



# ANNUAL SHORT REPORT

For the year ended  
31 October 2016

**Henderson**  
GLOBAL INVESTORS

**Henderson Credit Alpha Fund**

# Henderson Credit Alpha Fund

## Short Report

For the year ended 31 October 2016

### Investment Fund Managers

Stephen Thariyan and Thomas Ross

Please note that as of 31 December 2015, Chris Bullock no longer managed this fund.

### Investment objective and policy

The fund aims to generate positive returns.

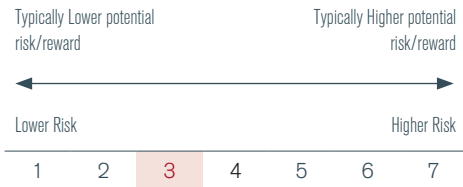
The fund aims to typically deliver absolute (more than zero) returns over a rolling 12 month period. An absolute return performance is not guaranteed over this specific, or any other, time period and consequently capital is in fact at risk.

The fund will seek to achieve its investment objective by taking directional, relative value, structural and tactical positions in corporate bonds, asset backed securities, preference shares, equities, secured loans, credit default swaps, as well as other permitted derivative instruments.

The fund may also invest the property in transferable securities, money market instruments, derivatives and forward transactions, deposits and units in collective investment schemes.

### Risk and reward profile

The fund currently has 15 types of share class in issue, they are all accumulation share classes; A, A Euro hedged, A USD hedged, I, I gross, Y, Y gross, Y Euro hedged, Y USD hedged, Z, Z gross, G, G gross, G Euro hedged and G USD hedged. Each type of share class has the same risk and reward profile which 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:

- As a category, bonds are less volatile than shares
- The fund invests in a broad range of securities and countries and uses a broad range of strategies.
- 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 apply:

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

**Currency risk** The fund uses derivatives in order to reduce the risks otherwise associated with marking investments in currencies other than the fund's accounting currency.

**Default risk** The issuers of certain bonds could become unable to make payments of their bonds. The risk of default may be higher where the fund invests in sub-investment grade bonds.

**Derivatives risk** Using derivatives can involve a higher level of risk. A small movement in the price of an underlying investment may result in a disproportionately large movement in the price of the derivative instrument.

**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.

There has been no changes in the risk rating in the year.

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

The SRRI conforms to the European Securities and Markets Authority guidelines for the calculation of the SRRI.

## Investment review

The fund's performance was disappointing over year of review, with the fund declining 2.2% net of fees. The cash benchmark (3-month GBP Libor) returned 0.6%.

The weakness was primarily driven by poor performance from specific bond issues and our broader positioning early in the year. We unsuccessfully opposed the market rally at the start of the year and subsequently moved to a more neutral position ahead of the risk reversal in January. We then increased our negative views using credit default swaps in order to benefit from the underperformance of investment grade companies. However, this meant that the fund did not benefit as strongly from the subsequent rebound in credit markets, while also suffering due to the commodity-inspired weakness in high yield, where we were overweight. As the period progressed, performance improved, with positive contributions driven more by idiosyncratic risk factors (asset-specific risk).

Holdings in the financial sector were mixed over the year. In the insurance sector, contributions came from Dutch insurer NN group and UK insurer Phoenix, while European insurer Delta Lloyd detracted, with the sector proving volatile (meaning there were sharper fluctuations in price) due to regulatory worries and Brexit concerns in the UK. Positions in subordinated bank bonds were beneficial as RBS posted strong positive returns. However, UK building societies, including our position in Nationwide, detracted.

Thematic strategies saw a negative return over the year. Detractors included positions that were vulnerable to the weakness in emerging markets and commodities.

Partially offsetting the weakness, a long position in Italian defence contractor Leonardo-Finmeccanica benefited as the issuer published good results and was put on positive watch by credit ratings agency Fitch for a possible upgrade to investment grade.

