

Multi-Strategy Income Fund

QUARTERLY COMMENTARY – 1st Quarter 2019

Highlights

Performance

The Fund (Class S) finished the month of March up +0.40% on an absolute basis. The Fund is up +4.75% QTD and YTD.

- **What worked** – Global REITs & Infrastructure; Global Equity
- **What didn't work** – Cash

Positioning

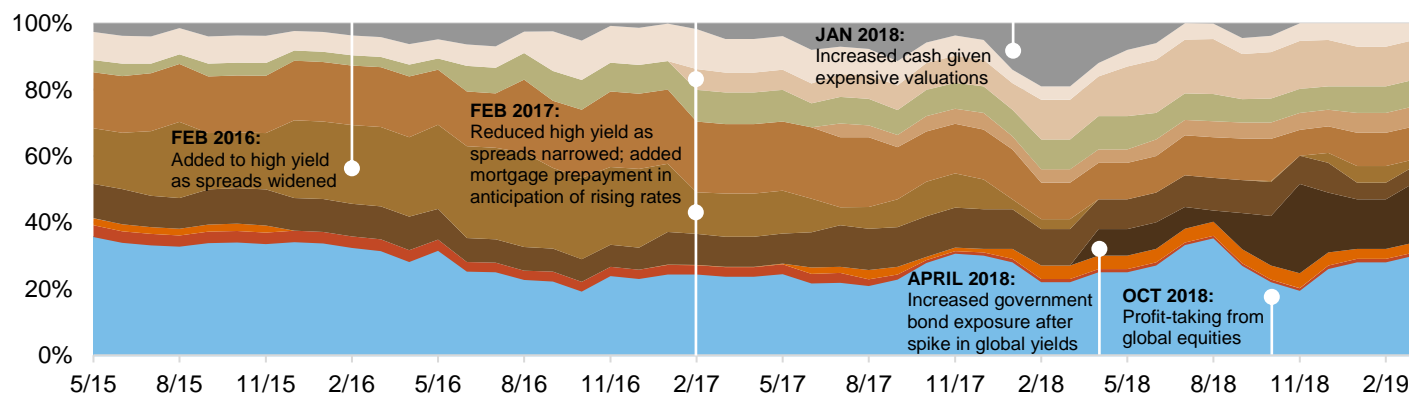
Within equity, the Fund maintains an underweight position to expensive U.S. equity, reducing exposure towards the end of the quarter after adding to allocations during the previous quarter's sell-off. Within non-U.S. equity markets, allocations to Europe ex-U.K. and Japan were reduced to increase

allocations to Emerging Market and U.K. equities given attractive valuations.

Within fixed income, the Fund added to return-seeking allocations like High Yield and Emerging Market Debt at the beginning of the year, given attractive entry points after the previous quarter's sell-off. Overall, duration of the Fund is continuing in-line with long-term strategic levels, however, composition was changed to the 2- and 10-year portions of the yield curve as 5-year treasury positions rallied during the quarter.

Overall, the Fund continues to maintain risk below long-term strategic levels but will continue to cautiously add risks as volatility persists in capital markets.

