The Northwestern Mutual Life Insurance Company



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Variable Life
Annual Reports

December 31, 2019

Northwestern Mutual Variable Life Account
Northwestern Mutual Variable Life Account II

Optimized to contain one or more of the following:*

Northwestern Mutual Series Fund, Inc.
Fidelity® VIP Mid Cap Portfolio Service Class 2
Fidelity® VIP Contrafund® Portfolio Service Class 2
Neuberger Berman AMT Sustainable Equity Portfolio
Russell Investment Funds
Russell Investment Funds – LifePoints® Variable Target Portfolio Series
Credit Suisse Trust Commodity Return Strategy Portfolio

*See Table of Contents for more information and a list of Prospectus supplements and/or shareholder documents, if any, included herein.

Beginning on or after January 1, 2021 as permitted by regulations adopted by the Securities and Exchange Commission, paper copies of your Funds' shareholder reports will no longer be sent by mail unless you specifically request paper copies of the reports from us at (888) 455-2232, free of charge. Instead, your Fund annual and semi-annual reports will be made available on a website and you will be notified by mail each time a report is posted and provided with a website link to access the report for each Fund. Your election to receive shareholder reports in paper will apply to all future reports for all Funds available under your policy or contract.

If you already elected to receive shareholder reports electronically, you will not be affected by this change, will continue to receive reports electronically and you need not take any action. You may elect to receive shareholder reports (and other communications) electronically by following the instructions on the inside cover of this report.

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To obtain current performance information and information about Northwestern Mutual, visit us on our website. You can also visit us at our customer service section from our website for information on policy values and current fund performance. This site also allows you to view past confirmation and policy statements, as well as transfer funds online. To sign up for this service please call 1-866-424-2609 between 7:00 a.m. – 6:00 p.m. Central Time Monday – Friday. Your Northwestern Mutual Financial Representative is also available to answer any questions you have about your variable life insurance policy or any of our products.

For inforce policy service on Variable CompLife and Variable Whole Life, please call 1-866-424-2609, between 7:00 a.m. – 6:00 p.m. Central Time Monday – Friday.

For inforce policy service on Variable Executive Life, Variable Joint Life, Custom Variable Universal Life, Executive Variable Universal Life, Survivorship Variable Universal Life, and Variable Universal Life Plus, please call 1-866-464-3800, between 7:30 a.m. – 5:00 p.m. Central Time Monday – Friday.

SIPC Disclosure

Variable insurance products are offered through **Northwestern Mutual Investment Services, LLC ("NMIS")**, a wholly owned subsidiary of The Northwestern Mutual Life Insurance Company. NMIS is a broker-dealer and investment adviser registered with the SEC and is a member of FINRA and SIPC. You may obtain information about SIPC, including the SIPC brochure, by contacting SIPC at 202-371-8300 or visiting its website at SIPC.org.

Contents

Performance Summaries for the Northwestern Mutual Variable Life Accounts — **8 pages**

Northwestern Mutual Series Fund, Inc. - Annual Report — **284 pages**

Fidelity® VIP Mid Cap Portfolio - Annual Report — **34 pages**
(This report follows the end of the Northwestern Mutual Series Fund, Inc.)

Fidelity® VIP Contrafund® Portfolio - Annual Report — **34 pages**
(This report follows the end of the Fidelity® VIP Mid Cap Portfolio)

Neuberger Berman AMT Sustainable Equity Portfolio - Annual Report — **39 pages**
(This report follows the end of the Fidelity® VIP Contrafund® Portfolio)

Russell Investment Funds - Annual Report — **192 pages**
(This report follows the end of the Neuberger Berman AMT Sustainable Equity Portfolio)

Russell Investment Funds - LifePoints® Variable Target Portfolio Series - Annual Report — **114 pages**
(This report follows the end of the Russell Investment Funds)

Credit Suisse Trust Commodity Return Strategy Portfolio - Annual Report — **46 pages**
(This report follows the end of the Russell Investment Funds - LifePoints® Variable Target Portfolio Series)

Prospectus Supplements — **15 pages**

The performance data quoted represents past performance. Past performance is historical and does not guarantee future performance. Investment return and principal value will fluctuate, so that shares, when redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than the performance data quoted. For the most recent month-end performance information visit www.northwesternmutual.com.

Performance Summary (unaudited) as of December 31, 2019

Variable Life — Policies Issued Before October 11, 1995

Total return (as of December 31, 2019)	Growth Stock Division	Focused Appreciation Division	Large Cap Core Stock Division	Large Cap Blend Division
1 year	28.98%	31.25%	30.47%	23.29%
5 years	72.46%	101.61%	56.17%	53.29%
Annualized	11.52%	15.05%	9.32%	8.92%
10 years	211.35%	241.55%	164.11%	182.65%
Annualized	12.03%	13.07%	10.20%	10.95%

Variable Complife — Policies Issued Between October 11, 1995 and December 31, 2008

1 year	29.10%	31.38%	30.60%	23.41%
5 years	73.32%	102.61%	56.95%	54.05%
Annualized	11.63%	15.17%	9.43%	9.03%
10 years	214.46%	244.96%	166.75%	185.48%
Annualized	12.14%	13.18%	10.31%	11.06%

Variable Executive Life & Variable Joint Life(a)

1 year	29.68%	31.97%	31.19%	23.97%
5 years	77.26%	107.21%	60.51%	57.55%
Annualized	12.13%	15.69%	9.93%	9.52%
10 years	228.90%	260.81%	179.00%	198.59%
Annualized	12.64%	13.69%	10.81%	11.56%

All total return figures shown above reflect the deduction of portfolio expenses. Returns do not reflect premium deductions such as sales charges, premium taxes, surrender charges or cost of insurance charges. The returns shown would be lower if excluded contract charges were included and/or if underlying portfolio expense reimbursements and fee waivers were not reflected.

Performance quoted for periods prior to each product's inception date is based on the actual investment experience of the portfolio, adjusted for the expenses of the product.

(a) Variable Executive Life policies were issued between March 2, 1998 and December 31, 2008. Variable Joint Life policies were issued between December 10, 1998 and December 31, 2008.

Index 500 Stock Division	Large Company Value Division	Domestic Equity Division	Equity Income Division	Mid Cap Growth Stock Division	Index 400 Stock Division	Mid Cap Value Division	Small Cap Growth Stock Division	Index 600 Stock Division
30.46%	26.96%	20.11%	25.92%	32.29%	25.20%	28.50%	34.95%	21.77%
67.30%	40.93%	49.25%	44.27%	46.42%	47.98%	48.94%	59.62%	51.14%
10.84%	7.10%	8.34%	7.60%	7.92%	8.15%	8.29%	9.80%	8.61%
230.67%	166.87%	193.10%	162.47%	152.43%	205.69%	206.04%	213.29%	220.53%
12.70%	10.31%	11.35%	10.13%	9.70%	11.82%	11.83%	12.10%	12.35%
30.59%	27.09%	20.23%	26.05%	32.42%	25.32%	28.63%	35.09%	21.89%
68.13%	41.63%	50.00%	44.99%	47.14%	48.72%	49.68%	60.42%	51.89%
10.95%	7.21%	8.45%	7.71%	8.03%	8.26%	8.40%	9.91%	8.72%
233.97%	169.54%	196.03%	165.09%	154.95%	208.74%	209.09%	216.42%	223.74%
12.82%	10.42%	11.46%	10.24%	9.81%	11.93%	11.95%	12.21%	12.47%
31.18%	27.66%	20.77%	26.61%	33.01%	25.88%	29.21%	35.69%	22.44%
71.95%	44.85%	53.40%	48.28%	50.49%	52.10%	53.08%	64.06%	55.34%
11.45%	7.69%	8.93%	8.20%	8.52%	8.75%	8.89%	10.41%	9.21%
249.31%	181.92%	209.63%	177.27%	166.67%	222.92%	223.29%	230.96%	238.60%
13.32%	10.92%	11.97%	10.74%	10.31%	12.44%	12.45%	12.71%	12.97%

Performance Summary (unaudited), continued as of December 31, 2019

Variable Life — Policies Issued Before October 11, 1995

Total return (as of December 31, 2019)	Small Cap Value Division	International Growth Division	Research International Core Division	International Equity Division
1 year	25.20%	34.07%	27.55%	11.98%
5 years	49.40%	43.63%	35.06%	14.03%
Annualized	8.36%	7.51%	6.20%	2.66%
10 years	168.58%	90.68%	69.21%	44.46%
Annualized	10.38%	6.67%	5.40%	3.75%
Current yield(b)				

Variable Complife — Policies Issued Between October 11, 1995 and December 31, 2008

1 year	25.33%	34.20%	27.68%	12.09%
5 years	50.14%	44.35%	35.73%	14.60%
Annualized	8.47%	7.62%	6.30%	2.76%
10 years	171.27%	92.58%	70.90%	45.90%
Annualized	10.49%	6.77%	5.51%	3.85%
Current yield(b)				

Variable Executive Life & Variable Joint Life(a)

1 year	25.89%	34.80%	28.25%	12.60%
5 years	53.55%	47.62%	38.81%	17.21%
Annualized	8.96%	8.10%	6.78%	3.23%
10 years	183.73%	101.43%	78.75%	52.60%
Annualized	10.99%	7.25%	5.98%	4.32%
Current yield(b)				

All total return figures shown above reflect the deduction of portfolio expenses. Returns do not reflect premium deductions such as sales charges, premium taxes, surrender charges or cost of insurance charges. The returns shown would be lower if excluded contract charges were included and/or if underlying portfolio expense reimbursements and fee waivers were not reflected.

Performance quoted for periods prior to each product's inception date is based on the actual investment experience of the portfolio, adjusted for the expenses of the product.

(a) Variable Executive Life policies were issued between March 2, 1998 and December 31, 2008. Variable Joint Life policies were issued between December 10, 1998 and December 31, 2008.

(b) For the seven-day period ended December 31, 2019, the Money Market Portfolio's yield was 0.02% and was equivalent to a compound effective yield of 0.02%.

Emerging Markets Equity Division	Government Money Market Division	Short-Term Bond Division	Select Bond Division	Long-Term U.S. Government Bond Division	Inflation Protection Division	High Yield Bond Division	Multi-Sector Bond Division	Balanced Division
19.94%	1.38%	3.81%	8.06%	12.55%	8.42%	14.34%	13.42%	17.28%
23.82%	1.45%	6.82%	13.20%	16.31%	9.54%	31.48%	28.93%	32.05%
4.37%	0.29%	1.33%	2.51%	3.07%	1.84%	5.63%	5.21%	5.72%
28.48%	(0.55%)	11.58%	36.38%	79.68%	27.84%	86.93%	74.11%	90.63%
2.54%	(0.06%)	1.10%	3.15%	6.04%	2.49%	6.46%	5.70%	6.66%
	0.02%							
20.06%	1.48%	3.92%	8.16%	12.66%	8.53%	14.45%	13.53%	17.39%
24.44%	1.96%	7.33%	13.77%	16.89%	10.08%	32.14%	29.57%	32.71%
4.47%	0.39%	1.43%	2.61%	3.17%	1.94%	5.73%	5.32%	5.82%
29.77%	0.44%	12.68%	37.75%	81.47%	29.12%	88.80%	75.85%	92.53%
2.64%	0.04%	1.20%	3.25%	6.14%	2.59%	6.56%	5.81%	6.77%
	0.02%							
20.60%	1.94%	4.38%	8.65%	13.17%	9.02%	14.97%	14.04%	17.92%
27.27%	4.28%	9.78%	16.35%	19.55%	12.58%	35.14%	32.51%	35.72%
4.94%	0.84%	1.88%	3.08%	3.64%	2.40%	6.21%	5.79%	6.30%
35.73%	5.06%	17.84%	44.07%	89.81%	35.05%	97.47%	83.92%	101.38%
3.10%	0.49%	1.66%	3.72%	6.62%	3.05%	7.04%	6.28%	7.25%
	0.02%							

Performance Summary (unaudited), continued as of December 31, 2019

Variable Life — Policies Issued Before October 11, 1995

Total return (as of December 31, 2019)	Asset Allocation Division	Fidelity VIP Mid Cap Division	Fidelity VIP Contrafund Division	AMT Sustainable Equity Portfolio
1 year	20.42%	22.50%	30.56%	25.20%
5 years	38.16%	35.55%	56.84%	49.55%
Annualized	6.68%	6.27%	9.42%	8.38%
10 years	106.74%	149.48%	194.55%	192.04%
Annualized	7.53%	9.57%	11.41%	11.31%

Variable Complife — Policies Issued Between October 11, 1995 and December 31, 2008

1 year	20.54%	22.62%	30.69%	25.32%
5 years	38.85%	36.22%	57.62%	50.29%
Annualized	6.79%	6.38%	9.53%	8.49%
10 years	108.81%	151.97%	197.50%	194.96%
Annualized	7.64%	9.68%	11.52%	11.42%

Variable Executive Life & Variable Joint Life(a)

1 year	21.08%	23.17%	31.27%	25.88%
5 years	42.01%	39.32%	61.20%	53.71%
Annualized	7.27%	6.86%	10.02%	8.98%
10 years	118.39%	163.54%	211.16%	208.51%
Annualized	8.12%	10.18%	12.02%	11.92%

All total return figures shown above reflect the deduction of portfolio expenses. Returns do not reflect premium deductions such as sales charges, premium taxes, surrender charges or cost of insurance charges. The returns shown would be lower if excluded contract charges were included and/or if underlying portfolio expense reimbursements and fee waivers were not reflected.

Performance quoted for periods prior to each product's inception date is based on the actual investment experience of the portfolio, adjusted for the expenses of the product.

(a) Variable Executive Life policies were issued between March 2, 1998 and December 31, 2008. Variable Joint Life policies were issued between December 10, 1998 and December 31, 2008.

(b) For the seven-day period ended December 31, 2019, the Money Market Portfolio's yield was 0.02% and was equivalent to a compound effective yield of 0.02%.

US Strategic Equity Division	US Small Cap Equity Division	International Developed Markets Division	Strategic Bond Division	Global Real Estate Securities Division	LifePoints Moderate Strategy Division	LifePoints Balanced Strategy Division	LifePoints Growth Strategy Division	LifePoints Equity Growth Strategy Division	Credit Suisse Trust Commodity Return Strategy Division
29.55%	22.40%	19.07%	8.60%	20.98%	11.93%	15.81%	17.42%	19.43%	6.11%
54.74%	34.05%	25.18%	12.68%	28.83%	21.15%	26.01%	29.60%	32.52%	(21.82%)
9.12%	6.04%	4.59%	2.42%	5.20%	3.91%	4.73%	5.32%	5.79%	(4.80%)
196.50%	156.98%	65.00%	42.21%	117.26%	65.30%	81.32%	90.49%	99.58%	(43.43%)
11.48%	9.90%	5.14%	3.58%	8.07%	5.15%	6.13%	6.66%	7.15%	(5.54%)
29.68%	22.52%	19.19%	8.70%	21.10%	12.04%	15.93%	17.53%	19.55%	6.21%
55.51%	34.72%	25.80%	13.24%	29.47%	21.76%	26.64%	30.24%	33.17%	(21.43%)
9.23%	6.14%	4.70%	2.52%	5.30%	4.02%	4.84%	5.43%	5.90%	(4.71%)
199.47%	159.54%	66.65%	43.63%	119.44%	66.95%	83.13%	92.39%	101.57%	(42.87%)
11.59%	10.01%	5.24%	3.69%	8.18%	5.26%	6.24%	6.76%	7.26%	(5.44%)
30.26%	23.07%	19.72%	9.19%	21.64%	12.54%	16.45%	18.06%	20.09%	6.69%
59.04%	37.78%	28.66%	15.82%	32.41%	24.52%	29.51%	33.20%	36.20%	(19.64%)
9.72%	6.62%	5.17%	2.98%	5.78%	4.48%	5.31%	5.90%	6.37%	(4.28%)
213.22%	171.47%	74.31%	50.23%	129.51%	74.62%	91.54%	101.69%	110.83%	(40.24%)
12.09%	10.50%	5.71%	4.15%	8.66%	5.73%	6.72%	7.27%	7.74%	(5.02%)

Performance Summary (unaudited), continued as of December 31, 2019

Custom Variable Universal Life, Executive Variable Universal Life, Survivorship Variable Universal Life, Variable Universal Life Plus & Executive Variable Universal Life II(c)

Total return (as of December 31, 2019)	Growth Stock Division	Focused Appreciation Division	Large Cap Core Stock Division	Large Cap Blend Division
1 year	29.68%	31.97%	31.19%	23.97%
5 years	77.26%	107.21%	60.51%	57.55%
Annualized	12.13%	15.69%	9.93%	9.52%
10 years	228.90%	260.81%	179.00%	198.59%
Annualized	12.64%	13.69%	10.81%	11.56%

	International Growth Division	Research International Core Division	International Equity Division	Emerging Markets Equity Division
1 year	34.80%	28.25%	12.60%	20.60%
5 years	47.62%	38.81%	17.21%	27.27%
Annualized	8.10%	6.78%	3.23%	4.94%
10 years	101.43%	78.75%	52.60%	35.73%
Annualized	7.25%	5.98%	4.32%	3.10%
Current yield(b)				

	Fidelity VIP Contrafund Division	AMT Sustainable Equity Portfolio	US Strategic Equity Division	US Small Cap Equity Division
1 year	31.27%	25.88%	30.26%	23.07%
5 years	61.20%	53.71%	59.04%	37.78%
Annualized	10.02%	8.98%	9.72%	6.62%
10 years	211.16%	208.51%	213.22%	171.47%
Annualized	12.02%	11.92%	12.09%	10.50%

All total return figures shown above reflect the deduction of portfolio expenses. Returns do not reflect premium deductions such as sales charges, premium taxes, surrender charges or cost of insurance charges. The returns shown would be lower if excluded contract charges were included and/or if underlying portfolio expense reimbursements and fee waivers were not reflected.

Performance quoted for periods prior to each product's inception date is based on the actual investment experience of the portfolio, adjusted for the expenses of the product.

(b) For the seven-day period ended December 31, 2019, the Money Market Portfolio's yield was 0.02% and was equivalent to a compound effective yield of 0.02%.

(c) Custom Variable Universal Life, Executive Variable Universal Life, and Survivorship Variable Universal Life policies were issued between January 31, 2007 and December 31, 2019. Variable Universal Life Plus and Executive Variable Universal Life II policies were offered starting November 11, 2019.

Index 500 Stock Division	Large Company Value Division	Domestic Equity Division	Equity Income Division	Mid Cap Growth Stock Division	Index 400 Stock Division	Mid Cap Value Division	Small Cap Growth Stock Division	Index 600 Stock Division	Small Cap Value Division
31.18%	27.66%	20.77%	26.61%	33.01%	25.88%	29.21%	35.69%	22.44%	25.89%
71.95%	44.85%	53.40%	48.28%	50.49%	52.10%	53.08%	64.06%	55.34%	53.55%
11.45%	7.69%	8.93%	8.20%	8.52%	8.75%	8.89%	10.41%	9.21%	8.96%
249.31%	181.92%	209.63%	177.27%	166.67%	222.92%	223.29%	230.96%	238.60%	183.73%
13.32%	10.92%	11.97%	10.74%	10.31%	12.44%	12.45%	12.71%	12.97%	10.99%

Government Money Market Division	Short-Term Bond Division	Select Bond Division	Long-Term U.S. Government Bond Division	Inflation Protection Division	High Yield Bond Division	Multi-Sector Bond Division	Balanced Division	Asset Allocation Division	Fidelity VIP Mid Cap Division
1.94%	4.38%	8.65%	13.17%	9.02%	14.97%	14.04%	17.92%	21.08%	23.17%
4.28%	9.78%	16.35%	19.55%	12.58%	35.14%	32.51%	35.72%	42.01%	39.32%
0.84%	1.88%	3.08%	3.64%	2.40%	6.21%	5.79%	6.30%	7.27%	6.86%
5.06%	17.84%	44.07%	89.81%	35.05%	97.47%	83.92%	101.38%	118.39%	163.54%
0.49%	1.66%	3.72%	6.62%	3.05%	7.04%	6.28%	7.25%	8.12%	10.18%
0.02%									

International Developed Markets Division	Strategic Bond Division	Global Real Estate Securities Division	LifePoints Moderate Strategy Division	LifePoints Balanced Strategy Division	LifePoints Growth Strategy Division	LifePoints Equity Growth Strategy Division	Credit Suisse Trust Commodity Return Strategy Division
19.72%	9.19%	21.64%	12.54%	16.45%	18.06%	20.09%	6.69%
28.66%	15.82%	32.41%	24.52%	29.51%	33.20%	36.20%	(19.64%)
5.17%	2.98%	5.78%	4.48%	5.31%	5.90%	6.37%	(4.28%)
74.31%	50.23%	129.51%	74.62%	91.54%	101.69%	110.83%	(40.24%)
5.71%	4.15%	8.66%	5.73%	6.72%	7.27%	7.74%	(5.02%)

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Annual Report December 31, 2019

Northwestern Mutual Series Fund, Inc.

A Series Fund Offering 27 Portfolios

- Growth Stock Portfolio
- Focused Appreciation Portfolio
- Large Cap Core Stock Portfolio
- Large Cap Blend Portfolio
- Index 500 Stock Portfolio
- Large Company Value Portfolio
- Domestic Equity Portfolio
- Equity Income Portfolio
- Mid Cap Growth Stock Portfolio
- Index 400 Stock Portfolio
- Mid Cap Value Portfolio
- Small Cap Growth Stock Portfolio
- Index 600 Stock Portfolio
- Small Cap Value Portfolio
- International Growth Portfolio
- Research International Core Portfolio
- International Equity Portfolio
- Emerging Markets Equity Portfolio
- Government Money Market Portfolio
- Short-Term Bond Portfolio
- Select Bond Portfolio
- Long-Term U.S. Government Bond Portfolio
- Inflation Protection Portfolio
- High Yield Bond Portfolio
- Multi-Sector Bond Portfolio
- Balanced Portfolio
- Asset Allocation Portfolio

Beginning on or after January 1, 2021 as permitted by regulations adopted by the Securities and Exchange Commission, paper copies of the Fund's shareholder reports like this one will no longer be sent by mail unless you specifically request paper copies of the reports from us at (888) 455-2232, free of charge. Instead, your Fund annual and semi- annual reports will be made available on a website and you will be notified by mail each time a report is posted and provided with a website link to access the report.

If you already elected to receive shareholder reports electronically, you will not be affected by this change, will continue to receive reports electronically, and you need not take any action. You may elect to receive shareholder reports (and other communications) electronically by signing up for eDelivery at NorthwesternMutal.com/Paperless.

You may elect to receive all future reports in paper free of charge. You can inform the Fund that you wish to continue receiving paper copies of your shareholder reports by contacting us at (888) 455-2232. Your election to receive reports in paper will apply to all future shareholder reports.

Letter to Contract Holders

December 31, 2019

The decade of the 2010's ended on a high note for investors, as nearly every asset class delivered strong returns in 2019. This represented a notable turnaround from late 2018, when many analysts and pundits saw a looming recession coming for the U.S. Not only did a feared recession fail to materialize, but the U.S. officially registered its longest economic expansion on record and a new bull market for stocks emerged. Bonds also had a standout year, boosted by lower interest rates and solid corporate cash flows.

Looking at U.S. equities, large capitalization stocks, as represented by the S&P 500® Index[1], were the top performers, while the S&P MidCap 400® and S&P SmallCap 600® Indices also posted strong returns amid optimism about the resilience of the U.S. economy. While global economic growth slowed, international stocks nearly matched U.S. equity returns. Emerging market equities trailed developed economies somewhat, but still showed strength in rebounding from a difficult 2018.

Also helping to drive performance for the period was a wave of central bank monetary easing. The U.S. Federal Reserve (the "Fed") had raised interest rates four times in 2018 and signaled further tightening even as growth began to slow. In January 2019, however, the Fed changed course and indicated a more accommodative stance. Three interest rate cuts followed throughout 2019, which encouraged investors and boosted markets. Other central banks around the globe followed the Fed's lead and either cut rates or strengthened monetary stimulus programs, supporting equities worldwide.

The bond market, as represented by various Bloomberg Barclays® Indices, also benefited from lower interest rates, with most bond classes up substantially for the year. This simultaneous bull market for both stocks and bonds is somewhat unusual, as bond returns ordinarily have a slightly negative correlation with equity returns. Sustained low inflation and the Fed's decision to respond to the early signs of economic weakness with lower interest rates both contributed to this reversal of the usual pattern.

Among bonds, high quality corporate bonds had the highest returns, followed closely by high yield corporate bonds. As interest rates fell, investors hungry for yield moved towards corporate bonds, compressing the spread, or difference in yield, between corporate bonds and U.S. Treasurys. U.S. Treasurys and mortgage-backed securities also continued to deliver solid returns and risk reduction for equity investors.

The U.S. dollar strengthened for much of the year due to comparatively high interest rates, but declined with the Fed's rate cuts, ending the year nearly flat against most major currencies. While yields on bonds in the U.S. decreased, they remained competitive in comparison to much of the developed world, particularly Europe and Japan.

U.S. economic growth slowed somewhat in 2019, but the economy impressed investors with its resilience and durability. While GDP growth of 2.4% through the third quarter wasn't high by historical standards, it defied the pessimistic forecasts of late 2018, when many investors were concerned about slowing global growth and a possible recession. Instead, the U.S. economy expanded for its 126th consecutive month as of December 2019, marking the longest period of sustained economic growth in the nation's history.

The economic expansion continued to lift the labor market, where unemployment hit a 50-year low of 3.5% in 2019. Wages also increased, albeit at a moderate pace, as inflation remained tame. Despite a slight uptick in December 2019, inflation remained below the Fed's inflation target of 2% for most of the year. Persistently low inflation allowed the Fed to extend the business cycle with lower interest rates.

Despite the strong performance of most asset classes, there were a number of concerning developments. The environment for global trade deteriorated in 2019, partially due to the trade dispute between the U.S. and China. While the two countries reached a "phase one" deal at the end of 2019, a number of disagreements remained, and global trade growth stalled. In addition, Middle East tensions flared up, raising tensions between the U.S. and Iran. Although global growth remained positive, economic activity continued to slow in China, a country that has been an engine of growth for the world economy.

For investors looking ahead to the new decade, it's worth recalling where we were 10 years ago. The 2000s saw very modest equity and bond returns, one of the worst decades on record, and recovery from the financial crisis had only just begun. Some pundits at the time were predicting a period of secular stagnation and persistently low GDP growth and investment returns. Instead, we saw uninterrupted growth and perhaps the most impressive bull market in modern history, with remarkable returns for both bonds and equities.

This is a valuable reminder that as much as we may analyze markets, the future is difficult to predict. Investors who backed away from markets in 2009 missed out on substantial returns. The best way to be positioned for whatever the next decade might bring is with a properly diversified portfolio. As with all financial decisions, we recommend consulting with a financial professional to explore the right mix of securities for your portfolio. We encourage you to work closely with your financial professional to navigate the financial markets so that you will be prepared for the years and decades to come.



Kate M. Fleming
President of Northwestern Mutual Series Fund, Inc.

[1] All indices and/or benchmarks referenced are unmanaged and cannot be invested in directly.

Northwestern Mutual Series Fund, Inc.

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Mason Street Advisors, LLC ("Mason Street Advisors"), adviser to the Northwestern Mutual Series Fund, Inc., is a wholly owned subsidiary of The Northwestern Mutual Life Insurance Company. Mason Street Advisors is the principal investment adviser for all the Portfolios of the Northwestern Mutual Series Fund, Inc., and has engaged and oversees sub-advisers who provide day-to-day management for certain of the Portfolios. Each sub-adviser may be replaced without the approval of shareholders. Please see the Series Fund prospectus for more information.

The views expressed in the portfolio manager commentaries set forth in the following pages reflect those of the portfolio managers only through the end of the period covered by this report and do not necessarily represent the views of any affiliated organization. The views expressed are not guarantees of future performance or economic results and involve certain risks, uncertainties and assumptions that could cause actual outcomes and results to differ materially from the views expressed herein. These views are subject to change at any time based upon market conditions or other events and should not be relied upon as investment advice. Mason Street Advisors disclaims any responsibility to update these views.

Expense Examples (unaudited)

EXAMPLE

As a shareholder of each Portfolio, you incur two types of costs: (1) transaction costs and (2) ongoing costs, including management fees and other Portfolio expenses. This Example is intended to help you understand your ongoing costs (in dollars) of investing in the Portfolios and to compare these costs with the ongoing costs of investing in other mutual funds.

The Example is based on an investment of $1,000 invested at the beginning of the period and held for the entire period (July 1, 2019 to December 31, 2019).

ACTUAL EXPENSES

The first line of the table below provides information about actual account values and actual expenses. You may use the information in this line, together with the amount you invested, to estimate the expenses that you paid over the period. Simply divide your account value by $1,000 (for example, an $8,600 account value divided by $1,000 = 8.6), then multiply the result by the number in the first line under the heading entitled "Expenses Paid During Period" to estimate the expenses you paid on your account during this period.

HYPOTHETICAL EXAMPLE FOR COMPARISON PURPOSES

The second line of the table below for each Portfolio provides information about hypothetical account values and hypothetical expenses based on each Portfolio's actual expense ratio and an assumed rate of return of 5% per year before expenses, which is not the Portfolio's actual return. The hypothetical account values and expenses may not be used to estimate the actual ending account balance or expenses you paid for the period. You may use this information to compare the ongoing costs of investing in a Portfolio and other funds. To do so, compare this 5% hypothetical example with the 5% hypothetical examples that appear in the shareholder reports of the other funds.

Please note that the expenses shown in the table are meant to highlight your ongoing costs only and do not reflect any transactional costs or separate account charges. Therefore, the second line of the table is useful in comparing ongoing costs only, and will not help you determine the relative total costs of owning different funds. In addition, if these transactional costs or separate account charges were included, your costs would have been higher.

	Beginning Account Value July 1, 2019	Ending Account Value December 31, 2019	Expenses Paid During Period July 1, 2019 to December 31, 2019*	Annualized Expense Ratio
Growth Stock Portfolio				
Actual	$1,000.00	$1,072.85	$2.19	0.42%
Hypothetical (5% return before expenses)	1,000.00	1,023.09	2.14	0.42
Focused Appreciation Portfolio				
Actual	1,000.00	1,081.30	3.30	0.63
Hypothetical (5% return before expenses)	1,000.00	1,022.03	3.21	0.63
Large Cap Core Stock Portfolio				
Actual	1,000.00	1,099.26	2.38	0.45
Hypothetical (5% return before expenses)	1,000.00	1,022.94	2.29	0.45
Large Cap Blend Portfolio				
Actual	1,000.00	1,063.71	4.27	0.82
Hypothetical (5% return before expenses)	1,000.00	1,021.07	4.18	0.82
Index 500 Stock Portfolio				
Actual	1,000.00	1,108.00	1.06	0.20
Hypothetical (5% return before expenses)	1,000.00	1,024.20	1.02	0.20

Expense Examples (unaudited)

	Beginning Account Value July 1, 2019	Ending Account Value December 31, 2019	Expenses Paid During Period July 1, 2019 to December 31, 2019*	Annualized Expense Ratio
Large Company Value Portfolio				
Actual	$1,000.00	$1,096.69	$4.02	0.76%
Hypothetical (5% return before expenses)	1,000.00	1,021.37	3.87	0.76
Domestic Equity Portfolio				
Actual	1,000.00	1,085.10	2.79	0.53
Hypothetical (5% return before expenses)	1,000.00	1,022.53	2.70	0.53
Equity Income Portfolio				
Actual	1,000.00	1,093.43	3.22	0.61
Hypothetical (5% return before expenses)	1,000.00	1,022.13	3.11	0.61
Mid Cap Growth Stock Portfolio				
Actual	1,000.00	1,054.93	2.80	0.54
Hypothetical (5% return before expenses)	1,000.00	1,022.48	2.75	0.54
Index 400 Stock Portfolio				
Actual	1,000.00	1,068.02	1.36	0.26
Hypothetical (5% return before expenses)	1,000.00	1,023.89	1.33	0.26
Mid Cap Value Portfolio				
Actual	1,000.00	1,101.54	3.97	0.75
Hypothetical (5% return before expenses)	1,000.00	1,021.42	3.82	0.75
Small Cap Growth Stock Portfolio				
Actual	1,000.00	1,096.57	3.01	0.57
Hypothetical (5% return before expenses)	1,000.00	1,022.33	2.91	0.57
Index 600 Stock Portfolio				
Actual	1,000.00	1,078.51	1.62	0.31
Hypothetical (5% return before expenses)	1,000.00	1,023.64	1.58	0.31
Small Cap Value Portfolio				
Actual	1,000.00	1,072.17	4.60	0.88
Hypothetical (5% return before expenses)	1,000.00	1,020.77	4.48	0.88
International Growth Portfolio				
Actual	1,000.00	1,112.58	3.46	0.65
Hypothetical (5% return before expenses)	1,000.00	1,021.93	3.31	0.65
Research International Core Portfolio				
Actual	1,000.00	1,092.94	4.06	0.77
Hypothetical (5% return before expenses)	1,000.00	1,021.32	3.92	0.77
International Equity Portfolio				
Actual	1,000.00	1,052.68	2.85	0.55
Hypothetical (5% return before expenses)	1,000.00	1,022.43	2.80	0.55
Emerging Markets Equity Portfolio				
Actual	1,000.00	1,045.79	5.16	1.00
Hypothetical (5% return before expenses)	1,000.00	1,020.16	5.09	1.00

Expense Examples (unaudited)

	Beginning Account Value July 1, 2019	Ending Account Value December 31, 2019	Expenses Paid During Period July 1, 2019 to December 31, 2019*	Annualized Expense Ratio
Government Money Market Portfolio				
Actual	$1,000.00	$1,008.68	$1.72	0.34%
Hypothetical (5% return before expenses)	1,000.00	1,023.49	1.73	0.34
Short-Term Bond Portfolio				
Actual	1,000.00	1,013.38	2.03	0.40
Hypothetical (5% return before expenses)	1,000.00	1,023.19	2.04	0.40
Select Bond Portfolio				
Actual	1,000.00	1,023.86	1.58	0.31
Hypothetical (5% return before expenses)	1,000.00	1,023.64	1.58	0.31
Long-Term U.S. Government Bond Portfolio				
Actual	1,000.00	1,029.62	7.37	1.44
Hypothetical (5% return before expenses)	1,000.00	1,017.95	7.32	1.44
Inflation Protection Portfolio				
Actual	1,000.00	1,021.92	2.85	0.56
Hypothetical (5% return before expenses)	1,000.00	1,022.38	2.85	0.56
High Yield Bond Portfolio				
Actual	1,000.00	1,043.38	2.32	0.45
Hypothetical (5% return before expenses)	1,000.00	1,022.94	2.29	0.45
Multi-Sector Bond Portfolio				
Actual	1,000.00	1,038.26	3.85	0.75
Hypothetical (5% return before expenses)	1,000.00	1,021.42	3.82	0.75
Balanced Portfolio				
Actual	1,000.00	1,053.01	0.31	0.06
Hypothetical (5% return before expenses)	1,000.00	1,024.90	0.31	0.06
Asset Allocation Portfolio				
Actual	1,000.00	1,062.49	0.47	0.09
Hypothetical (5% return before expenses)	1,000.00	1,024.75	0.46	0.09

** Expenses are equal to the Portfolio's annualized expense ratio, multiplied by the average account value over the period, multiplied by 184/365 (to reflect the one-half year period). Expenses are based on the direct expenses of the Portfolio and do not include the effect of the underlying Portfolios' expenses which are disclosed in the Fee and Expense table and described more fully in a footnote to that table in the Prospectus.*

Growth Stock Portfolio (unaudited)

Objective:	**Portfolio Strategy:**	**Net Assets:**
Long-term growth of capital. Current income is a secondary objective.	Invest in the equity securities of medium and large capitalization companies exhibiting the potential for earnings growth or share price appreciation.	$1.1 billion

PORTFOLIO OVERVIEW

Mason Street Advisors, LLC ("Mason Street Advisors"), the investment adviser for the Growth Stock Portfolio (the "Portfolio"), has engaged T. Rowe Price Associates, Inc. ("T. Rowe Price") to act as sub-adviser for the Portfolio. T. Rowe Price was appointed sub-adviser to the Portfolio effective November 14, 2019. Prior to that time, the Portfolio was sub-advised by Mellon Investments Corporation ("Mellon"). The Portfolio invests in "blue chip" growth companies, which are companies that are well established in their industries and have the potential for above-average earnings growth. The Portfolio looks for companies with leading market positions, seasoned management, and strong financial fundamentals. The Portfolio's investment approach reflects the belief that solid company fundamentals (with an emphasis on the potential for strong growth in earnings per share or operating cash flow) combined with a positive outlook for a company's industry will ultimately reward investors with strong investment performance. The Portfolio may look for companies with good prospects for dividend growth.

MARKET OVERVIEW

U.S. stocks surged in 2019, with several major indices hitting all-time highs in the second half of the year. The U.S. Federal Reserve's decision to keep rates steady in the first half of the year and then reduce them three times starting in July was a major driver of market performance. Trade discussions between the U.S. and China also drove market sentiment throughout the year. Speculation arose numerous times during the year that the two countries were "close" to reaching an agreement, although occasional tensions seemed to reduce its likelihood. A preliminary "phase one" trade deal was finally agreed upon in December, supporting investor enthusiasm into the end of the year. As part of the agreement, the U.S. would plan to lower or cancel the scheduled tariff rate on various Chinese goods. The agreement would also require "structural reforms and other changes to China's economic and trade regime in the areas of intellectual property, technology transfer, agriculture, financial services and currency and foreign exchange".

The Russell 1000® Growth Index posted positive returns during the twelve-month period ended December 31, 2019. As measured by various Russell U.S. indices, large-cap shares outperformed their smaller peers. Growth stocks soundly outperformed value across all market capitalizations.

PORTFOLIO RESULTS

The Portfolio returned 29.68% for the twelve months ended December 31, 2019. By comparison, the Portfolio's benchmark, the Russell 1000® Growth Index (the "Index"), returned 36.39%. (The Index is unmanaged, cannot be invested in directly and does not incur expenses.) According to Lipper® Analytical Services, Inc., an independent mutual fund ranking agency, the average return in 2019 of the Large Cap Growth Funds peer group was 33.19%.

As noted above, prior to November 14, 2019, the Portfolio was managed by Mellon. With respect to the period prior to November 14, 2019, the Portfolio's underperformance was largely attributable to stock selection in the Communication Services sector. Pinterest fell on negative sentiment from slowing advertising demand. Twitter declined due to transitory technical issues, while key metrics such as "daily active users" showed improvement. The Portfolio's lack of exposure to Facebook, Inc. detracted from relative results as the company reported better-than-expected earnings. Stock selection in the Health Care sector also weighed on relative performance this year. Varian Medical Systems, Inc. moved lower on concerns around margin leverage and slowing Asia Pacific ex-China orders. Align Technology, Inc. declined as investors responded negatively to disappointing China growth numbers.

The following performance attribution comments relate to the period November 14, 2019 through December 31, 2019, during which time T. Rowe Price acted as the Portfolio's sub-adviser.

Stock selection in the Consumer Discretionary sector contributed to strong relative results during the period, led by Alibaba Group Holding. Shares of the company traded higher as continued user growth, particularly in lower-tier cities, fueled better-than-expected topline results in its core e-commerce business. Shares received an additional boost following strong demand for its Hong Kong IPO, with proceeds expected to be deployed strategically to fund cloud and entertainment

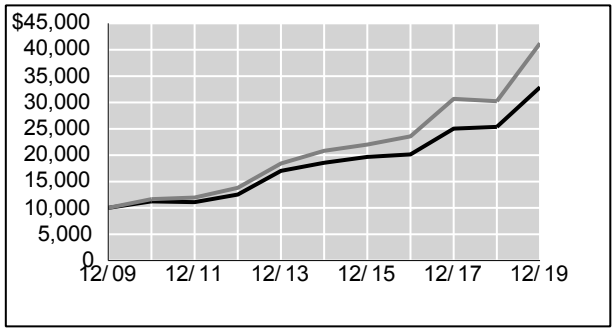
initiatives, as well as fend off domestic e-commerce competitors. The Communication Services sector also aided relative returns, mainly due to stock picks, such as Tencent Holdings.

PORTFOLIO MANAGER OUTLOOK

The following forward-looking comments are the opinion of T. Rowe Price, the Portfolio's sub-adviser.

T. Rowe Price managers believe that the long duration of the current bull market is not a particular concern. Rather than dying of old age, bull markets often succumb to one of four ills: an economic downturn, regulatory or policy uncertainty, Federal Reserve policy errors, or valuation excess. On balance, current signals suggest slightly positive returns for the market in 2020, with a highly accommodative Federal Reserve likely to offset significant volatility caused by the regulatory and political environment. Nevertheless, the possibility of extreme outcomes in either a negative or positive direction appears higher than in recent years.

Relative Performance



Average Annual Total Returns
For Periods Ended December 31, 2019

	1 Year	5 Years	10 Years
Growth Stock Portfolio	29.68%	12.13%	12.64%
Russell 1000® Growth Index	36.39%	14.63%	15.22%
Lipper® Variable Insurance Products (VIP) Large Cap Growth Funds Average	33.19%	13.73%	14.18%

The performance data quoted represents past performance. Past performance is historical and does not guarantee future performance. Investment return and principal value will fluctuate, so that shares, when redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than the performance data quoted. For the most recent month-end performance information visit www.northwesternmutual.com.

This chart assumes an initial investment of $10,000 made on 12/31/09. Returns shown reflect fee waivers, deductions for management and other portfolio expenses, and reinvestment of all dividends. In the absence of fee waivers, total return would be reduced. Returns exclude deductions for separate account sale loads and account fees. Please refer to the Benchmark Definitions section of this report for information about the indices cited in the above chart and graph.

The Portfolio may invest a relatively high percentage of its assets in a particular sector. The Portfolio will have greater exposure to the risks associated with that sector and its performance will be tied more closely to the performance of the sector.

Top 10 Equity Holdings 12/31/19

Security Description	% of Net Assets
Amazon.com, Inc.	8.8%
Alphabet, Inc., Various	6.5%
Facebook, Inc. - Class A	6.4%
Microsoft Corp.	5.0%
Alibaba Group Holding, Ltd., ADR	4.3%
Visa, Inc. - Class A	3.7%
Mastercard, Inc. - Class A	3.3%
Apple, Inc.	2.5%
Tencent Holdings, Ltd.	2.3%
The Boeing Co.	2.2%

Growth Stock Portfolio (unaudited)

Sector Allocation 12/31/19

Sector	% of Net Assets
Information Technology	33.4%
Consumer Discretionary	22.3%
Communication Services	16.4%
Health Care	15.6%
Industrials	6.2%
Financials	4.4%
Materials	0.6%
Short-Term Investments & Other Net Assets	0.5%
Energy	0.3%
Utilities	0.3%
Consumer Staples	0.0%
Real Estate	0.0%

Sector Allocation and Top 10 Holdings are subject to change.

Growth Stock Portfolio

SCHEDULE OF INVESTMENTS

December 31, 2019

Common Stocks (99.5%)	Shares/ Par +	Value $ (000's)
Communication Services (16.4%)		
Alphabet, Inc. - Class A *	10,090	13,515
Alphabet, Inc. - Class C *	42,498	56,821
Electronic Arts, Inc. *	23,945	2,574
Facebook, Inc. - Class A *	337,679	69,309
IAC/InterActiveCorp *	27,001	6,726
Match Group, Inc. *	21,328	1,751
Spotify Technology SA *	15,616	2,335
Tencent Holdings, Ltd.	511,400	24,650
Total		**177,681**
Consumer Discretionary (22.3%)		
Alibaba Group Holding, Ltd., ADR *	221,277	46,933
Amazon.com, Inc. *	51,725	95,579
Aptiv PLC	64,804	6,154
Booking Holdings, Inc. *	7,999	16,428
Chipotle Mexican Grill, Inc. *	800	670
Dollar General Corp.	81,367	12,692
Dollar Tree, Inc. *	23,809	2,239
Ferrari NV	6,761	1,119
Hilton Worldwide Holdings, Inc.	52,276	5,798
Lululemon Athletica, Inc. *	20,579	4,768
Marriott International, Inc. - Class A	30,150	4,566
Netflix, Inc. *	48,963	15,843
NIKE, Inc. - Class B	61,801	6,261
Restaurant Brands International, Inc.	28,734	1,832
Ross Stores, Inc.	84,967	9,892
Royal Caribbean Cruises, Ltd.	18,882	2,521
The TJX Cos., Inc.	26,524	1,620
Trip.com Group, Ltd. *	49,500	1,660
VF Corp.	16,280	1,622
Wynn Resorts, Ltd.	18,162	2,522
Yum! Brands, Inc.	9,217	928
Total		**241,647**
Consumer Staples (0.0%)		
Constellation Brands, Inc. - Class A	496	94
Philip Morris International, Inc.	395	34
Total		**128**

Common Stocks (99.5%)	Shares/ Par +	Value $ (000's)
Energy (0.3%)		
Concho Resources, Inc.	13,895	1,217
Pioneer Natural Resources Co.	13,677	2,070
Total		**3,287**
Financials (4.4%)		
American International Group, Inc.	27,654	1,419
The Charles Schwab Corp.	85,385	4,061
Chubb, Ltd.	14,139	2,201
Citigroup, Inc.	4,123	329
The Goldman Sachs Group, Inc.	3,673	845
Intercontinental Exchange, Inc.	66,789	6,181
JPMorgan Chase & Co.	1,604	224
Marsh & McLennan Cos., Inc.	35,460	3,951
Morgan Stanley	79,896	4,084
S&P Global, Inc.	23,273	6,355
State Street Corp.	17,996	1,423
TD Ameritrade Holding Corp.	124,693	6,197
Willis Towers Watson PLC	50,045	10,106
Total		**47,376**
Health Care (15.6%)		
Abbott Laboratories	7,761	674
Agilent Technologies, Inc.	2,436	208
Alexion Pharmaceuticals, Inc. *	36,288	3,925
Amgen, Inc.	347	84
Anthem, Inc.	36,780	11,109
Becton Dickinson and Co.	55,352	15,054
Boston Scientific Corp. *	147	7
Centene Corp. *	75,222	4,729
Cigna Corp.	93,077	19,033
Danaher Corp.	81,825	12,558
Exact Sciences Corp. *	17,561	1,624
HCA Healthcare, Inc.	33,074	4,889
Intuitive Surgical, Inc. *	27,372	16,181
Seattle Genetics, Inc. *	4,971	568
Stryker Corp.	92,114	19,338
Teleflex, Inc.	884	333
Thermo Fisher Scientific, Inc.	39,905	12,964
UnitedHealth Group, Inc.	71,199	20,931
Veeva Systems, Inc. - Class A *	7,993	1,124

Common Stocks (99.5%)	Shares/ Par +	Value $ (000's)
Health Care continued		
Vertex Pharmaceuticals, Inc. *	83,166	18,209
WellCare Health Plans, Inc. *	11,042	3,646
Zoetis, Inc.	12,412	1,643
Total		**168,831**
Industrials (6.2%)		
The Boeing Co.	73,728	24,018
Canadian Pacific Railway, Ltd.	9,874	2,517
Cintas Corp.	4,484	1,207
CoStar Group, Inc. *	7,743	4,633
Equifax, Inc.	13,008	1,823
Fortive Corp.	5,956	455
Honeywell International, Inc.	18,866	3,339
IHS Markit, Ltd. *	17,622	1,328
Kansas City Southern	8,046	1,232
L3Harris Technologies, Inc.	16,869	3,338
Norfolk Southern Corp.	9,128	1,772
Northrop Grumman Corp.	15,713	5,405
Roper Technologies, Inc.	19,768	7,002
Union Pacific Corp.	18,411	3,328
United Continental Holdings, Inc. *	65,726	5,790
United Parcel Service, Inc. - Class B	1,255	147
Total		**67,334**
Information Technology (33.4%)		
Advanced Micro Devices, Inc. *	68,900	3,160
Apple, Inc.	93,389	27,424
Applied Materials, Inc.	72,720	4,439
Atlassian Corp. PLC *	7,230	870
Automatic Data Processing, Inc.	8,902	1,518
Broadcom, Inc.	871	275
DocuSign, Inc. *	26,953	1,998
Fidelity National Information Services, Inc.	128,834	17,920
Fiserv, Inc. *	152,767	17,664
FleetCor Technologies, Inc. *	19,411	5,585
Global Payments, Inc.	111,447	20,346
Intuit, Inc.	77,430	20,281
KLA-Tencor Corp.	18,118	3,228
Lam Research Corp.	10,256	2,999
Marvell Technology Group, Ltd.	172,107	4,571

Growth Stock Portfolio

Common Stocks (99.5%)	Shares/ Par +	Value $ (000's)
Information Technology continued		
Mastercard, Inc. - Class A	119,452	35,667
Maxim Integrated Products, Inc.	19,049	1,172
Microchip Technology, Inc.	6,143	643
Microsoft Corp.	345,923	54,552
Motorola Solutions, Inc.	568	92
NVIDIA Corp.	30,034	7,067
Paycom Software, Inc. *	10,373	2,746
PayPal Holdings, Inc. *	160,182	17,327
QUALCOMM, Inc.	23,690	2,090
salesforce.com, Inc. *	125,154	20,355
ServiceNow, Inc. *	74,031	20,900
Splunk, Inc. *	56,705	8,493
Synopsys, Inc. *	7,726	1,076
Texas Instruments, Inc.	10,954	1,405
Visa, Inc. - Class A	212,626	39,952
VMware, Inc. - Class A *	33,925	5,150
Workday, Inc. - Class A *	65,919	10,840
Xilinx, Inc.	1,344	131
Total		**361,936**
Materials (0.6%)		
Air Products and Chemicals, Inc.	3,376	793
Linde PLC	17,083	3,637
The Sherwin-Williams Co.	4,883	2,850
Total		**7,280**
Real Estate (0.0%)		
American Tower Corp.	252	58
Total		**58**
Utilities (0.3%)		
NextEra Energy, Inc.	437	106
Sempra Energy	19,295	2,922
Total		**3,028**
Total Common Stocks (Cost: $893,803)		**1,078,586**
Short-Term Investments (0.4%)		
Money Market Funds (0.4%)		
State Street Institutional U.S. Government Money Market Fund - Premier Class 1.540% #	4,100,735	4,101
Total		**4,101**
Total Short-Term Investments (Cost: $4,101)		**4,101**

Short-Term Investments (0.4%)	Shares/ Par +	Value $ (000's)
Money Market Funds continued		
Total Investments (99.9%) (Cost: $897,904)@		**1,082,687**
Other Assets, Less Liabilities (0.1%)		**637**
Net Assets (100.0%)		**1,083,324**

Growth Stock Portfolio

+ All par is stated in U.S Dollar unless otherwise noted.
* Non income producing
7-Day yield as of 12/31/2019.
@ At December 31, 2019, the aggregate cost of investments, including derivatives, for federal tax purposes (in thousands) was $898,098 and the net unrealized appreciation of investments based on that cost was $184,589 which is comprised of $189,899 aggregate gross unrealized appreciation and $5,310 aggregate gross unrealized depreciation.

The following is a summary of the inputs used in valuing the Portfolio's assets and liabilities at December 31, 2019. See Note 3 for additional information on portfolio valuation.

	Valuation Inputs		
Description	**Level 1 - Quoted Prices**	**Level 2 - Other Significant Observable Inputs**	**Level 3 - Significant Unobservable Inputs**
	(Amounts in thousands)		
Assets:			
Common Stocks	$ 1,078,586	$ —	$ —
Short-Term Investments	4,101	—	—
Total Assets:	$ 1,082,687	$ —	$ —

Focused Appreciation Portfolio (unaudited)

Objective:	**Portfolio Strategy:**	**Net Assets:**
Long-term growth of capital.	Invest in equity securities selected for their growth potential.	$1.0 billion

PORTFOLIO OVERVIEW

Mason Street Advisors, LLC ("Mason Street Advisors"), the investment adviser for the Focused Appreciation Portfolio (the "Portfolio"), has engaged Loomis, Sayles & Company, L.P. ("Loomis Sayles") to act as sub-adviser for the Portfolio. The Portfolio invests primarily in the equity securities of companies selected for their growth potential. The Portfolio focuses on equity securities of large capitalization companies but may invest in companies of any size. The Portfolio employs a growth style of equity management that emphasizes companies with sustainable competitive advantages, long-term structural growth drivers, profitable cash flow returns, and management teams focused on creating long-term value for shareholders. The Portfolio invests primarily in a core group of 30-40 securities, but may exceed this range.

MARKET OVERVIEW

U.S. equity market returns were very strong during the reporting period as asset prices rebounded from depressed valuations following market turmoil in late 2018. Growth strategies continued to outperform value strategies, consistent with the three- and five-year trends. Large- and small-cap stocks performed roughly in line with each other.

PORTFOLIO RESULTS

The Portfolio returned 31.97% for the twelve months ended December 31, 2019. By comparison, the Portfolio's benchmark, the Russell 1000® Growth Index (the "Index"), returned 36.39%. (The Index is unmanaged, cannot be invested in directly and does not incur expenses.) According to Lipper® Analytical Services, Inc., an independent mutual fund ranking agency, the average return in 2019 of the Large Cap Growth Funds peer group was 33.19%.

Main drivers of the Portfolio's underperformance included stock selection in the Information Technology and Industrials sectors as well as positioning in the Information Technology, Consumer Staples and Energy sectors. From an individual security perspective, the decision to not own Apple Inc. was significant in holding back relative returns.

On the positive side, Facebook, Inc., Alibaba Group Holding Ltd. and Visa, Inc. were among the top contributors to the Portfolio's relative returns. Stock selection in the Consumer Discretionary and Communication Services sectors as well as positioning in the Industrials sector also contributed to relative performance.

During the period, the portfolio manager took advantage of price weakness to take positions in NVIDIA Corporation and Roche Holding AG, and add to several of the high quality growth companies in the Portfolio, including Monster Beverage Corporation, Novartis AG, Regeneron Pharmaceuticals, Inc. and Schlumberger, Ltd. The purchases were funded by reducing positions in Alcon, Inc., American Express Company, Danone SA, FactSet Research Systems, Inc., Procter & Gamble Company, Qualcomm Incorporated, Starbucks Corporation and Varian Medical Systems, Inc. A position in United Parcel Service, Inc. was exited as it approached the portfolio manager's estimate of intrinsic value.

PORTFOLIO MANAGER OUTLOOK

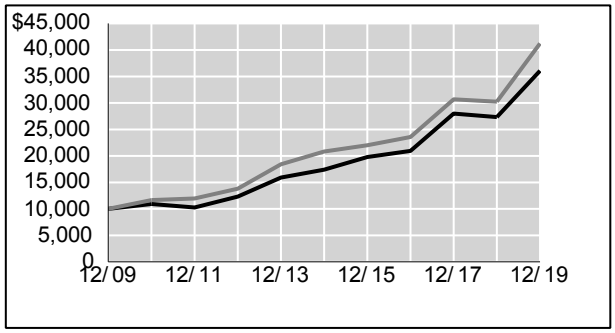
The following forward-looking comments are the opinion of Loomis Sayles, the Portfolio's sub-adviser.

We believe that markets are efficient in the long run. In the near term, however, we believe that innate behavioral biases, such as herding, overconfidence and loss aversion influence investment decisions and create asset pricing anomalies. These pricing inefficiencies converge toward intrinsic value over time. Market efficiency is therefore dynamic, existing along a continuum between fully efficient and inefficient pricing. Therefore, we attempt to determine intrinsic value and exploit the long-term difference between this value and the market's current perception. We look to invest in those few high quality businesses with sustainable competitive advantages and profitable growth when they trade significantly below intrinsic value.

Our investment process is characterized by bottom-up fundamental research and a long-term investment time horizon. All aspects of our quality-growth-valuation investment thesis must be present simultaneously for us to make an investment. Often our research is completed well in advance of the opportunity to invest. We are patient investors and maintain coverage of high quality businesses in order to take advantage of meaningful price dislocations when they occur. The nature of the process leads to lower turnover based on stock selection. Relative to the Russell 1000® Growth Index, we are

currently overweight in the Consumer Staples, Consumer Discretionary, Health Care, Energy, Financials and Communication Services sectors. We are underweight in the Information Technology and Industrials sectors. We hold no positions in the Real Estate or Materials sectors.

Relative Performance



Average Annual Total Returns
For Periods Ended December 31, 2019

	1 Year	5 Years	10 Years
Focused Appreciation Portfolio	31.97%	15.69%	13.69%
Russell 1000® Growth Index	36.39%	14.63%	15.22%
Lipper® Variable Insurance Products (VIP) Large Cap Growth Funds Average	33.19%	13.73%	14.18%

The performance data quoted represents past performance. Past performance is historical and does not guarantee future performance. Investment return and principal value will fluctuate, so that shares, when redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than the performance data quoted. For the most recent month-end performance information visit www.northwesternmutual.com.

This chart assumes an initial investment of $10,000 made on 12/31/09. Returns shown reflect fee waivers, deductions for management and other portfolio expenses, and reinvestment of all dividends. In the absence of fee waivers, total return would be reduced. Returns exclude deductions for separate account sale loads and account fees. Please refer to the Benchmark Definitions section of this report for information about the indices cited in the above chart and graph.

As a non-diversified portfolio, the Portfolio may hold fewer securities because of its focused investment strategy. Holding fewer securities increases the risk that the value of the Portfolio could go down because of the poor performance of a single investment.

The Portfolio may invest a relatively high percentage of its assets in a particular sector. The Portfolio will have greater exposure to the risks associated with that sector and its performance will be tied more closely to the performance of the sector.

Top 10 Equity Holdings 12/31/19

Security Description	% of Net Assets
Visa, Inc. - Class A	6.9%
Amazon.com, Inc.	6.1%
Alibaba Group Holding, Ltd., ADR	6.0%
Facebook, Inc. - Class A	6.0%
Alphabet, Inc., Various	5.8%
Oracle Corp.	4.6%
Autodesk, Inc.	4.3%
Microsoft Corp.	4.0%
Monster Beverage Corp.	3.4%
Regeneron Pharmaceuticals, Inc.	3.1%

Sector Allocation 12/31/19

Sector	% of Net Assets
Information Technology	29.3%
Consumer Discretionary	17.5%
Health Care	17.3%
Consumer Staples	12.6%
Communication Services	11.8%
Industrials	5.1%
Financials	3.9%
Energy	1.7%
Short-Term Investments & Other Net Assets	0.8%

Sector Allocation and Top 10 Holdings are subject to change.

Focused Appreciation Portfolio

SCHEDULE OF INVESTMENTS

December 31, 2019

Common Stocks (99.2%)	Shares/ Par +	Value $ (000's)
Communication Services (11.8%)		
Alphabet, Inc. - Class A *	21,961	29,414
Alphabet, Inc. - Class C *	22,005	29,421
Facebook, Inc. - Class A *	293,607	60,263
Total		**119,098**
Consumer Discretionary (17.5%)		
Alibaba Group Holding, Ltd., ADR *	285,416	60,537
Amazon.com, Inc. *	33,504	61,910
Starbucks Corp.	272,918	23,995
Yum China Holdings, Inc.	292,250	14,031
Yum! Brands, Inc.	169,359	17,059
Total		**177,532**
Consumer Staples (12.6%)		
The Coca-Cola Co.	454,036	25,131
Colgate-Palmolive Co.	250,640	17,254
Danone SA, ADR	1,360,798	22,440
Monster Beverage Corp. *	538,613	34,229
The Procter & Gamble Co.	230,396	28,776
Total		**127,830**
Energy (1.7%)		
Schlumberger, Ltd.	432,383	17,382
Total		**17,382**
Financials (3.9%)		
American Express Co.	3,920	488
FactSet Research Systems, Inc.	62,022	16,641
SEI Investments Co.	347,302	22,741
Total		**39,870**
Health Care (17.3%)		
Alcon, Inc. *	2,511	142
Amgen, Inc.	76,025	18,327
Cerner Corp.	305,694	22,435
Merck & Co., Inc.	130,886	11,904
Novartis AG, ADR	228,684	21,654
Novo Nordisk A/S, ADR	496,150	28,717
Regeneron Pharmaceuticals, Inc. *	84,781	31,834
Roche Holding AG, ADR	747,496	30,393
Varian Medical Systems, Inc. *	66,797	9,486
Total		**174,892**
Industrials (5.1%)		
Deere & Co.	148,235	25,683
Expeditors International of Washington, Inc.	334,692	26,113
Total		**51,796**
Information Technology (29.3%)		
Autodesk, Inc. *	238,220	43,704
Automatic Data Processing, Inc.	54,932	9,366
Cisco Systems, Inc.	524,004	25,131
Microsoft Corp.	255,632	40,313
NVIDIA Corp.	132,093	31,081
Oracle Corp.	871,809	46,188
QUALCOMM, Inc.	352,158	31,071
Visa, Inc. - Class A	371,429	69,792
Total		**296,646**
Total Common Stocks (Cost: $613,176)		**1,005,046**
Short-Term Investments (0.8%)		
Money Market Funds (0.8%)		
State Street Institutional U.S. Government Money Market Fund - Premier Class 1.540% #	7,807,833	7,808
Total		**7,808**
Total Short-Term Investments (Cost: $7,808)		**7,808**
Total Investments (100.0%) (Cost: $620,984)@		**1,012,854**
Other Assets, Less Liabilities (0.0%)		**(230)**
Net Assets (100.0%)		**1,012,624**

\+ All par is stated in U.S Dollar unless otherwise noted.

* Non income producing

\# 7-Day yield as of 12/31/2019.

@ At December 31, 2019, the aggregate cost of investments, including derivatives, for federal tax purposes (in thousands) was $621,851 and the net unrealized appreciation of investments based on that cost was $391,003 which is comprised of $404,402 aggregate gross unrealized appreciation and $13,399 aggregate gross unrealized depreciation.

The following is a summary of the inputs used in valuing the Portfolio's assets and liabilities at December 31, 2019. See Note 3 for additional information on portfolio valuation.

	Valuation Inputs		
Description	**Level 1 - Quoted Prices**	**Level 2 - Other Significant Observable Inputs**	**Level 3 - Significant Unobservable Inputs**
	(Amounts in thousands)		
Assets:			
Common Stocks	$ 1,005,046	$ —	$ —
Short-Term Investments	7,808	—	—
Total Assets:	$ 1,012,854	$ —	$ —

Large Cap Core Stock Portfolio (unaudited)

Objective:	**Portfolio Strategy:**	**Net Assets:**
Long-term growth of capital and income.	Invest primarily in common stocks of large capitalization U.S. companies.	$633 million

PORTFOLIO OVERVIEW

Mason Street Advisors, LLC ("Mason Street Advisors"), the investment adviser for the Large Cap Core Stock Portfolio (the "Portfolio"), has engaged Wellington Management Company LLP ("Wellington") to act as sub-adviser for the Portfolio. The Portfolio allocates its assets across a variety of industries, selecting companies in each industry based on the research of a team of global industry analysts. The Portfolio typically seeks to maintain representation in each major industry represented by broad-based, large cap U.S. equity indices. The Portfolio utilizes a "bottom-up" approach, which is the use of fundamental analysis to identify specific securities for purchase or sale. Fundamental analysis of a company involves the assessment of a variety of factors, including the company's business environment, management quality, balance sheet, income statement, anticipated earnings, revenues and dividends, and other related measures or indicators of valuation and growth potential. The Portfolio's sector exposures generally conform with the sector weights present in the Portfolio's benchmark index.

MARKET OVERVIEW

U.S. equities, as measured by the S&P 500® Index, posted positive results for the twelve months ended December 31, 2019. U.S. equities rose as the U.S. economy remained resilient despite elevated geopolitical uncertainties and slowing global growth. U.S.-China trade relations were volatile in the absence of meaningful compromises on key structural issues. The U.S. Federal Reserve (the "Fed") lowered its benchmark interest rate in July and September by a combined 0.50% to sustain economic expansion and mitigate the risks of slowing growth and trade frictions. U.S. equities surged in the fourth quarter of 2019 as stocks benefited from waning recession fears, accommodative Fed policies, including another 0.25% rate cut in October, and improved U.S.-China trade sentiment in December.

Returns during the period varied by market capitalization. Large cap stocks, as measured by the S&P® 500 Index, outperformed mid- and small-cap stocks, as measured by the S&P MidCap 400® Index and Russell 2000® Index.

PORTFOLIO RESULTS

The Large Cap Core Stock Portfolio returned 31.19% for the twelve months ended December 31, 2019. By comparison, the S&P 500® Index (the "Index") returned 31.49% for the year. (The Index is unmanaged, cannot be invested in directly and does not incur expenses.) According to Lipper® Analytical Services, Inc., an independent mutual fund ranking company, the average return in 2019 for the Large Cap Core Funds peer group was 28.86%.

The Portfolio's relative performance during the period was helped by strong stock selection in the Information Technology and Industrials sectors, offset by weak stock selection in the Consumer Discretionary and Consumer Staples sectors.

Top individual relative detractors included Apple Inc., TD Ameritrade and Anthem Inc. The Portfolio's underweight to Apple Inc. weighed on performance as the Information Technology giant's shares rose after second quarter earnings results beat expectations. Relatively favorable iPhone results and strong services and wearables revenue supported Apple's stock price. The Portfolio's position in out-of-benchmark Financials company TD Ameritrade, an online brokerage company, also hindered relative results. Shares fell sharply in September after market leader Charles Schwab announced plans to eliminate commission charges for trading in U.S. stocks, ETFs and options. Shares later rebounded on news that Charles Schwab agreed to acquire TD Ameritrade for a premium. The Portfolio's overweight to Anthem, a U.S.-based managed Health Care company, detracted from relative performance. Anthem shares declined as the company continued to face political headwinds.

Leading contributors to relative performance during the period included two stocks from the Information Technology sector, Advanced Micro Devices ("AMD") and Global Payments Inc. The Portfolio's overweight to semiconductor maker AMD was the largest contributor to relative performance. The company's shares rose toward the end of the reporting period following Microsoft's unveiling of several new Surface laptops using AMD central processing unit chips. Investors viewed this development favorably in terms of AMD's competitive positioning against its rival, Intel. The Portfolio's overweight to Global Payments, a company whose products help merchants accept multiple kinds of payments to improve efficiency, also bolstered relative results. The company reported a series of positive quarterly earnings results and announced their acquisition of Total System Services. Not holding Johnson & Johnson, a developer of medical devices,

pharmaceuticals and consumer packaged goods, was also a strong contributor to relative performance. Concerns about lawsuits regarding its talc-based baby powder and its alleged role in the opioid crisis weighed on the company's stock.

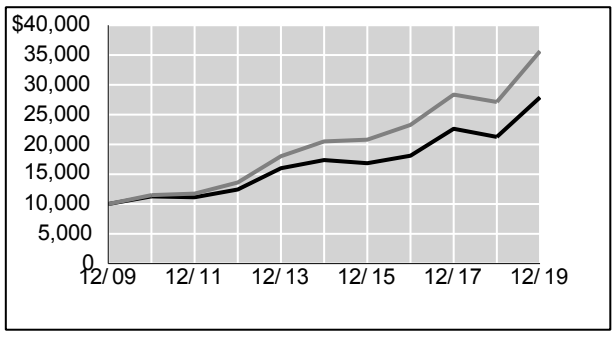
PORTFOLIO MANAGER OUTLOOK

The following forward-looking comments are the opinion of Wellington, the Portfolio's sub-adviser.

We believe that the U.S. manufacturing economy is being pulled in opposite directions by easier financial conditions on the one hand and the uncertainty about the trade dispute with China on the other. Ultimately, we think President Donald Trump will likely choose the economy (his greatest strength in the polls) over being tough on China as a result of political considerations. Meanwhile, consumers continue to enjoy solid job gains and a strong housing market. Therefore, we expect uncertainty to diminish and for the economy to maintain its solid, if unspectacular, growth.

For 2020, our U.S. macroeconomic team is encouraged by improving leading economic indicators, receding tail risks and the fact that markets are no longer pricing in much central bank support. We continue to hold a moderately bullish view on U.S. equities.

Relative Performance



Average Annual Total Returns
For Periods Ended December 31, 2019

	1 Year	5 Years	10 Years
Large Cap Core Stock Portfolio	31.19%	9.93%	10.81%
S&P 500® Index	31.49%	11.69%	13.55%
Lipper® Variable Insurance Products (VIP) Large Cap Core Funds Average	28.86%	10.23%	12.22%

The performance data quoted represents past performance. Past performance is historical and does not guarantee future performance. Investment return and principal value will fluctuate, so that shares, when redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than the performance data quoted. For the most recent month-end performance information visit www.northwesternmutual.com.

This chart assumes an initial investment of $10,000 made on 12/31/09. Returns shown reflect fee waivers, deductions for management and other portfolio expenses, and reinvestment of all dividends. In the absence of fee waivers, total return would be reduced. Returns exclude deductions for separate account sale loads and account fees. Please refer to the Benchmark Definitions section of this report for information about the indices cited in the above chart and graph.

The Portfolio may invest a relatively high percentage of its assets in a particular sector. The Portfolio will have greater exposure to the risks associated with that sector and its performance will be tied more closely to the performance of the sector.

Top 10 Equity Holdings 12/31/19

Security Description	% of Net Assets
Amazon.com, Inc.	4.6%
Microsoft Corp.	4.2%
Apple, Inc.	4.2%
Alphabet, Inc. - Class A	3.7%
Bank of America Corp.	2.9%
The Coca-Cola Co.	2.1%
The Procter & Gamble Co.	2.0%
Facebook, Inc. - Class A	1.8%
AstraZeneca PLC, ADR	1.6%
United Technologies Corp.	1.5%

Large Cap Core Stock Portfolio (unaudited)

Sector Allocation 12/31/19

Sector	% of Net Assets
Information Technology	21.3%
Health Care	14.0%
Financials	11.5%
Communication Services	11.1%
Consumer Discretionary	11.0%
Industrials	10.7%
Consumer Staples	5.3%
Energy	4.3%
Utilities	4.3%
Materials	3.0%
Real Estate	3.0%
Short-Term Investments & Other Net Assets	0.3%
Investment Companies	0.2%

Sector Allocation and Top 10 Holdings are subject to change.

Large Cap Core Stock Portfolio

SCHEDULE OF INVESTMENTS

December 31, 2019

Common Stocks (99.5%)	Shares/ Par +	Value $ (000's)
Communication Services (11.1%)		
Alphabet, Inc. - Class A *	17,606	23,581
Charter Communications, Inc. - Class A *	9,064	4,397
Comcast Corp. - Class A	210,681	9,474
Electronic Arts, Inc. *	49,107	5,280
Facebook, Inc. - Class A *	55,008	11,290
Liberty Media Corp. - Liberty Formula One - Class C *	21,591	993
Spotify Technology SA *	7,049	1,054
Verizon Communications, Inc.	156,319	9,598
The Walt Disney Co.	30,209	4,369
Total		**70,036**
Consumer Discretionary (11.0%)		
Amazon.com, Inc. *	15,724	29,055
D.R. Horton, Inc.	80,741	4,259
Lennar Corp. - Class A	124,140	6,926
Lowe's Companies, Inc.	67,602	8,096
Marriott International, Inc. - Class A	17,157	2,598
McDonald's Corp.	29,856	5,900
Netflix, Inc. *	11,048	3,575
The TJX Cos., Inc.	154,610	9,441
Total		**69,850**
Consumer Staples (5.3%)		
The Coca-Cola Co.	234,235	12,965
Mondelez International, Inc.	146,217	8,054
The Procter & Gamble Co.	101,380	12,662
Total		**33,681**
Energy (4.3%)		
BP PLC, ADR	39,098	1,476
Chevron Corp.	33,514	4,039
Concho Resources, Inc.	9,700	849
Diamondback Energy, Inc.	12,610	1,171
Encana Corp.	244,961	1,149
Exxon Mobil Corp.	110,799	7,732
Marathon Petroleum Corp.	55,297	3,332
Noble Energy, Inc.	62,932	1,563
Pioneer Natural Resources Co.	6,972	1,055
Schlumberger, Ltd.	70,902	2,850
Energy continued		
TC Energy Corp.	43,729	2,331
Total		**27,547**
Financials (11.5%)		
American Express Co.	28,189	3,509
American International Group, Inc.	100,612	5,164
Athene Holding, Ltd. - Class A *	78,438	3,689
AXA Equitable Holdings, Inc.	126,600	3,137
Bank of America Corp.	521,552	18,369
Berkshire Hathaway, Inc. - Class B *	19,694	4,461
The Blackstone Group, Inc. - Class A	131,182	7,338
The Hartford Financial Services Group, Inc.	68,082	4,137
JPMorgan Chase & Co.	31,718	4,422
Marsh & McLennan Cos., Inc.	47,412	5,282
The Progressive Corp.	27,709	2,006
Prudential Financial, Inc.	35,486	3,327
Raymond James Financial, Inc.	22,106	1,978
S&P Global, Inc.	11,130	3,039
TD Ameritrade Holding Corp.	60,089	2,986
Total		**72,844**
Health Care (14.0%)		
Abbott Laboratories	100,353	8,717
Alnylam Pharmaceuticals, Inc. *	5,447	627
Anthem, Inc.	31,861	9,623
AstraZeneca PLC, ADR	196,250	9,785
Baxter International, Inc.	46,238	3,866
Biogen, Inc. *	6,379	1,893
Bristol-Myers Squibb Co.	121,740	7,815
Danaher Corp.	37,635	5,776
Edwards Lifesciences Corp. *	15,402	3,593
Eli Lilly & Co.	41,171	5,411
HCA Healthcare, Inc.	25,629	3,788
Incyte Corp. *	9,768	853
Pfizer, Inc.	239,270	9,375
Regeneron Pharmaceuticals, Inc. *	1,211	455
Seattle Genetics, Inc. *	14,398	1,645
Thermo Fisher Scientific, Inc.	20,429	6,637
Health Care continued		
UnitedHealth Group, Inc.	22,190	6,523
Vertex Pharmaceuticals, Inc. *	10,303	2,256
Total		**88,638**
Industrials (10.7%)		
3M Co.	9,448	1,667
AMETEK, Inc.	2,910	290
The Boeing Co.	16,404	5,344
Caterpillar, Inc.	4,889	722
Dover Corp.	12,333	1,422
Emerson Electric Co.	31,959	2,437
Equifax, Inc.	12,460	1,746
FedEx Corp.	16,617	2,513
Fortive Corp.	39,988	3,055
General Electric Co.	86,369	964
IHS Markit, Ltd. *	63,294	4,769
Illinois Tool Works, Inc.	11,727	2,107
Ingersoll-Rand PLC	28,237	3,753
J.B. Hunt Transport Services, Inc.	33,355	3,895
Jacobs Engineering Group, Inc.	5,333	479
Lockheed Martin Corp.	20,843	8,116
Norfolk Southern Corp.	20,158	3,913
PACCAR, Inc.	35,668	2,821
Rockwell Automation, Inc.	8,717	1,767
Southwest Airlines Co.	16,920	913
Uber Technologies, Inc. *	114,260	3,398
United Technologies Corp.	65,307	9,780
Wabtec Corp.	25,531	1,986
Total		**67,857**
Information Technology (21.3%)		
Adobe Systems, Inc. *	7,949	2,622
Advanced Micro Devices, Inc. *	125,388	5,750
Apple, Inc.	90,589	26,601
FleetCor Technologies, Inc. *	20,536	5,909
Global Payments, Inc.	53,011	9,678
GoDaddy, Inc. *	23,359	1,587
Intel Corp.	42,948	2,570
KLA-Tencor Corp.	18,129	3,230
Marvell Technology Group, Ltd.	136,816	3,634
Micron Technology, Inc. *	76,468	4,112
Microsoft Corp.	169,603	26,746
PayPal Holdings, Inc. *	34,979	3,784
salesforce.com, Inc. *	26,940	4,381
ServiceNow, Inc. *	3,842	1,085

Large Cap Core Stock Portfolio

Common Stocks (99.5%)	Shares/ Par +	Value $ (000's)
Information Technology continued		
Slack Technologies, Inc. - Class A *	21,085	474
Splunk, Inc. *	6,248	936
SS&C Technologies Holdings, Inc.	100,978	6,200
Taiwan Semiconductor Manufacturing Co., Ltd., ADR	50,979	2,962
Texas Instruments, Inc.	40,874	5,244
VeriSign, Inc. *	18,252	3,517
Visa, Inc. - Class A	51,594	9,694
Western Digital Corp.	34,674	2,201
Workday, Inc. - Class A *	10,571	1,738
Total		**134,655**
Materials (3.0%)		
Ball Corp.	39,535	2,557
Celanese Corp. - Class A	26,043	3,206
Crown Holdings, Inc. *	24,211	1,756
Dow, Inc.	23,053	1,262
FMC Corp.	27,527	2,748
International Paper Co.	34,830	1,604
Linde PLC	12,930	2,753
Nucor Corp.	8,647	486
PPG Industries, Inc.	20,464	2,732
Total		**19,104**
Real Estate (3.0%)		
Alexandria Real Estate Equities, Inc.	20,839	3,367
American Tower Corp.	28,986	6,662
Equinix, Inc.	7,401	4,320
Healthpeak Properties, Inc.	62,245	2,146
Prologis, Inc.	27,390	2,441
Total		**18,936**
Utilities (4.3%)		
Duke Energy Corp.	30,631	2,794
Edison International	15,789	1,191
Exelon Corp.	173,624	7,915
National Grid PLC	22,404	1,404
NRG Energy, Inc.	108,598	4,317
PPL Corp.	78,036	2,800
Sempra Energy	44,840	6,792
Total		**27,213**
Total Common Stocks (Cost: $514,865)		**630,361**
Investment Companies (0.2%)		
Investment Companies (0.2%)		
SPDR S&P 500 ETF Trust	2,968	955
Total		**955**
Total Investment Companies (Cost: $879)		**955**

Short-Term Investments (0.4%)	Shares/ Par +	Value $ (000's)
Money Market Funds (0.4%)		
State Street Institutional U.S. Government Money Market Fund - Premier Class 1.540% #	2,826,346	2,826
Total		**2,826**
Total Short-Term Investments (Cost: $2,826)		**2,826**
Total Investments (100.1%) (Cost: $518,570)@		**634,142**
Other Assets, Less Liabilities (-0.1%)		**(934)**
Net Assets (100.0%)		**633,208**

The Accompanying Notes are an Integral Part of the Financial Statements.

Large Cap Core Stock Portfolio

+ All par is stated in U.S Dollar unless otherwise noted.
* Non income producing
7-Day yield as of 12/31/2019.
@ At December 31, 2019, the aggregate cost of investments, including derivatives, for federal tax purposes (in thousands) was $519,574 and the net unrealized appreciation of investments based on that cost was $114,568 which is comprised of $122,940 aggregate gross unrealized appreciation and $8,372 aggregate gross unrealized depreciation.

The following is a summary of the inputs used in valuing the Portfolio's assets and liabilities at December 31, 2019. See Note 3 for additional information on portfolio valuation.

	Valuation Inputs		
Description	**Level 1 - Quoted Prices**	**Level 2 - Other Significant Observable Inputs**	**Level 3 - Significant Unobservable Inputs**
	(Amounts in thousands)		
Assets:			
Common Stocks	$ 630,361	$ —	$ —
Investment Companies	955	—	—
Short-Term Investments	2,826	—	—
Total Assets:	$ 634,142	$ —	$ —

Large Cap Blend Portfolio (unaudited)

Objective:	**Portfolio Strategy:**	**Net Assets:**
Long-term growth of capital and income.	Invest primarily in equity securities of U.S. large capitalization companies listed or traded on U.S. securities exchanges.	$175 million

PORTFOLIO OVERVIEW

Mason Street Advisors, LLC ("Mason Street Advisors"), the investment adviser for the Large Cap Blend Portfolio (the "Portfolio"), has engaged Fiduciary Management, Inc. ("FMI") to act as sub-adviser for the Portfolio. Normally, the Portfolio invests in equity securities of large capitalization companies listed or traded on U.S. securities exchanges. In selecting investments, greater consideration is given to potential appreciation and future dividends than to current income. The Portfolio uses fundamental analysis to look for stocks of good businesses that are selling at value prices. The Portfolio employs a focused investment strategy, typically investing in a core group of 20-30 large capitalization common stocks and American Depositary Receipts.

MARKET OVERVIEW

The U.S. equity market, as measured by the S&P 500® Index, produced a robust gain of more than 31% this year, despite slowing worldwide growth along with weak industrial production and investment. Furthermore, U.S. earnings growth declined for three straight quarters. In 2019, central bankers responded to the increasingly fragile and uncertain outlook as they have historically, by easing monetary policy. Equity valuations were elevated by historical standards, suggesting that investors believed that extremely low interest rates would persist in the long term.

Corporate pretax profits as measured by the Bureau of Economic Analysis were down 13% from five years ago. However, lower tax rates and large multinational companies' ability to reduce their tax burdens helped to drive S&P 500® Index profits up 31% during this time. On a pretax basis, S&P 500® Index earnings have grown modestly over the past five years, yet the Index has risen by 75% since the end of 2014.

PORTFOLIO RESULTS

The Portfolio returned 23.97% for the twelve months ended December 31, 2019. By comparison, the Portfolio's benchmark, the S&P 500® Index (the "Index") returned 31.49%. (The Index is unmanaged, cannot be invested in directly and does not incur expenses.) According to Lipper® Analytical Services, Inc., an independent mutual fund ranking agency, the average return in 2019 of the Large Cap Core Funds peer group was 28.86%.

Most stocks gained for the reporting period but high-multiple growth stocks generally posted the strongest advances. Given this market dynamic, the Portfolio's valuation-sensitive investment approach led to underperformance relative to the broad market. For example, Apple Inc. (which the Portfolio does not own) gained 29% in the fourth quarter of 2019 and 89% for the full year.

The Portfolio's significant underweight exposure in the Information Technology sector hurt relative performance. Not owning Apple Inc. was a leading detractor. Other detractors included HD Supply Holdings Inc. and Berkshire Hathaway, Inc. Positive contributors for the year included Masco Corporation, Accenture PLC, Dollar General Stores and Cerner Corporation.

PORTFOLIO MANAGER OUTLOOK

The following forward-looking comments are the opinion of FMI, the Portfolio's sub-adviser.

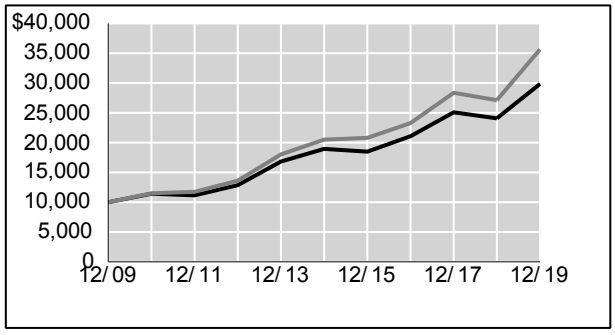
We believe that stock markets that depend on multiple expansion to deliver performance are dangerous. Fundamentals should drive stock performance over time; everything else is speculation. People are fixated on tropes such as, "interest rates and inflation will never be a problem" and "investors should own the most popular growth stocks and we are in a new valuation era." There are no new eras in finance and investing. Excesses always evaporate.

We view the current environment as the exception, not the rule. For example, while markets regard easy money as a bullish signal, we view it as a sign of desperation. In the long run, we expect to see a reversion to the mean, not only for interest rates and asset valuations, but also for value versus growth. We are currently finding the most value in cyclical businesses that have lagged in such a strong market. As the valuation spread between what is working and what is left behind continues to widen, we expect a higher level of Portfolio activity.

Large Cap Blend Portfolio (unaudited)

We do not follow the herd and are working diligently to prepare for the inevitable change that comes to all markets.

Relative Performance



Average Annual Total Returns
For Periods Ended December 31, 2019

	1 Year	5 Years	10 Years
Large Cap Blend Portfolio	23.97%	9.52%	11.56%
S&P 500® Index	31.49%	11.69%	13.55%
Lipper® Variable Insurance Products (VIP) Large Cap Core Funds Average	28.86%	10.23%	12.22%

The performance data quoted represents past performance. Past performance is historical and does not guarantee future performance. Investment return and principal value will fluctuate, so that shares, when redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than the performance data quoted. For the most recent month-end performance information visit www.northwesternmutual.com.

This chart assumes an initial investment of $10,000 made on 12/31/09. Returns shown reflect fee waivers, deductions for management and other portfolio expenses, and reinvestment of all dividends. In the absence of fee waivers, total return would be reduced. Returns exclude deductions for separate account sale loads and account fees. Please refer to the Benchmark Definitions section of this report for information about the indices cited in the above chart and graph.

The Portfolio may hold fewer securities than other diversified portfolios because of its more focused investment strategy. Holding fewer securities increases the risk that the value of the Portfolio could go down because of the poor performance of a single investment.

Top 10 Equity Holdings 12/31/19

Security Description	% of Net Assets
Berkshire Hathaway, Inc. - Class B	6.2%
UnitedHealth Group, Inc.	5.3%
JPMorgan Chase & Co.	4.9%
Dollar General Corp.	4.6%
Masco Corp.	4.3%
Honeywell International, Inc.	4.2%
Quest Diagnostics, Inc.	3.8%
Chubb, Ltd.	3.4%
Omnicom Group, Inc.	3.4%
Accenture PLC - Class A	3.4%

Sector Allocation 12/31/19

Sector	% of Net Assets
Industrials	20.3%
Financials	19.0%
Health Care	14.7%
Consumer Discretionary	13.2%
Consumer Staples	9.2%
Short-Term Investments & Other Net Assets	6.3%
Information Technology	5.7%
Communication Services	4.9%
Materials	3.9%
Energy	2.8%

Sector Allocation and Top 10 Holdings are subject to change.

Large Cap Blend Portfolio

SCHEDULE OF INVESTMENTS

December 31, 2019

Common Stocks (93.7%)	Shares/ Par +	Value $ (000's)
Communication Services (4.9%)		
Comcast Corp. - Class A	59,465	2,674
Omnicom Group, Inc.	73,285	5,938
Total		**8,612**
Consumer Discretionary (13.2%)		
Booking Holdings, Inc. *	1,845	3,789
Dollar General Corp.	51,900	8,095
Dollar Tree, Inc. *	59,250	5,572
The TJX Cos., Inc.	93,295	5,697
Total		**23,153**
Consumer Staples (9.2%)		
Nestle SA, ADR	52,330	5,665
PepsiCo, Inc.	39,065	5,339
Unilever PLC, ADR	88,240	5,045
Total		**16,049**
Energy (2.8%)		
Schlumberger, Ltd.	119,820	4,817
Total		**4,817**
Financials (19.0%)		
Berkshire Hathaway, Inc. - Class B *	47,575	10,776
The Charles Schwab Corp.	94,290	4,484
Chubb, Ltd.	38,705	6,025
JPMorgan Chase & Co.	61,205	8,532

Common Stocks (93.7%)	Shares/ Par +	Value $ (000's)
Financials continued		
Northern Trust Corp.	32,245	3,426
Total		**33,243**
Health Care (14.7%)		
Cerner Corp.	58,495	4,293
Quest Diagnostics, Inc.	62,670	6,692
Smith & Nephew PLC, ADR	113,500	5,456
UnitedHealth Group, Inc.	31,644	9,303
Total		**25,744**
Industrials (20.3%)		
Eaton Corp. PLC	28,705	2,719
Expeditors International of Washington, Inc.	60,900	4,751
HD Supply Holdings, Inc. *	101,750	4,092
Honeywell International, Inc.	41,820	7,402
Masco Corp.	155,625	7,468
PACCAR, Inc.	58,505	4,628
Southwest Airlines Co.	45,495	2,456
Stanley Black & Decker, Inc.	12,590	2,087
Total		**35,603**

Common Stocks (93.7%)	Shares/ Par +	Value $ (000's)
Information Technology (5.7%)		
Accenture PLC - Class A	27,995	5,895
TE Connectivity, Ltd.	41,670	3,994
Total		**9,889**
Materials (3.9%)		
Nutrien, Ltd.	50,135	2,402
PPG Industries, Inc.	33,355	4,452
Total		**6,854**
Total Common Stocks (Cost: $118,731)		**163,964**
Short-Term Investments (6.7%)		
Money Market Funds (6.7%)		
State Street Institutional U.S. Government Money Market Fund - Premier Class 1.540% #	11,720,687	11,721
Total		**11,721**
Total Short-Term Investments (Cost: $11,721)		**11,721**
Total Investments (100.4%) (Cost: $130,452)@		**175,685**
Other Assets, Less Liabilities (-0.4%)		**(732)**
Net Assets (100.0%)		**174,953**

\+ All par is stated in U.S Dollar unless otherwise noted.

* Non income producing

\# 7-Day yield as of 12/31/2019.

@ At December 31, 2019, the aggregate cost of investments, including derivatives, for federal tax purposes (in thousands) was $131,069 and the net unrealized appreciation of investments based on that cost was $44,616 which is comprised of $48,440 aggregate gross unrealized appreciation and $3,824 aggregate gross unrealized depreciation.

The following is a summary of the inputs used in valuing the Portfolio's assets and liabilities at December 31, 2019. See Note 3 for additional information on portfolio valuation.

	Valuation Inputs		
Description	**Level 1 - Quoted Prices**	**Level 2 - Other Significant Observable Inputs**	**Level 3 - Significant Unobservable Inputs**
	(Amounts in thousands)		
Assets:			
Common Stocks	$ 163,964	$ —	$ —
Short-Term Investments	11,721	—	—
Total Assets:	$ 175,685	$ —	$ —

Index 500 Stock Portfolio (unaudited)

Objective:	**Portfolio Strategy:**	**Net Assets:**
Investment results that approximate the performance of the S&P 500® Index.	Invest in stocks that make up the S&P 500® Index, holding each stock in approximately the same proportion as its weighting in the Index.	$3.9 billion

PORTFOLIO OVERVIEW

Mason Street Advisors is the investment adviser for the Index 500 Stock Portfolio (the "Portfolio"). The Portfolio seeks investment results that approximate the performance of the S&P 500® Index, which is composed of the stocks of primarily large capitalization companies that represent a broad spectrum of the U.S. economy and a substantial part of the U.S. stock market's total capitalization. The Portfolio attempts to achieve its objective by investing all, or substantially all, of its assets in the stocks that make up the S&P 500® Index, holding each stock in approximately the same proportion as its weighting in the Index. This is known as a full replication strategy. The Portfolio may also invest in S&P 500® Index stock futures and, to a lesser extent, purchase (long) total return equity swap agreements to help achieve full replication.

MARKET OVERVIEW

U.S. equity markets gained sharply during the reporting period, accelerating to record highs by the end of 2019. The markets' strong performance was driven in part by solid domestic economic growth amid rising wages, historically low unemployment and strong consumer spending. Diminishing concerns about the state of the global economy and trade landscape also bolstered equities, as progress was made on trade agreements between the U.S. and China and between the U.S. and its North American trade partners. Equity markets got a substantial boost from a more accommodative interest rate policy, as the U.S. Federal Reserve cut interest rates three times during the second half of 2019, the first decrease in more than a decade.

In this environment, large-cap stocks, as represented by the S&P 500® Index, posted a return of 31.49%, outperforming the S&P SmallCap 600® and the S&P MidCap 400® Indices, which returned 22.78% and 26.20%, respectively. Meanwhile, the broader bond market, as represented by the Bloomberg Barclays® U.S. Aggregate Index, returned 8.72%, while the Bloomberg Barclays® U.S. Corporate High Yield Index advanced 14.32%.

PORTFOLIO RESULTS

The Index 500 Stock Portfolio delivered a total return of 31.18% for the twelve months ended December 31, 2019, slightly trailing the S&P 500® Index (the "Index"), which returned 31.49%. (The Index is unmanaged, cannot be invested in directly and does not incur expenses.) Portfolio performance slightly lagged the Index due to transaction costs, administrative expenses, cash flow effects and costs associated with the use of stock index futures contracts. According to Lipper® Analytical Services, Inc., an independent mutual fund ranking agency, the average return in 2019 of the S&P 500 Index Funds peer group was 31.10%.

All of the Portfolio's sectors advanced for the reporting period. The Information Technology sector was the leading driver of the Portfolio's return, posting its largest annual gain in over a decade. The sector's companies, many of which depend heavily on sales to China, benefited from an improving outlook for easing trade tensions between the U.S. and China at the end of the 2019. The communications equipment and software industries advanced on robust sales growth driven by rising demand for wearable technology, as well as internet services such as streaming entertainment, subscription software and services and cloud computing. Semiconductor companies were helped by increasing demand due to the expansion of new technologies such as 5G telecommunications networks and higher microchip sales used for gaming and data centers.

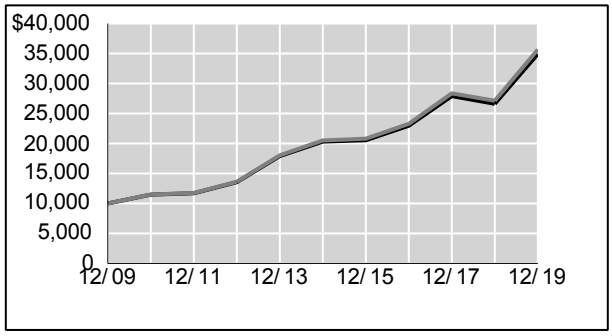
The Financials sector also bolstered the Portfolio, led by banks, which profited early in the reporting period from a supportive interest rate environment before the Fed's interest rate cuts during the second half of 2019. Consumer finance companies were also an area of strength, driven by increasing demand for credit services and rising electronic payments amid technological advances in digital finance, especially blockchain.

Communication Services stocks advanced on rising online advertising revenues and increasing demand for cloud computing. The sector also benefited from continued social media user growth and diminishing investor concerns about regulatory intervention.

Solid consumer spending amid historically low unemployment and rising wages drove the Consumer Discretionary sector's gains, while Health Care stocks were helped by strong sales of medical equipment and medicines, supported by rising

research funding. The Industrials sector's contribution to the Portfolio's return was led by aerospace and defense stocks, which benefited from higher government expenditures on defense contracts.

Relative Performance



Average Annual Total Returns
For Periods Ended December 31, 2019

	1 Year	5 Years	10 Years
Index 500 Stock Portfolio	31.18%	11.45%	13.32%
S&P 500® Index	31.49%	11.69%	13.55%
Lipper® Variable Insurance Products (VIP) S&P 500 Index Objective Funds Average	31.10%	11.23%	13.15%

The performance data quoted represents past performance. Past performance is historical and does not guarantee future performance. Investment return and principal value will fluctuate, so that shares, when redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than the performance data quoted. For the most recent month-end performance information visit www.northwesternmutual.com.

This chart assumes an initial investment of $10,000 made on 12/31/09. Returns shown reflect fee waivers, deductions for management and other portfolio expenses, and reinvestment of all dividends. In the absence of fee waivers, total return would be reduced. Returns exclude deductions for separate account sale loads and account fees. Please refer to the Benchmark Definitions section of this report for information about the indices cited in the above chart and graph.

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The Portfolio may invest in derivative instruments, such as futures and, to a lesser extent, swap agreements, to help achieve full replication. Use of these instruments may involve certain costs and imposes certain risks such as liquidity risk, market risk, credit risk, management risk and the risk of mispricing or improper valuation. Certain derivatives involve leverage, which could magnify losses, and portfolios investing in derivatives could lose more than the principal amount invested in those instruments.

Top 10 Equity Holdings 12/31/19

Security Description	% of Net Assets
Apple, Inc.	4.5%
Microsoft Corp.	4.4%
Alphabet, Inc., Various	3.0%
Amazon.com, Inc.	2.8%
Facebook, Inc. - Class A	1.8%
Berkshire Hathaway, Inc. - Class B	1.6%
JPMorgan Chase & Co.	1.6%
Johnson & Johnson	1.4%
Visa, Inc. - Class A	1.2%
The Procter & Gamble Co.	1.2%

Sector Allocation 12/31/19

Sector	% of Net Assets
Information Technology	22.9%
Health Care	14.0%
Financials	12.8%
Communication Services	10.3%
Consumer Discretionary	9.6%
Industrials	8.9%
Consumer Staples	7.1%
Energy	4.3%
Utilities	3.3%
Real Estate	2.9%
Materials	2.6%
Short-Term Investments & Other Net Assets	1.3%

Sector Allocation and Top 10 Holdings are subject to change.

Index 500 Stock Portfolio

SCHEDULE OF INVESTMENTS

December 31, 2019

Common Stocks (98.7%)	Shares/ Par +	Value $ (000's)
Communication Services (10.3%)		
Activision Blizzard, Inc.	109,613	6,513
Alphabet, Inc. - Class A *	42,750	57,259
Alphabet, Inc. - Class C *	42,645	57,017
AT&T, Inc.	1,042,255	40,732
CenturyLink, Inc.	139,994	1,849
Charter Communications, Inc. - Class A *	22,370	10,851
Comcast Corp. - Class A	647,726	29,128
Discovery Communications, Inc. - Class A *	22,563	739
Discovery Communications, Inc. - Class C *	47,857	1,459
DISH Network Corp. - Class A *	36,381	1,291
Electronic Arts, Inc. *	41,659	4,479
Facebook, Inc. - Class A *	343,348	70,472
Fox Corp. - Class A	50,581	1,875
Fox Corp. - Class B	23,166	843
The Interpublic Group of Companies, Inc.	55,321	1,278
Live Nation Entertainment, Inc. *	20,106	1,437
Netflix, Inc. *	62,528	20,232
News Corp. - Class A	55,439	784
News Corp. - Class B	17,374	252
Omnicom Group, Inc.	31,066	2,517
Take-Two Interactive Software, Inc. *	16,148	1,977
T-Mobile US, Inc. *	45,166	3,542
Twitter, Inc. *	110,769	3,550
Verizon Communications, Inc.	590,081	36,231
ViacomCBS, Inc.	77,103	3,236
The Walt Disney Co.	257,161	37,193
Total		**396,736**
Consumer Discretionary (9.6%)		
Advance Auto Parts, Inc.	9,882	1,583
Amazon.com, Inc. *	59,421	109,800
Aptiv PLC	36,424	3,459
AutoZone, Inc. *	3,400	4,050
Best Buy Co., Inc.	32,491	2,853
Booking Holdings, Inc. *	5,972	12,265
BorgWarner, Inc.	29,462	1,278
Capri Holdings, Ltd. *	21,635	825
CarMax, Inc. *	23,461	2,057
Carnival Corp.	57,151	2,905
Consumer Discretionary continued		
Chipotle Mexican Grill, Inc. *	3,648	3,054
D.R. Horton, Inc.	47,844	2,524
Darden Restaurants, Inc.	17,492	1,907
Dollar General Corp.	36,326	5,666
Dollar Tree, Inc. *	33,766	3,176
eBay, Inc.	109,107	3,940
Expedia, Inc.	19,938	2,156
Ford Motor Co.	555,591	5,167
The Gap, Inc.	30,359	537
Garmin, Ltd.	20,614	2,011
General Motors Co.	179,392	6,566
Genuine Parts Co.	20,730	2,202
H&R Block, Inc.	27,857	654
Hanesbrands, Inc.	51,607	766
Harley-Davidson, Inc.	22,013	819
Hasbro, Inc.	18,156	1,917
Hilton Worldwide Holdings, Inc.	40,258	4,465
The Home Depot, Inc.	155,637	33,988
Kohl's Corp.	22,338	1,138
L Brands, Inc.	33,135	600
Las Vegas Sands Corp.	48,216	3,329
Leggett & Platt, Inc.	18,777	954
Lennar Corp. - Class A	39,932	2,228
LKQ Corp. *	43,725	1,561
Lowe's Companies, Inc.	109,358	13,097
Macy's, Inc.	44,086	749
Marriott International, Inc. - Class A	38,717	5,863
McDonald's Corp.	107,449	21,233
MGM Resorts International	73,477	2,445
Mohawk Industries, Inc. *	8,482	1,157
Newell Brands, Inc.	54,368	1,045
NIKE, Inc. - Class B	177,780	18,011
Nordstrom, Inc.	15,284	626
Norwegian Cruise Line Holdings, Ltd. *	30,356	1,773
NVR, Inc. *	496	1,889
O'Reilly Automotive, Inc. *	10,795	4,731
PulteGroup, Inc.	36,345	1,410
PVH Corp.	10,579	1,112
Ralph Lauren Corp.	7,096	832
Ross Stores, Inc.	51,611	6,009
Royal Caribbean Cruises, Ltd.	24,526	3,274
Starbucks Corp.	168,502	14,815
Tapestry, Inc.	39,370	1,062
Target Corp.	72,300	9,270
Tiffany & Co.	15,402	2,058
The TJX Cos., Inc.	173,020	10,565
Consumer Discretionary continued		
Tractor Supply Co.	16,891	1,578
Ulta Beauty, Inc. *	8,156	2,065
Under Armour, Inc. - Class A *	26,852	580
Under Armour, Inc. - Class C *	27,762	532
VF Corp.	46,725	4,657
Whirlpool Corp.	9,017	1,330
Wynn Resorts, Ltd.	13,785	1,914
Yum! Brands, Inc.	43,154	4,347
Total		**372,429**
Consumer Staples (7.1%)		
Altria Group, Inc.	266,538	13,303
Archer-Daniels-Midland Co.	79,426	3,681
Brown-Forman Corp. - Class B	25,995	1,757
Campbell Soup Co.	24,102	1,191
Church & Dwight Co., Inc.	35,013	2,463
The Clorox Co.	17,907	2,749
The Coca-Cola Co.	550,168	30,452
Colgate-Palmolive Co.	122,280	8,418
Conagra Brands, Inc.	69,435	2,377
Constellation Brands, Inc. - Class A	23,898	4,535
Costco Wholesale Corp.	63,032	18,526
Coty, Inc. - Class A	42,172	474
The Estee Lauder Cos., Inc. - Class A	31,753	6,558
General Mills, Inc.	86,233	4,619
The Hershey Co.	21,160	3,110
Hormel Foods Corp.	39,673	1,790
The J.M. Smucker Co.	16,273	1,695
Kellogg Co.	35,527	2,457
Kimberly-Clark Corp.	48,911	6,728
The Kraft Heinz Co.	88,858	2,855
The Kroger Co.	114,426	3,317
Lamb Weston Holdings, Inc.	20,840	1,793
McCormick & Co., Inc.	17,631	2,993
Molson Coors Brewing Co. - Class B	26,803	1,445
Mondelez International, Inc.	205,430	11,315
Monster Beverage Corp. *	54,468	3,461
PepsiCo, Inc.	198,954	27,191
Philip Morris International, Inc.	221,988	18,889
The Procter & Gamble Co.	355,810	44,441
Sysco Corp.	72,798	6,227
Tyson Foods, Inc. - Class A	42,116	3,834

Index 500 Stock Portfolio

Common Stocks (98.7%)	Shares/ Par +	Value $ (000's)
Consumer Staples continued		
Walgreens Boots Alliance, Inc.	106,970	6,307
Walmart, Inc.	202,400	24,053
Total		**275,004**
Energy (4.3%)		
Apache Corp.	53,652	1,373
Baker Hughes	92,722	2,376
Cabot Oil & Gas Corp.	58,202	1,013
Chevron Corp.	269,784	32,512
Cimarex Energy Co.	14,526	762
Concho Resources, Inc.	28,682	2,512
ConocoPhillips	156,555	10,181
Devon Energy Corp.	55,216	1,434
Diamondback Energy, Inc.	22,991	2,135
EOG Resources, Inc.	83,004	6,952
Exxon Mobil Corp.	603,682	42,125
Halliburton Co.	125,243	3,065
Helmerich & Payne, Inc.	15,473	703
Hess Corp.	36,954	2,469
HollyFrontier Corp.	21,185	1,074
Kinder Morgan, Inc.	277,917	5,884
Marathon Oil Corp.	114,131	1,550
Marathon Petroleum Corp.	92,643	5,582
National Oilwell Varco, Inc.	55,050	1,379
Noble Energy, Inc.	68,243	1,695
Occidental Petroleum Corp.	127,456	5,252
ONEOK, Inc.	58,938	4,460
Phillips 66	63,400	7,063
Pioneer Natural Resources Co.	23,634	3,578
Schlumberger, Ltd.	197,521	7,940
TechnipFMC PLC	59,959	1,286
Valero Energy Corp.	58,591	5,487
The Williams Cos., Inc.	172,932	4,102
Total		**165,944**
Financials (12.8%)		
AFLAC, Inc.	104,728	5,540
The Allstate Corp.	46,221	5,198
American Express Co.	95,734	11,918
American International Group, Inc.	124,122	6,371
Ameriprise Financial, Inc.	18,077	3,011
Aon PLC	33,406	6,958
Arthur J. Gallagher & Co.	26,612	2,534
Assurant, Inc.	8,651	1,134
Bank of America Corp.	1,155,055	40,681
The Bank of New York Mellon Corp.	119,735	6,026
Berkshire Hathaway, Inc. - Class B *	279,082	63,212
BlackRock, Inc.	16,826	8,458
Financials continued		
Capital One Financial Corp.	66,448	6,838
CBOE Holdings, Inc.	15,817	1,898
The Charles Schwab Corp.	163,119	7,758
Chubb, Ltd.	64,661	10,065
Cincinnati Financial Corp.	21,678	2,279
Citigroup, Inc.	311,492	24,885
Citizens Financial Group, Inc.	62,024	2,519
CME Group, Inc.	51,130	10,263
Comerica, Inc.	20,567	1,476
Discover Financial Services	44,725	3,794
E*TRADE Financial Corp.	32,233	1,462
Everest Re Group, Ltd.	5,819	1,611
Fifth Third Bancorp	101,253	3,113
First Republic Bank	24,044	2,824
Franklin Resources, Inc.	39,796	1,034
Globe Life, Inc.	14,214	1,496
The Goldman Sachs Group, Inc.	45,468	10,455
The Hartford Financial Services Group, Inc.	51,424	3,125
Huntington Bancshares, Inc.	147,350	2,222
Intercontinental Exchange, Inc.	79,450	7,353
Invesco, Ltd.	53,103	955
JPMorgan Chase & Co.	447,504	62,382
KeyCorp	140,532	2,844
Lincoln National Corp.	28,297	1,670
Loews Corp.	36,496	1,916
M&T Bank Corp.	18,828	3,196
MarketAxess Holdings, Inc.	5,411	2,051
Marsh & McLennan Cos., Inc.	72,005	8,022
MetLife, Inc.	111,529	5,685
Moody's Corp.	23,166	5,500
Morgan Stanley	175,512	8,972
MSCI, Inc.	12,086	3,120
Nasdaq, Inc.	16,371	1,753
Northern Trust Corp.	30,231	3,212
People's United Financial, Inc.	63,365	1,071
PNC Financial Services Group, Inc.	62,517	9,980
Principal Financial Group, Inc.	36,844	2,026
The Progressive Corp.	83,413	6,038
Prudential Financial, Inc.	57,356	5,377
Raymond James Financial, Inc.	17,615	1,576
Regions Financial Corp.	137,631	2,362
S&P Global, Inc.	34,870	9,521
Financials continued		
State Street Corp.	51,880	4,104
SVB Financial Group *	7,358	1,847
Synchrony Financial	84,821	3,054
T. Rowe Price Group, Inc.	33,340	4,062
The Travelers Cos., Inc.	36,827	5,044
Truist Financial Corp.	191,339	10,776
U.S. Bancorp	202,786	12,023
Unum Group	29,429	858
W.R. Berkley Corp.	20,703	1,431
Wells Fargo & Co.	549,123	29,543
Willis Towers Watson PLC	18,344	3,704
Zions Bancorporation	24,321	1,263
Total		**494,449**
Health Care (14.0%)		
Abbott Laboratories	252,167	21,903
AbbVie, Inc.	210,994	18,681
ABIOMED, Inc. *	6,443	1,099
Agilent Technologies, Inc.	44,154	3,767
Alexion Pharmaceuticals, Inc. *	31,573	3,415
Align Technology, Inc. *	10,233	2,855
Allergan PLC	46,838	8,954
AmerisourceBergen Corp.	21,448	1,824
Amgen, Inc.	84,776	20,437
Anthem, Inc.	36,178	10,927
Baxter International, Inc.	72,845	6,091
Becton Dickinson and Co.	38,588	10,495
Biogen, Inc. *	25,745	7,639
Boston Scientific Corp. *	198,866	8,993
Bristol-Myers Squibb Co.	334,461	21,469
Cardinal Health, Inc.	41,731	2,111
Centene Corp. *	59,039	3,712
Cerner Corp.	44,815	3,289
Cigna Corp.	53,279	10,895
The Cooper Cos., Inc.	7,073	2,273
CVS Health Corp.	185,618	13,790
Danaher Corp.	91,209	13,999
DaVita, Inc. *	12,795	960
DENTSPLY SIRONA, Inc.	31,733	1,796
Edwards Lifesciences Corp. *	29,758	6,942
Eli Lilly & Co.	120,550	15,844
Gilead Sciences, Inc.	180,507	11,729
HCA Healthcare, Inc.	37,747	5,579
Henry Schein, Inc. *	20,936	1,397
Hologic, Inc. *	38,258	1,997
Humana, Inc.	18,894	6,925
IDEXX Laboratories, Inc. *	12,239	3,196

Index 500 Stock Portfolio

Common Stocks (98.7%)	Shares/ Par +	Value $ (000's)
Health Care continued		
Illumina, Inc. *	20,974	6,958
Incyte Corp. *	25,508	2,227
Intuitive Surgical, Inc. *	16,490	9,748
IQVIA Holdings, Inc. *	25,747	3,978
Johnson & Johnson	375,508	54,775
Laboratory Corp. of America Holdings *	13,854	2,344
McKesson Corp.	25,709	3,556
Medtronic PLC	191,241	21,696
Merck & Co., Inc.	363,253	33,038
Mettler-Toledo International, Inc. *	3,475	2,757
Mylan NV *	73,640	1,480
PerkinElmer, Inc.	15,852	1,539
Perrigo Co. PLC	19,420	1,003
Pfizer, Inc.	789,592	30,936
Quest Diagnostics, Inc.	19,218	2,052
Regeneron Pharmaceuticals, Inc. *	11,397	4,279
ResMed, Inc.	20,515	3,179
STERIS PLC	12,097	1,844
Stryker Corp.	45,940	9,645
Teleflex, Inc.	6,605	2,486
Thermo Fisher Scientific, Inc.	57,212	18,587
UnitedHealth Group, Inc.	135,174	39,738
Universal Health Services, Inc. - Class B	11,460	1,644
Varian Medical Systems, Inc. *	12,969	1,842
Vertex Pharmaceuticals, Inc. *	36,689	8,033
Waters Corp. *	9,193	2,148
WellCare Health Plans, Inc. *	7,177	2,370
Zimmer Biomet Holdings, Inc.	29,346	4,393
Zoetis, Inc.	67,957	8,994
Total		**542,252**
Industrials (8.9%)		
3M Co.	82,047	14,475
A.O. Smith Corp.	19,555	932
Alaska Air Group, Inc.	17,574	1,191
Allegion PLC	13,257	1,651
American Airlines Group, Inc.	55,626	1,595
AMETEK, Inc.	32,615	3,253
Arconic, Inc.	55,269	1,701
The Boeing Co.	76,282	24,850
C.H. Robinson Worldwide, Inc.	19,297	1,509
Caterpillar, Inc.	78,852	11,645
Cintas Corp.	11,961	3,218
Copart, Inc. *	29,186	2,654
CSX Corp.	110,951	8,028
Cummins, Inc.	21,859	3,912
Industrials continued		
Deere & Co.	44,925	7,784
Delta Air Lines, Inc.	82,125	4,803
Dover Corp.	20,726	2,389
Eaton Corp. PLC	58,983	5,587
Emerson Electric Co.	86,912	6,628
Equifax, Inc.	17,276	2,421
Expeditors International of Washington, Inc.	24,298	1,896
Fastenal Co.	81,829	3,024
FedEx Corp.	34,248	5,179
Flowserve Corp.	18,671	929
Fortive Corp.	42,162	3,221
Fortune Brands Home & Security, Inc.	19,854	1,297
General Dynamics Corp.	33,435	5,896
General Electric Co.	1,246,077	13,906
Honeywell International, Inc.	101,947	18,045
Huntington Ingalls Industries, Inc.	5,836	1,464
IDEX Corp.	10,852	1,867
IHS Markit, Ltd. *	57,212	4,311
Illinois Tool Works, Inc.	41,730	7,496
Ingersoll-Rand PLC	34,185	4,544
J.B. Hunt Transport Services, Inc.	12,165	1,421
Jacobs Engineering Group, Inc.	19,332	1,737
Johnson Controls International PLC	110,064	4,481
Kansas City Southern	14,142	2,166
L3Harris Technologies, Inc.	31,541	6,241
Lockheed Martin Corp.	35,416	13,790
Masco Corp.	40,534	1,945
Nielsen Holdings PLC	50,765	1,030
Norfolk Southern Corp.	37,203	7,222
Northrop Grumman Corp.	22,363	7,692
Old Dominion Freight Line, Inc.	9,111	1,729
PACCAR, Inc.	49,348	3,903
Parker Hannifin Corp.	18,329	3,772
Pentair PLC	23,983	1,100
Quanta Services, Inc.	20,302	826
Raytheon Co.	39,733	8,731
Republic Services, Inc.	30,053	2,694
Robert Half International, Inc.	16,773	1,059
Rockwell Automation, Inc.	16,486	3,341
Rollins, Inc.	20,089	666
Roper Technologies, Inc.	14,847	5,259
Snap-on, Inc.	7,825	1,326
Southwest Airlines Co.	67,578	3,648
Stanley Black & Decker, Inc.	21,689	3,595
Textron, Inc.	32,568	1,452
TransDigm Group, Inc.	7,105	3,979
Industrials continued		
Union Pacific Corp.	99,046	17,906
United Continental Holdings, Inc. *	31,049	2,735
United Parcel Service, Inc. - Class B	99,982	11,704
United Rentals, Inc. *	10,723	1,788
United Technologies Corp.	115,756	17,336
Verisk Analytics, Inc.	23,381	3,492
W.W. Grainger, Inc.	6,225	2,107
Wabtec Corp.	25,981	2,021
Waste Management, Inc.	55,687	6,346
Xylem, Inc.	25,693	2,024
Total		**345,565**
Information Technology (22.9%)		
Accenture PLC - Class A	90,609	19,080
Adobe Systems, Inc. *	69,067	22,779
Advanced Micro Devices, Inc. *	158,889	7,287
Akamai Technologies, Inc. *	23,057	1,992
Alliance Data Systems Corp.	5,848	656
Amphenol Corp. - Class A	42,303	4,578
Analog Devices, Inc.	52,548	6,245
ANSYS, Inc. *	12,210	3,143
Apple, Inc.	595,915	174,990
Applied Materials, Inc.	131,798	8,045
Arista Networks, Inc. *	7,739	1,574
Autodesk, Inc. *	31,394	5,760
Automatic Data Processing, Inc.	61,736	10,526
Broadcom, Inc.	56,596	17,885
Broadridge Financial Solutions, Inc.	16,358	2,021
Cadence Design Systems, Inc. *	40,034	2,777
CDW Corp.	20,500	2,928
Cisco Systems, Inc.	605,273	29,029
Citrix Systems, Inc.	17,465	1,937
Cognizant Technology Solutions Corp. - Class A	78,125	4,845
Corning, Inc.	109,735	3,194
DXC Technology Co.	36,525	1,373
F5 Networks, Inc. *	8,674	1,211
Fidelity National Information Services, Inc.	87,689	12,197
Fiserv, Inc. *	81,484	9,422
FleetCor Technologies, Inc. *	12,382	3,563
FLIR Systems, Inc.	19,140	997
Fortinet, Inc. *	20,254	2,162
Gartner, Inc. *	12,763	1,967
Global Payments, Inc.	42,881	7,828

Index 500 Stock Portfolio

Common Stocks (98.7%)	Shares/ Par +	Value $ (000's)
Information Technology continued		
Hewlett Packard Enterprise Co.	184,624	2,928
HP, Inc.	211,436	4,345
Intel Corp.	620,645	37,146
International Business Machines Corp.	126,360	16,937
Intuit, Inc.	37,140	9,728
IPG Photonics Corp. *	5,073	735
Jack Henry & Associates, Inc.	10,977	1,599
Juniper Networks, Inc.	47,755	1,176
Keysight Technologies, Inc. *	26,763	2,747
KLA-Tencor Corp.	22,514	4,011
Lam Research Corp.	20,699	6,052
Leidos Holdings, Inc.	18,986	1,859
Mastercard, Inc. - Class A	126,659	37,819
Maxim Integrated Products, Inc.	38,610	2,375
Microchip Technology, Inc.	34,097	3,571
Micron Technology, Inc. *	157,951	8,495
Microsoft Corp.	1,088,456	171,649
Motorola Solutions, Inc.	24,446	3,939
NetApp, Inc.	32,563	2,027
NortonLifeLock, Inc.	81,809	2,088
NVIDIA Corp.	87,318	20,546
Oracle Corp.	309,104	16,376
Paychex, Inc.	45,453	3,866
PayPal Holdings, Inc. *	167,530	18,122
Qorvo, Inc. *	16,575	1,926
QUALCOMM, Inc.	162,915	14,374
salesforce.com, Inc. *	126,555	20,583
Seagate Technology PLC	32,985	1,963
ServiceNow, Inc. *	26,909	7,597
Skyworks Solutions, Inc.	24,308	2,938
Synopsys, Inc. *	21,449	2,986
TE Connectivity, Ltd.	47,722	4,574
Texas Instruments, Inc.	133,371	17,110
VeriSign, Inc. *	14,741	2,840
Visa, Inc. - Class A	244,240	45,893
Western Digital Corp.	42,433	2,693
Western Union Co.	59,819	1,602
Xerox Holdings Corp.	26,527	978
Xilinx, Inc.	35,878	3,508
Zebra Technologies Corp. - Class A *	7,693	1,965
Total		**885,657**
Materials (2.6%)		
Air Products and Chemicals, Inc.	31,451	7,391
Albemarle Corp.	15,128	1,105
Amcor PLC	231,158	2,506
Avery Dennison Corp.	11,914	1,559
Ball Corp.	46,674	3,018
Materials continued		
Celanese Corp. - Class A	17,246	2,123
CF Industries Holdings, Inc.	31,022	1,481
Corteva, Inc.	106,780	3,156
Dow, Inc.	105,794	5,790
DuPont de Nemours, Inc.	105,696	6,786
Eastman Chemical Co.	19,401	1,538
Ecolab, Inc.	35,779	6,905
FMC Corp.	18,493	1,846
Freeport-McMoRan, Inc.	207,011	2,716
International Flavors & Fragrances, Inc.	15,235	1,966
International Paper Co.	55,946	2,576
Linde PLC	76,643	16,317
LyondellBasell Industries NV - Class A	36,629	3,461
Martin Marietta Materials, Inc.	8,917	2,494
The Mosaic Co.	49,885	1,079
Newmont Mining Corp.	116,972	5,082
Nucor Corp.	43,262	2,435
Packaging Corp. of America	13,505	1,512
PPG Industries, Inc.	33,738	4,504
Sealed Air Corp.	22,046	878
The Sherwin-Williams Co.	11,722	6,840
Vulcan Materials Co.	18,884	2,719
WestRock Co.	36,796	1,579
Total		**101,362**
Real Estate (2.9%)		
Alexandria Real Estate Equities, Inc.	16,430	2,655
American Tower Corp.	63,197	14,524
Apartment Investment & Management Co. - Class A	21,242	1,097
AvalonBay Communities, Inc.	19,927	4,179
Boston Properties, Inc.	20,517	2,828
CBRE Group, Inc. *	47,762	2,927
Crown Castle International Corp.	59,321	8,432
Digital Realty Trust, Inc.	29,780	3,566
Duke Realty Corp.	52,444	1,818
Equinix, Inc.	12,167	7,102
Equity Residential	49,805	4,030
Essex Property Trust, Inc.	9,428	2,836
Extra Space Storage, Inc.	18,478	1,952
Federal Realty Investment Trust	10,021	1,290
Healthpeak Properties, Inc.	70,619	2,434
Real Estate continued		
Host Hotels & Resorts, Inc.	102,325	1,898
Iron Mountain, Inc.	40,969	1,306
Kimco Realty Corp.	60,242	1,248
Mid-America Apartment Communities, Inc.	16,275	2,146
Prologis, Inc.	90,136	8,035
Public Storage	21,434	4,565
Realty Income Corp.	46,501	3,424
Regency Centers Corp.	23,907	1,508
SBA Communications Corp.	16,066	3,872
Simon Property Group, Inc.	43,782	6,522
SL Green Realty Corp.	11,630	1,068
UDR, Inc.	41,812	1,953
Ventas, Inc.	53,181	3,071
Vornado Realty Trust	22,601	1,503
Welltower, Inc.	57,893	4,734
Weyerhaeuser Co.	106,314	3,211
Total		**111,734**
Utilities (3.3%)		
The AES Corp.	94,722	1,885
Alliant Energy Corp.	34,293	1,876
Ameren Corp.	35,103	2,696
American Electric Power Co., Inc.	70,476	6,661
American Water Works Co., Inc.	25,793	3,169
Atmos Energy Corp.	17,028	1,905
CenterPoint Energy, Inc.	71,658	1,954
CMS Energy Corp.	40,498	2,545
Consolidated Edison, Inc.	47,430	4,291
Dominion Resources, Inc.	117,436	9,726
DTE Energy Co.	27,409	3,560
Duke Energy Corp.	104,016	9,487
Edison International	51,164	3,858
Entergy Corp.	28,407	3,403
Evergy, Inc.	32,517	2,117
Eversource Energy	46,193	3,930
Exelon Corp.	138,698	6,323
FirstEnergy Corp.	77,090	3,747
NextEra Energy, Inc.	69,737	16,887
NiSource, Inc.	53,296	1,484
NRG Energy, Inc.	35,897	1,427
Pinnacle West Capital Corp.	16,038	1,442
PPL Corp.	103,160	3,701
Public Service Enterprise Group, Inc.	72,156	4,261
Sempra Energy	40,220	6,093
The Southern Co.	149,630	9,531
WEC Energy Group, Inc.	45,005	4,151

Index 500 Stock Portfolio

Common Stocks (98.7%)	Shares/ Par +	Value $ (000's)
Utilities continued		
Xcel Energy, Inc.	74,818	4,750
Total		**126,860**
Total Common Stocks (Cost: $1,593,643)		**3,817,992**
Short-Term Investments (1.2%)		
Commercial Paper (0.7%)		
General Mills, Inc.		
0.000%, 1/14/20 144A	1,000,000	999
Marriott International, Inc.		
0.000%, 1/24/20	1,200,000	1,199
0.000%, 2/12/20 144A	1,500,000	1,496
Mondelez International, Inc.		
0.000%, 1/2/20 144A	1,500,000	1,500
0.000%, 1/8/20 144A	2,000,000	1,999
ONEOK, Inc.		
0.000%, 1/6/20	1,500,000	1,499
Pfizer, Inc.		
0.000%, 1/23/20 144A	3,000,000	2,997
0.000%, 3/5/20 144A	2,000,000	1,994
Societe Generale SA		
0.000%, 3/27/20 144A	5,000,000	4,978
The Southern Co.		
0.000%, 1/27/20 144A	1,700,000	1,697
Walgreens Boots Alliance, Inc.		
0.000%, 1/7/20 144A	1,715,000	1,715
0.000%, 2/18/20	2,000,000	1,994
The Walt Disney Co.		
0.000%, 1/31/20 144A	3,000,000	2,996
0.000%, 2/21/20	2,000,000	1,995
Total		**29,058**
Money Market Funds (0.4%)		
State Street Institutional U.S. Government Money Market Fund - Premier Class 1.540% #	14,135,093	14,135
Total		**14,135**
US Government & Agencies (0.1%)		
Federal Home Loan Bank		
0.000%, 2/10/20 β	3,000,000	2,995
Total		**2,995**
Total Short-Term Investments (Cost: $46,187)		**46,188**

Short-Term Investments (1.2%)	Shares/ Par +	Value $ (000's)
US Government & Agencies continued		
Total Investments (99.9%) (Cost: $1,639,830)@		**3,864,180**
Other Assets, Less Liabilities (0.1%)		**3,100**
Net Assets (100.0%)		**3,867,280**

Index 500 Stock Portfolio

Exchange Traded or Centrally Cleared Derivatives
Futures

Issuer	Long/ Short	Currency	Notional Par (000's)	Number of Contracts	Expiration Date	Notional Value (000's)	Unrealized Appreciation/ (Depreciation) (000's)	Variation Margin (000's)
E-Mini S&P 500 Futures	Long	USD	14	286	3/20	$ 46,205	$ 348	$ 109
							$ 348	$ 109

	Financial Derivative Assets			Financial Derivative Liabilities			
	Variation Margin (000's)			Variation Margin (000's)			Market Value (000's)
	Swaps	Futures	Total	Swaps	Futures	Total	Options
Total Exchange-Traded or Centrally Cleared Derivatives	$ –	$ 109	$ 109	$ –	$ –	$ –	$ –

\+ All par is stated in U.S Dollar unless otherwise noted.

* Non income producing

144A Security exempt from registration under Rule 144A of the Securities Act of 1933. These securities may be resold as transactions exempt from registration, normally to qualified institutional buyers. At December 31, 2019 the value of these securities (in thousands) was $22,371 representing 0.6% of the net assets.

\# 7-Day yield as of 12/31/2019.

β Cash or securities with an aggregate value of $2,995 (in thousands) has been pledged as collateral for futures, swap contracts outstanding, short sales, when issued securities or written options on 12/31/2019.

@ At December 31, 2019, the aggregate cost of investments, including derivatives, for federal tax purposes (in thousands) was $1,642,141 and the net unrealized appreciation of investments based on that cost was $2,222,388 which is comprised of $2,291,308 aggregate gross unrealized appreciation and $68,920 aggregate gross unrealized depreciation.

The following is a summary of the inputs used in valuing the Portfolio's assets and liabilities at December 31, 2019. See Note 3 for additional information on portfolio valuation.

	Valuation Inputs		
Description	**Level 1 - Quoted Prices**	**Level 2 - Other Significant Observable Inputs**	**Level 3 - Significant Unobservable Inputs**
	(Amounts in thousands)		
Assets:			
Common Stocks	$ 3,817,992	$ —	$ —
Short-Term Investments			
Money Market Funds	14,135	—	—
All Others	—	32,053	—
Other Financial Instruments^			
Futures	348	—	—
Total Assets:	$ 3,832,475	$ 32,053	$ —

^ Other financial instruments are derivative instruments such as futures and forwards, which are valued at the unrealized appreciation (depreciation) on the instrument, and securities sold short, reverse repurchase agreements, written options and swaps contracts, which are valued at market value.

Large Company Value Portfolio (unaudited)

Objective:	**Portfolio Strategy:**	**Net Assets:**
Long-term growth of capital. Current income is a secondary objective.	Invest primarily in equity securities of larger companies considered to be undervalued.	$206 million

PORTFOLIO OVERVIEW

Mason Street Advisors, LLC ("Mason Street Advisors"), the investment adviser for the Large Company Value Portfolio (the "Portfolio"), has engaged American Century Investment Management, Inc. ("American Century") to act as sub-adviser for the Portfolio. The Portfolio looks for stocks of companies that it believes are undervalued at the time of purchase. The Portfolio attempts to purchase the stocks of these undervalued companies and hold each stock until it has returned to favor in the market and the price has increased to, or is higher than, a level the Portfolio believes more accurately reflects the fair value of the company. Companies may be undervalued due to market declines, poor economic conditions, actual or anticipated bad news regarding the issuer or its industry, or because they have been overlooked by the market.

MARKET OVERVIEW

Resilient U.S. economic growth and positive earnings fueled strong stock market performance during 2019 despite periods of volatility sparked by trade tensions and global economic uncertainty. The U.S. Federal Reserve (the "Fed") cut interest rates three times during the second half of 2019 in response to global economic risks, but central bank policymakers signaled a pause in interest rate reductions in the fourth quarter on improving economic data. Stocks advanced at the end of the year as news of a potential trade deal between the U.S. and China reduced trade-related uncertainty. All the sector returns within the Russell 1000® Value Index posted positive returns, led by Information Technology. The Energy sector turned in the weakest results.

According to the Russell family of U.S. indices, large- and mid-cap stocks outperformed small-cap stocks. Growth stocks outperformed value stocks by a significant margin for the year.

PORTFOLIO RESULTS

The Portfolio returned 27.66% for the twelve months ended December 31, 2019. By comparison, the Portfolio's benchmark, the Russell 1000® Value Index (the "Index"), returned 26.54%. (The Index is unmanaged, cannot be invested in directly and does not include administrative expenses.) According to Lipper® Analytical Services, Inc., an independent mutual fund ranking agency, the average return in 2019 of the Large Cap Value Funds peer group was 26.47%.

Stock selection in the Energy sector contributed to the Portfolio's outperformance. Key relative contributors included Anadarko Petroleum, a global exploration and production company whose stock rose after Chevron agreed to acquire the company at a premium. The stock appreciated further after Occidental Petroleum made two higher acquisition offers. The portfolio managers exited the position on stock price appreciation. The Portfolio's lack of exposure to ExxonMobil was also beneficial as that company continued to struggle with execution.

Health Care was another area of relative strength. Performance drivers included medical device maker Zimmer Biomet Holdings, which gained on solid financial results. The company also reported positive updates on its early ROSA robot placements and improvements in supply constraints related to Food and Drug Administration ("FDA") approvals. The portfolio managers' analysis points to upside potential from 2019 product launches, final remediation of issues raised by the FDA and the potential to recapture market share in 2020.

Applied Materials was a leading contributor in the Information Technology sector. Although the macro environment remained uncertain, this semiconductor equipment company outperformed after reporting solid financial results. The portfolio managers believe the company remains well positioned, supported by greenfield investments and market share gains from its new tool offerings.

On the other hand, the Portfolio's lack of exposure to several stocks in the Communication Services sector, including AT&T, weighed on returns. The stock of the communications giant outperformed when Elliott Management, an activist shareholder firm, took a position in the company. Elliott encouraged AT&T to sell non-core assets and accelerate cost cutting and expense reduction.

While the Portfolio's Energy holdings contributed to performance, exposure to TOTAL, a large integrated energy company, weighed on relative results. The company's stock price declined as lower oil and gas prices reduced potential generation

of free cash flow and return on invested capital. Consequently, TOTAL's management lowered its near-term free cash flow guidance.

Not owning Citigroup, a multinational investment banking and financial services corporation, also weighed on performance. The company's second-quarter results exceeded expectations due to lower expenses and credit provisions. The Portfolio's position in The Bank of New York Mellon ("BNY Mellon"), a global financial firm, was another key detractor. BNY Mellon underperformed after reporting worse-than-expected quarterly results and guidance, due in part to lower interest rates.

PORTFOLIO MANAGER OUTLOOK

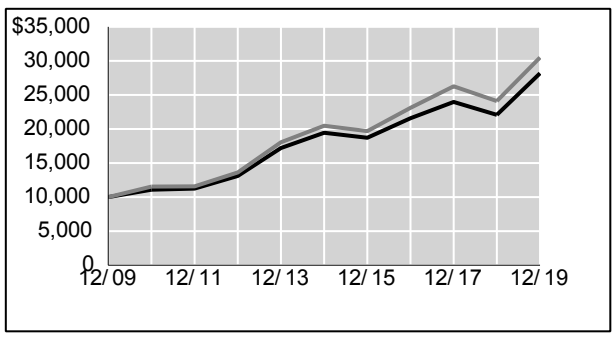
The following forward-looking comments are the opinion of American Century, the Portfolio's sub-adviser.