Tactical strategies made a small contribution to performance over the year, despite the underperformance of our long position in Spanish construction firm Isolux, which suffered as investors reduced their holdings following losses at competitor Abengoa. Positions related to the energy sector also declined in line with the weakness in oil, impacting issuers Santos and Kinder Morgan, which were subsequently sold. Holdings in longer maturity bonds issued by Mexico and French utility GDF also declined, and were also sold.

Partially offsetting the weakness, our activity in the new issues market continued to benefit returns, with new deals from drinks company AB InBev and real estate investment trust Grand City Properties performing well. A position in LUX/GEO was also positive, after the issuer published good results and started to consider refinancing existing debt, given the call price set at 102.

Corporate bond markets remain well supported for now. However, the recent sell-off in government bonds has given us reason to be cautious. We are cognisant of a busy end to the year in terms of macroeconomic and political event risk, with the fallout from the US presidential election, Italian referendum, potential US rate rise and ongoing Brexit developments all capable of substantially derailing market sentiment over the next couple of months. In addition, we are looking out for any shift away from monetary policy towards fiscal policy, given a large enough move would likely lead to higher inflation, higher rates and potentially outflows from bond markets.

As a result, the fund is currently positioned to be relatively neutral, and we continue to focus on using idiosyncratic risk to drive returns.

## Performance summary

	31 Oct 15- 31 Oct 16	31 Oct 14- 31 Oct 15	31 Oct 13- 31 Oct 14	31 Oct 12- 31 Oct 13	31 Oct 11- 31 Oct 12
	%	%	%	%	%
Henderson Credit Alpha Fund	(2.2)	0.7	0.8	4.8	5.6
3M Libor	0.6	0.6	0.5	0.5	1.1

Source: Henderson Global Investors & Morningstar.

\* Fund returns calculated using midday prices on a bid to bid, net of fees as at 12 noon valuation point, based on performance of class I gross accumulation.

Benchmark values are as at close of business.

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.

## Fund facts

### Accounting dates

30 April, 31 October

### Payment dates

30 June, 31 December

### Ongoing charge figure

	OCF* 2016	Performance fees 2016	OCF* 2015	Performance fees 2015
	%	%	%	%
<b>Class A</b>	1.66	-	1.66	0.15
<b>Class G</b>	0.73	-	0.74	0.30
<b>Class I</b>	1.06	n/a	1.06	n/a
<b>Class Y</b>	1.06	-	1.06	0.28
<b>Class Z</b>	0.04	n/a	0.04	n/a
<b>Class G gross</b>	0.73	-	0.74	0.51
<b>Class Y gross</b>	1.06	-	1.06	0.28
<b>Class A Euro (hedged)</b>	1.66	-	1.66	0.03
<b>Class G Euro (hedged)</b>	0.73	-	0.74	0.22
<b>Class Y Euro (hedged)</b>	1.06	-	1.06	0.15
<b>Class A USD (hedged)</b>	1.66	-	1.66	0.08
<b>Class G USD (hedged)</b>	0.73	-	0.74	0.25
<b>Class Y USD (hedged)</b>	1.06	-	1.06	0.21

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

\* OCF excludes performance fees

## Comparative tables

	Class A accumulation			Class G accumulation		
	2016 (pence per share)	2015 (pence per share)	2014 (pence per share)	2016 (pence per share)	2015 (pence per share)	2014 (pence per share)
<b>Change in net assets per share</b>						
Opening net asset value per share	55.27	55.62	55.48	50.43	50.38	50.01 <sup>1</sup>
Return before operating charges*	(0.54)	0.74	1.30	(0.74)	0.72	0.86
Operating charges	(0.90)	(0.93)	(0.93)	(0.36)	(0.37)	(0.37)
Operating charges - Performance Fees	-	(0.08)	(0.19)	-	(0.15)	(0.01)
Return after operating charges*	(1.44)	(0.27)	0.18	(1.10)	0.20	0.48
Distributions on accumulation shares <sup>^</sup>	(0.10)	(0.39)	(0.16)	(0.18)	(0.75)	(0.57)
Retained distributions on accumulation shares	0.08	0.31	0.12	0.15	0.60	0.46
Closing net asset value per share	53.81	55.27	55.62	49.30	50.43	50.38
* after direct transaction costs of:	0.00	0.00	0.00	0.00	0.00	0.00

