

Russell Investments Emerging Market Debt Local Currency Fund



Gerard Fitzpatrick
Portfolio Manager

Russell Investments' Global Fixed Income Team comprises over 9 experienced professionals, including portfolio managers, researchers, portfolio analysts, and strategists in Russell Investments offices around the globe. The team manages cash and multi-strategy fixed income portfolios, which include global, regional, investment grade, high yield, emerging market debt and absolute return mandates.

Fund Objective

The Fund aims to achieve long term income and growth on your investment by investing in the bonds of issuers in emerging markets (developing countries). The Fund is actively managed with reference to the JP-Morgan GBI-EM Global Diversified (USD) Index (the Index) which it seeks to outperform by 1% over the medium to long term. Russell Investments/ Money Managers have full discretion to select investments for the Fund

Fund Update

The Fund is dynamically managed in alignment with our cycle, valuation, sentiment framework as well as to take advantage of tactical opportunities within each manager's excess return cycle. We believe the variety of the local debt markets makes investing in Emerging Market Debt an attractive complement to other fixed income and equity exposures. We have chosen managers for the Fund which are high conviction research picks who have complementary characteristics; one has a 'Value Driven' investment process while the other is more 'Fundamental' in their approach.

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 Class U Euro	0.8	1.6	3.2	3.1	2.8	3.9	0.8	0.5	-0.2
JP Morgan GBI-EM Global Diversified Index	0.6	2.3	5.1	2.3	6.6	4.3	0.7	1.4	1.3

All returns greater than 1 year are annualised

Rolling 12 Month Performance (%)

Returns shown in EUR	31/12/23 31/12/24	31/12/22 31/12/23	31/12/21 31/12/22	31/12/20 31/12/21	31/12/19 31/12/20
Return net of management fee Class Class U Euro	-1.11	9.54	-0.75	-2.53	-5.80
JP Morgan GBI-EM Global Diversified Index	4.14	8.89	-5.90	-1.82	-5.79

Returns shown in EUR	31/12/18 31/12/19	31/12/17 31/12/18	31/12/16 31/12/17	31/12/15 31/12/16	31/12/14 31/12/15
Return net of management fee Class Class U Euro	11.19	-4.17	-1.04	10.66	-6.21
JP Morgan GBI-EM Global Diversified Index	15.56	-1.48	1.20	13.23	-5.23

Past performance does not predict future returns.

The current benchmark is JP Morgan GBI-EM Global Diversified (USD) Index, converted into the currency displayed in the performance table above where applicable.

Fund facts

Share Class; Dealing ccy

Class U Euro; EUR

Dealing frequency; Cut off

Daily; 2:00 pm GMT

Domicile; Category

Ireland; UCITS

Fund size

USD 72.71m

Fund launch date

28 September 2012

Share class launch date

18 February 2013

Management fee

2.20%

ISIN; Bloomberg

IE00B7YK2S66;

Share class NAV

EUR 0.02m

Russell Investments Emerging Market Debt Local Currency Fund

Portfolio Statistics

	Fund
Effective duration	6.0
Average maturity	10.8
Average credit rating	BBB
Yield to worst	9.4

3 years	Fund	Benchmark
Volatility	11.2	11.2
Tracking error	3.5	3.5
Sharpe ratio	-	-
Information ratio	0.5	0.5
3 year return (net)	4.5%	4.3%
3 year excess return (net)	0.2%	-

Ten largest holdings by weight

Issuer	Fund
Republic of South Africa Government Bond	13.9%
Indonesia Treasury Bond	13.2%
Mexican Bonos	12.6%
Malaysia Government Bond	11.2%
Colombian TES	10.0%
Brazil Notas do Tesouro Nacional Serie F	7.7%
Czech Republic Government Bond	4.3%
Turkiye Government Bond	4.3%
Peru Government Bond	3.4%
Republic of Poland Government Bond	2.6%

Duration Contribution

	Fund	Benchmark
South Africa	1.0	0.4
Indonesia	0.8	0.5
Mexico	0.8	0.5
Colombia	0.6	0.2
Malaysia	0.6	0.7
Czech Republic	0.5	0.3
Brazil	0.4	0.2
Peru	0.3	0.1
Hungary	0.2	0.1
Chile	0.1	0.1

Credit Quality Weights

	Fund	Benchmark
AAA	7.1%	0.0%
AA	5.1%	5.0%
A	15.3%	29.2%
BBB	44.0%	49.3%
BB	23.2%	14.9%
B	4.7%	1.7%
CCC & Below	0.3%	0.0%
Unrated	0.4%	0.0%

Currency Exposure

	Fund	Benchmark
Mexican Peso	12.1%	10.1%
Malaysian Ringgit	11.2%	10.1%
Indonesian Rupiah	10.5%	10.1%
Brazilian Real	10.3%	6.6%
South African Rand	9.0%	7.7%
Colombian Peso	5.9%	4.2%
Thai Baht	5.5%	8.9%
Turkish Lira	5.4%	1.7%
Polish Zloty	5.0%	7.1%
Hungarian Forint	5.0%	2.4%

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Fund structure

Manager/Strategy	Strategy	Target	Actual
Barings LLC	Emerging Market Debt	49.5%	47.9%
Colchester Global Investors Limited	Emerging Market Debt	49.5%	51.1%
Russell Investments	Positioning Strategies	1.0%	1.0%

Any reference to specific money managers should not be taken as a recommendation. Money managers are subject to change.

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

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