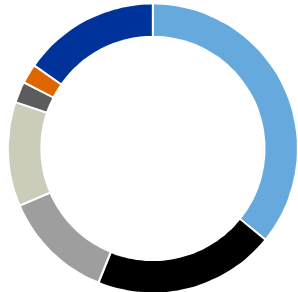


31 August 2021

# Russell Investments International Bond Fund - \$A Hedged

## Geographic allocation



North America	35.8%
Euro Zone	20.3%
Non-Euro Zone	12.4%
Asia Pacific	11.6%
Caribbean, South and Central America	2.4%
Middle East & Africa	2.2%
Other	15.3%

## 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 as well as structured credit securities including mortgage and asset backed securities. The Fund may also be exposed to low grade or unrated debt securities, emerging markets and currency. Derivatives may be used to obtain or reduce exposure to securities and markets, to implement investment strategies and to manage risk. Foreign currency exposures are largely hedged back to Australian dollars, apart from those foreign currency exposures which are utilised to generate excess returns from active currency management.

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

Period ending 31/08/2021	1 month %	3 months %	1 year %	3 years %p.a.	5 years %p.a.	Since inception %p.a.
Total return	-0.23	1.82	1.08	4.36	3.22	6.31

## Fund facts

### Share class

Class A

### Inception date

31 December 1997

### Fund size

AUD 436.59m

### Benchmark\*\*

Bloomberg Global Aggregate Index (\$A Hedged)

### Portfolio manager

Gerard Fitzpatrick

### Recommended investment timeframe

3 years

### Tax structure

Investment - Class A

### APIR code

RIM0007AU

### ARSN code

092-806-954

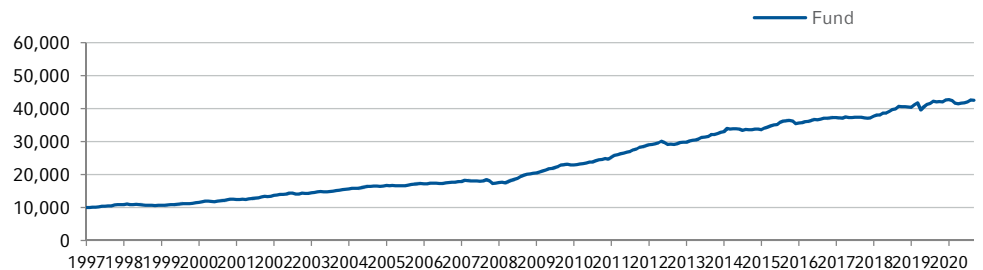
### Management cost<sup>†</sup>

0.65%

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

N/A

## Growth of \$10,000



## Fund commentary

The Russell Investments International Bond Fund (AUD hedged) performed in line with the benchmark in August.

Credit positioning contributed positively to fund performance over the period; notably overweights to Latin American and Asian hard currency emerging markets debt, high-yield financials and industrials and US securitised assets. Partly offsetting these positions was a short credit derivative exposure. Active currency positioning also added value in August, including short Swiss franc and Swedish krona positions. A long Norwegian krone exposure was also positive, while a long British pound position limited further currency gains. Meanwhile, interest rates positioning had no material impact on overall performance during the month, with underweights to German bunds and UK gilts offset by an overweight to US Treasuries and an underweight to Chinese government bonds. In terms of strategic factor performance, our term risk premium, credit risk premium and currency factor strategies all added value in August, while our rates factor strategy detracted from returns.

At the manager level, BlueBay was the best performer for the month, benefiting in part from their underweights to US Treasuries and UK gilts. Schroders and Western Asset Management also performed well over the period, while both the Russell Investments Intelligent Credit strategy and the Russell Investments Integrated Governments strategy performed in line with their respective benchmarks.

<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 International Bond Fund - \$A Hedged (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	1.1	4.4	3.2	6.3
Distribution	7.5	6.5	5.9	6.6
Growth	-6.4	-2.2	-2.7	-0.3

## Portfolio structure\*

Manager	Style	Weight %
BlueBay	Country selection	26.0
Russell Investments	Integrated Global Governments	14.0
Russell Investments	Intelligent Credit	14.0
Russell Investments	Liquidity	5.0
Schroders	Securitised specialist	13.0
Western Asset Management	Security selection	28.0

### 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.  
\*\*Effective August 24, 2021, the Bloomberg Barclays fixed income indices were rebranded the Bloomberg Indices.  
Allocations may not equal 100% due to rounding

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