



## QUARTERLY UPDATE AND OUTLOOK

### Overview:

The last part of the quarter was as shocking as it was memorable. Within the space of a few days there were questions about whether markets were about to enter a financial abyss as a number of prestigious Wall Street firms were closed for business. Lehman Brothers, AIG, Washington Mutual and Wachovia all succumbed to either bankruptcy or some form of government encouraged rehabilitation. Europe too had its financial scares; five banks bailed out in seven European countries over five days. Japan came through relatively unscathed. For stock markets, volatility was extreme and there were falls in equity markets around the world.

The ratification of a financial package in the US, while welcome, may mask deeper problems which may now beset the economy. Credit expansion has been one of the fortitudes of economic success in the US and one must consider how pronounced the impact might be on the level of overall activity were the credit cycle to be constrained going forward. The outlook for growth may therefore cloud further. Nevertheless, while the past few weeks have been turbulent for stocks, the immediate problems in the US financial system appear to have been addressed. Hopefully the same can be said of Europe. Japan, which has habitually been closely associated with financial crises in the past, has been remarkably quiet on this front, even bucking the trend by taking stakes in prestigious Wall Street names such as Morgan Stanley.

### Fund performance:

It was a difficult quarter, and the Fund underperformed the benchmark, the MSCI World Index. The largest negative impact to the Fund came from the holdings in resources-related stocks, primarily due to the sharp decline in commodity prices.

Currency hedging\* in British sterling (which fell to its lowest rate against the US dollar in over two years) and the euro were positive over the period as the dollar rallied throughout the quarter. We expect the weakness of sterling relative to the dollar to continue, however we are less certain about the euro. The euro got close to the initial target 1.30-1.35. For the moment the momentum remains with the US, and we believe the dollar may strengthen further in the short-term. The managers are not keen on the dollar on a long-term basis.

\*Currency hedging: a hedge is an investment made to reduce the risk of adverse price movements in a security by taking an off-setting position in a related security or in this case, a related currency.

### Investment activity:

We increased the Fund's allocation to the US over the quarter. Positions were initiated in names such as: **Genentech, Lazard, Rohn & Haas** and **Constellation Energy**.

We are starting to see some good value in Asia. While there is much talk of China slowing, it has been slowing moderately compared with the rest of the developed world. We have not yet initiated a new allocation to this area as we believe there may be more selling pressure from the hedge funds and other emerging markets fund in a bout of forced selling to meet redemptions. We anticipate in the coming months Asia may become a more compelling story. One company that we recently purchased is **China Mobile**. There is potential for growth in this company's end markets, also the valuation is quite cheap.

### Outlook:

Going forward we believe that, in general, earnings expectations have been too high and need to come down. We also expect interest rates to start dropping and that the catalysts needed may be employment. If the employment number is negative enough it may convince central banks in the UK and Europe that the slowing economy is more of a risk than inflation, and they could start dropping interest rates as a result.

Equity markets are likely to remain volatile in the short-term and could fall even farther on forced selling and fears about the Financial sector and the global economic outlook. However, we believe by the second half of next year, assuming the outlook for 2010 is brighter, equities may be staging a sustainable recovery.



**Bill McQuaker,**  
Director of Multi-Manager  
Investments



Fund facts	
Inception date	11/30/06
Minimum initial investment	\$500
Benchmark	MSCI World Index

Top ten holdings as of 9/30/08	
1. Republic Services	3.2
2. Genentech	2.8
3. American Tower	2.5
4. Deutsche Boerse	2.4
5. Brinks	2.4
6. RWE	2.3
7. Telefonica	2.3
8. Anheuser Busch	2.3
9. Rohm & Haas	2.2
10. Bayer	2.1

Performance	September 30, 2008			
	3 months	YTD	1 year	Since inception
Global Opportunities Fund Class A at NAV	-20.19	-29.84	-29.35	-9.26
Global Opportunities Fund Class A w/ sales charge	N/A	N/A	-33.40	-12.14
MSCI World Index	-15.15	-23.84	-25.62	-8.39
Lipper Multi-Cap Growth Funds Average	-19.54	-28.43	-28.82	-9.02

The Lipper Global Multi-Cap Growth Funds category is compiled by Lipper Inc., which is an independent mutual fund rating service. Lipper returns do not take into effect sales charges.

*Performance data quoted represents past performance and is no guarantee of future results. Current performance may be lower or higher than the performance data quoted. Investment return and principal value will fluctuate so that an investor's shares, when redeemed, may be worth more or less than original cost. For the most recent month-end performance, please call 1.866.443.6337 or visit the Fund's website at [www.hendersonglobalinvestors.com](http://www.hendersonglobalinvestors.com). Performance results with sales charges reflect the deduction of the maximum front-end sales charge of 5.75%. Performance presented at Net Asset Value (NAV) which does not include these sales charges would be lower if these charges were reflected. As stated in the current prospectus, the Fund's annual operating expense ratio (gross) is 13.40%. However, the Fund's adviser has agreed to contractually waive a portion of its fees and/or reimburse expenses such that operating expenses do not exceed 1.95%, which is in effect until July 31, 2020. Shares redeemed within 30 days may be subject to a 2.0% redemption fee.*

## For more information

For additional information on any of the Henderson Global Funds or to obtain a prospectus, please call 1.866.443.6337 or visit our website at [www.hendersonglobalinvestors.com](http://www.hendersonglobalinvestors.com)

Performance results reflect expense subsidies and waivers in effect during the periods shown. Absent these waivers, results would have been less favorable. Returns are for Class A shares only, other share classes will vary. The MSCI World Index is a free float adjusted market capitalization index that is designed to measure global developed market equity performance. You cannot invest directly in an index or average.

*Before investing you should carefully consider the Fund's investment objectives, risks, charges and expenses. This and other information is in the prospectus, a copy of which may be obtained by calling 1.866.443.6337, by visiting the Fund's website at [www.hendersonglobalinvestors.com](http://www.hendersonglobalinvestors.com) or by contacting your financial adviser. Please read the prospectus carefully before investing.*

**International investing involves certain risks and increased volatility not associated with investing solely in the US. These risks include currency fluctuations, economic or financial instability, lack of timely or reliable financial information or unfavorable political or legal developments. In addition, the Fund is non-diversified meaning it may invest in a limited geographic area or in a smaller number of issuers. As such, investing in the Fund may involve greater risk and volatility than investing in a more diversified fund. The Fund may also invest in securities issued by smaller companies, which typically involves greater risk than investing in larger companies.**

The views in the summary were those of the Fund manager as of September 30, 2008 and may not reflect the views of the manager on the date the material is first published or anytime thereafter. The views are intended to assist readers in understanding the Fund's investment methodology and do not constitute investment advice. This should not be considered as an offer to sell or a solicitation of an offer to buy securities mentioned herein. Portfolio holdings and allocation may change at any time. Not FDIC insured, Not bank guaranteed, May lose money.