### Performance

Return after charges	(2.61%)	(0.63%)	0.25%	(2.18%)	0.10%	0.74%
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### Other information

Closing net asset value (£000s)	2,070	3,933	12,777	1	1	634
Closing number of shares	3,847,161	7,116,594	22,971,673	3,000	3,000	1,259,455
Operating charges	1.66%	1.66%	1.65%	0.73%	0.74%	0.73%
Operating charges - Performance Fees	0.00%	0.15%	0.33%	0.00%	0.30%	0.01%
Direct transaction costs	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

### Prices

Highest share price (pence)	55.53	56.94	56.48	50.66	51.78	50.99
Lowest share price (pence)	53.38	54.95	55.25	48.75	50.13	49.98

<sup>1</sup> Class G accumulation launched on 5 November 2013 and this is the first published price.

## Comparative tables

	Class I accumulation			Class Y accumulation		
	2016 (pence per share)	2015 (pence per share)	2014 (pence per share)	2016 (pence per share)	2015 (pence per share)	2014 (pence per share)
<b>Change in net assets per share</b>						
Opening net asset value per share	151.47	151.54	150.07	112.88	113.17	112.41
Return before operating charges*	(2.04)	1.99	3.44	(1.03)	1.51	2.54
Operating charges	(1.58)	(1.62)	(1.61)	(1.18)	(1.21)	(1.21)
Operating charges - Performance Fees	-	-	-	-	(0.32)	(0.38)
Return after operating charges*	(3.62)	0.37	1.83	(2.21)	(0.02)	0.95
Distributions on accumulation shares <sup>^</sup>	(0.62)	(2.18)	(1.82)	(0.52)	(1.34)	(0.93)
Retained distributions on accumulation shares	0.49	1.74	1.46	0.41	1.07	0.74
Closing net asset value per share	147.72	151.47	151.54	110.56	112.88	113.17
* after direct transaction costs of:	0.00	0.00	0.00	0.00	0.00	0.00
<b>Performance</b>						
Return after charges	(2.39%)	(0.05%)	0.98%	(1.96%)	(0.26%)	0.68%
<b>Other information</b>						
Closing net asset value (£000s)	69	172	3,613	4,206	21,029	141,786
Closing number of shares	46,579	113,584	2,383,871	3,803,912	18,630,156	125,287,071
Operating charges	1.06%	1.06%	1.06%	1.06%	1.06%	1.06%
Operating charges - Performance Fees	n/a	n/a	n/a	0.00%	0.28%	0.33%
Direct transaction costs	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
<b>Prices</b>						
Highest share price (pence)	152.20	155.80	153.60	113.40	116.00	114.70
Lowest share price (pence)	146.80	150.60	150.30	109.20	112.20	112.40

