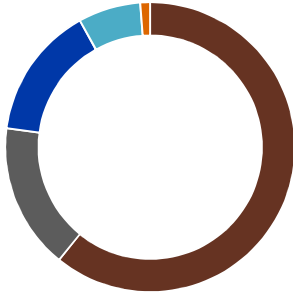


# Russell Investments Multi-Asset Income Strategy Fund

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



Fixed Int & Cash	60.8%
Aust Shares	16.2%
Int Shares	14.8%
Alternatives	7.0%
Property	1.1%

### 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.

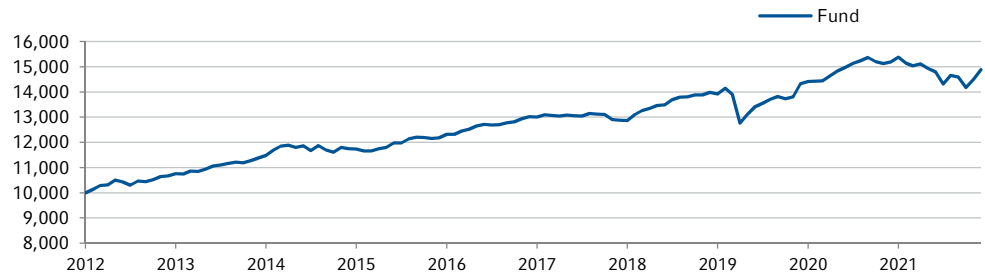
### Performance review<sup>1,2</sup>

Performance review	1 month %	3 months %	1 year %	3 years %p.a.	5 years %p.a.	Since inception %p.a.
Total return	2.65	2.07	-1.97	2.11	2.72	4.13
Distribution	-	0.21	5.39	4.97	4.06	4.24
Growth	2.65	1.86	-7.36	-2.86	-1.34	-0.11

<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



### Fund facts

#### Share class

Class A

#### Performance objective as at 30 September 2022

CPI +2%*	
3 Months %	2.32
1 Year %	9.27
3 Years % p.a.	5.49

#### Inception date

12 December 2012

#### Fund size

AUD 157.45m

#### APIR code

RIM0089AU

#### ARSN code

160-347-384

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

0.84%

#### Performance fees<sup>‡</sup>

0.01%

### Market

Global bonds made good gains in November. Longer-term government bond yields were lower (prices higher) over the period, driven in part by hopes the US Federal Reserve (Fed) may soon pivot to smaller rate hikes amid speculation that US inflation has peaked. The Fed raised interest rates by a further 0.75% early in the period after headline inflation jumped 8.2% in the 12 months to 30 September. However, subsequent data showed that headline inflation slowed to 7.7% in the 12 months to 31 October, which was the measure's lowest reading since January and less than the 7.9% rise the market had anticipated. Compounding this were the minutes from the Fed's November meeting, which revealed a substantial majority of participants judged that a slowing in the pace of rate increases would likely soon be appropriate. Bond's also benefited from preliminary data that showed consumer prices in the euro-zone slowed in the 12 months to 30 November and the asset class's traditionally defensive qualities in the face of heightened geopolitical uncertainty. Limiting the gains was speculation Beijing may walk back more COVID-19-related restrictions despite a fresh wave of outbreaks sweeping the country and a series of mostly encouraging US and European earnings updates. Meanwhile, global credit markets were positive for the month. Australian bonds underperformed their global peers over the period, while domestic credit markets strengthened.

Global share markets made good gains in November. Australian shares outperformed their global counterparts following the Reserve Bank of Australia's decision to continue raising rates by just 0.25%.

<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.

\* 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 equity portfolio drove performance over the period, with both the Russell Investments Global Opportunities Fund and the Russell Investments Global Opportunities Fund – \$A Hedged outperforming their respective benchmarks. The two funds benefited from strong stock selection in the US, including underweights to poor-performing growth names like Apple, Tesla and Amazon.com. In terms of domestic equities, the Russell Investments High Dividend Australian Shares ETF recorded strong absolute returns in November, while the Russell Investments Australian Opportunities Fund (RAOF) underperformed its benchmark; though it did record positive absolute returns for the month. RAOF's underperformance was driven in part by poor stock selection within the materials space, including underweights to iron ore majors BHP Group, Fortescue Metals Group and Rio Tinto. Vinva's Australian Equitised Long-Short Fund also underperformed in November; the strategy impacted by its behavioural and segmentation signals. We maintain a diversified equity exposure across both global and Australian markets. We still prefer non-US developed equities over US equities. We believe non-US developed equities are relatively cheaper and likely to benefit from weakness in the US dollar should the Fed become less hawkish.

