

# Russell Investments

## Global Bond Fund

### Article 8



**Senior Portfolio Manager**  
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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 facts

##### Share class; Dealing ccy

Class A Acc; USD

##### Dealing frequency; Cut off

Daily; 2.00pm GMT

##### Domicile; Category

Ireland; UCITS

##### Fund size

USD 1,292.80m

##### ISIN; Bloomberg

IE0003507161; FRIGLAA ID

##### Fund launch date

30 September 1994

##### Share class launch date

30 September 1994

##### Management fee

0.65%

##### Share class NAV

USD 280.54

#### 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 underperformed the positive benchmark return in the quarter. Rates positioning was negative on aggregate despite a positive performance in March. An overweight to 10-year German bunds was detrimental as was an underweight to Japanese bonds. However, this was offset by an overweight to 10-year US Treasuries, which contributed positively. Within currencies, an overweight to the US dollar was beneficial, although an overweight to the Japanese yen mitigated the positive contribution. Positioning in European credit was rewarded, notably in hard currency emerging market debt. Furthermore, an underweight to US securitized credit added to relative returns.

#### Performance review (%)

Performance to period end Returns shown in USD	1 month	3 months	Year to date	12 months	3 years	5 years	Since inception*
Return gross of management fee Class A Acc	2.8	2.9	2.9	-8.3	-2.1	-0.9	4.4
Return net of management fee Class A Acc	2.8	2.8	2.8	-8.9	-2.7	-1.6	3.7
Bloomberg Global Aggregate Index (USD) - Total Returns	3.2	3.0	3.0	-8.1	-3.4	-1.3	3.8

\*Inception: 30 September 1994

All returns greater than 1 year are annualised

#### Discrete rolling 12 month performance (%)

Returns shown in USD	31/03/23 31/03/22	31/03/22 31/03/21	31/03/21 31/03/20	31/03/20 31/03/19	31/03/19 31/03/18
Return gross of management fee Class A Acc	-8.3	-6.3	9.2	3.0	-1.1
Return net of management fee Class A Acc	-8.9	-6.9	8.5	2.3	-1.8
Bloomberg Global Aggregate Index (USD) - Total Returns	-8.1	-6.4	4.7	4.2	-0.4

Returns shown in USD	31/03/18 31/03/17	31/03/17 31/03/16	31/03/16 31/03/15	31/03/15 31/03/14	31/03/14 31/03/13
Return gross of management fee Class A Acc	7.9	-0.4	3.3	-3.2	1.2
Return net of management fee Class A Acc	7.0	-1.9	4.6	-3.7	1.9
Bloomberg Global Aggregate Index (USD) - Total Returns	8.6	0.2	4.0	-2.5	1.9

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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## Global Bond Fund (continued)

### Portfolio statistics

	Fund Benchmark	
Effective duration	6.5	6.6
Average maturity	8.7	8.7
Average credit rating	AA	AA
Yield to worst	4.0	3.8

Data as at 28 February 2023

3 years	Fund Benchmark	
Volatility	8.2	8.0
Tracking error	1.4%	-
Sharpe ratio	-0.4	-0.5
Information ratio	0.5	-
3 year return (net)	-2.7%	-3.4%
3 year excess return (net)	0.7%	-

### Ten largest holdings by weight

Security	Fund
Japan (5 Year Issue) 0.1 20-Sep-2023	4.0%
Treasury Bill 0 06-Apr-2023	1.9%
Us Treasury N/B 2.5 31-Jan-2024	1.5%
Japan (10 Year Issue) 0.1 20-Jun-2029	1.1%
Bundesrepub. Deutschland 0 15-Aug-2030	1.0%
Us Treasury N/B 1.375 15-Aug-2050	1.0%
Us Treasury N/B 1.375 31-Aug-2026	1.0%
Us Treasury N/B 3.5 31-Jan-2028	1.0%
Us Treasury N/B 1.5 15-Aug-2026	1.0%
Japan (20 Year Issue) 2.1 20-Dec-2029	0.8%

Source: State Street

### Sector weights

	Fund	Benchmark
Treasuries	41.6%	45.4%
Corporates	21.4%	17.4%
Other	14.0%	0.0%
Securitised	13.0%	14.2%
EMD Hard	5.8%	2.9%
Gov-related	2.6%	8.0%
EMD Local	1.6%	12.1%
Loans	0.0%	-

Data as at 28 February 2023

### Credit quality weights

	Fund	Benchmark
AAA & Cash	43.2%	38.7%
AA	5.9%	13.6%
A	21.1%	31.5%
BBB	21.7%	15.9%
BB	2.4%	0.3%
B	0.3%	0.0%
CCC	0.4%	0.0%
NR/Other	5.0%	0.0%

Data as at 28 February 2023

### Market weights (ccy)

	Fund	Benchmark
USD	52.4%	44.6%
EUR	23.9%	21.2%
JPY	13.0%	12.3%
GBP	6.3%	3.9%
CAD	1.8%	2.7%
MXN	0.5%	0.3%
ZAR	0.5%	-
AUD	0.3%	1.5%
CHF	0.3%	0.5%
Others	1.2%	13.0%

Data as at 28 February 2023

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## Global Bond Fund (continued)

### ESG data

	Fund	Benchmark
ESG Score	21.9	22.8
Carbon footprint	104.7	232.2

Data as at 28 February 2023

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 CO<sub>2</sub>e divided by revenue (USD \$M).

### Fund structure

Manager/Strategy	Role in fund	Target	Actual
BlueBay	Country selection with focus on macroeconomic fundamentals and technicals	29.0%	32.9%
Schroder	Securitised specialist focusing on US non-agency residential mortgages	13.0%	13.4%
Western Asset Management	Focus on long-term bottom-up fundamentals, with topdown macroeconomic views	21.0%	13.3%
Russell Investments	Positioning strategy targeting currency and rate factors	37.0%	35.3%
Russell Investments (cash & other)		-	5.2%

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