

31 March 2024

# Real Assets Fund



**Portfolio Manager**  
Tom Sallis

Russell Investments' Multi-Asset Strategies Team comprises over 23 experienced professionals, including portfolio managers, researchers, portfolio analysts, and strategists in Russell Investments offices around the globe.

This team focuses on total client outcomes, including all major asset classes in their solutions. They identify areas of the market offering attractive valuations and growth potential with a reasonable level of risk and research strategies and managers to exploit these pockets of value.

## Fund facts

### Inception date

30 November 2009

### Sector

IMA Specialist

### Benchmark

UK Retail Price Index

### SEDOL

B4KQS12

### Ongoing Charge

1.22% (31/05/20)

### Minimum investment

£1,000 initial, £500 subsequent

### Currency

GBP

### Distribution date

28 February

The Real Assets Fund combines a range of investments that are indirectly linked to physical (real) assets. Real assets include commodities (metals, oil, agricultural produce, property companies and infrastructure companies e.g. toll roads, power networks). We manage total risk using UK inflation-linked bonds and cash. Capital invested in the Fund is at risk and there is no guarantee that the investment objective will be met. The Fund may use currency hedging techniques to reduce exposure to currencies other than Sterling. The fund utilises both active management and passive strategies in its implementation.

## Suggested use

Using only equities in a portfolio can be a riskier approach than constructing a portfolio which includes both equities and non-equities. Including real assets will help diversify some of the risk from other parts of the portfolio but this fund is not appropriate for stand-alone investment.

## What happened this month?

The Fund delivered a positive return in the first quarter. The year-end equity rally continued into the new year, propelling benchmark indices in the US, Europe and Japan to record highs. Sentiment was boosted by strong earnings results, optimism over artificial intelligence (AI)-related technology and continued resilient US growth. In this market environment, our allocation to listed infrastructure was additive albeit still lagging global equities. On the other hand, our listed real estate detracted as rates remained higher for longer and central banks pushed back on rate cuts. Our exposure to commodities was positive due to higher oil and gold prices. Oil prices rose due to worries over tightening supplies caused by geopolitical tensions and OPEC extending their production cuts, while gold benefitted from central banks buying gold to diversify their reserves.

### Cumulative performance to 31 March 2024 (%)

### Discrete 12 month performance (%)

	1M	3M	1 Yr	3 Yrs	5 Yrs	Since Inception	31/03/19 31/03/20	31/03/20 31/03/21	31/03/21 31/03/22	31/03/22 31/03/23	31/03/23 31/03/24
Fund (Class C Acc)	3.2	0.8	3.7	12.8	13.5	56.6	-16.6	20.5	20.2	-9.6	3.7
Benchmark	0.8	1.0	4.5	30.5	35.6	77.6	2.5	1.4	9.7	13.8	4.5

Past performance is not a guide to future performance.

Source: Russell Investments as at March 31, 2024. All returns are cumulative, in GBP, net of C Class Fees. The fund is priced at market open (7am) so Fund prices have been moved a day later with benchmarks which price at market close (7pm).

The UK Retail Price Index is the target benchmark against which the performance of the Fund has been set. The benchmark was chosen because the Fund will invest in investments that are inflation-linked.

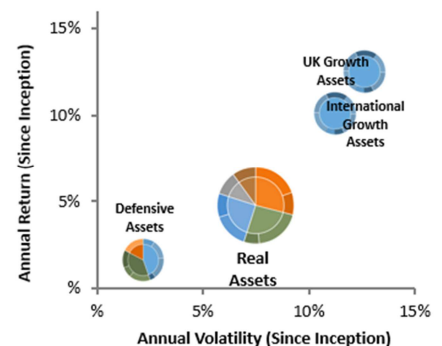
## Portfolio statistics

	Fund
Number of Managers	6
Number of Holdings	298
Volatility (since inception)*	9.4%
Highest One-Year Return	25.3%
Lowest One-Year Return	-16.6%
Positive One-Year Returns	62.9%
Current Yield	1.23%
Fund Size	£29.83M

Source: Russell Investments

\*Volatility describes the extent to which the fund return has fluctuated over time.

## Real Assets Complete a Portfolio †



Source: Russell Investments. Performance and Risk of the UK Growth Asset Fund, International Growth Assets Fund, Defensive Assets Fund and Real Assets Fund shown from 1/2/2010 to last quarter end. Data in GBP net of C class fees.

† Real assets bridge the gap in terms of risk and return between defensive assets and growth assets, meaning a portfolio with improved diversification.

