

Russell Investments Global Credit Fund



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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 Credit Index (USD) - Total Returns (the Index) which it seeks to outperform by 0.75% 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 ended the month ahead of the benchmark. In European credit, an overweight to investment grade was a notable contributor; an overweight to high yield financials also helped. In US credit, although an overweight to high yield financials was effective this was partly offset by an underweight to investment grade industrials which detracted. Underweight exposure to investment grade hard currency emerging market debt was unrewarded. In currencies, an overweight to the US dollar, euro and Norwegian krone were positive while an underweight to the Swedish krona, Swiss franc, and Australian dollar were unhelpful. In rates, although overweights to 2-, 10- and 15-year US Treasuries contributed, this was offset by underweights elsewhere, including 20-year issues. However, allocations to 1-year German bunds and an underweight to Japanese rates was effective.

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 EH-M Accumulation | 1.2 | 0.3 | 2.8 | -1.1 | 2.6 | -5.2 | - | - | -2.3 |
| Bloomberg Global Aggregate Credit Index Hedged (EUR) | 1.2 | 0.3 | 2.4 | -1.1 | 3.1 | -4.1 | - | -2.0 | -2.0 |

All returns greater than 1 year are annualised

Fund facts

Share Class; Dealing ccy

EH-M Accumulation; EUR

Dealing frequency; Cut off

Daily; 2:00 pm GMT

Domicile; Category

Ireland; UCITS

Fund size

USD 770.17m

Fund launch date

24 March 2010

Share class launch date

04 October 2019

Management fee

0.55%

ISIN; Bloomberg

IE00BKT6SF93;

Share class NAV

EUR 25.75m

Rolling 12 Month Performance (%)

| Returns shown in EUR | 31/03/23 31/03/24 | 31/03/22 31/03/23 | 31/03/21 31/03/22 | 31/03/20 31/03/21 | 31/03/19 31/03/20 |
|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|

| Returns shown in EUR | 31/03/18 31/03/19 | 31/03/17 31/03/18 | 31/03/16 31/03/17 | 31/03/15 31/03/16 | 31/03/14 31/03/15 |
|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|

Past performance does not predict future returns.

Effective August 24, 2021, the Bloomberg Barclays fixed income indices were rebranded the Bloomberg Indices.

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Portfolio Statistics

| | Fund | Benchmark |
|-----------------------|------|-----------|
| Effective duration | 6.0 | 5.9 |
| Average maturity | 10.3 | 8.9 |
| Average credit rating | A | A |
| Yield to worst | 5.2 | 5.0 |

| 3 years | Fund | Benchmark |
|----------------------------|-------|-----------|
| Volatility | 9.5 | 9.5 |
| Tracking error | 1.1 | 1.1 |
| Sharpe ratio | -0.8 | -0.8 |
| Information ratio | -0.5 | -0.5 |
| 3 year return (net) | -5.2% | -4.1% |
| 3 year excess return (net) | -1.1% | - |

Ten largest holdings by weight

| Security | Fund | Benchmark |
|--------------------------------------------------|------|-----------|
| BUNDESREPUB. DEUTSCHLAND BONDS REGS 08/33 2.6 | 1.5% | - |
| US TREASURY N/B 02/54 4.25 | 1.5% | - |
| ASR NEDERLAND NV SUBORDINATED REGS 12/43 VAR | 0.6% | 0.0% |
| DEUTSCHE BANK AG SUBORDINATED REGS 06/32 VAR | 0.5% | 0.0% |
| BUNDESSCHATZANWEISUNGEN BONDS REGS 12/24 2.2 | 0.5% | - |
| US TREASURY N/B 02/44 4.5 | 0.5% | - |
| US TREASURY N/B 05/34 4.375 | 0.4% | - |
| TELEFONICA EUROPE BV COMPANY GUAR REGS 12/99 VAR | 0.4% | - |
| SELP FINANCE SARL COMPANY GUAR REGS 05/29 0.875 | 0.4% | 0.0% |
| TREASURY BILL 07/24 0.00000 | 0.4% | - |

Credit Quality Weights

| | Fund | Benchmark |
|-------------|-------|-----------|
| AAA | 19.0% | 8.6% |
| AA | 3.4% | 14.0% |
| A | 22.6% | 33.8% |
| BBB | 47.3% | 41.9% |
| BB | 7.5% | 1.7% |
| B | 0.2% | 0.0% |
| CCC & Below | 0.0% | 0.0% |
| Unrated | 0.1% | 0.0% |

Sector weights

| | Fund | Benchmark |
|-----------------------------------|-------|-----------|
| Corporate - Investment Grade | 65.9% | 71.9% |
| Other | 9.3% | 0.1% |
| Treasuries | 8.1% | 0.5% |
| Corporate - High Yield | 7.0% | 1.6% |
| Emerging Markets - Hard Currency | 4.6% | 10.9% |
| Government Related | 4.2% | 14.9% |
| Securitized | 1.0% | 0.1% |
| Emerging Markets - Local Currency | 0.0% | 0.0% |

Currency Exposure

| | Fund | Benchmark |
|-----|-------|-----------|
| USD | 65.3% | 64.8% |
| EUR | 27.1% | 26.1% |
| GBP | 5.5% | 4.4% |
| CAD | 2.4% | 2.5% |
| NOK | 0.8% | 0.0% |
| NZD | 0.5% | 0.1% |
| JPY | 0.0% | 0.6% |
| ARS | 0.0% | 0.0% |
| BRL | 0.0% | 0.0% |
| PLN | 0.0% | 0.0% |

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Fund Structure

| Manager/Strategy | Strategy | Target | Actual |
|--------------------------------------------|----------------------------|--------|--------|
| FIL Pensions Management | Investment Grade Corporate | 14.0% | 16.9% |
| MetLife Investment Management, LLC | Investment Grade Corporate | 27.0% | 23.6% |
| ROBECO INSTITUTIONAL ASSET MANAGEMENT B.V. | Investment Grade Corporate | 24.0% | 27.9% |
| Western Asset Management Company Limited | Investment Grade Corporate | 15.0% | 12.1% |
| Russell Investments | Positioning Strategies | 20.0% | 19.5% |

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

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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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