

# Russell Investments Global Bond 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 income and growth by investing at least 70% of its assets worldwide in bonds, and debt instruments, including mortgage and asset backed securities. The Fund is actively managed with reference to the Bloomberg Global Aggregate Index (USD) - Total Returns (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. 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

The Fund performed in line with the benchmark. Rates positioning was positive, benefitting from overweights to US Treasuries (two and 10-year issues), UK gilts and Mexican rates. An underweight to Japanese rates also helped. Currency allocations were negative due to positioning in the Chinese yuan and underweights to the Swiss franc and euro. However, overweights to the US dollar, Turkish lira and Mexican peso were effective. Credit allocations were positive, helped by an overweight to European investment grade financials. In US credit, the positive impact from an underweight to investment grade industrials was offset by an overweight to high yield industrials. Allocations to hard currency emerging market debt were rewarded, mainly due to exposure to Europe. Elsewhere, positioning in sovereign debt in Italy, France and Spain detracted.

## Performance Review %

| Performance to period end<br>Returns shown in EUR | 1<br>month | 3<br>months | 6<br>months | Year to<br>Date | 1<br>year | 3<br>years | 5<br>years | 10<br>years | Since<br>inception |
|---------------------------------------------------|------------|-------------|-------------|-----------------|-----------|------------|------------|-------------|--------------------|
| Return net of management fee Class Class A        | 1.7        | 3.4         | 1.2         | 1.7             | 5.2       | -2.9       | -0.9       | 2.1         | 2.4                |
| Bloomberg Global Aggregate Bond Index             | 1.8        | 3.0         | 1.3         | 1.6             | 4.9       | -2.1       | -0.9       | 2.1         | -                  |

All returns greater than 1 year are annualised

## Fund facts

### Share Class; Dealing ccy

Class A; EUR

### Dealing frequency; Cut off

Daily; 2:00 pm GMT

### Domicile; Category

Ireland; UCITS

### Fund size

USD 1,436.60m

### Fund launch date

29 September 1994

### Share class launch date

30 September 1994

### Management fee

0.65%

### ISIN; Bloomberg

IE0003507161;

### Share class NAV

EUR 32.05m

## Rolling 12 Month Performance (%)

| Returns shown in EUR                       | 30/06/23<br>30/06/24 | 30/06/22<br>30/06/23 | 30/06/21<br>30/06/22 | 30/06/20<br>30/06/21 | 30/06/19<br>30/06/20 |
|--------------------------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| Return net of management fee Class Class A | 2.97                 | -6.91                | -4.84                | -1.22                | 6.41                 |
| Bloomberg Global Aggregate Bond Index      | 2.74                 | -5.44                | -3.86                | -2.80                | 5.67                 |

| Returns shown in EUR                       | 30/06/18<br>30/06/19 | 30/06/17<br>30/06/18 | 30/06/16<br>30/06/17 | 30/06/15<br>30/06/16 | 30/06/14<br>30/06/15 |
|--------------------------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| Return net of management fee Class Class A | 7.28                 | -0.72                | -3.15                | 7.80                 | 14.69                |
| Bloomberg Global Aggregate Bond Index      | 8.52                 | -0.98                | -4.72                | 9.19                 | 14.17                |

Past performance does not predict future returns.

The current benchmark is the Bloomberg Global Aggregate Index (USD) - Total Returns converted into the currency displayed in the performance table above where applicable. Effective August 24, 2021, the Bloomberg Barclays fixed income indices were rebranded the Bloomberg Indices. The benchmark prior to 24th August 2016 was the Barclays Global Aggregate Bond Index. From October 2001 to November 2008 the index was the Lehman Brothers Global Aggregate Index. The benchmark prior to October 2001 was SSB WGBI

# Russell Investments Global Bond Fund

## Portfolio Statistics

|                       | Fund |
|-----------------------|------|
| Effective duration    | 6.8  |
| Average maturity      | 10.3 |
| Average credit rating | AA   |
| Yield to worst        | 3.3  |

| 3 years                    | Fund  | Benchmark |
|----------------------------|-------|-----------|
| Volatility                 | 8.8   | 8.8       |
| Tracking error             | 1.0   | 1.0       |
| Sharpe ratio               | -     | -         |
| Information ratio          | 0.0   | 0.0       |
| 3 year return (net)        | -2.1% | -2.1%     |
| 3 year excess return (net) | 0.0%  | -         |

