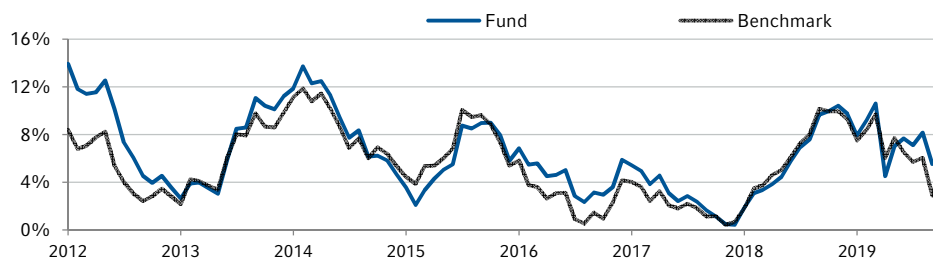


Russell Investments Global Fixed Interest Fund

Fund facts
Inception date
21 December 2011
Benchmark
Bloomberg Barclays Global Aggregate Index (\$NZ Hedged)
Currency
NZD

Rolling 1 year performance history



Performance review

Period ending 30/09/2020	1 month %	3 months %	1 year %	3 years %p.a.	5 years %p.a.	Since inception %p.a.
Gross fund performance	0.3	1.7	6.0	5.6	5.8	6.9
Benchmark return	0.4	0.7	3.9	4.9	4.9	5.7
Excess return	-0.1	1.0	2.2	0.7	0.9	1.2

Past performance is not a reliable indicator of future performance. Performance data shown is gross of fees, charges or taxes and is not in any way an indicator of the net return to you as an investor. Performance is calculated on exit price.

Fund commentary

The Russell Investments Global Fixed Interest Fund outperformed the benchmark in the September quarter.

Credit positioning drove performance, notably through overweights to US/EU corporate high yield, US securitised assets and long credit derivatives. This was slightly moderated by the underweight to US investment-grade industrials.

Active currency positioning was more neutral with the underweights to the Chinese renminbi and Swiss franc, offsetting the gains generated through overweights to the British pound and Japanese yen.

Rates positioning was also positive via the overweights in the US and Mexico.

Schroders outperformed the benchmark. Performance was driven by Non-Agency CMBS, RMBS as well as ABS positioning.

The Russell Investments positioning strategy registered positive returns. Our active currency positioning was positive via the overweights to the euro and Canadian dollar. Underweights to the Swiss franc and Norwegian krone, were slight detractors. Within rates, an overweight in Australia generated gains. These were slightly offset by the underweight in Germany

Portfolio statistics

	Fund	Benchmark
Modified duration	7.83	7.10
Yield to maturity	1.86%	0.90%
Average to maturity	10.46	9.13
Average credit rating	A	AA

Data as at 31 August 2020

Russell Investments Global Fixed Interest Fund

Sector allocation

	Fund	Benchmark
Governments & Cash	45.5%	47.7%
RMBS	12.6%	10.3%
HY	9.0%	4.2%
EMD	9.0%	11.3%
IG Finance	8.5%	6.7%
IG Industrials	6.8%	10.1%
CMBS	3.3%	0.9%
ABS	3.2%	0.2%
Government Related	1.8%	8.6%

Data as at 31 August 2020

Credit quality weights

	Fund	Benchmark
AAA	37.6%	36.3%
AA	7.2%	15.2%
A	22.3%	29.4%
BBB	13.4%	18.3%
Under BBB	12.8%	0.5%
Not Rated	6.9%	0.3%

Data as at 31 August 2020

Note: Cash/Cash equivalents are classified as AAA from a credit ratings perspective.

Portfolio structure

Manager	Style	Strategic weight %
BlueBay	Country & credit selection	20.0
Colchester	Rates & currency - value	23.0
Insight	Macro / Sector rotation	20.0
Russell Investments	Positioning strategies	15.0
Schroders	Securitized specialist	10.0
Voya	Diversified alpha	12.0

Investment performance and positions

The performance in this fact sheet is gross of fees and tax. Investors should also refer to the quarterly Fund Update, which is available on www.iisolutions.co.nz and www.business.govt.nz/disclose

Important Information

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