

Henderson

# Multi-Manager Managed Fund

## Short Report

For the six months ended 31 July 2013

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#### Fund Managers

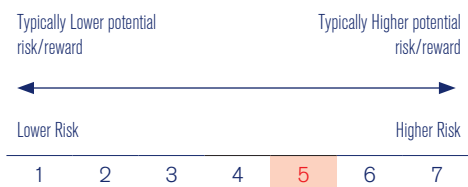
Henderson Multi-Asset Team

#### 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 profile

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



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

**Counterparty risk** The Fund could lose money if an entity 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** 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 are contained in the "Risk Warnings" section of the Fund's prospectus.

#### Managers' commentary

The Fund delivered a positive return of 8.6% over the six months period to 31 July 2013. US and Japanese equities performed strongly over the period, which is reflected in the best performing holdings in the portfolio. The GLG Japan CoreAlpha Fund's strong returns came as Japanese equities benefited from political change and a weaker Yen. There were also contributions to performance from the Old Mutual UK Dynamic Fund, CF Lindsell Train UK Equity, Polar Capital Global Insurance, Brown Advisory US Equity Value Fund and BlackRock European Dynamic.

Detractors from absolute performance included exposure to gold through the Physical Gold ETF as the precious metal was hurt by political disruption in Europe and the potential tapering of quantitative easing (QE). Old Mutual Global Strategic Bond also underperformed. Relative underperformance came from the Jupiter Japan Income Fund and the Legg Mason US Smaller Companies.

In February we reduced our equity exposure to Europe after a period of outperformance by trimming the holding in the Euro Stoxx 50 Index. Exposure to China was also reduced by selling futures as the Chinese economy continued to slow. Proceeds from these trades and also a reduction in the holding in Artemis Income Fund were allocated to cash.

In the spring months we built on our existing overweight position in Japan through futures as the equity market reacted strongly to the weakening yen and government policies. In May we switched some of the position in FTSE 100 futures into existing active fund holdings, including the JO Hambro UK Opportunities Fund. Exposure to direct property was increased with a new holding in the Henderson UK Property Unit Trust.

Through July we remained cautious on the outlook for risk assets and built up a cash position of approximately 8%. This cash was raised by reducing holdings in Schroder ISF Asian Total Return Fund, Kames High Yield Bond Fund and Old Mutual Global Strategic Bond Fund. We added a small position in UK inflation-linked gilts and in US Treasury Inflation Protected Securities (TIPS) after a period of weakness and declining inflation expectations. Most recently we have begun a small rotation into underowned cyclically exposed European equities through Euro Stoxx 50 futures.

## Discrete annual performance

|  | 31 Jan 13 -<br>31 Jul 13<br>% | 31 Jan 12 -<br>31 Jul 12<br>% | 31 Jan 11 -<br>31 Jul 11<br>% | 31 Jan 10 -<br>30 Jul 10<br>% | 31 Jan 09 -<br>31 Jul 09<br>% |
|--|-------------------------------|-------------------------------|-------------------------------|-------------------------------|-------------------------------|
| Henderson Multi-Manager Managed Fund                 | 8.6                           | 0.5                           | (0.7)                         | 4.1                           | 3.1                           |
| IMA Mixed Investment 40-85% Shares sector<br>average | 6.7                           | 1.8                           | 0.7                           | 3.8                           | 10.0                          |

Source : Morningstar, mid to mid, basic tax rate, GBP.

Figures in brackets are negative.