The Portfolio seeks to invest in companies for which we believe the valuation does not reflect the quality and normal earnings power of the company. Our process is based on individual security selection; however, some broad themes have emerged.

We finished the year with a notable overweight position in the Health Care sector. According to our analysis, the Portfolio's Health Care holdings offer compelling valuations and risk/reward profiles, particularly in the pharmaceuticals and healthcare equipment and supplies industries.

On the other hand, we have found limited opportunities in Communication Services, leading to an underweight position in the sector. Our analysis shows that many stocks in the sector have volatile business models and significant leverage.

Relative Performance



Average Annual Total Returns
For Periods Ended December 31, 2019

	1 Year	5 Years	10 Years
Large Company Value Portfolio	27.66%	7.69%	10.92%
Russell 1000® Value Index	26.54%	8.29%	11.80%
Lipper® Variable Insurance Products (VIP) Large Cap Value Funds Average	26.47%	7.85%	10.94%

The performance data quoted represents past performance. Past performance is historical and does not guarantee future performance. Investment return and principal value will fluctuate, so that shares, when redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than the performance data quoted. For the most recent month-end performance information visit www.northwesternmutual.com.

This chart assumes an initial investment of $10,000 made on 12/31/09. Returns shown reflect fee waivers, deductions for management and other portfolio expenses, and reinvestment of all dividends. In the absence of fee waivers, total return would be reduced. Returns exclude deductions for separate account sale loads and account fees. Please refer to the Benchmark Definitions section of this report for information about the indices cited in the above chart and graph.

The Portfolio may invest in derivative instruments for cash management purposes or to hedge foreign currency exposure. Use of these instruments may involve certain costs and imposes certain risks such as liquidity risk, market risk, credit risk, management risk and the risk of mispricing or improper valuation. Certain derivatives involve leverage, which could magnify losses, and portfolios investing in derivatives could lose more than the principal amount invested in those instruments.

The Portfolio may invest a relatively high percentage of its assets in a particular sector. The Portfolio will have greater exposure to the risks associated with that sector and its performance will be tied more closely to the performance of the sector.

Large Company Value Portfolio (unaudited)

Top 10 Equity Holdings 12/31/19

Security Description	% of Net Assets
Johnson & Johnson	4.2%
Medtronic PLC	4.1%
Berkshire Hathaway, Inc. - Class B	3.8%
PNC Financial Services Group, Inc.	3.4%
Verizon Communications, Inc.	3.3%
Pfizer, Inc.	3.2%
Zimmer Biomet Holdings, Inc.	3.2%
Total SA, ADR	2.5%
JPMorgan Chase & Co.	2.5%
Chubb, Ltd.	2.3%

Sector Allocation 12/31/19

Sector	% of Net Assets
Financials	23.4%
Health Care	19.8%
Consumer Staples	10.2%
Industrials	9.4%
Energy	8.1%
Information Technology	7.1%
Utilities	5.5%
Consumer Discretionary	3.5%
Communication Services	3.3%
Real Estate	3.0%
Short-Term Investments & Other Net Assets	2.9%
Investment Companies	2.2%
Materials	1.6%

Sector Allocation and Top 10 Holdings are subject to change.

Large Company Value Portfolio

SCHEDULE OF INVESTMENTS

December 31, 2019

Common Stocks (94.9%)	Shares/ Par +	Value $ (000's)
Communication Services (3.3%)		
Verizon Communications, Inc.	110,800	6,803
Total		**6,803**
Consumer Discretionary (3.5%)		
Advance Auto Parts, Inc.	16,700	2,675
Carnival Corp.	30,360	1,543
Honda Motor Co., Ltd., ADR	63,370	1,794
PulteGroup, Inc.	29,300	1,137
Total		**7,149**
Consumer Staples (10.2%)		
Colgate-Palmolive Co.	61,680	4,246
Conagra Brands, Inc.	26,410	904
Kimberly-Clark Corp.	19,510	2,684
Koninklijke Ahold Delhaize NV	73,920	1,849
Mondelez International, Inc.	47,490	2,616
PepsiCo, Inc.	23,740	3,244
The Procter & Gamble Co.	28,220	3,525
Walmart, Inc.	16,960	2,015
Total		**21,083**
Energy (8.1%)		
Baker Hughes	57,120	1,464
Chevron Corp.	34,090	4,108
ConocoPhillips	36,940	2,402
Schlumberger, Ltd.	88,680	3,565
Total SA, ADR	93,450	5,168
Total		**16,707**
Financials (23.4%)		
AFLAC, Inc.	30,280	1,602
Ameriprise Financial, Inc.	16,990	2,830
Bank of America Corp.	54,830	1,931
The Bank of New York Mellon Corp.	87,650	4,411
Berkshire Hathaway, Inc. - Class B *	34,530	7,821
Chubb, Ltd.	30,850	4,802
JPMorgan Chase & Co.	36,940	5,150
PNC Financial Services Group, Inc.	43,770	6,987
Truist Financial Corp.	75,500	4,252
U.S. Bancorp	75,030	4,449
Wells Fargo & Co.	71,600	3,852
Total		**48,087**
Health Care (19.8%)		
Cerner Corp.	42,950	3,152
Gilead Sciences, Inc.	23,220	1,509
Hologic, Inc. *	59,250	3,093

Common Stocks (94.9%)	Shares/ Par +	Value $ (000's)
Health Care continued		
Johnson & Johnson	59,130	8,625
Medtronic PLC	73,350	8,322
Pfizer, Inc.	169,770	6,652
Quest Diagnostics, Inc.	25,810	2,756
Zimmer Biomet Holdings, Inc.	43,740	6,547
Total		**40,656**
Industrials (9.4%)		
Cummins, Inc.	8,140	1,457
Eaton Corp. PLC	18,460	1,748
Emerson Electric Co.	56,110	4,279
Johnson Controls International PLC	50,140	2,041
Siemens AG	23,900	3,124
Southwest Airlines Co.	57,070	3,081
Textron, Inc.	34,610	1,544
United Parcel Service, Inc. - Class B	17,120	2,004
Total		**19,278**
Information Technology (7.1%)		
Applied Materials, Inc.	16,520	1,008
Cisco Systems, Inc.	62,040	2,976
Intel Corp.	43,330	2,593
Maxim Integrated Products, Inc.	21,840	1,343
Oracle Corp.	38,290	2,029
TE Connectivity, Ltd.	23,830	2,284
Texas Instruments, Inc.	17,810	2,285
Total		**14,518**
Materials (1.6%)		
DuPont de Nemours, Inc.	20,170	1,295
Mondi PLC	88,890	2,087
Total		**3,382**
Real Estate (3.0%)		
Welltower, Inc.	38,780	3,171
Weyerhaeuser Co.	99,060	2,992
Total		**6,163**
Utilities (5.5%)		
Eversource Energy	42,050	3,577
Pinnacle West Capital Corp.	42,680	3,838
Xcel Energy, Inc.	60,600	3,848
Total		**11,263**
Total Common Stocks (Cost: $170,592)		**195,089**

Investment Companies (2.2%)	Shares/ Par +	Value $ (000's)
Investment Companies (2.2%)		
iShares Russell 1000 Value Index Fund	32,870	4,486
Total		**4,486**
Total Investment Companies (Cost: $4,132)		**4,486**
Short-Term Investments (2.8%)		
Money Market Funds (2.8%)		
State Street Institutional U.S. Government Money Market Fund - Premier Class 1.540% #	5,734,266	5,734
Total		**5,734**
Total Short-Term Investments (Cost: $5,734)		**5,734**
Total Investments (99.9%) (Cost: $180,458)@		**205,309**
Other Assets, Less Liabilities (0.1%)		**241**
Net Assets (100.0%)		**205,550**

Large Company Value Portfolio

Over the Counter Derivatives
Forward Contracts

Type	Counterparty	Currency	Foreign Principal Amount Covered by Contract (000s)	USD Principal Amount Covered by Contract (000's)	Settlement Month	Unrealized Appreciation (000's)	Unrealized (Depreciation) (000's)	Net Unrealized Appreciation/ (Depreciation) (000's)
Sell	Morgan Stanley Capital Services	EUR	7,764	8,757	3/20	$ —	$ (44)	$ (44)
Buy	Morgan Stanley Capital Services	GBP	66	88	3/20	1	—	1
Sell	Morgan Stanley Capital Services	GBP	1,388	1,844	3/20	15	—	15
Buy	Morgan Stanley Capital Services	JPY	6,372	59	3/20	—	—π	—π
Sell	Morgan Stanley Capital Services	JPY	172,092	1,591	3/20	—	(12)	(12)
						$ 16	$ (56)	$ (40)

	Financial Derivative Assets (000's)				Financial Derivative Liabilities (000's)			
	Forward Contracts	Swaps	Total		Forward Contracts	Options	Swaps	Total
Total Over the Counter Derivatives	$ 16	—	$ 16		$ (56)	—	—	$ (56)

\+ All par is stated in U.S Dollar unless otherwise noted.
* Non income producing
\# 7-Day yield as of 12/31/2019.
@ At December 31, 2019, the aggregate cost of investments, including derivatives, for federal tax purposes (in thousands) was $183,318 and the net unrealized appreciation of investments based on that cost was $21,952 which is comprised of $25,364 aggregate gross unrealized appreciation and $3,412 aggregate gross unrealized depreciation.
π Amount is less than one thousand.

The following is a summary of the inputs used in valuing the Portfolio's assets and liabilities at December 31, 2019. See Note 3 for additional information on portfolio valuation.

	Valuation Inputs		
Description	**Level 1 - Quoted Prices**	**Level 2 - Other Significant Observable Inputs**	**Level 3 - Significant Unobservable Inputs**
	(Amounts in thousands)		
Assets:			
Common Stocks			
Industrials	$ 16,154	$ 3,124	$ —
All Others	175,811	—	—
Investment Companies	4,486	—	—
Short-Term Investments	5,734	—	—
Other Financial Instruments^			
Forward Currency Contracts	—	16	—
Total Assets:	$ 202,185	$ 3,140	$ —
Liabilities:			
Other Financial Instruments^			
Forward Currency Contracts	—	(56)	—
Total Liabilities:	$ —	$ (56)	$ —

^ Other financial instruments are derivative instruments such as futures and forwards, which are valued at the unrealized appreciation (depreciation) on the instrument, and securities sold short, reverse repurchase agreements, written options and swaps contracts, which are valued at market value.

Domestic Equity Portfolio (unaudited)

Objective:	Portfolio Strategy:	Net Assets:
Long-term growth of capital and income.	Invest primarily in equity securities of U.S. issuers that are selling at attractive prices relative to their intrinsic value.	$921 million

PORTFOLIO OVERVIEW

Mason Street Advisors, LLC (“Mason Street Advisors”), the investment adviser for the Domestic Equity Portfolio (the “Portfolio”), has engaged Delaware Investments Fund Advisers, a series of Macquarie Investment Management Business Trust (“Delaware”), to act as sub-adviser for the Portfolio. The Portfolio primarily invests in common stocks of large capitalization companies, but may also invest in mid-capitalization companies, that are believed to have long-term capital appreciation potential. Typically, the Portfolio seeks securities that are believed to be undervalued in relation to their intrinsic value, as indicated by multiple factors, including the earnings and cash flow potential or the asset valuation of the respective issuers. The Portfolio invests in a core group of 30-40 securities.

MARKET OVERVIEW

Rebounding from the stock market correction that occurred in late 2018, the broad market S&P 500® Index posted a return of 31.49%, reaching an all-time high in December 2019. Notably, there was little earnings growth to support the year’s robust gains, as aggregate earnings for the S&P 500® Index were lower than the prior year’s in each of the first three quarters and are expected to be down again in the fourth quarter. Following the U.S. Federal Reserve's (the "Fed") December 2018 interest rate increase, the Fed pivoted toward a more accommodative stance in early 2019, enacting three interest rate cuts of 0.25% during the second half of the year and sparking the 2019 stock market rally.

PORTFOLIO RESULTS

The Portfolio returned 20.77% for the twelve months ended December 31, 2019. By comparison, the Portfolio’s benchmark, the Russell 1000® Value Index (the “Index”), returned 26.54%. (The Index is unmanaged, cannot be invested in directly and does not incur expenses.) According to Lipper® Analytical Services, Inc., an independent mutual fund ranking agency, the average return in 2019 of the Large Cap Value Funds peer group was 26.47%.

The Portfolio’s underperformance was driven primarily by stock selection, although sector allocation also held back returns. Investments in the Energy and Materials sectors hindered relative returns the most. In Energy, exploration and production company Occidental Petroleum Corporation was the largest detractor. The company’s shares declined following its acquisition of Anadarko Petroleum Corporation on investor frustration with the negotiated price and financing terms. The Portfolio management team believes the deal could create an attractive long-term investment if Occidental follows through with its asset sales and deleveraging plan. In the Materials sector, diversified chemicals manufacturer DuPont de Nemours, Inc., was a major detractor. The company’s shares were down in response to shareholder impatience with the pace of divestitures of certain businesses, challenges posed by international trade tensions and investor concern about potential liability related to the chemical PFOA, often used as a non-stick cookware coating. Elsewhere, pharmaceutical maker Pfizer Inc. was a notable Health Care sector detractor, after announcing that its off-patent drug business would be combined with drug maker Mylan N.V. to form a new company. The price of the combination was lower than expected and management provided conservative guidance for the remaining Pfizer business.

In contrast, investments in the Industrials and Consumer Staples sectors were leading contributors to relative performance. In Industrials, the Portfolio benefited from a position in defense contractor Raytheon Company, which agreed to a “merger of equals” with United Technologies Corporation, potentially creating a larger, more diversified competitor in the aerospace and defense industry. In the Consumer Staples sector, global snack and beverage maker Mondelez International, Inc. was a strong contributor to relative returns. The company has been executing well and generating solid organic sales growth. AT&T Inc. was a notable Communications Services sector contributor. The company’s wireless business has been improving and the integration of Time Warner appears to be on track. AT&T raised its full-year free cash flow guidance and has been reducing its debt.

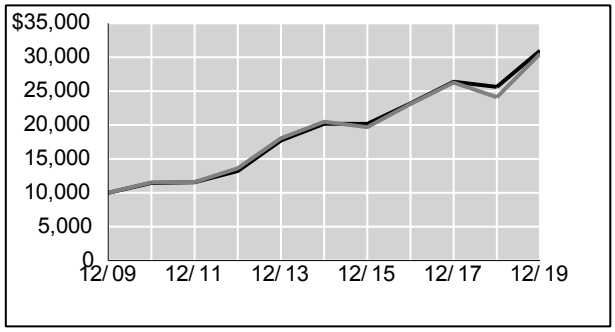
PORTFOLIO MANAGER OUTLOOK

The following forward-looking comments are the opinion of Delaware, the Portfolio’s sub-adviser.

Last year’s large market gains were driven by expanding valuation multiples. The price/earnings ratio for the S&P 500® Index, based on next fiscal year’s earnings, rose from 15.7 to 20.0 in 2019. We think elevated valuation levels could lead to lower equity market returns in the coming years. Another concern is that global debt is near record levels in both absolute

terms and as a percentage of global gross domestic product. High debt has the potential to crowd out future investment and slow economic growth. Given our muted expectations for the economy and U.S. stock market, we think a defensive tilt is appropriate for the Portfolio. This means lower cyclicality, generally, and an emphasis on higher-quality companies that offer good long-term value. An exception with respect to lower cyclicality is our position in the Energy sector, where we believe investors have been overly punitive and are mispricing these holdings.

Relative Performance



Average Annual Total Returns
For Periods Ended December 31, 2019

	1 Year	5 Years	10 Years
Domestic Equity Portfolio	20.77%	8.93%	11.97%
Russell 1000® Value Index	26.54%	8.29%	11.80%
Lipper® Variable Insurance Products (VIP) Large Cap Value Funds Average	26.47%	7.85%	10.94%

The performance data quoted represents past performance. Past performance is historical and does not guarantee future performance. Investment return and principal value will fluctuate, so that shares, when redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than the performance data quoted. For the most recent month-end performance information visit www.northwesternmutual.com.

This chart assumes an initial investment of $10,000 made on 12/31/09. Returns shown reflect fee waivers, deductions for management and other portfolio expenses, and reinvestment of all dividends. In the absence of fee waivers, total return would be reduced. Returns exclude deductions for separate account sale loads and account fees. Please refer to the Benchmark Definitions section of this report for information about the indices cited in the above chart and graph.

The Portfolio may hold fewer securities than other diversified portfolios because of its more focused investment strategy. Holding fewer securities increases the risk that the value of the Portfolio could go down because of the poor performance of a single investment.

The Portfolio may invest a relatively high percentage of its assets in a particular sector. The Portfolio will have greater exposure to the risks associated with that sector and its performance will be tied more closely to the performance of the sector.

Top 10 Equity Holdings 12/31/19

Security Description	% of Net Assets
Conagra Brands, Inc.	3.5%
Halliburton Co.	3.4%
Marsh & McLennan Cos., Inc.	3.3%
Intel Corp.	3.2%
Lowe's Companies, Inc.	3.2%
Raytheon Co.	3.2%
AT&T, Inc.	3.2%
Broadcom, Inc.	3.1%
The Allstate Corp.	3.1%
Edison International	3.1%

Sector Allocation 12/31/19

Sector	% of Net Assets
Health Care	17.8%
Financials	15.0%
Consumer Staples	12.5%
Information Technology	12.0%
Energy	11.7%
Industrials	9.0%
Communication Services	6.3%
Consumer Discretionary	6.0%
Utilities	3.1%
Real Estate	3.0%
Materials	2.5%
Short-Term Investments & Other Net Assets	1.1%

Sector Allocation and Top 10 Holdings are subject to change.

Domestic Equity Portfolio

SCHEDULE OF INVESTMENTS

December 31, 2019

Common Stocks (98.9%)	Shares/ Par +	Value $ (000's)
Communication Services (6.3%)		
AT&T, Inc.	745,500	29,134
Verizon Communications, Inc.	462,600	28,404
Total		**57,538**
Consumer Discretionary (6.0%)		
Dollar Tree, Inc. *	278,300	26,174
Lowe's Companies, Inc.	243,700	29,186
Total		**55,360**
Consumer Staples (12.5%)		
Archer-Daniels-Midland Co.	576,600	26,725
Conagra Brands, Inc.	945,433	32,372
CVS Health Corp.	385,700	28,654
Mondelez International, Inc.	501,300	27,611
Total		**115,362**
Energy (11.7%)		
ConocoPhillips	401,700	26,123
Halliburton Co.	1,282,200	31,375
Marathon Oil Corp.	1,924,945	26,141
Occidental Petroleum Corp.	590,500	24,334
Total		**107,973**
Financials (15.0%)		
The Allstate Corp.	256,700	28,866
American International Group, Inc.	505,400	25,942
The Bank of New York Mellon Corp.	509,100	25,623
Marsh & McLennan Cos., Inc.	269,000	29,969
Truist Financial Corp.	493,500	27,794
Total		**138,194**
Health Care (17.8%)		
Abbott Laboratories	304,600	26,457
Cardinal Health, Inc.	529,300	26,772
Cigna Corp.	139,103	28,445
Johnson & Johnson	191,000	27,861
Merck & Co., Inc.	302,800	27,540
Pfizer, Inc.	685,700	26,866
Total		**163,941**
Industrials (9.0%)		
Northrop Grumman Corp.	77,400	26,623
Raytheon Co.	132,700	29,160
Waste Management, Inc.	238,300	27,157
Total		**82,940**
Information Technology (12.0%)		
Broadcom, Inc.	91,400	28,884
Cisco Systems, Inc.	561,800	26,944
Intel Corp.	493,000	29,506
Oracle Corp.	472,500	25,033
Total		**110,367**
Materials (2.5%)		
DuPont de Nemours, Inc.	351,484	22,565
Total		**22,565**
Real Estate (3.0%)		
Equity Residential	335,495	27,148
Total		**27,148**
Utilities (3.1%)		
Edison International	381,300	28,754
Total		**28,754**
Total Common Stocks (Cost: $652,510)		**910,142**
Short-Term Investments (1.0%)		
Money Market Funds (1.0%)		
State Street Institutional U.S. Government Money Market Fund - Premier Class 1.540% #	9,383,675	9,384
Total		**9,384**
Total Short-Term Investments (Cost: $9,384)		**9,384**
Total Investments (99.9%) (Cost: $661,894)@		**919,526**
Other Assets, Less Liabilities (0.1%)		**1,250**
Net Assets (100.0%)		**920,776**

+ All par is stated in U.S Dollar unless otherwise noted.

* Non income producing

\# 7-Day yield as of 12/31/2019.

@ At December 31, 2019, the aggregate cost of investments, including derivatives, for federal tax purposes (in thousands) was $661,894 and the net unrealized appreciation of investments based on that cost was $257,632 which is comprised of $284,491 aggregate gross unrealized appreciation and $26,859 aggregate gross unrealized depreciation.

The following is a summary of the inputs used in valuing the Portfolio's assets and liabilities at December 31, 2019. See Note 3 for additional information on portfolio valuation.

	Valuation Inputs		
Description	**Level 1 - Quoted Prices**	**Level 2 - Other Significant Observable Inputs**	**Level 3 - Significant Unobservable Inputs**
	(Amounts in thousands)		
Assets:			
Common Stocks	$ 910,142	$ —	$ —
Short-Term Investments	9,384	—	—
Total Assets:	$ 919,526	$ —	$ —

Equity Income Portfolio (unaudited)

Objective:	**Portfolio Strategy:**	**Net Assets:**
Long-term growth of capital and income.	Invest in common stocks with a focus on larger capitalization stocks with a strong track record of paying dividends, or that are believed to be undervalued.	$814 million

PORTFOLIO OVERVIEW

Mason Street Advisors, LLC ("Mason Street Advisors"), the investment adviser for the Equity Income Portfolio (the "Portfolio"), has engaged T. Rowe Price Associates, Inc. ("T. Rowe Price") to act as sub-adviser for the Portfolio. Normally, the Portfolio invests in common stocks, with an emphasis on larger capitalization stocks with a strong track record of paying dividends or that are believed to be undervalued. The Portfolio's yield, which reflects the level of dividends paid by the Portfolio, is expected to normally exceed the yield of the Russell 1000® Value Index. The Portfolio will typically employ a value approach in selecting investments. The Portfolio's in-house research team seeks to identify companies that appear to be undervalued as measured by price to earnings ratio, dividend yield and enterprise value to sales, among other metrics and may be temporarily out of favor, but have good prospects for capital appreciation and dividend growth.

MARKET OVERVIEW

U.S. stocks surged in 2019, with several major indices hitting all-time highs in the second half of the year. The U.S. Federal Reserve's decision to keep interest rates steady in the first half of the year and then reduce rates three times starting in July was a major driver of market performance. Trade discussions between the U.S. and China also drove market sentiment throughout the year. Speculation arose numerous times during the year that the two countries were "close" to reaching an agreement, although occasional tensions seemed to reduce its likelihood. A preliminary "phase one" trade deal was finally agreed upon in December, supporting investor enthusiasm into the end of the year. As part of the agreement, the U.S. would lower or cancel the scheduled tariff rate on various Chinese goods. The agreement would also require "structural reforms and other changes to China's economic and trade regime in the areas of intellectual property, technology transfer, agriculture, financial services and currency and foreign exchange". Large cap shares outperformed their smaller peers, as measured by various Russell U.S. indices, and growth stocks soundly outperformed value across all market capitalizations.

PORTFOLIO RESULTS

The Portfolio returned 26.61% for the twelve months ended December 31, 2019. By comparison, the Portfolio's benchmark, the Russell 1000® Value Index (the "Index"), returned 26.54%. (The Index is unmanaged, cannot be invested in directly and does not incur expenses.) According to Lipper® Analytical Services, Inc., an independent mutual fund ranking agency, the average return in 2019 of the Equity Income Funds peer group was 24.47%.

The Portfolio performed in line with its benchmark during the reporting period, with strong gains driven by security selection. Stock selection in the Consumer Staples sector was the leading contributor to relative results. Shares of Tyson Foods benefited from the ongoing effects of an outbreak of African swine fever, which caused global protein prices to rise. The reopening of the Chinese market to U.S. poultry sales later in the year supported the company's stock price.

The Information Technology sector also contributed to relative returns, due to strong stock selection. Shares of Qualcomm advanced after the chip manufacturer reached a multibillion-dollar settlement with Apple in the second quarter. Stronger-than-expected revenues, driven by robust microchip shipments, also supported the company's stock price.

On the downside, stock selection in the Communication Services sector was the largest detractor from relative results. Shares of Telefonica underperformed during the year, resulting from structural foreign exchange risk pertaining to Argentina and Great Britain and less-than-favorable performance of the broader Spanish telecommunications sector due to an increasingly competitive landscape.

Stock selection in the Materials sector also weighed on relative returns. Shares of DuPont de Nemours traded lower as a result of falling commodity chemical input prices, slowing demand in end markets and the announced merger of DuPont's Nutrition & Biosciences segment with IFF.

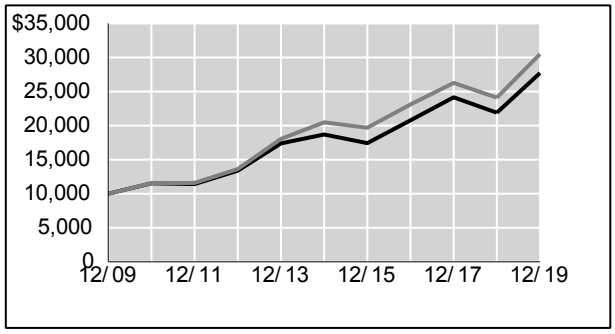
PORTFOLIO MANAGER OUTLOOK

The following forward-looking comments are the opinion of T. Rowe Price, the Portfolio's sub-adviser.

Equity Income Portfolio (unaudited)

We believe the current balance of risks in the marketplace suggests caution is warranted. While a strong consumer and more accommodative monetary policy provide support for economic growth, we believe regulatory and political risks will be elevated in 2020. Given neutral valuations, we expect positive but muted returns for the equity market in 2020 coupled with the potential for more extreme outcomes. Attractive investment opportunities are more difficult to find as a result of recent increases in share prices. Despite this challenging environment, we have identified attractively-valued investment opportunities through bottom-up, fundamental analysis and we continue to maintain a disciplined, longer-term approach while also taking advantage of volatility to selectively add shares of high-quality companies.

Relative Performance



Average Annual Total Returns
For Periods Ended December 31, 2019

	1 Year	5 Years	10 Years
Equity Income Portfolio	26.61%	8.20%	10.74%
Russell 1000® Value Index	26.54%	8.29%	11.80%
Lipper® Variable Insurance Products (VIP) Equity Income Funds Average	24.47%	7.88%	10.91%

The performance data quoted represents past performance. Past performance is historical and does not guarantee future performance. Investment return and principal value will fluctuate, so that shares, when redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than the performance data quoted. For the most recent month-end performance information visit www.northwesternmutual.com.

This chart assumes an initial investment of $10,000 made on 12/31/09. Returns shown reflect fee waivers, deductions for management and other portfolio expenses, and reinvestment of all dividends. In the absence of fee waivers, total return would be reduced. Returns exclude deductions for separate account sale loads and account fees. Please refer to the Benchmark Definitions section of this report for information about the indices cited in the above chart and graph.

The Portfolio invests with an emphasis on larger capitalization stocks with a strong track record of paying dividends or that are believed to be undervalued. The Portfolio may underperform similar funds that invest without an emphasis on dividend-paying stocks. Dividend-paying stocks may not participate in a broad market advance to the same degree as other stocks.

The U.S. federal funds rate has been subject to frequent adjustments over the course of the last several years. A significant rise in interest rates or economic downturn could cause a company to unexpectedly reduce or eliminate its dividend.

The Portfolio may invest a relatively high percentage of its assets in a particular sector. The Portfolio will have greater exposure to the risks associated with that sector and its performance will be tied more closely to the performance of the sector.

Top 10 Equity Holdings 12/31/19

Security Description	% of Net Assets
Wells Fargo & Co.	3.8%
JPMorgan Chase & Co.	3.3%
The Southern Co., Various	2.8%
QUALCOMM, Inc.	2.5%
Total SA, ADR	2.3%
Johnson & Johnson	2.2%
Morgan Stanley	1.9%
Chubb, Ltd.	1.9%
Tyson Foods, Inc. - Class A	1.9%
General Electric Co.	1.8%

Equity Income Portfolio (unaudited)

Sector Allocation 12/31/19

Sector	% of Net Assets
Financials	23.5%
Health Care	11.6%
Industrials	11.4%
Consumer Staples	9.5%
Energy	8.6%
Utilities	8.3%
Information Technology	8.0%
Communication Services	6.1%
Materials	4.5%
Real Estate	3.5%
Consumer Discretionary	2.8%
Short-Term Investments & Other Net Assets	2.0%
Convertible Corporate Bonds	0.2%

Sector Allocation and Top 10 Holdings are subject to change.

Equity Income Portfolio

SCHEDULE OF INVESTMENTS

December 31, 2019

Common Stocks (95.8%)	Shares/ Par +	Value $ (000's)
Communication Services (6.1%)		
AT&T, Inc.	49,962	1,952
CenturyLink, Inc.	78,413	1,036
Comcast Corp. - Class A	204,985	9,218
Fox Corp. - Class B	253,101	9,213
News Corp. - Class A	501,645	7,093
Telefonica SA	448,121	3,130
Verizon Communications, Inc.	229,608	14,098
The Walt Disney Co.	26,936	3,896
Total		**49,636**
Consumer Discretionary (2.8%)		
Kohl's Corp.	78,359	3,992
L Brands, Inc.	114,300	2,071
Las Vegas Sands Corp.	119,515	8,251
Mattel, Inc. *	281,603	3,816
MGM Resorts International	45,300	1,507
Snap-on, Inc.	21,000	3,558
Total		**23,195**
Consumer Staples (9.5%)		
Bunge, Ltd.	66,800	3,844
Conagra Brands, Inc.	332,258	11,376
CVS Health Corp.	179,538	13,338
Kellogg Co.	24,800	1,715
Kimberly-Clark Corp.	92,700	12,751
Philip Morris International, Inc.	164,589	14,005
Tyson Foods, Inc. - Class A	166,593	15,167
Walmart, Inc.	46,700	5,550
Total		**77,746**
Energy (8.6%)		
Chevron Corp.	22,200	2,675
Equitrans Midstream Corp.	62,152	830
Exxon Mobil Corp.	201,600	14,068
Hess Corp.	34,700	2,318
Occidental Petroleum Corp.	235,100	9,689
Pioneer Natural Resources Co.	31,300	4,738
Targa Resources Corp.	55,200	2,254
TC Energy Corp.	274,956	14,658
Total SA, ADR	343,399	18,990
Total		**70,220**
Financials (23.5%)		
American International Group, Inc.	259,860	13,339
AXA Equitable Holdings, Inc.	179,428	4,446
Bank of America Corp.	15,723	554
Financials continued		
The Bank of New York Mellon Corp.	48,400	2,436
Chubb, Ltd.	99,300	15,457
Citigroup, Inc.	26,187	2,092
Fifth Third Bancorp	398,487	12,249
Franklin Resources, Inc.	151,900	3,946
JPMorgan Chase & Co.	193,146	26,925
Loews Corp.	129,361	6,790
Marsh & McLennan Cos., Inc.	32,247	3,593
MetLife, Inc.	221,300	11,280
Morgan Stanley	305,291	15,606
Northern Trust Corp.	25,400	2,698
PNC Financial Services Group, Inc.	57,500	9,179
Raymond James Financial, Inc.	37,800	3,382
State Street Corp.	165,700	13,107
U.S. Bancorp	147,600	8,751
Wells Fargo & Co.	578,273	31,111
Willis Towers Watson PLC	20,916	4,224
Total		**191,165**
Health Care (10.8%)		
AbbVie, Inc.	73,200	6,481
Allergan PLC	37,900	7,245
Anthem, Inc.	37,949	11,462
Becton Dickinson and Co.	10,364	2,819
Bristol-Myers Squibb Co.	55,100	3,537
Gilead Sciences, Inc.	122,100	7,934
GlaxoSmithKline PLC	123,665	2,914
Johnson & Johnson	124,346	18,138
Medtronic PLC	105,245	11,940
Pfizer, Inc.	319,926	12,535
Zimmer Biomet Holdings, Inc.	18,600	2,784
Total		**87,789**
Industrials (11.4%)		
Alaska Air Group, Inc.	91,755	6,216
The Boeing Co.	39,900	12,998
Delta Air Lines, Inc.	53,893	3,152
Emerson Electric Co.	62,000	4,728
Flowserve Corp.	9,281	462
General Electric Co.	1,324,100	14,777
Johnson Controls International PLC	156,398	6,367
L3Harris Technologies, Inc.	61,252	12,120
Nielsen Holdings PLC	292,556	5,939
nVent Electric PLC	88,700	2,269
PACCAR, Inc.	35,200	2,784
Southwest Airlines Co.	30,500	1,646
Industrials continued		
Stericycle, Inc. *	87,999	5,615
United Parcel Service, Inc. - Class B	102,800	12,034
United Technologies Corp.	10,200	1,528
Total		**92,635**
Information Technology (8.0%)		
Applied Materials, Inc.	102,600	6,263
Cisco Systems, Inc.	196,300	9,414
Cognizant Technology Solutions Corp. - Class A	69,700	4,323
Microsoft Corp.	78,722	12,414
NXP Semiconductors NV	17,186	2,187
QUALCOMM, Inc.	232,481	20,512
TE Connectivity, Ltd.	15,200	1,457
Texas Instruments, Inc.	55,000	7,056
Western Digital Corp.	23,900	1,517
Total		**65,143**
Materials (4.5%)		
Akzo Nobel NV, ADR	40,177	1,368
CF Industries Holdings, Inc.	163,684	7,814
Corteva, Inc.	102,234	3,022
Dow, Inc.	119,434	6,537
DuPont de Nemours, Inc.	120,434	7,732
International Paper Co.	155,437	7,158
Nucor Corp.	28,100	1,581
PPG Industries, Inc.	8,200	1,095
Total		**36,307**
Real Estate (3.5%)		
Equity Residential	90,800	7,347
Rayonier, Inc.	186,806	6,120
SL Green Realty Corp.	55,744	5,122
Weyerhaeuser Co.	325,844	9,840
Total		**28,429**
Utilities (7.1%)		
CenterPoint Energy, Inc.	132,900	3,624
Edison International	141,694	10,685
Evergy, Inc.	4,977	324
NextEra Energy, Inc.	34,422	8,336
NiSource, Inc.	416,591	11,598
Sempra Energy	25,007	3,788
The Southern Co.	300,692	19,154
Total		**57,509**
Total Common Stocks (Cost: $637,528)		**779,774**

Equity Income Portfolio

Preferred Stocks (0.4%)	Shares/ Par +	Value $ (000's)
Utilities (0.4%)		
The Southern Co., 6.750%, 8/1/22	62,483	3,368
Total		**3,368**
Total Preferred Stocks (Cost: $3,135)		**3,368**
Convertible Corporate Bonds (0.2%)		
Financial (0.2%)		
AXA SA, 7.250%, 5/15/21 144A	1,561,000	1,800
Total		**1,800**
Total Convertible Corporate Bonds (Cost: $1,561)		**1,800**

Convertible Preferred Stocks (1.6%)	Shares/ Par +	Value $ (000's)
Health Care (0.8%)		
Becton Dickinson and Co., 6.125%, 5/1/20	100,450	6,576
Total		**6,576**
Utilities (0.8%)		
Aqua America, Inc., 6.000%, 4/30/22	20,428	1,274
Sempra Energy, 6.750%, 7/15/21	11,107	1,324
Sempra Energy, 6.000%, 1/15/21	36,037	4,325
Total		**6,923**
Total Convertible Preferred Stocks (Cost: $10,763)		**13,499**

Short-Term Investments (1.8%)	Shares/ Par +	Value $ (000's)
Money Market Funds (1.8%)		
State Street Institutional U.S. Government Money Market Fund - Premier Class 1.540% #	14,405,452	14,405
Total		**14,405**
Total Short-Term Investments (Cost: $14,405)		**14,405**
Total Investments (99.8%) (Cost: $667,392)@		**812,846**
Other Assets, Less Liabilities (0.2%)		**1,406**
Net Assets (100.0%)		**814,252**

\+ All par is stated in U.S Dollar unless otherwise noted.

* Non income producing

144A Security exempt from registration under Rule 144A of the Securities Act of 1933. These securities may be resold as transactions exempt from registration, normally to qualified institutional buyers. At December 31, 2019 the value of these securities (in thousands) was $1,800 representing 0.2% of the net assets.

\# 7-Day yield as of 12/31/2019.

@ At December 31, 2019, the aggregate cost of investments, including derivatives, for federal tax purposes (in thousands) was $668,443 and the net unrealized appreciation of investments based on that cost was $144,403 which is comprised of $179,414 aggregate gross unrealized appreciation and $35,011 aggregate gross unrealized depreciation.

The following is a summary of the inputs used in valuing the Portfolio's assets and liabilities at December 31, 2019. See Note 3 for additional information on portfolio valuation.

	Valuation Inputs		
Description	**Level 1 - Quoted Prices**	**Level 2 - Other Significant Observable Inputs**	**Level 3 - Significant Unobservable Inputs**
	(Amounts in thousands)		
Assets:			
Preferred Stocks	$ 3,368	$ —	$ —
Common Stocks	779,774	—	—
Convertible Corporate Bonds	—	1,800	—
Convertible Preferred Stocks	13,499	—	—
Short-Term Investments	14,405	—	—
Total Assets:	$ 811,046	$ 1,800	$ —

Mid Cap Growth Stock Portfolio (unaudited)

Objective:	**Portfolio Strategy:**	**Net Assets:**
Long-term growth of capital.	Invest primarily in common stocks of mid cap domestic companies selected on the basis of their potential for capital appreciation.	$1.2 billion

PORTFOLIO OVERVIEW

Mason Street Advisors, LLC ("Mason Street Advisors"), the investment adviser for the Mid Cap Growth Stock Portfolio (the "Portfolio"), has engaged Wellington Management Company LLP ("Wellington") to act as sub-adviser for the Portfolio. The Portfolio invests primarily in common stocks of mid cap companies selected on the basis of their potential for capital appreciation. The Portfolio focuses on companies that are determined to be of high quality. The key characteristics of high quality companies include a leadership position within an industry, a strong balance sheet, a high return on equity, and/or a strong management team. The Portfolio seeks to reduce overall risk by diversifying across sectors, industry groups and companies. The Portfolio's sector exposure relative to its benchmark is driven by an investment process which relies on fundamental company analysis and individual stock selection. The Portfolio invests primarily in U.S. common stocks. The Portfolio may also invest up to 20% of net assets in American Depositary Receipts and other securities of foreign issuers, including non-U.S. dollar denominated securities.

MARKET OVERVIEW

U.S. equities, as measured by the S&P 500® Index, posted positive results during the twelve-month period ended December 31, 2019. During the period, U.S. equities rose as the U.S. economy remained resilient despite elevated geopolitical uncertainties and slowing global growth. U.S.-China trade relations were volatile in the absence of meaningful compromises on key structural issues. The U.S. Federal Reserve (the "Fed") lowered its benchmark interest rate in July and September by a combined 0.50% to sustain economic expansion and mitigate the risks of slowing growth and trade frictions. U.S. equities surged in the fourth quarter of 2019 as stocks benefited from waning recession fears, accommodative Fed policies, including another 0.25% rate cut in October, and improved U.S.-China trade sentiment in December.

Returns during the period varied by market capitalization. Small and mid cap stocks, as measured by the Russell 2000® Index and S&P MidCap 400® Index, underperformed large cap stocks, as measured by the S&P 500® Index.

PORTFOLIO RESULTS

The Portfolio returned 33.01% for the twelve months ended December 31, 2019. By comparison, the Portfolio's benchmark, the Russell Midcap® Growth Index (the "Index"), returned 35.47%. (The Index is unmanaged, cannot be invested in directly, and does not incur expenses.) According to Lipper® Analytical Services Inc., an independent mutual fund ranking agency, the average return in 2019 of the Mid Cap Growth Funds peer group was 35.17%.

Stock selection in the Information Technology, Financials and Communication Services sectors drove underperformance during the reporting period. In contrast, stock selection in the Health Care, Consumer Discretionary and Materials sectors contributed to returns and partially offset the detraction. Sector allocation, a residual of the Portfolio's bottom up stock selection process, also weighed on results, mainly due to the Portfolio's overweight in the Utilities and Health Care sectors.

Top individual detractors from relative returns included Information Technology company Teradata Corp., UGI Corp. in the Utilities sector and Communication Services holding TripAdvisor. Teradata Corp. stock declined throughout the year as the company faced revenue headwinds resulting from a faster-than-expected shift to subscription-based transaction options. Later in the year, shares were driven lower after the company cut its full-year adjusted earnings outlook and announced that its Chief Executive Officer was leaving. U.S.-based natural gas and electric power distributor UGI declined on disappointing financial results for fiscal 2019. Shares of TripAdvisor struggled after the company missed revenue and earnings expectations in the first and second quarter, respectively. Negative market sentiment about the company's hotels and auction businesses further pressured the stock and the Portfolio's investment team eliminated it from the Portfolio.

Leading individual contributors to relative performance included Communication Services holding Roku Inc., Fair Isaac Corp. in the Information Technology sector and Seattle Genetics, a Health Care company. Roku Inc., a manufacturer of streaming media players, rose following solid quarterly results, which served to reinforce the company's strong position in the fast-growing video streaming market. Fair Isaac Corp., a provider of analytics, software and data management products, performed well after reporting robust fourth quarter revenue and earnings as well as solid cash flow generation. Seattle Genetics Inc., a biotechnology developer of monoclonal antibody-based therapies for cancer treatment, rose due

to second quarter sales growth of the company's blood cancer drug. Shares continued to climb on positive trial results for a combination of one of its drugs with Merck's immunotherapy Keytruda as a first-line treatment for bladder cancer. The portfolio management team continues to hold positions in all three stocks.

PORTFOLIO MANAGER OUTLOOK

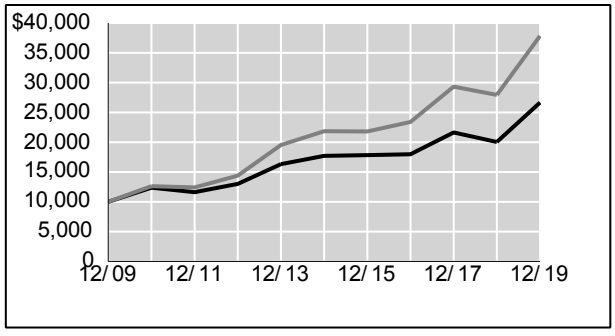
The following forward-looking comments are the opinion of Wellington, the Portfolio's sub-adviser.

Based on our bottom-up, company specific research and stock selection process, as of the end of the period, the Portfolio had overweight positions in the Financials, Health Care and Utilities sectors. The Portfolio was underweight in the Information Technology, Consumer Discretionary and Consumer Staples sectors.

We believe the Fed's dovish policy stance has enhanced confidence that the U.S. economy can continue to grow at a steady – if decelerating – pace. Equity investors are now less concerned about interest rates and are more focused on trade policies and the potential for conflict in the Middle East. We have a balanced view on the U.S economy and believe volatility in equity markets will continue to be driven by geopolitical risks. Our focus remains on creating a diversified portfolio of blue chip, market leading, U.S. mid-cap companies that score well in our F/V/E (fundamentals/valuation/ expectations) process.

Although we anticipate slower growth in 2020 than we saw in 2019, the Portfolio is well balanced for this environment.

Relative Performance



This chart assumes an initial investment of $10,000 made on 12/31/09. Returns shown reflect fee waivers, deductions for management and other portfolio expenses, and reinvestment of all dividends. In the absence of fee waivers, total return would be reduced. Returns exclude deductions for separate account sale loads and account fees. Please refer to the Benchmark Definitions section of this report for information about the indices cited in the above chart and graph.

Investing in medium-sized companies involves a greater degree of risk than investing in large company stocks.

The Portfolio may invest a relatively high percentage of its assets in a particular sector. The Portfolio will have greater exposure to the risks associated with that sector and its performance will be tied more closely to the performance of the sector.

Average Annual Total Returns
For Periods Ended December 31, 2019

	1 Year	5 Years	10 Years
Mid Cap Growth Stock Portfolio	33.01%	8.52%	10.31%
Russell MidCap® Growth Index	35.47%	11.60%	14.24%
Lipper® Variable Insurance Products (VIP) Mid Cap Growth Funds Average	35.17%	11.55%	13.33%

The performance data quoted represents past performance. Past performance is historical and does not guarantee future performance. Investment return and principal value will fluctuate, so that shares, when redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than the performance data quoted. For the most recent month-end performance information visit www.northwesternmutual.com.

Top 10 Equity Holdings 12/31/19

Security Description	% of Net Assets
Genpact, Ltd.	2.6%
WEX, Inc.	2.4%
NVR, Inc.	1.7%
IDEX Corp.	1.7%
Choice Hotels International, Inc.	1.7%
Markel Corp.	1.6%
Lumentum Holdings, Inc.	1.6%
Service Corp. International	1.6%
Lennox International, Inc.	1.5%
Fair Isaac Corp.	1.5%

Mid Cap Growth Stock Portfolio (unaudited)

Sector Allocation 12/31/19

Sector	% of Net Assets
Information Technology	28.7%
Health Care	19.4%
Industrials	16.6%
Financials	13.1%
Consumer Discretionary	11.2%
Materials	2.7%
Communication Services	2.5%
Utilities	2.3%
Real Estate	2.2%
Short-Term Investments & Other Net Assets	0.7%
Energy	0.4%
Consumer Staples	0.2%

Sector Allocation and Top 10 Holdings are subject to change.

Mid Cap Growth Stock Portfolio

SCHEDULE OF INVESTMENTS

December 31, 2019

Common Stocks (99.3%)	Shares/ Par +	Value $ (000's)
Communication Services (2.5%)		
Cable One, Inc.	8,798	13,096
CarGurus, Inc. *	233,488	8,214
Roku, Inc. *	56,843	7,611
Total		**28,921**
Consumer Discretionary (11.2%)		
CarMax, Inc. *	111,820	9,803
Carter's, Inc.	130,526	14,272
Choice Hotels International, Inc.	183,907	19,021
Etsy, Inc. *	188,823	8,365
GrubHub, Inc. *	98,135	4,773
NVR, Inc. *	5,201	19,808
PVH Corp.	116,237	12,222
Service Corp. International	388,673	17,891
Under Armour, Inc. - Class C *	365,797	7,016
Wayfair, Inc. - Class A *	65,544	5,923
YETI Holdings, Inc. *	300,086	10,437
Total		**129,531**
Consumer Staples (0.2%)		
Performance Food Group Co. *	36,129	1,860
Total		**1,860**
Energy (0.4%)		
WPX Energy, Inc. *	362,596	4,982
Total		**4,982**
Financials (13.1%)		
Alleghany Corp. *	11,387	9,105
Credit Acceptance Corp. *	29,246	12,936
Cullen / Frost Bankers, Inc.	113,165	11,065
FactSet Research Systems, Inc.	30,207	8,105
First Citizens BancShares, Inc. - Class A	17,799	9,473
First Republic Bank	122,712	14,413
FNF Group	193,551	8,778
M&T Bank Corp.	69,058	11,723
Markel Corp. *	15,998	18,288
Northern Trust Corp.	104,734	11,127
Prosperity Bancshares, Inc.	145,923	10,490
South State Corp.	82,275	7,137
W.R. Berkley Corp.	127,953	8,842
White Mountains Insurance Group, Ltd.	9,024	10,066
Total		**151,548**
Health Care (19.4%)		
Aerie Pharmaceuticals, Inc. *	203,176	4,911
Alnylam Pharmaceuticals, Inc. *	135,661	15,624
Bio-Techne Corp.	65,470	14,371
Encompass Health Corp.	166,417	11,528
Hill-Rom Holdings, Inc.	126,588	14,372
Integra LifeSciences Holdings Corp. *	226,842	13,220
Ionis Pharmaceuticals, Inc. *	230,351	13,915
Masimo Corp. *	92,243	14,580
Mettler-Toledo International, Inc. *	11,754	9,324
NuVasive, Inc. *	210,465	16,277
PRA Health Sciences, Inc. *	137,936	15,332
Reata Pharmaceuticals, Inc. *	46,072	9,418
Repligen Corp. *	94,384	8,731
Seattle Genetics, Inc. *	83,943	9,591
STERIS PLC	74,543	11,362
Teleflex, Inc.	38,184	14,374
Varian Medical Systems, Inc. *	111,674	15,859
Veeva Systems, Inc. - Class A *	77,831	10,948
Total		**223,737**
Industrials (16.6%)		
AMERCO	26,788	10,067
Axon Enterprise, Inc. *	221,079	16,201
Cintas Corp.	26,869	7,230
CoStar Group, Inc. *	17,744	10,616
Fastenal Co.	317,839	11,744
Gardner Denver Holdings, Inc. *	400,587	14,693
Healthcare Services Group, Inc.	227,452	5,532
HEICO Corp. - Class A	72,034	6,449
IAA Spinco, Inc. *	264,234	12,435
IDEX Corp.	113,313	19,490
KAR Auction Services, Inc.	470,547	10,253
Lennox International, Inc.	70,183	17,123
Lincoln Electric Holdings, Inc.	130,187	12,593
PACCAR, Inc.	126,239	9,985
TransUnion	147,584	12,635
Waste Connections, Inc.	61,650	5,597
Industrials continued		
Watsco, Inc.	49,701	8,954
Total		**191,597**
Information Technology (28.7%)		
Akamai Technologies, Inc. *	121,255	10,474
Aspen Technology, Inc. *	73,069	8,836
Black Knight, Inc. *	214,346	13,821
Blackbaud, Inc.	162,347	12,923
CDW Corp.	80,787	11,540
Coherent, Inc. *	79,765	13,269
CommScope Holding Co., Inc. *	626,879	8,895
EPAM Systems, Inc. *	53,626	11,377
F5 Networks, Inc. *	93,936	13,118
Fair Isaac Corp. *	45,353	16,993
Genpact, Ltd.	700,908	29,557
Guidewire Software, Inc. *	129,484	14,214
II-VI, Inc. *	479,535	16,146
Keysight Technologies, Inc. *	72,023	7,392
Lumentum Holdings, Inc. *	226,455	17,958
MKS Instruments, Inc.	129,419	14,237
Monolithic Power Systems	78,368	13,951
National Instruments Corp.	276,821	11,721
PTC, Inc. *	150,253	11,253
Q2 Holdings, Inc. *	108,931	8,832
Silicon Laboratories, Inc. *	105,878	12,280
Teradata Corp. *	512,926	13,731
VeriSign, Inc. *	58,015	11,178
WEX, Inc. *	130,728	27,382
Total		**331,078**
Materials (2.7%)		
Ball Corp.	241,913	15,645
Packaging Corp. of America	94,333	10,564
Silgan Holdings, Inc.	171,046	5,316
Total		**31,525**
Real Estate (2.2%)		
Douglas Emmett, Inc.	195,190	8,569
Equity Commonwealth	263,218	8,641
Redfin Corp. *	380,501	8,044
Total		**25,254**

Mid Cap Growth Stock Portfolio

Common Stocks (99.3%)	Shares/ Par +	Value $ (000's)
Utilities (2.3%)		
Black Hills Corp.	80,993	6,361
NiSource, Inc.	161,128	4,486
UGI Corp.	331,020	14,949
Total		**25,796**
Total Common Stocks (Cost: $963,575)		**1,145,829**
Short-Term Investments (0.1%)		
Money Market Funds (0.1%)		
State Street Institutional U.S. Government Money Market Fund - Premier Class 1.540% #	1,328,361	1,328
Total		**1,328**
Total Short-Term Investments (Cost: $1,328)		**1,328**
Total Investments (99.4%) (Cost: $964,903)@		**1,147,157**
Other Assets, Less Liabilities (0.6%)		**6,600**
Net Assets (100.0%)		**1,153,757**

\+ All par is stated in U.S Dollar unless otherwise noted.

* Non income producing

\# 7-Day yield as of 12/31/2019.

@ At December 31, 2019, the aggregate cost of investments, including derivatives, for federal tax purposes (in thousands) was $966,649 and the net unrealized appreciation of investments based on that cost was $180,508 which is comprised of $220,514 aggregate gross unrealized appreciation and $40,006 aggregate gross unrealized depreciation.

The following is a summary of the inputs used in valuing the Portfolio's assets and liabilities at December 31, 2019. See Note 3 for additional information on portfolio valuation.

	Valuation Inputs		
Description	**Level 1 - Quoted Prices**	**Level 2 - Other Significant Observable Inputs**	**Level 3 - Significant Unobservable Inputs**
	(Amounts in thousands)		
Assets:			
Common Stocks	$ 1,145,829	$ —	$ —
Short-Term Investments	1,328	—	—
Total Assets:	$ 1,147,157	$ —	$ —

Index 400 Stock Portfolio (unaudited)

Objective:
Investment results that approximate the performance of the S&P MidCap 400® Index.

Portfolio Strategy:
Invest in stocks that make up the S&P MidCap 400® Index, holding each stock in approximately the same proportion as its weighting in the Index.

Net Assets:
$993 million

PORTFOLIO OVERVIEW

Mason Street Advisors is the investment adviser for the Index 400 Stock Portfolio (the "Portfolio"). The Portfolio seeks investment results that approximate the performance of the S&P MidCap 400® Index, which is composed of the stocks of companies whose capitalizations generally are smaller than those of companies that comprise the S&P 500® Index. The S&P MidCap 400® Index does not include the stocks of the very large companies that account for most of the weighting in the S&P 500® Index. The Portfolio attempts to achieve its objective by investing all, or substantially all, of its assets in the stocks that make up the S&P MidCap 400® Index, holding each stock in approximately the same proportion as its weighting in the Index. This is known as a full replication strategy. The Portfolio may also invest in S&P MidCap 400® Index stock futures and, to a lesser extent, purchase (long) total return equity swap agreements to help achieve full replication.

MARKET OVERVIEW

U.S. equity markets gained sharply during the reporting period, accelerating to record highs by the end of 2019. The markets' strong performance was driven in part by solid domestic economic growth amid rising wages, historically low unemployment and strong consumer spending. Diminishing concerns about the state of the global economy and trade landscape also bolstered equities, as progress was made on trade agreements between the U.S. and China and between the U.S. and its North American trade partners. Equity markets got a substantial boost from a more accommodative interest rate policy, as the U.S. Federal Reserve cut interest rates three times during the second half of 2019, the first decrease in more than a decade.

In this environment, large-cap stocks, as represented by the S&P 500® Index, posted a return of 31.49%, outperforming the S&P SmallCap 600® and the S&P MidCap 400® Indices, which returned 22.78% and 26.20%, respectively. Meanwhile, the broader bond market, as represented by the Bloomberg Barclays® U.S. Aggregate Index, returned 8.72%, while the Bloomberg Barclays® U.S. Corporate High Yield Index advanced 14.32%.

PORTFOLIO RESULTS

The Index 400 Stock Portfolio delivered a total return of 25.88% for the twelve months ended December 31, 2019, trailing the S&P MidCap 400® Index (the "Index"), which returned 26.20%. (The Index is unmanaged, cannot be invested in directly, and does not incur expenses.) Portfolio performance slightly lagged the Index due to transaction costs, administrative expenses, cash flow effects and costs associated with the use of stock index futures contracts. According to Lipper® Analytical Services, Inc., an independent mutual fund ranking agency, the average return in 2019 of the S&P Midcap 400 Index Funds peer group was 25.47%.

Ten of the Portfolio's eleven sectors posted positive returns for the year, with medium-sized companies benefiting from an expanding economy buoyed by strong consumer spending. The largest contribution to the Portfolio came from the Information Technology sector. Semiconductors and semiconductor equipment suppliers delivered some of the biggest gains due to strong chip demand for emerging technologies, while IT services and, in particular, software as a service companies continued to benefit from increased demand for their cost-effective subscription models.

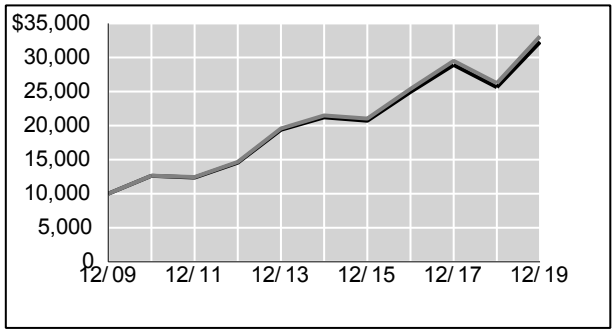
The Industrials sector performed well, as improved investor sentiment, due in part to easing trade tensions between the U.S. and China, benefited manufacturing stocks. The rise of global online shopping and demand for efficient delivery systems also rewarded companies providing global logistics and transportation. Healthy markets have additionally encouraged capital expenditure in the sector as companies look to improve operations through machine-learning technology. Market conditions also spurred an uptick in merger activity in the Financials sector, as midsized banks took advantage of cheap borrowing costs in order to join forces to compete against larger financial institutions.

Tax cuts and a strong jobs market contributed to consumer spending, which benefited the Consumer Discretionary sector. The amount of money consumers spent on food-away-from-home continued to increase, and restaurant and bar sales outpaced total retail sales. Integration of technology into delivery and ordering further spurred company growth by catering to fast-moving, younger consumers.

Index 400 Stock Portfolio (unaudited)

Energy was the only sector with a loss for the reporting period, driven in large part by volatile energy prices. Companies in this sector were also negatively impacted by China's new tariffs, as exports of U.S. commodities decreased during the year.

Relative Performance



Average Annual Total Returns
For Periods Ended December 31, 2019

	1 Year	5 Years	10 Years
Index 400 Stock Portfolio	25.88%	8.75%	12.44%
S&P MidCap 400® Index	26.20%	9.02%	12.72%
Lipper® Variable Insurance Products (VIP) S&P Midcap 400 Index Funds	25.47%	8.28%	11.99%

The performance data quoted represents past performance. Past performance is historical and does not guarantee future performance. Investment return and principal value will fluctuate, so that shares, when redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than the performance data quoted. For the most recent month-end performance information visit www.northwesternmutual.com.

This chart assumes an initial investment of $10,000 made on 12/31/09. Returns shown reflect fee waivers, deductions for management and other portfolio expenses, and reinvestment of all dividends. In the absence of fee waivers, total return would be reduced. Returns exclude deductions for separate account sale loads and account fees. Please refer to the Benchmark Definitions section of this report for information about the indices cited in the above chart and graph.

"Standard & Poor's®", "S&P®", "S&P MidCap 400 Index" and "Standard & Poor's MidCap 400 Index" are trademarks of The McGraw-Hill Companies, Inc. and have been licensed for use by Northwestern Mutual Life Insurance Company. The Portfolio is not sponsored, endorsed, sold or promoted by Standard & Poor's, and Standard & Poor's makes no representation regarding the advisability of investing in the Portfolio.

Investing in medium-sized companies involves a greater degree of risk than investing in large company stocks.

The Portfolio may invest in derivative instruments such as futures and, to a lesser extent, swap agreements to help achieve full replication. Use of these instruments may involve certain costs and imposes certain risks such as liquidity risk, market risk, credit risk, management risk and the risk of mispricing or improper valuation. Certain derivatives involve leverage, which could magnify losses, and portfolios investing in derivatives could lose more than the principal amount invested in those instruments.

Top 10 Equity Holdings 12/31/19

Security Description	% of Net Assets
Teledyne Technologies, Inc.	0.7%
Domino's Pizza, Inc.	0.6%
Tyler Technologies, Inc.	0.6%
Alleghany Corp.	0.6%
Teradyne, Inc.	0.6%
West Pharmaceutical Services, Inc.	0.6%
Medical Properties Trust, Inc.	0.6%
Fair Isaac Corp.	0.6%
Trimble Navigation, Ltd.	0.6%
Camden Property Trust	0.6%

Sector Allocation 12/31/19

Sector	% of Net Assets
Financials	16.4%
Industrials	15.3%
Information Technology	15.2%
Consumer Discretionary	13.4%
Real Estate	10.8%
Health Care	9.5%
Materials	5.8%
Utilities	4.5%
Consumer Staples	2.8%
Short-Term Investments & Other Net Assets	2.3%
Energy	2.1%
Communication Services	1.9%

Sector Allocation and Top 10 Holdings are subject to change.

Index 400 Stock Portfolio

SCHEDULE OF INVESTMENTS

December 31, 2019

Common Stocks (97.7%)	Shares/ Par +	Value $ (000's)
Communication Services (1.9%)		
AMC Networks, Inc. - Class A *	23,442	926
Cable One, Inc.	2,673	3,979
Cinemark Holdings, Inc.	56,702	1,919
John Wiley & Sons, Inc. - Class A	23,269	1,129
Meredith Corp.	21,381	694
The New York Times Co. - Class A	76,461	2,460
TEGNA, Inc.	115,368	1,926
Telephone and Data Systems, Inc.	52,020	1,323
TripAdvisor, Inc.	55,886	1,698
World Wrestling Entertainment, Inc.- Class A	25,242	1,637
Yelp, Inc. *	33,979	1,183
Total		**18,874**
Consumer Discretionary (13.4%)		
Aaron's, Inc.	35,717	2,040
Adient PLC *	46,300	984
Adtalem Global Education, Inc. *	28,719	1,004
American Eagle Outfitters, Inc.	84,477	1,242
AutoNation, Inc. *	31,317	1,523
Bed Bath & Beyond, Inc.	67,319	1,165
Boyd Gaming Corp.	42,571	1,275
Brinker International, Inc.	19,877	835
Brunswick Corp.	43,388	2,602
Caesars Entertainment Corp. *	296,866	4,037
Carter's, Inc.	23,481	2,567
The Cheesecake Factory, Inc.	21,841	849
Choice Hotels International, Inc.	16,896	1,748
Churchill Downs, Inc.	18,856	2,587
Columbia Sportswear Co.	15,444	1,547
Cracker Barrel Old Country Store, Inc.	12,797	1,967
Dana Holding Corp.	76,553	1,393
Deckers Outdoor Corp. *	14,880	2,513
Delphi Technologies PLC *	45,781	587
Dick's Sporting Goods, Inc.	33,826	1,674
Dillard's, Inc. - Class A	5,243	385
Domino's Pizza, Inc.	21,754	6,391
Dunkin' Brands Group, Inc.	44,063	3,329
Consumer Discretionary continued		
Eldorado Resorts, Inc. *	34,746	2,072
Etsy, Inc. *	63,023	2,792
Five Below, Inc. *	29,612	3,786
Foot Locker, Inc.	56,933	2,220
Gentex Corp.	134,552	3,899
The Goodyear Tire & Rubber Co.	123,697	1,924
Graham Holdings Co. - Class B	2,314	1,479
Grand Canyon Education, Inc. *	25,650	2,457
GrubHub, Inc. *	48,640	2,366
Helen of Troy, Ltd. *	13,384	2,406
Jack in the Box, Inc.	12,580	982
KB Home	45,566	1,562
Lear Corp.	29,268	4,016
Marriott Vacations Worldwide Corp.	19,902	2,563
Mattel, Inc. *	184,413	2,499
Murphy USA, Inc. *	15,379	1,799
O-I Glass, Inc.	82,778	988
Ollie's Bargain Outlet Holdings, Inc. *	29,087	1,900
Papa John's International, Inc.	11,724	740
Penn National Gaming, Inc. *	57,953	1,481
Polaris Industries, Inc.	30,585	3,110
Pool Corp.	21,296	4,523
Restoration Hardware, Inc. *	8,660	1,849
Sally Beauty Holdings, Inc. *	61,872	1,129
Scientific Games Corp. - Class A *	28,768	770
Service Corp. International	97,220	4,475
Six Flags Entertainment Corp.	41,810	1,886
Skechers USA, Inc. - Class A *	71,227	3,076
Tempur Sealy International, Inc. *	24,167	2,104
Texas Roadhouse, Inc.	34,703	1,954
Thor Industries, Inc.	29,360	2,181
Toll Brothers, Inc.	68,717	2,715
TRI Pointe Homes, Inc. *	74,059	1,154
Urban Outfitters, Inc. *	37,520	1,042
Visteon Corp. *	14,874	1,288
Weight Watchers International, Inc. *	24,707	944
The Wendy's Co.	97,887	2,174
Williams-Sonoma, Inc.	41,281	3,032
Consumer Discretionary continued		
Wyndham Destinations, Inc.	48,244	2,494
Wyndham Hotels & Resorts, Inc.	50,618	3,179
Total		**133,254**
Consumer Staples (2.8%)		
BJ's Wholesale Club Holdings, Inc. *	64,979	1,477
The Boston Beer Co., Inc. - Class A *	4,902	1,852
Casey's General Stores, Inc.	19,564	3,110
Edgewell Personal Care Co. *	28,832	893
Energizer Holdings, Inc.	34,219	1,718
Flowers Foods, Inc.	102,376	2,226
The Hain Celestial Group, Inc. *	42,730	1,109
Ingredion, Inc.	35,511	3,301
Lancaster Colony Corp.	10,526	1,685
Nu Skin Enterprises, Inc.	29,545	1,211
Pilgrim's Pride Corp. *	27,876	912
Post Holdings, Inc. *	35,352	3,857
Sanderson Farms, Inc.	10,487	1,848
Sprouts Farmers Market, Inc. *	62,837	1,216
Tootsie Roll Industries, Inc.	8,924	305
TreeHouse Foods, Inc. *	29,899	1,450
Total		**28,170**
Energy (2.1%)		
Antero Midstream Corp.	157,979	1,199
Apergy Corp. *	41,200	1,392
Chesapeake Energy Corp. *	623,632	515
CNX Resources Corp. *	99,243	878
Core Laboratories NV	23,602	889
EQT Corp.	135,973	1,482
Equitrans Midstream Corp.	108,396	1,448
Matador Resources Co. *	58,317	1,048
Murphy Oil Corp.	79,447	2,129
Patterson-UTI Energy, Inc.	103,474	1,086
PBF Energy, Inc.	54,182	1,700
Transocean, Ltd. *	305,915	2,105
World Fuel Services Corp.	34,781	1,510

Index 400 Stock Portfolio

Common Stocks (97.7%)	Shares/ Par +	Value $ (000's)
Energy continued		
WPX Energy, Inc. *	221,659	3,046
Total		**20,427**
Financials (16.4%)		
Affiliated Managers Group, Inc.	26,207	2,221
Alleghany Corp. *	7,655	6,121
American Financial Group, Inc.	39,810	4,365
Associated Banc-Corp.	84,752	1,868
BancorpSouth Bank	51,036	1,603
Bank of Hawaii Corp.	21,421	2,038
Bank OZK	64,297	1,961
Brighthouse Financial, Inc. *	58,116	2,280
Brown & Brown, Inc.	124,381	4,911
Cathay General Bancorp	40,275	1,533
CNO Financial Group, Inc.	80,389	1,457
Commerce Bancshares, Inc.	55,162	3,748
Cullen / Frost Bankers, Inc.	30,282	2,961
East West Bancorp, Inc.	77,456	3,772
Eaton Vance Corp.	60,180	2,810
Evercore, Inc. - Class A	20,789	1,554
F.N.B. Corp.	172,823	2,195
FactSet Research Systems, Inc.	20,182	5,415
Federated Investors, Inc. - Class B	51,100	1,665
First American Financial Corp.	59,750	3,485
First Financial Bankshares, Inc.	72,254	2,536
First Horizon National Corp.	165,512	2,741
FirstCash, Inc.	22,700	1,830
Fulton Financial Corp.	87,294	1,522
Genworth Financial, Inc. - Class A *	267,707	1,178
Green Dot Corp. - Class A *	25,199	587
Hancock Holding Co.	46,388	2,036
Hanover Insurance Group, Inc.	20,952	2,864
Home BancShares, Inc.	82,526	1,622
Interactive Brokers Group, Inc. - Class A	40,822	1,903
International Bancshares Corp.	30,515	1,314
Janus Henderson Group PLC	82,769	2,024
Jefferies Financial Group, Inc.	133,979	2,863
Kemper Corp.	33,322	2,582
Legg Mason, Inc.	43,399	1,558
LendingTree, Inc. *	4,079	1,238
Financials continued		
The Macerich Co.	58,607	1,578
Mercury General Corp.	14,427	703
Navient Corp.	103,459	1,415
New York Community Bancorp, Inc.	248,578	2,988
Old Republic International Corp.	151,777	3,395
PacWest Bancorp	63,737	2,439
Pinnacle Financial Partners, Inc.	38,280	2,450
Primerica, Inc.	21,999	2,872
Prosperity Bancshares, Inc.	50,212	3,610
Reinsurance Group of America, Inc.	33,302	5,430
RenaissanceRe Holdings, Ltd.	23,489	4,604
RLI Corp.	21,224	1,911
SEI Investments Co.	67,132	4,396
Selective Insurance Group, Inc.	31,595	2,060
Signature Bank	28,716	3,923
SLM Corp.	224,546	2,001
Sterling Bancorp	107,465	2,265
Stifel Financial Corp.	36,367	2,206
Synovus Financial Corp.	77,945	3,055
TCF Financial Corp.	81,595	3,819
Texas Capital Bancshares, Inc. *	26,765	1,519
Trustmark Corp.	34,179	1,180
UMB Financial Corp.	22,978	1,577
Umpqua Holdings Corp.	117,131	2,073
United Bankshares, Inc.	54,003	2,088
Valley National Bancorp	208,333	2,385
Washington Federal, Inc.	41,671	1,527
Webster Financial Corp.	48,951	2,612
Wintrust Financial Corp.	30,356	2,152
Total		**162,594**
Health Care (9.5%)		
Acadia Healthcare Co., Inc. *	47,109	1,565
Allscripts Healthcare Solutions, Inc. *	86,361	848
Amedisys, Inc. *	17,156	2,864
Arrowhead Pharmaceuticals, Inc. *	53,245	3,377
Avanos Medical, Inc. *	25,493	859
Bio-Rad Laboratories, Inc. - Class A *	11,493	4,253
Bio-Techne Corp.	20,271	4,450
Cantel Medical Corp.	19,929	1,413
Catalent, Inc. *	77,820	4,381
Health Care continued		
Charles River Laboratories International, Inc. *	25,977	3,968
Chemed Corp.	8,515	3,740
Encompass Health Corp.	52,444	3,633
Exelixis, Inc. *	161,612	2,848
Globus Medical, Inc. - Class A *	40,941	2,411
Haemonetics Corp. *	26,958	3,098
HealthEquity, Inc. *	37,700	2,792
Hill-Rom Holdings, Inc.	35,510	4,031
ICU Medical, Inc. *	10,226	1,914
Integra LifeSciences Holdings Corp. *	37,907	2,209
Ligand Pharmaceuticals, Inc. - Class B *	9,342	974
LivaNova PLC *	25,743	1,942
Masimo Corp. *	26,094	4,124
MEDNAX, Inc. *	44,837	1,246
Molina Healthcare, Inc. *	33,349	4,525
Nektar Therapeutics *	93,570	2,020
NuVasive, Inc. *	27,697	2,142
Patterson Cos., Inc.	45,821	938
Penumbra, Inc. *	17,085	2,807
PRA Health Sciences, Inc. *	33,641	3,739
Prestige Brands Holdings, Inc. *	26,718	1,082
Repligen Corp. *	24,921	2,305
Syneos Health, Inc. *	33,125	1,970
Tenet Healthcare Corp. *	55,260	2,102
United Therapeutics Corp. *	23,340	2,056
West Pharmaceutical Services, Inc.	39,355	5,916
Total		**94,542**
Industrials (15.3%)		
Acuity Brands, Inc.	21,075	2,908
AECOM *	83,552	3,604
AGCO Corp.	33,340	2,576
ASGN, Inc. *	28,084	1,993
Avis Budget Group, Inc. *	30,235	975
Axon Enterprise, Inc. *	31,563	2,313
The Brink's Co.	26,608	2,413
Carlisle Cos., Inc.	30,144	4,879
Clean Harbors, Inc. *	27,309	2,342
Colfax Corp. *	44,470	1,618
Crane Co.	27,117	2,342
Curtiss-Wright Corp.	22,706	3,199
Deluxe Corp.	22,394	1,118
Donaldson Co., Inc.	67,316	3,879
Dycom Industries, Inc. *	16,767	791
EMCOR Group, Inc.	29,867	2,578
EnerSys	22,491	1,683

Index 400 Stock Portfolio

Common Stocks (97.7%)	Shares/ Par +	Value $ (000's)
Industrials continued		
Fluor Corp.	74,557	1,408
FTI Consulting, Inc. *	20,015	2,215
GATX Corp.	18,669	1,547
Graco, Inc.	88,708	4,613
Healthcare Services Group, Inc.	39,423	959
Herman Miller, Inc.	31,412	1,308
HNI Corp.	22,777	853
Hubbell, Inc.	28,927	4,276
Insperity, Inc.	19,998	1,721
ITT, Inc.	46,646	3,448
JetBlue Airways Corp. *	153,552	2,874
KAR Auction Services, Inc.	68,492	1,492
Kennametal, Inc.	44,070	1,626
Kirby Corp. *	31,885	2,855
Knight-Swift Transportation Holdings	65,350	2,342
Landstar System, Inc.	20,990	2,390
Lennox International, Inc.	18,650	4,550
Lincoln Electric Holdings, Inc.	32,524	3,146
ManpowerGroup, Inc.	31,361	3,045
MasTec, Inc. *	32,074	2,058
Mercury Systems, Inc. *	29,539	2,041
MSA Safety, Inc.	18,956	2,395
MSC Industrial Direct Co., Inc. - Class A	23,959	1,880
Nordson Corp.	27,215	4,432
NOW, Inc. *	57,869	650
nVent Electric PLC	82,771	2,117
Oshkosh Corp.	36,199	3,426
Owens Corning, Inc.	57,862	3,768
Regal Beloit Corp.	21,777	1,864
Resideo Technologies, Inc. *	65,326	779
Ryder System, Inc.	28,345	1,539
Stericycle, Inc. *	48,470	3,093
Teledyne Technologies, Inc. *	19,398	6,722
Terex Corp.	34,890	1,039
Tetra Tech, Inc.	29,035	2,502
The Timken Co.	36,057	2,030
The Toro Co.	56,700	4,517
Trex Co., Inc. *	31,029	2,789
Trinity Industries, Inc.	52,204	1,156
Valmont Industries, Inc.	11,449	1,715
Watsco, Inc.	17,365	3,128
Werner Enterprises, Inc.	23,558	857
Woodward, Inc.	29,992	3,552
XPO Logistics, Inc. *	49,093	3,913
Total		**151,841**

Common Stocks (97.7%)	Shares/ Par +	Value $ (000's)
Information Technology (15.2%)		
ACI Worldwide, Inc. *	61,486	2,329
Arrow Electronics, Inc. *	43,322	3,671
Avnet, Inc.	53,700	2,279
Belden, Inc.	20,552	1,130
Blackbaud, Inc.	26,161	2,082
Cabot Microelectronics Corp.	15,480	2,234
CACI International, Inc. - Class A *	13,319	3,330
CDK Global, Inc.	64,570	3,531
Ceridian HCM Holding, Inc. *	53,606	3,639
Ciena Corp. *	82,281	3,513
Cirrus Logic, Inc. *	30,742	2,533
Cognex Corp.	90,898	5,094
Coherent, Inc. *	12,846	2,137
CommVault Systems, Inc. *	22,368	998
CoreLogic, Inc. *	42,295	1,849
Cree, Inc. *	57,290	2,644
Cypress Semiconductor Corp.	196,434	4,583
Fair Isaac Corp. *	15,404	5,772
First Solar, Inc. *	40,367	2,259
II-VI, Inc. *	46,388	1,562
InterDigital, Inc.	16,559	902
j2 Global, Inc.	24,623	2,307
Jabil Circuit, Inc.	73,888	3,054
KBR, Inc.	75,376	2,299
Littelfuse, Inc.	12,956	2,478
LiveRamp Holdings, Inc. *	36,007	1,731
LogMeIn, Inc.	25,964	2,226
Lumentum Holdings, Inc. *	41,062	3,256
Manhattan Associates, Inc. *	33,988	2,711
MAXIMUS, Inc.	34,030	2,531
MKS Instruments, Inc.	28,993	3,190
Monolithic Power Systems	21,487	3,825
National Instruments Corp.	62,738	2,656
NCR Corp. *	67,869	2,386
NetScout Systems, Inc. *	35,028	843
Perspecta, Inc.	73,139	1,934
PTC, Inc. *	55,286	4,140
Sabre Corp.	145,676	3,269
Science Applications International Corp.	26,097	2,271
Semtech Corp. *	35,235	1,864
Silicon Laboratories, Inc. *	23,069	2,676
SolarEdge Technologies, Inc. *	25,856	2,459
Synaptics, Inc. *	17,799	1,171
SYNNEX Corp.	21,733	2,799
Tech Data Corp. *	18,841	2,706
Teradata Corp. *	59,837	1,602

Common Stocks (97.7%)	Shares/ Par +	Value $ (000's)
Information Technology continued		
Teradyne, Inc.	89,132	6,078
Trimble Navigation, Ltd. *	132,511	5,524
Tyler Technologies, Inc. *	20,736	6,221
Universal Display Corp.	22,552	4,647
ViaSat, Inc. *	30,675	2,245
Vishay Intertechnology, Inc.	70,394	1,499
WEX, Inc. *	23,025	4,823
Total		**151,492**
Materials (5.8%)		
Allegheny Technologies, Inc. *	67,063	1,386
AptarGroup, Inc.	34,002	3,931
Ashland Global Holdings, Inc.	32,034	2,452
Cabot Corp.	30,306	1,440
Carpenter Technology Corp.	25,382	1,263
The Chemours Co.	86,964	1,573
Commercial Metals Co.	63,108	1,405
Compass Minerals International, Inc.	18,022	1,099
Domtar Corp.	30,463	1,165
Eagle Materials, Inc.	22,143	2,007
Grief, Inc. - Class A	13,966	617
Ingevity Corp. *	22,246	1,944
Louisiana-Pacific Corp.	62,472	1,854
Minerals Technologies, Inc.	18,539	1,068
NewMarket Corp.	3,928	1,911
Olin Corp.	84,927	1,465
PolyOne Corp.	40,910	1,505
Reliance Steel & Aluminum Co.	35,454	4,246
Royal Gold, Inc.	34,887	4,265
RPM International, Inc.	68,975	5,295
The Scotts Miracle-Gro Co. - Class A	21,074	2,238
Sensient Technologies Corp.	22,509	1,488
Silgan Holdings, Inc.	41,241	1,282
Sonoco Products Co.	53,241	3,286
Steel Dynamics, Inc.	114,596	3,901
United States Steel Corp.	90,441	1,032
Valvoline, Inc.	100,205	2,145
Worthington Industries, Inc.	19,632	828
Total		**58,091**
Real Estate (10.8%)		
Alexander & Baldwin, Inc.	36,127	757
American Campus Communities, Inc.	73,084	3,437
Brixmor Property Group, Inc.	158,420	3,423
Camden Property Trust	51,504	5,465

Index 400 Stock Portfolio

Common Stocks (97.7%)	Shares/ Par +	Value $ (000's)
Real Estate continued		
CoreCivic, Inc.	63,346	1,101
CoreSite Realty Corp.	20,045	2,247
Corporate Office Properties Trust	59,603	1,751
Cousins Properties, Inc.	78,061	3,216
CyrusOne, Inc.	60,210	3,940
Douglas Emmett, Inc.	87,670	3,849
EastGroup Properties, Inc.	20,430	2,710
EPR Properties	41,731	2,948
First Industrial Realty Trust, Inc.	67,524	2,803
The GEO Group, Inc.	64,505	1,071
Healthcare Realty Trust, Inc.	71,132	2,374
Highwoods Properties, Inc.	55,180	2,699
JBG SMITH Properties	62,780	2,504
Jones Lang LaSalle, Inc.	27,411	4,772
Kilroy Realty Corp.	51,875	4,352
Lamar Advertising Co. - Class A	45,748	4,083
Liberty Property Trust	83,917	5,039
Life Storage, Inc.	24,812	2,687
Mack-Cali Realty Corp.	48,165	1,114
Medical Properties Trust, Inc.	275,219	5,810
National Retail Properties, Inc.	91,292	4,895
OMEGA Healthcare Investors, Inc.	116,218	4,922
Park Hotels & Resorts, Inc.	127,327	3,294
Pebblebrook Hotel Trust	69,482	1,863
Potlatch Corp.	35,754	1,547
PS Business Parks, Inc.	10,653	1,756
Rayonier, Inc.	68,780	2,253
Sabra Health Care REIT, Inc.	103,026	2,199
Senior Housing Properties Trust	126,535	1,068
Service Properties Trust	87,530	2,130
Spirit Realty Capital, Inc.	53,045	2,609
Tanger Factory Outlet Centers, Inc.	49,409	728
Taubman Centers, Inc.	32,562	1,012
Urban Edge Properties	61,253	1,175
Weingarten Realty Investors	64,333	2,010
Total		**107,613**
Utilities (4.5%)		
ALLETE, Inc.	27,481	2,231
Aqua America, Inc.	114,803	5,389
Black Hills Corp.	32,687	2,567

Common Stocks (97.7%)	Shares/ Par +	Value $ (000's)
Utilities continued		
Hawaiian Electric Industries, Inc.	57,961	2,716
IDACORP, Inc.	26,806	2,863
MDU Resources Group, Inc.	106,581	3,167
National Fuel Gas Co.	45,915	2,137
New Jersey Resources Corp.	50,797	2,264
NorthWestern Corp.	26,832	1,923
OGE Energy Corp.	106,471	4,735
ONE Gas, Inc.	28,050	2,625
PNM Resources, Inc.	42,367	2,148
Southwest Gas Holdings, Inc.	29,055	2,207
Spire, Inc.	27,114	2,259
UGI Corp.	111,170	5,020
Total		**44,251**
Total Common Stocks (Cost: $733,186)		**971,149**
Short-Term Investments (2.0%)		
Commercial Paper (1.5%)		
Apple, Inc. 0.000%, 1/27/20 144A	1,500,000	1,498
The Coca-Cola Co. 0.000%, 2/3/20 144A	1,500,000	1,498
Exxon Mobil Corp. 0.000%, 1/17/20	1,500,000	1,499
Marriott International, Inc. 0.000%, 2/12/20 144A	1,500,000	1,496
Mondelez International, Inc. 0.000%, 1/8/20 144A	1,500,000	1,499
Pfizer, Inc. 0.000%, 3/5/20 144A	1,500,000	1,495
QUALCOMM, Inc. 0.000%, 2/4/20 144A	1,500,000	1,498
The Southern Co. 0.000%, 1/7/20 144A	1,500,000	1,500
Walgreens Boots Alliance, Inc. 0.000%, 1/7/20 144A	750,000	750
0.000%, 1/16/20 144A	750,000	749
The Walt Disney Co. 0.000%, 1/31/20 144A	1,500,000	1,498
Total		**14,980**

Short-Term Investments (2.0%)	Shares/ Par +	Value $ (000's)
Money Market Funds (0.3%)		
State Street Institutional U.S. Government Money Market Fund - Premier Class 1.540% #	2,673,272	2,673
Total		**2,673**
US Government & Agencies (0.2%)		
Federal Home Loan Bank 0.000%, 2/10/20 β	2,000,000	1,997
Total		**1,997**
Total Short-Term Investments (Cost: $19,648)		**19,650**
Total Investments (99.7%) (Cost: $752,834)@		**990,799**
Other Assets, Less Liabilities (0.3%)		**2,491**
Net Assets (100.0%)		**993,290**

Index 400 Stock Portfolio

Exchange Traded or Centrally Cleared Derivatives
Futures

Issuer	Long/ Short	Currency	Notional Par (000's)	Number of Contracts	Expiration Date	Notional Value (000's)	Unrealized Appreciation/ (Depreciation) (000's)	Variation Margin (000's)
S&P 400 Mini Index Futures	Long	USD	10	95	3/20	$ 19,616	$ 156	$ 19
							$ 156	$ 19

	Financial Derivative Assets				Financial Derivative Liabilities			
	Variation Margin (000's)				Variation Margin (000's)			Market Value (000's)
	Swaps	Futures	Total		Swaps	Futures	Total	Options
Total Exchange-Traded or Centrally Cleared Derivatives	$ –	$ 19	$ 19		$ –	$ –	$ –	$ –

\+ All par is stated in U.S Dollar unless otherwise noted.

* Non income producing

144A Security exempt from registration under Rule 144A of the Securities Act of 1933. These securities may be resold as transactions exempt from registration, normally to qualified institutional buyers. At December 31, 2019 the value of these securities (in thousands) was $13,481 representing 1.4% of the net assets.

\# 7-Day yield as of 12/31/2019.

β Cash or securities with an aggregate value of $1,997 (in thousands) has been pledged as collateral for futures, swap contracts outstanding, short sales, when issued securities or written options on 12/31/2019.

@ At December 31, 2019, the aggregate cost of investments, including derivatives, for federal tax purposes (in thousands) was $753,226 and the net unrealized appreciation of investments based on that cost was $237,729 which is comprised of $293,084 aggregate gross unrealized appreciation and $55,355 aggregate gross unrealized depreciation.

The following is a summary of the inputs used in valuing the Portfolio's assets and liabilities at December 31, 2019. See Note 3 for additional information on portfolio valuation.

	Valuation Inputs		
Description	**Level 1 - Quoted Prices**	**Level 2 - Other Significant Observable Inputs**	**Level 3 - Significant Unobservable Inputs**
	(Amounts in thousands)		
Assets:			
Common Stocks	$ 971,149	$ —	$ —
Short-Term Investments			
Money Market Funds	2,673	—	—
All Others	—	16,977	—
Other Financial Instruments^			
Futures	156	—	—
Total Assets:	$ 973,978	$ 16,977	$ —

^ Other financial instruments are derivative instruments such as futures and forwards, which are valued at the unrealized appreciation (depreciation) on the instrument, and securities sold short, reverse repurchase agreements, written options and swaps contracts, which are valued at market value.

Mid Cap Value Portfolio (unaudited)

Objective:	Portfolio Strategy:	Net Assets:
Long-term capital growth. Current income is a secondary objective.	Invest primarily in equity securities of mid-sized companies that are determined to be undervalued.	$592 million

PORTFOLIO OVERVIEW

Mason Street Advisors, LLC ("Mason Street Advisors"), the investment adviser for the Mid Cap Value Portfolio (the "Portfolio"), has engaged American Century Investment Management, Inc. ("American Century") to act as sub-adviser for the Portfolio. The Portfolio invests primarily in a diversified portfolio of equity securities of mid-sized companies that are determined to be undervalued at the time of purchase. In selecting securities, the Portfolio attempts to identify companies whose long-term earnings, cash flows and/or assets are not reflected in the current market price of their securities and hold each security until it has returned to favor in the market and the price has increased to or is higher than a level believed to more accurately reflect the fair value of the company.

MARKET OVERVIEW

Resilient U.S. economic growth and positive earnings fueled strong stock market performance during 2019, despite periods of volatility sparked by trade tensions and global economic uncertainty. The U.S. Federal Reserve (the "Fed") cut interest rates three times during the second half of 2019 in response to global economic risks, but central bank policymakers signaled a pause in interest rate reductions in the fourth quarter on improving economic data. Stocks advanced at the end of the year as news of a potential trade deal between the U.S. and China reduced trade-related uncertainty. Mid cap stocks as measured by the Russell family of U.S. indices outperformed small cap equities but underperformed large cap stocks. Value stocks underperformed growth for the period. All sectors of the Russell MidCap® Value Index had positive returns, led by Information Technology. Energy was the weakest performing sector.

PORTFOLIO RESULTS

The Portfolio returned 29.21% for the twelve months ended December 31, 2019. By comparison, the Portfolio's benchmark, the Russell Midcap® Value Index (the "Index"), returned 27.06%. (The Index is unmanaged, cannot be invested in directly and does not incur expenses.) According to Lipper® Analytical Services, Inc., an independent mutual fund ranking agency, the average return in 2019 of the Mid Cap Value Funds peer group was 25.84%.

Outperformance relative to the Index was driven by stock selection, especially in the Health Care sector, where Zimmer Biomet Holdings was a top contributor. The medical device company reported better-than-expected revenues, margins and earnings. Stock selection among food products companies in the Consumer Staples sector also lifted relative performance.

Elsewhere in the Portfolio, semiconductor maker Applied Materials was a strong contributor. The company delivered solid financial results despite an uncertain global economic environment. While the portfolio managers trimmed the position following stock price appreciation, they continued to believe the company was well positioned, supported by greenfield investments and market share gains from its new tool offerings.

In contrast, stock selection in the Financials sector detracted from relative performance, due in part to an investment in ProAssurance. The stock of this property and casualty insurance company underperformed as investors moved away from the more defensive insurance industry and into banks and cyclical stocks. The portfolio managers added to the position as the stock's valuation became more attractive. Elsewhere in the Portfolio, energy company EQT was a prominent detractor. Weak gas prices hurt the natural gas producer. The portfolio managers believed that if gas prices remained low, the company's free cash flow would be significantly impaired, and as a result, they exited the position in EQT as they identified more attractive investment opportunities elsewhere.

PORTFOLIO MANAGER OUTLOOK

The following forward-looking comments are the opinion of American Century, the Portfolio's sub-adviser.

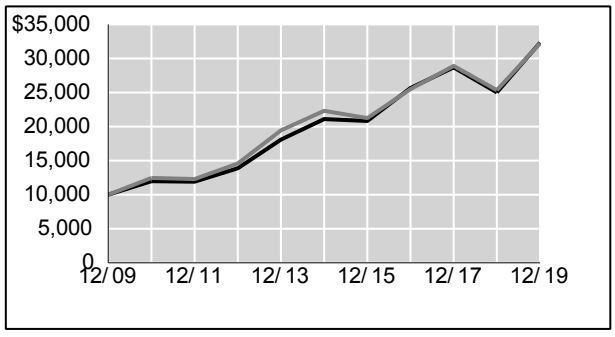
We seek to invest in companies where we believe valuations do not reflect the quality and normal earnings power of the company. Our investment process is based on individual security selection, but broad themes have emerged.

We have identified select opportunities in the Industrials sector as companies have underperformed due to concerns around tariffs, input cost pressure and operational execution. While the Portfolio is overweight in Industrials, we have avoided names that we believe are lower quality. We have positioned the Portfolio with a notable overweight to the Health

Mid Cap Value Portfolio (unaudited)

Care sector, where we see attractive opportunities due to increased political rhetoric as well as company-specific issues. The vast majority of our Health Care holdings are in the health care providers and services and health care equipment and supplies industries. Our research indicates that Real Estate stocks remain expensive relative to their historical valuation and as compared to other areas of the equity market. Therefore, we hold a limited number of higher quality Real Estate stocks that offer compelling valuations. In addition, we maintain an underweight in Communication Services holdings as metrics show that valuations throughout the sector are unattractive.

Relative Performance



Average Annual Total Returns For Periods Ended December 31, 2019	1 Year	5 Years	10 Years
Mid Cap Value Portfolio	29.21%	8.89%	12.45%
Russell MidCap® Value Index	27.06%	7.62%	12.41%
Lipper® Variable Insurance Products (VIP) Mid Cap Value Funds Average	25.84%	6.76%	10.95%

The performance data quoted represents past performance. Past performance is historical and does not guarantee future performance. Investment return and principal value will fluctuate, so that shares, when redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than the performance data quoted. For the most recent month-end performance information visit www.northwesternmutual.com.

This chart assumes an initial investment of $10,000 made on 12/31/09. Returns shown reflect fee waivers, deductions for management and other portfolio expenses, and reinvestment of all dividends. In the absence of fee waivers, total return would be reduced. Returns exclude deductions for separate account sale loads and account fees. Please refer to the Benchmark Definitions section of this report for information about the indices cited in the above chart and graph.

Investing in medium-sized companies involves a greater degree of risk than investing in large company stocks. The value of securities acquired in an IPO may rise or fall more rapidly than investments in more established issuers.

The Portfolio may invest in derivative instruments for cash management purposes or to hedge foreign currency exposure. Use of these instruments may involve certain costs and imposes certain risks such as liquidity risk, market risk, credit risk, management risk and the risk of mispricing or improper valuation. Certain derivatives involve leverage, which could magnify losses, and portfolios investing in derivatives could lose more than the principal amount invested in those instruments.

The Portfolio may invest a relatively high percentage of its assets in a particular sector. The Portfolio will have greater exposure to the risks associated with that sector and its performance will be tied more closely to the performance of the sector.

Top 10 Equity Holdings 12/31/19

Security Description	% of Net Assets
iShares Russell Midcap Value Index Fund	3.1%
Zimmer Biomet Holdings, Inc.	2.9%
Truist Financial Corp.	2.5%
Northern Trust Corp.	2.5%
Xcel Energy, Inc.	1.9%
Weyerhaeuser Co.	1.9%
Emerson Electric Co.	1.9%
Hubbell, Inc.	1.6%
Comerica, Inc.	1.6%
Quest Diagnostics, Inc.	1.6%

Mid Cap Value Portfolio (unaudited)

Sector Allocation 12/31/19

Sector	% of Net Assets
Financials	21.3%
Industrials	16.5%
Health Care	11.3%
Utilities	9.8%
Consumer Discretionary	8.9%
Real Estate	5.8%
Consumer Staples	5.7%
Information Technology	5.2%
Energy	4.8%
Materials	4.6%
Investment Companies	3.1%
Short-Term Investments & Other Net Assets	2.3%
Communication Services	0.7%

Sector Allocation and Top 10 Holdings are subject to change.

Mid Cap Value Portfolio

SCHEDULE OF INVESTMENTS

December 31, 2019

Common Stocks (94.6%)	Shares/ Par +	Value $ (000's)
Communication Services (0.7%)		
Rogers Communications, Inc.	78,985	3,922
Total		**3,922**
Consumer Discretionary (8.9%)		
Advance Auto Parts, Inc.	50,583	8,101
Aptiv PLC	28,978	2,752
BorgWarner, Inc.	114,199	4,954
Carnival Corp.	114,516	5,821
Genuine Parts Co.	66,367	7,050
Honda Motor Co., Ltd., ADR	196,076	5,551
PulteGroup, Inc.	124,920	4,847
Sodexo SA	45,556	5,399
Target Corp.	34,565	4,431
Thor Industries, Inc.	50,986	3,788
Total		**52,694**
Consumer Staples (5.7%)		
Conagra Brands, Inc.	196,093	6,714
The J.M. Smucker Co.	39,224	4,084
Kellogg Co.	47,240	3,267
Kimberly-Clark Corp.	38,247	5,261
Koninklijke Ahold Delhaize NV	251,149	6,281
Mondelez International, Inc.	59,371	3,270
Sysco Corp.	59,339	5,076
Total		**33,953**
Energy (4.8%)		
Baker Hughes	234,027	5,998
ConocoPhillips	127,285	8,277
Exxon Mobil Corp.	125,324	3,315
Noble Energy, Inc.	208,250	5,173
Schlumberger, Ltd.	148,367	5,965
Total		**28,728**
Financials (21.3%)		
AFLAC, Inc.	87,652	4,637
Ameriprise Financial, Inc.	54,931	9,150
Arthur J. Gallagher & Co.	16,669	1,587
Brown & Brown, Inc.	70,412	2,780
Capitol Federal Financial, Inc.	362,422	4,976
Chubb, Ltd.	58,097	9,043
Comerica, Inc.	129,286	9,276
Commerce Bancshares, Inc.	104,219	7,081
First Hawaiian, Inc.	267,924	7,729
Globe Life, Inc.	21,773	2,292
M&T Bank Corp.	43,515	7,387
Northern Trust Corp.	136,352	14,486
ProAssurance Corp.	149,827	5,415
Financials continued		
Prosperity Bancshares, Inc.	41,378	2,975
Reinsurance Group of America, Inc.	42,887	6,993
State Street Corp.	76,387	6,042
The Travelers Cos., Inc.	13,871	1,900
Truist Financial Corp.	259,798	14,632
UMB Financial Corp.	58,116	3,989
Westamerica Bancorporation	51,763	3,508
Total		**125,878**
Health Care (11.3%)		
Cardinal Health, Inc.	142,575	7,211
Cerner Corp.	88,953	6,528
Henry Schein, Inc. *	77,245	5,154
Hologic, Inc. *	93,447	4,879
McKesson Corp.	47,372	6,553
Quest Diagnostics, Inc.	85,868	9,170
Siemens Healthineers AG	83,726	4,020
Universal Health Services, Inc. - Class B	42,685	6,124
Zimmer Biomet Holdings, Inc.	114,584	17,151
Total		**66,790**
Industrials (16.5%)		
BAE Systems PLC	607,639	4,546
Cummins, Inc.	35,286	6,315
Eaton Corp. PLC	47,702	4,518
Emerson Electric Co.	143,685	10,958
Heartland Express, Inc.	267,098	5,623
Hubbell, Inc.	65,569	9,692
IMI, PLC	359,938	5,621
Johnson Controls International PLC	209,614	8,533
MSC Industrial Direct Co., Inc. - Class A	75,862	5,953
nVent Electric PLC	343,002	8,774
PACCAR, Inc.	69,065	5,463
Republic Services, Inc.	55,575	4,981
Schneider Electric SE	31,663	3,250
Southwest Airlines Co.	165,493	8,933
Textron, Inc.	98,419	4,390
Total		**97,550**
Information Technology (5.2%)		
Applied Materials, Inc.	130,531	7,968
HP, Inc.	211,004	4,336
Maxim Integrated Products, Inc.	121,276	7,460
Microchip Technology, Inc.	47,396	4,963
Information Technology continued		
TE Connectivity, Ltd.	61,934	5,936
Total		**30,663**
Materials (4.6%)		
Graphic Packaging Holding Co.	179,186	2,984
Mondi PLC	253,789	5,959
Orkla ASA	615,794	6,241
Packaging Corp. of America	42,058	4,710
Sonoco Products Co.	67,615	4,173
WestRock Co.	75,749	3,250
Total		**27,317**
Real Estate (5.8%)		
Empire State Realty Trust, Inc. - Class A	286,236	3,996
MGM Growth Properties LLC - Class A	209,009	6,473
Piedmont Office Realty Trust, Inc. - Class A	230,397	5,124
Welltower, Inc.	91,961	7,520
Weyerhaeuser Co.	364,433	11,006
Total		**34,119**
Utilities (9.8%)		
Ameren Corp.	72,761	5,588
Atmos Energy Corp.	46,713	5,225
Edison International	110,499	8,333
Eversource Energy	51,028	4,341
NorthWestern Corp.	85,691	6,141
Pinnacle West Capital Corp.	84,751	7,622
Spire, Inc.	72,402	6,032
WEC Energy Group, Inc.	36,986	3,411
Xcel Energy, Inc.	180,190	11,440
Total		**58,133**
Total Common Stocks (Cost: $484,433)		**559,747**
Investment Companies (3.1%)		
Investment Companies (3.1%)		
iShares Russell Midcap Value Index Fund	193,308	18,319
Total		**18,319**
Total Investment Companies (Cost: $16,905)		**18,319**

Mid Cap Value Portfolio

Short-Term Investments (1.9%)	Shares/ Par +	Value $ (000's)
Money Market Funds (1.9%)		
State Street Institutional U.S. Government Money Market Fund - Premier Class 1.540% #	11,277,788	11,278
Total		**11,278**
Total Short-Term Investments (Cost: $11,278)		**11,278**
Total Investments (99.6%) (Cost: $512,616)@		**589,344**
Other Assets, Less Liabilities (0.4%)		**2,170**
Net Assets (100.0%)		**591,514**

Over the Counter Derivatives
Forward Contracts

Type	Counterparty	Currency	Foreign Principal Amount Covered by Contract (000s)	USD Principal Amount Covered by Contract (000's)	Settlement Month	Unrealized Appreciation (000's)	Unrealized (Depreciation) (000's)	Net Unrealized Appreciation/ (Depreciation) (000's)
Sell	Morgan Stanley Capital Services	CAD	8,047	6,199	3/20	$ —	$ (79)	$ (79)
Buy	Morgan Stanley Capital Services	EUR	423	478	3/20	5	—	5
Sell	Morgan Stanley Capital Services	EUR	14,954	16,866	3/20	—	(84)	(84)
Sell	Morgan Stanley Capital Services	GBP	10,300	13,676	3/20	110	—	110
Buy	Morgan Stanley Capital Services	JPY	13,916	129	3/20	—	—π	—π
Sell	Morgan Stanley Capital Services	JPY	375,868	3,476	3/20	—	(25)	(25)
Buy	Goldman Sachs International	NOK	1,199	136	3/20	—π	—	—π
Sell	Goldman Sachs International	NOK	48,374	5,511	3/20	—	(136)	(136)
						$ 115	$ (324)	$ (209)

	Financial Derivative Assets (000's)			Financial Derivative Liabilities (000's)			
	Forward Contracts	Swaps	Total	Forward Contracts	Options	Swaps	Total
Total Over the Counter Derivatives	$ 115	—	$ 115	$ (324)	—	—	$ (324)

\+ All par is stated in U.S Dollar unless otherwise noted.
* Non income producing
\# 7-Day yield as of 12/31/2019.
@ At December 31, 2019, the aggregate cost of investments, including derivatives, for federal tax purposes (in thousands) was $519,051 and the net unrealized appreciation of investments based on that cost was $70,084 which is comprised of $83,186 aggregate gross unrealized appreciation and $13,102 aggregate gross unrealized depreciation.
π Amount is less than one thousand.

Mid Cap Value Portfolio

The following is a summary of the inputs used in valuing the Portfolio's assets and liabilities at December 31, 2019. See Note 3 for additional information on portfolio valuation.

	Valuation Inputs		
Description	**Level 1 - Quoted Prices**	**Level 2 - Other Significant Observable Inputs**	**Level 3 - Significant Unobservable Inputs**
	(Amounts in thousands)		
Assets:			
Common Stocks			
Health Care	$ 62,770	$ 4,020	$ —
Materials	21,076	6,241	—
All Others	465,640	—	—
Investment Companies	18,319	—	—
Short-Term Investments	11,278	—	—
Other Financial Instruments^			
Forward Currency Contracts	—	115	—
Total Assets:	$ 579,083	$ 10,376	$ —
Liabilities:			
Other Financial Instruments^			
Forward Currency Contracts	—	(324)	—
Total Liabilities:	$ —	$ (324)	$ —

^ Other financial instruments are derivative instruments such as futures and forwards, which are valued at the unrealized appreciation (depreciation) on the instrument, and securities sold short, reverse repurchase agreements, written options and swaps contracts, which are valued at market value.

Small Cap Growth Stock Portfolio (unaudited)

Objective:	**Portfolio Strategy:**	**Net Assets:**
Long-term growth of capital.	Invest primarily in common stocks of small capitalization companies.	$672 million

PORTFOLIO OVERVIEW

Mason Street Advisors, LLC ("Mason Street Advisors"), the investment adviser for the Small Cap Growth Stock Portfolio (the "Portfolio"), has engaged Wellington Management Company LLP ("Wellington") to act as sub-adviser for the Portfolio. Normally, the Portfolio invests in common stocks of small capitalization companies. The Portfolio's investment process is derived from the observation that the quality and persistence of a company's business is often not reflected in its current stock price. Central to the investment process is intense, fundamental research focused on uncovering companies with improving quality metrics, business momentum and attractive relative valuations.

MARKET OVERVIEW

U.S. equities, as measured by the S&P 500® Index, posted positive results during the twelve-month period ended December 31, 2019. During the period, U.S. equities rose with the U.S. economy remaining resilient despite elevated geopolitical uncertainties and slowing global growth. Trade relations between the U.S. and China were volatile in the absence of meaningful compromises on key structural issues. The U.S. Federal Reserve (the "Fed") lowered its benchmark interest rate in July and September by a combined 0.50% to sustain economic expansion and mitigate the risks of slowing growth and trade frictions. U.S. equities surged in the fourth quarter of 2019 as stocks benefited from waning recession fears, accommodative Fed policies, including another 0.25% rate cut in October, and improved U.S.-China trade sentiment in December.

Returns during the period varied by market cap. Small and mid cap stocks, as measured by the Russell 2000® Index and S&P MidCap 400® Index, underperformed large cap stocks, as measured by the S&P 500® Index.

PORTFOLIO RESULTS

The Portfolio returned 35.69% for the twelve months ended December 31, 2019. By comparison, the Portfolio's benchmark, the Russell 2000® Growth Index (the "Index") returned 28.48%. (The Index is unmanaged, cannot be invested in directly and does not incur expenses.) According to Lipper® Analytical Services, Inc., an independent mutual fund ranking agency, the average return in 2019 of the Small Cap Growth Funds peer group was 29.85%.

Stock selection in the Consumer Discretionary, Industrials and Information Technology sectors drove outperformance. However, security selection in the Communication Services and Real Estate sectors partially offset this contribution to relative returns. Sector allocation, a residual of the Portfolio's bottom up stock selection process, and particularly exposure to cash during a period of equity market strength, weighed on returns. Underweight exposure in Communication Services and overweight positioning in Information Technology contributed to outperformance.

Top individual contributors to relative performance included the Portfolio's overweight positions in Kodiak Sciences and Insulet in the Health Care sector, as well as TopBuild in the Consumer Discretionary sector. Shares of Kodiak Sciences, a U.S.-based biopharmaceutical company, surged towards the end of the period after the company announced a public offering of six million shares of common stock. Shares of Insulet, a U.S.-based medical device company, rose on stronger-than-expected third quarter results which beat consensus estimates. The portfolio manager eliminated the position in Insulet from the Portfolio during the period. Topbuild, a U.S.-based installer and distributor of insulation products, rose on strong earnings and an increased revenue forecast.

Top detractors from relative performance included the Portfolio's overweight positions in Merit Medical Systems in the Health Care sector and 2U in the Information Technology sector. Shares of Merit Medical Systems, a U.S.-based manufacturer of products used in diagnostic and interventional cardiology and radiology procedures, declined during the period primarily due to disappointing second quarter results. The portfolio manager eliminated the position from the Portfolio. Shares of 2U, a U.S.-based online educational services company, were driven lower during the period on expectations of sharply higher losses. The portfolio manager eliminated the position from the Portfolio. Not owning Arrowhead Pharmaceuticals in the Health Care sector also detracted from relative performance as the U.S.-based pharmaceuticals company performed well during the period.

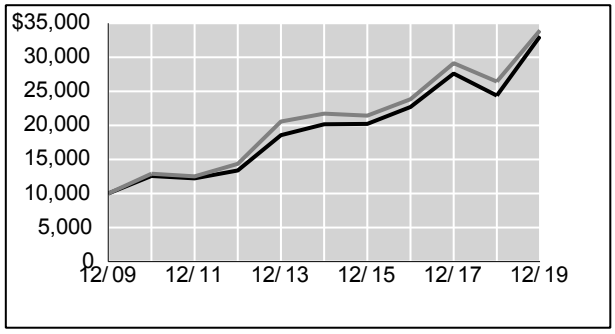
Small Cap Growth Stock Portfolio (unaudited)

PORTFOLIO MANAGER OUTLOOK

The following forward-looking comments are the opinion of Wellington, the Portfolio's sub-adviser.

We believe that many of the constructive fundamental drivers of U.S. economic growth present in 2019 will persist in 2020. Fed action is likely to be more gradual, as inflation is currently at targeted levels. Reduced Fed action could result in less volatility for the U.S. dollar. Trade negotiations between the U.S. and China will remain vitally important to markets. The outcome of the U.S. election could warrant future action in the Portfolio, and given the wide range of possible outcomes, we will continue to monitor political developments.

Relative Performance



Average Annual Total Returns
For Periods Ended December 31, 2019

	1 Year	5 Years	10 Years
Small Cap Growth Stock Portfolio	35.69%	10.41%	12.71%
Russell 2000® Growth Index	28.48%	9.34%	13.01%
Lipper® Variable Insurance Products (VIP) Small Cap Growth Funds Average	29.85%	10.02%	13.07%

The performance data quoted represents past performance. Past performance is historical and does not guarantee future performance. Investment return and principal value will fluctuate, so that shares, when redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than the performance data quoted. For the most recent month-end performance information visit www.northwesternmutual.com.

This chart assumes an initial investment of $10,000 made on 12/31/09. Returns shown reflect fee waivers, deductions for management and other portfolio expenses, and reinvestment of all dividends. In the absence of fee waivers, total return would be reduced. Returns exclude deductions for separate account sale loads and account fees. Please refer to the Benchmark Definitions section of this report for information about the indices cited in the above chart and graph.

Stocks of smaller companies, such as those held in this Portfolio, are more likely to realize more substantial growth as well as suffer more significant losses than larger or more established issuers. Investments in such companies can be both more volatile and more speculative. Investing in small company stocks involves a greater degree of risk than investing in medium or large company stocks.

The Portfolio may invest in exchange-traded funds ("ETFs") for cash management purposes. Investing in ETFs may expose the Portfolio to greater risk of loss and price fluctuation than investing directly in an equity security. The market prices of ETFs may trade at a premium or discount to their net asset value and may be subject to trading halts by the applicable exchange, which may negatively impact the Portfolio.

The Portfolio may invest a relatively high percentage of its assets in a particular sector. The Portfolio will have greater exposure to the risks associated with that sector and its performance will be tied more closely to the performance of the sector.

Top 10 Equity Holdings 12/31/19

Security Description	% of Net Assets
iShares Russell 2000 Growth Index Fund	2.7%
Science Applications International Corp.	1.3%
Five9, Inc.	1.3%
Omnicell, Inc.	1.2%
Steven Madden, Ltd.	1.2%
Performance Food Group Co.	1.2%
ASGN, Inc.	1.2%
John Bean Technologies Corp.	1.1%
Wolverine World Wide, Inc.	1.1%
TopBuild Corp.	1.1%

Small Cap Growth Stock Portfolio (unaudited)

Sector Allocation 12/31/19

Sector	% of Net Assets
Health Care	28.4%
Industrials	18.2%
Information Technology	16.6%
Consumer Discretionary	13.3%
Financials	7.5%
Consumer Staples	4.0%
Materials	3.5%
Investment Companies	2.7%
Real Estate	2.7%
Short-Term Investments & Other Net Assets	1.3%
Communication Services	1.2%
Energy	0.6%

Sector Allocation and Top 10 Holdings are subject to change.

Small Cap Growth Stock Portfolio

SCHEDULE OF INVESTMENTS

December 31, 2019

Common Stocks (96.0%)	Shares/ Par +	Value $ (000's)
Communication Services (1.2%)		
Bandwidth, Inc. *	8,100	519
Cardlytics, Inc. *	56,579	3,556
CarGurus, Inc. *	76,176	2,680
ORBCOMM, Inc. *	286,130	1,205
Total		**7,960**
Consumer Discretionary (13.3%)		
American Eagle Outfitters, Inc.	282,648	4,155
American Outdoor Brands Corp. *	319,929	2,969
Caleres, Inc.	222,838	5,292
Carter's, Inc.	41,312	4,517
Core-Mark Holding Co., Inc.	62,329	1,695
Dunkin' Brands Group, Inc.	47,200	3,566
Floor & Decor Holdings, Inc. *	89,139	4,529
Foot Locker, Inc.	91,230	3,557
Marriott Vacations Worldwide Corp.	44,942	5,787
Nordstrom, Inc.	82,214	3,365
Oxford Industries, Inc.	71,839	5,418
Steven Madden, Ltd.	192,732	8,289
Thor Industries, Inc.	70,416	5,231
TopBuild Corp. *	71,245	7,344
Urban Outfitters, Inc. *	109,664	3,045
Visteon Corp. *	32,609	2,824
Wingstop, Inc.	61,240	5,281
Wolverine World Wide, Inc.	223,812	7,551
YETI Holdings, Inc. *	142,947	4,972
Total		**89,387**
Consumer Staples (4.0%)		
B&G Foods, Inc.	110,599	1,983
BellRing Brands, Inc. *	128,881	2,744
Casey's General Stores, Inc.	13,723	2,182
Freshpet, Inc. *	79,102	4,674
Hostess Brands, Inc. *	355,219	5,165
Performance Food Group Co. *	155,403	8,000
Post Holdings, Inc. *	20,033	2,186
Total		**26,934**
Energy (0.6%)		
Kosmos Energy, Ltd.	436,197	2,486
PDC Energy, Inc. *	64,265	1,682
Total		**4,168**
Financials (7.5%)		
Blucora, Inc. *	119,887	3,134
Evercore, Inc. - Class A	54,371	4,065
First Busey Corp.	104,637	2,877
First Hawaiian, Inc.	125,849	3,631
Financials continued		
James River Group Holdings, Ltd.	119,989	4,945
Kemper Corp.	53,134	4,118
MGIC Investment Corp.	408,023	5,782
OneMain Holdings, Inc.	83,785	3,531
Seacoast Banking Corp. of Florida *	109,390	3,344
SLM Corp.	471,110	4,198
Sterling Bancorp	215,806	4,549
Triumph Bancorp, Inc. *	100,234	3,811
Western Alliance Bancorporation	47,145	2,687
Total		**50,672**
Health Care (28.4%)		
Abeona Therapeutics, Inc. *	106,156	347
Acadia Pharmaceuticals, Inc. *	58,299	2,494
Acceleron Pharma, Inc. *	67,566	3,582
Addus HomeCare Corp. *	33,817	3,288
Aerie Pharmaceuticals, Inc. *	67,607	1,634
Aimmune Therapeutics, Inc. *	82,236	2,752
Allakos, Inc. *	33,721	3,216
Apellis Pharmaceuticals, Inc. *	135,551	4,151
Arena Pharmaceuticals, Inc. *	92,202	4,188
AtriCure, Inc. *	125,132	4,068
Biohaven Pharmaceutical Holding Co., Ltd. *	56,041	3,051
Blueprint Medicines Corp. *	66,420	5,321
Cardiovascular Systems, Inc. *	82,922	4,029
Catalent, Inc. *	55,956	3,150
Constellation Pharmaceuticals, Inc. *	55,226	2,602
G1 Therapeutics, Inc. *	60,936	1,611
Global Blood Therapeutics, Inc. *	53,726	4,271
Globus Medical, Inc. - Class A *	122,262	7,199
Haemonetics Corp. *	52,679	6,053
Heron Therapeutics, Inc. *	161,710	3,800
HMS Holdings Corp. *	184,865	5,472
ICU Medical, Inc. *	7,660	1,433
Health Care continued		
Integer Holdings Corp. *	65,215	5,245
Integra LifeSciences Holdings Corp. *	81,722	4,763
Intercept Pharmaceuticals, Inc. *	36,300	4,498
Intersect ENT, Inc. *	89,466	2,228
Iovance Biotherapeutics, Inc. *	145,744	4,034
iRhythm Technologies, Inc. *	35,138	2,393
Karyopharm Therapeutics, Inc. *	59,046	1,132
Kodiak Sciences, Inc. *	62,948	4,529
LHC Group, Inc. *	39,988	5,509
Ligand Pharmaceuticals, Inc. - Class B *	20,922	2,182
Madrigal Pharmaceuticals, Inc. *	20,422	1,861
Mirati Therapeutics, Inc. *	26,467	3,410
MyoKardia, Inc. *	75,832	5,527
Nanostring Technologies, Inc. *	92,851	2,583
NuVasive, Inc. *	37,507	2,901
Omnicell, Inc. *	101,734	8,314
OraSure Technologies, Inc. *	176,813	1,420
Portola Pharmaceuticals, Inc. *	85,189	2,034
Principia Biopharma, Inc. *	77,770	4,260
The Providence Service Corp. *	36,850	2,181
R1 RCM, Inc. *	396,355	5,145
Radius Health, Inc. *	91,134	1,837
Reata Pharmaceuticals, Inc. *	17,665	3,611
REGENXBIO, Inc. *	45,353	1,858
Repligen Corp. *	25,044	2,317
Revance Therapeutics, Inc. *	124,428	2,019
Rhythm Pharmaceuticals, Inc. *	113,662	2,610
Spectrum Pharmaceuticals, Inc. *	146,909	535
Syneos Health, Inc. *	68,827	4,093
Tandem Diabetes Care, Inc. *	68,418	4,078

Small Cap Growth Stock Portfolio

Common Stocks (96.0%)	Shares/ Par +	Value $ (000's)
Health Care continued		
Teladoc, Inc. *	54,778	4,586
Theravance Biopharma, Inc. *	64,188	1,662
Ultragenyx Pharmaceutical, Inc. *	68,447	2,923
US Physical Therapy, Inc.	20,630	2,359
Y-mAbs Therapeutics, Inc. *	70,033	2,188
Total		**190,537**
Industrials (18.2%)		
Aerojet Rocketdyne Holdings, Inc. *	131,786	6,017
Altra Industrial Motion Corp.	135,333	4,900
American Woodmark Corp. *	33,576	3,509
Applied Industrial Technologies, Inc.	96,978	6,467
Armstrong World Industries, Inc.	33,671	3,164
ASGN, Inc. *	109,432	7,766
Axon Enterprise, Inc. *	58,018	4,252
AZZ, Inc.	62,408	2,868
Clean Harbors, Inc. *	63,498	5,445
Curtiss-Wright Corp.	38,557	5,432
EnerSys	68,816	5,149
Exponent, Inc.	90,579	6,251
Generac Holdings, Inc. *	70,364	7,078
Huron Consulting Group, Inc. *	41,758	2,870
Insperity, Inc.	56,042	4,822
ITT, Inc.	88,739	6,559
John Bean Technologies Corp.	68,160	7,679
Marten Transport, Ltd.	115,472	2,481
Mercury Systems, Inc. *	52,185	3,606
MSA Safety, Inc.	43,240	5,464
Patrick Industries, Inc.	96,446	5,057
Rexnord Corp. *	146,833	4,790
SPX Corp. *	97,871	4,980
SPX Flow, Inc. *	76,114	3,720
Viad Corp.	25,292	1,707
Total		**122,033**
Information Technology (16.6%)		
8x8, Inc. *	147,109	2,692
Blackbaud, Inc.	74,544	5,934
CACI International, Inc. - Class A *	20,832	5,208
Cohu, Inc.	184,430	4,214
CTS Corp.	116,745	3,504
Entegris, Inc.	118,973	5,959
Everbridge, Inc. *	58,746	4,587
Five9, Inc. *	128,906	8,454
ForeScout Technologies, Inc. *	90,588	2,971

Common Stocks (96.0%)	Shares/ Par +	Value $ (000's)
Information Technology continued		
FormFactor, Inc. *	237,342	6,164
Instructure, Inc. *	46,182	2,226
Itron, Inc. *	80,572	6,764
LiveRamp Holdings, Inc. *	67,325	3,236
Lumentum Holdings, Inc. *	71,706	5,686
Onto Innovation, Inc. *	69,191	2,528
Paylocity Holding Corp. *	40,993	4,953
Pegasystems, Inc.	50,490	4,022
PROS Holdings, Inc. *	62,211	3,728
Pure Storage, Inc. *	170,798	2,922
Q2 Holdings, Inc. *	42,256	3,426
Rapid7, Inc. *	72,458	4,059
Rogers Corp. *	24,870	3,102
SailPoint Technologies Holdings, Inc. *	102,462	2,418
Science Applications International Corp.	101,674	8,848
SVMK, Inc. *	212,827	3,803
Total		**111,408**
Materials (3.5%)		
Boise Cascade Co.	104,908	3,832
Graphic Packaging Holding Co.	288,170	4,798
Ingevity Corp. *	56,380	4,926
Livent Corp. *	299,838	2,564
Louisiana-Pacific Corp.	107,595	3,192
PolyOne Corp.	121,786	4,481
Total		**23,793**
Real Estate (2.7%)		
Columbia Property Trust, Inc.	138,303	2,892
CoreSite Realty Corp.	28,447	3,189
Corporate Office Properties Trust	105,402	3,097
Independence Realty Trust, Inc.	68,600	966
Pebblebrook Hotel Trust	111,196	2,981
PS Business Parks, Inc.	28,688	4,730
Total		**17,855**
Total Common Stocks (Cost: $502,278)		**644,747**
Investment Companies (2.7%)		
Investment Companies (2.7%)		
iShares Russell 2000 Growth Index Fund	85,968	18,416
Total		**18,416**
Total Investment Companies (Cost: $15,785)		**18,416**

Short-Term Investments (1.0%)	Shares/ Par +	Value $ (000's)
Money Market Funds (1.0%)		
State Street Institutional U.S. Government Money Market Fund - Premier Class 1.540% #	6,508,474	6,508
Total		**6,508**
Total Short-Term Investments (Cost: $6,508)		**6,508**
Total Investments (99.7%) (Cost: $524,571)@		**669,671**
Other Assets, Less Liabilities (0.3%)		**2,199**
Net Assets (100.0%)		**671,870**

The Accompanying Notes are an Integral Part of the Financial Statements.

Small Cap Growth Stock Portfolio

+ All par is stated in U.S Dollar unless otherwise noted.
* Non income producing
7-Day yield as of 12/31/2019.
@ At December 31, 2019, the aggregate cost of investments, including derivatives, for federal tax purposes (in thousands) was $524,841 and the net unrealized appreciation of investments based on that cost was $144,830 which is comprised of $168,801 aggregate gross unrealized appreciation and $23,971 aggregate gross unrealized depreciation.

The following is a summary of the inputs used in valuing the Portfolio's assets and liabilities at December 31, 2019. See Note 3 for additional information on portfolio valuation.

	Valuation Inputs		
Description	**Level 1 - Quoted Prices**	**Level 2 - Other Significant Observable Inputs**	**Level 3 - Significant Unobservable Inputs**
	(Amounts in thousands)		
Assets:			
Common Stocks	$ 644,747	$ —	$ —
Investment Companies	18,416	—	—
Short-Term Investments	6,508	—	—
Total Assets:	$ 669,671	$ —	$ —

Index 600 Stock Portfolio (unaudited)

Objective:	Portfolio Strategy:	Net Assets:
Investment results that approximate the performance of the S&P SmallCap 600® Index.	Invest in stocks that make up the S&P SmallCap 600® Index, holding each stock in approximately the same proportion as its weighting in the Index.	$290 million

PORTFOLIO OVERVIEW

Mason Street Advisors is the investment adviser for the Index 600 Stock Portfolio (the "Portfolio"). The Portfolio seeks investment results that approximate the performance of the S&P SmallCap 600® Index. The Portfolio attempts to achieve its objective by investing all, or substantially all, of its assets in stocks that make up the S&P SmallCap 600® Index, holding each stock in approximately the same proportion as its weighting in the Index. This is known as a full replication strategy. The Portfolio may also purchase (long) total return equity swap agreements and invest in exchange traded funds and, to a lesser extent, futures contracts, for cash management purposes and to help achieve full replication.

MARKET OVERVIEW

U.S. equity markets gained sharply during the reporting period, accelerating to record highs by the end of 2019. The markets' strong performance was driven in part by solid domestic economic growth amid rising wages, historically low unemployment and strong consumer spending. Diminishing concerns about the state of the global economy and trade landscape also bolstered equities, as progress was made on trade agreements between the U.S. and China and between the U.S. and its North American trade partners. Equity markets got a substantial boost from a more accommodative interest rate policy, as the U.S. Federal Reserve cut interest rates three times during the second half of 2019, the first decrease in more than a decade.

In this environment, large-cap stocks, as represented by the S&P 500® Index, posted a return of 31.49%, outperforming the S&P SmallCap 600® and the S&P MidCap 400® Indices, which returned 22.78% and 26.20%, respectively. Meanwhile, the broader bond market, as represented by the Bloomberg Barclays® U.S. Aggregate Index, returned 8.72%, while the Bloomberg Barclays® U.S. Corporate High Yield Index advanced 14.32%.

PORTFOLIO RESULTS

The Index 600 Stock Portfolio returned 22.44% for the twelve months ending December 31, 2019, trailing the S&P 600® Index, which increased by 22.78%. Portfolio performance lagged the Index due to transaction costs, administrative expenses, cash flow effects and costs associated with stock index futures contracts. (The Index is unmanaged, cannot be invested in directly, and does not incur expenses.) According to Lipper® Analytical Services, Inc., an independent mutual fund ranking agency, the average return in 2019 of the Small Cap Core Funds peer group was 23.79%. However, the Small Cap Core Funds peer group is not strictly comparable to the Portfolio because many of the funds in the group are actively managed.

Ten of the Portfolio's eleven sectors advanced amid an uncertain global economic environment, although U.S. economic growth remained steady. The Industrials sector was the leading contributor to the Portfolio's return, particularly the machinery industry. Machinery stocks benefited from demand growth for transportation technologies, such as those used by aviation companies, as well as from higher sales of equipment to control water safety and efficiency. An improving outlook for the easing of trade tensions between the U.S. and China, which generally bolstered equities, also supported the sector's gains.

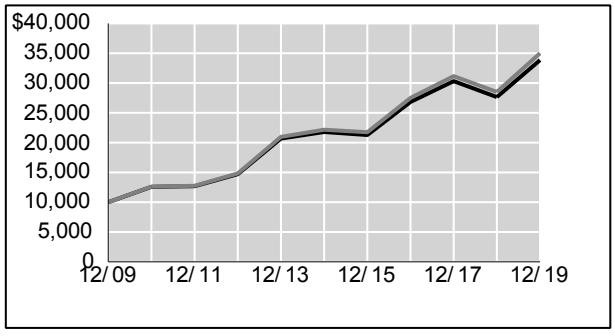
The Information Technology sector, which depends heavily on sales to China, was also a key contributor that benefited from favorable trade developments. Semiconductor and semiconductor equipment stocks advanced on increased demand for smart-energy technology amid rising adoption of electric cars and other environmentally-friendly energy products. The expansion of new technologies, such as 5G telecommunications networks, also bolstered the industry's gains.

The Financials sector was another notable Portfolio contributor. Banks' profit growth was supported by several years of rising interest rates, before the Fed's interest rate cuts during the second half of 2019. Smaller regional banks also advanced amid industry merger and acquisition activity, which reached its highest level in 20 years. Consumer Discretionary stocks contributed meaningfully, benefiting from strong consumer spending amid historically low unemployment and rising wages.

Index 600 Stock Portfolio (unaudited)

In contrast, Energy, the only sector to post negative returns, detracted modestly from the Portfolio's return amid volatile prices of both oil and natural gas as global production continued to increase, leading to oversupply concerns.

Relative Performance



Average Annual Total Returns
For Periods Ended December 31, 2019

	1 Year	5 Years	10 Years
Index 600 Stock Portfolio	22.44%	9.21%	12.97%
S&P SmallCap 600® Index	22.78%	9.55%	13.34%
Lipper® Variable Insurance Products (VIP) Small Cap Core Funds Average	23.79%	7.13%	11.13%

The performance data quoted represents past performance. Past performance is historical and does not guarantee future performance. Investment return and principal value will fluctuate, so that shares, when redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than the performance data quoted. For the most recent month-end performance information visit www.northwesternmutual.com.

This chart assumes an initial investment of $10,000 made on 12/31/09. Returns shown reflect fee waivers, deductions for management and other portfolio expenses, and reinvestment of all dividends. In the absence of fee waivers, total return would be reduced. Returns exclude deductions for separate account sale loads and account fees. Please refer to the Benchmark Definitions section of this report for information about the indices cited in the above chart and graph.

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Stocks of smaller companies, such as those held in this Portfolio, are more likely to realize more substantial growth as well as suffer more significant losses than larger or more established issuers. Investments in such companies can be both more volatile and more speculative. Investing in small company stocks involves a greater degree of risk than investing in medium or large company stocks.

The Portfolio may invest in exchange-traded funds and derivative instruments such as swap agreements and, to a lesser extent, futures contracts, for cash management purposes and to help achieve full replication. Use of these instruments may involve certain costs and imposes certain risks such as liquidity risk, market risk, credit risk, management risk and the risk of mispricing or improper valuation. Certain derivatives involve leverage, which could magnify losses, and portfolios investing in derivatives could lose more than the principal amount invested in those instruments.

Top 10 Equity Holdings 12/31/19

Security Description	% of Net Assets
iShares Core S&P Small-Cap ETF	1.7%
The Medicines Co.	0.8%
Darling Ingredients, Inc.	0.6%
LHC Group, Inc.	0.5%
Glacier Bancorp, Inc.	0.5%
Community Bank System, Inc.	0.4%
Exponent, Inc.	0.4%
John Bean Technologies Corp.	0.4%
TopBuild Corp.	0.4%
Strategic Education, Inc.	0.4%

Index 600 Stock Portfolio (unaudited)

Sector Allocation 12/31/19

Sector	% of Net Assets
Financials	16.5%
Industrials	16.5%
Information Technology	13.0%
Consumer Discretionary	12.7%
Health Care	11.5%
Real Estate	6.9%
Materials	4.6%
Short-Term Investments & Other Net Assets	4.6%
Consumer Staples	4.0%
Energy	4.0%
Utilities	2.0%
Communication Services	2.0%
Investment Companies	1.7%

Sector Allocation and Top 10 Holdings are subject to change.

