

# Russell Investments Multi-Asset Credit Fund



**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

Stg Income; GBP

### Dealing frequency; Cut off

see Prospectus

### Domicile; Category

Ireland; NON-UCITS

### Fund size

GBP 351.01m

### ISIN; Bloomberg

IE00BDZWQ148; RUMSTGI ID

### Fund launch date

31 May 2017

### Share class launch date

31 May 2017

### Management fee

0.75%

### Share class NAV

GBP 981.27

## Fund objective

The Strategy aims to achieve returns of 4-5% in excess of 3 month GBP LIBOR over a five-year period. The fund seeks to capture various credit risk premia through investing in a wide range of credit instruments; including bank loans, high yield corporates, emerging market debt and asset and mortgage backed securities.

## Fund update

The Fund delivered positive returns in the second quarter. An investor hunt for yield, tremendous continued fiscal support, combined with improving economic sentiment, helped corporate high yield spreads to tighten significantly over the period. As such, our high yield strategies (notably DDJ and Russell Investments' Fallen Angels strategy) outperformed. Higher inflation data also engendered a higher rates environment, which suits the floating rate nature of loans. As such, European (ICG) and US (First Eagle) loans performed strongly. Meanwhile, strong Covid-19 vaccine rollout in Europe and the UK, as well as a robust US housing market, underpinned strength in European (TwentyFour) and US securitised (Voya) assets. Broad risk appetite amongst investors helped our emerging market debt exposures to also add value over the quarter.

## 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 Stg Income	0.9	2.8	3.0	11.6	3.9	-	3.3
Return net of management fee Stg Income	0.8	2.6	2.6	10.7	3.1	-	2.5
3 Month GBP LIBOR	0.0	0.0	0.0	0.1	0.5	-	0.5

\*Inception: 31 May 2017

All returns greater than 1 year are annualised

## Discrete rolling 12 month performance (%)

Returns shown in GBP	30/06/16 30/06/17	30/06/17 30/06/18	30/06/18 30/06/19	30/06/19 30/06/20	30/06/20 30/06/21
Return gross of management fee Stg Income	-	1.2	4.6	-3.8	11.6
Return net of management fee Stg Income	-	0.5	3.8	-4.5	10.7
3 Month GBP LIBOR	-	0.5	0.8	0.7	0.1

Past performance is not a guide to future performance.

## Portfolio statistics

	Fund
Yield to worst	4.8
Effective duration	3.1
Average credit rating	BB

Data as at 31 May 2021

# Russell Investments Multi-Asset Credit Fund (continued)

## Portfolio structure

The table below shows current strategies

Category	Credit Class	Style/Area of Expertise
Personal Balance Sheet	Structured	TwentyFour: European specialist; focusing on RMBS, CLOs and Consumer ABS
		Voya: US specialist in CMBS, ABS, agency MBS and mortgage credit
Corporate Balance Sheet	High Yield	Hermes: Global top-down approach. Emphasis on capital structure trades
		Barings: Global High Yield manager; focusing on issue selection; benchmark aware
		Russell Investments: US & European fallen angels, active currency and real yield systematic positioning strategies
	Loans	ICG: Euro loans specialist; bottom-up focus, but will evolve the quality profile through the cycle
First Eagle: US Loans specialist. Value-driven research with proactive trading		
Sovereign Balance Sheet	EMD Hard	Russell Investments: Systematic strategy harvesting the risk premium in Quasisovereign EM corporates
		Barings: Value driven approach blending quant and qualitative inputs
	EMD Local	MAN GLG : Tactical trading approach; focus on currency and rates
		Colchester: Fundamental value-driven approach

# Russell Investments Multi-Asset Credit Fund (continued)

## Credit quality weights

	Fund
AAA & Cash	8.8%
AA	2.0%
A	4.3%
BBB	13.0%
BB	24.1%
B	31.1%
CCC	9.1%
NR/Other	7.6%

Data as at 31 May 2021

## Sector weights

	Fund
Loans	25.5%
Corporates	23.2%
Securitised	19.2%
EMD Hard	14.4%
Other	7.9%
EMD Local	7.2%
Treasuries	1.9%
Gov-related	0.7%

Data as at 31 May 2021

## Country weights

	Fund
USD	47.3%
EUR	31.7%
GBP	13.3%
IDR	1.2%
MXN	1.0%
COP	0.9%
ZAR	0.9%
THB	0.6%
RUB	0.6%
Others	2.8%

Data as at 31 May 2021

## Ten largest holdings by weight

Security	Fund
Us Treasury N/B 2.5 15-Feb-2022	2.3%
Indonesia Government 8.375 15-Mar-2024	1.1%
Mex Bonos Desarr Fix Rt 7.25 09-Dec-2021	0.8%
Republic Of South Africa 8.75 31-Jan-2044	0.8%
Petroleos Mexicanos 6.625 29-Sep-2049	0.7%
Titulos De Tesoreria 10 24-Jul-2024	0.7%
Thailand Government Bond 3.65 17-Dec-2021	0.5%
Russia Govt Bond - Ofz 7.05 19-Jan-2028	0.5%
Malaysia Government 3.955 15-Sep-2025	0.5%
Petrobras Global Finance 6.85 05-Jun-2115	0.5%

Data as at 31 May 2021  
Source: Factset

# Russell Investments

## Multi-Asset Credit Fund (continued)

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