

Russell Investments

Japan Equity Fund



Portfolio Manager
Makiko Hakozi

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

JPY 39,000.61m

ISIN; Bloomberg

IE0007966777; FRIJPIA ID

Fund launch date

30 June 1995

Share class launch date

31 January 2002

Management fee

0.90%

Share class NAV

GBP 29.86

Fund objective

The Fund aims to achieve long term growth by investing in the shares of Japanese companies, using a multi-strategy investment approach. The Fund is broadly diversified across different Japanese companies and industry sectors. Each underlying strategy has a complementary style, with a focus on the Japanese stock market.

Fund update

In the current market environment, the Fund maintains a small cap tilt and has moderate factor and sector bets. The focus is on allocating risks to stock-specific opportunities. By diversifying fund positions in both defensive and dynamic styles, while maintaining market sensitivity close to the benchmark, the fund is well positioned for continued economic and earnings growth, but with reasonable downside protection.

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	-2.0	3.7	10.4	-3.0	10.5	13.1	7.5
Return net of management fee Class I Acc	-2.1	3.5	9.8	-3.8	9.5	12.1	6.5
Topix incl Dividends Net	-0.6	6.0	10.7	-0.9	8.0	11.6	6.4

*Inception: 31 January 2002

All returns greater than 1 year are annualised

Discrete rolling 12 month performance (%)

Returns shown in GBP	30/06/14 30/06/15	30/06/15 30/06/16	30/06/16 30/06/17	30/06/17 30/06/18	30/06/18 30/06/19
Return gross of management fee Class I Acc	17.5	10.6	27.6	14.0	-1.6
Return net of management fee Class I Acc	16.4	9.6	26.4	13.0	-2.5
Topix incl Dividends Net	18.1	9.2	23.8	9.1	-2.5

Past performance is not a guide to future performance.

The current benchmark is Topix incl Dividends Net. Prior to 1st January 2009, the benchmark was gross of withholding tax, total return. The Benchmark is currently net of withholding tax.

Portfolio statistics

	Fund	Benchmark	3 years	Fund	Benchmark
Number of equity holdings	265	2147	Volatility	11.5	10.6
Price/earnings	15.4	14.4	Tracking error	2.3%	-
Dividend yield	2.0	2.3	Sharpe ratio	0.8	0.7
Price to book	1.4	1.3	Information ratio	0.6	-
EPS growth (1 year)	3.9	4.0	3 year return (net)	9.5%	8.0%
			3 year excess return (net)	1.5%	-

Data as at 31 July 2019
Source: Factset

Russell Investments Japan Equity Fund (continued)

Ten largest holdings by weight

Security	Fund	Benchmark
Recruit Holdings Co., Ltd.	2.1%	1.0%
KDDI Corp.	1.8%	1.1%
Keyence Corp.	1.7%	1.4%
Nomura Holdings, Inc.	1.7%	0.3%
Nidec Corp.	1.7%	0.8%
Sumitomo Mitsui Financial Grp Inc.	1.6%	1.1%
Softbank Group Corp.	1.5%	1.7%
Mitsubishi Corp.	1.5%	0.8%
Mitsubishi UFJ Financial Group, Inc.	1.5%	1.6%
Terumo Corp.	1.5%	0.4%

Source: Factset

Sector weights

	Fund	Benchmark
Industrials	23.4%	22.3%
Consumer Discretionary	20.0%	17.9%
Financials	12.1%	10.3%
Information Technology	10.5%	11.2%
Communication Services	8.9%	8.8%
Health Care	8.1%	8.7%
Materials	6.6%	6.1%
Consumer Staples	6.5%	9.0%
Real Estate	3.0%	3.1%
Energy	0.5%	0.9%
Utilities	0.2%	1.7%

Source: Factset

Fund structure

Manager/Strategy	Role in fund	Target	Actual
Camui Capital	Fundamental research approach, focusing on both early stage and secular growth	10.0%	14.4%
CouplandCardiff	Concentrated, growth-focused approach, with a mid- and smaller-cap bias	10.0%	14.6%
Sompo	Value manager with a long-term dividend discount approach	30.0%	26.0%
Russell Investments	Positioning Strategy designed to access the Japanese equity value premium	10.0%	6.9%
Asset Management One	Growth-at-a-reasonable-price, seeks to exploit undervalued growth opportunities	25.0%	20.2%
SPARX	Concentrated portfolio of companies exhibiting long-term sustainable growth	15.0%	12.2%
Russell Investments (cash & other)		-	5.6%

Russell Investments

Japan Equity Fund (continued)

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