Index 600 Stock Portfolio

SCHEDULE OF INVESTMENTS

December 31, 2019

Common Stocks (93.7%)	Shares/ Par +	Value $ (000's)
Communication Services (2.0%)		
ATN International, Inc.	3,789	210
Care.com, Inc. *	9,815	147
Cincinnati Bell, Inc. *	17,562	184
Cogent Communications Holdings, Inc.	14,518	955
Consolidated Communications Holdings, Inc.	25,104	97
The E.W. Scripps Co. - Class A	18,981	298
Gannett Co., Inc.	42,800	273
Glu Mobile, Inc. *	40,115	243
Iridium Communications, Inc. *	33,789	833
The Marcus Corp.	8,007	254
QuinStreet, Inc. *	16,058	246
Scholastic Corp.	10,706	412
Shenandoah Telecommunications Co.	16,324	679
Spok Holdings, Inc.	6,107	75
TechTarget, Inc. *	7,994	209
Vonage Holdings Corp. *	79,438	589
Total		**5,704**
Consumer Discretionary (12.7%)		
Abercrombie & Fitch Co. - Class A	21,859	378
American Axle & Manufacturing Holdings, Inc. *	39,176	422
American Public Education, Inc. *	5,363	147
Asbury Automotive Group, Inc. *	6,739	753
Barnes & Noble Education, Inc. *	13,458	57
Big Lots, Inc.	13,590	390
BJ's Restaurants, Inc.	6,675	253
Bloomin' Brands, Inc.	30,256	668
Boot Barn Holdings, Inc. *	9,949	443
The Buckle, Inc.	9,944	269
Caleres, Inc.	14,181	337
Callaway Golf Co.	32,778	695
The Cato Corp. - Class A	7,568	132
Cavco Industries, Inc. *	2,991	584
Century Communities, Inc. *	9,390	257
Chico's FAS, Inc.	41,316	157
The Children's Place, Inc.	5,423	339
Chuy's Holdings, Inc. *	5,787	150
Consumer Discretionary continued		
Conn's, Inc. *	6,644	82
Cooper Tire & Rubber Co.	17,479	503
Cooper-Standard Holding, Inc. *	5,865	194
Core-Mark Holding Co., Inc.	15,871	432
Crocs, Inc. *	23,895	1,001
Dave & Buster's Entertainment, Inc.	10,739	431
Designer Brands, Inc.	19,218	302
DineEquity, Inc.	5,849	489
Dorman Products, Inc. *	10,161	769
El Pollo Loco Holdings, Inc. *	6,804	103
Ethan Allen Interiors, Inc.	8,520	162
Express, Inc. *	23,430	114
Fiesta Restaurant Group, Inc. *	7,465	74
Fossil Group, Inc. *	16,188	128
Fox Factory Holding Corp. *	13,418	933
GameStop Corp. - Class A	22,950	140
Garrett Motion, Inc. *	26,062	260
Genesco, Inc. *	4,963	238
Gentherm, Inc. *	11,404	506
G-III Apparel Group, Ltd. *	14,992	502
Group 1 Automotive, Inc.	6,096	610
Guess?, Inc.	14,861	333
Haverty Furniture Cos., Inc.	6,301	127
Hibbett Sports, Inc. *	6,141	172
Installed Building Products, Inc. *	7,423	511
iRobot Corp. *	9,847	499
J.C. Penney Co., Inc. *	104,769	117
Kontoor Brands, Inc.	16,264	683
La-Z-Boy, Inc.	16,156	509
LCI Industries	8,717	934
LGI Homes, Inc. *	6,955	491
Liquidity Services, Inc. *	9,377	56
Lithia Motors, Inc. - Class A	7,887	1,159
Lumber Liquidators Holdings, Inc. *	10,000	98
M.D.C. Holdings, Inc.	17,443	666
M/I Homes, Inc. *	9,802	386
MarineMax, Inc. *	7,473	125
Meritage Homes Corp. *	12,539	766
Consumer Discretionary continued		
The Michaels Cos., Inc. *	26,586	215
Monarch Casino & Resort, Inc. *	4,157	202
Monro Muffler Brake, Inc.	11,589	906
Motorcar Parts of America, Inc. *	6,603	145
Movado Group, Inc.	5,717	124
Office Depot, Inc.	190,344	522
Oxford Industries, Inc.	5,933	447
Perdoceo Education Corp. *	24,513	451
PetMed Express, Inc.	7,027	165
Red Robin Gourmet Burgers, Inc. *	4,507	149
Regis Corp. *	8,420	150
Rent-A-Center, Inc.	17,164	495
Ruth's Hospitality Group, Inc.	9,453	206
Shake Shack, Inc. - Class A *	10,816	644
Shoe Carnival, Inc.	3,114	116
Shutterstock, Inc. *	6,669	286
Signet Jewelers, Ltd.	18,233	396
Sleep Number Corp. *	9,901	488
Sonic Automotive, Inc. - Class A	8,451	262
Stamps.com, Inc. *	5,650	472
Standard Motor Products, Inc.	7,039	375
Steven Madden, Ltd.	26,948	1,159
Strategic Education, Inc.	7,651	1,216
Sturm, Ruger & Co., Inc.	5,786	272
Tailored Brands, Inc.	17,639	73
TopBuild Corp. *	11,824	1,219
Tupperware Brands Corp.	17,032	146
Unifi, Inc. *	5,089	129
Universal Electronics, Inc. *	4,851	254
Vera Bradley, Inc. *	8,169	96
Vista Outdoor, Inc. *	20,142	151
William Lyon Homes - Class A *	11,504	230
Wingstop, Inc.	10,259	885
Winnebago Industries, Inc.	11,733	622
Wolverine World Wide, Inc.	28,170	950
Zumiez, Inc. *	7,101	245
Total		**36,899**

Index 600 Stock Portfolio

Common Stocks (93.7%)	Shares/ Par +	Value $ (000's)
Consumer Staples (4.0%)		
The Andersons, Inc.	11,355	287
Avon Products, Inc.	154,306	870
B&G Foods, Inc.	22,307	400
Calavo Growers, Inc.	5,699	516
Cal-Maine Foods, Inc.	10,549	451
Central Garden & Pet Co. *	3,416	106
Central Garden & Pet Co. - Class A *	13,995	411
The Chefs' Warehouse, Inc. *	8,875	338
Coca-Cola Bottling Co. Consolidated	1,617	459
Darling Ingredients, Inc. *	57,022	1,601
Fresh Del Monte Produce, Inc.	10,551	369
Inter Parfums, Inc.	6,137	446
J & J Snack Foods Corp.	5,200	958
John B. Sanfilippo & Son, Inc.	3,062	280
Medifast, Inc.	4,046	443
MGP Ingredients, Inc.	4,626	224
National Beverage Corp. *	4,055	207
PriceSmart, Inc.	7,764	552
Seneca Foods Corp. - Class A *	2,383	97
SpartanNash Co.	12,660	180
United Natural Foods, Inc. *	18,572	163
Universal Corp.	8,639	493
USANA Health Sciences, Inc. *	4,372	344
Vector Group, Ltd.	40,152	538
WD-40 Co.	4,773	927
Total		**11,660**
Energy (4.0%)		
Archrock, Inc.	44,446	446
Bonanza Creek Energy, Inc. *	6,469	151
Callon Petroleum Co. *	136,003	657
CONSOL Energy, Inc. *	9,021	131
Denbury Resources, Inc. *	171,616	242
Diamond Offshore Drilling, Inc. *	22,541	162
DMC Global, Inc.	5,101	229
Dril-Quip, Inc. *	12,602	591
ERA Group, Inc. *	6,896	70
Exterran Corp. *	9,800	77
Geospace Technologies Corp. *	4,748	80
Green Plains, Inc.	11,772	182
Gulfport Energy Corp. *	50,621	154
Helix Energy Solutions Group, Inc. *	49,240	474
HighPoint Resources Corp. *	37,956	64
Energy continued		
Jagged Peak Energy, Inc. *	20,814	177
KLX Energy Services Holdings, Inc. *	7,317	47
Laredo Petroleum, Inc. *	62,773	180
Matrix Service Co. *	9,461	216
McDermott International, Inc. *	63,330	43
Nabors Industries, Ltd.	117,720	339
Newpark Resources, Inc. *	31,248	196
Noble Corp. PLC *	86,799	106
Oasis Petroleum, Inc. *	100,724	328
Oceaneering International, Inc. *	34,458	514
Oil States International, Inc. *	21,074	344
Par Pacific Holdings, Inc. *	12,836	298
PDC Energy, Inc. *	20,512	537
Penn Virginia Corp. *	4,688	142
ProPetro Holding Corp. *	28,681	323
QEP Resources, Inc.	82,825	373
Range Resources Corp.	72,687	352
Renewable Energy Group, Inc. *	13,571	366
REX American Resources Corp. *	1,951	160
Ring Energy, Inc. *	20,785	55
RPC, Inc.	17,931	94
SEACOR Holdings, Inc. *	6,115	264
SM Energy Co.	36,951	415
Southwestern Energy Co. *	188,539	456
SRC Energy, Inc. *	84,837	349
Talos Energy, Inc. *	6,985	211
TETRA Technologies, Inc. *	43,726	86
US Silica Holdings, Inc.	25,624	158
Valaris PLC	68,922	452
Whiting Petroleum Corp. *	31,801	233
Total		**11,524**
Financials (16.5%)		
Allegiance Bancshares, Inc. *	6,669	251
Ambac Financial Group, Inc. *	15,867	342
American Equity Investment Life Holding Co.	31,712	949
Ameris Bancorp	22,808	970
AMERISAFE, Inc.	6,722	444
Appollo Commercial Real Estate Finance, Inc.	49,735	910
Financials continued		
ARMOUR Residential REIT, Inc.	20,512	367
Axos Financial, Inc. *	18,572	562
Banc of California, Inc.	15,626	268
Banner Corp.	12,981	735
Berkshire Hills Bancorp, Inc.	14,959	492
Blucora, Inc. *	17,047	446
Boston Private Financial Holdings, Inc.	28,994	349
Brookline Bancorp, Inc.	27,784	457
Cadence Bancorp	44,589	808
Capstead Mortgage Corp.	32,952	261
Central Pacific Financial Corp.	9,884	292
City Holding Co.	5,678	465
Columbia Banking System, Inc.	25,126	1,022
Community Bank System, Inc.	18,008	1,277
Customers Bancorp, Inc. *	10,036	239
CVB Financial Corp.	46,360	1,000
Dime Community Bancshares	10,741	224
Donnelley Financial Solutions, Inc. *	10,872	114
Eagle Bancorp, Inc.	11,698	569
eHealth, Inc. *	7,080	680
Employers Holdings, Inc.	11,081	463
Encore Capital Group, Inc. *	9,628	340
Enova International, Inc. *	11,762	283
EZCORP, Inc. - Class A *	18,309	125
FGL Holdings	45,552	485
First Bancorp	75,708	802
First Commonwealth Financial Corp.	34,244	497
First Financial Bancorp	34,616	881
First Midwest Bancorp, Inc.	38,304	883
Flagstar Bancorp, Inc.	12,007	459
Franklin Financial Network, Inc.	4,665	160
Glacier Bancorp, Inc.	29,862	1,373
Granite Point Mortgage Trust, Inc.	19,106	351
Great Western Bancorp, Inc.	19,604	681
Greenhill & Co., Inc.	5,184	89
Hanmi Financial Corp.	10,837	217
HCI Group, Inc.	2,234	102
Heritage Financial Corp. of Washington	12,754	361
HomeStreet, Inc. *	8,503	289
Hope Bancorp, Inc.	44,130	656

Index 600 Stock Portfolio

Common Stocks (93.7%)	Shares/ Par +	Value $ (000's)
Financials continued		
Horace Mann Educators Corp.	14,357	627
Independent Bank Corp.	11,973	997
INTL FCStone, Inc. *	5,674	277
Invesco Mortgage Capital, Inc.	49,739	828
James River Group Holdings, Ltd.	10,590	436
Kinsale Capital Group, Inc.	7,178	730
KKR Real Estate Finance Trust, Inc.	8,410	172
Meta Financial Group, Inc.	12,044	440
National Bank Holding Corp. - Class A	10,857	382
NBT Bancorp, Inc.	15,253	619
New York Mortgage Trust, Inc.	101,487	632
NMI Holdings, Inc. - Class A *	23,678	786
Northfield Bancorp, Inc.	15,073	256
Northwest Bancshares, Inc.	34,926	581
OFG Bancorp	17,885	422
Old National Bancorp	59,223	1,083
Opus Bank	7,525	195
Pacific Premier Bancorp, Inc.	20,677	674
PennyMac Mortgage Investment Trust	34,874	777
Piper Jaffray Cos., Inc.	5,001	400
PRA Group, Inc. *	15,817	574
Preferred Bank	4,739	285
ProAssurance Corp.	18,736	677
Provident Financial Services, Inc.	20,916	516
Ready Capital Corp.	12,280	189
Redwood Trust, Inc.	39,251	649
S&T Bancorp, Inc.	13,422	541
Safety Insurance Group, Inc.	5,090	471
Seacoast Banking Corp. of Florida *	17,932	548
ServisFirst Bancshares, Inc.	16,053	605
Simmons First National Corp. - Class A	39,695	1,063
Southside Bancshares, Inc.	11,056	411
The St. Joe Co. *	10,968	217
Stewart Information Services Corp.	8,257	337
Third Point Reinsurance, Ltd. *	27,895	293
Tompkins Financial Corp.	4,267	390
Triumph Bancorp, Inc. *	8,126	309
TrustCo Bank Corp.	33,757	293
United Community Banks, Inc.	27,510	850
United Fire Group, Inc.	7,411	324
United Insurance Holdings Corp.	7,228	91
Universal Insurance Holdings, Inc.	10,642	298
Veritex Holdings, Inc.	16,452	479
Virtus Investment Partners, Inc.	2,252	274
Waddell & Reed Financial, Inc. - Class A	24,494	410
Walker & Dunlop, Inc.	9,982	646
Westamerica Bancorporation	9,423	639
WisdomTree Investments, Inc.	41,087	199
World Acceptance Corp. *	1,930	167
Total		**48,049**
Health Care (11.5%)		
Acorda Therapeutics, Inc. *	16,729	34
Addus HomeCare Corp. *	4,715	458
Akorn, Inc. *	32,953	49
AMAG Pharmaceuticals, Inc. *	11,813	144
AMN Healthcare Services, Inc. *	16,270	1,014
Amphastar Pharmaceuticals, Inc. *	11,935	230
AngioDynamics, Inc. *	13,103	210
ANI Pharmaceuticals, Inc. *	3,240	200
Anika Therapeutics, Inc. *	4,970	258
BioTelemetry, Inc. *	11,839	548
Cardiovascular Systems, Inc. *	12,260	596
Community Health Systems, Inc. *	41,046	119
Computer Programs and Systems, Inc.	4,350	115
CONMED Corp.	9,885	1,105
Corcept Therapeutics, Inc. *	35,824	433
CorVel Corp. *	3,120	273
Covetrus, Inc. *	33,976	448
Cross Country Healthcare, Inc. *	12,845	149
CryoLife, Inc. *	13,063	354
Cutera, Inc. *	4,957	178
Cytokinetics, Inc. *	20,579	218
Diplomat Pharmacy, Inc. *	20,111	80
Health Care continued		
Eagle Pharmaceuticals, Inc. *	3,524	212
Emergent Biosolutions, Inc. *	15,284	825
Enanta Pharmaceuticals, Inc. *	5,565	344
Endo International PLC *	70,299	330
Ensign Group, Inc.	17,468	793
Hanger, Inc. *	13,005	359
HealthStream, Inc. *	8,909	242
Heska Corp. *	2,454	235
HMS Holdings Corp. *	30,685	908
Innoviva, Inc. *	23,282	330
Inogen, Inc. *	6,360	435
Integer Holdings Corp. *	11,382	915
Invacare Corp.	11,729	106
Lannett Co., Inc. *	11,661	103
Lantheus Holdings, Inc. *	13,670	280
LeMaitre Vascular, Inc.	5,710	205
LHC Group, Inc. *	10,317	1,421
Luminex Corp.	14,594	338
Magellan Health, Inc. *	7,585	594
The Medicines Co. *	25,892	2,199
Medpace Holdings, Inc. *	9,538	802
Meridian Bioscience, Inc.	14,887	145
Merit Medical Systems, Inc. *	19,230	600
Mesa Laboratories, Inc.	1,399	349
Momenta Pharmaceuticals, Inc. *	39,530	780
Myriad Genetics, Inc. *	25,910	706
Natus Medical, Inc. *	11,874	392
Neogen Corp. *	18,259	1,192
NeoGenomics, Inc. *	36,366	1,064
NextGen Healthcare, Inc. *	16,865	271
Omnicell, Inc. *	14,607	1,194
OraSure Technologies, Inc. *	21,500	173
Orthofix Medical, Inc. *	6,637	307
Owens & Minor, Inc.	21,892	113
Pacira Biosciences, Inc. *	14,535	658
The Pennant Group, Inc. *	9,117	302
Phibro Animal Health Corp. - Class A	7,067	175
Progenics Pharmaceuticals, Inc. *	30,101	153
The Providence Service Corp. *	3,999	237
RadNet, Inc. *	14,533	295
REGENXBIO, Inc. *	10,917	447

Index 600 Stock Portfolio

Common Stocks (93.7%)	Shares/ Par +	Value $ (000's)
Health Care continued		
Select Medical Holdings Corp. *	37,429	874
Spectrum Pharmaceuticals, Inc. *	39,349	143
Supernus Pharmaceuticals, Inc. *	18,273	433
Surmodics, Inc. *	4,719	196
Tabula Rasa HealthCare, Inc. *	6,847	333
Tactile Systems Technology, Inc. *	6,628	447
Tivity Health, Inc. *	15,045	306
US Physical Therapy, Inc.	4,449	509
Vanda Pharmaceuticals, Inc. *	18,578	305
Varex Imaging Corp. *	13,365	398
Xencor, Inc. *	17,188	591
Total		**33,277**
Industrials (16.5%)		
AAON, Inc.	14,154	699
AAR Corp.	11,449	516
ABM Industries, Inc.	23,133	872
Actuant Corp. - Class A	18,766	488
Aegion Corp. *	10,714	240
Aerojet Rocketdyne Holdings, Inc. *	25,216	1,151
Aerovironment, Inc. *	7,521	464
Alamo Group, Inc.	3,378	424
Albany International Corp. - Class A	10,693	812
Allegiant Travel Co.	4,595	800
American Woodmark Corp. *	5,423	567
Apogee Enterprises, Inc.	9,249	301
Applied Industrial Technologies, Inc.	13,464	898
ArcBest Corp.	8,884	245
Arcosa, Inc.	16,855	751
Astec Industries, Inc.	7,853	330
Atlas Air Worldwide Holdings, Inc. *	9,011	248
AZZ, Inc.	9,109	419
Barnes Group, Inc.	16,604	1,029
Brady Corp. - Class A	17,334	993
Briggs & Stratton Corp.	14,798	99
Chart Industries, Inc. *	12,469	842
CIRCOR International, Inc. *	6,935	321
Comfort Systems USA, Inc.	12,775	637
Cubic Corp.	10,893	692
DXP Enterprises, Inc. *	5,579	222
Echo Global Logistics, Inc. *	9,507	197
Encore Wire Corp.	7,301	419
Industrials continued		
EnPro Industries, Inc.	7,239	484
ESCO Technologies, Inc.	9,049	837
Exponent, Inc.	18,052	1,246
Federal Signal Corp.	21,075	680
Forrester Research, Inc. *	3,697	154
Forward Air Corp.	9,813	686
Foundation Building Materials, Inc. *	6,015	116
Franklin Electric Co., Inc.	13,403	768
Gibraltar Industries, Inc. *	11,241	567
GMS, Inc. *	14,688	398
Granite Construction, Inc.	16,280	450
The Greenbrier Cos., Inc.	11,353	368
Griffon Corp.	14,836	302
Harsco Corp. *	27,380	630
Hawaiian Holdings, Inc.	16,228	475
Heartland Express, Inc.	16,284	343
Heidrick & Struggles International, Inc.	6,677	217
Hillenbrand, Inc.	25,813	860
Hub Group, Inc. - Class A *	11,625	596
Insteel Industries, Inc.	6,373	137
Interface, Inc.	20,348	338
John Bean Technologies Corp.	11,030	1,243
Kaman Corp.	9,704	640
Kelly Services, Inc. - Class A	11,559	261
Korn Ferry	19,267	817
Lindsay Corp.	3,766	362
Lydall, Inc. *	6,103	125
Marten Transport, Ltd.	13,525	291
Matson, Inc.	14,931	609
Matthews International Corp. - Class A	10,916	417
Mobile Mini, Inc.	15,368	583
Moog, Inc. - Class A	11,228	958
Mueller Industries, Inc.	19,837	630
MYR Group, Inc. *	5,799	189
National Presto Industries, Inc.	1,755	155
Park Aerospace Corp.	6,789	110
Patrick Industries, Inc.	7,781	408
PGT Innovations, Inc. *	20,343	303
Pitney Bowes, Inc.	59,507	240
Powell Industries, Inc.	3,068	150
Proto Labs, Inc. *	9,320	946
Quanex Building Products Corp.	11,551	197
Raven Industries, Inc.	12,455	429
Resources Connection, Inc.	10,486	171
RR Donnelley & Sons Co.	24,695	98
Industrials continued		
Saia, Inc. *	9,034	841
Simpson Manufacturing Co., Inc.	14,050	1,127
SkyWest, Inc.	17,562	1,135
SPX Corp. *	15,376	782
SPX Flow, Inc. *	14,826	725
Standex International Corp.	4,341	344
Team, Inc. *	10,576	169
Tennant Co.	6,363	496
Titan International, Inc.	17,429	63
Triumph Group, Inc.	17,445	441
TrueBlue, Inc. *	13,568	326
UniFirst Corp.	5,330	1,077
Universal Forest Products, Inc.	21,383	1,020
US Ecology, Inc.	8,864	513
Veritiv Corp. *	4,430	87
Viad Corp.	7,080	478
Vicor Corp. *	6,386	298
Wabash National Corp.	18,841	277
Watts Water Technologies, Inc. - Class A	9,614	959
Total		**47,818**
Information Technology (13.0%)		
3D Systems Corp. *	41,247	361
8x8, Inc. *	34,909	639
ADTRAN, Inc.	16,658	165
Advanced Energy Industries, Inc. *	13,343	950
Agilysys, Inc. *	7,087	180
Alarm.com Holdings, Inc. *	12,688	545
Anixter International, Inc. *	10,486	966
Applied Optoelectronics, Inc. *	6,657	79
Arlo Technologies, Inc. *	26,370	111
Axcelis Technologies, Inc. *	11,292	272
Badger Meter, Inc.	10,140	658
Bel Fuse, Inc. - Class B	3,528	72
Benchmark Electronics, Inc.	13,106	450
Bottomline Technologies, Inc. *	13,275	712
Brooks Automation, Inc.	25,182	1,057
CalAmp Corp. *	11,884	114
Cardtronics PLC *	12,584	562
CEVA, Inc. *	7,660	207
Cohu, Inc.	14,373	328
Comtech Telecommunications Corp.	8,495	302
CSG Systems International, Inc.	11,476	594

Index 600 Stock Portfolio

Common Stocks (93.7%)	Shares/ Par +	Value $ (000's)
Information Technology continued		
CTS Corp.	11,356	341
Daktronics, Inc.	13,052	79
Diebold, Inc. *	26,748	282
Digi International, Inc. *	9,862	175
Diodes, Inc. *	14,400	812
DSP Group, Inc. *	8,012	126
Ebix, Inc.	7,754	259
ePlus, Inc. *	4,704	397
EVERTEC, Inc.	20,794	708
Exlservice Holdings, Inc. *	11,876	825
Extreme Networks, Inc. *	42,343	312
Fabrinet *	12,888	836
FARO Technologies, Inc. *	6,062	305
FormFactor, Inc. *	26,367	685
Harmonic, Inc. *	31,467	245
Ichor Holdings, Ltd. *	7,835	261
Insight Enterprises, Inc. *	12,465	876
Itron, Inc. *	12,266	1,030
KEMET Corp.	20,234	547
Knowles Corp. *	29,973	634
Kulicke and Soffa Industries, Inc.	22,086	601
LivePerson, Inc. *	21,443	793
ManTech International Corp. - Class A	9,374	749
MaxLinear, Inc. - Class A *	22,684	481
Methode Electronics, Inc. - Class A	12,919	508
MicroStrategy, Inc. - Class A *	2,867	409
MTS Systems Corp.	6,200	298
NETGEAR, Inc. *	10,501	257
NIC, Inc.	23,324	521
OneSpan, Inc. *	11,342	194
Onto Innovation, Inc. *	17,088	624
OSI Systems, Inc. *	5,946	599
PDF Solutions, Inc. *	9,690	164
Perficient, Inc. *	11,359	523
Photronics, Inc. *	23,405	369
Plantronics, Inc.	11,400	312
Plexus Corp. *	10,163	782
Power Integrations, Inc.	10,248	1,014
Progress Software Corp.	15,599	648
Qualys, Inc. *	11,611	968
Rambus, Inc. *	38,834	535
Rogers Corp. *	6,469	807
Sanmina Corp. *	24,374	835
ScanSource, Inc. *	8,800	325
SMART Global Holdings, Inc. *	4,582	174
SPS Commerce, Inc. *	12,135	673
Sykes Enterprises, Inc. *	13,422	496
TiVo Corp.	44,111	374
TTEC Holdings, Inc.	6,153	244
TTM Technologies, Inc. *	34,172	514
Ultra Clean Holdings, Inc. *	13,865	325
Unisys Corp. *	18,038	214
Veeco Instruments, Inc. *	17,033	250
Viavi Solutions, Inc. *	80,038	1,201
Virtusa Corp. *	10,395	471
Xperi Corp.	17,256	319
Total		**37,630**
Materials (4.6%)		
AdvanSix, Inc. *	9,722	194
AK Steel Holding Corp. *	110,222	363
American Vanguard Corp.	9,253	180
Balchem Corp.	11,205	1,139
Boise Cascade Co.	13,576	496
Century Aluminum Co. *	17,339	130
Clearwater Paper Corp. *	5,753	123
Cleveland-Cliffs, Inc.	94,072	790
Ferro Corp. *	28,550	423
FutureFuel Corp.	8,989	111
GCP Applied Technologies, Inc. *	18,735	425
H.B. Fuller Co.	17,757	916
Hawkins, Inc.	3,295	151
Haynes International, Inc.	4,359	156
Innophos Holdings, Inc.	6,859	219
Innospec, Inc.	8,532	883
Kaiser Aluminum Corp.	5,531	613
Koppers Holdings, Inc. *	7,209	276
Kraton Corp. *	11,043	280
Livent Corp. *	50,846	435
LSB Industries, Inc. *	7,619	32
Materion Corp.	7,107	422
Mercer International, Inc.	13,944	171
Myers Industries, Inc.	12,372	206
Neenah Paper, Inc.	5,857	412
Olympic Steel, Inc.	3,179	57
P.H. Glatfelter	15,385	282
Quaker Chemical Corp.	4,509	742
Rayonier Advanced Materials, Inc.	17,393	67
Schulman, Inc. - Contingent Value Rights *,Æ	8,527	4
Schweitzer-Mauduit International, Inc.	10,762	452
Stepan Co.	6,976	715
SunCoke Energy, Inc.	30,217	188
TimkenSteel Corp. *	13,894	109
Tredegar Corp.	8,596	192
Trinseo SA	13,647	508
Materials continued		
US Concrete, Inc. *	5,526	230
Warrior Met Coal, Inc.	17,789	376
Total		**13,468**
Real Estate (6.9%)		
Acadia Realty Trust	30,285	785
Agree Realty Corp.	14,773	1,037
American Assets Trust, Inc.	16,707	767
Armada Hoffler Properties, Inc.	19,304	354
CareTrust REIT, Inc.	33,283	687
CBL & Associates Properties, Inc.	60,434	63
Cedar Realty Trust, Inc.	29,935	88
Chatham Lodging Trust	16,344	300
Community Healthcare Trust, Inc.	6,606	283
DiamondRock Hospitality Co.	69,730	773
Easterly Government Properties, Inc.	25,830	613
Essential Properties Realty Trust, Inc.	28,224	700
Four Corners Property Trust, Inc.	24,004	677
Franklin Street Properties Corp.	37,350	320
Getty Realty Corp.	11,911	391
Global Net Lease, Inc.	31,159	632
Hersha Hospitality Trust	12,507	182
Independence Realty Trust, Inc.	31,660	446
Industrial Logistics Properties Trust	22,703	509
Innovative Industrial Properties, Inc.	4,129	313
iStar, Inc.	20,570	298
Kite Realty Group Trust	29,250	571
Lexington Realty Trust	86,336	917
LTC Properties, Inc.	13,846	620
Marcus & Millichap, Inc. *	8,178	305
National Storage Affiliates Trust	20,665	695
Office Properties Income Trust	16,789	540
Pennsylvania Real Estate Investment Trust	20,810	111
RE/MAX Holdings, Inc. - Class A	6,212	239
Realogy Holdings Corp.	39,826	385
Retail Opportunity Investments Corp.	40,402	713
RPT Realty	27,996	421
Safehold, Inc.	4,327	174
Saul Centers, Inc.	4,103	216

Index 600 Stock Portfolio

Common Stocks (93.7%)	Shares/ Par +	Value $ (000's)
Real Estate continued		
Summit Hotel Properties, Inc.	36,630	452
Uniti Group, Inc.	67,320	553
Universal Health Realty Income Trust	4,408	517
Urstadt Biddle Properties, Inc. - Class A	10,412	259
Washington Prime Group, Inc.	64,994	237
Washington Real Estate Investment Trust	28,072	819
Whitestone REIT	14,153	193
Xenia Hotels & Resorts, Inc.	39,234	848
Total		**20,003**
Utilities (2.0%)		
American States Water Co.	12,831	1,112
Avista Corp.	23,236	1,117
California Water Service Group	16,769	865
El Paso Electric Co.	14,188	963
Northwest Natural Holding Co.	10,601	782
South Jersey Industries, Inc.	32,181	1,061
Total		**5,900**
Total Common Stocks (Cost: $232,458)		**271,932**
Investment Companies (1.7%)		
Investment Companies (1.7%)		
iShares Core S&P Small-Cap ETF	59,252	4,968
Total		**4,968**
Total Investment Companies (Cost: $4,844)		**4,968**
Short-Term Investments (4.1%)		
Commercial Paper (3.3%)		
Apple, Inc. 0.000%, 1/9/20 144A	1,000,000	1,000
Exxon Mobil Corp. 0.000%, 1/17/20	500,000	500
General Mills, Inc. 0.000%, 1/6/20 144A	500,000	500
Marriott International, Inc. 0.000%, 1/6/20 144A	500,000	500
0.000%, 2/12/20 144A	500,000	498
Mondelez International, Inc. 0.000%, 1/8/20 144A	1,000,000	999

Short-Term Investments (4.1%)	Shares/ Par +	Value $ (000's)
Commercial Paper continued		
Pfizer, Inc. 0.000%, 1/23/20 144A	1,000,000	999
QUALCOMM, Inc. 0.000%, 2/4/20 144A	500,000	499
0.000%, 2/13/20 144A	500,000	499
Societe Generale SA 0.000%, 3/27/20 144A	500,000	498
The Southern Co. 0.000%, 1/7/20 144A	1,000,000	1,000
Walgreens Boots Alliance, Inc. 0.000%, 1/7/20 144A	500,000	500
0.000%, 3/3/20 144A	500,000	498
The Walt Disney Co. 0.000%, 1/23/20 144A	1,000,000	999
Total		**9,489**
Money Market Funds (0.8%)		
State Street Institutional U.S. Government Money Market Fund - Premier Class 1.540% #	2,370,999	2,371
Total		**2,371**
Total Short-Term Investments (Cost: $11,860)		**11,860**
Total Investments (99.5%) (Cost: $249,162)@		**288,760**
Other Assets, Less Liabilities (0.5%)		**1,351**
Net Assets (100.0%)		**290,111**

Index 600 Stock Portfolio

Over the Counter Derivatives
Total Return Swaps

Reference Entity	Counterparty	Payment made by the Fund	Payment Received by the Fund	Expiration Date	Notional Amount (000's)	Unrealized Appreciation/ (Depreciation) (000's)	Market Value (000's)
S&P SmallCap 600 Index	JP Morgan	1-Month USD LIBOR + 22.0 basis points	S&P SmallCap 600 Index	5/20	11,709	$ 496	$ 496
						$ 496	$ 496

	Financial Derivative Assets (000's)			Financial Derivative Liabilities (000's)			
	Forward Contracts	Swaps	Total	Forward Contracts	Options	Swaps	Total
Total Over the Counter Derivatives	—	$ 496	$ 496	—	—	—	—

\+ All par is stated in U.S Dollar unless otherwise noted.
* Non income producing
Æ Security valued using significant unobservable inputs.
144A Security exempt from registration under Rule 144A of the Securities Act of 1933. These securities may be resold as transactions exempt from registration, normally to qualified institutional buyers. At December 31, 2019 the value of these securities (in thousands) was $8,989 representing 3.1% of the net assets.
7-Day yield as of 12/31/2019.
@ At December 31, 2019, the aggregate cost of investments, including derivatives, for federal tax purposes (in thousands) was $250,253 and the net unrealized appreciation of investments based on that cost was $39,003 which is comprised of $63,137 aggregate gross unrealized appreciation and $24,134 aggregate gross unrealized depreciation.

The following is a summary of the inputs used in valuing the Portfolio's assets and liabilities at December 31, 2019. See Note 3 for additional information on portfolio valuation.

	Valuation Inputs		
Description	**Level 1 - Quoted Prices**	**Level 2 - Other Significant Observable Inputs**	**Level 3 - Significant Unobservable Inputs**
	(Amounts in thousands)		
Assets:			
Common Stocks			
Materials	$ 13,464	$ —	$ 4
All Others	258,464	—	—
Investment Companies	4,968	—	—
Short-Term Investments			
Money Market Funds	2,371	—	—
All Others	—	9,489	—
Other Financial Instruments^			
Total Return Swaps	—	496	—
Total Assets:	$ 279,267	$ 9,985	$ 4

^ Other financial instruments are derivative instruments such as futures and forwards, which are valued at the unrealized appreciation (depreciation) on the instrument, and securities sold short, reverse repurchase agreements, written options and swaps contracts, which are valued at market value.

Small Cap Value Portfolio (unaudited)

Objective:	**Portfolio Strategy:**	**Net Assets:**
Long-term growth of capital.	Invest primarily in common stocks of small-sized companies believed to be undervalued.	$606 million

PORTFOLIO OVERVIEW

Mason Street Advisors, LLC ("Mason Street Advisors"), the investment adviser for the Small Cap Value Portfolio ("the Portfolio"), has engaged T. Rowe Price Associates, Inc. ("T. Rowe Price") to act as sub-adviser for the Portfolio. Normally, the Portfolio invests in common stocks of companies with market capitalizations that do not exceed the maximum market capitalization of any security in the Russell 2000® Index at the time of purchase. Reflecting a value approach to investing, the Portfolio will seek the stocks of companies whose current stock prices do not appear to adequately reflect their underlying value as measured by assets, earnings, cash flow or business franchises.

MARKET OVERVIEW

U.S. stocks surged in 2019, with several major indices hitting all-time highs in the second half of the year. The U.S. Federal Reserve's decision to keep interest rates steady in the first half of the year and then reduce rates three times starting in July was a major driver of market performance. Trade discussions between the U.S. and China also drove market sentiment throughout the year. Speculation arose numerous times during the year that the two countries were "close" to reaching an agreement, although occasional tensions seemed to reduce its likelihood. A preliminary "phase one" trade deal was finally agreed upon in December, supporting investor enthusiasm into the end of the year. As part of the agreement, the U.S. would lower or cancel the scheduled tariff rate on various Chinese goods. The agreement would also require "structural reforms and other changes to China's economic and trade regime in the areas of intellectual property, technology transfer, agriculture, financial services and currency and foreign exchange". Large cap shares outperformed their smaller peers, as measured by various Russell U.S. indices, and growth stocks soundly outperformed value across all market capitalizations.

PORTFOLIO RESULTS

The Portfolio returned 25.89% for the twelve months ended December 31, 2019. By comparison, the Portfolio's benchmark, the Russell 2000® Value Index (the "Index"), returned 22.39%. (The Index is unmanaged, cannot be invested in directly and does not incur expenses.) According to Lipper® Analytical Services, Inc., an independent mutual fund ranking agency, the average return in 2019 of the Small Cap Value Funds peer group was 22.89%.

The Portfolio's outperformance relative to the Index was primarily due to favorable stock selection. The Industrials sector was the leading contributor to relative results, driven by strong stock selection, such as Triumph Group, a global supplier of aerospace components and systems. The company is a rollup of several acquisitions, whose customers include aircraft manufactures and airlines. Large commercial aircraft account for just over half of sales, with business jets, regional jets, and military programs making up the balance of revenues. The portfolio manager believed the company's turnaround efforts were gaining traction, as key divestitures and a new cost-savings plan marked progress in the transition from growth to execution.

Stock selection and an underweight allocation to the Energy sector also supported relative results, led by holdings in International Seaways and WPX Energy. The Communication Services sector boosted relative performance due to stock selection, driven by Cable One. Shares of the company rose on solid quarterly results and positive investor sentiment about the recent acquisitions of Clearwave Communications and Fidelity Communications, which are expected to generate significant synergies.

Conversely, the Information Technology sector weighed on relative performance, due to weak stock selection, in particular Littelfuse.

Stock selection in the Financials sector also hurt relative performance. Shares of Green Dot, the leading provider of general-purpose reloadable cards in the U.S., declined following a 20% cut to forward guidance in order to fund a marketing campaign for a new direct bank. Despite uncertainty regarding the outcome of the company's entrance into this new business segment, the portfolio manager remained confident in Green Dot's core business and believed that, with solid execution, it could become a substantially larger platform over time, growing with key digital partners including Apple Pay and Intuit.

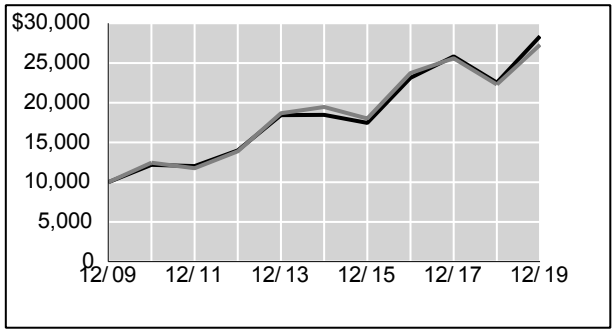
Small Cap Value Portfolio (unaudited)

PORTFOLIO MANAGER OUTLOOK

The following forward-looking comments are the opinion of T. Rowe Price, the Portfolio's sub-adviser.

For much of the past year, the trade war and a general focus on macroeconomic events, rather than company fundamentals, have been at work. In recent months, however, investors have proven more discriminatory by rewarding stocks that beat earnings and revenue expectations, while punishing those that missed. Despite this current respite from macroeconomic-driven sentiment, we expect volatility levels may wax and wane in the months and year ahead, and we will continue to take advantage of price dislocations where we find them. Our focus remains on long-term performance, and we believe a contrarian approach will ultimately best serve the interests of our shareholders.

Relative Performance



Average Annual Total Returns
For Periods Ended December 31, 2019

	1 Year	5 Years	10 Years
Small Cap Value Portfolio	25.89%	8.96%	10.99%
Russell 2000® Value Index	22.39%	6.99%	10.56%
Lipper® Variable Insurance Products (VIP) Small Cap Value Funds Average	22.89%	6.25%	10.13%

The performance data quoted represents past performance. Past performance is historical and does not guarantee future performance. Investment return and principal value will fluctuate, so that shares, when redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than the performance data quoted. For the most recent month-end performance information visit www.northwesternmutual.com.

This chart assumes an initial investment of $10,000 made on 12/31/09. Returns shown reflect fee waivers, deductions for management and other portfolio expenses, and reinvestment of all dividends. In the absence of fee waivers, total return would be reduced. Returns exclude deductions for separate account sale loads and account fees. Please refer to the Benchmark Definitions section of this report for information about the indices cited in the above chart and graph.

Stocks of smaller companies, such as those held in this Portfolio, are more likely to realize more substantial growth as well as suffer more significant losses than larger or more established issuers. Investments in such companies can be both more volatile and more speculative. Investing in small company stocks involves a greater degree of risk than investing in medium or large company stocks.

The Portfolio may invest a portion of its assets in other investment companies, including open-end and closed-end funds, exchange-traded funds ("ETFs"), and business development companies ("BDCs"), and will bear its pro rata portion of such expenses. The market prices of ETFs, closed-end funds and BDCs may trade at a premium or discount to their net asset values and may be subject to trading halts by the applicable exchange, which may negatively impact the Portfolio. BDCs in particular may be less liquid and more adversely affected by poor economic or market conditions.

The Portfolio may invest a relatively high percentage of its assets in a particular sector. The Portfolio will have greater exposure to the risks associated with that sector and its performance will be tied more closely to the performance of the sector.

Top 10 Equity Holdings 12/31/19

Security Description	% of Net Assets
Belden, Inc.	1.6%
Cable One, Inc.	1.5%
Home BancShares, Inc.	1.5%
Strategic Education, Inc.	1.4%
Littelfuse, Inc.	1.4%
Triumph Group, Inc.	1.2%
WSFS Financial Corp.	1.2%
FTI Consulting, Inc.	1.2%
Nomad Foods, Ltd.	1.2%
PNM Resources, Inc.	1.2%

Small Cap Value Portfolio (unaudited)

Sector Allocation 12/31/19

Sector	% of Net Assets
Financials	28.0%
Industrials	14.0%
Real Estate	10.3%
Consumer Discretionary	9.2%
Information Technology	8.8%
Health Care	6.8%
Energy	6.2%
Utilities	5.7%
Materials	4.0%
Consumer Staples	2.7%
Communication Services	2.2%
Short-Term Investments & Other Net Assets	2.1%

Sector Allocation and Top 10 Holdings are subject to change.

Small Cap Value Portfolio

SCHEDULE OF INVESTMENTS

December 31, 2019

Common Stocks (97.9%)	Shares/ Par +	Value $ (000's)
Communication Services (2.2%)		
Cable One, Inc.	6,264	9,324
Rosetta Stone, Inc. *	118,180	2,144
Scholastic Corp.	52,058	2,001
Total		**13,469**
Consumer Discretionary (9.2%)		
Aaron's, Inc.	116,147	6,633
Cavco Industries, Inc. *	26,870	5,250
Dorman Products, Inc. *	54,030	4,091
Express, Inc. *	252,169	1,228
Garrett Motion, Inc. *	188,239	1,881
LCI Industries	34,626	3,710
Lumber Liquidators Holdings, Inc. *	77,864	761
Marriott Vacations Worldwide Corp.	22,805	2,936
Monro Muffler Brake, Inc.	35,514	2,777
Papa John's International, Inc.	39,091	2,469
Pool Corp.	33,442	7,102
Red Robin Gourmet Burgers, Inc. *	40,376	1,333
Steven Madden, Ltd.	119,941	5,159
Strategic Education, Inc.	54,307	8,629
Visteon Corp. *	23,038	1,995
Total		**55,954**
Consumer Staples (2.7%)		
Grocery Outlet Holding Corp. *	47,932	1,555
Nomad Foods, Ltd. *	326,655	7,307
Post Holdings, Inc. *	39,703	4,332
The Simply Good Foods Co. *	105,252	3,004
Total		**16,198**
Energy (6.2%)		
Apergy Corp. *	89,237	3,014
Cactus, Inc.	69,274	2,377
Dril-Quip, Inc. *	34,500	1,618
Frank's International NV *	278,481	1,440
International Seaways, Inc. *	130,743	3,891
Kimbell Royalty Partners LP	112,437	1,911
Kosmos Energy, Ltd.	353,329	2,014
Liberty Oilfield Services, Inc.	275,768	3,067
Magnolia Oil & Gas Corp. *	236,968	2,981
Matador Resources Co. *	173,103	3,111
Energy continued		
NexTier Oilfield Solutions, Inc. *	120,880	810
REX American Resources Corp. *	42,401	3,475
TETRA Technologies, Inc. *	1,100,811	2,158
WPX Energy, Inc. *	391,999	5,386
Total		**37,253**
Financials (28.0%)		
Assured Guaranty, Ltd.	32,608	1,598
Atlantic Capital Bancshares, Inc. *	80,001	1,468
Axis Capital Holdings, Ltd.	23,296	1,385
BankUnited, Inc.	177,952	6,506
BOK Financial Corp.	33,330	2,913
Cannae Holdings, Inc. *	37,286	1,387
Capstead Mortgage Corp.	385,717	3,055
CBOE Holdings, Inc.	5,698	684
CenterState Bank Corp.	153,131	3,825
Columbia Banking System, Inc.	144,208	5,867
Conyers Park II Acquisition Corp. *	77,852	847
CrossFirst Bankshares, Inc. *	125,330	1,807
East West Bancorp, Inc.	64,611	3,147
Employers Holdings, Inc.	57,589	2,404
FB Financial Corp.	93,722	3,710
Glacier Bancorp, Inc.	108,969	5,011
Green Dot Corp. - Class A *	72,180	1,682
HarborOne Bancorp, Inc.	283,835	3,119
Hercules Capital, Inc.	231,015	3,239
Heritage Commerce Corp.	139,413	1,789
Heritage Financial Corp. of Washington	86,873	2,459
Home BancShares, Inc.	456,570	8,976
Hope Bancorp, Inc.	199,960	2,971
Houlihan Lokey, Inc.	87,765	4,289
Howard Bancorp, Inc. *	101,599	1,715
Independent Bank Corp.	15,504	1,291
James River Group Holdings, Ltd.	38,351	1,580
Live Oak Bancshares, Inc.	67,864	1,290
Main Street Capital Corp.	58,488	2,521
Financials continued		
Meridian Bancorp, Inc.	185,272	3,722
National Bank Holding Corp. - Class A	132,251	4,658
Origin Bancorp, Inc.	59,242	2,242
Palomar Holdings, Inc. *	21,332	1,077
PCSB Financial Corp.	100,694	2,039
PDL Community Bancorp *	20,581	303
PennyMac Financial Services, Inc.	155,546	5,295
PennyMac Mortgage Investment Trust	99,306	2,214
Pinnacle Financial Partners, Inc.	96,737	6,191
Popular, Inc.	77,917	4,578
Primerica, Inc.	4,100	535
ProAssurance Corp.	85,657	3,096
Prosperity Bancshares, Inc.	63,587	4,571
Radian Group, Inc.	202,117	5,085
Redwood Trust, Inc.	124,687	2,062
Safety Insurance Group, Inc.	25,362	2,347
State Auto Financial Corp.	102,372	3,176
Texas Capital Bancshares, Inc. *	67,162	3,813
TowneBank	195,555	5,440
Virtus Investment Partners, Inc.	23,876	2,906
Webster Financial Corp.	95,992	5,122
Western Alliance Bancorporation	98,226	5,599
Wintrust Financial Corp.	44,769	3,174
WSFS Financial Corp.	170,642	7,507
Total		**169,287**
Health Care (6.8%)		
Atrion Corp.	6,508	4,891
Avanos Medical, Inc. *	101,781	3,430
Cara Therapeutics, Inc. *	48,351	779
Ensign Group, Inc.	64,762	2,938
Envista Holdings Corp. *	92,113	2,730
Mesa Laboratories, Inc.	11,041	2,754
Molina Healthcare, Inc. *	7,776	1,055
Momenta Pharmaceuticals, Inc. *	131,888	2,602
Option Care Health, Inc. *	100,765	376

Small Cap Value Portfolio

Common Stocks (97.9%)	Shares/ Par +	Value $ (000's)
Health Care continued		
The Pennant Group, Inc. *	72,659	2,403
Phreesia, Inc. *	47,391	1,262
Quidel Corp. *	63,520	4,766
Radius Health, Inc. *	34,863	703
Select Medical Holdings Corp. *	226,003	5,275
Ultragenyx Pharmaceutical, Inc. *	13,719	586
West Pharmaceutical Services, Inc.	22,385	3,365
Xencor, Inc. *	34,698	1,193
Total		**41,108**
Industrials (14.0%)		
Aegion Corp. *	233,168	5,216
Beacon Roofing Supply, Inc. *	93,599	2,993
Blue Bird Corp. *	91,250	2,092
Brady Corp. - Class A	51,632	2,957
The Brink's Co.	23,637	2,143
CIRCOR International, Inc. *	92,902	4,296
Clarivate Analytics PLC *	129,753	2,180
Cubic Corp.	74,266	4,721
ESCO Technologies, Inc.	58,218	5,385
FTI Consulting, Inc. *	66,586	7,368
Helios Technologies, Inc.	74,847	3,460
Huron Consulting Group, Inc. *	30,519	2,097
Kirby Corp. *	24,534	2,197
Landstar System, Inc.	43,587	4,963
McGrath RentCorp	56,343	4,313
MSA Safety, Inc.	23,577	2,979
Parsons Corp. *	51,761	2,137
RBC Bearings, Inc. *	15,412	2,440
SPX Corp. *	29,904	1,522
Stericycle, Inc. *	58,207	3,714
Thermon Group Holdings, Inc. *	82,580	2,213
Triumph Group, Inc.	297,548	7,519
Universal Forest Products, Inc.	111,361	5,312
Universal Logistics Holdings, Inc.	35,762	678
Total		**84,895**
Information Technology (8.8%)		
Belden, Inc.	172,896	9,509
Cabot Microelectronics Corp.	29,042	4,191
Ceridian HCM Holding, Inc. *	82,626	5,609
Conduent, Inc. *	168,075	1,042
Entegris, Inc.	63,752	3,193
GTT Communications, Inc. *	103,721	1,177

Common Stocks (97.9%)	Shares/ Par +	Value $ (000's)
Information Technology continued		
Harmonic, Inc. *	687,887	5,366
i3 Verticals, Inc. *	88,029	2,487
Knowles Corp. *	240,031	5,077
Littelfuse, Inc.	43,895	8,397
MaxLinear, Inc. - Class A *	127,282	2,701
Onto Innovation, Inc. *	45,707	1,670
Semtech Corp. *	22,500	1,190
Zendesk, Inc. *	23,634	1,811
Total		**53,420**
Materials (4.0%)		
American Vanguard Corp.	97,227	1,893
Carpenter Technology Corp.	85,975	4,280
Clearwater Paper Corp. *	95,443	2,039
Constellium Se *	249,827	3,348
Minerals Technologies, Inc.	54,917	3,165
Myers Industries, Inc.	165,026	2,752
Quaker Chemical Corp.	19,462	3,202
Reliance Steel & Aluminum Co.	27,459	3,288
Total		**23,967**
Real Estate (10.3%)		
Acadia Realty Trust	83,777	2,172
American Campus Communities, Inc.	62,503	2,940
Cedar Realty Trust, Inc.	917,169	2,706
Douglas Emmett, Inc.	56,696	2,489
EastGroup Properties, Inc.	38,214	5,070
Hannon Armstrong Sustainable Infrastructure Capital, Inc.	133,439	4,294
Healthcare Realty Trust, Inc.	152,855	5,101
JBG SMITH Properties	122,515	4,887
Kilroy Realty Corp.	36,412	3,055
Potlatch Corp.	112,338	4,861
PS Business Parks, Inc.	28,660	4,725
Saul Centers, Inc.	62,117	3,279
The St. Joe Co. *	200,967	3,985
Sunstone Hotel Investors, Inc.	338,246	4,708
Terreno Realty Corp.	125,404	6,789
Washington Real Estate Investment Trust	55,345	1,615
Total		**62,676**
Utilities (5.7%)		
California Water Service Group	56,107	2,893
Chesapeake Utilities Corp.	73,780	7,070
MGE Energy, Inc.	34,319	2,705

Common Stocks (97.9%)	Shares/ Par +	Value $ (000's)
Utilities continued		
ONE Gas, Inc.	76,139	7,124
PNM Resources, Inc.	143,920	7,298
Portland General Electric Co.	51,032	2,847
RGC Resources, Inc.	29,756	851
Southwest Gas Holdings, Inc.	53,134	4,037
Total		**34,825**
Total Common Stocks (Cost: $432,807)		**593,052**
Short-Term Investments (1.8%)		
Money Market Funds (1.8%)		
State Street Institutional U.S. Government Money Market Fund - Premier Class 1.540% #	10,804,164	10,804
Total		**10,804**
Total Short-Term Investments (Cost: $10,804)		**10,804**
Total Investments (99.7%) (Cost: $443,611)@		**603,856**
Other Assets, Less Liabilities (0.3%)		**1,678**
Net Assets (100.0%)		**605,534**

Small Cap Value Portfolio

+ All par is stated in U.S Dollar unless otherwise noted.
* Non income producing
7-Day yield as of 12/31/2019.
@ At December 31, 2019, the aggregate cost of investments, including derivatives, for federal tax purposes (in thousands) was $445,438 and the net unrealized appreciation of investments based on that cost was $158,419 which is comprised of $178,481 aggregate gross unrealized appreciation and $20,062 aggregate gross unrealized depreciation.

The following is a summary of the inputs used in valuing the Portfolio's assets and liabilities at December 31, 2019. See Note 3 for additional information on portfolio valuation.

	Valuation Inputs		
Description	**Level 1 - Quoted Prices**	**Level 2 - Other Significant Observable Inputs**	**Level 3 - Significant Unobservable Inputs**
	(Amounts in thousands)		
Assets:			
Common Stocks	$ 593,052	$ —	$ —
Short-Term Investments	10,804	—	—
Total Assets:	$ 603,856	$ —	$ —

International Growth Portfolio (unaudited)

Objective:	Portfolio Strategy:	Net Assets:
Long-term growth of capital.	Invest in securities of issuers from countries outside the U.S. that have above average growth potential.	$816 million

PORTFOLIO OVERVIEW

Mason Street Advisors, LLC ("Mason Street Advisors"), the investment adviser for the International Growth Portfolio (the "Portfolio"), has engaged FIAM LLC ("FIAM") to act as sub-adviser for the Portfolio. FIAM is an indirect, wholly-owned subsidiary of FMR LLC (along with its affiliates, "Fidelity Investments"). Normally, the Portfolio will invest in the securities of issuers from countries outside the United States. The Portfolio invests in companies it believes operate in a market environment, or with a competitive advantage, that make it difficult for competition to disrupt current and future profitability, in combination with growth drivers that may offer above-average growth potential measured by factors such as earnings or revenue. In buying and selling securities for the Portfolio, the portfolio manager relies on fundamental analysis, which involves a "bottom-up" assessment of a company's potential for success in light of factors such as its financial condition, earnings outlook, strategy, management, industry position and economic and market conditions.

MARKET OVERVIEW

Favorable policy developments, including continued monetary easing by the U.S. Federal Reserve and a de-escalation of the trade conflict between the U.S. and China, provided fuel to power global stock markets to a strong finish in 2019. Overall, the global economic cycle could still be characterized as a mature expansion with hints of improvement in some areas, including nascent signs of stability in global trade, manufacturing and industrial activity, which had previously been declining.

PORTFOLIO RESULTS

The Portfolio returned 34.80% for the twelve months ended December 31, 2019. By comparison, the Portfolio's benchmark, the MSCI EAFE® Growth Index (the "Index"), returned 28.43%. (The Index is unmanaged, cannot be invested in directly and does not incur expenses.) According to Lipper® Analytical Services, Inc., an independent mutual fund ranking agency, the average return in 2019 of the International Large-Cap Growth Funds peer group was 26.60%.

From a geographic standpoint, results were broadly positive, with positioning in the U.S. and Europe driving outperformance for the reporting period. Out-of-benchmark exposure in Canada was the only slight detractor.

On a sector basis, security selection and a substantial overweight position in the Information Technology sector contributed the most to the Portfolio's relative returns. Stock selection and an underweight allocation to the Consumer Staples sector combined to produce the second largest contributor to returns. Stock selection in the Materials, Financials, Communication Services and Health Care sectors also benefited results.

Among Information Technology stocks, the Portfolio's substantial overweight exposure in Netherlands-based semiconductor equipment company ASML Holding positioned it as the biggest contributor to returns. The company's next-generation lithography technology continued to be a crucial component for leading-edge chip design, especially at Taiwan Semiconductor Manufacturing, another leading driver of the Portfolio's relative gains during the reporting period.

A sizeable position in MasterCard was the second-largest contributor to relative returns. The other half of the duopoly in global payment processing, Visa, was also among the Portfolio's top ten contributors.

In Financials, a position in market index and data provider MSCI and bond rating agency Moody's helped the Portfolio. MSCI continued to benefit from investor migration to index funds and environmental, social and governance strategies that made use of the company's well-respected framework. Moody's benefited from strong debt issuance volumes in the U.S. and Europe.

On the negative side, stock selection in the Consumer Discretionary, Energy and Industrials sectors detracted from the Portfolio's gains. An underweight position in luxury goods company LVMH Moet Hennessy Louis Vuitton ("LVMH") was the largest detractor. The Portfolio added the LVMH position midyear, missing some of its rally. A modest overweight position in Austria-based industrial conglomerate Andritz was the Portfolio's second largest detractor. Andritz was hurt by weakness in global automobile demand and competition from Chinese manufacturers. The weakness in auto demand also weighed on

Japan-based component supplier Denso, a modest out-of-benchmark position and the third-largest detractor from relative performance during the period.

PORTFOLIO MANAGER OUTLOOK

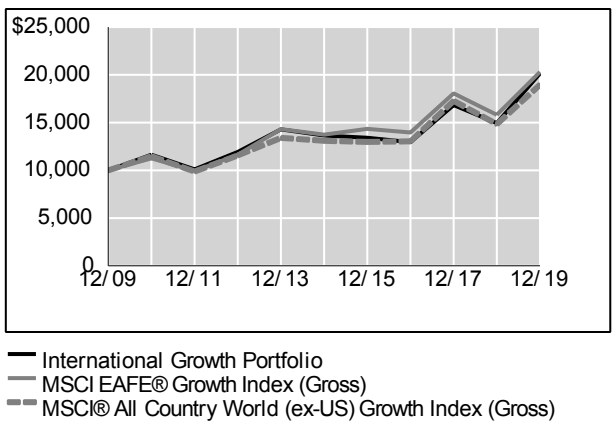
The following forward-looking comments are the opinion of FIAM, the Portfolio's sub-adviser.

We target companies with multi-year structural growth prospects, high barriers to entry and attractive valuations based on our earnings forecasts. We typically find these franchise businesses at cheap-to-reasonable prices in one of three ways. First, we target structurally attractive growth themes. Second, we try to capitalize on cyclically out-of-favor companies with pricing power when the market becomes excessively focused on near-term cyclical concerns and investors lose sight of the cross-cycle earnings power. Third, we attempt to capitalize on market dislocations driven by macro-economic shocks.

Over the past couple of years, we have become more pessimistic about Consumer Staples companies, as the rise of e-commerce has diminished the value of their distribution networks, allowing upstart online brands to challenge the pricing power and brand supremacy of many benchmark constituents.

We remain optimistic about the long-term attractiveness of online payment technology, leading-edge lithography equipment and blood plasma technologies.

Relative Performance



Average Annual Total Returns
For Periods Ended December 31, 2019

	1 Year	5 Years	10 Years
International Growth Portfolio	34.80%	8.10%	7.25%
MSCI EAFE® Growth Index (Gross)	28.43%	8.13%	7.34%
MSCI® All Country World (ex-US) Growth Index (Gross)	27.85%	7.69%	6.61%
Lipper® Variable Insurance Products (VIP) International Large Cap Growth Funds	26.60%	6.73%	6.06%

The performance data quoted represents past performance. Past performance is historical and does not guarantee future performance. Investment return and principal value will fluctuate, so that shares, when redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than the performance data quoted. For the most recent month-end performance information visit www.northwesternmutual.com.

This chart assumes an initial investment of $10,000 made on 12/31/09. Returns shown reflect fee waivers, deductions for management and other portfolio expenses, and reinvestment of all dividends. In the absence of fee waivers, total return would be reduced. Returns exclude deductions for separate account sale loads and account fees. Please refer to the Benchmark Definitions section of this report for information about the indices cited in the above chart and graph.

Investors should be aware of the risks of investments in foreign securities, particularly investments in securities of companies in developing nations.

The Portfolio may invest a relatively large percentage of its assets in issuers located in a single country, a small number of countries, or a particular geographic region. The Portfolio's performance may be more volatile than that of a more geographically diversified fund, and may be tied more closely to the performance of a single country or region.

The Portfolio may invest a relatively high percentage of its assets in a particular sector. The Portfolio will have greater exposure to the risks associated with that sector and its performance will be tied more closely to the performance of the sector.

International Growth Portfolio (unaudited)

Top 10 Equity Holdings 12/31/19

Security Description	% of Net Assets
Nestle SA	5.6%
ASML Holding NV	4.3%
Roche Holding AG	3.7%
SAP SE	3.7%
AIA Group, Ltd.	3.2%
Keyence Corp.	3.2%
CSL, Ltd.	2.8%
Mastercard, Inc. - Class A	2.8%
Visa, Inc. - Class A	2.7%
Linde PLC	2.4%

Sector Allocation 12/31/19

Sector	% of Net Assets
Information Technology	23.9%
Industrials	21.6%
Financials	16.6%
Health Care	9.8%
Consumer Discretionary	8.8%
Materials	7.4%
Consumer Staples	7.4%
Communication Services	2.8%
Real Estate	0.9%
Short-Term Investments & Other Net Assets	0.5%
Energy	0.3%

Sector Allocation and Top 10 Holdings are subject to change.

International Growth Portfolio

SCHEDULE OF INVESTMENTS

December 31, 2019

Common Stocks (99.5%)	Country	Shares/ Par +	Value $ (000's)
Communication Services (2.8%)			
Adevinta ASA - Class B *	Norway	338,015	4,005
Alphabet, Inc. - Class A *	United States	4,600	6,161
Rightmove PLC	United Kingdom	516,300	4,333
Safaricom, Ltd.	Kenya	12,819,000	3,997
Schibsted ASA - Class B	Norway	144,799	4,155
Total			**22,651**
Consumer Discretionary (8.8%)			
Alibaba Group Holding, Ltd. *	Cayman Islands	38,000	1,010
Alibaba Group Holding, Ltd., ADR *	Cayman Islands	59,179	12,552
Autoliv, Inc.	United States	66,100	5,580
Informa PLC	United Kingdom	382,298	4,340
InterContinental Hotels Group PLC, ADR	United Kingdom	194,984	13,390
LVMH Moet Hennessy Louis Vuitton SE	France	40,200	18,677
Naspers, Ltd. - Class N	South Africa	28,000	4,580
Prosus NV *	Netherlands	44,800	3,343
USS Co., Ltd.	Japan	439,600	8,301
Total			**71,773**
Consumer Staples (7.4%)			
Alimentation Couche-Tard, Inc. - Class B	Canada	137,000	4,348
BGF Retail Co., Ltd.	South Korea	15,924	2,325
Clicks Group, Ltd.	South Africa	347,852	6,372
Nestle SA	Switzerland	420,569	45,563
PriceSmart, Inc.	United States	26,200	1,861
Total			**60,469**
Energy (0.3%)			
Pason Systems, Inc.	Canada	100,700	1,017
PrairieSky Royalty, Ltd.	Canada	102,400	1,201
Total			**2,218**
Financials (16.6%)			
AIA Group, Ltd.	Hong Kong	2,482,688	26,062
B3 SA - Brasil, Bolsa, Balcao	Brazil	456,500	4,878
Berkshire Hathaway, Inc. - Class B *	United States	38,900	8,811
Deutsche Borse Aktiengesellschaft	Germany	56,000	8,807
Hong Kong Exchanges & Clearing, Ltd.	Hong Kong	301,500	9,789
Housing Development Finance Corp., Ltd.	India	332,663	11,246
KBC Group NV	Belgium	52,132	3,921
London Stock Exchange Group PLC	United Kingdom	70,300	7,217
Marsh & McLennan Cos., Inc.	United States	111,723	12,447
Moody's Corp.	United States	44,700	10,612
MSCI, Inc.	United States	42,400	10,947
Prudential PLC	United Kingdom	562,263	10,792
Financials continued			
S&P Global, Inc.	United States	37,900	10,349
Total			**135,878**
Health Care (9.8%)			
CSL, Ltd.	Australia	119,195	23,066
Hoya Corp.	Japan	152,500	14,561
ResMed, Inc.	United States	76,800	11,901
Roche Holding AG	Switzerland	93,352	30,270
Total			**79,798**
Industrials (21.6%)			
Assa Abloy AB - Class B	Sweden	780,300	18,234
Atlas Copco AB - Class A	Sweden	334,200	13,322
Auckland International Airport, Ltd.	New Zealand	734,155	4,324
BAE Systems PLC	United Kingdom	411,300	3,077
Canadian National Railway Co.	Canada	32,900	2,976
Canadian Pacific Railway, Ltd.	Canada	21,800	5,557
East Japan Railway Co.	Japan	66,100	5,966
Edenred	France	155,700	8,051
Elis SA	France	96,094	1,994
Epiroc AB	Sweden	500,900	6,122
Experian PLC	Jersey	345,700	11,686
Fagerhult AB	Sweden	74,589	474
FANUC Corp.	Japan	48,700	8,994
Interpump Group SpA	Italy	145,400	4,606
Legrand SA	France	95,700	7,798
Loomis AB - Class B	Sweden	58,000	2,403
MISUMI Group, Inc.	Japan	416,300	10,295
MTU Aero Engines AG	Germany	36,300	10,366
Nabtesco Corp.	Japan	120,600	3,559
OSG Corp.	Japan	184,700	3,517
Prosegur Cia de Seguridad SA	Spain	710,600	2,933
Recruit Holdings Co., Ltd.	Japan	242,600	9,129
Safran SA	France	90,500	13,973
Schindler Holding AG	Switzerland	40,693	10,354
Schindler Holding AG - Registered Shares	Switzerland	6,085	1,491
SHO-BOND Holdings Co., Ltd.	Japan	130,800	5,418
Total			**176,619**
Information Technology (23.9%)			
Amadeus IT Group SA	Spain	217,000	17,720
ASML Holding NV	Netherlands	118,800	35,140
Azbil Corp.	Japan	204,600	5,759
Black Knight, Inc. *	United States	105,600	6,809
Keyence Corp.	Japan	73,200	25,909
Lam Research Corp.	United States	22,100	6,462
Mastercard, Inc. - Class A	United States	75,900	22,663
PayPal Holdings, Inc. *	United States	34,200	3,700
SAP SE	Germany	224,419	30,245
Spectris PLC	United Kingdom	145,900	5,616

International Growth Portfolio

Common Stocks (99.5%)	Country	Shares/ Par +	Value $ (000's)
Information Technology continued			
Taiwan Semiconductor Manufacturing Co., Ltd.	Taiwan	1,206,000	13,317
Visa, Inc. - Class A	United States	115,125	21,632
Total			**194,972**
Materials (7.4%)			
CRH PLC, ADR	Ireland	345,700	13,942
Elementis PLC	United Kingdom	425,625	1,009
Franco-Nevada Corp.	Canada	39,600	4,089
Linde PLC	Ireland	89,355	19,182
Martin Marietta Materials, Inc.	United States	31,100	8,697
The Sherwin-Williams Co.	United States	21,400	12,487
Tikkurila Oyj	Finland	86,400	1,390
Total			**60,796**
Real Estate (0.9%)			
Vonovia SE	Germany	132,600	7,139
Total			**7,139**
Total Common Stocks (Cost: $584,879)			**812,313**
Short-Term Investments (0.4%)			
Money Market Funds (0.4%)			
State Street Institutional U.S. Government Money Market Fund - Premier Class 1.540%#	United States	2,963,618	2,964
Total			**2,964**
Total Short-Term Investments (Cost: $2,964)			**2,964**
Total Investments (99.9%) (Cost: $587,843)@			**815,277**
Other Assets, Less Liabilities (0.1%)			**836**
Net Assets (100.0%)			**816,113**

Investments Percentage by Country is based on Net Assets:	
United States	20.1%
Japan	12.4%
Switzerland	10.8%
Germany	7.0%
France	6.1%
United Kingdom	6.1%
Other	37.4%
Total	99.9%

Over the Counter Derivatives
Forward Contracts

Type	Counterparty	Currency	Foreign Principal Amount Covered by Contract (000s)	USD Principal Amount Covered by Contract (000's)	Settlement Month	Unrealized Appreciation (000's)	Unrealized (Depreciation) (000's)	Net Unrealized Appreciation/ (Depreciation) (000's)
Buy	Brown Brothers Harriman & Co	JPY	27,485	253	1/20	$ 2	$ —	$ 2
						$ 2	$ —	$ 2

	Financial Derivative Assets (000's)				Financial Derivative Liabilities (000's)			
	Forward Contracts	Swaps	Total		Forward Contracts	Options	Swaps	Total
Total Over the Counter Derivatives	$ 2	—	$ 2		—	—	—	—

\+ All par is stated in U.S Dollar unless otherwise noted.
* Non income producing
\# 7-Day yield as of 12/31/2019.
@ At December 31, 2019, the aggregate cost of investments, including derivatives, for federal tax purposes (in thousands) was $588,891 and the net unrealized appreciation of investments based on that cost was $226,387 which is comprised of $237,248 aggregate gross unrealized appreciation and $10,861 aggregate gross unrealized depreciation.

International Growth Portfolio

The following is a summary of the inputs used in valuing the Portfolio's assets and liabilities at December 31, 2019. See Note 3 for additional information on portfolio valuation.

	Valuation Inputs		
Description	**Level 1 - Quoted Prices**	**Level 2 - Other Significant Observable Inputs**	**Level 3 - Significant Unobservable Inputs**
	(Amounts in thousands)		
Assets:			
Common Stocks			
Communication Services	$ 14,491	$ 8,160	$ —
Consumer Discretionary	63,472	8,301	—
Consumer Staples	12,581	47,888	—
Financials	122,193	13,685	—
Health Care	34,967	44,831	—
Industrials	62,369	114,250	—
Information Technology	133,059	61,913	—
Materials	40,224	20,572	—
All Others	2,218	7,139	—
Short-Term Investments	2,964	—	—
Other Financial Instruments^			
Forward Currency Contracts	—	2	—
Total Assets:	$ 488,538	$ 326,741	$ —

Research International Core Portfolio (unaudited)

Objective:	Portfolio Strategy:	Net Assets:
Capital appreciation.	Invest primarily in foreign equity securities, including emerging markets.	$785 million

PORTFOLIO OVERVIEW

Mason Street Advisors, LLC ("Mason Street Advisors"), the investment adviser for the Research International Core Portfolio (the "Portfolio"), has engaged Massachusetts Financial Services Company ("MFS®") to act as sub-adviser for the Portfolio. The Portfolio normally invests in foreign equity securities, including emerging market equity securities. In conjunction with a team of investment research analysts, sector leaders select investments for the Portfolio. An active, "bottom up" investment approach is used to buy and sell investments for the Portfolio. The Portfolio is generally managed to be sector neutral to the MSCI EAFE® Index. The Portfolio may invest in the stocks of companies it believes to have above average earnings growth potential compared to other companies (growth companies), in the stocks of companies it believes are undervalued compared to their perceived worth (value companies), or in a combination of growth and value companies. The Portfolio also may invest in companies of any size.

MARKET OVERVIEW

Fading fears of a near-term global recession, the announcement of a partial trade deal between the U.S. and China, and improved transparency related to Brexit lifted markets late in the reporting period. Changes in market sentiment surrounding these events led to intermittent volatility throughout the year. The global economy slowed, led by weakness in China and Europe, although deceleration diminished late in the period amid signs of stabilization in the manufacturing sector.

Deteriorating global growth and declining inflationary pressures prompted the U.S. Federal Reserve (the "Fed") to adopt a more dovish posture beginning in early 2019. The Fed enacted its first interest rate cut in over a decade at the end of July followed by additional cuts in September and October, leading to a sharp decline in long-term interest rates in the second half of the year. As a result, portions of the U.S. Treasury yield curve (a graphical representation of bond yields at different maturities) inverted. Amid improving risk sentiment in the fourth quarter of 2019 and indications of a bottoming of growth and potential upturn in activity, the Fed indicated in October that further rate cuts were unlikely barring a worsening economic outlook.

Global central banks also became more dovish. The European Central Bank ("ECB") unveiled a package of easing measures, including further cuts to the overnight rates, pushing them more deeply negative. The ECB also restarted its bond-buying program and increased the term of inexpensive loans to banks from two years to three. Several other central banks, including India's and Australia's, similarly cut rates several times in recent months. China, which cut interest rates only marginally, has been more cautious in increasing liquidity as it continues to deleverage its economy.

PORTFOLIO RESULTS

The Portfolio returned 28.25% for the twelve months ended December 31, 2019. By comparison, the Portfolio's benchmark, the MSCI® All Country World (ex-U.S.) Index (the "Index"), returned 22.13%. (The Index is unmanaged, cannot be invested in directly and does not incur expenses.) According to Lipper® Analytical Services, Inc., an independent mutual fund ranking company, the average return in 2019 of the International Multi-Cap Core Funds peer group was 20.89%.

Stock selection in the Materials sector contributed to relative performance. The Portfolio's position in non-benchmark German industrial gas supplier Linde as well as its overweight positions in Australian mining operator Rio Tinto and Swiss specialty chemical company Sika aided relative returns.

Security selection and, to a lesser extent, an underweight position in both the Financials and Communication Services sectors, also benefited relative returns. Within the Financials sector, holding shares of the Canadian financial markets clearing and data services firm TMX Group and risk management and human capital consulting services provider Aon, neither of which is in the benchmark, lifted relative performance. Although stock selection and an underweight position in the Communication Services sector aided relative results, no individual stocks in this sector were among the Portfolio's top relative contributors.

There were no notable sectors that detracted from relative returns during the reporting period. However, individual stocks that weakened relative returns included overweight positions in Japanese parcel delivery services company Yamato, the

Irish financial services provider AIB Group, Japanese financial firm AEON Financial Service Company, Japanese automotive lighting systems manufacturer Koito Manufacturing, electricity provider CLP from Hong Kong and Swiss investment management and banking firm UBS. Not holding shares of the Chinese online and mobile commerce company Alibaba Group and Dutch lithography systems manufacturer ASML, and holding shares of the United Kingdom's non-benchmark insurance company Hiscox, also dampened relative results.

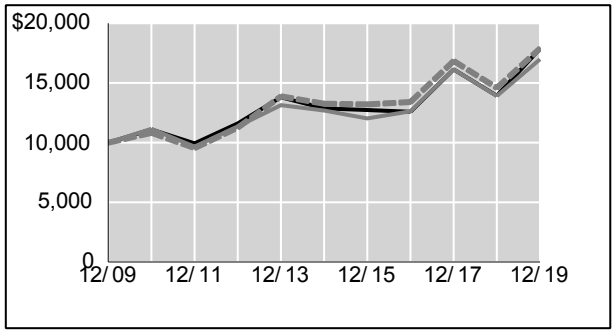
The Portfolio's currency exposure, resulting primarily from differences between the Portfolio's and the Index's exposures to securities denominated in foreign currencies, detracted from relative performance. The Portfolio's investment team's decisions are driven by its assessment of the fundamentals of each opportunity, which frequently produces a different currency exposure than that of the Index.

PORTFOLIO MANAGER OUTLOOK

The following forward-looking comments are the opinion of MFS®, the Portfolio's sub-adviser.

Regardless of changing economic and market conditions, we will continue to adhere to our investment process, building a portfolio of fundamentally sound companies. The Portfolio is a sector-neutral portfolio that emphasizes bottom-up fundamental research. Because of this approach, the Portfolio's sector weightings vary only modestly from those of the broader foreign market. Instead, we attempt to outperform the Index by holding what we believe to be the most attractive opportunities among growth and value companies within each sector of the market without regard to market capitalization.

Relative Performance



Average Annual Total Returns
For Periods Ended December 31, 2019

	1 Year	5 Years	10 Years
Research International Core Portfolio	28.25%	6.78%	5.98%
MSCI® All Country World (ex-US) Index (Gross)	22.13%	6.01%	5.45%
MSCI EAFE® Index (Gross)	22.66%	6.18%	6.00%
Lipper® Variable Insurance Products (VIP) International Multi-Cap Core Funds Average	20.89%	5.05%	4.95%

The performance data quoted represents past performance. Past performance is historical and does not guarantee future performance. Investment return and principal value will fluctuate, so that shares, when redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than the performance data quoted. For the most recent month-end performance information visit www.northwesternmutual.com.

This chart assumes an initial investment of $10,000 made on 12/31/09. Returns shown reflect fee waivers, deductions for management and other portfolio expenses, and reinvestment of all dividends. In the absence of fee waivers, total return would be reduced. Returns exclude deductions for separate account sale loads and account fees. Please refer to the Benchmark Definitions section of this report for information about the indices cited in the above chart and graph.

Investors should be aware of the risks of investments in foreign securities, particularly investments in securities of companies in developing nations.

The Portfolio may invest a relatively large percentage of its assets in issuers located in a single country, a small number of countries, or a particular geographic region. The Portfolio's performance may be more volatile than that of a more geographically diversified fund, and may be tied more closely to the performance of a single country or region.

The Portfolio may invest a relatively high percentage of its assets in a particular sector. The Portfolio will have greater exposure to the risks associated with that sector and its performance will be tied more closely to the performance of that sector.

Research International Core Portfolio (unaudited)

Top 10 Equity Holdings 12/31/19

Security Description	% of Net Assets
Nestle SA	3.2%
Roche Holding AG	2.9%
Linde PLC	2.4%
Schneider Electric SE	2.3%
Novo Nordisk AS - Class B	1.9%
AIA Group, Ltd.	1.9%
LVMH Moet Hennessy Louis Vuitton SE	1.8%
BNP Paribas SA	1.6%
Santen Pharmaceutical Co., Ltd.	1.5%
Daikin Industries, Ltd.	1.5%

Sector Allocation 12/31/19

Sector	% of Net Assets
Financials	18.4%
Industrials	15.7%
Health Care	11.4%
Consumer Staples	10.4%
Information Technology	10.3%
Materials	8.6%
Consumer Discretionary	7.9%
Energy	5.3%
Communication Services	4.6%
Utilities	3.3%
Real Estate	2.3%
Short-Term Investments & Other Net Assets	1.8%

Sector Allocation and Top 10 Holdings are subject to change.

Research International Core Portfolio

SCHEDULE OF INVESTMENTS

December 31, 2019

Common Stocks (98.2%)	Country	Shares/ Par +	Value $ (000's)
Communication Services (4.6%)			
Advanced Info Service PCL	Thailand	598,700	4,257
carsales.com, Ltd.	Australia	99,474	1,160
Hellenic Telecommunications Organization SA	Greece	285,455	4,566
KDDI Corp.	Japan	295,600	8,794
NAVER Corp. *	South Korea	30,945	4,985
SoftBank Group Corp.	Japan	183,600	7,993
Tele2 AB	Sweden	294,157	4,267
Total			**36,022**
Consumer Discretionary (7.9%)			
adidas AG	Germany	28,439	9,243
Cie Financiere Richemont SA	Switzerland	79,473	6,238
Dufry AG *	Switzerland	17,466	1,731
Koito Manufacturing Co., Ltd.	Japan	124,500	5,762
LVMH Moet Hennessy Louis Vuitton SE	France	30,401	14,125
Paddy Power Betfair PLC	Ireland	27,586	3,371
Techtronic Industries Co., Ltd.	Hong Kong	1,042,500	8,502
USS Co., Ltd.	Japan	394,900	7,457
Yum China Holdings, Inc.	United States	112,706	5,411
Total			**61,840**
Consumer Staples (10.4%)			
Ambev SA, ADR	Brazil	613,985	2,861
British American Tobacco PLC	United Kingdom	259,492	11,108
Danone SA	France	99,579	8,255
Japan Tobacco, Inc.	Japan	232,400	5,181
Kao Corp.	Japan	92,800	7,654
L'Oreal SA	France	30,562	9,050
Nestle SA	Switzerland	230,109	24,929
Reckitt Benckiser Group PLC	United Kingdom	107,396	8,719
Sundrug Co., Ltd.	Japan	100,700	3,639
Total			**81,396**
Energy (5.3%)			
BP PLC	United Kingdom	1,705,748	10,656
Cairn Energy PLC *	United Kingdom	1,594,149	4,329
Caltex Australia, Ltd.	Australia	254,242	6,057
Enbridge, Inc.	Canada	80,755	3,211
Eni SpA	Italy	429,471	6,673
Galp Energia SGPS SA	Portugal	433,445	7,244
Oil Search, Ltd.	Papua New Guinea	664,287	3,380
Total			**41,550**
Financials (18.4%)			
AEON Financial Service Co., Ltd.	Japan	396,200	6,232
AIA Group, Ltd.	Hong Kong	1,402,200	14,720
AIB Group PLC	Ireland	1,902,276	6,628

Common Stocks (98.2%)	Country	Shares/ Par +	Value $ (000's)
Financials continued			
Aon PLC	United Kingdom	54,759	11,406
BNP Paribas SA	France	213,650	12,661
Euronext NV	Netherlands	100,672	8,204
HDFC Bank, Ltd.	India	377,988	6,754
Hiscox, Ltd.	Bermuda	365,281	6,890
Hong Kong Exchanges & Clearing, Ltd.	Hong Kong	176,700	5,737
Intesa Sanpaolo SpA	Italy	3,762,092	9,917
Julius Baer Group, Ltd. *	Switzerland	166,399	8,594
KBC Group NV	Belgium	109,812	8,260
Mitsubishi UFJ Financial Group, Inc.	Japan	1,668,400	9,017
PT Bank Rakyat Indonesia Persero Tbk	Indonesia	3,410,700	1,076
Swiss Re AG	Switzerland	46,892	5,270
TMX Group, Ltd.	Canada	38,189	3,307
UBS Group AG *	Switzerland	833,956	10,525
Zurich Insurance Group AG	Switzerland	22,263	9,131
Total			**144,329**
Health Care (11.4%)			
Bayer AG	Germany	139,300	11,386
Essilor International SA	France	71,789	10,935
Kyowa Hakko Kirin Co., Ltd.	Japan	175,800	4,131
Novo Nordisk AS - Class B	Denmark	256,781	14,893
Roche Holding AG	Switzerland	71,184	23,082
Santen Pharmaceutical Co., Ltd.	Japan	631,700	12,045
Sonic Healthcare, Ltd.	Australia	223,949	4,518
Terumo Corp.	Japan	230,900	8,158
Total			**89,148**
Industrials (15.7%)			
51job, Inc. *	Cayman Islands	43,004	3,651
Aena SA	Spain	19,992	3,823
Brambles, Ltd.	Australia	844,499	6,946
Daikin Industries, Ltd.	Japan	85,400	12,010
GEA Group AG	Germany	194,208	6,421
Hitachi, Ltd.	Japan	211,000	8,888
Kubota Corp.	Japan	540,100	8,461
Legrand SA	France	108,907	8,874
Malaysia Airports Holdings Bhd	Malaysia	687,200	1,277
Melrose Industries PLC	United Kingdom	1,388,753	4,417
RELX PLC	United Kingdom	182,210	4,590
Ritchie Bros Auctioneers, Inc.	Canada	108,556	4,658
Ryanair Holdings PLC *	Ireland	35,833	3,139
Schindler Holding AG	Switzerland	31,302	7,964
Schneider Electric SE	France	175,308	17,993
SEEK, Ltd.	Australia	122,733	1,942
TOTO, Ltd.	Japan	177,500	7,480
Wolters Kluwer NV	Netherlands	113,920	8,309
Yamato Holdings Co., Ltd.	Japan	152,900	2,615
Total			**123,458**

Research International Core Portfolio

Common Stocks (98.2%)	Country	Shares/ Par +	Value $ (000's)
Information Technology (10.3%)			
Amadeus IT Group SA	Spain	99,706	8,142
Cadence Design Systems, Inc. *	United States	41,314	2,866
Check Point Software Technologies, Ltd. *	Israel	54,246	6,019
Constellation Software, Inc.	Canada	4,114	3,996
EPAM Systems, Inc. *	United States	16,296	3,457
Fujitsu, Ltd.	Japan	57,000	5,379
Kyocera Corp.	Japan	73,700	5,022
Mastercard, Inc. - Class A	United States	17,923	5,352
Mellanox Technologies, Ltd. *	Israel	37,723	4,420
Nomura Research Institute, Ltd.	Japan	217,200	4,673
NXP Semiconductors NV	Netherlands	32,768	4,170
Samsung Electronics Co., Ltd.	South Korea	120,806	5,821
Scout24 AG	Germany	60,039	3,972
Silicon Motion Technology Corp., ADR	Cayman Islands	77,876	3,949
Taiwan Semiconductor Manufacturing Co., Ltd.	Taiwan	932,189	10,293
Telefonaktiebolaget LM Ericsson - Class B	Sweden	380,764	3,336
Total			**80,867**
Materials (8.6%)			
Akzo Nobel NV	Netherlands	112,498	11,438
Croda International PLC	United Kingdom	137,242	9,308
Kansai Paint Co., Ltd.	Japan	170,400	4,164
Linde PLC	Ireland	88,708	19,043
Nitto Denko Corp.	Japan	99,700	5,594
Materials continued			
Sika AG	Switzerland	48,902	9,209
Symrise AG	Germany	85,520	8,997
Total			**67,753**
Real Estate (2.3%)			
Grand City Properties SA	Luxembourg	377,604	9,056
LEG Immobilien AG	Germany	78,053	9,245
Total			**18,301**
Utilities (3.3%)			
APA Group	Australia	567,167	4,418
China Resources Gas Group, Ltd.	Bermuda	584,000	3,208
CLP Holdings, Ltd.	Hong Kong	537,500	5,649
Iberdrola, SA	Spain	891,046	9,175
Orsted A/S	Denmark	35,329	3,660
Total			**26,110**
Total Common Stocks (Cost: $641,827)			**770,774**
Short-Term Investments (1.6%)			
Money Market Funds (1.6%)			
State Street Institutional U.S. Government Money Market Fund - Premier Class 1.540%#	United States	12,713,601	12,714
Total			**12,714**
Total Short-Term Investments (Cost: $12,714)			**12,714**
Total Investments (99.8%) (Cost: $654,541)@			**783,488**
Other Assets, Less Liabilities (0.2%)			**1,397**
Net Assets (100.0%)			**784,885**

Investments Percentage by Country is based on Net Assets:	
Japan	18.9%
Switzerland	13.7%
France	10.3%
United Kingdom	8.4%
Germany	6.3%
Other	42.2%
Total	99.8%

\+ All par is stated in U.S Dollar unless otherwise noted.

* Non income producing

\# 7-Day yield as of 12/31/2019.

@ At December 31, 2019, the aggregate cost of investments, including derivatives, for federal tax purposes (in thousands) was $658,240 and the net unrealized appreciation of investments based on that cost was $125,249 which is comprised of $153,449 aggregate gross unrealized appreciation and $28,200 aggregate gross unrealized depreciation.

Research International Core Portfolio

The following is a summary of the inputs used in valuing the Portfolio's assets and liabilities at December 31, 2019. See Note 3 for additional information on portfolio valuation.

	Valuation Inputs		
Description	**Level 1 - Quoted Prices**	**Level 2 - Other Significant Observable Inputs**	**Level 3 - Significant Unobservable Inputs**
	(Amounts in thousands)		
Assets:			
Common Stocks			
Communication Services	$ 5,726	$ 30,296	$ —
Consumer Discretionary	31,409	30,431	—
Consumer Staples	39,993	41,403	—
Energy	34,877	6,673	—
Financials	84,567	59,762	—
Health Care	15,453	73,695	—
Industrials	69,619	53,839	—
Information Technology	52,664	28,203	—
Materials	20,746	47,007	—
Utilities	22,450	3,660	—
All Others	—	18,301	—
Short-Term Investments	12,714	—	—
Total Assets:	$ 390,218	$ 393,270	$ —

International Equity Portfolio (unaudited)

Objective:
Long-term growth of capital. Any income realized will be incidental.

Portfolio Strategy:
Invests primarily in equity securities of issuers outside of the U.S. with favorable long-term potential relative to current market values.

Net Assets:
$1.8 billion

PORTFOLIO OVERVIEW

Mason Street Advisors, LLC ("Mason Street Advisors"), the investment adviser for the International Equity Portfolio ("the Portfolio"), has engaged Templeton Investment Counsel, LLC ("Templeton") to act as sub-adviser for the Portfolio. The Portfolio may purchase securities in any foreign country, including those with developed markets and emerging markets. The Portfolio's investments in equity securities may include small, medium and large capitalization issues that are believed to be undervalued. The Portfolio's strategy reflects a "bottom up", value oriented and long-term investment philosophy. In choosing equity investments, the Portfolio will focus on the market price of a company's securities in relation to the company's long-term earnings (typically 5 years), asset value and cash flow potential. A company's historical value measures, including price/earnings ratio, profit margins and liquidation value, will also be considered.

MARKET OVERVIEW

Global developed and emerging market stocks, as measured by the MSCI® All Country World Index, posted strong returns during the reporting period. Although the rate of global economic growth in 2019 slowed from 2018 levels, interest rate cuts from many central banks and the easing of trade tensions near the end of the reporting period contributed to the generally positive environment for equities worldwide. Global stocks advanced in every major region, reflecting investor optimism and slowing but resilient economic growth.

PORTFOLIO RESULTS

The Portfolio returned 12.60% for the twelve months ended December 31, 2019. By comparison, the Portfolio's benchmark, the MSCI® All Country World (ex-US) Index (the "Index"), returned 22.13%. (The Index is unmanaged, cannot be invested in directly and does not incur expenses.) According to Lipper® Analytical Services, Inc., an independent mutual fund rating agency, the average return in 2019 of the International Multi-Cap Value Funds peer group was 16.98%.

In 2019, value stocks posted their worst annual performance relative to growth since the peak of the technology, media and telecommunications bubble two decades ago. Value's underperformance pressured the Portfolio's results, and despite double-digit absolute gains, the Portfolio underperformed its benchmark for the reporting period.

The Communication Services sector was the leading detractor from relative performance, driven by both stock selection and overweight positioning. Key detraction stemmed from Chinese telecommunication holdings China Telecom Corp. Ltd. and China Mobile Limited. The stock prices of both companies suffered amid concerns about elevated 5G capital expenditures. Nevertheless, the portfolio manager maintained confidence in these stocks based on their reasonable valuations, attractive dividend yields and solid competitive positions.

Security selection in the Health Care sector and stock selection and an overweight position in the Energy sector also hindered relative results. In Health Care, Israeli generic drugmaker Teva Pharmaceutical Industries declined amid legal and regulatory setbacks that impaired the balance of risks, leading the portfolio manager to exit the stock prior to the end of the reporting period. In the Energy sector, Canadian exploration and production firm Husky Energy Inc. declined on volatile oil prices. The portfolio manager believed Husky Energy offered compelling value with a solid balance sheet, a healthy dividend yield and the ability to generate strong free cash flow over the next five years, despite relatively low oil prices.

Turning to contributors, stock selection in the Materials sector boosted relative results. Shares of Canadian miner Wheaton Precious Metals Corp. rallied as the price of gold broke out of a six-year trading range. The portfolio manager maintained a modest precious metals allocation as a portfolio hedge and diversifier based on the outlook that gold prices are likely to move higher given record-high debt levels, historically low interest rates, escalating geopolitical turmoil and renewed central bank buying. Stock selection in the Financials sector, notably in banks, also buoyed relative returns. French lender BNP Paribas benefited from solid results at its fixed income unit and from more benign European economic conditions.

From a regional standpoint, stock selection in Asia weighed on returns, driven by underperformance in China and Japan despite relative strength in South Korea. Stock selection in Europe also hindered results, as relative weakness in Germany and the U.K. more than offset outperformance in France and the Netherlands.

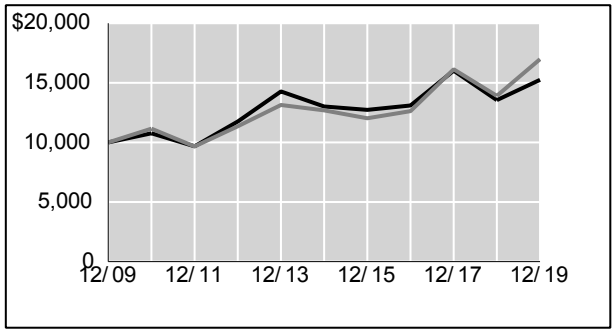
International Equity Portfolio (unaudited)

PORTFOLIO MANAGER OUTLOOK

The following forward-looking comments are the opinion of Templeton, the Portfolio's sub-adviser.

Despite the early and extreme headwinds faced by value stocks, we were encouraged as extended positioning reversed toward the end of 2019. A historic value rally in September led to a more nuanced fourth quarter characterized by the erosion of prevailing factor trends, and the Portfolio began to outperform the Index during the final third of the reporting period. The decisive contribution of stock selection during the latter part of the year helped affirm our conviction that any breakdown in established market leadership could create alpha opportunities for fundamental stockpickers. In our view, where we are going will be different from where we have been. Falling interest rates and abundant liquidity have bid up bond proxies and growth stocks for much of the past decade, which seems unsustainable in the long run. We believe markets are grappling with many divergent themes, which could create opportunities for active stock selection and portfolio management.

Relative Performance



Average Annual Total Returns
For Periods Ended December 31, 2019

	1 Year	5 Years	10 Years
International Equity Portfolio	12.60%	3.23%	4.32%
MSCI® All Country World (ex-US) Index (Gross)	22.13%	6.01%	5.45%
MSCI EAFE® Index (Gross)	22.66%	6.18%	6.00%
Lipper® Variable Insurance Products (VIP) International Multi-Cap Value Funds Average	16.98%	3.89%	4.41%

The performance data quoted represents past performance. Past performance is historical and does not guarantee future performance. Investment return and principal value will fluctuate, so that shares, when redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than the performance data quoted. For the most recent month-end performance information visit www.northwesternmutual.com.

This chart assumes an initial investment of $10,000 made on 12/31/09. Returns shown reflect fee waivers, deductions for management and other portfolio expenses, and reinvestment of all dividends. In the absence of fee waivers, total return would be reduced. Returns exclude deductions for separate account sale loads and account fees. Please refer to the Benchmark Definitions section of this report for information about the indices cited in the above chart and graph.

Investors should be aware of the risks of investments in foreign securities, particularly investments in securities of companies in developing nations. These include the risks of currency fluctuation, of political and economic instability and of less well-developed government supervision and regulation of business and industry practices, as well as differences in accounting standards.

Investments in the securities of companies in developing nations impose risks different from, and greater than, risks of investing in developed countries.

The Portfolio may invest a relatively large percentage of its assets in issuers located in a single country, a small number of countries, or a particular geographic region. The Portfolio's performance may be more volatile than that of a more geographically diversified fund, and may be tied more closely to the performance of a single country or region.

The Portfolio may invest a relatively high percentage of its assets in a particular sector. The Portfolio will have greater exposure to the risks associated with that sector and its performance will be tied more closely to the performance of that sector.

International Equity Portfolio (unaudited)

Top 10 Equity Holdings 12/31/19

Security Description	% of Net Assets
Deutsche Telekom AG	3.3%
Samsung Electronics Co., Ltd.	3.2%
Standard Chartered PLC	3.0%
Vodafone Group PLC	2.9%
BNP Paribas SA	2.9%
E.ON SE	2.7%
Takeda Pharmaceutical Co., Ltd.	2.7%
Mitsui Fudosan Co., Ltd.	2.6%
Wheaton Precious Metals Corp.	2.6%
BP PLC	2.6%

Sector Allocation 12/31/19

Sector	% of Net Assets
Financials	14.5%
Health Care	13.6%
Communication Services	11.6%
Energy	11.4%
Materials	9.5%
Industrials	8.0%
Information Technology	7.6%
Consumer Staples	5.8%
Utilities	5.2%
Real Estate	5.1%
Consumer Discretionary	3.9%
Short-Term Investments & Other Net Assets	3.8%

Sector Allocation and Top 10 Holdings are subject to change.

International Equity Portfolio

SCHEDULE OF INVESTMENTS

December 31, 2019

Common Stocks (96.2%)	Country	Shares/ Par +	Value $ (000's)
Communication Services (11.6%)			
Baidu, Inc., ADR *	Cayman Islands	136,970	17,313
China Mobile, Ltd.	China	3,204,760	26,939
China Telecom Corp., Ltd. - Class H	China	58,018,160	23,900
Deutsche Telekom AG	Germany	3,642,070	59,517
Singapore Telecommunications, Ltd.	Singapore	11,610,330	28,660
Vodafone Group PLC	United Kingdom	26,565,144	51,642
Total			**207,971**
Consumer Discretionary (3.9%)			
Cie Generale des Etablissements Michelin	France	194,758	23,834
Isuzu Motors, Ltd. *	Japan	1,834,700	21,614
SES SA	Luxembourg	1,716,810	24,072
Total			**69,520**
Consumer Staples (5.8%)			
Kirin Holdings Co., Ltd.	Japan	1,532,400	33,423
Matsumotokiyoshi Holdings Co., Ltd.	Japan	525,400	20,476
Seven & i Holdings Co., Ltd.	Japan	892,400	32,652
Suntory Beverage & Food, Ltd.	Japan	401,300	16,782
Total			**103,333**
Energy (11.4%)			
BP PLC	United Kingdom	7,381,530	46,111
Eni SpA	Italy	2,611,625	40,582
Equinor ASA	Norway	914,540	18,290
Husky Energy, Inc.	Canada	1,528,240	12,263
Royal Dutch Shell PLC - Class B	United Kingdom	1,314,075	38,981
Tenaris SA	Luxembourg	679,125	7,680
TOTAL SA	France	744,720	41,099
Total			**205,006**
Financials (14.5%)			
Bank of Ireland Group PLC	Ireland	3,510,100	19,222
BNP Paribas SA	France	862,820	51,130
Credit Agricole SA	France	1,432,720	20,771
Hana Financial Group, Inc.	South Korea	573,270	18,197
ING Groep NV	Netherlands	2,993,862	35,893
KB Financial Group, Inc., ADR	South Korea	602,490	24,925
Standard Chartered PLC	United Kingdom	5,676,502	53,566
Sumitomo Mitsui Financial Group, Inc.	Japan	987,770	36,362
Total			**260,066**
Health Care (13.6%)			
Astellas Pharma, Inc.	Japan	621,040	10,609
Bayer AG	Germany	368,368	30,110
Fresenius Medical Care AG & Co.	Germany	418,660	31,051
Merck KGaA	Germany	116,680	13,808
Novartis AG	Switzerland	179,190	16,977
Health Care continued			
Roche Holding AG	Switzerland	97,550	31,631
Sanofi	France	416,285	41,848
Shanghai Pharmaceuticals Holding Co., Ltd.	China	4,782,330	9,304
Sinopharm Group Co., Ltd.	China	2,935,400	10,717
Takeda Pharmaceutical Co., Ltd.	Japan	1,202,927	47,657
Total			**243,712**
Industrials (8.0%)			
A.P. Moeller - Maersk AS - Class B	Denmark	12,266	17,699
BAE Systems PLC	United Kingdom	6,137,620	45,918
Cie de Saint-Gobain	France	567,220	23,223
CK Hutchison Holdings, Ltd.	Cayman Islands	2,515,290	23,984
Siemens AG	Germany	205,900	26,915
Siemens AG, ADR	Germany	91,780	5,963
Total			**143,702**
Information Technology (7.6%)			
Kyocera Corp. *	Japan	146,900	10,011
NXP Semiconductors NV	Netherlands	263,950	33,590
Samsung Electronics Co., Ltd.	South Korea	1,173,320	56,536
Taiwan Semiconductor Manufacturing Co., Ltd.	Taiwan	3,312,485	36,576
Total			**136,713**
Materials (9.5%)			
Barrick Gold Corp.	Canada	2,310,220	42,947
Johnson Matthey PLC	United Kingdom	591,960	23,492
Sumitomo Metal Mining Co., Ltd.	Japan	984,840	31,764
Wheaton Precious Metals Corp.	Canada	1,559,970	46,419
Yara International ASA	Norway	589,140	24,549
Total			**169,171**
Real Estate (5.1%)			
CK Asset Holdings, Ltd.	Cayman Islands	4,625,240	33,388
Mitsui Fudosan Co., Ltd.	Japan	1,916,100	46,799
Sun Hung Kai Properties	Hong Kong	453,100	6,937
Swire Pacific, Ltd. - Class A	Hong Kong	529,800	4,922
Total			**92,046**
Utilities (5.2%)			
E.ON SE	Germany	4,532,810	48,478
Veolia Environnement SA	France	1,681,130	44,710
Total			**93,188**
Total Common Stocks (Cost: $1,643,099)			**1,724,428**

International Equity Portfolio

Short-Term Investments (4.1%)	Country	Shares/ Par +	Value $ (000's)
Money Market Funds (4.1%)			
State Street Institutional U.S. Government Money Market Fund - Premier Class 1.540%#	United States	73,590,155	73,590
Total			**73,590**

Short-Term Investments (4.1%)	Country	Shares/ Par +	Value $ (000's)
US Government & Agencies (0.0%)			
Federal Home Loan Bank 0.000%, 1/2/20	United States	300,000	300
Total			**300**
Total Short-Term Investments (Cost: $73,890)			**73,890**
Total Investments (100.3%) (Cost: $1,716,989)@			**1,798,318**
Other Assets, Less Liabilities (-0.3%)			**(5,284)**
Net Assets (100.0%)			**1,793,034**

Investments Percentage by Country is based on Net Assets:

Japan	17.3%
United Kingdom	14.6%
France	13.7%
Germany	12.0%
Canada	5.7%
South Korea	5.5%
Other	31.5%
Total	100.3%

\+ All par is stated in U.S Dollar unless otherwise noted.

* Non income producing

\# 7-Day yield as of 12/31/2019.

@ At December 31, 2019, the aggregate cost of investments, including derivatives, for federal tax purposes (in thousands) was $1,717,168 and the net unrealized appreciation of investments based on that cost was $81,178 which is comprised of $174,660 aggregate gross unrealized appreciation and $93,482 aggregate gross unrealized depreciation.

The following is a summary of the inputs used in valuing the Portfolio's assets and liabilities at December 31, 2019. See Note 3 for additional information on portfolio valuation.

	Valuation Inputs		
Description	**Level 1 - Quoted Prices**	**Level 2 - Other Significant Observable Inputs**	**Level 3 - Significant Unobservable Inputs**
	(Amounts in thousands)		
Assets:			
Common Stocks			
Communication Services	$ 148,454	$ 59,517	$ —
Consumer Discretionary	47,906	21,614	—
Energy	138,454	66,552	—
Financials	205,507	54,559	—
Health Care	61,869	181,843	—
Industrials	99,088	44,614	—
Information Technology	70,166	66,547	—
Materials	112,858	56,313	—
Real Estate	45,247	46,799	—
Utilities	44,710	48,478	—
All Others	—	103,333	—
Short-Term Investments			
Money Market Funds	73,590	—	—
All Others	—	300	—
Total Assets:	$ 1,047,849	$ 750,469	$ —

Emerging Markets Equity Portfolio (unaudited)

Objective:	**Portfolio Strategy:**	**Net Assets:**
Capital Appreciation.	Invest in equity securities of issuers that are tied economically to emerging market countries.	$834 million

PORTFOLIO OVERVIEW

Mason Street Advisors, LLC ("Mason Street Advisors"), the investment adviser for the Emerging Markets Equity Portfolio ("the Portfolio"), has engaged Aberdeen Asset Managers Limited ("Aberdeen") to act as sub-adviser for the Portfolio. The Portfolio normally invests in equity securities of issuers that are tied economically to emerging market countries. Emerging market countries include countries determined by the Portfolio's portfolio managers to have emerging market economies, taking into account a number of factors, such as the country's credit rating, its political and economic stability and the development of its financial and capital markets. The Portfolio may invest in companies of any size. The Portfolio employs a fundamental "bottom up" equity investment style, which is characterized by intensive, first-hand research and disciplined company evaluation. Investments are identified for their long-term, fundamental value.

MARKET OVERVIEW

Emerging markets equities posted robust gains during 2019. The main themes that drove sentiment included the tumultuous nature of trade negotiations between the U.S. and China and the tide of monetary policy measures undertaken by major global central banks, led predominantly by the U.S. Federal Reserve ("the Fed"). Key elections in Argentina, Brazil, India, Indonesia, Mexico and Thailand also influenced markets.

Hopes of a quick resolution to the trade dispute between Washington and Beijing gave way to anxiety about an inevitable global economic slowdown, as relations between the worlds' two largest economies soured. After the Fed's abrupt turnaround toward a more dovish monetary tone in early 2019, the central bank lowered interest rates three times during the second half of the reporting period. The European Central Bank and Beijing also cut rates and pledged further stimulus. In India, the central bank lowered interest rates five times and the government announced additional corporate tax cuts aimed at boosting earnings and business confidence. It also initiated the sale of several state-owned enterprises to improve finances. Similarly, central banks in Brazil, Indonesia, Mexico, Russia and Turkey lowered interest rates in response to concerns about an increasingly uncertain outlook.

PORTFOLIO RESULTS

The Portfolio returned 20.60% for the twelve months ended December 31, 2019. By comparison, the Portfolio's benchmark, the MSCI® Emerging Markets Index (the "Index") returned 18.88%. (This Index is unmanaged, cannot be invested in directly and does not incur expenses.) According to Lipper® Analytical Services, Inc., an independent mutual fund ranking agency, the average return in 2019 of the Emerging Markets Funds peer group was 21.86%.

The Portfolio's holdings in China, Korea and Taiwan were key drivers of performance. Successful asset allocation in Brazil also contributed to results. Although slowing global economic growth and uncertainty surrounding trade weighed on mainland China's market, several domestically-focused core holdings generated robust returns and were among the Portfolio's top contributors. These included high-end liquor maker Kweichow Moutai and duty-free retailer China International Travel Services (CITS). Kweichow Moutai gained on a robust profit outlook for the second half of 2019 and benefited from the government's efforts to boost consumption. CITS advanced amid sustained demand for domestic travel. Shanghai International Airport, which is relatively sheltered from the negative effects of trade tariffs, also added to returns as solid passenger traffic and higher duty-free spending lifted shares of the airport operator. Additionally, not owning internet giant Baidu boosted relative performance. Baidu's shares retreated in tandem with the technology sell-off and the company downgraded its forecasts due to tightening regulations and intensifying competition. In contrast, the lack of exposure to e-commerce giant Alibaba Group weighed on returns, as the company reported impressive results and successfully listed in Hong Kong during the reporting period.

Korea-based Samsung Electronics and Taiwan-based Taiwan Semiconductor Manufacturing Company (TSMC) also bolstered performance as the stock prices of these companies rose on investor expectations that the memory cycle for semiconductors would likely recover.

Turning to detractors, Indian equities weighed on performance as weak economic data and rising political tensions dampened investor confidence. Key detractors included ITC, which declined on concerns about a tax increase for cigarettes,

and UltraTech Cement. Indonesian conglomerate Astra International also detracted from the Portfolio's gains as muted performance from its key automotive and agribusiness segments weighed on the company's earnings.

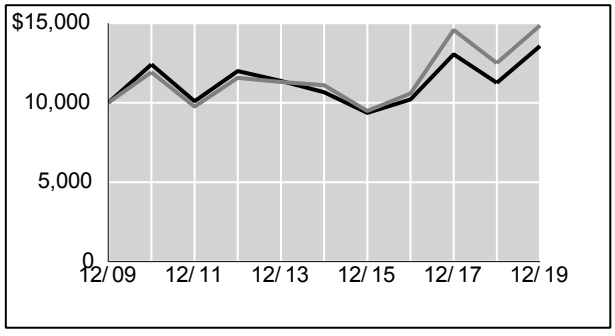
PORTFOLIO MANAGER OUTLOOK

The following forward-looking comments are the opinion of Aberdeen, the Portfolio's sub-adviser.

Fears of a global economic recession seem to have abated and we remain cautiously optimistic about the outlook for emerging market equities. We believe the accommodative stance taken by governments and central banks should support consumer and business confidence. However, key risks remain, including a possible collapse of trade negotiations between the U.S. and China given President Trump's support for the Hong Kong protests. Additionally, as tensions rise in the Middle East, ongoing geopolitical uncertainty will give investors reason to exercise caution.

Despite these risks, we remain confident that the dynamic and diverse set of emerging market economies offer a wealth of opportunities for investors. Ongoing political and economic reforms support the structural trends that will lead to growth in the asset class. Emerging markets equities remain attractive relative to both their historical average and as compared to developed market equities. The expanding and increasingly affluent middle classes in these emerging markets will propel demand for consumer and financial services, infrastructure and new technologies, and the Portfolio is well-positioned to benefit from these trends.

Relative Performance



This chart assumes an initial investment of $10,000 made on 12/31/09. Returns shown reflect fee waivers, deductions for management and other portfolio expenses, and reinvestment of all dividends. In the absence of fee waivers, total return would be reduced. Returns exclude deductions for separate account sale loads and account fees. Please refer to the Benchmark Definitions section of this report for information about the indices cited in the above chart and graph.

Investors should be aware of the risks of investments in foreign securities, particularly investments in securities of companies in developing nations.

The Portfolio may invest a relatively large percentage of its assets in issuers located in a single country, a small number of countries, or a particular geographic region. The Portfolio's performance may be more volatile than that of a more geographically diversified fund, and may be tied more closely to the performance of a single country or region.

The Portfolio may invest a relatively high percentage of its assets in a particular sector. The Portfolio will have greater exposure to the risks associated with that sector and its performance will be tied more closely to the performance of that sector.

Average Annual Total Returns
For Periods Ended December 31, 2019

	1 Year	5 Years	10 Years
Emerging Markets Equity Portfolio	20.60%	4.94%	3.10%
MSCI® Emerging Markets Index (Gross)	18.88%	6.01%	4.04%
Lipper® Variable Insurance Products (VIP) Emerging Markets Funds Average	21.86%	5.79%	3.74%

The performance data quoted represents past performance. Past performance is historical and does not guarantee future performance. Investment return and principal value will fluctuate, so that shares, when redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than the performance data quoted. For the most recent month-end performance information visit www.northwesternmutual.com.

Emerging Markets Equity Portfolio (unaudited)

Top 10 Equity Holdings 12/31/19

Security Description	% of Net Assets
Taiwan Semiconductor Manufacturing Co., Ltd.	6.9%
Samsung Electronics Co., Ltd., Various	6.3%
Tencent Holdings, Ltd.	6.3%
Housing Development Finance Corp., Ltd.	4.3%
Ping An Insurance Group Co. of China, Ltd. - Class H	3.9%
Banco Bradesco SA, ADR	3.6%
AIA Group, Ltd.	2.7%
China Resources Land, Ltd.	2.4%
Vale SA, ADR	2.3%
Kotak Mahindra Bank, Ltd.	2.1%

Sector Allocation 12/31/19

Sector	% of Net Assets
Financials	28.7%
Information Technology	17.0%
Consumer Discretionary	11.8%
Communication Services	11.0%
Consumer Staples	9.7%
Materials	7.2%
Real Estate	5.3%
Energy	4.1%
Industrials	2.3%
Short-Term Investments & Other Net Assets	1.9%
Health Care	1.0%

Sector Allocation and Top 10 Holdings are subject to change.

Emerging Markets Equity Portfolio

SCHEDULE OF INVESTMENTS

December 31, 2019

Common Stocks (94.3%)	Country	Shares/ Par +	Value $ (000's)
Communication Services (11.0%)			
58.com, Inc., ADR *	Cayman Islands	200,244	12,961
Autohome, Inc., ADR *	Cayman Islands	136,696	10,937
China Mobile, Ltd.	Hong Kong	1,022,500	8,595
MTN Group, Ltd.	South Africa	1,166,600	6,871
Tencent Holdings, Ltd.	Cayman Islands	1,088,200	52,453
Total			**91,817**
Consumer Discretionary (11.8%)			
Astra International Tbk PT	Indonesia	26,455,400	13,139
China International Travel Service Corp., Ltd. - Class A	China	898,401	11,472
Huazhu Group, Ltd., ADR *	Cayman Islands	259,158	10,385
Lojas Renner SA	Brazil	793,358	11,101
Midea Group Co., Ltd. - Class A	China	1,345,289	11,250
Naspers, Ltd. - Class N	South Africa	100,925	16,507
Prosus NV *	Netherlands	95,625	7,136
Sands China Ltd.	Cayman Islands	2,128,400	11,376
Yum China Holdings, Inc.	United States	123,644	5,936
Total			**98,302**
Consumer Staples (9.7%)			
Ambev SA, ADR	Brazil	2,010,909	9,371
BIM Birlesik Magazalar AS	Turkey	997,253	7,822
BRF SA *	Brazil	796,935	6,974
Budweiser Brewing Co. APAC, Ltd. *	Cayman Islands	2,343,900	7,911
Fomento Economico Mexicano SAB de CV, ADR	Mexico	178,000	16,823
Hindustan Unilever, Ltd.	India	266,322	7,165
ITC, Ltd.	India	3,820,222	12,727
Kweichow Moutai Co., Ltd. - Class A	China	70,980	12,054
Total			**80,847**
Energy (2.4%)			
LUKOIL PJSC, ADR	Russia	84,266	8,348
Novatek PJSC	Russia	386,930	7,874
Tenaris SA, ADR	Luxembourg	165,182	3,740
Total			**19,962**
Financials (28.7%)			
AIA Group, Ltd.	Hong Kong	2,159,200	22,666
Banco Bradesco SA, ADR	Brazil	3,337,977	29,875
Banco Santander Chile, ADR	Chile	297,212	6,857
Bank Central Asia Tbk PT	Indonesia	6,543,500	15,720
Bank of the Philippine Islands	Philippines	3,580,636	6,214
China Merchants Bank Co., Ltd.	China	1,945,000	9,997
Grupo Financiero Banorte SAB de CV	Mexico	2,672,060	14,918
Hong Kong Exchanges & Clearing, Ltd.	Hong Kong	323,192	10,493

Common Stocks (94.3%)	Country	Shares/ Par +	Value $ (000's)
Financials continued			
Housing Development Finance Corp., Ltd.	India	1,049,747	35,488
IRB Brasil Resseguros SA	Brazil	615,150	5,961
Kotak Mahindra Bank, Ltd.	India	741,280	17,499
Ping An Insurance Group Co. of China, Ltd. - Class H	China	2,753,500	32,545
PT Bank Rakyat Indonesia Persero Tbk	Indonesia	32,769,700	10,342
Sberbank of Russia PJSC	Russia	2,538,076	10,417
SBI Life Insurance Co., Ltd.	India	773,700	10,418
Total			**239,410**
Health Care (1.0%)			
Wuxi Biologics Cayman, Inc. *	Cayman Islands	668,000	8,457
Total			**8,457**
Industrials (2.3%)			
Grupo Aeroportuario del Sureste SAB de CV - Class B	Mexico	566,480	10,613
Shanghai International Airport Co., Ltd. - Class A	China	776,182	8,775
Total			**19,388**
Information Technology (14.9%)			
ASML Holding NV	Netherlands	16,600	4,910
Hangzhou Hikvision Digital Technology Co., Ltd. - Class A	China	963,362	4,528
Samsung Electronics Co., Ltd.	South Korea	730,150	35,182
Sunny Optical Technology Group Co., Ltd.	Cayman Islands	383,400	6,637
Taiwan Semiconductor Manufacturing Co., Ltd.	Taiwan	5,181,290	57,211
Tata Consultancy Services, Ltd.	India	516,262	15,659
Total			**124,127**
Materials (7.2%)			
Grasim Industries, Ltd.	India	300,723	3,139
Indocement Tunggal Prakarsa Tbk PT	Indonesia	5,176,900	7,104
LG Chem, Ltd.	South Korea	47,777	13,068
The Siam Cement PCL	Thailand	568,600	7,365
UltraTech Cement, Ltd.	India	170,064	9,661
Vale SA, ADR	Brazil	1,475,070	19,471
Total			**59,808**

Emerging Markets Equity Portfolio

Common Stocks (94.3%)	Country	Shares/ Par +	Value $ (000's)
Real Estate (5.3%)			
Ayala Land, Inc.	Philippines	16,230,420	14,556
China Resources Land, Ltd.	Cayman Islands	3,980,000	19,818
Multiplan Empreendimentos Imobiliarios SA	Brazil	1,198,400	9,881
Total			**44,255**
Total Common Stocks (Cost: $657,555)			**786,373**
Preferred Stocks (3.8%)			
Consumer Staples (0.0%)			
Amorepacific Corp.	South Korea	1,266	98
Total			**98**
Energy (1.7%)			
Petroleo Brasileiro SA	Brazil	1,878,170	14,057
Total			**14,057**

Preferred Stocks (3.8%)	Country	Shares/ Par +	Value $ (000's)
Information Technology (2.1%)			
Samsung Electronics Co., Ltd.	South Korea	444,800	17,353
Total			**17,353**
Total Preferred Stocks (Cost: $28,103)			**31,508**
Short-Term Investments (1.9%)			
Money Market Funds (1.9%)			
State Street Institutional U.S. Government Money Market Fund - Premier Class 1.540%#	United States	16,166,254	16,166
Total			**16,166**
Total Short-Term Investments (Cost: $16,166)			**16,166**
Total Investments (100.0%) (Cost: $701,824)@			**834,047**
Other Assets, Less Liabilities (0.0%)			**(37)**
Net Assets (100.0%)			**834,010**

Investments Percentage by Country is based on Net Assets:

Cayman Islands	17.0%
India	13.6%
Brazil	12.7%
China	10.8%
South Korea	7.9%
Taiwan	6.9%
Indonesia	5.5%
Mexico	5.1%
Hong Kong	5.0%
Other	15.5%
Total	100.0%

\+ All par is stated in U.S Dollar unless otherwise noted.

* Non income producing

\# 7-Day yield as of 12/31/2019.

@ At December 31, 2019, the aggregate cost of investments, including derivatives, for federal tax purposes (in thousands) was $702,587 and the net unrealized appreciation of investments based on that cost was $131,460 which is comprised of $168,776 aggregate gross unrealized appreciation and $37,316 aggregate gross unrealized depreciation.

Emerging Markets Equity Portfolio

The following is a summary of the inputs used in valuing the Portfolio's assets and liabilities at December 31, 2019. See Note 3 for additional information on portfolio valuation.

	Valuation Inputs		
Description	**Level 1 - Quoted Prices**	**Level 2 - Other Significant Observable Inputs**	**Level 3 - Significant Unobservable Inputs**
	(Amounts in thousands)		
Assets:			
Preferred Stocks	$ —	$ 31,508	$ —
Common Stocks			
Consumer Discretionary	74,062	24,240	—
Consumer Staples	73,873	6,974	—
Energy	12,088	7,874	—
Financials	190,756	48,654	—
Information Technology	88,945	35,182	—
Materials	32,271	27,537	—
Real Estate	19,818	24,437	—
All Others	119,662	—	—
Short-Term Investments	16,166	—	—
Total Assets:	$ 627,641	$ 206,406	$ —

Government Money Market Portfolio (unaudited)

Objective:	Portfolio Strategy:	Net Assets:
Maximum current income to the extent consistent with liquidity and stability of capital.	Invest in short-term fixed income obligations issued or guaranteed by the U.S Government, its agencies or instrumentalities.	$447 million

PORTFOLIO OVERVIEW

Mason Street Advisors, LLC ("Mason Street Advisors"), the investment adviser for the Government Money Market Portfolio (the "Portfolio"), has engaged BlackRock Advisors, LLC ("BlackRock") to act as sub-adviser for the Portfolio. The Portfolio invests at least 99.5% of its total assets in cash, U.S. Treasury bills, notes and other obligations issued or guaranteed as to principal and interest by the U.S. Government, its agencies or instrumentalities and repurchase agreements secured by such obligations or cash. The Portfolio invests in a portfolio of securities maturing in 397 days or less (with certain exceptions) that will have a dollar-weighted average maturity of 60 days or less and a dollar-weighted average life of 120 days or less. The Portfolio seeks to maintain a net asset value of $1.00 per share.

MARKET OVERVIEW

Following the U.S. Federal Reserve's (the "Fed") December 2018 interest rate increase, the Fed pivoted toward a more accommodative stance in early 2019, enacting three 0.25% rate cuts during the second half of the year, which reduced the Federal Funds target rate to a range of 1.50%-1.75%.

In September, the repurchase agreement ("repo") market was volatile due to a contraction in excess reserves in the banking system, outsized deposit flows related to corporate tax payments, and the settlement of Treasury obligations. This volatility prompted the Fed to inject considerable liquidity into the financial system during the balance of 2019 through regular overnight and term repo operations. The Fed also began purchasing $60 billion of Treasury bills per month to support the flow of funds and maintain control over short-term rates.

In July, Congress suspended the U.S. debt ceiling, which allowed the U.S. Treasury to issue additional debt. The Fed became active in short-term lending markets to improve liquidity during the reporting period, which may have contributed to a reduction in investable Treasury supply and lowered the relative value of short-term debt instruments.

PORTFOLIO RESULTS

The Portfolio returned 1.94% for the twelve months ended December 31, 2019. By comparison, the Portfolio's benchmark, the Merrill Lynch® 3-Month Treasury Bill Index (the "Index"), returned 2.28%. (The Index is unmanaged, cannot be invested in directly and does not incur expenses.) According to Lipper® Analytical Services, Inc., an independent mutual fund ranking agency, the average return in 2019 of the U.S. Government Money Market Funds peer group was 1.64%.

The U.S. Treasury bill yield curve (a graphical representation of short-term yields at different maturities) was inverted for most of the year. The biggest driver of the inversion was a shift in Fed monetary policy, which eased during the course of the year. Additionally, seasonal changes to the supply of Treasury bills and positive cash flows into government money market funds contributed to lower yields. Against this backdrop, the Portfolio's investment team's strategy was to evaluate term investment decisions versus their own expectations of both the frequency and the degree of future rate cuts.

The Portfolio's yield remained competitive throughout the year. From a sector perspective, overweight exposure to U.S. Government Agency securities and an opportunistic allocation to floating rate notes contributed to the Portfolio's relative performance. Tri-party repurchase agreements also contributed to the relative value of the Portfolio, with a target allocation of 30% to 45% of the net asset value. The large allocations to overnight tri-party repurchase agreements contributed to the Portfolio's performance due to the liquidity benefits and competitive rates available in this asset class.

In terms of duration and yield curve management, the Portfolio's duration exposure moved longer during the first quarter of the year as the markets slowly started repricing the Fed's rate moves. While the market may have overpriced the scale of pending rate cuts throughout the year, the Portfolio's investment team expected that rates would continue to decline. Therefore, the Portfolio purchased select long-term maturities during the year to reflect this viewpoint. The Portfolio ended the year with a weighted-average maturity of 41 days and a weighted-average life of 94 days.

PORTFOLIO MANAGER OUTLOOK

The following forward-looking comments are the opinion of BlackRock, the Portfolio's sub-adviser.

At the end of December, the Fed's communications implied it was not contemplating significant policy changes and, as a consequence, futures contracts priced in the expectation of less than one rate cut in 2020. We are skeptical of the current market pricing and, barring significant adverse economic events, do not expect a further cut to the federal funds rate.

We expect that the publicly available Treasury bill supply will remain negative into the first few months of 2020 as the Fed continues to buy Treasury bills and coupons in 2020. We believe the Fed will continue to monitor conditions in the overnight repo market and provide liquidity to the banking system as needed to ensure adequate control of short-term interest rates.

Not all obligations of the U.S. government, its agencies and instrumentalities are backed by the full faith and credit of the U.S. Treasury. Some obligations are backed only by the credit of the issuing agency or instrumentality, and in some cases there may be some risk of default by the issuer. Any guarantee by the U.S. government or its agencies or instrumentalities of a security held by the Portfolio does not apply to the market value of such security or to shares of the Portfolio itself.

If the other party to a repurchase agreement defaults on its obligation under the agreement, the Portfolio may suffer delays and incur costs or lose money in exercising its rights under the agreement. These risks may be heightened if the other party is located outside the U.S. If the seller fails to repurchase the security and the market value of the security declines, the Portfolio may lose money.

You could lose money investing in the Government Money Market Portfolio. Although the Portfolio seeks to preserve the value of your investment at $1.00 per share, it cannot guarantee it will do so. An investment in the Portfolio is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. The Portfolio's sponsor has no legal obligation to provide financial support to the Portfolio, and you should not expect that the sponsor will provide financial support to the Portfolio at any time.

Government Money Market Portfolio

SCHEDULE OF INVESTMENTS

December 31, 2019

Money Market Investments (100.2%)	Shares/ Par +	Value $ (000's)
Money Market Funds (0.2%)		
State Street Institutional U.S. Government Money Market Fund - Premier Class, 1.540% #	713,636	714
Total		**714**
Repurchase Agreements (32.2%)		
Tri-Party Bank of Montreal, 1.550%, 1/2/20 (Purchased on 12/31/19, to be repurchased at $15,001,292, collateralized by various US Treasury obligations, 0.000% to 4.625%, due from 1/23/2020 to 5/15/2044, aggregate par and fair value of $13,590,314 and $15,301,045, respectively)	15,000,000	15,000
Tri-Party Bank of Nova Scotia, 1.550%, 1/2/20 (Purchased on 12/31/19, to be repurchased at $9,000,775, collateralized by various US Treasury obligations, 0.125% to 3.000%, due from 3/15/2020 to 8/15/2047, aggregate par and fair value of $8,585,131 and $9,180,825, respectively)	9,000,000	9,000
Tri-Party BNP Paribas, 1.560%, 1/2/20 (Purchased on 12/31/19, to be repurchased at $10,000,867, collateralized by various US Treasury obligations, 0.000% to 8.125%, due from 1/30/2020 to 8/15/2049, aggregate par and fair value of $10,956,452 and $10,200,000, respectively)	10,000,000	10,000
Tri-Party BNP Paribas, 1.580%, 1/2/20 (Purchased on 12/31/19, to be repurchased at $29,002,546, collateralized by various US government sponsored agency obligations, 3.000% to 4.500%, due from 5/20/2042 to 11/20/2049, aggregate par and fair value of $28,714,559 and $29,580,000, respectively)	29,000,000	29,000
Tri-Party Citigroup Global Markets, Inc., 1.550%, 1/2/20 (Purchased on 12/31/19, to be repurchased at $10,000,861, collateralized by various US Treasury obligations and various US government sponsored agency obligations, 2.690% to 9.000%, due from 6/15/2020 to 3/20/2068, aggregate par and fair value of $9,332,958 and $10,200,084, respectively)	10,000,000	10,000
Tri-Party Citigroup Global Markets, Inc., 1.570%, 1/2/20 (Purchased on 12/31/19, to be repurchased at $10,000,872, collateralized by various US Treasury obligations, 0.625% to 3.000%, due from 9/30/2025 to 1/15/2026, aggregate par and fair value of $9,822,176 and $10,200,032, respectively)	10,000,000	10,000
Repurchase Agreements continued		
Tri-Party Goldman Sachs Group LP, 1.570%, 1/2/20 (Purchased on 12/31/19, to be repurchased at $10,000,872, collateralized by various US government sponsored agency obligations, 3.000% to 6.500%, due from 6/15/2034 to 5/20/2048, aggregate par and fair value of $9,601,005 and $10,200,000, respectively)	10,000,000	10,000
Tri-Party HSBC Securities, 1.570%, 1/2/20 (Purchased on 12/31/19, to be repurchased at $5,000,436, collateralized by various US Treasury obligations, 2.750% to 6.000%, due from 8/31/2025 to 5/1/2041, aggregate par and fair value of $4,839,987 and $5,101,346, respectively)	5,000,000	5,000
Tri-Party Mitsubishi UFJ, 1.570%, 1/2/20 (Purchased on 12/31/19, to be repurchased at $10,000,872, collateralized by various US government sponsored agency obligations, 2.000% to 5.000%, due from 2/20/2034 to 9/20/2049, aggregate par and fair value of $9,810,037 and $10,200,000, respectively)	10,000,000	10,000
Tri-Party Mizuho Securities, 1.570%, 1/2/20 (Purchased on 12/31/19, to be repurchased at $10,000,872, collateralized by US government sponsored agency, 3.000%, due 12/1/2049, par and fair value of $10,144,295 and $10,300,000, respectively)	10,000,000	10,000
Tri-Party Natixis S.A., 1.550%, 1/2/20 (Purchased on 12/31/19, to be repurchased at $15,001,292, collateralized by various US Treasury obligations, 0.875% to 3.000%, due from 6/30/2022 to 2/15/2047, aggregate par and fair value of $14,985,526 and $15,300,070, respectively)	15,000,000	15,000
Tri-Party Natixis S.A., 1.570%, 1/2/20 (Purchased on 12/31/19, to be repurchased at $5,000,436, collateralized by various US Treasury obligations, 2.875% to 3.500%, due from 5/15/2020 to 5/15/2028, aggregate par and fair value of $4,741,126 and $5,100,069, respectively)	5,000,000	5,000
Tri-Party TD Securities, 1.570%, 1/2/20 (Purchased on 12/31/19, to be repurchased at $6,000,523, collateralized by US government sponsored agency, 3.000%, due 11/1/2049, par and fair value of $6,090,309 and $6,180,001, respectively)	6,000,000	6,000
Total		**144,000**

The Accompanying Notes are an Integral Part of the Financial Statements.

