

Russell Investments Global Bond Fund



Gerard Fitzpatrick
Portfolio Manager

Russell Investments' Global Fixed Income Team comprises over 9 experienced professionals, including portfolio managers, researchers, portfolio analysts, and strategists in Russell Investments offices around the globe. The team manages cash and multi-strategy fixed income portfolios, which include global, regional, investment grade, high yield, emerging market debt and absolute return mandates.

Fund Objective

The Fund aims to achieve income and growth by investing at least 70% of its assets worldwide in bonds, and debt instruments, including mortgage and asset backed securities. The Fund is actively managed with reference to the Bloomberg Global Aggregate Index (USD) - Total Returns (the Index) which it seeks to outperform by 1% over the medium to long term. Russell Investments/ Money Managers have full discretion to select investments for the Fund. This product is an Article 8 product, as defined under EU regulation - it promotes environmental or social characteristics and invests in companies that follow good governance practices. This product does not have sustainable investment as its objective.

Fund Update

The Fund outperformed the negative benchmark return. Rates positioning detracted due to overweight to US Treasuries (2- and 3-year issues) and rates in Australia and Brazil. However, allocations to German bunds, UK gilts and Japanese rates were helpful. An overweight to South African rates also contributed positively. Currency allocations were negative largely due to positioning in the Chinese yuan. An underweight to the Japanese yen and an overweight to the Brazilian real also detracted. In contrast, overweight to the US dollar and Norwegian krone, and positioning in the Mexican peso were positive. Credit allocations were rewarded, helped by an overweight to US high yield (financials, industrials) and an overweight to investment grade financials. Elsewhere, positioning in securitised credit was beneficial.

Performance Review %

Performance to period end Returns shown in USD	1 month	3 months	6 months	Year to Date	1 year	3 years	5 years	10 years	Since inception
Return net of management fee Class Class A	0.3	-1.1	-3.0	-3.0	1.2	-6.2	-2.0	-0.4	3.5
Bloomberg Global Aggregate Bond Index	0.1	-1.1	-3.2	-3.2	0.9	-5.5	-2.0	-0.4	3.6

All returns greater than 1 year are annualised

Fund facts

Share Class; Dealing ccy

Class A; USD

Dealing frequency; Cut off

Daily; 2:00 pm GMT

Domicile; Category

Ireland; UCITS

Fund size

USD 1,440.72m

Fund launch date

29 September 1994

Share class launch date

30 September 1994

Management fee

0.65%

ISIN; Bloomberg

IE0003507161;

Share class NAV

USD 33.95m

Rolling 12 Month Performance (%)

Returns shown in USD	30/06/23 30/06/24	30/06/22 30/06/23	30/06/21 30/06/22	30/06/20 30/06/21	30/06/19 30/06/20
Return net of management fee Class Class A	0.29	-3.68	-16.93	3.42	3.97
Bloomberg Global Aggregate Bond Index	0.93	-1.32	-15.25	2.63	4.22

Returns shown in USD	30/06/18 30/06/19	30/06/17 30/06/18	30/06/16 30/06/17	30/06/15 30/06/16	30/06/14 30/06/15
Return net of management fee Class Class A	3.72	0.77	-1.41	6.57	-7.46
Bloomberg Global Aggregate Bond Index	5.85	1.36	-2.18	8.87	-7.09

Past performance does not predict future returns.

The current benchmark is the Bloomberg Global Aggregate Index (USD) - Total Returns converted into the currency displayed in the performance table above where applicable. Effective August 24, 2021, the Bloomberg Barclays fixed income indices were rebranded the Bloomberg Indices. The benchmark prior to 24th August 2016 was the Barclays Global Aggregate Bond Index. From October 2001 to November 2008 the index was the Lehman Brothers Global Aggregate Index. The benchmark prior to October 2001 was SSB WGBI

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Portfolio Statistics

	Fund	Benchmark
Effective duration	6.7	6.4
Average maturity	9.9	8.6
Average credit rating	AA	AA
Yield to worst	3.0	3.9

3 years	Fund	Benchmark
Volatility	8.7	8.7
Tracking error	1.0	1.0
Sharpe ratio	-1.0	-1.0
Information ratio	-0.1	-0.1
3 year return (net)	-5.5%	-5.5%
3 year excess return (net)	-0.1%	-

Ten largest holdings by weight

Security	Fund	Benchmark
TREASURY BILL 07/24 0.00000	2.8%	-
US TREASURY N/B 05/25 2.875	2.1%	-
TREASURY BILL 07/24 0.00000	2.1%	-
US TREASURY N/B 03/25 1.75	1.9%	-
FNMA TBA 30 YR 6 SINGLE FAMILY MORTGAGE	1.8%	-
US TREASURY N/B 09/24 1.5	1.7%	-
MEX BONOS DESARR FIX RT BONDS 03/27 5.5	1.7%	0.0%
FNMA TBA 30 YR 5.5 SINGLE FAMILY MORTGAGE	1.5%	-
US TREASURY N/B 01/28 3.5	0.9%	0.1%
EUROPEAN UNION SR UNSECURED REGS 12/30 3.125	0.6%	0.0%

Credit Quality Weights

	Fund	Benchmark
AAA	42.0%	37.1%
AA	5.8%	16.7%
A	16.4%	30.1%
BBB	27.1%	15.5%
BB	4.3%	0.5%
B	0.3%	0.0%
CCC & Below	0.3%	0.0%
Unrated	3.8%	0.0%

Sector weights

	Fund	Benchmark
Treasuries	40.5%	44.2%
Corporate - Investment Grade	21.7%	17.5%
Securitized	17.3%	11.5%
Other	5.5%	2.3%
Emerging Markets - Local Currency	5.3%	12.8%
Emerging Markets - Hard Currency	4.6%	3.0%
Corporate - High Yield	3.0%	0.4%
Government Related	2.0%	8.2%
Bank Loan	0.0%	0.0%

Currency Exposure

	Fund	Benchmark
US Dollar	48.0%	45.3%
Euro	20.0%	22.4%
Yuan Renminbi	9.3%	9.5%
Japanese Yen	9.3%	9.6%
Pound Sterling	4.0%	4.0%
Canadian Dollar	2.9%	2.8%
Australian Dollar	1.3%	1.4%
South Korean Won	0.9%	1.2%
Mexican Peso	0.8%	0.3%
Brazilian Real	0.7%	0.0%

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Fund Structure

Manager/Strategy	Strategy	Target	Actual
RBC Global Asset Management (UK) Limited	Rates/FX	29.0%	33.1%
Schroder Investment Management North America Inc.	Structured Products	13.0%	18.0%
Western Asset Management Company Limited	Investment Grade Corporate	21.0%	12.9%
Russell Investments	Positioning Strategies	37.0%	36.0%

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The value of investments and the income from them can fall as well as rise and is not guaranteed. You may not get back the amount originally invested.

Past performance does not predict future returns.

The net assets of the fund are likely to have high volatility.

Potential investors in Emerging markets should be aware that investment in these markets can involve a higher degree of risk.

Any reference to returns linked to currencies may increase or decrease as a result of currency fluctuations. Tax treatments depend on the circumstances of the individual client and may be subject to change in the future.

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