

## 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

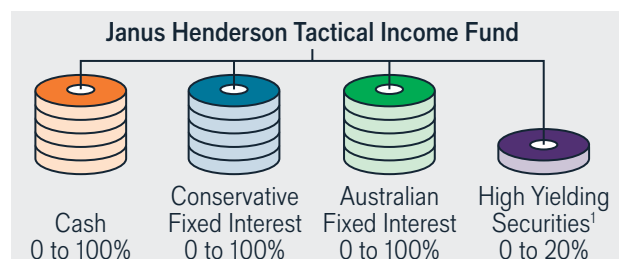
Implement the strategy by investing in a range of cash, fixed interest and higher yielding securities.

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

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

## 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

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