Government Money Market Portfolio

Money Market Investments (100.2%)	Shares/ Par +	Value $ (000's)
US Government & Agencies (67.8%)		
Federal Farm Credit Bank, 0.000%, 1/17/20	3,090,000	3,087
Federal Farm Credit Bank, 0.000%, 1/23/20	980,000	979
Federal Farm Credit Bank, 0.000%, 1/29/20	685,000	684
Federal Farm Credit Bank, 0.000%, 2/4/20	1,890,000	1,886
Federal Farm Credit Bank, 0.000%, 2/21/20	1,800,000	1,794
Federal Farm Credit Bank, 0.000%, 3/3/20	1,685,000	1,679
Federal Farm Credit Bank, 0.000%, 3/10/20	3,480,000	3,465
Federal Farm Credit Bank, 0.000%, 3/24/20	2,880,000	2,864
Federal Farm Credit Bank, 0.000%, 5/14/20	90,000	89
Federal Farm Credit Bank, 0.000%, 6/12/20	125,000	124
Federal Farm Credit Bank, 0.000%, 6/26/20	4,465,000	4,424
Federal Farm Credit Bank, 0.000%, 6/30/20	1,540,000	1,526
Federal Farm Credit Bank, 0.000%, 7/7/20	90,000	89
Federal Farm Credit Bank, 0.000%, 8/14/20	1,725,000	1,708
Federal Farm Credit Bank, 0.000%, 9/28/20	1,040,000	1,027
Federal Farm Credit Bank, 1.645%, (US SOFR plus 0.105%), 1/15/21	1,000,000	1,000
Federal Farm Credit Bank, 1.660%, (ICE LIBOR USD 1 Month less 0.050%), 2/7/20	4,910,000	4,910
Federal Farm Credit Bank, 1.678%, (ICE LIBOR USD 1 Month less 0.040%), 9/11/20	1,975,000	1,975
Federal Farm Credit Bank, 1.687%, (ICE LIBOR USD 1 Month less 0.050%), 8/17/20	1,445,000	1,445
Federal Farm Credit Bank, 1.730%, (US SOFR plus 0.190%), 11/18/21	835,000	835
Federal Farm Credit Bank, 1.740%, (ICE LIBOR USD 1 Month less 0.005%), 6/18/20	540,000	540
Federal Farm Credit Bank, 1.751%, (US Treasury 3 Month Bill Money Market Yield plus 0.225%), 7/8/21	1,015,000	1,015
Federal Farm Credit Bank, 1.764%, (ICE LIBOR USD 1 Month), 6/19/20	4,000,000	4,001
Federal Farm Credit Bank, 1.765%, (ICE LIBOR USD 1 Month plus 0.025%), 12/14/20	2,185,000	2,185
Federal Farm Credit Bank, 1.785%, (ICE LIBOR USD 1 Month plus 0.045%), 4/16/21	2,485,000	2,485
Federal Farm Credit Bank, 1.786%, (US Treasury 3 Month Bill Money Market Yield plus 0.260%), 6/17/21	1,775,000	1,775
Federal Farm Credit Bank, 1.792%, (ICE LIBOR USD 1 Month), 6/26/20	1,880,000	1,880
Federal Farm Credit Bank, 1.816%, (ICE LIBOR USD 3 Month less 0.120%), 1/27/20	5,415,000	5,415
Federal Farm Credit Bank, 1.846%, (ICE LIBOR USD 1 Month plus 0.110%), 11/12/21	500,000	500
Federal Farm Credit Bank, 1.869%, (ICE LIBOR USD 1 Month plus 0.160%), 7/1/21	1,450,000	1,450
Federal Home Loan Bank, 0.000%, 1/3/20	3,310,000	3,310
Federal Home Loan Bank, 0.000%, 1/8/20	5,780,000	5,778
Federal Home Loan Bank, 0.000%, 1/10/20	1,955,000	1,954
Federal Home Loan Bank, 0.000%, 1/15/20	3,775,000	3,773
Federal Home Loan Bank, 0.000%, 1/17/20	340,000	340
Federal Home Loan Bank, 0.000%, 1/21/20	3,125,000	3,122
Federal Home Loan Bank, 0.000%, 1/22/20	8,410,000	8,401

Money Market Investments (100.2%)	Shares/ Par +	Value $ (000's)
US Government & Agencies continued		
Federal Home Loan Bank, 0.000%, 1/24/20	1,010,000	1,009
Federal Home Loan Bank, 0.000%, 1/31/20	2,395,000	2,392
Federal Home Loan Bank, 0.000%, 2/5/20	3,020,000	3,016
Federal Home Loan Bank, 0.000%, 2/6/20	2,335,000	2,331
Federal Home Loan Bank, 0.000%, 2/7/20	5,730,000	5,720
Federal Home Loan Bank, 0.000%, 2/13/20	825,000	823
Federal Home Loan Bank, 0.000%, 2/14/20	7,170,000	7,156
Federal Home Loan Bank, 0.000%, 2/19/20	1,430,000	1,427
Federal Home Loan Bank, 0.000%, 2/21/20	525,000	524
Federal Home Loan Bank, 0.000%, 3/4/20	2,400,000	2,393
Federal Home Loan Bank, 0.000%, 3/11/20	8,445,000	8,419
Federal Home Loan Bank, 0.000%, 3/13/20	2,530,000	2,521
Federal Home Loan Bank, 0.000%, 3/18/20	3,675,000	3,662
Federal Home Loan Bank, 0.000%, 3/20/20	5,215,000	5,193
Federal Home Loan Bank, 0.000%, 3/25/20	2,175,000	2,165
Federal Home Loan Bank, 0.000%, 4/3/20	530,000	528
Federal Home Loan Bank, 0.000%, 4/6/20	1,340,000	1,334
Federal Home Loan Bank, 0.000%, 4/8/20	3,010,000	2,996
Federal Home Loan Bank, 0.000%, 4/15/20	2,665,000	2,652
Federal Home Loan Bank, 0.000%, 4/24/20	1,375,000	1,368
Federal Home Loan Bank, 0.000%, 5/6/20	7,990,000	7,946
Federal Home Loan Bank, 0.000%, 5/13/20	3,990,000	3,967
Federal Home Loan Bank, 0.000%, 5/20/20	2,400,000	2,385
Federal Home Loan Bank, 0.000%, 6/3/20	2,150,000	2,135
Federal Home Loan Bank, 0.000%, 6/5/20	2,445,000	2,429
Federal Home Loan Bank, 0.000%, 6/25/20	1,755,000	1,742
Federal Home Loan Bank, 0.000%, 6/26/20	335,000	332
Federal Home Loan Bank, 0.000%, 7/1/20	1,725,000	1,711
Federal Home Loan Bank, 0.000%, 7/6/20	670,000	665
Federal Home Loan Bank, 0.000%, 8/14/20	2,675,000	2,648
Federal Home Loan Bank, 1.545%, (US SOFR plus 0.005%), 1/17/20	1,775,000	1,775
Federal Home Loan Bank, 1.550%, (US SOFR plus 0.010%), 1/24/20	1,720,000	1,720
Federal Home Loan Bank, 1.550%, (US SOFR plus 0.010%), 2/21/20	1,040,000	1,040
Federal Home Loan Bank, 1.560%, 5/1/20	2,660,000	2,660
Federal Home Loan Bank, 1.560%, (US SOFR plus 0.020%), 5/22/20	995,000	995
Federal Home Loan Bank, 1.570%, (US SOFR plus 0.030%), 8/21/20	540,000	540
Federal Home Loan Bank, 1.575%, (US SOFR plus 0.035%), 6/19/20	920,000	920
Federal Home Loan Bank, 1.580%, (US SOFR plus 0.040%), 2/9/21	680,000	680
Federal Home Loan Bank, 1.585%, (US SOFR plus 0.045%), 1/17/20	1,820,000	1,820
Federal Home Loan Bank, 1.590%, (US SOFR plus 0.050%), 1/17/20	220,000	220
Federal Home Loan Bank, 1.590%, 5/14/20	1,180,000	1,180
Federal Home Loan Bank, 1.590%, (US SOFR plus 0.050%), 1/22/21	695,000	695
Federal Home Loan Bank, 1.600%, 5/13/20	1,685,000	1,685
Federal Home Loan Bank, 1.615%, (US SOFR plus 0.075%), 7/24/20	595,000	595
Federal Home Loan Bank, 1.615%, (US SOFR plus 0.075%), 7/8/21	1,465,000	1,465
Federal Home Loan Bank, 1.615%, (US SOFR plus 0.075%), 7/23/21	950,000	950
Federal Home Loan Bank, 1.625%, (US SOFR plus 0.085%), 9/10/21	4,415,000	4,415

Government Money Market Portfolio

Money Market Investments (100.2%)	Shares/ Par +	Value $ (000's)
US Government & Agencies continued		
Federal Home Loan Bank, 1.635%, (US SOFR plus 0.105%), 10/1/20	2,060,000	2,060
Federal Home Loan Bank, 1.655%, (US SOFR plus 0.115%), 3/12/21	1,885,000	1,885
Federal Home Loan Bank, 1.660%, (US SOFR plus 0.120%), 10/7/20	1,120,000	1,120
Federal Home Loan Bank, 1.664%, (ICE LIBOR USD 1 Month less 0.030%), 8/4/20	1,240,000	1,240
Federal Home Loan Bank, 1.670%, (US SOFR plus 0.130%), 10/16/20	9,455,000	9,455
Federal Home Loan Bank, 1.697%, (ICE LIBOR USD 1 Month less 0.040%), 4/17/20	9,480,000	9,480
Federal Home Loan Bank, 1.705%, (ICE LIBOR USD 1 Month less 0.035%), 1/14/20	1,170,000	1,170
Federal Home Loan Bank, 1.720%, (ICE LIBOR USD 1 Month less 0.060%), 2/24/20	3,780,000	3,780
Federal Home Loan Bank, 1.720%, (ICE LIBOR USD 1 Month plus 0.005%), 7/10/20	3,690,000	3,690
Federal Home Loan Bank, 1.752%, (ICE LIBOR USD 1 Month less 0.040%), 2/25/20	1,920,000	1,920
Federal Home Loan Bank, 1.760%, (ICE LIBOR USD 1 Month plus 0.050%), 5/8/20	500,000	500
Federal Home Loan Bank, 1.770%, (ICE LIBOR USD 1 Month plus 0.050%), 5/8/20	1,350,000	1,350
Federal Home Loan Bank, 1.803%, (ICE LIBOR USD 3 Month less 0.125%), 12/21/20	2,880,000	2,880
Federal Home Loan Bank, 1.826%, (ICE LIBOR USD 3 Month less 0.140%), 4/20/20	2,670,000	2,670
Federal Home Loan Bank, 2.625%, 10/1/20	1,110,000	1,118
Federal Home Loan Mortgage Corp., 0.000%, 1/17/20	725,000	724
Federal Home Loan Mortgage Corp., 0.000%, 3/10/20	1,435,000	1,431
Federal Home Loan Mortgage Corp., 0.000%, 3/18/20	6,390,000	6,368
Federal Home Loan Mortgage Corp., 0.000%, 5/19/20	1,455,000	1,446
Federal National Mortgage Association, 0.000%, 1/24/20	1,520,000	1,519
US Treasury, 0.000%, 1/2/20	5,000,000	5,000
US Treasury, 0.000%, 2/13/20	12,035,000	12,010
US Treasury, 0.000%, 2/20/20	250,000	249
US Treasury, 0.000%, 2/27/20	5,830,000	5,813
US Treasury, 0.000%, 4/9/20	3,065,000	3,051
US Treasury, 0.000%, 4/23/20	7,860,000	7,802
US Treasury, 0.000%, 5/7/20	3,180,000	3,163
US Treasury, 0.000%, 5/28/20	2,520,000	2,504
US Treasury, 1.500%, 5/15/20	855,000	853
US Treasury, 1.500%, 5/31/20	600,000	599
US Treasury, 1.569%, (US Treasury 3 Month Bill Money Market Yield plus 0.043%), 7/31/20	1,135,000	1,134
US Treasury, 1.571%, (US Treasury 3 Month Bill Money Market Yield plus 0.045%), 10/31/20	5,000,000	4,996
US Treasury, 1.625%, 11/30/20	475,000	475
US Treasury, 1.665%, (US Treasury 3 Month Bill Money Market Yield plus 0.139%), 4/30/21	380,000	379
US Treasury, 1.746%, (US Treasury 3 Month Bill Money Market Yield plus 0.220%), 7/31/21	2,000,000	2,000
US Treasury, 2.000%, 11/30/20	280,000	281
US Treasury, 2.250%, 3/31/20	885,000	885
US Treasury, 2.375%, 4/30/20	1,300,000	1,302
US Treasury, 2.625%, 11/15/20	1,180,000	1,190
US Treasury, 3.500%, 5/15/20	2,745,000	2,762
Total		**302,712**
Total Money Market Investments (Cost: $447,426)		**447,426**
Total Investments (100.2%) (Cost: $447,426)		**447,426**
Other Assets, Less Liabilities (-0.2%)		**(909)**
Net Assets (100.0%)		**446,517**

\+ All par is stated in U.S Dollar unless otherwise noted.

\# 7-Day yield as of 12/31/2019.

The following is a summary of the inputs used in valuing the Portfolio's assets and liabilities at December 31, 2019. See Note 3 for additional information on portfolio valuation.

	Valuation Inputs		
Description	**Level 1 - Quoted Prices**	**Level 2 - Other Significant Observable Inputs**	**Level 3 - Significant Unobservable Inputs**
	(Amounts in thousands)		
Assets:			
Short-Term Investments			
Money Market Funds	$ 714	$ —	$ —
All Others	—	446,712	—
Total Assets:	$ 714	$ 446,712	$ —

Short-Term Bond Portfolio (unaudited)

Objective:
Provide as high a level of current income as is consistent with prudent investment risk.

Portfolio Strategy:
Invest in a diversified portfolio of investment grade debt securities.

Net Assets:
$335 million

PORTFOLIO OVERVIEW

Mason Street Advisors, LLC ("Mason Street Advisors"), the investment adviser for the Short-Term Bond Portfolio (the "Portfolio"), has engaged T. Rowe Price Associates, Inc. ("T. Rowe Price") to act as sub-adviser for the Portfolio. Normally, the Portfolio invests in a diversified portfolio of investment grade debt securities. The Portfolio may also invest up to 10% of net assets in non-investment grade, high yield/high risk bonds (so called "junk bonds"). Also, the Portfolio may invest up to 20% of net assets in foreign securities. Debt securities may be of any maturity, but under normal market conditions, the Portfolio's average effective maturity will not exceed three years. The Portfolio primarily invests in corporate, government and mortgage- and asset-backed securities. The Portfolio uses both a "top-down" and "bottom-up" investment approach to construct the portfolio of investments. The top-down investment approach involves an evaluation of the overall macroeconomic environment and its potential impact on the level and direction of interest rates. The bottom-up investment approach focuses on fundamental research of individual issuers.

MARKET OVERVIEW

U.S. bond returns were positive for the year, as Treasury yields decreased across all maturities and the U.S. Federal Reserve (the "Fed") reduced interest rates three times, ending the year with a federal funds target rate range of between 1.50% and 1.75%. Shorter-term Treasury yields declined as the Fed pursued a looser monetary policy and provided liquidity to short-term lending markets in the final months of the year. Longer-term Treasury yields also fell sharply but finished the year above their August lows. U.S.-China trade tensions, negative interest rates in most non-U.S. developed markets and volatile geopolitical and economic developments kept demand for U.S. short-term debt strong. Among investment grade bonds, long-term Treasurys and corporate bonds had the highest returns. Mortgage-backed securities ("MBS") advanced to a lesser extent, hindered by an increase in mortgage pre-payments and refinancing activity. Asset-backed securities ("ABS") trailed and high yield bonds advanced strongly for the year as investors embraced riskier assets and searched for higher yields due to falling interest rates.

PORTFOLIO RESULTS

The Portfolio returned 4.38% for the twelve months ended December 31, 2019. By comparison, the Portfolio's benchmark, the Bloomberg Barclays® 1–3 Year U.S. Government/Credit Bond Index (the "Index"), returned 4.03%. (The Index is unmanaged, cannot be invested in directly and does not incur expenses.) According to Lipper® Analytical Services, Inc., an independent mutual fund ranking agency, the average return in 2019 of the Short Investment Grade Debt Funds peer group was 3.81%.

Sector allocation drove the Portfolio's outperformance during the reporting period, while security selection and yield curve positioning detracted slightly.

Relative to the Index, the Portfolio continued to underweight U.S. Treasurys while aiming to add yield by overweighting non-Treasury sectors and taking out-of-benchmark positions in higher yielding securitized debt. This positioning benefited results, especially when risk sentiment was positive. Solid corporate earnings and economic growth supported investor sentiment for the majority of the year. Strong demand from investors looking for additional yield, along with positive credit fundamentals, pressured Treasurys and supported short maturity corporate bonds.

The Portfolio's non-benchmark positions in MBS, commercial mortgage-backed securities and ABS, which benefited from still-solid consumer fundamentals and attractive relative-value opportunities, also boosted returns. Security selection among BBB corporate bonds detracted slightly, led by the Portfolio's position in Ford Motor Credit and Deutsche Bank. Yield curve positioning also detracted as a result of the Portfolio's underweight allocation to two-year maturity bonds, where rates declined the most, and overweight allocation to five-year maturity bonds. Treasury yields fell over the year in line with the Fed's three rate cuts. The yield on the two-year Treasury note fell to 1.58% from 2.48%, while the yield on the ten-year fell to 1.92% from 2.69%.

PORTFOLIO MANAGER OUTLOOK

The following forward-looking comments are the opinion of T. Rowe Price, the Portfolio's sub-adviser.

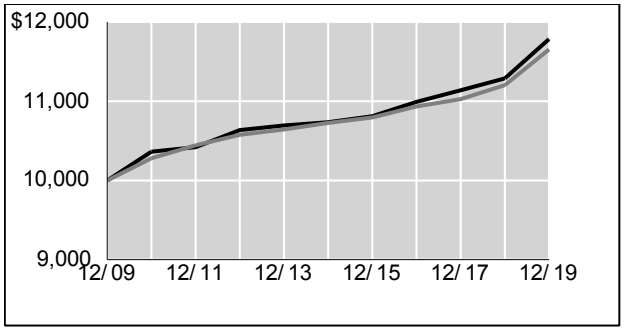
Short-Term Bond Portfolio (unaudited)

For a short-term bond portfolio, we believe yield plays a greater role than price appreciation in generating excess returns and limiting volatility. Because corporate bonds and securitized issues typically have greater yields than Treasurys, we believe that advantageous yield can be achieved by selectively overweighting these sectors in the Portfolio.

We also believe that the macroeconomic environment and corporate fundamentals continue to support riskier assets; however, uncertainty remains about the outlook for U.S. and global growth, and corporate debt levels remain historically high.

Acknowledging the ongoing challenges to the global economy, many global central banks have cut interest rates and taken other measures to loosen monetary policy. Those moves, combined with the banks' assurances of keeping rates low to support growth, have pushed global interest rates lower. While these changes have given more support to riskier assets, our outlook for the coming months remains somewhat guarded. Global risks remain and could quickly spark a sell-off in risky securities. Amid such uncertainty, we anticipate selectively adding to risk with holdings skewed toward shorter-maturity bonds as well as defensive securitized sectors. In such an environment, sector allocation, as well as credit selection, will be increasingly important.

Relative Performance



Average Annual Total Returns
For Periods Ended December 31, 2019

	1 Year	5 Years	10 Years
Short-Term Bond Portfolio	4.38%	1.88%	1.66%
Bloomberg Barclays® 1-3 Year U.S. Government/Credit Bond Index	4.03%	1.68%	1.54%
Lipper® Variable Insurance Products (VIP) Short Investment Grade Debt Funds Average	3.81%	1.64%	1.67%

The performance data quoted represents past performance. Past performance is historical and does not guarantee future performance. Investment return and principal value will fluctuate, so that shares, when redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than the performance data quoted. For the most recent month-end performance information visit www.northwesternmutual.com.

This chart assumes an initial investment of $10,000 made on 12/31/09. Returns shown reflect fee waivers, deductions for management and other portfolio expenses, and reinvestment of all dividends. In the absence of fee waivers, total return would be reduced. Returns exclude deductions for separate account sale loads and account fees. Please refer to the Benchmark Definitions section of this report for information about the indices cited in the above chart and graph.

Return of principal is not guaranteed. Bond funds have the same risks that are associated with the underlying bonds owned by the Portfolio. When interest rates rise, bond prices fall. With a fixed income fund, when interest rates rise, the value of the fund's existing bonds drops, which could negatively affect overall fund performance. High yield bonds generally have greater price swings and higher default risks than investment grade bonds.

Investing in bonds issued by foreign corporations and governments carries additional risk, including foreign currency risk, and may increase the volatility of the Portfolio's performance.

The Portfolio may invest in derivative instruments to adjust the Portfolio's duration and yield curve exposure, to hedge foreign currency exposure or for any other permissible purpose keeping with its investment objective. Use of these instruments may involve certain costs and imposes certain risks such as liquidity risk, market risk, credit risk, management risk and the risk of mispricing or improper valuation. Certain derivatives involve leverage, which could magnify losses, and portfolios investing in derivatives could lose more than the principal amount invested in those instruments.

The U.S. federal funds rate has been subject to frequent adjustments over the course of the last several years. A significant rise in interest rates over a short period of time

could cause significant losses in the market value of the Portfolio's fixed income investments.

Top 10 Fixed Income Holdings 12/31/19

Security Description	% of Net Assets
US Treasury, Various	18.2%
Federal National Mortgage Association, Various	3.3%
Government National Mortgage Association, Various	1.4%
Ford Motor Credit Co. LLC, Various	1.0%
Synchrony Financial, Various	0.9%
Bristol-Myers Squibb Co., Various	0.8%
Discover Bank, Various	0.8%
AbbVie, Inc., Various	0.8%
Bunge, Ltd. Finance Corp., Various	0.7%
SBA Tower Trust, Various	0.7%

Sector Allocation 12/31/19

Sector	% of Net Assets
Corporate Bonds	49.0%
Structured Products	31.8%
Governments	18.2%
Short-Term Investments & Other Net Assets	1.0%

Sector Allocation and Top 10 Holdings are subject to change.

Consistent with the Portfolio's stated parameters, no more than 20% of the Portfolio is invested in foreign securities, and no more than 10% is invested in high yield securities.

Short-Term Bond Portfolio

SCHEDULE OF INVESTMENTS

December 31, 2019

Corporate Bonds (49.0%)	Shares/ Par +	Value $ (000's)
Basic Materials (1.5%)		
Anglo American Capital PLC		
3.750%, 4/10/22 144A	315,000	323
4.125%, 9/27/22 144A	295,000	307
ArcelorMittal		
6.250%, 2/25/22	565,000	609
CNAC HK Finbridge Co., Ltd.		
3.000%, 7/19/20 §	390,000	391
4.125%, 3/14/21 §	360,000	366
DowDuPont, Inc.		
3.766%, 11/15/20	520,000	527
Equate Petrochemical BV		
3.000%, 3/3/22	400,000	402
International Flavors & Fragrances, Inc.		
3.400%, 9/25/20	195,000	197
LyondellBasell Industries NV		
6.000%, 11/15/21	280,000	297
POSCO		
2.375%, 11/12/22 144A β	810,000	809
Southern Copper Corp.		
5.375%, 4/16/20	245,000	247
Syngenta Finance NV		
3.698%, 4/24/20 144A	435,000	436
3.933%, 4/23/21 144A	265,000	269
Total		**5,180**
Communications (2.3%)		
America Movil SAB de CV		
5.000%, 3/30/20	211,000	212
Axiata SPV2 Bhd		
3.466%, 11/19/20 §	400,000	403
Baidu, Inc.		
2.875%, 7/6/22	405,000	408
3.500%, 11/28/22	345,000	355
Charter Communications Operating LLC / Charter Communications Operating Capital Corp.		
3.579%, 7/23/20	630,000	634
4.464%, 7/23/22 β	820,000	862
Comcast Corp.		
3.700%, 4/15/24	460,000	490
Crown Castle Towers LLC		
3.720%, 7/15/43 144A	300,000	310
eBay, Inc.		
2.150%, 6/5/20	375,000	375
Fox Corp.		
3.666%, 1/25/22 144A	120,000	124
4.030%, 1/25/24 144A	145,000	154
The Interpublic Group of Companies, Inc.		
3.500%, 10/1/20	140,000	142
JD.com, Inc.		
3.125%, 4/29/21 β	1,195,000	1,204
Neptune Finco Corp.		
10.875%, 10/15/25 144A	337,000	377
Omnicom Group, Inc.		
4.450%, 8/15/20	240,000	243

Corporate Bonds (49.0%)	Shares/ Par +	Value $ (000's)
Communications continued		
The Priceline Group, Inc.		
2.750%, 3/15/23	150,000	153
Telefonica Emisiones SAU		
5.134%, 4/27/20	260,000	262
Tencent Holdings, Ltd.		
2.875%, 2/11/20 144A	585,000	585
Vodafone Group PLC		
3.750%, 1/16/24	325,000	344
WPP Finance 2010		
3.625%, 9/7/22	140,000	145
Total		**7,782**
Consumer, Cyclical (5.3%)		
American Airlines Pass Through Trust, Series 2017-2, Class B		
3.700%, 4/15/27	326,611	330
BMW US Capital LLC		
3.014%, (ICE LIBOR USD 3 Month plus 0.410%), 4/12/21 144A	525,000	526
3.035%, (ICE LIBOR USD 3 Month plus 0.500%), 8/13/21 144A	390,000	391
D.R. Horton, Inc.		
2.550%, 12/1/20	240,000	241
Daimler Finance North America LLC		
2.300%, 2/12/21 144A β	705,000	706
3.100%, 5/4/20 144A	290,000	291
Delta Air Lines, Inc.		
2.875%, 3/13/20	295,000	295
Dollar Tree, Inc.		
3.288%, (ICE LIBOR USD 3 Month plus 0.700%), 4/17/20	585,000	585
Ford Motor Credit Co. LLC		
2.459%, 3/27/20	245,000	245
2.681%, 1/9/20 β	820,000	820
3.273%, (ICE LIBOR USD 3 Month plus 0.930%), 9/24/20 β	925,000	926
3.350%, 11/1/22	620,000	626
3.470%, 4/5/21	200,000	202
3.813%, 10/12/21	220,000	224
5.875%, 8/2/21	200,000	209
General Motors Financial Co., Inc.		
3.200%, 7/13/20 β	740,000	743
3.442%, (ICE LIBOR USD 3 Month plus 0.850%), 4/9/21	350,000	351
3.450%, 1/14/22	185,000	189
3.550%, 7/8/22	170,000	175
Harley-Davidson Financial Services, Inc.		
2.150%, 2/26/20 144A	225,000	225
2.550%, 6/9/22 144A	170,000	171
3.022%, (ICE LIBOR USD 3 Month plus 0.500%), 5/21/20 144A	375,000	375
3.460%, (ICE LIBOR USD 3 Month plus 0.940%), 3/2/21 144A	470,000	473
4.050%, 2/4/22 144A	560,000	578
Hasbro, Inc.		
2.600%, 11/19/22	395,000	397

Short-Term Bond Portfolio

Corporate Bonds (49.0%)	Shares/ Par +	Value $ (000's)
Consumer, Cyclical continued		
3.000%, 11/19/24	525,000	527
Hyundai Capital America		
2.450%, 6/15/21 144A	325,000	325
2.850%, 11/1/22 144A	228,000	230
3.000%, 6/20/22 144A	470,000	475
3.950%, 2/1/22 144A	245,000	252
McDonald's Corp.		
3.350%, 4/1/23	305,000	317
Nissan Motor Acceptance Corp.		
3.650%, 9/21/21 144A	405,000	413
O'Reilly Automotive, Inc.		
3.800%, 9/1/22	195,000	203
PACCAR Financial Corp.		
3.100%, 5/10/21	585,000	595
Panasonic Corp.		
2.536%, 7/19/22 144A	335,000	338
QVC, Inc.		
5.125%, 7/2/22 β	765,000	805
Royal Caribbean Cruises, Ltd.		
2.650%, 11/28/20	125,000	126
Starbucks Corp.		
2.700%, 6/15/22	205,000	209
Toyota Industries Corp.		
3.110%, 3/12/22 144A	435,000	443
Toyota Motor Credit Corp.		
2.650%, 4/12/22 β	875,000	890
United Airlines Pass Through Trust, Series 2019-2, Class B		
3.500%, 11/1/29	180,000	182
Volkswagen Group of America Finance LLC		
2.500%, 9/24/21 144A	200,000	202
2.700%, 9/26/22 144A	290,000	293
3.875%, 11/13/20 144A	465,000	473
Total		**17,592**
Consumer, Non-cyclical (8.7%)		
AbbVie, Inc.		
2.300%, 5/14/21	375,000	377
2.600%, 11/21/24 144A β	1,250,000	1,257
2.900%, 11/6/22 β	775,000	791
3.200%, 11/6/22	85,000	87
Actavis Funding SCS		
3.450%, 3/15/22	265,000	271
Altria Group, Inc.		
3.490%, 2/14/22	490,000	504
3.800%, 2/14/24 β	620,000	652
AmerisourceBergen Corp.		
3.500%, 11/15/21	305,000	312
Anthem, Inc.		
2.500%, 11/21/20	105,000	105
BAT Capital Corp.		
2.764%, 8/15/22 β	1,555,000	1,577
Baxalta, Inc.		
3.600%, 6/23/22	125,000	128
Bayer US Finance II LLC		
2.979%, (ICE LIBOR USD 3 Month plus 0.630%), 6/25/21 144A	580,000	582
3.500%, 6/25/21 144A	310,000	316
Becton Dickinson and Co.		
2.894%, 6/6/22	345,000	351

Corporate Bonds (49.0%)	Shares/ Par +	Value $ (000's)
Consumer, Non-cyclical continued		
Biogen, Inc.		
2.900%, 9/15/20	230,000	232
Bristol-Myers Squibb Co.		
2.600%, 5/16/22 144A	210,000	213
2.750%, 2/15/23 144A	300,000	306
2.875%, 8/15/20 144A	567,000	570
2.875%, 2/19/21 144A	548,000	554
2.900%, 7/26/24 144A	420,000	433
3.250%, 2/20/23 144A	95,000	98
3.550%, 8/15/22 144A	300,000	312
3.625%, 5/15/24 144A	80,000	84
Bunge, Ltd. Finance Corp.		
3.000%, 9/25/22 β	1,070,000	1,085
3.500%, 11/24/20 β	1,210,000	1,225
4.350%, 3/15/24	55,000	58
Campbell Soup Co.		
2.910%, (ICE LIBOR USD 3 Month plus 0.500%), 3/16/20	475,000	475
Cardinal Health, Inc.		
2.616%, 6/15/22	50,000	51
3.079%, 6/15/24	310,000	319
3.200%, 3/15/23	395,000	405
3.500%, 11/15/24	525,000	548
Cigna Corp.		
2.789%, (ICE LIBOR USD 3 Month plus 0.650%), 9/17/21	315,000	315
3.000%, 7/15/23 144A	320,000	327
3.400%, 9/17/21	175,000	179
3.750%, 7/15/23	495,000	519
3.900%, 2/15/22 144A	250,000	259
4.125%, 9/15/20 144A	325,000	330
Conagra Brands, Inc.		
3.342%, (ICE LIBOR USD 3 Month plus 0.750%), 10/22/20	215,000	215
CVS Health Corp.		
2.625%, 8/15/24	150,000	151
3.083%, (ICE LIBOR USD 3 Month plus 0.630%), 3/9/20	30,000	30
3.173%, (ICE LIBOR USD 3 Month plus 0.720%), 3/9/21	320,000	322
3.350%, 3/9/21	510,000	518
3.700%, 3/9/23 β	835,000	869
Elanco Animal Health, Inc.		
3.912%, 8/27/21	360,000	369
EMD Finance LLC		
2.400%, 3/19/20 144A	460,000	460
2.950%, 3/19/22 144A	190,000	193
Equifax, Inc.		
2.300%, 6/1/21	465,000	466
3.388%, (ICE LIBOR USD 3 Month plus 0.870%), 8/15/21	285,000	286
3.600%, 8/15/21	275,000	281
Express Scripts Holding Co.		
3.274%, (ICE LIBOR USD 3 Month plus 0.750%), 11/30/20 β	750,000	750
General Mills, Inc.		
3.141%, (ICE LIBOR USD 3 Month plus 0.540%), 4/16/21	465,000	467
Global Payments, Inc.		
2.650%, 2/15/25	345,000	346

Short-Term Bond Portfolio

Corporate Bonds (49.0%)	Shares/ Par +	Value $ (000's)
Consumer, Non-cyclical continued		
Humana, Inc.		
2.900%, 12/15/22	80,000	81
3.150%, 12/1/22	150,000	154
3.850%, 10/1/24	30,000	32
Imperial Brands Finance PLC		
2.950%, 7/21/20 144A β	945,000	948
3.750%, 7/21/22 144A β	805,000	828
Keurig Dr. Pepper, Inc.		
3.551%, 5/25/21	465,000	475
McKesson Corp.		
3.650%, 11/30/20 β	650,000	659
Molson Coors Brewing Co. - Class B		
2.250%, 3/15/20	430,000	430
Pernod-Ricard SA		
4.450%, 1/15/22 144A	535,000	559
Perrigo Finance PLC		
3.900%, 12/15/24 β	865,000	888
Perrigo Finance Unlimited Co.		
3.500%, 12/15/21	400,000	405
RELX Capital, Inc.		
3.500%, 3/16/23	270,000	281
Reynolds American, Inc.		
3.250%, 6/12/20	145,000	146
Shire Acquisitions Investments Ireland DAC		
2.875%, 9/23/23	55,000	56
Takeda Pharmaceutical Co., Ltd.		
4.000%, 11/26/21 β	780,000	806
Tyson Foods, Inc.		
2.250%, 8/23/21	280,000	281
Watson Pharmaceuticals, Inc.		
3.250%, 10/1/22	80,000	82
Total		**29,041**
Diversified (0.1%)		
CK Hutchison International 17 II, Ltd.		
2.750%, 3/29/23	400,000	402
Total		**402**
Energy (4.7%)		
Cenovus Energy, Inc.		
3.000%, 8/15/22	550,000	557
China Shenhua Overseas Capital Co., Ltd.		
3.125%, 1/20/20 §,β	785,000	785
Columbia Pipeline Group, Inc.		
3.300%, 6/1/20	535,000	537
Diamondback Energy, Inc.		
2.875%, 12/1/24 β	830,000	839
Energy Transfer Operating LP		
4.250%, 3/15/23	310,000	324
5.875%, 1/15/24 β	1,054,000	1,166
Eni SpA		
4.000%, 9/12/23 144A	200,000	211
Enterprise Products Operating LLC		
2.800%, 2/15/21	480,000	485
3.500%, 2/1/22	500,000	515
EQT Corp.		
3.089%, (ICE LIBOR USD 3 Month plus 0.770%), 10/1/20 β	890,000	888
Exxon Mobil Corp.		
2.844%, (ICE LIBOR USD 3 Month plus 0.370%), 3/6/22 β	1,110,000	1,117

Corporate Bonds (49.0%)	Shares/ Par +	Value $ (000's)
Energy continued		
Marathon Oil Corp.		
2.800%, 11/1/22 β	855,000	869
MPLX LP		
3.002%, (ICE LIBOR USD 3 Month plus 0.900%), 9/9/21	120,000	120
3.202%, (ICE LIBOR USD 3 Month plus 1.100%), 9/9/22	380,000	381
Occidental Petroleum Corp.		
2.600%, 8/13/21	430,000	433
2.700%, 8/15/22	410,000	414
Phillips 66		
3.121%, (ICE LIBOR USD 3 Month plus 0.600%), 2/26/21	335,000	335
Plains All American Pipeline LP / PAA Finance Corp.		
5.000%, 2/1/21	220,000	225
Sabine Pass Liquefaction LLC		
5.625%, 2/1/21 β	1,320,000	1,357
Saudi Arabian Oil Co.		
2.750%, 4/16/22 144A β	805,000	814
Schlumberger Holdings Corp.		
3.750%, 5/1/24 144A	295,000	311
Western Midstream Operating LP		
4.000%, 7/1/22 β	800,000	820
The Williams Cos., Inc.		
3.700%, 1/15/23 β	979,000	1,013
Williams Partners LP		
3.350%, 8/15/22	95,000	97
5.250%, 3/15/20 β	1,230,000	1,237
Total		**15,850**
Financial (17.6%)		
ABN AMRO Bank NV		
3.091%, (ICE LIBOR USD 3 Month plus 0.570%), 8/27/21 144A β	760,000	763
AerCap Ireland Capital DAC / AerCap Global Aviation Trust		
3.950%, 2/1/22	475,000	491
4.450%, 12/16/21	455,000	474
4.625%, 10/30/20	300,000	306
AIA Group, Ltd.		
2.907%, (ICE LIBOR USD 3 Month plus 0.520%), 9/20/21 144A β	765,000	765
AIG Global Funding		
3.350%, 6/25/21 144A	365,000	373
Air Lease Corp.		
2.125%, 1/15/20	570,000	570
2.250%, 1/15/23	360,000	360
2.500%, 3/1/21	135,000	136
3.500%, 1/15/22	265,000	272
American Campus Communities Operating Partnership LP		
3.350%, 10/1/20	519,000	523
American Express Co.		
3.000%, 2/22/21	520,000	526
American Express Credit Corp.		
2.200%, 3/3/20 β	700,000	700
American International Group, Inc.		
4.875%, 6/1/22	335,000	358
6.400%, 12/15/20	175,000	182

Short-Term Bond Portfolio

Corporate Bonds (49.0%)	Shares/ Par +	Value $ (000's)
Financial continued		
Aon Corp.		
2.200%, 11/15/22	180,000	181
5.000%, 9/30/20	60,000	61
Aon PLC		
2.800%, 3/15/21	570,000	576
Avolon Holdings Funding, Ltd.		
3.625%, 5/1/22 144A β	670,000	687
3.950%, 7/1/24 144A	130,000	135
Banco Santander Chile		
2.500%, 12/15/20 144A β	860,000	858
Banco Santander Mexico SA Institucion De Banca Multiple Grupo Financiero Santander Mexico		
4.125%, 11/9/22 β	775,000	805
Banco Santander SA		
3.724%, (ICE LIBOR USD 3 Month plus 1.120%), 4/12/23	400,000	403
Bank of America Corp.		
2.314%, (ICE LIBOR USD 3 Month plus 0.380%), 1/23/22	395,000	395
2.503%, 10/21/22	280,000	283
2.597%, (ICE LIBOR USD 3 Month plus 0.650%), 6/25/22	410,000	412
2.625%, 4/19/21	315,000	318
3.126%, (ICE LIBOR USD 3 Month plus 1.160%), 1/20/23 β	665,000	675
Bank of Montreal		
3.057%, (ICE LIBOR USD 3 Month plus 0.460%), 4/13/21	430,000	431
Banque Federative du Credit Mutuel SA		
2.125%, 11/21/22 144A	630,000	631
Barclays Bank PLC		
2.650%, 1/11/21	445,000	448
Barclays PLC		
4.209%, (ICE LIBOR USD 3 Month plus 1.625%), 1/10/23	290,000	294
BB&T Corp.		
2.150%, 2/1/21	550,000	551
BDO Unibank, Inc.		
2.950%, 3/6/23 β	800,000	806
Bohai Capital Holding Co., Ltd.		
3.625%, 3/15/21 144A β	690,000	699
BPCE SA		
3.743%, (ICE LIBOR USD 3 Month plus 1.220%), 5/22/22 144A	280,000	284
Brixmor Operating Partnership LP		
3.875%, 8/15/22	80,000	83
Capital One Financial Corp.		
2.400%, 10/30/20	300,000	301
2.500%, 5/12/20	170,000	170
3.200%, 1/30/23	345,000	355
3.500%, 6/15/23	245,000	254
3.900%, 1/29/24	240,000	254
Capital One NA		
2.150%, 9/6/22	535,000	536
2.250%, 9/13/21	330,000	331
The Charles Schwab Corp.		
2.842%, (ICE LIBOR USD 3 Month plus 0.320%), 5/21/21	470,000	470
Citibank NA		
2.125%, 10/20/20	405,000	405
Financial continued		
2.844%, (ICE LIBOR USD 3 Month plus 0.596%), 5/20/22	620,000	627
Citigroup, Inc.		
2.312%, (US SOFR plus 0.867%), 11/4/22	575,000	577
2.700%, 3/30/21	35,000	35
2.900%, 12/8/21 β	675,000	686
Citizens Bank NA		
2.250%, 3/2/20	565,000	565
2.250%, 10/30/20	250,000	251
2.550%, 5/13/21	250,000	252
3.250%, 2/14/22	290,000	297
Citizens Financial Group, Inc.		
2.375%, 7/28/21	35,000	35
Cooperatieve Rabobank UA		
3.950%, 11/9/22 β	645,000	674
Credit Agricole SA		
3.601%, (ICE LIBOR USD 3 Month plus 1.020%), 4/24/23 144A	315,000	318
The Credit Mutuel-CM11 Group		
2.200%, 7/20/20 144A	435,000	435
Credit Suisse AG		
2.100%, 11/12/21	635,000	638
5.400%, 1/14/20	150,000	150
Crown Castle International Corp.		
2.250%, 9/1/21	195,000	196
3.400%, 2/15/21	385,000	390
Danske Bank A/S		
2.200%, 3/2/20 144A β	820,000	820
3.001%, (ICE LIBOR USD 3 Month plus 1.249%), 9/20/22 144A β	725,000	731
5.000%, 1/12/22 144A	465,000	488
Deutsche Bank AG		
2.950%, 8/20/20	420,000	421
3.150%, 1/22/21	530,000	532
3.375%, 5/12/21	100,000	101
3.855%, (ICE LIBOR USD 3 Month plus 1.290%), 2/4/21	405,000	406
Discover Bank		
3.100%, 6/4/20 β	1,025,000	1,029
3.200%, 8/9/21	470,000	478
7.000%, 4/15/20 β	1,000,000	1,013
First Niagara Financial Group, Inc.		
7.250%, 12/15/21	245,000	268
GE Capital International Funding Co. Unlimited Co.		
2.342%, 11/15/20 β	1,920,000	1,921
The Goldman Sachs Group, Inc.		
3.363%, (ICE LIBOR USD 3 Month plus 0.780%), 10/31/22	330,000	332
3.696%, (ICE LIBOR USD 3 Month plus 1.110%), 4/26/22	520,000	525
5.750%, 1/24/22 β	825,000	885
Highwoods Realty LP		
3.625%, 1/15/23	240,000	248
HSBC Holdings PLC		
3.086%, (ICE LIBOR USD 3 Month plus 0.650%), 9/11/21	320,000	321
3.120%, (ICE LIBOR USD 3 Month plus 0.600%), 5/18/21	545,000	546

Short-Term Bond Portfolio

Corporate Bonds (49.0%)	Shares/ Par +	Value $ (000's)
Financial continued		
ING Groep NV		
3.751%, (ICE LIBOR USD 3 Month plus 1.150%), 3/29/22	335,000	340
JPMorgan Chase & Co.		
3.003%, (ICE LIBOR USD 3 Month plus 0.550%), 3/9/21 β	675,000	675
4.250%, 10/15/20	200,000	204
JPMorgan Chase Bank NA		
2.604%, (ICE LIBOR USD 3 Month plus 0.280%), 2/1/21	250,000	250
Lincoln National Corp.		
4.000%, 9/1/23	130,000	138
Marsh & McLennan Cos., Inc.		
3.500%, 12/29/20	370,000	375
3.875%, 3/15/24	345,000	368
Mitsubishi UFJ Financial Group, Inc.		
3.218%, 3/7/22	535,000	548
3.236%, (ICE LIBOR USD 3 Month plus 0.650%), 7/26/21	193,000	194
3.443%, (ICE LIBOR USD 3 Month plus 0.920%), 2/22/22	390,000	393
3.446%, (ICE LIBOR USD 3 Month plus 0.860%), 7/26/23	320,000	322
Morgan Stanley		
2.750%, 5/19/22	485,000	494
3.095%, (ICE LIBOR USD 3 Month plus 0.550%), 2/10/21	595,000	595
5.500%, 1/26/20	240,000	241
5.500%, 7/24/20	235,000	240
New York Life Global Funding		
2.885%, (ICE LIBOR USD 3 Month plus 0.320%), 8/6/21 144A	585,000	587
Park Aerospace Holdings, Ltd.		
5.250%, 8/15/22 144A	375,000	400
PNC Bank NA		
2.450%, 11/5/20	425,000	427
Regions Bank		
2.972%, (ICE LIBOR USD 3 Month plus 0.380%), 4/1/21 β	650,000	650
3.035%, (ICE LIBOR USD 3 Month plus 0.500%), 8/13/21	250,000	250
3.374%, (ICE LIBOR USD 3 Month plus 0.500%), 8/13/21	325,000	328
Reinsurance Group of America, Inc.		
5.000%, 6/1/21	60,000	62
Santander UK Group Holdings PLC		
2.875%, 10/16/20	145,000	146
Santander UK PLC		
2.125%, 11/3/20	430,000	431
SBA Tower Trust		
2.836%, 1/15/25 144A	440,000	444
Standard Chartered PLC		
2.744%, (ICE LIBOR USD 3 Month plus 1.200%), 9/10/22 144A	385,000	387
3.742%, (ICE LIBOR USD 3 Month plus 1.150%), 1/20/23 144A	435,000	438
Sumitomo Mitsui Banking Corp.		
2.514%, 1/17/20 β	730,000	730
SunTrust Bank		
2.590%, (ICE LIBOR USD 3 Month plus 0.298%), 1/29/21 β	720,000	721
Financial continued		
2.800%, 5/17/22	480,000	489
Svenska Handelsbanken AB		
3.350%, 5/24/21	525,000	535
Swedbank AB		
2.650%, 3/10/21 144A β	980,000	986
Synchrony Bank		
3.000%, 6/15/22	250,000	255
Synchrony Financial		
2.700%, 2/3/20 β	1,540,000	1,541
2.850%, 7/25/22 β	1,541,000	1,559
The Toronto-Dominion Bank		
2.820%, (ICE LIBOR USD 3 Month plus 0.240%), 1/25/21 β	755,000	756
Trininty Acquisition PLC		
3.500%, 9/15/21	315,000	321
U.S. Bank NA		
2.906%, (ICE LIBOR USD 3 Month plus 0.320%), 4/26/21 β	720,000	722
UBS Group Funding AG		
3.744%, (ICE LIBOR USD 3 Month plus 1.220%), 5/23/23 144A	415,000	421
UBS Group Funding Jersey, Ltd.		
2.950%, 9/24/20 144A	255,000	257
3.000%, 4/15/21 144A	385,000	390
Ventas Realty LP		
3.100%, 1/15/23	82,000	84
WEA Finance LLC / Westfield UK & Europe Finance PLC		
3.250%, 10/5/20 144A	240,000	242
Wells Fargo & Co.		
2.550%, 12/7/20	45,000	45
3.500%, 3/8/22	330,000	341
Wells Fargo Bank NA		
2.082%, (ICE LIBOR USD 3 Month plus 0.650%), 9/9/22	490,000	491
3.325%, (ICE LIBOR USD 3 Month plus 0.490%), 7/23/21 β	920,000	927
Total		**58,822**
Industrial (3.7%)		
Avnet, Inc.		
3.750%, 12/1/21	250,000	257
Boral Finance, Ltd.		
3.000%, 11/1/22 144A	65,000	65
Caterpillar Financial Services Corp.		
2.752%, (ICE LIBOR USD 3 Month plus 0.280%), 9/7/21	285,000	285
2.950%, 2/26/22	495,000	506
CNH Industrial Capital LLC		
3.875%, 10/15/21	460,000	472
4.375%, 11/6/20 β	895,000	910
DAE Funding LLC		
4.000%, 8/1/20 144A	360,000	362
5.250%, 11/15/21 144A	305,000	317
Eastern Creation II Investment Holdings, Ltd.		
2.750%, 9/26/20 §,β	645,000	645
GATX Corp.		
2.600%, 3/30/20 β	690,000	690
General Electric Capital Corp.		
3.450%, 5/15/24	240,000	249
4.650%, 10/17/21	280,000	292

Short-Term Bond Portfolio

Corporate Bonds (49.0%)	Shares/ Par +	Value $ (000's)
Industrial continued		
General Electric Co.		
2.700%, 10/9/22	482,000	488
3.150%, 9/7/22	249,000	255
5.300%, 2/11/21	60,000	62
Jabil Circuit, Inc.		
5.625%, 12/15/20	240,000	248
Martin Marietta Materials, Inc.		
3.173%, (ICE LIBOR USD 3 Month plus 0.650%), 5/22/20	150,000	150
Northrop Grumman Corp.		
2.550%, 10/15/22	345,000	350
Penske Truck Leasing Co. LP / PTL Finance Corp.		
3.200%, 7/15/20 144A β	795,000	798
3.300%, 4/1/21 144A	90,000	91
3.650%, 7/29/21 144A	180,000	184
Republic Services, Inc.		
2.500%, 8/15/24	375,000	379
Roper Industries, Inc.		
3.125%, 11/15/22 β	660,000	676
Roper Technologies, Inc.		
2.350%, 9/15/24	165,000	166
3.000%, 12/15/20 β	785,000	792
3.650%, 9/15/23	125,000	131
SMBC Aviation Capital Finance DAC		
3.550%, 4/15/24 144A	200,000	208
4.125%, 7/15/23 144A	200,000	210
Union Pacific Corp.		
3.200%, 6/8/21	565,000	576
United Technologies Corp.		
3.175%, (ICE LIBOR USD 3 Month plus 0.650%), 8/16/21	355,000	355
Vulcan Materials Co.		
3.010%, (ICE LIBOR USD 3 Month plus 0.600%), 6/15/20	365,000	365
3.170%, (ICE LIBOR USD 3 Month plus 0.650%), 3/1/21 β	760,000	762
Total		**12,296**
Real Estate (0.5%)		
SBA Tower Trust		
2.877%, 7/10/46 144A	155,000	156
3.156%, 10/10/45 144A	635,000	636
3.168%, 4/9/47 144A	555,000	560
3.448%, 3/15/23 144A	415,000	427
Total		**1,779**
Technology (1.6%)		
Apple, Inc.		
2.400%, 5/3/23	330,000	335
Broadcom Corp. / Broadcom Cayman Finance, Ltd.		
2.375%, 1/15/20 β	750,000	750
3.000%, 1/15/22 β	700,000	710
Fiserv, Inc.		
2.750%, 7/1/24 β	800,000	813
International Business Machines Corp.		
2.500%, 1/27/22	145,000	147
2.850%, 5/13/22	350,000	358
2.875%, 11/9/22	155,000	159

Corporate Bonds (49.0%)	Shares/ Par +	Value $ (000's)
Technology continued		
Microchip Technology, Inc.		
3.922%, 6/1/21 β	745,000	762
NXP BV / NXP Funding LLC		
3.875%, 9/1/22 144A	310,000	321
4.125%, 6/1/21 144A	400,000	410
4.625%, 6/1/23 144A	525,000	561
Total		**5,326**
Utilities (3.0%)		
American Electric Power Co., Inc.		
3.650%, 12/1/21	85,000	88
CenterPoint Energy Resources Corp.		
4.500%, 1/15/21	295,000	301
CenterPoint Energy, Inc.		
3.600%, 11/1/21	215,000	221
Dominion Energy, Inc.		
2.579%, 7/1/20 β	1,145,000	1,147
Duke Energy Corp.		
3.550%, 9/15/21	155,000	158
Edison International		
2.125%, 4/15/20	541,000	541
3.125%, 11/15/22	290,000	294
EDP Finance BV		
4.125%, 1/15/20 144A	205,000	205
Enel Finance International NV		
2.875%, 5/25/22 144A β	835,000	846
4.250%, 9/14/23 144A	400,000	423
FirstEnergy Corp.		
2.850%, 7/15/22	320,000	325
NextEra Energy Capital Holdings, Inc.		
3.071%, (ICE LIBOR USD 3 Month plus 0.550%), 8/28/21	610,000	610
NRG Energy, Inc.		
3.750%, 6/15/24 144A	270,000	279
PNM Resources, Inc.		
3.250%, 3/9/21	465,000	470
San Diego Gas & Electric Co.		
1.914%, 2/1/22	76,787	77
Sempra Energy		
2.850%, 11/15/20 β	785,000	789
2.875%, 10/1/22	265,000	270
3.097%, (ICE LIBOR USD 3 Month plus 0.500%), 1/15/21	495,000	495
The Southern Co.		
2.350%, 7/1/21	125,000	126
State Grid Overseas Investment 2016, Ltd.		
2.250%, 5/4/20 144A β	1,030,000	1,030
Vistra Operations Co. LLC		
3.550%, 7/15/24 144A β	1,335,000	1,351
Total		**10,046**
Total Corporate Bonds (Cost: $162,441)		**164,116**

Governments (18.2%)		
Governments (18.2%)		
US Treasury		
1.500%, 9/15/22 β	3,340,000	3,331
1.625%, 12/15/22 β	5,340,000	5,343
1.750%, 6/15/22 β	5,245,000	5,264
1.750%, 7/15/22 β	7,720,000	7,746

Short-Term Bond Portfolio

Governments (18.2%)	Shares/ Par +	Value $ (000's)
Governments continued		
2.125%, 5/15/22 β	5,140,000	5,201
2.250%, 4/15/22 β	5,120,000	5,193
2.375%, 3/15/22 β	8,310,000	8,451
2.500%, 1/15/22 β	7,300,000	7,430
2.500%, 2/15/22 β	5,300,000	5,399
2.625%, 12/15/21 β	7,405,000	7,550
Total		**60,908**
Total Governments (Cost: $60,542)		**60,908**

Structured Products (31.8%)	Shares/ Par +	Value $ (000's)
Asset Backed Securities (15.9%)		
Ally Auto Receivables Trust, Series 2017-2, Class C		
2.460%, 9/15/22	70,000	70
Ally Auto Receivables Trust, Series 2017-2, Class D		
2.930%, 11/15/23	95,000	96
Ally Master Owner Trust, Series 2018-4, Class A		
3.300%, 7/17/23	300,000	306
AmeriCredit Automobile Receivables Trust, Series 2015-3, Class D		
3.340%, 8/8/21	299,305	300
AmeriCredit Automobile Receivables Trust, Series 2016-1, Class C		
2.890%, 1/10/22	599,149	600
AmeriCredit Automobile Receivables Trust, Series 2016-3, Class D		
2.710%, 9/8/22	380,000	382
Americredit Automobile Receivables Trust, Series 2016-4, Class D		
2.740%, 12/8/22 β	1,070,000	1,077
AmeriCredit Automobile Receivables Trust, Series 2017-1, Class C		
2.710%, 8/18/22	175,000	176
AmeriCredit Automobile Receivables Trust, Series 2017-1, Class D		
3.130%, 1/18/23	620,000	627
AmeriCredit Automobile Receivables Trust, Series 2017-3, Class B		
2.240%, 6/19/23	185,000	185
AmeriCredit Automobile Receivables Trust, Series 2017-3, Class C		
2.690%, 6/19/23	195,000	197
AmeriCredit Automobile Receivables Trust, Series 2018-1, Class D		
3.820%, 3/18/24 β	790,000	817
Americredit Automobile Receivables Trust, Series 2018-3, Class A3		
3.380%, 7/18/23 β	760,000	771
AmeriCredit Automobile Receivables Trust, Series 2019-3, Class B		
2.130%, 7/18/25	240,000	239
Applebee's Funding LLC / IHOP Funding LLC, Series 2019-1A, Class A2I		
4.194%, 6/7/49 144A	300,000	304
ARI Fleet Lease Trust, Series 2017-A, Class A2		
1.910%, 4/15/26 144A	21,764	22
Asset Backed Securities continued		
ARI Fleet Lease Trust, Series 2017-A, Class A3		
2.280%, 4/15/26 144A β	700,000	701
ARI Fleet Lease Trust, Series 2018-A, Class A2		
2.550%, 10/15/26 144A	189,929	190
Ascentium Equipment Receivables Trust LLC, Series 2017-1A, Class A3		
2.290%, 6/10/21 144A	70,603	71
Avis Budget Rental Car Funding AESOP LLC, Series 2014-2A, Class A		
2.500%, 2/20/21 144A	385,000	385
Avis Budget Rental Car Funding AESOP LLC, Series 2015-1A, Class A		
2.500%, 7/20/21 144A	415,000	415
Avis Budget Rental Car Funding AESOP LLC, Series 2015-2A, Class A		
2.630%, 12/20/21 144A	635,000	637
Avis Budget Rental Car Funding AESOP LLC, Series 2016-1A, Class A		
2.990%, 6/20/22 144A	440,000	445
Avis Budget Rental Car Funding AESOP LLC, Series 2017-2A, Class A		
2.970%, 3/20/24 144A	425,000	432
Avis Budget Rental Car Funding AESOP LLC, Series 2019-1A, Class B		
3.700%, 3/20/23 144A	120,000	122
Avis Budget Rental Car Funding AESOP LLC, Series 2019-2A, Class A		
3.350%, 9/22/25 144A	340,000	350
Babson CLO, Ltd., Series 2017-IA, Class AR		
3.392%, (ICE LIBOR USD 3 Month plus 0.800%), 1/20/28 144A β	730,000	727
Bayview Mortgage Fund IVc Trust, Series 2017-RT3, Class A		
3.500%, (AFC), 1/28/58 144A	549,993	555
Bayview Opportunity Master Fund IVa Trust, Series 2017-SPL5, Class A		
3.500%, (AFC), 6/28/57 144A	475,643	483
Bayview Opportunity Master Fund IVb Trust, Series 2017-SPL4, Class A		
3.500%, (AFC), 1/28/55 144A	163,329	165
BlueMountain CLO, Series 2015-2, Class A		
3.531%, (ICE LIBOR USD 3 Month plus 0.930%), 7/18/27 144A β	750,000	749
BRE Grand Islander Timeshare Issuer LLC, Series 2019-A, Class A		
3.280%, 9/26/33 144A	254,311	259
Capital Auto Receivables Asset Trust, Series 2017-1, Class B		
2.430%, 5/20/22 144A	70,000	70
Capital Auto Receivables Asset Trust, Series 2017-1, Class C		
2.700%, 9/20/22 144A	115,000	116
Capital Auto Receivables Asset Trust, Series 2018-1, Class D		
3.700%, 6/20/25 144A	575,000	582
Capital Auto Receivables Asset Trust, Series 2018-2, Class B		
3.480%, 10/20/23 144A	180,000	182

Short-Term Bond Portfolio

Structured Products (31.8%)	Shares/ Par +	Value $ (000's)
Asset Backed Securities continued		
Capital Auto Receivables Asset Trust, Series 2018-2, Class C 3.690%, 12/20/23 144A	225,000	228
Capital One Multi-Asset Execution Trust, Series 2019-A2, Class A2 1.720%, 8/15/24 β	795,000	792
Carlyle Global Market Strategies, Series 2015-3A, Class A1R 3.582%, (ICE LIBOR USD 3 Month plus 1.000%), 7/28/28 144A β	760,000	760
CarMax Auto Owner Trust, Series 2017-4, Class C 2.700%, 10/16/23	95,000	96
CCG Receivables Trust, Series 2017-1, Class A2 1.840%, 11/14/23 144A	37,198	37
Cole Park CLO, Ltd., Series 2015-1A, Class AR 3.642%, (ICE LIBOR USD 3 Month plus 1.050%), 10/20/28 144A β	760,000	758
Elara HGV Timeshare Issuer, Series 2017-A, Class A 2.690%, 3/25/30 144A	99,877	100
Elara HGV Timeshare Issuer, Series 2019-A, Class A 2.610%, 1/25/34 144A	237,180	236
Enterprise Fleet Financing LLC, Series 2017-1, Class A2 2.130%, 7/20/22 144A	17,778	18
Enterprise Fleet Financing LLC, Series 2017-2, Class A2 1.970%, 1/20/23 144A	34,908	35
Enterprise Fleet Financing LLC, Series 2017-3, Class A2 2.130%, 5/22/23 144A	249,192	249
Enterprise Fleet Financing LLC, Series 2017-3, Class A3 2.360%, 5/20/23 144A	195,000	196
Enterprise Fleet Financing LLC, Series 2018-1, Class A2 2.870%, 10/20/23 144A	188,705	190
Enterprise Fleet Financing LLC, Series 2018-2, Class A2 3.140%, 2/20/24 144A	304,304	307
Enterprise Fleet Financing LLC, Series 2019-1, Class A2 2.980%, 10/22/24 144A	270,000	273
Enterprise Fleet Financing LLC, Series 2019-3, Class A2 2.060%, 5/20/25 144A	365,000	365
Ford Credit Floorplan Master Owner Trust A, Series 2017-2, Class B 2.340%, 9/15/22 β	1,265,000	1,267
GM Financial Automobile Leasing Trust, Series 2017-3, Class C 2.730%, 9/20/21	140,000	140
GM Financial Automobile Leasing Trust, Series 2018-1, Class C 3.110%, 12/20/21	200,000	201
GM Financial Automobile Leasing Trust, Series 2018-1, Class D 3.370%, 10/20/22	480,000	483
GM Financial Automobile Leasing Trust, Series 2018-2, Class A 3.500%, 4/20/22	220,000	222
GM Financial Automobile Leasing Trust, Series 2019-1, Class C 3.560%, 12/20/22	400,000	406
GM Financial Securitized Term, Series 2017-3A, Class C 2.520%, 3/16/23 144A	475,000	476
GMF Floorplan Owner Revolving Trust, Series 2017-1, Class C 2.970%, 1/18/22 144A	260,000	260
GMF Floorplan Owner Revolving Trust, Series 2017-2, Class C 2.630%, 7/15/22 144A	170,000	170
GMF Floorplan Owner Revolving Trust, Series 2018-4, Class A1 3.500%, 9/15/23 144A β	670,000	686
GMF Floorplan Owner Revolving Trust, Series 2019-1, Class A 2.700%, 4/15/24 144A	355,000	357
Golub Capital Partners CLO, Series 2018-39A, Class A1 3.742%, (ICE LIBOR USD 3 Month plus 1.150%), 10/20/28 144A	440,000	439
GreatAmerica Leasing Receivables Funding LLC, Series 2018-1, Class A3 2.600%, 6/15/21 144A	156,697	157
Halcyon Loan Advisors Funding, Ltd., Series 2014-3A, Class B1R 3.060%, (ICE LIBOR USD 3 Month plus 1.700%), 10/22/25 144A	345,000	345
Hardee's Funding LLC, Series 1A, Class AI 4.250%, 6/21/48 144A	434,798	437
Hilton Grand Vacations Trust, Series 2017-AA, Class A 2.660%, 12/26/28 144A	74,358	75
Hilton Grand Vacations Trust, Series 2017-AA, Class B 2.960%, (EXE), 12/26/28 144A	42,491	43
Huntington Auto Trust, Series 2016-1, Class A4 1.930%, 4/15/22	224,105	224
Hyundai Auto Receivables Trust, Series 2017-A, Class B 2.380%, 4/17/23	150,000	150
Hyundai Auto Receivables Trust, Series 2019-A, Class B 2.940%, 5/15/25	325,000	331
KKR Financial CLO, Ltd., Series 2013, Class A1R 3.401%, (ICE LIBOR USD 3 Month plus 0.800%), 1/16/28 144A β	755,000	751
Madison Park Funding, Ltd., Series 2015-18A, Class A1R 3.782%, (ICE LIBOR USD 3 Month plus 1.190%), 10/21/30 144A β	690,000	690

Short-Term Bond Portfolio

Structured Products (31.8%)	Shares/ Par +	Value $ (000's)
Asset Backed Securities continued		
Magnetite XVI, Ltd., Series 2015-16A, Class AR		
3.401%, (ICE LIBOR USD 3 Month plus 0.800%), 1/18/28 144A β	980,000	978
Mill City Mortgage Loan Trust, Series 2016-1, Class A1		
2.500%, (AFC), 4/25/57 144A	50,369	50
Mill City Mortgage Loan Trust, Series 2017-2, Class A1		
2.750%, (AFC), 7/25/59 144A	342,385	343
MVW Owner Trust, Series 2015-1A, Class A		
2.520%, 12/20/32 144A	132,307	132
MVW Owner Trust, Series 2017-1A, Class A		
2.420%, 12/20/34 144A	423,639	424
MVW Owner Trust, Series 2017-1A, Class B		
2.750%, 12/20/34 144A	44,594	45
MVW Owner Trust, Series 2017-1A, Class C		
2.990%, 12/20/34 144A	49,053	49
Navient Private Education Refi Loan Trust, Series 2019-C, Class A1		
2.820%, 2/15/68 144A	476,527	479
Navient Student Loan Trust, Series 2018-A, Class A1		
2.530%, 2/18/42 144A	115,248	115
Navient Student Loan Trust, Series 2019-2A, Class A1		
2.674%, (ICE LIBOR USD 1 Month plus 0.270%), 2/27/68 144A	294,400	294
Navient Student Loan Trust, Series 2019-EA, Class A1		
2.390%, 5/15/68 144A	297,660	298
Navient Student Loan Trust, Series 2019-GA, Class A		
2.400%, 10/15/68 144A β	1,275,000	1,266
Neuberger Berman CLO, Ltd., Series 2015-19A, Class A1R2		
3.397%, (ICE LIBOR USD 3 Month plus 0.800%), 7/15/27 144A β	740,000	738
Neuberger Berman CLO, Ltd., Series 2017-16SA, Class A		
3.447%, (ICE LIBOR USD 3 Month plus 0.850%), 1/15/28 144A	440,000	440
Nissan Master Owner Trust Receivables, Series 2019-B, Class A		
2.170%, (ICE LIBOR USD 1 Month plus 0.430%), 11/15/23 β	785,000	786
OCP CLO, Ltd., Series 2015-10A, Class A1R		
3.406%, (ICE LIBOR USD 3 Month plus 0.820%), 10/26/27 144A β	665,000	665
OZLM VIII, Ltd., Series 2014-8A, Class A1RR		
3.758%, (ICE LIBOR USD 3 Month plus 1.170%), 10/17/29 144A	485,000	484
Planet Fitness Master Issuer L, Series 2018-1A, Class A2I		
4.262%, 9/5/48 144A	553,000	562
Santander Drive Auto Receivables Trust, Series 2015-4, Class D		
3.530%, 8/16/21	141,435	142
Santander Drive Auto Receivables Trust, Series 2015-5, Class D		
3.650%, 12/15/21	185,220	186
Asset Backed Securities continued		
Santander Drive Auto Receivables Trust, Series 2016-1, Class D		
4.020%, 4/15/22	425,000	428
Santander Drive Auto Receivables Trust, Series 2016-3, Class C		
2.460%, 3/15/22	125,735	126
Santander Drive Auto Receivables Trust, Series 2017-1, Class C		
2.580%, 5/16/22	29,505	30
Santander Drive Auto Receivables Trust, Series 2017-3, Class B		
2.190%, 3/15/22	21,043	21
Santander Drive Auto Receivables Trust, Series 2018-1, Class C		
2.960%, 3/15/24	120,000	121
Santander Drive Auto Receivables Trust, Series 2018-4, Class B		
3.270%, 1/17/23	310,000	311
Santander Drive Auto Receivables Trust, Series 2018-5, Class B		
3.520%, 12/15/22	375,000	377
Santander Drive Auto Receivables Trust, Series 2019-1, Class B		
3.210%, 9/15/23	180,000	181
Santander Drive Auto Receivables Trust, Series 2019-1, Class C		
3.420%, 4/15/25	380,000	386
Santander Drive Auto Receivables Trust, Series 2019-2, Class B		
2.790%, 1/16/24	275,000	277
Santander Drive Auto Receivables Trust, Series 2019-3, Class B		
2.280%, 9/15/23	490,000	490
Santander Drive Auto Receivables Trust, Series 2019-C, Class B		
2.170%, 11/20/23 144A	215,000	213
Santander Drive Auto Receivables Trust, Series 2019-C, Class C		
2.390%, 11/20/23 144A	360,000	357
Santander Retail Auto Lease Trust, Series 2017-A, Class C		
2.960%, 11/21/22 144A	155,000	156
Santander Retail Auto Lease Trust, Series 2019-A, Class A3		
2.770%, 6/20/22 144A	395,000	400
Santander Retail Auto Lease Trust, Series 2019-B, Class C		
2.770%, 8/21/23 144A	305,000	306
Sierra Receivables Funding Co. LLC, Series 2015-3A, Class A		
2.580%, 9/20/32 144A	102,063	102
Sierra Receivables Funding Co. LLC, Series 2016-3A, Class A		
2.430%, 10/20/33 144A	128,530	128
Sierra Receivables Funding Co. LLC, Series 2017-1A, Class A		
2.910%, 3/20/34 144A	36,747	37
Sierra Timeshare Receivables Funding LLC, Series 2015-2A, Class A		
2.430%, 6/20/32 144A	53,454	53

Short-Term Bond Portfolio

Structured Products (31.8%)	Shares/ Par +	Value $ (000's)
Asset Backed Securities continued		
Sierra Timeshare Receivables Funding LLC, Series 2016-1A, Class A 3.080%, 3/21/33 144A	135,721	136
Sierra Timeshare Receivables Funding LLC, Series 2016-2A, Class A 2.330%, 7/20/33 144A	38,796	39
Sierra Timeshare Receivables Funding LLC, Series 2019-1A, Class A 3.200%, 1/20/36 144A	179,868	181
Sierra Timeshare Receivables Funding LLC, Series 2019-2, Class A 2.590%, 5/20/36 144A	630,928	631
Sierra Timeshare Receivables Funding LLC, Series 2019-3, Class A 2.340%, 7/15/38 144A	591,469	589
SLM Student Loan Trust, Series 2007-7, Class A4 2.910%, (ICE LIBOR USD 3 Month plus 0.330%), 1/25/22	199,617	194
SLM Student Loan Trust, Series 2008-1, Class A4 3.230%, (ICE LIBOR USD 3 Month plus 0.650%), 1/25/22	579,645	570
SLM Student Loan Trust, Series 2008-5, Class A4 4.280%, (ICE LIBOR USD 3 Month plus 1.700%), 7/25/23	87,873	88
SLM Student Loan Trust, Series 2008-9, Class A 4.080%, (ICE LIBOR USD 3 Month plus 1.500%), 4/25/23	64,453	65
SMB Private Education Loan Trust, Series 2014-A, Class A3 3.894%, (ICE LIBOR USD 1 Month plus 1.500%), 4/15/32 144A β	665,000	670
SMB Private Education Loan Trust, Series 2015-A, Class A2B 3.394%, (ICE LIBOR USD 1 Month plus 1.000%), 6/15/27 144A	124,995	125
SMB Private Education Loan Trust, Series 2016-C, Class A2B 3.494%, (ICE LIBOR USD 1 Month plus 1.100%), 9/15/34 144A	520,921	522
SMB Private Education Loan Trust, Series 2018-B, Class A2B 3.114%, (ICE LIBOR USD 1 Month plus 0.720%), 1/15/37 144A β	670,000	665
Synchrony Card Funding LLC, Series 2019-A2, Class A 2.340%, 6/16/25 β	840,000	847
Synchrony Credit Card Master Note Trust, Series 2015-1, Class B 2.640%, 3/15/23	250,000	250
Synchrony Credit Card Master Note Trust, Series 2015-4, Class B 2.620%, 9/15/23	305,000	305
Synchrony Credit Card Master Note Trust, Series 2016-2, Class C 2.950%, 5/15/24	522,306	522
Synchrony Credit Card Master Note Trust, Series 2018-1, Class C 3.360%, 3/15/24	445,000	448
Towd Point Mortgage Trust, Series 2015-1, Class A1 3.000%, (AFC), 1/28/58 144A	185,904	188
Towd Point Mortgage Trust, Series 2015-4, Class A1B 2.750%, (AFC), 4/25/55 144A	122,010	122
Towd Point Mortgage Trust, Series 2015-5, Class A1B 2.750%, (AFC), 5/25/55 144A	127,271	127
Towd Point Mortgage Trust, Series 2016-1, Class A1B 2.750%, (AFC), 2/25/55 144A	67,569	68
Towd Point Mortgage Trust, Series 2016-1, Class A3B 3.000%, (AFC), 2/25/55 144A	100,663	101
Towd Point Mortgage Trust, Series 2016-2, Class A1A 2.750%, (AFC), 8/25/55 144A	71,461	72
Towd Point Mortgage Trust, Series 2016-3, Class A1 2.250%, (AFC), 4/25/56 144A	51,275	51
Towd Point Mortgage Trust, Series 2017-1, Class A1 2.750%, (AFC), 10/25/56 144A	290,196	292
Towd Point Mortgage Trust, Series 2017-2, Class A1 2.750%, (AFC), 4/25/57 144A	182,831	184
Towd Point Mortgage Trust, Series 2017-3, Class A1 2.750%, (AFC), 7/25/57 144A	410,284	412
Towd Point Mortgage Trust, Series 2017-4, Class A1 2.750%, (AFC), 6/25/57 144A	217,673	219
Towd Point Mortgage Trust, Series 2017-6, Class A1 2.750%, (AFC), 10/25/57 144A β	805,368	810
Towd Point Mortgage Trust, Series 2018-2, Class A1 3.250%, (AFC), 3/25/58 144A β	1,000,627	1,017
Towd Point Mortgage Trust, Series 2018-5, Class A1A 3.250%, (AFC), 8/25/58 144A β	741,395	755
Verizon Owner Trust, Series 2016-2A, Class C 2.360%, 5/20/21 144A	270,000	270
Verizon Owner Trust, Series 2017-1A, Class C 2.650%, 9/20/21 144A	150,000	150
Verizon Owner Trust, Series 2017-3A, Class C 2.530%, 4/20/22 144A	550,000	551
Verizon Owner Trust, Series 2018-1A, Class C 3.200%, 9/20/22 144A	450,000	456
Volvo Financial Equipment LLC, Series 2018-1A, Class B 2.910%, 1/17/23 144A	210,000	212

Short-Term Bond Portfolio

Structured Products (31.8%)	Shares/ Par +	Value $ (000's)
Asset Backed Securities continued		
Volvo Financial Equipment Master Owner Trust, Series 2017-A, Class A 2.894%, (ICE LIBOR USD 1 Month plus 0.500%), 11/15/22 144A	115,000	115
World Omni Auto Receivables Trust, Series 2019-C, Class C 2.400%, 6/15/26	380,000	379
World Omni Automobile Lease Securitization Trust, Series 2018-A, Class B 3.060%, 5/15/23	130,000	131
Total		**53,260**
Mortgage Securities (15.9%)		
Angel Oak Mortgage Trust I LLC, Series 2019-2, Class A1 3.628%, (AFC), 3/25/49 144A	395,852	400
Angel Oak Mortgage Trust I LLC, Series 2019-2, Class M1 4.065%, (AFC), 3/25/49 144A	270,000	275
Atrium Hotel Portfolio Trust, Series 2017-ATRM, Class A 3.324%, (ICE LIBOR USD 1 Month plus 0.930%), 12/15/36 144A	520,000	518
BAMLL Commercial Mortgage Securities Trust, Series 2018-DSNY, Class A 3.244%, (ICE LIBOR USD 1 Month plus 0.850%), 9/15/34 144A	460,000	458
Banc of America Commercial Mortgage Trust, Series 2017-BNK3, Class A1 1.957%, 2/15/50	78,288	78
BANK, Series 2017-BNK4, Class A1 2.002%, 5/15/50	307,642	307
BANK, Series 2019-BNK24, Class A1 2.056%, 11/15/62	250,000	250
CD Commercial Mortgage Trust, Series 2016-CD2, Class A1 1.848%, 11/10/49	372,325	371
CD Commercial Mortgage Trust, Series 2017-CD3, Class A1 1.965%, 2/10/50	75,204	75
CGDB Commercial Mortgage Trust 2019, Series MOB, Class D 3.390%, (ICE LIBOR USD 1 Month plus 1.650%), 11/15/36 144A β	660,000	659
Citigroup Commercial Mortgage Trust, Series 2015-P1, Class A1 1.648%, 9/15/48	13,881	14
Citigroup Mortgage Loan Trust, Series 2019-IMC1, Class A1 2.720%, (AFC), 7/25/49 144A	404,957	405
COLT Funding LLC, Series 2018-3, Class A2 3.763%, (AFC), 10/26/48 144A	139,503	140
COLT Mortgage Loan Trust, Series 2018-1, Class A1 2.930%, (AFC), 2/25/48 144A	51,355	51
COLT Mortgage Loan Trust, Series 2018-1, Class A3 3.084%, (AFC), 2/25/48 144A	22,827	23
COLT Mortgage Loan Trust, Series 2018-2, Class A1 3.470%, (AFC), 7/27/48 144A	418,040	419

Structured Products (31.8%)	Shares/ Par +	Value $ (000's)
Mortgage Securities continued		
COLT Mortgage Loan Trust, Series 2018-2, Class A2 3.542%, (AFC), 7/27/48 144A	152,173	153
COLT Mortgage Loan Trust, Series 2018-4, Class A1 4.006%, (AFC), 12/28/48 144A	216,581	217
COLT Mortgage Loan Trust, Series 2019-2, Class A1 3.337%, (AFC), 5/25/49 144A	262,231	263
COLT Mortgage Loan Trust, Series 2019-3, Class A1 2.764%, (AFC), 8/25/49 144A β	664,537	664
Commercial Mortgage Pass Through Certificates, Series 2015-LC23, Class A2 3.221%, 10/10/48	605,000	608
Commercial Mortgage Pass Through Certificates, Series 2016-CR28, Class A1 1.770%, 2/10/49	9,157	9
Commercial Mortgage Pass Through Certificates, Series 2017-COR2, Class A1 2.111%, 9/10/50	114,314	114
Connecticut Avenue Securities Trust, Series 2019-R03, Class 1M1 3.154%, (ICE LIBOR USD 1 Month plus 0.750%), 9/25/31 144A	74,525	75
Connecticut Avenue Securities Trust, Series 2019-R06, Class 2M1 2.542%, (ICE LIBOR USD 1 Month plus 0.750%), 9/25/39 144A	322,375	322
Credit Suisse Mortgage Capital Certificates, Series 2019-ICE4, Class C 3.824%, (ICE LIBOR USD 1 Month plus 1.430%), 5/15/36 144A	515,000	515
Credit Suisse Mortgage Capital Certificates, Series 2019-ICE4, Class D 3.994%, (ICE LIBOR USD 1 Month plus 1.600%), 5/15/36 144A	405,000	405
CSAIL Commercial Mortgage Trust, Series 2015-C3, Class A1 1.716%, 8/15/48	20,696	21
CSAIL Commercial Mortgage Trust, Series 2017-CX9, Class A1 2.024%, 9/15/50	62,084	62
CSAIL Commerical Mortgage Trust, Series 2019-C16, Class A1 2.360%, 6/15/52	274,800	276
Deephaven Residential Mortgage Trust, Series 2017-1A, Class A3 3.485%, (CSTR, AFC), 12/26/46 144A	29,894	30
Deephaven Residential Mortgage Trust, Series 2017-3A, Class A1 2.577%, (CSTR, AFC), 10/25/47 144A	146,032	146
Deephaven Residential Mortgage Trust, Series 2017-3A, Class A2 2.711%, (CSTR, AFC), 10/25/47 144A	24,339	24
Deephaven Residential Mortgage Trust, Series 2017-3A, Class A3 2.813%, (CSTR, AFC), 10/25/47 144A	24,339	24
Deephaven Residential Mortgage Trust, Series 2018-1A, Class A1 2.976%, (AFC), 1/25/58 144A	136,920	137

Short-Term Bond Portfolio

Structured Products (31.8%)	Shares/ Par +	Value $ (000's)
Mortgage Securities continued		
Deephaven Residential Mortgage Trust, Series 2018-3A, Class A3		
3.963%, (AFC), 8/25/58 144A	50,679	51
Deephaven Residential Mortgage Trust, Series 2019-1A, Class A1		
3.743%, (AFC), 1/25/59 144A	422,531	425
Deephaven Residential Mortgage Trust, Series 2019-2A, Class A3		
3.763%, (AFC), 4/25/59 144A	288,929	291
Deephaven Residential Mortgage Trust, Series 2019-2A, Class M1		
3.921%, (AFC), 4/25/59 144A	195,000	198
Deephaven Residential Mortgage Trust, Series 2019-3A, Class A1		
2.964%, (AFC), 7/25/59 144A β	657,076	659
FDIC Guaranteed Notes Trust, Series 2010-S2, Class 2A		
2.570%, 7/29/47 144A	62,725	63
Federal Home Loan Mortgage Corp.		
3.500%, 3/1/46	78,335	83
4.500%, 12/1/49 β	701,338	740
5.500%, 5/1/22	40,911	42
6.000%, 9/1/34	1,961	2
6.000%, 2/1/35	41,545	47
6.000%, 9/1/35	13,272	15
6.000%, 1/1/38	2,420	3
7.000%, 3/1/39	84,525	98
7.500%, 6/1/38	87,350	101
Federal Home Loan Mortgage Corp., Series 2017-DNA1, Class M1		
3.604%, (ICE LIBOR USD 1 Month plus 1.200%), 7/25/29	95,015	95
Federal Home Loan Mortgage Corp., Series 2017-DNA2, Class M1		
3.604%, (ICE LIBOR USD 1 Month plus 1.200%), 10/25/29	361,741	363
Federal Home Loan Mortgage Corp., Series 2017-HQA1, Class M1		
3.604%, (ICE LIBOR USD 1 Month plus 1.200%), 8/25/29	74,257	74
Federal Home Loan Mortgage Corp., Series 2017-HQA2, Class M1		
3.204%, (ICE LIBOR USD 1 Month plus 0.800%), 12/25/29	60,028	60
Federal Home Loan Mortgage Corp., Series 2017-SC02, Class M1		
3.858%, (CSTR), 5/25/47 144A	66,701	67
Federal Home Loan Mortgage Corp., Series 2017-SPI1, Class M1		
3.982%, 9/25/47 144A	24,168	24
Federal Home Loan Mortgage Corp., Series 2018-DNA2, Class M1		
3.204%, (ICE LIBOR USD 1 Month plus 0.800%), 12/25/30 144A	545,705	546
Federal Home Loan Mortgage Corp., Series 2018-HQA2, Class M1		
3.180%, (ICE LIBOR USD 1 Month plus 0.750%), 10/25/48 144A	279,526	280
Federal Home Loan Mortgage Corp., Series 2018-SPI2, Class M1		
3.818%, 5/25/48 144A	121,821	122
Federal Home Loan Mortgage Corp., Series 2018-SPI3, Class M1		
4.165%, 8/25/48 144A	83,135	83
Federal Home Loan Mortgage Corp., Series 3713, Class PA		
2.000%, 2/15/40	261,941	263
Federal Home Loan Mortgage Corp., Series 3718, Class BC		
2.000%, 2/15/25	133,404	133
Federal Home Loan Mortgage Corp., Series 4092, Class CL		
1.250%, 6/15/27 β	777,414	758
Federal Home Loan Mortgage Corp., Series DNA3, Class M1		
3.154%, (ICE LIBOR USD 1 Month plus 0.750%), 3/25/30	221,269	221
Federal National Mortgage Association		
2.500%, 10/1/22	249,613	252
2.500%, 12/1/22	64,088	65
3.000%, 6/1/22	62,959	64
3.000%, 4/1/24	214,305	220
3.500%, 5/1/27	537,514	558
3.500%, 4/1/34	212,003	220
3.500%, 4/1/46 β	777,506	811
3.500%, 2/1/48	219,462	228
4.000%, 1/1/47	211,247	222
4.000%, 8/1/47	480,251	505
4.000%, 9/1/47	82,269	86
4.000%, 9/1/48	257,342	268
4.000%, 10/1/48	72,933	76
4.000%, 2/1/49	86,252	90
4.000%, 8/1/49 β	891,575	928
4.000%, 11/1/49	140,910	147
4.500%, 5/1/40	117,927	128
4.500%, 9/1/40	111,330	121
4.500%, 9/1/48	133,611	141
4.500%, 10/1/48 β	601,982	646
4.500%, 11/1/48	193,189	204
4.500%, 12/1/48 β	1,074,025	1,130
4.500%, 5/1/49	395,721	424
4.500%, 10/1/49	260,196	275
4.500%, 11/1/49	13,798	15
5.000%, 10/1/33	144,070	159
5.000%, 5/1/48	243,026	260
5.000%, 9/1/48	230,477	246
5.000%, 2/1/49	327,891	350
5.000%, 8/1/49	276,727	296
5.500%, 8/1/37	81,943	92
5.500%, 2/1/38	308,862	348
6.000%, 8/1/22	21,244	22
6.000%, 3/1/34	69,483	78
6.000%, 8/1/34	195,347	224
6.000%, 11/1/34	7,220	8
6.000%, 12/1/34	2,409	3
6.000%, 4/1/35	4,473	5
6.000%, 5/1/38	3,071	4
6.000%, 10/1/40	150,356	172
6.000%, 2/1/49 β	657,504	754
6.500%, 7/1/32	22,223	25
6.500%, 12/1/32	22,957	26

Short-Term Bond Portfolio

Structured Products (31.8%)	Shares/ Par +	Value $ (000's)
Mortgage Securities continued		
Federal National Mortgage Association TBA 3.500%, 1/16/35	315,000	326
Federal National Mortgage Association, Series 2010-95, Class BK 1.500%, 2/25/20	235	–π
Federal National Mortgage Association, Series 2011-113, Class AG 2.500%, 11/25/26	147,129	147
Federal National Mortgage Association, Series 2013-74, Class AD 2.000%, 7/25/23	146,726	146
Federal National Mortgage Association, Series 2017, Class 2ED3 3.495%, (ICE LIBOR USD 1 Month plus 1.350%), 9/25/29	300,000	300
Federal National Mortgage Association, Series 2017-90, Class KA 3.000%, 11/25/47	386,668	401
Federal National Mortgage Association, Series 2017-C01, Class 1M1 3.704%, (ICE LIBOR USD 1 Month plus 1.300%), 7/25/29	40,756	41
Federal National Mortgage Association, Series 2017-C02, Class 2M1 3.554%, (ICE LIBOR USD 1 Month plus 1.150%), 9/25/29	80,037	80
Federal National Mortgage Association, Series 2017-C03, Class 1M1 3.354%, (ICE LIBOR USD 1 Month plus 0.950%), 10/25/29	209,552	210
Federal National Mortgage Association, Series 2017-C04, Class 2ED2 2.892%, (ICE LIBOR USD 1 Month plus 1.100%), 11/25/29 β	765,000	761
Federal National Mortgage Association, Series 2017-C04, Class 2M1 3.254%, (ICE LIBOR USD 1 Month plus 0.850%), 11/25/29	95,278	95
Federal National Mortgage Association, Series 2017-C05, Class 1M1 2.954%, (ICE LIBOR USD 1 Month plus 0.550%), 1/25/30	3,313	3
Federal National Mortgage Association, Series 2017-C06, Class 1M1 3.154%, (ICE LIBOR USD 1 Month plus 0.750%), 2/25/30	36,847	37
Federal National Mortgage Association, Series 2018-44, Class PC 4.000%, 6/25/44 β	827,761	855
Federal National Mortgage Association, Series 2018-C03, Class 1M1 3.084%, (ICE LIBOR USD 1 Month plus 0.680%), 10/25/30	232,441	233
Federal National Mortgage Association, Series 2018-C05, Class 1M1 3.124%, (ICE LIBOR USD 1 Month plus 0.720%), 1/25/31	210,149	210
Federal National Mortgage Association, Series R05, Class 1M1 2.895%, (ICE LIBOR USD 1 Month plus 0.750%), 7/25/39 144A	248,173	248
Galton Funding Mortgage Trust, Series 2018-1, Class A33 3.500%, (AFC), 11/25/57 144A	241,595	243
Galton Funding Mortgage Trust, Series 2019-1, Class A32 4.000%, (AFC), 2/25/59 144A	217,068	219
Galton Funding Mortgage Trust, Series 2019-H1, Class M1 3.339%, (AFC), 10/25/59 144A	260,000	260
GCCFC Commercial Mortgage Trust, Series 2006-GG7, Class AM 5.830%, (CSTR), 7/10/38	77,388	78
Government National Mortgage Association 3.500%, 12/20/42	7,689	8
3.500%, 9/20/43	110,548	116
4.000%, 8/20/48	20,658	22
4.000%, 5/20/49	33,620	35
4.000%, 8/20/49	24,562	26
4.000%, 11/20/49 β	989,963	1,032
4.500%, 5/20/49	256,136	268
4.500%, 6/20/49	284,455	298
5.000%, 3/20/34	410,559	455
5.000%, 1/20/48	117,971	126
5.000%, 2/20/48 β	645,221	691
5.500%, 6/20/37	95,580	107
5.500%, 9/15/45	286,864	321
5.500%, 3/20/48	77,236	83
5.500%, 12/20/48	76,428	81
5.500%, 2/20/49 β	948,572	1,008
Government National Mortgage Association, Series 2018-122, Class FE 2.683%, (ICE LIBOR USD 1 Month plus 0.300%), 9/20/48	112,908	112
Great Wolf Trust, Series 2019-WOLF, Class C 3.355%, (ICE LIBOR USD 1 Month plus 1.633%), 12/15/29 144A	270,000	270
GS Mortgage Securities Trust, Series 2014-EB1A, Class 2A1 2.458%, (CSTR), 7/25/44 144A	30,584	31
GS Mortgage Securities Trust, Series 2015-GC32, Class A1 1.593%, 7/10/48	1,606	2
GS Mortgage Securities Trust, Series 2016-GS3, Class A1 1.429%, 10/10/49	29,821	30
Homeward Opportunities Fund I Trust, Series 2018-1, Class A1 3.766%, (AFC), 6/25/48 144A	290,822	293
Homeward Opportunities Fund I Trust, Series 2018-1, Class A2 3.897%, (AFC), 6/25/48 144A	235,133	237
Homeward Opportunities Fund I Trust, Series 2019-1, Class A1 3.454%, (AFC), 1/25/59 144A	523,999	527
Homeward Opportunities Fund I Trust, Series 2019-1, Class A3 3.606%, (AFC), 1/25/59 144A	351,828	354
Homeward Opportunities Fund I Trust, Series 2019-3, Class A1 2.675%, (AFC), 11/25/59 144A	483,303	482

Short-Term Bond Portfolio

Structured Products (31.8%)	Shares/ Par +	Value $ (000's)
Mortgage Securities continued		
InTown Hotel Portfolio Trust, Series 2018-STAY, Class A 3.094%, (ICE LIBOR USD 1 Month plus 0.700%), 1/15/33 144A	115,000	115
InTown Hotel Portfolio Trust, Series 2018-STAY, Class C 3.644%, (ICE LIBOR USD 1 Month plus 1.250%), 1/15/33 144A	100,000	100
JPMCC Commercial Mortgage Securities Trust, Series 2019-BKWD, Class B 3.200%, (ICE LIBOR USD 1 Month plus 1.350%), 9/15/29 144A β	790,000	790
JPMCC Commercial Mortgage Securities Trust, Series 2019-BKWD, Class C 3.450%, (ICE LIBOR USD 1 Month plus 1.600%), 9/15/29 144A	250,000	250
MetLife Securitization Trust, Series 2017-1A, Class A 3.000%, (AFC), 4/25/55 144A	210,860	213
Morgan Stanley Bank of America Merrill Lynch Trust, Series 2014-C18, Class AS 4.110%, (AFC), 10/15/47	185,000	197
Morgan Stanley Bank of America Merrill Lynch Trust, Series 2015-C24, Class A1 1.706%, 5/15/48	52,897	53
Morgan Stanley Bank of America Merrill Lynch Trust, Series 2016-C30, Class A1 1.389%, 9/15/49	64,019	64
Morgan Stanley Capital I Trust Series 2019-MEAD, Class D 3.177%, 11/10/36 144A	480,000	471
Morgan Stanley Capital I Trust, Series 2015-MS1, Class A1 1.638%, 5/15/48	50,432	50
New Orleans Hotel Trust 2019, Series HNLA, Class B 3.683%, (ICE LIBOR USD 1 Month plus 1.289%), 4/15/32 144A β	790,000	788
New Residential Funding LLC, Series 2018-NQM1, Class A1 3.986%, (AFC), 11/25/48 144A	504,486	509
New Residential Mortgage Loan Trust, Series 2019-NQM3, Class A1 2.802%, (AFC), 7/25/49 144A	526,893	527
New Residential Mortgage Loan Trust, Series 2019-NQM3, Class A3 3.086%, (AFC), 7/25/49 144A	207,154	207
New Residential Mortgage Loan Trust, Series 2019-NQM5, Class A1 2.710%, (AFC), 11/25/59 144A	553,157	553
OBX Trust, Series 2019-EXP2, Class 2A1A 3.045%, (ICE LIBOR USD 1 Month plus 0.900%), 7/25/59 144A	332,265	332
OBX Trust, Series 2019-EXP2, Class 2A2 3.345%, (ICE LIBOR USD 1 Month plus 1.200%), 7/25/59 144A	547,466	548
OBX Trust, Series 2019-EXP3, Class 2A1 2.692%, (ICE LIBOR USD 1 Month plus 0.900%), (AFC), 10/25/59 144A β	641,273	638
RETL, Series 2019-RVP, Class A 3.544%, (ICE LIBOR USD 1 Month plus 1.150%), 3/15/36 144A	167,617	168
Sequoia Mortgage Trust, Series 2018-CH1, Class A11 3.500%, (AFC), 2/25/48 144A	356,058	357
Sequoia Mortgage Trust, Series 2018-CH2, Class A3 4.000%, (AFC), 6/25/48 144A	544,642	555
Sequoia Mortgage Trust, Series 2018-CH3, Class A19 4.500%, (AFC), 8/25/48 144A	125,593	129
Sequoia Mortgage Trust, Series 2018-CH4, Class A2 4.000%, (AFC), 10/25/48 144A	202,511	205
SG Residential Mortgage Trust, Series 2019-3, Class A2 2.877%, (AFC), 9/25/59 144A	509,276	508
Slide, Series 2018-FUN, Class D 4.244%, (ICE LIBOR USD 1 Month plus 1.850%), 6/15/31 144A	372,081	372
STACR Trust, Series 2018-DNA3, Class M1 3.154%, (ICE LIBOR USD 1 Month plus 0.750%), 9/25/48 144A	199,953	200
STACR Trust, Series 2018-HRP2, Class M1 3.254%, (ICE LIBOR USD 1 Month plus 0.850%), 2/25/47 144A	28,327	28
STACR Trust, Series 2018-HRP2, Class M2 3.654%, (ICE LIBOR USD 1 Month plus 1.250%), 2/25/47 144A	340,000	341
STACR Trust, Series 2019-DNA3, Class M1 3.030%, (ICE LIBOR USD 1 Month plus 0.730%), 7/25/49 144A	112,604	113
STACR Trust, Series 2019-HQA4, Class M1 2.562%, (ICE LIBOR USD 1 Month plus 0.770%), 11/25/49 144A	265,000	265
Starvest Emerging Markets CBO, Series 2019-IMC1, Class A1 3.468%, (AFC), 4/25/49 144A	275,253	277
Starwood Mortgage Residential Trust, Series 2019-1, Class A1 2.941%, (AFC), 6/25/49 144A	427,293	427
Starwood Mortgage Residential Trust, Series 2019-1, Class A3 3.299%, (AFC), 6/25/49 144A	292,129	292
Starwood Mortgage Residential Trust, Series 2019-INV1, Class A1 2.610%, (AFC), 9/27/49 144A	96,195	96
Starwood Mortgage Residential Trust, Series 2019-INV1, Class A3 2.916%, (AFC), 9/27/49 144A	211,629	210
TIAA Seasoned Commercial Mortgage Trust, Series 2007-C4, Class AJ 5.483%, (CSTR), 8/15/39	285	–π
Verus Securitization Trust, Series 2018-1, Class A1 2.929%, (AFC), 2/25/48 144A	68,682	69
Verus Securitization Trust, Series 2018-2, Class A1 3.677%, (AFC), 6/1/58 144A	353,869	356

Short-Term Bond Portfolio

Structured Products (31.8%)	Shares/ Par +	Value $ (000's)
Mortgage Securities continued		
Verus Securitization Trust, Series 2018-2, Class A2		
3.779%, (AFC), 6/1/58 144A	96,761	97
Verus Securitization Trust, Series 2018-2, Class A3		
3.830%, (AFC), 6/1/58 144A	60,821	61
Verus Securitization Trust, Series 2018-3, Class A1		
4.108%, (AFC), 10/25/58 144A	462,919	467
Verus Securitization Trust, Series 2019-1, Class A1		
3.836%, (AFC), 2/25/59 144A	495,319	500
Verus Securitization Trust, Series 2019-2, Class A1		
3.211%, (AFC), 4/25/59 144A	391,622	394
Verus Securitization Trust, Series 2019-4, Class A3		
3.000%, (AFC), 11/25/59 144A	318,134	318
Verus Securitization Trust, Series 2019-INV1, Class A1		
3.402%, (AFC), 12/25/59 144A	209,891	211
Verus Securitization Trust, Series 2019-INV2, Class A1		
2.913%, (AFC), 7/25/59 144A β	689,655	690
Verus Securitization Trust, Series 2019-INV2, Class A2		
3.117%, (AFC), 7/25/59 144A	415,620	416
Verus Securitization Trust, Series 2019-INV3, Class A3		
3.100%, (AFC), 11/25/59 144A	317,572	317
Wells Fargo Commercial Mortgage Trust, Series 2015-NXS2, Class A2		
3.020%, 7/15/58	227,629	228
Wells Fargo Commercial Mortgage Trust, Series 2016-C32, Class A1		
1.577%, 1/15/59	27,807	28
Wells Fargo Commercial Mortgage Trust, Series 2017-C38, Class A1		
1.968%, 7/15/50	160,957	161
Wells Fargo Commercial Mortgage Trust, Series 2017-C39, Class A1		
1.975%, 9/15/50	112,103	112
WFRBS Commercial Mortgage Trust, Series 2012-C6, Class B		
4.697%, 4/15/45	385,000	401
Total		**52,993**
Total Structured Products (Cost: $105,784)		**106,253**

Short-Term Investments (2.1%)	Shares/ Par +	Value $ (000's)
Commercial Paper (0.2%)		
Ford Motor Credit Co. LLC		
0.000%, 7/27/20 144A	345,000	339
0.000%, 8/4/20 144A	250,000	246
Total		**585**

Short-Term Investments (2.1%)	Shares/ Par +	Value $ (000's)
Money Market Funds (1.9%)		
State Street Institutional U.S. Government Money Market Fund - Premier Class		
1.540%#	6,496,523	6,497
Total		**6,497**
Total Short-Term Investments (Cost: $7,081)		**7,082**
Total Investments (101.1%) (Cost: $335,848)@		**338,359**
Other Assets, Less Liabilities (-1.1%)		**(3,785)**
Net Assets (100.0%)		**334,574**

Short-Term Bond Portfolio

Exchange Traded or Centrally Cleared Derivatives
Futures

Issuer	Long/ Short	Currency	Notional Par (000's)	Number of Contracts	Expiration Date	Notional Value (000's)	Unrealized Appreciation/ (Depreciation) (000's)	Variation Margin (000's)
Five-Year US Treasury Note Future	Short	USD	4,500	45	3/20	$ 5,337	$ 18	$ 1
Ten-Year US Treasury Note Future	Short	USD	5,300	53	3/20	6,806	76	6
Two-Year US Treasury Note Future	Long	USD	64,200	321	3/20	69,176	(96)	15
							$ (2)	$ 22

	Financial Derivative Assets			Financial Derivative Liabilities			
	Variation Margin (000's)			Variation Margin (000's)			Market Value (000's)
	Swaps	Futures	Total	Swaps	Futures	Total	Options
Total Exchange-Traded or Centrally Cleared Derivatives	$ –	$ 22	$ 22	$ –	$ –	$ –	$ –

\+ All par is stated in U.S Dollar unless otherwise noted.

144A Security exempt from registration under Rule 144A of the Securities Act of 1933. These securities may be resold as transactions exempt from registration, normally to qualified institutional buyers. At December 31, 2019 the value of these securities (in thousands) was $105,623 representing 31.6% of the net assets.

§ Security was purchased pursuant to Regulation S under the Securities Act of 1933, which exempts from registration securities offered and sold outside of the United States. At December 31, 2019, the aggregate value of these securities was $2,590 (in thousands), representing 0.8% of net assets.

β Cash or securities with an aggregate value of $163,913 (in thousands) has been pledged as collateral for futures, swap contracts outstanding, short sales, when issued securities or written options on 12/31/2019.

π Amount is less than one thousand.

\# 7-Day yield as of 12/31/2019.

@ At December 31, 2019, the aggregate cost of investments, including derivatives, for federal tax purposes (in thousands) was $335,755 and the net unrealized appreciation of investments based on that cost was $2,602 which is comprised of $2,819 aggregate gross unrealized appreciation and $217 aggregate gross unrealized depreciation.

The following is a summary of the inputs used in valuing the Portfolio's assets and liabilities at December 31, 2019. See Note 3 for additional information on portfolio valuation.

	Valuation Inputs		
Description	**Level 1 - Quoted Prices**	**Level 2 - Other Significant Observable Inputs**	**Level 3 - Significant Unobservable Inputs**
	(Amounts in thousands)		
Assets:			
Corporate Bonds	$ —	$ 164,116	$ —
Governments	—	60,908	—
Structured Products	—	106,253	—
Short-Term Investments			
Money Market Funds	6,497	—	—
All Others	—	585	—
Other Financial Instruments^			
Futures	94	—	—
Total Assets:	$ 6,591	$ 331,862	$ —
Liabilities:			
Other Financial Instruments^			
Futures	(96)	—	—
Total Liabilities:	$ (96)	$ —	$ —

^ Other financial instruments are derivative instruments such as futures and forwards, which are valued at the unrealized appreciation (depreciation) on the instrument, and securities sold short, reverse repurchase agreements, written options and swaps contracts, which are valued at market value.

Select Bond Portfolio (unaudited)

Objective:	Portfolio Strategy:	Net Assets:
Provide as high a level of total return as is consistent with prudent investment risk. A secondary objective is to seek preservation of shareholders' capital.	Invest in a diversified portfolio of investment grade debt securities with maturities exceeding one year.	$3.2 billion

PORTFOLIO OVERVIEW

Mason Street Advisors, LLC ("Mason Street Advisors"), the investment adviser for the Select Bond Portfolio (the "Portfolio"), has engaged Wells Capital Management, Inc. ("Wells Capital") to act as sub-adviser for the Portfolio. Normally, the Portfolio invests in a diversified portfolio of investment grade debt securities with maturities exceeding one year. The Portfolio may also invest up to 10% of net assets in non-investment grade, high yield/high risk bonds (so called "junk bonds") and up to 20% of net assets in foreign securities. Debt securities may be of any maturity or duration, but under normal market conditions, the Portfolio attempts to maintain an overall dollar-weighted average effective duration (a measure of the sensitivity of the price of the Portfolio's fixed income securities to changes in interest rates) that is within 10% of the Bloomberg Barclays® U.S. Aggregate Index. The Portfolio uses a fundamental, relative value investment approach to construct the portfolio of investments. The Portfolio invests in debt securities that it believes offer competitive returns and are undervalued, offering additional income and/or price appreciation potential relative to other debt securities of similar credit quality and interest rate sensitivity. The Portfolio may engage in active and frequent trading of portfolio securities to achieve its investment objectives.

MARKET OVERVIEW

After a tumultuous end to 2018, fixed income markets roared back early in 2019 with the U.S. Federal Reserve (the "Fed") and other central banks pivoting to an easing campaign. By year end, the Fed lowered its key interest rate three times by 25 basis points each time, which helped support economic growth, as evidenced by strong year end data on housing and auto sales. While Brexit and trade tensions between the U.S. and China were of concern from the start of the year, other geopolitical issues also grabbed attention later, such as the Hong Kong protests, the impeachment of President Donald Trump and tensions in the Middle East.

PORTFOLIO RESULTS

The Portfolio returned 8.65% for the twelve months ended December 31, 2019. By comparison, the Portfolio's benchmark, the Bloomberg Barclays® U.S. Aggregate Index (the "Index"), returned 8.72%. (The Index is unmanaged, cannot be invested in directly and does not incur expenses.) According to Lipper® Analytical Services, Inc., an independent mutual fund ranking agency, the average return in 2019 of the Core Bond Funds peer group was 8.78%.

In credit, security selection was the primary contributor to performance. Sector allocation was also beneficial as the Portfolio held a small overweight to credit for most of the year while spreads tightened. Issuer positioning across most subsectors contributed to Portfolio returns, with Health Care, Utilities, Sovereigns and Communications leading performance. Examples in the Heath Care sector included overweight positions in Becton Dickinson and Co., Celgene Corp. and Bristol-Myers Squibb Co. An underweight to Duke Energy Corp. and an overweight to Electriticé de France SA in the Utilities sector were beneficial. Among Sovereigns, dynamic positioning in Indonesia and relative-value positioning in Communications holdings Charter Communications Operating LLC, Fox Corp. and Verizon Communications, Inc. also supported gains.

In agency mortgage-backed securities, a sector overweight and security selection in 30-year conventional and Ginnie Mae mortgages contributed to performance. Positioning in higher coupon mortgages was the largest contributor to performance, with robust security selection opportunities throughout the year. Collateralized mortgage obligations detracted slightly from performance.

In consumer asset-backed securities ("ABS"), security selection restrained performance during the year, with private credit and Federal Family Education Loan Program student loans accounting for the majority of the detraction. Sector overweights to ABS and commercial mortgage-backed securities, and positioning in rental car ABS, prime auto ABS, credit card ABS and AAA residential mortgage-backed securities contributed to performance.

PORTFOLIO MANAGER OUTLOOK

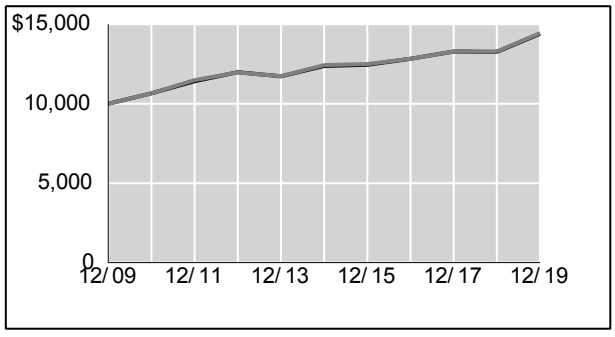
The following forward-looking comments are the opinion of Wells Capital, the Portfolio's sub-adviser.

Select Bond Portfolio (unaudited)

Valuations for riskier assets such as credit and equities rebounded strongly during 2019, and government bonds seemed to price in stable growth with low inflation in light of improved expectations for the economic outlook, anticipation of a stable monetary policy for the foreseeable future and the resolution of risky political situations, such as U.S.-China trade tensions and Brexit. A benign, low-volatility environment appears to be priced into many financial markets. As such, we believe that investors will carefully monitor economic data to determine if relatively high expectations for sustained valuation levels can be met going forward, and attention will quickly turn to political developments such as the 2020 presidential election. Wild cards such as increased tensions in the Middle East could further affect risk sentiment and financial markets. We will be monitoring recent weakness in the U.S. dollar to see if a new trend is in place, which could have implications for valuations of international assets and the shape of the yield curve.

We maintain a neutral duration (a measure of the Portfolio's relative sensitivity to interest rates) and continue to maintain an overweight position in ABS due to stable fundamentals in core sectors of the market. We maintain an overweight in Agency MBS on attractive risk-adjusted valuations compared with Treasurys and credit. We continue to be active in credit, focusing on security selection and relative-value trading where we see opportunities within a tempered overall target.

Relative Performance



Average Annual Total Returns
For Periods Ended December 31, 2019

	1 Year	5 Years	10 Years
Select Bond Portfolio	8.65%	3.08%	3.72%
Bloomberg Barclays® U.S. Aggregate Index	8.72%	3.05%	3.75%
Lipper® Variable Insurance Products (VIP) Core Bond Funds Average	8.78%	2.95%	3.80%

The performance data quoted represents past performance. Past performance is historical and does not guarantee future performance. Investment return and principal value will fluctuate, so that shares, when redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than the performance data quoted. For the most recent month-end performance information visit www.northwesternmutual.com.

This chart assumes an initial investment of $10,000 made on 12/31/09. Returns shown reflect fee waivers, deductions for management and other portfolio expenses, and reinvestment of all dividends. In the absence of fee waivers, total return would be reduced. Returns exclude deductions for separate account sale loads and account fees. Please refer to the Benchmark Definitions section of this report for information about the indices cited in the above chart and graph.

Return of principal is not guaranteed. Bond funds have the same risks that are associated with the underlying bonds owned by the Portfolio. When interest rates rise, bond prices fall. With a fixed income fund, when interest rates rise, the value of the fund's existing bonds drops, which could negatively affect overall fund performance. High yield bonds generally have greater price swings and higher default risks than investment grade bonds.

Investing in bonds issued by foreign corporations and governments carries additional risk, including foreign currency risk, and may increase the volatility of the Portfolio's performance.

The U.S. federal funds rate has been subject to frequent adjustments over the course of the last several years. A significant rise in interest rates over a short period of time could cause significant losses in the market value of the Portfolio's fixed income investments.

The Portfolio may engage in active and frequent trading of portfolio securities to achieve its investment objectives. Active and frequent trading may cause higher brokerage expenses and other transaction costs, which may adversely affect performance.

Select Bond Portfolio (unaudited)

Top 10 Fixed Income Holdings 12/31/19

Security Description	% of Net Assets
US Treasury, Various	25.9%
Federal National Mortgage Association, Various	17.1%
Federal Home Loan Mortgage Corp., Various	5.7%
Government National Mortgage Association, Various	5.6%
Bank of America Corp., Various	1.1%
AbbVie, Inc., Various	0.9%
JPMorgan Chase & Co., Various	0.7%
Federal Home Loan Bank, Various	0.7%
Bristol-Myers Squibb Co., Various	0.7%
Comcast Corp., Various	0.7%

Sector Allocation 12/31/19

Sector	% of Net Assets
Structured Products	50.5%
Governments	26.5%
Corporate Bonds	25.1%
Municipal Bonds	0.5%
Short-Term Investments & Other Net Assets	-2.6%

Sector Allocation and Top 10 Holdings are subject to change.

Consistent with the Portfolio's stated parameters, no more than 20% of the Portfolio is invested in foreign securities, and no more than 10% is invested in high yield securities.

Select Bond Portfolio

SCHEDULE OF INVESTMENTS

December 31, 2019

Corporate Bonds (25.1%)	Shares/ Par +	Value $ (000's)
Basic Materials (0.7%)		
Barrick Gold Corp.		
3.850%, 4/1/22	227,000	236
Barrick North America Finance LLC		
5.700%, 5/30/41	2,172,000	2,673
5.750%, 5/1/43	509,000	646
Celulosa Arauco y Constitucion SA		
4.200%, 1/29/30 144A	1,232,000	1,236
5.150%, 1/29/50 144A	1,407,000	1,397
The Dow Chemical Co.		
4.250%, 10/1/34	737,000	806
DowDuPont, Inc.		
4.205%, 11/15/23	2,875,000	3,073
4.493%, 11/15/25	2,047,000	2,252
Huntsman International LLC		
4.500%, 5/1/29	1,351,000	1,434
5.125%, 11/15/22	881,000	941
Minera Mexico SA de CV		
4.500%, 1/26/50 144A	1,031,000	1,049
The Mosaic Co.		
4.050%, 11/15/27	1,228,000	1,274
5.625%, 11/15/43	765,000	897
Steel Dynamics, Inc.		
2.800%, 12/15/24	1,119,000	1,125
3.450%, 4/15/30	617,000	623
Teck Resources, Ltd.		
6.250%, 7/15/41	2,174,000	2,487
Westlake Chemical Corp.		
3.600%, 8/15/26	206,000	213
4.375%, 11/15/47	1,337,000	1,349
Total		**23,711**
Communications (2.3%)		
AT&T, Inc.		
3.000%, 2/15/22	1,670,000	1,703
3.000%, 6/30/22	2,675,000	2,733
3.400%, 5/15/25	2,144,000	2,246
3.800%, 2/15/27	855,000	910
3.900%, 3/11/24	1,019,000	1,083
4.300%, 2/15/30	745,000	828
4.500%, 3/9/48	525,000	579
4.850%, 3/1/39	1,052,000	1,210
5.150%, 2/15/50	2,344,000	2,819
5.250%, 3/1/37	627,000	747
5.350%, 12/15/43	526,000	622
5.375%, 10/15/41	842,000	999
5.450%, 3/1/47	759,000	940
5.700%, 3/1/57	627,000	807
Charter Communications Operating LLC / Charter Communications Operating Capital Corp.		
4.464%, 7/23/22	1,030,000	1,082
4.800%, 3/1/50	4,302,000	4,521
5.375%, 5/1/47	909,000	1,017
Comcast Corp.		
2.650%, 2/1/30	4,154,000	4,165
3.450%, 10/1/21	2,648,000	2,725

Corporate Bonds (25.1%)	Shares/ Par +	Value $ (000's)
Communications continued		
3.450%, 2/1/50	1,390,000	1,420
3.700%, 4/15/24	2,109,000	2,247
3.950%, 10/15/25	1,907,000	2,080
4.000%, 3/1/48	1,600,000	1,774
4.150%, 10/15/28	1,074,000	1,208
4.600%, 10/15/38	2,670,000	3,176
4.700%, 10/15/48	535,000	659
4.950%, 10/15/58	798,000	1,036
Rogers Communications, Inc.		
3.700%, 11/15/49	1,730,000	1,741
Telefonica Emisiones SA		
5.520%, 3/1/49	2,181,000	2,728
Time Warner Cable LLC		
6.550%, 5/1/37	745,000	912
Verizon Communications, Inc.		
4.016%, 12/3/29	1,159,000	1,295
4.125%, 8/15/46	2,552,000	2,875
4.272%, 1/15/36	469,000	530
4.329%, 9/21/28	1,845,000	2,091
4.400%, 11/1/34	2,284,000	2,643
4.522%, 9/15/48	522,000	624
4.672%, 3/15/55	281,000	347
5.012%, 4/15/49	522,000	667
5.500%, 3/16/47	1,017,000	1,377
Vodafone Group PLC		
4.250%, 9/17/50	4,100,000	4,266
The Walt Disney Co.		
1.750%, 8/30/24	3,205,000	3,175
2.000%, 9/1/29	2,135,000	2,070
2.750%, 9/1/49	485,000	456
Total		**73,133**
Consumer, Cyclical (1.0%)		
Costco Wholesale Corp.		
3.000%, 5/18/27	1,029,000	1,084
Ford Motor Co.		
4.750%, 1/15/43	5,238,000	4,633
Ford Motor Credit Co. LLC		
4.063%, 11/1/24	1,815,000	1,851
General Motors Co.		
5.400%, 4/1/48	791,000	817
5.950%, 4/1/49	1,731,000	1,914
The Home Depot, Inc.		
4.500%, 12/6/48	1,038,000	1,278
Lowe's Companies, Inc.		
3.650%, 4/5/29	5,021,000	5,363
McDonald's Corp.		
2.625%, 9/1/29	1,716,000	1,716
4.450%, 9/1/48	1,262,000	1,442
Starbucks Corp.		
3.750%, 12/1/47	1,477,000	1,530
3.800%, 8/15/25	114,000	123
Walmart, Inc.		
2.375%, 9/24/29	1,496,000	1,495
2.950%, 9/24/49	1,872,000	1,858
3.550%, 6/26/25	2,257,000	2,422

Select Bond Portfolio

Corporate Bonds (25.1%)	Shares/ Par +	Value $ (000's)
Consumer, Cyclical continued		
3.700%, 6/26/28	4,940,000	5,443
4.050%, 6/29/48	24,000	28
Total		**32,997**
Consumer, Non-cyclical (5.2%)		
Abbott Laboratories		
3.750%, 11/30/26	1,418,000	1,548
4.900%, 11/30/46	2,338,000	3,068
AbbVie, Inc.		
2.300%, 11/21/22 144A	9,593,000	9,639
2.500%, 5/14/20	4,056,000	4,062
2.600%, 11/21/24 144A	6,381,000	6,418
2.950%, 11/21/26 144A	1,184,000	1,202
3.200%, 11/21/29 144A	3,498,000	3,556
4.050%, 11/21/39 144A	643,000	680
4.250%, 11/21/49 144A	1,762,000	1,854
Aetna, Inc.		
3.875%, 8/15/47	855,000	867
Altria Group, Inc.		
4.800%, 2/14/29	2,268,000	2,525
5.950%, 2/14/49	552,000	667
Anheuser-Busch Cos. LLC / Anheuser-Busch InBev Worldwide, Inc.		
4.150%, 1/23/25	2,292,000	2,494
4.600%, 4/15/48	427,000	486
4.700%, 2/1/36	1,972,000	2,274
4.900%, 1/23/31	1,877,000	2,233
4.900%, 2/1/46	4,521,000	5,347
5.550%, 1/23/49	865,000	1,121
BAT Capital Corp.		
3.215%, 9/6/26	1,141,000	1,148
3.222%, 8/15/24	2,774,000	2,835
3.557%, 8/15/27	583,000	595
4.540%, 8/15/47	166,000	166
Becton Dickinson and Co.		
2.404%, 6/5/20	3,552,000	3,556
3.363%, 6/6/24	1,197,000	1,246
3.700%, 6/6/27	1,166,000	1,241
3.734%, 12/15/24	2,828,000	2,996
4.685%, 12/15/44	1,320,000	1,540
Boston Scientific Corp.		
3.750%, 3/1/26	1,745,000	1,869
4.000%, 3/1/29	2,330,000	2,575
4.700%, 3/1/49	1,987,000	2,410
Bristol-Myers Squibb Co.		
2.600%, 5/16/22 144A	4,617,000	4,692
2.750%, 2/15/23 144A	3,859,000	3,931
2.875%, 2/19/21 144A	1,070,000	1,082
2.900%, 7/26/24 144A	2,517,000	2,597
3.200%, 6/15/26 144A	2,206,000	2,313
3.400%, 7/26/29 144A	2,697,000	2,882
3.900%, 2/20/28 144A	575,000	633
4.125%, 6/15/39 144A	267,000	307
4.250%, 10/26/49 144A	1,911,000	2,261
4.350%, 11/15/47 144A	531,000	632
Cigna Corp.		
3.400%, 9/17/21	2,398,000	2,454
3.400%, 3/1/27 144A	2,756,000	2,861
3.750%, 7/15/23	2,960,000	3,102
4.800%, 8/15/38	232,000	270
4.900%, 12/15/48	1,360,000	1,620

Corporate Bonds (25.1%)	Shares/ Par +	Value $ (000's)
Consumer, Non-cyclical continued		
Constellation Brands, Inc.		
3.150%, 8/1/29	2,056,000	2,077
3.200%, 2/15/23	531,000	545
3.500%, 5/9/27	759,000	792
3.600%, 2/15/28	1,675,000	1,770
3.700%, 12/6/26	894,000	948
4.400%, 11/15/25	162,000	177
CVS Health Corp.		
2.625%, 8/15/24	1,416,000	1,427
3.000%, 8/15/26	1,179,000	1,202
3.700%, 3/9/23	1,083,000	1,127
4.000%, 12/5/23	1,587,000	1,678
4.100%, 3/25/25	2,346,000	2,516
4.780%, 3/25/38	1,153,000	1,307
5.050%, 3/25/48	303,000	358
Danaher Corp.		
3.350%, 9/15/25	2,190,000	2,327
Danone SA		
2.947%, 11/2/26 144A	7,635,000	7,792
DH Europe Finance II SARL		
2.050%, 11/15/22	1,736,000	1,737
2.200%, 11/15/24	2,973,000	2,974
2.600%, 11/15/29	1,167,000	1,161
3.400%, 11/15/49	2,218,000	2,252
The Estee Lauder Co., Inc.		
2.375%, 12/1/29	1,035,000	1,033
3.125%, 12/1/49	1,968,000	1,962
Gilead Sciences, Inc.		
3.650%, 3/1/26	1,074,000	1,155
Global Payments, Inc.		
3.200%, 8/15/29	1,250,000	1,275
4.150%, 8/15/49	670,000	715
The Hershey Co.		
2.050%, 11/15/24	2,221,000	2,224
Kraft Heinz Foods Co.		
2.800%, 7/2/20	431,000	432
4.375%, 6/1/46	1,568,000	1,541
Merck & Co., Inc.		
3.400%, 3/7/29	1,885,000	2,039
3.700%, 2/10/45	753,000	831
4.000%, 3/7/49	680,000	795
Pfizer, Inc.		
2.800%, 3/11/22	1,048,000	1,070
3.000%, 12/15/26	548,000	575
4.100%, 9/15/38	601,000	686
Reynolds American, Inc.		
5.850%, 8/15/45	1,189,000	1,361
UnitedHealth Group, Inc.		
2.375%, 8/15/24	2,964,000	3,001
2.875%, 8/15/29	1,931,000	1,985
3.500%, 8/15/39	1,696,000	1,776
3.700%, 12/15/25	1,179,000	1,275
3.875%, 8/15/59	1,179,000	1,268
Total		**165,021**
Energy (2.8%)		
BP Capital Markets America, Inc.		
3.796%, 9/21/25	2,118,000	2,290
3.937%, 9/21/28	2,282,000	2,519
Canadian Natural Resources, Ltd.		
3.900%, 2/1/25	722,000	769

Select Bond Portfolio

Corporate Bonds (25.1%)	Shares/ Par +	Value $ (000's)
Energy continued		
Cimarex Energy Co.		
4.375%, 3/15/29	2,945,000	3,115
Devon Energy Corp.		
5.600%, 7/15/41	1,741,000	2,112
Ecopetrol SA		
5.875%, 5/28/45	822,000	969
Enbridge, Inc.		
2.500%, 1/15/25	5,618,000	5,651
2.900%, 7/15/22	2,263,000	2,305
3.125%, 11/15/29	3,463,000	3,501
Encana Corp.		
6.500%, 2/1/38	1,092,000	1,287
6.625%, 8/15/37	987,000	1,193
Energy Transfer Operating LP		
5.500%, 6/1/27	1,337,000	1,501
5.875%, 1/15/24	2,037,000	2,254
6.125%, 12/15/45	1,163,000	1,345
6.250%, 4/15/49	514,000	619
Energy Transfer Partners LP		
5.300%, 4/15/47	514,000	547
Enterprise Products Operating LLC		
3.125%, 7/31/29	1,473,000	1,511
4.200%, 1/31/50	412,000	441
Equinor ASA		
3.250%, 11/18/49	1,548,000	1,555
Hess Corp.		
3.500%, 7/15/24	460,000	470
5.600%, 2/15/41	122,000	143
5.800%, 4/1/47	193,000	236
6.000%, 1/15/40	1,570,000	1,851
7.125%, 3/15/33	386,000	487
Kinder Morgan Energy Partners LP		
7.300%, 8/15/33	167,000	223
Marathon Petroleum Corp.		
3.625%, 9/15/24	2,863,000	3,005
4.500%, 4/1/48	1,036,000	1,099
4.750%, 12/15/23	870,000	945
MPLX LP		
4.250%, 12/1/27 144A	1,027,000	1,080
4.800%, 2/15/29	1,027,000	1,126
5.200%, 12/1/47 144A	1,532,000	1,627
5.500%, 2/15/49	1,429,000	1,619
National Oilwell Varco, Inc.		
3.600%, 12/1/29	2,881,000	2,885
Noble Energy, Inc.		
3.250%, 10/15/29	1,748,000	1,760
4.200%, 10/15/49	816,000	818
4.950%, 8/15/47	1,842,000	2,036
5.050%, 11/15/44	1,526,000	1,699
Occidental Petroleum Corp.		
7.500%, 5/1/31	560,000	728
Petroleos Mexicanos		
2.460%, 12/15/25	3,851,400	3,805
6.350%, 2/12/48	5,882,000	5,676
6.500%, 3/13/27	668,000	709
6.750%, 9/21/47	1,027,000	1,029
Plains All American Pipeline LP / PAA Finance Corp.		
3.550%, 12/15/29	3,384,000	3,331
4.900%, 2/15/45	1,995,000	1,983
Schlumberger Finance Canada, Ltd.		
2.650%, 11/20/22 144A	1,099,000	1,117
Shell International Finance BV		
2.000%, 11/7/24	4,247,000	4,236
3.125%, 11/7/49	1,570,000	1,545
Sunoco Logistics Partners Operations LP		
5.300%, 4/1/44	1,960,000	2,081
5.350%, 5/15/45	141,000	151
Total Capital International		
2.829%, 1/10/30	1,962,000	2,014
TransCanada PipeLines, Ltd.		
4.875%, 5/15/48	789,000	930
Western Gas Partners LP		
5.500%, 8/15/48	1,109,000	973
The Williams Companies, Inc.		
3.900%, 1/15/25	767,000	807
Total		**89,708**
Financial (7.2%)		
American International Group, Inc.		
4.200%, 4/1/28	1,636,000	1,799
4.250%, 3/15/29	1,065,000	1,184
4.500%, 7/16/44	899,000	1,034
Banco Santander SA		
2.706%, 6/27/24	3,400,000	3,445
3.306%, 6/27/29	1,800,000	1,852
Bank of America Corp.		
2.456%, (ICE LIBOR USD 3 Month plus 0.870%), 10/22/25	9,492,000	9,547
3.093%, (ICE LIBOR USD 3 Month plus 1.090%), 10/1/25	5,185,000	5,349
3.419%, (ICE LIBOR USD 3 Month plus 1.040%), 12/20/28	7,424,000	7,786
3.559%, (ICE LIBOR USD 3 Month plus 1.060%), 4/23/27	2,461,000	2,599
4.183%, 11/25/27	3,076,000	3,332
4.271%, (ICE LIBOR USD 3 Month plus 1.310%), 7/23/29	5,470,000	6,072
4.330%, (ICE LIBOR USD 3 Month plus 1.520%), 3/15/50	903,000	1,081
Banque Federative du Credit Mutuel SA		
2.375%, 11/21/24 144A	2,639,000	2,636
Barclays PLC		
5.088%, (ICE LIBOR USD 3 Month plus 3.054%), 6/20/30	1,639,000	1,825
BB&T Corp.		
2.500%, 8/1/24	6,441,000	6,518
BNP Paribas SA		
2.819%, (ICE LIBOR USD 3 Month plus 1.111%), 11/19/25 144A	8,758,000	8,854
Branch Banking & Trust Co.		
2.150%, 12/6/24	4,142,000	4,131
The Charles Schwab Corp.		
3.250%, 5/22/29	4,757,000	5,030
Citigroup, Inc.		
2.976%, (US SOFR plus 1.422%), 11/5/30	3,100,000	3,143
3.980%, (ICE LIBOR USD 3 Month plus 1.338%), 3/20/30	2,103,000	2,299

Select Bond Portfolio

Corporate Bonds (25.1%)	Shares/ Par +	Value $ (000's)
Financial continued		
Commonwealth Bank of Australia		
3.610%, (US Treasury Yield Curve Rate T Note Constant Maturity 5 Year plus 2.050%), 9/12/34 144A	2,232,000	2,242
3.743%, 9/12/39 144A	892,000	893
Credit Agricole SA		
2.375%, 1/22/25 144A	4,058,000	4,050
Danske Bank A/S		
3.001%, (ICE LIBOR USD 3 Month plus 1.249%), 9/20/22 144A	5,492,000	5,534
3.244%, (ICE LIBOR USD 3 Month plus 1.591%), 12/20/25 144A	5,164,000	5,222
Equinix, Inc.		
2.625%, 11/18/24	3,061,000	3,067
2.900%, 11/18/26	3,061,000	3,066
3.200%, 11/18/29	2,816,000	2,826
GE Capital International Funding Co. Unlimited Co.		
2.342%, 11/15/20	727,000	728
4.418%, 11/15/35	4,685,000	4,988
GLP Capital LP / GLP Financing II, Inc.		
4.000%, 1/15/30	2,043,000	2,085
5.300%, 1/15/29	1,105,000	1,227
HSBC Holdings PLC		
2.633%, (ICE LIBOR USD 3 Month plus 1.140%), 11/7/25	3,982,000	3,994
3.803%, (ICE LIBOR USD 3 Month plus 1.211%), 3/11/25	2,942,000	3,086
3.973%, (ICE LIBOR USD 3 Month plus 1.610%), 5/22/30	2,326,000	2,505
4.041%, (ICE LIBOR USD 3 Month plus 1.546%), 3/13/28	976,000	1,043
JPMorgan Chase & Co.		
2.301%, (US SOFR plus 1.160%), 10/15/25	4,810,000	4,801
2.739%, (US SOFR plus 1.510%), 10/15/30	6,847,000	6,837
2.950%, 10/1/26	1,969,000	2,027
3.220%, (ICE LIBOR USD 3 Month plus 1.155%), 3/1/25	618,000	640
3.559%, (ICE LIBOR USD 3 Month plus 0.730%), 4/23/24	1,070,000	1,114
3.702%, (ICE LIBOR USD 3 Month plus 1.160%), 5/6/30	535,000	576
3.797%, (ICE LIBOR USD 3 Month plus 0.890%), 7/23/24	535,000	564
3.882%, (ICE LIBOR USD 3 Month plus 1.360%), 7/24/38	1,596,000	1,762
3.897%, (ICE LIBOR USD 3 Month plus 1.220%), 1/23/49	1,969,000	2,209
4.005%, (ICE LIBOR USD 3 Month plus 1.120%), 4/23/29	1,399,000	1,535
4.023%, (ICE LIBOR USD 3 Month plus 1.000%), 12/5/24	1,039,000	1,107
KeyCorp		
2.550%, 10/1/29	4,078,000	3,982
Liberty Mutual Group, Inc.		
3.951%, 10/15/50 144A	235,000	244
4.569%, 2/1/29 144A	2,973,000	3,318
Lincoln National Corp.		
3.050%, 1/15/30	3,556,000	3,574
MDGH - GMTN BV		
2.875%, 11/7/29 144A	2,529,000	2,551
Mid-America Apartments LP		
3.600%, 6/1/27	741,000	786
3.750%, 6/15/24	2,609,000	2,750
3.950%, 3/15/29	1,089,000	1,188
4.000%, 11/15/25	1,337,000	1,446
4.300%, 10/15/23	1,118,000	1,196
Mizuho Financial Group, Inc.		
2.721%, (ICE LIBOR USD 3 Month plus 0.840%), 7/16/23	2,792,000	2,824
3.153%, (ICE LIBOR USD 3 Month plus 1.130%), 7/16/30	1,683,000	1,718
Morgan Stanley		
2.625%, 11/17/21	4,266,000	4,316
3.971%, (3 Month LIBOR plus 1.455%), 7/22/38	513,000	569
4.457%, (ICE LIBOR USD 3 Month plus 1.431%), 4/22/39	1,004,000	1,181
Nationwide Building Society		
4.363%, (ICE LIBOR USD 3 Month plus 1.392%), 8/1/24 144A	2,593,000	2,749
Nationwide Financial Services, Inc.		
3.900%, 11/30/49 144A	2,651,000	2,754
Prudential Financial, Inc.		
3.700%, 3/13/51	670,000	703
4.350%, 2/25/50	1,837,000	2,111
Regency Centers LP		
2.950%, 9/15/29	2,372,000	2,367
Royal Bank of Canada		
2.250%, 11/1/24	4,665,000	4,687
Royal Bank of Scotland Group PLC		
4.445%, (ICE LIBOR USD 3 Month plus 1.871%), 5/8/30	678,000	748
SITE Centers Corp.		
4.625%, 7/15/22	930,000	970
Societe Generale SA		
2.625%, 10/16/24 144A	3,114,000	3,112
Spirit Realty LP		
3.400%, 1/15/30	1,315,000	1,320
State Street Corp.		
2.354%, (US SOFR plus 0.940%), 11/1/25	4,036,000	4,050
Store Capital Corp.		
4.500%, 3/15/28	4,108,000	4,490
4.625%, 3/15/29	804,000	891
Sumitomo Mitsui Financial Group, Inc.		
2.696%, 7/16/24	5,434,000	5,507
3.040%, 7/16/29	5,476,000	5,580
TrustCo Bank Corp.		
6.390%, 1/15/50 144A	1,424,000	1,531
UBS Group AG		
3.126%, (ICE LIBOR USD 3 Month plus 1.468%), 8/13/30 144A	2,891,000	2,941
Westpac Banking Corp.		
4.110%, (US Treasury Yield Curve Rate T Note Constant Maturity 5 Year plus 2.000%), 7/24/34	1,285,000	1,345
Total		**228,743**
Industrial (2.0%)		
The Boeing Co.		
2.700%, 5/1/22	2,311,000	2,346
2.700%, 2/1/27	2,951,000	2,989

Select Bond Portfolio

Corporate Bonds (25.1%)	Shares/ Par +	Value $ (000's)
Industrial continued		
2.950%, 2/1/30	1,950,000	1,993
3.100%, 5/1/26	2,955,000	3,047
3.500%, 3/1/39	1,136,000	1,170
3.750%, 2/1/50	408,000	432
3.900%, 5/1/49	1,429,000	1,546
Burlington Northern Santa Fe LLC		
3.550%, 2/15/50	1,810,000	1,901
4.900%, 4/1/44	601,000	747
Caterpillar Financial Services Corp.		
2.150%, 11/8/24	2,881,000	2,890
Caterpillar, Inc.		
2.600%, 9/19/29	1,297,000	1,308
3.250%, 9/19/49	1,504,000	1,505
Crowley Conro LLC		
4.181%, 8/15/43	1,499,520	1,674
CSX Corp.		
2.400%, 2/15/30	1,280,000	1,251
3.350%, 9/15/49	2,164,000	2,127
4.300%, 3/1/48	140,000	159
4.750%, 11/15/48	759,000	918
General Electric Co.		
2.700%, 10/9/22	525,000	532
3.100%, 1/9/23	381,000	389
5.875%, 1/14/38	1,924,000	2,328
Lockheed Martin Corp.		
4.070%, 12/15/42	1,114,000	1,274
Northrop Grumman Corp.		
2.550%, 10/15/22	3,446,000	3,496
2.930%, 1/15/25	153,000	158
3.250%, 8/1/23	3,179,000	3,312
3.250%, 1/15/28	1,960,000	2,043
4.030%, 10/15/47	1,120,000	1,249
Packaging Corp. of America		
3.000%, 12/15/29	1,758,000	1,764
Union Pacific Corp.		
2.950%, 3/1/22	1,929,000	1,971
3.150%, 3/1/24	918,000	955
4.300%, 3/1/49	286,000	329
United Technologies Corp.		
2.800%, 5/4/24	1,466,000	1,506
3.100%, 6/1/22	1,990,000	2,040
3.650%, 8/16/23	5,911,000	6,227
3.950%, 8/16/25	1,535,000	1,673
4.125%, 11/16/28	938,000	1,056
4.450%, 11/16/38	1,425,000	1,683
4.625%, 11/16/48	1,552,000	1,939
Total		**63,927**
Metals & Mining (0.1%)		
Newmont Corp.		
3.500%, 3/15/22	1,535,000	1,575
Total		**1,575**
Technology (1.7%)		
Apple, Inc.		
1.800%, 9/11/24	2,911,000	2,890
2.050%, 9/11/26	3,495,000	3,466
2.200%, 9/11/29	5,255,000	5,148
2.950%, 9/11/49	1,945,000	1,884
3.200%, 5/13/25	645,000	681
3.200%, 5/11/27	3,994,000	4,210

