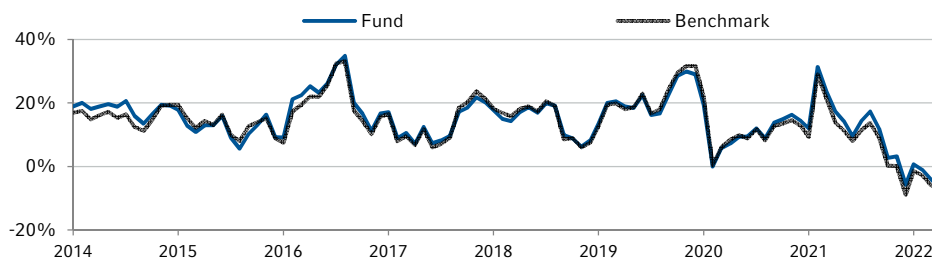


# Russell Investments NZ Shares Fund

Fund facts
<b>Inception date</b>
14 February 2013
<b>Benchmark</b>
S&P/NZX 50 Index (gross) and including imputation credits
<b>Currency</b>
NZD

## Rolling 1 year performance history



## Performance review

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	-5.1	-5.3	-6.9	5.4	10.3	13.0
Benchmark return*	-4.8	-5.3	-7.5	4.5	9.7	12.3
Excess return	-0.3	0.0	0.6	0.9	0.6	0.7

\*From 1 July 2016 this is S&P/NZX 50 Index (gross and including imputation credits). Prior to 30 June 2016 this was the Russell New Zealand Domestic Index including imputation credits (previously known as the Russell NZ Tradable Gross Index). Prior to 1 December 2014 the benchmark was the NZX50 Index including imputation credits. Performance is calculated on exit price.

## Fund commentary

The Russell Investments NZ Shares Fund underperformed the benchmark in May.

Contributing to the Fund's underperformance was poor stock selection within the healthcare space; notably an overweight to Pacific Edge, which fell almost 22% over the period. Stock selection within the information technology sector also weighed on returns, including an underweight to Pushpay Holdings. Other key positions to detract from performance were an underweight to a2 Milk Company and an overweight to KMD Brands (formerly Kathmandu). In contrast, the Fund benefited from strong stock selection within industrials; notably an underweight to national carrier Air New Zealand, which fell 27.7% in May. An underweight exposure and positive stock selection within the real estate sector also added value, including underweights to Stride Property Group and Vital Healthcare Property Trust. Both stocks recorded sharp declines for the month. Other notable positions to add value were overweights to My Food Bag and Z Energy.

Meanwhile, the Fund's factor positioning strategy outperformed in May, driven largely by its value exposure. This included overweights to Z Energy, Westpac Banking Corp. and Sky Network Television. The strategy's other factor exposures had no material impact on returns.

In terms of overall positioning, we increased the Fund's holdings in Mainfreight, Summerset Group and Contact Energy over the period. We also reduced our exposures to EBOS Group, ANZ Bank New Zealand and Fletcher Building.

Moving forward, the Fund is most overweight materials. We also favour consumer discretionary, financials and healthcare. In contrast, the Fund is most underweight real estate, utilities and communication services.

# Russell Investments NZ Shares Fund

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 purposes only.

## Portfolio information

	Fund	Benchmark
Number of equity issuers	55	50
Migrant investor - eligibility	Foreign investment variable rate PIE	

## Fund structure

	Strategic weight %
Devon Funds Management	40
Harbour Asset Management	40
Russell Investments	20

## Top 10 holdings

	Fund %	Index %
FISHER & PAYKEL HEALTHCARE C	9.5%	10.6%
SPARK NEW ZEALAND LTD	8.0%	7.9%
MAINFREIGHT LTD	7.8%	5.7%
EBOS GROUP LTD	7.3%	5.5%
AUCKLAND INTL AIRPORT LTD	7.2%	7.9%
CONTACT ENERGY LTD	6.0%	5.1%
MERIDIAN ENERGY LTD	4.7%	5.0%
INFRATIL LTD	4.7%	4.9%
FLETCHER BUILDING LTD	4.7%	3.8%
SUMMERSET GROUP HOLDINGS LTD	3.2%	2.1%

## 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](http://www.iisolutions.co.nz) and [www.business.govt.nz/disclose](http://www.business.govt.nz/disclose)

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