30 April 2024

Russell Investments Global Credit 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 GBPH-A Acc; GBP
Dealing frequency; Cut off
Daily; 2.00pm GMT
Domicile; Category
Ireland; UCITS
Fund size
USD 749.60m
ISIN; Bloomberg
IE00B6RZP939; RUSGGHA ID
Fund launch date
24 March 2010
Share class launch date
30 September 2011
Management fee
0.55%
Share class NAV
GBP 13.10

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 Credit Index (USD) - Total Returns (the "Index") which it seeks to outperform by 0.75% 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 slightly underperformed the benchmark. In US credit an overweight to high yield industrials was helpful while an underweight to investment grade was ineffective. In Europe, an overweight to both investment grade and high yield credit was beneficial. The impact from hard currency emerging market debt was modest with an underweight to Europe contributing positively while an underweight to Asia was unhelpful. In currencies, an overweight to the US dollar and underweights to the Swiss franc, Swedish krona and Japanese yen were effective while an overweight to the Norwegian krone detracted. In rates, overweight exposure to US Treasuries and UK gilts was negative. In Europe, an underweight to 5-year German bunds helped while an overweight to 10-year issues detracted. Elsewhere, an underweight to Japanese rates was additive.

Performance review (%)

Performance to period end Returns shown in GBP	1 month	3 months	Year to date	12 months	3 years	5 years	Since inception*
Return gross of management fee Class GBPH-A Acc	-1.9	-1.6	-1.7	2.2	-3.9	0.1	2.8
Return net of management fee Class GBPH-A Acc	-2.0	-1.8	-1.9	1.7	-4.4	-0.5	2.2
Bloomberg Global Aggregate Credit Index (GBP Hdg) - Total Returns	-1.9	-1.7	-1.9	2.2	-3.2	-0.1	2.4

*Inception: 30 September 2011

All returns greater than 1 year are annualised

Discrete rolling 12 month performance (%)

Returns shown in GBP	31/03/24 31/03/23	31/03/23 31/03/22	31/03/22 31/03/21	31/03/21 31/03/20	31/03/20 31/03/19
Return gross of management fee Class GBPH-A Acc	4.8	-8.4	-4.6	10.4	1.7
Return net of management fee Class GBPH-A Acc	4.3	-8.9	-5.1	9.8	1.1
Bloomberg Global Aggregate Credit Index (GBP Hdg) - Total Returns	4.9	-6.6	-5.1	7.4	2.0

Returns shown in GBP	31/03/19 31/03/18	31/03/18 31/03/17	31/03/17 31/03/16	31/03/16 31/03/15	31/03/15 31/03/14
Return gross of management fee Class GBPH-A Acc	3.3	1.8	4.9	0.3	7.6
Return net of management fee Class GBPH-A Acc	2.7	1.2	4.2	-0.3	7.0
Bloomberg Global Aggregate Credit Index (GBP Hdg) - Total Returns	3.3	1.6	3.0	1.2	7.5

Past performance does not predict future returns.

The current benchmark is the Bloomberg Global Aggregate Credit Index (GBP Hdg) - Total Returns. 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 Credit Index GBP Hdg.

The Management Fee is 0.55%, prior to October 1st 2019 the Management Fee was 0.65%

Russell Investments Global Credit Fund (continued)

Portfolio statistics

	Fund	Benchmark
Effective duration	6.1	6.0
Average maturity	10.3	8.9
Average credit rating	A	A
Yield to worst	5.1	4.8

Data as at 31 March 2024

3 years	Fund	Benchmark
Volatility	7.7	7.4
Tracking error	1.1%	-
Sharpe ratio	-0.7	-0.5
Information ratio	-1.1	-
3 year return (net)	-4.4%	-3.2%
3 year excess return (net)	-1.2%	-

Ten largest holdings by weight

Security	Fund
Bundesrepub. Deutschland 2.6 15-Aug-2033	1.9%
Us Treasury N/B 4.25 15-Feb-2054	0.9%
Us Treasury N/B 4.5 15-Feb-2044	0.6%
Us Treasury N/B 4.75 15-Nov-2053	0.5%
Asr Nederland Nv 7 07-Dec-2043	0.5%
Bundesschatzanweisungen 2.2 12-Dec-2024	0.5%
Deutsche Bank Ag 4 24-Jun-2032	0.5%
Treasury Bill 0 16-Jul-2024	0.4%
Selp Finance Sarl 0.875 27-May-2029	0.4%
Telefonica Europe Bv 2.88 24-May-2172	0.4%

Source: State Street

Sector weights

	Fund	Benchmark
Corporates	73.5%	73.5%
Other	7.8%	0.1%
Treasuries	7.8%	0.5%
Gov-related	4.5%	14.7%
EMD Hard	4.5%	11.0%
Securitised	1.9%	0.1%
EMD Local	-	0.0%

Data as at 31 March 2024

Credit quality weights

	Fund	Benchmark
AAA & Cash	18.6%	8.7%
AA	3.0%	13.6%
A	23.0%	34.0%
BBB	48.2%	42.1%
BB	7.0%	1.6%
B	0.1%	0.0%
NR/Other	0.1%	-

Data as at 31 March 2024

Market weight (ccy)

	Fund	Benchmark
USD	57.8%	64.7%
EUR	38.3%	26.2%
GBP	3.3%	4.4%
CAD	0.4%	2.6%
CHF	0.2%	0.4%
JPY	0.0%	0.6%
AUD	0.0%	0.9%
ARS	0.0%	-
BRL	0.0%	-
Others	0.0%	0.3%

Data as at 31 March 2024

Russell Investments Global Credit Fund (continued)

ESG data

	Fund	Benchmark
ESG Score	22.9	22.9
Carbon footprint	155.9	219.1

Data as at 31 March 2024

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	Role in fund	Target	Actual
Fidelity	Global value manager focusing on high quality security selection inputs.	14.0%	17.1%
MetLife	Quality credit selection, with notable strength within structured assets.	27.0%	23.8%
Western Asset Management	Focus on long-term bottom-up fundamentals, with topdown macroeconomic views	15.0%	12.2%
Robeco	Global bottom-up corporate specialist. Best ideas issue selection.	24.0%	28.1%
Russell Investments	Positioning strategy targeting currency and rate factors	20.0%	16.0%
Russell Investments (cash & other)		-	2.8%

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