Corporate Bonds (25.1%)	Shares/ Par +	Value $ (000's)
Technology continued		
4.250%, 2/9/47	957,000	1,142
Broadcom Corp. / Broadcom Cayman Finance, Ltd.		
3.875%, 1/15/27	2,632,000	2,731
Broadcom, Inc.		
4.250%, 4/15/26 144A	1,865,000	1,982
Fiserv, Inc.		
3.200%, 7/1/26	1,872,000	1,936
3.500%, 7/1/29	1,951,000	2,048
4.200%, 10/1/28	184,000	204
4.400%, 7/1/49	991,000	1,121
Intel Corp.		
2.450%, 11/15/29	3,371,000	3,357
3.250%, 11/15/49	1,124,000	1,129
International Business Machines Corp.		
3.300%, 5/15/26	1,776,000	1,872
4.150%, 5/15/39	802,000	902
4.250%, 5/15/49	1,057,000	1,206
Micron Technology, Inc.		
4.663%, 2/15/30	1,462,000	1,609
Microsoft Corp.		
3.700%, 8/8/46	531,000	599
4.000%, 2/12/55	1,403,000	1,657
4.100%, 2/6/37	1,750,000	2,064
4.250%, 2/6/47	687,000	840
4.500%, 2/6/57	1,289,000	1,666
NXP BV / NXP Funding LLC / NXP USA, Inc.		
3.875%, 6/18/26 144A	3,172,000	3,361
4.300%, 6/18/29 144A	361,000	390
Oracle Corp.		
2.625%, 2/15/23	1,443,000	1,473
2.950%, 11/15/24	772,000	802
3.800%, 11/15/37	789,000	860
4.000%, 11/15/47	2,262,000	2,524
Total		**55,754**
Utilities (2.1%)		
Alabama Power Co.		
3.450%, 10/1/49	2,669,000	2,729
Black Hills Corp.		
3.050%, 10/15/29	2,913,000	2,898
3.875%, 10/15/49	980,000	976
CenterPoint Energy Resources Corp.		
4.100%, 9/1/47	1,574,000	1,647
CenterPoint Energy, Inc.		
2.500%, 9/1/22	219,000	221
2.500%, 9/1/24	2,370,000	2,371
4.250%, 11/1/28	1,587,000	1,721
Consolidated Edison Co. of New York, Inc.		
3.875%, 6/15/47	964,000	1,042
Dominion Resources, Inc.		
2.000%, 8/15/21	1,535,000	1,534
DTE Energy Co.		
2.529%, 10/1/24	2,415,000	2,425
Duke Energy Corp.		
1.800%, 9/1/21	2,302,000	2,299
Edison International		
4.125%, 3/15/28	514,000	527
5.750%, 6/15/27	1,106,000	1,241
Enel Finance International NV		
3.500%, 4/6/28 144A	998,000	1,020

Select Bond Portfolio

Corporate Bonds (25.1%)	Shares/ Par +	Value $ (000's)
Utilities continued		
4.625%, 9/14/25 144A	3,459,000	3,771
4.750%, 5/25/47 144A	900,000	1,011
4.875%, 6/14/29 144A	1,085,000	1,223
6.000%, 10/7/39 144A	1,402,000	1,762
Eversource Energy		
3.150%, 1/15/25	529,000	545
FirstEnergy Corp.		
2.850%, 7/15/22	493,000	501
3.900%, 7/15/27	2,064,000	2,205
4.250%, 3/15/23	2,771,000	2,920
4.850%, 7/15/47	426,000	505
Interstate Power & Light Co.		
3.500%, 9/30/49	1,029,000	1,006
ITC Holdings Corp.		
2.700%, 11/15/22	2,192,000	2,218
Jersey Central Power & Light Co.		
4.300%, 1/15/26 144A	953,000	1,037
Metropolitan Edison Co.		
4.300%, 1/15/29 144A	1,723,000	1,919
Mid-Atlantic Interstate Transmission LLC		
4.100%, 5/15/28 144A	2,144,000	2,344
Mississippi Power Co.		
3.950%, 3/30/28	2,679,000	2,915
4.250%, 3/15/42	1,609,000	1,725
NiSource, Inc.		
2.950%, 9/1/29	1,513,000	1,506
4.375%, 5/15/47	370,000	409
Pennsylvania Electric Co.		
3.250%, 3/15/28 144A	922,000	944
PPL Capital Funding, Inc.		
3.100%, 5/15/26	2,823,000	2,876
3.400%, 6/1/23	316,000	326
4.000%, 9/15/47	381,000	389
4.700%, 6/1/43	314,000	350
5.000%, 3/15/44	1,456,000	1,672
Southern California Edison Co.		
2.850%, 8/1/29	1,109,000	1,106
4.000%, 4/1/47	999,000	1,049
4.125%, 3/1/48	1,778,000	1,894
4.650%, 10/1/43	522,000	591
5.550%, 1/15/37	307,000	370
5.950%, 2/1/38	589,000	746
6.000%, 1/15/34	159,000	196
Virginia Electric & Power Co.		
3.300%, 12/1/49	1,594,000	1,604
Total		**66,286**
Total Corporate Bonds (Cost: $772,240)		**800,855**

Governments (26.5%)		
Governments (26.5%)		
Abu Dhabi Government International Bond		
2.125%, 9/30/24 144A	1,699,000	1,693
2.500%, 9/30/29 144A	2,225,000	2,217
3.125%, 9/30/49 144A	1,351,000	1,317
Japan Bank for International Cooperation		
1.750%, 10/17/24	2,974,000	2,932
Republic of Paraguay		
5.400%, 3/30/50 144A	1,582,000	1,825
United Mexican States		
4.500%, 4/22/29	6,214,000	6,814

Governments (26.5%)	Shares/ Par +	Value $ (000's)
Governments continued		
4.600%, 2/10/48	1,876,000	2,054
US Treasury		
1.125%, 9/30/21	29,802,000	29,554
1.250%, 3/31/21 β	12,160,000	12,103
1.375%, 8/31/20	23,456,000	23,416
1.375%, 8/31/26	8,364,000	8,127
1.500%, 11/30/21	16,212,000	16,186
1.500%, 10/31/24	1,000	1
1.500%, 11/30/24	9,057,000	8,975
1.625%, 12/31/21	1,047,000	1,048
1.625%, 11/15/22	4,856,000	4,857
1.625%, 12/15/22	44,922,000	44,940
1.625%, 2/15/26	43,531,000	43,100
1.625%, 5/15/26	42,010,000	41,537
1.625%, 9/30/26	4,768,000	4,706
1.625%, 11/30/26	25,106,000	24,758
1.750%, 7/15/22	4,415,000	4,430
1.750%, 12/31/24	4,882,000	4,893
1.750%, 11/15/29	20,036,000	19,718
2.125%, 5/15/22	5,306,000	5,369
2.250%, 8/15/46	23,378,000	22,690
2.250%, 8/15/49	9,379,000	9,087
2.250%, 11/15/24	29,486,000	30,230
2.375%, 11/15/49	12,668,000	12,611
2.375%, 2/29/24	2,282,000	2,345
2.375%, 4/30/26	23,421,000	24,219
2.500%, 5/15/46	25,774,000	26,281
2.500%, 6/30/20	2,840,000	2,852
2.500%, 1/15/22	10,426,000	10,611
2.625%, 6/15/21	8,130,000	8,247
2.625%, 7/15/21	19,296,000	19,593
2.625%, 2/28/23	14,235,000	14,667
2.625%, 1/31/26	41,059,000	43,022
2.750%, 4/30/23	32,498,000	33,653
2.750%, 5/31/23	82,860,000	85,859
2.750%, 7/31/23	3,878,000	4,024
2.875%, 5/15/43	12,443,000	13,539
2.875%, 11/15/21	17,479,000	17,887
2.875%, 11/30/25	1,207,000	1,281
3.000%, 11/15/44	29,136,000	32,438
3.125%, 2/15/43 β	41,490,000	46,997
3.125%, 8/15/44 β	58,053,000	65,957
Total		**844,660**
Total Governments (Cost: $844,188)		**844,660**

Municipal Bonds (0.5%)		
Municipal Bonds (0.5%)		
County of Clark Department of Aviation		
6.820%, 7/1/45 RB	1,780,000	2,805
Los Angeles Community College District, Series 2010-E		
6.750%, 8/1/49 GO	2,600,000	4,269
North Texas Tollway Authority, Series 2009-B		
6.718%, 1/1/49 RB	1,950,000	3,059
The Ohio State University		
4.800%, 6/1/11 RB	1,070,000	1,356
Port Authority of New York & New Jersey		
4.458%, 10/1/62 RB	3,110,000	3,812

Select Bond Portfolio

Municipal Bonds (0.5%)	Shares/ Par +	Value $ (000's)
Municipal Bonds continued		
State of California		
7.600%, 11/1/40 GO	450,000	743
State of Illinois		
5.100%, 6/1/33 GO	360,000	388
Total Municipal Bonds (Cost: $14,426)		**16,432**
Structured Products (50.5%)		
Asset Backed Securities (10.6%)		
Avis Budget Rental Car Funding AESOP LLC, Series 2017-1A, Class A		
3.070%, 9/20/23 144A	1,041,000	1,058
Avis Budget Rental Car Funding AESOP LLC, Series 2019-2A, Class A		
3.350%, 9/22/25 144A	4,357,000	4,491
Avis Budget Rental Car Funding AESOP LLC, Series 2019-3A, Class A		
2.360%, 3/20/26 144A	6,521,000	6,458
College Ave Student Loans, Series 2017-A, Class A1		
3.442%, (ICE LIBOR USD 1 Month plus 1.650%), 11/26/46 144A	1,795,896	1,792
College Avenue Student Loans LLC, Series 2018-A, Class A2		
4.130%, 12/26/47 144A	1,349,452	1,398
College Avenue Student Loans LLC, Series 2019-A, Class A2		
3.280%, 12/28/48 144A	1,327,082	1,313
Ford Credit Auto Owner Trust, Series 2017-2, Class A		
2.360%, 3/15/29 144A	6,262,000	6,299
Ford Credit Auto Owner Trust, Series 2017-REV1, Class A		
2.620%, 8/15/28 144A	3,002,000	3,036
Ford Credit Auto Owner Trust, Series 2018-1, Class A		
3.190%, 7/15/31 144A	7,654,000	7,951
Ford Credit Auto Owner Trust, Series 2018-2, Class A		
3.470%, 1/15/30 144A	3,394,000	3,542
Ford Credit Auto Owner Trust, Series 2019-REV1, Class A		
3.520%, 7/15/30 144A	3,649,000	3,828
Ford Credit Floorplan Master Owner Trust, Series 2019-A, Class A		
2.440%, 9/15/26	2,237,000	2,242
Ford Credit Floorplan Master Owner Trust, Series 2019-A, Class A2		
2.340%, (ICE LIBOR USD 1 Month plus 0.600%), 9/15/24	1,368,000	1,373
Hertz Vehicle Financing II LP, Series 2019-1A, Class A		
3.710%, 3/25/23 144A	4,653,000	4,773
Hertz Vehicle Financing II LP, Series 2019-2A, Class A		
3.420%, 5/25/25 144A	4,402,000	4,534
Hertz Vehicle Financing II LP, Series 2019-3A, Class A		
2.670%, 12/26/25 144A	5,276,000	5,257

Structured Products (50.5%)	Shares/ Par +	Value $ (000's)
Asset Backed Securities continued		
Hertz Vehicle Financing LLC, Series 2015-3A, Class A		
2.670%, 9/25/21 144A	2,783,000	2,791
Hertz Vehicle Financing LLC, Series 2016-2A, Class A		
2.950%, 3/25/22 144A	3,583,000	3,609
Hertz Vehicle Financing LLC, Series 2016-4A, Class A		
2.650%, 7/25/22 144A	432,000	434
Hertz Vehicle Financing LLC, Series 2017-1A, Class A		
2.960%, 10/25/21 144A	3,034,000	3,049
Hertz Vehicle Financing LLC, Series 2017-2A, Class A		
3.290%, 10/25/23 144A	2,764,000	2,824
Hertz Vehicle Financing LLC, Series 2018-1A, Class A		
3.290%, 2/25/24 144A	1,731,000	1,771
Hertz Vehicle Financing LLC, Series 2018-2A, Class A		
3.650%, 6/27/22 144A	2,855,000	2,908
Hertz Vehicle Financing LLC, Series 2018-3A, Class A		
4.030%, 7/25/24 144A	3,072,000	3,212
Navient Private Education Loan Trust, Series 2014-AA, Class A3		
3.340%, (ICE LIBOR USD 1 Month plus 1.600%), 10/15/31 144A	3,434,000	3,501
Navient Private Education Loan Trust, Series 2014-CTA, Class A		
2.440%, (ICE LIBOR USD 1 Month plus 0.700%), 9/16/24 144A	253,234	253
Navient Private Education Loan Trust, Series 2018-BA, Class A2A		
3.610%, 12/15/59 144A	2,429,000	2,501
Navient Private Education Refi Loan Trust, Series 2018-A, Class A2		
3.190%, 2/18/42 144A	1,163,000	1,170
Navient Private Education Refi Loan Trust, Series 2018-C, Class A2		
3.520%, 6/16/42 144A	1,296,000	1,316
Navient Private Education Refi Loan Trust, Series 2018-DA, Class A2A		
4.000%, 12/15/59 144A	5,609,000	5,788
Navient Private Education Refi Loan Trust, Series 2019-A, Class A2A		
3.420%, 1/15/43 144A	6,611,000	6,733
Navient Private Education Refi Loan Trust, Series 2019-C, Class A2		
3.130%, 2/15/68 144A	6,785,000	6,816
Navient Private Education Refi Loan Trust, Series 2019-D, Class A2A		
3.010%, 12/15/59 144A	5,542,000	5,598
Navient Student Loan Trust, Series 2014-1, Class A3		
2.302%, (ICE LIBOR USD 1 Month plus 0.510%), 6/25/31	2,329,369	2,285
Navient Student Loan Trust, Series 2015-1, Class A2		
2.392%, (ICE LIBOR USD 1 Month plus 0.600%), 4/25/40	7,070,754	6,929

Structured Products (50.5%)	Shares/ Par +	Value $ (000's)
Asset Backed Securities continued		
Navient Student Loan Trust, Series 2016-1A, Class A 2.408%, (ICE LIBOR USD 1 Month plus 0.700%), 2/25/70 144A	3,848,198	3,790
Navient Student Loan Trust, Series 2016-3A, Class A2 2.558%, (ICE LIBOR USD 1 Month plus 0.850%), 6/25/65 144A	566,279	567
Navient Student Loan Trust, Series 2016-5A, Class A 2.958%, (ICE LIBOR USD 1 Month plus 1.250%), 6/25/65 144A	4,083,962	4,124
Navient Student Loan Trust, Series 2016-AA, Class A2B 3.890%, (ICE LIBOR USD 1 Month plus 2.150%), 12/15/45 144A	1,315,510	1,360
Navient Student Loan Trust, Series 2017-5A, Class A 2.508%, (ICE LIBOR USD 1 Month plus 0.800%), 7/26/66 144A	2,011,417	1,977
Navient Student Loan Trust, Series 2019 EA, Class A2 4.000%, 12/15/59 144A	3,615,000	3,741
Navient Student Loan Trust, Series 2019-3, Class A 2.622%, (ICE LIBOR USD 1 Month plus 0.830%), 7/25/68 144A	12,940,104	12,820
Navient Student Loan Trust, Series 2019-4, Class A2 2.602%, (ICE LIBOR USD 1 Month plus 0.810%), 7/25/68 144A	6,432,000	6,382
Navient Student Loan Trust, Series 2019-BA, Class A2A 3.390%, 12/15/59 144A	4,423,000	4,539
Navient Student Loan Trust, Series 2019-FA, Class A2 2.600%, 8/15/68 144A	6,457,000	6,442
Navient Student Loan Trust, Series 2019-GA, Class A 2.400%, 10/15/68 144A	6,351,000	6,308
Nelnet Student Loan Trust, Series 2004-3, Class A5 2.120%, (ICE LIBOR USD 3 Month plus 0.180%), 10/27/36	739,461	717
Nelnet Student Loan Trust, Series 2004-4, Class A5 2.100%, (ICE LIBOR USD 3 Month plus 0.160%), 1/25/37	3,969,580	3,878
Nelnet Student Loan Trust, Series 2005-1, Class A5 2.050%, (ICE LIBOR USD 3 Month plus 0.110%), 10/25/33	11,475,776	11,162
Nelnet Student Loan Trust, Series 2005-2, Class A5 2.028%, (ICE LIBOR USD 3 Month plus 0.100%), 3/23/37	11,047,545	10,714
Nelnet Student Loan Trust, Series 2005-3, Class A5 2.048%, (ICE LIBOR USD 3 Month plus 0.120%), 12/24/35	8,463,011	8,297
Nelnet Student Loan Trust, Series 2005-4, Class A4 2.108%, (ICE LIBOR USD 3 Month plus 0.180%), 3/22/32	1,394,901	1,338
Nelnet Student Loan Trust, Series 2012-2, Class A 2.592%, (ICE LIBOR USD 1 Month plus 0.800%), 12/26/33 144A	1,442,164	1,432
Nelnet Student Loan Trust, Series 2012-4A, Class A 2.492%, (ICE LIBOR USD 1 Month plus 0.700%), 9/27/38 144A	2,693,158	2,669
Nelnet Student Loan Trust, Series 2013-1A, Class A 2.392%, (ICE LIBOR USD 1 Month plus 0.600%), 6/25/41 144A	2,094,457	2,046
Nelnet Student Loan Trust, Series 2014-1A, Class A 2.362%, (ICE LIBOR USD 1 Month plus 0.570%), 9/25/41 144A	1,088,877	1,069
Nelnet Student Loan Trust, Series 2016-1A, Class A 2.592%, (ICE LIBOR USD 1 Month plus 0.800%), 9/25/65 144A	3,794,090	3,789
Nelnet Student Loan Trust, Series 2017-2A, Class A 2.562%, (ICE LIBOR USD 1 Month plus 0.770%), 9/25/65 144A	2,282,200	2,244
Santander Revolving Auto Loan Trust, Series 2019-A, Class A 2.510%, 1/26/32 144A	10,243,000	10,193
SLC Student Loan Trust, Series 2005-2, Class A4 2.054%, (ICE LIBOR USD 3 Month plus 0.160%), 12/15/39	2,551,000	2,411
SLC Student Loan Trust, Series 2007-1, Class A5 2.000%, (ICE LIBOR USD 3 Month plus 0.090%), 2/15/68	2,218,000	2,050
SLC Student Loan Trust, Series 2008-1, Class A4A 3.494%, (ICE LIBOR USD 3 Month plus 1.600%), 12/15/32	1,918,434	1,943
SLM Student Loan Trust, Series 2003-1, Class A5C 2.644%, (ICE LIBOR USD 3 Month plus 0.750%), 12/15/32 144A	1,508,687	1,465
SLM Student Loan Trust, Series 2004-10, Class A7A 2.540%, (ICE LIBOR USD 3 Month plus 0.600%), 10/25/29 144A	6,428,000	6,395
SLM Student Loan Trust, Series 2007-2, Class A4 2.000%, (ICE LIBOR USD 3 Month plus 0.060%), 7/25/22	5,226,041	5,079
SLM Student Loan Trust, Series 2012-1, Class A3 2.742%, (ICE LIBOR USD 1 Month plus 0.950%), 9/25/28	6,335,735	6,222

Structured Products (50.5%)	Shares/ Par +	Value $ (000's)
Asset Backed Securities continued		
SLM Student Loan Trust, Series 2012-2, Class A 2.492%, (ICE LIBOR USD 1 Month plus 0.700%), 1/25/29	5,474,149	5,333
SLM Student Loan Trust, Series 2012-6, Class A3 2.542%, (ICE LIBOR USD 1 Month plus 0.750%), 5/26/26	2,478,099	2,454
SMB Private Education Loan Trust, Series 2015-A, Class A2B 2.740%, (ICE LIBOR USD 1 Month plus 1.000%), 6/15/27 144A	1,705,386	1,709
SMB Private Education Loan Trust, Series 2015-C, Class A2B 3.140%, (ICE LIBOR USD 1 Month plus 1.400%), 7/15/27 144A	782,382	788
SMB Private Education Loan Trust, Series 2016-A, Class A2A 2.700%, 5/15/31 144A	4,000,850	4,009
SMB Private Education Loan Trust, Series 2016-A, Class A2B 3.240%, (ICE LIBOR USD 1 Month plus 1.500%), 5/15/31 144A	5,390,060	5,439
SMB Private Education Loan Trust, Series 2016-B, Class A2A 2.430%, 2/17/32 144A	1,973,504	1,962
SMB Private Education Loan Trust, Series 2016-B, Class A2B 3.190%, (ICE LIBOR USD 1 Month plus 1.450%), 2/17/32 144A	5,390,595	5,432
SMB Private Education Loan Trust, Series 2016-C, Class A2B 2.840%, (ICE LIBOR USD 1 Month plus 1.100%), 9/15/34 144A	2,116,067	2,120
SMB Private Education Loan Trust, Series 2017-A, Class A2B 2.640%, (ICE LIBOR USD 1 Month plus 0.900%), 9/15/34 144A	1,561,486	1,560
SMB Private Education Loan Trust, Series 2017-B, Class A2A 2.820%, 10/15/35 144A	2,062,662	2,066
SMB Private Education Loan Trust, Series 2017-B, Class A2B 2.490%, (ICE LIBOR USD 1 Month plus 0.750%), 10/15/35 144A	3,759,655	3,746
SMB Private Education Loan Trust, Series 2018-C, Class A2A 3.630%, 11/15/35 144A	2,157,000	2,243
SMB Private Education Loan Trust, Series 2019-A, Class A2A 3.440%, 7/15/36 144A	8,755,000	8,886
SoFi Professional Loan Program LLC, Series 2016-A, Class A2 2.760%, 12/26/36 144A	1,277,661	1,282
SoFi Professional Loan Program LLC, Series 2016-D, Class A1 2.742%, (ICE LIBOR USD 1 Month plus 0.950%), 1/25/39 144A	225,230	226
SoFi Professional Loan Program LLC, Series 2016-E, Class A1 2.642%, (ICE LIBOR USD 1 Month plus 0.850%), 7/25/39 144A	453,594	454
SoFi Professional Loan Program LLC, Series 2017-A, Class A1 2.492%, (ICE LIBOR USD 1 Month plus 0.700%), 3/26/40 144A	455,280	456
SoFi Professional Loan Program LLC, Series 2017-D, Class A2FX 2.650%, 9/25/40 144A	327,533	327
SoFi Professional Loan Program LLC, Series 2017-E, Class A1 2.292%, (ICE LIBOR USD 1 Month plus 0.500%), 11/26/40 144A	296,755	296
SoFi Professional Loan Program LLC, Series 2017-E, Class A2B 2.720%, 11/26/40 144A	5,282,000	5,323
SoFi Professional Loan Program LLC, Series 2018-A, Class A2B 2.950%, 2/25/42 144A	1,648,000	1,662
SoFi Professional Loan Program LLC, Series 2018-B, Class A2FX 3.340%, 8/26/47 144A	4,753,000	4,829
Verizon Owner Trust, Series 2019-C, Class A1A 1.940%, 4/22/24	8,684,000	8,673
World Financial Network Credit Card Master Trust, Series 2019-A, Class A 3.140%, 12/15/25	950,000	970
World Financial Network Credit Card Master Trust, Series 2019-B, Class A 3.460%, 7/15/25	1,567,000	1,602
World Financial Network Credit Card Master Trust, Series 2019-C, Class A 2.210%, 7/15/26	6,332,000	6,338
Total		**340,181**
Mortgage Securities (39.9%)		
Angel Oak Mortgage Trust I LLC, Series 2019-2, Class A1 3.628%, (AFC), 3/25/49 144A	1,592,457	1,610
Asset Securitization Corp., Series 1997-D5, Class PS1 1.824%, (CSTR), 2/14/43 IO	29,059	–π
Barclays Commercial Mortgage Trust 2019, Series C5, Class A4 3.063%, 11/15/52	2,249,000	2,320
Barclays Commercial Mortgage Trust, Series 2018-C2, Class A5 4.314%, 12/15/51	3,915,000	4,400
Benchmark Mortgage Trust, Series 2018-B1, Class ASB 3.602%, (AFC), 1/15/51	854,000	903
Benchmark Mortgage Trust, Series 2019-B13, Class A4 2.952%, 8/15/57	1,472,000	1,506
Benchmark Mortgage Trust, Series 2019-B14, Class A5 3.048%, 12/15/62	1,067,000	1,100

Structured Products (50.5%)	Shares/ Par +	Value $ (000's)
Mortgage Securities continued		
Bunker Hill Loan Depositary Trust, Series 2019-1, Class A1		
3.613%, (AFC), 10/26/48 144A	1,109,284	1,121
Bunker Hill Loan Depositary Trust, Series 2019-2, Class A1		
2.879%, (AFC), 7/25/49 144A	3,103,837	3,111
Bunker Hill Loan Depositary Trust, Series 2019-3, Class A1		
2.724%, (AFC), 11/25/59 144A	3,660,000	3,656
CD Commercial Mortgage Trust, Series 2017-CD4, Class A4		
3.514%, (AFC), 5/10/50	1,610,000	1,711
CD Commercial Mortgage Trust, Series 2017-CD6, Class ASB		
3.332%, 11/13/50	2,821,000	2,938
CFCRE Commercial Mortgage Trust, Series 2016-C3, Class A1		
1.793%, (CSTR, AFC), 1/10/48	511,400	510
CFCRE Commercial Mortgage Trust, Series 2016-C4, Class ASB		
3.091%, 5/10/58	1,508,000	1,546
CFCRE Commercial Mortgage Trust, Series 2017-C8, Class A1		
1.964%, 6/15/50	294,280	294
CFCRE Commercial Mortgage Trust, Series 2017-C8, Class ASB		
3.367%, 6/15/50	1,226,000	1,269
Citibank NA		
1.410%, 10/10/49	78,367	78
Citigroup / Deutsche Bank Commercial Mortgage Trust, Series 2016-CD1, Class A1		
1.443%, 8/10/49	431,154	428
Citigroup / Deutsche Bank Commercial Mortgage Trust, Series 2016-CD1, Class ASB		
2.622%, 8/10/49	1,967,000	1,988
Citigroup / Deutsche Bank Commercial Mortgage Trust, Series 2017-C6, Class ASB		
3.121%, 6/10/50	694,000	716
Citigroup / Deutsche Bank Commercial Mortgage Trust, Series 2017-CD4, Class ASB		
3.317%, 5/10/50	1,173,000	1,216
Citigroup Mortgage Loan Trust, Series 2005-1, Class 3A1		
6.500%, 4/25/35	134,443	141
Citigroup Mortgage Loan Trust, Series 2019-GC43, Class A4		
3.038%, 11/10/52	2,804,000	2,887
COLT Funding LLC, Series 2019-4, Class A1		
2.579%, (AFC), 11/25/49 144A	3,247,243	3,241
COLT Mortgage Loan Trust, Series 2019-1, Class A1		
3.705%, (AFC), 3/25/49 144A	1,463,611	1,472
COLT Mortgage Loan Trust, Series 2019-2, Class A1		
3.337%, (AFC), 5/25/49 144A	2,707,193	2,711
COMM Mortgage Trust, Series 2013-CR9, Class A4		
4.222%, (CSTR), 7/10/45	3,078,000	3,258
Commercial Mortgage Pass Through Certificates, Series 2016-COR1, Class ASB		
2.972%, 10/10/49	1,155,000	1,181
Commercial Mortgage Pass Through Certificates, Series 2018-COR3, Class A3		
4.228%, 5/10/51	3,458,000	3,851
Commercial Mortgage Trust, Series 2019-GC44, Class A5		
2.950%, 8/15/57	1,665,000	1,701
Credit Suisse Mortgage Trust, Series 2016-NXSR, Class A4		
3.795%, (AFC), 12/15/49	4,752,000	5,062
CSAIL Commercial Mortgage Trust, Series 2015-C2, Class A4		
3.504%, 6/15/57	1,587,000	1,658
CSAIL Commercial Mortgage Trust, Series 2015-C3, Class A4		
3.718%, 8/15/48	2,002,000	2,116
CSAIL Commercial Mortgage Trust, Series 2015-C4, Class A4		
3.807%, 11/15/48	2,233,000	2,380
CSAIL Commercial Mortgage Trust, Series 2016-C5, Class ASB		
3.532%, 11/15/48	582,000	605
CSAIL Commercial Mortgage Trust, Series 2019-C17, Class A5		
3.016%, 9/15/52	1,696,000	1,735
CSAIL Commercial Mortgage Trust, Series 2019-C18, Class A4		
2.968%, 12/17/52	1,110,000	1,130
Federal Home Loan Bank		
3.500%, 7/1/49	4,278,860	4,511
3.500%, 11/1/49	10,972,383	11,355
4.000%, 5/1/49	6,657,271	7,117
Federal Home Loan Mortgage Corp.		
2.500%, 6/1/28	3,509,427	3,556
2.500%, 11/1/28	26,290,685	26,640
3.000%, 6/1/49	1,651,764	1,678
3.000%, 12/1/49	11,344,217	11,532
3.500%, 2/1/48	1,672,080	1,752
3.500%, 4/1/49	3,669,569	3,869
3.500%, 7/1/49	1,811,055	1,871
3.500%, 9/1/49	1,900,729	1,973
3.500%, 9/1/49	6,105,701	6,437
4.000%, 1/1/35	109,996	119
4.000%, 1/1/36	175,573	188
4.000%, 10/1/36	1,109,802	1,183
4.000%, 3/1/37	553,779	593
4.000%, 8/1/38	8,688,412	9,093
4.000%, 1/1/48	962,305	1,035
4.000%, 3/1/48	15,676,596	16,776
4.000%, 2/1/49	13,941,170	14,492
4.000%, 3/1/49	2,527,184	2,701
4.000%, 7/1/49	41,185,786	44,121
4.000%, 9/1/49	23,917,298	25,581
4.500%, 6/1/39	125,010	138
4.500%, 7/1/39	136,542	151
4.500%, 3/1/49	1,778,444	1,962
5.000%, 5/1/48	5,601,011	6,203

Select Bond Portfolio

Structured Products (50.5%)	Shares/ Par +	Value $ (000's)
Mortgage Securities continued		
Federal Home Loan Mortgage Corp., Series 2012-264, Class 30 3.000%, 7/15/42	8,070,072	8,234
Federal Home Loan Mortgage Corp., Series 2015-343, Class F4 2.852%, (ICE LIBOR USD 1 Month plus 0.350%), 10/15/37	3,219,775	3,193
Federal Home Loan Mortgage Corp., Series 2017-4742, Class PA 3.000%, 10/15/47	9,899,691	10,134
Federal Home Loan Mortgage Corp., Series 2018-4767, Class KA 3.000%, 3/15/48	4,402,841	4,519
Federal Home Loan Mortgage Corp., Series 2018-4786, Class DP 4.500%, 7/15/42	2,055,388	2,095
Federal Home Loan Mortgage Corp., Series 2439, Class LH 6.000%, 4/15/32	359,225	408
Federal Home Loan Mortgage Corp., Series 4426, Class QC 1.750%, 7/15/37	3,598,046	3,553
Federal Home Loan Mortgage Corp., Series 4705, Class A 4.500%, 9/15/42	3,137,498	3,370
Federal Home Loan Mortgage Corp., Series 4763, Class CA 3.000%, 9/15/38	918,289	944
Federal Home Loan Mortgage Corp., Series 4796, Class AK 3.000%, 5/15/48	8,049,192	8,181
Federal Home Loan Mortgage Corp., Series 4802, Class A 3.000%, 6/15/48	7,967,395	8,094
Federal Home Loan Mortgage Corp., Series 4856, Class FD 2.040%, (ICE LIBOR USD 1 Month plus 0.300%), 8/15/40	3,710,029	3,685
Federal Home Loan Mortgage Corp., Series 4880, Class DA 3.000%, 5/15/50	4,713,799	4,802
Federal Home Loan Mortgage Corp., Series 4897, Class F 2.090%, (ICE LIBOR USD 1 Month plus 0.350%), 12/15/48	1,153,293	1,149
2.140%, (ICE LIBOR USD 1 Month plus 0.400%), 7/15/49	1,319,283	1,312
Federal National Mortgage Association 2.500%, 8/1/31	2,517,154	2,546
2.619%, (ICE LIBOR USD 12 Month plus 1.587%), 11/1/45	910,335	924
2.620%, (ICE LIBOR USD 12 Month plus 1.583%), 5/1/45	2,217,701	2,256
2.659%, (ICE LIBOR USD 12 Month plus 1.585%), 1/1/46	10,489,764	10,677
2.743%, (ICE LIBOR USD 12 Month plus 1.579%), 6/1/45	2,822,322	2,878
2.955%, (ICE LIBOR USD 12 Month plus 1.599%), 8/1/47	1,799,835	1,826
3.000%, 12/1/34	3,327,000	3,432
3.000%, 1/1/43	4,255,522	4,376
3.000%, 12/1/49	24,732,405	25,074
3.102%, (ICE LIBOR USD 12 Month plus 1.620%), 3/1/47	2,367,716	2,412
3.500%, 5/1/49	1,049,685	1,086
3.500%, 6/1/49	22,789,726	24,008
3.500%, 8/1/49	1,485,632	1,566
3.500%, 11/1/49	18,856,780	19,514
3.500%, 12/1/49	11,562,251	11,952
4.000%, 7/1/33	1,614,267	1,700
4.000%, 9/1/33	2,732,235	2,853
4.000%, 12/1/36	203,907	218
4.000%, 10/1/37	1,369,040	1,457
4.000%, 5/1/38	508,344	534
4.000%, 9/1/45	1,045,617	1,147
4.000%, 10/1/46	379,641	401
4.000%, 12/1/46	2,455,346	2,607
4.000%, 2/1/47	3,513,689	3,792
4.000%, 4/1/47	3,258,130	3,491
4.000%, 5/1/47	2,264,842	2,430
4.000%, 7/1/47	1,551,231	1,647
4.000%, 9/1/47	1,735,611	1,845
4.000%, 10/1/47	2,252,912	2,414
4.000%, 11/1/47	16,260,404	17,124
4.000%, 2/1/48	2,363,461	2,537
4.000%, 3/1/48	10,962,429	11,954
4.000%, 6/1/48	5,448,238	5,868
4.000%, 7/1/48	15,817,557	16,888
4.000%, 8/1/48	21,073,560	22,008
4.000%, 9/1/48	4,606,816	4,924
4.000%, 10/1/48	3,899,693	4,168
4.000%, 11/1/48	3,928,876	4,200
4.000%, 1/1/49	14,912,369	15,504
4.000%, 3/1/49	1,798,198	1,910
4.000%, 4/1/49	9,687,143	10,379
4.000%, 5/1/49	2,624,430	2,784
4.000%, 6/1/49	3,541,410	3,761
4.000%, 7/1/49	21,862,975	23,384
4.000%, 10/1/49	11,327,324	12,115
4.000%, 12/1/49	4,938,713	5,360
4.500%, 5/1/34	72,741	78
4.500%, 6/1/41	159,406	173
4.500%, 3/1/43	1,793,298	1,947
4.500%, 3/1/44	1,401,716	1,520
4.500%, 10/1/45	2,864,869	3,107
4.500%, 2/1/46	105,941	115
4.500%, 3/1/48	1,134,190	1,226
4.500%, 4/1/48	2,508,206	2,710
4.500%, 5/1/48	1,375,731	1,485
4.500%, 10/1/48	1,477,400	1,596
4.500%, 2/1/49	6,524,732	7,153
4.500%, 4/1/49	1,834,883	1,983
4.500%, 5/1/49	724,115	782
4.500%, 6/1/49	4,910,271	5,383
4.500%, 7/1/49	11,617,568	12,631
4.500%, 8/1/49	4,211,736	4,613
5.000%, 7/1/44	309,863	340
5.000%, 6/1/48	8,103,033	9,058
5.000%, 9/1/48	4,091,625	4,465
5.000%, 10/1/48	5,463,758	6,096
5.000%, 1/1/49	6,006,982	6,560

Select Bond Portfolio

Structured Products (50.5%)	Shares/ Par +	Value $ (000's)
Mortgage Securities continued		
5.000%, 2/1/49	14,754,628	16,494
5.000%, 6/1/49	24,985,063	27,549
5.000%, 8/1/49	49,810,150	55,451
5.500%, 12/1/48	4,020,744	4,429
5.500%, 6/1/49	9,805,648	11,014
Federal National Mortgage Association Stripped, Series 414, Class A35		
3.500%, 10/25/42	6,713,878	7,040
Federal National Mortgage Association TBA		
2.500%, 1/14/50	29,700,000	29,349
3.000%, 1/1/47	12,200,000	12,365
3.500%, 1/1/47	1,000,000	1,028
3.500%, 3/12/50	7,600,000	7,807
Federal National Mortgage Association, Series 2012-151, Class NX		
1.500%, 1/25/43	2,919,114	2,793
Federal National Mortgage Association, Series 2013-11, Class AP		
1.500%, 1/25/43	6,757,260	6,553
Federal National Mortgage Association, Series 2013-30, Class CA		
1.500%, 4/25/43	879,361	843
Federal National Mortgage Association, Series 2015-84, Class PA		
1.700%, 8/25/33	8,734,062	8,567
Federal National Mortgage Association, Series 2016-48, Class MA		
2.000%, 6/25/38	11,577,772	11,439
Federal National Mortgage Association, Series 2017-13, Class PA		
3.000%, 8/25/46	2,749,210	2,831
Federal National Mortgage Association, Series 2017-42, Class H		
3.000%, 11/25/43	2,281,405	2,326
Federal National Mortgage Association, Series 2017-M7, Class A2		
2.961%, (AFC), 2/25/27	1,102,000	1,143
Federal National Mortgage Association, Series 2018-14, Class KC		
3.000%, 3/25/48	5,067,351	5,193
Federal National Mortgage Association, Series 2018-15, Class AB		
3.000%, 3/25/48	1,106,654	1,137
Federal National Mortgage Association, Series 2018-45, Class GA		
3.000%, 6/25/48	6,993,316	7,083
Federal National Mortgage Association, Series 2018-79, Class FA		
2.042%, (ICE LIBOR USD 1 Month plus 0.250%), 11/25/48	5,937,840	5,897
Federal National Mortgage Association, Series 2018-8, Class KL		
2.500%, 3/25/47	3,564,456	3,553
Federal National Mortgage Association, Series 2019-14, Class FB		
2.181%, (ICE LIBOR USD 1 Month plus 0.400%), (AFC), 4/25/59	2,160,166	2,158
Federal National Mortgage Association, Series 2019-18, Class FH		
2.142%, (ICE LIBOR USD 1 Month plus 0.350%), 5/25/49	3,646,803	3,620
Federal National Mortgage Association, Series 2019-25, Class YF		
2.242%, (ICE LIBOR USD 1 Month plus 0.450%), 10/25/46	7,219,471	7,214
Federal National Mortgage Association, Series 2019-35, Class A		
3.000%, 7/25/49	3,030,020	3,130
Federal National Mortgage Association, Series 2019-35, Class FH		
2.142%, (ICE LIBOR USD 1 Month plus 0.350%), 7/25/49	1,652,957	1,646
Federal National Mortgage Association, Series 2019-35, Class MB		
3.000%, 7/25/49	3,829,559	3,973
Federal National Mortgage Association, Series 2019-42, Class FK		
2.242%, (ICE LIBOR USD 1 Month plus 0.450%), 8/25/49	8,614,185	8,589
Federal National Mortgage Association, Series 2019-60, Class BF		
2.242%, (ICE LIBOR USD 1 Month plus 0.450%), 10/25/49	2,995,374	2,981
Federal National Mortgage Association, Series 2019-60, Class FW		
2.242%, (ICE LIBOR USD 1 Month plus 0.450%), 10/25/49	2,324,372	2,320
Federal National Mortgage Association, Series 2019-67, Class FB		
2.242%, (ICE LIBOR USD 1 Month plus 0.450%), 11/25/49	2,669,537	2,655
Federal National Mortgage Association, Series 2019-70, Class FL		
2.192%, (ICE LIBOR USD 1 Month plus 0.400%), 12/25/49	5,347,698	5,339
GCAT LLC, Series 2019-NQM1, Class A1		
2.985%, (AFC), 2/25/59 144A	1,207,363	1,210
Government National Mortgage Association		
3.500%, 1/20/48	3,241,072	3,392
3.500%, 9/20/49	14,789,022	15,320
4.000%, 10/20/47	932,565	985
4.000%, 3/20/48	1,050,865	1,091
4.000%, 4/20/48	3,929,002	4,106
4.000%, 5/20/49	1,760,746	1,869
4.000%, 6/20/49	10,899,687	11,443
4.000%, 7/20/49	4,329,234	4,597
4.000%, 8/20/49	13,556,346	14,084
4.500%, 8/15/47	888,227	954
4.500%, 2/20/49	5,665,706	6,157
4.500%, 3/20/49	4,138,344	4,442
4.500%, 4/20/49	1,707,390	1,833
4.500%, 5/20/49	3,858,869	4,146
5.000%, 12/20/39	115,558	128
5.000%, 11/20/45	255,456	280
5.000%, 3/20/48	11,877,223	12,787
5.000%, 6/20/48	15,173,323	16,137
5.000%, 8/20/48	5,899,155	6,265
5.000%, 12/20/48	5,136,608	5,426
5.000%, 1/20/49	4,704,273	5,195
5.000%, 2/20/49	1,705,651	1,839
5.000%, 3/20/49	1,597,025	1,723
5.000%, 9/20/49	1,323,738	1,401

Structured Products (50.5%)	Shares/ Par +	Value $ (000's)
Mortgage Securities continued		
Government National Mortgage Association TBA		
3.000%, 1/1/47	9,100,000	9,341
3.000%, 3/23/50	15,600,000	15,980
3.500%, 1/1/47	26,300,000	27,101
Government National Mortgage Association, Series 2012-141, Class WA		
4.529%, 11/16/41	872,817	966
Government National Mortgage Association, Series 2017-167, Class BQ		
2.500%, 8/20/44	3,862,340	3,890
Government National Mortgage Association, Series 2019-31, Class JC		
3.500%, 3/20/49	3,904,224	3,974
Government National Mortgage Association, Series 2019-32, Class NA		
3.500%, 9/20/49	6,623,116	6,832
GS Mortgage Securities Trust, Series 2012-GCJ7, Class AAB		
2.935%, 5/10/45	136,693	137
GS Mortgage Securities Trust, Series 2014-GC18, Class A3		
3.801%, 1/10/47	953,024	990
GS Mortgage Securities Trust, Series 2015-GC28, Class A5		
3.396%, 2/10/48	735,000	768
GS Mortgage Securities Trust, Series 2015-GC34, Class A4		
3.506%, 10/10/48	1,802,000	1,900
GS Mortgage Securities Trust, Series 2017-GS6, Class A3		
3.433%, 5/10/50	2,645,000	2,791
GS Mortgage Securities Trust, Series 2017-GS7, Class A4		
3.430%, 8/10/50	2,846,000	3,009
GS Mortgage Securities Trust, Series 2019-GSA1, Class A4		
3.047%, 11/10/52	1,570,000	1,611
Impact Funding Affordable Multifamily Housing Mortgage Loan Trust, Series 2010-1, Class A1		
5.314%, 1/25/51 144A	3,871,939	4,050
JP Morgan Chase Commercial Mortgage Securities Corp., Series 2016-JP2, Class A1		
1.324%, 8/15/49	687,818	684
JP Morgan Chase Commercial Mortgage Securities Corp., Series 2017-JP5, Class ASB		
3.548%, 3/15/50	3,358,000	3,524
JPMBB Commercial Mortgage Securities Trust, Series 2014-C23, Class A4		
3.669%, 9/15/47	1,323,000	1,393
JPMBB Commercial Mortgage Securities Trust, Series 2015-C28, Class A2		
2.773%, 10/15/48	423,297	423
JPMBB Commercial Mortgage Securities Trust, Series 2015-C28, Class A3		
2.912%, 10/15/48	6,101,000	6,229
JPMBB Commercial Mortgage Securities Trust, Series 2015-C33, Class A4		
3.769%, 12/15/48	838,000	897
JPMCC Commercial Mortgage Securities Trust, Series 2017-JP6, Class ASB		
3.282%, 7/15/50	1,306,000	1,358
JPMDB Commercial Mortgage Securities Trust, Series 2017-C5, Class A5		
3.694%, 3/15/50	912,000	977
JPMDB Commercial Mortgage Securities Trust, Series 2017-C5, Class ASB		
3.491%, 3/15/50	463,000	485
JPMDB Commercial Mortgage Securities Trust, Series 2018-C8, Class ASB		
4.145%, 6/15/51	1,453,000	1,578
JPMDB Commercial Mortgage Securities Trust, Series 2019-COR6, Class A4		
3.056%, 11/13/52	2,220,000	2,285
MASTR Asset Securitization Trust, Series 2003-12, Class 1A1		
5.250%, 12/25/24	89,386	91
Morgan Stanley Bank of America Merrill Lynch Trust, Series 2013-C10, Class A4		
4.081%, (CSTR), 7/15/46	290,000	307
Morgan Stanley Bank of America Merrill Lynch Trust, Series 2015-C20, Class A4		
3.249%, 2/15/48	434,000	450
Morgan Stanley Bank of America Merrill Lynch Trust, Series 2015-C25, Class ASB		
3.383%, 10/15/48	1,239,000	1,281
Morgan Stanley Bank of America Merrill Lynch Trust, Series 2015-C27, Class A4		
3.753%, 12/15/47	393,000	419
Morgan Stanley Bank of America Merrill Lynch Trust, Series 2016-C30, Class ASB		
2.729%, 9/15/49	5,519,000	5,612
Morgan Stanley Capital I Trust 2019-MSC, Series L3, Class A4		
3.127%, 11/15/29	1,332,000	1,373
Morgan Stanley Capital I Trust, Series 2016-UB11, Class A1		
1.445%, 8/15/49	923,441	918
Morgan Stanley Capital I Trust, Series 2016-UB11, Class ASB		
2.606%, 8/15/49	1,289,000	1,297
New Residential Mortgage Loan Trust, Series 2019-NQM2, Class A1		
3.600%, (AFC), 4/25/49 144A	1,635,167	1,647
New Residential Mortgage Loan Trust, Series 2019-NQM4, Class A1		
2.492%, (AFC), 9/25/59 144A	2,490,140	2,478
SG Residential Mortgage Trust, Series 2019-3, Class A1		
2.703%, (AFC), 9/25/59 144A	3,138,240	3,132
Starwood Mortgage Residential Trust, Series 2019-INV1, Class A1		
2.610%, (AFC), 9/27/49 144A	2,961,845	2,944
Verus Securitization Trust, Series 2019-1, Class A1		
3.836%, (AFC), 2/25/59 144A	1,347,410	1,361
Verus Securitization Trust, Series 2019-2, Class A1		
3.211%, (AFC), 4/25/59 144A	5,705,027	5,739

Select Bond Portfolio

Structured Products (50.5%)	Shares/ Par +	Value $ (000's)
Mortgage Securities continued		
Verus Securitization Trust, Series 2019-3, Class A1		
2.784%, (AFC), 7/25/59 144A	5,944,948	5,952
Verus Securitization Trust, Series 2019-4, Class A1		
2.642%, (AFC), 11/25/59 144A	7,692,975	7,687
Verus Securitization Trust, Series 2019-INV1, Class A1		
3.402%, (AFC), 12/25/59 144A	2,248,835	2,262
Verus Securitization Trust, Series 2019-INV2, Class A1		
2.913%, (AFC), 7/25/59 144A	2,743,092	2,744
Verus Securitization Trust, Series 2019-INV3, Class A1		
2.692%, (AFC), 11/25/59 144A	1,652,365	1,647
Visio Trust, Series 2019-1, Class A1		
3.572%, (AFC), 6/25/54 144A	1,384,612	1,396
Total		**1,273,031**

Structured Products (50.5%)	Shares/ Par +	Value $ (000's)
Structured Products (0.0%)		
Residential Funding Mortgage Securities I, Series 2003-S18, Class A1		
4.500%, 10/25/20	2,191	2
Total		**2**
Total Structured Products (Cost: $1,600,451)		**1,613,214**
Short-Term Investments (0.9%)		
Money Market Funds (0.9%)		
State Street Institutional U.S. Government Money Market Fund - Premier Class		
1.540%#	28,118,395	28,118
Total		**28,118**
Total Short-Term Investments (Cost: $28,118)		**28,118**
Total Investments (103.5%) (Cost: $3,259,423)@		**3,303,279**
Other Assets, Less Liabilities (-3.5%)		**(111,229)**
Net Assets (100.0%)		**3,192,050**

+ All par is stated in U.S Dollar unless otherwise noted.

144A Security exempt from registration under Rule 144A of the Securities Act of 1933. These securities may be resold as transactions exempt from registration, normally to qualified institutional buyers. At December 31, 2019 the value of these securities (in thousands) was $448,627 representing 14.1% of the net assets.

β Cash or securities with an aggregate value of $125,057 (in thousands) has been pledged as collateral for futures, swap contracts outstanding, short sales, when issued securities or written options on 12/31/2019.

π Amount is less than one thousand.

7-Day yield as of 12/31/2019.

@ At December 31, 2019, the aggregate cost of investments, including derivatives, for federal tax purposes (in thousands) was $3,263,206 and the net unrealized appreciation of investments based on that cost was $40,073 which is comprised of $51,380 aggregate gross unrealized appreciation and $11,307 aggregate gross unrealized depreciation.

The following is a summary of the inputs used in valuing the Portfolio's assets and liabilities at December 31, 2019. See Note 3 for additional information on portfolio valuation.

	Valuation Inputs		
Description	**Level 1 - Quoted Prices**	**Level 2 - Other Significant Observable Inputs**	**Level 3 - Significant Unobservable Inputs**
	(Amounts in thousands)		
Assets:			
Municipal Bonds	$ —	$ 16,432	$ —
Corporate Bonds	—	800,855	—
Governments	—	844,660	—
Structured Products	—	1,613,214	—
Short-Term Investments	28,118	—	—
Total Assets:	$ 28,118	$ 3,275,161	$ —

Long-Term U.S. Government Bond Portfolio (unaudited)

Objective:	**Portfolio Strategy:**	**Net Assets:**
Maximum total return, consistent with preservation of capital and prudent investment management.	Invest in a diversified portfolio of fixed income securities that are issued or guaranteed by the U.S. Government, its agencies or government sponsored enterprises, and in derivatives designed to replicate such securities.	$123 million

PORTFOLIO OVERVIEW

Mason Street Advisors, LLC ("Mason Street Advisors"), the investment adviser for the Long-Term U.S. Government Bond Portfolio (the "Portfolio"), has engaged Pacific Investment Management Company LLC ("PIMCO") to act as sub-adviser for the Portfolio. The Portfolio primarily invests in a diversified portfolio of fixed income securities that are issued or guaranteed by the U.S. Government, its agencies or government sponsored enterprises ("U.S. Government Securities"), which may be represented by forwards or derivatives such as options, futures contracts or interest rate swap agreements. Assets not invested in U.S. Government Securities may be invested in other types of non-government related investment grade fixed income instruments, such as corporate debt securities of U.S. issuers and mortgage- and asset-backed securities, or in preferred stocks. The Portfolio will normally have minimum average portfolio duration (a measure of the sensitivity of the Portfolio's fixed income portfolio securities to changes in interest rates) of eight years and, for point of reference, the dollar-weighted average maturity of the Portfolio, under normal circumstances, is expected to be more than ten years. The Portfolio's investments in fixed income securities are limited to investment grade U.S. dollar denominated securities of U.S. issuers that are rated at least A by Moody's or equivalently rated by S&P or Fitch, or, if unrated, determined by the Portfolio to be of comparable quality.

MARKET OVERVIEW

The beginning of 2019 was characterized by decelerating growth momentum, which culminated in the U.S. Federal Reserve (the "Fed") lowering its outlook for interest rate increases in 2019 to zero and signaling an end to its balance sheet reduction program. Against this backdrop of slowing global growth, the second quarter saw softened sentiment measures highlighting growing uncertainties about the economic outlook. Slowing growth momentum and global uncertainty continued through the third quarter, prompting global central banks to take further accommodative actions. Finally, in the fourth quarter, renewed optimism surrounding the "phase one" trade deal between the U.S. and China provided a boost to risk appetites. Despite mixed global economic data, trade discussions continued to support risk sentiment through the end of 2019 and capped a year of strong risk asset returns as U.S. equities closed at new highs, credit spreads tightened and the dollar weakened.

PORTFOLIO RESULTS

The Portfolio returned 13.17% for the twelve months ended December 31, 2019. By comparison, the Portfolio's benchmark, the Bloomberg Barclays® Long-Term U.S. Treasury Index (the "Index"), returned 14.83%. (This Index is unmanaged, cannot be invested in directly and does not incur expenses.) According to Morningstar® Inc., an independent mutual fund ranking agency, the average return in 2019 of the Long Government peer group was 14.28%.

U.S. interest rate positioning, particularly an underweight to U.S. duration, was the main detractor from the Portfolio's relative performance during the reporting period as interest rates rallied. The Portfolio's duration positioning was partially implemented through the use of futures, interest rate swaps and options.

Within spread sectors, security selection in agency mortgage-backed securities and an allocation to commercial mortgage-backed securities contributed to performance. Exposure to U.S. breakeven inflation – the difference between nominal and real interest rates – was a modest contributor as inflation expectations increased.

PORTFOLIO MANAGER OUTLOOK

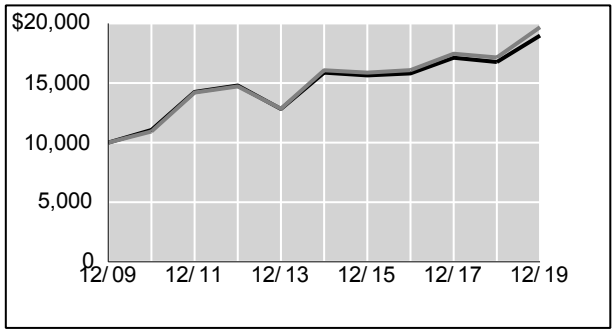
The following forward-looking comments are the opinion of PIMCO, the Portfolio's sub-adviser.

While the baseline outlook for 2020 looks positive, we recognize that risk premia have been compressed by central bank action, leaving little cushion in the event of disruption. We see a range of political and geopolitical risks in addition to the potential for macro surprises, central bank exhaustion, and rising volatility.

In the U.S., we expect slower growth followed by an eventual rebound. While positive trade developments and easier Fed policy have reduced our near-term probability of recession, we continue to expect real U.S. GDP growth to slow to a

range of 1.5%-2.0% in 2020, down from an estimated 2.3% pace in 2019. However, our full-year forecast masks a sharper growth deceleration in the near term as the lagged effects of weak global growth, heightened business uncertainty and slower corporate profit growth continue to weigh on business investment and hiring. Still, domestic and global government and central bank policy actions to ease financial conditions, lower interest rates and stimulate growth should ultimately counteract the slowdown, and we look for a modest U.S. reacceleration in the second half of 2020.

Relative Performance



Average Annual Total Returns
For Periods Ended December 31, 2019

	1 Year	5 Years	10 Years
Long-Term U.S. Government Bond Portfolio	13.17%	3.64%	6.62%
Bloomberg Barclays® Long-Term U.S. Treasury Index	14.83%	4.13%	7.01%
Morningstar® US Insurance Fund Long Government Average	14.28%	3.50%	6.86%

The performance data quoted represents past performance. Past performance is historical and does not guarantee future performance. Investment return and principal value will fluctuate, so that shares, when redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than the performance data quoted. For the most recent month-end performance information visit www.northwesternmutual.com.

This chart assumes an initial investment of $10,000 made on 12/31/09. Returns shown reflect fee waivers, deductions for management and other portfolio expenses, and reinvestment of all dividends. In the absence of fee waivers, total return would be reduced. Returns exclude deductions for separate account sale loads and account fees. Please refer to the Benchmark Definitions section of this report for information about the indices cited in the above chart and graph.

Return of principal is not guaranteed. Bond funds have the same risks that are associated with the underlying bonds owned by the Portfolio. When interest rates rise, bond prices fall. With a fixed income fund, when interest rates rise, the value of the fund's existing bonds drops, which could negatively affect overall fund performance.

The Portfolio may invest in securities that are issued or guaranteed by the U.S. Government or its agencies, and in derivatives designed to replicate such securities. This guarantee provides for the timely repayment of the principal and interest as applicable under the terms of the instrument, if it is held to maturity, and does not apply to derivative securities held by the Portfolio. A guarantee by the U.S. Government or its agencies does not eliminate market risk.

The Portfolio may also use derivative instruments for hedging or other purposes as part of its investment strategy. Use of these instruments may involve certain costs and risks such as liquidity risk, interest rate risk, market risk, credit risk, management risk and the risk that the Portfolio could not close out a position when it would be most advantageous to do so. The potential leverage created by use of derivatives may cause the Portfolio to be more sensitive to interest rate movements and thus more volatile than other long-term U.S. Government bond funds that do not use derivatives. Portfolios investing in derivatives could lose more than the principal amount invested in those instruments.

The U.S. federal funds rate has been subject to frequent adjustments over the course of the last several years. A significant rise in interest rates over a short period of time could cause significant losses in the market value of the Portfolio's fixed income investments.

Long-Term U.S. Government Bond Portfolio (unaudited)

Top 10 Fixed Income Holdings 12/31/19

Security Description	% of Total Investments
US Treasury, Various	78.5%
Federal National Mortgage Association TBA, Various	5.6%
Residual Funding Corp. Stripped, Various	3.0%
Federal Home Loan Mortgage Corp., Series 4387, Class AZ, 4.000%, 9/15/44	1.4%
Federal Home Loan Mortgage Corp., Series 4092, Class AY, 3.000%, 8/15/32	1.2%
Federal National Mortgage Association, Various	1.0%
Federal National Mortgage Association, Series 2016-61, Class ML, 3.000%, 9/25/46	0.4%
DBWF Mortgage Trust, Series 2016-85T, Class A, 3.791%, 12/10/36	0.4%
VNDO Trust, Series 2016-350P, Class A, 3.805%, 1/10/35	0.4%
Federal Home Loan Mortgage Corp., Series 4398, Class ZX, 4.000%, 9/15/54	0.4%

Sector Allocation 12/31/19

Sector	% of Total Investments
Governments	82.0%
Structured Products	15.5%
Corporate Bonds	0.5%
Short-Term Investments	1.9%

Sector Allocation and Top 10 Holdings are subject to change.

Consistent with the Portfolio's stated parameters, no more than 10% of the Portfolio is invested in securities rated A by Moody's or S&P and no more than 25% of the Portfolio is invested in securities rated Aa by Moody's or AA by S&P.

Long-Term U.S. Government Bond Portfolio

SCHEDULE OF INVESTMENTS

December 31, 2019

Corporate Bonds (0.8%)	Shares/ Par +	Value $ (000's)
Consumer, Cyclical (0.3%)		
United Airlines Pass Through Trust, Series 2016-2, Class A		
3.100%, 4/7/30	178,855	181
United Airlines Pass Through Trust, Series 2016-2, Class AA		
2.875%, 4/7/30	178,855	181
Total		**362**
Industrial (0.4%)		
Vessel Management Services, Inc.		
3.432%, 8/15/36	473,000	493
Total		**493**
Utilities (0.1%)		
Duke Energy Florida LLC		
2.500%, 12/1/29	200,000	200
Total		**200**
Total Corporate Bonds (Cost: $1,030)		**1,055**
Governments (127.6%)		
Governments (127.6%)		
Federal National Mortgage Association		
5.625%, 4/17/28	100,000	126
Residual Funding Corp. Stripped		
0.000%, 4/15/30	4,800,000	3,741
0.000%, 10/15/20	2,000,000	1,973
Resolution Funding Corp. Stripped		
0.000%, 4/15/28	400,000	330
Tennessee Valley Authority Stripped		
0.000%, 5/1/30	500,000	387
US Treasury		
1.875%, 7/31/22	8,000,000	8,053
2.000%, 10/31/21 β	3,800,000	3,827
2.000%, 6/30/24	700,000	709
2.125%, 8/15/21	400,000	403
2.125%, 3/31/24	1,000,000	1,018
2.125%, 5/15/25	410,000	418
2.500%, 2/15/45	2,660,000	2,711
2.500%, 2/15/46	940,000	958
2.500%, 5/15/46	1,710,000	1,744
2.625%, 12/31/23	400,000	415
2.750%, 8/15/42	300,000	320
2.750%, 11/15/42	800,000	853
2.875%, 5/15/43 β	16,650,000	18,117
2.875%, 8/15/45	5,180,000	5,656
2.875%, 5/15/49	6,800,000	7,487
3.000%, 5/15/42	530,000	589
3.000%, 11/15/44	390,000	434
3.000%, 11/15/45	370,000	413
3.000%, 2/15/48	330,000	370
3.000%, 8/15/48	700,000	787
3.000%, 9/30/25	100,000	107
3.000%, 10/31/25	120,000	128
3.125%, 2/15/42	300,000	340
3.125%, 2/15/43	10,710,000	12,131
3.125%, 8/15/44 β	27,230,000	30,937

Governments (127.6%)	Shares/ Par +	Value $ (000's)
Governments continued		
3.125%, 5/15/48	2,430,000	2,795
3.375%, 5/15/44 β	15,040,000	17,777
3.500%, 2/15/39	50,000	60
3.625%, 8/15/43	5,950,000	7,288
3.750%, 11/15/43	6,500,000	8,119
3.875%, 8/15/40	40,000	50
4.250%, 11/15/40	2,400,000	3,172
4.375%, 2/15/38	2,240,000	2,976
4.500%, 5/15/38	1,440,000	1,944
US Treasury Inflation Index Bond		
0.125%, 4/15/22	317,433	317
0.375%, 1/15/27	74,570	76
0.375%, 7/15/27	641,690	654
0.500%, 1/15/28	1,084,949	1,113
0.625%, 1/15/26	32,489	33
0.750%, 7/15/28	1,342,933	1,413
0.875%, 1/15/29	499,364	530
1.000%, 2/15/48	417,404	462
1.000%, 2/15/49	102,262	114
1.375%, 2/15/44	143,537	169
1.750%, 1/15/28	442,192	497
2.500%, 1/15/29	407,504	491
3.625%, 4/15/28	159,099	203
US Treasury Stripped		
0.000%, 8/15/34	850,000	608
0.000%, 11/15/43	700,000	392
Total		**156,735**
Total Governments (Cost: $150,004)		**156,735**
Structured Products (24.2%)		
Asset Backed Securities (0.9%)		
ECMC Group Student Loan Trust, Series 2018-1A, Class A		
2.542%, (ICE LIBOR USD 1 Month plus 0.750%), 2/27/68 144A	72,004	71
Massachusetts Educational Financing Authority, Series 2008-1, Class A1		
2.890%, (ICE LIBOR USD 3 Month plus 0.950%), 4/25/38	44,031	44
OneMain Direct Auto Receivables Trust, Series 2018-1A, Class A		
3.430%, 12/16/24 144A	600,000	608
SLM Student Loan Trust, Series 2003-7A, Class A5A		
3.094%, (ICE LIBOR USD 3 Month plus 1.200%), 12/15/33 144A	109,431	108
Towd Point Mortgage Trust, Series 2019-SJ3, Class A1		
3.000%, (AFC), 11/25/59 144A	292,871	293
Total		**1,124**

Long-Term U.S. Government Bond Portfolio

Structured Products (24.2%)	Shares/ Par +	Value $ (000's)
Mortgage Securities (23.3%)		
BWAY Mortgage Trust, Series 2013-1515, Class A2		
3.454%, 3/10/33 144A	300,000	312
CityLine Commercial Mortgage Trust, Series 2016-CLNE, Class A		
2.778%, (CSTR), 11/10/31 144A	600,000	608
COMM Mortgage Trust, Series 2018-HOME, Class A		
3.815%, (AFC), 4/10/33 144A	200,000	215
Commercial Mortgage Pass Through Certificates, Series 2016-667M, Class A		
3.140%, 10/10/36 144A	700,000	718
Credit Suisse First Boston Mortgage Securities Corp., Series 2003-AR18, Class 2A3		
3.885%, (CSTR), 7/25/33	811	1
DBWF Mortgage Trust, Series 2016-85T, Class A		
3.791%, 12/10/36 144A	800,000	855
Federal Home Loan Mortgage Corp., Series 2752, Class EZ		
5.500%, 2/15/34	235,633	270
Federal Home Loan Mortgage Corp., Series 3759, Class FB		
2.240%, (ICE LIBOR USD 1 Month plus 0.500%), 11/15/40	44,578	44
Federal Home Loan Mortgage Corp., Series 4092, Class AY		
3.000%, 8/15/32	2,200,000	2,280
Federal Home Loan Mortgage Corp., Series 4387, Class AZ		
4.000%, 9/15/44	2,466,495	2,681
Federal Home Loan Mortgage Corp., Series 4398, Class ZX		
4.000%, 9/15/54	737,490	823
Federal Home Loan Mortgage Corp., Series 4830, Class ZG		
3.000%, 4/15/53	703,966	680
Federal Home Loan Mortgage Corp., Series T-61, Class 1A1		
3.639%, (Federal Reserve US 12 Month Cumulative Avg 1 year CMT plus 1.400%), 7/25/44	8,601	9
Federal National Mortgage Association		
3.040%, 12/1/30	347,473	362
3.090%, 12/1/36	600,000	613
3.600%, 2/1/40	620,359	672
5.000%, 6/1/35	48,626	54
5.000%, 2/1/36	74,831	82
5.500%, 5/1/49	78,735	85
Federal National Mortgage Association TBA		
3.000%, 2/13/48	3,500,000	3,545
4.000%, 1/14/50	1,300,000	1,352
4.000%, 2/13/49	5,600,000	5,826
Federal National Mortgage Association, Series 2007-39, Class NZ		
4.250%, 5/25/37	242,937	253
Federal National Mortgage Association, Series 2012-101, Class FC		
2.292%, (ICE LIBOR USD 1 Month plus 0.500%), 9/25/42	74,685	75

Structured Products (24.2%)	Shares/ Par +	Value $ (000's)
Mortgage Securities continued		
Federal National Mortgage Association, Series 2016-61, Class ML		
3.000%, 9/25/46	900,000	903
Freddie Mac Military Housing Bonds Resecuritization Trust, Series 2015-R1, Class A2		
4.097%, (CSTR), 10/25/52 144A	579,923	634
Government National Mortgage Association, Series 2010-26, Class OW		
0.000%, 2/20/40	550,304	467
Government National Mortgage Association, Series 2010-75, Class OA		
0.000%, 9/20/35	403,057	351
GS Mortgage Securities Trust, Series 2015-590M, Class B		
3.805%, (CSTR), 10/10/35 144A	300,000	316
Hilton USA Trust, Series 2016-HHV, Class A		
3.719%, 11/5/38 144A	300,000	316
Hilton USA Trust, Series 2016-HHV, Class C		
4.194%, (CSTR), 11/5/38 144A	400,000	426
Merrill Lynch Mortgage Investors Trust, Series 2003-A4, Class 3A		
4.870%, (CSTR, AFC), 5/25/33	1,279	1
Morgan Stanley Bank of America Merrill Lynch Trust, Series 2016-C32, Class ASB		
3.514%, 12/15/49	700,000	733
Morgan Stanley Capital I Trust, Series 2018-MP, Class A		
4.418%, 7/11/40 144A	100,000	112
MSSG Trust, Series 2017-237P, Class A		
3.397%, 9/13/39 144A	700,000	731
Structured Asset Mortgage Investments, Inc., Series 2004-AR5, Class 1A1		
2.424%, (ICE LIBOR USD 1 Month plus 0.660%), (AFC), 10/19/34	3,699	4
Towd Point Mortgage Trust, Series 2019-4, Class A1		
2.900%, (AFC), 10/25/59 144A	195,089	196
VNDO Trust, Series 2016-350P, Class A		
3.805%, 1/10/35 144A	800,000	852
WaMu Mortgage Pass-Through Certificates, Series 2004-AR1, Class A		
4.839%, (CSTR, AFC), 3/25/34	8,209	8
Worldwide Plaza Trust, Series 2017-WWP, Class A		
3.526%, 11/10/36 144A	100,000	105
Total		**28,570**
Total Structured Products (Cost: $29,163)		**29,694**

The Accompanying Notes are an Integral Part of the Financial Statements.

Long-Term U.S. Government Bond Portfolio

Short-Term Investments (3.0%)	Shares/ Par [+]	Value $ (000's)
Money Market Funds (3.0%)		
State Street Institutional U.S. Government Money Market Fund - Premier Class 1.540%[#]	3,711,891	3,712
Total		**3,712**
Total Short-Term Investments (Cost: $3,712)		**3,712**
Total Investments (155.6%) (Cost: $183,909)[@]		**191,196**
Other Assets, Less Liabilities (-55.6%)		**(68,342)**
Net Assets (100.0%)		**122,854**

Reverse Repurchase Agreements

Reference Entity	Counterparty	Interest Rate	Borrowing Date	Maturity Date	Currency	Amount Borrowed (000's)	Payable for Reverse Repurchase Agreements (000s)
US Treasury	Bank of Montreal	1.850%	12/27/2019	2/6/2020	USD	(13,230)	$ (13,230)
US Treasury	NatWest Markets Securities, Inc.	2.000%	12/9/2019	2/4/2020	USD	(12,125)	(12,125)
							$ (25,355)

Securities Sold Short

Description	Coupon	Maturity Date	Principal Amount (000's)	Proceeds (000's)	Value (000's)
Federal National Mortgage Association TBA	3.500%	1/14/50	$ (2,700)	$ (2,774)	$ (2,776)
Federal National Mortgage Association TBA	3.500%	2/12/50	(1,600)	(1,644)	(1,645)
Federal National Mortgage Association TBA	4.500%	1/14/50	(300)	(316)	(316)
Federal National Mortgage Association TBA	4.500%	2/12/50	(600)	(631)	(632)
			$ (5,200)	$ (5,365)	$ (5,369)

Exchange Traded or Centrally Cleared Derivatives
Futures

Issuer	Long/ Short	Currency	Notional Par (000's)	Number of Contracts	Expiration Date	Notional Value (000's)	Unrealized Appreciation/ (Depreciation) (000's)	Variation Margin (000's)
Five-Year US Treasury Note Future	Long	USD	1,000	10	3/20	$ 1,186	$ (6)	$ –[π]
Ultra Long Term US Treasury Bond Future	Long	USD	1,700	17	3/20	3,088	(105)	(20)
Ultra Ten-Year US Treasury Note Future	Short	USD	25,500	255	3/20	35,879	429	44
							$ 318	$ 24

Centrally Cleared Interest Rate Swaps - Receive Floating Rate

Floating Rate Index	Fixed Rate	Expiration Date	Notional Amount (000's)	Currency	Upfront Premium Paid/ (Received) (000's)	Unrealized Appreciation/ (Depreciation) (000's)	Market Value (000's)	Variation Margin(000's)
3-Month USD-LIBOR	1.750%	12/26	3,110	USD	$ 111	$ (101)	$ 10	$ 8
3-Month USD-LIBOR	2.250%	6/28	1,800	USD	22	(79)	(57)	6
3-Month USD-LIBOR	2.000%	2/45	1,500	USD	(27)	60	33	16

Long-Term U.S. Government Bond Portfolio

Centrally Cleared Interest Rate Swaps - Receive Floating Rate (continued)

Floating Rate Index	Fixed Rate	Expiration Date	Notional Amount (000's)	Currency	Upfront Premium Paid/ (Received) (000's)	Unrealized Appreciation/ (Depreciation) (000's)	Market Value (000's)	Variation Margin(000's)
3-Month USD-LIBOR	1.750%	6/47	600	USD	101	(54)	47	7
3-Month USD-LIBOR	2.384%	9/47	2,000	USD	98	(216)	(118)	25
3-Month USD-LIBOR	2.750%	12/47	800	USD	(25)	(90)	(115)	11
					$ 280	$ (480)	$ (200)	$ 73

Written Options

Description	Currency	Notional Par (000's)	Exercise Price	Expiration Date	Number of Contracts	Value (000's)
Call - Ten-Year US Treasury Note Future	USD	30	$ 132.000	1/20	30	$ —π
Put - Ten-Year US Treasury Note Future	USD	30	127.000	1/20	30	(3)
(Premiums Received $10)						$ (3)

	Financial Derivative Assets			Financial Derivative Liabilities			
	Variation Margin (000's)			Variation Margin (000's)			Market Value (000's)
	Swaps	Futures	Total	Swaps	Futures	Total	Options
Total Exchange-Traded or Centrally Cleared Derivatives	$ 73	$ 44	$ 117	$ –	$ (20)	$ (20)	$ (3)

+ All par is stated in U.S Dollar unless otherwise noted.

β Cash or securities with an aggregate value of $70,658 (in thousands) has been pledged as collateral for futures, swap contracts outstanding, short sales, when issued securities or written options on 12/31/2019.

144A Security exempt from registration under Rule 144A of the Securities Act of 1933. These securities may be resold as transactions exempt from registration, normally to qualified institutional buyers. At December 31, 2019 the value of these securities (in thousands) was $7,476 representing 6.1% of the net assets.

7-Day yield as of 12/31/2019.

@ At December 31, 2019, the aggregate cost of investments, including derivatives, for federal tax purposes (in thousands) was $167,385 and the net unrealized depreciation of investments based on that cost was $6,798 which is comprised of $2,504 aggregate gross unrealized appreciation and $9,302 aggregate gross unrealized depreciation.

π Amount is less than one thousand.

Long-Term U.S. Government Bond Portfolio

The following is a summary of the inputs used in valuing the Portfolio's assets and liabilities at December 31, 2019. See Note 3 for additional information on portfolio valuation.

	Valuation Inputs		
Description	**Level 1 - Quoted Prices**	**Level 2 - Other Significant Observable Inputs**	**Level 3 - Significant Unobservable Inputs**
	(Amounts in thousands)		
Assets:			
Corporate Bonds	$ —	$ 1,055	$ —
Governments	—	156,735	—
Structured Products	—	29,694	—
Short-Term Investments	3,712	—	—
Other Financial Instruments^			
Futures	429	—	—
Interest Rate Swaps	—	90	—
Total Assets:	$ 4,141	$ 187,574	$ —
Liabilities:			
Other Financial Instruments^			
Futures	(111)	—	—
Written Options	(3)	—	—
Interest Rate Swaps	—	(290)	—
Reverse Repurchase Agreements	—	(25,355)	—
Securities Sold Short	—	(5,369)	—
Total Liabilities:	$ (114)	$ (31,014)	$ —

^ Other financial instruments are derivative instruments such as futures and forwards, which are valued at the unrealized appreciation (depreciation) on the instrument, and securities sold short, reverse repurchase agreements, written options and swaps contracts, which are valued at market value.

Inflation Protection Portfolio (unaudited)

Objective:	**Portfolio Strategy:**	**Net Assets:**
Total return using a strategy that seeks to protect against U.S. inflation.	Invest substantially all assets in investment grade debt securities, with a majority in inflation-indexed debt securities.	$381 million

PORTFOLIO OVERVIEW

Mason Street Advisors, LLC ("Mason Street Advisors"), the investment adviser for the Inflation Protection Portfolio (the "Portfolio"), has engaged American Century Investment Management, Inc. ("American Century") to act as sub-adviser for the Portfolio. The Portfolio invests substantially all of its assets in investment grade debt securities. To help protect against U.S. inflation, under normal conditions, the Portfolio will invest over 50% of its net assets in inflation-indexed debt securities. These securities include inflation-indexed U.S. Treasury Securities ("TIPS"), inflation-indexed securities issued by U.S. government agencies and instrumentalities other than the U.S. Treasury, and inflation-indexed securities issued by domestic and foreign corporations and governments. The Portfolio also may invest in fixed income securities that are not inflation-indexed, including collateralized mortgage obligations, mortgage- and asset-backed securities, whether issued by the U.S. government, its agencies or instrumentalities, corporations or other non-governmental issuers, or foreign governments. Due to Internal Revenue Code provisions and regulations governing insurance product funds, no more than 55% of the Portfolio's assets may be invested in securities issued by the same entity.

MARKET OVERVIEW

A key policy pivot from the U.S. Federal Reserve (the "Fed") early in the year set the stage for robust U.S. bond market performance in 2019. Throughout 2018, the Fed remained on a tightening course, raising interest rates amid a backdrop of generally improving U.S. economic growth and modestly rising inflation. In early 2019, as the escalating U.S.-China trade dispute threatened global economic growth, the Fed abruptly adopted a dovish tone. By July, mounting global economic risks and relatively muted inflation prompted the Fed to cut rates for the first time in ten years, followed by two additional rate cuts in September and October, which reduced the federal funds rate target to a range of between 1.50% and 1.75%.

Against this backdrop, U.S. Treasury yields declined. The benchmark ten-year Treasury note ended 2019 with a yield of 1.92%, compared to 2.69% a year earlier. The yield on the two-year Treasury note fell from 2.49% at the end of 2018 to 1.57% at the end of 2019. The falling yield/low inflation environment helped generate solid returns for Treasurys. From a broad sector perspective, TIPS outperformed nominal Treasurys, benefiting from the better relative performance of longer-duration securities and from rising breakeven rates later in the year. After ending 2018 at 1.71%, the 10-year breakeven rate fell as low as 1.50% in September and October before steadily climbing to 1.77% at the end of 2019.

Other U.S. bond market sectors also delivered robust returns for the year. Corporate bonds rallied, benefiting from the declining yield environment as well as solid corporate fundamentals and strong investor demand for yield. In addition, concerns about economic growth and trade tensions eased as the year progressed, supporting riskier bond market sectors.

PORTFOLIO RESULTS

The Portfolio returned 9.02% for the twelve months ended December 31, 2019. By comparison, the Portfolio's benchmark, the Bloomberg Barclays® U.S. TIPS Index (the "Index"), returned 8.43%. (The Index is unmanaged, cannot be invested in directly and does not incur expenses.) According to Lipper® Analytical Services, Inc., an independent mutual fund ranking company, the average return in 2019 of the Inflation Protected Bonds Funds peer group was 7.93%.

The Portfolio was nearly fully invested in TIPS as allowed by IRS portfolio diversification regulations for insurance products (53% versus the IRS maximum of 55%). The remainder was primarily invested in investment grade corporate and securitized securities and non-U.S.-dollar inflation-linked securities (hedged against currency risk). Strong performance from these allocations, particularly the positions in corporate credit and credit-sensitive mortgage securities, largely accounted for the Portfolio's outperformance relative to the Index.

To achieve inflation exposure while adhering to the 55% TIPS limit, the Portfolio managers used inflation swaps to create an inflation overlay for the non-inflation-linked corporate and securitized holdings. This strategy positioned the Portfolio with an overweight to inflation-linked securities, aiding performance as breakeven rates increased in the final months of the year.

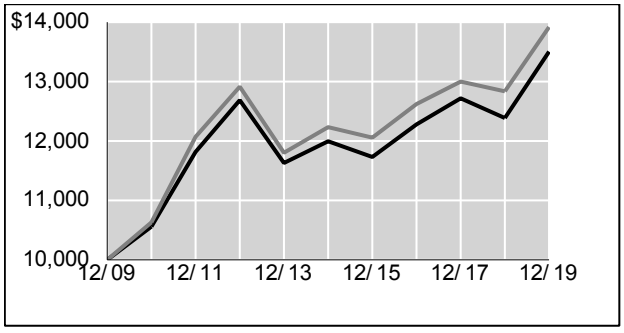
Inflation Protection Portfolio (unaudited)

PORTFOLIO MANAGER OUTLOOK

The following forward-looking comments are the opinion of American Century, the Portfolio's sub-adviser.

Although breakeven rates have been on the rise, they remain below historical averages, suggesting TIPS still offer value. We expect the Fed to increase its purchases of Treasurys and TIPS as it rebuilds its balance sheet. We believe attractive valuations, combined with growing demand for TIPS from the Fed, provide a favorable backdrop for these securities. We have positioned the Portfolio to reflect our expectation of modest global growth, range-bound Treasury yields, stable monetary policy and slightly higher inflation. We expect headline inflation to increase in early 2020 due to year-over-year base effects from rising oil prices. By mid-year, we think headline inflation could ease slightly and converge with core inflation at 2.0%.

Relative Performance



Average Annual Total Returns
For Periods Ended December 31, 2019

	1 Year	5 Years	10 Years
Inflation Protection Portfolio	9.02%	2.40%	3.05%
Bloomberg Barclays® U.S. Treasury Inflation Protected Securities (TIPS) Index	8.43%	2.62%	3.36%
Lipper® Variable Insurance Products (VIP) Inflation Protected Bonds Funds Average	7.93%	2.30%	3.06%

The performance data quoted represents past performance. Past performance is historical and does not guarantee future performance. Investment return and principal value will fluctuate, so that shares, when redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than the performance data quoted. For the most recent month-end performance information visit www.northwesternmutual.com.

This chart assumes an initial investment of $10,000 made on 12/31/09. Returns shown reflect fee waivers, deductions for management and other portfolio expenses, and reinvestment of all dividends. In the absence of fee waivers, total return would be reduced. Returns exclude deductions for separate account sale loads and account fees. Please refer to the Benchmark Definitions section of this report for information about the indices cited in the above chart and graph.

Return of principal is not guaranteed. Bond funds have the same interest rate, inflation and credit risks that are associated with the underlying bonds owned by the Portfolio. When interest rates rise, bond prices fall. With a fixed income fund, when interest rates rise, the value of the fund's existing bonds drops, which could negatively affect overall fund performance.

The Portfolio may use derivative instruments for hedging purposes or as alternatives to direct investments. Use of these instruments may involve certain costs and risks such as liquidity risk, interest rate risk, market risk, credit risk, management risk and the risk of mispricing or improper valuation. Certain derivatives involve leverage, which could magnify losses, and portfolios investing in derivatives could lose more than the principal amount invested in those instruments.

The U.S. federal funds rate has been subject to frequent adjustments over the course of the last several years. A significant rise in interest rates over a short period of time could cause significant losses in the market value of the Portfolio's fixed income investments.

Investing in bonds issued by foreign corporations and governments carries additional risk, including foreign currency risk, and may increase the volatility of the Portfolio's performance.

Inflation Protection Portfolio (unaudited)

Top 10 Fixed Income Holdings 12/31/19

Security Description	% of Net Assets
US Treasury Inflation Index Bond, Various	53.7%
Federal Home Loan Mortgage Corp., Various	5.5%
Federal National Mortgage Association, 4.000%, 2/1/46	1.1%
CD Mortgage Trust, Series 2016-CD2, Class A4, 3.526%, 11/10/49	1.0%
Sequoia Mortgage Trust, Series 2019-4, Class A7, 3.500%, 11/25/49	1.0%
CBAM CLO Management LLC, 3.022%, 4/17/31	1.0%
Progress Residential Trust, Series 2019-SFR3, Class A, 2.271%, 9/17/36	1.0%
Sierra Timeshare Receivables Funding LLC, Series 2019-3, Class B, 2.750%, 7/15/38	0.9%
Hertz Fleet Lease Funding LP, Series 2018-1, Class A2, 3.230%, 5/10/32	0.9%
Federal Home Loan Mortgage Corp. Multifamily Structured Pass Through Certificates, Series 2019-K088, Class A2, 3.690%, 1/25/29	0.9%

Sector Allocation 12/31/19

Sector	% of Net Assets
Governments	54.5%
Structured Products	31.4%
Corporate Bonds	9.9%
Short-Term Investments & Other Net Assets	4.2%
Municipal Bonds	0.0%

Sector Allocation and Top 10 Holdings are subject to change.

Consistent with the Portfolio's stated parameters, no more than 20% of the Portfolio is invested in foreign securities.

Inflation Protection Portfolio

SCHEDULE OF INVESTMENTS

December 31, 2019

Corporate Bonds (9.9%)	Shares/ Par +	Value $ (000's)
Basic Materials (0.0%)		
The Dow Chemical Co.		
3.500%, 10/1/24	200,000	210
Total		**210**
Communications (1.6%)		
AT&T, Inc.		
2.950%, 7/15/26	200,000	204
3.400%, 5/15/25	450,000	471
3.800%, 2/15/27	300,000	320
4.050%, 12/15/23	150,000	161
4.450%, 4/1/24	100,000	108
4.800%, 6/15/44	280,000	319
5.150%, 11/15/46	77,000	92
CBS Corp.		
3.700%, 6/1/28	170,000	178
Charter Communications Operating LLC / Charter Communications Operating Capital Corp.		
6.484%, 10/23/45	530,000	661
Comcast Corp.		
4.250%, 10/15/30	1,080,000	1,233
6.500%, 11/15/35	350,000	495
Deutsche Telekom International Finance		
3.600%, 1/19/27 144A	450,000	473
Verizon Communications, Inc.		
2.625%, 8/15/26	125,000	127
5.012%, 8/21/54	300,000	386
Viacom, Inc.		
4.250%, 9/1/23	470,000	500
4.375%, 3/15/43	90,000	95
The Walt Disney Co.		
4.750%, 9/15/44	150,000	187
Total		**6,010**
Consumer, Cyclical (0.4%)		
Ford Motor Co.		
4.346%, 12/8/26	120,000	124
Ford Motor Credit Co. LLC		
4.389%, 1/8/26	300,000	305
General Motors Co.		
5.150%, 4/1/38	650,000	663
McDonald's Corp.		
3.250%, 6/10/24	150,000	158
Walmart, Inc.		
4.050%, 6/29/48	350,000	413
Total		**1,663**
Consumer, Non-cyclical (1.4%)		
AbbVie, Inc.		
2.900%, 11/6/22	5,000	5
4.450%, 5/14/46	350,000	374
Aetna, Inc.		
2.750%, 11/15/22	230,000	234
Allergan Funding SCS		
3.850%, 6/15/24	150,000	157
4.550%, 3/15/35	270,000	294
Consumer, Non-cyclical continued		
Amgen, Inc.		
3.625%, 5/22/24	240,000	253
Anthem, Inc.		
4.650%, 1/15/43	200,000	225
Becton Dickinson and Co.		
3.700%, 6/6/27	261,000	278
Bristol-Myers Squibb Co.		
3.625%, 5/15/24 144A	50,000	53
4.250%, 10/26/49 144A	150,000	177
Catholic Health Initiatives		
2.950%, 11/1/22	100,000	102
Cigna Corp.		
4.500%, 2/25/26 144A	80,000	88
4.900%, 12/15/48	200,000	238
CVS Health Corp.		
2.750%, 12/1/22	650,000	660
4.780%, 3/25/38	180,000	204
5.050%, 3/25/48	170,000	201
Duke University Health System, Inc.		
3.920%, 6/1/47	268,000	298
Gilead Sciences, Inc.		
3.650%, 3/1/26	200,000	215
The Kroger Co.		
3.875%, 10/15/46	400,000	391
Medtronic, Inc.		
3.500%, 3/15/25	36,000	39
Northwell Health, Inc.		
4.260%, 11/1/47	180,000	193
Shire Acquisitions Investments Ireland Designated Activity Co.		
3.200%, 9/23/26	260,000	268
Thermo Fisher Scientific, Inc.		
2.950%, 9/19/26	250,000	257
Total		**5,204**
Energy (1.0%)		
Cimarex Energy Co.		
4.375%, 6/1/24	100,000	105
Enbridge, Inc.		
3.500%, 6/10/24	150,000	157
3.700%, 7/15/27	200,000	212
Energy Transfer Partners LP		
3.600%, 2/1/23	100,000	102
5.300%, 4/15/47	455,000	484
Enterprise Products Operating LLC		
4.850%, 3/15/44	100,000	116
Hess Corp.		
6.000%, 1/15/40	250,000	295
Magellan Midstream Partners LP		
5.150%, 10/15/43	150,000	175
MPLX LP		
4.500%, 4/15/38	200,000	203
5.200%, 3/1/47	200,000	216
Petroleos Mexicanos		
3.500%, 1/30/23	130,000	131
4.875%, 1/18/24	400,000	420

Inflation Protection Portfolio

Corporate Bonds (9.9%)	Shares/ Par +	Value $ (000's)
Energy continued		
Plains All American Pipeline LP / PAA Finance Corp.		
3.650%, 6/1/22	200,000	205
Sabine Pass Liquefaction LLC		
5.625%, 3/1/25	500,000	563
Sunoco Logistics Partners Operations LP		
3.450%, 1/15/23	200,000	203
Williams Partners LP		
4.125%, 11/15/20	80,000	81
4.300%, 3/4/24	300,000	320
Total		**3,988**
Financial (3.6%)		
American International Group, Inc.		
4.500%, 7/16/44	250,000	288
Bank of America Corp.		
3.248%, 10/21/27	1,625,000	1,692
3.300%, 1/11/23	425,000	439
4.443%, (ICE LIBOR USD 3 Month plus 1.990%), 1/20/48	450,000	546
Boston Properties LP		
3.650%, 2/1/26	150,000	159
Capital One Financial Corp.		
3.750%, 3/9/27	330,000	352
Citigroup, Inc.		
2.350%, 8/2/21	300,000	302
3.200%, 10/21/26	665,000	689
4.050%, 7/30/22	450,000	470
4.075%, (ICE LIBOR USD 3 Month plus 1.192%), 4/23/29	300,000	328
Cooperatieve Rabobank UA		
3.950%, 11/9/22	250,000	261
Credit Suisse AG		
3.625%, 9/9/24	250,000	266
Discover Bank		
3.450%, 7/27/26	300,000	311
Discover Financial Services		
3.750%, 3/4/25	200,000	212
The Goldman Sachs Group, Inc.		
3.500%, 11/16/26	400,000	420
3.750%, 5/22/25	850,000	901
The Hartford Financial Services Group, Inc.		
3.600%, 8/19/49	81,000	83
HSBC Holdings PLC		
2.950%, 5/25/21	400,000	405
4.041%, (ICE LIBOR USD 3 Month plus 1.546%), 3/13/28	230,000	246
4.300%, 3/8/26	200,000	218
4.375%, 11/23/26	200,000	216
Huntington Bancshares, Inc.		
2.300%, 1/14/22	200,000	201
International Lease Finance Corp.		
5.875%, 8/15/22	200,000	218
JPMorgan Chase & Co.		
3.897%, (ICE LIBOR USD 3 Month plus 1.220%), 1/23/49	400,000	449
4.500%, 1/24/22	750,000	787
Kilroy Realty LP		
3.800%, 1/15/23	120,000	124
Markel Corp.		
3.500%, 11/1/27	200,000	207

Corporate Bonds (9.9%)	Shares/ Par +	Value $ (000's)
Financial continued		
Morgan Stanley		
3.772%, (ICE LIBOR USD 3 Month plus 1.140%), 1/24/29	200,000	215
3.875%, 1/27/26	250,000	268
Prudential Financial, Inc.		
3.935%, 12/7/49	131,000	143
US Bancorp		
3.600%, 9/11/24	400,000	425
Ventas Realty LP / Ventas Capital Corp.		
3.250%, 8/15/22	250,000	257
Wells Fargo & Co.		
3.000%, 4/22/26	200,000	205
3.550%, 9/29/25	175,000	185
4.100%, 6/3/26	330,000	356
4.125%, 8/15/23	220,000	234
4.750%, 12/7/46	450,000	539
Total		**13,617**
Industrial (0.3%)		
Burlington Northern Santa Fe LLC		
3.000%, 4/1/25	200,000	208
3.750%, 4/1/24	200,000	213
4.950%, 9/15/41	100,000	122
Lockheed Martin Corp.		
3.800%, 3/1/45	200,000	223
Union Pacific Corp.		
2.750%, 4/15/23	100,000	102
Waste Management, Inc.		
4.150%, 7/15/49	200,000	228
Total		**1,096**
Technology (0.8%)		
Apple, Inc.		
2.900%, 9/12/27	650,000	676
3.200%, 5/11/27	550,000	580
Dell International LLC / EMC Corp.		
6.020%, 6/15/26 144A	470,000	541
Fidelity National Information Services, Inc.		
3.000%, 8/15/26	200,000	207
Microsoft Corp.		
3.450%, 8/8/36	400,000	437
Oracle Corp.		
2.500%, 10/15/22	300,000	305
2.650%, 7/15/26	150,000	153
Total		**2,899**
Utilities (0.8%)		
AEP Transmission Co., LLC		
3.750%, 12/1/47	200,000	215
American Electric Power Co., Inc.		
3.200%, 11/13/27	200,000	206
Dominion Resources, Inc.		
4.900%, 8/1/41	320,000	375
Duke Energy Corp.		
3.150%, 8/15/27	150,000	154
Exelon Generation Co. LLC		
5.600%, 6/15/42	480,000	549
FirstEnergy Corp.		
4.850%, 7/15/47	300,000	356
NextEra Energy Capital Holdings, Inc.		
3.550%, 5/1/27	200,000	212

Inflation Protection Portfolio

Corporate Bonds (9.9%)	Shares/ Par +	Value $ (000's)
Utilities continued		
Sempra Energy		
3.250%, 6/15/27	250,000	257
3.800%, 2/1/38	150,000	156
Southern Co. Gas Capital Corp.		
3.950%, 10/1/46	200,000	206
Southwestern Public Service Co.		
3.700%, 8/15/47	250,000	263
Total		**2,949**
Total Corporate Bonds (Cost: $35,281)		**37,636**
Governments (54.5%)		
Governments (54.5%)		
Australian Government Inflation Linked Bond		
6.944%, 8/20/20 AUD §,∞	715,000	900
Canadian Government Real Return Bond		
4.250%, 12/1/21 CAD ∞	789,168	653
4.250%, 12/1/26 CAD ∞	1,555,210	1,519
US Treasury Inflation Index Bond		
0.125%, 7/15/22	5,706,849	5,731
0.125%, 1/15/23	3,901,905	3,901
0.125%, 7/15/26	10,788,977	10,822
0.250%, 1/15/25 β	21,076,936	21,263
0.250%, 7/15/29 β	13,983,261	14,117
0.375%, 7/15/23 β	15,812,225	16,030
0.375%, 7/15/25	6,944,704	7,086
0.375%, 1/15/27	8,415,712	8,543
0.375%, 7/15/27	9,204,563	9,388
0.500%, 1/15/28	4,172,880	4,280
0.625%, 2/15/43	7,443,013	7,525
0.625%, 1/15/24 β	10,752,690	10,980
0.625%, 1/15/26	9,367,691	9,654
0.750%, 2/15/42	8,911,188	9,253
0.750%, 2/15/45	8,523,606	8,837
0.750%, 7/15/28	6,612,153	6,955
0.875%, 2/15/47	1,652,295	1,770
1.000%, 2/15/46	2,552,147	2,806
1.000%, 2/15/48	1,200,037	1,327
1.000%, 2/15/49	2,657,789	2,952
1.375%, 2/15/44	6,823,523	8,045
1.750%, 1/15/28	4,907,098	5,512
2.000%, 1/15/26	3,176,450	3,531
2.125%, 2/15/40	2,262,064	2,956
2.125%, 2/15/41 β	5,152,638	6,785
2.375%, 1/15/25 β	2,252,498	2,510
2.375%, 1/15/27	4,370,369	5,044
2.500%, 1/15/29	3,254,036	3,921
3.625%, 4/15/28	2,386,485	3,053
Total		**207,649**
Total Governments (Cost: $201,660)		**207,649**
Municipal Bonds (0.0%)		
Municipal Bonds (0.0%)		
Santa Clara Valley Transportation Authority		
5.876%, 4/1/32 RB	50,000	61
Total Municipal Bonds (Cost: $60)		**61**

Structured Products (31.4%)	Shares/ Par +	Value $ (000's)
Asset Backed Securities (11.2%)		
Bean Creek CLO, Ltd., Series 2018-1A, Class AR		
2.986%, (ICE LIBOR USD 3 Month plus 1.020%), 4/20/31 144A	1,250,000	1,234
BRE Grand Islander Timeshare Issuer, Series 2017-1A, Class A		
2.940%, 5/25/29 144A	292,337	292
CBAM CLO Management LLC		
3.022%, (ICE LIBOR USD 3 Month plus 1.020%), 4/17/31 144A	3,775,000	3,745
CIFC Funding, Ltd., Series 2013-3RA, Class A1		
2.916%, (ICE LIBOR USD 3 Month plus 0.980%), 4/24/31 144A	1,000,000	991
Goldentree Loan Opportunities X, Ltd., Series 2015-10A, Class AR		
3.086%, (ICE LIBOR USD 3 Month plus 1.120%), 7/20/31 144A	1,000,000	997
Goldentree Loan Opportunities XI, Ltd., Series 2017-11A, Class AR2		
3.073%, (ICE LIBOR USD 3 Month plus 1.070%), 1/18/31 144A	2,100,000	2,094
Hertz Fleet Lease Funding LP, Series 2018-1, Class A2		
3.230%, 5/10/32 144A	3,283,031	3,306
Hilton Grand Vacations Trust, Series 2014-AA, Class A		
1.770%, 11/25/26 144A	104,632	104
Hilton Grand Vacations Trust, Series 2017-AA, Class A		
2.660%, 12/26/28 144A	1,274,717	1,280
Hilton Grand Vacations Trust, Series 2019-AA, Class B		
2.540%, 7/25/33 144A	1,804,845	1,799
KKR CLO, Ltd., Series 2018-22A, Class A		
3.116%, (ICE LIBOR USD 3 Month plus 1.150%), 7/20/31 144A	1,500,000	1,487
Magnetite VIII, Ltd., Series 2018-8A, Class AR2		
2.981%, (ICE LIBOR USD 3 Month plus 0.980%), 4/15/31 144A	1,750,000	1,738
MVW Owner Trust, Series 2015-1A, Class A		
2.520%, 12/20/32 144A	225,305	225
MVW Owner Trust, Series 2016-1A, Class A		
2.250%, 12/20/33 144A	190,202	189
MVW Owner Trust, Series 2019-2A, Class A		
2.220%, 10/20/38 144A	1,456,545	1,447
Progress Residential Trust, Series 2019-SFR1, Class A		
3.422%, 8/17/35 144A	2,100,000	2,129
Progress Residential Trust, Series 2019-SFR3, Class A		
2.271%, 9/17/36 144A	3,800,000	3,718
Progress Residential Trust, Series 2019-SFR4, Class B		
2.937%, 11/17/36 144A	2,400,000	2,386
Sierra Timeshare Receivables Funding LLC, Series 2016-1A, Class A		
3.080%, 3/21/33 144A	158,224	159

Inflation Protection Portfolio

Structured Products (31.4%)	Shares/ Par +	Value $ (000's)
Asset Backed Securities continued		
Sierra Timeshare Receivables Funding LLC, Series 2019-1A, Class A		
3.200%, 1/20/36 144A	850,287	858
Sierra Timeshare Receivables Funding LLC, Series 2019-3, Class B		
2.750%, 7/15/38 144A	3,492,928	3,492
Sounds Point CLO IV-R, Ltd., Series 2013-3RA, Class A		
3.153%, (ICE LIBOR USD 3 Month plus 1.150%), 4/18/31 144A	1,600,000	1,586
Towd Point Mortgage Trust, Series 2016-1, Class A1		
3.500%, (AFC), 2/25/55 144A	270,278	273
Towd Point Mortgage Trust, Series 2017-2, Class A1		
2.750%, (AFC), 4/25/57 144A	587,670	591
Towd Point Mortgage Trust, Series 2017-2, Class A2		
3.250%, (AFC), 4/25/57 144A	2,500,000	2,549
Towd Point Mortgage Trust, Series 2019-2, Class M1		
3.750%, (AFC), 12/25/58 144A	2,250,000	2,331
Treman Park CLO, Ltd., Series 2015-1A, Class ARR		
3.036%, (ICE LIBOR USD 3 Month plus 1.070%), 10/20/28 144A	1,000,000	998
VSE VOI Mortgage LLC, Series 2017-A, Class A		
2.330%, 3/20/35 144A	605,461	605
Total		**42,603**
Mortgage Securities (20.2%)		
Agate Bay Mortgage Trust, Series 2014-3, Class A2		
3.500%, (AFC), 11/25/44 144A	581,427	590
Agate Bay Mortgage Trust, Series 2015-7, Class A3		
3.500%, (AFC), 10/25/45 144A	1,147,675	1,158
Agate Bay Mortgage Trust, Series 2016-1, Class A3		
3.500%, (AFC), 12/25/45 144A	865,571	869
Agate Bay Mortgage Trust, Series 2016-3, Class A3		
3.500%, (AFC), 8/25/46 144A	612,331	622
BAMLL Commercial Mortgage Securities Trust, Series 2015-200P, Class B		
3.490%, 4/14/33 144A	1,000,000	1,034
Bunker Hill Loan Depositary Trust, Series 2019-3, Class A1		
2.724%, (AFC), 11/25/59 144A	1,851,526	1,850
CD Mortgage Trust, Series 2016-CD2, Class A4		
3.526%, (AFC), 11/10/49	3,700,000	3,933
Citicorp Mortgage Securities Trust, Series 2007-8, Class 1A3		
6.000%, 9/25/37	28,368	29
Citigroup / Deutsche Bank Commercial Mortgage Trust, Series 2016-CD1, Class AM		
2.926%, 8/10/49	1,000,000	1,005

Structured Products (31.4%)	Shares/ Par +	Value $ (000's)
Mortgage Securities continued		
Commercial Mortgage Pass Through Certificates, Series 2014-CR15, Class AM		
4.426%, (AFC), 2/10/47	1,000,000	1,072
Commercial Mortgage Pass Through Certificates, Series 2014-UBS5, Class AM		
4.193%, (AFC), 9/10/47	850,000	897
Commercial Mortgage Pass Through Certificates, Series 2015-3BP, Class A		
3.178%, 2/10/35 144A	2,500,000	2,587
Commercial Mortgage Pass Through Certificates, Series 2015-CR22, Class AM		
3.603%, (AFC), 3/10/48	900,000	938
Commercial Mortgage Pass Through Certificates, Series 2016-CR28, Class B		
4.646%, (CSTR), 2/10/49	880,000	962
Commercial Mortgage Pass Through Certificates, Series 2017-PANW, Class A		
3.244%, 11/10/34 144A	850,000	875
Credit Suisse Mortgage Trust, Series 2015-WIN1, Class A10		
3.500%, (AFC), 12/25/44 144A	300,000	303
Credit Suisse Mortgage Trust, Series 2019-NQM1, Class A1		
2.656%, (AFC), 10/25/59 144A	1,804,581	1,803
Federal Home Loan Mortgage Corp.		
3.000%, 7/1/49	15,125,508	15,354
4.000%, 5/1/42	2,805,707	3,004
4.500%, 4/1/41	2,279,318	2,476
Federal Home Loan Mortgage Corp. Multifamily Structured Pass Through Certificates, Series 2019-K088, Class A2		
3.690%, 1/25/29	3,000,000	3,277
Federal National Mortgage Association		
4.000%, 2/1/46	3,799,791	4,019
GS Mortgage Securities Trust, Series 2016-GS2, Class B		
3.759%, (AFC), 5/10/49	750,000	780
Hudson Yards Mortgage Trust, Series 2016-10HY, Class B		
2.977%, (CSTR), 8/10/38 144A	1,175,000	1,182
JP Morgan Chase Commercial Mortgage Securities Trust, Series 2013-C16, Class A4		
4.166%, 12/15/46	600,000	640
JP Morgan Chase Commercial Mortgage Securities Trust, Series 2016-JP2, Class A4		
2.821%, 8/15/49	600,000	611
JP Morgan Chase Commercial Mortgage Securities Trust, Series 2016-JP3, Class AS		
3.144%, 8/15/49	675,000	685
JP Morgan Mortgage Trust, Series 2013-1, Class 2A2		
2.500%, (AFC), 3/25/43 144A	498,789	498
JP Morgan Mortgage Trust, Series 2014-5, Class A1		
2.980%, (AFC), 10/25/29 144A	618,286	621
JP Morgan Mortgage Trust, Series 2016-1, Class A7		
3.500%, 5/25/46 144A	1,750,000	1,789
JP Morgan Mortgage Trust, Series 2017-1, Class A2		
3.500%, (AFC), 1/25/47 144A	1,510,870	1,538

Inflation Protection Portfolio

Structured Products (31.4%)	Shares/ Par [+]	Value $ (000's)
Mortgage Securities continued		
JPMBB Commercial Mortgage Securities Trust, Series 2014-C21, Class B 4.341%, (AFC), 8/15/47	2,000,000	2,091
JPMDB Commercial Mortgage Securities Trust, Series 2017-C5, Class A4 3.414%, 3/15/50	930,000	977
Morgan Stanley Bank of America Merrill Lynch Trust, Series 2017-C34, Class A3 3.276%, 11/15/52	1,350,000	1,414
Morgan Stanley Capital I Trust, Series 2014-CPT, Class AM 3.402%, (CSTR), 7/13/29 144A	1,500,000	1,518
Morgan Stanley Capital I Trust, Series 2014-CPT, Class C 3.446%, (CSTR), 7/13/29 144A	600,000	606
Morgan Stanley Capital I Trust, Series 2016-UB11, Class A4 2.782%, 8/15/49	1,575,000	1,596
New Residential Mortgage Loan Trust, Series 2017-2A, Class A3 4.000%, (CSTR), 3/25/57 144A	905,082	944
New Residential Mortgage Loan Trust, Series 2017-5A, Class A1 3.292%, (ICE LIBOR USD 1 Month plus 1.500%), (AFC), 6/25/57 144A	960,666	973
Sequoia Mortgage Trust, Series 2014-3, Class A14 3.000%, (AFC), 10/25/44 144A	109,747	110
Sequoia Mortgage Trust, Series 2014-4, Class A2 3.500%, (AFC), 11/25/44 144A	107,196	108
Sequoia Mortgage Trust, Series 2017-7, Class A7 3.500%, (AFC), 10/25/47 144A	2,250,000	2,290
Sequoia Mortgage Trust, Series 2017-CH1, Class A1 4.000%, (AFC), 10/25/47 144A	824,743	844
Sequoia Mortgage Trust, Series 2019-4, Class A7 3.500%, (AFC), 11/25/49 144A	3,750,000	3,819
Thornburg Mortgage Securities Trust, Series 2004-3, Class A 2.532%, (ICE LIBOR USD 1 Month plus 0.740%), (AFC), 9/25/44	229,017	226
UBS Commercial Mortgage Trust, Series 2018-C17, Class AS 3.203%, 10/15/52	2,700,000	2,710
Wells Fargo Mortgage Backed Securities Trust, Series 2007-AR10, Class 1A1 4.263%, (CSTR), 1/25/38	33,793	31
WinWater Mortgage Loan Trust, Series 2014-1, Class A4 3.500%, (AFC), 6/20/44 144A	26,725	27
Total		**77,285**
Total Structured Products (Cost: $119,451)		**119,888**
Short-Term Investments (4.8%)		
Money Market Funds (4.8%)		
State Street Institutional U.S. Government Money Market Fund - Premier Class 1.540%[#]	18,135,132	18,135
Total		**18,135**
Total Short-Term Investments (Cost: $18,135)		**18,135**
Total Investments (100.6%) (Cost: $374,587)[@]		**383,369**
Other Assets, Less Liabilities (-0.6%)		**(2,237)**
Net Assets (100.0%)		**381,132**

Exchange Traded or Centrally Cleared Derivatives
Futures

Issuer	Long/ Short	Currency	Notional Par (000's)	Number of Contracts	Expiration Date	Notional Value (000's)	Unrealized Appreciation/ (Depreciation) (000's)	Variation Margin (000's)
Two-Year US Treasury Note Future	Long	USD	21,600	108	3/20	$ 23,274	$ (11)	$ 5
							$ (11)	$ 5

Inflation Protection Portfolio

Centrally Cleared Total Return Swaps - Receive Floating Rate

Floating Rate Index	Fixed Rate	Expiration Date	Notional Amount (000's)	Currency	Upfront Premium Paid/ (Received) (000's)	Unrealized Appreciation/ (Depreciation) (000's)	Market Value (000's)	Variation Margin(000's)
U.S. Consumer Price Index - 3 Month USD LIBOR	1.777%	6/24	11,000	USD	$ (1)	$ 49	$ 48	$ 14
U.S. Consumer Price Index - 3 Month USD LIBOR	1.715%	6/24	7,400	USD	–	49	49	9
U.S. Consumer Price Index - 3 Month USD LIBOR	1.860%	7/24	7,500	USD	–	(9)	(9)	10
U.S. Consumer Price Index - 3 Month USD LIBOR	1.858%	8/24	12,700	USD	(1)	(13)	(14)	17
U.S. Consumer Price Index - 3 Month USD LIBOR	1.616%	10/24	7,500	USD	(1)	92	91	10
U.S. Consumer Price Index - 3 Month USD LIBOR	2.073%	8/27	3,500	USD	–	(31)	(31)	8
U.S. Consumer Price Index - 3 Month USD LIBOR	2.145%	11/27	5,000	USD	(1)	(98)	(99)	11
U.S. Consumer Price Index - 3 Month USD LIBOR	1.793%	10/29	3,700	USD	–	66	66	9
U.S. Consumer Price Index - 3 Month USD LIBOR	1.800%	10/29	3,700	USD	–	65	65	9
U.S. Consumer Price Index - 3 Month USD LIBOR	1.884%	11/29	2,000	USD	–	21	21	5
					$ (4)	$ 191	$ 187	$ 102

	Financial Derivative Assets			Financial Derivative Liabilities			
	Variation Margin (000's)			Variation Margin (000's)			Market Value (000's)
	Swaps	Futures	Total	Swaps	Futures	Total	Options
Total Exchange-Traded or Centrally Cleared Derivatives	$ 102	$ 5	$ 107	$ –	$ –	$ –	$ –

Over the Counter Derivatives
Forward Contracts

Type	Counterparty	Currency	Foreign Principal Amount Covered by Contract (000s)	USD Principal Amount Covered by Contract (000's)	Settlement Month	Unrealized Appreciation (000's)	Unrealized (Depreciation) (000's)	Net Unrealized Appreciation/ (Depreciation) (000's)
Sell	Morgan Stanley Capital Services	AUD	1,261	887	3/20	$ —	$ (15)	$ (15)
Sell	Morgan Stanley Capital Services	CAD	2,781	2,142	3/20	—	(23)	(23)
						$ —	$ (38)	$ (38)

Inflation Protection Portfolio

Total Return Swaps

Reference Entity	Counterparty	Payment made by the Fund	Expiration Date	Notional Amount (000's)	Unrealized Appreciation/ (Depreciation) (000's)	Market Value (000's)
CPURNSA	Bank of America NA	2.640%	2/20	2,800	$ (303)	$ (303)
CPURNSA	Bank of America NA	2.670%	4/22	3,000	(412)	(412)
CPURNSA	Bank of America NA	2.763%	3/23	700	(90)	(90)
CPURNSA	Bank of America NA	2.528%	8/24	2,750	(269)	(269)
CPURNSA	Bank of America NA	2.140%	7/25	2,900	(79)	(79)
CPURNSA	Bank of America NA	1.790%	8/25	1,500	9	9
CPURNSA	Bank of America NA	2.240%	4/27	3,500	(122)	(122)
CPURNSA	Bank of America NA	2.218%	4/27	2,000	(64)	(64)
CPURNSA	Bank of America NA	2.235%	4/27	2,000	(68)	(68)
CPURNSA	Bank of America NA	2.235%	5/27	5,000	(168)	(168)
CPURNSA	Barclays Bank PLC	1.710%	2/20	1,000	2	2
CPURNSA	Barclays Bank PLC	2.526%	5/23	5,500	(569)	(569)
CPURNSA	Barclays Bank PLC	2.535%	5/23	1,000	(104)	(104)
CPURNSA	Barclays Bank PLC	2.589%	7/24	1,400	(146)	(146)
CPURNSA	Barclays Bank PLC	2.385%	9/24	4,000	(321)	(321)
CPURNSA	Barclays Bank PLC	2.363%	9/24	3,500	(271)	(271)
CPURNSA	Barclays Bank PLC	2.310%	9/24	1,400	(100)	(100)
CPURNSA	Barclays Bank PLC	2.895%	12/27	1,700	(503)	(503)
CPURNSA	Barclays Bank PLC	2.784%	7/44	1,400	(454)	(454)
CPURNSA	Goldman Sachs International	1.870%	5/26	17,000	222	222
CPURNSA	Goldman Sachs International	1.920%	5/26	7,000	54	54
CPURNSA	Goldman Sachs International	1.770%	6/26	6,000	138	138
CPURNSA	Goldman Sachs International	2.245%	11/26	3,000	(90)	(90)
CPURNSA	Goldman Sachs International	2.280%	11/26	3,000	(102)	(102)
CPURNSA	Goldman Sachs International	2.280%	11/26	4,000	(137)	(137)
					$ (3,947)	$ (3,947)

	Financial Derivative Assets (000's)			Financial Derivative Liabilities (000's)			
	Forward Contracts	Swaps	Total	Forward Contracts	Options	Swaps	Total
Total Over the Counter Derivatives	—	$ 425	$ 425	$ (38)	—	$ (4,372)	$ (4,410)

\+ All par is stated in U.S Dollar unless otherwise noted.

144A Security exempt from registration under Rule 144A of the Securities Act of 1933. These securities may be resold as transactions exempt from registration, normally to qualified institutional buyers. At December 31, 2019 the value of these securities (in thousands) was $72,493 representing 19.0% of the net assets.

∞ Foreign Bond — par value is foreign denominated

§ Security was purchased pursuant to Regulation S under the Securities Act of 1933, which exempts from registration securities offered and sold outside of the United States. At December 31, 2019, the aggregate value of these securities was $900 (in thousands), representing 0.2% of net assets.

β Cash or securities with an aggregate value of $71,685 (in thousands) has been pledged as collateral for futures, swap contracts outstanding, short sales, when issued securities or written options on 12/31/2019.

7-Day yield as of 12/31/2019.

@ At December 31, 2019, the aggregate cost of investments, including derivatives, for federal tax purposes (in thousands) was $374,565 and the net unrealized appreciation of investments based on that cost was $4,994 which is comprised of $11,184 aggregate gross unrealized appreciation and $6,190 aggregate gross unrealized depreciation.

Inflation Protection Portfolio

The following is a summary of the inputs used in valuing the Portfolio's assets and liabilities at December 31, 2019. See Note 3 for additional information on portfolio valuation.

	Valuation Inputs		
Description	**Level 1 - Quoted Prices**	**Level 2 - Other Significant Observable Inputs**	**Level 3 - Significant Unobservable Inputs**
	(Amounts in thousands)		
Assets:			
Municipal Bonds	$ —	$ 61	$ —
Corporate Bonds	—	37,636	—
Governments	—	207,649	—
Structured Products	—	119,888	—
Short-Term Investments	18,135	—	—
Other Financial Instruments^			
Total Return Swaps	—	765	—
Total Assets:	$ 18,135	$ 365,999	$ —
Liabilities:			
Other Financial Instruments^			
Futures	(11)	—	—
Forward Currency Contracts	—	(38)	—
Total Return Swaps	—	(4,525)	—
Total Liabilities:	$ (11)	$ (4,563)	$ —

^ Other financial instruments are derivative instruments such as futures and forwards, which are valued at the unrealized appreciation (depreciation) on the instrument, and securities sold short, reverse repurchase agreements, written options and swaps contracts, which are valued at market value.

High Yield Bond Portfolio (unaudited)

Objective:	Portfolio Strategy:	Net Assets:
High current income and capital appreciation.	Invest in non-investment grade debt securities.	$846 million

PORTFOLIO OVERVIEW

Mason Street Advisors, LLC ("Mason Street Advisors"), the investment adviser for the High Yield Bond Portfolio (the "Portfolio"), has engaged Federated Investment Management Company ("Federated") to act as sub-adviser for the Portfolio. Normally, the Portfolio invests in non-investment grade debt securities, which are generally securities rated below investment grade by major credit rating agencies, or if unrated, determined to be of comparable quality. The Portfolio may invest up to 30% of net assets in non-investment grade foreign securities. The securities in which the Portfolio primarily invests are considered speculative and are sometimes known as "junk bonds." These securities tend to offer higher yields than higher rated securities of comparable maturities primarily because of the market's greater uncertainty about the issuer's ability to make all required interest and principal payments, and therefore about the returns that will in fact be realized by the Portfolio. The Portfolio invests in securities believed to have attractive investment characteristics and seeks to minimize default risk and other risks through careful security selection and diversification. The Portfolio's security selection process consists of a credit-intensive, fundamental analysis of the issuer. The Portfolio does not limit the investments to securities of a particular maturity range and does not target an average effective maturity or duration.

MARKET OVERVIEW

High yield bonds posted strong returns during 2019. In the high yield market, major industry sectors that substantially outperformed the overall Bloomberg Barclays® U.S. Corporate High Yield 2% Issuer Capped Index ("the Index") during the reporting period included finance companies, banking, retail, home construction and consumer products. Industries that substantially underperformed the Index during the reporting period included oil field services, independent energy, leisure, pharmaceuticals and media/entertainment. From a credit quality perspective, the "BB"-rated sector led the way followed by the "B"-rated sector. The "CCC"-rated sector was the weakest returning sector, as credit-specific issues hindered returns. The market's strong performance is evident in narrowing yield spreads (the difference between the yields on high yield bonds and U.S. Treasury securities), which diminished from 575 at the start of 2019 to 414 by the end of the reporting period.

PORTFOLIO RESULTS

The Portfolio returned 14.97% for the twelve months ended December 31, 2019. By comparison, the Portfolio's benchmark, the Bloomberg Barclays® U.S. Corporate High Yield 2% Issuer Capped Index, returned 14.32%. (The Index is unmanaged, cannot be invested in directly and does not incur expenses.) According to Lipper® Analytical Services, Inc., an independent mutual fund rating agency, the average return in 2019 of the High Yield Funds peer group was 12.96%.

During the reporting period, the most significant factors affecting the Portfolio's performance relative to the Index were industry allocation and security selection. From an industry allocation perspective, the Portfolio benefited from its overweight exposure to the strong-performing property and casualty industry and its underweight allocation to the weak-performing oil field services and independent energy industries. In contrast, underweight exposure to the strong-performing banking and home construction industries weighed on Portfolio results. Cash holdings also negatively affected performance given the strong absolute returns for the market.

Portfolio returns were also driven by strong security selection. This was especially true in the oil field services, independent energy, technology, metals and mining, automotive, building materials, packaging, chemicals, wireless telecommunications and cable and satellite industries. Leading Portfolio contributors included Bausch Health Companies, Hub International, Star Merger Sub, Navient and Rackspace. On the downside, security selection in the pharmaceutical, retail, healthcare, consumer products and midstream industries hindered relative returns. Key detractors included Mallinckrodt Pharmaceuticals, Team Health, Party City, Summit Midstream and Enterprise Merger.

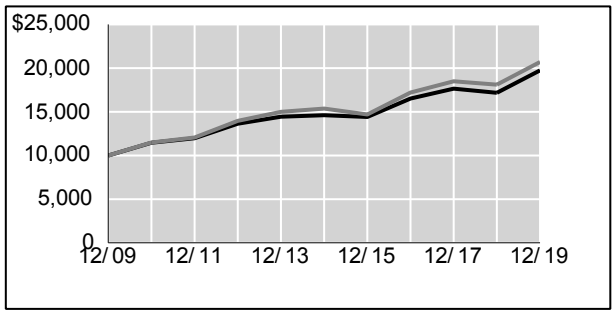
PORTFOLIO MANAGER OUTLOOK

The following forward-looking comments are the opinion of Federated, the Portfolio's sub-adviser.

We believe that as 2020 begins, the high yield market is at a crossroads. On the one hand, strong performance in 2019 has pushed the relative value of the overall high yield bond market to near historic lows. However, the high yield bond market has split into two distinct groups. Bonds issued by businesses with more fundamental stability and higher credit ratings

have relatively high valuations (narrow yield premiums relative to U.S. Treasurys) due to the demand for reliable yields, while a larger-than-normal portion of the market is trading at distressed levels (premiums of 1000 basis points or 10% yield premiums relative to U.S. Treasurys). On the other hand, economic growth remains solid, led by consumer spending. Additionally, credit fundamentals, while showing some early signs of weakness, are still reasonable. We anticipate modest absolute returns for 2020, with relative returns driven by the performance of the economy, uncertainty around the November U.S. elections and whether already narrow credit spreads can tighten further.

Relative Performance



Average Annual Total Returns For Periods Ended December 31, 2019	1 Year	5 Years	10 Years
High Yield Bond Portfolio	14.97%	6.21%	7.04%
Bloomberg Barclays® U.S. Corporate High Yield 2% Issuer Capped Index	14.32%	6.14%	7.55%
Lipper® Variable Insurance Products (VIP) High Yield Funds Average	12.96%	5.12%	6.73%

The performance data quoted represents past performance. Past performance is historical and does not guarantee future performance. Investment return and principal value will fluctuate, so that shares, when redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than the performance data quoted. For the most recent month-end performance information visit www.northwesternmutual.com.

This chart assumes an initial investment of $10,000 made on 12/31/09. Returns shown reflect fee waivers, deductions for management and other portfolio expenses, and reinvestment of all dividends. In the absence of fee waivers, total return would be reduced. Returns exclude deductions for separate account sale loads and account fees. Please refer to the Benchmark Definitions section of this report for information about the indices cited in the above chart and graph.

Return of principal is not guaranteed. When interest rates rise, bond prices fall. With a fixed income fund, when interest rates rise, the value of the fund's existing bonds drops, which could negatively affect overall fund performance.

Investing in bonds issued by foreign corporations carries additional risk, including foreign currency risk, and may increase the volatility of the Portfolio's performance.

The U.S. federal funds rate has been subject to frequent adjustments over the course of the last several years. A significant rise in interest rates over a short period of time could cause significant losses in the market value of the Portfolio's fixed income investments.

Top 10 Fixed Income Holdings 12/31/19

Security Description	% of Net Assets
CCO Holdings LLC / CCO Holdings Capital Corp., Various	2.2%
CSC Holdings LLC, Various	1.7%
Valeant Pharmaceuticals International, Inc., Various	1.5%
HCA, Inc., Various	1.4%
TransDigm, Inc., Various	1.3%
Tenet Healthcare Corp., Various	1.2%
Sprint Corp., Various	1.1%
Targa Resources Partners LP / Targa Resources Partners Finance Corp., Various	1.1%
HUB International, Ltd., 7.000%, 5/1/26	1.1%
Flex Acquisition Co., Inc., Various	1.0%

Sector Allocation 12/31/19

Sector	% of Net Assets
Consumer, Non-Cyclical	19.7%
Communications	17.3%
Industrial	13.1%
Energy	13.0%
Consumer, Cyclical	12.5%
Technology	6.5%
Financial	6.2%
Short-Term Investments & Other Net Assets	5.3%
Basic Materials	3.9%
Utilities	2.4%
Materials	0.1%
Other Holdings	–%

Sector Allocation and Top 10 Holdings are subject to change.

