

Russell Investments Global Opportunities Fund

Fund facts

Inception date

31 December 2004

Benchmark

MSCI ACWI Index - Net

Currency

NZD

Rolling 1 year performance history

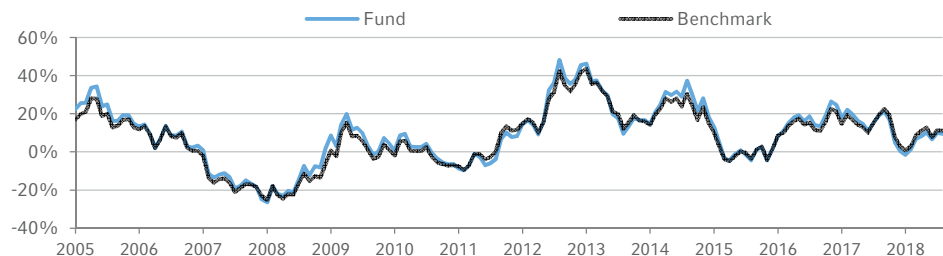


Chart data in AUD

Performance review

Period ending 31/07/2019	1 month %	3 months %	1 year %	3 years %p.a.	5 years %p.a.	Since inception %p.a.
Gross fund performance	1.7	1.1	4.7	13.7	13.2	8.3
Benchmark return*	2.1	1.6	6.3	13.6	12.1	6.8
Excess return	-0.4	-0.5	-1.6	0.2	1.1	1.5

Note: Past performance is not indicative of future performance. Performance data shown is gross of fees, charges or taxes and is not in any way an indicator of the net return to you as an investor.

* MSCI World Net Index until 31/12/2010, Russell Global Large Cap - Net Index until 30/09/2018 and MSCI ACWI Index - Net thereafter.

The Russell Investments Global Opportunities Fund underperformed the benchmark on a gross of fees and tax basis in July.

Contributing to the Fund's underperformance was an overweight exposure and poor stock selection in the UK, including an overweight to energy giant, BP. An underweight exposure and poor stock selection in the US also detracted from returns; most notably an underweight to Apple and an overweight to Pfizer. Other notable positions to detract from performance were overweights to South Korea's Samsung Electronics and Switzerland's Roche Holding AG, and an ex-benchmark holding in India's HDFC Bank. The active positioning strategy (APS) was a slight detractor to performance. The strategy is currently positioned in favour of the value factor, as value is now as cheap as it's been since 2000. Further, we expect slowing economic growth to be a headwind for the growth factor.

In contrast, the Fund benefited from positive stock selection within the financials sector. This included overweights to US ratings agency Moody's Corp. and US bank Fifth Third Bancorp. Other notable positions to add value in July were overweights to Taiwan Semiconductor Manufacturing Co. and Vodafone Group (UK), and a zero exposure to US multinational, Boeing. An underweight exposure to the materials sector was also positive after commodity prices weakened over the period.

There were no material changes to either the Fund's structure or manager line up in July. In terms of overall positioning, we reduced our underweights to North America and Asia Pacific ex Japan during the month. We also increased our overweights to Japan and emerging markets, while extending the Fund's underweight to Continental Europe. Our overweight to the UK was unchanged.

Russell Investments Global Opportunities Fund

Sector allocation

	Fund	Benchmark
Financials	19.5%	16.8%
Information Technology	15.8%	16.4%
Health Care	12.2%	11.3%
Consumer Discretionary	9.8%	10.9%
Industrials	9.5%	10.4%
Communication Services	8.9%	8.9%
Consumer Staples	8.1%	8.4%
Energy	7.4%	5.7%
Materials	4.2%	4.8%
Real Estate	2.2%	3.2%
Utilities	2.0%	3.3%
Other	0.5%	0.0%

Geographic exposure

	Fund	Benchmark
North America	52.1%	59.0%
Emea Ex United Kingdom	16.4%	14.0%
Emerging	14.7%	11.3%
Japan	9.4%	7.1%
United Kingdom	5.3%	4.9%
Asia/Pacific Ex Japan	2.0%	3.8%

Top ten holdings

Security
Microsoft Corporation
Roche Holding AG
Nestle S.A.
Apple Inc.
Samsung Electronics Co., Ltd.
Johnson & Johnson
Wells Fargo & Company
Oracle Corporation
Pfizer Inc.
BP p.l.c.

Russell Investments Global Opportunities Fund

Portfolio structure

Manager	Style	Weight %
Fiera Capital	Core global equities	17.5
J O Hambro Capital Management	UK equity dynamic	6.0
Janus (Perkins)	Core global equities	12.0
Man Numeric Investors	Core global equities	15.0
QUAERO CAPITAL	Japanese equities	7.0
Russell Investments	Positioning strategies	12.5
RWC Partners	Global emerging markets	6.0
Sanders Capital, LLC	Core global value	16.0
Wellington Management Company LLP	Core global growth horizons	8.0

Footnotes

All information contained in this document is for the current reporting period unless otherwise stated.

Important Information

The information contained in this publication was prepared by Russell Investment Group Limited on the basis of information available at the time of preparation. This publication provides general information only and should not be relied upon in making an investment decision. Before acting on any information, you should consider the appropriateness of the information provided and the nature of the relevant Russell Investments' fund having regard to your objectives, financial situation and needs. In particular, you should seek independent financial advice and read the relevant Product Disclosure Statement or Information Memorandum prior to making an investment decision about a Russell Investments' fund. Accordingly, Russell Investment Group Limited and their directors will not be liable (to the maximum extent permitted by law) for any loss or damage arising as a result of reliance being placed on any of the information contained in this publication. None of Russell Investment Group Limited, any member of the Russell Investments group of companies, their directors or any other person guarantees the repayment of your capital or the return of income. All investments are subject to risks. Significant risks are outlined in the Product Disclosure Statements or the Information Memorandum for the applicable Russell Investments' fund. Past performance is not a reliable indicator of future performance.

The Product Disclosure Statements or the Information Memorandum for the Russell Investments' funds (as applicable) are available by contacting Russell Investment Group Limited on 09 357 6633 or 0800 357 6633.

Source for MSCI data: MSCI. The MSCI information may only be used for your internal use, may not be reproduced or disseminated in any form and may not be used to create any financial instruments or products or any indices. The MSCI information is provided on an "as is" basis and the user of this information assumes the entire risk of any use made of this information. MSCI, each of its affiliates and each other person involved in or related to compiling, computing or creating any MSCI information (collectively, the MSCI Parties.) expressly disclaims all warranties (including, without limitation, any warranties of originality, accuracy, completeness, timeliness, non-infringement, merchantability and fitness for a particular purpose) with respect to this information. Without limiting any of the foregoing, in no event shall any MSCI Party have any liability for any direct, indirect, special, incidental, punitive, consequential (including, without limitation, lost profits) or any other damages.

Copyright © 2019 Russell Investments. All rights reserved. This information contained in this publication is proprietary and may not be reproduced, transferred, or distributed in any form without prior written permission from Russell Investments