



# INTERIM SHORT REPORT

For the six months ended  
30 April 2017

Janus Henderson  
— INVESTORS —

**Henderson Institutional Asia Pacific ex Japan  
Index Opportunities Fund  
(formerly Henderson Institutional Asia Pacific ex Japan Enhanced Equity Fund)**

# Henderson Institutional Asia Pacific ex Japan Index Opportunities Fund (formerly Henderson Institutional Asia Pacific ex Japan Enhanced Equity Fund)

## Short Report

For the six months ended 30 April 2017

### Investment Fund Manager

Janus Henderson Multi Strategy Equities Team

### Other information

On 1 November 2016 Henderson Institutional Asia Pacific ex Japan Enhanced Equity Fund changed its name to Henderson Institutional Asia Pacific ex Japan Index Opportunities Fund. The fund's investment objectives and policies have also been revised with effect from 1 November 2016.

Henderson Group plc and Janus Capital Group merged on 30 May 2017 to form Janus Henderson Group plc.

### Investment objective and policy

The fund aims to deliver a return in excess of the FTSE customised Developed Asia Pacific ex Japan Index, the "reference index", (or such other index as may from time to time replace it) before management fees, while carefully controlling deviation from the reference index.

The fund will invest primarily in shares of Asia Pacific ex Japan companies included in the reference index. The fund's holdings are principally selected to replicate the components of the reference index. The index will not be identically replicated and this can lead to differences in performance. There are no restrictions on the size of the companies in which the fund may invest.

In addition to seeking to reflect the index, the fund manager will make use of investment strategies aimed at enhancing returns. These seek to generate returns based on differences in the prices of securities issued by, or associated with, companies that form part of the reference index. They can include, but are not limited to, liquidity strategies (investing in 'blocks of stock' at discounted prices), and relative value strategies (taking advantage of differences between the prices of securities related to the same company).

Further details explaining the investment strategies are available on the funds' pages on our website ([www.janushenderson.com](http://www.janushenderson.com)).

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

Derivatives and forward transactions may be used by the fund for investment purposes, in achieving the enhancements to the index return and for the purposes of efficient portfolio management.

### Risk and reward profile

The fund currently has 3 types of share class in issue; I accumulation, Y accumulation and Z accumulation. Each type of share class has the same risk and reward profile which is as follows:



The Synthetic Risk and Reward Indicator (SRRRI) 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 SRRRI level. The SRRRI 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 share classes appear at 6 out of 7. Share classes in higher categories have shown greater and/or more frequent variations in share price in the past 5 years than those in lower categories. The lowest category does not mean risk free.

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 trades becomes unwilling or unable to meet its obligations to the Fund.

**Derivatives risk** Derivatives use exposes the Fund to risks different from, and potentially greater than, the risks associated with investing directly in securities and may therefore result in additional loss, which could be significantly greater than the cost of the derivative.

**Emerging markets risk** Emerging markets are less established and more prone to political events than developed markets. This can mean both higher volatility and a greater risk of loss to the Fund than investing in more developed markets.

**Equities risk** Shares can lose value rapidly, and typically involve higher risks than bonds or money market instruments. The value of your investment may fall as a result.

**Exchange rate risk** Changes in currency exchange rates may cause the value of your investment and any income from it to rise or fall.

**Hedging risk** Measures designed to reduce the impact of certain risks may not be available or may be ineffective.

**Index Opportunities risk** Returns from investing in index enhancing opportunities may vary over time relative to the reference index. The managers do not, however, seek to take high levels of risk and investors should therefore expect the typical level of enhancement of returns to be low. The deduction of ongoing charges and transaction costs means the fund can be expected to underperform the reference index. Strategies aimed at enhancing returns depend on manager skill and decision-making; this therefore carries the risk of underperformance if unsuccessful decisions are made.

**Leverage risk** Leverage arises from entering into contracts or derivatives whose terms have the effect of magnifying an outcome, meaning profits and losses from investment can be greater.

**Liquidity risk** Any security could become hard to value or to sell at a desired time and price, increasing the risk of investment losses.

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

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

## Investment review

The FTSE World Asia Pacific ex Japan Index rose by 6.0% in sterling terms over the six months to 30 April 2017. The financials sector was strong amid a relatively upbeat macroeconomic environment, while energy and telecommunications lagged.

In China, 2017 brought encouraging data: in January, exports increased by 7.9% year on year, and inflation hit its highest level since 2014, at 2.5%. However, the latter backtracked markedly in February and March. First-quarter GDP expansion increased to an annualised 6.9%. A big jump in industrial output helped nudge the number higher; production increased by 7.6% over the year to March, the fastest expansion seen since December 2014. Retail sales also proved a catalyst, beating expectations to increase by 10.9% over the same period. Conversely, though, inflation slipped markedly in early 2017, diving from a 2.5% expansion over the year to January to 0.8% in February, and just barely moving the dial to 0.9% in March. The People's Bank of China left the benchmark lending rate at 4.35% over the six months, but increased both short-term interest rates and reverse repurchase rates in March.