## Comparative tables

	Class Z accumulation			Class G gross accumulation		
	2016 (pence per share)	2015 (pence per share)	2014 (pence per share)	2016 (pence per share)	2015 (pence per share)	2014 (pence per share)
<b>Change in net assets per share</b>						
Opening net asset value per share	112.05	111.18	109.23	50.60	50.44	50.01 <sup>2</sup>
Return before operating charges*	(5.13)	1.48	2.48	(0.55)	0.80	0.83
Operating charges	(0.04)	(0.05)	(0.04)	(0.36)	(0.38)	(0.37)
Operating charges - Performance Fees	-	-	-	(0.00)	(0.26)	(0.03)
Return after operating charges*	(5.17)	1.43	2.44	(0.91)	0.16	0.43
Distributions on accumulation shares <sup>^</sup>	(1.07)	(2.78)	(2.44)	(0.31)	(0.75)	(0.56)
Retained distributions on accumulation shares	0.86	2.22	1.95	0.31	0.75	0.56
Closing net asset value per share	106.67	112.05	111.18	49.69	50.60	50.44
* after direct transaction costs of:	0.00	0.00	0.00	0.00	0.00	0.00
<b>Performance</b>						
Return after charges	(4.61%)	0.78%	1.79%	(1.80%)	0.32%	0.86%
<b>Other information</b>						
Closing net asset value (£000s)	152	7,996	9,694	2	2	137
Closing number of shares	142,480	7,136,182	8,718,530	5,000	5,000	271,470
Operating charges	0.04%	0.04%	0.04%	0.73%	0.74%	0.73%
Operating charges - Performance Fees	n/a	n/a	n/a	0.00%	0.51%	0.05%
Direct transaction costs	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
<b>Prices</b>						
Highest share price (pence)	112.60	114.80	112.30	50.83	51.88	51.00
Lowest share price (pence)	108.70	110.90	109.40	49.01	50.25	49.99

<sup>2</sup> Class G gross accumulation launched on 5 November 2013 and this is the first published price.

## Comparative tables

	Class I gross accumulation			Class Y gross accumulation		
	2016 (pence per share)	2015 (pence per share)	2014 (pence per share)	2016 (pence per share)	2015 (pence per share)	2014 (pence per share)
<b>Change in net assets per share</b>						
Opening net asset value per share	154.62	154.21	152.38	109.22	109.25	108.33
Return before operating charges*	(1.56)	2.07	3.47	(1.11)	1.45	2.44
Operating charges	(1.61)	(1.66)	(1.64)	(1.14)	(1.17)	(1.16)
Operating charges - Performance Fees	-	-	-	-	(0.31)	(0.36)
Return after operating charges*	(3.17)	0.41	1.83	(2.25)	(0.03)	0.92
Distributions on accumulation shares <sup>^</sup>	(0.73)	(2.29)	(1.81)	(0.51)	(1.30)	(0.90)
Retained distributions on accumulation shares	0.73	2.29	1.81	0.51	1.30	0.90
Closing net asset value per share	151.45	154.62	154.21	106.97	109.22	109.25
* after direct transaction costs of:	0.00	0.00	0.00	0.00	0.00	0.00
<b>Performance</b>						
Return after charges	(2.05%)	0.27%	1.20%	(2.06%)	(0.03%)	0.85%
<b>Other information</b>						
Closing net asset value (£000s)	95,529	156,488	157,668	8,617	45,911	93,815
Closing number of shares	63,078,099	101,206,936	102,242,168	8,055,683	42,034,916	85,870,737
Operating charges	1.06%	1.06%	1.06%	1.06%	1.06%	1.06%
Operating charges - Performance Fees	n/a	n/a	n/a	0.00%	0.28%	0.33%
Direct transaction costs	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
<b>Prices</b>						
Highest share price (pence)	155.40	158.90	156.20	109.70	112.10	110.60
Lowest share price (pence)	149.70	153.60	152.60	105.70	108.50	108.50



