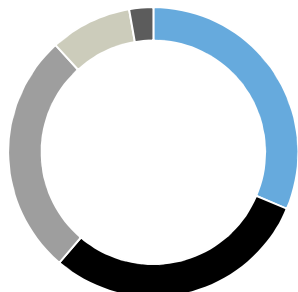


# Russell Investments Balanced Fund

Asset allocation as at  
31 December 2020<sup>3</sup>



■ Fixed Int & Cash	31.4%
■ Aust Shares	29.9%
■ Int Shares	27.0%
■ Property	9.1%
■ Alternatives	2.7%

## Fund objective

To provide returns over the medium to long term, with moderate to high volatility, consistent with a diversified mix of predominantly growth oriented assets and some defensive assets.

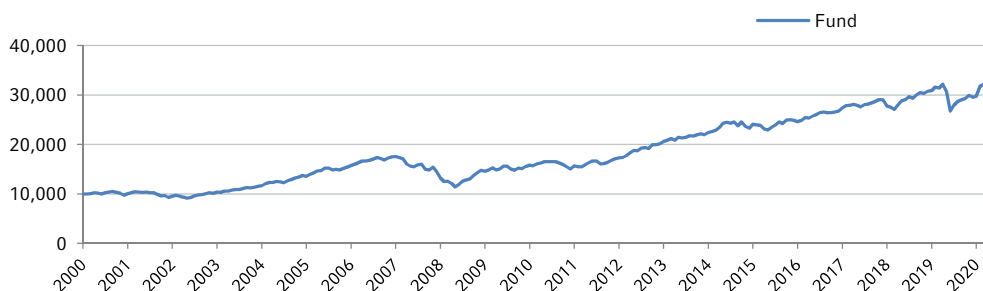
## Fund strategy

The Fund typically invests in a diversified portfolio mix with exposure to growth investments of around 70% and defensive investments of around 30%. Derivatives may be used to implement investment strategies.

## Performance review<sup>1,2</sup>

Period ending 31/12/2020	1 month %	3 months %	1 year %	3 years %p.a.	5 years %p.a.	Since inception %p.a.
Total return	0.93	8.74	2.22	4.78	6.15	5.95
Distribution	-	-	5.31	5.36	5.52	5.86
Growth	0.93	8.74	-3.09	-0.59	0.63	0.09

## Growth of \$10,000



## Fund facts

### Share class

Class A

### Inception date

31 October 2000

### Fund size

AUD 1,274.83m

### Portfolio manager

Symon Parish

### Recommended investment timeframe

5 years

### Tax structure

Investment - Class A

### APIR code

RIM0001AU

### ARSN code

094-799-345

### Management cost<sup>†</sup>

0.88%

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

0.00%

## Fund commentary

The Russell Investments Balanced Fund outperformed the benchmark in the December quarter.

The Fund's global and domestic equity portfolios contributed positively to performance over the period. In terms of global equities, both the Russell Investments Tax Effective Global Shares Fund and the Russell Investments Global Opportunities Fund delivered positive excess returns for the quarter, driven by strong performances from their emerging markets and UK equity specialists. The Russell Investments Multi-Asset Factor Exposure Fund also performed well, benefiting largely from its value exposure. Within our Australian equity portfolio, both the Russell Investments Australian Shares Core Fund and the Russell Investments Australian Factor Exposure Fund recorded strong absolute and benchmark-relative returns over the period. The Fund's credit exposure was also positive for the quarter; notably global high-yield debt and floating rate credit, which recorded good gains as bank loans and securitised assets continued to recover. Credit positioning also contributed to positive excess returns for the Russell Investments International Bond Fund – \$A Hedged and the Russell Investments Australian Bond Fund. Also adding value over the period were our exposures to global and Australian listed property and an overweight to the Japanese yen. In contrast, a stronger Australian dollar impacted the returns of the Fund's assets denominated in foreign currency.