Asset allocation in action



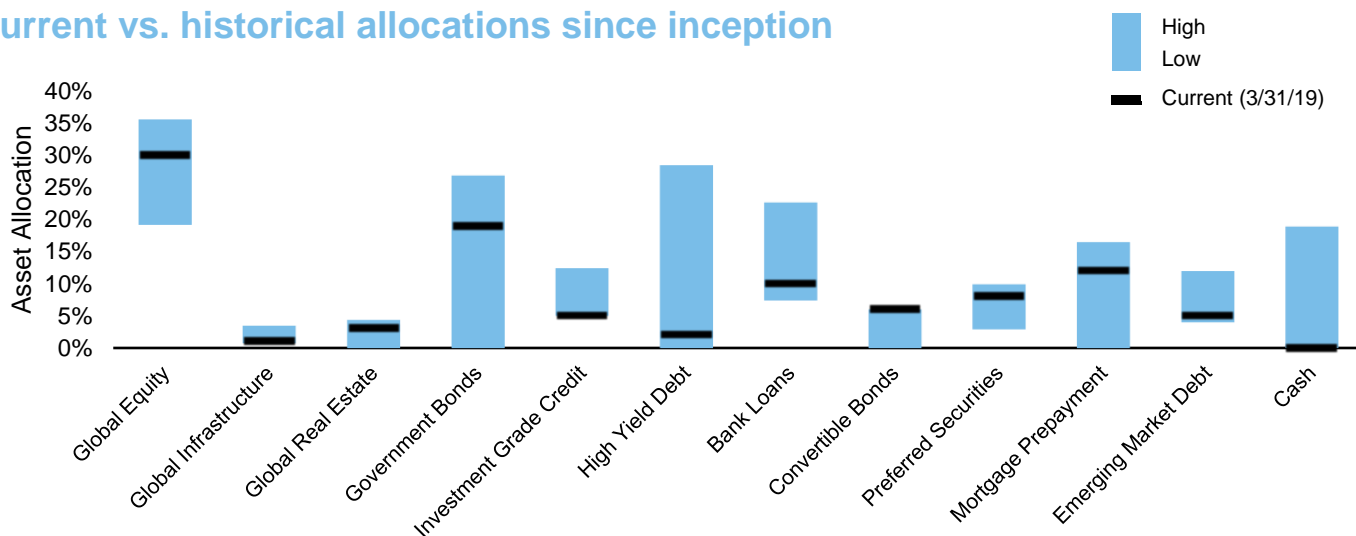
	As of 3/31	As of 12/31	Historical range
Equity	30%	26%	
Global Equity	30%	26%	19 - 36%
Alternatives	4%	5%	
Global Infrastructure	1%	1%	1 - 4%
Global Real Estate	3%	4%	0 - 4%
Fixed Income	66%	69%	
Government Bonds	19%	18%	0 - 27%
Investment Grade Credit	5%	9%	5 - 12%
High Yield Debt	2%	3%	0 - 28%
Bank Loans	10%	8%	7 - 23%
Convertible Bonds	6%	5%	0 - 6%
Preferred Securities	8%	7%	3 - 10%
Mortgage Prepayment	12%	14%	0 - 17%
Emerging Market Debt	5%	5%	4 - 12%
Absolute Return	0%	0%	
Cash*	0%	0%	0 - 19%

Russell Investments Portfolio Managers monitor the underlying positions and risk exposures daily and can shift asset class allocations in response to market – and valuation – changes and opportunities.

Actual allocations of the Fund may vary. Does not include liquidity reserves managed directly by Russell Investments, which may include 5% or more of fund assets.

*Percentages generally include the impact of derivatives. Actual cash levels may differ than illustrated if serving as collateral for the Fund's derivative exposures.

Current vs. historical allocations since inception

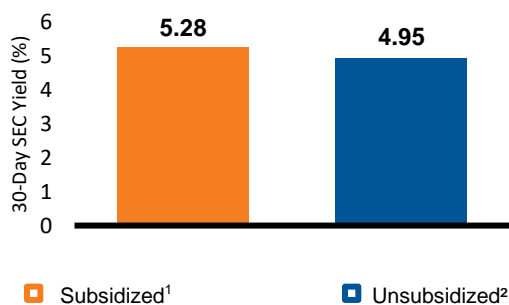


Performance review

As of March 31, 2019	Annualized (%)							Annual Fund Operating Expenses Effective 03/01/2019		
	1 month	3 month	YTD	1 year	3 years	5 years	10 years	Since Inception (5/1/15)	Total ‡	Net ‡
Multi-Strategy Income Fund – Class S ^{f.(b)}	0.40	4.75	4.75	0.60	5.80	-	-	3.45	1.11	0.78
ICE BofAML Global High Yield 2% Constrained Index (USD Hedged)	1.05	6.88	6.88	5.49	8.42	5.15	11.84	n/a	n/a	n/a
Morningstar Allocation 30-50% Equity Category	1.16	7.13	7.13	3.03	5.53	3.69	7.87	n/a	n/a	n/a

