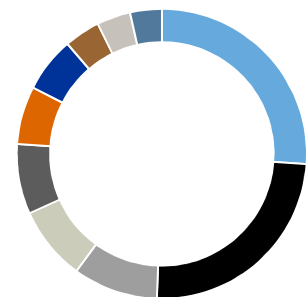


# Russell Investments Australian Opportunities Fund

## Sector allocation



Materials	26.1%
Financials	24.4%
Health Care	9.5%
Consumer Discretionary	8.3%
Energy	7.8%
Communication Services	6.5%
Industrials	6.1%
Real Estate	4.0%
Consumer Staples	3.7%
Other	3.5%

## 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 Australian shares.

## Fund strategy

The Fund invests predominantly in shares and unit trusts listed or about to be listed on the Australian Securities Exchange. The Fund may also engage in short selling of securities. Derivatives may be used to obtain or reduce exposure to securities and markets, to implement investment strategies and to manage risk.

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

Period ending 30/04/2021	1 month %	3 months %	1 year %	3 years %p.a.	5 years %p.a.	Since inception %p.a.
Total return	2.42	7.32	31.89	7.10	9.18	8.55

## Growth of \$10,000



## Fund facts

### Share class

Class A

### Inception date

31 May 2004

### Fund size

AUD 509.78m

### Benchmark

S&P/ASX 300 Accumulation Index

### Portfolio manager

Symon Parish

### Recommended investment timeframe

7 years

### Tax structure

Investment - Class A

### APIR code

RIM0029AU

### ARSN code

108-895-469

### Management cost<sup>†</sup>

1.20%

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

0.08%

## Fund commentary

The Russell Investments Australian Opportunities Fund underperformed the benchmark in April.

Contributing to the Fund's underperformance was our pro-cyclical bias as investors tended to favour growth-oriented names over more cyclical, cheaper value stocks. In particular, the Fund was impacted by overweights to materials names like Incitec Pivot, Lynas Rare Earths and Coronado Global Resources; all of which traded sharply lower over the period. The Fund's overweight to the energy sector and poor stock selection within the financials space also weighed on returns, including overweights to Challenger and AMP Ltd. Other notable positions to impact performance were underweight holdings in buy now, pay later platform Afterpay, Fortescue Metals Group and Galaxy Resources. In contrast, the Fund benefited from positive stock selection amongst some of the market's more defensive names, including underweights to Woolworths and a2 Milk Company. An underweight to the utilities sector and strong stock selection within the healthcare space were also positive in April; the latter including an overweight to New Zealand's Fisher & Paykel Healthcare. Other key holdings to add value were overweights to Newcrest Mining and Reece Ltd.

There were no material changes to the Fund's overall positioning during the month. We continue to favour cyclical exposures across both value and growth (with a preference for the former) and remain underweight quality and low-volatility stocks.

<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 Australian Opportunities 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	31.9	7.1	9.2	8.5
Distribution	2.4	6.2	6.4	6.3
Growth	29.4	0.9	2.8	2.2

### ESG data

	Fund	Benchmark
ESG Risk Score**	24.90	24.06
Carbon Footprint***	286.80	207.49
Tobacco Exposure	0.00%	0.00%

\*\* 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
CSL LTD
BHP GROUP LTD
AUST AND NZ BANKING GROUP
NATIONAL AUSTRALIA BANK LTD
NEWCREST MINING LTD
WESTPAC BANKING CORP
COMMONWEALTH BANK OF AUSTRALIA
OIL SEARCH LTD
QBE INSURANCE GROUP LTD
TELSTRA CORP LTD

## Russell Investments Australian Opportunities Fund (continued)

### Portfolio structure\*

Manager	Style	Weight %
Allan Gray	Deep Value	15.0
Ausbil Investment Management	Style Neutral, 130/30	15.0
Firetrail Investments	Opportunistic, high conviction	15.0
L1 Capital	Opportunistic, high conviction	7.5
Liquidity Reserve	Cash	3.0
Platypus Asset Management	Aggressive growth	17.5
Russell Investments	Positioning strategies	9.5
Vinva	Quantitative, 130/30	17.5

### 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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