

FIXED INCOME MARKET OUTLOOK

January 2021

Jim Cielinski
Global Head of Fixed Income



For promotional purposes. Not for onward distribution.

This document is solely for the use of professionals and is not for general public distribution. 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. Not for distribution in European Union member countries.



NOT THE SAME OLD PARADIGM

Covid-19 Has Left Long-Lasting Aftershocks

Never before have we seen the following:

- So much money with so little inflation
- So little yield in the bond markets – both nominal and real
- Credit spreads so narrow relative to a snapshot of credit fundamentals
- Central banks exhibiting such a dominant role in driving asset prices
- Global debt and deficits so elevated (since WW II)
- So many Eurozone countries in violation of their fiscal rules
- Such an extreme focus on ESG
- Chinese monetary policy driving such a large portion of global liquidity trends
- The role of bonds in a diversified portfolio so much in doubt

Contact us

201 Bishopsgate, London, EC2M 3AE, United Kingdom

janushenderson.com



Important information

The views presented are as of the date published. They are for information purposes only and should not be used or construed as investment, legal or tax advice or as an offer to sell, a solicitation of an offer to buy, or a recommendation to buy, sell or hold any security, investment strategy or market sector. Nothing in this material shall be deemed to be a direct or indirect provision of investment management services specific to any client requirements. Opinions and examples are meant as an illustration of broader themes, are not an indication of trading intent, and are subject to change at any time due to changes in market or economic conditions. It is not intended to indicate or imply that any illustration/example mentioned is now or was ever held in any portfolio. No forecasts can be guaranteed and there is no guarantee that the information supplied is complete or timely, nor are there any warranties with regard to the results obtained from its use. In preparing this document, Janus Henderson Investors has reasonable belief to rely upon the accuracy and completeness of all information available from public sources. Past performance is no guarantee of future results. Investing involves risk, including the possible loss of principal and fluctuation of value.

This document is intended solely for the use of professionals, defined as Eligible Counterparties or Professional Clients, and is not for general public distribution.

Past performance is not a guide to future performance. 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. Tax assumptions and reliefs depend upon an investor's particular circumstances and may change if those circumstances or the law change.

If you invest through a third party provider you are advised to consult them directly as charges, performance and terms and conditions may differ materially.

Nothing in this document is intended to or should be construed as advice. This document is not a recommendation to sell or purchase any investment. It does not form part of any contract for the sale or purchase of any investment.

Any investment application will be made solely on the basis of the information contained in the Prospectus (including all relevant covering documents), which will contain investment restrictions. This document is intended as a summary only and potential investors must read the prospectus, and where relevant, the key investor information document before investing. We may record telephone calls for our mutual protection, to improve customer service and for regulatory record keeping purposes.

Issued in Europe by Janus Henderson Investors. Janus Henderson Investors is the name under which investment products and services are provided by Janus Capital International Limited (reg. no. 3594615), Henderson Global Investors Limited (reg. no. 906355), Henderson Investment Funds Limited (reg. no. 2678531), AlphaGen Capital Limited (reg. no. 962757), Henderson Equity Partners Limited (reg. no. 2606646), (each registered in England and Wales at 201 Bishopsgate, London EC2M 3AE and regulated by the Financial Conduct Authority) and Henderson Management S.A. (reg. no. B22848 at 2 Rue de Bitbourg, L-1273, Luxembourg and regulated by the Commission de Surveillance du Secteur Financier).

Janus Henderson, Janus, Henderson, Perkins, Intech, AlphaGen, VelocityShares, Knowledge Shared and Knowledge Labs are trademarks of Janus Henderson Group plc or one of its subsidiaries. © Janus Henderson Group plc.