Within the Fund's traditional fixed income portfolio, the Russell Investments International Bond Fund – \$A Hedged and the Russell Investments Australian Bond Fund outperformed their respective benchmarks in November. In terms of our extended fixed income exposure, both global high-yield debt and the Russell Investments Australian Floating Rate Fund outperformed over the period. Metrics Credit also performed well, with Australian loans continuing to generate income-like returns. We believe government bond valuations have improved, with US Treasuries now offering good value. UK bonds have also moved into bands which we believe offer good value. However, there are concerns over the current economic situation in the UK and the volatility in bond markets caused by recent fiscal policy announcements and the Bank of England's response. We view German and Japanese bonds as moderately expensive. A positive for government bonds is that we believe markets have fully priced in hawkish outlooks for most central banks. In our view, this should limit the extent of any further sell-off.

The Fund also benefited from its exposures to global and Australian listed property, which performed well against a backdrop of lower government bond yields.

Meanwhile, a stronger Australian dollar impacted the returns of the Fund's assets denominated in foreign currency.

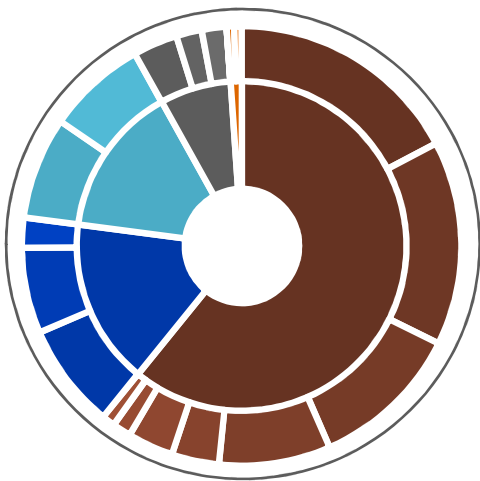
Moving forward, recession fears and central bank tightening will continue to drive market volatility. Share markets have bounced considerably since their recent lows amid expectations that inflation may have peaked. This is consistent with our view that markets would stabilise and possibly even recover through the remainder of 2022. However, we acknowledge that heightened short-term market volatility is likely to remain given responses across markets to ongoing inflation prints and central bank rate hike decisions.

# 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 November 2022<sup>3</sup>



■	Russell Investments Australian Floating Rate Fund	17.3%		
■	Russell Investments Australian Bond Fund	15.0%		
■	Metrics Credit Partners	11.1%		
■	Russell Investments International Bond Fund - A\$ Hedged	8.2%		
■	Russell Investments Floating Rate Fund	3.5%		
■	Perpetual High Grade Treasury Fund	3.4%		
■	Cash	1.4%		
■	Russell Investments Extended Strategies Fund	1.0%		
<b>Fixed Interest and Cash 60.8%</b>				
■	Russell Investments Australian Opportunities Fund	7.7%		
■	Russell Investments High Dividend Australian Shares ETF	6.3%		
■	Vinva Australian Equitised Long-Short Fund	2.2%		
<b>Australian Shares 16.2%</b>				
■	Russell Investments Global Opportunities Fund - A\$ Hedged	7.5%		
■	Russell Investments Global Opportunities Fund	7.3%		
<b>International Shares 14.8%</b>				
■	Russell Investments Global High Yield Fund	3.3%		
■	Russell Investments Global Listed Infrastructure Fund	1.9%		
■	Russell Investments Emerging Markets Debt Local Currency Fund	1.8%		
■	Amundi Absolute Volatility World Equities Fund	0.0%		
<b>Alternatives 7.0%</b>				
■	Vanguard Australian Properties Securities Fund	0.5%		
■	Russell Investments International Property Securities Fund	0.5%		
<b>Property 1.1%</b>				

<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	Macquarie UBS Western Asset BlueBay Schroders	Barings Hermes DDJ(Polen Capital) Colchester First Eagle ICG TwentyFour Russell Investments	Vinva Russell Investments	StonePine(Fiera) J O Hambro Nissay Numeric Oaktree RWC Sanders Wellington Russell Investments	Cohen & Steers First Sentier Nuveen Russell Investments
Bank Loans	Russell Investments				Listed Property
Metrics Credit					Cohen & Steers RREEF
Volatility Strategies					Russell Investments Vanguard

<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 November 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

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