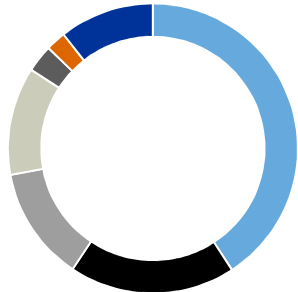


31 July 2022

Russell Investments International Bond Fund - \$A Hedged

Geographic allocation³



North America	40.8%
Euro Zone	18.5%
Non-Euro Zone	12.7%
Asia Pacific	12.1%
Caribbean, South and Central America	3.0%
Middle East & Africa	2.2%
Other	10.6%

Data as at 30 June 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 31/07/2022	1 month %	3 months %	1 year %	3 years %p.a.	5 years %p.a.	Since inception %p.a.
Total return	2.56	-0.17	-10.35	-1.46	0.78	5.61

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 369.16m

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

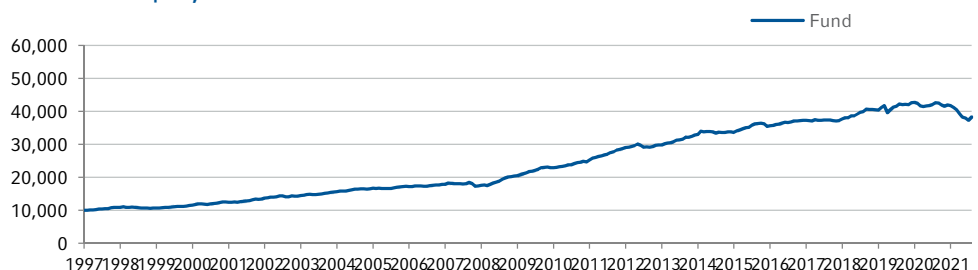
Management fees and costs[†]

0.65%

Performance fees[‡]

N/A

Growth of \$10,000



Fund commentary

The Russell Investments International Bond Fund (AUD hedged) outperformed the benchmark in July.

Interest rates positioning contributed positively to fund performance over the period; notably overweights to US Treasuries and Australian government bonds. Partly offsetting these positions was an underweight to UK gilts. Credit positioning also added value in July. This included overweights to US and European corporate high-yield debt and European investment-grade debt. Overweights to US asset-backed securities – particularly collateralised loan obligations – and European and Latin American hard currency emerging markets debt added further value over the period. In contrast, active currency positioning detracted from overall performance in July. In terms of strategic factor performance, our term risk premium, credit risk premium and rates factor strategies all performed well in July, while our currency factor strategies weighed on returns.

At the manager level, Western Asset Management was the best performer over the period, benefiting in part from overweights to European investment-grade debt and US corporate high-yield debt. BlueBay and the Russell Investments Integrated Governments strategy were both flat for the month, while corporate credit specialist Schroders and the Russell Investments Intelligent Credit strategy underperformed.

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	-10.3	-1.5	0.8	5.6
Distribution	-	5.8	4.4	6.3
Growth	-10.3	-7.3	-3.6	-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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