

Russell Investments Global Listed Infrastructure Fund - \$NZ Hedged

Fund facts

Inception date

02 November 2017

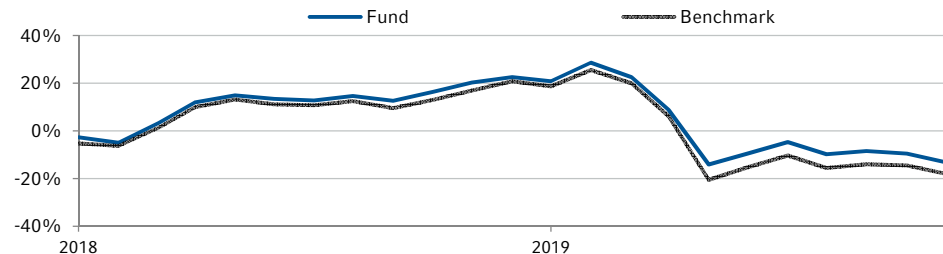
Benchmark

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

Currency

NZD

Rolling 1 year performance history



Performance review

Period ending 30/09/2020	1 month %	3 months %	1 year %	3 years %p.a.	5 years %p.a.	Since inception %p.a.
Gross fund performance	-2.0	-0.4	-13.2	-	-	1.2
Benchmark return	-1.8	-0.5	-18.0	-	-	-2.3
Excess return	-0.2	0.1	4.8	-	-	3.6

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) performed in line with the benchmark in the September quarter.

Much of the Fund's performance was driven by underweight exposures to the energy pipelines and marine ports sectors; both of which underperformed the broader market over the period. An overweight exposure to renewable energy names also added value. At the stock level, our underweights to US energy names Kinder Morgan and ONEOK added the most value. Other notable positions to contribute positively to performance were underweights to Australia's Qube Holdings, Canada's Enbridge and China Merchants Port Holdings Co. Meanwhile, our underweight to size had no meaningful impact on overall returns in the third quarter. In contrast, poor stock selection in Continental Europe – notably France – weighed on overall performance. This included ex-benchmark holdings in VINCI SA, Eiffage SA and Rubis SCA. Both VINCI SA and Eiffage SA remain amongst the Fund's largest overweight positions. Stock selection in the US also detracted from returns, including ex-benchmark holdings in Magellan Midstream Partners and Enterprise Products Partners. In terms of sectors, an overweight to gas utilities and poor stock selection within electric and multi utilities impacted performance. Our underweight to the strong-performing airports space also weighed on returns, including zero exposures to China's Hainan Meilan International Airport Company and Mexico's Grupo Aeroportuario del Pacifico SAB de CV.

In terms of overall positioning, the Fund is overweight Continental Europe and North America and underweight emerging markets and Asia Pacific ex Japan. At the sector level, we maintain material underweights to airports and energy pipelines as well as a significant ex-benchmark exposure to the communications space. The Fund also remains underweight size as we have a strategic preference for smaller companies within the index.

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Sector allocation

	Fund	Benchmark
Utilities	44.1%	53.3%
Industrials	34.1%	32.3%
Energy	13.6%	13.2%
Real Estate	5.9%	-
Communication Services	1.4%	-
Consumer Non-Durable	0.8%	1.2%
Information Technology	0.1%	-

Geographic exposure

	Fund	Benchmark
North America	49.9%	49.9%
EMEA ex United Kingdom	27.2%	25.5%
Asia Pacific ex Japan	11.9%	14.3%
Emerging Markets	6.5%	6.2%
United Kingdom	3.7%	4.2%
Japan	0.8%	-

Top ten holdings

Security
NextEra Energy, Inc.
Transurban Group Ltd.
Aena SME SA
Dominion Energy Inc
Atlantia S.p.A
TC Energy Corporation
VINCI SA
Eversource Energy
Getlink SE
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 overlay	10.0

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