## Comparative tables

	Class G Euro (hedged) accumulation			Class Y Euro (hedged) accumulation		
	2016 (pence per share)	2015 (pence per share)	2014 (pence per share)	2016 (pence per share)	2015 (pence per share)	2014 (pence per share)
<b>Change in net assets per share</b>						
Opening net asset value per share	358.60	393.80	502.51 <sup>3</sup>	777.22	856.18	920.85
Return before operating charges*	82.47	(31.61)	(103.12)	178.00	(69.07)	(51.94)
Operating charges	(2.85)	(2.77)	(3.02)	(8.73)	(8.66)	(9.50)
Operating charges - Performance Fees	-	(0.82)	(2.57)	-	(1.23)	(3.23)
Return after operating charges*	79.62	(35.20)	(108.71)	169.27	(78.96)	(64.67)
Distributions on accumulation shares <sup>^</sup>	(2.55)	(6.01)	(3.51)	(3.88)	(10.56)	(7.09)
Retained distributions on accumulation shares	2.55	6.01	3.51	3.88	10.56	7.09
Closing net asset value per share	438.22	358.60	393.80	946.49	777.22	856.18
* after direct transaction costs of:	0.00	0.00	0.01	0.00	0.00	0.03

### Performance

Return after charges	22.20%	(8.94%)	(21.63%)	21.78%	(9.22%)	(7.02%)
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### Other information

Closing net asset value (£000s)	2	2	2	17,533	73,108	175,360
Closing number of shares	500	500	500	1,852,421	9,406,354	20,481,626
Operating charges	0.73%	0.74%	0.73%	1.06%	1.06%	1.06%
Operating charges - Performance Fees	0.00%	0.22%	0.62%	0.00%	0.15%	0.36%
Direct transaction costs	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

### Prices

Highest share price (Euro cents)	503.71	515.82	509.51	1,091.86	1,120.04	1,109.06
Lowest share price (Euro cents)	484.40	498.26	499.70	1,047.19	1,080.24	1,086.37

<sup>3</sup> Class G Euro (hedged) accumulation launched on 5 November 2013 and this is the first published price.

## Comparative tables

	Class Z gross accumulation		
	2016 (pence per share)	2015 (pence per share)	2014 (pence per share)
<b>Change in net assets per share</b>			
Opening net asset value per share	168.49	166.34	162.70
Return before operating charges*	(1.72)	2.22	3.71
Operating charges	(0.07)	(0.07)	(0.07)
Operating charges - Performance Fees	-	-	-
Return after operating charges*	(1.79)	2.15	3.64
Distributions on accumulation shares^	(2.23)	(4.21)	(3.64)
Retained distributions on accumulation shares	2.23	4.21	3.64
Closing net asset value per share	166.70	168.49	166.34
* after direct transaction costs of:	0.00	0.00	0.01
<b>Performance</b>			
Return after charges	(1.06%)	1.29%	2.24%
<b>Other information</b>			
Closing net asset value (£000s)	304,572	299,255	189,645
Closing number of shares	182,704,478	177,607,798	114,011,223
Operating charges	0.04%	0.04%	0.04%
Operating charges - Performance Fees	n/a	n/a	n/a
Direct transaction costs	0.00%	0.00%	0.00%
<b>Prices</b>			
Highest share price (pence)	169.30	172.30	167.80
Lowest share price (pence)	163.70	166.00	163.00

## Comparative tables

	Class A Euro (hedged) accumulation		
	2016	2015	2014
	(pence per share)	(pence per share)	(pence per share)
<b>Change in net assets per share</b>			
Opening net asset value per share	379.15	419.70	453.79
Return before operating charges*	86.59	(33.86)	(25.59)
Operating charges	(6.70)	(6.57)	(7.27)
Operating charges - Performance Fees	-	(0.12)	(1.23)
Return after operating charges*	79.89	(40.55)	(34.09)
Distributions on accumulation shares^	(0.72)	(3.25)	(1.22)
Retained distributions on accumulation shares	0.72	3.25	1.22
Closing net asset value per share	459.04	379.15	419.70
* after direct transaction costs of:	0.00	0.00	0.01
<b>Performance</b>			
Return after charges	21.07%	(9.66%)	(7.51%)
<b>Other information</b>			
Closing net asset value (£000s)	36,500	81,762	95,214
Closing number of shares	7,951,286	21,564,198	22,686,297
Operating charges	1.66%	1.66%	1.65%
Operating charges - Performance Fees	0.00%	0.03%	0.28%
Direct transaction costs	0.00%	0.00%	0.00%
<b>Prices</b>			
Highest share price (Euro cents)	532.74	548.09	545.18
Lowest share price (Euro cents)	508.99	527.33	532.68

