

31 December 2013

Russell World Equity Fund II



Portfolio Manager
Phil Hoffman

Russell's global equity team comprises 60 experienced professionals, including Portfolio Managers, Analysts, Strategists, Researchers and Market Forecasters. The team is based in 7 global locations – Seattle, New York, Toronto, London, Paris, Sydney and Tokyo, and runs over USD 49bn.

The team's current research focus is on strategies that offer upside potential with a measure of downside protection.

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 2,996.54m

ISIN; Bloomberg

IE00B1RNTG75; RUSWEAA
ID

Fund launch date

01 March 2007

Share class launch date

01 March 2007

Management fee

0.90%

Share class NAV

USD 12.85

Fund objective

The Fund aims to achieve long term growth by investing in the shares of companies worldwide, using a multi-manager investment strategy. The Fund is broadly diversified across different countries worldwide and industry sectors. The Fund may also invest in emerging markets.

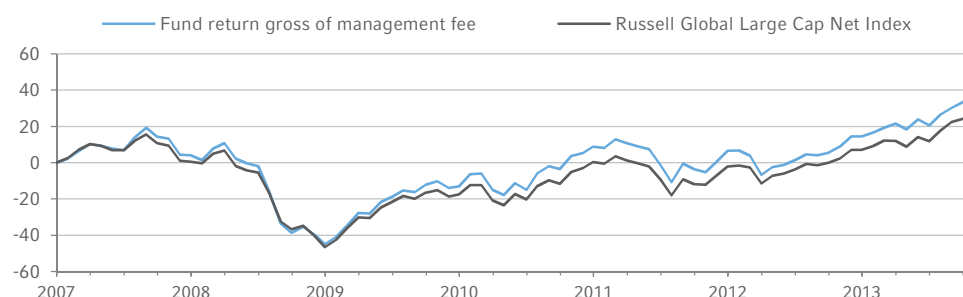
Russell fund update

The Fund outperformed, with our growth manager MFS and value manager Sanders both adding significantly. Our earnings growth strategy Wellington also supported excess returns. From a sector perspective, successful stock selection in financials and an underweight to and positive stock selection in energy, particularly among oil & gas companies, were the largest contributors. Using our derivatives strategy, we maintained a 1% short position in emerging markets, 3% long to the US, 3% long position in Japan and a 5% short to EMEA.

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	2.3	7.9	25.3	25.3	9.6	16.1	4.7
Return net of management fee Class A Acc	2.3	7.7	24.2	24.2	8.6	15.1	3.7
Benchmark							
Russell Global Large Cap Net Index	1.8	7.5	23.6	23.6	10.0	14.1	3.5

Performance history



The current benchmark is the Russell Global Large Cap Net Index. Prior to 1st April 2011 the benchmark was MSCI World (Net), prior to 1st January 2009 it was gross of withholding tax, total return.

Portfolio statistics

	Fund	Benchmark
Number of equity holdings	246	3220
Price/earnings	16.7	16.4
Dividend yield	2.2	2.4
Price to book	2.1	2.1
EPS growth (1 year)	7.1	7.0

Data as at 30 November 2013

	Fund	Benchmark
Volatility	15.1	14.2
Tracking error	2.5%	-
Sharpe ratio	0.5	0.6
Information ratio	-0.1	-
3 year return	9.6%	10.0%
3 year excess return	-0.4%	-

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Russell World Equity Fund II (continued)

Ten largest holdings by weight

Security	Fund	Benchmark
Visa Inc	1.8%	0.3%
Diageo PLC	1.7%	0.2%
Walt Disney Co. (The)	1.5%	0.4%
Nestle SA	1.5%	0.6%
Medtronic, Inc.	1.4%	0.2%
Thermo Fisher Scientific Inc.	1.3%	0.1%
JPMorgan Chase & Co.	1.3%	0.6%
Akzo Nobel NV	1.3%	0.0%
Honeywell International, Inc.	1.3%	0.2%
Groupe Danone	1.3%	0.1%

Regional weights

	Fund	Benchmark
US & Canada	53.9%	53.4%
Europe ex United Kingdom	20.7%	16.9%
Emerging Markets	9.0%	10.4%
United Kingdom	8.2%	8.1%
Japan	7.5%	6.9%
Asia Pacific ex-Japan	0.7%	4.3%

Sector weights

	Fund	Benchmark
Financials	17.9%	21.7%
Consumer Discretionary	16.7%	12.0%
Information Technology	16.7%	12.6%
Industrials	14.1%	11.5%
Health Care	11.0%	10.1%
Consumer Staples	9.2%	9.4%
Materials	6.1%	6.1%
Energy	5.1%	9.5%
Utilities	1.8%	3.2%
Telecommunication Services	1.5%	3.9%

Portfolio structure

Manager	Style	Target weight	Actual weight
Harris	Value-oriented large cap	17.5%	16.4%
MFS	Quality/consistent growth	25.0%	24.9%
PIMCO	Market-oriented, dividend yield focus	15.0%	13.1%
Russell	Select exposures, defensive large cap	5.0%	4.5%
Russell	Select exposures, Emerging Markets exposure	5.0%	3.8%
Ex-Tradewinds		-	0.5%
Sanders Capital	Value	17.5%	17.4%
Wellington	Growth/momentum	15.0%	15.1%
Russell (cash & other)		-	4.2%

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