

Russell Investments

US Equity Fund



Portfolio Manager
Kevin Divney

Russell Investments' Global Equity Team comprises over 23 experienced professionals, including portfolio managers, researchers, portfolio analysts, and strategists in Russell Investments offices around the globe.

The team manages a wide range of U.S., non-U.S developed, emerging market, frontier market, and global equity 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 687.90m

ISIN; Bloomberg

IE0002190993; FRUUSAI ID

Fund launch date

30 January 1998

Share class launch date

30 January 1998

Management fee

0.80%

Share class NAV

USD 30.07

Fund objective

The Fund aims to achieve long term growth by investing in the shares of US companies, using a multi-strategy investment approach. The Fund is broadly diversified across different US companies and industry sectors, and may also invest in the shares of newly listed companies.

Fund update

The Fund outperformed the benchmark in the second quarter. In factor performance, selection of higher price momentum and higher yielding stocks, was additive over the period. In sectors, holdings within the consumer discretionary, consumer staples and technology sectors, drove performance – through names such as Hasbro, Altria Group and Intel. Further outperformance was hindered by stock picks within financials and utilities.

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	7.2	5.6	19.6	5.8	12.3	8.6	6.1
Return net of management fee Class A Acc	7.1	5.3	19.2	5.0	11.4	7.7	5.2
Russell 1000 Net 30%	7.0	4.1	18.5	9.4	13.5	9.8	6.9

*Inception: 30 January 1998

All returns greater than 1 year are annualised

Discrete rolling 12 month performance (%)

Returns shown in USD	30/06/14 30/06/15	30/06/15 30/06/16	30/06/16 30/06/17	30/06/17 30/06/18	30/06/18 30/06/19
Return gross of management fee Class A Acc	8.1	-1.3	20.1	11.3	5.8
Return net of management fee Class A Acc	7.2	-2.1	19.2	10.4	5.0
Russell 1000 Net 30%	6.8	2.3	17.3	13.9	9.4

Past performance is not a guide to future performance.

Portfolio statistics

	Fund	Benchmark	3 years	Fund	Benchmark
Number of equity holdings	343	977	Volatility	13.0	12.1
Price/earnings	21.6	22.2	Tracking error	2.2%	-
Dividend yield	1.5	1.6	Sharpe ratio	0.8	1.0
Price to book	4.1	4.6	Information ratio	-0.8	-
EPS growth (1 year)	29.1	31.4	3 year return (net)	11.4%	13.5%
			3 year excess return (net)	-2.1%	-

Data as at 31 May 2019
Source: Factset

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Ten largest holdings by weight

Security	Fund	Benchmark
Microsoft Corp.	4.5%	3.7%
Alphabet Inc. Class C	1.8%	1.2%
MasterCard Inc.	1.7%	0.9%
Coca-Cola Co.	1.7%	0.7%
IQVIA Holdings Inc	1.5%	0.1%
Charles Schwab Corp.	1.5%	0.2%
Facebook, Inc.	1.5%	1.7%
Amazon.com, Inc.	1.4%	2.9%
PayPal Holdings Inc	1.4%	0.5%
KKR & Co. Inc. Class A	1.4%	-

Source: Factset

Sector weights

	Fund	Benchmark
Consumer Discretionary	23.3%	14.7%
Financial Services	20.2%	20.7%
Technology	19.3%	21.9%
Health Care	11.3%	13.4%
Consumer Staples	8.0%	5.9%
Energy	6.3%	4.8%
Materials & Processing	4.9%	3.2%
Producer Durables	4.5%	10.2%
Utilities	2.1%	5.1%

Source: Factset

Fund structure

Manager/Strategy	Role in fund	Target	Actual
Jacobs Levy	Security selection based on disentangled multi factor exposure	20.0%	22.0%
Russell Investments	Provides exposure to value, growth, momentum, quality, low vol with a small cap bias	20.0%	19.0%
Brandywine	Deep value, contrarian	20.0%	18.1%
HS Management	Sustainable earnings growth, free cash flow generation, financial strength	20.0%	14.6%
Jackson Square	Large cap growth	20.0%	22.4%
Russell Investments (cash & other)		-	3.9%

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US Equity Fund (continued)

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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.

Decisions to invest should be based on the fund's prospectus, ex-ante costs & charges document and key investor information document (KIID), with consideration to risk warnings. Copies available free of charge from Russell Investments.

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