High Yield Bond Portfolio

SCHEDULE OF INVESTMENTS

December 31, 2019

Common Stocks (0.1%)	Shares/ Par +	Value $ (000's)
Communications (0.0%)		
iHeartMedia, Inc. *	22,266	376
Total		**376**
Materials (0.1%)		
Hexion Holdings Corp. *	42,192	508
Total		**508**
Total Common Stocks (Cost: $1,181)		**884**
Corporate Bonds (94.6%)		
Basic Materials (3.9%)		
Alpha 2 BV		
8.750%, 6/1/23 144A	1,050,000	1,071
Alpha 3 BV / Alpha US Bidco, Inc.		
6.250%, 2/1/25 144A	2,900,000	2,972
Clearwater Paper Corp.		
5.375%, 2/1/25 144A	3,350,000	3,325
Compass Minerals International, Inc.		
4.875%, 7/15/24 144A	2,500,000	2,491
6.750%, 12/1/27 144A	1,625,000	1,727
Crown Holdings, Inc.		
4.250%, 9/30/26	250,000	262
Freeport-McMoRan, Inc.		
3.875%, 3/15/23	2,850,000	2,902
5.000%, 9/1/27	925,000	971
5.250%, 9/1/29	950,000	1,018
5.400%, 11/14/34	2,025,000	2,121
Hexion, Inc.		
7.875%, 7/15/27 144A	1,675,000	1,742
HudBay Minerals, Inc.		
7.250%, 1/15/23 144A	350,000	363
7.625%, 1/15/25 144A	2,525,000	2,665
Platform Specialty Products Corp.		
5.875%, 12/1/25 144A	2,050,000	2,145
PQ Corp.		
5.750%, 12/15/25 144A	1,000,000	1,045
Starfruit Finco BV / Starfruit US Holdco LLC		
8.000%, 10/1/26 144A	3,425,000	3,630
Steel Dynamics, Inc.		
5.125%, 10/1/21	620,000	620
5.500%, 10/1/24	930,000	958
Teck Resources, Ltd.		
6.000%, 8/15/40	850,000	947
Total		**32,975**
Communications (17.3%)		
Acosta, Inc.		
7.750%, 10/1/22 144A φ	2,850,000	142
Altice France SA		
8.125%, 2/1/27 144A	950,000	1,070
Altice Luxembourg SA		
7.625%, 2/15/25 144A	2,250,000	2,340
AMC Networks, Inc.		
4.750%, 8/1/25	1,500,000	1,506
5.000%, 4/1/24	2,000,000	2,040
Cablevision Systems Corp.		
5.875%, 9/15/22	2,225,000	2,397

Corporate Bonds (94.6%)	Shares/ Par +	Value $ (000's)
Communications continued		
CBS Radio, Inc.		
7.250%, 11/1/24 144A	2,275,000	2,394
CCO Holdings LLC / CCO Holdings Capital Corp.		
4.750%, 3/1/30 144A	4,825,000	4,922
5.000%, 2/1/28 144A	2,000,000	2,099
5.125%, 5/1/27 144A	1,975,000	2,084
5.250%, 9/30/22	1,350,000	1,365
5.375%, 5/1/25 144A	650,000	671
5.375%, 6/1/29 144A	1,050,000	1,121
5.500%, 5/1/26 144A	550,000	580
5.750%, 9/1/23	1,000,000	1,019
5.750%, 1/15/24	548,000	558
5.750%, 2/15/26 144A	2,350,000	2,479
5.875%, 4/1/24 144A	575,000	594
5.875%, 5/1/27 144A	1,250,000	1,322
CSC Holdings LLC		
5.250%, 6/1/24	1,650,000	1,778
5.375%, 7/15/23 144A	1,100,000	1,127
5.500%, 5/15/26 144A	650,000	688
5.500%, 4/15/27 144A	2,425,000	2,604
5.750%, 1/15/30 144A	2,525,000	2,695
6.500%, 2/1/29 144A	675,000	753
6.625%, 10/15/25 144A	1,250,000	1,327
7.500%, 4/1/28 144A	1,750,000	1,978
7.750%, 7/15/25 144A	1,450,000	1,546
Cumulus Media New Holdings, Inc.		
6.750%, 7/1/26 144A	1,200,000	1,286
Diamond Sports Group LLC / Diamond Sports Finance Co.		
5.375%, 8/15/26 144A	1,775,000	1,796
6.625%, 8/15/27 144A	2,600,000	2,529
DISH DBS Corp.		
5.000%, 3/15/23	485,000	498
5.875%, 11/15/24	3,250,000	3,321
7.750%, 7/1/26	1,525,000	1,616
Entercom Media Corp.		
6.500%, 5/1/27 144A	1,800,000	1,926
Go Daddy Operating Co. LLC / GD Finance Co., Inc.		
5.250%, 12/1/27 144A	650,000	684
Gray Escrow, Inc.		
7.000%, 5/15/27 144A	750,000	833
Gray Television, Inc.		
5.125%, 10/15/24 144A	675,000	700
5.875%, 7/15/26 144A	2,575,000	2,739
iHeartCommunications, Inc.		
4.750%, 1/15/28 144A	425,000	436
5.250%, 8/15/27 144A	825,000	863
6.375%, 5/1/26	125,901	137
8.375%, 5/1/27	4,703,194	5,197
Intelsat Jackson Holdings SA		
5.500%, 8/1/23	1,600,000	1,374
8.000%, 2/15/24 144A	625,000	641
8.500%, 10/15/24 144A	2,050,000	1,867
9.750%, 7/15/25 144A	950,000	879

High Yield Bond Portfolio

Corporate Bonds (94.6%)	Shares/ Par +	Value $ (000's)
Communications continued		
Match Group, Inc.		
5.000%, 12/15/27 144A	1,375,000	1,433
6.375%, 6/1/24	725,000	760
Nexstar Broadcasting, Inc.		
5.625%, 8/1/24 144A	2,825,000	2,945
5.625%, 7/15/27 144A	2,725,000	2,872
Outfront Media Capital LLC / Outfront Media Capital Corp.		
4.625%, 3/15/30 144A	175,000	178
Scripps Escrow, Inc.		
5.875%, 7/15/27 144A	1,725,000	1,807
SFR Group SA		
7.375%, 5/1/26 144A	6,000,000	6,442
Sinclair Television Group, Inc.		
5.125%, 2/15/27 144A	2,875,000	2,954
5.625%, 8/1/24 144A	825,000	849
5.875%, 3/15/26 144A	575,000	604
Sirius XM Radio, Inc.		
4.625%, 5/15/23 144A	550,000	558
4.625%, 7/15/24 144A	1,825,000	1,916
5.000%, 8/1/27 144A	775,000	818
5.375%, 4/15/25 144A	1,100,000	1,137
5.375%, 7/15/26 144A	1,675,000	1,779
5.500%, 7/1/29 144A	925,000	1,000
Sprint Capital Corp.		
6.875%, 11/15/28	2,650,000	2,855
Sprint Corp.		
7.125%, 6/15/24	1,150,000	1,241
7.625%, 2/15/25	2,075,000	2,277
7.625%, 3/1/26	1,200,000	1,323
7.875%, 9/15/23	4,265,000	4,706
TEGNA, Inc.		
5.000%, 9/15/29 144A	2,950,000	3,002
5.125%, 7/15/20	506,000	507
5.500%, 9/15/24 144A	495,000	512
6.375%, 10/15/23	700,000	721
Telenet Finance Luxembourg Notes SARL		
5.500%, 3/1/28 144A	4,400,000	4,697
Terrier Media Buyer, Inc.		
8.875%, 12/15/27 144A	2,900,000	3,067
T-Mobile USA, Inc.		
4.500%, 2/1/26	525,000	538
5.125%, 4/15/25	2,700,000	2,793
5.375%, 4/15/27	350,000	373
6.000%, 3/1/23	775,000	789
6.375%, 3/1/25	1,685,000	1,741
6.500%, 1/15/24	425,000	437
6.500%, 1/15/26	875,000	938
Urban One, Inc.		
7.375%, 4/15/22 144A	375,000	369
VeriSign, Inc.		
5.250%, 4/1/25	350,000	386
Virgin Media Finance PLC		
5.750%, 1/15/25 144A	3,475,000	3,575
Virgin Media Secured Finance PLC		
5.500%, 8/15/26 144A	425,000	446
5.500%, 5/15/29 144A	475,000	503
Ziggo Bond Co. BV		
5.875%, 1/15/25 144A	625,000	644
6.000%, 1/15/27 144A	2,200,000	2,321
Ziggo BV		
4.875%, 1/15/30 144A	200,000	206
5.500%, 1/15/27 144A	2,425,000	2,577
Total		**146,117**
Consumer, Cyclical (12.5%)		
1011778 BC ULC / New Red Finance, Inc.		
3.875%, 1/15/28 144A	225,000	226
4.250%, 5/15/24 144A	1,000,000	1,025
4.375%, 1/15/28 144A	1,175,000	1,178
5.000%, 10/15/25 144A	4,875,000	5,033
Adient Global Holdings, Ltd.		
4.875%, 8/15/26 144A	3,450,000	3,079
American Axle & Manufacturing, Inc.		
6.250%, 3/15/26	275,000	282
6.500%, 4/1/27	2,925,000	3,035
American Builders & Contractors Supply Co., Inc.		
4.000%, 1/15/28 144A	725,000	736
5.875%, 5/15/26 144A	3,275,000	3,480
Anixter, Inc.		
6.000%, 12/1/25	975,000	1,014
Aramark Services, Inc.		
5.000%, 4/1/25 144A	1,450,000	1,512
5.000%, 2/1/28 144A	1,525,000	1,607
5.125%, 1/15/24	1,775,000	1,822
Beacon Roofing Supply, Inc.		
4.500%, 11/15/26 144A	450,000	463
Boyd Gaming Corp.		
4.750%, 12/1/27 144A	1,400,000	1,454
6.000%, 8/15/26	725,000	778
6.375%, 4/1/26	775,000	834
CD&R Waterworks Merger Sub LLC		
6.125%, 8/15/25 144A	3,375,000	3,502
CRC Escrow Issuer LLC / CRC Finco, Inc.		
5.250%, 10/15/25 144A	2,850,000	2,946
Dana Financing Luxembourg Sarl		
5.750%, 4/15/25 144A	650,000	679
6.500%, 6/1/26 144A	2,575,000	2,752
Dana, Inc.		
5.375%, 11/15/27	350,000	360
Eldorado Resorts, Inc.		
6.000%, 4/1/25	2,275,000	2,394
6.000%, 9/15/26	325,000	358
Ferrellgas LP / Ferrellgas Finance Corp.		
6.500%, 5/1/21	625,000	541
6.750%, 1/15/22	2,300,000	1,955
6.750%, 6/15/23	875,000	739
The Goodyear Tire & Rubber Co.		
4.875%, 3/15/27	1,300,000	1,345
5.000%, 5/31/26	1,450,000	1,508
5.125%, 11/15/23	250,000	254
Hanesbrands, Inc.		
4.875%, 5/15/26 144A	875,000	926
Hilton Domestic Operating Co., Inc.		
4.875%, 1/15/30	500,000	530
5.125%, 5/1/26	1,825,000	1,921
Hilton Worldwide Finance LLC / Hilton Worldwide Finance Corp.		
4.625%, 4/1/25	725,000	745

High Yield Bond Portfolio

Corporate Bonds (94.6%)	Shares/ Par +	Value $ (000's)
Consumer, Cyclical continued		
IAA Spinco, Inc.		
5.500%, 6/15/27 144A	450,000	478
IHO Verwaltungs GmbH		
4.750%, 9/15/26 144A	2,925,000	2,984
6.000%, 5/15/27 144A	800,000	848
6.375%, 5/15/29 144A	900,000	967
JB Poindexter & Co., Inc.		
7.125%, 4/15/26 144A	1,975,000	2,084
KAR Auction Services, Inc.		
5.125%, 6/1/25 144A	1,425,000	1,482
KFC Holding Co. / Pizza Hut Holdings LLC / Taco Bell of America LLC		
4.750%, 6/1/27 144A	550,000	579
5.000%, 6/1/24 144A	800,000	829
5.250%, 6/1/26 144A	1,600,000	1,688
Live Nation Entertainment, Inc.		
4.750%, 10/15/27 144A	525,000	543
MGM Resorts International		
4.625%, 9/1/26	150,000	159
5.500%, 4/15/27	400,000	444
5.750%, 6/15/25	1,175,000	1,316
6.000%, 3/15/23	2,275,000	2,497
Michaels Stores, Inc.		
8.000%, 7/15/27 144A	1,775,000	1,695
Mohegan Tribal Gaming Authority		
7.875%, 10/15/24 144A	2,400,000	2,448
Panther BF Aggregator 2 LP / Panther Finance Co., Inc.		
6.250%, 5/15/26 144A	300,000	323
8.500%, 5/15/27 144A	5,675,000	6,030
Party City Holdings, Inc.		
6.125%, 8/15/23 144A	2,600,000	2,275
6.625%, 8/1/26 144A	2,525,000	1,780
Penn National Gaming, Inc.		
5.625%, 1/15/27 144A	825,000	872
Performance Food Group, Inc.		
5.500%, 6/1/24 144A	325,000	333
5.500%, 10/15/27 144A	1,500,000	1,603
Red Rock Resorts, Inc.		
5.000%, 10/1/25 144A	2,150,000	2,188
Six Flags Entertainment Corp.		
4.875%, 7/31/24 144A	450,000	466
5.500%, 4/15/27 144A	3,575,000	3,812
Stars Group Holdings BV		
7.000%, 7/15/26 144A	3,950,000	4,281
Suburban Propane Partners LP / Suburban Energy Finance Corp.		
5.500%, 6/1/24	3,275,000	3,365
5.750%, 3/1/25	275,000	283
5.875%, 3/1/27	900,000	936
Sugarhouse HSP Gaming Prop Mezz LP / Sugarhouse HSP Gaming Finance Corp.		
5.875%, 5/15/25 144A	1,250,000	1,247
Viking Cruises, Ltd.		
5.875%, 9/15/27 144A	75,000	80
6.250%, 5/15/25 144A	600,000	625
VOC Escrow, Ltd.		
5.000%, 2/15/28 144A	1,400,000	1,467
The William Carter Co.		
5.625%, 3/15/27 144A	225,000	242
Wyndham Hotels & Resorts, Inc.		
5.375%, 4/15/26 144A	550,000	580
Yum! Brands, Inc.		
4.750%, 1/15/30 144A	725,000	759
Total		**105,601**
Consumer, Non-cyclical (19.7%)		
Acadia Healthcare Co., Inc.		
5.625%, 2/15/23	575,000	584
6.500%, 3/1/24	3,975,000	4,119
Air Medical Merger Sub Corp.		
6.375%, 5/15/23 144A	3,575,000	3,200
Albertsons Cos., Inc. / Safeway, Inc. / New Albertson's LP / Albertson's LLC		
5.750%, 3/15/25	4,575,000	4,735
5.875%, 2/15/28 144A	700,000	744
6.625%, 6/15/24	1,300,000	1,361
7.500%, 3/15/26 144A	625,000	702
Allied Universal Holdco LLC		
6.625%, 7/15/26 144A	600,000	645
9.750%, 7/15/27 144A	5,725,000	6,116
Avantor, Inc.		
6.000%, 10/1/24 144A	825,000	880
9.000%, 10/1/25 144A	3,975,000	4,442
B&G Foods, Inc.		
5.250%, 4/1/25	2,125,000	2,185
Bausch Health Cos., Inc.		
5.000%, 1/30/28 144A	975,000	1,001
5.750%, 8/15/27 144A	775,000	841
7.250%, 5/30/29 144A	1,600,000	1,828
Centene Corp.		
4.250%, 12/15/27 144A	2,125,000	2,186
4.625%, 12/15/29 144A	2,425,000	2,556
4.750%, 1/15/25 144A	725,000	753
4.750%, 1/15/25	425,000	441
Centene Escrow I Corp.		
5.375%, 6/1/26 144A	1,450,000	1,539
Charles River Laboratories International, Inc.		
4.250%, 5/1/28 144A	400,000	407
5.500%, 4/1/26 144A	600,000	645
CHS / Community Health Systems, Inc.		
6.250%, 3/31/23	2,275,000	2,309
8.000%, 3/15/26 144A	1,050,000	1,081
8.625%, 1/15/24 144A	750,000	795
Eagle Holding Co. II LLC		
7.625%, 5/15/22 144A	1,150,000	1,168
7.750%, 5/15/22 144A	1,375,000	1,396
Endo Finance LLC / Endo Finco, Inc.		
6.000%, 7/15/23 144A	1,955,000	1,412
6.000%, 2/1/25 144A	3,300,000	2,225
Enterprise Merger Sub, Inc.		
8.750%, 10/15/26 144A	3,100,000	1,922
Financial & Risk US Holdings, Inc.		
6.250%, 5/15/26 144A	600,000	655
8.250%, 11/15/26 144A	4,750,000	5,350
Gartner, Inc.		
5.125%, 4/1/25 144A	850,000	885
GW B-CR Security Corp.		
9.500%, 11/1/27 144A	4,144,000	4,424
HCA Healthcare, Inc.		
6.250%, 2/15/21	1,385,000	1,444

High Yield Bond Portfolio

Corporate Bonds (94.6%)	Shares/ Par +	Value $ (000's)
Consumer, Non-cyclical continued		
HCA, Inc.		
5.000%, 3/15/24	750,000	819
5.375%, 2/1/25	2,250,000	2,488
5.375%, 9/1/26	975,000	1,086
5.625%, 9/1/28	650,000	741
5.875%, 5/1/23	2,520,000	2,785
5.875%, 2/15/26	2,825,000	3,212
5.875%, 2/1/29	550,000	636
Hill-Rom Holdings, Inc.		
4.375%, 9/15/27 144A	325,000	334
Jaguar Holding Co. II / Pharmaceutical Product Development LLC		
6.375%, 8/1/23 144A	6,675,000	6,890
Lamb Weston Holdings, Inc.		
4.875%, 11/1/26 144A	1,075,000	1,139
Mallinckrodt International Finance SA / Mallinckrodt CB LLC		
5.500%, 4/15/25 144A	4,600,000	1,633
5.625%, 10/15/23 144A	2,775,000	1,055
MEDNAX, Inc.		
6.250%, 1/15/27 144A	1,700,000	1,743
MPH Acquisition Holdings LLC		
7.125%, 6/1/24 144A	5,650,000	5,466
The Nielsen Co. Luxembourg SARL		
5.000%, 2/1/25 144A	875,000	901
Nielsen Finance LLC / Nielsen Finance Co.		
5.000%, 4/15/22 144A	2,000,000	2,008
Ortho Clinical, Inc.		
6.625%, 5/15/22 144A	3,775,000	3,751
Polaris Intermediate Corp.		
8.500%, 12/1/22 144A	2,200,000	2,049
Post Holdings, Inc.		
5.000%, 8/15/26 144A	975,000	1,030
5.500%, 3/1/25 144A	1,275,000	1,336
5.625%, 1/15/28 144A	975,000	1,051
5.750%, 3/1/27 144A	3,775,000	4,049
Prestige Brands, Inc.		
5.125%, 1/15/28 144A	425,000	445
6.375%, 3/1/24 144A	3,525,000	3,666
RegionalCare Hospital Partners Holdings, Inc.		
11.500%, 5/1/24 144A	525,000	566
RegionalCare Hospital Partners Holdings, Inc. / LifePoint Health, Inc.		
9.750%, 12/1/26 144A	3,250,000	3,672
Surgery Center Holdings, Inc.		
6.750%, 7/1/25 144A	2,425,000	2,425
Team Health Holdings, Inc.		
6.375%, 2/1/25 144A	6,325,000	4,222
Teleflex, Inc.		
4.625%, 11/15/27	450,000	477
Tenet Healthcare Corp.		
4.625%, 7/15/24	1,400,000	1,433
4.875%, 1/1/26 144A	1,200,000	1,257
5.125%, 5/1/25	2,400,000	2,472
5.125%, 11/1/27 144A	1,175,000	1,241
6.750%, 6/15/23	2,100,000	2,307
7.000%, 8/1/25	1,625,000	1,716
United Rentals North America, Inc.		
3.875%, 11/15/27	325,000	332
4.875%, 1/15/28	1,750,000	1,822
5.250%, 1/15/30	425,000	457
5.500%, 7/15/25	225,000	234
5.500%, 5/15/27	1,225,000	1,312
5.875%, 9/15/26	850,000	912
6.500%, 12/15/26	600,000	659
US Foods, Inc.		
5.875%, 6/15/24 144A	3,225,000	3,322
Valeant Pharmaceuticals International, Inc.		
5.500%, 3/1/23 144A	537,000	540
5.500%, 11/1/25 144A	725,000	758
5.875%, 5/15/23 144A	1,150,000	1,160
6.125%, 4/15/25 144A	4,700,000	4,856
6.500%, 3/15/22 144A	150,000	153
7.000%, 3/15/24 144A	700,000	728
8.500%, 1/31/27 144A	2,175,000	2,477
9.000%, 12/15/25 144A	1,250,000	1,422
9.250%, 4/1/26 144A	525,000	603
Vizient, Inc.		
6.250%, 5/15/27 144A	475,000	508
WellCare Health Plans, Inc.		
5.375%, 8/15/26 144A	800,000	852
West Street Merger Sub, Inc.		
6.375%, 9/1/25 144A	4,550,000	4,539
Total		**166,723**
Energy (13.0%)		
Antero Midstream Partners LP / Antero Midstream Finance Corp.		
5.375%, 9/15/24	2,000,000	1,855
5.750%, 3/1/27 144A	1,725,000	1,517
5.750%, 1/15/28 144A	2,600,000	2,262
Antero Resources Corp.		
5.125%, 12/1/22	340,000	303
5.625%, 6/1/23	1,000,000	802
Archrock Partners LP		
6.250%, 4/1/28 144A	450,000	463
6.875%, 4/1/27 144A	2,800,000	2,961
Ascent Resources Utica Holdings LLC / ARU Finance Corp.		
7.000%, 11/1/26 144A	275,000	219
10.000%, 4/1/22 144A	900,000	895
Berry Petroleum Co. LLC		
7.000%, 2/15/26 144A	1,200,000	1,111
Callon Petroleum Co.		
6.125%, 10/1/24	1,502,000	1,530
6.375%, 7/1/26	1,050,000	1,065
Carrizo Oil & Gas, Inc.		
6.250%, 4/15/23	1,750,000	1,776
8.250%, 7/15/25	425,000	435
Centennial Resource Production LLC		
6.875%, 4/1/27 144A	1,400,000	1,456
Cheniere Corpus Christi Holdings LLC		
5.125%, 6/30/27	500,000	553
5.875%, 3/31/25	1,600,000	1,799
Cheniere Energy Partners LP		
4.500%, 10/1/29 144A	925,000	951
5.250%, 10/1/25	2,850,000	2,970
5.625%, 10/1/26	1,200,000	1,269
Chesapeake Energy Corp.		
7.000%, 10/1/24	1,000,000	602
11.500%, 1/1/25 144A	2,169,000	2,050

High Yield Bond Portfolio

Corporate Bonds (94.6%)	Shares/ Par +	Value $ (000's)
Energy continued		
CNX Midstream Finance Corp.		
6.500%, 3/15/26 144A	3,200,000	2,952
Coeur Mining, Inc.		
5.875%, 6/1/24	2,075,000	2,075
CrownRock LP / CrownRock Finance, Inc.		
5.625%, 10/15/25 144A	3,025,000	3,086
CVR Refining LLC / Coffeyville Finance, Inc.		
6.500%, 11/1/22	3,150,000	3,189
Endeavor Energy Resources LP / EER Finance, Inc.		
5.750%, 1/30/28 144A	575,000	604
Enviva Partners LP / Enviva Partners Finance Corp.		
6.500%, 1/15/26 144A	3,175,000	3,399
EP Energy LLC / Everest Acquisition Finance, Inc.		
8.000%, 11/29/24 144A φ	1,850,000	925
Gulfport Energy Corp.		
6.000%, 10/15/24	550,000	391
6.375%, 5/15/25	1,025,000	651
6.375%, 1/15/26	425,000	264
6.625%, 5/1/23	575,000	484
Hess Midstream Partners LP		
5.125%, 6/15/28 144A	1,300,000	1,316
Holly Energy Partners LP / Holly Energy Finance Corp.		
6.000%, 8/1/24 144A	3,275,000	3,414
Jagged Peak Energy LLC		
5.875%, 5/1/26	1,475,000	1,523
Laredo Petroleum, Inc.		
5.625%, 1/15/22	1,250,000	1,213
6.250%, 3/15/23	400,000	375
MPLX LP		
6.250%, 10/15/22 144A	503,000	513
6.375%, 5/1/24 144A	575,000	601
NuStar Logistics LP		
5.625%, 4/28/27	2,725,000	2,800
6.000%, 6/1/26	700,000	740
Oasis Petroleum, Inc.		
6.250%, 5/1/26 144A	2,275,000	1,888
6.875%, 3/15/22	611,000	588
Parsley Energy LLC / Parsley Finance Corp.		
5.250%, 8/15/25 144A	225,000	231
5.625%, 10/15/27 144A	1,075,000	1,137
6.250%, 6/1/24 144A	300,000	312
PDC Energy, Inc.		
5.750%, 5/15/26	1,525,000	1,521
6.125%, 9/15/24	575,000	582
Precision Drilling Corp.		
5.250%, 11/15/24	225,000	206
7.125%, 1/15/26 144A	1,025,000	974
7.750%, 12/15/23	1,000,000	998
QEP Resources, Inc.		
5.250%, 5/1/23	575,000	569
5.625%, 3/1/26	975,000	951
Range Resources Corp.		
4.875%, 5/15/25	2,050,000	1,753
5.000%, 3/15/23	150,000	138
SESI LLC		
7.125%, 12/15/21	1,850,000	1,578
7.750%, 9/15/24	2,600,000	1,729
Shelf Drilling Holdings, Ltd.		
8.250%, 2/15/25 144A	1,900,000	1,810
SM Energy Co.		
5.625%, 6/1/25	1,000,000	949
6.625%, 1/15/27	250,000	246
6.750%, 9/15/26	1,300,000	1,274
Southwestern Energy Co.		
7.750%, 10/1/27	875,000	810
SRC Energy, Inc.		
6.250%, 12/1/25	1,850,000	1,864
Summit Midstream Holdings LLC / Summit Midstream Finance Corp.		
5.500%, 8/15/22	2,680,000	2,385
5.750%, 4/15/25	2,275,000	1,738
Sunoco LP / Sunoco Finance Corp.		
5.500%, 2/15/26	775,000	804
5.875%, 3/15/28	900,000	956
Targa Resources Partners LP / Targa Resources Partners Finance Corp.		
5.000%, 1/15/28	1,925,000	1,964
5.125%, 2/1/25	1,425,000	1,478
5.375%, 2/1/27	2,150,000	2,231
5.500%, 3/1/30 144A	2,000,000	2,055
5.875%, 4/15/26	1,350,000	1,434
6.500%, 7/15/27 144A	300,000	329
TerraForm Power Operating LLC		
4.250%, 1/31/23 144A	175,000	180
4.750%, 1/15/30 144A	1,725,000	1,755
5.000%, 1/31/28 144A	3,000,000	3,172
TransMontaigne Partners LP / TLP Finance Corp.		
6.125%, 2/15/26	1,175,000	1,152
Ultra Resources, Inc.		
6.875%, 4/15/22 144A	350,000	43
7.125%, 4/15/25 144A	1,325,000	86
USA Compression Finance Corp.		
6.875%, 4/1/26	3,250,000	3,413
USA Compression Partners LP / USA Compression Finance Corp.		
6.875%, 9/1/27	725,000	755
Whiting Petroleum Corp.		
6.250%, 4/1/23	1,150,000	963
6.625%, 1/15/26	1,600,000	1,090
WPX Energy, Inc.		
5.250%, 10/15/27	325,000	343
5.750%, 6/1/26	425,000	454
Total		**110,247**
Financial (6.2%)		
Acrisure LLC / Acrisure Finance, Inc.		
7.000%, 11/15/25 144A	2,450,000	2,364
8.125%, 2/15/24 144A	1,250,000	1,359
10.125%, 8/1/26 144A	350,000	377
Alliant Holdings Intermediate LLC / Alliant Holdings Co-Issuer		
6.750%, 10/15/27 144A	1,650,000	1,767
Ally Financial, Inc.		
5.750%, 11/20/25	2,000,000	2,238
AmWINS Group, Inc.		
7.750%, 7/1/26 144A	3,950,000	4,365

High Yield Bond Portfolio

Corporate Bonds (94.6%)	Shares/ Par +	Value $ (000's)
Financial continued		
AssuredPartners, Inc.		
7.000%, 8/15/25 144A	3,250,000	3,306
GTCR AP Finance, Inc.		
8.000%, 5/15/27 144A	850,000	884
HUB International, Ltd.		
7.000%, 5/1/26 144A	8,900,000	9,412
KIRS Midco 3 PLC		
8.625%, 7/15/23 144A	1,075,000	1,067
MGM Growth Properties Operating Partnership LP / MGP Finance Co-Issuer, Inc.		
5.625%, 5/1/24	475,000	518
5.750%, 2/1/27 144A	225,000	251
National Financial Partners Corp.		
6.875%, 7/15/25 144A	4,175,000	4,185
8.000%, 7/15/25 144A	650,000	663
Navient Corp.		
5.875%, 10/25/24	1,850,000	1,980
6.125%, 3/25/24	1,075,000	1,166
6.750%, 6/25/25	1,325,000	1,463
6.750%, 6/15/26	350,000	385
7.250%, 9/25/23	550,000	622
Quicken Loans, Inc.		
5.250%, 1/15/28 144A	1,575,000	1,630
5.750%, 5/1/25 144A	4,725,000	4,884
Ryman Hospitality Properties, Inc.		
4.750%, 10/15/27 144A	925,000	955
USIS Merger Sub, Inc.		
6.875%, 5/1/25 144A	4,400,000	4,498
VICI Properties LP / VICI Note Co., Inc.		
4.250%, 12/1/26 144A	975,000	1,004
4.625%, 12/1/29 144A	775,000	810
Total		**52,153**
Industrial (13.1%)		
Amsted Industries, Inc.		
5.625%, 7/1/27 144A	650,000	689
ARD Finance SA		
6.500%, 6/30/27 144A	4,200,000	4,343
Ardagh Packaging Finance PLC / Ardagh Holdings USA, Inc.		
5.250%, 8/15/27 144A	1,000,000	1,053
6.000%, 2/15/25 144A	2,975,000	3,120
Avolon Holdings Funding, Ltd.		
5.125%, 10/1/23 144A	600,000	647
5.250%, 5/15/24 144A	325,000	355
Berry Global Escrow Corp.		
4.875%, 7/15/26 144A	1,950,000	2,057
5.625%, 7/15/27 144A	1,150,000	1,233
Berry Plastics Corp.		
5.125%, 7/15/23	1,150,000	1,180
5.500%, 5/15/22	4,205,000	4,252
6.000%, 10/15/22	206,000	210
BWAY Holding Co.		
5.500%, 4/15/24 144A	2,175,000	2,240
7.250%, 4/15/25 144A	5,725,000	5,653
CFX Escrow Corp.		
6.000%, 2/15/24 144A	525,000	558
6.375%, 2/15/26 144A	450,000	490

Corporate Bonds (94.6%)	Shares/ Par +	Value $ (000's)
Industrial continued		
Crown Americas LLC / Crown Americas Capital Corp. VI		
4.750%, 2/1/26	1,175,000	1,241
Energizer Holdings, Inc.		
5.500%, 6/15/25 144A	225,000	233
6.375%, 7/15/26 144A	1,400,000	1,491
7.750%, 1/15/27 144A	975,000	1,090
Flex Acquisition Co., Inc.		
6.875%, 1/15/25 144A	5,000,000	5,037
7.875%, 7/15/26 144A	3,700,000	3,728
Gates Global LLC / Gates Global Co.		
6.250%, 1/15/26 144A	3,425,000	3,484
Graphic Packaging International LLC		
4.750%, 7/15/27 144A	650,000	695
Greif, Inc.		
6.500%, 3/1/27 144A	450,000	486
The Hillman Group, Inc.		
6.375%, 7/15/22 144A	1,950,000	1,813
Koppers, Inc.		
6.000%, 2/15/25 144A	3,700,000	3,876
Masonite International Corp.		
5.750%, 9/15/26 144A	700,000	744
Owens-Brockway Glass Container, Inc.		
5.375%, 1/15/25 144A	2,075,000	2,137
5.875%, 8/15/23 144A	900,000	961
6.375%, 8/15/25 144A	1,050,000	1,147
Park Aerospace Holdings, Ltd.		
4.500%, 3/15/23 144A	550,000	576
5.500%, 2/15/24 144A	5,700,000	6,258
Pisces Midco, Inc.		
8.000%, 4/15/26 144A	3,000,000	3,127
Resideo Funding, Inc.		
6.125%, 11/1/26 144A	1,125,000	1,133
Reynolds Group Issuer, Inc. / Reynolds Group Issuer LLC / Reynolds Group Issuer LU		
5.750%, 10/15/20	3,057,535	3,061
7.000%, 7/15/24 144A	2,575,000	2,662
Sealed Air Corp.		
4.000%, 12/1/27 144A	350,000	354
5.125%, 12/1/24 144A	1,950,000	2,101
Sensata Technologies BV		
5.625%, 11/1/24 144A	950,000	1,057
Sensata Technologies, Inc.		
4.375%, 2/15/30 144A	325,000	331
Standard Industries, Inc.		
4.750%, 1/15/28 144A	625,000	641
5.000%, 2/15/27 144A	3,100,000	3,232
6.000%, 10/15/25 144A	1,625,000	1,708
Stevens Holding Co., Inc.		
6.125%, 10/1/26 144A	900,000	983
Tervita Escrow Corp.		
7.625%, 12/1/21 144A	2,000,000	2,012
Titan Acquisition, Ltd. / Titan Co-Borrower LLC		
7.750%, 4/15/26 144A	1,850,000	1,832
TransDigm UK Holdings PLC		
6.875%, 5/15/26	625,000	666
TransDigm, Inc.		
5.500%, 11/15/27 144A	850,000	860
6.250%, 3/15/26 144A	2,250,000	2,436
6.375%, 6/15/26	1,850,000	1,962

High Yield Bond Portfolio

Corporate Bonds (94.6%)	Shares/ Par +	Value $ (000's)
Industrial continued		
6.500%, 7/15/24	4,875,000	5,028
6.500%, 5/15/25	300,000	312
7.500%, 3/15/27	350,000	383
Trident Merger Sub, Inc.		
6.625%, 11/1/25 144A	2,225,000	2,003
Trident TPI Holdings, Inc.		
9.250%, 8/1/24 144A	1,450,000	1,465
Trivium Packaging Finance BV		
5.500%, 8/15/26 144A	525,000	553
8.500%, 8/15/27 144A	1,400,000	1,558
TTM Technologies, Inc.		
5.625%, 10/1/25 144A	1,800,000	1,861
WESCO Distribution, Inc.		
5.375%, 12/15/21	2,905,000	2,912
5.375%, 6/15/24	1,750,000	1,816
Total		**111,126**
Other Holdings (–%)		
General Motors Co. Escrow		
7.200%, 1/15/49 *,Æ	610,000	–
8.375%, 7/15/49 *,Æ	4,865,000	–
iHeart Media Escrow		
9.000%, 3/1/21 *,Æ	600,000	–
9.000%, 9/15/22 *,Æ	1,515,000	–
Total		**–**
Technology (6.5%)		
Banff Merger Sub, Inc.		
9.750%, 9/1/26 144A	2,850,000	2,886
CDW LLC / CDW Finance Corp.		
4.250%, 4/1/28	375,000	393
5.000%, 9/1/25	350,000	366
5.500%, 12/1/24	2,075,000	2,303
Diamond 1 Finance Corp. / Diamond 2 Finance Corp.		
5.875%, 6/15/21 144A	298,000	303
7.125%, 6/15/24 144A	4,025,000	4,246
Entegris, Inc.		
4.625%, 2/10/26 144A	850,000	880
Fair Isaac Corp.		
4.000%, 6/15/28 144A	325,000	327
IMS Health, Inc.		
5.000%, 10/15/26 144A	2,250,000	2,374
Inception Merger Sub, Inc. / Rackspace Hosting, Inc.		
8.625%, 11/15/24 144A	4,025,000	3,934
Infor US, Inc.		
6.500%, 5/15/22	4,900,000	4,973
Informatica LLC		
7.125%, 7/15/23 144A	3,675,000	3,730
IQVIA, Inc.		
5.000%, 5/15/27 144A	750,000	793
JDA Escrow LLC / JDA Bond Finance, Inc.		
7.375%, 10/15/24 144A	3,300,000	3,428
NCR Corp.		
5.750%, 9/1/27 144A	1,025,000	1,092
6.375%, 12/15/23	520,000	533
Nuance Communications, Inc.		
5.625%, 12/15/26	1,400,000	1,492
Qorvo, Inc.		
4.375%, 10/15/29 144A	1,350,000	1,414

Corporate Bonds (94.6%)	Shares/ Par +	Value $ (000's)
Technology continued		
Riverbed Technology, Inc.		
8.875%, 3/1/23 144A	775,000	446
Sensata Technologies UK Financing Co. PLC		
6.250%, 2/15/26 144A	200,000	216
Sophia LP / Sophia Finance, Inc.		
9.000%, 9/30/23 144A	1,450,000	1,490
SS&C Technologies, Inc.		
5.500%, 9/30/27 144A	3,550,000	3,790
Star Merger Sub, Inc.		
6.875%, 8/15/26 144A	975,000	1,076
10.250%, 2/15/27 144A	4,425,000	5,089
Tempo Acquisition LLC / Tempo Acquisition Finance Corp.		
6.750%, 6/1/25 144A	6,075,000	6,272
Western Digital Corp.		
4.750%, 2/15/26	1,100,000	1,147
Total		**54,993**
Utilities (2.4%)		
AmeriGas Partners LP / AmeriGas Finance Corp.		
5.500%, 5/20/25	350,000	378
5.625%, 5/20/24	425,000	459
5.750%, 5/20/27	550,000	604
5.875%, 8/20/26	2,350,000	2,591
Calpine Corp.		
4.500%, 2/15/28 144A	1,575,000	1,589
5.125%, 3/15/28 144A	825,000	842
5.250%, 6/1/26 144A	900,000	937
5.750%, 1/15/25	2,800,000	2,874
NRG Energy, Inc.		
5.250%, 6/15/29 144A	1,250,000	1,352
5.750%, 1/15/28	225,000	244
6.625%, 1/15/27	2,050,000	2,224
7.250%, 5/15/26	1,525,000	1,666
Vistra Energy Corp.		
5.875%, 6/1/23	225,000	230
Vistra Operations Co. LLC		
5.000%, 7/31/27 144A	1,100,000	1,149
5.500%, 9/1/26 144A	900,000	954
5.625%, 2/15/27 144A	1,925,000	2,028
Total		**20,121**
Total Corporate Bonds (Cost: $791,024)		**800,056**
Short-Term Investments (3.8%)		
Money Market Funds (3.8%)		
State Street Institutional U.S. Government Money Market Fund - Premier Class 1.540%#	32,251,953	32,252
Total		**32,252**
Total Short-Term Investments (Cost: $32,252)		**32,252**
Total Investments (98.5%) (Cost: $824,457)@		**833,192**
Other Assets, Less Liabilities (1.5%)		**12,935**
Net Assets (100.0%)		**846,127**

High Yield Bond Portfolio

+ All par is stated in U.S Dollar unless otherwise noted.
* Non income producing
144A Security exempt from registration under Rule 144A of the Securities Act of 1933. These securities may be resold as transactions exempt from registration, normally to qualified institutional buyers. At December 31, 2019 the value of these securities (in thousands) was $553,121 representing 65.4% of the net assets.
ϕ Defaulted Security
Æ Security valued using significant unobservable inputs.
7-Day yield as of 12/31/2019.
@ At December 31, 2019, the aggregate cost of investments, including derivatives, for federal tax purposes (in thousands) was $824,142 and the net unrealized appreciation of investments based on that cost was $9,050 which is comprised of $33,960 aggregate gross unrealized appreciation and $24,910 aggregate gross unrealized depreciation.

The following is a summary of the inputs used in valuing the Portfolio's assets and liabilities at December 31, 2019. See Note 3 for additional information on portfolio valuation.

	Valuation Inputs		
Description	**Level 1 - Quoted Prices**	**Level 2 - Other Significant Observable Inputs**	**Level 3 - Significant Unobservable Inputs**
	(Amounts in thousands)		
Assets:			
Common Stocks	$ 884	$ —	$ —
Corporate Bonds	—	800,056	—
Short-Term Investments	32,252	—	—
Total Assets:	$ 33,136	$ 800,056	$ —

Multi-Sector Bond Portfolio (unaudited)

Objective:	Portfolio Strategy:	Net Assets:
Maximum total return, consistent with prudent investment management.	Invest in a diversified portfolio of fixed income instruments of varying maturities and quality, and in derivatives designed to replicate such securities.	$1.0 billion

PORTFOLIO OVERVIEW

Mason Street Advisors, LLC ("Mason Street Advisors"), the investment adviser for the Multi-Sector Bond Portfolio (the "Portfolio"), has engaged Pacific Investment Management Company LLC ("PIMCO") to act as sub-adviser for the Portfolio. Normally, the Portfolio invests in a diversified portfolio of fixed income instruments of varying maturities, which may be represented by forwards or derivatives such as options, futures contracts or swap agreements. The average portfolio duration (a measure of the sensitivity of the Portfolio's fixed income portfolio securities to changes in interest rates) of the Portfolio normally varies from three to eight years, based on the Portfolio's forecast for interest rates. The Portfolio may invest all of its assets in high yield securities subject to a maximum of 10% of its total assets in securities rated below B by Moody's or equivalently rated by S&P or Fitch or, if unrated, determined to be of comparable quality (so called "junk bonds"). The Portfolio may invest, without limitation, in securities denominated in foreign currencies and U.S. dollar denominated securities of foreign issuers. In addition, the Portfolio may invest without limit in fixed income securities of issuers that are economically tied to emerging securities markets.

MARKET OVERVIEW

The beginning of 2019 was characterized by decelerating growth momentum, which culminated in the U.S. Federal Reserve (the "Fed") lowering its outlook for interest rate increases in 2019 to zero and signaling an end to its balance sheet reduction program. Against this backdrop of slowing global growth, the second quarter saw softened sentiment measures highlighting growing uncertainties about the economic outlook. Slowing growth momentum and global uncertainty continued through the third quarter, prompting global central banks to take further accommodative actions. Finally, in the fourth quarter, renewed optimism surrounding the "Phase One" trade deal between the U.S. and China provided a boost to risk appetites. Despite mixed global economic data, trade discussions continued to support risk sentiment through the end of 2019 and capped a year of strong risk asset returns as U.S. equities closed at new highs, credit spreads tightened and the dollar weakened.

PORTFOLIO RESULTS

The Portfolio returned 14.04% for the twelve months ended December 31, 2019. By comparison, the Portfolio's benchmark, the Bloomberg Barclays® Global Credit Hedged USD Index returned 12.08%. The Portfolio's custom benchmark, comprised of 1/3 each: Bloomberg Barclays® Global Aggregate - Credit Component ex Emerging Markets, Hedged USD; BofA Merrill Lynch® Global High Yield BB-B Rated Constrained Developed Markets Index, Hedged USD; J.P. Morgan® EMBI Global (the "Equal Weighted Composite Index"), returned 13.68% (These Indices are unmanaged, cannot be invested in directly and do not incur expenses.) According to Lipper® Analytical Services, Inc., an independent mutual fund ranking agency, the average return in 2019 of the Multi-Sector Income Funds peer group was 9.85%.

Within corporate credit, an overweight to Financials and Media contributed to returns, as credit spreads broadly rallied alongside the positive risk-on sentiment during the year. Within Industrials, sector positioning in investment grade bonds, most notably overweight exposure to outperforming pipelines and telecom, added to performance. During the year, the Portfolio's credit exposure was partially obtained through the use of credit default swaps. Additionally, tactical exposure to non-agency mortgage backed securities was positive.

The primary detractor during the reporting period was broad underweight exposure to emerging market external debt, as spreads rallied during the year supported by positive risk-on sentiment and a dovish Fed. Additionally, underweight exposure to developed market duration, particularly in Europe, detracted from performance as rates fell throughout the year with the European Central Bank delivering one rate cut and re-introducing quantitative easing in the third quarter.

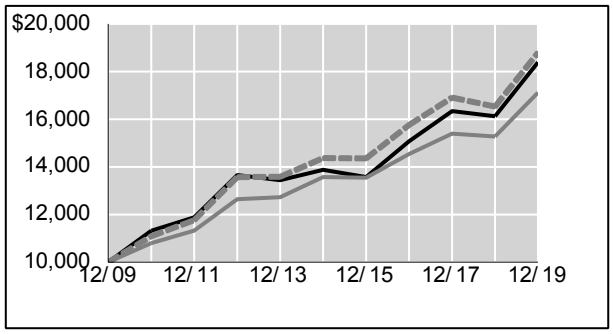
PORTFOLIO MANAGER OUTLOOK

The following forward-looking comments are the opinion of PIMCO, the Portfolio's sub-adviser.

While the baseline outlook for 2020 looks positive, we recognize that risk premia have been compressed by central bank action, leaving little cushion in the event of disruption. We see a range of political and geopolitical risks in addition to the potential for macro surprises, central bank exhaustion and rising volatility. As well as a close focus on liquidity

management, careful scaling of investment positions and caution on generic credit, we will look to have somewhat lower weight on top-down macro trades, to keep powder dry and potentially go on the offensive in a more difficult investment environment. Considering this outlook, we will seek to invest with a bias to higher quality positions, a very close focus on portfolio liquidity and a diversified approach to generating income. In the U.S., we expect slower growth followed by an eventual rebound. We continue to expect real U.S. GDP growth to slow to a range of 1.5%-2.0% in 2020, down from an estimated 2.3% pace in 2019.

Relative Performance



Multi-Sector Bond Portfolio

Bloomberg Barclays® Global Credit Hedged USD Index

1/ 3 each: Bloomberg Barclays® Global Aggregate–Credit Component ex Emerging Markets, Hedged USD; BofA Merrill Lynch® Global High Yield BB-B Rated Constrained Developed Markets Index, Hedged USD; JP Morgan® EMBI Global

Average Annual Total Returns
For Periods Ended December 31, 2019

	1 Year	5 Years	10 Years
Multi-Sector Bond Portfolio	14.04%	5.79%	6.28%
Bloomberg Barclays® Global Credit Hedged USD Index	12.08%	4.75%	5.52%
1/3 each: Bloomberg Barclays® Global Aggregate — Credit Component ex Emerging Markets, Hedged USD; BofA Merrill Lynch® Global High Yield BB-B Rated Constrained Developed Markets Index, Hedged USD; JP Morgan® EMBI Global	13.68%	5.52%	6.51%
Lipper® Variable Insurance Products (VIP) Multi-Sector Income Funds	9.85%	3.52%	4.73%

The performance data quoted represents past performance. Past performance is historical and does not guarantee future performance. Investment return and principal value will fluctuate, so that shares, when redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than the performance data quoted. For the most recent month-end performance information visit www.northwesternmutual.com.

This chart assumes an initial investment of $10,000 made on 12/31/09. Returns shown reflect fee waivers, deductions for management and other portfolio expenses, and reinvestment of all dividends. In the absence of fee waivers, total return would be reduced. Returns exclude deductions for separate account sale loads and account fees. Please refer to the Benchmark Definitions section of this report for information about the indices cited in the above chart and graph.

Return of principal is not guaranteed. When interest rates rise, bond prices fall. With a fixed income fund, when interest rates rise, the value of the fund's existing bonds drops, which could negatively affect overall fund performance.

Investing in bonds issued by foreign corporations and governments carries additional risk, including foreign currency risk, and may increase the volatility of the Portfolio's performance.

The Portfolio may use derivative instruments for hedging purposes or as alternatives to direct investments. Use of these instruments may involve certain costs and risks such as liquidity risk, interest rate risk, market risk, credit risk, management risk and the risk of mispricing or improper valuation. Certain derivatives involve leverage, which could magnify losses, and portfolios investing in derivatives could lose more than the principal amount invested in those instruments.

The Portfolio may invest a portion of its assets in fixed- and floating-rate loans, including senior loans, through loan participations and assignments. Investing in loans may expose the Portfolio to additional risks, including credit risk, interest rate risk, liquidity risk, call risk, settlement risk, and risks associated with being a lender.

The Portfolio may also invest in municipal securities, which may be more sensitive to certain adverse conditions than other fixed income securities, may be or become illiquid, and may have yields which move differently and adversely compared to the yields of the overall debt securities markets.

The U.S. federal funds rate has been subject to frequent adjustments over the course of the last several years. A significant rise in interest rates over a short period of time

could cause significant losses in the market value of the Portfolio's fixed income investments.

The Portfolio may engage in active and frequent trading of portfolio securities to achieve its investment objectives. Active and frequent trading may cause higher brokerage expenses and other transaction costs, which may adversely affect performance.

Top 10 Fixed Income Holdings 12/31/19

Security Description	% of Net Assets
Federal National Mortgage Association, Various	8.3%
US Treasury, Various	5.9%
Turkey Government International Bond, Various	2.7%
Spain Letras del Tesoro, 0.000%, 1/17/20	2.5%
Japan Treasury Discount Bill, 0.000%, 1/14/20	2.4%
Petroleos Mexicanos, Various	1.9%
Deutsche Bank AG, Various	1.8%
Royal Bank of Scotland Group PLC, Various	1.4%
Ukraine Government International Bond, Various	1.4%
MASTR Asset Backed Securities Trust, Series 2006-FRE2, Class A1, 1.942%, 3/25/36	1.1%

Sector Allocation 12/31/19

Sector	% of Net Assets
Corporate Bonds	51.1%
Governments	20.2%
Structured Products	14.2%
Short-Term Investments & Other Net Assets	9.9%
Bank Loan Obligations	3.5%
Municipal Bonds	1.1%
Other Holdings	–%

Sector Allocation and Top 10 Holdings are subject to change.

Multi-Sector Bond Portfolio

SCHEDULE OF INVESTMENTS

December 31, 2019

Corporate Bonds (51.1%)	Shares/ Par [+]	Value $ (000's)
Basic Materials (1.5%)		
ALROSA Finance SA		
4.650%, 4/9/24 144A	500,000	534
Georgia-Pacific LLC		
8.875%, 5/15/31	200,000	311
Indonesia Asahan Aluminium Persero PT		
5.230%, 11/15/21 144A	300,000	314
INEOS Finance PLC		
2.875%, 5/1/26 144A EUR ∞	2,700,000	3,127
MMK International Capital DAC		
4.375%, 6/13/24 144A	1,400,000	1,477
Syngenta Finance NV		
4.441%, 4/24/23 144A	200,000	209
4.892%, 4/24/25 144A	5,900,000	6,310
5.182%, 4/24/28 144A	2,800,000	3,014
Total		**15,296**
Communications (6.9%)		
Altice Financing SA		
6.625%, 2/15/23 144A	256,000	261
7.500%, 5/15/26 144A	5,171,000	5,559
Altice France SA		
8.125%, 2/1/27 144A	3,200,000	3,604
Altice Luxembourg SA		
7.625%, 2/15/25 144A	2,800,000	2,912
8.000%, 5/15/27 EUR ∞	700,000	879
AT&T, Inc.		
3.400%, 5/15/25	500,000	524
4.125%, 2/17/26	500,000	542
4.900%, 8/15/37	200,000	230
5.300%, 8/15/58 β	6,200,000	7,575
Baidu, Inc.		
3.875%, 9/29/23	200,000	208
Charter Communications Operating LLC / Charter Communications Operating Capital Corp.		
4.200%, 3/15/28	1,700,000	1,810
4.464%, 7/23/22	2,400,000	2,522
4.800%, 3/1/50	200,000	210
5.125%, 7/1/49	3,300,000	3,581
5.375%, 4/1/38	100,000	114
CommScope Technologies LLC		
5.000%, 3/15/27 144A	100,000	94
Connect Finco SARL / Connect US Finco LLC		
6.750%, 10/1/26 144A	2,700,000	2,876
Deutsche Telekom International Finance		
8.750%, 6/15/30	700,000	1,027
DISH DBS Corp.		
5.125%, 5/1/20	1,982,000	1,994
6.750%, 6/1/21	3,200,000	3,364
Koninklijke KPN NV		
5.750%, 9/17/29 GBP §,∞	750,000	1,205
Netflix, Inc.		
3.875%, 11/15/29 144A EUR ∞	3,900,000	4,626
Qwest Corp.		
7.250%, 9/15/25	500,000	575

Corporate Bonds (51.1%)	Shares/ Par [+]	Value $ (000's)
Communications continued		
SFR Group SA		
7.375%, 5/1/26 144A	7,600,000	8,160
SoftBank Group Corp.		
5.000%, 4/15/28 EUR §,∞	1,700,000	2,102
Sprint Corp.		
7.250%, 9/15/21	400,000	423
Sprint Spectrum Co. LLC / Sprint Spectrum Co. II LLC / Sprint Spectrum Co. III LLC		
5.152%, 3/20/28 144A	1,300,000	1,417
Telecom Italia Capital SA		
6.000%, 9/30/34	400,000	429
Time Warner Cable LLC		
5.875%, 11/15/40	300,000	344
6.750%, 6/15/39	200,000	253
UPCB Finance IV, Ltd.		
4.000%, 1/15/27 EUR §,∞	315,000	372
Verizon Communications, Inc.		
4.522%, 9/15/48	100,000	120
4.672%, 3/15/55	1,119,000	1,380
5.012%, 4/15/49	2,449,000	3,130
5.250%, 3/16/37	200,000	251
Virgin Media Secured Finance PLC		
4.875%, 1/15/27 GBP §,∞	3,100,000	4,272
5.000%, 4/15/27 144A GBP ∞	500,000	700
Vodafone Group PLC		
4.250%, 9/17/50	400,000	416
Total		**70,061**
Consumer, Cyclical (5.8%)		
Adient Global Holdings, Ltd.		
3.500%, 8/15/24 EUR ∞	100,000	106
American Airlines Pass Through Trust, Series 2011-1, Class A		
5.250%, 7/31/22	72,043	74
BMW Finance NV		
2.250%, 8/12/22 144A	400,000	402
Continental Airlines Pass Through Trust, Series 2010-1, Class A		
4.750%, 7/12/22	42,372	43
Enterprise Inns PLC		
6.875%, 5/9/25 GBP ∞	1,600,000	2,134
FCE Bank PLC		
0.097%, (Euribor 3 Month ACT/360 plus 0.500%), 8/26/20 EUR §,∞	100,000	112
0.869%, 9/13/21 EUR §,∞	400,000	450
1.875%, 6/24/21 EUR §,∞	100,000	115
Ford Motor Credit Co. LLC		
0.025%, (Euribor 3 Month ACT/360 plus 0.420%), 12/7/22 EUR ∞	400,000	433
0.032%, (Euribor 3 Month ACT/360 plus 0.430%), 5/14/21 EUR ∞	200,000	223
0.050%, (Euribor 3 Month ACT/360 plus 0.370%), 12/1/21 EUR ∞	1,200,000	1,320
2.881%, (ICE LIBOR USD 3 Month plus 0.880%), 10/12/21	200,000	198
3.021%, 3/6/24 EUR ∞	900,000	1,067

Multi-Sector Bond Portfolio

Corporate Bonds (51.1%)	Shares/ Par [+]	Value $ (000's)
Consumer, Cyclical continued		
3.096%, 5/4/23	500,000	499
3.145%, (ICE LIBOR USD 3 Month plus 1.235%), 2/15/23	200,000	197
3.350%, 11/1/22	1,400,000	1,413
4.063%, 11/1/24	3,200,000	3,264
5.183%, (ICE LIBOR USD 3 Month plus 3.140%), 1/7/22	200,000	207
5.584%, 3/18/24	600,000	649
5.596%, 1/7/22	1,500,000	1,580
General Motors Financial Co., Inc.		
3.450%, 4/10/22	300,000	307
5.100%, 1/17/24	1,200,000	1,302
Hilton Domestic Operating Co., Inc.		
4.875%, 1/15/30	400,000	424
Hilton Worldwide Finance Corp.		
4.875%, 4/1/27	700,000	744
IHO Verwaltungs GmbH		
3.625%, 5/15/25 EUR ∞	800,000	939
3.750%, 9/15/26 EUR §,∞	4,600,000	5,444
Jaguar Land Rover Automotive PLC		
2.200%, 1/15/24 EUR ∞	700,000	744
3.875%, 3/1/23 GBP ∞	100,000	127
5.875%, 11/15/24 EUR ∞	1,600,000	1,871
6.875%, 11/15/26 EUR ∞	3,200,000	3,769
Las Vegas Sands Corp.		
3.200%, 8/8/24	300,000	309
3.500%, 8/18/26	200,000	206
3.900%, 8/8/29	100,000	104
Marks & Spencer PLC		
3.000%, 12/8/23 GBP §,∞	300,000	412
4.750%, 6/12/25 GBP §,∞	900,000	1,306
Marriott Ownership Resorts, Inc.		
6.500%, 9/15/26	150,000	163
Melco Resorts Finance, Ltd.		
4.875%, 6/6/25 144A	400,000	410
5.375%, 12/4/29 144A	500,000	512
MGM Resorts International		
7.750%, 3/15/22	300,000	335
Mitchells & Butlers Finance PLC		
1.248%, (ICE LIBOR GBP 3 Month plus 0.450%), 12/15/30 GBP §,∞	1,304,424	1,607
2.344%, (ICE LIBOR USD 3 Month plus 0.450%), 12/15/30 §	237,168	218
6.469%, 9/15/32 GBP §,∞	200,000	300
QVC, Inc.		
4.375%, 3/15/23	2,000,000	2,063
5.450%, 8/15/34	800,000	767
Sands China, Ltd.		
4.600%, 8/8/23	300,000	317
5.400%, 8/8/28	3,200,000	3,607
Toll Brothers Finance Corp.		
4.350%, 2/15/28	100,000	104
4.875%, 3/15/27	1,200,000	1,296
Travis Perkins PLC		
4.375%, 9/15/21 GBP §,∞	200,000	274
4.500%, 9/7/23 GBP §,∞	1,900,000	2,646
US Airways Pass-Through Trust, Series 2012-1, Class A		
5.900%, 4/1/26	877,532	974
Volkswagen Bank GmbH		
1.250%, 6/10/24 EUR ∞	800,000	921
Volkswagen Financial Services Aktiengesellschaft		
0.875%, 4/12/23 EUR ∞	200,000	228
Volkswagen Group of America Finance LLC		
4.000%, 11/12/21 144A	2,500,000	2,585
Volkswagen Leasing GmbH		
2.625%, 1/15/24 EUR ∞	1,800,000	2,187
Wynn Macau, Ltd.		
5.125%, 12/15/29 144A	1,100,000	1,123
Wynn Resorts Finance LLC / Wynn Resorts Capital Corp.		
5.125%, 10/1/29 144A	800,000	859
ZF North America Capital, Inc.		
4.500%, 4/29/22 144A	436,000	449
4.750%, 4/29/25 144A	2,232,000	2,346
Total		**58,785**
Consumer, Non-cyclical (2.7%)		
AA Bond Co., Ltd.		
2.750%, 7/31/43 GBP ∞	100,000	127
2.875%, 7/31/43 GBP §,∞	2,900,000	3,811
4.248%, 7/31/43 GBP ∞	800,000	1,074
4.875%, 7/31/43 GBP §,∞	200,000	270
5.500%, 7/31/43 GBP §,∞	400,000	452
Adani Ports & Special Economic Zone, Ltd.		
4.375%, 7/3/29 144A	200,000	207
Allergan Funding SCS		
1.500%, 11/15/23 EUR ∞	400,000	472
Amgen, Inc.		
4.663%, 6/15/51	1,041,000	1,222
Bacardi, Ltd.		
4.700%, 5/15/28 144A	2,900,000	3,157
BAT Capital Corp.		
3.222%, 8/15/24	100,000	102
3.557%, 8/15/27	500,000	510
Casino Guichard Perrachon SA		
1.865%, 6/13/22 EUR §,∞	200,000	215
Centene Corp.		
4.250%, 12/15/27 144A	200,000	206
4.625%, 12/15/29 144A	500,000	527
4.750%, 1/15/25 144A	200,000	208
CVS Pass-Through Trust		
4.704%, 1/10/36 144A	411,505	437
5.926%, 1/10/34 144A	698,744	814
7.507%, 1/10/32 144A	72,142	89
Hamilton College		
4.750%, 7/1/13	100,000	112
HCA, Inc.		
4.500%, 2/15/27	100,000	108
4.750%, 5/1/23	2,655,000	2,842
5.375%, 9/1/26	400,000	445
5.875%, 2/1/29	100,000	116
Imperial Brands Finance PLC		
3.500%, 7/26/26 144A	200,000	201
Pfizer, Inc.		
5.800%, 8/12/23	200,000	226
RAC Bond Co. PLC		
4.870%, 5/6/46 GBP §,∞	500,000	656

Multi-Sector Bond Portfolio

Corporate Bonds (51.1%)	Shares/ Par [+]	Value $ (000's)
Consumer, Non-cyclical continued		
Teva Pharmaceutical Finance Co. BV		
2.950%, 12/18/22	120,000	115
3.650%, 11/10/21	2,600,000	2,545
Teva Pharmaceutical Finance IV BV		
3.650%, 11/10/21	700,000	685
Teva Pharmaceutical Finance Netherlands II BV		
1.125%, 10/15/24 EUR ∞	600,000	586
1.250%, 3/31/23 EUR §,∞	600,000	626
3.250%, 4/15/22 EUR ∞	800,000	906
6.000%, 1/31/25 EUR ∞	1,500,000	1,777
Teva Pharmaceutical Finance Netherlands III BV		
2.200%, 7/21/21	104,000	101
2.800%, 7/21/23	2,300,000	2,133
Total		**28,080**
Diversified (0.1%)		
Co-operative Group Holdings 2011, Ltd.		
6.875%, 7/8/20 GBP §,∞	600,000	817
Total		**817**
Energy (9.2%)		
Aker BP ASA		
4.750%, 6/15/24 144A	1,000,000	1,037
Cheniere Corpus Christi Holdings LLC		
5.125%, 6/30/27	100,000	111
CNOOC Finance 2013, Ltd.		
3.000%, 5/9/23	500,000	508
Constellation Oil Services Holding SA		
10.000%, 11/9/24 Æ	29,420	–π
Constellation Oil Services Holding SA		
10.000%, 11/9/24 Æ	201,429	88
Continental Resources, Inc.		
4.375%, 1/15/28	1,400,000	1,487
Dolphin Energy, Ltd.		
5.500%, 12/15/21 144A	1,000,000	1,057
El Paso Natural Gas Co. LLC		
8.375%, 6/15/32	200,000	279
Energy Transfer Operating LP		
4.150%, 10/1/20	400,000	404
4.650%, 6/1/21	200,000	206
5.250%, 4/15/29	100,000	112
7.500%, 7/1/38	100,000	129
Energy Transfer Partners LP		
3.600%, 2/1/23	100,000	102
Gazprom Neft OAO Via GPN Capital SA		
6.000%, 11/27/23 §	3,000,000	3,348
Greenko Solar Mauritius Ltd		
5.550%, 1/29/25 144A	1,000,000	1,015
Harvest Operations Corp.		
2.330%, 4/14/21 144A	2,970,000	2,976
Kinder Morgan Energy Partners LP		
6.550%, 9/15/40	2,382,000	3,037
Kinder Morgan, Inc.		
7.750%, 1/15/32	1,216,000	1,671
MPLX LP		
4.250%, 12/1/27 144A	100,000	105
Newfield Exploration Co.		
5.625%, 7/1/24	2,100,000	2,306

Corporate Bonds (51.1%)	Shares/ Par [+]	Value $ (000's)
Energy continued		
NGPL PipeCo LLC		
7.768%, 12/15/37 144A	3,900,000	5,026
Noble Holding International, Ltd.		
7.875%, 2/1/26 144A	400,000	290
Novatek OAO via Novatek Finance, Ltd.		
6.604%, 2/3/21 §	200,000	209
Occidental Petroleum Corp.		
2.854%, (ICE LIBOR USD 3 Month plus 0.950%), 2/8/21	100,000	101
Odebrecht Drilling Norbe VIII/IX, Ltd.		
6.350%, 12/1/21 §	430,690	429
7.350%, 12/1/26 §,Þ	1,520,744	829
Odebrecht Oil & Gas Finance, Ltd.		
0.000%, 2/9/18 §	782,000	6
Pertamina Persero PT		
6.500%, 11/7/48 144A	3,800,000	4,981
Petrobras Global Finance BV		
5.093%, 1/15/30 144A	2,433,000	2,607
5.375%, 10/1/29 GBP ∞	1,800,000	2,642
6.625%, 1/16/34 GBP ∞	300,000	477
Petroleos de Venezuela SA		
5.375%, 4/12/27 §,φ	6,500,000	504
5.500%, 4/12/37 §,φ	4,300,000	333
Petroleos Mexicanos		
2.750%, 4/21/27 EUR §,∞	1,100,000	1,181
3.750%, 2/21/24 EUR §,∞	400,000	478
4.750%, 2/26/29 EUR §,∞,β	7,300,000	8,685
4.875%, 2/21/28 EUR §,∞	600,000	721
5.625%, 1/23/46	378,000	337
6.490%, 1/23/27 144A	700,000	744
6.500%, 3/13/27	1,700,000	1,805
6.625%, 6/15/38	1,800,000	1,797
6.840%, 1/23/30 144A	1,500,000	1,599
7.690%, 1/23/50 144A	1,880,000	2,052
QEP Resources, Inc.		
5.625%, 3/1/26	700,000	683
Ras Laffan Liquefied Natural Gas Co., Ltd. III		
5.838%, 9/30/27 144A	2,300,000	2,628
Regency Energy Partners LP / Regency Energy Finance Corp.		
4.500%, 11/1/23	300,000	318
5.000%, 10/1/22	1,100,000	1,166
5.750%, 9/1/20	300,000	304
5.875%, 3/1/22	800,000	849
Reliance Holdings USA, Inc.		
4.500%, 10/19/20 §	300,000	305
Rio Oil Finance Trust, Series 2014-1		
9.250%, 7/6/24 144A	1,384,306	1,550
9.250%, 7/6/24 §	1,211,268	1,357
Rio Oil Finance Trust, Series 2014-3		
9.750%, 1/6/27 §	449,776	531
Rockies Express Pipeline LLC		
5.625%, 4/15/20 144A	1,000,000	1,011
Sabine Pass Liquefaction LLC		
5.625%, 2/1/21	900,000	925
5.625%, 3/1/25	4,900,000	5,514
5.750%, 5/15/24	800,000	892
5.875%, 6/30/26	400,000	459

Multi-Sector Bond Portfolio

Corporate Bonds (51.1%)	Shares/ Par +	Value $ (000's)
Energy continued		
Sunoco LP / Sunoco Finance Corp.		
4.875%, 1/15/23	100,000	102
Tallgrass Energy Partners LP		
5.500%, 1/15/28 144A	8,400,000	8,232
Targa Resources Partners LP / Targa Resources Partners Finance Corp.		
5.500%, 3/1/30 144A	1,200,000	1,233
Transocean Guardian, Ltd.		
5.875%, 1/15/24 144A	5,251,000	5,369
Transocean Poseidon, Ltd.		
6.875%, 2/1/27 144A	200,000	212
Valaris PLC		
5.750%, 10/1/44	200,000	90
8.000%, 1/31/24	80,000	48
Williams Partners LP		
3.600%, 3/15/22	2,500,000	2,570
Total		**94,159**
Financial (22.2%)		
AerCap Ireland Capital DAC / AerCap Global Aviation Trust		
3.650%, 7/21/27	500,000	515
4.250%, 7/1/20	150,000	152
4.450%, 12/16/21	150,000	156
4.450%, 4/3/26	900,000	965
4.875%, 1/16/24	1,200,000	1,300
5.000%, 10/1/21	3,450,000	3,616
Aircastle, Ltd.		
4.250%, 6/15/26	300,000	317
Ally Financial, Inc.		
4.125%, 3/30/20	537,000	539
4.250%, 4/15/21	246,000	252
8.000%, 11/1/31	1,371,000	1,903
Avolon Holdings Funding, Ltd.		
5.125%, 10/1/23 144A	500,000	539
5.500%, 1/15/23 144A	800,000	862
Banco Bilbao Vizcaya Argentina SA		
6.750%, (Euro Swap Annual 5 Year plus 6.604%), 12/29/49 EUR §,∞,β	5,200,000	5,876
Banco do Brasil SA		
4.625%, 1/15/25 144A	1,100,000	1,148
Banco Votorantim SA		
4.500%, 9/24/24	200,000	206
Bank of America Corp.		
3.419%, (ICE LIBOR USD 3 Month plus 1.040%), 12/20/28	973,000	1,020
4.000%, 4/1/24	1,081,000	1,158
5.875%, (ICE LIBOR USD 3 Month plus 2.931%), 12/31/99	4,500,000	4,990
Bank of Ireland		
7.375%, (Effective 6/18/20 - Euro Swap Annual 5 Year plus 6.956%), 12/29/49 EUR §,∞	600,000	693
Barclays Bank PLC		
7.625%, 11/21/22	2,000,000	2,247
Barclays PLC		
2.375%, (GBP Swap Semi-Annual 1 Year plus 1.320%), 10/6/23 GBP §,∞	200,000	270
3.250%, 2/12/27 GBP §,∞	1,500,000	2,116
3.650%, 3/16/25	3,100,000	3,227

Corporate Bonds (51.1%)	Shares/ Par +	Value $ (000's)
Financial continued		
4.610%, (ICE LIBOR USD 3 Month plus 1.400%), 2/15/23	3,100,000	3,237
8.000%, (Euro Swap Annual 5 Year plus 6.750%), 12/15/49 EUR ∞	1,300,000	1,555
BNP Paribas SA		
4.705%, (ICE LIBOR USD 3 Month plus 2.235%), 1/10/25 144A	6,400,000	6,927
Cantor Fitzgerald LP		
4.875%, 5/1/24 144A	100,000	107
6.500%, 6/17/22 144A	200,000	216
CIT Group, Inc.		
5.000%, 8/15/22	272,000	288
5.000%, 8/1/23	100,000	108
5.250%, 3/7/25	100,000	110
Citigroup, Inc.		
3.400%, 5/1/26	600,000	630
Cooperatieve Rabobank UA		
5.500%, (Euro Swap Annual 5 Year plus 5.250%), 1/22/49 EUR §,∞	900,000	1,032
6.625%, (Euro Swap Annual 5 Year plus 6.697%), 12/29/49 EUR §,∞	2,600,000	3,164
CPI Property Group SA		
2.125%, 10/4/24 EUR §,∞	400,000	467
4.750%, 3/8/23	1,300,000	1,366
Credit Agricole Assurances SA		
4.250%, (Euro Swap Annual 5 Year plus 4.500%), 12/31/49 EUR §,∞	2,000,000	2,535
Credit Suisse AG		
6.500%, 8/8/23 144A	7,400,000	8,242
6.500%, 8/8/23 §	1,700,000	1,893
Deutsche Annington Finance BV		
5.000%, 10/2/23 144A	300,000	321
Deutsche Bank AG		
0.105%, (Euribor 3 Month ACT/360 plus 0.500%), 12/7/20 EUR §,∞	700,000	783
3.149%, (ICE LIBOR USD 3 Month plus 1.230%), 2/27/23	2,200,000	2,156
3.150%, 1/22/21	400,000	402
3.375%, 5/12/21	2,000,000	2,015
3.961%, (US SOFR plus 2.581%), 11/26/25	1,000,000	1,021
4.250%, 2/4/21	900,000	914
4.250%, 10/14/21	4,500,000	4,627
5.000%, 2/14/22 β	6,000,000	6,265
The Doctors Co.		
6.500%, 10/15/23 144A	300,000	323
Emerald Bay SA		
0.000%, 10/15/20 144A EUR ∞	3,796,000	4,152
EPR Properties		
3.750%, 8/15/29	100,000	101
Equinix, Inc.		
2.875%, 3/15/24 EUR ∞	1,200,000	1,390
Fairfax Financial Holdings, Ltd.		
2.750%, 3/29/28 144A EUR ∞	500,000	606
Fairstone Financial, Inc.		
7.875%, 7/15/24 144A	100,000	108
Freedom Mortgage Corp.		
8.125%, 11/15/24 144A	3,690,000	3,625
8.250%, 4/15/25 144A	1,000,000	980
10.750%, 4/1/24 144A	900,000	929

Multi-Sector Bond Portfolio

Corporate Bonds (51.1%)	Shares/ Par +	Value $ (000's)
Financial continued		
GE Capital European Funding Unlimited Co.		
0.800%, 1/21/22 EUR ∞	400,000	454
2.250%, 7/20/20 EUR ∞	200,000	227
GE Capital International Funding Co. Unlimited Co.		
4.418%, 11/15/35	500,000	532
GE Capital UK Funding Unlimited Co.		
5.125%, 5/24/23 GBP ∞	500,000	731
Globalworth Real Estate Investments, Ltd.		
3.000%, 3/29/25 EUR ∞	2,000,000	2,408
GLP Capital LP / GLP Financing II, Inc.		
3.350%, 9/1/24	100,000	102
5.750%, 6/1/28	400,000	454
The Goldman Sachs Group, Inc.		
3.094%, (ICE LIBOR USD 3 Month plus 1.200%), 9/15/20	200,000	201
3.680%, (ICE LIBOR USD 3 Month plus 1.770%), 2/25/21	200,000	203
3.750%, 5/22/25	2,700,000	2,863
3.850%, 7/8/24	1,000,000	1,057
4.000%, 3/3/24	400,000	426
5.750%, 1/24/22	400,000	429
Growthpoint Properties International Pty, Ltd.		
5.872%, 5/2/23 144A	300,000	321
HBOS PLC		
5.374%, 6/30/21 EUR ∞	600,000	726
Hospitality Properties Trust		
4.350%, 10/1/24	200,000	205
4.750%, 10/1/26	4,900,000	5,022
The Howard Hughes Corp.		
5.375%, 3/15/25 144A	300,000	313
HSBC Holdings PLC		
3.600%, 5/25/23	2,100,000	2,189
ING Bank NV		
5.800%, 9/25/23 144A	1,700,000	1,887
ING Groep NV		
5.750%, (US Treasury Yield Curve Rate T Note Constant Maturity 5 Year plus 4.342%), 12/31/99	1,800,000	1,895
International Lease Finance Corp.		
5.875%, 8/15/22	400,000	436
8.250%, 12/15/20	2,100,000	2,220
8.625%, 1/15/22	400,000	450
Intesa Sanpaolo SpA		
3.250%, 9/23/24 144A	300,000	301
5.017%, 6/26/24 144A	2,700,000	2,835
6.500%, 2/24/21 144A	4,100,000	4,282
Jefferies Finance LLC / JFIN Co-Issuer Corp.		
6.250%, 6/3/26 144A	1,400,000	1,467
7.250%, 8/15/24 144A	1,400,000	1,442
Kennedy Wilson Europe Real Estate PLC		
3.950%, 6/30/22 GBP §,∞	2,700,000	3,695
Lloyds Banking Group PLC		
2.250%, 10/16/24 GBP §,∞	2,000,000	2,725
4.450%, 5/8/25	3,300,000	3,602
Logicor Financing SARL		
3.250%, 11/13/28 EUR ∞	600,000	753
Macquarie Group, Ltd.		
6.250%, 1/14/21 144A	300,000	312
Morgan Stanley		
2.883%, (ICE LIBOR USD 3 Month plus 0.930%), 7/22/22	1,000,000	1,009
4.000%, 7/23/25	3,600,000	3,893
Nationwide Building Society		
4.363%, (ICE LIBOR USD 3 Month plus 1.392%), 8/1/24 144A	4,500,000	4,771
Navient Corp.		
6.625%, 7/26/21	1,300,000	1,375
7.250%, 1/25/22	400,000	435
NN Group NV		
4.500%, (Euribor 3 Month ACT/360 plus 4.000%), 7/15/49 EUR §,∞	2,600,000	3,347
OMEGA Healthcare Investors, Inc.		
4.500%, 1/15/25	100,000	107
4.950%, 4/1/24	100,000	109
Oxford Finance LLC / Oxford Finance Co-Issuer II, Inc.		
6.375%, 12/15/22 144A	200,000	206
Park Aerospace Holdings, Ltd.		
4.500%, 3/15/23 144A	3,900,000	4,083
5.250%, 8/15/22 144A	650,000	693
5.500%, 2/15/24 144A	400,000	439
Quicken Loans, Inc.		
5.250%, 1/15/28 144A	2,900,000	3,002
Royal Bank of Scotland Group PLC		
2.000%, (Euribor 3 Month ACT/360 plus 2.039%), 3/8/23 EUR ∞	1,600,000	1,860
2.500%, 3/22/23 EUR §,∞	100,000	120
4.519%, (ICE LIBOR USD 3 Month plus 1.550%), 6/25/24	200,000	212
4.800%, 4/5/26	2,800,000	3,108
4.892%, (ICE LIBOR USD 3 Month plus 1.754%), 5/18/29	3,700,000	4,180
7.500%, (USD Swap Semi-Annual 5 Year plus 5.800%), 12/29/49	2,600,000	2,657
8.625%, (USD 5 Year Swap Rate plus 7.598%), 12/29/49	2,100,000	2,271
Santander UK Group Holdings PLC		
3.125%, 1/8/21	2,100,000	2,118
3.823%, (ICE LIBOR USD 3 Month plus 1.400%), 11/3/28	4,000,000	4,215
6.750%, (GBP Swap Semi-Annual 5 Year plus 5.792%), 12/31/99 GBP §,∞	1,390,000	2,025
Sberbank of Russia Via SB Capital SA		
6.125%, 2/7/22	1,700,000	1,818
Springleaf Finance Corp.		
6.125%, 3/15/24	500,000	548
6.875%, 3/15/25	1,900,000	2,161
7.125%, 3/15/26	1,700,000	1,966
7.750%, 10/1/21	100,000	109
8.250%, 12/15/20	100,000	105
Sunac China Holdings, Ltd.		
8.350%, 4/19/23	1,600,000	1,700
8.375%, 1/15/21	200,000	206
8.625%, 7/27/20	600,000	611
Tesco Property Finance 3 PLC		
5.744%, 4/13/40 GBP §,∞	96,621	166

Multi-Sector Bond Portfolio

Corporate Bonds (51.1%)	Shares/ Par +	Value $ (000's)
Financial continued		
Tesco Property Finance 6 PLC		
5.411%, 7/13/44 GBP §,∞	2,672,146	4,485
TP ICAP PLC		
5.250%, 1/26/24 GBP §,∞	3,700,000	5,364
TrustCo Bank Corp.		
6.390%, 1/15/50 144A	200,000	215
UBS AG		
7.625%, 8/17/22	4,400,000	4,960
UBS Group Funding AG		
4.125%, 9/24/25 144A	700,000	761
UniCredit SpA		
3.750%, 4/12/22 144A	200,000	205
5.901%, (ICE LIBOR USD 3 Month plus 3.900%), 1/14/22 144A	1,550,000	1,625
6.572%, 1/14/22 144A	700,000	752
7.830%, 12/4/23 144A	4,200,000	4,894
The Unique Pub Finance Co. PLC		
5.659%, 6/30/27 GBP §,∞	435,606	661
7.395%, 3/28/24 GBP §,∞	400,000	604
Virgin Money UK PLC		
4.000%, 9/25/26 GBP ∞	100,000	138
VIVAT NV		
2.375%, 5/17/24 EUR §,∞	200,000	235
Weyerhaeuser Co.		
7.375%, 3/15/32	1,500,000	2,077
Total		**226,428**
Industrial (1.1%)		
Aeropuerto Internacional de Tocumen SA		
6.000%, 11/18/48 144A	300,000	372
DAE Funding LLC		
4.000%, 8/1/20 144A	3,020,000	3,039
5.000%, 8/1/24 144A	400,000	420
Fortress Transportation & Infrastructure		
6.750%, 3/15/22 144A	900,000	938
General Electric Co.		
0.375%, 5/17/22 EUR ∞	700,000	786
5.550%, 5/4/20	100,000	101
5.550%, 1/5/26	200,000	229
5.875%, 1/14/38	100,000	121
6.875%, 1/10/39	100,000	133
Greif, Inc.		
6.500%, 3/1/27 144A	300,000	324
Lima Metro Line 2 Finance, Ltd.		
5.875%, 7/5/34 144A	330,152	382
Pacific National Finance Pty, Ltd.		
4.625%, 9/23/20 144A	500,000	507
Russian Railways Via RZD Capital PLC		
7.487%, 3/25/31 GBP §,∞	1,500,000	2,663
Standard Industries, Inc.		
4.750%, 1/15/28 144A	950,000	974
Total		**10,989**
Other Holdings (–%)		
Constellation Oil Services Holding SA Escrow		
9.000%, 11/9/24 *,Æ	201,001	–
Total		**–**

Corporate Bonds (51.1%)	Shares/ Par +	Value $ (000's)
Technology (1.2%)		
Dell International LLC / EMC Corp.		
5.300%, 10/1/29 144A	4,300,000	4,842
6.020%, 6/15/26 144A	300,000	345
Diamond 1 Finance Corp. / Diamond 2 Finance Corp.		
5.450%, 6/15/23 144A	1,100,000	1,192
8.100%, 7/15/36 144A	300,000	394
EMC Corp.		
2.650%, 6/1/20	1,600,000	1,600
Micron Technology, Inc.		
4.663%, 2/15/30	100,000	110
NXP BV / NXP Funding LLC		
4.875%, 3/1/24 144A	1,700,000	1,853
5.350%, 3/1/26 144A	1,600,000	1,802
Quintiles IMS, Inc.		
3.250%, 3/15/25 144A EUR ∞	500,000	572
Total		**12,710**
Utilities (0.4%)		
Edison International		
5.750%, 6/15/27	100,000	112
Electricite de France SA		
4.500%, 9/21/28 144A	900,000	1,000
Exelon Generation Co. LLC		
4.250%, 6/15/22	500,000	523
FirstEnergy Corp.		
7.375%, 11/15/31	400,000	564
Nakilat, Inc.		
6.067%, 12/31/33 §	1,000,000	1,215
6.267%, 12/31/33 144A	528,766	631
National Fuel Gas Co.		
5.200%, 7/15/25	300,000	332
Puget Energy, Inc.		
5.625%, 7/15/22	200,000	214
Total		**4,591**
Total Corporate Bonds (Cost: $496,206)		**521,916**
Governments (20.2%)		
Governments (20.2%)		
Angolan Government International Bond		
8.000%, 11/26/29 144A	1,600,000	1,705
Arab Republic of Egypt		
5.625%, 4/16/30 144A EUR ∞	1,550,000	1,791
Argentine Republic Government International Bond		
3.375%, 1/15/23 EUR ∞	950,000	477
3.380%, 12/31/38 EUR ∞,β	11,130,000	5,619
5.000%, 1/15/27 EUR §,∞	4,900,000	2,424
5.250%, 1/15/28 EUR ∞	250,000	120
58.764%, (Argentina Blended Historical Policy Rate plus 1.000%), 6/21/20 ARS ∞	2,420,000	22
Australian Government		
4.250%, 4/21/26 AUD §,∞	2,400,000	2,001
Autonomous Community of Catalonia		
4.900%, 9/15/21 EUR ∞	800,000	954
4.950%, 2/11/20 EUR ∞	400,000	451
Banque Centrale de Tunisie International Bond		
5.625%, 2/17/24 EUR ∞	300,000	334

Multi-Sector Bond Portfolio

Governments (20.2%)	Shares/ Par [+]	Value $ (000's)
Governments continued		
Colombia Government International Bond		
5.000%, 6/15/45 β	6,000,000	6,969
Dominican Republic International Bond		
6.500%, 2/15/48 144A	2,800,000	3,087
6.875%, 1/29/26 §	500,000	571
Ecuador Government International Bond		
8.875%, 10/23/27 144A	900,000	826
8.875%, 10/23/27	1,500,000	1,376
9.650%, 12/13/26 144A	1,000,000	950
10.750%, 1/31/29 144A	1,600,000	1,560
Egypt Government International Bond		
4.750%, 4/11/25 144A EUR ∞	800,000	944
6.375%, 4/11/31 144A EUR ∞	400,000	480
6.375%, 4/11/31 EUR ∞	1,400,000	1,680
Export-Import Bank of India		
3.375%, 8/5/26	600,000	610
Federal Republic of Nigeria		
7.875%, 2/16/32	2,800,000	2,903
Ghana Government International Bond		
7.875%, 3/26/27 144A	600,000	630
8.125%, 3/26/32 144A	400,000	407
8.950%, 3/26/51 144A	600,000	613
8.950%, 3/26/51	200,000	204
Ivory Coast Government International Bond		
5.875%, 10/17/31 EUR ∞	300,000	349
6.875%, 10/17/40 EUR ∞	400,000	468
Kenya Government International Bond		
8.000%, 5/22/32 144A	700,000	762
Oman Government International Bond		
6.500%, 3/8/47 §	1,800,000	1,780
6.750%, 1/17/48 144A	2,600,000	2,611
Panama Government International Bond		
6.700%, 1/26/36	1,900,000	2,662
8.125%, 4/28/34	100,000	145
Perusahaan Penerbit SBSN Indonesia III		
3.400%, 3/29/22 144A	600,000	613
Provincia de Buenos Aires		
52.615%, (Argentina Private Banks Deposit Rates Index plus 3.750%), 4/12/25 144A ARS ∞	740,000	7
Republic of Costa Rica		
7.158%, 3/12/45 §	800,000	852
Republic of Croatia		
6.625%, 7/14/20 §	5,000,000	5,115
Republic of Indonesia		
3.375%, 7/30/25 144A EUR ∞	800,000	1,019
3.750%, 6/14/28 144A EUR ∞	1,900,000	2,566
3.750%, 6/14/28 EUR §,∞	2,200,000	2,971
4.125%, 1/15/25	1,900,000	2,037
Republic of Kazakhstan		
5.125%, 7/21/25 §,β	5,200,000	5,972
Republic of South Africa Government International Bond		
4.850%, 9/30/29	1,200,000	1,200
4.875%, 4/14/26	600,000	624
5.875%, 9/16/25 β	5,900,000	6,494
The Republic of Trinidad & Tobago		
4.500%, 8/4/26 §	400,000	426
Romanian Government International Bond		
4.125%, 3/11/39 EUR ∞	1,500,000	1,951
Russian Federation		
5.625%, 4/4/42 §	2,000,000	2,615
Saudi International Bond		
2.875%, 3/4/23	600,000	611
4.000%, 4/17/25	3,900,000	4,204
4.500%, 10/26/46 β	5,600,000	6,200
Senegal Government International Bond		
4.750%, 3/13/28 144A EUR ∞	100,000	118
4.750%, 3/13/28 EUR ∞	400,000	472
6.250%, 5/23/33 144A	400,000	420
State of Qatar		
4.500%, 4/23/28	1,100,000	1,260
4.817%, 3/14/49	800,000	990
5.103%, 4/23/48	1,200,000	1,541
Turkey Government International Bond		
4.625%, 3/31/25 EUR ∞	1,800,000	2,133
4.875%, 10/9/26	4,000,000	3,818
5.125%, 3/25/22 β	12,600,000	12,895
5.125%, 2/17/28	4,300,000	4,114
5.750%, 3/22/24	2,400,000	2,453
6.125%, 10/24/28	400,000	405
7.250%, 12/23/23	1,100,000	1,190
7.625%, 4/26/29	400,000	442
Ukraine Government International Bond		
6.750%, 6/20/26 144A EUR ∞	600,000	755
7.375%, 9/25/32 §	500,000	533
7.750%, 9/1/20 §,β	5,400,000	5,551
7.750%, 9/1/21	4,600,000	4,865
8.994%, 2/1/24 144A	1,000,000	1,126
9.750%, 11/1/28 144A	1,300,000	1,579
United Mexican States		
4.500%, 1/31/50	600,000	649
4.600%, 1/23/46	4,700,000	5,100
US Treasury		
1.875%, 8/31/24 β	7,310,000	7,366
2.125%, 3/31/24 β	3,970,000	4,040
2.125%, 11/30/24	3,400,000	3,466
2.250%, 11/15/24 β	15,910,000	16,312
2.250%, 2/15/27 β	150,000	154
2.375%, 8/15/24	3,700,000	3,810
2.500%, 1/31/24 β	10,590,000	10,930
2.750%, 2/15/24 β	8,700,000	9,067
2.875%, 11/30/23 β	4,230,000	4,421
Venezuela Government International Bond		
6.000%, 12/9/20 §,φ	32,000	4
7.000%, 3/31/38 §,φ	204,000	23
7.650%, 4/21/25 §,φ	1,955,000	225
8.250%, 10/13/24 §,φ	356,000	41
9.000%, 5/7/23 §,φ	32,000	4
9.250%, 5/7/28 §,φ	1,241,000	143
9.375%, 1/13/34 φ	1,400,000	161
Total		**206,538**
Total Governments (Cost: $208,074)		**206,538**

Multi-Sector Bond Portfolio

Municipal Bonds (1.1%)	Shares/ Par +	Value $ (000's)
Municipal Bonds (1.1%)		
American Municipal Power, Inc., Series 2010-B		
7.834%, 2/15/41 RB	100,000	156
Bay Area Toll Authority, California, Series 2010		
6.918%, 4/1/40 RB	200,000	293
City of Riverside CA Electric Revenue		
7.605%, 10/1/40 RB	200,000	320
Irvine Ranch California Water District		
6.622%, 5/1/40 RB	100,000	145
Los Angeles County California Public Works Financing Authority		
7.618%, 8/1/40 RB	200,000	310
Metropolitan Government of Nashville & Davidson County Tennessee		
6.568%, 7/1/37 RB	100,000	141
Municipal Electric Authority of Georgia		
6.655%, 4/1/57 RB	99,000	136
New York City Transitional Finance Authority		
5.508%, 8/1/37 RB	300,000	381
New York State Urban Development Corp.		
5.770%, 3/15/39 RB	100,000	121
Port Authority of New York & New Jersey, Series 165		
5.647%, 11/1/40 RB	1,100,000	1,468
Port Authority of New York & New Jersey, Series 168		
4.926%, 10/1/51 RB	200,000	259
San Diego County Regional Airport Authority, Series C		
6.628%, 7/1/40 RB	100,000	102
San Diego Redevelopment Agency, Series A		
7.625%, 9/1/30 RB	100,000	104
State of California		
7.950%, 3/1/36 GO	900,000	908
State of Illinois		
6.630%, 2/1/35 GO	245,000	287
6.725%, 4/1/35 GO	95,000	111
7.350%, 7/1/35 GO	200,000	243
Texas Public Finance Authority		
8.250%, 7/1/24 RB	175,000	177
Tobacco Settlement Finance Authority of West Virginia, Series A		
7.467%, 6/1/47 RB	1,065,000	1,107
Tobacco Settlement Financing Corp. of Virginia, Series 2007-A		
6.706%, 6/1/46 RB	3,240,000	3,121
Triborough Bridge & Tunnel Authority		
5.550%, 11/15/40 RB	800,000	1,050
Total Municipal Bonds (Cost: $8,468)		**10,940**

Structured Products (14.2%)	Shares/ Par +	Value $ (000's)
Asset Backed Securities (4.5%)		
Accredited Mortgage Loan Trust, Series 2005-3, Class M3		
2.670%, (ICE LIBOR USD 1 Month plus 0.480%), 9/25/35	50,000	49

Structured Products (14.2%)	Shares/ Par +	Value $ (000's)
Asset Backed Securities continued		
ACE Securities Corp. Home Equity Loan Trust, Series 2004-HE4, Class M1		
2.692%, (ICE LIBOR USD 1 Month plus 0.900%), 12/25/34	74,311	73
ACE Securities Corp. Home Equity Loan Trust, Series 2004-RM2, Class M2		
2.587%, (ICE LIBOR USD 1 Month plus 0.795%), 1/25/35	46,853	47
ACE Securities Corp. Home Equity Loan Trust, Series 2005-HE4, Class M4		
2.767%, (ICE LIBOR USD 1 Month plus 0.975%), 7/25/35	100,000	101
ACE Securities Corp. Home Equity Loan Trust, Series 2006-FM1, Class A2C		
1.942%, (ICE LIBOR USD 1 Month plus 0.150%), 7/25/36	7,709,280	2,672
Aegis Asset Backed Securities Trust, Series 2004-6, Class M2		
2.792%, (ICE LIBOR USD 1 Month plus 1.000%), (AFC), 3/25/35	144,577	140
Aircraft Certificate Owner Trust, Series 2003-1A, Class E		
7.001%, 9/20/22 144A	19,718	21
Ameriquest Mortgage Securities, Inc., Series 2004-R5, Class M1		
2.662%, (ICE LIBOR USD 1 Month plus 0.870%), 7/25/34	29,114	29
Asset Backed Securities Corp. Home Equity Loan Trust, Series 2003-HE4, Class M1		
2.985%, (ICE LIBOR USD 1 Month plus 1.245%), 8/15/33	28,612	29
Asset Backed Securities Corp. Home Equity Loan Trust, Series 2005-HE5, Class M4		
2.692%, (ICE LIBOR USD 1 Month plus 0.900%), 6/25/35	200,000	199
Bear Stearns Asset Backed Securities I Trust, Series 2006-HE10, Class 1A2		
1.992%, (ICE LIBOR USD 1 Month plus 0.200%), 12/25/36	32,455	32
Bear Stearns Asset Backed Securities I Trust, Series 2007-AQ1, Class A1		
1.902%, (ICE LIBOR USD 1 Month plus 0.110%), 4/25/31	5,415	9
Bear Stearns Asset Backed Securities I Trust, Series 2007-HE3, Class 1A2		
1.992%, (ICE LIBOR USD 1 Month plus 0.200%), 4/25/37	46,435	86
Bear Stearns Asset Backed Securities I Trust, Series 2007-HE6, Class 1A1		
3.042%, (ICE LIBOR USD 1 Month plus 1.250%), 8/25/37	167,835	168
Carlyle Global Market Strategies, Series 2015-1A, Class A2MZ		
2.372%, (ICE LIBOR USD 1 Month plus 0.580%), 1/25/35	784,058	782
Citigroup Mortgage Loan Trust, Series 2005-HE3, Class M2		
2.512%, (ICE LIBOR USD 1 Month plus 0.720%), 9/25/35	18,691	19

Multi-Sector Bond Portfolio

Structured Products (14.2%)	Shares/ Par [+]	Value $ (000's)
Asset Backed Securities continued		
Citigroup Mortgage Loan Trust, Series 2007-AHL1, Class A2C 2.002%, (ICE LIBOR USD 1 Month plus 0.210%), 12/25/36	100,000	97
Countrywide Asset-Backed Certificates, Series 2004-9, Class MV4 3.367%, (ICE LIBOR USD 1 Month plus 1.575%), 11/25/34	100,000	99
Countrywide Asset-Backed Certificates, Series 2005-4, Class AF6 4.740%, (AFC), 10/25/35	2,601	3
Countrywide Asset-Backed Certificates, Series 2005-AB4, Class 2A4 2.142%, (ICE LIBOR USD 1 Month plus 0.350%), 3/25/36	85,117	78
Countrywide Asset-Backed Certificates, Series 2006-1, Class AF5 4.706%, (AFC), 7/25/36	100,000	101
Countrywide Asset-Backed Certificates, Series 2006-23, Class 2A3 1.962%, (ICE LIBOR USD 1 Month plus 0.170%), 5/25/37	50,221	50
Countrywide Asset-Backed Certificates, Series 2006-26, Class 1A 1.932%, (ICE LIBOR USD 1 Month plus 0.140%), 6/25/37	578,486	539
Countrywide Asset-Backed Certificates, Series 2006-4, Class 2A3 2.082%, (ICE LIBOR USD 1 Month plus 0.290%), 7/25/36	45,711	45
Countrywide Asset-Backed Certificates, Series 2006-5, Class 2A3 2.082%, (ICE LIBOR USD 1 Month plus 0.290%), 8/25/36	74,554	74
Countrywide Asset-Backed Certificates, Series 2006-BC3, Class M2 2.112%, (ICE LIBOR USD 1 Month plus 0.320%), 2/25/37	900,000	781
Countrywide Asset-Backed Certificates, Series 2007-1, Class 2A3 1.932%, (ICE LIBOR USD 1 Month plus 0.140%), 7/25/37	36,230	33
Countrywide Asset-Backed Certificates, Series 2007-13, Class 1A 2.632%, (ICE LIBOR USD 1 Month plus 0.840%), 10/25/47	2,396,131	2,391
Countrywide Asset-Backed Certificates, Series 2007-9, Class 1A 1.992%, (ICE LIBOR USD 1 Month plus 0.200%), 6/25/47	1,051,468	941
Countrywide Asset-Backed Certificates, Series 2007-SEA1, Class 1A1 2.342%, (ICE LIBOR USD 1 Month plus 0.550%), (AFC), 5/25/47 144A	1,737,811	1,448
Credit Suisse First Boston Mortgage Securities Corp., Series 2001-HE17, Class A1 2.412%, (ICE LIBOR USD 1 Month plus 0.620%), 1/25/32	4,694	5
Ellington Loan Acquisition Trust, Series 2007-2, Class A1 2.842%, (ICE LIBOR USD 1 Month plus 1.050%), 5/25/37 144A	338,303	339
First Franklin Mortgage Loan Trust, Series 2006-FF10, Class A4 1.942%, (ICE LIBOR USD 1 Month plus 0.150%), 7/25/36	2,230	2
First Franklin Mortgage Loan Trust, Series 2006-FF12, Class A4 1.848%, (ICE LIBOR USD 1 Month plus 0.140%), 9/25/36	52,649	52
First Franklin Mortgage Loan Trust, Series 2006-FF5, Class 2A5 04/25/36	200,000	182
Fremont Home Loan Trust, Series 2005-2, Class M4 2.722%, (ICE LIBOR USD 1 Month plus 0.930%), 6/25/35	300,000	287
GSAA Home Equity Trust, Series 2006-17, Class A1 1.852%, (ICE LIBOR USD 1 Month plus 0.060%), 11/25/36	58,160	25
GSAMP Trust, Series 2004-WF, Class M2 3.442%, (ICE LIBOR USD 1 Month plus 1.650%), 10/25/34	38,136	37
GSAMP Trust, Series 2007-FM2, Class A2B 1.882%, (ICE LIBOR USD 1 Month plus 0.090%), 1/25/37	203,946	135
GSAMP Trust, Series 2007-NC1, Class A2A 1.842%, (ICE LIBOR USD 1 Month plus 0.050%), 12/25/46	15,942	10
Home Equity Loan Trust, Series 2007-FRE1, Class 2AV4 2.132%, (ICE LIBOR USD 1 Month plus 0.340%), 4/25/37	500,000	429
Home Equity Mortgage Loan Asset-Backed Trust, Series 2007-B, Class 2A2 1.952%, (ICE LIBOR USD 1 Month plus 0.160%), 7/25/37	393,588	263
HSI Asset Securitization Corp. Trust, Series 2005-I1, Class 2A4 2.182%, (ICE LIBOR USD 1 Month plus 0.390%), 11/25/35	273,817	270
Lehman XS Trust, Series 2005-4, Class 1A3 2.592%, (ICE LIBOR USD 1 Month plus 0.800%), 10/25/35	11,866	12
Long Beach Mortgage Loan Trust, Series 2006-1, Class 2A4 2.092%, (ICE LIBOR USD 1 Month plus 0.300%), 2/25/36	69,128	63
Long Beach Mortgage Loan Trust, Series 2006-3, Class 2A4 2.062%, (ICE LIBOR USD 1 Month plus 0.270%), 5/25/46	319,826	142

Structured Products (14.2%)	Shares/ Par [+]	Value $ (000's)
Asset Backed Securities continued		
Long Beach Mortgage Loan Trust, Series 2006-4, Class 1A 1.942%, (ICE LIBOR USD 1 Month plus 0.150%), 5/25/36	1,390,583	934
MASTR Asset Backed Securities Trust, Series 2004-WMC2, Class M1 2.608%, (ICE LIBOR USD 1 Month plus 0.900%), 4/25/34	127,862	127
MASTR Asset Backed Securities Trust, Series 2006-FRE2, Class A1 1.942%, (ICE LIBOR USD 1 Month plus 0.150%), 3/25/36 β	13,179,435	11,672
MASTR Asset Backed Securities Trust, Series 2006-HE3, Class A2 1.892%, (ICE LIBOR USD 1 Month plus 0.100%), 8/25/36	2,261,041	946
MASTR Asset Backed Securities Trust, Series 2006-WMC4, Class A5 1.942%, (ICE LIBOR USD 1 Month plus 0.150%), 10/25/36	992,625	455
Merrill Lynch Mortgage Investors Trust, Series 2007-SD1, Class A1 2.242%, (ICE LIBOR USD 1 Month plus 0.450%), 2/25/47	938,652	680
Morgan Stanley ABS Capital I, Inc. Trust, Series 2005-NC1, Class M2 2.497%, (ICE LIBOR USD 1 Month plus 0.705%), 1/25/35	162,120	161
Morgan Stanley ABS Capital I, Inc. Trust, Series 2005-WMC5, Class M5 2.782%, (ICE LIBOR USD 1 Month plus 0.990%), 6/25/35	289,902	291
Morgan Stanley ABS Capital I, Inc., Series 2006-HE7, Class A2C 1.952%, (ICE LIBOR USD 1 Month plus 0.160%), 9/25/36	73,011	40
Morgan Stanley ABS Capital I, Inc., Series 2006-HE8, Class A2C 1.932%, (ICE LIBOR USD 1 Month plus 0.140%), 10/25/36	69,044	43
Morgan Stanley ABS Capital I, Inc., Series 2007-HE5, Class A2C 2.042%, (ICE LIBOR USD 1 Month plus 0.250%), 3/25/37	67,329	37
Morgan Stanley Dean Witter Capital I, Inc., Series 2002-HE1, Class M1 2.692%, (ICE LIBOR USD 1 Month plus 0.900%), 7/25/32	2,054	2
Morgan Stanley Dean Witter Capital I, Inc., Series 2003-NC1, Class M1 3.367%, (ICE LIBOR USD 1 Month plus 1.575%), 11/25/32	70,844	71
Morgan Stanley Dean Witter Capital I, Inc., Series 2003-NC2, Class M1 3.142%, (ICE LIBOR USD 1 Month plus 1.350%), 2/25/33	29,041	29
NovaStar Mortgage Funding Trust, Series 2007-2, Class A2B 1.952%, (ICE LIBOR USD 1 Month plus 0.160%), (AFC), 9/25/37	537,114	528
Park Place Securities, Inc. Asset-Backed Pass Through Certificates, Series 2005-WCW2, Class M1 2.542%, (ICE LIBOR USD 1 Month plus 0.750%), 7/25/35	3,784	4
People's Choice Home Loan Securities Trust, Series 2005-3, Class M2 2.587%, (ICE LIBOR USD 1 Month plus 0.795%), (AFC), 8/25/35	81,250	81
RAAC Series, Series 2007-RP4, Class A 2.058%, (ICE LIBOR USD 1 Month plus 0.350%), (AFC), 11/25/46 144A	278,051	265
Residential Asset Mortgage Products, Inc., Series 2005-EFC4, Class M3 2.272%, (ICE LIBOR USD 1 Month plus 0.480%), (AFC), 9/25/35	219,283	219
Residential Asset Securities Corp., Series 2006-EMX1, Class M1 2.202%, (ICE LIBOR USD 1 Month plus 0.410%), (AFC), 1/25/36	86,375	86
Residential Asset Securities Corp., Series 2007-KS1, Class A3 1.942%, (ICE LIBOR USD 1 Month plus 0.150%), (AFC), 1/25/37	154,814	154
Residential Asset Securities Corp., Series 2007-KS3, Class AI4 2.132%, (ICE LIBOR USD 1 Month plus 0.340%), (AFC), 4/25/37	1,600,000	1,553
Saxon Asset Securities Trust, Series 2006-1, Class M1 2.257%, (ICE LIBOR USD 1 Month plus 0.465%), (AFC), 3/25/36	397,234	383
Securitized Asset Backed Receivables LLC Trust, Series 2005-FR4, Class M2 2.752%, (ICE LIBOR USD 1 Month plus 0.960%), 1/25/36	72,407	58
SLM Private Education Loan Trust, Series 2011-B, Class A3 3.990%, (ICE LIBOR USD 1 Month plus 2.250%), 6/16/42 144A	62,986	63
Soundview Home Loan Trust, Series 2005-3, Class M3 2.617%, (ICE LIBOR USD 1 Month plus 0.825%), 6/25/35	71,290	71
Soundview Home Loan Trust, Series 2006-2, Class M2 2.142%, (ICE LIBOR USD 1 Month plus 0.350%), 3/25/36	400,000	391
Soundview Home Loan Trust, Series 2006-3, Class A3 1.952%, (ICE LIBOR USD 1 Month plus 0.160%), 11/25/36	161,725	159
Soundview Home Loan Trust, Series 2006-OPT2, Class A4 2.072%, (ICE LIBOR USD 1 Month plus 0.280%), 5/25/36	200,000	195
Soundview Home Loan Trust, Series 2006-OPT3, Class M1 2.102%, (ICE LIBOR USD 1 Month plus 0.310%), 6/25/36	6,717,171	5,200

Multi-Sector Bond Portfolio

Structured Products (14.2%)	Shares/ Par [+]	Value $ (000's)
Asset Backed Securities continued		
Specialty Underwriting & Residential Finance Trust, Series 2005-BC2, Class M3		
2.767%, (ICE LIBOR USD 1 Month plus 0.975%), 12/25/35	263,346	263
Structured Asset Investment Loan Trust, Series 2003-BC11, Class M1		
2.767%, (ICE LIBOR USD 1 Month plus 0.975%), 10/25/33	155,785	156
Structured Asset Investment Loan Trust, Series 2005-5, Class M2		
2.482%, (ICE LIBOR USD 1 Month plus 0.690%), 6/25/35	1,415	1
Structured Asset Investment Loan Trust, Series 2005-7, Class M2		
2.557%, (ICE LIBOR USD 1 Month plus 0.765%), 8/25/35	500,000	495
Structured Asset Investment Loan Trust, Series 2006-BNC3, Class A3		
1.942%, (ICE LIBOR USD 1 Month plus 0.150%), 9/25/36	21,482	21
Structured Asset Securities Corp. Mortgage Loan Trust, Series 2001-WF1, Class A 6		
2.002%, (ICE LIBOR USD 1 Month plus 0.210%), 2/25/37	106,289	104
Structured Asset Securities Corp. Mortgage Loan Trust, Series 2006-BC4, Class A4		
1.962%, (ICE LIBOR USD 1 Month plus 0.170%), 12/25/36	361,620	350
Truman Capital Mortgage Loan Trust, Series 2006-1, Class A		
2.052%, (ICE LIBOR USD 1 Month plus 0.260%), 3/25/36 144A	1,352,818	1,336
Venture XXV CLO Ltd., Series 25A, Class AR		
2.992%, (ICE LIBOR USD 3 Month plus 1.230%), 4/20/29 144A	5,000,000	4,993
WaMu Asset-Backed Certificates, Series 2007-HE1, Class 1A		
1.942%, (ICE LIBOR USD 1 Month plus 0.150%), 1/25/37	171,309	146
Total		**46,152**
Mortgage Securities (9.7%)		
American Home Mortgage Investment Trust, Series 2005-2, Class 4A1		
3.407%, (ICE LIBOR USD 6 Month plus 1.500%), (AFC), 9/25/45	1,832	2
Banc of America Funding Trust, Series 2005-H, Class 5A1		
4.061%, (CSTR), 11/20/35	159,067	153
Banc of America Funding Trust, Series 2006-J, Class 4A1		
4.321%, (CSTR), 1/20/47	57,396	56
Banc of America Funding Trust, Series 2007-6, Class A1		
2.082%, (ICE LIBOR USD 1 Month plus 0.290%), 7/25/37	73,748	71

Structured Products (14.2%)	Shares/ Par [+]	Value $ (000's)
Mortgage Securities continued		
Barclays Capital LLC, Series 2009-RR14, Class 2A2		
4.151%, (CSTR), 7/26/36 144A	30,724	28
Barclays Capital LLC, Series 2009-RR5, Class 3A3		
6.250%, (CSTR), 8/26/36 144A	2,841,799	1,995
Bear Stearns Adjustable Rate Mortgage Trust, Series 2004-3, Class 4A		
4.382%, (CSTR), 7/25/34	3,365	3
Bear Stearns ALT-A Trust, Series 2006-6, Class 2A1		
3.937%, (CSTR), 11/25/36	176,967	159
Citicorp Mortgage Securities Trust, Series 2007-8, Class 1A3		
6.000%, 9/25/37	4,728	5
Citigroup Mortgage Loan Trust, Series 2007-10, Class 22AA		
4.169%, (CSTR), 9/25/37	14,139	14
Citigroup Mortgage Loan Trust, Series 2007-10, Class 2A3A		
4.646%, (CSTR), 9/25/37	54,656	55
Countrywide Alternative Loan Trust, Series 2004-28CB, Class 5A1		
5.750%, 1/25/35	19,049	19
Countrywide Alternative Loan Trust, Series 2005-59, Class 1A1		
2.095%, (ICE LIBOR USD 1 Month plus 0.330%), 11/20/35	6,969	7
Countrywide Alternative Loan Trust, Series 2005-76, Class 1A1		
3.719%, (Federal Reserve US 12 Month Cumulative Avg 1 year CMT plus 1.480%), 1/25/36	19,383	20
Countrywide Alternative Loan Trust, Series 2005-79CB, Class A3		
5.500%, 1/25/36	199,635	175
Countrywide Alternative Loan Trust, Series 2005-J1, Class 3A1		
6.500%, 8/25/32	6,366	7
Countrywide Alternative Loan Trust, Series 2006-45T1, Class 1A13		
6.000%, 2/25/37	138,711	84
Countrywide Alternative Loan Trust, Series 2006-5T2, Class A1		
2.292%, (ICE LIBOR USD 1 Month plus 0.500%), 4/25/36	452,012	212
Countrywide Alternative Loan Trust, Series 2006-HY10, Class 2A1		
4.274%, (CSTR), 5/25/36	15,042	14
Countrywide Alternative Loan Trust, Series 2006-OA12, Class A1B		
1.955%, (ICE LIBOR USD 1 Month plus 0.190%), 9/20/46	18,534	16
Countrywide Alternative Loan Trust, Series 2006-OA17, Class 1A1A		
1.960%, (ICE LIBOR USD 1 Month plus 0.195%), 12/20/46	35,908	31
Countrywide Alternative Loan Trust, Series 2006-OA2, Class A1		
1.975%, (ICE LIBOR USD 1 Month plus 0.210%), 5/20/46	465,195	395

Multi-Sector Bond Portfolio

Structured Products (14.2%)	Shares/ Par [+]	Value $ (000's)
Mortgage Securities continued		
Countrywide Alternative Loan Trust, Series 2006-OA9, Class 2A1A 1.975%, (ICE LIBOR USD 1 Month plus 0.210%), 7/20/46	11,285	8
Countrywide Alternative Loan Trust, Series 2007-9T1, Class 2A2 6.000%, 5/25/37	268,409	184
Countrywide Alternative Loan Trust, Series 2007-OA3, Class 1A1 1.932%, (ICE LIBOR USD 1 Month plus 0.140%), 4/25/47	42,360	39
Countrywide Home Loan Mortgage Pass Through Trust, Series 2005-22, Class 3A1 3.545%, (CSTR), 10/25/35	16,397	14
Countrywide Home Loan Mortgage Pass Through Trust, Series 2005-HYB8, Class 1A1 4.021%, (CSTR), 12/20/35	7,591	7
Countrywide Home Loan Mortgage Pass Through Trust, Series 2006-16, Class 2A1 6.500%, 11/25/36	21,926	15
Countrywide Home Loan Mortgage Pass Through Trust, Series 2006-9, Class A1 6.000%, 5/25/36	169,061	138
Countrywide Home Loan Mortgage Pass Through Trust, Series 2006-OA4, Class A1 3.199%, (Federal Reserve US 12 Month Cumulative Avg 1 year CMT plus 0.960%), 4/25/46	40,516	19
Countrywide Home Loan Mortgage Pass Through Trust, Series 2006-OA4, Class A2 2.062%, (ICE LIBOR USD 1 Month plus 0.270%), 4/25/46	1,073,671	452
Countrywide Home Loan Mortgage Pass Through Trust, Series 2007-HYB1, Class 3A1 3.656%, (CSTR), 3/25/37	12,346	11
Credit Suisse First Boston Mortgage Securities Corp., Series 2003-8, Class 5A1 6.500%, 4/25/33	1,144	1
Deutsche Alt-A Securities, Inc. Mortgage Loan Trust, Series 2005-6, Class 2A3 5.500%, 12/25/35	493,151	473
EMF-NL BV, Series 2008-APRX, Class A2 0.382%, (Euribor 3 Month ACT/360 plus 0.800%), 4/17/41 EUR §,∞	160,714	173
Eurosail-NL BV, Series 2007-NL2X, Class A 1.082%, (Euribor 3 Month ACT/360 plus 1.500%), 10/17/40 EUR §,∞	96,931	109
Federal National Mortgage Association 3.000%, 12/1/49 β	9,274,652	9,403
Federal National Mortgage Association TBA 3.000%, 2/13/48 β	16,200,000	16,409
3.500%, 1/14/50 β	6,100,000	6,272
3.500%, 2/12/50 β	51,000,000	52,424
Federal National Mortgage Association, Series 2003-W6, Class F 2.058%, (ICE LIBOR USD 1 Month plus 0.350%), 9/25/42	23,298	23
First Horizon Mortgage Pass-Through Trust, Series 2007-2, Class 1A5 5.750%, 5/25/37	251,231	173
GSR Mortgage Loan Trust, Series 2005-AR6, Class 1A1 4.704%, (CSTR), 9/25/35	4,490	5
GSR Mortgage Loan Trust, Series 2006-2F, Class 3A6 6.000%, 2/25/36	121,722	96
GSR Mortgage Loan Trust, Series 2006-AR1, Class 2A1 3.956%, (CSTR), 1/25/36	2,130	2
GSR Mortgage Loan Trust, Series 2007-AR1, Class 2A1 3.860%, (CSTR), 3/25/47	11,180	10
Harborview Mortgage Loan Trust, Series 2005-10, Class 2A1A 2.074%, (ICE LIBOR USD 1 Month plus 0.310%), (AFC), 11/19/35	12,083	12
Harborview Mortgage Loan Trust, Series 2005-3, Class 2A1A 2.213%, (ICE LIBOR USD 1 Month plus 0.480%), (AFC), 6/19/35	22,463	23
HomeBanc Mortgage Trust, Series 2005-1, Class A1 2.042%, (ICE LIBOR USD 1 Month plus 0.250%), 3/25/35	6,792	6
HSI Asset Securitization Corp. Trust, Series 2006-NC1, Class 2A 2.012%, (ICE LIBOR USD 1 Month plus 0.220%), 11/25/35	1,190,766	1,078
Impac Secured Assets Trust, Series 2007-1, Class A2 1.952%, (ICE LIBOR USD 1 Month plus 0.160%), (AFC), 3/25/37	80,364	76
IndyMac INDX Mortgage Loan Trust, Series 2004-AR6, Class 5A1 4.193%, (CSTR), 10/25/34	21,185	22
IndyMac INDX Mortgage Loan Trust, Series 2005-AR12, Class 2A1A 2.272%, (ICE LIBOR USD 1 Month plus 0.480%), (AFC), 7/25/35	2,178	2
IndyMac INDX Mortgage Loan Trust, Series 2005-AR14, Class 2A1A 2.092%, (ICE LIBOR USD 1 Month plus 0.300%), 7/25/35	13,610	13
JP Morgan Mortgage Trust, Series 2005-ALT1, Class 2A1 4.035%, (CSTR), 10/25/35	11,227	10
JP Morgan Mortgage Trust, Series 2007-A1, Class 6A1 4.427%, (CSTR), 7/25/35	10,532	11
JP Morgan Mortgage Trust, Series 2007-A4, Class 3A1 3.954%, (CSTR), 6/25/37	67,530	59

Multi-Sector Bond Portfolio

Structured Products (14.2%)	Shares/ Par [+]	Value $ (000's)
Mortgage Securities continued		
Merrill Lynch Alternative Note Asset Trust, Series 2007-OAR1, Class A1 1.878%, (ICE LIBOR USD 1 Month plus 0.170%), 2/25/37	1,640	2
Merrill Lynch Mortgage Investors Trust, Series 2005-A6, Class 2A3 2.172%, (ICE LIBOR USD 1 Month plus 0.380%), 8/25/35	16,166	16
Merrill Lynch Mortgage Investors Trust, Series 2005-A9, Class 5A1 3.861%, (CSTR), 12/25/35	171,515	156
Merrill Lynch Mortgage Investors Trust, Series 2006-1, Class 1A 4.148%, (CSTR), 2/25/36	3,614	4
Merrill Lynch Mortgage Investors Trust, Series 2006-A3, Class 6A1 3.974%, (CSTR), 5/25/36	15,784	15
Morgan Stanley Mortgage Loan Trust, Series 2005-3AR, Class 4A 3.979%, (CSTR), 7/25/35	35,385	33
Nomura Asset Acceptance Corp. Alternative Loan Trust, Series 2005-AR4, Class 3A1 4.381%, (CSTR), 8/25/35	6,345	6
Nomura Resecuritization Trust, Series 2014-1R, Class 2A1 2.628%, (ICE LIBOR USD 1 Month plus 0.130%), 2/26/37 144A	261,640	262
Residential Accredit Loans, Inc., Series 2005-QA3, Class NB2 4.761%, (CSTR), 3/25/35	25,363	23
Residential Accredit Loans, Inc., Series 2006-QA7, Class 1A1 1.982%, (ICE LIBOR USD 1 Month plus 0.190%), 8/25/36	10,126	9
Residential Accredit Loans, Inc., Series 2006-QA8, Class A1 1.982%, (ICE LIBOR USD 1 Month plus 0.190%), 9/25/36	24,677	23
Residential Accredit Loans, Inc., Series 2007-QA1, Class A1 1.932%, (ICE LIBOR USD 1 Month plus 0.140%), 1/25/37	19,722	19
Residential Asset Securitization Trust, Series 2007-A2, Class 2A2 6.500%, 4/25/37	3,449,461	1,551
Structured Adjustable Rate Mortgage Loan Trust, Series 2005-19XS, Class 1A1 2.112%, (ICE LIBOR USD 1 Month plus 0.320%), 10/25/35	63,272	61
Structured Asset Mortgage Investments II Trust, Series 2005-AR8, Class A2 3.732%, (Federal Reserve US 12 Month Cumulative Avg 1 year CMT plus 1.480%), 2/25/36	547,007	542
Structured Asset Mortgage Investments II Trust, Series 2006-AR6, Class 1A1 1.972%, (ICE LIBOR USD 1 Month plus 0.180%), (AFC), 7/25/46	246,081	227
Suntrust Alternative Loan Trust, Series 2005-1F, Class 1A1 2.442%, (ICE LIBOR USD 1 Month plus 0.650%), 12/25/35	17,992	15
Towd Point Mortgage Funding, Series 2019-GR4A, Class A1 1.820%, (ICE LIBOR GBP 3 Month plus 1.025%), 10/20/51 144A GBP ∞	2,666,782	3,548
WaMu Mortgage Pass-Through Certificates, Series 2002-AR19, Class A6 4.276%, (CSTR, AFC), 2/25/33	975	1
WaMu Mortgage Pass-Through Certificates, Series 2006-AR12, Class 3A3 3.689%, (CSTR), 10/25/36	28,157	26
WaMu Mortgage Pass-Through Certificates, Series 2006-AR2, Class 1A1 4.236%, (CSTR), 3/25/36	233,631	228
WaMu Mortgage Pass-Through Certificates, Series 2006-AR8, Class 2A1 3.880%, (CSTR), 8/25/36	12,514	12
WaMu Mortgage Pass-Through Certificates, Series 2007-HY1, Class 3A1 4.000%, (CSTR), 2/25/37	4,501	4
WaMu Mortgage Pass-Through Certificates, Series 2007-OA3, Class 4A2 2.939%, (Federal Reserve US 12 Month Cumulative Avg 1 year CMT plus 0.700%), 4/25/47	391,706	341
Wells Fargo Alternative Loan Trust, Series 2007-PA4, Class 2A1 4.870%, (CSTR), 7/25/37	51,625	48
Wells Fargo Mortgage Backed Securities Trust, Series 2006-AR5, Class 2A1 5.188%, (CSTR), 4/25/36	61,057	58
Wells Fargo Mortgage Backed Securities Trust, Series 2007-AR8, Class A1 4.425%, (CSTR), 11/25/37	48,395	44
Total		**98,567**
Total Structured Products (Cost: $141,056)		**144,719**

Bank Loan Obligations (3.5%)		
Bank Loan Obligations (3.5%)		
Altice Financing SA, 4.530%, 01/31/26	1,196,947	1,189
Altice France SA, 4.530%, (US LIBOR plus 2.750%), 7/31/25	198,473	197
CenturyLink, Inc., 4.530%, (ICE LIBOR USD 3 Month plus 2.750%), 1/31/25β	6,849,277	6,871
Charter Communications Operating LLC, 3.530%, (ICE LIBOR USD 1 Month plus 1.750%), 2/1/27	3,450,352	3,470
CommScope, Inc., 5.030%, (US LIBOR plus 3.250%), 4/6/26	498,750	501
Connect Finco SARL, 6.280%, (ICE LIBOR USD 1 Month plus 4.500%), 12/11/26	1,200,000	1,205

Multi-Sector Bond Portfolio

Bank Loan Obligations (3.5%)	Shares/ Par +	Value $ (000's)
Bank Loan Obligations continued		
Dell International LLC, 3.780%, (ICE LIBOR USD 1 Month plus 2.000%), 9/19/25	1,476,959	1,485
Enterprise Merger Sub, Inc., 5.530%, (US LIBOR plus 3.750%), 10/10/25	495,000	421
Grifols SA, 2.210%, 011/8/27 EUR∞	2,000,000	2,261
Hilton Worldwide Finance LLC, 3.530%, (US LIBOR plus 1.750%), 6/22/26	1,120,295	1,127
INEOS Finance PLC, 1.960%, (Euribor 3 Month plus 2.000%), 3/31/24 EUR∞	3,430,000	3,844
Jefferies Finance LLC, 5.530%, (ICE LIBOR USD 3 Month plus 3.750%), 6/3/26	99,500	99
MPH Acquisition Holdings LLC, 4.530%, (ICE LIBOR USD 3 Month plus 2.750%), 6/7/23	1,000,000	985
Pacific Gas & Electric Co., 4.030%, (US LIBOR plus 3.970%), 12/31/20	3,375,000	3,375
Pacific Gas & Electric Co., 4.030%, (US LIBOR plus 2.250%), 12/31/20	1,125,000	1,125
PCF GmbH, 4.960%, 08/1/24 EUR∞	2,800,000	3,090
Sigma Bidco BV, 3.460%, (Euribor 3 Month plus 3.500%), 7/2/25 EUR∞	1,600,000	1,797
Sprint Communications, Inc., 4.280%, (ICE LIBOR USD 3 Month plus 2.500%), 2/2/24	1,994,872	1,977
Valeant Pharmaceuticals International, Inc., 4.780%, (US LIBOR plus 3.000%), 6/2/25	343,825	346
Ziggo Secured Finance Partnership, 4.280%, (US LIBOR plus 2.500%), 4/15/25	1,000,000	1,000
Total Bank Loan Obligations (Cost: $36,836)		**36,365**

Short-Term Investments (21.5%)		
Financial (0.0%)		
GE Capital European Funding Unlimited Co. 0.000%, (Euribor 3 Month ACT/360 plus 0.380%), 1/21/20 EUR∞	100,000	113
Total		**113**
Governments (5.4%)		
Argentine Republic Treasury Bill 0.000%, 2/26/20 ARS∞	210,000	2
Brazil Letras do Tesouro Nacional 0.000%, 4/1/20 BRL∞	12,700,000	3,125
Central Bank of Argentina 0.000%, 5/13/20 ARS∞	4,275,500	53
Hellenic Republic Treasury Bill 0.000%, 1/3/20 EUR∞	100,000	112
0.000%, 1/31/20 EUR∞	200,000	224
Japan Treasury Discount Bill 0.000%, 1/14/20 JPY∞,β	2,700,000,000	24,850
Spain Letras del Tesoro 0.000%, 1/17/20 EUR∞,β	22,900,000	25,693
US Treasury 0.000%, 1/2/20	332,000	332
Total		**54,391**

Short-Term Investments (21.5%)	Shares/ Par +	Value $ (000's)
Money Market Funds (0.4%)		
State Street Institutional U.S. Government Money Market Fund - Premier Class 1.540%#	4,300,412	4,300
Total		**4,300**
Repurchase Agreements (15.7%)		
Barclays Capital, Inc. (Purchased on 12/31/19, to be repurchased at $13,300,580, collateralized by US Treasury Note, 2%, due 4/30/24, par and fair value of $13,350,000 and $13,529,912, respectively) 1.570%, 1/3/20	13,300,000	13,300
Deutsche Bank AG (Purchased on 12/31/19, to be repurchased at $36,701,611, collateralized by US Treasury Inflation Index, 0.125%, due 4/15/20, par and fair value of $34,100,000 and $36,951,879, respectively) 1.580%, 1/3/20	36,700,000	36,700
JP Morgan repurchase (Purchased on 12/30/19, to be repurchased at $50,005,139, collateralized by US Treasury Bond, 3%, due 11/15/44, par and fair value of $45,224,000 and $50,445,959, respectively) 1.650%, 1/2/20	50,000,000	50,000
JP Morgan repurchase (Purchased on 12/31/19, to be repurchased at $60,705,564, collateralized by US Treasury Bond, 3%, due 11/15/45, par and fair value of $54,746,000 and $61,272,750, respectively) 1.850%, 1/2/20	60,700,000	60,700
Total		**160,700**
Total Short-Term Investments (Cost: $219,515)		**219,504**
Total Investments (111.6%) (Cost: $1,110,155)@		**1,139,982**
Other Assets, Less Liabilities (-11.6%)		**(118,158)**
Net Assets (100.0%)		**1,021,824**

Multi-Sector Bond Portfolio

Exchange Traded or Centrally Cleared Derivatives
Futures

Issuer	Long/ Short	Currency	Notional Par (000's)	Number of Contracts	Expiration Date	Notional Value (000's)	Unrealized Appreciation/ (Depreciation) (000's)	Variation Margin (000's)
Euro-Bobl Future	Long	EUR	11,900	119	3/20	$ 17,837	$ (52)	$ –π
Euro-Bund Future	Long	EUR	4,100	41	3/20	7,841	(120)	–π
Euro-Buxl Future	Long	EUR	2,000	20	3/20	4,450	(116)	–π
Five-Year US Treasury Note Future	Short	USD	300	3	3/20	356	1	–π
Ten-Year US Treasury Note Future	Long	USD	47,500	475	3/20	61,000	(524)	(52)
Two-Year US Treasury Note Future	Long	USD	44,600	223	3/20	48,057	(5)	10
Ultra Long Term US Treasury Bond Future	Long	USD	30,800	308	3/20	55,950	(1,640)	(351)
							$ (2,456)	$ (393)

Centrally Cleared Interest Rate Swaps - Receive Floating Rate

Floating Rate Index	Fixed Rate	Expiration Date	Notional Amount (000's)	Currency	Upfront Premium Paid/ (Received) (000's)	Unrealized Appreciation/ (Depreciation) (000's)	Market Value (000's)	Variation Margin(000's)
3-Month USD-LIBOR	2.500%	12/24	49,600	USD	$ (1,735)	$ (95)	$ (1,830)	$ 66
6-Month GBP-LIBOR	0.750%	3/30	600	GBP	6	14	20	(4)
6-Month GBP-LIBOR	0.750%	3/50	600	GBP	14	60	74	(10)
					$ (1,715)	$ (21)	$ (1,736)	$ 52

Centrally Cleared Interest Rate Swaps - Pay Floating Rate

Floating Rate Index	Fixed Rate	Expiration Date	Notional Amount (000's)	Currency	Upfront Premium Paid/ (Received) (000's)	Unrealized Appreciation/ (Depreciation) (000's)	Market Value (000's)	Variation Margin(000's)
3-Month Canada Bankers Acceptances	2.500%	6/29	8,600	CAD	$ 109	$ 91	$ 200	$ (23)
3-Month USD-LIBOR	2.995%	5/28	9,300	USD	–	831	831	(31)
3-Month USD-LIBOR	3.000%	6/29	2,700	USD	151	114	265	(11)
3-Month USD-LIBOR	2.750%	12/29	1,500	USD	103	15	118	(6)
6-Month Euribor	(0.050)%	10/29	1,800	EUR	–	(48)	(48)	1
6-Month Euribor	0.150%	6/30	1,700	EUR	1	(22)	(21)	1
					$ 364	$ 981	$ 1,345	$ (69)

Centrally Cleared Credit Default Swaps on Credit Indices - Sell Protection

Reference Entity	Receive Fixed Rate	Expiration Date	Implied Credit Spread	Notional Amount (000's)	Currency	Upfront Premium Paid/ (Received) (000's)	Unrealized Appreciation/ (Depreciation) (000's)	Market Value(000's)	Variation Margin(000's)
Markit CDX Emerging Markets Index	1.000%	6/24	1.638%	18,400	USD	$ (724)	$ 237	$ (487)	$ 5
Markit CDX North America High Yield Index	5.000%	6/24	2.543%	45,668	USD	2,469	2,043	4,512	(26)
Markit CDX North America High Yield Index	5.000%	12/24	2.798%	1,287	USD	72	52	124	(1)
Markit CDX North America Investment Grade Index	1.000%	6/24	0.393%	13,200	USD	223	121	344	(1)
Markit CDX North America Investment Grade Index	1.000%	12/24	0.452%	36,200	USD	708	231	939	(5)
Markit CDX North America Investment Grade Index	1.000%	12/24	1.737%	44,700	USD	(2,086)	584	(1,502)	15
						$ 662	$ 3,268	$ 3,930	$ (13)

Centrally Cleared Credit Default Swaps on Corporate or Sovereign Issues - Sell Protection

Reference Entity	Receive Fixed Rate	Expiration Date	Implied Credit Spread	Notional Amount (000's)	Currency	Upfront Premium Paid/ (Received) (000's)	Unrealized Appreciation/ (Depreciation) (000's)	Market Value(000's)	Variation Margin(000's)
AT&T, Inc.	1.000%	6/24	0.600%	300	USD	$ (1)	$ 6	$ 5	$ –π
Atlantia SpA	1.000%	12/20	2.245%	1,300	EUR	(35)	17	(18)	–π
Casino Guichard Perrachon SA	1.000%	12/20	3.089%	2,600	EUR	(85)	27	(58)	2
Casino Guichard Perrachon SA	1.000%	12/21	4.421%	1,000	EUR	(48)	(22)	(70)	–π
Casino Guichard Perrachon SA	5.000%	12/22	5.313%	1,100	EUR	(10)	(1)	(11)	1
Casino Guichard Perrachon SA	1.000%	6/23	5.937%	500	EUR	(55)	(26)	(81)	–π
Casino Guichard Perrachon SA	1.000%	12/23	6.384%	600	EUR	(84)	(31)	(115)	–π
Ford Motor Co.	5.000%	6/23	0.972%	2,900	USD	344	48	392	–π
Ford Motor Co.	5.000%	12/23	1.138%	200	USD	29	–	29	–π
Ford Motor Co.	5.000%	12/23	1.138%	700	USD	81	22	103	–π
Ford Motor Credit Co.	5.000%	12/23	1.178%	400	USD	41	17	58	(1)
General Electric Co.	1.000%	12/23	0.652%	2,800	USD	(110)	147	37	–π
General Electric Co.	1.000%	6/24	0.766%	900	USD	(8)	17	9	–π
General Electric Co.	1.000%	12/24	0.857%	600	USD	(9)	13	4	–π
Marks & Spencer PLC	1.000%	12/23	1.262%	200	EUR	(5)	3	(2)	–π
Marks & Spencer PLC	1.000%	12/24	1.665%	2,900	EUR	(141)	36	(105)	(1)
Telefonica Emisiones SAU	1.000%	6/24	0.510%	1,000	EUR	14	11	25	–π
Telefonica Emisiones SAU	1.000%	12/24	0.574%	3,200	EUR	70	6	76	–π
Volkswagen International Finance	1.000%	6/24	0.662%	700	EUR	4	8	12	–π
						$ (8)	$ 298	$ 290	$ 1

Centrally Cleared Credit Default Swaps on Corporate or Sovereign Issues - Buy Protection

Reference Entity	Pay Fixed Rate	Expiration Date	Implied Credit Spread	Notional Amount (000's)	Currency	Upfront Premium Paid/ (Received) (000's)	Unrealized Appreciation/ (Depreciation) (000's)	Market Value(000's)	Variation Margin(000's)
Koninklijke KPN NV	1.000%	12/23	0.480%	(800)	EUR	5	(24)	(19)	–π
						$ 5	$ (24)	$ (19)	$ –π

Written Options

Description	Currency	Notional Par (000's)	Exercise Price	Expiration Date	Number of Contracts	Value (000's)
Call - Ten-Year US Treasury Note Future	USD	63	$ 130.500	1/20	63	$ (3)
Put - Ten-Year US Treasury Note Future	USD	63	127.500	1/20	63	(12)
(Premiums Received $35)						$ (15)

	Financial Derivative Assets			Financial Derivative Liabilities			
	Variation Margin (000's)			Variation Margin (000's)			Market Value (000's)
	Swaps	Futures	Total	Swaps	Futures	Total	Options
Total Exchange-Traded or Centrally Cleared Derivatives	$ 91	$ 10	$ 101	$ (120)	$ (403)	$ (523)	$ (15)

Multi-Sector Bond Portfolio

Over the Counter Derivatives
Forward Contracts

Type	Counterparty	Currency	Foreign Principal Amount Covered by Contract (000s)	USD Principal Amount Covered by Contract (000's)	Settlement Month	Unrealized Appreciation (000's)	Unrealized (Depreciation) (000's)	Net Unrealized Appreciation/ (Depreciation) (000's)
Sell	Bank of America NA	AUD	2,568	1,802	1/20	$ —	$ (59)	$ (59)
Buy	BNP Paribas	BRL	12,500	3,107	1/20	30	—	30
Buy	Goldman Sachs International	BRL	12,500	3,107	1/20	6	—	6
Buy	Bank of America NA	BRL	12,500	3,107	1/20	6	—	6
Buy	BNP Paribas	BRL	24,800	6,165	1/20	190	—	190
Buy	Goldman Sachs International	BRL	12,300	3,058	1/20	6	—	6
Buy	Bank of America NA	BRL	12,500	3,104	2/20	34	—	34
Sell	BNP Paribas	BRL	12,500	3,107	1/20	—	(6)	(6)
Sell	Goldman Sachs International	BRL	12,500	3,107	1/20	42	—	42
Sell	Bank of America NA	BRL	12,500	3,107	1/20	—	(33)	(33)
Sell	BNP Paribas	BRL	49,600	12,330	1/20	—	(24)	(24)
Sell	Goldman Sachs International	BRL	12,300	3,058	1/20	—	(75)	(75)
Sell	BNP Paribas	BRL	12,500	3,105	2/20	—	(31)	(31)
Sell	Goldman Sachs International	BRL	12,700	3,145	4/20	30	—	30
Buy	JP Morgan Chase Bank NA	CNH	119	17	3/20	—π	—	—π
Buy	Bank of America NA	EUR	692	777	1/20	2	—	2
Buy	UBS AG	EUR	594	667	1/20	4	—	4
Sell	UBS AG	EUR	113,110	126,931	1/20	—	(1,998)	(1,998)
Sell	Royal Bank of Scotland PLC	EUR	22,933	25,746	1/20	—	(426)	(426)
Buy	JP Morgan Chase Bank NA	GBP	1,414	1,873	1/20	46	—	46
Sell	Barclays Bank PLC	GBP	451	598	1/20	6	—	6
Sell	BNP Paribas	GBP	42,685	56,552	1/20	—	(1,277)	(1,277)
Sell	JP Morgan Chase Bank NA	GBP	94	125	1/20	—	(1)	(1)
Sell	Goldman Sachs International	JPY	2,700,000	24,860	1/20	607	—	607
Buy	BNP Paribas	MXN	1,225	65	1/20	3	—	3
Buy	BNP Paribas	PLN	19,691	5,191	2/20	190	—	190
						$ 1,202	$ (3,930)	$ (2,728)

Credit Default Swaps on Corporate or Sovereign Issues - Sell Protection

Reference Entity	Counterparty	Receive Fixed Rate	Expiration Date	Implied Credit Spread	Currency	Notional Amount (000's)	Upfront Premium Paid/ (Received) (000's)	Unrealized Appreciation/ (Depreciation) (000's)	Market Value (000's)
Federative Republic of Brazil	Goldman Sachs International	1.000%	6/24	0.883%	USD	100	$ (3)	$ 4	$ 1
Federative Republic of Brazil	Goldman Sachs International	1.000%	12/24	0.991%	USD	1,400	(21)	22	1
Federative Republic of Brazil	HSBC Bank USA NA	1.000%	6/24	0.883%	USD	500	(12)	15	3
Intrum AB	Barclays Bank PLC	5.000%	12/24	2.583%	EUR	100	9	4	13
Intrum AB	Goldman Sachs International	5.000%	12/24	5.166%	EUR	400	36	16	52
Intrum AB	Goldman Sachs International	5.000%	12/24	2.583%	EUR	500	43	21	64
Intrum AB	Goldman Sachs International	5.000%	12/24	5.166%	EUR	600	66	12	78
Intrum AB	Goldman Sachs International	5.000%	12/24	5.166%	EUR	800	90	13	103
Intrum AB	Goldman Sachs International	5.000%	12/24	5.166%	EUR	1,200	126	28	154
Intrum AB	JP Morgan Chase Bank NA	5.000%	12/24	2.583%	EUR	800	70	33	103
Intrum AB	Morgan Stanley Capital Services	5.000%	12/24	5.166%	EUR	200	18	8	26

Credit Default Swaps on Corporate or Sovereign Issues - Sell Protection (continued)

Reference Entity	Counterparty	Receive Fixed Rate	Expiration Date	Implied Credit Spread	Currency	Notional Amount (000's)	Upfront Premium Paid/ (Received) (000's)	Unrealized Appreciation/ (Depreciation) (000's)	Market Value (000's)
Intrum AB	Morgan Stanley Capital Services	5.000%	12/24	2.583%	EUR	200	$ 22	$ 4	$ 26
Park Aerospace Holdings, Ltd.Æ	UBS AG	5.000%	7/20	0.021%	USD	200	2	2	4
Republic of Indonesia	HSBC Bank USA NA	1.000%	12/24	0.629%	USD	7,400	(41)	171	130
Republic of Peru	Barclays Bank PLC	1.000%	3/23	0.211%	USD	1,100	(10)	37	27
United Mexican States	BNP Paribas	1.000%	6/24	0.685%	USD	100	(1)	2	1
United Mexican States	Goldman Sachs International	1.000%	6/23	0.494%	USD	1,400	(8)	32	24
United Mexican States	Goldman Sachs International	1.000%	12/24	0.784%	USD	200	(2)	4	2
United Mexican States	HSBC Bank USA NA	1.000%	12/23	0.559%	USD	800	(10)	24	14
United Mexican States	HSBC Bank USA NA	1.000%	6/24	0.685%	USD	400	(5)	10	5
United Mexican States	JP Morgan Chase Bank NA	1.000%	12/22	0.408%	USD	500	(10)	19	9
United Mexican States	JP Morgan Chase Bank NA	1.000%	12/23	0.559%	USD	200	(1)	4	3
United Mexican States	Morgan Stanley Capital Services	1.000%	12/24	0.784%	USD	1,200	(7)	19	12
							$ 351	$ 504	$ 855

Total Return Swaps

Reference Entity	Counterparty	Payment made by the Fund	Payment Received by the Fund	Expiration Date	Notional Amount (000's)	Unrealized Appreciation/ (Depreciation) (000's)	Market Value (000's)
iBoxx USD Liquid High Yield Index	Barclays Bank PLC	3-Month USD-LIBOR	iBoxx USD Liquid High Yield Index	3/20	14	$ 121	$ 121
iBoxx USD Liquid High Yield Index	JP Morgan Chase Bank NA	3-Month USD-LIBOR	iBoxx USD Liquid High Yield Index	3/20	11	100	100
iBoxx USD Liquid High Yield Index	Morgan Stanley Capital Services	3-Month USD-LIBOR	iBoxx USD Liquid High Yield Index	3/20	5	46	46
						$ 267	$ 267

Written Options

Description	Counterparty	Currency	Notional Par (000's)	Exercise Price	Expiration Date	Number of Contracts	Value (000's)
Call - CME Interest Rate Swaption	Goldman Sachs International	USD	7,500	$ 1.400	1/20	7,500,000	$ (1)
Call - CME Interest Rate Swaption	Goldman Sachs International	USD	7,500	1.470	1/20	7,500,000	(1)
Call - CME Interest Rate Swaption	Goldman Sachs International	USD	7,600	1.614	1/20	7,600,000	(8)
Put - CME Interest Rate Swaption	Goldman Sachs International	USD	7,500	1.770	1/20	7,500,000	(41)
Put - CME Interest Rate Swaption	Goldman Sachs International	USD	7,500	1.820	1/20	7,500,000	(24)

Multi-Sector Bond Portfolio

Description	Counterparty	Currency	Notional Par (000's)	Exercise Price	Expiration Date	Number of Contracts	Value (000's)
Put - CME Interest Rate Swaption	Goldman Sachs International	USD	7,600	$ 1.894	1/20	7,600,000	$ (18)
(Premiums Received $117)							$ (93)

	Financial Derivative Assets (000's)			Financial Derivative Liabilities (000's)			
	Forward Contracts	Swaps	Total	Forward Contracts	Options	Swaps	Total
Total Over the Counter Derivatives	$ 1,202	$ 1,122	$ 2,324	$ (3,930)	$ (93)	—	$ (4,023)

+ All par is stated in U.S Dollar unless otherwise noted.