## Comparative tables

	Class A USD (hedged) accumulation			Class G USD (hedged) accumulation		
	2016 (pence per share)	2015 (pence per share)	2014 (pence per share)	2016 (pence per share)	2015 (pence per share)	2014 (pence per share)
<b>Change in net assets per share</b>						
Opening net asset value per share	345.50	336.00	334.61	325.60	314.40	502.08 <sup>4</sup>
Return before operating charges*	86.90	15.63	7.71	82.62	14.48	(183.62)
Operating charges	(6.09)	(5.85)	(5.40)	(2.59)	(2.45)	(2.21)
Operating charges - Performance Fees	-	(0.28)	(0.92)	-	(0.83)	(1.85)
Return after operating charges*	80.81	9.50	1.39	80.03	11.20	(187.68)
Distributions on accumulation shares <sup>^</sup>	(0.62)	(2.79)	(1.00)	(2.28)	(5.20)	(2.87)
Retained distributions on accumulation shares	0.62	2.79	1.00	2.28	5.20	2.87
Closing net asset value per share	426.31	345.50	336.00	405.63	325.60	314.40
* after direct transaction costs of:	0.00	0.00	0.01	0.00	0.00	0.01
<b>Performance</b>						
Return after charges	23.39%	2.83%	0.42%	24.58%	3.56%	(37.38%)
<b>Other information</b>						
Closing net asset value (£000s)	8,755	28,435	41,409	2	2	2
Closing number of shares	2,053,647	8,230,145	12,324,305	500	500	500
Operating charges	1.66%	1.66%	1.65%	0.73%	0.74%	0.73%
Operating charges - Performance Fees	0.00%	0.08%	0.28%	0.00%	0.25%	0.61%
Direct transaction costs	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
<b>Prices</b>						
Highest share price (USD cents)	536.12	550.25	546.47	505.69	516.19	509.15
Lowest share price (USD cents)	515.36	530.53	534.22	487.32	499.64	499.64

<sup>4</sup> Class G USD (hedged) accumulation launched on 5 November 2013 and this is the first published price.

## Comparative tables

	Class Y USD (hedged) accumulation		
	2016 (pence per share)	2015 (pence per share)	2014 (pence per share)
<b>Change in net assets per share</b>			
Opening net asset value per share	690.92	668.68	662.40
Return before operating charges*	174.26	31.18	15.24
Operating charges	(7.77)	(7.46)	(6.88)
Operating charges - Performance Fees	-	(1.48)	(2.08)
Return after operating charges*	166.49	22.24	6.28
Distributions on accumulation shares <sup>^</sup>	(3.41)	(9.02)	(5.44)
Retained distributions on accumulation shares	3.41	9.02	5.44
Closing net asset value per share	857.41	690.92	668.68
* after direct transaction costs of:	0.00	0.00	0.02
<b>Performance</b>			
Return after charges	24.10%	3.33%	0.95%
<b>Other information</b>			
Closing net asset value (£000s)	8,490	35,376	44,051
Closing number of shares	990,168	5,120,071	6,587,733
Operating charges	1.06%	1.06%	1.06%
Operating charges - Performance Fees	0.00%	0.21%	0.32%
Direct transaction costs	0.00%	0.00%	0.00%
<b>Prices</b>			
Highest share price (USD cents)	1,072.03	1,097.19	1,084.61
Lowest share price (USD cents)	1,032.51	1,060.38	1,062.91

<sup>^</sup> Distributions are shown gross of tax

Performance values are at close of business and may differ from the performance summary.

### Operating charges

Operating charges are expenses associated with the maintenance and administration of the fund on a day-to-day basis that are actually borne by the share class.