Performance information is historical and does not guarantee future results. Investment return and principal value will fluctuate so that redeemed shares may be worth more or less than their original cost. Current performance may be lower or higher than the performance data quoted. Current to the most recent month-end performance for Russell Investments mutual funds is available by visiting: russellinvestments.com/us/funds/performance-prices.

30-Day SEC Yield (as of 3/31/2019)



¹The Fund's current yield for the 30-day period ending 3/31/2019.

²The yield shown is what the yield would have been without the current fee waivers and expense reimbursements (unsubsidized), for the period ending 3/31/2019.

Source: Russell Investments and Morningstar Direct

† Performance is net of fees for class shown.

‡ The Annual Net Operating Expense may be less than the Annual Total Operating Expense and represents the actual expenses expected to be borne by shareholders after application of: (b) a contractual cap and reimbursement on expenses through February 29, 2020. These contractual agreements may not be terminated during the relevant periods except at the Board of Trustee's discretion.

About the Fund

Investment goal

The Fund seeks to provide a high level of current income and, as a secondary objective, long-term capital growth.

Fund highlights

- **A diversified approach** that seeks to **balance income and growth**
- **Access to specialist, third-party money managers** who Russell Investments has researched and identified
- **Dynamically adapts** to changing market conditions

Manager spotlight



Sompo Japan Nipponkoa
Asset Management Co., Ltd.

Asset class: Equity

Role: Japan equity-all cap value

What this manager brings to the Fund

Added to the Fund in September 2018, Sompo provides exposure to Japan equity—specifically within the value space.

Russell Investments' Manager Analysis

Russell Investments believes Sompo's valuation bias will give the Fund access to an inefficient area of the market relative to other markets like U.S. large cap. Russell Investments has high conviction in Sompo's active management approach that looks to identify and capture price anomalies created by a market that often overreacts to short-term events.

Manager allocation

The percentages below represent the target allocation of the Fund's assets to each money manager's strategy and Russell Investment Management, LLC (RIM). This does not include liquidity reserves managed directly by Russell Investments, which may constitute 5% or more of fund assets at any given time.

Firm Name	Role	Target Allocation	Year Assigned
Boston Partners Global Investors, Inc. *	U.S. Equity - Small Cap Value	3.0%	2017
Cohen & Steers Capital Management, Inc. †	Global Real Estate and Infrastructure	14.0%	2015
DDJ Capital Management, LLC	High Yield Bond	8.0%	2015
GLG LLC	Emerging Market Debt	10.0%	2017
Janus Capital Management LLC and Perkins Investment Management, LLC *	Global Equity	6.0%	2015
Kopernik Global Investors, LLC *	Global Equity	3.0%	2016
Oaktree Capital Management, L.P.	Convertibles	6.0%	2017
OFI Global Institutional, Inc. *	Global Equity	5.0%	2017
Putnam Investment Management, LLC	Mortgages	6.0%	2015
Russell Investment Management, LLC (RIM) **	Positioning Strategies	11.0%	2015
Sompo Japan NipponKoa Asset Management Co., Ltd. *	Japan Equity – Large Cap Value	5.0%	2018
T. Rowe Price Associates, Inc.	Global Credit	9.0%	2017
THL Credit Advisors LLC	Bank Loans	14.0%	2015

* Non-discretionary money manager. Russell Investment Management, LLC (RIM) manages this portion of the Fund's assets based upon a model portfolio provided by the money manager. RIM manages this portion of the Fund to effect the Fund's investment strategies and/or to actively manage the Fund's overall exposures to seek to achieve the desired risk / return profile for the Fund.

