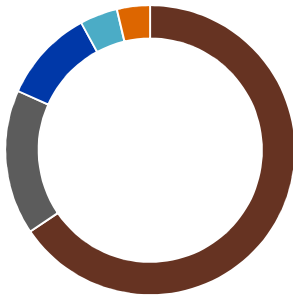


# Russell Investments Multi-Asset Income Strategy Fund

Asset allocation as at  
30 April 2021<sup>3</sup>



■ Fixed Int & Cash	65.5%
■ Aust Shares	16.2%
■ Int Shares	10.4%
■ Alternatives	4.2%
■ Property	3.7%

## Fund facts

### Share class

Class A

### Performance objective as at 31 March 2021

CPI +2%\*

3 Months % 1.09

1 Year % 3.11

3 Years % p.a. 3.55

### Inception date

12 December 2012

### Fund size

AUD 58.74m

### APIR code

RIM0089AU

### ARSN code

160-347-384

### Management cost<sup>†</sup>

0.83%

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

N/A

## Fund objective

To provide a return (after fees and costs) of 2% pa above inflation over the short to medium term with a focus on income and risk management.

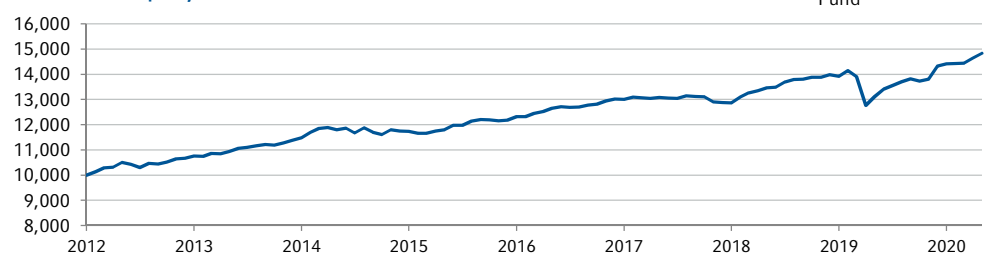
## Fund strategy

The Fund is diversified across a range of asset classes, including equities, fixed income and alternatives, with a dynamic approach to asset allocation. Derivatives may be used to implement investment strategies.

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

Performance review	1 month %	3 months %	1 year %	3 years %p.a.	5 years %p.a.	Since inception %p.a.
Total return	1.30	2.82	13.15	4.29	4.68	4.88
Distribution	0.14	0.14	4.31	3.41	3.48	3.90
Growth	1.17	2.68	8.84	0.89	1.20	0.99

## Growth of \$10,000<sup>1</sup>



## Market

The global bond market made modest gains in April. Longer-term government bond yields were mixed over the period. Bonds benefited from concerns the spread of coronavirus in some parts of the world could stifle the global recovery, news the euro-zone economy fell back into recession in the first quarter and ongoing Sino-US tensions. Partly offsetting these factors were the rapid vaccine rollout across the US and further evidence the recovery there is gathering momentum. Bonds were also impacted by a series of improving European economic data, some encouraging US and European earnings results and stronger Chinese growth. Credit markets performed well in April, with spreads on US and European investment-grade and high-yield debt narrowing amid ongoing fiscal and monetary policy support, the successful vaccine rollout in the US and rising commodity prices. Australian bonds were also positive for the month, with the yield on 10-year government debt falling amid concerns over the pace of the local vaccine rollout, mixed earnings updates and another snap lockdown in Perth. Meanwhile, domestic credit spreads narrowed over the period.

Global and Australian shares performed well in April, benefiting from ongoing monetary policy support, improving economic data and the general optimism surrounding the global and domestic growth outlooks.

<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.

\* Reserve Bank of Australia Cash Rate + 1.7% until 04/05/2016 and CPI+2% thereafter.

# Russell Investments

## Multi-Asset Income Strategy Fund (continued)

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### Fund performance and outlook

The Fund's global and Australian equity portfolios contributed positively to performance over the period. In terms of global equities, both the Russell Investments Global Opportunities Fund and the Russell Investments Global Opportunities Fund (AUD Hedged) delivered strong absolute returns for the month; the two funds benefiting in part from positive stock selection in China and Canada. Within our Australian equity portfolio, the Russell Investments Australian Factor Exposure Fund recorded positive absolute and benchmark-relative returns in April. However, Vinva's Australian Equitised Long/Short Fund underperformed its benchmark due to weakness in the strategy's valuation signals. We maintain a diversified equity exposure across both global and Australian markets. We still prefer non-US stocks over US stocks as the post-vaccine economic recovery should favour undervalued cyclical value names over expensive technology and growth stocks. We believe value in emerging markets has become less compelling due to the higher risk-free rate, i.e. US Treasury yields. Nonetheless, we believe the equity cycle overall is supported by a stronger economy, improved earnings and monetary policy. The Fund's credit exposure also added value over the period. In particular, the Fund benefited from its exposures to global high-yield debt and global floating rate credit; both of which outperformed amid improving investor sentiment and tighter credit spreads. Metrics Credit was also positive for the month, though it generated more modest returns. We maintain our view that high-yield and investment-grade debt are slightly expensive. However, we believe both remain attractive given the post-vaccine cycle outlook. The Fund's exposures to the Russell Investments Australian Bond Fund and the Russell Investments International Bond Fund (AUD Hedged) added further value in April. Both funds recorded positive absolute and benchmark-relative returns on the back of their credit exposure. We continue to see government bonds as universally expensive, even after the recent selloff. Moreover, we expect central bank policy will limit rises in government bond yields during the recovery phase. In contrast, a stronger Australian dollar (AUD) impacted the returns of our unhedged international exposures in April. The AUD benefited from a series of encouraging domestic economic data and rising commodity prices.

