

# Russell Investments

## Continental European Equity Fund



**Portfolio Manager**  
Patrick Egan

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 I Acc; GBP

#### Dealing frequency; Cut off

Daily; 2.00pm GMT

#### Domicile; Category

Ireland; UCITS

#### Fund size

EUR 414.36m

#### ISIN; Bloomberg

IE0031277357; FRUCEII ID

#### Fund launch date

29 March 1996

#### Share class launch date

28 January 2002

#### Management fee

0.65%

#### Share class NAV

GBP 38.15

### Fund objective

The Fund aims to achieve long term growth by investing in the shares of European companies (excluding UK), or companies that carry out a majority of their business in Europe. The Fund is actively managed with reference to the MSCI Europe ex UK Index (Eur) Net Returns (the "index") which it seeks to outperform by 1.75% over the medium to long term. Russell Investments/Money Managers have full discretion to select investments for the Fund

### Fund update

Russell Investments, as the Investment Manager, adopts and executes the ideas of the selected third-party specialist investment managers through our in-house implementation team. The Fund is dynamically managed in alignment with our cycle, valuation, sentiment framework as well as to take advantage of tactical opportunities within each manager's excess return cycle. The Fund continues to have a positive exposure to value, which is attractively valued relative to history and other factors. The Fund also remains exposed to multiple styles and approaches including quality, multi-factor quant and volatility.

### 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 I Acc	2.5	11.4	11.7	35.6	8.1	12.3	8.0
Return net of management fee Class I Acc	2.4	11.2	11.4	34.7	7.4	11.4	7.2
MSCI Europe ex UK Index (Eur) - Net Returns	1.5	10.6	8.4	25.5	8.7	11.8	7.5

\*Inception: 28 January 2002

All returns greater than 1 year are annualised

### Discrete rolling 12 month performance (%)

Returns shown in GBP	31/03/16 31/03/17	31/03/17 31/03/18	31/03/18 31/03/19	31/03/19 31/03/20	31/03/20 31/03/21
Return gross of management fee Class I Acc	31.1	4.4	-1.0	-12.5	42.3
Return net of management fee Class I Acc	30.1	3.6	-1.8	-13.2	41.4
MSCI Europe ex UK Index (Eur) - Net Returns	27.7	3.6	2.2	-8.3	33.5

Past performance is not a guide to future performance.

The current benchmark is the MSCI Europe ex UK Index (Eur) - Net Returns converted into the currency showing in the performance table above where applicable. Prior to 1st January 2018 the benchmark was the Russell Dev Europe Large cap NR Index. Prior to 1st April 2011 the benchmark was MSCI Europe NR.

The Management Fee is 0.65%, prior to October 1st 2019 the Management Fee was 0.80%

### Portfolio statistics

	Fund	Benchmark	3 years	Fund Benchmark
Number of equity holdings	333	346	Volatility	17.1 15.2
Price/earnings	27.5	31.1	Tracking error	3.3% -
Dividend yield	2.1	2.0	Sharpe ratio	0.5 0.6
Price to book	2.1	3.5	Information ratio	-0.3 -
EPS growth (1 year)	-9.7	-5.5	3 year return (net)	7.4% 8.7%
			3 year excess return (net)	-1.4% -

Data as at 30 April 2021  
Source: Factset

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## Continental European Equity Fund (continued)

### Ten largest holdings by weight

Security	Fund	Benchmark
ASML Holding NV	2.3%	3.5%
Roche Holding AG	2.1%	2.9%
Publicis Groupe SA	1.7%	0.2%
Novo Nordisk A/S Class B	1.5%	-
Sanofi SA	1.4%	1.5%
Rexel Sa	1.4%	-
Novartis AG	1.4%	2.4%
BNP Paribas SA Class A	1.3%	0.9%
A.P. Moller - Maersk A/S Class B	1.2%	-
Total SE	1.2%	1.4%

Data as at 30 April 2021

### Country weight

	Fund	Benchmark
France	21.9%	24.5%
Germany	16.2%	20.2%
Switzerland	12.2%	19.7%
Netherlands	9.7%	9.8%
Denmark	9.2%	-
Sweden	7.8%	7.8%
Italy	5.4%	4.8%
Spain	4.2%	5.3%
Norway	2.9%	1.4%
Others	10.5%	6.5%

Data as at 30 April 2021

### Sector weights

	Fund	Benchmark
Industrials	18.4%	15.3%
Financials	15.8%	15.9%
Health Care	13.0%	12.7%
Consumer Discretionary	10.9%	13.9%
Materials	10.0%	7.3%
Information Technology	9.0%	10.8%
Consumer Staples	6.7%	11.0%
Communication Services	5.2%	3.9%
Energy	5.0%	3.0%
Utilities	4.5%	4.7%
Real Estate	1.0%	1.4%
Unclassified	0.6%	-

Data as at 30 April 2021

### ESG data

	Fund	Benchmark
ESG Score	21.1	20.4
Carbon footprint	157.1	146.1

Data as at 30 April 2021

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
Invesco	Market-oriented, employing a mix of quality, growth and valuation criteria	15.0%	14.7%
Liontrust	Cashflow-based approach, focusing on quality of earnings and earnings surprise	15.0%	17.7%
Pzena	Fundamental research focusing on unrecognised value and earnings recovery	15.0%	17.8%
Berenberg	Aims to identify high quality companies with long-term sustainable growth	15.0%	14.3%
Numeric	Low volatility portfolio utilising value, quality and information flow signals	25.0%	18.8%
Russell Investments	Positioning Strategy designed to provide defensive, income generating exposure	15.0%	13.7%
Russell Investments (cash & other)		-	3.0%

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.

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## Continental European Equity Fund (continued)

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