

Russell Investments Global Shares Fund

Fund facts

Inception date

November 2012

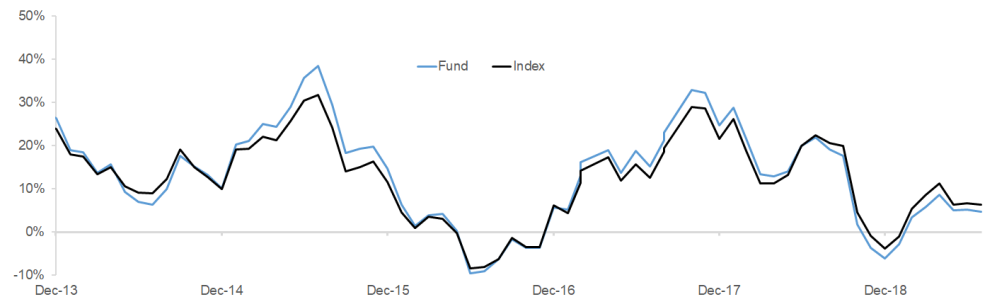
Benchmark

MSCI ACWI Index - Net

Currency

NZD

Rolling 1 year performance history



Performance review

Period ending 31/07/2019	1 month %	3 months %	1 year %	3 years %p.a.	5 years %p.a.	Since inception % p.a.
Gross fund performance	1.6	1.1	4.6	13.7	13.1	13.7
Benchmark return*	2.1	1.6	6.3	13.6	12.1	13.0
Excess return	-0.5	-0.5	-1.7	0.1	1.0	0.7

Note: Past performance is not indicative of future performance. Performance data shown is gross of fees, charges or taxes and is not in any way an indicator of the net return to you as an investor.

* MSCI World Net Index until 31/12/2010, Russell Global Large Cap - Net Index until 30/09/2018 and MSCI ACWI Index - Net thereafter.

Fund commentary

The Russell Investments Global Shares Fund underperformed the benchmark in July.

Contributing to the Fund's underperformance was an overweight exposure and poor stock selection in the UK, including an overweight to energy giant, BP. An underweight exposure and poor stock selection in the US also detracted from returns; most notably an underweight to Apple and an overweight to Pfizer. Other notable positions to detract from performance were overweights to South Korea's Samsung Electronics and Switzerland's Roche Holding AG, and an ex-benchmark holding in India's HDFC Bank. The active positioning strategy (APS) was a slight detractor to performance. The strategy is currently positioned in favour of the value factor, as value is now as cheap as it's been since 2000. Further, we expect slowing economic growth to be a headwind for the growth factor.

In contrast, the Fund benefited from positive stock selection within the financials sector. This included overweights to US ratings agency Moody's Corp and US bank Fifth Third Bancorp. Other notable positions to add value in July were overweights to Taiwan Semiconductor Manufacturing Co. and Vodafone Group (UK), and a zero exposure to US multinational, Boeing. An underweight exposure to the materials sector was also positive after commodity prices weakened over the period.

There were no material changes to either the Fund's structure or manager line up in July. In terms of overall positioning, we reduced our underweights to North America and Asia Pacific ex Japan during the month. We also increased our overweights to Japan and emerging markets, while extending the Fund's underweight to Continental Europe. Our overweight to the UK was unchanged.

Russell Investments Global Shares Fund

Sector allocation

	Fund	Benchmark
Financials	19.5%	16.8%
Information Technology	15.8%	16.4%
Health Care	12.2%	11.3%
Consumer Discretionary	9.8%	10.9%
Industrials	9.5%	10.4%
Communication Services	8.9%	8.9%
Consumer Staples	8.1%	8.4%
Energy	7.4%	5.7%
Materials	4.2%	4.8%
Real Estate	2.2%	3.2%
Utilities	2.0%	3.3%
Other	0.5%	0.0%

Geographic exposure

	Fund	Benchmark
North America	52.1%	59.0%
Emea Ex United Kingdom	16.4%	14.0%
Emerging	14.7%	11.3%
Japan	9.4%	7.1%
United Kingdom	5.3%	4.9%
Asia/Pacific Ex Japan	2.0%	3.8%

Top ten holdings

Security
Microsoft Corporation
Roche Holding AG
Nestle S.A.
Apple Inc.
Samsung Electronics Co., Ltd.
Johnson & Johnson
Wells Fargo & Company
Oracle Corporation
Pfizer Inc.
BP p.l.c.

Russell Investments Global Shares Fund

Portfolio structure

Manager	Style	Weight %
Fiera Capital	Core global equities	17.5
J O Hambro Capital Management	UK equity dynamic	6.0
Janus (Perkins)	Core global equities	12.0
Man Numeric Investors	Core global equities	15.0
QUAERO CAPITAL	Japanese equities	7.0
Russell Investments	Positioning strategies	12.5
RWC Partners	Global emerging markets	6.0
Sanders Capital, LLC	Core global value	16.0
Wellington Management Company LLP	Core global growth horizons	8.0

The performance in this fact sheet is gross of fees and tax. Investors should also refer to the quarterly Fund Update, which is available on www.iisolutions.co.nz and www.business.govt.nz/disclose. Past performance is not necessarily indicative of future performance.

The following information provides the investment and exposures within the underlying investment portfolio. Please note that this information is indicative only and is provided for general information purposes only.

Performance figures above may differ slightly from the periodic returns found on Russell Investments Performance Review.

The Russell Indexes mentioned in this document are trademarks of Frank Russell Company (Russell). Russell is the owner of the Russell trademarks and all trademark rights related to the Russell trademarks, which the members of the Russell Investments group of companies are permitted to use under license from Russell. The members of the Russell Investments group of companies are not affiliated in any manner with Russell or any entity operating under the 'FTSE Russell' brand.

Important Information

This update is provided by Russell Investment Group Limited (Russell Investments) in good faith and is designed as a summary to accompany the Product Disclosure Statement for the Russell Investment Funds (Funds). The Product Disclosure Statement is available from Russell Investments, the issuer Implemented Investment Solutions Limited (IIS) on <https://iisolutions.co.nz/library/> and on <https://disclose-register.companiesoffice.govt.nz/>. The information contained in this report update is not an offer of units in the Fund or a proposal or an invitation to make an offer to sell, or a recommendation to subscribe for or purchase, any units in the Fund. If you are making an investment directly then you will be required to complete the application form, which can be obtained from the Manager, IIS. The information and any opinions in this update are based on sources that Russell Investments believes are reliable and accurate. Russell Investments, its directors, officers and employees make no representations or warranties of any kind as to the accuracy or completeness of the information contained in this fact sheet and disclaim liability for any loss, damage, cost or expense that may arise from any reliance on the information or any opinions, conclusions or recommendations contained in it, whether that loss or damage is caused by any fault or negligence on the part of Russell Investments, or otherwise, except for any statutory liability which cannot be excluded. All opinions reflect Russell Investments' judgment on the date of this update and are subject to change without notice. This disclaimer extends to IIS, and any entity that may distribute this publication. The information in this update is not intended to be financial advice for the purposes of the Financial Advisers Act 2008 or the Financial Markets Conduct Act 2013. In particular, in preparing this document, Russell Investments did not take into account the investment objectives, financial situation and particular needs of any particular person. Professional investment advice from an appropriately qualified adviser should be taken before making any investment. Past performance is not necessarily indicative of future performance, unit prices may go down as well as up and an investor in the Fund may not recover the full amount the capital that they invest. No part of this document may be reproduced without the permission of Russell Investments or IIS. IIS is the issuer and manager of the Funds. Russell Investments is the investment manager of the Funds.