

Russell Investments Global Fixed Interest Fund



Gerard Fitzpatrick
PORTFOLIO MANAGER

Russell Investments' Global Fixed Income Team comprises over 9 experienced professionals, including portfolio managers, researchers, portfolio analysts, and strategists in Russell Investments offices around the globe. The team manages cash and multi-strategy fixed income portfolios, which include global, regional, investment grade, high yield, emerging market debt and absolute return mandates.

Fund Facts

Inception date

21 December 2011

Benchmark

Bloomberg Global Aggregate Index (\$NZ Hedged)

Currency

NZD

Total Annual Fund Charges incl. GST

0.58%

Management Fees

0.47%

Estimated Administration Fee

0.11%

Dealing Frequency; Cut Off

Daily, 11am NZT

Dividend Reinvestment Available

Yes

Fund Objective

To provide a total return, before costs and tax, higher than the Bloomberg Global Aggregate Index – New Zealand dollar Hedged over the long term (3 years plus).

Fund Update

Interest rates positioning contributed positively to performance (in aggregate) over the period; notably our exposures to German bunds and UK gilts. Partly offsetting this positioning was an underweight to Spanish government bonds. Credit positioning was mixed in May. Whilst the Fund benefited from overweights to collateralised loan obligations, non-agency collateralised mortgage obligations and European high-yield debt, this was offset by our exposures to US investment-grade and hard currency emerging markets debt. Active currency positioning had no material impact on overall returns in May. At the manager level, RBC UK (BlueBay), Colchester Global Investors, corporate credit specialist Schroders and Coolabah Capital Investors outperformed their benchmarks over the period, while the Russell Investments Intelligent Credit strategy underperformed.

Performance Review (%)

Period Ending 31/05/2025	1 month %	3 months %	1 year %	3 years %p.a.	5 years %p.a.	Since Inception %p.a.
Gross Fund Performance	-0.18	0.29	5.41	1.87	0.15	4.32
Net Fund Performance	-0.23	0.14	4.79	1.27	-0.49	3.56
Benchmark Return	-0.42	0.00	5.48	2.16	-0.16	3.53
Excess Fund Performance (Gross)	0.24	0.29	-0.07	-0.29	0.31	0.79

Rolling 12 Month Performance (%)

Period Ending 31/05/25	31/05/20 31/05/21	31/05/21 31/05/22	31/05/22 31/05/23	31/05/23 31/05/24	31/05/24 31/05/25
Gross Fund Performance	2.54	-7.04	-2.16	2.50	5.41
Net Fund Performance	1.74	-7.68	-2.74	1.90	4.79
Benchmark Return	0.00	-6.94	-1.77	2.89	5.48

Effective August 24, 2021, the Bloomberg Barclays fixed income indices were rebranded the Bloomberg indices.

Net fund performance shown is net of fees and charges. Assumes reinvestment of income.

Performance data is provided for informational purposes only and is not intended to imply a recommendation about a product or form the basis for making an investment decision.

Past performance is not a reliable indicator of future performance.

Portfolio Statistics

	Fund	Benchmark	3 Years	Fund	Benchmark
Yield to Maturity	4.31%	3.71%	Volatility	5.93%	5.55%
Modified Duration	5.91	6.27	Tracking Error	1.02%	-
Average Quality\Rating	A	AA	Sharpe Ratio	-0.32	-
Number of Issuers	587	4,246	Information Ratio	-0.28	-

Russell Investments Global Fixed Interest Fund

Top Ten Issuers (%)

Issuer	Fund	Benchmark
United States Treasury Note/Bond	7.15	18.37
United Kingdom Gilt	2.54	2.95
Mexican Bonos	2.48	0.32
Romanian Government International Bond	2.08	0.11
Japan Government Thirty Year Bond	1.98	1.55
Indonesia Treasury Bond	1.68	0.34
United States Treasury Bill	1.60	0.00
China Government Bond	1.59	5.40
Freddie Mac Pool	1.51	0.00
New Zealand Government Bond	1.50	0.14

Sector Allocation (%)

	Fund	Benchmark
Corporate - Investment Grade	28.46	17.18
Treasuries	25.57	45.11
Securitized	16.36	10.90
Emerging Markets - Local Currency	10.97	13.02
Other	9.25	2.18
Emerging Markets - Hard Currency	6.96	3.00
Corporate - High Yield	1.27	0.38
Government Related	1.15	8.22

