



# INTERIM SHORT REPORT

For the six months ended  
31 July 2016

Henderson  
GLOBAL INVESTORS

**Henderson Multi-Manager Managed Fund**

# Henderson Multi-Manager Managed Fund

## Short Report

For the six months ended 31 July 2016

### Investment Fund Managers

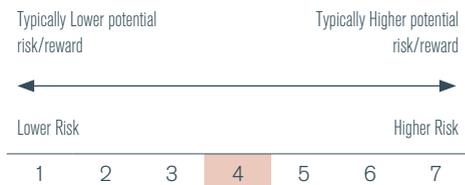
Henderson Multi-Asset Team

### Investment objective and policy

To achieve capital growth through exposure to UK and overseas equities and fixed interest securities. The Fund may invest in collective investment schemes, exchange traded funds, unregulated collective investment schemes (which include limited partnerships), money-market instruments and deposits. Investment will not be confined to any particular sector.

### Risk and reward profile

The fund currently has 6 types of share class in issue: A income, A accumulation, B accumulation, B income, I accumulation and Y accumulation. The risk and reward profile of each type of share class is as follows:



The Synthetic Risk and Reward Indicator (SRRI) is calculated based on historical volatility over a rolling 5 year period, it is reviewed monthly and updated if volatility has changed materially to cause a movement in the SRRI level. The SRRI is an indicator and may not accurately reflect future volatility and market conditions. The value of an investment in the fund can go up or down. When you sell your shares they may be worth less than you paid for them. The risk/reward rating above is based on medium-term volatility. In the future, the fund's actual volatility could be higher or lower and its rated risk/reward level could change.

The lowest category does not mean risk free.

The fund's risk level reflects the following:

- The fund invests in, or otherwise gains exposure to, a mix of different asset classes.

- Fluctuations in exchange rates may cause the value of your investment to rise or fall

The rating does not reflect the possible effects of unusual market conditions or large unpredictable events under normal market conditions the following risks may apply:

**Counterparty risk** The fund could lose money if a counterparty with which it interacts becomes unwilling or unable to meet its obligations to the fund.

**Focus risk** The fund's value may fall where it has concentrated exposure to an issuer or type of security that is heavily affected by an adverse event.

**Liquidity risk** In difficult market conditions certain securities could become hard to value or sell at a desired time and price.

**Management risk** Investment management techniques that have worked well in normal market conditions could prove ineffective or detrimental at other times.

The full list of the fund's risks is contained in the "Risk Warnings" section of the fund's prospectus.

There have been no changes to the risk rating in the period.

The SRRI conforms to the ESMA guidelines for the calculation of the SRRI.

This fund is a non-UCITS retail fund and we have adopted this disclosure to enable comparison across our fund range.

### Investment review

The fund returned 12.6% over the period, outperforming the IA Mixed Investment 40-85% Shares sector average by 0.6%.

The underlying portfolio delivered strong positive performance. The best performing asset classes were UK and North American equities. Key holdings in the JO Hambro UK Opportunities Fund and the Majedie UK Equity Fund gained 12.6% and 13%, respectively, along with the Findlay Park American

Fund and Fidelity American Special Situations Fund, which increased by 23.7% and 25.7%. Furthermore, returns were buoyed across the global equity portfolio as the UK's decision to leave the European Union (EU) depressed the value of sterling; the position in Veritas Global Equity Income Fund returned over 29%.

Elsewhere, market volatility led to high duration assets faring particularly well over the period. Assets denominated in US dollars had their returns amplified by currency movements. The position in iShares II USD Tips ETF returned 13.1%. Commodities also enjoyed a significant bounce as positive sentiment returned to the sector once again. The ETFs Physical Gold was up by almost 29%, benefiting also from currency movements.

