

Russell Investments Global High Yield 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

Fund objective The Fund aims to achieve long term income and growth by investing in high yield corporate bonds issued by companies in both developed and emerging markets. The Fund invests in bonds issued which pay either a fixed or variable rate of interest. The Fund is actively managed with reference to the ICE BofA Developed Markets HY Constrained Index (EUR) (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 outperformed the benchmark return over the month. European high yield credit spreads tightened significantly, global high yield spreads less so, while US high yield spreads widened. Investment grade spreads narrowed. In US credit, underweight exposure to high yield industrials detracted although an overweight to high yield financials was helpful. In Europe, although allocations to high yield were ineffective, an overweight to investment grade industrials was positive. In hard currency emerging market debt, overweight exposure to high yield credit in Latin America and Asia contributed positively.

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	1.2	1.1	4.5	0.8	7.7	-1.6	1.1	1.1	2.5
ICE BofA Developed Market HY Constrained Index EUR Hedged	1.0	1.0	4.8	1.4	9.6	0.2	2.2	4.3	4.3

All returns greater than 1 year are annualised

Fund facts

Share Class; Dealing ccy

Class U; EUR

Dealing frequency; Cut off

Daily; 2:00 pm GMT

Domicile; Category

Ireland; UCITS

Fund size

EUR 414.68m

Fund launch date

28 February 2012

Share class launch date

15 September 2011

Management fee

2.00%

ISIN; Bloomberg

IE00B4N1NJ71;

Share class NAV

EUR 0.98m

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.

The current benchmark is the ICE BofA Developed Markets HY Constrained Index (EUR Hdg). Prior to 31st March 2019 the benchmark was BofAml Global High Yield 2% Constrained EH Index. Prior to 3rd December 2015, the composite benchmark was 70% BofAml Global High Yield 2% Constrained EH, 30% JP Morgan EMBIG EH.

Russell Investments Global High Yield Fund

Portfolio Statistics

	Fund	Benchmark
Effective duration	3.5	3.0
Average maturity	7.6	6.0
Average credit rating	BB	B
Yield to worst	5.7	6.5

3 years	Fund	Benchmark
Volatility	7.7	7.7
Tracking error	0.0	0.0
Sharpe ratio	-0.5	-0.5
Information ratio	-	-
3 year return (net)	0.5%	0.2%
3 year excess return (net)	0.3%	-

Ten largest holdings by weight

Security	Fund	Benchmark
US TREASURY N/B 08/25 2.75	3.0%	-
UNITED KINGDOM GILT BONDS REGS 09/24 2.75	1.3%	-
REAL ALLOY COMMO	1.3%	-
TREASURY BILL 08/24 0.00000	0.9%	-
HIGHLAND HOLDINGS BOND SR SECURED 144A 10/25 7.625	0.5%	-
LEVEL 3 FINANCING INC SR SECURED 144A 11/29 11	0.5%	0.1%
TRAVELEX ISSUERCO 2 PLC COMPANY GUAR REGS 08/25 12.5	0.5%	-
GLOBAL AIR LEASE CO LTD SR UNSECURED 144A 09/24 6.5	0.5%	-
PIKE CORP COMPANY GUAR 144A 09/28 5.5	0.5%	0.0%
ORSTED A/S JR SUBORDINA REGS 12/99 VAR	0.4%	0.0%

Credit Quality Weights

	Fund	Benchmark
AAA	-0.7%	0.0%
AA	1.3%	0.0%
A	0.2%	0.0%
BBB	9.0%	0.6%
BB	53.8%	46.2%
B	26.8%	40.9%
CCC & Below	7.1%	12.3%
Unrated	2.6%	0.0%

Sector weights

	Fund	Benchmark
Corporate - High Yield	79.1%	95.2%
Corporate - Investment Grade	8.9%	0.6%
Emerging Markets - Hard Currency	7.1%	3.3%
Treasuries	5.4%	0.0%
Government Related	2.0%	0.9%
Securitized	0.2%	0.0%
Other	-2.8%	0.0%

Currency Exposure

	Fund	Benchmark
EUR	97.1%	100.0%
USD	3.8%	0.0%
GBP	2.5%	0.0%
NOK	1.7%	0.0%
NZD	0.8%	0.0%
ARS	0.0%	0.0%
CAD	0.0%	0.0%
JPY	-0.8%	0.0%
SEK	-0.8%	0.0%
AUD	-1.7%	0.0%

Russell Investments Global High Yield Fund

Fund Structure

Manager/Strategy	Strategy	Target	Actual
Barings LLC	Global High Yield	35.0%	35.3%
Hermes Fund Managers Ireland Limited	Global High Yield	34.0%	32.5%
Russell Investments	Positioning Strategies	31.0%	30.6%

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.

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.

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.