Elsewhere in Asia, South Korean politics turned tumultuous when President Park Geun-hye was impeached over accusations of corruption, but hopes for a less scandalous administration to come supported domestic markets. Equities climbed over the six months and remained relatively high even as tensions grew between the US and North Korea. Australia saw a noteworthy recovery in GDP from the third quarter to the fourth (-0.5% and +1.1%, respectively). Inflation improved over the period on higher prices for transportation and consumer staples, but still fell short of expectations. Taiwanese markets were largely ascendant as well, despite some disappointing economic data at the start of the year, including a contracting trade surplus and a negative inflation rate in February. However, things picked up as the period came to an end: retail sales increased from -20.2% in February to +7.5% in March. Exports also improved that month, beating expectations on higher sales of electronic and communications equipment.

## Performance summary

Cumulative performance	Six months	One year	Five years	Since launch	
	31 Oct 16-30 Apr 17	30 Apr 16-30 Apr 17	30 Apr 12-30 Apr 17	08 Mar 06-30 Apr 17	
	%	%	%	%	
Henderson Institutional Asia Pacific Ex Japan Index Opportunities Fund* (formerly Henderson Institutional Asia Pacific ex Japan Enhanced Equity Fund)	6.2	37.7	63.5	188.9	
FTSE All World Developed Asia Pacific ex Japan Index**	6.0	36.8	62.2	185.1	
Discrete performance	30 Apr 16-30 Apr 17	30 Apr 15-30 Apr 16	30 Apr 14-30 Apr 15	30 Apr 13-30 Apr 14	30 Apr 12-30 Apr 13
	%	%	%	%	%
Henderson Institutional Asia Pacific Ex Japan Index Opportunities Fund* (formerly Henderson Institutional Asia Pacific ex Japan Enhanced Equity Fund)	37.7	(8.1)	13.4	(4.6)	19.5

Source: Janus Henderson Investors and FTSE.

\* Fund returns calculated using close of business prices on a gross asset value basis in GBP, on class Z accumulation.

\*\* Customised net dividends reinvested (Market Capitalisation weighted index of Australia, New Zealand, Hong Kong, Singapore, Taiwan and Korea).

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	Payment dates
30 April, 31 October	30 June, 31 December

### Ongoing charge figure

	30/04/17	31/10/16
	%	%
Class I	0.84	0.83
Class Y	0.84	0.83
Class Z	0.09	0.08

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

**Comparative tables** for the six months ended 30 April 2017

	<b>Class I accumulation</b>			
	<b>30/04/17</b> (pence per share)	<b>31/10/16</b> (pence per share)	<b>31/10/15</b> (pence per share)	<b>31/10/14</b> (pence per share)
<b>Change in net assets per share</b>				
Opening net asset value per share	265.42	190.67	210.87	209.35
Return before operating charges*	16.18	76.53	(18.48)	3.21
Operating charges	(1.14)	(1.78)	(1.72)	(1.69)
Return after operating charges*	15.04	74.75	(20.20)	1.52
Distributions on accumulation shares	(2.89)	(6.82)	(4.98)	(4.66)
Retained distributions on accumulation shares	2.89	6.82	4.98	4.66
Closing net asset value per share	280.46	265.42	190.67	210.87
* after direct transaction costs of:	-	-	-	0.12
<b>Performance</b>				
Return after charges	5.67%	39.20%	(9.58%)	0.73%
Other information				
Closing net asset value (£000s)	12,259	12,362	9,995	12,566
Closing number of shares	4,370,996	4,657,365	5,241,736	5,959,224
Operating charges (annualised)	0.84%	0.83%	0.83%	0.83%
Direct transaction costs	0.00%	0.00%	0.00%	0.06%
<b>Prices</b>				
Highest share price (pence)	290.68	269.22	232.67	222.35
Lowest share price (pence)	251.04	178.19	169.11	187.68

**Comparative tables** (continued)

	Class Y accumulation			
	30/04/17 (pence per share)	31/10/16 (pence per share)	31/10/15 (pence per share)	31/10/14 (pence per share)
<b>Change in net assets per share</b>				
Opening net asset value per share	264.81	190.26	210.40	208.91
Return before operating charges*	16.20	76.33	(18.42)	3.18
Operating charges	(1.14)	(1.78)	(1.72)	(1.69)
Return after operating charges*	15.06	74.55	(20.14)	1.49
Distributions on accumulation shares	(2.88)	(6.78)	(4.97)	(4.65)
Retained distributions on accumulation shares	2.88	6.78	4.97	4.65
Closing net asset value per share	279.87	264.81	190.26	210.40
* after direct transaction costs of:	-	-	-	0.12
<b>Performance</b>				
Return after charges	5.69%	39.18%	(9.57%)	0.71%
Other information				
Closing net asset value (£000s)	25,063	25,211	18,113	19,982
Closing number of shares	8,955,214	9,520,438	9,520,438	9,497,211
Operating charges (annualised)	0.84%	0.83%	0.83%	0.83%
Direct transaction costs	0.00%	0.00%	0.00%	0.06%
<b>Prices</b>				
Highest share price (pence)	290.07	268.64	232.16	221.86
Lowest share price (pence)	250.50	177.80	168.74	187.26

