

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. Some emerging market countries have implemented interest rate cuts ahead of the developed market cycle and sizeable rate cuts are now priced into the market. 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 USD	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 I USD Accum	3.0	4.4	2.5	-0.3	4.8	0.7	1.8	-0.1	-0.5
JP Morgan GBI-EM Global Diversified Index	3.1	4.3	3.7	1.5	6.0	-1.7	0.1	-0.3	-0.3

All returns greater than 1 year are annualised

Rolling 12 Month Performance (%)

Returns shown in USD	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 I USD Accum	-1.19	15.41	-15.44	8.24	-4.89
JP Morgan GBI-EM Global Diversified Index	0.67	11.38	-19.28	6.57	-2.82

Returns shown in USD	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 I USD Accum	6.91	-3.72	7.16	0.63	-16.21
JP Morgan GBI-EM Global Diversified Index	8.99	-2.33	6.41	1.99	-15.39

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
I USD Accum; USD
Dealing frequency; Cut off
Daily; 2:00 pm GMT
Domicile; Category
Ireland; UCITS
Fund size
USD 65.92m
Fund launch date
28 September 2012
Share class launch date
28 September 2012
Management fee
1.00%
ISIN; Bloomberg
IE00B8N1QF24;
Share class NAV
USD 15.95m

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Portfolio Statistics

	Fund
Effective duration	5.5
Average maturity	9.6
Average credit rating	BBB
Yield to worst	8.5

3 years	Fund	Benchmark
Volatility	10.7	10.7
Tracking error	3.6	3.6
Sharpe ratio	-	-
Information ratio	0.8	0.8
3 year return (net)	1.9%	-1.7%
3 year excess return (net)	3.6%	-

Ten largest holdings by weight

Issuer	Fund
Republic of South Africa Government Bond	13.6%
Indonesia Treasury Bond	13.4%
Mexican Bonos	11.3%
Malaysia Government Bond	10.8%
Colombian TES	8.6%
Brazil Notas do Tesouro Nacional Serie F	7.0%
Hungary Government Bond	5.2%
Czech Republic Government Bond	4.4%
Peru Government Bond	3.5%
Turkiye Government Bond	3.0%

Duration Contribution

	Fund	Benchmark
South Africa	0.9	0.5
Indonesia	0.7	0.5
Mexico	0.7	0.5
Malaysia	0.6	0.7
Colombia	0.5	0.2
Czech Republic	0.4	0.3
Hungary	0.3	0.1
Peru	0.3	0.1
Brazil	0.2	0.2
Chile	0.2	0.1

Credit Quality Weights

	Fund	Benchmark
AAA	9.2%	0.0%
AA	5.3%	5.8%
A	14.8%	30.3%
BBB	45.5%	44.5%
BB	21.2%	17.7%
B	3.5%	1.6%
CCC & Below	0.3%	0.0%
Unrated	0.4%	0.0%

Currency Exposure

	Fund	Benchmark
Brazilian Real	11.4%	8.3%
Indonesian Rupiah	11.3%	10.2%
South African Rand	10.8%	8.8%
Malaysian Ringgit	10.8%	10.2%
Mexican Peso	9.8%	10.2%
Thai Baht	7.4%	9.6%
Polish Zloty	6.6%	8.0%
Colombian Peso	6.3%	4.3%
Hungarian Forint	6.2%	3.0%
Turkish Lira	4.8%	1.6%

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Fund structure

Manager/Strategy	Strategy	Target	Actual
Barings LLC	Emerging Market Debt	49.5%	49.2%
Colchester Global Investors Limited	Emerging Market Debt	49.5%	48.7%
Russell Investments	Positioning Strategies	1.0%	2.1%

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

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Past performance does not predict future returns.

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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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