

# Russell Investments US Bond Fund



**Portfolio Manager**  
Gerard Fitzpatrick

Russell Investments' Global Fixed Income Team comprises over 45 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

### Share class; Dealing ccy

Class A Acc; USD

### Dealing frequency; Cut off

Daily; 2.00pm GMT

### Domicile; Category

Ireland; UCITS

### Fund size

USD 109.39m

### ISIN; Bloomberg

IE0002409922; FRUUBAI ID

### Fund launch date

08 August 2001

### Share class launch date

08 June 2004

### Management fee

0.40%

### Share class NAV

USD 181.85

## Fund objective

The Fund aims to generate income and growth by investing primarily in US bonds, using a multi-strategy investment approach. The Fund mainly invests in bonds issued by the U.S. government, its agencies and US companies. The Fund is broadly diversified by bond issuer, by industry sector, and with varying maturities.

## Fund update

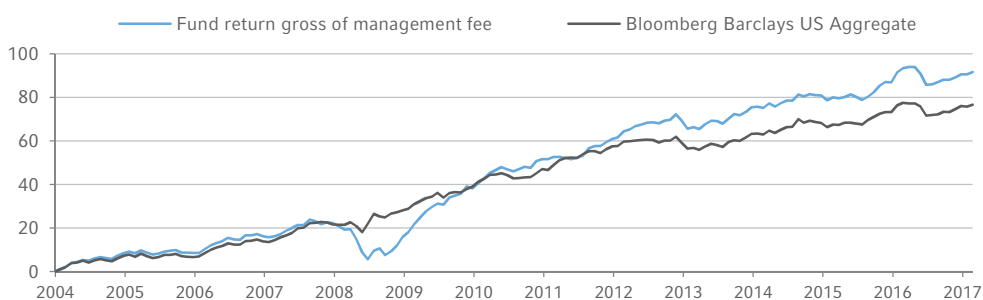
Seeks to provide excess return over the benchmark through various strategies including sector rotation, modest interest rate timing, security selection and tactical use of high yield and emerging market bonds. The Fund employs multiple managers who have distinct but complementary investment styles.

## Performance review

Performance to period end	1 month	3 months	Year to date	12 months	3 years	5 years	Since inception*
Returns shown in USD	%	%	%	%	%p.a.	%p.a.	%p.a.
Return gross of management fee Class A Acc	0.5	1.4	3.1	-0.9	3.0	3.1	5.1
Return net of management fee Class A Acc	0.5	1.3	2.8	-1.3	2.6	2.7	4.7
Benchmark							
Bloomberg Barclays US Aggregate	0.4	1.1	2.7	-0.5	2.7	2.0	4.4

\*Inception: 08 June 2004

## Performance history



The current benchmark is Bloomberg Barclays US Aggregate Index. Prior to the 24 August 2016 the benchmark was the Barclays US Aggregate Index. The benchmark prior to November 2008 was the Lehman Brothers US Aggregate Index.

## Portfolio statistics

	Fund	Benchmark		Fund	Benchmark
Effective duration	5.6	5.8	Volatility	3.3	2.9
Average maturity	8.2	8.0	Tracking error	1.2%	-
Average credit rating	AA	Aa2	Sharpe ratio	0.8	0.8
Yield to worst	2.7	2.5	Information ratio	0.3	-
			3 year return (gross)	3.0%	2.7%
			3 year excess return (gross)	0.3%	-

Data as at 30 June 2017  
Source: Factset

# Russell Investments

## US Bond Fund (continued)

### Ten largest holdings by weight

Security	Fund
Us Treasury N/B 1.25 31-Oct-2021	6.1%
Fannie Mae 3 01-Nov-2046	4.2%
Us Treasury N/B 2.25 15-Feb-2027	4.1%
Us Treasury N/B 3 15-Feb-2047	3.4%
Us Treasury N/B 1.375 30-Sep-2020	3.2%
Us Treasury N/B 2 15-Nov-2026	2.5%
Us Treasury N/B 1.625 31-Oct-2023	2.0%
Fannie Discount Note 0 14-Aug-2017	1.5%
Us Treasury N/B 1.25 31-May-2019	1.5%
Fn Ma2833 3 01-Dec-2046	1.1%

Source: State Street

### Sector weights

	Fund	Benchmark
Governments and Cash	36.3%	36.9%
RMBS	18.3%	28.2%
IG - Industrials	15.8%	15.3%
IG - Finance	11.5%	7.9%
CMBS	6.8%	1.8%
ABS	3.9%	0.5%
Corporate HY	2.9%	-
Gov-related	2.1%	5.7%
EMD	1.6%	1.9%
IG - Utilities	0.7%	1.7%

Data as at 30 June 2017  
Source: Factset

### Credit quality weights

	Fund	Benchmark
AAA & Cash	53.0%	71.9%
AA	14.7%	4.0%
A	12.2%	10.6%
BBB	15.7%	13.5%
BB	3.0%	0.0%
B	0.6%	-
CCC	0.4%	-
NR/Other	0.3%	-

Data as at 30 June 2017  
Source: Factset

### Fund structure

Manager/Strategy	Role in fund	Target	Actual
Logan Circle	Fully discretionary, with a predominately bottom-up security selection approach	48.0%	42.2%
Scout Investment	Fully discretionary, macro-driven sector rotation	42.0%	41.6%
Russell Investments	Positioning strategy targeting currency factors and markets with high real yield	10.0%	11.2%
Russell Investments (cash & other)		-	5.1%

### Important Information

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Please consult the fund's prospectus and Key Investor Information Document (KIID) before deciding whether to invest. Copies are available free of charge on request from Russell Investments.

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