In the run up to the UK referendum on leaving the EU, as the polls became evenly poised, we focused on reducing our holdings in areas particularly vulnerable to a 'Brexit' result. We ensured the portfolio was well diversified, so that it could withstand any uncertainty and volatility following the result. It is no surprise, however, that the weakest holdings over the second quarter were those that suffered most from the post-Brexit fallout. For example, the Henderson UK Property PAIF fell by over 9% as it (along with the majority of funds in the sector) suffered pricing changes following the UK's decision to leave the EU. We had begun to reduce our fund's holdings in commercial property back in 2015 and we continued to do so during the first half of 2016, ahead of the referendum vote and any pricing changes. Our commercial property holdings now stand at 2%, a level we are comfortable with, as we believe the characteristics of the asset class and its level of income remain attractive within a multi-asset portfolio.

Earlier in the period, our holding in the ETFs Physical Gold was increased, while a new UK equity value holding in the Jupiter UK Special Situations Fund was added to the portfolio. This was funded by reducing our positions in Artemis Income Fund and JO Hambro UK Opportunities Fund. In early March, we also added a new holding in the Invesco

Perpetual European Equity Income Fund, which was funded by adjusting the mix of existing European ex UK equity fund holdings.

During the second quarter of 2016, we fully redeemed the holding in the Kames High Yield Bond Fund following an announcement regarding a change to the portfolio manager. Allocations to cyclical regions including Europe and Japan were reduced by selling Eurostoxx 50, and by scaling back the holding in the Man GLG Japan CoreAlpha Fund. In addition, cash in the portfolio was raised towards the end of the quarter as the Brexit referendum result gave rise to wider concerns about risk assets and future economic activity in the UK and Europe. Elsewhere, a new position was initiated in the Henderson Emerging Markets Fund. This trade was driven by the improving relative macroeconomic momentum in the emerging markets region, illustrated by the resilience of GDP and earnings growth forecasts compared with developed markets.

Finally, in July we took profits by reducing our position in ETFs Physical Gold following some significant price appreciation over the year to date. We also initiated a new holding in the Montlake Dunn WMA Institutional UCITS Fund, which is a systematic strategy that invests across many liquid asset classes and makes money from identifying trends within markets.

From an economic perspective, nominal growth remains subdued, which continues to support global bond yields. Nevertheless, the increasing propensity to implement fiscal or monetary policy may begin to reverse this relationship to a degree. We continue to overweight equities relative to duration (interest rate sensitive) assets and we see credit as more attractive than government bonds in our fixed income allocations. Our cash levels remain above average and we continue to be underweight sterling relative to other international currencies.

## Performance summary

	Six months	One year	Five years	Since launch	
	31 Jan 16-31 Jul 16	31 Jul 15-31 Jul 16	31 Jul 11-31 Jul 16	31 Aug 99-31 Jul 16	
Cumulative performance	%	%	%	%	
Henderson Multi-Manager Managed Fund	12.6	6.5	35.5	101.0	
IA Mixed Investment 40-85% Share sector average	12.0	6.7	38.6	n/a*	
	31 Jul 15-31 Jul 16	31 Jul 14-31 Jul 15	31 Jul 13-31 Jul 14	31 Jul 12-31 Jul 13	31 Jul 11-31 Jul 12
Discrete year performance	%	%	%	%	%
Henderson Multi-Manager Managed Fund	6.5	6.8	3.4	21.0	(4.9)

Source : Morningstar - Bid to Bid and net of fees as at 12 noon valuation point, GBP, based on performance of Class A accumulation.

Benchmark values are as at close of business.

Figures in brackets are negative.

\* Benchmark return is not quoted as the fund inception date is earlier than the benchmark inception date.

Please remember that past performance is not a guide to future performance. The value of an investment and the revenue from it can fall as well as rise as a result of market and currency fluctuations and you may not get back the amount originally invested.

