

CASH FUND – INSTITUTIONAL

As at March 2024

Fund objective

The Fund seeks to achieve a total return after fees that exceed the total return of the Benchmark, over rolling annual periods.

Investment approach

The Fund is an actively managed portfolio of high quality short term securities that seek to provide investors with low risk exposure to secure cash investments and returns that closely track the prevailing level of short-term interest rates. The manager seeks to add value using a combination of interest rate and yield enhancement strategies.

Benchmark

Bloomberg AusBond Bank Bill Index

Risk profile

Very Low

Suggested timeframe

1 year

Inception date

31 July 2008

Fund size

\$442.9 million

Minimum investment

\$100,000

Management cost (%)

0.10 p.a.

Buy/sell spread (%)

0.00/0.00

Distribution frequency
(if any)

Monthly

ARSN code

127 731 006

APIR code

IOF0141AU

| Performance | 1 month (%) | 3 months (%) | 6 months (%) | 1 year (%) | 3 years (% p.a.) | 5 years (% p.a.) | 10 years (% p.a.) | Since inception (% p.a.) |
|----------------|----------------|-----------------|-----------------|---------------|---------------------|---------------------|----------------------|--------------------------------|
| Fund (gross) | 0.38 | 1.12 | 2.27 | 4.38 | 2.19 | 1.64 | 2.04 | 2.93 |
| Fund (net) | 0.38 | 1.10 | 2.21 | 4.27 | 2.08 | 1.52 | 1.86 | 2.74 |
| Benchmark | 0.37 | 1.09 | 2.15 | 4.19 | 2.07 | 1.51 | 1.82 | 2.66 |
| Excess return* | 0.01 | 0.01 | 0.06 | 0.08 | 0.01 | 0.01 | 0.04 | 0.08 |

*Excess return is measured against net performance.

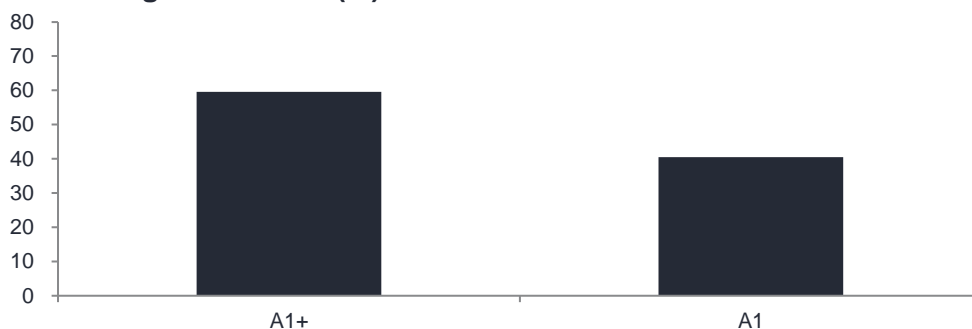
Past performance is not a reliable indicator of future performance.

Sector allocation



Rounding accounts for small +/- from 100%.

Credit rating distribution (%)



Portfolio characteristics

| | |
|--|------|
| Estimated Weighted Average Yield to Maturity (EWAYTM) ¹ | 4.43 |
| Benchmark EWAYTM | 4.15 |
| Running yield | 4.43 |
| Weighted Average Credit Quality | AAA |

¹Estimated Weighted Average Yield to Maturity is a measure of the average annual yield of all securities in the Fund.

| Modified duration | Years |
|-------------------|-------|
| Fund | 0.13 |
| Benchmark | 0.13 |
| Active Position | 0.00 |

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(continued)

Janus Henderson
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**Head of Australian
Fixed Interest**
Jay Sivapalan

Fund performance

The Janus Henderson Cash Fund - Institutional (Fund) returned 0.38% (net) and 0.38% (gross). The Fund performed in line with the Bloomberg AusBond Bank Bill Index (Benchmark) in March. The Fund continues its outperformance, beating the Benchmark over the longer term including by 0.08% (net) over the year, and 0.08% (net) since inception per annum.