** Russell Investment Management, LLC (RIM) manages this portion of the Fund's assets to effect the Fund's investment strategies and/or to actively manage the Fund's overall exposures to seek to achieve the desired risk/return profile for the Fund. Positioning strategies are used to seek excess return and manage portfolio risks by targeting specific exposures. These strategies are used in conjunction with allocations to third party managers to fully reflect Russell Investments' strategic and dynamic views with integrated liquidity and risk management.

† Cohen & Steers Capital Management, Inc. refers to Cohen & Steers Capital Management, Inc. (New York, NY), Cohen & Steers UK Limited (London, UK) and Cohen & Steers Asia Limited (Central Hong Kong)

Money Managers listed are current as of December 19, 2018. Subject to the Fund's Board approval, Russell Investment Management, LLC has the right to engage or terminate a money manager at any time and without a shareholder vote, based on an exemptive order from the Securities and Exchange Commission. Investments in the Funds are not deposits with or other liabilities of any of the money managers and are subject to investment risk, including loss of income and principal invested and possible delays in payment or redemption proceeds. The money managers do not guarantee the performance of any Fund or any particular rate of return.

While the investment styles employed by the money managers are intended to be complementary, they may not in fact be complementary. A multi-manager approach could result in more exposure to certain types of securities and higher portfolio turnover.

Fund objectives, risks, charges and expenses should be carefully considered before investing. A summary prospectus, if available, or a prospectus containing this and other important information can be obtained by calling 800-787-7354 or by visiting russellinvestments.com. Please read a prospectus carefully before investing.

Important Information

Diversification and strategic asset allocation do not assure profit or protect against loss in declining markets. Mutual Fund investing involves risk. Principal loss is possible.

Indices are unmanaged and cannot be invested in directly. Index returns represent past performance and are not a guarantee of future performance.

Morningstar Allocation 30-50% Equity Category: Funds in allocation categories seek to provide both income and capital appreciation by investing in multiple asset classes, including stocks, bonds, and cash. These portfolios are dominated by domestic holdings and have equity exposures between 30% and 50%.

Index definitions: **ICE BofAML Global High Yield 2% Constrained Index (USD Hedged):** Tracks the performance of below-investment grade corporate debt denominated in US dollars, Canadian dollars, pounds and euros that are publicly issued in the major US or Eurobond markets. The weighting of index constituents is limited to a maximum 2%.

Investments in infrastructure-related companies have greater exposure to the potential adverse economic, regulatory, political and other changes affecting such entities. Investment in non-U.S. and emerging market securities is subject to the risk of currency fluctuations and to economic and political risks associated with such foreign countries.

Bond investors should carefully consider risks such as interest rate, credit, default and duration risks. Greater risk, such as increased volatility, limited liquidity, prepayment, non-payment and increased default risk, is inherent in portfolios that invest in high yield ("junk") bonds or mortgage-backed securities, especially mortgage-backed securities with exposure to sub-prime mortgages. Generally, when interest rates rise, prices of fixed income securities fall.

The Fund may invest in derivatives, including futures, options, forwards and swaps. Investments in derivatives may cause the Fund's losses to be greater than if it invests only in conventional securities and can cause the Fund to be more volatile. Derivatives involve risks different from, or possibly greater than, the risks associated with other investments.

Use of currency trading strategies may adversely impact a Fund's ability to meet its investment objective. Investments that are allocated across multiple types of securities may be exposed to a variety of risks based on the asset classes, investment styles, market sectors, and size of companies preferred by the investment managers. Investors should consider how the combined risks impact their total investment portfolio and understand that different risks can lead to varying financial consequences, including loss of principal. Please see a prospectus for further details.

Russell Investments' ownership is composed of a majority stake held by funds managed by TA Associates with minority stakes held by funds managed by Reverence Capital Partners and Russell Investments' management.

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