

31 August 2014

# Russell Pan European Equity Fund



**Portfolio Manager**  
Ronnie Sabel

Russell's global equity team comprises 95 experienced professionals, including Portfolio Managers, Analysts, Strategists, Researchers and Market Forecasters. The team is based in 8 global locations – Seattle, New York, Toronto, London, Paris, Sydney, Singapore and Tokyo, and runs over USD 50bn.

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; EUR

### Dealing frequency; Cut off

Daily; 2.00pm GMT

### Domicile; Category

Ireland; UCITS

### Fund size

EUR 408.44m

### ISIN; Bloomberg

IE0002361404; FRPEEFA ID

### Fund launch date

14 November 2000

### Share class launch date

14 November 2000

### Management fee

1.60%

### Share class NAV

EUR 1,094.38

## Fund objective

The Fund aims to achieve long term growth by investing in the shares of European companies, using a multi-strategy investment approach. The Fund is broadly diversified across different European countries and industry sectors.

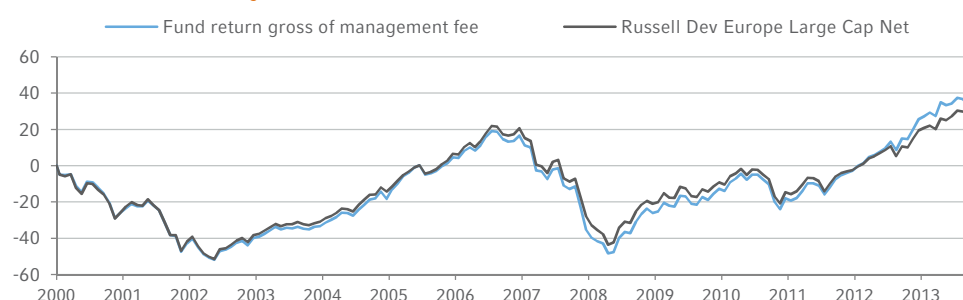
## Russell fund update

August was a more positive month for European equities following the recent market pull-back, despite some disappointing economic data from the eurozone. The Fund performed in line with the benchmark as negative selection effects of mid-cap holdings offset the positive returns generated by small cap stock selection. Elsewhere, an underweight to and effective stock selection within the materials sector was positive for the Fund, as the sector slumped towards month-end on Ukrainian conflict fears. During the month, we tactically increased the Fund's beta by reducing the unequitized portion of the Fund.

## Performance review

Performance to period end	1 month	3 months	Year to date	12 months	3 years	5 years	Since inception
Returns shown in EUR	%	%	%	%	%p.a.	%p.a.	%p.a.
Return gross of management fee Class A Acc	2.0	-0.8	5.4	18.9	19.5	13.2	2.3
Return net of management fee Class A Acc*	1.8	-1.2	4.3	17.0	17.6	11.4	0.7
Benchmark							
Russell Dev Europe Large Cap Net	2.1	0.1	6.8	18.5	16.2	10.7	1.9

## Performance history



The current benchmark is the Russell Dev Europe Large cap Net Index. Prior to 1st April 2011 the benchmark was MSCI Europe (Net) and prior to 1st January 2009 the benchmark was gross of withholding tax, total return.

Past performance is not necessarily indicative of future performance.

\*Returns are calculated on a single pricing basis. Returns are presented net of total expense ratio. Source: Russell Investments.

## Portfolio statistics

	Fund	Benchmark		Fund	Benchmark
Number of equity holdings	333	715	Volatility ratio	10.6	10.2
Price/earnings	16.5	17.3	Tracking error	1.7%	-
Dividend yield	3.0	3.2	Sharpe ratio	1.7	1.5
Price to book	1.7	1.9	Information ratio	1.7	-
EPS growth (1 year)	2.4	2.9	3 year return	19.5%	16.2%
			3 year excess return	3.2%	-

Data as at 31 July 2014

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# Russell Pan European Equity Fund (continued)

## Ten largest holdings by weight

Security	Fund	Benchmark
Roche Holding AG	2.58%	2.11%
Royal Dutch Shell	2.11%	1.63%
Novartis AG	2.06%	2.38%
Bayer AG	1.58%	1.14%
GlaxoSmithKline	1.54%	1.22%
Ubs Ag	1.48%	0.71%
Sanofi-Aventis	1.45%	1.35%
HSBC Holdings	1.39%	2.12%
ING Groep NV	1.38%	0.54%
Bp Plc	1.36%	1.51%

## Country weights

	Fund	Benchmark
United Kingdom	25.89%	30.03%
France	15.65%	14.41%
Germany	14.38%	12.64%
Switzerland	11.63%	13.26%
Netherlands	8.06%	5.66%
Spain	5.46%	5.42%
Italy	4.64%	4.06%
Norway	3.52%	1.18%
Sweden	3.39%	4.48%
Others	7.37%	8.85%

## Sector weights

	Fund	Benchmark
Financials	22.56%	22.55%
Consumer Discretionary	13.76%	10.58%
Health Care	13.10%	12.85%
Industrials	11.59%	11.67%
Energy	9.99%	9.11%
Consumer Staples	8.07%	12.59%
Materials	6.62%	7.86%
Telecommunication Services	6.40%	4.64%
Information Technology	4.26%	4.01%
Utilities	3.66%	4.16%

## Portfolio structure

Manager	Style	Target weight	Actual weight
Fidelity	Defensive-orientation, seeking to identify undervalued quality growth companies	15.00%	14.66%
Hermes Sourcecap	Growth-oriented stock selection with a focus on accelerating income and cashflow	20.00%	18.91%
Numeric	Value and momentum exposure delivered through a quantitative approach	22.50%	21.79%
Pzena	Fundamental research focusing on unrecognised value and earnings recovery	12.50%	12.10%
Russell	Positioning Strategy designed to provide defensive, income generating exposure	10.00%	14.08%
SW Mitchell	Aggressive, growth-oriented approach, with an absolute-return focus	10.00%	8.01%
THS	Growth-at-a-reasonable-price, seeks to exploit undervalued growth opportunities	10.00%	6.99%
Russell (cash & equivalents)		-	3.46%

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