## Comparative tables (continued)

	Class Z accumulation			
	30/04/17 (pence per share)	31/10/16 (pence per share)	31/10/15 (pence per share)	31/10/14 (pence per share)
<b>Change in net assets per share</b>				
Opening net asset value per share	396.46	283.05	310.69	306.29
Return before operating charges*	24.63	113.67	(27.39)	4.64
Operating charges	(0.19)	(0.26)	(0.25)	(0.24)
Return after operating charges*	24.44	113.41	(27.64)	4.40
Distributions on accumulation shares	(5.71)	(12.08)	(9.66)	(9.11)
Retained distributions on accumulation shares	5.71	12.08	9.66	9.11
Closing net asset value per share	420.90	396.46	283.05	310.69
* after direct transaction costs of:	-	-	-	0.18
<b>Performance</b>				
Return after charges	6.16%	40.07%	(8.90%)	1.44%
Other information				
Closing net asset value (£000s)	103,617	107,735	93,059	125,319
Closing number of shares	24,618,023	27,174,158	32,876,934	40,336,029
Operating charges (annualised)	0.09%	0.08%	0.08%	0.08%
Direct transaction costs	0.00%	0.00%	0.00%	0.06%
<b>Prices</b>				
Highest share price (pence)	436.08	402.62	343.94	327.25
Lowest share price (pence)	375.74	265.02	250.70	275.01

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.

### Share class launches and closures

There were no share classes launched or closed in the period.

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

## Major holdings

as at 30/04/17	%
Samsung Electronics	6.60
Taiwan Semiconductor Manufacturing	5.15
Commonwealth Bank of Australia	3.76
Westpac Banking	2.93
AIA	2.80
Australia & New Zealand Banking	2.40
National Australia Bank	2.24
BHP Billiton	1.90
Hon Hai Precision Industries	1.65
CSL	1.54

## Asset allocation

as at 30/04/17	%
Australia	33.10
South Korea	22.52
Taiwan	18.40
Hong Kong	15.59
Singapore	5.78
China	1.74
New Zealand	1.08
United Kingdom	0.65
Ireland	0.25
Spain	0.10
United States	0.10
Italy	0.09
France	0.03
Russian Federation	0.03
Derivatives	0.01
Other net assets	0.53
<b>Total net assets</b>	<b>100.00</b>

## Major holdings

as at 31/10/16	%
Samsung Electronics	5.26
Taiwan Semiconductor Manufacturing	5.19
Commonwealth Bank of Australia	3.41
Westpac Banking	2.76
AIA	2.75
Australia & New Zealand Banking	2.20
BHP Billiton	2.08
National Australia Bank	2.02
Hon Hai Precision Industries	1.48
CSL	1.30

## Asset allocation

as at 31/10/16	%
Australia	32.47
South Korea	21.45
Taiwan	18.41
Hong Kong	16.21
Singapore	5.59
China	1.66
New Zealand	1.21
United Kingdom	0.62
Ireland	0.26
United States	0.10
Spain	0.09
Italy	0.07
France	0.03
Russian Federation	0.02
Derivatives	(0.04)
Other net assets	1.85
<b>Total net assets</b>	<b>100.00</b>

## Report and accounts

This document is a short report of the Henderson Institutional Asia Pacific ex Japan Index Opportunities Fund (formerly Henderson Institutional Asia Pacific ex Japan Enhanced Equity Fund) for the six months ended 30 April 2017.

Copies of the annual and half yearly long form reports of this fund are available on our website [www.janushenderson.com](http://www.janushenderson.com) or contact investor 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 Investment Association and  
authorised and regulated  
by the Financial Conduct Authority.  
Registered in England No 2678531

### Shareholder Administrator

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

## 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.

### Depository

National Westminster Bank Plc  
135 Bishopsgate  
London EC2M 3UR

### Auditor

PricewaterhouseCoopers LLP  
141 Bothwell Street  
Glasgow  
G2 7EQ





## Further information

### Shareholder enquiries

If you have any queries about your fund holding, either contact your professional adviser or telephone us on one of the numbers below:

For dealing enquiries including buying and selling shares please telephone at local rate: **0845 608 8703**

The following line is also available:

Client Services: **0800 832 832**

or you can contact us via e-mail at [support@janushenderson.com](mailto:support@janushenderson.com)

We may record telephone calls for our mutual protection and to improve customer service.

### Online valuations

You can value your Henderson Institutional Asia Pacific ex Japan Index Opportunities Fund (formerly Henderson Institutional Asia Pacific ex Japan Enhanced Equity Fund) at any time by logging on to [www.janushenderson.com](http://www.janushenderson.com). Select 'UK Private Investor' and then access 'Valuations' from the Tools Menu. Simply select the fund you hold and enter the appropriate number of shares.

### Important Information

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.

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

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