

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 ended the quarter in-line with the benchmark. Bond yields fell as resilient US growth and encouraging inflation data buoyed sentiment. Rates positioning was positive with contributions from overweights to US Treasuries (two and 10-year issues) and rates in Australia, South Africa and Mexico. Positioning in UK gilts also helped. However, allocations to German bunds and underweights to rates in Sweden and Japan detracted. Currency allocations were negative due to underweights to the Swiss franc, euro, New Zealand dollar, Chinese yuan and Thai baht. However, exposure to UK sterling, Brazilian real, Mexican peso, Swedish krona and the Turkish lira contributed positively. Credit positioning was beneficial due to overweight exposure to hard currency emerging market debt in Europe. Allocations to US securitised credit were also effective

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	1.7	6.8	5.7	3.6	12.3	-3.9	-0.9	0.5	3.7
Bloomberg Global Aggregate Bond Index	1.7	7.0	5.8	3.6	12.0	-3.1	-0.8	0.6	3.8

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 1,390.93m

Fund launch date

29 September 1994

Share class launch date

30 September 1994

Management fee

0.65%

ISIN; Bloomberg

IE0003507161;

Share class NAV

USD 33.24m

Rolling 12 Month Performance (%)

Returns shown in USD	30/09/23 30/09/24	30/09/22 30/09/23	30/09/21 30/09/22	30/09/20 30/09/21	30/09/19 30/09/20
Return net of management fee Class Class A	12.28	-0.13	-22.20	-0.76	6.48
Bloomberg Global Aggregate Bond Index	11.99	2.24	-20.43	-0.91	6.24

Returns shown in USD	30/09/18 30/09/19	30/09/17 30/09/18	30/09/16 30/09/17	30/09/15 30/09/16	30/09/14 30/09/15
Return net of management fee Class Class A	5.90	-2.62	-0.72	8.22	-4.97
Bloomberg Global Aggregate Bond Index	7.60	-1.32	-1.26	8.83	-3.26

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
Effective duration	6.4
Average maturity	9.4
Average credit rating	A
Yield to worst	3.2

3 years	Fund	Benchmark
Volatility	9.0	9.0
Tracking error	1.0	1.0
Sharpe ratio	-	-
Information ratio	-0.1	-0.1
3 year return (net)	-3.2%	-3.1%
3 year excess return (net)	-0.1%	-

Ten largest holdings by weight

Security	Fund	Benchmark
TSY INFL IX N/B 04/29 2.125	3.8%	-
TREASURY BILL 10/24 0.00000	2.2%	-
FNMA TBA 30 YR 6 SINGLE FAMILY MORTGAGE	1.9%	-
FNMA TBA 30 YR 5.5 SINGLE FAMILY MORTGAGE	1.9%	-
TREASURY BILL 11/24 0.00000	1.8%	-
US TREASURY N/B 04/25 0.375	1.8%	-
MEX BONOS DESARR FIX RT BONDS 03/27 5.5	1.7%	0.0%
US TREASURY N/B 05/25 2.875	1.6%	-
US TREASURY N/B 03/25 1.75	1.5%	-
TREASURY BILL 11/24 0.00000	1.4%	-

Credit Quality Weights

	Fund	Benchmark
AAA	32.5%	37.1%
AA	4.4%	16.7%
A	14.6%	30.4%
BBB	40.9%	15.2%
BB	3.1%	0.5%
B	0.2%	0.0%
CCC & Below	0.3%	0.0%
Unrated	4.0%	0.0%

Sector weights

	Fund	Benchmark
Treasuries	38.5%	44.8%
Corporate - Investment Grade	28.3%	17.4%
Securitized	18.1%	11.4%
Emerging Markets - Local Currency	11.7%	12.8%
Emerging Markets - Hard Currency	6.4%	3.0%
Corporate - High Yield	2.0%	0.4%
Government Related	1.0%	8.1%
Other	-6.0%	2.2%

Currency Exposure

	Fund	Benchmark
US Dollar	43.5%	45.0%
Euro	18.5%	22.3%
Japanese Yen	11.8%	9.9%
Yuan Renminbi	6.6%	9.5%
Pound Sterling	5.1%	4.0%
Canadian Dollar	3.4%	2.8%
Chinese R Yuan HK	2.9%	0.0%
South Korean Won	2.2%	1.2%
Swedish Krona	2.0%	0.4%
Norwegian Krone	1.9%	0.1%

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ESG Data

	Fund	Benchmark
ESG Score	20.2	19.7
Carbon Footprint	127.5	154.1

Source: The portfolio-level ESG Risk Rating is the weighted average of the Sustainalytics' Risk Rating for securities in the portfolio. The Sustainalytics Risk Rating details are available at <https://www.sustainalytics.com/esg-data>. Carbon footprint is the weighted average carbon intensity of the Scope 1 and 2 carbon emission intensity of companies in the portfolio. It is measured in tonnes of CO2e divided by revenue (USD \$M).

Fund Structure

Manager/Strategy	Strategy	Target	Actual
Colchester Global Investors Limited	Global Sovereign	18.0%	18.8%
RBC Global Asset Management (UK) Limited	Rates/FX	33.0%	32.6%
Schroder Investment Management North America Inc.	Structured Products	17.0%	18.6%
Russell Investments	Positioning Strategies	32.0%	29.9%

Any reference to specific money managers should not be taken as a recommendation. Money managers are subject to change.

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