<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 Balanced Fund (continued)

## Actual asset allocation as at 31 December 2020<sup>3</sup>



■	Cash	10.1%		
■	Russell Investments International Bond Fund - A\$ Hedged	6.9%		
■	Russell Investments Australian Bond Fund	5.3%		
■	Russell Investments Floating Rate Fund	5.0%		
■	Vanguard Inflation Linked Bond Fund	1.9%		
■	Russell Investments Global Bond Fund AUD Hedged	0.9%		
■	Russell Investments Australian Floating Rate Fund	0.0%		
■	Fixed Interest and Cash - Derivatives	1.2%		
			<b>Fixed Interest and Cash</b>	<b>31.4%</b>
■	Russell Investments Australian Shares Core Fund	24.3%		
■	Russell Investments Australian Factor Exposure Fund	8.0%		
■	Australian Shares - Derivatives	-2.4%		
			<b>Australian Shares</b>	<b>29.9%</b>
■	Russell Investments Multi-Asset Factor Exposure Fund	13.8%		
■	Russell Investments Tax Effective Global Shares Fund	11.0%		
■	Russell Investments Global Opportunities Fund - A\$ Hedged	7.3%		
■	Russell Investments Global Opportunities Fund	0.1%		
■	International Shares - Derivatives	-5.2%		
			<b>International Shares</b>	<b>27.0%</b>
■	Vanguard International Properties Securities Fund	5.3%		
■	Vanguard Australian Properties Securities Fund	2.0%		
■	Russell Investments Private Assets Fund - Property Portion	1.8%		
			<b>Property</b>	<b>9.1%</b>
■	Russell Investments Global Listed Infrastructure Fund	1.0%		
■	Russell Investments Global High Yield Fund	1.0%		
■	Russell Investments Private Assets Fund - Infrastructure Portion	0.5%		
■	Vanguard Global Infrastructure Fund - A\$ Hedged	0.1%		
■	Amundi Absolute Volatility World Equities Fund	0.0%		
			<b>Alternatives</b>	<b>2.7%</b>

## Russell Investments Balanced Fund (continued)

### Portfolio structure\*

<b>Russell Investments Australian Shares Core Fund</b>	
Ausbil	Core, earnings revisions focus
DFA	Deep value small cap
Investors Mutual Limited	Bottom-up with defensive characteristics
Numeric Investors	Quantitative
Platypus	Aggressive growth
Russell Investments	Positioning strategies
<b>Russell Investments Australian Factor Exposure Fund</b>	
Russell Investments	Core
<b>Russell Investments Global Opportunities Fund - \$A Hedged</b>	
Fiera Capital	Core global equities
J O Hambro Capital Management	UK equity dynamic
Nissay Asset Management	Japanese equities
Numeric Investors	Core global equities, global low volatility
Oaktree Capital	Emerging markets
Russell Investments	Positioning strategies
RWC Partners	Global emerging markets
Sanders Capital, LLC	Core global value
Wellington Management Company LLP	Core global growth horizons
<b>Russell Investments Global Opportunities Fund</b>	
Fiera Capital	Core global equities
J O Hambro Capital Management	UK equity dynamic
Nissay Asset Management	Japanese equities
Numeric Investors	Core global equities, global low volatility
Oaktree Capital	Emerging markets
Russell Investments	Positioning strategies
RWC Partners	Global emerging markets
Sanders Capital, LLC	Core global value
Wellington Management Company LLP	Core global growth horizons
<b>Russell Investments Multi-Asset Factor Exposure Fund</b>	
Russell Investments	Core
<b>Russell Investments Tax Effective Global Shares Fund</b>	
Fiera Capital	Global growth
J O Hambro Capital Management	UK equity
Morgan Stanley	Global growth
Nissay Asset Management	Japan equity
Numeric Investors	Global core, global low volatility
Oaktree Capital	Emerging markets
Russell Investments	Positioning strategies
RWC Partners	Emerging markets
Sanders Capital	Global value
<b>Amundi Absolute Volatility World Equities Fund AUD Hedged</b>	
Amundi	Volatility
<b>Russell Investments Global High Yield Fund</b>	
Barings, LLC	Credit selection