The Fund continued to deliver solid returns and marginally outperformed the Benchmark. High quality money markets and overweight selection on those paying attractive margins added value. We continue to take advantage of attractive yields on offer from the safest and most liquid parts of the money market, complemented by short term deposits and commercial paper offering relatively low risk avenues to generate 4.5-5.0% yield levels.

The Fund continues to benefit and outperform the Benchmark from its selection of securities providing income advantage via allocation to major bank term deposits, short commercial paper, and securities issued by regional banks, which are earning a margin over Bank Bill swap rates. The Fund has maintained a neutral duration position relative to the Benchmark.

Market review

The degree of difficulty for market pricing in the next phase of the economic cycle has escalated. This has been reflected in the lack of sustained trend in yields through the month.

Against the current cash target rate of 4.35%, three-month bank bills ended unchanged at 3.43%. Six-month bank bill yields ended 2bps higher at 4.50%.

Market outlook

The global economy remains soft but not in recession, and the US economy is holding up better than most expected. In this environment, the Australian economy is arguably underperforming. The household sector is anticipated to remain soft in the first half, before picking up later in the year. The investment cycle is mature, and expected to pull back in the second half, while government spending will assume its typical counter cycle role.

Our base case is for the RBA to remain on hold at current rates before commencing an easing cycle in August 2024. We price a more modest than historically average easing cycle, of around 175bps, spread over 12 months. We see the risks skewed to the downside, with a rising probability that the RBA may have to move slightly faster than our base case. In this scenario, the RBA starts moving in August 2024, with a total of 250bps of cuts, to below neutral interest rates over the following year.

For the Australian Fixed Interest Team's outlook, visit <https://go.janushenderson.com/Viewpoint-Apr24>.

For further insights on our views for 2024 please visit: <https://go.janushenderson.com/AFI-2024-Outlook>.

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(continued)

Janus Henderson
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The following is a summary of the key strategies in the Fund:

Non-major banks – Non-major banks pay a premium above major banks to compete for funding. The Fund has allocated a prudent proportion to this sector for investors to enjoy slightly higher yields.

Commercial paper – We favour a selective allocation to high quality commercial paper as the available yield premium is relatively attractive versus other money market instruments. Margins on commercial paper have been wide, creating opportunity to further enhance yield pick-up for the Fund.

Term deposits – Banks are paying a reasonable premium to take deposit funding in the form of term deposits and notice accounts. As such, we have allocated a reasonable amount to these deposits.

Important information

The Product Disclosure Statement for the Fund, dated 29 September 2023, and the Additional Information Guide, dated 29 September 2023, are available at www.janushenderson.com/australia.

Past performance is not a reliable indicator of future performance. Performance source: Morningstar, Janus Henderson. Performance figures are calculated using the exit price net of fees and assume distributions are reinvested. Due to rounding the figures in the holdings, breakdowns may not add up to 100%. The information in this monthly report was prepared by Janus Henderson Investors (Australia) Funds Management Limited ABN 43 164 177 244, AFS Licence 444268 and should not be considered a recommendation to purchase, sell or hold any particular security. Securities and sectors mentioned in this monthly report are presented to illustrate companies and sectors in which the Fund has invested. Holdings are subject to change daily. This monthly report contains general information only and does not take account of your individual objectives, financial situation or needs. 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. None of Janus Henderson Investors (Australia) Funds Management Limited nor any of the Janus Henderson group entities nor their respective related bodies corporate, associates, affiliates, officers, employees, agents or any other person are, to the extent permitted by law, responsible for any loss or damage suffered as a result of any reliance by any reader or prospective investor. You should consider the current PDS, available at www.janushenderson.com/australia, before making a decision about the Fund. Target Market Determinations for funds issued by Janus Henderson are available here: www.janushenderson.com/TMD. Dollar figures shown are in Australian Dollars (AUD), unless otherwise stated.