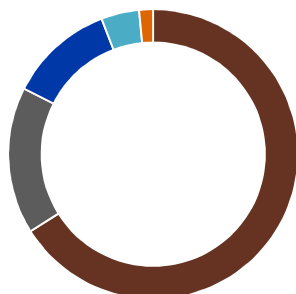


# Russell Investments Multi-Asset Income Strategy Fund

Asset allocation as at  
30 April 2022<sup>3</sup>



■ Fixed Int & Cash	66.1%
■ Aust Shares	16.4%
■ Int Shares	11.7%
■ Alternatives	4.2%
■ Property	1.6%

## 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.

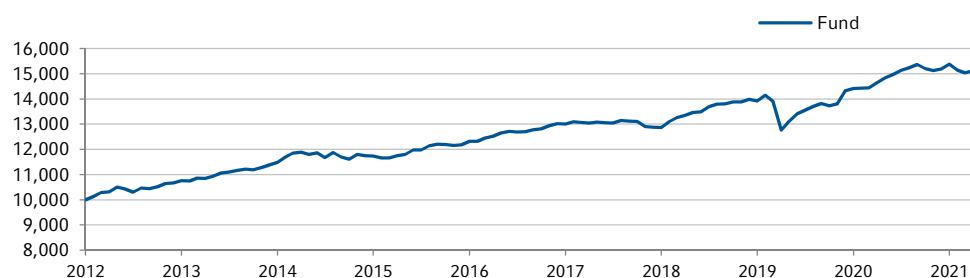
## Performance review<sup>1,2</sup>

Performance review	1 month %	3 months %	1 year %	3 years %p.a.	5 years %p.a.	Since inception %p.a.
Total return	-1.18	-1.36	0.66	3.51	3.38	4.42
Distribution	0.27	0.27	4.38	4.21	3.74	3.95
Growth	-1.44	-1.62	-3.73	-0.70	-0.36	0.47

<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.

## Growth of \$10,000



## Market

Global bonds were weaker in April. Longer-term government bond yields rose (prices fell) over the period, driven largely by expectations of more aggressive central bank action in the face of persistently high inflation. In the US, inflation jumped 8.5% in the year to 31 March, prompting increasingly hawkish rhetoric from a number of US Federal Reserve officials, including chairman Jerome Powell who went as far as acknowledging that a 0.50% rate hike would be on the table when the Bank met in early May. Elsewhere, record high inflation in the euro-zone led to speculation the European Central Bank could raise rates as soon as July, while the Bank of Canada and the Reserve Bank of New Zealand lifted their benchmark interest rates by 0.50% in April after inflation in both countries reached its highest level in 30 years. In contrast, bonds benefited from their traditionally defensive characteristics amid Chinese growth concerns and the ongoing war in Ukraine. Credit markets also underperformed in April. Australian bonds tracked their global counterparts lower over the period, while domestic credit markets were also weaker.

Global shares fell on the back of increasingly hawkish central bank activity, Chinese growth concerns and heightened geopolitical risks. Australian shares also traded lower in April, driven by expectations that a further spike in inflation would force the Reserve Bank of Australia to raise rates even sooner than anticipated and mixed performances across the major banks and miners.

<sup>3</sup> All allocations may not equal 100% due to rounding.

† 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.

‡ 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.

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

Fund facts	
<b>Share class</b>	
Class A	
<b>Performance objective as at 31 March 2022</b>	
CPI +2%*	
3 Months %	2.64
1 Year %	7.09
3 Years % p.a.	4.79
<b>Inception date</b>	
12 December 2012	
<b>Fund size</b>	
AUD 123.83m	
<b>APIR code</b>	
RIM0089AU	
<b>ARSN code</b>	
160-347-384	
<b>Management fees and costs<sup>†</sup></b>	
0.84%	
<b>Performance fees<sup>‡</sup></b>	
0.03%	

# Russell Investments

## Multi-Asset Income Strategy Fund (continued)

---

### Fund performance and outlook

The Fund's traditional fixed income portfolio was impacted by the rise in government bond yields we saw over the period, with both the Russell Investments International Bond Fund – \$A Hedged (RIBF) and the Russell Investments Australian Bond Fund posting negative absolute returns for the month. However, RIBF did outperform its benchmark in April, albeit modestly. Within our extended fixed income portfolio, credit returns were slightly negative for the month; though global floating rate credit did outperform given its low sensitivity to interest rates. Global high-yield debt saw some weakness amid lingering rate hike expectations and heightened geopolitical risks. We believe government bonds have mixed valuations after the recent selloff. Yields will continue to face upward pressure from rising inflation and central bank hawkishness. In saying that, markets have fully priced in hawkish outlooks for most central banks, which should limit the extent of any further selloff in government bonds.

Within our global equity portfolio, both the Russell Investments Global Opportunities Fund and the Russell Investments Global Opportunities Fund – \$A Hedged recorded negative absolute returns for the month; though they did outperform their benchmarks. Both funds benefited from their value bias and strong stock selection in Continental Europe. In terms of Australian equities, both the Russell Investments High Dividend Australian Shares ETF and Vinva's Australian Equitised Long-Short Fund performed in line with their benchmarks in April, while the Russell Investments Australian Factor Exposure Fund narrowly underperformed. We maintain a diversified equity exposure across both global and Australian markets. Despite the war in Ukraine, we have a small preference for non-US developed equities over US equities. Provided hostilities do subside, above-trend global growth should favour relatively cheaper non-US markets.