## Russell Investments Balanced Fund (continued)

### Portfolio structure\*

Hermes Sourcecap	Global, top-down
Russell Investments	Positioning strategies
<b>Russell Investments Global Listed Infrastructure Fund - Hedged</b>	
Cohen & Steers	Growth, valuation sensitive
First Sentier Investors	Fundamental with growth at a reasonable price
Nuveen	Style Neutral, diversified
Russell Investments	Active risk overlay
<b>Russell Investments Private Assets Fund</b>	
Brookfield Premier Real Estate Partners Australia	Core plus Australian office property
Charter Hall Prime Industrial Fund	Core Australian industrial property
DEXUS Wholesale Property Fund	Core Australian diversified property, office focus
IFM Australian Infrastructure Fund	Core diversified Australian infrastructure
Morrison & Co Utilities Trust of Australia	Core diversified Australian & UK infrastructure
<b>Vanguard Global Infrastructure Fund (Hedged)</b>	
Vanguard	Passive
<b>Vanguard International Property Securities Index Fund (Hedged)</b>	
Vanguard	Passive
<b>Vanguard Australian Property Securities Index Fund</b>	
Vanguard	Passive
<b>Russell Investments Australian Bond Fund</b>	
AMP Capital	Alpha seeking
Russell Investments	Positioning strategies
UBS	Alpha seeking
Western Asset Management	Alpha seeking
<b>Russell Investments Australian Floating Rate Fund</b>	
Perpetual	Cash enhanced
Russell Investments	Positioning strategies
<b>Russell Investments International Bond Fund - \$A Hedged</b>	
BlueBay	Country & credit selection
Colchester	Rates & currency – value
Insight	Macro / Sector rotation
Russell Investments	Positioning strategies
Schroders	Securitised specialist
Voya	Diversified alpha
<b>RIC Global Bond Fund Class AUDH</b>	
BlueBay	Country & credit selection
Colchester	Rates & currency – value
Insight	Broad market approach, currency & rates
Russell Investments	Positioning strategies
Schroders	Securitised specialist
Voya	Diversified alpha
<b>Russell Investments Floating Rate Fund</b>	
First Eagle Alternative Credit	US leveraged loans
Intermediate Capital Group PLC	European leveraged loans

## Russell Investments Balanced Fund (continued)

### Portfolio structure\*

TwentyFour Asset Management	European asset backed securities
Voya Investment Management	US asset-backed securities
<b>Vanguard Australian Inflation Linked Bond Index Fund</b>	
Vanguard	Index

### 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.  
 3 Allocations may not equal 100% due to rounding.  
 \*In order to manage a fund/portfolio to its investment objectives, Russell Investments retains the discretion to change the underlying investments at any time, without notice to investors.  
 Please refer to the relevant Product Disclosure Statement for more information.

### Important information

Issued by Russell Investment Management Ltd ABN 53 068 338 974, AFS Licence 247185 (RIM). This document provides general information for wholesale investors only and has not prepared having regard to your objectives, financial situation or needs. Before making an investment decision, you need to consider whether this information is appropriate to your objectives, financial situation or needs. This information has been compiled from sources considered to be reliable, but is not guaranteed. The performance data shown does not take into account fees, charges and taxes, and is not a reliable indicator of the net return to you as an investor. Past performance is not a reliable indicator of future performance. Any potential investor should consider the latest PDS in deciding whether to acquire, or to continue to hold, an investment in any Russell Investments product. The PDS can be obtained by visiting [russellinvestments.com.au](http://russellinvestments.com.au) or by phoning (02) 9229 5111. RIM and TRM are part of Russell Investments. Russell Investments or its associates, officers or employees may have interests in the financial products referred to in this information by acting in various roles including broker or adviser, and may receive fees, brokerage or commissions for acting in these capacities. In addition, Russell Investments or its associates, officers or employees may buy or sell the financial products as principal or agent. The Russell Indexes mentioned in this document are trademarks of Frank Russell Company. Frank Russell Company is the owner of the Russell trademarks and all trademark rights related to the Russell trademarks, which the members of the Russell Investments group of companies are permitted to use under license from Frank Russell Company. The members of the Russell Investments group of companies are not affiliated in any manner with Russell or any entity operating under the 'FTSE Russell' brand. Copyright © 2020 RIM. All rights reserved. This material is proprietary and may not be reproduced, transferred, or distributed in any form without prior written permission from RIM. Russell Investments became a signatory of the Principles for Responsible Investment (PRI) in 2009; the Carbon Disclosure Project's climate change program since 2010; and the Climate Action 100 in 2017. Russell Investments is also a member of the Institutional Investors Group on Climate Change (IIGCC) since 2015; and the Responsible Investment Association of Australasia. Russell Investments became a supporter for the Taskforce on Climate-Related Financial Disclosures (TCFD) in May 2019. Russell Investments has consecutively achieved an A+ rating for our strategy and governance approach from the PRI from 2016-2020. For further information visit [russellinvestments.com](http://russellinvestments.com).