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*<br>31/07/13<br>p | Net asset value*<br>31/01/13<br>p | Net asset value<br>% change |
|----------------------|-----------------------------------|-----------------------------------|-----------------------------|
| Class A income       | 207.83                            | 190.85                            | 8.90                        |
| Class A accumulation | 210.79                            | 193.58                            | 8.89                        |
| Class I income       | 207.71                            | 190.74                            | 8.90                        |
| Class I accumulation | 105.41                            | n/a                               | n/a                         |
| Class B accumulation | 209.93                            | 192.77                            | 8.90                        |
| Class Y accumulation | 552.79                            | 506.38                            | 9.17                        |

\*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 January, 31 July

### Payment dates

31 May

### Ongoing charge figure\*

|                        | 31/07/13 | 31/01/13 |
|------------------------|----------|----------|
|                        | %        | %        |
| Class A                | 2.45     | 2.43     |
| Class B^               | 2.45     | 2.43     |
| Class I income         | 2.45     | 2.43     |
| Class I accumulation^^ | 1.65     | n/a      |
| Class Y                | 1.95     | 1.94     |

The annualised ongoing charge figure (OCF) of the Fund, 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 0.98% (31/01/13:1.03%) to incorporate the OCF of the underlying funds.

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

^Class B accumulation was formerly Class I accumulation.

^^Please note the share class was launched on 8 April 2013 and these are estimated figures.

## Performance record

| Calendar year                | Net revenue<br>(pence per share) | Highest price<br>(pence per share) | Lowest price<br>(pence per share) |
|------------------------------|----------------------------------|------------------------------------|-----------------------------------|
| <b>Class A income</b>        |                                  |                                    |                                   |
| 2008                         | -                                | 201.90                             | 136.00                            |
| 2009                         | 0.49                             | 167.30                             | 133.30                            |
| 2010                         | -                                | 186.40                             | 158.90                            |
| 2011                         | -                                | 188.80                             | 160.50                            |
| 2012                         | -                                | 181.50                             | 165.50                            |
| 2013                         | 0.67 *                           | 210.50 +                           | 181.40 +                          |
| <b>Class A accumulation</b>  |                                  |                                    |                                   |
| 2008                         | -                                | 203.00                             | 136.80                            |
| 2009                         | 0.54                             | 165.60                             | 132.10                            |
| 2010                         | -                                | 188.40                             | 160.60                            |
| 2011                         | -                                | 190.80                             | 162.20                            |
| 2012                         | 0.08                             | 183.50                             | 167.20                            |
| 2013                         | 0.74 *                           | 213.60 +                           | 183.30 +                          |
| <b>Class I income</b>        |                                  |                                    |                                   |
| 2008                         | -                                | 202.00                             | 136.10                            |
| 2009                         | 0.53                             | 166.60                             | 132.80                            |
| 2010                         | -                                | 186.40                             | 158.90                            |
| 2011                         | -                                | 188.70                             | 160.40                            |
| 2012                         | -                                | 181.50                             | 165.40                            |
| 2013                         | 0.73 *                           | 210.40 +                           | 181.30 +                          |
| <b>Class B accumulation^</b> |                                  |                                    |                                   |
| 2008                         | -                                | 202.20                             | 136.30                            |
| 2009                         | 0.55                             | 165.70                             | 132.20                            |
| 2010                         | -                                | 187.80                             | 160.00                            |
| 2011                         | -                                | 190.10                             | 161.60                            |
| 2012                         | -                                | 183.40                             | 166.60                            |
| 2013                         | 0.62 *                           | 212.80 +                           | 183.30 +                          |
| <b>Class Y accumulation</b>  |                                  |                                    |                                   |
| 2011**                       | -                                | 495.20                             | 420.90                            |
| 2012                         | 1.80                             | 479.90                             | 436.00                            |
| 2013                         | 4.22 *                           | 559.80 +                           | 479.60 +                          |
| <b>Class I accumulation</b>  |                                  |                                    |                                   |
| 2013***                      | - *                              | 106.60 +                           | 98.34 +                           |