Elsewhere in the portfolio, our exposure to Australian listed property added value over the period; the sector outperforming the broader domestic equity market on the back of a series of better-than-expected earnings results. Meanwhile, Amundi's Absolute Volatility World Equities Fund – \$A Hedged was relatively flat for the month.

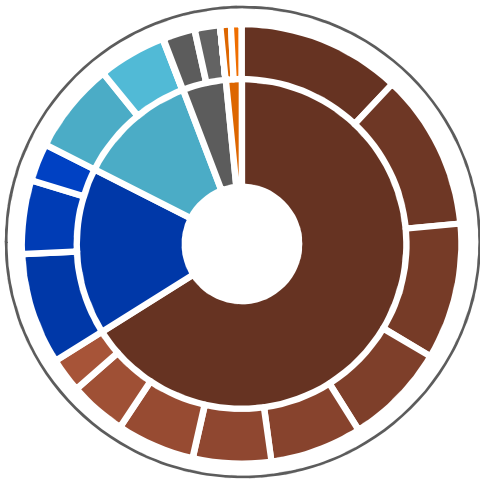
In the currency space, our overweight to the Japanese yen, which fell against the US dollar in April, detracted from returns, while a weaker Australian dollar boosted the returns of the Fund's assets denominated in foreign currency.

Moving forward, the war in Ukraine adds to near-term growth risks for the global economy and will likely keep inflation elevated for longer. Whilst uncertainty is high, we believe equity markets are oversold and should recover if tensions ease in the coming months. The more complex risks come from Russia and Ukraine's integration into global supply chains and their importance in commodity markets. Surging motor vehicle prices, due to parts shortages, were one of the important drivers of rising inflation globally in 2021. The war in Ukraine could delay the recovery in global automobile production and prevent prices from declining. Rising food prices also pose a significant risk, with about a quarter of the world's wheat exports coming from Russia and Ukraine. Food prices are an issue for inflation as well as a risk for political stability in many emerging economies.

# 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 2022<sup>3</sup>



■	Russell Investments Australian Floating Rate Fund	12.0%		
■	Russell Investments Australian Bond Fund	11.5%		
■	Metrics Credit Partners	10.0%		
■	Russell Investments Absolute Return Bond Fund	7.5%		
■	Russell Investments Floating Rate Fund	6.8%	<b>Fixed Interest and Cash</b>	<b>66.1%</b>
■	Russell Investments International Bond Fund - A\$ Hedged	5.8%		
■	Cash	5.7%		
■	Perpetual High Grade Treasury Fund	4.2%		
■	Russell Investments Extended Strategies Fund	2.5%		
■	Russell Investments Australian Factor Exposure Fund	8.2%		
■	Russell Investments High Dividend Australian Shares ETF	5.4%	<b>Australian Shares</b>	<b>16.4%</b>
■	Vinva Australian Equitised Long-Short Fund	2.8%		
■	Russell Investments Global Opportunities Fund - A\$ Hedged	6.7%		
■	Russell Investments Global Opportunities Fund	5.0%	<b>International Shares</b>	<b>11.7%</b>
■	International Shares - Derivatives	0.1%		
■	Russell Investments Global Listed Infrastructure Fund	2.4%		
■	Russell Investments Emerging Markets Debt Local Currency Fund	1.9%	<b>Alternatives</b>	<b>4.2%</b>
■	Amundi Absolute Volatility World Equities Fund	0.0%		
■	Russell Investments Global High Yield Fund	0.0%		
■	Vanguard Australian Properties Securities Fund	0.8%	<b>Property</b>	<b>1.6%</b>
■	Russell Investments International Property Securities Fund	0.8%		

<sup>3</sup> Allocations may not equal 100% due to rounding.

## Russell Investments

## Multi-Asset Income Strategy Fund (continued)

Portfolio structure<sup>4</sup>

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	Barings	Vinva	Fiera	Cohen & Steers
	UBS	DDJ	Russell Investments	J O Hambro	First Sentier
	Western Asset	Hermes		Nissay	Nuveen
	BlueBay	Lazard		Numeric	Russell Investments
	Schroders	GLG Partners		Oaktree	
Bank Loans	Russell Investments	Colchester		RWC	Listed Property
Metrics Credit		THL		Sanders	Cohen & Steers
		Voya		Wellington	RREEF
Volatility Strategies		TwentyFour		Russell Investments	Russell Investments
		ICG			Vanguard
Putnam		Russell Investments			

<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. The above does not represent an exhaustive list of the managers and strategies in the fund. Source: Russell Investments. Data as at April 2022.

### 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

### Important information

Issued by Russell Investment Management Ltd ABN 53 068 338 974, AFS Licence 247185 (RIM). This document provides general information only and has not been 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. This document is not intended to be a complete statement or summary of the Russell Investments Funds (the Funds). Investing in the Funds has risks. You should consider these risks in light of your objectives, financial situation and needs. 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. The Target Market Determinations for the RIM Funds are available on our website at [www.russellinvestments.com/au/support/tmds](http://www.russellinvestments.com/au/support/tmds). RIM is 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 (Russell). Russell 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 licence from Russell. 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. Russell Investments' ownership is composed of a majority stake held by funds managed by TA Associates, with a significant minority stake held by funds managed by Reverence Capital Partners. Russell Investments' employees and Hamilton Lane Advisors, LLC also hold minority, non-controlling, ownership stakes. This work is copyright 2022. Apart from any use permitted under the Copyright Act 1968, no part may be reproduced by any process, nor may any other exclusive right be exercised, without the permission of Russell Investment Management Ltd. 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).