## Summary of fund performance

Share class	Net asset value* 31/07/16 p	Net asset value* 31/01/16 p	Net asset value % change
Class A accumulation	247.80	220.09	12.59
Class A income	242.85	215.68	12.60
Class B accumulation	246.84	219.24	12.59
Class B income	242.69	215.54	12.60
Class I accumulation	126.94	112.29	13.05
Class Y accumulation	659.46	584.26	12.87

\*The net asset value is calculated as at close of business on the last business day of the accounting period. The investments are valued at fair value which is generally deemed to be the bid market price.

## Fund facts

### Accounting dates

31 July, 31 January

### Payment date

31 May

### Ongoing charge figure

	31/07/16	31/01/16
	%	%
Class A	2.37	2.36
Class B	2.37	2.36
Class I	1.55	1.56
Class Y	1.87	1.86

The annualised ongoing charge figure (OCF) of the fund is calculated as the ratio of the total ongoing charges to the average net asset value for twelve months.

The OCF includes a synthetic element of 0.71% (31/01/16: 0.71%) to incorporate the OCF of underlying funds.

The calculation is in accordance with guidelines issued by the European Securities and Markets Authority (ESMA).

This fund is a non-UCITS retail fund and we have adopted this disclosure to enable comparison across our fund range.

## Performance record

Calendar year	Net revenue (pence per share)	Highest price (pence per share)	Lowest price (pence per share)
<b>Class A accumulation</b>			
2011	-	190.80	162.20
2012	0.08	183.50	167.20
2013	0.74	216.60	183.30
2014	-	226.00	209.70
2015	0.86	245.10	218.00
2016	0.44	248.60 +	210.70+
<b>Class A income</b>			
2011	-	188.80	160.50
2012	-	181.50	165.50
2013	0.67	213.50	181.40
2014	-	222.80	206.70
2015	0.83	240.60	214.00
2016	0.42	243.70 +	206.60+

**Past performance is not a guide to future performance.**

## Performance record

Calendar year	Net revenue (pence per share)	Highest price (pence per share)	Lowest price (pence per share)
<b>Class B accumulation</b>			
2011 <sup>1</sup>	-	190.10	161.60
2012	-	183.40	166.60
2013	0.62	215.80	183.30
2014	0.02	225.10	208.90
2015	0.85	244.10	217.10
2016	0.44	247.70 +	209.90+
<b>Class B income</b>			
2011 <sup>2</sup>	-	188.70	160.40
2012	-	181.50	165.40
2013	0.73	213.40	181.30
2014	-	222.70	206.60
2015	0.86	240.40	213.90
2016	0.40	243.50 +	206.40+
<b>Class I accumulation</b>			
2013 <sup>3</sup>	-	108.70	98.34
2014	0.36	114.20	105.70
2015	0.82	124.20	110.90
2016	0.57	127.40 +	107.60+
<b>Class Y accumulation</b>			
2011 <sup>4</sup>	-	495.20	420.90
2012	1.80	479.90	436.00
2013	4.22	569.10	479.60
2014	2.64	596.50	553.10
2015	5.36	647.90	577.70
2016	4.61	661.60 +	559.50+

+ to 29 July

<sup>1</sup> B accumulation share class, formerly I accumulation converted on 8 April 2013

<sup>2</sup> B income share class, formerly I income converted on 8 April 2013

<sup>3</sup> I accumulation share class was launched on 8 April 2013

<sup>4</sup> Y accumulation share class was launched on 12 May 2011

**Past performance is not a guide to future performance.**

## Major holdings

as at 31/07/16	%
Findlay Park American Fund	6.79
JO Hambro UK Opportunities Fund B Accumulation	6.74
Majedie UK Equity Fund	6.07
Henderson European Growth Fund I Accumulation +	6.06
BlackRock European Dynamic Fund A Accumulation	5.69
Capita Lindsell Train UK Equity Income Fund	3.95
ETFS Physical Gold	3.93
Old Mutual UK Alpha Fund Accumulation	3.90
Veritas Global Equity Fund D Income	3.14
Fidelity American Special Situations	3.13

