

The Eurozone Equity Fund



Patrick Egan
Portfolio Manager

Russell Investments' Global Equity Team comprises over 23 experienced professionals, including portfolio managers, researchers, portfolio analysts, and strategists in Russell Investments offices around the globe. The team manages a wide range of U.S., non-U.S developed, emerging market, frontier market, and global equity mandates.

Fund Objective

The Fund aims to achieve long term growth by investing in the equities of a relatively small number of companies in European Union member states which have adopted the Euro as their currency (Eurozone). The Fund is actively managed with reference to the MSCI EMU Index (EUR) - Net Returns (the Index) which it seeks to outperform by 2% over the medium to long term. Russell Investments has full discretion to select investments for the Fund. This product is an Article 8 product, as defined under EU regulation - it promotes environmental or social characteristics and invests in companies that follow good governance practices. This product does not have sustainable investment as its objective.

Fund Update

Russell Investments, as the Investment Manager, adopts and executes the ideas of the selected third-party specialist investment managers through our in-house implementation team. The Fund is dynamically managed in alignment with our cycle, valuation, sentiment (CVS) framework as well as to take advantage of tactical opportunities within each manager's excess return cycle. The Fund has a positive tilt towards value, quality and small and mid-cap factors. In sectors, the Fund is tilted towards health care, materials and communication services.

Performance Review %

Performance to period end Returns shown in EUR	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 RCNP Roll-up	0.7	0.8	3.4	4.5	4.9	4.3	-	-	4.5
MSCI EMU Index (EUR) - Net Returns	0.4	0.6	6.5	8.8	10.0	5.8	-	-	6.0

All returns greater than 1 year are annualised

Rolling 12 Month Performance (%)

Returns shown in EUR	30/06/23 30/06/24	30/06/22 30/06/23	30/06/21 30/06/22	30/06/20 30/06/21	30/06/19 30/06/20
Return net of management fee Class RCNP Roll-up	6.34	22.22	-12.01	-	-
MSCI EMU Index (EUR) - Net Returns	11.61	24.08	-13.82	-	-

Returns shown in EUR	30/06/18 30/06/19	30/06/17 30/06/18	30/06/16 30/06/17	30/06/15 30/06/16	30/06/14 30/06/15
Return net of management fee Class RCNP Roll-up	-	-	-	-	-
MSCI EMU Index (EUR) - Net Returns	-	-	-	-	-

Past performance does not predict future returns.

The current benchmark is the MSCI EMU Index (EUR) - Net Returns. Prior to 1st January 2018 the benchmark was the Russell Dev Euro Zone Large Index NR. Prior to 1st April 2011 the benchmark was MSCI EMU NR. Prior to 1st January 2009, the benchmark was gross of withholding tax, total return

Fund facts
Share Class; Dealing ccy
RCNP Roll-up; EUR
Dealing frequency; Cut off
Daily; 2:00 pm GMT
Domicile; Category
Ireland; UCITS
Fund size
EUR 170.48m
Fund launch date
19 July 2005
Share class launch date
01 June 2021
Management fee
0.55%
ISIN; Bloomberg
IE00BFNS6523; MSTEERE ID
Share class NAV
EUR 7.70m

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Portfolio Statistics

	Fund	Benchmark
Number of equity holdings	182	224
Price/Earnings	16.3	17.4
Dividend Yield	3.4	3.4
Price to Book	1.9	1.8
EPS Growth (1 Year)	14.4	16.2

3 years	Fund	Benchmark
Volatility	14.8	14.8
Tracking error	2.3	2.3
Sharpe ratio	-	-
Information ratio	-0.3	-0.3
3 year return (net)	4.4%	5.8%
3 year excess return (net)	-1.4%	-

Ten largest holdings by weight

Issuer	Fund	Benchmark
ASML Holding NV	3.3%	6.6%
SAP SE	3.2%	4.0%
Sanofi SA	2.4%	2.1%
TotalEnergies SE	2.4%	2.6%
Siemens AG	1.7%	2.5%
CaixaBank SA	1.6%	0.4%
Allianz SE	1.6%	2.0%
LVMH Moet Hennessy Louis Vuitton SE	1.5%	3.5%
UniCredit SpA	1.5%	1.1%
Industria de Diseno Textil SA	1.5%	1.0%

Country weight

	Fund	Benchmark
France	32.3%	34.0%
Germany	26.7%	26.2%
Netherlands	11.0%	16.4%
Italy	10.3%	7.8%
Spain	6.8%	8.1%
Finland	4.4%	2.4%
Switzerland	2.0%	0.0%
Belgium	1.9%	2.5%
Ireland	1.5%	0.9%
Austria	1.1%	0.6%

Sector weights

	Fund	Benchmark
Industrials	19.1%	17.6%
Financials	19.0%	19.8%
Consumer Discretionary	13.8%	13.9%
Information Technology	12.7%	14.1%
Health Care	10.0%	7.4%
Materials	6.3%	5.1%
Consumer Staples	5.3%	7.0%
Communication Services	5.2%	4.3%
Energy	4.6%	4.1%
Utilities	4.0%	5.6%
Real Estate	0.0%	1.0%
Other	0.0%	0.0%

ESG Data

	Fund	Benchmark
ESG Score	16.7	16.6
Carbon Footprint	72.8	89.3

Source: The portfolio-level ESG Risk Rating is the weighted average of the Sustainalytics' Risk Rating for securities in the portfolio. The Sustainalytics Risk Rating details are available at <https://www.sustainalytics.com/esg-data>. Carbon footprint is the weighted average carbon intensity of the Scope 1 and 2 carbon emission intensity of companies in the portfolio. It is measured in tonnes of CO₂e divided by revenue (USD \$M).

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Fund structure

Manager/Strategy	Strategy	Target	Actual
INVESCO Asset Management Limited	Market-Oriented	20.0%	21.0%
Joh. Berenberg, Gossler & Co. KG	Growth	20.0%	18.9%
Liontrust Investment Partners LLP	Market-Oriented	20.0%	17.4%
Pzena Investment Management, LLC	Value	20.0%	15.4%
Russell Investments	Positioning Strategies	20.0%	27.2%

Russell Investments may trade a portion of the Fund's assets based on a model portfolio provided by the investment advisor. By employing this emulated portfolio approach, the Fund leverages off the implementation capabilities of Russell Investments in order to manage the funds in an efficient manner.

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The value of investments and the income from them can fall as well as rise and is not guaranteed. You may not get back the amount originally invested.

Past performance does not predict future returns.

The net assets of the fund are likely to have high volatility.

Potential investors in Emerging markets should be aware that investment in these markets can involve a higher degree of risk.

Any reference to returns linked to currencies may increase or decrease as a result of currency fluctuations. Tax treatments depend on the circumstances of the individual client and may be subject to change in the future.

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