144A Security exempt from registration under Rule 144A of the Securities Act of 1933. These securities may be resold as transactions exempt from registration, normally to qualified institutional buyers. At December 31, 2019 the value of these securities (in thousands) was $225,795 representing 22.1% of the net assets.

∞ Foreign Bond — par value is foreign denominated

β Cash or securities with an aggregate value of $283,985 (in thousands) has been pledged as collateral for futures, swap contracts outstanding, short sales, when issued securities or written options on 12/31/2019.

§ Security was purchased pursuant to Regulation S under the Securities Act of 1933, which exempts from registration securities offered and sold outside of the United States. At December 31, 2019, the aggregate value of these securities was $124,265 (in thousands), representing 12.2% of net assets.

Æ Security valued using significant unobservable inputs.

π Amount is less than one thousand.

Þ PIK - Payment In Kind. PIK rate of Odebrecht Drilling Norbe VIII/IX, Ltd. 7.350%

ϕ Defaulted Security

* Non income producing

7-Day yield as of 12/31/2019.

@ At December 31, 2019, the aggregate cost of investments, including derivatives, for federal tax purposes (in thousands) was $1,106,505 and the net unrealized appreciation of investments based on that cost was $33,115 which is comprised of $57,183 aggregate gross unrealized appreciation and $24,068 aggregate gross unrealized depreciation.

Multi-Sector Bond Portfolio

The following is a summary of the inputs used in valuing the Portfolio's assets and liabilities at December 31, 2019. See Note 3 for additional information on portfolio valuation.

	Valuation Inputs		
Description	**Level 1 - Quoted Prices**	**Level 2 - Other Significant Observable Inputs**	**Level 3 - Significant Unobservable Inputs**
	(Amounts in thousands)		
Assets:			
Bank Loan Obligations	$ —	$ 36,365	$ —
Municipal Bonds	—	10,940	—
Corporate Bonds			
Energy	—	94,071	88
All Others	—	427,757	—
Governments	—	206,538	—
Structured Products	—	144,719	—
Short-Term Investments			
Money Market Funds	4,300	—	—
All Others	—	215,204	—
Other Financial Instruments^			
Futures	1	—	—
Forward Currency Contracts	—	1,202	—
Total Return Swaps	—	267	—
Interest Rate Swaps	—	1,508	—
Credit Default Swaps	—	7,520	4
Total Assets:	$ 4,301	$ 1,146,091	$ 92
Liabilities:			
Other Financial Instruments^			
Futures	(2,457)	—	—
Forward Currency Contracts	—	(3,930)	—
Written Options	(15)	(93)	—
Interest Rate Swaps	—	(1,899)	—
Credit Default Swaps	—	(2,468)	—
Total Liabilities:	$ (2,472)	$ (8,390)	$ —

^ Other financial instruments are derivative instruments such as futures and forwards, which are valued at the unrealized appreciation (depreciation) on the instrument, and securities sold short, reverse repurchase agreements, written options and swaps contracts, which are valued at market value.

Balanced Portfolio (unaudited)

Objective:	Portfolio Strategy:	Net Assets:
Realize as high a level of total return as is consistent with prudent investment risk, through income and capital appreciation.	Invest in the stock, bond and money market sectors, attempting to capitalize on the variation in return potential produced by the interaction of changing financial markets and economic conditions.	$2.3 billion

PORTFOLIO OVERVIEW

Mason Street Advisors, LLC is the investment adviser for the Balanced Portfolio (the "Portfolio"). The Portfolio is tactically and strategically managed to capitalize on changing financial markets and economic conditions following a flexible policy for allocating assets across the stock, bond and money market sectors. The Portfolio operates primarily as a "fund of funds" to gain the Portfolio's equity and fixed income exposure by investing in one or more of the equity and international portfolios, and one or more of the fixed income portfolios of Northwestern Mutual Series Fund, Inc. (each an "Underlying Portfolio"). The adviser allocates the Portfolio's assets among the Underlying Portfolios based on the adviser's economic and market outlook and the investment objectives and strategies of the Underlying Portfolios. Under normal market conditions, the Portfolio will typically hold between 35-55% of assets in equity investments, 40-60% of assets in fixed income investments, and 0-20% of assets in cash equivalent investments.

MARKET OVERVIEW

U.S. equity markets gained sharply during the reporting period, accelerating to record highs by the end of 2019. The markets' strong performance was driven in part by solid domestic economic growth amid rising wages, historically low unemployment and strong consumer spending. Diminishing concerns about the state of the global economy and trade landscape also bolstered equities, as progress was made on trade agreements between the U.S. and China and between the U.S. and its North American trade partners. Equity markets got a substantial boost from a more accommodative interest rate policy, as the U.S. Federal Reserve cut interest rates three times during the second half of 2019, the first decrease in more than a decade.

In this environment, large cap stocks, as represented by the S&P 500® Index, posted a return of 31.49%, outperforming the S&P SmallCap 600® and the S&P MidCap 400® Indices, which returned 22.78% and 26.20%, respectively. Meanwhile, the broader bond market, as represented by the Bloomberg Barclays® U.S. Aggregate Index, returned 8.72%, while the Bloomberg Barclays® U.S. Corporate High Yield Index advanced 14.32%.

PORTFOLIO RESULTS

The Portfolio returned 17.92% for the twelve months ended December 31, 2019, trailing the 31.49% return of the broad stock market, as measured by the S&P 500® Index, but outperforming the Bloomberg Barclays® U.S. Aggregate Index return of 8.72%. The Portfolio slightly underperformed the Balanced Portfolio Blended Composite Benchmark return of 18.51%. (The benchmark weights are detailed in the "Benchmark Definitions" section of this annual report.) (These Indices are unmanaged, cannot be invested in directly and do not incur expenses.) When compared to peers in 2019, the Portfolio outperformed its Morningstar® Inc. Allocation – 30% to 50% Equity peer group average return of 15.28% and its Lipper® Analytical Services, Inc. Mixed-Asset Target Allocation Moderate Funds peer group average return of 17.64%. Morningstar® Inc. and Lipper® Analytical Services, Inc. are independent mutual fund ranking agencies.

Security selection of the Underlying Portfolios detracted from the Portfolio's performance relative to the blended benchmark, largely due to performance in the domestic large cap equity allocation, particularly the Growth Stock Portfolio, which gave back the prior year's strong performance. However, several of the Underlying Portfolios outperformed their respective benchmarks, including most of the international equity Underlying Portfolios.

The Portfolio's tactical asset allocation posture was beneficial with an overweight allocation to equities and underweight to fixed income investments, as stocks generally outperformed bonds during the reporting period. Within the bond allocation, an overweight to high yield bonds was beneficial during the first half of the year. However, the positive contribution of tactical asset allocation decisions was not enough to outweigh the negative effect of underperformance by many of the Underlying Portfolios.

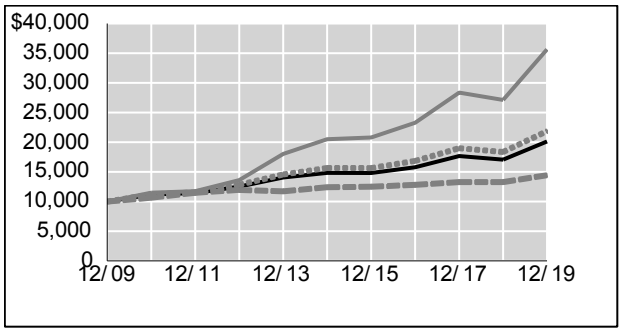
The Portfolio began the year with an overweight allocation to U.S. equities and an underweight allocation to fixed income. Following the sharp market appreciation at the beginning of 2019 and an uncertain corporate earnings environment, the Portfolio began trimming its equity exposure at the end of the first quarter and into the second quarter, reaching an

underweight position by the middle of the year. The Portfolio took the opportunity to raise its equity allocation during the third quarter, positioning the Portfolio with an overweight to equities, particularly in emerging markets, during the fourth quarter rally.

PORTFOLIO MANAGER OUTLOOK

As the new decade begins, we anticipate modest nominal economic expansion of 4% in the U.S., which could lead to earnings growth momentum sufficient to sustain continued equity market advances in 2020. We think this level of growth will help support corporate revenues and may lead to earnings improvement of 5-10% in the coming year. While both equity and bond valuation levels are high by historical standards, they remain a function of the low interest rate and inflation environments. Therefore, our portfolio positioning reflects our positive outlook with an overweight to equities, particularly in the emerging markets. We believe that the outcome of the upcoming U.S. presidential election and uncertainty surrounding a resolution of trade tensions between the U.S. and China will remain key market risks. We will continue to position the Portfolio to take advantage of opportunities created by market volatility and dislocations as the year progresses.

Relative Performance



Average Annual Total Returns
For Periods Ended December 31, 2019

	1 Year	5 Years	10 Years
Balanced Portfolio	17.92%	6.30%	7.25%
S&P 500® Index	31.49%	11.69%	13.55%
Bloomberg Barclays® U.S. Aggregate Bond Index	8.72%	3.05%	3.75%
Balanced Portfolio Blended Composite Benchmark	18.51%	6.60%	7.90%
Morningstar® US Insurance Fund Allocation - 30% to 50% Equity Average	15.28%	4.96%	6.39%
Lipper® Variable Insurance Products (VIP) Mixed Asset Target Allocation Moderate Funds Average	17.64%	5.78%	7.48%

The performance data quoted represents past performance. Past performance is historical and does not guarantee future performance. Investment return and principal value will fluctuate, so that shares, when redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than the performance data quoted. For the most recent month-end performance information visit www.northwesternmutual.com.

This chart assumes an initial investment of $10,000 made on 12/31/09. Returns shown reflect fee waivers, deductions for management and other portfolio expenses, and reinvestment of all dividends. In the absence of fee waivers, total return would be reduced. Returns exclude deductions for separate account sale loads and account fees. Please refer to the Benchmark Definitions section of this report for information about the indices cited in the above chart and graph.

Investors should be aware of the risks of investments in foreign securities, particularly investments in securities of companies in developing nations. Small cap stocks also may carry additional risk. Smaller issuers are more likely to realize more substantial growth as well as suffer more significant losses than larger or more established issuers. Bonds and other debt obligations are affected by changes in interest rates and the creditworthiness of their issuers. High yield bonds generally have higher default risks than investment grade bonds.

The Portfolio may obtain its exposure to domestic and foreign equity securities by investing in other Series Fund portfolios (Underlying Portfolios). Each of the Underlying Portfolios has its own investment risks, and the Portfolio is indirectly exposed to all the risks of the Underlying Portfolios in which it invests, including that risk that an Underlying Portfolio will not perform as expected. To the extent that the Portfolio invests a significant portion of its assets in a single Underlying Portfolio, it will be particularly sensitive to the risks associated with that Underlying Portfolio may have a significant effect on the Portfolio's net asset value. The Portfolio will bear a pro rata share of the Underlying Portfolio's expenses.

The Portfolio may use derivative instruments to gain exposure to certain markets, sectors or regions as alternatives to direct investments, to adjust the Portfolio

duration, to provide increased flexibility in asset allocation, to earn income and to otherwise seek to enhance returns or to hedge foreign currency exposure. Use of these instruments may involve certain costs and risks such as liquidity risk, interest rate risk, mispricing or improper valuation. Certain derivatives involve leverage, which could magnify losses, and portfolios investing in derivatives could lose more than the principal amount invested in those investments.

The U.S. federal funds rate has been subject to frequent adjustments over the course of the last several years. A significant rise in interest rates over a short period of time could cause significant losses in the market value of the Portfolio's fixed income investments.

Top 10 Equity Holdings 12/31/19

Security Description	% of Net Assets
Northwestern Mutual Series Fund, Inc., Select Bond Portfolio	39.3%
Northwestern Mutual Series Fund, Inc., Growth Stock Portfolio	6.6%
Northwestern Mutual Series Fund, Inc., High Yield Bond Portfolio	6.1%
Northwestern Mutual Series Fund, Inc., Research International Core Portfolio	5.7%
Northwestern Mutual Series Fund, Inc., Mid Cap Value Portfolio	4.6%
Northwestern Mutual Series Fund, Inc., Mid Cap Growth Stock Portfolio	4.4%
Northwestern Mutual Series Fund, Inc., Domestic Equity Portfolio	3.3%
Northwestern Mutual Series Fund, Inc., Focused Appreciation Portfolio	3.3%
Northwestern Mutual Series Fund, Inc., Large Cap Core Stock Portfolio	3.3%
Northwestern Mutual Series Fund, Inc., Equity Income Portfolio	3.3%

Sector Allocation 12/31/19

Sector	% of Net Assets
Fixed Income	45.6%
Domestic Equity	38.9%
Foreign Equity	12.0%
Short-Term Investments & Other Net Assets	3.5%

Sector Allocation and Top 10 Holdings are subject to change.

Balanced Portfolio

SCHEDULE OF INVESTMENTS

December 31, 2019

Investment Companies (96.5%)	Shares/ Par +	Value $ (000's)
Domestic Equity (38.9%)		
iShares Core S&P 500 ETF	5,000	1,616
iShares Core S&P Mid-Cap ETF	21,800	4,496
iShares Russell 2000 ETF	135,800	22,498
iShares Russell Mid-Cap ETF	12,400	739
Northwestern Mutual Series Fund, Inc., Domestic Equity Portfolio £	42,939,721	75,145
Northwestern Mutual Series Fund, Inc., Equity Income Portfolio £	41,993,089	74,664
Northwestern Mutual Series Fund, Inc., Focused Appreciation Portfolio £	23,565,727	74,798
Northwestern Mutual Series Fund, Inc., Growth Stock Portfolio £	46,703,367	148,423
Northwestern Mutual Series Fund, Inc., Large Cap Blend Portfolio £	60,891,470	74,166
Northwestern Mutual Series Fund, Inc., Large Cap Core Stock Portfolio £	46,130,295	74,685
Northwestern Mutual Series Fund, Inc., Large Company Value Portfolio £	72,075,949	74,455
Northwestern Mutual Series Fund, Inc., Mid Cap Growth Stock Portfolio £	28,854,014	98,796
Northwestern Mutual Series Fund, Inc., Mid Cap Value Portfolio £	62,017,196	102,576
Northwestern Mutual Series Fund, Inc., Small Cap Growth Stock Portfolio £	9,246,089	25,186
Northwestern Mutual Series Fund, Inc., Small Cap Value Portfolio £	11,409,073	24,746
Total		**876,989**
Fixed Income (45.6%)		
iShares Core U.S. Aggregate Bond ETF	29,000	3,259
Northwestern Mutual Series Fund, Inc., High Yield Bond Portfolio £	185,332,098	138,443
Northwestern Mutual Series Fund, Inc., Select Bond Portfolio £	684,075,643	886,562
Total		**1,028,264**
Foreign Equity (12.0%)		
iShares Core MSCI EAFE ETF	50,000	3,266
iShares Core MSCI Emerging Markets ETF	209,000	11,236
iShares MSCI EAFE ETF	60,379	4,193
Northwestern Mutual Series Fund, Inc., Emerging Markets Equity Portfolio £	20,764,216	23,277
Northwestern Mutual Series Fund, Inc., International Equity Portfolio £	27,863,328	45,974
Northwestern Mutual Series Fund, Inc., International Growth Portfolio £	29,020,120	53,687
Foreign Equity continued		
Northwestern Mutual Series Fund, Inc., Research International Core Portfolio £	118,277,752	127,977
Total		**269,610**
Total Investment Companies (Cost: $2,011,535)		**2,174,863**
Short-Term Investments (3.5%)		
Commercial Paper (2.9%)		
The Coca-Cola Co. 0.000%, 1/28/20 144A	500,000	499
Exxon Mobil Corp. 0.000%, 1/17/20	415,000	415
General Mills, Inc. 0.000%, 1/14/20 144A	5,500,000	5,496
Mondelez International, Inc. 0.000%, 1/2/20 144A	1,000,000	1,000
0.000%, 1/6/20 144A	6,500,000	6,498
0.000%, 1/8/20 144A	3,000,000	2,999
Pfizer, Inc. 0.000%, 1/23/20 144A	10,000,000	9,990
QUALCOMM, Inc. 0.000%, 2/4/20 144A	6,800,000	6,789
0.000%, 2/13/20 144A	3,200,000	3,193
The Southern Co. 0.000%, 1/7/20 144A	5,000,000	4,998
0.000%, 1/27/20 144A	2,500,000	2,496
Walgreens Boots Alliance, Inc. 0.000%, 3/3/20 144A	10,000,000	9,963
The Walt Disney Co. 0.000%, 1/23/20 144A	10,000,000	9,989
Total		**64,325**
Money Market Funds (0.5%)		
State Street Institutional U.S. Government Money Market Fund - Premier Class 1.540%#	12,344,623	12,345
Total		**12,345**
US Government & Agencies (0.1%)		
Federal Home Loan Bank 0.000%, 2/10/20	3,000,000	2,995
Total		**2,995**
Total Short-Term Investments (Cost: $79,662)		**79,665**
Total Investments (100.0%) (Cost: $2,091,197)@		**2,254,528**
Other Assets, Less Liabilities (0.0%)		**(293)**
Net Assets (100.0%)		**2,254,235**

Balanced Portfolio

+ All par is stated in U.S Dollar unless otherwise noted.

£ Affiliated Company

144A Security exempt from registration under Rule 144A of the Securities Act of 1933. These securities may be resold as transactions exempt from registration, normally to qualified institutional buyers. At December 31, 2019 the value of these securities (in thousands) was $63,910 representing 2.8% of the net assets.

7-Day yield as of 12/31/2019.

@ At December 31, 2019, the aggregate cost of investments, including derivatives, for federal tax purposes (in thousands) was $2,091,693 and the net unrealized appreciation of investments based on that cost was $162,835 which is comprised of $168,238 aggregate gross unrealized appreciation and $5,403 aggregate gross unrealized depreciation.

The following is a summary of the inputs used in valuing the Portfolio's assets and liabilities at December 31, 2019. See Note 3 for additional information on portfolio valuation.

	Valuation Inputs		
Description	**Level 1 - Quoted Prices**	**Level 2 - Other Significant Observable Inputs**	**Level 3 - Significant Unobservable Inputs**
	(Amounts in thousands)		
Assets:			
Investment Companies	$ 2,174,863	$ —	$ —
Short-Term Investments			
Money Market Funds	12,345	—	—
All Others	—	67,320	—
Total Assets:	$ 2,187,208	$ 67,320	$ —

Asset Allocation Portfolio (unaudited)

Objective:
Realize as high a level of total return as is consistent with reasonable investment risk.

Portfolio Strategy:
Invest in the stock, bond and money market sectors, attempting to capitalize on the variation in return potential produced by the interaction of changing financial markets and economic conditions.

Net Assets:
$288 million

PORTFOLIO OVERVIEW

Mason Street Advisors, LLC is the investment adviser for the Asset Allocation Portfolio (the "Portfolio"). The Portfolio is tactically and strategically managed to capitalize on changing financial markets and economic conditions following a flexible policy for allocating assets across the stock, bond and money market sectors. The Portfolio operates primarily as a "fund of funds" to gain the Portfolio's equity and fixed income exposure by investing in one or more of the equity and international portfolios, and one or more of the fixed income portfolios of Northwestern Mutual Series Fund, Inc. (each an "Underlying Portfolio"). The adviser allocates the Portfolio's assets among the Underlying Portfolios based on the adviser's economic and market outlook and the investment objectives and strategies of the Underlying Portfolios. Under normal market conditions, the Portfolio will typically hold between 55-75% of assets in equity investments, 25-45% of assets in fixed income investments, and 0-15% of assets in cash equivalent investments.

MARKET OVERVIEW

U.S. equity markets gained sharply during the reporting period, accelerating to record highs by the end of 2019. The markets' strong performance was driven in part by solid domestic economic growth amid rising wages, historically low unemployment and strong consumer spending. Diminishing concerns about the state of the global economy and trade landscape also bolstered equities, as progress was made on trade agreements between the U.S. and China and between the U.S. and its North American trade partners. Equity markets got a substantial boost from a more accommodative interest rate policy, as the U.S. Federal Reserve cut interest rates three times during the second half of 2019, the first decrease in more than a decade.

In this environment, large cap stocks, as represented by the S&P 500® Index, posted a return of 31.49%, outperforming the S&P SmallCap 600® and the S&P MidCap 400® Indices, which returned 22.78% and 26.20%, respectively. Meanwhile, the broader bond market, as represented by the Bloomberg Barclays® U.S. Aggregate Index, returned 8.72%, while the Bloomberg Barclays® U.S. Corporate High Yield Index advanced 14.32%.

PORTFOLIO RESULTS

The Portfolio returned 21.08% for the twelve months ended December 31, 2019, trailing the 31.49% return of the broad stock market, as measured by the S&P 500® Index, but outperforming the Bloomberg Barclays® U.S. Aggregate Index return of 8.72%. The Portfolio slightly underperformed the Asset Allocation Portfolio Blended Composite Benchmark return of 21.73%. (The benchmark weights are detailed in the "Benchmark Definitions" section of this annual report.) (These Indices are unmanaged, cannot be invested in directly and do not incur expenses.) When compared to peers in 2019, the Portfolio outperformed its Morningstar® Inc. Allocation – 50% to 70% Equity peer group average return of 19.26% and its Lipper® Analytical Services, Inc. Mixed-Asset Target Allocation Growth Funds peer group average return of 20.06%. Morningstar® Inc. and Lipper® Analytical Services, Inc. are independent mutual fund ranking agencies.

Security selection of the Underlying Portfolios detracted from the Portfolio's performance relative to the blended benchmark, largely due to performance in the domestic large cap equity allocation, particularly the Growth Stock Portfolio, which gave back the prior year's strong performance. However, several of the Underlying Portfolios outperformed their respective benchmarks, including most of the international equity Underlying Portfolios.

The Portfolio's tactical asset allocation posture was beneficial with an overweight allocation to equities and underweight to fixed income investments, as stocks generally outperformed bonds during the reporting period. Within the bond allocation, an overweight to high yield bonds was beneficial during the first half of the year. However, the positive contribution of tactical asset allocation decisions was not enough to outweigh the negative effect of underperformance by many of the Underlying Portfolios.

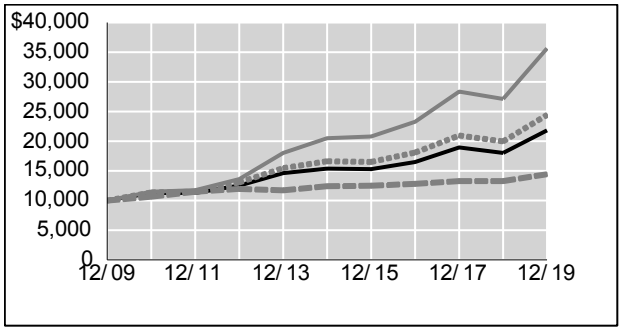
The Portfolio began the year with an overweight allocation to U.S. equities and an underweight allocation to fixed income. Following the sharp market appreciation at the beginning of 2019 and an uncertain corporate earnings environment, the Portfolio began trimming its equity exposure at the end of the first quarter and into the second quarter, reaching an

underweight position by the middle of the year. The Portfolio took the opportunity to raise its equity allocation during the third quarter, positioning the Portfolio with an overweight to equities, particularly in emerging markets, during the fourth quarter rally.

PORTFOLIO MANAGER OUTLOOK

As the new decade begins, we anticipate modest nominal economic expansion of 4% in the U.S., which could lead to earnings growth momentum sufficient to sustain continued equity market advances in 2020. We think this level of growth will help support corporate revenues and may lead to earnings improvement of 5-10% in the coming year. While both equity and bond valuation levels are high by historical standards, they remain a function of the low interest rate and inflation environments. Therefore, our portfolio positioning reflects our positive outlook with an overweight to equities, particularly in the emerging markets. We believe that the outcome of the upcoming U.S. presidential election and uncertainty surrounding a resolution of trade tensions between the U.S. and China will remain key market risks. We will continue to position the Portfolio to take advantage of opportunities created by market volatility and dislocations as the year progresses.

Relative Performance



Average Annual Total Returns
For Periods Ended December 31, 2019

	1 Year	5 Years	10 Years
Asset Allocation Portfolio	21.08%	7.27%	8.12%
S&P 500® Index	31.49%	11.69%	13.55%
Bloomberg Barclays® U.S. Aggregate Bond Index	8.72%	3.05%	3.75%
Asset Allocation Portfolio Blended Composite Benchmark	21.73%	7.65%	9.13%
Morningstar® US Insurance Fund Allocation - 50% to 70% Equity Average	19.26%	6.42%	8.18%
Lipper® Variable Insurance Products (VIP) Mixed Asset Target Allocation Growth Funds Average	20.06%	6.50%	8.48%

The performance data quoted represents past performance. Past performance is historical and does not guarantee future performance. Investment return and principal value will fluctuate, so that shares, when redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than the performance data quoted. For the most recent month-end performance information visit www.northwesternmutual.com.

This chart assumes an initial investment of $10,000 made on 12/31/09. Returns shown reflect fee waivers, deductions for management and other portfolio expenses, and reinvestment of all dividends. In the absence of fee waivers, total return would be reduced. Returns exclude deductions for separate account sale loads and account fees. Please refer to the Benchmark Definitions section of this report for information about the indices cited in the above chart and graph.

Investors should be aware of the risks of investments in foreign securities, particularly investments in securities of companies in developing nations. Small cap stocks also may carry additional risk. Smaller issuers are more likely to realize more substantial growth as well as suffer more significant losses than larger or more established issuers. Bonds and other debt obligations are affected by changes in interest rates and the creditworthiness of their issuers. High yield bonds generally have higher default risks than investment grade bonds.

The Portfolio obtains its exposure to equity and fixed income securities by investing in other Series Fund portfolios (Underlying Portfolios). Each of the Underlying Portfolios has its own investment risks, and the Portfolio is indirectly exposed to all the risks of the Underlying Portfolios in which it invests, including that risk that an Underlying Portfolio will not perform as expected. To the extent that the Portfolio invests a significant portion of its assets in a single Underlying Portfolio, it will be particularly sensitive to the risks associated with that Underlying Portfolio may have a significant effect on the Portfolio's net asset value. The Portfolio will bear a pro rata share of the Underlying Portfolio's expenses.

The Portfolio may use derivative instruments to gain exposure to certain markets, sectors or regions as alternatives to direct investments, to adjust the Portfolio

duration, to provide increased flexibility in asset allocation, to earn income and to otherwise seek to enhance returns or to hedge foreign currency exposure. Use of these instruments may involve certain costs and risks such as liquidity risk, interest rate risk, mispricing or improper valuation. Certain derivatives involve leverage, which could magnify losses, and portfolios investing in derivatives could lose more than the principal amount invested in those investments.

The U.S. federal funds rate has been subject to frequent adjustments over the course of the last several years. A significant rise in interest rates over a short period of time could cause significant losses in the market value of the Portfolio's fixed income investments.

Top 10 Equity Holdings 12/31/19

Security Description	% of Net Assets
Northwestern Mutual Series Fund, Inc., Select Bond Portfolio	21.9%
Northwestern Mutual Series Fund, Inc., Growth Stock Portfolio	8.0%
Northwestern Mutual Series Fund, Inc., High Yield Bond Portfolio	7.9%
Northwestern Mutual Series Fund, Inc., Research International Core Portfolio	7.8%
Northwestern Mutual Series Fund, Inc., Mid Cap Value Portfolio	5.2%
Northwestern Mutual Series Fund, Inc., Mid Cap Growth Stock Portfolio	5.1%
Northwestern Mutual Series Fund, Inc., Large Cap Core Stock Portfolio	4.5%
Northwestern Mutual Series Fund, Inc., Large Cap Blend Portfolio	4.5%
Northwestern Mutual Series Fund, Inc., Domestic Equity Portfolio	4.1%
Northwestern Mutual Series Fund, Inc., Focused Appreciation Portfolio	4.0%

Sector Allocation 12/31/19

Sector	% of Net Assets
Domestic Equity	49.5%
Fixed Income	30.5%
Foreign Equity	16.9%
Short-Term Investments & Other Net Assets	3.1%

Sector Allocation and Top 10 Holdings are subject to change.

Asset Allocation Portfolio

SCHEDULE OF INVESTMENTS

December 31, 2019

Investment Companies (96.9%)	Shares/ Par +	Value $ (000's)
Domestic Equity (49.5%)		
iShares Core S&P Mid-Cap ETF	6,550	1,348
iShares Russell 2000 ETF	11,500	1,905
iShares Russell Mid-Cap ETF	14,000	835
Northwestern Mutual Series Fund, Inc., Domestic Equity Portfolio £	6,673,819	11,679
Northwestern Mutual Series Fund, Inc., Equity Income Portfolio £	6,528,463	11,608
Northwestern Mutual Series Fund, Inc., Focused Appreciation Portfolio £	3,662,888	11,626
Northwestern Mutual Series Fund, Inc., Growth Stock Portfolio £	7,262,161	23,079
Northwestern Mutual Series Fund, Inc., Large Cap Blend Portfolio £	10,656,598	12,980
Northwestern Mutual Series Fund, Inc., Large Cap Core Stock Portfolio £	8,066,291	13,059
Northwestern Mutual Series Fund, Inc., Large Company Value Portfolio £	11,210,622	11,581
Northwestern Mutual Series Fund, Inc., Mid Cap Growth Stock Portfolio £	4,305,449	14,742
Northwestern Mutual Series Fund, Inc., Mid Cap Value Portfolio £	9,081,083	15,020
Northwestern Mutual Series Fund, Inc., Small Cap Growth Stock Portfolio £	2,384,289	6,495
Northwestern Mutual Series Fund, Inc., Small Cap Value Portfolio £	2,982,156	6,468
Total		**142,425**
Fixed Income (30.5%)		
iShares Core U.S. Aggregate Bond ETF	16,600	1,865
Northwestern Mutual Series Fund, Inc., High Yield Bond Portfolio £	30,573,214	22,838
Northwestern Mutual Series Fund, Inc., Select Bond Portfolio £	48,553,739	62,926
Total		**87,629**
Foreign Equity (16.9%)		
iShares Core MSCI EAFE ETF	10,600	692
iShares Core MSCI Emerging Markets ETF	26,300	1,414
iShares MSCI EAFE ETF	10,397	722
iShares MSCI Emerging Markets ETF	13,600	610
Northwestern Mutual Series Fund, Inc., Emerging Markets Equity Portfolio £	3,410,934	3,824
Northwestern Mutual Series Fund, Inc., International Equity Portfolio £	5,215,382	8,605
Northwestern Mutual Series Fund, Inc., International Growth Portfolio £	5,711,992	10,567
Northwestern Mutual Series Fund, Inc., Research International Core Portfolio £	20,632,725	22,325
Total		**48,759**
Total Investment Companies (Cost: $253,866)		**278,813**

Short-Term Investments (3.3%)	Shares/ Par +	Value $ (000's)
Commercial Paper (1.9%)		
The Coca-Cola Co. 0.000%, 1/28/20 144A	1,000,000	999
Marriott International, Inc. 0.000%, 1/15/20 144A	1,000,000	999
Mondelez International, Inc. 0.000%, 1/6/20 144A	1,000,000	1,000
Pfizer, Inc. 0.000%, 1/23/20 144A	1,000,000	999
Walgreens Boots Alliance, Inc. 0.000%, 1/16/20 144A	500,000	499
The Walt Disney Co. 0.000%, 1/23/20 144A	1,000,000	999
Total		**5,495**
Money Market Funds (1.0%)		
State Street Institutional U.S. Government Money Market Fund - Premier Class 1.540%#	2,914,282	2,914
Total		**2,914**
US Government & Agencies (0.4%)		
Federal Home Loan Bank 0.000%, 2/10/20β	1,000,000	999
Total		**999**
Total Short-Term Investments (Cost: $9,408)		**9,408**
Total Investments (100.2%) (Cost: $263,274)@		**288,221**
Other Assets, Less Liabilities (-0.2%)		**(483)**
Net Assets (100.0%)		**287,738**

Asset Allocation Portfolio

Exchange Traded or Centrally Cleared Derivatives
Futures

Issuer	Long/ Short	Currency	Notional Par (000's)	Number of Contracts	Expiration Date	Notional Value (000's)	Unrealized Appreciation/ (Depreciation) (000's)	Variation Margin (000's)
E-Mini S&P 500 Futures	Long	USD	–π	5	3/20	$ 808	$ 1	$ –π
							$ 1	$ –π

	Financial Derivative Assets				Financial Derivative Liabilities			
	Variation Margin (000's)				Variation Margin (000's)			Market Value (000's)
	Swaps	Futures	Total		Swaps	Futures	Total	Options
Total Exchange-Traded or Centrally Cleared Derivatives	$ –	$ –π	$ –π		$ –	$ –	$ –	$ –

\+ All par is stated in U.S Dollar unless otherwise noted.

£ Affiliated Company

144A Security exempt from registration under Rule 144A of the Securities Act of 1933. These securities may be resold as transactions exempt from registration, normally to qualified institutional buyers. At December 31, 2019 the value of these securities (in thousands) was $5,495 representing 1.9% of the net assets.

7-Day yield as of 12/31/2019.

β Cash or securities with an aggregate value of $999 (in thousands) has been pledged as collateral for futures, swap contracts outstanding, short sales, when issued securities or written options on 12/31/2019.

@ At December 31, 2019, the aggregate cost of investments, including derivatives, for federal tax purposes (in thousands) was $263,328 and the net unrealized appreciation of investments based on that cost was $24,893 which is comprised of $25,815 aggregate gross unrealized appreciation and $922 aggregate gross unrealized depreciation.

π Amount is less than one thousand.

The following is a summary of the inputs used in valuing the Portfolio's assets and liabilities at December 31, 2019. See Note 3 for additional information on portfolio valuation.

	Valuation Inputs		
Description	**Level 1 - Quoted Prices**	**Level 2 - Other Significant Observable Inputs**	**Level 3 - Significant Unobservable Inputs**
	(Amounts in thousands)		
Assets:			
Investment Companies	$ 278,813	$ —	$ —
Short-Term Investments			
Money Market Funds	2,914	—	—
All Others	—	6,494	—
Other Financial Instruments^			
Futures	1	—	—
Total Assets:	$ 281,728	$ 6,494	$ —

^ Other financial instruments are derivative instruments such as futures and forwards, which are valued at the unrealized appreciation (depreciation) on the instrument, and securities sold short, reverse repurchase agreements, written options and swaps contracts, which are valued at market value.

Benchmark Definitions (unaudited)

The following indices are used to illustrate investment market, sector or style performance or to serve as Portfolio performance comparisons. Unlike the Portfolios, the indices are not professionally managed and do not incur fees or expenses. It is not possible to invest directly in an index.

1/3 each: Bloomberg Barclays® Global Aggregate — Credit Component ex Emerging Markets, Hedged USD; BofA Merrill Lynch® Global High Yield BB-B Rated Constrained Developed Markets Index, Hedged USD; JPMorgan® EMBI Global — The Bloomberg Barclays Global Aggregate - Credit Component ex Emerging Markets, Hedged USD provides a broad-based measure of the global developed markets investment grade fixed income markets. The BofA Merrill Lynch Global High Yield BB-B Rated Constrained Developed Markets Index, Hedged USD tracks the performance of below investment grade bonds of corporate issuers domiciled in developed market countries rated BB1 through B3, based on an average of Moody's, S&P and Fitch. Qualifying bonds are capitalization weighted provided the total allocation to an individual issuer (defined by Bloomberg tickers) does not exceed 2%. Issuers that exceed the limit are reduced to 2% and the face value of each of their bonds is adjusted on a pro-rata basis. Similarly, the face value of bonds of all other issuers that fall below the 2% cap are increased on a pro-rata basis. The index is rebalanced on the last calendar day of the month. The JPMorgan EMBI Global tracks total returns for U.S. dollar-denominated debt instruments issued by emerging market sovereign and quasi-sovereign entities, Brady bonds, loans, Eurobonds and local market instruments. It is not possible to invest in an unmanaged index.

Asset Allocation Portfolio Blended Composite Benchmark — The Asset Allocation Portfolio Blended Composite Benchmark is an unmanaged, hypothetical combination of unmanaged indices that correspond to the Asset Allocation Portfolio's model allocation and consists of the Russell 1000® Index (33%), the Russell MidCap Index (11%), the Russell 2000® Index (5%), the MSCI EAFE® (Europe-Australasia-Far-East) Index (13%), the MSCI® Emerging Markets Index (3%), the Bloomberg Barclays® U.S. Aggregate Bond Index (24%), the Bloomberg Barclays® U.S. Corporate High Yield 2% Issuer Capped Bond Index (8%), and the BofA Merrill Lynch® US 3-Month Treasury Bill Index (3%).

Balanced Portfolio Blended Composite Benchmark — The Balanced Portfolio Blended Composite Benchmark is an unmanaged, hypothetical combination of unmanaged indices that correspond to the Balanced Portfolio's model allocation and consists of the Russell 1000® Index (26%), the Russell MidCap Index (9%), the Russell 2000® Index (3%), the MSCI EAFE® (Europe-Australasia-Far-East) Index (9%), the MSCI® Emerging Markets Index (2%), the Bloomberg Barclays® U.S. Aggregate Bond Index (41%), the Bloomberg Barclays® U.S. Corporate High Yield 2% Issuer Capped Bond Index (6%), and the BofA Merrill Lynch® US 3-Month Treasury Bill Index (4%).

Bloomberg Barclays® 1-3 Year U.S. Government/Credit Bond Index — The Bloomberg Barclays® 1-3 Year U.S. Government/Credit Bond Index is an unmanaged index of publicly issued medium and larger issues of U.S. Government, investment-grade corporate and investment-grade international dollar denominated bonds that have maturities of between one and three years.

Bloomberg Barclays® U.S. Aggregate Bond Index — The Bloomberg Barclays® U.S. Aggregate Index is an unmanaged index of publicly issued investment-grade fixed-rate debt securities including corporate, U.S. Treasury and government agency securities, mortgage pass-through and asset-backed securities with remaining maturities of at least one year regardless of call features.

Bloomberg Barclays® U.S. Aggregate 1-3 Years Index — The Bloomberg Barclays® U.S. Aggregate 1-3 Years Index is an unmanaged index of publicly issued investment-grade fixed-rate debt securities including corporate, U.S. Treasury and government agency securities, mortgage pass-through and asset-backed securities with remaining maturities of one to three years.

Bloomberg Barclays® U.S. Corporate High Yield 2% Issuer Capped Bond Index — The Bloomberg Barclays® U. S. Corporate High Yield 2% Issuer Capped Index is an unmanaged index of U.S. Dollar-denominated, non-convertible, fixed-rate, noninvestment-grade debt. Issuers are capped at 2% of the Index. Index holdings must have at least one year to final maturity, at least $150 million par amount outstanding, and be publicly issued with a rating of Ba1 or lower.

Benchmark Definitions (unaudited)

Bloomberg Barclays® Global Credit Hedged USD Index — The Bloomberg Barclays® Global Credit Hedged USD Index is an unmanaged index composed of investment-grade and high yield credit securities from the Multiverse represented in U.S. dollars on a hedged basis (Multiverse is the merger of two groups: the Global Aggregate and the Global High Yield).

Bloomberg Barclays® Long-Term U.S. Treasury Index — The Bloomberg Barclays® Long-Term U.S. Treasury Index is an unmanaged index comprised of fixed-income securities with various maturities greater than 10 years.

Bloomberg Barclays® U.S. Treasury Inflation Protected Securities (TIPS) Index — The Bloomberg Barclays® U.S. Treasury Inflation Protected Securities (TIPS) Index is an unmanaged index of inflation-protected public obligations of the U.S. Treasury. The index is market capitalization weighted and includes all publicly-issued U.S. Treasury Inflation-Protected Securities that have at least one year remaining to maturity and have $250 million or more of outstanding face value.

BofA Merrill Lynch® US 3-Month Treasury Bill Index — The BofA Merrill Lynch® US 3-Month Treasury Bill Index is comprised of a single issue purchased at the beginning of the month and held for a full month. At the end of the month that issue is sold and rolled into a newly selected issue. The issue selected at each month-end rebalancing is the outstanding Treasury Bill that matures closest to, but not beyond, three months from the rebalancing date. To qualify for selection, an issue must have settled on or before the month-end rebalancing date.

Lipper® Variable Insurance Products (VIP) Average — Each Lipper® Variable Insurance Products (VIP) Average is calculated by Lipper® Analytical Services, Inc. and reflects the investment return of certain portfolios underlying variable life and annuity products. Source: Lipper®, Inc.

Morningstar® Insurance Fund Category Averages — Each Morningstar® category average is an equal-weighted category return. The calculation is simply the average of the returns at the end of the period for all the underlying variable insurance funds in a given category. Source: Morningstar®, Inc.

Morningstar® US Insurance Fund Allocation – 30% to 50% Equity Average — Funds in allocation categories seek to provide both income and capital appreciation by investing in multiple asset classes, including stocks, bonds, and cash. These portfolios are dominated by domestic holdings and have equity exposures between 30% and 50%. Source: Morningstar®, Inc.

Morningstar® US Insurance Fund Allocation – 50% to 70% Equity Average — Funds in allocation categories seek to provide both income and capital appreciation by investing in multiple asset classes, including stocks, bonds, and cash. These portfolios are dominated by domestic holdings and have equity exposures between 50% and 70%. Source: Morningstar®, Inc.

MSCI® All Country World (ex-US) Index — The MSCI® All Country World (ex-US) Index is an unmanaged, free float-adjusted market capitalization-weighted index that is designed to measure equity performance of companies in the developed and emerging markets, excluding the U.S.

MSCI® All Country World (ex-US) Growth Index — The MSCI® All Country World (ex-US) Growth Index is an unmanaged, free float-adjusted market capitalization-weighted index that is designed to measure equity performance of companies in the developed and emerging markets, excluding the U.S., with higher historical and forecasted growth characteristics.

MSCI EAFE® (Europe-Australasia-Far-East) Index — The MSCI EAFE® ("Europe-Australasia-Far East") Index is an unmanaged, free float-adjusted, market capitalization-weighted index that is designed to measure equity performance of companies in the developed markets, excluding the U.S. & Canada.

MSCI EAFE® (Europe-Australasia-Far-East) Growth Index — The MSCI EAFE® ("Europe-Australasia-Far East") Index is an unmanaged, free float-adjusted, market capitalization-weighted index that is designed to measure equity performance of companies in the developed markets, excluding the U.S. & Canada, with higher historical and forecasted growth characteristics.

MSCI® Emerging Markets Index — The MSCI® Emerging Markets Index is an unmanaged, free float-adjusted, market capitalization-weighted index that is designed to measure equity market performance in the global emerging markets.

Benchmark Definitions (unaudited)

Russell 1000® Index — The Russell 1000® Index is an unmanaged, market capitalization-weighted, large cap index that measures the performance of the 1000 largest companies in the Russell 3000® Index.

Russell 1000® Growth Index — The Russell 1000® Growth Index is an unmanaged index that measures the performance of those companies in the Russell 1000® Index with higher price-to-book ratios and higher forecasted growth values.

Russell 1000® Value Index — The Russell 1000® Value Index is an unmanaged index that measures the performance of those companies in the Russell 1000® Index with lower price-to-book ratios and lower forecasted growth values.

Russell 2000® Index — The Russell 2000® Index is an unmanaged, market capitalization-weighted index that measures the performance of the 2000 companies in the Russell 3000® Index and represents approximately 10% of the total market capitalization of the Russell 3000® Index.

Russell 2000® Growth Index — The Russell 2000® Growth Index is an unmanaged index that measures the performance of those companies in the Russell 2000® Index with higher price-to-book ratios and higher forecasted growth values.

Russell 2000® Value Index — The Russell 2000® Value Index is an unmanaged index measures the performance of those companies in the Russell 2000® Index with lower price-to-book ratios and lower forecasted growth values.

Russell 3000® Index — The Russell 3000® Index measures the performance of the 3000 largest U.S. companies representing approximately 98% of the investable U.S. equity market.

Russell MidCap® Index — The Russell MidCap® Index is an unmanaged index that measures the performance of the 800 smallest companies in the Russell 1000® Index, which represents approximately 25% of the total market capitalization of the Russell 1000® Index.

Russell MidCap® Growth Index — The Russell MidCap® Growth Index is an unmanaged index that measures the performance of the Russell MidCap® companies with higher price-to-book ratios and higher forecasted growth values.

Russell MidCap® Value Index — The Russell MidCap® Value Index is an unmanaged index that measures the performance of the Russell MidCap® companies with lower price-to-book and lower forecasted growth values.

S&P 500® Index — The S&P 500® Composite Stock Price Index is an unmanaged, capitalization-weighted index of 500 selected common stocks designed to measure the performance of the broad domestic economy.

S&P MidCap 400® Index — The S&P MidCap 400® Index is an unmanaged, capitalization-weighted index that measures the performance of the mid-range sector of the U.S. stock market.

S&P SmallCap 600® Index — The S&P SmallCap 600® Index is an unmanaged index of 600 selected common stocks of U.S.-based companies with small market capitalizations.

Statements of Assets and Liabilities

NORTHWESTERN MUTUAL SERIES FUND, INC.

December 31, 2019 (in thousands)

	Growth Stock Portfolio	Focused Appreciation Portfolio	Large Cap Core Stock Portfolio	Large Cap Blend Portfolio	Index 500 Stock Portfolio
Assets					
Unaffiliated Investments, at Value (1)	$ 1,082,687	$ 1,012,854	$ 634,142	$ 175,685	$ 3,864,180
Cash	—	—	19	—	18
Cash Collateral for Derivative Positions	—	—	—	—	3
Receivable for Portfolio Shares Sold	61	74	49	7	1,150
Receivable for Investment Securities Sold	1,172	5,271	814	—	—
Variation Margin Receivable	—	—	—	—	109
Prepaid Expenses and Other Assets	14	13	8	2	55
Dividends and Interest Receivable	241	964	520	440	3,885
Total Assets	1,084,175	1,019,176	635,552	176,134	3,869,400
Liabilities					
Payable for Portfolio Shares Redeemed	207	110	201	73	1,327
Payable for Investment Securities Purchased	234	5,870	1,883	974	—
Investment Advisory Fees	377	534	229	114	636
Accrued Expenses	33	38	31	20	157
Total Liabilities	851	6,552	2,344	1,181	2,120
Net Assets	$ 1,083,324	$ 1,012,624	$ 633,208	$ 174,953	$ 3,867,280
Represented By:					
Aggregate Paid in Capital (10) (11)	$ 702,762	$ 571,308	$ 494,016	$ 119,753	$ 1,505,424
Total Distributable Earnings (Loss)	380,562	441,316	139,192	55,200	2,361,856
Net Assets for Shares Outstanding (10) (11)	$ 1,083,324	$ 1,012,624	$ 633,208	$ 174,953	$ 3,867,280
Net Asset Value, Offering and Redemption Price per Share	$ 3.18	$ 3.17	$ 1.62	$ 1.22	$ 5.79
(1) Unaffiliated Investments, at Cost	$ 897,904	$ 620,984	$ 518,570	$ 130,452	$ 1,639,830
(10) Shares Outstanding	340,931	319,050	391,207	143,658	668,387
(11) Shares Authorized, $.01 Par Value	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000

Statements of Assets and Liabilities

NORTHWESTERN MUTUAL SERIES FUND, INC.

December 31, 2019 (in thousands)

	Large Company Value Portfolio	Domestic Equity Portfolio	Equity Income Portfolio	Mid Cap Growth Stock Portfolio	Index 400 Stock Portfolio
Assets					
Unaffiliated Investments, at Value (1)	$ 205,309	$ 919,526	$ 812,846	$ 1,147,157	$ 990,799
Cash	—	—	—	6,160	3,406
Foreign Currency, at Value (4)	—	—	140	—	—
Receivable for Portfolio Shares Sold	22	206	130	228	229
Receivable for Investment Securities Sold	121	—	—	—	—
Variation Margin Receivable	—	—	—	—	19
Receivable for Foreign Currency	16	—	—	—	—
Prepaid Expenses and Other Assets	3	11	10	15	29
Dividends and Interest Receivable	311	1,629	1,684	1,016	1,098
Total Assets	205,782	921,372	814,810	1,154,576	995,580
Liabilities					
Payable for Portfolio Shares Redeemed	10	159	107	255	180
Payable for Investment Securities Purchased	—	—	—	—	1,849
Payable for Foreign Currency	56	—	—	—	—
Collateral from Counterparty	15	—	—	—	—
Investment Advisory Fees	120	402	410	519	194
Accrued Expenses	31	35	41	45	67
Total Liabilities	232	596	558	819	2,290
Net Assets	$ 205,550	$ 920,776	$ 814,252	$ 1,153,757	$ 993,290
Represented By:					
Aggregate Paid in Capital (10) (11)	$ 172,782	$ 605,211	$ 606,040	$ 921,009	$ 699,443
Total Distributable Earnings (Loss)	32,768	315,565	208,212	232,748	293,847
Net Assets for Shares Outstanding (10) (11)	$ 205,550	$ 920,776	$ 814,252	$ 1,153,757	$ 993,290
Net Asset Value, Offering and Redemption Price per Share	$ 1.03	$ 1.75	$ 1.78	$ 3.42	$ 2.02
(1) Unaffiliated Investments, at Cost	$ 180,458	$ 661,894	$ 667,392	$ 964,903	$ 752,834
(4) Foreign Currency, at Cost	—	—	139	—	—
(10) Shares Outstanding	198,908	526,249	457,879	336,918	492,099
(11) Shares Authorized, $.01 Par Value	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000

The Accompanying Notes are an Integral Part of the Financial Statements.

Statements of Assets and Liabilities

NORTHWESTERN MUTUAL SERIES FUND, INC.

December 31, 2019 (in thousands)

	Mid Cap Value Portfolio	Small Cap Growth Stock Portfolio	Index 600 Stock Portfolio	Small Cap Value Portfolio	International Growth Portfolio
Assets					
Unaffiliated Investments, at Value (1)	$ 589,344	$ 669,671	$ 288,760	$ 603,856	$ 815,277
Cash	—	2,212	—	—	—
Cash Collateral for Derivative Positions	580	—	—	—	—
Receivable for Portfolio Shares Sold	114	213	98	65	192
Receivable for Investment Securities Sold	1,923	—	1,279	1,427	393
Outstanding Swap Contracts, at Value (8)	—	—	496	—	—
Receivable for Foreign Currency	115	—	—	—	2
Prepaid Expenses and Other Assets	7	9	8	9	11
Dividends and Interest Receivable	1,466	387	349	815	1,406
Total Assets	593,549	672,492	290,990	606,172	817,281
Liabilities					
Payable for Portfolio Shares Redeemed	101	123	129	102	162
Payable for Investment Securities Purchased	891	150	116	45	253
Accrued Foreign Capital Gains Tax	—	—	—	—	249
Payable to Custodian	305	—	—	—	—
Payable for Foreign Currency	324	—	—	—	1
Collateral from Counterparty	—	—	537	—	—
Investment Advisory Fees	360	310	59	442	419
Accrued Expenses	54	39	38	49	84
Total Liabilities	2,035	622	879	638	1,168
Net Assets	$ 591,514	$ 671,870	$ 290,111	$ 605,534	$ 816,113
Represented By:					
Aggregate Paid in Capital (10) (11)	$ 512,457	$ 487,491	$ 235,112	$ 411,019	$ 574,052
Total Distributable Earnings (Loss)	79,057	184,379	54,999	194,515	242,061
Net Assets for Shares Outstanding (10) (11)	$ 591,514	$ 671,870	$ 290,111	$ 605,534	$ 816,113
Net Asset Value, Offering and Redemption Price per Share	$ 1.65	$ 2.72	$ 1.43	$ 2.17	$ 1.85
(1) Unaffiliated Investments, at Cost	$ 512,616	$ 524,571	$ 249,162	$ 443,611	$ 587,843
(10) Shares Outstanding	357,613	246,604	202,507	279,212	441,036
(11) Shares Authorized, $.01 Par Value	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000

The Accompanying Notes are an Integral Part of the Financial Statements.

Statements of Assets and Liabilities

NORTHWESTERN MUTUAL SERIES FUND, INC.

December 31, 2019 (in thousands)

	Research International Core Portfolio	International Equity Portfolio	Emerging Markets Equity Portfolio	Government Money Market Portfolio	Short-Term Bond Portfolio
Assets					
Unaffiliated Investments, at Value (1)	$ 783,488	$ 1,798,318	$ 834,047	$ 303,426	$ 338,359
Investments in Repurchase Agreements, at Value (3)	—	—	—	144,000	—
Cash	—	—	—	—	14
Foreign Currency, at Value (4)	—	—	214	—	—
Receivable for Portfolio Shares Sold	317	329	277	221	134
Receivable for Investment Securities Sold	279	3,447	231	—	—
Variation Margin Receivable	—	—	—	—	22
Receivable for Foreign Currency	1	36	—	—	—
Prepaid Expenses and Other Assets	10	26	10	3	4
Dividends and Interest Receivable	2,141	5,116	2,071	247	1,921
Total Assets	786,236	1,807,272	836,850	447,897	340,454
Liabilities					
Payable for Portfolio Shares Redeemed	225	366	195	1,228	60
Payable for Investment Securities Purchased	423	12,941	—	—	5,674
Accrued Foreign Capital Gains Tax	148	—	1,890	—	—
Payable for Foreign Currency	—	8	—	—	—
Investment Advisory Fees	483	790	655	117	96
Accrued Expenses	72	133	100	35	50
Total Liabilities	1,351	14,238	2,840	1,380	5,880
Net Assets	$ 784,885	$ 1,793,034	$ 834,010	$ 446,517	$ 334,574
Represented By:					
Aggregate Paid in Capital (10) (11)	$ 629,868	$ 1,696,707	$ 711,864	$ 446,517	$ 326,327
Total Distributable Earnings (Loss)	155,017	96,327	122,146	—	8,247
Net Assets for Shares Outstanding (10) (11)	$ 784,885	$ 1,793,034	$ 834,010	$ 446,517	$ 334,574
Net Asset Value, Offering and Redemption Price per Share	$ 1.08	$ 1.65	$ 1.12	$ 1.00	$ 1.06
(1) Unaffiliated Investments, at Cost	$ 654,541	$ 1,716,989	$ 701,824	$ 303,426	$ 335,848
(3) Investments in Repurchase Agreements, at Cost	—	—	—	144,000	—
(4) Foreign Currency, at Cost	—	—	214	—	—
(10) Shares Outstanding	725,268	1,086,802	744,022	446,515	317,097
(11) Shares Authorized, $.01 Par Value	2,000,000	3,000,000	2,000,000	2,000,000	2,000,000

The Accompanying Notes are an Integral Part of the Financial Statements.

Statements of Assets and Liabilities

NORTHWESTERN MUTUAL SERIES FUND, INC.

December 31, 2019 (in thousands)

	Select Bond Portfolio	Long-Term U.S. Government Bond Portfolio	Inflation Protection Portfolio	High Yield Bond Portfolio	Multi-Sector Bond Portfolio
Assets					
Unaffiliated Investments, at Value (1)	$ 3,303,279	$ 191,196	$ 383,369	$ 833,192	$ 979,282
Investments in Repurchase Agreements, at Value (3)	—	—	—	—	160,700
Cash	—	—	—	1	128
Foreign Currency, at Value (4)	—	—	—	—	660
Cash Collateral for Derivative Positions	—	151	—	—	4,369
Receivable for Portfolio Shares Sold	487	36	127	120	266
Receivable for Investment Securities Sold	196,312	16,975	420	—	78,226
Receivable for Financing Transactions	—	111,556	—	—	—
Variation Margin Receivable	—	117	107	—	101
Outstanding Swap Contracts, at Value (8)	—	—	425	—	1,122
Receivable for Foreign Currency	—	—	—	—	1,202
Prepaid Expenses and Other Assets	41	2	5	11	12
Dividends and Interest Receivable	15,609	958	1,354	13,406	10,968
Total Assets	3,515,728	320,991	385,807	846,730	1,237,036
Liabilities					
Payable for Portfolio Shares Redeemed	376	15	38	232	299
Payable for Investment Securities Purchased	322,389	22,324	—	—	207,529
Payable for Financing Transactions	—	144,882	—	—	—
Variation Margin Payable	—	20	—	—	523
Outstanding Options Written, at Value (6)	—	3	—	—	108
Securities Sold Short, at Value (7)	—	5,369	—	—	—
Payable for Reverse Repurchase Agreements	—	25,355	—	—	—
Outstanding Swap Contracts, at Value (9)	—	—	4,372	—	—
Payable for Foreign Currency	—	—	38	—	3,930
Collateral from Counterparty	—	—	14	—	2,100
Investment Advisory Fees	818	65	166	307	607
Deferred Income for Financing Transactions	—	71	—	—	—
Accrued Expenses	95	33	47	64	116
Total Liabilities	323,678	198,137	4,675	603	215,212
Net Assets	$ 3,192,050	$ 122,854	$ 381,132	$ 846,127	$ 1,021,824
Represented By:					
Aggregate Paid in Capital (10) (11)	$ 3,043,278	$ 118,810	$ 373,785	$ 792,630	$ 952,829
Total Distributable Earnings (Loss)	148,772	4,044	7,347	53,497	68,995
Net Assets for Shares Outstanding (10) (11)	$ 3,192,050	$ 122,854	$ 381,132	$ 846,127	$ 1,021,824
Net Asset Value, Offering and Redemption Price per Share	$ 1.30	$ 1.12	$ 1.13	$ 0.75	$ 1.14
(1) Unaffiliated Investments, at Cost	$ 3,259,423	$ 183,909	$ 374,587	$ 824,457	$ 949,455
(3) Investments in Repurchase Agreements, at Cost	—	—	—	—	160,700
(4) Foreign Currency, at Cost	—	—	—	—	391
(6) Premiums Received on Options Written	—	10	—	—	152
(7) Proceeds Received from Short Sales	—	5,365	—	—	—
(8) Premiums Paid on Swap Contracts	—	332	—	—	4,926
(9) Premiums Received from Swap Contracts	—	52	4	—	5,267
(10) Shares Outstanding	2,463,004	109,837	337,636	1,131,942	896,731
(11) Shares Authorized, $.01 Par Value	6,000,000	2,000,000	2,000,000	3,000,000	2,000,000

The Accompanying Notes are an Integral Part of the Financial Statements.

Statements of Assets and Liabilities

NORTHWESTERN MUTUAL SERIES FUND, INC.

December 31, 2019 (in thousands)

	Balanced Portfolio	Asset Allocation Portfolio
Assets		
Unaffiliated Investments, at Value (1)	$ 130,968	$ 18,800
Affiliated Investments, at Value (2)	2,123,560	269,421
Receivable for Portfolio Shares Sold	227	19
Receivable for Investment Securities Sold	4,495	427
Prepaid Expenses and Other Assets	30	4
Dividends and Interest Receivable	14	3
Total Assets	2,259,294	288,674
Liabilities		
Payable for Portfolio Shares Redeemed	426	34
Payable for Investment Securities Purchased	4,496	866
Investment Advisory Fees	98	13
Accrued Expenses	39	23
Total Liabilities	5,059	936
Net Assets	$ 2,254,235	$ 287,738
Represented By:		
Aggregate Paid in Capital (10) (11)	$ 1,959,122	$ 244,687
Total Distributable Earnings (Loss)	295,113	43,051
Net Assets for Shares Outstanding (10) (11)	$ 2,254,235	$ 287,738
Net Asset Value, Offering and Redemption Price per Share	$ 1.49	$ 1.22
(1) Unaffiliated Investments, at Cost	$ 129,482	$ 18,502
(2) Affiliated Investments, at Cost	1,961,715	244,772
(10) Shares Outstanding	1,516,710	236,390
(11) Shares Authorized, $.01 Par Value	4,000,000	2,000,000

The Accompanying Notes are an Integral Part of the Financial Statements.

Statements of Operations

NORTHWESTERN MUTUAL SERIES FUND, INC.

For the Year Ended December 31, 2019 (in thousands)

	Growth Stock Portfolio	Focused Appreciation Portfolio	Large Cap Core Stock Portfolio	Large Cap Blend Portfolio	Index 500 Stock Portfolio
Investment Income					
Income					
Interest (1)	$ 433	$ 171	$ 65	$ 230	$ 895
Unaffiliated Dividends (1)	11,098	11,352	9,536	9,418	69,493
Total Income	11,531	11,523	9,601	9,648	70,388
Expenses					
Investment Advisory Fees	4,258	6,994	2,510	1,284	6,987
Custodian Fees	18	24	24	16	39
Shareholder Reporting Fees	29	39	21	8	76
Audit Fees	26	27	25	24	27
Valuation Services	1	—	2	—	8
Compliance Fees	12	11	10	9	19
Directors Fees	42	42	38	34	66
Professional Fees	12	10	9	9	16
Trade Name Fees	—	—	—	—	144
Other Expenses	5	5	3	1	19
Total Expenses	4,403	7,152	2,642	1,385	7,401
Less Waived Fees:					
Paid by Affiliate	(112)	(1,156)	(27)	(11)	(299)
Net Expenses	4,291	5,996	2,615	1,374	7,102
Net Investment Income (Loss)	7,240	5,527	6,986	8,274	63,286
Realized and Unrealized Gain (Loss) on Investments					
Net Realized Gain (Loss) on:					
Unaffiliated Investment Securities	188,614	44,694	17,278	2,310	66,384
Futures Contracts	—	—	—	—	8,837
Foreign Currency Transactions	4	—	1	—	—
Net Realized Gain (Loss) on Investments	188,618	44,694	17,279	2,310	75,221
Net Unrealized Appreciation (Depreciation) of:					
Unaffiliated Investment Securities	63,949	211,091	132,939	25,254	790,721
Futures Contracts	—	—	—	—	1,303
Net Change in Unrealized Appreciation (Depreciation) of Investments	63,949	211,091	132,939	25,254	792,024
Net Gain (Loss) on Investments	252,567	255,785	150,218	27,564	867,245
Net Increase (Decrease) in Net Assets Resulting from Operations	$ 259,807	$ 261,312	$ 157,204	$ 35,838	$ 930,531
(1) Net of Foreign Tax	$ 3	$ 327	$ 44	$ 51	$ —

The Accompanying Notes are an Integral Part of the Financial Statements.

Statements of Operations

NORTHWESTERN MUTUAL SERIES FUND, INC.

For the Year Ended December 31, 2019 (in thousands)

	Large Company Value Portfolio	Domestic Equity Portfolio	Equity Income Portfolio	Mid Cap Growth Stock Portfolio	Index 400 Stock Portfolio
Investment Income					
Income					
Interest (1)	$ 103	$ 234	$ 474	$ 24	$ 568
Unaffiliated Dividends (1)	4,961	22,018	36,718	8,966	14,507
Total Income	5,064	22,252	37,192	8,990	15,075
Expenses					
Investment Advisory Fees	1,348	4,499	4,890	5,732	2,299
Custodian Fees	54	17	27	35	33
Shareholder Reporting Fees	9	40	37	36	51
Audit Fees	24	26	26	26	25
Valuation Services	7	1	2	1	6
Compliance Fees	9	11	11	12	11
Directors Fees	34	41	40	43	41
Professional Fees	9	10	10	10	11
Trade Name Fees	—	—	—	—	91
Other Expenses	1	5	4	6	5
Total Expenses	1,495	4,650	5,047	5,901	2,573
Less Waived Fees:					
Paid by Affiliate	(39)	(131)	(354)	(10)	(210)
Net Expenses	1,456	4,519	4,693	5,891	2,363
Net Investment Income (Loss)	3,608	17,733	32,499	3,099	12,712
Realized and Unrealized Gain (Loss) on Investments					
Net Realized Gain (Loss) on:					
Unaffiliated Investment Securities	6,023	40,200	31,384	48,149	38,943
Futures Contracts	—	—	(7)	—	3,578
Foreign Currency Transactions	377	—	9	—	—
Net Realized Gain (Loss) on Investments	6,400	40,200	31,386	48,149	42,521
Net Unrealized Appreciation (Depreciation) of:					
Unaffiliated Investment Securities	36,641	101,492	116,743	251,921	148,832
Futures Contracts	—	—	—	—	1,131
Foreign Currency Transactions	118	—	2	—	—
Net Change in Unrealized Appreciation (Depreciation) of Investments	36,759	101,492	116,745	251,921	149,963
Net Gain (Loss) on Investments	43,159	141,692	148,131	300,070	192,484
Net Increase (Decrease) in Net Assets Resulting from Operations	$ 46,767	$ 159,425	$ 180,630	$ 303,169	$ 205,196
(1) Net of Foreign Tax	$ 66	$ —	$ 247	$ 34	$ 8

The Accompanying Notes are an Integral Part of the Financial Statements.

Statements of Operations

NORTHWESTERN MUTUAL SERIES FUND, INC.

For the Year Ended December 31, 2019 (in thousands)

	Mid Cap Value Portfolio	Small Cap Growth Stock Portfolio	Index 600 Stock Portfolio	Small Cap Value Portfolio	International Growth Portfolio
Investment Income					
Income					
Interest (1)	$ 279	$ 185	$ 275	$ 215	$ 274
Unaffiliated Dividends (1)	13,245	4,030	3,802	7,605	17,420
Total Income	13,524	4,215	4,077	7,820	17,694
Expenses					
Investment Advisory Fees	4,611	3,280	624	4,932	4,360
Custodian Fees	59	24	40	31	137
Shareholder Reporting Fees	54	44	26	52	59
Audit Fees	25	25	23	25	28
Valuation Services	17	2	8	2	15
Compliance Fees	10	10	9	10	11
Directors Fees	37	38	35	38	41
Professional Fees	9	10	11	9	32
Trade Name Fees	—	—	24	—	—
Other Expenses	3	3	1	3	3
Total Expenses	4,825	3,436	801	5,102	4,686
Less Waived Fees:					
Paid by Affiliate	(758)	—	—	(40)	—
Net Expenses	4,067	3,436	801	5,062	4,686
Net Investment Income (Loss)	9,457	779	3,276	2,758	13,008
Realized and Unrealized Gain (Loss) on Investments					
Net Realized Gain (Loss) on:					
Unaffiliated Investment Securities	(1,397)	38,612	12,126	32,292	4,659
Distributions of Realized Gains by Other Unaffiliated Investment Companies	—	—	—	29	—
Swap Contracts	—	—	35	—	—
Foreign Currency Transactions	635	—	—	—	(70)
Net Realized Gain (Loss) on Investments	(762)	38,612	12,161	32,321	4,589
Net Unrealized Appreciation (Depreciation) of:					
Unaffiliated Investment Securities	127,361	142,894	33,866	97,406	197,364
Swap Contracts	—	—	2,102	—	—
Foreign Currency Transactions	53	—	—	—	9
Net Change in Unrealized Appreciation (Depreciation) of Investments	127,414	142,894	35,968	97,406	197,373
Net Gain (Loss) on Investments	126,652	181,506	48,129	129,727	201,962
Net Increase (Decrease) in Net Assets Resulting from Operations	$ 136,109	$ 182,285	$ 51,405	$ 132,485	$ 214,970
(1) Net of Foreign Tax	$ 171	$ —	$ 1	$ 10	$ 543

The Accompanying Notes are an Integral Part of the Financial Statements.

Statements of Operations

NORTHWESTERN MUTUAL SERIES FUND, INC.

For the Year Ended December 31, 2019 (in thousands)

	Research International Core Portfolio	International Equity Portfolio	Emerging Markets Equity Portfolio	Government Money Market Portfolio	Short-Term Bond Portfolio
Investment Income					
Income					
Interest (1)	$ 191	$ 935	$ 326	$ 9,845	$ 9,240
Unaffiliated Dividends (1)	21,139	64,920	25,128	—	—
Total Income	21,330	65,855	25,454	9,845	9,240
Expenses					
Investment Advisory Fees	5,358	11,161	7,965	1,313	1,063
Custodian Fees	123	233	167	51	48
Shareholder Reporting Fees	49	102	63	13	29
Audit Fees	28	29	28	23	29
Valuation Services	15	15	14	9	49
Compliance Fees	11	14	11	10	9
Directors Fees	40	51	41	37	36
Professional Fees	33	28	40	7	9
Other Expenses	2	6	3	2	2
Total Expenses	5,659	11,639	8,332	1,465	1,274
Less Waived Fees:					
Paid by Affiliate	(346)	(2,381)	(894)	—	—
Net Expenses	5,313	9,258	7,438	1,465	1,274
Net Investment Income (Loss)	16,017	56,597	18,016	8,380	7,966
Realized and Unrealized Gain (Loss) on Investments					
Net Realized Gain (Loss) on:					
Unaffiliated Investment Securities	14,490	(40,529)	2,359	6	576
Futures Contracts	—	—	—	—	856
Foreign Currency Transactions	(31)	(386)	(159)	—	—
Net Realized Gain (Loss) on Investments	14,459	(40,915)	2,200	6	1,432
Net Unrealized Appreciation (Depreciation) of:					
Unaffiliated Investment Securities	140,437	186,730	119,302	—	4,752
Futures Contracts	—	—	—	—	(442)
Foreign Currency Transactions	27	37	15	—	—
Net Change in Unrealized Appreciation (Depreciation) of Investments	140,464	186,767	119,317	—	4,310
Net Gain (Loss) on Investments	154,923	145,852	121,517	6	5,742
Net Increase (Decrease) in Net Assets Resulting from Operations	$ 170,940	$ 202,449	$ 139,533	$ 8,386	$ 13,708
(1) Net of Foreign Tax	$ 744	$ 1,690	$ 697	$ —	$ (1)

The Accompanying Notes are an Integral Part of the Financial Statements.

Statements of Operations

NORTHWESTERN MUTUAL SERIES FUND, INC.

For the Year Ended December 31, 2019 (in thousands)

	Select Bond Portfolio	Long-Term U.S. Government Bond Portfolio	Inflation Protection Portfolio	High Yield Bond Portfolio	Multi-Sector Bond Portfolio
Investment Income					
Income					
Interest (1)	$ 95,516	$ 3,925	$ 9,859	$ 50,810	$ 40,880
Total Income	95,516	3,925	9,859	50,810	40,880
Expenses					
Investment Advisory Fees	9,344	654	1,981	3,439	7,408
Custodian Fees	94	30	32	21	186
Shareholder Reporting Fees	72	10	46	65	53
Audit Fees	41	38	27	41	44
Valuation Services	50	9	20	31	49
Compliance Fees	18	9	10	11	11
Directors Fees	65	33	36	41	42
Professional Fees	13	12	10	10	29
Interest Expense	—	693	—	—	114
Other Expenses	17	1	4	4	5
Total Expenses	9,714	1,489	2,166	3,663	7,941
Less Waived Fees:					
Paid by Affiliate	(223)	(20)	(140)	—	(822)
Net Expenses	9,491	1,469	2,026	3,663	7,119
Net Investment Income (Loss)	86,025	2,456	7,833	47,147	33,761
Realized and Unrealized Gain (Loss) on Investments					
Net Realized Gain (Loss) on:					
Unaffiliated Investment Securities	120,013	161	2,042	638	3,438
Futures Contracts	—	3,414	(1,425)	—	15,281
Options Written	—	42	—	—	885
Short Sales	—	(124)	—	—	—
Swap Contracts	—	(184)	(932)	—	4,672
Foreign Currency Transactions	—	—	29	—	7,405
Reverse Repurchase Agreements	—	—	—	—	33
Net Realized Gain (Loss) on Investments	120,013	3,309	(286)	638	31,714
Net Unrealized Appreciation (Depreciation) of:					
Unaffiliated Investment Securities	51,048	10,761	22,271	65,178	57,092
Futures Contracts	—	(1,272)	738	—	(6,510)
Options Written	—	10	—	—	77
Short Sales	—	24	—	—	—
Swap Contracts	—	(826)	920	—	9,619
Foreign Currency Transactions	—	—	(110)	—	(2,363)
Net Change in Unrealized Appreciation (Depreciation) of Investments	51,048	8,697	23,819	65,178	57,915
Net Gain (Loss) on Investments	171,061	12,006	23,533	65,816	89,629
Net Increase (Decrease) in Net Assets Resulting from Operations	$ 257,086	$ 14,462	$ 31,366	$ 112,963	$ 123,390
(1) Net of Foreign Tax	$ (1)	$ —	$ —	$ —	$ 1

The Accompanying Notes are an Integral Part of the Financial Statements.

Statements of Operations

NORTHWESTERN MUTUAL SERIES FUND, INC.

For the Year Ended December 31, 2019 (in thousands)

	Balanced Portfolio	Asset Allocation Portfolio
Investment Income		
Income		
Interest (1)	$ 2,662	$ 278
Unaffiliated Dividends (1)	1,055	193
Affiliated Dividends	44,634	5,145
Total Income	48,351	5,616
Expenses		
Investment Advisory Fees	6,597	1,445
Custodian Fees	26	19
Shareholder Reporting Fees	27	9
Audit Fees	41	26
Valuation Services	1	1
Compliance Fees	15	9
Directors Fees	55	35
Professional Fees	11	10
Other Expenses	12	1
Total Expenses	6,785	1,555
Less Waived Fees:		
Paid by Affiliate	(5,498)	(1,308)
Net Expenses	1,287	247
Net Investment Income (Loss)	47,064	5,369
Realized and Unrealized Gain (Loss) on Investments		
Net Realized Gain (Loss) on:		
Unaffiliated Investment Securities	5,307	624
Affiliated Investment Securities	14,610	1,230
Distributions of Realized Gains by Other Affiliated Investment Companies	64,480	10,889
Futures Contracts	2,409	292
Net Realized Gain (Loss) on Investments	86,806	13,035
Net Unrealized Appreciation (Depreciation) of:		
Unaffiliated Investment Securities	5,071	1,073
Affiliated Investment Securities	220,215	32,143
Futures Contracts	(39)	36
Net Change in Unrealized Appreciation (Depreciation) of Investments	225,247	33,252
Net Gain (Loss) on Investments	312,053	46,287
Net Increase (Decrease) in Net Assets Resulting from Operations	$ 359,117	$ 51,656

The Accompanying Notes are an Integral Part of the Financial Statements.

Statements of Changes in Net Assets

NORTHWESTERN MUTUAL SERIES FUND, INC.

(in thousands)

	Growth Stock Portfolio		Focused Appreciation Portfolio		Large Cap Core Stock Portfolio	
	For the Year Ended December 31, 2019	For the Year Ended December 31, 2018	For the Year Ended December 31, 2019	For the Year Ended December 31, 2018	For the Year Ended December 31, 2019	For the Year Ended December 31, 2018
Change in Net Assets						
Operations						
Net Investment Income (Loss)	$ 7,240	$ 6,805	$ 5,527	$ 6,173	$ 6,986	$ 7,224
Net Realized Gain (Loss) on Investments	188,618	106,549	44,694	54,399	17,279	28,559
Net Change in Unrealized Appreciation (Depreciation) of Investments	63,949	(95,027)	211,091	(76,232)	132,939	(67,699)
Net Increase (Decrease) in Net Assets Resulting from Operations	259,807	18,327	261,312	(15,660)	157,204	(31,916)
Distributions to Shareholders from:						
Net Investment Income & Net Realized Gain on Investments	(113,204)	(112,201)	(60,549)	(29,687)	(36,070)	(175,999)
Net Decrease in Net Assets Resulting from Distributions to Shareholders	(113,204)	(112,201)	(60,549)	(29,687)	(36,070)	(175,999)
Capital Transactions:						
Shares Sold	25,555	30,152	32,210	41,239	16,596	16,770
Reinvestment of Distributions Paid	113,204	112,201	60,549	29,687	36,070	175,999
Shares Redeemed	(100,664)	(109,707)	(130,067)	(121,795)	(59,563)	(58,460)
Net Increase (Decrease) in Net Assets Resulting from Capital Transactions	38,095	32,646	(37,308)	(50,869)	(6,897)	134,309
Total Increase (Decrease) in Net Assets	184,698	(61,228)	163,455	(96,216)	114,237	(73,606)
Net Assets						
Beginning of Period	898,626	959,854	849,169	945,385	518,971	592,577
End of Period	$ 1,083,324	$ 898,626	$ 1,012,624	$ 849,169	$ 633,208	$ 518,971
Portfolio Share Transactions:						
Shares Sold	8,167	9,350	10,784	14,850	10,992	9,305
Reinvestment of Distributions Paid	38,426	34,166	20,539	10,174	24,031	114,285
Shares Redeemed	(31,910)	(33,587)	(43,119)	(42,895)	(39,195)	(31,045)
Net Increase (Decrease) in Shares Resulting from Portfolio Share Transactions	14,683	9,929	(11,796)	(17,871)	(4,172)	92,545

The Accompanying Notes are an Integral Part of the Financial Statements.

Statements of Changes in Net Assets

NORTHWESTERN MUTUAL SERIES FUND, INC.

(in thousands)

	Large Cap Blend Portfolio		Index 500 Stock Portfolio		Large Company Value Portfolio	
	For the Year Ended December 31, 2019	For the Year Ended December 31, 2018	For the Year Ended December 31, 2019	For the Year Ended December 31, 2018	For the Year Ended December 31, 2019	For the Year Ended December 31, 2018
Change in Net Assets						
Operations						
Net Investment Income (Loss)	$ 8,274	$ 2,041	$ 63,286	$ 57,305	$ 3,608	$ 3,677
Net Realized Gain (Loss) on Investments	2,310	15,518	75,221	83,927	6,400	14,339
Net Change in Unrealized Appreciation (Depreciation) of Investments	25,254	(23,563)	792,024	(281,923)	36,759	(32,801)
Net Increase (Decrease) in Net Assets Resulting from Operations	35,838	(6,004)	930,531	(140,691)	46,767	(14,785)
Distributions to Shareholders from:						
Net Investment Income & Net Realized Gain on Investments	(17,396)	(9,381)	(139,383)	(83,810)	(17,988)	(17,825)
Net Decrease in Net Assets Resulting from Distributions to Shareholders	(17,396)	(9,381)	(139,383)	(83,810)	(17,988)	(17,825)
Capital Transactions:						
Shares Sold	5,510	5,179	233,669	222,060	8,780	9,342
Reinvestment of Distributions Paid	17,396	9,381	139,383	83,810	17,988	17,825
Shares Redeemed	(20,830)	(20,960)	(306,061)	(294,365)	(23,347)	(21,043)
Net Increase (Decrease) in Net Assets Resulting from Capital Transactions	2,076	(6,400)	66,991	11,505	3,421	6,124
Total Increase (Decrease) in Net Assets	20,518	(21,785)	858,139	(212,996)	32,200	(26,486)
Net Assets						
Beginning of Period	154,435	176,220	3,009,141	3,222,137	173,350	199,836
End of Period	$ 174,953	$ 154,435	$ 3,867,280	$ 3,009,141	$ 205,550	$ 173,350
Portfolio Share Transactions:						
Shares Sold	4,586	4,273	44,202	44,068	8,809	9,035
Reinvestment of Distributions Paid	14,894	7,740	26,067	15,789	18,544	17,684
Shares Redeemed	(16,989)	(17,081)	(57,650)	(58,062)	(23,284)	(20,059)
Net Increase (Decrease) in Shares Resulting from Portfolio Share Transactions	2,491	(5,068)	12,619	1,795	4,069	6,660

The Accompanying Notes are an Integral Part of the Financial Statements.

Statements of Changes in Net Assets

NORTHWESTERN MUTUAL SERIES FUND, INC.

(in thousands)

	Domestic Equity Portfolio		Equity Income Portfolio		Mid Cap Growth Stock Portfolio	
	For the Year Ended December 31, 2019	For the Year Ended December 31, 2018	For the Year Ended December 31, 2019	For the Year Ended December 31, 2018	For the Year Ended December 31, 2019	For the Year Ended December 31, 2018
Change in Net Assets						
Operations						
Net Investment Income (Loss)	$ 17,733	$ 15,947	$ 32,499	$ 18,166	$ 3,099	$ 2,056
Net Realized Gain (Loss) on Investments	40,200	40,633	31,386	48,110	48,149	47,139
Net Change in Unrealized Appreciation (Depreciation) of Investments	101,492	(77,719)	116,745	(137,665)	251,921	(119,657)
Net Increase (Decrease) in Net Assets Resulting from Operations	159,425	(21,139)	180,630	(71,389)	303,169	(70,462)
Distributions to Shareholders from:						
Net Investment Income & Net Realized Gain on Investments	(56,580)	(43,137)	(65,431)	(76,785)	(48,747)	(183,778)
Net Decrease in Net Assets Resulting from Distributions to Shareholders	(56,580)	(43,137)	(65,431)	(76,785)	(48,747)	(183,778)
Capital Transactions:						
Shares Sold	67,280	64,890	24,288	28,491	26,236	30,197
Reinvestment of Distributions Paid	56,580	43,137	65,431	76,785	48,748	183,778
Shares Redeemed	(78,394)	(90,499)	(95,340)	(96,826)	(119,019)	(113,798)
Net Increase (Decrease) in Net Assets Resulting from Capital Transactions	45,466	17,528	(5,621)	8,450	(44,035)	100,177
Total Increase (Decrease) in Net Assets	148,311	(46,748)	109,578	(139,724)	210,387	(154,063)
Net Assets						
Beginning of Period	772,465	819,213	704,674	844,398	943,370	1,097,433
End of Period	$ 920,776	$ 772,465	$ 814,252	$ 704,674	$ 1,153,757	$ 943,370
Portfolio Share Transactions:						
Shares Sold	39,915	38,131	14,304	15,812	8,175	8,943
Reinvestment of Distributions Paid	34,105	24,777	39,322	43,852	14,898	56,426
Shares Redeemed	(46,398)	(52,647)	(55,588)	(52,692)	(36,703)	(32,249)
Net Increase (Decrease) in Shares Resulting from Portfolio Share Transactions	27,622	10,261	(1,962)	6,972	(13,630)	33,120

The Accompanying Notes are an Integral Part of the Financial Statements.

Statements of Changes in Net Assets

NORTHWESTERN MUTUAL SERIES FUND, INC.

(in thousands)

	Index 400 Stock Portfolio		Mid Cap Value Portfolio		Small Cap Growth Stock Portfolio	
	For the Year Ended December 31, 2019	For the Year Ended December 31, 2018	For the Year Ended December 31, 2019	For the Year Ended December 31, 2018	For the Year Ended December 31, 2019	For the Year Ended December 31, 2018
Change in Net Assets						
Operations						
Net Investment Income (Loss)	$ 12,712	$ 11,704	$ 9,457	$ 8,036	$ 779	$ 640
Net Realized Gain (Loss) on Investments	42,521	61,226	(762)	47,626	38,612	88,443
Net Change in Unrealized Appreciation (Depreciation) of Investments	149,963	(173,088)	127,414	(123,415)	142,894	(155,661)
Net Increase (Decrease) in Net Assets Resulting from Operations	205,196	(100,158)	136,109	(67,753)	182,285	(66,578)
Distributions to Shareholders from:						
Net Investment Income & Net Realized Gain on Investments	(71,654)	(68,601)	(58,194)	(58,046)	(88,795)	(51,016)
Net Decrease in Net Assets Resulting from Distributions to Shareholders	(71,654)	(68,601)	(58,194)	(58,046)	(88,795)	(51,016)
Capital Transactions:						
Shares Sold	72,548	73,566	37,275	44,293	34,695	36,654
Reinvestment of Distributions Paid	71,654	68,601	58,194	58,046	88,795	51,016
Shares Redeemed	(77,234)	(77,187)	(53,813)	(69,221)	(65,732)	(77,355)
Net Increase (Decrease) in Net Assets Resulting from Capital Transactions	66,968	64,980	41,656	33,118	57,758	10,315
Total Increase (Decrease) in Net Assets	200,510	(103,779)	119,571	(92,681)	151,248	(107,279)
Net Assets						
Beginning of Period	792,780	896,559	471,943	564,624	520,622	627,901
End of Period	$ 993,290	$ 792,780	$ 591,514	$ 471,943	$ 671,870	$ 520,622
Portfolio Share Transactions:						
Shares Sold	37,040	35,452	23,199	25,854	13,107	12,664
Reinvestment of Distributions Paid	37,476	32,792	37,424	34,613	35,718	16,926
Shares Redeemed	(39,222)	(36,515)	(33,386)	(38,167)	(24,149)	(26,019)
Net Increase (Decrease) in Shares Resulting from Portfolio Share Transactions	35,294	31,729	27,237	22,300	24,676	3,571

The Accompanying Notes are an Integral Part of the Financial Statements.

Statements of Changes in Net Assets

NORTHWESTERN MUTUAL SERIES FUND, INC.

(in thousands)

	Index 600 Stock Portfolio		Small Cap Value Portfolio		International Growth Portfolio	
	For the Year Ended December 31, 2019	For the Year Ended December 31, 2018	For the Year Ended December 31, 2019	For the Year Ended December 31, 2018	For the Year Ended December 31, 2019	For the Year Ended December 31, 2018
Change in Net Assets						
Operations						
Net Investment Income (Loss)	$ 3,276	$ 2,604	$ 2,758	$ 2,747	$ 13,008	$ 8,728
Net Realized Gain (Loss) on Investments	12,161	16,031	32,321	88,748	4,589	21,855
Net Change in Unrealized Appreciation (Depreciation) of Investments	35,968	(40,964)	97,406	(167,486)	197,373	(108,625)
Net Increase (Decrease) in Net Assets Resulting from Operations	51,405	(22,329)	132,485	(75,991)	214,970	(78,042)
Distributions to Shareholders from:						
Net Investment Income & Net Realized Gain on Investments	(18,910)	(13,363)	(91,498)	(49,860)	(11,555)	(9,563)
Net Decrease in Net Assets Resulting from Distributions to Shareholders	(18,910)	(13,363)	(91,498)	(49,860)	(11,555)	(9,563)
Capital Transactions:						
Shares Sold	41,873	45,237	24,975	23,128	56,589	78,000
Reinvestment of Distributions Paid	18,910	13,363	91,498	49,860	11,555	9,563
Shares Redeemed	(24,970)	(23,453)	(81,998)	(90,299)	(81,528)	(71,457)
Net Increase (Decrease) in Net Assets Resulting from Capital Transactions	35,813	35,147	34,475	(17,311)	(13,384)	16,106
Total Increase (Decrease) in Net Assets	68,308	(545)	75,462	(143,162)	190,031	(71,499)
Net Assets						
Beginning of Period	221,803	222,348	530,072	673,234	626,082	697,581
End of Period	$ 290,111	$ 221,803	$ 605,534	$ 530,072	$ 816,113	$ 626,082
Portfolio Share Transactions:						
Shares Sold	30,152	29,990	11,416	9,601	34,640	50,417
Reinvestment of Distributions Paid	13,894	8,523	44,546	19,817	6,891	5,984
Shares Redeemed	(17,963)	(15,458)	(36,079)	(35,622)	(49,535)	(45,088)
Net Increase (Decrease) in Shares Resulting from Portfolio Share Transactions	26,083	23,055	19,883	(6,204)	(8,004)	11,313

The Accompanying Notes are an Integral Part of the Financial Statements.

Statements of Changes in Net Assets

NORTHWESTERN MUTUAL SERIES FUND, INC.

(in thousands)

	Research International Core Portfolio		International Equity Portfolio		Emerging Markets Equity Portfolio	
	For the Year Ended December 31, 2019	For the Year Ended December 31, 2018	For the Year Ended December 31, 2019	For the Year Ended December 31, 2018	For the Year Ended December 31, 2019	For the Year Ended December 31, 2018
Change in Net Assets						
Operations						
Net Investment Income (Loss)	$ 16,017	$ 12,145	$ 56,597	$ 43,471	$ 18,016	$ 8,709
Net Realized Gain (Loss) on Investments	14,459	23,850	(40,915)	103,993	2,200	(10,700)
Net Change in Unrealized Appreciation (Depreciation) of Investments	140,464	(127,153)	186,767	(437,893)	119,317	(97,719)
Net Increase (Decrease) in Net Assets Resulting from Operations	170,940	(91,158)	202,449	(290,429)	139,533	(99,710)
Distributions to Shareholders from:						
Net Investment Income & Net Realized Gain on Investments	(30,579)	(10,485)	(121,837)	(45,975)	(8,489)	(9,240)
Net Decrease in Net Assets Resulting from Distributions to Shareholders	(30,579)	(10,485)	(121,837)	(45,975)	(8,489)	(9,240)
Capital Transactions:						
Shares Sold	82,088	95,574	135,633	134,477	91,156	134,734
Reinvestment of Distributions Paid	30,579	10,485	121,837	45,975	8,489	9,240
Shares Redeemed	(63,728)	(66,836)	(149,116)	(167,653)	(72,029)	(77,955)
Net Increase (Decrease) in Net Assets Resulting from Capital Transactions	48,939	39,223	108,354	12,799	27,616	66,019
Total Increase (Decrease) in Net Assets	189,300	(62,420)	188,966	(323,605)	158,660	(42,931)
Net Assets						
Beginning of Period	595,585	658,005	1,604,068	1,927,673	675,350	718,281
End of Period	$ 784,885	$ 595,585	$ 1,793,034	$ 1,604,068	$ 834,010	$ 675,350
Portfolio Share Transactions:						
Shares Sold	82,156	96,319	82,824	73,779	86,825	133,512
Reinvestment of Distributions Paid	31,076	10,210	79,737	24,892	8,108	9,468
Shares Redeemed	(63,528)	(64,843)	(91,119)	(89,966)	(69,290)	(74,780)
Net Increase (Decrease) in Shares Resulting from Portfolio Share Transactions	49,704	41,686	71,442	8,705	25,643	68,200

The Accompanying Notes are an Integral Part of the Financial Statements.

Statements of Changes in Net Assets

NORTHWESTERN MUTUAL SERIES FUND, INC.

(in thousands)

	Government Money Market Portfolio		Short-Term Bond Portfolio		Select Bond Portfolio	
	For the Year Ended December 31, 2019	For the Year Ended December 31, 2018	For the Year Ended December 31, 2019	For the Year Ended December 31, 2018	For the Year Ended December 31, 2019	For the Year Ended December 31, 2018
Change in Net Assets						
Operations						
Net Investment Income (Loss)	$ 8,380	$ 6,509	$ 7,966	$ 6,410	$ 86,025	$ 82,061
Net Realized Gain (Loss) on Investments	6	1	1,432	(955)	120,013	(83,942)
Net Change in Unrealized Appreciation (Depreciation) of Investments	—	—	4,310	(1,176)	51,048	(3,374)
Net Increase (Decrease) in Net Assets Resulting from Operations	8,386	6,510	13,708	4,279	257,086	(5,255)
Distributions to Shareholders from:						
Net Investment Income & Net Realized Gain on Investments	(8,386)	(6,510)	(6,513)	(4,636)	(85,804)	(67,891)
Net Decrease in Net Assets Resulting from Distributions to Shareholders	(8,386)	(6,510)	(6,513)	(4,636)	(85,804)	(67,891)
Capital Transactions:						
Shares Sold	216,196	197,800	64,924	44,754	240,747	363,798
Reinvestment of Distributions Paid	8,386	6,510	6,513	4,636	85,804	67,891
Shares Redeemed	(221,539)	(200,274)	(50,599)	(36,006)	(273,776)	(334,484)
Net Increase (Decrease) in Net Assets Resulting from Capital Transactions	3,043	4,036	20,838	13,384	52,775	97,205
Total Increase (Decrease) in Net Assets	3,043	4,036	28,033	13,027	224,057	24,059
Net Assets						
Beginning of Period	443,474	439,438	306,541	293,514	2,967,993	2,943,934
End of Period	$ 446,517	$ 443,474	$ 334,574	$ 306,541	$ 3,192,050	$ 2,967,993
Portfolio Share Transactions:						
Shares Sold	216,196	197,800	61,913	43,395	188,816	295,214
Reinvestment of Distributions Paid	8,386	6,510	6,221	4,531	66,669	56,202
Shares Redeemed	(221,539)	(200,274)	(48,296)	(34,921)	(213,032)	(272,611)
Net Increase (Decrease) in Shares Resulting from Portfolio Share Transactions	3,043	4,036	19,838	13,005	42,453	78,805

The Accompanying Notes are an Integral Part of the Financial Statements.

Statements of Changes in Net Assets

NORTHWESTERN MUTUAL SERIES FUND, INC.

(in thousands)

	Long-Term U.S. Government Bond Portfolio		Inflation Protection Portfolio		High Yield Bond Portfolio	
	For the Year Ended December 31, 2019	For the Year Ended December 31, 2018	For the Year Ended December 31, 2019	For the Year Ended December 31, 2018	For the Year Ended December 31, 2019	For the Year Ended December 31, 2018
Change in Net Assets						
Operations						
Net Investment Income (Loss)	$ 2,456	$ 2,709	$ 7,833	$ 9,216	$ 47,147	$ 45,363
Net Realized Gain (Loss) on Investments	3,309	(4,125)	(286)	(330)	638	1,585
Net Change in Unrealized Appreciation (Depreciation) of Investments	8,697	(988)	23,819	(19,406)	65,178	(68,201)
Net Increase (Decrease) in Net Assets Resulting from Operations	14,462	(2,404)	31,366	(10,520)	112,963	(21,253)
Distributions to Shareholders from:						
Net Investment Income & Net Realized Gain on Investments	(2,528)	(4,793)	(9,618)	(7,200)	(45,460)	(43,280)
Net Decrease in Net Assets Resulting from Distributions to Shareholders	(2,528)	(4,793)	(9,618)	(7,200)	(45,460)	(43,280)
Capital Transactions:						
Shares Sold	15,239	13,282	39,741	47,277	47,523	50,266
Reinvestment of Distributions Paid	2,528	4,793	9,618	7,200	45,460	43,280
Shares Redeemed	(18,315)	(15,123)	(39,546)	(88,897)	(77,725)	(77,525)
Net Increase (Decrease) in Net Assets Resulting from Capital Transactions	(548)	2,952	9,813	(34,420)	15,258	16,021
Total Increase (Decrease) in Net Assets	11,386	(4,245)	31,561	(52,140)	82,761	(48,512)
Net Assets						
Beginning of Period	111,468	115,713	349,571	401,711	763,366	811,878
End of Period	$ 122,854	$ 111,468	$ 381,132	$ 349,571	$ 846,127	$ 763,366
Portfolio Share Transactions:						
Shares Sold	13,791	13,114	35,689	43,247	64,387	68,137
Reinvestment of Distributions Paid	2,194	4,941	8,603	6,666	62,790	60,112
Shares Redeemed	(16,666)	(14,873)	(35,493)	(81,415)	(105,722)	(105,671)
Net Increase (Decrease) in Shares Resulting from Portfolio Share Transactions	(681)	3,182	8,799	(31,502)	21,455	22,578

The Accompanying Notes are an Integral Part of the Financial Statements.

Statements of Changes in Net Assets

NORTHWESTERN MUTUAL SERIES FUND, INC.

(in thousands)

	Multi-Sector Bond Portfolio		Balanced Portfolio		Asset Allocation Portfolio	
	For the Year Ended December 31, 2019	For the Year Ended December 31, 2018	For the Year Ended December 31, 2019	For the Year Ended December 31, 2018	For the Year Ended December 31, 2019	For the Year Ended December 31, 2018
Change in Net Assets						
Operations						
Net Investment Income (Loss)	$ 33,761	$ 31,771	$ 47,064	$ 50,470	$ 5,369	$ 6,117
Net Realized Gain (Loss) on Investments	31,714	5,572	86,806	111,220	13,035	16,812
Net Change in Unrealized Appreciation (Depreciation) of Investments	57,915	(48,619)	225,247	(234,110)	33,252	(35,664)
Net Increase (Decrease) in Net Assets Resulting from Operations	123,390	(11,276)	359,117	(72,420)	51,656	(12,735)
Distributions to Shareholders from:						
Net Investment Income & Net Realized Gain on Investments	(44,581)	(26,878)	(163,253)	(101,798)	(23,174)	(12,682)
Net Decrease in Net Assets Resulting from Distributions to Shareholders	(44,581)	(26,878)	(163,253)	(101,798)	(23,174)	(12,682)
Capital Transactions:						
Shares Sold	115,642	134,871	102,159	93,813	18,019	18,451
Reinvestment of Distributions Paid	44,581	26,878	163,253	101,798	23,173	12,682
Shares Redeemed	(92,151)	(89,633)	(272,394)	(263,510)	(31,447)	(33,418)
Net Increase (Decrease) in Net Assets Resulting from Capital Transactions	68,072	72,116	(6,982)	(67,899)	9,745	(2,285)
Total Increase (Decrease) in Net Assets	146,881	33,962	188,882	(242,117)	38,227	(27,702)
Net Assets						
Beginning of Period	874,943	840,981	2,065,353	2,307,470	249,511	277,213
End of Period	$ 1,021,824	$ 874,943	$ 2,254,235	$ 2,065,353	$ 287,738	$ 249,511
Portfolio Share Transactions:						
Shares Sold	103,219	125,393	69,385	63,864	15,009	15,238
Reinvestment of Distributions Paid	40,019	25,477	114,243	69,868	20,012	10,498
Shares Redeemed	(82,440)	(83,748)	(185,487)	(179,627)	(26,372)	(27,594)
Net Increase (Decrease) in Shares Resulting from Portfolio Share Transactions	60,798	67,122	(1,859)	(45,895)	8,649	(1,858)

The Accompanying Notes are an Integral Part of the Financial Statements.

Statement of Cash Flows

NORTHWESTERN MUTUAL SERIES FUND, INC.

For the Year Ended December 31, 2019 (in thousands)

	Long-Term U.S. Government Bond Portfolio
Cash Flows from Operating Activities	
Net Increase (Decrease) in Net Assets Resulting from Operations	$ 14,462
Adjustments to Reconcile Net Increase (Decrease) in Net Assets Resulting from Operations to Net Cash from Operating Activities	
Purchase of Investment Securities	(228,101)
Proceeds from Disposition of Investment Securities	126,897
Proceeds from Disposition (Purchase) of Short-Term Investments, net	(1,470)
Proceeds from (Payments for) Closed Futures Contracts and Cleared Swaps	1,116
Proceeds from Securities Sold Short	56,857
Cash Paid for Terminated Options Written	(12)
Premiums Received for Options Written	57
Amortization (Accretion) of Premium/Discount, net	77
(Increase) Decrease in:	
Receivable for Investment Securities Sold	(13,282)
Dividends and Interest Receivable	(221)
Increase (Decrease) in:	
Payable for Investment Advisory Fees	8
Accrued Expenses	(8)
Change in Net Unrealized (Appreciation) Depreciation of:	
Investment Securities	(10,761)
Futures Contracts	1,272
Options Written	(10)
Short Sales	(24)
Swap Contracts	826
Net Realized (Gain) Loss from:	
Investment Securities	(161)
Futures Contracts	(3,414)
Options Written	(42)
Paydowns	(1)
Short Sales	124
Swap Contracts	184
Total Adjustments	(70,089)
Net Cash (Used in) Provided by Operating Activities	(55,627)
Cash Flows from Financing Activities	
Cash Received from Financing Transactions	2,290,730
Cash (Used for) Financing Transactions	(2,257,341)
Proceeds from Reverse Repurchase Agreements	86,786
Payments on Reverse Repurchase Agreements	(61,431)
Proceeds from Capital Shares Sold	15,222
Payment on Capital Shares Redeemed	(18,594)
Net Cash (Used in) Provided by Financing Activities	55,372
Net Increase (Decrease) in Cash and Cash Equivalents	(255)
Cash and Restricted Cash, Beginning of Period	406
Cash and Restricted Cash, End of Period	$ 151

Cash and Restricted Cash is the sum of Cash and Cash Collateral for Derivative Positions from the Statement of Assets and Liabilities.
Supplemental disclosure of cash flow information:
Non-cash financing activities not included herein consist of reinvestment of dividends and distributions of $2,528.
Interest paid was $462 for the period ended December 31, 2019.

Financial Highlights

NORTHWESTERN MUTUAL SERIES FUND, INC.

(For a share outstanding through the period)

	Net Asset Value, Beginning of Period	Net Investment Income (Loss)	Net Realized and Unrealized Gain (Loss) on Investments	Total from Investment Operations	Distributions from Net Investment Income	Distributions from Realized Gains on Investments
Growth Stock Portfolio						
2019	$ 2.75	$ 0.02	$ 0.77	$ 0.79	$ (0.02)	$ (0.34)
2018	3.03	0.02	0.08	0.10	(0.02)	(0.36)
2017	2.58	0.02	0.59	0.61	(0.03)	(0.13)
2016	2.81	0.03	0.04	0.07	(0.02)	(0.28)
2015	2.87	0.02	0.15	0.17	(0.02)	(0.21)
Focused Appreciation Portfolio						
2019	$ 2.57	$ 0.02	$ 0.78	$ 0.80	$ (0.02)	$ (0.18)
2018	2.71	0.02	(0.07)	(0.05)	(0.01)	(0.08)
2017	2.08	0.02	0.68	0.70	(0.02)	(0.05)
2016	2.68	0.02	0.17	0.19	(0.01)	(0.78)
2015	2.63	0.01	0.34	0.35	—	(0.30)
Large Cap Core Stock Portfolio						
2019	$ 1.31	$ 0.02	$ 0.39	$ 0.41	$ (0.02)	$ (0.08)
2018	1.96	0.02	(0.05)	(0.03)	(0.03)	(0.59)
2017	1.60	0.03	0.36	0.39	(0.03)	—
2016	1.54	0.03	0.09	0.12	(0.03)	(0.03)
2015	1.65	0.03	(0.08)	(0.05)	(0.04)	(0.02)
Large Cap Blend Portfolio						
2019	$ 1.09	$ 0.06	$ 0.20	$ 0.26	$ (0.01)	$ (0.12)
2018	1.21	0.01	(0.06)	(0.05)	(0.01)	(0.06)
2017	1.07	0.01	0.20	0.21	(0.01)	(0.06)
2016	1.03	0.01	0.12	0.13	(0.01)	(0.08)
2015	1.12	0.01	(0.03)	(0.02)	(0.01)	(0.06)
Index 500 Stock Portfolio						
2019	$ 4.59	$ 0.10	$ 1.32	$ 1.42	$ (0.09)	$ (0.13)
2018	4.93	0.09	(0.30)	(0.21)	(0.08)	(0.05)
2017	4.17	0.08	0.81	0.89	(0.08)	(0.05)
2016	3.88	0.08	0.37	0.45	(0.07)	(0.09)
2015	3.98	0.07	(0.03)	0.04	(0.07)	(0.07)
Large Company Value Portfolio						
2019	$ 0.89	$ 0.02	$ 0.21	$ 0.23	$ (0.02)	$ (0.07)
2018	1.06	0.02	(0.09)	(0.07)	(0.02)	(0.08)
2017	1.02	0.02	0.08	0.10	(0.02)	(0.04)
2016	0.99	0.02	0.12	0.14	(0.02)	(0.09)
2015	1.15	0.02	(0.06)	(0.04)	(0.02)	(0.10)
Domestic Equity Portfolio						
2019	$ 1.55	$ 0.03	$ 0.28	$ 0.31	$ (0.03)	$ (0.08)
2018	1.68	0.03	(0.07)	(0.04)	(0.03)	(0.06)
2017	1.54	0.03	0.18	0.21	(0.03)	(0.04)
2016	1.41	0.03	0.19	0.22	(0.03)	(0.06)
2015	1.44	0.03	(0.03)	0.00[e]	(0.03)	—

[d] Total Return includes deductions for management and other fund expenses; excludes deductions for sales loads and account fees, not annualized for periods less than one year.

[r] Expense ratios are based on the direct expenses of the Portfolio and do not include the effect of underlying funds' expenses. For additional information on underlying funds' expenses, please refer to the Fee and Expense table in the Prospectus.

[e] Amount is less than $0.005.

Total Distributions	Net Asset Value, End of Period	Total Return[d]	Net Assets, End of Period (thousands)	Ratio of Gross Expenses to Average Net Assets[r]	Ratio of Net Expenses to Average Net Assets[r]	Ratio of Net Investment Income (Loss) to Average Net Assets	Portfolio Turnover Rate
$ (0.36)	$ 3.18	29.68%	$ 1,083,324	0.43%	0.42%	0.71%	116.28%
(0.38)	2.75	1.26	898,626	0.43	0.42	0.68	47.87
(0.16)	3.03	24.27	959,854	0.43	0.42	0.78	57.70
(0.30)	2.58	2.47	837,980	0.43	0.43	0.97	65.66
(0.23)	2.81	6.01	860,348	0.43	0.42	0.82	50.12
$ (0.20)	$ 3.17	31.97%	$ 1,012,624	0.75%	0.63%	0.58%	6.57%
(0.09)	2.57	(2.34)	849,169	0.75	0.63	0.65	7.12
(0.07)	2.71	33.62	945,385	0.75	0.63	0.66	3.50
(0.79)	2.08	5.87	771,800	0.76	0.63	0.83	9.38
(0.30)	2.68	13.64	778,837	0.76	0.63	0.27	131.33
$ (0.10)	$ 1.62	31.19%	$ 633,208	0.45%	0.44%	1.19%	53.53%
(0.62)	1.31	(6.04)	518,971	0.45	0.44	1.23	64.61
(0.03)	1.96	24.87	592,577	0.45	0.44	1.56	100.72
(0.06)	1.60	7.57	514,495	0.45	0.45	1.96	6.83
(0.06)	1.54	(3.06)	509,411	0.45	0.44	2.04	13.36
$ (0.13)	$ 1.22	23.97%	$ 174,953	0.82%	0.82%	4.92%	23.99%
(0.07)	1.09	(4.00)	154,435	0.82	0.82	1.20	25.22
(0.07)	1.21	19.02	176,221	0.81	0.81	0.75	16.09
(0.09)	1.07	13.99	164,752	0.82	0.81	0.97	21.12
(0.07)	1.03	(2.42)	153,841	0.81	0.81	0.99	16.11
$ (0.22)	$ 5.79	31.18%	$ 3,867,280	0.21%	0.20%	1.81%	3.54%
(0.13)	4.59	(4.58)	3,009,141	0.21	0.20	1.74	4.16
(0.13)	4.93	21.52	3,222,137	0.21	0.21	1.82	2.92
(0.16)	4.17	11.73	2,678,914	0.21	0.21	1.97	3.28
(0.14)	3.88	1.17	2,386,253	0.21	0.21	1.87	4.17
$ (0.09)	$ 1.03	27.66%	$ 205,550	0.77%	0.75%	1.86%	62.00%
(0.10)	0.89	(7.92)	173,350	0.76	0.74	1.89	60.83
(0.06)	1.06	11.10	199,836	0.75	0.73	2.15	53.45
(0.11)	1.02	15.36	195,773	0.75	0.72	2.07	79.86
(0.12)	0.99	(3.85)	174,429	0.74	0.71	1.49	52.53
$ (0.11)	$ 1.75	20.77%	$ 920,776	0.54%	0.53%	2.08%	11.83%
(0.09)	1.55	(2.81)	772,465	0.54	0.53	1.92	14.33
(0.07)	1.68	13.78	819,213	0.55	0.54	1.91	12.37
(0.09)	1.54	14.98	720,940	0.55	0.55	2.00	12.24
(0.03)	1.41	(0.09)	610,458	0.56	0.55	2.06	14.15

Financial Highlights

NORTHWESTERN MUTUAL SERIES FUND, INC.

(For a share outstanding through the period)

	Net Asset Value, Beginning of Period	Net Investment Income (Loss)	Net Realized and Unrealized Gain (Loss) on Investments	Total from Investment Operations	Distributions from Net Investment Income	Distributions from Realized Gains on Investments
Equity Income Portfolio						
2019	$ 1.53	$ 0.07	$ 0.33	$ 0.40	$ (0.04)	$ (0.11)
2018	1.86	0.04	(0.19)	(0.15)	(0.04)	(0.14)
2017	1.72	0.04	0.23	0.27	(0.04)	(0.09)
2016	1.56	0.04	0.24	0.28	(0.03)	(0.09)
2015	1.77	0.03	(0.14)	(0.11)	(0.03)	(0.07)
Mid Cap Growth Stock Portfolio						
2019	$ 2.69	$ 0.01	$ 0.87	$ 0.88	$ (0.01)	$ (0.14)
2018	3.46	0.01	(0.17)	(0.16)	(0.00)[e]	(0.61)
2017	2.88	0.00[e]	0.59	0.59	(0.01)	—
2016	3.11	0.01	0.02	0.03	(0.01)	(0.25)
2015	3.40	0.01	0.02	0.03	(0.00)[e]	(0.32)
Index 400 Stock Portfolio						
2019	$ 1.74	$ 0.03	$ 0.40	$ 0.43	$ (0.02)	$ (0.13)
2018	2.11	0.03	(0.24)	(0.21)	(0.02)	(0.14)
2017	1.96	0.02	0.27	0.29	(0.02)	(0.12)
2016	1.77	0.02	0.33	0.35	(0.02)	(0.14)
2015	1.96	0.02	(0.07)	(0.05)	(0.02)	(0.12)
Mid Cap Value Portfolio						
2019	$ 1.43	$ 0.03	$ 0.37	$ 0.40	$ (0.03)	$ (0.15)
2018	1.83	0.03	(0.23)	(0.20)	(0.03)	(0.17)
2017	1.73	0.03	0.16	0.19	(0.03)	(0.06)
2016	1.54	0.03	0.32	0.35	(0.03)	(0.13)
2015	1.77	0.02	(0.04)	(0.02)	(0.03)	(0.18)
Small Cap Growth Stock Portfolio						
2019	$ 2.35	$ 0.00[e]	$ 0.79	$ 0.79	$ (0.00)[e]	$ (0.42)
2018	2.88	0.00[e]	(0.28)	(0.28)	—	(0.25)
2017	2.39	0.00[e]	0.52	0.52	(0.00)[e]	(0.03)
2016	2.37	0.00[e]	0.28	0.28	(0.01)	(0.25)
2015	2.50	0.01	(0.01)	—	(0.00)[e]	(0.13)
Index 600 Stock Portfolio						
2019	$ 1.26	$ 0.02	$ 0.25	$ 0.27	$ (0.00)[e]	$ (0.10)
2018	1.45	0.02	(0.13)	(0.11)	(0.02)	(0.06)
2017	1.36	0.01	0.16	0.17	(0.03)	(0.05)
2016	1.13	0.01	0.29	0.30	(0.01)	(0.06)
2015	1.16	0.01	(0.04)	(0.03)	—	(0.00)[e]
Small Cap Value Portfolio						
2019	$ 2.04	$ 0.01	$ 0.50	$ 0.51	$ (0.01)	$ (0.37)
2018	2.54	0.01	(0.31)	(0.30)	(0.01)	(0.19)
2017	2.42	0.02	0.25	0.27	(0.02)	(0.13)
2016	2.10	0.02	0.61	0.63	(0.02)	(0.29)
2015	2.38	0.02	(0.14)	(0.12)	(0.02)	(0.14)

[d] Total Return includes deductions for management and other fund expenses; excludes deductions for sales loads and account fees, not annualized for periods less than one year.

[r] Expense ratios are based on the direct expenses of the Portfolio and do not include the effect of underlying funds' expenses. For additional information on underlying funds' expenses, please refer to the Fee and Expense table in the Prospectus.

[e] Amount is less than $0.005.

Total Distributions	Net Asset Value, End of Period	Total Return[d]	Net Assets, End of Period (thousands)	Ratio of Gross Expenses to Average Net Assets[r]	Ratio of Net Expenses to Average Net Assets[r]	Ratio of Net Investment Income (Loss) to Average Net Assets	Portfolio Turnover Rate
$ (0.15)	$ 1.78	26.61%	$ 814,252	0.65%	0.61%	4.21%	18.23%
(0.18)	1.53	(9.35)	704,674	0.65	0.61	2.25	16.57
(0.13)	1.86	16.24	844,398	0.65	0.62	2.04	21.27
(0.12)	1.72	19.17	798,167	0.66	0.64	2.42	23.09
(0.10)	1.56	(6.74)	732,781	0.65	0.65	2.08	37.97
$ (0.15)	$ 3.42	33.01%	$ 1,153,757	0.54%	0.54%	0.28%	29.79%
(0.61)	2.69	(7.38)	943,370	0.54	0.54	0.19	32.73
(0.01)	3.46	20.29	1,097,433	0.54	0.54	0.14	148.03
(0.26)	2.88	0.83	983,395	0.54	0.54	0.29	57.23
(0.32)	3.11	0.71	1,025,151	0.53	0.52	0.17	68.54
$ (0.15)	$ 2.02	25.88%	$ 993,290	0.28%	0.26%	1.38%	16.43%
(0.16)	1.74	(11.33)	792,780	0.28	0.26	1.29	18.23
(0.14)	2.11	15.96	896,559	0.28	0.26	1.22	18.08
(0.16)	1.96	20.38	773,157	0.28	0.27	1.31	19.44
(0.14)	1.77	(2.38)	634,401	0.28	0.27	1.23	18.70
$ (0.18)	$ 1.65	29.21%	$ 591,514	0.89%	0.75%	1.74%	43.65%
(0.20)	1.43	(12.85)	471,943	0.89	0.76	1.50	61.68
(0.09)	1.83	11.81	564,624	0.88	0.76	1.79	46.45
(0.16)	1.73	23.23	518,217	0.89	0.77	1.71	53.81
(0.21)	1.54	(1.33)	410,233	0.89	0.77	1.38	71.46
$ (0.42)	$ 2.72	35.69%	$ 671,870	0.56%	0.56%	0.13%	42.17%
(0.25)	2.35	(11.71)	520,622	0.56	0.56	0.10	52.15
(0.03)	2.88	21.61	627,901	0.56	0.56	(0.01)	43.11
(0.26)	2.39	12.25	545,052	0.58	0.58	0.19	44.26
(0.13)	2.37	0.32	494,932	0.57	0.56	0.22	48.21
$ (0.10)	$ 1.43	22.44%	$ 290,111	0.31%	0.31%	1.25%	32.91%
(0.08)	1.26	(8.78)	221,803	0.31	0.31	1.06	37.83
(0.08)	1.45	12.93	222,348	0.33	0.33	1.04	36.46
(0.07)	1.36	26.12	173,883	0.36	0.35	1.00	52.14
(0.00)[e]	1.13	(2.35)	113,993	0.36	0.34	0.95	46.59
$ (0.38)	$ 2.17	25.89%	$ 605,534	0.88%	0.87%	0.48%	25.34%
(0.20)	2.04	(12.73)	530,072	0.88	0.87	0.43	22.36
(0.15)	2.54	11.65	673,234	0.88	0.86	0.56	14.51
(0.31)	2.42	32.39	647,830	0.89	0.88	0.93	24.02
(0.16)	2.10	(5.45)	514,970	0.88	0.88	1.00	35.53

Financial Highlights

NORTHWESTERN MUTUAL SERIES FUND, INC.

(For a share outstanding through the period)

	Net Asset Value, Beginning of Period	Net Investment Income (Loss)	Net Realized and Unrealized Gain (Loss) on Investments	Total from Investment Operations	Distributions from Net Investment Income	Distributions from Realized Gains on Investments
International Growth Portfolio						
2019	$ 1.39	$ 0.03	$ 0.46	$ 0.49	$ (0.02)	$ (0.01)
2018	1.59	0.02	(0.20)	(0.18)	(0.02)	—
2017	1.24	0.02	0.35	0.37	(0.02)	—
2016	1.30	0.02	(0.07)	(0.05)	(0.01)	—
2015	1.34	0.02	(0.04)	(0.02)	(0.02)	—
Research International Core Portfolio						
2019	$ 0.88	$ 0.02	$ 0.23	$ 0.25	$ (0.02)	$ (0.03)
2018	1.04	0.02	(0.16)	(0.14)	(0.02)	—
2017	0.82	0.02	0.22	0.24	(0.02)	—
2016	0.85	0.02	(0.03)	(0.01)	(0.01)	(0.01)
2015	0.90	0.02	(0.03)	(0.01)	(0.02)	(0.02)
International Equity Portfolio						
2019	$ 1.58	$ 0.05	$ 0.14	$ 0.19	$ (0.04)	$ (0.08)
2018	1.91	0.04	(0.32)	(0.28)	(0.05)	—
2017	1.60	0.04	0.31	0.35	(0.04)	—
2016	1.61	0.04	0.00[e]	0.04	(0.03)	(0.02)
2015	1.77	0.04	(0.08)	(0.04)	(0.05)	(0.07)
Emerging Markets Equity Portfolio						
2019	$ 0.94	$ 0.02	$ 0.17	$ 0.19	$ (0.01)	$ —
2018	1.10	0.01	(0.16)	(0.15)	(0.01)	—
2017	0.87	0.02	0.22	0.24	(0.01)	—
2016	0.80	0.01	0.07	0.08	(0.01)	—
2015	0.93	0.01	(0.13)	(0.12)	(0.01)	—
Government Money Market Portfolio						
2019	$ 1.00	$ 0.02	$ —	$ 0.02	$ (0.02)	$ (0.00)[e]
2018	1.00	0.02	—	0.02	(0.02)	(0.00)[e]
2017	1.00	0.01	0.00[e]	0.01	(0.01)	(0.00)[e]
2016	1.00	0.00[e]	—	0.00[e]	(0.00)[e]	(0.00)[e]
2015	1.00	0.00[e]	—	0.00[e]	(0.00)[e]	(0.00)[e]
Short-Term Bond Portfolio						
2019	$ 1.03	$ 0.03	$ 0.02	$ 0.05	$ (0.02)	$ —
2018	1.03	0.02	—	0.02	(0.02)	—
2017	1.03	0.02	(0.01)	0.01	(0.01)	—
2016	1.03	0.01	—	0.01	(0.01)	—
2015	1.03	0.01	0.00[e]	0.01	(0.01)	—
Select Bond Portfolio						
2019	$ 1.23	$ 0.04	$ 0.07	$ 0.11	$ (0.04)	$ —
2018	1.26	0.03	(0.03)	0.00[e]	(0.03)	—
2017	1.26	0.03	0.02	0.05	(0.03)	(0.02)
2016	1.25	0.02	0.03	0.05	(0.03)	(0.01)
2015	1.27	0.02	(0.01)	0.01	(0.02)	(0.01)

[d] Total Return includes deductions for management and other fund expenses; excludes deductions for sales loads and account fees, not annualized for periods less than one year.

[r] Expense ratios are based on the direct expenses of the Portfolio and do not include the effect of underlying funds' expenses. For additional information on underlying funds' expenses, please refer to the Fee and Expense table in the Prospectus.

[e] Amount is less than $0.005.

[g] Portfolio Turnover Rate excludes the impact of TBA transactions.

Total Distributions	Net Asset Value, End of Period	Total Return[d]	Net Assets, End of Period (thousands)	Ratio of Gross Expenses to Average Net Assets[r]	Ratio of Net Expenses to Average Net Assets[r]	Ratio of Net Investment Income (Loss) to Average Net Assets	Portfolio Turnover Rate
$ (0.03)	$ 1.85	34.80%	$ 816,113	0.64%	0.64%	1.79%	20.66%
(0.02)	1.39	(11.28)	626,082	0.65	0.65	1.28	33.34
(0.02)	1.59	30.03	697,581	0.67	0.67	1.32	19.52
(0.01)	1.24	(3.41)	523,122	0.71	0.71	1.67	25.57
(0.02)	1.30	(1.73)	485,313	0.74	0.74	1.12	134.92
$ (0.05)	$ 1.08	28.25%	$ 784,885	0.82%	0.77%	2.32%	17.55%
(0.02)	0.88	(13.66)	595,585	0.82	0.77	1.88	24.38
(0.02)	1.04	28.21	658,005	0.86	0.81	1.74	27.88
(0.02)	0.82	(1.12)	499,649	0.92	0.88	1.99	40.80
(0.04)	0.85	(1.11)	498,395	0.91	0.91	1.78	32.43
$ (0.12)	$ 1.65	12.60%	$ 1,793,034	0.68%	0.54%	3.33%	42.61%
(0.05)	1.58	(15.41)	1,604,068	0.68	0.54	2.36	31.04
(0.04)	1.91	22.30	1,927,673	0.70	0.57	2.40	20.68
(0.05)	1.60	2.89	1,628,267	0.71	0.62	2.65	16.25
(0.12)	1.61	(2.21)	1,605,948	0.73	0.64	2.05	18.80
$ (0.01)	$ 1.12	20.60%	$ 834,010	1.11%	0.99%	2.40%	22.42%
(0.01)	0.94	(13.75)	675,350	1.11	1.00	1.27	16.67
(0.01)	1.10	27.84	718,281	1.18	1.06	1.61	98.21
(0.01)	0.87	9.06	521,800	1.25	1.16	1.24	47.33
(0.01)	0.80	(12.24)	444,297	1.32	1.32	0.91	45.83
$ (0.02)	$ 1.00	1.94%	$ 446,517	0.33%	0.33%	1.91%	—%
(0.02)	1.00	1.54	443,474	0.34	0.34	1.53	—
(0.01)	1.00	0.60	439,438	0.33	0.33	0.59	—
(0.00)[e]	1.00	0.13	501,635	0.32	0.32	0.11	—
(0.00)[e]	1.00	0.01	445,287	0.33	0.26	0.01	—
$ (0.02)	$ 1.06	4.38%	$ 334,574	0.39%	0.39%	2.47%	56.20%[g]
(0.02)	1.03	1.36	306,541	0.39	0.39	2.14	41.45[g]
(0.01)	1.03	1.33	293,514	0.42	0.41	1.60	45.77
(0.01)	1.03	1.67	269,833	0.43	0.43	1.33	36.61
(0.01)	1.03	0.72	244,204	0.43	0.42	1.17	35.76
$ (0.04)	$ 1.30	8.65%	$ 3,192,050	0.31%	0.30%	2.76%	402.78%[g]
(0.03)	1.23	(0.21)	2,967,993	0.31	0.31	2.74	293.74[g]
(0.05)	1.26	3.58	2,943,934	0.32	0.31	2.15	390.26[g]
(0.04)	1.26	3.06	2,839,045	0.32	0.31	1.91	524.79[g]
(0.03)	1.25	0.53	2,856,958	0.31	0.31	1.76	476.41[g]

Financial Highlights

NORTHWESTERN MUTUAL SERIES FUND, INC.

(For a share outstanding through the period)

	Net Asset Value, Beginning of Period	Net Investment Income (Loss)	Net Realized and Unrealized Gain (Loss) on Investments	Total from Investment Operations	Distributions from Net Investment Income	Distributions from Realized Gains on Investments
Long-Term U.S. Government Bond Portfolio[s]						
2019	$ 1.01	$ 0.02	$ 0.11	$ 0.13	$ (0.02)	$ —
2018	1.08	0.03	(0.06)	(0.03)	(0.02)	(0.02)
2017	1.06	0.03	0.05	0.08	(0.02)	(0.04)
2016	1.08	0.03	(0.01)	0.02	(0.02)	(0.02)
2015	1.12	0.03	(0.05)	(0.02)	(0.02)	—
Inflation Protection Portfolio						
2019	$ 1.06	$ 0.02	$ 0.08	$ 0.10	$ (0.03)	$ —
2018	1.11	0.03	(0.06)	(0.03)	(0.02)	—
2017	1.09	0.02	0.01	0.03	(0.01)	(0.00)[e]
2016	1.05	0.02	0.03	0.05	(0.01)	—
2015	1.10	0.01	(0.03)	(0.02)	(0.03)	—
High Yield Bond Portfolio						
2019	$ 0.69	$ 0.04	$ 0.06	$ 0.10	$ (0.04)	$ —
2018	0.75	0.04	(0.06)	(0.02)	(0.04)	—
2017	0.74	0.04	0.01	0.05	(0.04)	—
2016	0.68	0.04	0.06	0.10	(0.04)	—
2015	0.72	0.04	(0.05)	(0.01)	(0.03)	—
Multi-Sector Bond Portfolio[s]						
2019	$ 1.05	$ 0.04	$ 0.10	$ 0.14	$ (0.05)	$ —
2018	1.09	0.04	(0.05)	(0.01)	(0.03)	—
2017	1.05	0.04	0.04	0.08	(0.04)	—
2016	0.99	0.04	0.07	0.11	(0.05)	—
2015	1.08	0.04	(0.05)	(0.01)	(0.06)	(0.02)
Balanced Portfolio						
2019	$ 1.36	$ 0.03	$ 0.22	$ 0.25	$ (0.04)	$ (0.08)
2018	1.47	0.03	(0.07)	(0.04)	(0.04)	(0.03)
2017	1.40	0.03	0.12	0.15	(0.03)	(0.05)
2016	1.38	0.02	0.07	0.09	(0.03)	(0.04)
2015	1.48	0.02	(0.02)	—	(0.03)	(0.07)
Asset Allocation Portfolio						
2019	$ 1.10	$ 0.02	$ 0.21	$ 0.23	$ (0.03)	$ (0.08)
2018	1.21	0.03	(0.09)	(0.06)	(0.02)	(0.03)
2017	1.12	0.02	0.15	0.17	(0.03)	(0.05)
2016	1.11	0.02	0.06	0.08	(0.03)	(0.04)
2015	1.20	0.02	(0.03)	(0.01)	(0.02)	(0.06)

[d] Total Return includes deductions for management and other fund expenses; excludes deductions for sales loads and account fees, not annualized for periods less than one year.

[r] Expense ratios are based on the direct expenses of the Portfolio and do not include the effect of underlying funds' expenses. For additional information on underlying funds' expenses, please refer to the Fee and Expense table in the Prospectus.

[s] The ratios of gross expenses to average net assets and net expenses to average net assets include interest expense. Excluding interest expense, the ratios for the Long-Term U.S. Government Portfolio would be 0.67% and 0.65% respectively for the period ended December 31, 2019, 0.67% and 0.65% respectively in 2018, 0.67% and 0.65% respectively in 2017, 0.64% and 0.64% respectively in 2016, 0.67% and 0.64% respectively in 2015. The ratios for the Multi-Sector Bond Portfolio would be 0.82% and 0.73% respectively for the period ended December 31, 2019, and 0.81% and 0.74% respectively in 2018.

[g] Portfolio Turnover Rate excludes the impact of TBA transactions.

[e] Amount is less than $0.005.

Total Distributions	Net Asset Value, End of Period	Total Return[d]	Net Assets, End of Period (thousands)	Ratio of Gross Expenses to Average Net Assets[r]	Ratio of Net Expenses to Average Net Assets[r]	Ratio of Net Investment Income (Loss) to Average Net Assets	Portfolio Turnover Rate
$ (0.02)	$ 1.12	13.17%	$ 122,854	1.25%	1.23%	2.06%	4.79%[g]
(0.04)	1.01	(2.04)	111,468	0.90	0.89	2.48	42.53[g]
(0.06)	1.08	8.28	115,713	0.94	0.92	2.64	50.94[g]
(0.04)	1.06	1.09	110,391	0.77	0.77	2.19	126.34[g]
(0.02)	1.08	(1.47)	104,513	0.69	0.67	2.32	32.93[g]
$ (0.03)	$ 1.13	9.02%	$ 381,132	0.59%	0.55%	2.13%	39.66%
(0.02)	1.06	(2.61)	349,571	0.59	0.55	2.55	22.87
(0.01)	1.11	3.58	401,711	0.61	0.57	2.05	20.82
(0.01)	1.09	4.68	326,927	0.64	0.59	1.55	33.80
(0.03)	1.05	(2.20)	287,089	0.63	0.59	0.52	17.29
$ (0.04)	$ 0.75	14.97%	$ 846,127	0.45%	0.45%	5.73%	33.09%
(0.04)	0.69	(2.71)	763,366	0.45	0.45	5.65	22.94
(0.04)	0.75	6.88	811,878	0.45	0.45	5.48	31.59
(0.04)	0.74	14.59	756,947	0.47	0.46	5.83	35.58
(0.03)	0.68	(1.36)	688,124	0.46	0.46	5.55	27.49
$ (0.05)	$ 1.14	14.04%	$ 1,021,824	0.83%	0.74%	3.53%	29.78%[g]
(0.03)	1.05	(1.30)	874,943	0.82	0.75	3.67	37.42[g]
(0.04)	1.09	8.38	840,981	0.82	0.75	4.06	48.84
(0.05)	1.05	11.09	689,849	0.84	0.78	3.86	42.81
(0.08)	0.99	(2.22)	580,634	0.85	0.79	4.13	58.14[g]
$ (0.12)	$ 1.49	17.92%	$ 2,254,235	0.31%	0.06%	2.14%	16.68%
(0.07)	1.36	(3.45)	2,065,353	0.31	0.06	2.25	27.29
(0.08)	1.47	11.98	2,307,470	0.31	0.06	1.75	16.58
(0.07)	1.40	6.58	2,202,834	0.31	0.07	1.73	23.64
(0.10)	1.38	(0.12)	2,219,466	0.31	0.08	1.43	13.53
$ (0.11)	$ 1.22	21.08%	$ 287,738	0.57%	0.09%	1.96%	15.44%
(0.05)	1.10	(4.88)	249,511	0.57	0.09	2.24	32.14
(0.08)	1.21	14.87	277,213	0.57	0.09	1.68	22.05
(0.07)	1.12	7.79	250,399	0.58	0.09	1.69	25.59
(0.08)	1.11	(0.43)	249,413	0.58	0.08	1.47	15.36

Notes to Financial Statements

NOTE 1. ORGANIZATION

Northwestern Mutual Series Fund, Inc. (the "Series Fund") is registered as an open-end management investment company under the Investment Company Act of 1940, as amended ("1940 Act"). The Series Fund is also considered an investment company following the accounting and reporting guidance in Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") Topic 946. The Series Fund consists of the Growth Stock Portfolio, Focused Appreciation Portfolio, Large Cap Core Stock Portfolio, Large Cap Blend Portfolio, Index 500 Stock Portfolio, Large Company Value Portfolio, Domestic Equity Portfolio, Equity Income Portfolio, Mid Cap Growth Stock Portfolio, Index 400 Stock Portfolio, Mid Cap Value Portfolio, Small Cap Growth Stock Portfolio, Index 600 Stock Portfolio, Small Cap Value Portfolio, International Growth Portfolio, Research International Core Portfolio, International Equity Portfolio, Emerging Markets Equity Portfolio, Government Money Market Portfolio, Short-Term Bond Portfolio, Select Bond Portfolio, Long-Term U.S. Government Bond Portfolio, Inflation Protection Portfolio, High Yield Bond Portfolio, Multi-Sector Bond Portfolio, Balanced Portfolio and Asset Allocation Portfolio (each, a "Portfolio" or collectively, the "Portfolios"). All of the outstanding shares of each Portfolio are held by an affiliate, The Northwestern Mutual Life Insurance Company ("Northwestern Mutual"), for its segregated asset accounts (either directly or indirectly through one or more underlying Portfolios operating as affiliated fund of funds). The Government Money Market Portfolio is a government money market fund under Rule 2a-7 of the 1940 Act.

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES

The following is a summary of significant accounting policies consistently followed by the Series Fund in the preparation of its financial statements.