Vaccine prospects are likely to make 2021 a year of global economic recovery. While markets have priced in a fair amount of the good news, more gains seem possible as corporate profits rebound and central banks maintain accommodative monetary policies. With the world in the early post-recession recovery phase of the business cycle, our medium-term outlook for economies and corporate earnings is positive. We believe 2021 will feature an extended period of low-inflation, low-interest-rate growth that favours equities over bonds.

# Russell Investments

## Multi-Asset Income Strategy Fund (continued)

After researching the most effective strategies in each asset class, our team selects from the best of active management, passive and smart beta approaches. The Multi-Asset Income Strategy Fund (MAIS) also includes dynamic tactical positioning, which Russell Investments can implement either through changes to the manager mix and/or through direct management of custom portfolios which are designed to address specific sector and/or country strategies.

### Actual asset allocation as at 30 April 2021<sup>3</sup>



■	Russell Investments Australian Bond Fund	14.4%		
■	Russell Investments Australian Floating Rate Fund	9.5%		
■	Russell Investments Floating Rate Fund	9.4%		
■	Russell Investments International Bond Fund - A\$ Hedged	7.9%		
■	Perpetual High Grade Treasury Fund	7.5%	<b>Fixed Interest and Cash</b>	<b>65.5%</b>
■	Russell Investments Absolute Return Bond Fund	6.7%		
■	Metrics Credit Partners	6.0%		
■	Cash	2.1%		
■	Russell Investments Extended Strategies Fund	2.0%		
■	Russell Investments High Dividend Australian Shares ETF	6.5%		
■	Vinva Australian Equitised Long-Short Fund	5.2%	<b>Australian Shares</b>	<b>16.2%</b>
■	Russell Investments Australian Factor Exposure Fund	4.5%		
■	Russell Investments Global Opportunities Fund - A\$ Hedged	6.4%		
■	Russell Investments Global Opportunities Fund	3.8%	<b>International Shares</b>	<b>10.4%</b>
■	International Shares - Derivatives	0.3%		
■	Russell Investments Emerging Markets Debt Local Currency Fund	2.6%		
■	Russell Investments Global High Yield Fund	1.0%		
■	Russell Investments Global Listed Infrastructure Fund	0.6%	<b>Alternatives</b>	<b>4.2%</b>
■	Amundi Absolute Volatility World Equities Fund	0.0%		
■	Vanguard Australian Properties Securities Fund	1.9%		
■	Russell Investments International Property Securities Fund	1.8%	<b>Property</b>	<b>3.7%</b>

# Russell Investments

## Multi-Asset Income Strategy Fund (continued)

### Portfolio structure\*

The table below shows a selection of MAIS current strategies and highlights some of the MAIS managers.

ABSOLUTE RETURN	FIXED INCOME		EQUITIES		REAL ASSETS
Cash	Australian & International Bonds	High Yield, EMD & Floating Rate Credit	Australian Equities	Global Equities	Listed Infrastructure
Cash-benchmarked Strategies					
Perpetual	AMP Capital UBS Western Asset BlueBay Schroders Russell Investments	Barings DDJ Hermes GLG Partners Colchester THL Voya TwentyFour ICG Russell Investments	Vinva Russell Investments	Fiera J O Hambro Nissay Numeric Oaktree RWC Sanders Wellington Russell Investments	Cohen & Steers Colonial First State Nuveen Russell Investments
Bank Loans					Listed Property
Metrics Credit					Cohen & Steers RREEF

The above does not represent an exhaustive list of the managers and strategies in the fund. Source: Russell Investments. Data as at April 2021.

### 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 [www.russellinvestments.com.au](http://www.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

<sup>1</sup> Performance is net of fees and charges. Assumes reinvestment of income. Past performance is not a reliable indicator of future performance.  
<sup>2</sup> The distribution return reflects income paid from the Fund, whilst the growth return reflects changes in the capital value of the units.  
<sup>3</sup> Allocations may not equal 100% due to rounding.  
<sup>4</sup> 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.

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