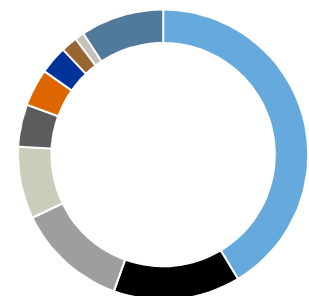


# Russell Investments Emerging Markets Fund

## Geographic allocation



China	41.4%
South Korea	14.1%
Taiwan	12.3%
India	8.0%
Brazil	4.7%
Russia	4.2%
South Africa	3.1%
Mexico	1.8%
Indonesia	1.0%
Other	9.3%

## Fund objective

To significantly outperform the Fund's benchmark, before costs and tax, over the long term by providing exposure to a diversified portfolio of predominantly emerging market shares.

## Fund strategy

The Fund is predominantly exposed to shares listed on stock exchanges in emerging markets. The Fund may also have exposure to shares listed on stock exchanges in countries which are considered 'frontier' or 'pre-emerging' and to shares listed on developed markets' stock exchanges where the issuer derives a material proportion of its revenue from the emerging markets.

## Performance review<sup>1</sup>

Period ending 31/10/2020	1 month %	3 months %	1 year %	3 years %p.a.	5 years %p.a.	Since inception %p.a.
Total return	3.82	3.08	1.41	2.21	6.84	4.22

## Fund facts

### Share class

Class A

### Inception date

30 April 2007

### Fund size

AUD 85.79m

### Benchmark

MSCI Emerging Markets Index - Net

### Portfolio manager

Kathrine Husvaeg

### Recommended investment timeframe

7 years

### Tax structure

Investment - Class A

### APIR code

RIM0038AU

### ARSN code

122-656-884

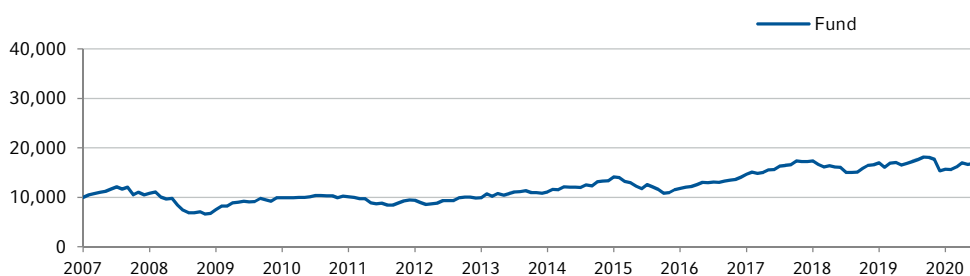
### Management cost<sup>†</sup>

1.43%

### Performance-related fee<sup>‡</sup>

N/A

## Growth of \$10,000



## Fund commentary

Contributing to the Fund's underperformance was poor stock selection in China; notably underweights to Meituan Dianping and Tencent Holdings. Stock selection in South Africa and India also weighed on returns; the latter including an underweight to Axis Bank. At the country level, our overweight to Russia was the biggest detractor; the market there falling sharply amid weaker commodity prices. Stock selection within the information technology space also weighed on returns, including overweights to Chinese names Shenzhen Sunway Communication Co. and Beijing Sinnet Technology Co. In terms of strategic factor performance, the Fund's value exposure detracted from returns as growth stocks continued to outperform, while our momentum bias added value. In contrast, the Fund benefited from an ex-benchmark exposure to Canada; almost all of which was driven by our holding in First Quantum Minerals. Stock selection in Taiwan and South Korea was also positive for the month; the latter including an overweight to Hana Financial Group. Other notable positions to add value were an ex-benchmark exposure to Argentina's MercadoLibre and an overweight to China's Guangzhou Automobile Group. Moving forward, we maintain underweight exposures to China, Saudi Arabia, Malaysia and Thailand. We also maintain overweight exposures to Russia, South Korea and Brazil, as well as tilts toward value and momentum factors; which is in line with our strategic preferences.

<sup>†</sup> For the year ending 30/6/2020 as a percentage of net assets. Includes performance-related fees. Refer to PDS for further information.

<sup>‡</sup> For the year ending 30/6/2020. May be charged if performance targets are met. Refer to PDS for further information.

## Russell Investments Emerging Markets Fund (continued)

### Detailed performance review<sup>1,2</sup>

	1 year %p.a.	3 years %p.a.	5 years %p.a.	Since inception %p.a.
Total return	1.4	2.2	6.8	4.2
Distribution	20.6	10.4	8.5	3.7
Growth	-19.2	-8.2	-1.6	0.6

### ESG data

	Fund	Benchmark
ESG Risk Score**	27.05	27.15
Carbon Footprint***	316.08	243.43
Tobacco Exposure	0.00%	0.28%

\*\* Higher scores imply higher ESG risk

\*\*\* Higher score implies greater carbon exposure

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. The carbon footprint is the weighted average carbon intensity of the Scope 1 (direct) and Scope 2 (electricity consumption) carbon emissions of companies in the portfolio, measured in metric tons of carbon dioxide equivalent (CO<sub>2</sub>-e) divided by company revenue (USD). Tobacco exposure is defined as the weight of securities in the portfolio classified as being in the GICS tobacco subindustry.

### Top ten holdings

Security
Alibaba Group Holding Ltd.
Taiwan Semiconductor Manufacturing Co., Ltd.
Tencent Holdings Ltd.
Samsung Electronics Co., Ltd.
JD.com, Inc. Class A
Reliance Industries Ltd.
SK Hynix Inc
China Mobile Ltd.
Ping An Insurance (Group) Co. of China, Ltd. Class H
Sberbank of Russia

## Russell Investments Emerging Markets Fund (continued)

### Portfolio structure\*

Manager	Style	Weight %
Alliance Bernstein	Value	14.0
Axiom International Investors	Quality, Growth	15.0
Neuberger Berman	Growth	15.0
Numeric	Value, momentum	17.0
Oaktree Capital	Market-oriented	15.0
Russell Investments	Positioning Strategy	10.0
RWC Partners	Opportunistic, focus on value & growth	9.0
Somerset Capital	Quality, value mid-cap & frontier	5.0

### Contact Russell Investments

To find out more about Russell Investments or how you can diversify your portfolio in just one transaction, you can:  
 visit our website at [russellinvestments.com.au](http://russellinvestments.com.au)  
 To invest in Russell Investments Retail Funds, contact your adviser today.  
 For more information:  
 NSW, QLD, ACT & NT : 02 9229 5111 VIC, SA, WA & TAS: 03 9270 8111

### Footnotes

1 Performance is net of fees and charges. Assumes reinvestment of income. Past performance is not a reliable indicator of future performance.  
 2 The distribution return reflects income paid from the Fund, whilst the growth return reflects changes in the capital values of the units.

\*Russell Investments retains the discretion to change the investment managers at any time without notice. Please check [russellinvestments.com.au/disclosures](http://russellinvestments.com.au/disclosures) for the latest list of managers.

Allocations may not equal 100% due to rounding

### Important information

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