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

## Major holdings

as at 2016	%
Deutsche Global Liquidity Managed Platinum Sterling Fund	4.12
Henderson Institutional Cash Fund Class I Gross Accumulation+	3.74
Meccanica Holdings 6.25% 15/01/2040	3.05
Agrokor 9.5% 04/06/2018	2.83
PGH Capital 5.75% 07/07/2021	2.72
Kennedy Wilson Europe Real Estate 3.95% 30/06/2022	2.28
Rabobank Nederland 0.51% 14/11/2016	2.05
Garfunkelux 3 8.5% 01/11/2022	1.97
ATF Netherlands 3.75% Perpetual	1.91
Lecta 6.5% 01/08/2023	1.75

+ A related party to the fund

## Asset allocation

as at 2016	%
Bonds	45.41
Certificates of Deposit	37.11
Collective Investment Schemes	7.86
Derivatives	(1.77)
Other net assets	11.39
<b>Total net assets</b>	<b>100.00</b>

## Major holdings

as at 2015	%
Deutsche Global Liquidity Managed Platinum Sterling Fund	6.37
Henderson Institutional Cash Fund Class I Gross Accumulation +	2.40
Frontier Communications 11% 15/09/2025	2.25
NN 4.5% Perpetual	1.85
Atrium European Real Estate 3.625% 17/10/2022	1.77
PGH Capital 5.75% 07/07/2021	1.76
United Mexican States 5.625% 19/03/2114	1.75
Agrokor 9.5% 04/06/2018	1.64
Inmobiliaria Colonial 2.728% 05/06/2023	1.46
Meccanica Holdings 6.25% 15/01/2040	1.46

## Asset allocation

as at 2015	%
Bonds	56.78
Certificates of deposit	23.16
Collective Investment Schemes	8.77
Equities	0.23
Derivatives	(3.62)
Other net assets	14.68
<b>Total net assets</b>	<b>100.00</b>

## Report and accounts

This document is a short report of the Henderson Credit Alpha Fund for the year ended 31 October 2016.

Copies of the annual and half yearly long form report and financial statements 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 year it covers and the results of those activities at the end of the year.

### Issued by:

Henderson Investment Funds Limited  
Registered office:  
201 Bishopsgate,  
London EC2M 3AE  
Member of 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.

### Shareholder Administrator

International Financial Data Services (UK) Limited  
IFDS House  
St Nicholas Lane  
Basildon  
Essex SS15 5FS

### Auditor

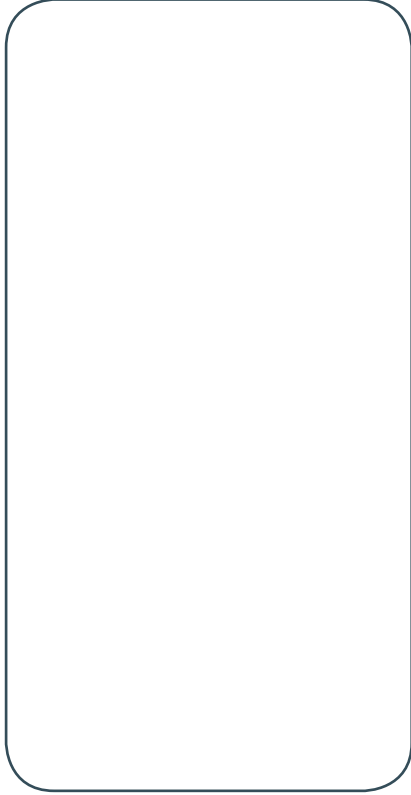
PricewaterhouseCoopers LLP  
141 Bothwell Street  
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G2 7EQ.

# Contact us

Client Services 0800 832 832

[www.henderson.com](http://www.henderson.com)

**Head Office address:  
201 Bishopsgate, London EC2M 3AE**



## **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 October 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 Credit Alpha 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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