+ Related party to the fund

## Major holdings

as at 31/01/16	%
Findlay Park American Fund	8.72
Henderson European Growth Fund I Accumulation +	6.74
JO Hambro UK Opportunities Fund B Accumulation	6.64
Majedie UK Equity Fund	6.63
BlackRock European Dynamic Fund A Accumulation	6.56
Old Mutual UK Alpha Fund Accumulation	6.39
Man GLG Japan CoreAlpha	5.93
Artemis European Growth Fund I Accumulation	4.75
Artemis Income Fund	4.27
ETFS Physical Gold	3.95

<b>Asset allocation</b>	
<b>as at 31/07/16</b>	<b>%</b>
UK Equity	25.68
Europe ex UK Equity	16.34
North America Equity	13.18
Asia ex Japan Equity	6.60
Global Equity	5.20
Government Bonds	5.08
Global Emerging Market Equity	5.03
Japan Equity	4.87
Commodities	3.93
Specialist Equity	3.07
Alternatives	2.57
Property	1.57
Derivatives	(0.38)
Other net assets	7.26
<b>Total net assets</b>	<b>100.00</b>

<b>Asset allocation</b>	
<b>as at 31/01/16</b>	<b>%</b>
UK Equity	26.75
Europe ex UK Equity	18.05
North America Equity	11.38
Japan Equity	7.99
Asia ex Japan Equity	6.11
Global Equity	5.52
Global Emerging Market Equity	4.52
Commodities	3.95
Government Bonds	3.66
Specialist Equity	2.73
Property	2.62
Alternatives	1.55
High Yield Bonds	1.40
Derivatives	(0.58)
Other net assets	4.35
<b>Total net assets</b>	<b>100.00</b>

## Report and accounts

This document is a short report of the Henderson Multi-Manager Managed Fund For the six months ended 31 July 2016.

Copies of the annual and half yearly long form reports of this fund are available on our website [www.henderson.com](http://www.henderson.com) or contact client services on the telephone number provided.

## Other information

The information in this report is designed to enable you to make an informed judgement on the activities of the fund during the period it covers and the results of those activities at the end of the period.

### Issued by:

Henderson Investment Funds Limited  
Registered office:  
201 Bishopsgate,  
London EC2M 3AE  
Member of the The Investment Association and  
authorised and regulated  
by the Financial Conduct Authority.  
Registered in England No 2678531

### Depository

National Westminster Bank Plc  
135 Bishopsgate  
London EC2M 3UR

## Risk warning

Please remember that past performance is not a guide to future performance. The value of an investment and the revenue from it can fall as well as rise as a result of market and currency fluctuations and you may not get back the amount originally invested.

### Auditor

PricewaterhouseCoopers LLP  
141 Bothwell Street  
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### Shareholder Administrator

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# Contact us

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## Changes of address - regulatory requirements

FCA regulation requires us to send this report mailing to the address held on file on the accounting date of 31 July 2016. If you have confirmed a change of address with us since that date we will ensure all future correspondence will be sent to your new address.

## Online valuations

You can value your Henderson Multi-Manager Managed Fund at any time by logging on to [www.henderson.com](http://www.henderson.com). Select 'Personal Investor' and then access 'Valuations' from the Tools Menu. Simply select the fund you hold and enter the appropriate number of shares.

## Any questions?

Further information about the activities and performance of the fund for this and previous periods can be obtained from the Investment Manager. If you have any questions please call our Client Services Team on 0800 832 832 or email [support@henderson.com](mailto:support@henderson.com).

## Important Information

Henderson Global Investors is the name under which Henderson Global Investors Limited (reg. no. 906355), Henderson Fund Management Limited (reg. no. 2607112), 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 at 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. Ref: 34V

Unless otherwise stated, all data is sourced by Henderson Global Investors.

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