31 March 2024

## Real Assets Fund (continued)

### Portfolio structure

Portion of fund	Allocation to fund portion	Monthly return of fund portion	Managers allocated to each portion, and their weight in the total fund			
<b>Commodities</b>	<b>16.9%</b>					
Commodities	15.6%	0.2%	ETFs Long Dated 15.6%			
Commodities	1.3%	-5.0%	iShares Gold 1.3%			
<b>Infrastructure</b>	<b>36.4%</b>					
Infrastructure	18.4%	4.2%	Nuveen 6.7%	C&S 2.8%	First Sentier Investors 6.8%	Russell Investments 2.1%
Infrastructure (Passive)	18.0%	4.7%	Deutsche Bank 18.0%			
<b>Real Estate</b>	<b>36.2%</b>					
Real Estate	18.3%	3.3%	Cohen & Steers 7.3%	RREEF America LLC 9.2%	Russell Investments 1.9%	
Real Estate (Passive)	17.8%	2.4%	iShares 17.8%			
<b>Cash</b>	<b>10.6%</b>					
	10.6%	0.4%	Russell Investments 10.6%			

Russell Investments may trade a portion of the Fund's assets based on a model portfolio provided by the investment advisor. By employing this emulated portfolio approach, the Fund leverages off the implementation capabilities of Russell Investments in order to manage the funds in an efficient manner.

Source: Russell Investments, Morningstar. Figures may not sum correctly due to rounding.

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

31 March 2024

## Real Assets Fund (continued)

### Infrastructure by Region

	Fund
North America	52.6%
EMEA ex United Kingdom	22.4%
Asia/Pacific Ex Japan	11.0%
Emerging	9.2%
United Kingdom	2.9%
Japan	2.0%

Source: Factset

### Real Estate by Region

	Fund
North America	66.5%
Asia/Pacific Ex Japan	10.8%
Japan	10.1%
EMEA ex United Kingdom	7.7%
United Kingdom	5.0%
Emerging	0.0%

Source: Factset

### Real Estate Top 10 Subsectors

	Fund
Industrial Reits	16.8%
Retail Reits	15.7%
Multi-Family Residential Reits	9.1%
Data Center Reits	8.1%
Health Care Reits	7.1%
Diversified Reits	6.7%
Real Estate Operating Companies	6.7%
Diversified Real Estate Activities	6.1%
Self-Storage Reits	6.0%
Office Reits	4.9%

Source: Factset

### Infrastructure Top 10 Subsectors

	Fund
Electric Utilities	28.4%
Oil & Gas Storage & Transportation	17.8%
Highways & Railtracks	14.5%
Airport Services	14.2%
Multi-Utilities	11.2%
Gas Utilities	3.7%
Marine Ports & Services	2.2%
Water Utilities	1.6%
Rail Transportation	1.4%
Construction & Engineering	1.2%

Source: Factset

### Important Information

FP Russell Investments ICVC (the "Company") is an investment company with variable capital incorporated in England and Wales under registered number IC000708 and authorised by the Financial Conduct Authority (the "FCA") with effect from 22 October 2008. FundRock Partners Limited (formerly Fund Partners Limited) is the Authorised Corporate Director (the "ACD") of the FP Russell Investments ICVC and is authorised and regulated by the FCA. Registered office: 52-54 Gracechurch Street, London EC3V 0EH.

Russell Investments Limited has been appointed as the investment manager and distributor in respect of the Company. Applications for shares in the Company are subject to the terms and conditions set out in the Prospectus, Key Investor Information Document (KIID), Supplementary Information Document (SID), Instrument of Incorporation and latest annual and half-yearly long reports of the Company.

Investors and potential investors must read the KIID and are also advised to read the remaining documents (and in particular the risk warnings) before making an investment in the Company. Copies are available free of charge on request from the ACD and Russell Investments Limited.

Unless otherwise specified, Russell Investments is the source of all data and, to the best of Russell Investments knowledge, all information is accurate and current at the time of issue, however, this cannot be guaranteed.

Please note that the value of investment and the income derived from them may go down as well as up and an investor may not receive back the amount originally invested. Any past performance figures are not a guide to future performance.

Some investments/bonds may not be liquid and therefore may not be sold instantly. If these investments must be sold on short notice, you might suffer a loss.

The value of a REIT depends on factors including the general economic climate and outlook, overall performance and outlook of the property market and related sectors, market value of and amount of rental income generated by its underlying properties, the levels of and any changes in interest rates, and the overall depth and liquidity of the real estate market and other assets in which the REIT is invested.

Any reference to specific securities/companies are for illustration purposes only and should not be taken as a recommendation to buy or sell.

In the UK this marketing document has been issued by Russell Investments Limited. Company No. 02086230. Registered in England and Wales with registered office at: Rex House, 10 Regent Street, London SW1Y 4PE. Telephone +44 (0)20 7024 6000. Authorised and regulated by the Financial Conduct Authority, 12 Endeavour Square, London, E20 1JN.

© 1995-2024 Russell Investments Group, LLC. All rights reserved.