

Russell Investments Global Listed Infrastructure Fund - \$NZ Hedged

Fund facts

Inception date

02 November 2017

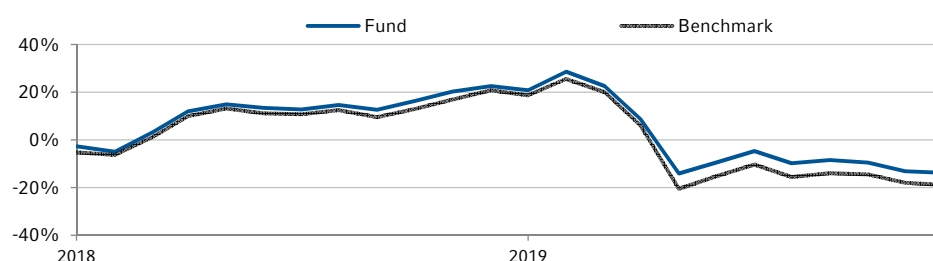
Benchmark

S&P Global Infrastructure Index (\$NZ Hedged) (Net TR)

Currency

NZD

Rolling 1 year performance history



Performance review

Period ending 31/10/2020	1 month %	3 months %	1 year %	3 years %p.a.	5 years %p.a.	Since inception %p.a.
Gross fund performance	-0.5	-2.1	-13.8	-	-	1.0
Benchmark return	-0.7	-2.0	-18.9	-	-	-2.5
Excess return	0.2	-0.1	5.1	-	-	3.5

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 Listed Infrastructure Fund (NZD hedged) narrowly outperformed the benchmark in October.

Contributing to the Fund's outperformance was our underweight to energy pipelines, which struggled as oil prices fell sharply amid concerns the spread of coronavirus globally would impact growth and stifle demand. Stock selection within the sector also added value, including an underweight to Canada's Enbridge and an ex-benchmark holding in Enterprise Products Partners (US). Enbridge remains the Fund's largest underweight position. Our underweight to airports added further value over the period; notably Sydney Airport, which fell almost 10% as investors worried that the ongoing spread of coronavirus in Europe and the US will further delay global travel. In saying that, the stock did find some support after lockdown restrictions were lifted in the state of Victoria. The Fund also benefited from an overweight exposure and positive stock selection within the electric utilities space. This included ex-benchmark holdings in US names Alliant Energy Corp. and PNM Resources. Other notable positions to add value in October were underweights to Australian toll road operator Atlas Arteria and Italian multinational energy company Enel SpA. In contrast, an ex-benchmark exposure to the poor-performing railroads sector detracted from overall performance in October; notably our holding in Australia's Aurizon. A material ex-benchmark exposure to specialised real estate investment trusts also weighed on returns. This included our exposures to US names SBA Communications Corp. and Crown Castle International Corp. Other key holdings to impact performance over the period were ex-benchmark exposures to French industrials Eiffage SA and VINCI SA; both of which recorded sizable declines for the month.

There were no material changes to either the Fund's structure or manager line up in October. The Fund remains overweight Continental Europe, North America and the UK and underweight emerging markets and Asia Pacific ex Japan. The Fund also maintains material underweights to airports, marine ports, multi utilities and pipelines. We remain underweight size due to our strategic preference for smaller companies within the index.

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Sector allocation

	Fund	Benchmark
Utilities	44.5%	54.7%
Industrials	33.7%	31.2%
Energy	12.9%	12.9%
Real Estate	5.9%	-
Communication Services	1.9%	-
Consumer Non-Durable	0.8%	1.2%
Information Technology	0.2%	-
Financials	0.2%	-

Geographic exposure

	Fund	Benchmark
North America	49.4%	51.5%
EMEA ex United Kingdom	27.6%	24.4%
Asia Pacific ex Japan	11.2%	13.6%
Emerging Markets	7.0%	6.2%
United Kingdom	4.0%	4.3%
Japan	0.8%	-

Top ten holdings

Security
NextEra Energy, Inc.
Transurban Group Ltd.
Aena SME SA
Atlantia S.p.A
Dominion Energy Inc
TC Energy Corporation
Xcel Energy Inc.
Getlink SE
VINCI SA
Enbridge Inc.

Portfolio structure

Manager	Style	Strategic weight %
Cohen & Steers	Growth, valuation sensitive	15.0
First Sentier Investors	Fundamental with growth at a reasonable price	38.0
Nuveen	Style Neutral, diversified	37.0
Russell Investments	Active risk overlay	10.0

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