

UK IFA Defensive Assets



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Portfolio Manager

Russell Investments' Multi-Asset Strategies Team comprises over 23 experienced professionals, including portfolio managers, researchers, portfolio analysts, and strategists in Russell Investments offices around the globe. This team focuses on total client outcomes, including all major asset classes in their solutions. They identify areas of the market offering attractive valuations and growth potential with a reasonable level of risk and

Fund facts

Inception date

12 January 2010

Benchmark

Bank of England Base Rate

SEDOL

B4L7KL8

Ongoing Charge

0.87% (30/11/23)

Minimum Investment

£1,000 initial, £500 subsequent

Currency

GBP

Distribution date

28 February

Fund Objective

This fund aims to preserve your capital over the long term (5 year rolling periods on a net of fees basis) and give you a greater return than you'd get from cash, with low volatility. We aim to achieve this by combining traditionally lower volatility investments to produce steady returns. Capital invested in the Fund is at risk and there is no guarantee that the investment objective will be met. The Fund may use currency hedging techniques to reduce exposure to currencies other than Sterling. The fund utilises both active management and passive strategies in its implementation.

Suggested Use

We've designed this fund to offset some of the risk of equities and real assets, and help achieve a steady total return. It has diversification built-in and works well as the defensive element within a wider portfolio of investments. This fund is designed to be the defensive element within a wider portfolio of investments.

Fund Update

The Fund delivered a positive return in the first quarter. Confusion over tariff implementation, geopolitical uncertainty, and signs of weaker US consumer sentiment amplified market nervousness, sending investors in search of safe-haven assets. Gold hit fresh highs amid a flight to safety. In this market environment, fixed income assets fared well. Our allocation to rate-sensitive government bonds and investment-grade credit was additive as US yields fell. Our exposure to risk-bearing fixed income through high yield bonds was also positive, even as credit spreads widened during the risk-off period. Additionally, our exposure to alternative sources of fixed income through short-dated US inflation-linked bonds delivered positive returns given their attractive real yield profile.

Performance Review %

Performance to period end Returns shown in GBP	1 month	3 months	6 months	Year to Date	1 year	3 years	5 years	10 years	Since inception
Return net of management fee Class C Class Share Accumulation GBP	-0.1	1.5	0.5	1.5	3.8	0.3	0.5	0.7	1.0
Bank of England Base Rate	0.4	1.1	2.3	1.1	4.9	4.1	2.5	1.5	1.2

All returns greater than 1 year are annualised

Rolling 12 Month Performance (%)

Returns shown in GBP	31/03/24 31/03/25	31/03/23 31/03/24	31/03/22 31/03/23	31/03/21 31/03/22	31/03/20 31/03/21	
Return net of management fee Class C Class Share Accumulation GBP		3.83	4.32	-6.98	-3.52	5.48
Bank of England Base Rate		4.94	5.04	2.28	0.19	0.10

Returns shown in GBP	31/03/19 31/03/20	31/03/18 31/03/19	31/03/17 31/03/18	31/03/16 31/03/17	31/03/15 31/03/16
Return net of management fee Class C Class Share Accumulation GBP	0.01	2.11	0.49	4.00	-2.04
Bank of England Base Rate	0.72	0.67	0.35	0.34	0.50

Past performance does not predict future returns.

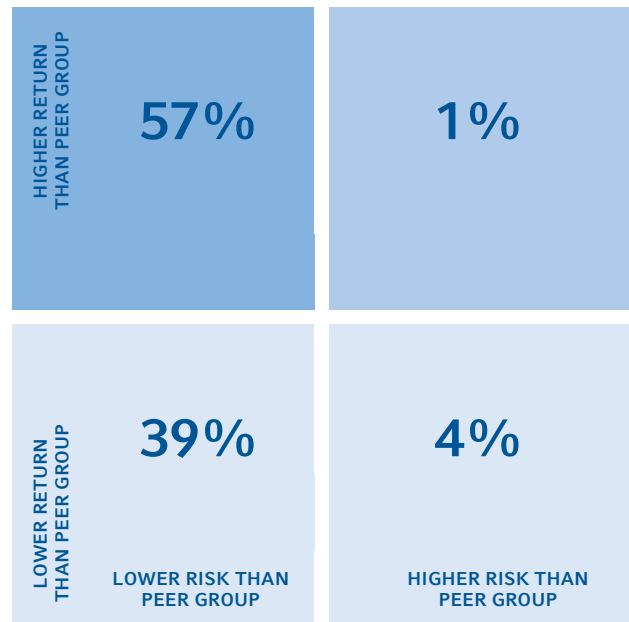
The Bank of England Base Rate is the target benchmark against which the performance of the Fund has been set. The benchmark was chosen because the Fund aims to generate cash equivalent returns. The Fund is intended to form a component part of a diversified portfolio of holdings, rather than as a standalone investment.

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Portfolio Statistics

	Fund
No of Managers	22
No of Holdings	4280
Volatility 3 Year	5.8%
Volatility 5 Year	5.2%
Current yield	2.9%

Rolling 12-Month Risk & Return



The vertical quadrants illustrate the percentage of 12-month periods the fund has delivered more or less return than the Bank of England Base Rate. The horizontal quadrants show how often the fund exhibited more or less volatility than the Morningstar Europe OE Global Large-Cap Blend Equity sector

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Portfolio Structure

Portion of fund	Allocation to fund portion	Managers allocated to each portion, and their weight in the total fund			
Fixed Income	86.0%				
Core Global Fixed Income	51.8%	Colchester 3.4%	Coolabah Capital 2.7%	RBC Global Asset Management 4.7%	Schroder 3.0%
	-	Russell Investments 4.0%	Amundi Government Bond ETF 10.2%	iShares Global bond ESG ETF 8.9%	iShares UK UCITS ETF 10.2%
	-	iShares USD UCITS ETF 4.8%			
Investment Grade Credit	23.8%	Coolabah Capital 3.0%	Fidelity 2.6%	Metlife 4.9%	Robeco 4.5%
	-	Russell Investments 3.6%	iShares GBP ESG corporate bond ETF 3.0%	iShares UCITS ETF 2.2%	
Securitised	0.2%	Schroder 0.2%			
High Yield Credit	10.1%	Barings 4.7%	DDJ 0.1%	Hermes 2.6%	Russell Investments 2.7%
Cash & Positioning Strategies	14.0%				
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