

Russell Investments Hedged Global Shares Fund

Fund facts

Inception date

24 July 2012

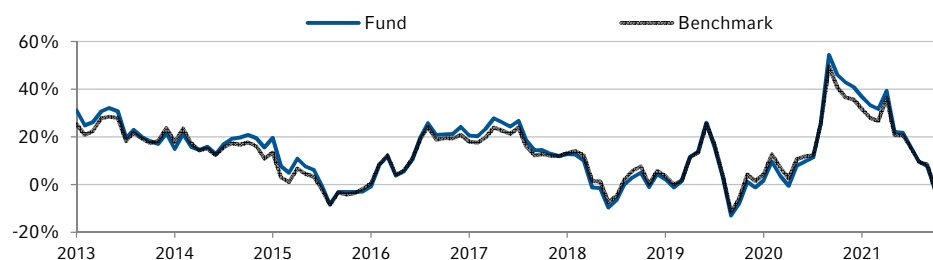
Benchmark

MSCI ACWI Index - 100%
Hedged to NZD - Net

Currency

NZD

Rolling 1 year performance history



Performance review¹

Period ending 31/05/2022	1 month %	3 months %	1 year %	3 years %p.a.	5 years %p.a.	Since inception %p.a.
Gross fund performance	1.0	-3.2	-4.1	11.5	9.1	12.7
Benchmark return*	-0.2	-4.9	-4.0	10.9	8.9	11.8
Excess return	1.2	1.7	-0.1	0.5	0.2	0.9

Past performance is not a reliable indicator 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. Performance is calculated on exit price.

* MSCI World Net - \$NZ Hedged Index until 31/12/2010, Russell Global Large Cap \$NZ Hedged - Net until 30/09/2018 and MSCI ACWI Index - 100% Hedged to NZD - Net thereafter.

¹ Fund performance reflects BNP unit pricing methodology using the latest asset price information available. Global assets are valued using asset prices as at previous day and domestic assets as at last day of the month.

Fund commentary

The Russell Investments Hedged Global Shares Fund outperformed the benchmark in May.

Contributing to the Fund's outperformance was strong stock selection in Japan. This included overweights to Seiko Epson and Hitachi; both of which posted strong gains for the month. Stock selection in the US also added value over the period; notably underweights to growth names like Apple and Tesla. At the sector level, stock selection was strongest within consumer discretionary. In addition to our underweight to Tesla, this included overweights to German car makers BMW and Mercedes Benz. Other notable positions to add value were ex-benchmark holdings in Hong Kong's Orient Overseas (International) Ltd. and Brazilian oil major Petróleo Brasileiro S.A. Meanwhile, the Fund's active positioning strategy outperformed in May. The strategy is currently positioned in favour of value and quality to complement our strategic factor positioning. Value continued to outperform growth over the period, though this was partly offset by our quality bias. In contrast, stock selection in the UK had a slightly negative impact on performance, including underweights to British American Tobacco and Shell. Our broader underweight to the strong-performing energy sector also weighed on returns, including underweights to US names Exxon Mobil and Chevron. Other key holdings to impact performance were an overweight to Swiss pharmaceutical company Roche Holding AG and an underweight to Taiwan Semiconductor Manufacturing Co.

Russell Investments Hedged Global Shares Fund

Sector allocation

	Fund	Benchmark
Information Technology	20.3%	21.3%
Financials	14.7%	14.6%
Health Care	13.5%	12.3%
Consumer Discretionary	10.8%	10.9%
Industrials	9.4%	9.4%
Communication Services	8.9%	8.0%
Materials	7.6%	5.1%
Consumer Staples	6.3%	7.3%
Energy	3.7%	5.2%
Utilities	2.0%	3.1%
Real Estate	1.7%	2.8%
Other	1.1%	-

Geographic exposure

	Fund	Benchmark
United States	56.2%	60.3%
Emerging Markets	13.8%	11.6%
Europe ex UK	11.5%	12.3%
Japan	6.6%	5.5%
UK	4.2%	3.9%
Canada	3.1%	3.3%
Australia/New Zealand	2.3%	2.1%
Asia ex Japan	1.2%	1.0%
Other	1.1%	-

Top ten holdings

MICROSOFT CORP
APPLE INC
TAIWAN SEMICONDUCTOR-SP ADR
UNITEDHEALTH GROUP INC
ALPHABET INC-CL A
ALPHABET INC-CL C
JOHNSON & JOHNSON
SAMSUNG ELECTRONICS CO LTD
AMAZON.COM INC
ROCHE HOLDING AG-GENUSSCHEIN

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Portfolio structure

Manager	Style	Strategic weight %
Fiera Capital	Core global equities	11.0
J O Hambro Capital Management	UK equity dynamic	10.0
Liquidity Reserve	Cash	3.0
Man Numeric Investors	Core global equities, global low volatility	10.0
Nissay Asset Management	Japanese equities	10.0
Oaktree Capital	Emerging markets	11.0
Russell Investments	Positioning strategies	14.0
RWC Partners	Global emerging markets	7.0
Sanders Capital, LLC	Core global value	16.0
Wellington Management Company LLP	Core global growth horizons	8.0

Investment performance and positions

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

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