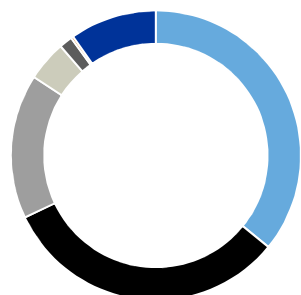


# Russell Investments Australian Bond Fund

## Sector allocation<sup>3</sup>



Government Related	35.9%
Corporates	32.1%
Treasuries	16.1%
Securitized	4.5%
Hard Currency	1.5%
Local Currency	0.3%
Other Product Type	9.7%

## Fund objective

To provide a total return, before costs and tax, higher than the Fund's benchmark over the medium term by providing exposure to a diversified portfolio of predominantly fixed income securities.

## Fund strategy

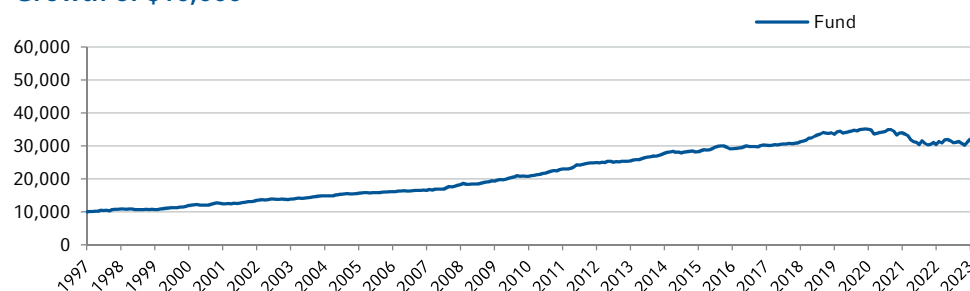
The Fund invests predominantly in Australian issued government, quasi-government and corporate debt securities. In addition, the Fund may invest in debt securities issued by supranationals and non-Australian governments, agencies and corporates, and structured credit securities (including mortgage and asset backed securities). The Fund may also invest in low grade, unrated or emerging markets debt securities, exchange traded funds, and currency, to a limited extent. The Fund also employs certain investment exclusions. Derivatives may be used by the Fund to obtain or reduce exposure to securities and markets, to implement investment strategies and to manage risks. For further information on the Fund's ESG considerations and the investment exclusions employed, refer to ESG considerations in the "How we invest your money" section of the Additional Information Booklet.

## Performance review<sup>1</sup>

Period ending 30/04/2024	1 month %	3 months %	1 year %	3 years %p.a.	5 years %p.a.	Since inception %p.a.
Total return	-2.13	-1.27	-0.64	-2.34	-0.44	4.49

<sup>1</sup> Performance is net of fees and charges. Assumes reinvestment of income. Past performance is not a reliable indicator of future performance.

## Growth of \$10,000



## Fund commentary

The Russell Investments Australian Bond Fund narrowly underperformed the benchmark in April.

Duration positioning detracted from performance over the period. We maintained a slightly long duration exposure throughout the month; positioning that was impacted by the sharp rise in government bond yields we saw over the period. Our Global Adjusted Real Yield Strategy also weighed on returns in April. This was driven largely by overweights to UK gilts and Australian government bonds; both of which underperformed amid higher yields. In contrast, our strategic overweight to credit added value over the period. In particular, the Fund benefited from a combination of spread compression and excess running yield. The Russell Conscious Currency Index Strategy also added value; notably a short Japanese yen (JPY) position. The JPY fell to its lowest level in almost 35 years as interest rates in Japan remained low while rates elsewhere held around multi-year highs. Meanwhile, at the security level, the Fund benefited from overweights to Liberty Financial, WestConnex and Optus Finance. Partly offsetting these positions was an underweight to Treasury Corporation of Victoria.

As at month end, the Fund remained slightly long duration versus the benchmark and maintained an overweight exposure to credit. Importantly, the majority of the Fund's holdings are rated AA or better.

## Fund facts

### Share class

Class A

### Inception date

31 December 1997

### Fund size

AUD 207.96m

### Benchmark

Bloomberg AusBond Composite 0+ Yr Index

### Portfolio manager

Clive Smith

### Recommended investment timeframe

3 years

### Tax structure

Investment - Class A

### APIR code

RIM0005AU

### ARSN code

092-806-169

### Management fees and costs<sup>†</sup>

0.49%

### Performance fees<sup>‡</sup>

N/A

<sup>3</sup> Allocations may not equal 100% due to rounding.

<sup>†</sup> As a percentage of net assets. Includes management fee, indirect costs and expense recoveries. Reflects RIM's reasonable estimates of the typical fees for the current financial year. All costs reflect the actual amount incurred for previous financial year and may include RIM's reasonable estimates where information was not available or where RIM was unable to determine the exact amount. Refer to the PDS for further information.

<sup>‡</sup> As a percentage of net assets. RIM does not charge a performance fee at the Fund level, however underlying funds and managers may charge a performance fee. This estimated fee is based on the average of actual performance fees incurred over the past 5 financial years. Refer to PDS for further information.

## Russell Investments Australian Bond Fund (continued)

### Detailed performance review<sup>1,2</sup>

	1 year %p.a.	3 years %p.a.	5 years %p.a.	Since inception %p.a.
Total return	-0.6	-2.3	-0.4	4.5
Distribution	1.0	1.8	3.2	5.0
Growth	-1.6	-4.2	-3.6	-0.5

<sup>1</sup> Performance is net of fees and charges. Assumes reinvestment of income. Past performance is not a reliable indicator of future performance.

<sup>2</sup> The distribution return reflects income paid from the Fund, whilst the growth return reflects changes in the capital values of the units.

### Portfolio structure<sup>4</sup>

Manager	Style	Weight %
Macquarie Asset Management	Alpha seeking	15.0
Russell Investments	Positioning strategies	30.0
UBS	Alpha seeking	15.0
Western Asset Management	Alpha seeking	40.0

<sup>4</sup> Russell Investments retains the discretion to change the investment managers at any time without notice. Please check [russellinvestments.com.au/disclosures](https://russellinvestments.com.au/disclosures) for the latest list of managers.

### Contact Russell Investments

For further information about Russell Investments please visit [russellinvestments.com.au](https://russellinvestments.com.au)

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