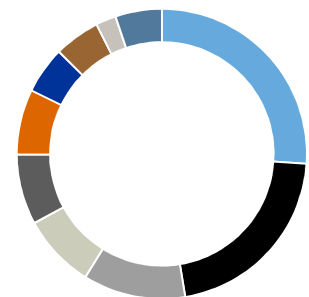


# Russell Investments Australian Opportunities Fund

## Sector allocation<sup>3</sup>



Materials	26.1%
Financials	21.3%
Health Care	11.4%
Energy	8.2%
Consumer Discretionary	7.8%
Communication Services	7.3%
Real Estate	5.2%
Industrials	5.1%
Utilities	2.3%
Other	5.2%

## 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 30/04/2022	1 month %	3 months %	1 year %	3 years %p.a.	5 years %p.a.	Since inception %p.a.
Total return	-0.66	7.57	8.63	8.11	7.46	8.55

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

## Growth of \$10,000



## Fund facts

### Share class

Class A

### Inception date

31 May 2004

### Fund size

AUD 385.26m

### Benchmark

S&P/ASX 300 Accumulation Index

### Portfolio manager

Andrew Zenonos and Symon Parish

### Recommended investment timeframe

7 years

### Tax structure

Investment - Class A

### APIR code

RIM0029AU

### ARSN code

108-895-469

### Management fees and costs<sup>†</sup>

1.11%

### Performance fees<sup>‡</sup>

0.23%

## Fund commentary

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

Contributing to the Fund's outperformance was our value bias; notably overweights to QBE Insurance, national carrier Qantas and Coronado Global Resources. All three stocks posted strong gains for the month. An underweight exposure and strong stock selection within the materials space also added value over the period. In addition to our holding in Coronado Global Resources, this included a sizable underweight to BHP Group, which fell almost 8.0% after management warned of rising risks from inflation, lockdowns in China and the war in Ukraine. The miner was also impacted by a sharp decline in iron ore prices. Stock selection within financials added further value in April, as did an underweight to the poor-performing information technology space. In contrast, poor stock selection within the growth segment of the market detracted from overall returns. This included overweights to ResMed, IDP Education and Megaport; all of which posted double-digit declines for the month. An underweight to the consumer staples sector also weighed on performance; notably names like Woolworths, Endeavour Group and Coles. Other key holdings to impact returns were underweights to Transurban, Fortescue Metals Group and CSL 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>3</sup> Allocations may not equal 100% due to rounding.

<sup>†</sup> 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.

<sup>‡</sup> 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 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	8.6	8.1	7.5	8.6
Distribution	6.7	5.3	6.6	6.3
Growth	2.0	2.8	0.9	2.2

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.

### ESG data

	Fund	Benchmark
ESG Risk Score**	24.42	23.03
Carbon Footprint***	332.82	228.58
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
BHP GROUP LTD
CSL LTD
QBE INSURANCE GROUP LTD
AUST AND NZ BANKING GROUP
NATIONAL AUSTRALIA BANK LTD
SANTOS LTD
COMMONWEALTH BANK OF AUSTRALIA
MACQUARIE GROUP LTD
GOODMAN GROUP
TELSTRA CORP LTD

## Russell Investments Australian Opportunities Fund (continued)

### Portfolio structure<sup>4</sup>

Manager	Style	Weight %
Allan Gray	Deep Value	12.5
Ausbil Investment Management	Style Neutral, 130/30	15.0
Firetrail Investments	Opportunistic, high conviction	14.0
L1 Capital	Opportunistic, high conviction	9.0
L1 Capital (Catalyst)	Concentrated, activist	2.5
Platypus Asset Management	Aggressive growth	17.5
Russell Investments	Liquidity Reserve	3.0
Russell Investments	Positioning strategies	9.5
Vinva	Quantitative, 130/30	17.0

<sup>4</sup> Russell Investments retains the discretion to change the investment managers at any time without notice. Please check [russellinvestments.com.au/disclosures](https://russellinvestments.com.au/disclosures) for the latest list of managers.

### Contact Russell Investments

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