## Ten largest holdings by weight

| Security                                  | Fund | Benchmark |
|-------------------------------------------|------|-----------|
| TREASURY BILL 09/24 0.00000               | 3.9% | -         |
| US TREASURY N/B 05/25 2.875               | 2.1% | -         |
| US TREASURY N/B 09/24 1.5                 | 1.9% | -         |
| US TREASURY N/B 03/25 1.75                | 1.9% | -         |
| MEX BONOS DESARR FIX RT BONDS 03/27 5.5   | 1.8% | 0.0%      |
| FNMA TBA 30 YR 6 SINGLE FAMILY MORTGAGE   | 1.8% | -         |
| TREASURY BILL 09/24 0.00000               | 1.6% | -         |
| FNMA TBA 30 YR 5.5 SINGLE FAMILY MORTGAGE | 1.5% | -         |
| US TREASURY N/B 04/25 0.375               | 1.3% | -         |
| US TREASURY N/B 05/26 4.875               | 1.2% | 0.1%      |

## Credit Quality Weights

|             | Fund  | Benchmark |
|-------------|-------|-----------|
| AAA         | 41.7% | 37.6%     |
| AA          | 4.8%  | 16.7%     |
| A           | 17.0% | 29.7%     |
| BBB         | 27.8% | 15.4%     |
| BB          | 4.4%  | 0.5%      |
| B           | 0.2%  | 0.0%      |
| CCC & Below | 0.3%  | 0.0%      |
| Unrated     | 3.8%  | 0.0%      |

## Sector weights

|                                   | Fund  | Benchmark |
|-----------------------------------|-------|-----------|
| Treasuries                        | 41.8% | 44.2%     |
| Corporate - Investment Grade      | 21.9% | 17.6%     |
| Securitized                       | 16.9% | 11.7%     |
| Emerging Markets - Local Currency | 5.6%  | 12.8%     |
| Emerging Markets - Hard Currency  | 4.8%  | 3.0%      |
| Other                             | 4.6%  | 2.2%      |
| Corporate - High Yield            | 3.0%  | 0.4%      |
| Government Related                | 1.3%  | 8.2%      |
| Bank Loan                         | 0.0%  | 0.0%      |

## Currency Exposure

|                   | Fund  | Benchmark |
|-------------------|-------|-----------|
| US Dollar         | 47.0% | 45.9%     |
| Euro              | 20.5% | 22.3%     |
| Japanese Yen      | 9.9%  | 9.1%      |
| Yuan Renminbi     | 9.3%  | 9.5%      |
| Pound Sterling    | 4.0%  | 4.0%      |
| Canadian Dollar   | 2.9%  | 2.8%      |
| Australian Dollar | 1.6%  | 1.4%      |
| South Korean Won  | 0.9%  | 1.2%      |
| Brazilian Real    | 0.7%  | 0.0%      |
| Turkish Lira      | 0.4%  | 0.0%      |

# Russell Investments Global Bond Fund

## ESG Data

|                  | Fund  | Benchmark |
|------------------|-------|-----------|
| ESG Score        | 20.3  | 19.7      |
| Carbon Footprint | 104.1 | 153.4     |

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).

## Fund Structure

| Manager/Strategy                                  | Strategy                   | Target | Actual |
|---------------------------------------------------|----------------------------|--------|--------|
| RBC Global Asset Management (UK) Limited          | Rates/FX                   | 29.0%  | 33.5%  |
| Schroder Investment Management North America Inc. | Structured Products        | 13.0%  | 17.9%  |
| Western Asset Management Company Limited          | Investment Grade Corporate | 21.0%  | 13.3%  |
| Russell Investments                               | Positioning Strategies     | 37.0%  | 35.4%  |

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

## Important Information

This material does not constitute an offer or invitation to anyone in any jurisdiction in which such distribution is not authorised.

Unless otherwise specified, Russell Investments is the source of all data. All information contained in this material is current at the time of issue and, to the best of our knowledge, accurate. Any opinion expressed is that of Russell Investments, is not a statement of fact, is subject to change and does not constitute investment advice.

**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.**

**Some investments/bonds may not be liquid and therefore may not be sold instantly. If these investments must be sold on short notice, you might suffer a loss.**

**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.**

**This is a marketing communication. Please refer to the prospectus of the UCITS and to the KIID/KID before making any final investment decisions.**

In the UK this marketing document has been issued by Russell Investments Limited. Company No. 02086230. Registered in England and Wales with registered office at: Rex House, 10 Regent Street, London SW1Y 4PE. Telephone +44 (0)20 7024 6000. Authorised and regulated by the Financial Conduct Authority, 12 Endeavour Square, London, E20 1JN. In the EU this marketing document has been issued by Russell Investments Ireland Limited. Company No. 213659. Registered in Ireland with registered office at: 78 Sir John Rogerson's Quay, Dublin 2, Ireland. Authorised and regulated by the Central Bank of Ireland. In the Middle East this marketing document has been issued by Russell Investments Limited a Dubai International Financial Centre company which is regulated by the Dubai Financial Services Authority at: Office 4, Level 1, Gate Village Building 3, DIFC, PO Box 506591, Dubai UAE. Telephone +971 4 578 7097. This material should only be marketed towards Professional Clients as defined by the DFSA.

KvK number 67296386

© 1995-2024 Russell Investments Group, LLC. All rights reserved.