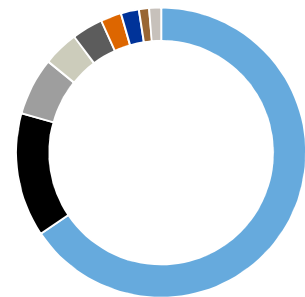


31 October 2022

# Russell Investments International Shares Fund - \$A Hedged

## Geographic allocation<sup>3</sup>



United States	65.6%
Europe ex UK	13.8%
Japan	6.4%
UK	4.0%
Canada	3.5%
Emerging Markets	2.3%
Australia/New Zealand	2.0%
Asia ex Japan	1.1%
Other	1.3%

## Fund objective

To provide a total return, before costs and tax, higher than the Fund's benchmark over the long term by providing exposure to a diversified portfolio of predominantly international shares largely hedged into Australian dollars.

## Fund strategy

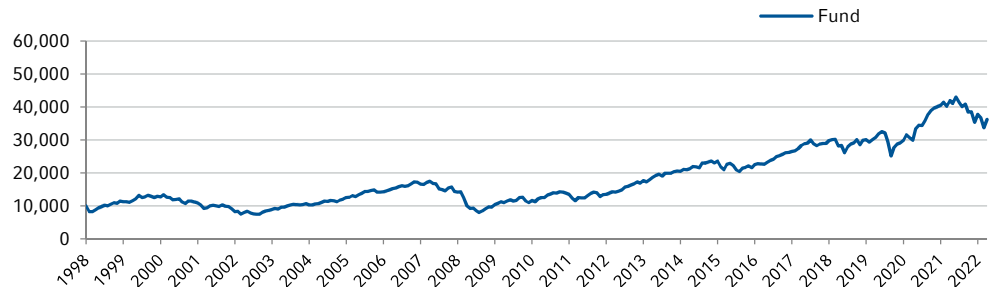
The Fund invests predominantly in a broad range of international shares listed on stock exchanges in developed international markets. The Fund may also be exposed to emerging market shares. Derivatives may be used to obtain or reduce exposure to securities and markets, to implement investment strategies and to manage risk. Foreign currency exposures are largely hedged back to Australian dollars.

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

Period ending 31/10/2022	1 month %	3 months %	1 year %	3 years %p.a.	5 years %p.a.	Since inception %p.a.
Total return	7.56	-4.09	-13.57	5.56	5.06	5.46

<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 commentary

The Russell Investments International Shares Fund (AUD hedged) outperformed the benchmark in October. Contributing to the Fund's outperformance was strong stock selection in the US, including underweights to poor-performing growth names such as Tesla and Amazon.com. The Fund also benefited from stock selection in emerging markets; notably short positions in Taiwan Semiconductor Manufacturing Co. and China's Tencent Holdings. Stock selection in the UK and Continental Europe added further value in October; the latter including overweights to German car makers Mercedes-Benz AG and Bayerische Motoren Werke AG; both of which posted very strong gains for the month. Other notable positions to add value were overweights to Canada's Shopify and Danish transport and logistics company DSV A/S. Meanwhile, the Fund's active positioning strategy outperformed in October. The strategy is currently positioned in favour of value and quality to complement our strategic factor positioning. Both value and quality outperformed growth over the period. In contrast, stock selection in Australia detracted from overall performance, including overweights to miners BHP Group and South32. An overweight exposure and stock selection in Japan also weighed on returns, albeit modestly. This included an underweight to Softbank Group and an overweight to Sumitomo Mitsui Financial Group. Other key holdings to impact performance were underweights to US oil majors Exxon Mobil and Chevron.

## Fund facts

### Share class

Class A

### Inception date

31 July 1998

### Fund size

AUD 209.38m

### Benchmark

MSCI World Index - 100% Hedged to AUD - Net

### Portfolio manager

Jordan McCall

### Recommended investment timeframe

7 years

### Tax structure

Investment - Class A

### APIR code

RIM0009AU

### ARSN code

092-805-939

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

1.09%

### Performance fees<sup>‡</sup>

N/A

<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 International Shares Fund - \$A Hedged (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	-13.6	5.6	5.1	5.5
Distribution	-	-	-	4.4
Growth	-13.6	5.6	5.1	1.1

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**	21.03	21.54
Carbon Footprint***	121.35	140.80
Tobacco Exposure	0.00%	0.75%

\*\* 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
MICROSOFT CORP
APPLE INC
UNITEDHEALTH GROUP INC
JOHNSON & JOHNSON
ALPHABET INC-CL A
PEPSICO INC
TAIWAN SEMICONDUCTOR-SP ADR
MASTERCARD INC - A
AMAZON.COM INC
ROCHE HOLDING AG-GENUSSCHEIN

# Russell Investments International Shares Fund - \$A Hedged (continued)

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

Manager	Style	Weight
Fiera Capital	Global growth	14.5
Liquidity Reserve	Cash	3.0
Man Numeric Investors	Quantitative: Global	18.0
Morgan Stanley	Growth: Global	12.5
Russell Investments	Positioning Strategies	19.0
Sanders Capital	Value: Global	16.5
Wellington Management Company	Global contrarian value (excl. small caps)	16.5

<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.

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For more information:

NSW, QLD, ACT & NT : 02 9229 5111 VIC, SA, WA & TAS: 03 9270 8111

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