

Henderson Fixed Interest Monthly Income Fund

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A monthly paying income fund, which is one of the oldest bond funds in the UK

May be suitable for investors looking for a relatively high and consistent stream of income.

Designed to:

Seek a high income: The managers look for investments that appear to have the potential to rise in price over the long term while minimising risk. Through careful macroeconomic research and bottom-up security selection of bonds of any quality from any type of issuer, the managers aim to achieve a high level of income.

Focus on income generation:

The investment team aims to maintain a balanced portfolio of high-yielding assets, including corporate bonds, secured loans and preference shares¹, seeking to keep cash levels in the fund to a minimum.

Control risks: Active risk management, including portfolio positioning and derivative use, allows the fund's sensitivity to changes in interest rates (duration) and exposure to the credit quality of different issuers to be altered in line with the investment team's outlook.

¹ These are similar to bonds in that they usually pay a fixed rate of income. However, a dividend is paid rather than interest and is subject to the issuing company making sufficient profits.

Benefiting from:

A proven process: The fund was launched in 1979. The current fund managers, John Pattullo and Jenna Barnard, have worked together for more than 15 years². They are supported by fellow fund manager, Nicholas Ware, an expert in loans, high yield and private equity, as well as a wider, well-resourced team.

Portfolio diversification: The portfolio is a mix of sub-investment grade (high yield bonds and senior secured loans) and investment grade bonds. The asset allocation between the two is carefully managed, while further diversity is achieved through exposure to issuers with different credit ratings and from different sectors.

A broader toolkit: Principally investing in traditional fixed income securities, the team also makes use of derivatives, such as credit default swaps and interest rate futures, aiming to enhance and smooth returns or to add or reduce risk when deemed appropriate.

² As at 30 June 2017.

³ Bonds that have lower credit ratings than investment-grade bonds. Sometimes known as a sub-investment grade bonds.

⁴ Investment grade bonds are typically issued by governments or companies perceived to have a relatively low risk of defaulting on their payments and are thus considered to be of higher quality.

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We are seeing ever increasing demand for steady, monthly income payments, particularly from investors in retirement. Our focus on larger, non-cyclical businesses helps us deliver income through different stages of the economic cycle.”

John Pattullo, Fund Manager,
Co-Head of Strategic Fixed Income

Opportunity set:

With government bond yields around all-time lows, the search for investments generating a meaningful level of income, together with relative capital security, continues. The higher coupons (interest) on high yield corporate bonds³ are currently attractive and while high yield bonds generally carry a greater risk of default than investment grade bonds⁴, the levels of default are forecast to remain relatively low. The loan market is also paying investors a level of income comfortably above that available on cash while the default outlook for companies in this market remains benign.

The managers believe that the best opportunities for higher income returns currently rest with the BBB, BB and B-rated issuers. These areas of the market are more sensitive to credit conditions and should be somewhat less vulnerable to the falls in fixed income bond prices that rising interest rates can cause. The fund's emphasis is on achieving a high income, so it may be more volatile in terms of capital than non-income focused funds. Charges are taken from capital.

Please consider before investing:

- Past performance is not a guide to future performance and the fund may not achieve its investment objective.
- 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.
- Fluctuations in exchange rates may cause the value of your investment to rise or fall.
- Yields may vary and are not guaranteed.
- Derivative transactions may be used from time to time in order to meet the investment objective of a fund. If they are used this may lead to greater volatility in the price of a fund.
- Please read the Key Investor Information Document and Fund Prospectus if considering investing.

Key characteristics

Fund aim	The fund aims to achieve a high yield. The fund will invest principally in fixed interest securities, including preference shares.
Fund managers	John Pattullo, Jenna Barnard, Nicholas Ware
Launch date	28 March 1979 (Inc)
Structure	OEIC, UCITS
Base currency	GBP
Income distribution	Monthly
ISIN code	GB0001920486 (A Acc, GBP) GB00B7GSYN71 (I Inc, GBP)
SEDOL	O192048 (Inc) B7GSYN7 (I Inc)

Janus Henderson for fixed income

- Experienced fund managers – John Pattullo, Jenna Barnard and Nicholas Ware, managers of the Fixed Interest Monthly Income Fund, have 24, 16 and 19 years' of investment experience respectively.*
- £59.1 billion of fixed income assets under management*.
- 99 UK-based fixed income specialists with an average of 16 years of experience*.
- Coverage across the full range of fixed income asset classes, including government debt, secured assets, corporate debt and derivative instruments.

*As at 30 June 2017

Fund managers



John Pattullo
Fund Manager,
Co-Head of
Strategic
Fixed Income

John Pattullo joined Henderson in 1997 and is Co-Head of Strategic Fixed Income. He has more than 20 years of experience in the investment industry. John has an MA (Hons) in Economics from the University of St Andrews, is a member of the Institute of Chartered Accountants of Scotland and an Associate Member of the Society of Investment Professionals (ASIP).



Jenna Barnard
Fund Manager,
Co-Head of
Strategic Fixed
Income

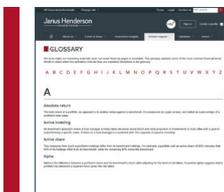
Jenna Barnard joined Henderson Global Investors in 2002 and is Co-Head of Strategic Fixed Income. Jenna is a CFA charterholder, and an affiliate member of The UK Society of Investment Professionals (UKSIP). Jenna holds a first class BA (Hons) degree in Politics, Philosophy & Economics from Oxford University.



Nicholas Ware
Fund Manager,
Director of
Strategic
Fixed Income

Nicholas Ware joined Henderson Global Investors as a Director of Loans in late 2009. In 2012, he joined the Strategic Fixed Income Team as Director of Retail Fixed Income. Prior to this, he was a senior portfolio analyst at Highland Capital Management Europe, where he helped build the European business. Nicholas's career began in 1995 at PricewaterhouseCoopers. He is a graduate of Bournemouth University, with a BA Hons in Business Studies and is a qualified Chartered Accountant.

Fund ratings



Glossary

Please see HGI.co/glossary for a glossary of financial terms used in this document.

Janus Henderson Investors

Henderson Global Investors merged with Janus Capital Group in May 2017.

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Important Information

Please read all scheme documents before investing. Before entering into an investment agreement in respect of an investment referred to in this document, you should consult your own professional and/or investment adviser. [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. Issued in the UK by Janus Henderson Investors. Janus Henderson Investors is the name under which Janus Capital International Limited (reg no. 3594615), Henderson Global Investors Limited (reg. no. 906355), Henderson Investment Funds Limited (reg. no. 2678531), Henderson Investment Management Limited (reg. no. 1795354), AlphaGen Capital Limited (reg. no. 962757), Henderson Equity Partners Limited (reg. no. 2606646), Gartmore Investment Limited (reg. no. 1508030), (each incorporated and registered in England and Wales with registered office 201 Bishopsgate, London EC2M 3AE) are authorised and regulated by the Financial Conduct Authority to provide investment products and services. [Telephone calls may be recorded and monitored.] © 2017, Janus Henderson Investors. The name Janus Henderson Investors includes HGI Group Limited, Henderson Global Investors (Brand Management) Sarl and Janus International Holding LLC. H031017/0917