investment strategy

The Investment Manager seeks to reflect the performance of the Reference Index while making use of investment strategies aimed at enhancing returns whilst taking a low level of additional risk. Some strategies used by the Investment Manager seek to generate returns based on differences in the prices of securities issued by, or associated with, companies that form part of the Reference Index. They can include, but are not limited to, liquidity strategies (investing in 'blocks of stock' at discounted prices), and relative value strategies (taking advantage of differences between the prices of securities related to the same company). Other strategies may not be related specifically to the Reference Index and can be outside Japan to the extent that those strategies remain consistent with the Fund's Investment Objective and Policy as set out above. Further details explaining the investment strategies are available on the Funds' pages on our website (www.janushenderson.com).

Fund specific risks

The Fund could lose money if a counterparty with which the Fund trades becomes unwilling or unable to meet its obligations, or as a result of failure or delay in operational processes or the failure of a third party provider. Shares/Units can lose value rapidly, and typically involve higher risks than bonds or money market instruments. The value of your investment may fall as a result. If a Fund has a high exposure to a particular country or geographical region it carries a higher level of risk than a Fund which is more broadly diversified. The Fund may use derivatives to help achieve its investment objective. This can result in leverage (higher levels of debt), which can magnify an investment outcome. Gains or losses to the Fund may therefore 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. If the Fund holds assets in currencies other than the base currency of the Fund, or you invest in a share/unit class of a different currency to the Fund (unless hedged, i.e. mitigated by taking an offsetting position in a related security), the value of your investment may be impacted by changes in exchange rates. 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. Returns from investing in index enhancing opportunities may vary over time relative to the Reference Index. The managers do not, however, seek to take high levels of risk and investors should therefore expect the typical level of enhancement of returns to be low. Strategies aimed at enhancing returns depend on the manager skill and decision-making; this therefore carries the risk that a Fund may underperform its Reference Index if the strategy used is unsuccessful. Additionally, depending on the share/unit class you invest in and any costs you pay to third parties to invest in our funds, after the deduction of ongoing charges and transaction costs your investment may underperform the Reference Index.

Janus Henderson
INVESTORS

FOR MORE INFORMATION PLEASE VISIT JANUSHENDERSON.COM

Source: Janus Henderson Investors, as at 31 March 2024, unless otherwise noted.

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