

# Russell Investments International Bond Fund - \$A Hedged

## Geographic Weights (%)



United States	49.4%
Europe ex UK	23.3%
Emerging Markets	9.1%
Japan	7.8%
Other	4.5%
United Kingdom	2.9%
Canada	1.5%
Australia/New Zealand	1.1%
Asia ex Japan	0.3%

Allocations may not equal 100% due to rounding.

## Fund Facts

### Share Class

Class A

### Inception date

31 December 1997

### Benchmark

Bloomberg Global Aggregate Index (\$A Hedged)

### Portfolio Manager

Gerard Fitzpatrick

### APIR Code

RIM0007AU

### Recommended Investment Timeframe

3 years

### Fund Size

173.06m

### Management Fees and Costs

0.59%

### Performance Fees

N/A

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

**Management Fees and Costs:** As a percentage of net assets. Includes management fee, indirect costs and expense recoveries. Reflects RIM's reasonable estimates of the typical fees for the current financial year. All costs reflect the actual amount incurred for previous financial year and may include RIM's reasonable estimates where information was not available or where RIM was unable to determine the exact amount. Refer to the PDS for further information.

**Performance Fees:** As a percentage of net assets. RIM does not charge a performance fee at the Fund level, however underlying funds and managers may charge a performance fee. This estimated fee is based on the average of actual performance fees incurred over the past 5 financial years. Refer to PDS for further information.

## Fund Objective

To provide a total return, before costs and tax, higher than the Fund's benchmark over the medium term by providing exposure to a diversified portfolio of predominantly fixed income securities denominated in foreign currencies and largely hedged into Australian dollars.

## Fund Strategy

The Fund invests predominantly in debt securities issued by supnationals, international governments, quasi-governments, agencies and corporates, and structured credit securities (including mortgage and asset backed securities). The Fund may also invest in low grade, unrated or emerging markets debt securities, and currency to a limited extent. The Fund employs certain investment exclusions. The Fund also targets a reduction in Carbon Footprint compared to the Benchmark, in respect of the Corporate Debt portion of the debt securities it holds. Derivatives may be used by the Fund to obtain or reduce exposure to securities and markets, to implement investment strategies and to manage risks. Foreign currency exposures are largely hedged back to Australian dollars, apart from those foreign currency exposures that are used to generate excess returns from active currency management. For further information on how the Fund seeks to achieve a reduction in Carbon Footprint and the investment exclusions employed by the Fund, refer to ESG considerations in the 'How we invest your money' section of the Additional Information Booklet.

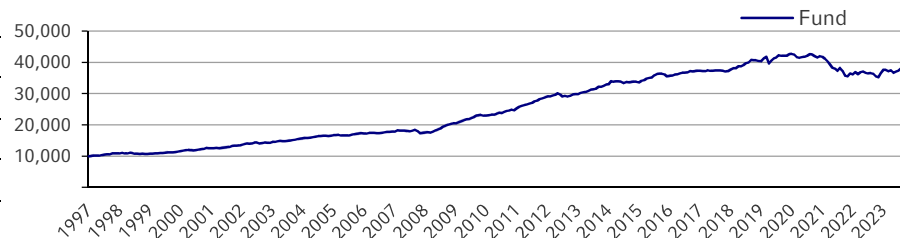
## Performance Review (%)

Period Ending 31/07/2024	1 month %	3 months %	1 year %	3 years %p.a.	5 years %p.a.	Since Inception %p.a.
Total Return	1.78	3.68	4.21	-3.71	-0.96	5.16
Growth Return	1.78	3.68	4.21	-3.71	-4.53	-0.65
Distribution Return	0.00	0.00	0.00	0.00	3.57	5.81

Performance is net of fees and charges. Assumes reinvestment of income. Past performance is not a reliable indicator of future performance.

The distribution return reflects income paid from the Fund, whilst the growth return reflects changes in the capital values of the assets.

## Growth of \$10,000



## Fund Update

The Russell Investments International Bond Fund (AUD hedged) narrowly underperformed the benchmark in July. However, the Fund did deliver positive absolute returns for the month.

Active currency positioning detracted from performance over the period, including short Swiss franc and euro positions. Partly offsetting these exposures were long US dollar, Turkish lira and Mexican peso positions. In contrast, interest rates positioning contributed positively to overall returns (in aggregate); notably overweights to two- and 10-year US Treasuries. An underweight to Japanese government bonds and overweights to UK gilts and Mexican government debt also added value. The Fund's credit exposure added further value in July, including overweights to European investment-grade financials and hard currency emerging markets debt. An underweight to US investment-grade industrials was also positive; though this was offset by an overweight to their high-yield counterparts. At the manager level, corporate credit specialist Schroders, credit specialist Western Asset Management, the Russell Investments International Government strategy and the Russell Investments Intelligent Credit strategy all underperformed their respective benchmarks over the period. BlueBay outperformed in July; the manager benefiting in part from overweights to five and 10-year US Treasuries. Overweights to Hungarian and Mexican government bonds also added value.

In terms of overall positioning, credit risk remains in line with strategic levels as the prospect of a 'soft landing' in the US improves. Moving forward, yields look attractive and tailwinds on the technical side continue to look strong. Duration positioning remains at strategic levels and the Fund remains positioned for a steepening the US yield curve.

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## ESG Data

	Fund	Benchmark
ESG Risk Score	12.42	12.74
Carbon Footprint	89.46	80.74

**ESG Risk Score:** Higher scores imply higher ESG risk.

The ESG Risk Score is the weighted average of the Sustainalytics' Risk Score for companies in the portfolio. The Sustainalytics' Risk Score focuses on ESG issues that are financially material to the company and incorporates both risk exposure and issue management. The scores range from 0 to 100 where higher scores imply higher ESG risk.

**Carbon Footprint:** Higher score implies greater carbon exposure. The Carbon Footprint is the Weighted Average Carbon Intensity which we define as relative carbon emissions as the weighted average of portfolio companies' Scope 1 & 2 GHG emissions divided by revenue (CO2e/\$1M revenue USD).

## Portfolio Structure

Manager	Style	Target Allocation (%)
Russell Investments	Positioning Strategies	37.00
RBC Global Asset Management (UK) Limited	Rates/FX	29.00
Western Asset Management Company Pty Ltd	Investment Grade Corporate	21.00
Schroder Investment Management North America Inc.	Structured Products	13.00

## Important Information

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