\* to 31 May

+ to 31 July

^ B accumulation share class, formerly I Accumulation

\*\* Y accumulation share class was launched on 12 May 2011

\*\*\* I accumulation share class was launched on 8 April 2013

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

| Major holdings                             |      |
|--|------|
| as at 31/07/13                             | %    |
| Findlay Park American                      | 7.13 |
| Old Mutual UK Dynamic Equity Fund          | 6.53 |
| Cazenove UK Smaller Companies Fund         | 5.40 |
| CF Lindsell Train UK Equity Income         | 5.39 |
| Deutsche Global Liquidity Managed Platinum | 5.29 |
| Majedie UK Equity                          | 5.24 |
| Artemis European Growth                    | 5.15 |
| Artemis Income                             | 5.05 |
| Brown Advisory US Equity Value             | 5.03 |
| BlackRock European Dynamic                 | 4.72 |

| Asset allocation                   |               |
|------------------------------------|---------------|
| as at 31/07/13                     | %             |
| United Kingdom                     | 32.71         |
| North America                      | 19.59         |
| Europe                             | 13.27         |
| Other                              | 8.32          |
| Specialist                         | 8.10          |
| Global bond                        | 5.47          |
| Japan                              | 4.97          |
| Asia Pacific ex Japan              | 4.46          |
| Emerging markets                   | 3.03          |
| Futures                            | (0.05)        |
| Forward foreign exchange contracts | (0.14)        |
| Net other assets                   | 0.27          |
| <b>Total</b>                       | <b>100.00</b> |

| Major holdings                                       |      |
|--|------|
| as at 31/01/13                                       | %    |
| Findlay Park American                                | 6.24 |
| Schroders International Selection Asian Total Return | 5.74 |
| Old Mutal UK Dynamic Equity Fund                     | 5.35 |
| Kames High Yield Bond                                | 5.34 |
| CF Lindsell Train UK Equity Income                   | 5.10 |
| Schroders UK Alpha Plus                              | 4.91 |
| Cazenove UK Smaller Companies Fund                   | 4.48 |
| Artemis European Growth                              | 4.31 |
| Polar Capital Global Insurance                       | 4.20 |
| GLG Japan CoreAlpha                                  | 4.10 |

| Asset allocation                   |               |
|------------------------------------|---------------|
| as at 31/01/13                     | %             |
| United Kingdom                     | 26.40         |
| Europe                             | 14.80         |
| Global Bond                        | 12.52         |
| North America                      | 12.18         |
| Other                              | 7.57          |
| Specialist                         | 7.26          |
| Japan                              | 7.14          |
| Asia Pacific ex Japan              | 6.48          |
| Emerging markets                   | 2.77          |
| Forward foreign exchange contracts | 0.43          |
| Futures                            | (0.03)        |
| Net other assets                   | 2.48          |
| <b>Total</b>                       | <b>100.00</b> |

## Report and accounts

This document is a short report of the Henderson Multi-Manager Managed Fund for the period ended 31 July 2013.

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 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 IMA 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

KPMG Audit Plc  
Saltire Court  
20 Castle Terrace  
Edinburgh EH1 2EG





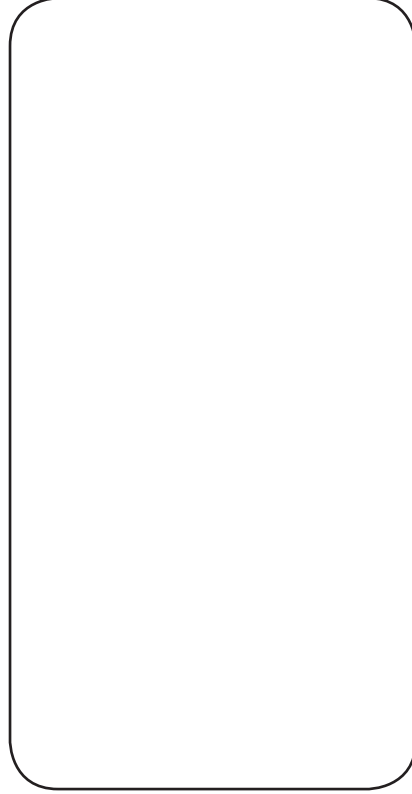




## Contact us

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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 2013. 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

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

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