Regional Weights (%)

	Fund	Benchmark
United States	37.48	41.48
Europe ex UK	18.70	26.77
Emerging Markets	15.47	14.70
Australia/New Zealand	9.83	1.42
Other	8.71	0.00
Japan	3.79	9.49
United Kingdom	2.85	2.96
Canada	2.20	2.91
Asia ex Japan	0.96	0.28

ESG Data

	Fund	Benchmark
Carbon Footprint	74.51	136.96

Carbon Footprint: Higher score implies greater carbon exposure. The Carbon Footprint is the Weighted Average Carbon Intensity which we define as relative carbon emissions as the weighted average of portfolio companies' Scope 1 & 2 GHG emissions divided by revenue (CO₂e/\$1M revenue USD).

Credit Ratings (%)

	Fund	Benchmark
AAA	30.08	29.23
AA	10.14	24.94
A	21.84	30.18
BBB	28.71	15.25
BB	2.58	0.40
B	0.99	0.00
CCC & Below	0.18	0.00
Unrated	5.49	0.00

Note: Cash/Cash equivalents are classified as AAA from a credit ratings perspective.

Russell Investments Global Fixed Interest Fund

Portfolio Structure

Manager	Style	Target Allocation (%)
RBC Global Asset Management (UK) Limited	Rates/FX	27.00
Russell Investments	Positioning Strategies	23.00
COLCHESTER GLOBAL INVESTORS (SINGAPORE) PTE. LTD	Global Bond	18.00
Schroder Investment Management North America Inc.	Structured Products	17.00
Coolabah Capital Institutional Investments Pty Limited	Global Credit	15.00

Important Information

This Report/Presentation is provided by Russell Investment Group Ltd (Russell Investments) in good faith and is designed as a summary to accompany the Product Disclosure Statement for the Russell Investment Funds (Funds). The Product Disclosure Statement is available from Russell Investments, or the issuer FundRock NZ Limited (FundRock), and on <https://disclose-register.companiesoffice.govt.nz/>. The information contained in this Report/Presentation is not an offer of units in the Fund or a proposal or an invitation to make an offer to sell, or a recommendation to subscribe for or purchase, any units in the Fund. If you are making an investment directly then you will be required to complete the application form, which can be obtained from FundRock. The information and any opinions in this Report/Presentation are based on sources that Russell Investments believes are reliable and accurate. Russell Investments, its directors, officers and employees make no representations or warranties of any kind as to the accuracy or completeness of the information contained in this fact sheet and disclaim liability for any loss, damage, cost or expense that may arise from any reliance on the information or any opinions, conclusions or recommendations contained in it, whether that loss or damage is caused by any fault or negligence on the part of Russell Investments, or otherwise, except for any statutory liability which cannot be excluded. All opinions reflect Russell Investments' judgment on the date of this Report/Presentation and are subject to change without notice. This disclaimer extends to FundRock, and any entity that may distribute this publication. The information in this Report/Presentation is not intended to be financial advice for the purposes of the Financial Advisers Act 2008. In particular, in preparing this document, Russell Investments did not take into account the investment objectives, financial situation and particular needs of any particular person. Professional investment advice from an appropriately qualified adviser should be taken before making any investment. Past performance is not necessarily indicative of future performance, unit prices may go down as well as up and an investor in the fund may not recover the full amount the capital that they invest. No part of this document may be reproduced without the permission of Russell Investments or FundRock. FundRock is the issuer and manager of the Russell Investment Funds. Russell Investments is the investment manager of the Russell Investment Funds.

Source: Bloomberg Index Services Limited. BLOOMBERG® is a trademark and service mark of Bloomberg Finance L.P. and its affiliates (collectively "Bloomberg"). Bloomberg or Bloomberg's licensors own all proprietary rights in the Bloomberg Indices. Bloomberg does not approve or endorse this material or guarantee the accuracy or completeness of any information herein, nor does Bloomberg make any warranty, express or implied, as to the results to be obtained therefrom, and, to the maximum extent allowed by law, Bloomberg shall not have any liability or responsibility for injury or damages arising in connection therewith.

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. Certain of Russell Investments' employees and Hamilton Lane Advisors, LLC also hold minority, non-controlling, ownership stakes.