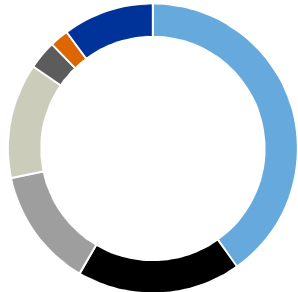


31 May 2022

Russell Investments International Bond Fund - \$A Hedged

Geographic allocation³



North America	40.2%
Euro Zone	18.3%
Non-Euro Zone	13.3%
Asia Pacific	12.8%
Caribbean, South and Central America	3.2%
Middle East & Africa	2.1%
Other	10.2%

Data as at 30 April 2022

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 review¹

Period ending 31/05/2022	1 month %	3 months %	1 year %	3 years %p.a.	5 years %p.a.	Since inception %p.a.
Total return	-0.79	-6.15	-9.08	-1.00	0.70	5.62

¹ Performance is net of fees and charges. Assumes reinvestment of income. Past performance is not a reliable indicator of future performance.

Fund facts

Share class

Class A

Inception date

31 December 1997

Fund size

AUD 370.36m

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

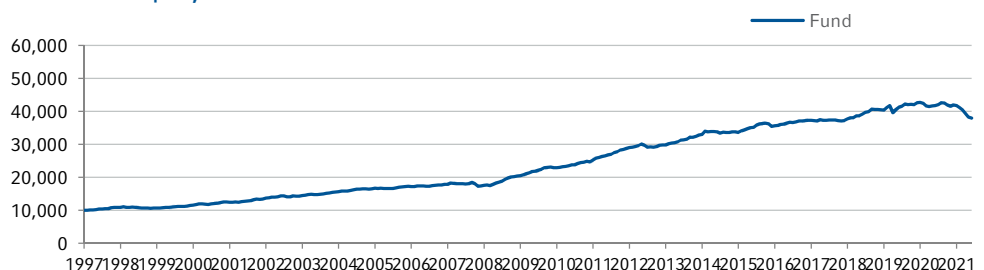
Management fees and costs[†]

0.65%

Performance fees[‡]

N/A

Growth of \$10,000



Fund commentary

The Russell Investments International Bond Fund (AUD hedged) underperformed the benchmark in May.

Active currency positioning detracted from performance over the period, including short euro, Swiss franc and Australian dollar positions. Partly offsetting this positioning were short Norwegian krone and Chinese renminbi exposures. In contrast, credit positioning added value in May. This included an overweight to US asset-backed securities; notably collateralised loan obligations. Partly offsetting this positioning were our overweights to US and European corporate high-yield debt. Meanwhile, the Fund's interest rates positioning was mixed for the month, with gains from an underweight to UK gilts and an overweight to US Treasuries offset by an overweight to German bunds. In terms of strategic factor performance, our credit risk premium, currency factor and rates factor strategies all detracted from returns over the period, while our term risk premium strategy was neutral for the month.

At the manager level, Schroders was the worst performer over the period. Western Asset Management, the Russell Investments Intelligent Credit strategy and the Russell Investments Integrated Governments strategy also underperformed in May, while BlueBay outperformed its benchmark. BlueBay benefited in part from overweight exposures to South African and Mexican government debt.

³ Allocations may not equal 100% due to rounding.

^{^^} Effective August 24, 2021, the Bloomberg Barclays fixed income indices were rebranded the Bloomberg indices.

[†] As a percentage of net assets. Includes management fee, indirect costs and expense recoveries. Reflects RIM's reasonable estimates of the typical fees for the current financial year. All costs reflect the actual amount incurred for previous financial year and may include RIM's reasonable estimates where information was not available or where RIM was unable to determine the exact amount. Refer to the PDS for further information.

[‡] As a percentage of net assets. RIM does not charge a performance fee at the Fund level, however underlying funds and managers may charge a performance fee. This estimated fee is based on the average of actual performance fees incurred over the past 5 financial years. Refer to PDS for further information.

Russell Investments International Bond Fund - \$A Hedged (continued)

Detailed performance review^{1,2}

	1 year %p.a.	3 years %p.a.	5 years %p.a.	Since inception %p.a.
Total return	-9.1	-1.0	0.7	5.6
Distribution	6.7	6.2	5.7	6.3
Growth	-15.8	-7.2	-5.0	-0.7

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.

Portfolio structure⁴

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	Securitized specialist	13.0
Western Asset Management	Security selection	28.0

⁴ Russell Investments retains the discretion to change the investment managers at any time without notice. Please check russellinvestments.com.au/disclosures for the latest list of managers.

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NSW, QLD, ACT & NT : 02 9229 5111 VIC, SA, WA & TAS: 03 9270 8111

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