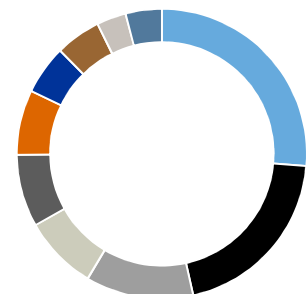


# Russell Investments Australian Opportunities Fund

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



Materials	26.4%
Financials	20.2%
Health Care	12.0%
Energy	8.3%
Consumer Discretionary	8.1%
Communication Services	7.3%
Industrials	5.5%
Real Estate	5.1%
Information Technology	3.3%
Other	4.0%

## 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 28/02/2022	1 month %	3 months %	1 year %	3 years %p.a.	5 years %p.a.	Since inception %p.a.
Total return	2.45	-0.48	8.40	7.26	7.33	8.34

<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 442.88m

### 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 February.

Contributing to the Fund's outperformance was our underweight to expensive quality growth names; notably Sonic Healthcare, CSL Ltd. and Domino's Pizza. Our overweight to cyclical stocks also added value, including our holdings in CIMIC Group and national carrier, Qantas. Both stocks posted strong gains for the month. An overweight to the energy space added further value in February; notably our holding in Woodside Petroleum, which jumped almost 23% on the back of a sharp spike in oil prices following Russia's invasion of Ukraine. Other notable positions to contribute positively to performance were underweights to Wesfarmers and Fortescue Metals Group and an overweight to gold miner, Newcrest Mining. Newcrest surged more than 19% as investors favoured gold's traditionally defensive qualities in the face of heightened geopolitical risks. In contrast, a material underweight to banks detracted from overall returns, including names like Westpac Banking Corp. and National Australia Bank. Stock selection within the information technology space also weighed on performance; notably an overweight to Xero and an underweight to Computershare. Other key holdings to impact returns were an underweight to BHP Billiton and an overweight to Mineral Resources.

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	8.4	7.3	7.3	8.3
Distribution	6.7	5.2	6.6	6.4
Growth	1.8	2.0	0.8	2.0

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**	24.83	23.80
Carbon Footprint***	361.11	236.90
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
AUST AND NZ BANKING GROUP
QBE INSURANCE GROUP LTD
SANTOS LTD
WOODSIDE PETROLEUM LTD
RESMED INC-CDI
NATIONAL AUSTRALIA BANK LTD
COMMONWEALTH BANK OF AUSTRALIA
NEWCREST MINING 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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