A. Use of Estimates — The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America ("U.S. GAAP") requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

B. Foreign Income and Capital Gains Taxes — The Portfolios may be subject to income taxes imposed by certain countries in which they invest. Foreign withholding taxes on dividends and interest are netted against income and separately disclosed in the Statements of Operations.

Some of the Portfolios may be subject to capital gains taxes imposed by certain countries in which they invest. Any applicable foreign capital gains tax is accrued daily based upon net unrealized gains, and may be payable following the sale of any applicable investments.

C. Federal Income Taxes — The Portfolios' policy is to continue to comply with the requirements of the Internal Revenue Code that are applicable to regulated investment companies and to distribute all of their taxable income to their respective shareholders. The Portfolios also intend to distribute sufficient net investment income and net capital gains, if any, so that they will not be subject to excise tax, as applicable, on distributable income and gains.

In accordance with the authoritative guidance for uncertainty in income taxes, management of the Series Fund has reviewed all open tax years (2016 to 2019) for major jurisdictions and concluded there was no material impact to the Portfolios' net assets or results of operations. There is no material tax liability relating to uncertain income tax positions taken or expected to be taken in future tax returns. The Portfolios are also not aware of any tax positions for which it is reasonably possible that the total amounts of unrecognized tax benefits will significantly change in the next 12 months.

D. Distributions — Dividends from net investment income and net realized capital gains are declared and paid each business day for the Government Money Market Portfolio and at least annually for the remaining Portfolios, when applicable.

E. Other — The Portfolios record security transactions on trade date. The basis for determining cost on sale of securities is identified cost. Interest income is recorded daily on the accrual basis and dividend income is recorded on the ex-dividend date or as soon as information from issuers is available. Where applicable, dividends are recorded net of foreign withholding tax. Discounts and premiums on securities purchased are amortized or accreted using the effective interest method. Expenses directly attributable to a Portfolio are incurred by the respective Portfolio. Expenses that are not directly attributable to one

or more Portfolios are allocated among applicable Portfolios on an equitable and consistent basis considering such things as the nature and type of expenses and the relative net assets of the Portfolios. The Portfolios consider highly liquid temporary cash investments purchased with an original maturity of less than three months to be cash equivalents. Cash equivalents are included in the short-term investments on the Schedule of Investments as well as in investments on the Statement of Assets and Liabilities. Temporary cash overdrafts are reported as a payable to custodian.

F. New Accounting Pronouncements —

In March 2017, the FASB issued Accounting Standards Update No. 2017-08, "Receivables - Nonrefundable Fees and Other Costs (Subtopic 310-20), Premium Amortization on Purchased Callable Debt Securities" ("ASU 2017-08"). ASU 2017-08 amends the amortization period for certain purchased callable debt securities, held at a premium, shortening such period to the earliest call date. The amendments are effective for fiscal years and interim periods within those fiscal years, beginning after December 15, 2018. The ASU has been adopted, and the impacts are reflected in the 2019 financial statements.

In August 2018, the FASB issued Accounting Standards Update 2018-13, "Fair Value Measurement (Topic 820): Disclosure Framework—Changes to the Disclosure Requirements for Fair Value Measurement" ("ASU 2018-13"). The update introduces new fair value disclosure requirements, eliminates some prior fair value disclosure requirements, and modifies certain existing fair value disclosure requirements. ASU 2018-13 will be effective for fiscal years beginning after December 15, 2019, including interim periods within those fiscal years. Early adoption is permitted. In 2018, management early adopted certain aspects that allow removal of certain disclosure requirements. Management is currently assessing the potential impact of the remaining requirements to future financial statements.

NOTE 3. SECURITY VALUATION

For purposes of calculating a net asset value, Portfolio securities and other assets are valued as of the close of trading on the New York Stock Exchange ("Exchange") on each day during which the Exchange is open for trading.

The Fair Value Measurements and Disclosures Topic of the Financial Accounting Standards Codification defines fair value as the price that a fund would receive to sell an asset or pay to transfer a liability in an orderly transaction between market participants at the measurement date. It establishes and requires disclosure of a fair value hierarchy, separately for each major category of asset and liability, which segregates fair value measurements into levels. A summary of the fair value hierarchy is described below:

- Level 1 — fair value is determined by unadjusted quoted prices in active markets for identical securities or derivatives
- Level 2 — fair value is determined by other significant observable inputs (including quoted prices for similar securities, interest rates, prepayment speeds, credit risk, and other data used in fair valuation)
- Level 3 — fair value is determined by significant unobservable inputs (including the Portfolios' own assumptions in determining fair value)

The categorization of a value determined for a financial instrument within the hierarchy is based upon the pricing transparency of the instrument and does not necessarily correspond to the Portfolios' perceived risk of that instrument.

The following is a description of the valuation techniques and significant inputs used in determining the value of the Portfolios' investments classified as Level 1 and Level 2 in the fair value hierarchy:

- Equity securities (common and preferred stock) for which market quotations are readily available are valued at the last sale or, when available, official closing price as reported by an independent pricing service on the primary market or exchange on which they are traded. In the event there were no sales during the day or closing prices are not available, securities are generally valued at the last quoted bid price. Equity securities traded only in the over-the-counter market and not on a securities exchange are valued at the last sale price or closing bid price, if no sales have occurred. To the extent these securities are actively traded and valuation adjustments are not applied, they are categorized as Level 1 of the fair value hierarchy. Additionally, for foreign securities, fair value procedures are used

if a significant event occurs between the close of the foreign market and the U.S. market close. The fair value price is reflected as Level 2 in the fair value hierarchy where applicable.

- Fixed income securities, including corporate, convertible and municipal bonds and notes, U.S. government agencies, U.S. treasury obligations, sovereign issues, bank loans, and non-U.S. bonds are generally valued on the basis of service provider prices that use broker dealer quotations or valuation estimates from internal pricing models. The service providers' internal models use inputs that are observable such as issuer details, interest rates, yield curves, call features, maturities, credit risks/spreads and default rates. Securities that use similar valuation techniques and inputs as described above are categorized as Level 2 in the fair value hierarchy.

- Fixed income securities purchased on a delayed delivery basis are marked to market daily until settlement at the forward settlement date and are categorized as Level 2 in the fair value hierarchy.

- Mortgage related and asset backed securities are generally issued as separate tranches, or classes, of securities within each deal. These securities are normally valued by pricing service providers that use broker dealer quotations or valuation estimates from their internal pricing models. The pricing models for these securities usually consider tranche level attributes, current market data, estimated cash flows and market-based yield spreads for each tranche, and incorporate deal collateral performance, as available. Mortgage related and asset backed securities that use similar valuation techniques and inputs as described above are categorized as Level 2 in the fair value hierarchy.

- Investments in open-end mutual funds (including other Portfolios) are valued at the mutual fund's closing net asset value per share and are categorized as Level 1 in the fair value hierarchy. Investments in privately held mutual funds are valued at the mutual fund's closing net asset value per share and are categorized as Level 2 in the fair value hierarchy.

- Money market investments, other than in the Government Money Market Portfolio, are generally valued by a pricing service. All securities in the Government Money Market Portfolio are valued using amortized cost, unless the current market value differs substantially from the amortized cost, at which time the securities are marked to market. Because the value is not obtained from a quoted price in an active market, such securities are reflected as Level 2 in the fair value hierarchy.

- Listed derivatives, such as futures or option contracts, which are actively traded on a national securities exchange, are stated at the last reported sale or settlement price on the day of valuation and are categorized as Level 1 in the fair value hierarchy.

- Centrally-cleared swaps and over-the-counter financial derivatives, such as foreign currency contracts, options contracts, or swap agreements derive their value from underlying asset prices, indices, reference rates, and other inputs or a combination of these factors. These derivatives are normally valued on the basis of quotes obtained from brokers and dealers or pricing services. Depending on the product and the terms of the transaction, the value of the derivatives can be estimated using a series of techniques, including simulation pricing models. The pricing models use inputs that are observed from actively quoted markets such as issuer details, indices, spreads, interest rates, curves, dividends and exchange rates. Financial derivatives that use similar valuation techniques and inputs as described above are categorized as Level 2 in the fair value hierarchy.

The following is a description of the valuation techniques and significant inputs used in determining the value the Portfolios' investments classified as Level 3 in the fair value hierarchy:

- Securities and other assets for which market quotes are not readily available are valued at fair market value as determined in good faith in accordance with procedures adopted by the Series Fund's Board of Directors ("Board"). Market quotes are considered not readily available in circumstances where there is an absence of current or reliable market-based data (*e.g.* trade information or broker quotes). The factors considered in reaching these values at December 31, 2019 included, but were not limited to, broker quotes, analysis of the likely outcome of pending litigation, liquidity, prepayment speed, duration and recoverability.

A table summarizing each Portfolio's investments under this hierarchy is included following each Portfolio's Schedule of Investments. Transfers between investment levels may occur as markets fluctuate and/or the availability of data used in investments' valuation changes. For fair valuations using significant unobservable inputs, U.S. GAAP requires a reconciliation of the beginning to ending balances for reported fair values that presents changes attributable to total realized and unrealized gains or losses, purchases and sales, and transfers in or out of the Level 3 category during the period. Additionally, U.S GAAP requires quantitative information regarding the significant unobservable inputs used in the determination of fair value of assets categorized as Level 3 in the fair value hierarchy. In accordance with the requirements, a Level 3 reconciliation and details of significant unobservable inputs have been included in the notes to the Schedule of Investments for Portfolios that have a material amount of Level 3 investments. As of December 31, 2019, there were no Portfolios that owned a material amount of Level 3 securities.

The Series Fund has adopted policies and procedures which govern the pricing of Portfolio securities. The Board has delegated the day-to-day responsibility for pricing Portfolio securities and other investments to Mason Street Advisors, LLC ("MSA"), the Portfolios' investment adviser, Northwestern Mutual in its capacity as fund administrator, and State Street Bank and Trust Company in its capacity as fund accountant, subject to the oversight of a Pricing Committee appointed by the Board and comprised of representatives of MSA, Northwestern Mutual and Series Fund officers. The Pricing Committee is charged with the primary and day-to-day operational responsibility for executing the valuation process. The Pricing Committee has been delegated the authority to approve the override of any prices as permitted under the pricing policy and procedures approved by the Board and any variances from these pricing procedures when appropriate. All such actions are subject to further review and approval by the Board at its next regular meeting.

NOTE 4. SECURITIES AND OTHER INVESTMENTS

A. Delayed Delivery Transactions and When-Issued Securities — Certain Portfolios may engage in securities transactions on a when-issued or delayed delivery basis. In these transactions, the securities' prices and yields are fixed on the date of the commitment, with payment and delivery scheduled for a future date. During this period, the securities are subject to market fluctuations. When delayed delivery purchases are outstanding, a Portfolio will earmark liquid assets on its records in amounts sufficient to meet the purchase price. A Portfolio may dispose of or renegotiate a delayed delivery transaction, which may result in a capital gain or loss.

B. Repurchase Agreements — Certain Portfolios may engage in repurchase transactions. Under the terms of a typical repurchase agreement, a Portfolio takes possession of an underlying debt obligation subject to an obligation of the seller to repurchase, and a Portfolio to resell, the obligation at an agreed upon price and time. The underlying securities for all repurchase agreements are held in safekeeping at the Portfolio's custodian or designated sub-custodians under tri-party repurchase agreements. The market value of the collateral must be equal to or exceed at all times the total amount of the repurchase obligations, including interest. Securities purchased under repurchase agreements are reflected as an asset on the Statements of Assets and Liabilities. Generally, in the event of counterparty default, a Portfolio has the right to use the collateral to offset losses incurred. If the counterparty should default, a Portfolio will seek to sell the securities which it holds as collateral. This could involve procedural costs or delays in addition to a loss on the securities if their value should fall below their repurchase price.

C. Restricted Securities — Certain Portfolios may invest in securities that are subject to legal or contractual restrictions on resale. These securities may be sold privately, but are required to be registered or exempted from registration before being sold to the public. Disposal of these securities may involve time-consuming negotiations and expense, and prompt sale at an acceptable price may be difficult.

D. Foreign Currency Transactions — Certain Portfolios may have securities and other assets and liabilities denominated in foreign currencies which are translated into U.S. dollar amounts on the date of valuation. Purchases and sales of securities and income items denominated in foreign currencies are translated into U.S. dollar amounts on the respective dates of such transactions. When the Portfolios purchase or sell a foreign security they may enter into a foreign currency exchange contract to minimize exchange rate risk from the trade date to the settlement date of such transaction. Such foreign currency exchange contracts are marked to market daily.

The Portfolios do not separately report the results of operations due to fluctuations in foreign exchange rates on investments

from the changes arising from changes in market prices of securities held. Such fluctuations are included with the net realized or unrealized gain or loss from investments.

Net realized foreign exchange gains or losses arise from sales of foreign currencies, currency gains or losses realized between the trade date and the settlement date on security transactions, and the differences between the amounts of income and foreign withholding taxes recorded on the Portfolios' books and the U.S. dollar equivalent of the amounts actually received or paid.

E. Mortgage Backed and Asset Backed Securities — Certain Portfolios may invest in mortgage backed securities, including collateralized mortgage obligations, and asset backed securities. Mortgage backed securities are interests in pools of residential or commercial mortgage loans and asset backed securities are interests in pools of other assets, including various types of loans and credit card receivables. These securities provide a monthly payment, consisting of both a principal and interest component. Interest payments may be based on either fixed rates or adjustable rates. Receipt of principal payment reduces the outstanding par amount of the security and may generate realized gains or losses. Yields on mortgage backed securities are affected by interest and prepayment rates, which, in turn, are influenced by a variety of economic, geographical, social and other factors. Maturities on mortgage backed securities represent stated maturity dates. Actual maturity dates may differ based on prepayment rates. Unlike mortgage backed securities issued or guaranteed by the U.S. government or one of its sponsored entities, mortgage backed securities and asset backed securities issued by private issuers do not have a government or government sponsored entity guarantee. These issuers may provide credit enhancements through external entities such as financial institutions or through the structuring of the transaction itself. There is no guarantee that credit enhancements, if any, will be sufficient to prevent losses.

F. Inflation-Indexed Bonds — Certain Portfolios may invest in inflation-indexed bonds. Inflation-indexed bonds are fixed income securities whose principal value is periodically adjusted to the rate of inflation. The interest rate on these bonds is generally fixed at issuance at a rate lower than typical bonds. Over the life of an inflation-indexed bond, interest will be paid based on a principal value, which is adjusted for inflation. Any increase in the principal amount of an inflation-indexed bond will be included as interest income in the applicable Portfolio's Statement of Operations even though investors do not receive their principal until maturity.

G. Short Sales — Certain Portfolios may enter into short sale transactions. A short sale is a transaction in which a Portfolio sells a security it does not own in anticipation of a decline in the market price of the security. Securities sold in short sale transactions and the interest payable on such securities, if any, are reflected as a liability on the Statements of Assets and Liabilities. A Portfolio is obligated to deliver the security at the market price at the time the short position is closed. The risk of loss on a short sale transaction is theoretically unlimited, because there is no limit to the cost of replacing the security sold short, whereas losses from purchase transactions cannot exceed the total amount invested.

H. Financing Transactions — Certain Portfolios may enter into financing transactions. In a financing transaction, the Portfolio transfers a security to a counterparty with a simultaneous agreement to repurchase the same security at an agreed upon price and future settlement date. For U.S. GAAP purposes, a financing transaction is accounted for as a secured borrowing and not as a purchase or sale. During the term of the borrowing, the Portfolio is entitled to the interest on the security. The difference between the sale price and repurchase price is included in net investment income with the cost of the secured borrowing transaction being recorded in interest expense over the term of the borrowing. The Portfolio will benefit from the transaction if the income earned on the investment purchased with the cash received in the financing transaction exceeds the interest expense incurred by the Portfolio. If the interest expense exceeds the income earned, the Portfolio's net investment income and dividends to shareholders may be adversely impacted. Financing transactions involve the risk that the market value of the securities that the Portfolio is required to repurchase may decline below the agreed upon repurchase price of those securities. For the year ended December 31, 2019, the Long-Term U.S. Government Bond Portfolio entered into financing transactions utilizing various U.S. Treasury bonds.

I. Loan Participation and Assignments — Certain Portfolios may invest in direct debt instruments which are interests in amounts owed to lenders or lending syndicates by corporate, governmental, or other borrowers. The Portfolios' investments in a loan may be in the form of either actual participation in loans or assignments of all or part of the loans from third parties. A loan is often administered by a bank or other financial institution that acts as an agent for all holders. The agent administers the terms of the loan which are specified in the loan agreement. The Portfolios may invest in multiple series or

tranches of a loan, each of which can have different terms and associated risks. The Portfolios generally do not have a right to enforce compliance with the terms of the loan agreement and as a result, the Portfolios may be subject to the credit risk of the borrower and lender that is selling the loan agreement. When the Portfolios purchase assignments from lenders they acquire direct rights against the borrower of the loan. The Portfolios may also enter into unfunded loan commitments, which are contractual obligations for future funding. Unfunded loan commitments can include lines of credit, which may require the Portfolios to grant additional cash to the borrower upon demand from the borrower. These unfunded loan commitments are in fact a future obligation in full, although a percentage of the loan amount may not be utilized by the borrower. When investing in a loan, the Portfolios have the right to receive principal, interest and any fees from the lender selling the loan agreement and only when the payments are received by the lender from the borrower. There may also be a commitment fee due to the Portfolios based on the unused portion of the line of credit of the floating rate loan. In certain cases, the Portfolios may be entitled to a penalty fee if there was a prepayment of a floating rate loan by the borrower. Fees that are earned or paid will be reflected as interest income or interest expense on the Statements of Operations. As of December 31, 2019, there were no unfunded loan commitments outstanding.

J. Reverse Repurchase Agreements — Certain Portfolios may enter into reverse repurchase agreements. In a reverse repurchase agreement, a Portfolio delivers a security in exchange for cash to a financial institution, the counterparty, with a simultaneous agreement to repurchase the same or substantially the same security at an agreed upon price and date. The Portfolio is entitled to receive principal and interest payments, if any, made on the security delivered to the counterparty during the term of the agreement. Cash received in exchange for securities delivered plus accrued interest payments to be made by the Portfolio to counterparties are reflected as a liability on the Statements of Assets and Liabilities. Interest payments made by a Portfolio to counterparties are recorded as a component of interest expense on the Statements of Operations. In periods of increased demand for the security, a Portfolio may receive a fee for use of the security by the counterparty, which may result in interest income to the Portfolio. When effecting reverse repurchase transactions, the Portfolio will hold securities of a dollar amount equal in value to the securities subject to the reverse repurchase agreement in a segregated account. As of December 31, 2019, there were reverse repurchase agreements held in the Long-Term U.S. Government Bond Portfolio.

NOTE 5. DERIVATIVE INSTRUMENTS

The Portfolios may use derivative instruments for various purposes, including as a cash management strategy, to earn income and enhance returns, to increase or decrease exposure to a particular market, to manage or adjust the risk profile of the Portfolio, to hedge exposure to a foreign currency, or as an alternative to direct investments. Because the Portfolios are required to account for derivative instruments at fair value and recognize changes in fair value through the Statements of Operations, the Portfolios' derivatives do not qualify for hedge accounting treatment.

Certain Portfolios segregate cash to cover margin requirements for derivative positions. These amounts are denoted as "Cash Collateral for Derivative Positions" on the Statements of Assets and Liabilities.

A. Futures Contracts — Certain Portfolios invest in futures contracts as an alternative to investing in individual securities and could be exposed to market risk due to changes in the value of the underlying securities or due to an illiquid secondary market. Futures contracts are marked to market daily based upon quoted settlement prices. The Portfolios receive from or pay to brokers an amount of cash equal to the daily fluctuation in the value of the contracts. Such receipts or payments, known as the "variation margin," are recorded by the Portfolios as unrealized gains or losses. When a contract is closed, the Portfolios record a realized gain or loss equal to the difference between the value of the contract at the time it was opened and the value at the time it was closed.

B. Forward Foreign Currency Contracts — The Portfolios may enter into forward foreign currency contracts to hedge against exchange rate risk arising from investments in securities denominated in foreign currencies or as part of an investment strategy. Contracts are valued at the contractual forward rate and are marked to market daily, with the change in market value recorded as an unrealized gain or loss. When the contracts are closed, a realized gain or loss is recorded. Risks may arise from changes in market value of the underlying instruments and from the possible inability of counterparties to meet the terms of their contracts.

C. Options — Certain Portfolios may write call and put options on futures, swaps, securities or currencies they own or in which they may invest. Writing put options tends to increase a Portfolio's exposure to the underlying instrument. Writing call options tends to decrease a Portfolio's exposure to the underlying instrument. The Portfolio receives a premium on the sale of a call option but gives up the opportunity to profit from any increase in the value of the security above the exercise price of the option. When a Portfolio writes a put option, it is exposed to a decline in the price of the underlying security. When a Portfolio writes a call or put option, an amount equal to the premium received is recorded as a liability and subsequently marked to market to reflect the current value of the option written. These liabilities are reflected as written options outstanding in the Statements of Assets and Liabilities. Payments received or made, if any, from writing options with premiums to be determined on a future date are reflected as such on the Statements of Assets and Liabilities. Premiums received from writing options which expire are treated as realized gains. Premiums received from writing options which are exercised or closed are added to the proceeds or offset against amounts paid on the underlying future, swap, security or currency transaction to determine the realized gain or loss. A Portfolio as a writer of an option has no control over whether the underlying future, swap, security or currency may be sold (called) or purchased (put) and as a result bears the market risk of an unfavorable change in the price of the future, swap, security or currency underlying the written option. There is a risk a Portfolio may not be able to enter into a closing transaction because of an illiquid market.

Certain Portfolios may also purchase call and put options on futures, swaps, securities or currencies they own or in which they may invest. Purchasing call options tends to increase a Portfolio's exposure to the underlying instrument. Purchasing put options tends to decrease a Portfolio's exposure to the underlying instrument. The Portfolio pays a premium on the purchase of a put option but receives the opportunity to profit from any increase in the value of the security above the exercise price of the option. When a Portfolio purchases a call option, it is exposed to a decline in the price of the underlying security. Premiums paid are reflected in the Statements of Assets and Liabilities as an investment and are subsequently marked to market to reflect the current value of the option. Premiums paid from purchasing options which expire are treated as realized losses. Premiums paid for purchasing options which are exercised or closed are added to the amount paid or offset against the proceeds on the underlying future, swap, security or currency transaction to determine realized gain or loss. The risk associated with a Portfolio purchasing call or put options is limited to the premium paid.

D. Swap Agreements — The Portfolios may enter into swap agreements on interest rate, total return and credit default to manage their exposure to interest rates, foreign currencies, investment style risk and credit risk or as an alternative to direct investing. In connection with these agreements, securities may be identified as collateral in accordance with the terms of the respective swap agreements. Swap agreements are privately negotiated in the over-the-counter market ("OTC swaps") and may be executed in a multilateral or other trade facility platform, such as a registered commodities exchange ("centrally cleared swaps").

Swaps are marked to market daily based upon quotations from market makers or values from third party vendors, which may include a registered commodities exchange, and the change in value, if any, is recorded as unrealized gain or loss in the Statements of Operations. Daily changes in the valuation of centrally cleared swaps, if any, are recorded as a receivable or payable for the change in value as appropriate ("variation margin") on the Statements of Assets and Liabilities. OTC swap payments received or made at the beginning of the measurement period of the swap are reflected on the Statements of Assets and Liabilities. Upfront payments are amortized to realized gain or loss. Upon termination of the swap, unamortized upfront payments are recorded as realized gain or loss in the Statements of Operations. A liquidation payment received or made at the termination of the swap is recorded as realized gain or loss in the Statements of Operations. Net periodic payments received by the Portfolios are included as part of realized gain (loss) on the Statements of Operations. Entering into these agreements involves, to varying degrees, elements of credit and market risk in excess of the amounts recognized on the Statements of Assets and Liabilities. Such risks involve the possibility that there will be no liquid market for these agreements, that the counterparty to the agreements may default on its obligation to perform and that there may be unfavorable changes in interest rates.

Interest Rate Swaps — Interest rate swap agreements involve the exchange by a Portfolio with another party to pay or receive a set of cash flows, e.g., an exchange of floating rate payments for fixed rate payments based on a notional amount of principal.

Total Return Swaps — Total return swap agreements involve commitments to pay or receive a financing rate in exchange for the total return of an underlying reference entity, both based on notional amounts. To the extent the total return of the

security or index underlying the transaction exceeds or falls short of the offsetting interest rate obligation, a Portfolio will receive a payment from or make a payment to the counterparty.

Credit Default Swaps — Credit default swap agreements involve one party making a series of payments to another party in exchange for the right to receive a cash payment equal to the notional value of the swap in the event of a default by a third party, typically corporate issues or sovereign issues of an emerging market country. A Portfolio may use credit default swaps to provide a measure of protection against defaults of the issuers where the Portfolio owns or has exposure to the corporate or sovereign issue or to take an active long or short position on the likelihood of a particular issuer's default.

As a seller of protection, the Portfolio generally receives an upfront payment and/or a fixed rate of income throughout the term of the swap provided that there is no credit event. As the seller, the Portfolio adds leverage to its investments because the Portfolio has investment exposure on the notional amount of the swap. As a buyer of protection, the Portfolio generally makes an upfront payment or pays a fixed rate of interest throughout the term of the swap provided that there is no credit event. The Portfolio generally receives an amount up to the notional value of the swap if a credit event occurs.

Implied credit spreads, represented in absolute terms, utilized in determining the market value of credit default swap agreements on corporate issues or sovereign issues of an emerging market country serve as an indicator of the current status of the payment/performance risk and represent the likelihood of a credit event occurring. The implied credit spread of a particular referenced entity reflects the cost of selling protection and may include upfront payments required to be made to enter into the agreement. For credit default swap agreements on credit indices, the quoted market prices and resulting values serve as the indicator of the current status of the payment/performance risk. Wider credit spreads and increasing market values, in absolute terms when compared to the notional amount of the swap, represent a deterioration of the referenced entity's credit soundness and indicate a greater likelihood a credit event could occur as defined under the terms of the agreement. Open credit default swaps on corporate or sovereign issues and credit indices are disclosed in the Schedules of Investments.

If the Portfolio is a seller of protection and a credit event occurs, the Portfolio will either pay to the buyer of the protection an amount equal to the notional value of the swap and may take delivery of the obligation or pay a net settlement amount in the form of cash or securities equal to the notional amount of the swap less the recovery value of the referenced obligation. The maximum potential amount of future payments (undiscounted) that a Portfolio as a seller of protection could be required to make under a credit default swap agreement would be equal to the notional amount of the agreement. Notional amounts and fair market value of all credit default swap agreements outstanding for each Portfolio are disclosed in the Schedules of Investments. These maximum potential amounts would be partially offset by any recovery values of the referenced obligations, upfront payments received upon entering into the agreement, or net amounts received by the Portfolio from the settlement of credit default swap agreements purchasing protection for the same referenced obligation.

E. Derivative Disclosures — Derivative positions held by the Portfolios by contract type and primary risk exposure, including location on the Statement of Assets and Liabilities and value as of December 31, 2019, are (amounts in thousands):

	Asset Derivatives		Liability Derivatives	
Portfolio	Statement of Assets and Liabilities Location	Value	Statement of Assets and Liabilities Location	Value
Index 500 Stock Portfolio				
Equity contracts	Receivables – Futures Variation Margin	$ 109	Payables – Futures Variation Margin	$ –
Large Company Value Portfolio				
Foreign exchange contracts	Receivables – Foreign Currency Sold	16	Payables – Foreign Currency Purchased	56
Index 400 Stock Portfolio				
Equity contracts	Receivables – Futures Variation Margin	19	Payables – Futures Variation Margin	–
Mid Cap Value Portfolio				
Foreign exchange contracts	Receivables – Foreign Currency Sold	115	Payables – Foreign Currency Purchased	324

Portfolio	Asset Derivatives: Statement of Assets and Liabilities Location	Asset Derivatives: Value	Liability Derivatives: Statement of Assets and Liabilities Location	Liability Derivatives: Value
Index 600 Portfolio				
Equity contracts	Receivables – Outstanding Swaps Contracts, at Value	$ 496	Payables – Outstanding Swaps Contracts, at Value	$ –
International Growth Portfolio				
Foreign exchange contracts	Receivables – Foreign Currency Sold	2	Payables – Foreign Currency Purchased	1
Research International Core Portfolio				
Foreign exchange contracts	Receivables – Foreign Currency Sold	1	Payables – Foreign Currency Purchased	–
International Equity Portfolio				
Foreign exchange contracts	Receivables – Foreign Currency Sold	36	Payables – Foreign Currency Purchased	8
Short-Term Bond Portfolio				
Interest rate contracts	Receivables – Futures Variation Margin	22	Payables – Futures Variation Margin	–
Long-Term U.S. Government Bond Portfolio				
Interest rate contracts	Receivables – Futures Variation Margin	44	Payables – Futures Variation Margin	20
Interest rate contracts	Receivables – Cleared Swap Variation Margin	73	Payables – Cleared Swap Variation Margin	–
Interest rate contracts	Receivables – Outstanding Options Written, at Value	–	Payables – Outstanding Options Written, at Value	3
Inflation Protection Portfolio				
Foreign exchange contracts	Receivables – Foreign Currency Sold	–	Payables – Foreign Currency Purchased	38
Interest rate contracts	Receivables – Futures Variation Margin	5	Payables – Futures Variation Margin	–
Inflation contracts	Receivables – Cleared Swap Variation Margin	102	Payables – Cleared Swap Variation Margin	–
Inflation contracts	Receivables – Outstanding Swaps Contracts, at Value	425	Payables – Outstanding Swaps Contracts, at Value	4,372
Multi-Sector Bond Portfolio				
Credit contracts	Receivables – Outstanding Swaps Contracts, at Value	1,122	Payables – Outstanding Swaps Contracts, at Value	–
Credit contracts	Receivables – Cleared Swap Variation Margin	23	Payables – Cleared Swap Variation Margin	35
Foreign exchange contracts	Receivables – Foreign Currency Sold	1,202	Payables – Foreign Currency Purchased	3,930
Interest rate contracts	Receivables – Outstanding Options Written, at Value	–	Payables – Outstanding Options Written, at Value	108
Interest rate contracts	Receivables – Futures Variation Margin	10	Payables – Futures Variation Margin	403
Interest rate contracts	Receivables – Cleared Swap Variation Margin	68	Payables – Cleared Swap Variation Margin	85

Realized gains and losses on derivative instruments, by contract type and primary risk exposure, for the year ended December 31, 2019 are (amounts in thousands):

Portfolio	Realized Gain (Loss) on Derivatives Instruments: Options Written	Futures	Forward Currency Contracts	Swaps	Total
Index 500 Stock Portfolio					
Equity contracts	$ –	$ 8,837	$ –	$ –	$ 8,837
Large Company Value Portfolio					
Foreign currency exchange contracts	–	–	377	–	377
Equity Income Portfolio					
Equity contracts	–	(7)	9	–	2

	Realized Gain (Loss) on Derivatives Instruments				
Portfolio	Options Written	Futures	Forward Currency Contracts	Swaps	Total
Index 400 Stock Portfolio					
Equity contracts	$ –	$ 3,578	$ –	$ –	$ 3,578
Mid Cap Value Portfolio					
Foreign currency exchange contracts	–	–	634	–	634
Index 600 Stock Portfolio					
Equity contracts	–	–	–	35	35
International Growth Portfolio					
Foreign currency exchange contracts	–	–	(70)	–	(70)
Research International Core Portfolio					
Foreign currency exchange contracts	–	–	(31)	–	(31)
International Equity Portfolio					
Foreign currency exchange contracts	–	–	(386)	–	(386)
Emerging Markets Equity Portfolio					
Foreign currency exchange contracts	–	–	(159)	–	(159)
Short-Term Bond Portfolio					
Interest rate contracts	–	856	–	–	856
Long-Term U.S. Government Bond Portfolio					
Interest rate contracts	42	3,414	–	(184)	3,272
Inflation Protection Portfolio					
Foreign currency exchange contracts	–	–	29	–	29
Interest rate contracts	–	(1,425)	–	–	(1,425)
Credit contracts	–	–	–	(102)	(102)
Inflation contracts	–	–	–	(830)	(830)
Multi-Sector Bond Portfolio					
Credit contracts	–	–	–	8,376	8,376
Foreign currency exchange contracts	–	–	7,405	–	7,405
Interest rate contracts	885	15,281	–	(3,704)	12,462
Balanced Portfolio					
Equity contracts	–	2,408	–	–	2,408
Asset Allocation Portfolio					
Equity contracts	–	292	–	–	292

Change in unrealized appreciation and depreciation on derivative instruments, by contract type and primary risk exposure for the year ended December 31, 2019 are (amounts in thousands):

	Change in Unrealized Appreciation (Depreciation) on Derivative Instruments				
Portfolio	Options Written	Futures	Forward Currency Contracts	Swaps	Total
Index 500 Stock Portfolio					
Equity contracts	$ –	$ 1,303	$ –	$ –	$ 1,303
Large Company Value Portfolio					
Foreign currency exchange contracts	–	–	118	–	118
Equity Income Portfolio					
Foreign currency exchange contracts	–	–	2	–	2
Index 400 Stock Portfolio					
Equity contracts	–	1,132	–	–	1,132
Mid Cap Value Portfolio					
Foreign currency exchange contracts	–	–	53	–	53
Index 600 Stock Portfolio					
Equity Contracts	–	–	–	2,102	2,102
International Growth Portfolio					
Foreign currency exchange contracts	–	–	9	–	9
Research International Core Portfolio					
Foreign currency exchange contracts	–	–	27	–	27

	Change in Unrealized Appreciation (Depreciation) on Derivative Instruments				
Portfolio	Options Written	Futures	Forward Currency Contracts	Swaps	Total
International Equity Portfolio					
Foreign currency exchange contracts	$ –	$ –	$ 37	$ –	$ 37
Emerging Markets Equity Portfolio					
Foreign currency exchange contracts	–	–	15	–	15
Short-Term Bond Portfolio					
Interest rate contracts	–	(442)	–	–	(442)
Long-Term U.S. Government Bond Portfolio					
Interest rate contracts	10	(1,272)	–	(826)	(2,088)
Inflation Protection Portfolio					
Foreign currency exchange contracts	–	–	(110)	–	(110)
Interest rate contracts	–	738	–	–	738
Inflation contracts	–	–	–	920	920
Multi-Sector Bond Portfolio					
Credit contracts	–	–	–	8,178	8,178
Foreign currency exchange contracts	–	–	(2,363)	–	(2,363)
Interest rate contracts	77	(6,510)	–	1,444	(4,989)
Balanced Portfolio					
Equity contracts	–	(39)	–	–	(39)
Asset Allocation Portfolio					
Equity contracts	–	36	–	–	36

Volumes on derivative instruments by contract type and primary risk exposure, for the year ended December 31, 2019 are:

	Volume of Derivative Instruments Held				
	Average Number of Contracts		Average Notional (*Amounts in Thousands*)		
Portfolio	Exchange Traded Options	Futures	Forward Currency Contracts	Swaps	Over the Counter Options
Index 500 Stock Portfolio					
Equity contracts	–	262	–	–	–
Large Company Value Portfolio					
Foreign currency exchange contracts	–	–	16,439	–	–
Equity Income Portfolio					
Equity contracts	–	4	–	–	–
Index 400 Stock Portfolio					
Equity contracts	–	111	–	–	–
Mid Cap Value Portfolio					
Foreign currency exchange contracts	–	–	43,253	–	–
Index 600 Stock Portfolio					
Equity contracts	–	–	–	9	–
International Growth Portfolio					
Foreign currency exchange contracts	–	–	843	–	–
Research International Core Portfolio					
Foreign currency exchange contracts	–	–	1	–	–
Emerging Markets Equity Portfolio					
Foreign currency exchange contracts	–	–	3	–	–
Short-Term Bond Portfolio					
Interest rate contracts	–	389	–	–	–
Long-Term U.S. Government Bond Portfolio					
Interest rate contracts	34	527	–	18,343	–

	Volume of Derivative Instruments Held				
	Average Number of Contracts		Average Notional (*Amounts in Thousands*)		
Portfolio	Exchange Traded Options	Futures	Forward Currency Contracts	Swaps	Over the Counter Options
Inflation Protection Portfolio					
Foreign currency exchange contracts	–	–	3,010	–	–
Credit contracts	–	–	–	3,640	–
Interest rate contracts	–	246	–	–	–
Inflation contracts	–	–	–	120,650	–
Multi-Sector Bond Portfolio					
Credit contracts	–	–	–	251,785	–
Foreign currency exchange contracts	–	–	594,489	–	–
Interest rate contracts	53,024	1,588	–	347,725	30,900
Balanced Portfolio					
Equity contracts	–	30	–	–	–
Asset Allocation Portfolio					
Equity contracts	–	5	–	–	–

NOTE 6. PORTFOLIO RISK

In the normal course of business, the Portfolios trade financial instruments and enter into financial transactions where risk of potential loss exists. Security values fluctuate (market risk) and may decline due to factors affecting securities markets in general, particular industries represented in the securities markets or conditions specifically related to a particular company. Failure of the other party to a transaction to perform (credit risk), for example by not making principal and interest payments when due, reduces the value of the issuer's debt and could reduce the Portfolios' income. Similar to credit risk, the Portfolios may be exposed to counterparty risk, or the risk that an institution or other entity with which the Portfolios have unsettled or open transactions will fail to make required payments or otherwise comply with the terms of the instrument, transaction or contract. The potential loss could exceed the value of the financial assets recorded in the financial statements. Some of the Portfolios' investments may be illiquid and the Portfolios may not be able to vary the portfolio investments in response to changes in economic and other conditions. If a Portfolio is required to liquidate all or a portion of its investments quickly, the Portfolio may realize significantly less than the value at which it previously recorded those investments.

Master Netting Arrangements

The Portfolios are subject to various Master Agreements that govern the terms of certain transactions. Master Repurchase Agreements and Global Master Repurchase Agreements are in place that governs repurchase, reverse repurchase, and sale-buyback financing transactions. Master Securities Forward Transaction Agreements are in place that govern the settlement of certain forward settling transactions including to-be-announced securities, delayed-delivery or sale-buyback financing transactions. Customer Account Agreements and related addenda are in place that govern certain cleared derivative transactions including futures and cleared OTC derivatives. International Swaps and Derivatives Association, Inc. Master Agreements and Credit Support Annexes ("ISDA agreements") are in place that governs certain OTC financial derivative transactions. ISDA agreements maintain provisions for general obligations, representations, agreements, collateral and events of default or termination. Events of termination include conditions that may entitle counterparties to elect to terminate early and cause settlement of all outstanding transactions under the applicable ISDA agreement. The terms of Master Agreements may reduce counterparty risk with respect to transactions governed by the Master Agreement under certain circumstances. Certain Portfolios have agreements with counterparties that contain provisions, or contingency features, that allow net settlement in the event of contract termination and permit termination by either party prior to maturity upon the occurrence of certain stated events, such as failure to pay or bankruptcy. In addition, certain agreements specify other events, the occurrence of which would allow one of the parties to terminate. For example, a downgrade in credit rating of counterparty would allow the fund to terminate while a decline in the Portfolio's net assets of more than a certain percentage would allow the counterparty to terminate. In such a situation, the counterparty involved would have the option to waive the triggering event or liquidate the affected positions pursuant to the terms of the related agreement. The aggregate amount of

derivatives in a liability position is disclosed in Note 5.

Offsetting Assets and Liabilities

Certain Portfolios are parties to enforceable master netting or similar agreements which provide for the right of offset under certain circumstances. The Portfolios have made an accounting policy election not to offset qualifying financial and derivative instruments on the Statements of Assets and Liabilities. As such, all financial and derivative instruments are presented on a gross basis on the Statements of Assets and Liabilities. The impacts of netting arrangements that provide the right to offset are detailed below (amounts in thousands). The net amount represents the net receivable or payable that would be due from or to the counterparty in the event of default. Exposure from borrowings and other financing transactions such as repurchase agreements and certain forward settling transactions can only be netted across transactions governed under the same Master Agreement with the same legal entity. For certain Portfolios, derivative amounts do not reconcile to the Statements of Assets and Liabilities due to the Statements of Assets and Liabilities including derivatives that are not covered under master netting or similar agreements. The amount of collateral, for the year ended December 31, 2019, has been limited such that the net amount cannot be less than zero.

The following is a summary by counterparty of the market value of OTC financial derivative instruments and collateral as of period end:

Large Company Value Portfolio

	Derivative Assets (000's)			Derivative Liabilities (000's)					
Counterparty	Forward Contacts	Swaps	Total Assets	Forward Contacts	Swaps	Total Liabilities	Net Market Value	Collateral Pledged/ (Received)	Net Exposure
Morgan Stanley Capital Services	$ 16	$ -	$ 16	$ (56)	$ -	$ (56)	$ (40)	$ -	$ (40)
Total	$ 16	$ -	$ 16	$ (56)	$ -	$ (56)	$ (40)	$ -	$ (40)

Mid Cap Value Portfolio

	Derivative Assets (000's)			Derivative Liabilities (000's)					
Counterparty	Forward Contacts	Swaps	Total Assets	Forward Contacts	Swaps	Total Liabilities	Net Market Value	Collateral Pledged/ (Received)	Net Exposure
Goldman Sachs International	$ -	$ -	$ -	$ (136)	$ -	$ (136)	$ (136)	$ -	$ (136)
Morgan Stanley Capital Services, Inc.	115	-	115	(188)	-	(188)	(73)	73	-
Total	$ 115	$ -	$ 115	$ (324)	$ -	$ (324)	$ (209)	$ 73	$ (136)

Index 600 Stock Portfolio

	Derivative Assets (000's)			Derivative Liabilities (000's)					
Counterparty	Forward Contacts	Swaps	Total Assets	Forward Contacts	Swaps	Total Liabilities	Net Market Value	Collateral Pledged/ (Received)	Net Exposure
JP Morgan Chase Bank NA	$ -	$ 496	$ 496	$ -	$ -	$ -	$ 496	$ (496)	$ -
Total	$ -	$ 496	$ 496	$ -	$ -	$ -	$ 496	$ (496)	$ -

Inflation Protection Portfolio

	Derivative Assets (000's)			Derivative Liabilities (000's)					
Counterparty	Forward Contacts	Swaps	Total Assets	Forward Contacts	Swaps	Total Liabilities	Net Market Value	Collateral Pledged/ (Received)	Net Exposure
Bank of America NA	$ -	$ 9	$ 9	$ -	$ (1,575)	$ (1,575)	$ (1,566)	$1,566	$ -
Barclays Bank PLC	-	2	2	-	(2,468)	(2,468)	(2,466)	-	(2,466)
Goldman Sachs International	-	414	414	-	(329)	(329)	85	-	85
Morgan Stanley Capital Services, Inc.	-	-	-	(38)	-	(38)	(38)	-	(38)
Total	$ -	$ 425	$ 425	$ (38)	$ (4,372)	$ (4,410)	$ (3,985)	$ 1,566	$ (2,419)

Multi-Sector Bond Portfolio

	Derivative Assets (000's)			Derivative Liabilities (000's)					
Counterparty	Forward Contacts	Swaps	Total Assets	Forward Contacts	Written Options	Total Liabilities	Net Market Value	Collateral Pledged/ (Received)	Net Exposure
Bank of America NA	$ 42	$ -	$ 42	$ (92)	$ -	$ (92)	$ (50)	$ -	$ (50)
Barclays Bank PLC	6	161	167	-	-	-	167	-	167
BNP Paribas SA	413	1	414	(1,338)	-	(1,338)	(924)	319	(605)
Goldman Sachs International	691	479	1,170	(75)	(93)	(168)	1,002	(1,002)	-
HSBC Bank USA NA	-	152	152	-	-	-	152	(152)	-
JP Morgan Chase Bank NA	46	215	261	(1)	-	(1)	260	(210)	50
Morgan Stanley Capital Services	-	110	110	-	-	-	110	-	110
Royal Bank of Scotland PLC	-	-	-	(426)	-	(426)	(426)	61	(365)
UBS AG	4	4	8	(1,998)	-	(1,998)	(1,990)	1,788	(202)
Total	$ 1,202	$ 1,122	$ 2,324	$(3,930)	$ (93)	$ (4,023)	$ (1,699)	$ 804	$ (895)

The following is a summary by counterparty of the market value of repurchase agreements, financing transactions, collateral and net exposure as of period end:

Government Money Market Portfolio

Counterparty	Investment in Repurchase Agreements	Payable for Reverse Repurchase Agreements	Payable for Financing Transactions	Net Market Value	Collateral Pledged/ (Received)	Net Exposure
Bank of Montreal	$ 15,000	$ -	$ -	$ 15,000	$ (15,000)	$ -
Bank of Nova Scotia	9,000	-	-	9,000	(9,000)	-
BNP Paribas SA	39,000	-	-	39,000	(39,000)	-
Citigroup Global Markets	20,000	-	-	20,000	(20,000)	-
Goldman Sachs International	10,000	-	-	10,000	(10,000)	-
HSBC Bank USA	5,000	-	-	5,000	(5,000)	-
Mitsubishi UFJ Securities USA	10,000	-	-	10,000	(10,000)	-
Mizuho Bank	10,000	-	-	10,000	(10,000)	-
Natixis SA	20,000	-	-	20,000	(20,000)	-
TD Securities USA	6,000	-	-	6,000	(6,000)	-
Total	$ 144,000	$ -	$ -	$ 144,000	$ (144,000)	$ -

Long-Term US Government Bond Portfolio

Counterparty	Payable for Short Sales	Payable for Reverse Repurchase Agreements	Payable for Financing Transactions	Net Market Value	Collateral Pledged/ (Received)	Net Exposure
Barclays Bank PLC	$ -	$ -	$ (2,101)	$ (2,101)	$ 2,097	$ (4)
Goldman Sachs International	(3,290)	-	(111,567)	(114,857)	111,557	(3,300)
Morgan Stanley Capital Services	(1,131)	-	(31,214)	(32,345)	31,214	(1,131)
Credit Suisse AG	(948)	-	-	(948)	-	(948)
Bank of Montreal	-	(13,230)	-	(13,230)	13,230	-
NatWest Markets Securities, Inc.	-	(12,125)	-	(12,125)	12,125	-
Total	$ (5,369)	$ (25,355)	$(144,882)	$ (175,606)	$ 170,223	$ (5,383)

Multi-Sector Bond Portfolio

Counterparty	Investment in Repurchase Agreements	Payable for Reverse Repurchase Agreements	Payable for Financing Transactions	Net Market Value	Collateral Pledged/ (Received)	Net Exposure
Barclays Bank PLC	$ 13,300	$ -	$ -	$ 13,300	$ (13,300)	$ -
Deutsche Bank AG	36,700	-	-	36,700	(36,700)	-
JP Morgan Chase Bank NA	110,700	-	-	110,700	(110,700)	-
Total	$ 160,700	$ -	$ -	$ 160,700	$ (160,700)	$ -

NOTE 7. INVESTMENT ADVISORY, SUB-ADVISORY, AND COMPLIANCE FEES

The Series Fund and its Portfolios are parties to annually renewable contracts pursuant to which each Portfolio pays a charge for investment management and administrative services to MSA, an affiliate and wholly-owned subsidiary of Northwestern Mutual. Certain Portfolios, listed below, pay at a fixed annual rate based on the average daily net asset values of the Portfolio.

Portfolio	Fee
Index 500 Stock Portfolio	0.20%
Index 400 Stock Portfolio	0.25%
Mid Cap Value Portfolio	0.85%
Small Cap Value Portfolio	0.85%
Government Money Market Portfolio	0.30%
Select Bond Portfolio	0.30%
Balanced Portfolio	0.30%

For the other Portfolios, the rate for the investment advisory fee is graded by the asset size of the Portfolio according to the following schedules:

Portfolio	First $50 Million	Next $50 Million	Excess Over $100 Million
Growth Stock Portfolio	0.60%	0.50%	0.40%
Large Cap Core Stock Portfolio	0.60%	0.50%	0.40%
Mid Cap Growth Stock Portfolio	0.80%	0.65%	0.50%
Small Cap Growth Stock Portfolio	0.80%	0.65%	0.50%
High Yield Bond Portfolio	0.60%	0.50%	0.40%

Portfolio	First $100 Million	Next $400 Million	Excess Over $500 Million
Focused Appreciation Portfolio	0.80%	0.75%	0.70%

Portfolio	First $100 Million	Next $150 Million	Excess Over $250 Million
Large Company Value Portfolio	0.72%	0.67%	0.62%
Domestic Equity Portfolio	0.65%	0.55%	0.50%
International Growth Portfolio	0.75%	0.65%	0.55%
Short-Term Bond Portfolio	0.35%	0.33%	0.30%
Long-Term U.S. Government Bond Portfolio	0.555%	0.515%	0.495%
Inflation Protection Portfolio	0.58%	0.55%	0.49%
Multi-Sector Bond Portfolio	0.79%	0.78%	0.77%
Asset Allocation Portfolio	0.60%	0.50%	0.40%

Portfolio	First $150 Million	Next $150 Million	Next $200 Million	Excess Over $500 Million
Large Cap Blend Portfolio	0.77%	0.70%	0.62%	0.56%
Research International Core Portfolio	0.88%	0.82%	0.75%	0.68%

Portfolio	First $500 Million	Excess Over $500 Million
Equity Income Portfolio	0.65%	0.60%

Portfolio	First $200 Million	Excess Over $200 Million
Index 600 Stock Portfolio	0.25%	0.20%

Portfolio	First $50 Million	Excess Over $50 Million
International Equity Portfolio	0.85%	0.65%

Portfolio	First $250 Million	Next $250 Million	Next $500 Million	Excess Over $1.0 Billion
Emerging Markets Equity Portfolio	1.14%	1.08%	0.96%	0.78%

MSA, which is the manager and investment adviser of the Series Fund, contractually agreed to waive the management fee and absorb certain other operating expenses to the extent necessary so that Total Operating Expenses (excluding taxes, brokerage, other investment-related costs, interest and dividend expenses and charges, acquired fund fees, fees for class actions, other passive securities litigation and anti-trust claim filing services and such non-recurring and extraordinary expenses as they may arise) will not exceed the following amounts:

Portfolio		Expiration
Focused Appreciation Portfolio	0.90%	April 30, 2020
Large Cap Blend Portfolio	0.85%	April 30, 2020
Large Company Value Portfolio	0.80%	April 30, 2020
Domestic Equity Portfolio	0.75%	April 30, 2020
Equity Income Portfolio	0.75%	April 30, 2020
Mid Cap Value Portfolio	1.00%	April 30, 2020
Index 600 Stock Portfolio	0.35%	April 30, 2020
Small Cap Value Portfolio	1.00%	April 30, 2020
International Growth Portfolio	1.10%	April 30, 2020
Research International Core Portfolio	1.15%	April 30, 2020
Emerging Markets Equity Portfolio	1.50%	April 30, 2020
Short-Term Bond Portfolio	0.45%	April 30, 2020
Long-Term U.S. Government Bond Portfolio	0.65%	April 30, 2020
Inflation Protection Portfolio	0.65%	April 30, 2020
Multi-Sector Bond Portfolio	0.90%	April 30, 2020
Asset Allocation Portfolio	0.75%	April 30, 2020

Growth Stock Portfolio –MSA has agreed to waive a portion of its management fee such that the management fee is 0.60% on the Portfolio's first $50 million of average net assets, 0.50% on the next $50 million, 0.40% on the next $400 million, 0.38% on the next $500 million, and 0.36% on average net assets in excess of $1 billion. MSA may terminate this fee waiver agreement at any time after April 30, 2020.

Focused Appreciation Portfolio – MSA has agreed to waive a portion of its management fee such that the management fee is 0.66% on the Portfolio's first $100 million of average net assets, 0.61% on the next $400 million, 0.60% on the next $500 million, and 0.57% on average net assets in excess of $1 billion. MSA may terminate this fee waiver agreement at any time after April 30, 2020.

Large Cap Core Stock Portfolio – MSA has agreed to waive a portion of its management fee such that the management fee is 0.60% on the Portfolio's first $50 million of average net assets, 0.50% on the next $50 million, 0.40% on the next $400 million, and 0.37% on average net assets in excess of $500 million. MSA may terminate this fee waiver agreement at any time after April 30, 2020.

Large Cap Blend Portfolio – Effective May 1, 2019, MSA has agreed to waive a portion of its management fee such that the management fee is 0.76% on the Portfolio's first $150 million of average net assets, 0.69% on the next $150 million, 0.62% on the next $200 million, and 0.56% on average net assets in excess of $500 million. MSA may terminate this fee waiver agreement at any time after April 30, 2020.

Index 500 Stock Portfolio – MSA has agreed to waive a portion of its management fee such that the management fee is 0.20% on the Portfolio's first $2 billion of average net assets, and 0.18% on average net assets in excess of $2 billion. MSA may terminate this fee waiver agreement at any time after April 30, 2020.

Large Company Value Portfolio – MSA has agreed to waive a portion of its management fee such that the management fee is 0.70% on the Portfolio's first $100 million of average net assets, 0.65% on the next $150 million, 0.59% on the next $250 million, and 0.57% on the average net assets in excess of $500 million. MSA may terminate this fee waiver agreement at any time after April 30, 2020.

Domestic Equity Portfolio – For the period from January 1, 2019 through April 30, 2019, MSA agreed to waive a portion of its management fee such that the management fee was 0.65% on the Portfolio's first $100 million of average net assets, 0.55% on the next $150 million, 0.50% on the next $250 million, 0.47% on the next $500 million, and 0.45% on the average net assets in excess of $1 billion. Effective May 1, 2019, MSA has agreed to waive a portion of its management fee such that the management fee is 0.65% on the Portfolio's first $100 million of average net assets, 0.55% on the next $150 million, 0.50% on the next $250 million, 0.46% on the next $500 million, and 0.44% on the average net assets in excess of $1 billion. MSA may terminate this fee waiver agreement at any time after April 30, 2020.

Equity Income Portfolio – For the period from January 1, 2019 through April 30, 2019, MSA agreed to waive a portion of its management fee such that the management fee was 0.62% on the Portfolio's first $500 million of average net assets, 0.55% on the next $1 billion, and 0.52% on the average net assets in excess of $1.5 billion. Effective May 1, 2019, MSA has agreed to waive a portion of its management fee such that the management fee is 0.60% on the Portfolio's first $500 million of average net assets, 0.55% on the next $1 billion, and 0.52% on the average net assets in excess of $1.5 billion. MSA may terminate this fee waiver agreement at any time after April 30, 2020.

Mid Cap Growth Stock Portfolio – MSA has agreed to waive a portion of its management fee such that the management fee is 0.80% on the Portfolio's first $50 million, 0.65% on the next $50 million, 0.50% on the next $900 million, and 0.49% on average net assets in excess of $1 billion. MSA may terminate this fee waiver agreement at any time after April 30, 2020.

Index 400 Stock Portfolio – MSA has agreed to waive a portion of its management fee such that the management fee is 0.25% on the Portfolio's first $500 million and 0.20% on average net assets in excess of $500 million. MSA may terminate this fee waiver agreement at any time after April 30, 2020.

Mid Cap Value Portfolio – For the period from January 1, 2019 through April 30, 2019, MSA agreed to waive a portion of its management fee such that the management fee was 0.79% on the Portfolio's first $150 million of average net assets, 0.69% on the next $350 million, and 0.66% on the average net assets in excess of $500 million. Effective May 1, 2019, MSA has agreed to waive a portion of its management fee such that the management fee is 0.79% on the Portfolio's first $150 million of average net assets, 0.68% on the next $350 million, and 0.65% on the average net assets in excess of $500 million. MSA may terminate this fee waiver agreement at any time after April 30, 2020.

Small Cap Value Portfolio – MSA has agreed to waive a portion of its management fee such that the management fee is 0.85% on the Portfolio's first $500 million of average net assets, and 0.80% on average net assets in excess of $500 million. MSA may terminate this fee waiver agreement at any time after April 30, 2020.

International Growth Portfolio – MSA has agreed to waive a portion of its management fee such that the management fee is 0.75% on the Portfolio's first $100 million of average net assets, 0.65% on the next $150 million, 0.55% on the next $750 million, and 0.54% on average net assets in excess of $1 billion. MSA may terminate this fee waiver agreement at any time after April 30, 2020.

Research International Core Portfolio – MSA has agreed to waive a portion of its management fee such that the management fee is 0.83% on the Portfolio's first $150 million of average net assets, 0.77% on the next $150 million, 0.70% on the next $200 million, and 0.63% on average net assets in excess of $500 million. MSA may terminate this fee waiver agreement at any time after April 30, 2020.

International Equity Portfolio – For the period from January 1, 2019 through April 30, 2019, MSA agreed to waive a portion of its management fee such that the management fee was 0.77% on the Portfolio's first $50 million of average net assets, 0.57% on the next $450 million, 0.54% on the next $500 million, 0.47% on the next $500 million, and 0.41% on the average net assets in excess of $1.5 billion. Effective May 1, 2019, MSA has agreed to waive a portion of its management fee such that the management fee is 0.77% on the Portfolio's first $50 million of average net assets, 0.57% on the next $450 million, 0.54%

on the next $500 million, 0.46% on the next $500 million, and 0.40% on the average net assets in excess of $1.5 billion. MSA may terminate this fee waiver agreement at any time after April 30, 2020.

Emerging Markets Equity Portfolio – For the period from January 1, 2019 through April 30, 2019, MSA agreed to waive a portion of its management fee such that its management fee was 1.01% on the Portfolio's first $250 million of average net assets, 0.93% on the next $250 million, 0.91% on the next $500 million, and 0.78% on average net assets in excess of $1 billion. Effective May 1, 2019, MSA has agreed to waive a portion of its management fee such that its management fee is 1.00% on the Portfolio's first $250 million of average net assets, 0.92% on the next $250 million, 0.89% on the next $500 million, and 0.78% on average net assets in excess of $1 billion. MSA may terminate this fee waiver agreement at any time after April 30, 2020.

Government Money Market Portfolio – MSA has agreed to waive a portion of its management fee such that the management fee is 0.30% on the Portfolio's first $500 million of average net assets, 0.29% on the next $500 million, and 0.28% in excess of $1 billion. MSA may terminate this fee waiver agreement at any time after April 30, 2020.

Short-Term Bond Portfolio – MSA has agreed to waive a portion of its management fee such that the management fee is 0.35% on the Portfolio's first $100 million of average net assets, 0.33% on the next $150 million, 0.30% on the next $250 million, and 0.28% on average net assets in excess of $500 million. MSA may terminate this fee waiver agreement at any time after April 30, 2020.

Select Bond Portfolio – MSA has agreed to waive a portion of its management fee such that the management fee is 0.30% on the Portfolio's first $2 billion of average net assets, and 0.28% on average net assets in excess of $2 billion. MSA may terminate this fee waiver agreement at any time after April 30, 2020.

Long-Term U.S. Government Bond Portfolio – MSA has agreed to waive a portion of its management fee such that the management fee is 0.555% on the Portfolio's first $100 million of average net assets, 0.515% on the next $150 million, 0.495% of the next $250 million, and 0.445% on average net assets in excess of $500 million. MSA may terminate this fee waiver agreement at any time after April 30, 2020.

Inflation Protection Portfolio – MSA agreed to waive a portion of its management fee such that the management fee is 0.55% on the Portfolio's first $100 million of average net assets, 0.50% on the next $150 million, and 0.46% on average net assets in excess of $250 million. MSA may terminate this fee waiver agreement at any time after April 30, 2020.

High Yield Bond Portfolio – MSA agreed to waive a portion of its management fee such that the management fee is 0.60% on the Portfolio's first $50 million of average net assets, 0.50% on the next $50 million, 0.40% on the next $900 million, and 0.30% on average net assets in excess of $1 billion. MSA may terminate this fee waiver agreement at any time after April 30, 2020.

Multi-Sector Bond Portfolio – For the period from January 1, 2019 through April 30, 2019, MSA agreed to waive a portion of its management fee such that the management fee was 0.74% on the Portfolio's first $100 million of average net assets, 0.73% on the next $150 million, 0.70% on the next $250 million, and 0.67% on average net assets in excess of $500 million. Effective May 1, 2019, MSA has agreed to waive a portion of its management fee such that the management fee is 0.74% on the Portfolio's first $100 million of average net assets, 0.73% on the next $150 million, 0.70% on the next $250 million, and 0.65% on average net assets in excess of $500 million. MSA may terminate this fee waiver agreement at any time after April 30, 2020.

Balanced Portfolio – MSA has agreed to waive a portion of its management fee such that the management fee is 0.05% on all average net assets. MSA may terminate this fee waiver agreement at any time after April 30, 2020.

Asset Allocation Portfolio – MSA has agreed to waive a portion of its management fee such that the management fee is 0.05% on all average net assets. MSA may terminate this fee waiver agreement at any time after April 30, 2020.

Waivers are not recoupable in future periods.

With respect to certain Portfolios, MSA has engaged and oversees unaffiliated sub-advisers who manage the day-to-day investment operations of such Portfolios. MSA pays each sub-adviser a fee based on the average daily net assets of each such Portfolio out of its investment management fee.

Compliance fees are paid to Northwestern Mutual, an affiliate of the Series Fund. The compliance fees paid are for the compensation, benefits and expenses of the Chief Compliance Officer and compliance staff. The amounts paid relate only to the Chief Compliance Officer and compliance staffs' duties and functions performed for the Series Fund.

NOTE 8. FEDERAL INCOME TAX MATTERS

Taxable distributions from net investment income and realized capital gains in the Portfolios may differ from book amounts earned during the period due to differences in the timing of capital gains recognition and due to the reclassification of certain gains or losses between capital and income. The differences between cost amounts for book purposes and tax purposes are primarily due to the tax treatment of deferred losses, passive foreign investment companies, and financing transactions.

It is the policy of the Portfolios to reclassify the net effect of permanent differences between book and taxable income to capital accounts on the Statements of Assets and Liabilities. Permanent differences primarily relate to character differences with respect to income on swaps, foreign currency transactions, foreign bond sales, passive foreign investment companies and paydowns on structured product investments.

A summary of the Portfolios' capital loss carryovers as of December 31, 2019 is provided below:

	Short-Term Loss Carryover	Long-Term Loss Carryover	Losses Utilized
	(Amounts in thousands)		
Mid Cap Value Portfolio	$ –	$ 972	$ –
International Equity Portfolio	8,477	32,052	–
Emerging Markets Equity Portfolio	–	25,681	2,106
Short-Term Bond Portfolio	589	1,582	915
Select Bond Portfolio	–	–	94,989
Long-Term U.S. Government Bond Portfolio	–	–	3,437
Inflation Protection Portfolio	–	3,162	–
High Yield Bond Portfolio	–	2,799	591
Multi-Sector Bond Portfolio	–	–	19,803

Capital losses are carried forward indefinitely and retain the character of the original loss. These losses are deferred to the first day of the next fiscal year.

When applicable, each of the Portfolios made distributions during the year of ordinary income and long-term capital gains. The tax character of distributions paid for the years ended December 31, 2019 and 2018 was as follows:

	2019 Distributions Paid From:		2018 Distributions Paid From:	
Portfolio	Ordinary Income	Long-term Capital Gain	Ordinary Income	Long-term Capital Gain
	(Amounts in thousands)			
Growth Stock Portfolio	$ 6,805	$ 106,399	$ 19,301	$ 92,900
Focused Appreciation Portfolio	6,173	54,376	5,061	24,625
Large Cap Core Stock Portfolio	13,646	22,424	13,132	162,866
Large Cap Blend Portfolio	2,532	14,864	1,436	7,945
Index 500 Stock Portfolio	56,663	82,720	55,595	28,215
Large Company Value Portfolio	6,196	11,792	6,580	11,246
Domestic Equity Portfolio	16,003	40,576	16,392	26,745
Equity Income Portfolio	18,939	46,492	18,363	58,421
Mid Cap Growth Stock Portfolio	39,746	9,001	48,744	135,034
Index 400 Stock Portfolio	14,492	57,161	11,291	57,311
Mid Cap Value Portfolio	14,500	43,694	14,430	43,616
Small Cap Growth Stock Portfolio	16,390	72,405	6,699	44,317
Index 600 Stock Portfolio	3,823	15,086	5,807	7,556

Portfolio	2019 Distributions Paid From: Ordinary Income	2019 Distributions Paid From: Long-term Capital Gain	2018 Distributions Paid From: Ordinary Income	2018 Distributions Paid From: Long-term Capital Gain
	(Amounts in thousands)			
Small Cap Value Portfolio	$ 3,918	$ 87,580	$ 4,714	$ 45,147
International Growth Portfolio	9,182	2,373	9,563	—
Research International Core Portfolio	11,737	18,842	10,485	—
International Equity Portfolio	43,077	78,760	45,976	—
Emerging Markets Equity Portfolio	8,489	—	9,240	—
Government Money Market Portfolio	8,386	—	6,510	—
Short-Term Bond Portfolio	6,513	—	4,636	—
Select Bond Portfolio	85,804	—	67,892	—
Long-Term U.S. Government Bond Portfolio	2,528	—	4,123	671
Inflation Protection Portfolio	9,618	—	7,199	—
High Yield Bond Portfolio	45,460	—	43,280	—
Multi-Sector Bond Portfolio	44,581	—	26,878	—
Balanced Portfolio	51,405	111,848	55,333	46,465
Asset Allocation Portfolio	6,129	17,044	6,104	6,578

As of December 31, 2019 the components of distributable earnings on a tax basis were as follows:

Portfolio	Undistributed Ordinary Income	Undistributed Long-Term Gains	Accumulated Losses	Unrealized Appreciation (Depreciation)
	(Amounts in thousands)			
Growth Stock Portfolio	$ 7,243	$ 188,737	$ –	$ 184,589
Focused Appreciation Portfolio	5,853	44,520	–	391,003
Large Cap Core Stock Portfolio	8,189	16,446	–	114,568
Large Cap Blend Portfolio	8,282	2,310	–	44,616
Index 500 Stock Portfolio	67,113	72,356	–	2,222,388
Large Company Value Portfolio	4,036	6,787	–	21,952
Domestic Equity Portfolio	17,733	40,200	–	257,632
Equity Income Portfolio	33,855	29,981	–	144,403
Mid Cap Growth Stock Portfolio	3,099	49,141	–	180,508
Index 400 Stock Portfolio	12,712	43,558	–	237,729
Mid Cap Value Portfolio	9,956	–	(972)	70,084
Small Cap Growth Stock Portfolio	8,760	30,789	–	144,830
Index 600 Stock Portfolio	6,045	9,975	–	39,003
Small Cap Value Portfolio	4,829	31,267	–	158,419
International Growth Portfolio	13,439	3,199	–	226,387
Research International Core Portfolio	17,144	13,796	–	125,249
International Equity Portfolio	56,976	–	(40,529)	81,178
Emerging Markets Equity Portfolio	18,262	–	(25,681)	131,460
Government Money Market Portfolio	–	–	–	–
Short-Term Bond Portfolio	8,186	–	(2,171)	2,602
Select Bond Portfolio	108,722	–	–	40,073
Long-Term U.S. Government Bond Portfolio	9,500	2,162	–	(6,798)
Inflation Protection Portfolio	7,844	–	(3,162)	4,994
High Yield Bond Portfolio	47,246	–	(2,799)	9,050
Multi-Sector Bond Portfolio	42,444	185	–	33,115
Balanced Portfolio	58,431	73,855	–	162,835
Asset Allocation Portfolio	7,006	11,152	–	24,893

NOTE 9. VOLUNTARY REIMBURSEMENTS

Northwestern Mutual voluntarily reimburses foreign equity portfolios for the benefit Northwestern Mutual receives from foreign dividend taxes charged against the Portfolios. The amounts reimbursed represent approximately 79% of the foreign dividend taxes withheld attributable to the portion of the Portfolio owned by Northwestern Mutual. Reimbursements are recorded when foreign dividend taxes are accrued.

Voluntary reimbursements for the year ended December 31, 2019 are summarized below:

Portfolio	2019 Reimbursements
International Growth Portfolio	$ 858,932
International Equity Portfolio	5,395,054
Research International Core Portfolio	1,652,751
Emerging Markets Equity Portfolio	1,371,574

NOTE 10. GUARANTEES

In the normal course of business, the Portfolios enter into contracts that contain a variety of representations which provide general indemnifications. The Portfolios' maximum exposure under these arrangements is unknown as this would involve future claims that may be made against the Portfolios that have not yet occurred. However, the Portfolios expect the risk of material loss to be remote.

NOTE 11. INVESTMENT INCOME AND SECURITIES TRANSACTIONS

For the year ended December 31, 2019, transactions in securities other than short term investments were:

Portfolios	Non-U.S. Govt. Security Purchases	U.S. Govt. Security Purchases	Non-U.S. Govt. Security Sales/ Maturities	U.S. Govt. Security Sales/ Maturities
	(Amounts in thousands)			
Growth Stock Portfolio	$ 1,168,402	$ —	$ 1,213,618	$ —
Focused Appreciation Portfolio	61,990	—	144,629	—
Large Cap Core Stock Portfolio	312,898	—	346,769	—
Large Cap Blend Portfolio	37,668	—	53,001	—
Index 500 Stock Portfolio	121,826	—	126,631	—
Large Company Value Portfolio	116,612	—	128,277	—
Domestic Equity Portfolio	128,322	—	99,411	—
Equity Income Portfolio	138,322	—	192,360	—
Mid Cap Growth Stock Portfolio	326,177	—	419,549	—
Index 400 Stock Portfolio	156,315	—	147,042	—
Mid Cap Value Portfolio	229,821	—	231,169	—
Small Cap Growth Stock Portfolio	253,325	—	281,941	—
Index 600 Stock Portfolio	102,498	—	82,107	—
Small Cap Value Portfolio	143,767	—	186,883	—
International Growth Portfolio	168,460	—	147,911	—
Research International Core Portfolio	151,785	—	119,425	—
International Equity Portfolio	703,359	—	702,592	—
Emerging Markets Equity Portfolio	206,815	—	165,098	—
Short-Term Bond Portfolio	150,288	84,425	116,189	63,710
Select Bond Portfolio	3,979,480	8,654,392	3,759,313	8,669,617
Long-Term U.S. Government Bond Portfolio	2,357	63,051	7	7,048
Inflation Protection Portfolio	97,174	68,582	65,939	72,603
High Yield Bond Portfolio	260,386	—	260,644	—
Multi-Sector Bond Portfolio	266,651	50,765	186,686	51,767
Balanced Portfolio	347,605	—	357,904	—
Asset Allocation Portfolio	46,674	—	40,422	—

Transactions with Affiliated Companies

An affiliated company is a company in which a Portfolio has ownership of at least 5% of the voting securities or which the Portfolio controls, is controlled by or with which the Portfolio is under common control. Transactions with affiliated companies during the year ended December 31, 2019 are as follows:

Portfolio	Value at 12/31/2018	Purchases	Sales	Value at 12/31/2019	Change in Unrealized Appreciation/ Depreciation	Realized Gain (Loss)	Income Dividends	Capital Gain Distributions	% Ownership, 12/31/2019
					(Amounts in thousands)				
Balanced:									
Growth Stock	$125,484	$15,530	$13,400	$148,423	$18,212	$2,597	$933	$14,596	13.7%
Focused Appreciation	65,037	4,480	10,200	74,798	12,702	2,778	457	4,023	7.4%
Large Cap Core Stock	63,284	4,341	7,700	74,685	14,634	126	855	3,487	11.8%
Large Cap Blend	66,379	7,369	7,600	74,166	6,261	1,757	799	6,570	42.4%
Large Company Value	64,660	6,595	7,500	74,455	10,405	295	1,582	5,013	36.2%
Domestic Equity	67,231	4,673	5,600	75,145	7,003	1,838	1,308	3,364	8.2%
Equity Income	64,672	6,037	6,700	74,664	9,894	761	1,648	4,388	9.2%
Mid Cap Growth Stock	88,838	4,098	17,500	98,796	25,571	(2,211)	169	3,930	8.6%
Mid Cap Value	85,154	9,987	6,500	102,576	13,539	397	1,525	8,462	17.3%
Small Cap Growth Stock	19,908	6,721	5,500	25,186	3,202	855	18	2,703	3.7%
Small Cap Value	29,958	7,044	16,000	24,746	2,872	872	91	2,954	4.1%
International Growth	41,168	3,463	4,000	53,687	12,403	653	566	146	6.6%
Research International Core	102,333	10,327	8,000	127,977	21,145	2,171	1,853	2,974	16.3%
International Equity	38,248	5,643	-	45,974	2,084	-	1,023	1,870	2.6%
Emerging Markets Equity	9,714	11,622	-	23,277	1,941	-	122	-	2.8%
Select Bond	819,476	59,312	41,000	886,562	46,719	2,055	23,812	-	27.8%
High Yield Bond	130,276	7,873	11,000	138,443	11,628	(334)	7,873	-	16.4%
	$1,881,820	$175,115	$168,200	$2,123,560	$220,215	$14,610	$44,634	$64,480	
Asset Allocation:									
Growth Stock	$18,864	$2,399	$1,300	$23,079	$2,866	$249	$144	$2,256	2.1%
Focused Appreciation	9,769	691	1,170	11,626	2,017	319	70	622	1.1%
Large Cap Core Stock	10,734	754	950	13,059	2,505	17	148	606	2.1%
Large Cap Blend	11,335	1,279	1,000	12,980	1,133	234	139	1,140	7.4%
Large Company Value	9,804	1,020	870	11,581	1,594	33	245	775	5.6%
Domestic Equity	9,998	725	370	11,679	1,206	120	203	522	1.3%
Equity Income	9,620	933	540	11,608	1,535	58	255	678	1.4%
Mid Cap Growth Stock	12,844	612	2,125	14,742	3,659	(247)	25	586	1.3%
Mid Cap Value	12,228	1,462	675	15,020	1,968	37	223	1,239	2.5%
Small Cap Growth Stock	4,736	1,494	675	6,495	800	140	5	739	1.0%
Small Cap Value	6,151	1,593	1,925	6,468	535	114	25	818	1.1%
International Growth	7,803	518	300	10,567	2,497	49	114	29	1.3%
Research International Core	17,045	1,601	300	22,325	3,897	81	327	524	2.8%
International Equity	7,291	926	-	8,605	389	-	195	356	0.5%
Emerging Markets Equity	1,920	1,524	-	3,824	379	-	24	-	0.5%
Select Bond	56,264	5,821	2,500	62,926	3,270	71	1,721	-	2.0%
High Yield Bond	21,209	1,282	1,500	22,838	1,892	(45)	1,282	-	2.7%
	$227,615	$24,634	$16,200	$269,422	$32,142	$1,230	$5,145	$10,890	

The Series Fund and its Portfolios are permitted to purchase securities from, and sell securities to (so called "cross-trades"), (i) other Portfolios, (ii) any registered investment company which is an affiliate, or an affiliate of an affiliate, or (iii) any person which is an affiliate, or an affiliate of an affiliate, of the Series Fund or the Portfolio solely by reason of having a common investment adviser or sub-adviser (or affiliated investment advisers) or common directors and/or officers, pursuant to procedures adopted by the Board under Rule 17a-7 of the 1940 Act ("Procedures"). These Procedures have been designed to ensure that any cross-trade of securities by a Portfolio complies with Rule 17a-7 of the 1940 Act. Each cross-trade is effected at the current market price as defined under the Procedures. Pursuant to the Procedures, for the year ended December 31, 2019, the Series Fund Portfolios engaged in the following cross-trades (amounts in thousands):

			Cross Trade Sales	
Portfolio	Cross Trade Purchases	Portfolio	Proceeds	Net Realized Gain (Loss) on Sales
Large Cap Core Portfolio	$2,765	Large Cap Core Portfolio	$2,091	$218
Large Company Value Portfolio	1,897	Large Company Value Portfolio	1,564	67
Mid Cap Growth Stock Portfolio	613	Mid Cap Growth Stock Portfolio	539	(143)

Portfolio	Cross Trade Purchases
Mid Cap Value Portfolio	$2,541
Small Cap Growth Portfolio	751
Small Cap Value Portfolio	270
International Growth Portfolio	4,066
Research International Core Portfolio	294
High Yield Bond Portfolio	2,422

	Cross Trade Sales	
Portfolio	Proceeds	Net Realized Gain (Loss) on Sales
Mid Cap Value Portfolio	$1,114	$52
Small Cap Value Portfolio	904	(1,412)
International Equity Portfolio	3,983	(981)
International Growth Portfolio	7,094	221
Research International Core Portfolio	95	30

NOTE 12. LITIGATION

The Index 500 Stock, Small Cap Value and Equity Income Portfolios are among the defendants in two lawsuits relating to their receipt of proceeds from the 2007 Tribune Co. leveraged buy-out ("Tribune LBO") transaction. One lawsuit asserts that the directors and officers of Tribune Co. intentionally defrauded Tribune creditors because Tribune was either insolvent or rendered insolvent by the transactions. Counsel for the Series Fund and other institutional defendants filed a motion to dismiss the intentional fraudulent transfer case in the Southern District of New York and the district court judge granted the motion to dismiss without leave to amend. The dismissal is being appealed to the U.S. Court of Appeals for the Second Circuit. The other set of lawsuits asserts that the transfer of proceeds to the above-noted Portfolios (and other shareholders) as part of the Tribune LBO were constructively fraudulent. Following the consolidation of the cases in the United States District Court for the Southern District of New York, the district court judge granted the motion to dismiss the constructive fraud lawsuit, and the dismissal was subsequently affirmed by the U.S. Court of Appeals for the Second Circuit. The appeal of the dismissal of the lawsuit was reconsidered by the U.S. Court of Appeals for the Second Circuit and the dismissal was reaffirmed. The lawsuits allege no misconduct by the Portfolios or management, and management intends to vigorously defend all claims and allegations. The plaintiffs in both lawsuits seek to recover amounts paid to Tribune shareholders in the leveraged buyout transaction, plus interest and attorneys' fees and expenses. The value of the proceeds received by these Portfolios in 2007, and the percentage the proceeds represent of each Portfolio's net assets as of December 31, 2019, were: Index 500 Stock Portfolio $977,000 (0.03%) of net assets; Small Cap Value Portfolio $618,000 (0.10% of net assets); and Equity Income Portfolio $2,873,000 (0.35% of net assets). Management has not concluded that a loss is reasonably likely to occur, and therefore no loss accrual has been recorded.

Report of Independent Registered Public Accounting Firm

To the Board of Directors of the Northwestern Mutual Series Fund, Inc. and Shareholders of the Growth Stock Portfolio, Focused Appreciation Portfolio, Large Cap Core Stock Portfolio, Large Cap Blend Portfolio, Index 500 Stock Portfolio, Large Company Value Portfolio, Domestic Equity Portfolio, Equity Income Portfolio, Mid Cap Growth Stock Portfolio, Index 400 Stock Portfolio, Mid Cap Value Portfolio, Small Cap Growth Stock Portfolio, Index 600 Stock Portfolio, Small Cap Value Portfolio, International Growth Portfolio, Research International Core Portfolio, International Equity Portfolio, Emerging Markets Equity Portfolio, Government Money Market Portfolio, Short-Term Bond Portfolio, Select Bond Portfolio, Long-Term U.S. Government Bond Portfolio, Inflation Protection Portfolio, High Yield Bond Portfolio, Multi-Sector Bond Portfolio, Balanced Portfolio and Asset Allocation Portfolio.

Opinion on the Financial Statements

We have audited the accompanying statements of assets and liabilities, including the schedules of investments, of the Growth Stock Portfolio, Focused Appreciation Portfolio, Large Cap Core Stock Portfolio, Large Cap Blend Portfolio, Index 500 Stock Portfolio, Large Company Value Portfolio, Domestic Equity Portfolio, Equity Income Portfolio, Mid Cap Growth Stock Portfolio, Index 400 Stock Portfolio, Mid Cap Value Portfolio, Small Cap Growth Stock Portfolio, Index 600 Stock Portfolio, Small Cap Value Portfolio, International Growth Portfolio, Research International Core Portfolio, International Equity Portfolio, Emerging Markets Equity Portfolio, Government Money Market Portfolio, Short-Term Bond Portfolio, Select Bond Portfolio, Long-Term U.S. Government Bond Portfolio, Inflation Protection Portfolio, High Yield Bond Portfolio, Multi-Sector Bond Portfolio, Balanced Portfolio and Asset Allocation Portfolio (constituting Northwestern Mutual Series Fund, Inc., hereafter collectively referred to as the "Funds") as of December 31, 2019, the related statements of operations for the year ended December 31, 2019, the statements of changes in net assets for each of the two years in the period ended December 31, 2019, and for the Long-Term U.S. Government Bond Portfolio the statement of cash flows for the year ended December 31, 2019, including the related notes, and the financial highlights for each of the five years in the period ended December 31, 2019 (collectively referred to as the “financial statements”). In our opinion, the financial statements present fairly, in all material respects, the financial position of each of the Funds as of December 31, 2019, the results of each of their operations for the year then ended,, the changes in each of their net assets for each of the two years in the period ended December 31, 2019, for the Long-Term U.S. Government Bond Portfolio, the results of its cash flows for the year then ended, and each of the financial highlights for each of the five years in the period ended December 31, 2019 in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

These financial statements are the responsibility of the Funds’ management. Our responsibility is to express an opinion on the Funds’ financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Funds in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits of these financial statements in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud.

Report of Independent Registered Public Accounting Firm

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. Our procedures included confirmation of securities owned as of December 31, 2019 by correspondence with the custodian, transfer agent and brokers; when replies were not received from brokers, we performed other auditing procedures. We believe that our audits provide a reasonable basis for our opinions.



Milwaukee, WI
February 19, 2020

We have served as the auditor of one or more investment companies in Northwestern Mutual Series Fund, Inc. since 1984.

Abbreviations (unaudited)

Abbreviations that may be used in the preceding statements

ADR	American Depositary Receipt
AFC	Available Funds Cap security - Security accrues interest at an assumed or uncapped rate. If the interest rate on the underlying loans is lower than the uncapped rate, then the security will pay at the lower rate.
CSTR	Collateral Strip Rate security - interest is based on the weighted net interest rate of the collateral.
EXE	Security receives collateral principal and interest paid which exceeds the amount of principal and income obligated to all bonds in the deal.
IO	Interest Only Security
GO	General Obligation
RB	Revenue Bond
CPURNSA	U.S. Consumer Price Index - All Urban Consumers - Not Seasonally Adjusted
LIBOR	London Interbank Offered Rate
SOFR	Secured Overnight Financing Rate
CME	Chicago Mercantile Exchange
ICE	Intercontinental Exchange
TBA	To Be Announced

Currency Abbreviations

ARS	Argentine Peso
AUD	Australian Dollar
BRL	Brazilian Real
CAD	Canadian Dollar
CHF	Swiss Franc
CNH	Chinese Yuan Renminbi - Offshore
CNY	Chinese Yuan Renminbi
DKK	Danish Krone
EUR	Euro
GBP	British Pound
HKD	Hong Kong Dollar
IDR	Indonesian Rupiah
INR	Indian Rupee
JPY	Japanese Yen
KES	Kenyan Shilling
KRW	South Korean Won
MXN	Mexican New Peso
MYR	Malaysian Ringgit
NOK	Norwegian Krone
NZD	New Zealand Dollar
PHP	Philippines Peso
PLN	Polish Zloty
RUB	Russian Ruble
SEK	Swedish Krona
SGD	Singapore Dollar
THB	Thai Baht
TRY	Turkish Lira
TWD	Taiwan Dollar
ZAR	South African Rand

Proxy Voting and Portfolio Holdings (unaudited)

Proxy Voting Guidelines

A description of the policies and procedures that the Portfolios use to determine how to vote proxies relating to portfolio securities is available without charge, upon request, by calling toll free 1-888-455-2232. It is also available on the Securities and Exchange Commission's website at http://www.sec.gov.

Information regarding how the Portfolios voted proxies relating to portfolio securities during the most recent twelve-month period ended June 30 is available without charge, upon request, by calling toll free 1-888-455-2232. It is also available on the Securities and Exchange Commission's website at http://www.sec.gov.

Quarterly Filing of Portfolio Holdings

Each Portfolio, other than the Government Money Market Portfolio, files its complete schedule of portfolio holdings on a monthly basis with the Securities and Exchange Commission (SEC) as an exhibit to its reports on Form N-PORT. Each Portfolio's holdings reported on Form N-PORT for the first and third quarters of the fiscal year are available on the SEC's website at http://www.sec.gov. Portfolios that file their holdings on Form N-PORT also make their complete schedule of portfolio holdings for the most recent quarter of their fiscal year available on the Internet at www.northwesternmutual.com.

The Government Money Market Portfolio files its complete schedule of portfolio holdings on a monthly basis with the SEC on Form N-MFP. Form N-MFP is available on the SEC's website at http://www.sec.gov. The Government Money Market Portfolio also makes its complete schedule of portfolio holdings for the most recent month available on the Internet at www.northwesternmutual.com.

Director and Officer Information (unaudited)

Northwestern Mutual Series Fund, Inc.

The name, address and year of birth of the directors, as well as their affiliations, positions held with the Series Fund, principal occupations during the past five years and the number of portfolios overseen in the Northwestern Mutual fund complex, are shown below as of December 31, 2019, except as otherwise noted. Each director (whenever elected) shall hold office until the next annual meeting of shareholders and until his or her successor is elected and qualifies or until his or her earlier death, resignation or removal. A director shall retire at the end of the calendar year in which the first of the two events occurs: (i) he or she attains the age of seventy-three (73), or (ii) he or she has served a term or successive terms totaling thirteen (13) years, commencing on the date of his or her election or appointment to the Board. The statement of additional information contains additional information about Series Fund directors and is available without charge, upon request, by calling 1-888-455-2232.

Independent Directors

Name, Address, and Year of Birth	Position	Length of Time Served	Number of Portfolios in Fund Complex Overseen by Director	Other Directorships Held[1]
Miriam M. Allison 720 East Wisconsin Avenue Milwaukee, WI 53202 1947	Director	Since 2006	27	Director of Wasatch Funds Trust (17 portfolios)
Principal Occupation During Past 5 Years: Rancher since 2004. From 2001 to 2005, Chairman of UMB Fund Services, Inc. (formerly Sunstone Financial Group, Inc.), a mutual fund service provider.				
Robert H. Huffman III 720 East Wisconsin Avenue Milwaukee, WI 53202 1959	Director	Since 2007	27	None
Principal Occupation During Past 5 Years: Since 2004, Co-Founder and CEO of Relative Value Partners, LLC, a registered investment adviser				
Christy L. Brown 720 East Wisconsin Avenue Milwaukee, WI 53202 1965	Director	Since 2012	27	None
Principal Occupation During Past 5 Years: Since October 2012, Chief Executive Officer, Girl Scouts of Wisconsin Southeast. From 2007 to 2012, Vice Chancellor, Finance and Administrative Affairs, University of Wisconsin, Milwaukee.				
Gail L. Hanson 720 East Wisconsin Avenue Milwaukee, WI 53202 1955	Director	Since 2012	27	Director of Artisan Partner Funds (15 portfolios)
Principal Occupation During Past 5 Years: Retired. From February 2011 to April 2018, Chief Financial Officer, Aurora Health Care. Prior thereto, Deputy Executive Director, State of Wisconsin Investment Board.				
William Gerber 720 East Wisconsin Avenue Milwaukee, WI 53202 1958	Director	Since 2017	27	Director of Ballantyne Strong, Inc., a developer of technology solutions for digital applications (2015 to present)
Principal Occupation During Past 5 Years: Retired. From 2006 to 2015, Chief Financial Officer, and from 2007 to 2015, Executive Vice President, of TD Ameritrade Holdings Corporation.				

Director and Officer Information (unaudited)

Name, Address, and Year of Birth	Position	Length of Time Served	Number of Portfolios in Fund Complex Overseen by Director	Other Directorships Held[1]
David Ribbens 720 East Wisconsin Avenue Milwaukee, WI 53202 1961	Director	Since 2017	27	None
Principal Occupation During Past 5 Years: Since March of 2018, Member and Partner of DOMO Capital Management, LLC, a Wisconsin registered investment adviser. Founder and President of Distribution Team Alpha LLC, founded in 2016. From 2015 to 2016, President, Managing Partner, and Director of Heartland Advisors, Inc. From 2008 to 2015, Executive Vice President and Head of Distribution, Managing Partner, and Director of Heartland Advisors, Inc.				
Donald M. Ullmann 720 East Wisconsin Avenue Milwaukee, WI 53202 1957	Director	Since 2017	27	None
Principal Occupation During Past 5 Years: Since 2015, Principal of DMU Financial Consulting, LLC. From 2013 to 2015, Managing Director, Head of Product Development, Fixed Income at Guggenheim Securities. From 2012 to 2013, Executive Managing Director, Co-head, MBS and Rates Division at Gleacher & Co. From 2009 to 2011, Executive Vice President, Head of Fixed Income Trading and Co-Head of Fixed Income Sales at Keefe, Bruyette and Woods, Inc.				

[1.] This column includes only directorships of companies required to report to the Securities and Exchange Commission (SEC) under the Securities Exchange Act of 1934, as amended (i.e., "public companies") or other investment companies registered under the Investment Company Act of 1940, as amended.

Other Directors

Name, Address, and Year of Birth	Position	Length of Time Served	Number of Portfolios in Fund Complex Overseen by Director	Other Directorships Held
Ronald P. Joelson 720 East Wisconsin Avenue Milwaukee, WI 53202 1958	Chairman of the Board	Since 2015	27	None
Principal Occupation During Past 5 Years: Since 2012, Executive Vice President of The Northwestern Mutual Life Insurance Company (NM) and Chief Investment Officer of NM. Prior thereto, Chief Investment Officer of Genworth Financial from 2009 to 2012.				

Northwestern Mutual Series Fund, Inc.
Executive Officers

Name, Address, and Year of Birth	Position	Length of Time Served
Kate M. Fleming 720 East Wisconsin Avenue Milwaukee, WI 53202 1962	President	Since 2013
Principal Occupation During Past 5 Years: Since January 2015, President of Mason Street Advisors. Since 2014, a member of the Board of Directors of Mason Street Advisors. Prior thereto, Vice President – Operations of Mason Street Advisors from 2004-December 2014 and Treasurer of Mason Street Advisors from 2008-December 2014.		

Director and Officer Information (unaudited)

Name, Address, and Year of Birth	Position	Length of Time Served
Todd M. Jones 720 East Wisconsin Avenue Milwaukee, WI 53202 1968	Vice President; Chief Financial Officer & Treasurer	Since 2015
Principal Occupation During Past 5 Years: Since April 2015, Vice President and Controller of Northwestern Mutual. From November 2012 to April 2015, Vice President and Chief Risk Officer of Northwestern Mutual.		
Barbara E. Courtney 720 East Wisconsin Avenue Milwaukee, WI 53202 1957	Controller & Chief Accounting Officer	Since 1996
Principal Occupation During Past 5 Years: Senior Director of Mutual Fund Administration of Northwestern Mutual since 2002.		
Randy M. Pavlick 720 East Wisconsin Avenue Milwaukee, WI 53202 1959	Chief Compliance Officer	Since 2014
Principal Occupation During Past 5 Years: Vice President – Managed Investments and Chief Compliance Officer of Mason Street Advisors and Northwestern Mutual Investment Management Company since 2014.		
Lesli H. McLinden 720 East Wisconsin Avenue Milwaukee, WI 53202 1962	Secretary	Since 2014
Principal Occupation During Past 5 Years: Assistant General Counsel and Assistant Secretary of Northwestern Mutual since 2007. Secretary of Mason Street Advisors from 2015 to 2017 and Assistant Secretary since 2017.		
Daniel Meehan 720 East Wisconsin Avenue Milwaukee, WI 53202 1973	Vice President - Investments	Since 2012
Principal Occupation During Past 5 Years: Vice President of Mason Street Advisors since 2015, Director of Mason Street Advisors from 2007 to 2015.		

Approval and Continuance of Investment Advisory and Sub-Advisory Agreements (unaudited)

Northwestern Mutual Series Fund, Inc.

Annual Contract Review Process

Under Section 15(c) of the Investment Company Act of 1940, as amended (the "1940 Act"), contracts for investment advisory services are required to be reviewed, evaluated and approved by a majority of an investment company's independent directors each year. In addition, each investment company is required to disclose in its annual or semi-annual report, as applicable, the material factors and conclusions that formed the basis for the board's approval or renewal of any investment advisory agreements within the investment company's most recently completed fiscal half-year period.

At least annually, the Board of Directors (the "Board") of Northwestern Mutual Series Fund, Inc. (the "Series Fund") considers and votes upon the renewal of the investment sub-advisory agreements between Mason Street Advisors, LLC ("Mason Street Advisors") and each of the sub-advisers of those portfolios of the Series Fund (each, a "Portfolio" and collectively, the "Portfolios") for which Mason Street Advisors and the Board have appointed a sub-adviser. In order to afford the Board the opportunity to focus on a smaller number of relationships at any one meeting, the Board considers the annual continuation of the sub-advisory agreements on a staggered basis during the course of the year.

Board Approvals During the Six-Month Period Ended December 31, 2019

At its August 29, 2019 meeting, the Board, including the directors who are not "interested persons" (as that term is defined in the 1940 Act) of the Series Fund or Mason Street Advisors ("Independent Directors"), unanimously approved a new Investment Sub-Advisory Agreement between Mason Street Advisors and T. Rowe Price Associates, Inc. (T. Rowe Price") relating to the Series Fund's Growth Stock Portfolio (the "New Sub-Advisory Agreement").

Also at its August 29, 2019 meeting, the Board, including the Independent Directors, unanimously approved the continuance of a (1) Third Amended and Restated Investment Sub-Advisory Agreement between Mason Street Advisors and American Century Investment Management, Inc. ("American Century") relating to the Series Fund's Mid Cap Value, Large Company Value and Inflation Protection Portfolios, (2) Second Amended and Restated Investment Sub-Advisory Agreement between Mason Street Advisors and Delaware Investments Fund Advisers, a series of Macquarie Investment Management Business Trust ("Delaware") relating to the Series Fund's Domestic Equity Portfolio, (3) Second Amended and Restated Investment Sub-Advisory Agreement between Mason Street Advisors and Federated Investment Management Company ("Federated") relating to the Series Fund's High Yield Bond Portfolio, and a (4) Second Amended and Restated Investment Sub-Advisory Agreement between Mason Street Advisors and Loomis, Sayles & Company, L.P. ("Loomis Sayles") relating to the Series Fund's Focused Appreciation Portfolio.

At its November 21, 2019 meeting, the Board, including the Independent Directors, unanimously approved the continuance of a (1) Fourth Amended and Restated Investment Sub-Advisory Agreement between Mason Street Advisors and T. Rowe Price relating to the Series Fund's Short-Term Bond, Small Cap Value and Equity Income Portfolios, (2) Second Amended and Restated Investment Sub-Advisory Agreement between Mason Street Advisors and Wells Capital Management, Incorporated ("Wells Capital") relating to the Series Fund's Select Bond Portfolio, (3) Third Amended and Restated Investment Sub-Advisory Agreement between Mason Street Advisors and Pacific Investment Management Company LLC ("PIMCO") relating to the Series Fund's Long-Term U.S. Government Bond and Multi-Sector Bond Portfolios, and a (4) Second Amended and Restated Investment Sub-Advisory Agreement between Mason Street Advisors and BlackRock Advisors, LLC ("BlackRock") relating to the Series Fund's Government Money Market Portfolio.

American Century, Delaware, Federated, Loomis Sayles, T. Rowe Price, Wells Capital, PIMCO and BlackRock are sometimes collectively referred to hereinafter as the "Sub-Advisers," and their respective sub-advised Portfolios (with the exception of the Growth Stock Portfolio) are collectively referred to herein as the "Sub-Advised Portfolios." The respective Investment Sub-Advisory Agreements with the Sub-Advisers (except for the New Sub-Advisory Agreement with T. Rowe Price) are collectively referred to herein as the "Existing Sub-Advisory Agreements."

Approval and Continuance of Investment Advisory and Sub-Advisory Agreements (unaudited)

In determining whether to approve the New Sub-Advisory Agreement and the continuance of the Existing Sub-Advisory Agreements on behalf of the Series Fund, the Board requested and received detailed information from Mason Street Advisors and the Sub-Advisers in advance of each meeting to assist them in their evaluation, including information compiled by certain independent providers of evaluative data. With respect to the continuation of the Existing Sub-Advisory Agreements, while particular focus was given to an evaluation of the services, performance, fees, costs, and certain other relevant information under such Agreements at the meeting at which their continuation is formally considered, the evaluation process with respect to the Sub-Advisers and the nature, extent and quality of the services they provide to the Sub-Advised Portfolios pursuant to the terms of the Existing Sub-Advisory Agreements is an ongoing one. As a result, the Board's consideration of such services, and the performance, fees, costs and other relevant factors was informed by information provided and deliberations that occurred at other meetings throughout the year.

The Independent Directors received a memorandum from their counsel advising them of their responsibilities in connection with the review and approval of the New Sub-Advisory Agreement and the continuance of the Existing Sub-Advisory Agreements, and summarizing the legal standards governing the review and approval of these Agreements. The Independent Directors reviewed these standards with their counsel during the course of the meetings, including how these standards should be applied to the review of information relating to sub-advisers under the Series Fund's manager of managers structure. During the course of their deliberations, the Independent Directors had the opportunity to meet privately without representatives of Mason Street Advisors and the Sub-Advisers present, and were represented throughout the process by legal counsel.

Continuation of the Sub-Advisory Agreements between Mason Street Advisors and Certain Sub-Advisors

At its August 29, 2019 and November 21, 2019 meetings, the Board, including the Independent Directors, unanimously approved the continuance of the Existing Sub-Advisory Agreements. In connection with those meetings, the directors received a presentation from representatives of each Sub-Adviser involved in the management of the respective Sub-Advised Portfolios. In addition to the information presented by and about the Sub-Advisers during the course of those meetings, the directors also had available for consideration each Sub-Adviser's Section 15(c) Report, which contained responses to the information request letter prepared by counsel to the Independent Directors requesting certain information from the Sub-Advisers designed to assist the directors in fulfilling their responsibilities when considering the continuation of the Existing Sub-Advisory Agreements. The directors also had available Mason Street Advisors' Executive Summary and Overview regarding each of the Sub-Advisers, and other materials prepared by Mason Street Advisors. The materials contained detailed information on performance over multiple time periods, expenses, brokerage commissions, portfolio turnover, style consistency, key portfolio statistics and metrics, and other factors with respect to each of the Sub-Advised Portfolios. The materials also contained an analysis of the Sub-Advisers' responses to the compliance questions contained in the Section 15(c) Report and the observations of the Series Fund's Chief Compliance Officer regarding the compliance structure and practices of each of the Sub-Advisers. The directors also considered their experience with and knowledge of the nature and quality of the services provided by the Sub-Advisers and their ongoing discussions with representatives of Mason Street Advisors, its affiliates and each Sub-Adviser.

The material factors and conclusions that formed the basis for the Board's approval of the continuance of each of the Existing Sub-Advisory Agreements include those discussed below. The directors evaluated a variety of information they deemed relevant on a Portfolio-by-Portfolio basis. No one particular factor was identified as determinative, but rather it was a combination of all the factors and conclusions that formed the basis for the determinations made by the Board. Further, different directors may have placed greater weight on certain factors than did other directors.

Nature, Extent and Quality of Services. In considering the nature, extent and quality of each Sub-Adviser's services the directors reviewed each Sub-Adviser's financial strength, assets under management, and overall reputation. The directors evaluated the investment strategies employed by each Sub-Adviser, as well as the personnel providing such services with respect to each Sub-Advised Portfolio. The directors considered informational updates given by the portfolio managers, which included reports regarding how the Sub-Advised Portfolios were being positioned in the current market environment.

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The directors also considered Mason Street Advisors' reports on due diligence visits and conference calls that had been conducted with certain of the Sub-Advisers.

With respect to American Century, the directors considered personnel changes at the organizational and portfolio management level, including American Century's adoption of a co-Chief Investment Officer structure and the expertise and experience of the persons holding those roles. The directors considered changes to the portfolio management team for the Large Company Value Portfolio that had been implemented, as well as the alignment of the investment process for the Large Company Value Portfolio with American Century's other value strategy mandates, and observed that these personnel and process changes had made a positive impact on the Portfolio's performance. With respect to Federated, the directors considered the firm's enhancement to its investment process to include the addition of ESG factors as part of its qualitative analysis. The directors noted favorably that there had been longstanding stability with respect to the personnel on the investment team for the High Yield Bond Portfolio. With respect to Loomis Sayles, the directors commented positively on the well-articulated investment process employed for the Focused Appreciation Portfolio. The directors considered the expanded responsibilities of the portfolio manager for the Focused Appreciation Portfolio, concluding that the additional duties would not impact the portfolio manager's ability to continue to provide the same level of service to the Portfolio. With respect to Delaware, the directors noted favorably the addition of two analysts to the firm's portfolio management team for the Domestic Equity Portfolio. The directors considered compensation arrangements in place at Delaware for the portfolio managers, as well as the level of each portfolio manager's investment in the respective mandate for which each was responsible. With respect to T. Rowe Price and PIMCO, the directors commented positively on the quality of the presentations made to the Board by their respective investment management teams. With respect to the Equity Income Portfolio in particular, the Board noted favorably that the portfolio manager remained committed to the Portfolio's investment strategy. With respect to Wells Capital, the directors considered the firm's succession planning for the portfolio management team serving the Select Bond Portfolio.

The directors also considered and expressed satisfaction with each Sub-Adviser's investment philosophy and process and the scope of services provided by the Sub-Advisers. Consideration was also given to the Sub-Advisers' respective reputations and experience in providing investment management services and the performance of each Sub-Advised Portfolio. Based on their review of these factors, their discussions with the Sub-Advisers, and their experience with the services provided by the Sub-Advisers for their respective Sub-Advised Portfolios, the Board concluded, within the context of their overall determinations regarding the Existing Sub-Advisory Agreements, that they were satisfied with the nature, extent and quality of services, and the resources committed by each Sub-Adviser in providing those services, and were satisfied with the experience and capabilities of the Sub-Advisers and the personnel associated with the Sub-Advised Portfolios.

Investment Performance. The directors reviewed the investment performance of each of the Sub-Advised Portfolios over a variety of time periods. In addition to reviewing the performance of each Sub-Advised Portfolio for both short-term and long-term periods, the directors considered (i) a comparison of each Sub-Advised Portfolio's one-, three- and five-year (as applicable) performance to the returns of appropriate benchmarks and indices, and to the performance averages of each Sub-Advised Portfolio's respective Broadridge and Lipper peer groups for the same periods, (ii) the Broadridge overall star rating and Lipper quintile rating for each Sub-Advised Portfolio and (iii) the Broadridge and the Lipper performance rankings for one-, three- and five-year time periods (as applicable). The directors evaluated each Sub-Advised Portfolio's performance against these peer groups and industry benchmarks and indices, and viewed this information as providing an objective comparative benchmark against which they could assess the performance of the Sub-Advised Portfolios. The directors further considered the performance of accounts managed in a similar manner by each of the Sub-Advisers and information from the Sub-Advisers regarding any significant differences in the performance of those accounts from that of the Sub-Advised Portfolios.

The directors commented favorably on the continued strong performance of the Inflation Protection Portfolio. The directors observed that changes to the portfolio management team for the Large Company Value Portfolio had resulted in improved performance. The directors noted that, while the performance of the Mid Cap Value Portfolio had lagged for the three-year period ended June 30, 2019, the Portfolio's performance over other periods had been more favorable and that, overall, the Portfolio's performance contour had been consistent with its stated investment strategy. The directors commented favorably

on the strong performance of the Portfolios sub-advised by Federated and Loomis. The directors considered the comments of Delaware regarding the near-term underperformance of the Domestic Equity Portfolio, and acknowledged that the investment environment had been challenging for value managers. The directors noted favorably the strong performance records achieved by T. Rowe Price with respect to the Small Cap Value Portfolio and PIMCO with respect to the Multi-Sector Bond Portfolio.

In addition to performance information presented at the meeting, the directors considered the detailed performance information, market commentary, portfolio analysis and portfolio manager presentations they received periodically throughout the year. Generally speaking, while attentive to the short-term performance results because of the trend that such performance might signal, the directors placed greater weight on longer-term performance. For the reasons and based on the discussion summarized above, the Board concluded that, considering the investment performance within the context of its overall determinations regarding the Existing Sub-Advisory Agreements, it was satisfied with the relative investment performance of the Sub-Advised Portfolios.

Management Fees and Other Expenses. The directors evaluated the reasonableness of the management fees and total expenses paid by the Sub-Advised Portfolios under the Existing Sub-Advisory Agreements. The directors considered the actual and contractual fees paid by each Sub-Advised Portfolio. The directors also considered the sub-advisory fees paid by Mason Street Advisors out of its management fee, including a comparison of those fees with fees charged by the respective Sub-Advisers for similarly managed accounts. In considering the level of management fees, the directors also considered the size of the Sub-Advised Portfolios, expenses assumed by Mason Street Advisors, and the existing expense limitation and/or fee waiver arrangements agreed to by Mason Street Advisors with respect to each Sub-Advised Portfolio.

As part of their evaluation, the directors received and reviewed an independent analysis prepared by Broadridge of comparative expense data for each Sub-Advised Portfolio. Broadridge provided data as of December 31, 2018 comparing each Sub-Advised Portfolio's net and total expenses with those in a category of funds underlying variable insurance products. Categories were selected by Broadridge based upon having similar investment classifications, objectives, and asset allocations. The directors considered the comparative data as a guide to help assess the reasonableness of each Sub-Advised Portfolio's net and total expense ratios. The directors considered that the Broadridge expense rankings of the Mid Cap Value and Inflation Protection Portfolios sub-advised by American Century, the Domestic Equity Portfolio sub-advised by Delaware, the High Yield Bond Portfolio sub-advised by Federated, the Focused Appreciation Portfolio sub-advised by Loomis Sayles, the Short-Term Bond and Equity Income Portfolios sub-advised by T. Rowe Price, the Select Bond Portfolio sub-advised by Wells Capital, and the Government Money Market Portfolio sub-advised by BlackRock were in the top Broadridge quartile (meaning lowest net expenses) of their respective categories. The directors considered that the expense rankings of the Large Company Value Portfolio sub-advised by American Century, the Small Cap Value Portfolio sub-advised by T. Rowe Price, and the Long-Term U.S. Government Bond and Multi-Sector Bond Portfolios sub-advised by PIMCO were within the second quartile of their respective categories.

Based on their review of the above information and other factors deemed relevant by the directors, the Board concluded that the management fees and total operating expenses of each of the Sub-Advised Portfolios were reasonable in relation to the nature, scope and quality of services provided and the performance of the Sub-Advised Portfolios over time and the expense limitation and fee waivers that are in place.

Costs and Profitability. The directors reviewed information provided by Mason Street Advisors regarding the profitability realized by Mason Street Advisors from the Sub-Advised Portfolios. The directors considered Mason Street Advisors' quarterly presentation to the directors regarding Mason Street Advisors' revenues, expenses, income and profit margins allocable to its services to the Sub-Advised Portfolios on an aggregate and a per Portfolio basis, and Mason Street Advisors' allocation methodology with respect to the revenues and expenses. The profitability information presented for the directors' consideration was supplemented by the aforementioned information regarding the expense-based ranking of each Sub-Advised Portfolio within the Portfolio's respective Broadridge peer group category. The directors then considered the profitability information related to certain of the Sub-Advised Portfolios where such information had been provided. The directors recognized that the sub-advisory fees were the result of arm's-length negotiations between Mason Street

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Advisors and such Sub-Advisers. The directors also recognized that there are limitations inherent in allocating costs and calculating profitability for organizations such as the Sub-Advisers, and that it is difficult to make comparisons of profitability among investment advisers because comparative information is not generally publicly available and, when available, such information may have been developed using a variety of assumptions and other factors. The directors concluded that they had received sufficient information to evaluate the issues related to costs and profitability.

The directors considered certain fall-out benefits that may be realized by Mason Street Advisors and its affiliates due to their relationship with the Sub-Advised Portfolios, including the participation of mutual fund families advised by certain Sub-Advisers to the Sub-Advised Portfolios on the brokerage platform maintained by a brokerage affiliate of Mason Street Advisors, the participation of such fund families in mutual fund partner programs offered by such brokerage affiliate, and the payment of fees by the fund families based upon participation on the brokerage platform and the mutual fund partner program maintained by the brokerage affiliate of Mason Street Advisors. The directors reviewed information concerning certain of the Sub-Advisers' soft dollar arrangements and any other benefits to the Sub-Advisers arising from their relationships with the Sub-Advised Portfolios. Based on their review, the Board concluded, within the context of their overall determinations regarding the Existing Sub-Advisory Agreements, that they were satisfied that the fees paid by each of the Sub-Advised Portfolios, and the profits realized by Mason Street Advisors and the Sub-Advisers due to their relationship with the Sub-Advised Portfolios, were not excessive.

Economies of Scale. The directors considered whether each Sub-Advised Portfolio's expense structure permitted economies of scale to be shared with the Sub-Advised Portfolio's investors. The directors considered the breakpoints contained in the advisory fee schedules for the Sub-Advised Portfolios and the extent to which each Sub-Advised Portfolio may benefit from economies of scale through those breakpoints. The directors took into account the expense limitation arrangements in place for the Mid Cap Value, Large Company Value, Inflation Protection, Domestic Equity, Focused Appreciation, Short-Term Bond, Small Cap Value, Equity Income, Long-Term U.S. Government Bond and Multi-Sector Bond Portfolios, and the fee waiver arrangements in place with respect to the Mid Cap Value, Large Company Value, Inflation Protection, Domestic Equity, High Yield Bond, Focused Appreciation, Short-Term Bond, Small Cap Value, Equity Income, Select Bond, Long-Term U.S. Government Bond, Multi-Sector Bond and Government Money Market Portfolios. The directors also considered the total assets and expense ratio of each Sub-Advised Portfolio. Based on this information, the Board concluded, within the context of its overall determinations regarding the Existing Sub-Advisory Agreements, that each Sub-Advised Portfolio's fee structure reflected appropriate economies of scale for the benefit of such Portfolio's investors.

Other Information. The directors were presented with other information intended to assist them in their consideration of the continuation of the Existing Sub-Advisory Agreements, including information about the services provided by affiliates of Mason Street Advisors to the Portfolios and information regarding Mason Street Advisors' and the Sub-Advisers' brokerage practices and commissions. The directors took into consideration reports from Mason Street Advisors on its review of the respective compliance programs of the Sub-Advisers, including any recent compliance exceptions noted and the applicable Sub-Adviser's response. Also considered were key affiliations and business relationships between the Sub-Advisers and their affiliates and Mason Street Advisors' parent company and affiliates. Their review further included information relating to each Sub-Adviser's risk management infrastructure, pending or recent litigation or regulatory actions to which an Sub-Adviser or its affiliates may have been a party, and the applicable Sub-Adviser's responses to those actions. The directors also considered information regarding each Sub-Adviser's code of ethics, approach to portfolio manager compensation, succession planning, as well as information supplied by the Sub-Advisers related to their cybersecurity programs and business continuity plans, and other matters they deemed relevant.

Conclusions of the Directors. Based on a consideration of all information deemed relevant in its totality, the Board, including the Independent Directors, and assisted by the advice of legal counsel independent of Mason Street Advisors, in the exercise of their reasonable business judgment concluded that the terms of the Existing Sub-Advisory Agreements were fair and reasonable and approved the continuation of each Agreement for another year as being in the best interests of each Portfolio.

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Approval of New Investment Sub-Advisory Agreement

At the August 29, 2019 meeting, the Board, including the Independent Directors, unanimously approved the New Sub-Advisory Agreement between Mason Street Advisors and T. Rowe Price relating to the Growth Stock Portfolio (the "Portfolio"). The Board's decision to retain T. Rowe Price as sub-adviser for the Portfolio was reached after extensive research, evaluation and review of numerous candidate firms and their respective organizational structures, investment processes and long-term performance records.

Board Consideration of Alternative Sub-Advisory Candidates and Selection of T. Rowe Price as New Sub-Adviser

In determining whether to approve the New Sub-Advisory Agreement on behalf of the Portfolio, the directors requested and received detailed information from Mason Street Advisors and T. Rowe Price to assist them in their evaluation, including reports based upon information compiled by certain independent providers of evaluative data. The Independent Directors also received a memorandum from their counsel advising them of their responsibilities in connection with the approval of the New Sub-Advisory Agreement, and had an opportunity to review with their counsel the legal standards governing the review of the New Sub-Advisory Agreement, including how these standards should be applied to the review of information relating to the sub-adviser under the Series Fund's manager of managers structure. In addition, during the course of their deliberations, the Independent Directors had the opportunity to meet privately without representatives of Mason Street Advisors and T. Rowe Price, and were represented throughout the process by legal counsel to the Independent Directors.

The material factors and conclusions that formed the basis for the Board's determination to approve the New Sub-Advisory Agreement include those discussed below. In addition to the information provided to them in anticipation of and at the August 2019 Board meeting, the directors considered the in-person presentation of T. Rowe Price related to the Portfolio at a meeting of the Investment Oversight Committee of the Board held on August 29, 2019, and T. Rowe Price's responses to the directors' questions during the presentation session at the Investment Oversight Committee meeting.

The process that culminated with the directors determining to engage T. Rowe Price as the replacement investment sub-adviser for the Portfolio had been initiated by the Board several months earlier. At its February 28, 2019 meeting, the directors instructed Mason Street Advisors to identify potential replacement candidates to serve as sub-adviser to the Portfolio. At its June 5, 2019 meeting the Board was presented with a list of qualifying sub-advisory firms for the Portfolio mandate, along with a detailed review of comparative information regarding each of the candidates. Based upon a review of the list of qualified sub-advisers, the directors narrowed down the list of candidates to three sub-advisory candidate firms for the Portfolio mandate.

The three final candidates for the Portfolio mandate were reviewed and considered at the Board's August 29, 2019 meeting. The directors received an in-person presentation at the August 2019 Board meeting provided by representatives from each of the three candidate firms. Extensive background information and assessment data were used to evaluate, compare and contrast the three candidates. The information compiled for purposes of facilitating the Board's review of the candidates was a combination of assessment data and evaluative reports developed by Mason Street Advisors as well as data provided by the candidates, which was formatted in a manner to permit the Board to effectively conduct its due diligence review of the information and engage in a thorough comparative analysis. Among other factors, the Board considered details of each candidate's investment performance and risk/return metrics over various time periods, peer group ratings and rankings, representative holdings, key points of differentiation and competitive advantages, portfolio characteristics, mandate assets under management, investment personnel, process and strategies, proposed sub-advisory fees and breakpoints, the impact on Mason Street Advisors' profitability, and other operational and enterprise factors. The directors considered information provided regarding each candidate's investment philosophy and portfolio construction process.

Also considered by the directors were the results of due diligence compliance reviews that had been prepared on the three final sub-advisory candidates. The due diligence reviews were based on the candidates' responses to informational requests, as well as interviews with compliance and/or legal staff representatives of each candidate. Such reviews included information about each candidate's compliance program, compliance policies and procedures, brokerage practices and use of soft dollars,

trading policies and procedures, codes of ethics and proxy voting procedures. Given that T. Rowe Price currently serves as a sub-adviser to the Series Fund's Small Cap Value, Equity Income and Short-Term Bond Portfolios, and the firm's compliance program is subject to periodic review and oversight, the compliance assessment of T. Rowe Price was based in part on previous compliance reviews and reports and the experiences with the firm and its compliance function. The Series Fund's Chief Compliance Officer received compliance-related due diligence materials from T. Rowe Price similar to those materials provided by the other sub-advisory candidates, and such materials were reviewed and reported on by the Series Fund's Chief Compliance Officer to the directors at the August 2019 Board meeting. The directors also had available for consideration each candidate's responses to the compliance sections of the informational requests, and the candidates' responses to informational requests related to proxy voting, brokerage and risk management practices.

The Board's review of the candidates involved assessment of multiple factors which included, without limitation, the following:

Nature, Extent and Quality of Services. The directors evaluated the nature, scope, extent and quality of services that would be provided to the Portfolio by the three sub-advisory candidates. The directors considered the information developed from the extensive process utilized to identify qualified sub-advisers for the Portfolio, as well as the analysis and assessment provided by Mason Street Advisors with respect to the sub-advisory candidates. The directors viewed favorably the depth of experience of the T. Rowe Price Large Cap Growth Equity team in managing accounts, including accounts for other mutual funds, using investment strategies similar to those employed for the Portfolio. The directors' consideration included information about T. Rowe Price's organization and ownership structure, and the tenure, experience and performance of the firm's investment management team, including particularly the qualifications and experience of the investment personnel who would be providing services to the Portfolio.

The directors considered Mason Street Advisors' positive assessment of T. Rowe Price, based upon the robustness and continuity of the firm's investment processes, their effective use of investment team analysts, and the significant experience of the lead portfolio manager. The directors also considered Mason Street Advisors' expression of confidence in the current working relationship with T. Rowe Price related to the Series Fund portfolios for which they function as a sub-adviser, as well as their favorable view of the firm's utilization of supporting research and resources, and their practices related to succession planning. The directors reviewed the firm's approach to succession planning, concluding that it was thoughtful and thorough. The directors were positively impressed with the strength of the in-person presentation by T. Rowe Price. The directors commented favorably on the depth of resources in place at the firm, including particularly the investment analyst group. The directors noted that T. Rowe Price was a recognized asset manager with a positive reputation with both the Northwestern Mutual field force and variable product clients. The directors considered potential advantages that T. Rowe Price may have as a sub-adviser based upon its size, noting that the growth stock mandate was the firm's largest mandate based upon assets under management, and this would suggest that the mandate will continue to be able to secure strong investment talent.

The directors considered the different investment approaches utilized by each of the candidates for the Portfolio mandate, and the positive and negative considerations of each. The directors also took into consideration the suitability of each candidate's respective investment mandate with respect to Northwestern Mutual's variable products. Finally, the directors took into consideration T. Rowe Price's general reputation and the strength of the investment-related resources available to be committed in managing the Portfolio. Based on their review of these factors and other factors deemed relevant, the Board concluded that they were satisfied with the nature, extent and quality of the services to be provided by T. Rowe Price with respect to the Portfolio, and the resources to be committed by T. Rowe Price in providing such services.

Investment Performance. In order to evaluate investment performance, the directors reviewed the performance record of the three final sub-advisory candidates for a composite of managed accounts, including mutual fund accounts, with investment objectives, investment policies and strategies substantially similar to the Portfolio (the "composites"). The directors considered the performance returns of these composites for both short- and long-term periods. The directors also reviewed performance analytics reports for each of the candidates which compared multiple metrics, including information ratio, Sharpe ratio, Sortino ratio, up/down market capture ratios, standard deviation and tracking error for each of the mandates that were considered. The directors also evaluated the relative performance of the candidates' composites versus the appropriate index, and considered Morningstar peer group rankings and ratings for each of the candidates' mandates.

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The directors also took into consideration information presented regarding the composition of accounts managed by the candidates in a mandate similar to the Portfolio, including sector weightings, number of holdings, portfolio turnover, and top ten holdings percentages, as well as attribution information presented regarding the drivers of performance of such accounts.

Based on these and other factors deemed relevant, the Board concluded that they were satisfied with the experience and capabilities of T. Rowe Price, the personnel to be associated with the management of the Portfolio, and the firm's investment performance record across accounts managed in a mandate similar to the Portfolio.

Management Fees and Other Expenses. In evaluating the management fees paid by the Portfolio, the directors considered the contractual fees (and applicable breakpoints) paid by the Portfolio under the Advisory Agreement between Mason Street Advisors and the Series Fund with respect to the Portfolio. The directors considered the sub-advisory fees (and applicable breakpoints) proposed by the three sub-advisory candidates for services to be provided to the Portfolio. In connection with their review of proposed sub-advisory fees, the directors also considered the proposed allocation between Mason Street Advisors and each sub-advisory candidate of the Portfolio's investment advisory fee (i.e., the amount of the advisory fee retained by Mason Street Advisors relative to that would be paid to a sub-advisory candidate as a management fee). In evaluating proposed sub-advisory fees relative to the Portfolio, the directors considered information relating to amounts the sub-advisory candidates charged under other advisory contracts involving a similar investment mandate. The directors considered the existing structure, size, and total operating expenses of the Portfolio. They also considered the advisory fee waiver arrangement that was in place for the Portfolio.

The directors determined that the fees proposed by T. Rowe Price were favorable and were the product of an arm's-length negotiation between Mason Street Advisors and the firm. Based on their review of the management fees and other expenses, comparative fee data and other factors deemed relevant by the directors, the Board concluded that the management fees, the sub-advisory fees proposed by T. Rowe Price, and the total operating expenses of the Portfolio were reasonable in relation to the nature, scope and quality of the services to be provided by T. Rowe Price.

Costs and Profitability. The directors considered Mason Street Advisors' pricing methodology for its services as investment adviser for the products of which the Portfolio is an investment option. Mason Street Advisors provided comparative information regarding the proposed sub-advisory fees of the candidates, projections regarding the amount of the advisory fee that Mason Street Advisors would retain based upon the candidates' proposed sub-advisory fees, and profitability analysis scenarios for the Portfolio based upon the sub-advisory fees proposed by the candidates. The directors considered the financial condition of Mason Street Advisors and Mason Street Advisors' costs and profitability related to the Portfolio in light of the sub-advisory fees negotiated with T. Rowe Price.

Based on their review of the sub-advisory fees proposed by T. Rowe Price and the profitability analysis for the Portfolio reflecting the incorporation of such sub-advisory fees, the Board concluded that they were satisfied that Mason Street Advisors' resulting level of profitability related to services provided to the Portfolio was appropriate and not excessive.

Economies of Scale. The directors considered whether the Portfolio's expense structure permitted economies of scale to be shared with investors in the Portfolio. They also took into consideration the total assets and expense ratios of the Portfolio. The directors considered the breakpoints contained in the management fee schedules applicable to the Portfolio, as well as the breakpoints contained in the sub-advisory fee schedule for the Portfolio proposed by T. Rowe Price, and the extent to which a Portfolio may benefit from economies of scale through those breakpoints. The directors also considered the fee waiver agreement in place for the Portfolio. Based on this information, the Board concluded that the fee structure for the Portfolio reflected appropriate economies of scale between the Portfolio and Mason Street Advisors.

Other Information. The directors were presented with other information intended to assist them in their consideration of the approval of the New Sub-Advisory Agreement, including information regarding any regulatory inquiries, examinations or actions to which T. Rowe Price or its affiliates may have been a party, and issues arising out of those regulatory events. The directors also received information regarding internal policy and investment decision making authority and practices in place

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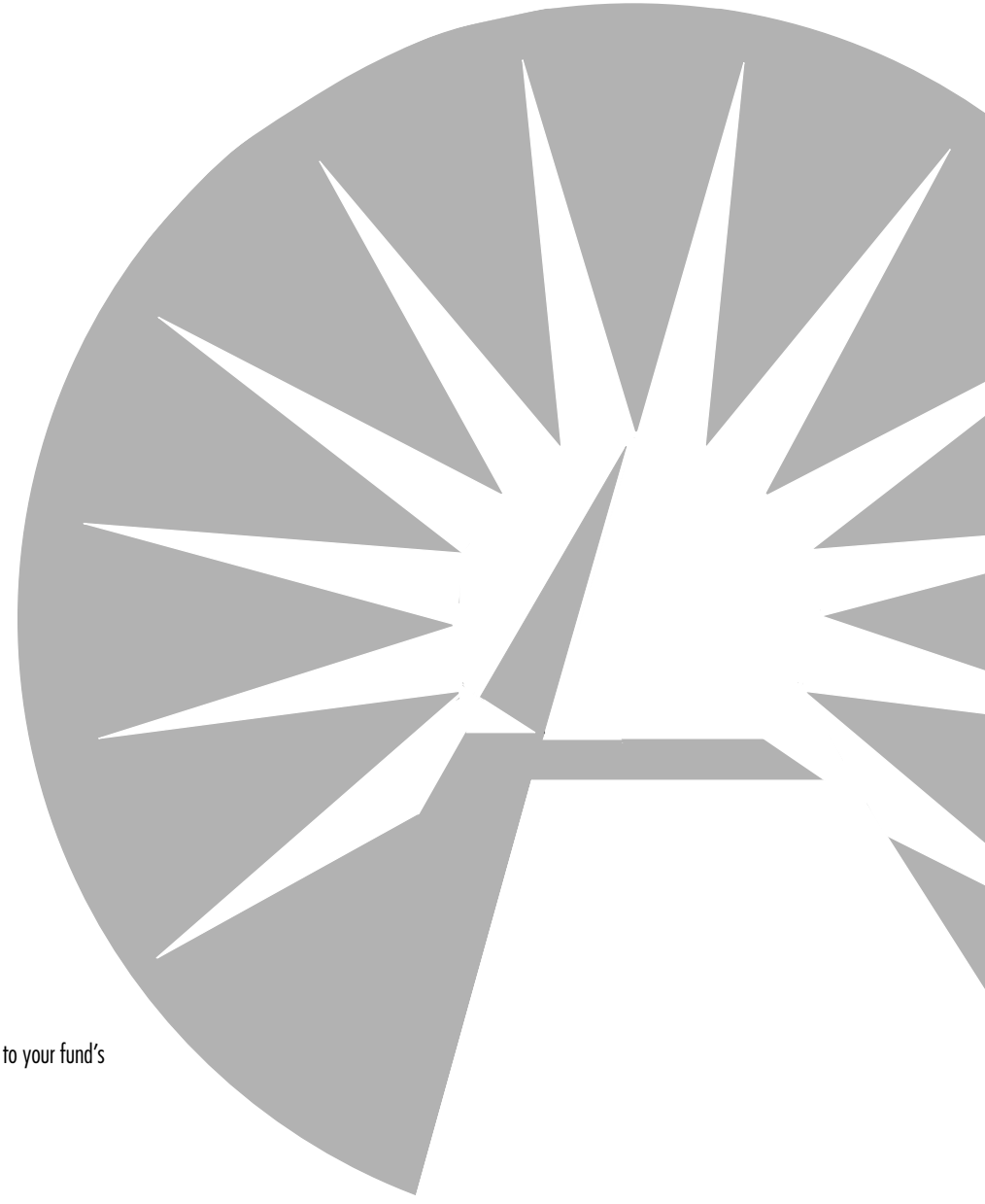
for T. Rowe Price as well as portfolio manager compensation practices as they may apply to the portfolio managers proposed to provide services to the Portfolio.

Conclusions of the Directors. Based on a consideration of all information deemed relevant in its totality, the Board, including the Independent Directors, and assisted by the advice of legal counsel independent of Mason Street Advisors, in the exercise of its business judgment concluded that it was in the best interest of the Portfolio to approve hiring T. Rowe Price as sub-adviser for the Portfolio and entering into the New Sub-Advisory Agreement between Mason Street Advisors and T. Rowe Price.

Fidelity® Variable Insurance Products:

Mid Cap Portfolio

Annual Report
December 31, 2019



See the inside front cover for important information about access to your fund's shareholder reports.

Fidelity INVESTMENTS®

Beginning on January 1, 2021, as permitted by regulations adopted by the Securities and Exchange Commission, and if your insurance carrier elects to participate, you may not be receiving paper copies of the Fund's shareholder reports from the insurance company that offers your variable insurance product unless you specifically request paper copies from your financial professional or the administrator of your variable insurance product. Instead, the reports will be made available on a website, and you will be notified by mail each time a report is posted and provided with a website link to access the report.

If you already elected to receive shareholder reports electronically, you will not be affected by this change and you need not take any action. You may elect to receive shareholder reports and other communications from the Fund electronically, by contacting your financial professional or the administrator of your variable insurance product. If you own a Fidelity-administered variable insurance product, please visit fidelity.com/mailpreferences to make your election or call 1-800-343-3548.

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To view a fund's proxy voting guidelines and proxy voting record for the 12-month period ended June 30, visit http://www.fidelity.com/proxyvotingresults or visit the Securities and Exchange Commission's (SEC) web site at http://www.sec.gov.

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A fund files its complete schedule of portfolio holdings with the SEC for the first and third quarters of each fiscal year on Form N-PORT. Forms N-PORT are available on the SEC's web site at http://www.sec.gov. A fund's Forms N-PORT may be reviewed and copied at the SEC's Public Reference Room in Washington, DC. Information regarding the operation of the SEC's Public Reference Room may be obtained by calling 1-800-SEC-0330.

For a complete list of a fund's portfolio holdings, view the most recent holdings listing, semiannual report, or annual report on Fidelity's web site at http://www.fidelity.com, http://www.institutional.fidelity.com, or http://www.401k.com, as applicable.

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Neither the Fund nor Fidelity Distributors Corporation is a bank.

Performance: The Bottom Line

Average annual total return reflects the change in the value of an investment, assuming reinvestment of distributions from dividend income and capital gains (the profits earned upon the sale of securities that have grown in value, if any) and assuming a constant rate of performance each year. During periods of reimbursement by Fidelity, a fund's total return will be greater than it would be had the reimbursement not occurred. Performance numbers are net of all underlying fund operating expenses, but do not include any insurance charges imposed by your insurance company's separate account. If performance information included the effect of these additional charges, the total returns would have been lower. How a fund did yesterday is no guarantee of how it will do tomorrow.

Average Annual Total Returns

For the periods ended December 31, 2019	Past 1 year	Past 5 years	Past 10 years
Initial Class	23.45%	7.12%	10.45%
Service Class	23.35%	7.01%	10.34%
Service Class 2	23.17%	6.86%	10.18%
Investor Class	23.35%	7.04%	10.36%

$10,000 Over 10 Years

Let's say hypothetically that $10,000 was invested in VIP Mid Cap Portfolio – Initial Class on December 31, 2009.

The chart shows how the value of your investment would have changed, and also shows how the S&P MidCap 400® Index performed over the same period.



Management's Discussion of Fund Performance

Market Recap: U.S. stocks continued to roll in 2019, with the S&P 500® index soaring 31.49% and marking history as the longest and strongest bull market ever, despite persistent, nagging concerns about global economic growth and trade. After a rough end to 2018, equities sharply reversed course to begin the new year amid upbeat company earnings and signs the Federal Reserve may pause on rates. The uptrend continued until May, when the index sunk as trade negotiations between the U.S. and China broke down. The bull market roared back to record a series of highs in July, when the Fed cut interest rates for the first time since 2008. Volatility intensified in August, as the Treasury yield curve inverted, which some investors viewed as a sign the U.S. economy could be heading for recession. But the market proved resilient, hitting a new high on October 30, when the Fed lowered rates for the third time in 2019, and moving even higher through year-end. Gains were robust and broad-based, with information technology (+50%) leading the way with its best calendar-year result in a decade, amid strong growth trends. Communication services (+33%) and financials (+32%) also stood out. In contrast, energy (+12%) was by far the weakest group – struggling amid sluggish oil prices – while several strong gainers nonetheless fell short of the broader market: industrials and real estate (+29% each), consumer discretionary and consumer staples (+28% each), utilities (+26%), materials (+25%), and health care (+21%).

Comments from Co-Portfolio Managers Thomas Allen and Daniel Sherwood: For the year, the fund's share classes gained roughly 23%, trailing the 26.20% advance of the benchmark S&P MidCap 400® Index. Versus the benchmark, the portfolio's positioning among industrials stocks detracted the most from relative performance in 2019. Lackluster investment choices in materials, information technology and consumer discretionary also hurt. A cash position of roughly 5%, on average, further weighed on the fund's relative result in a rising stock market. In terms of individual holdings, fertilizer stock Mosaic was the largest relative detractor, returning -25% the past year. Concerns about trade with China, coupled with historic rain and flooding that significantly delayed planting in the U.S. "Corn Belt," forced the company to reduce financial guidance for the full year. Spirit Airlines also hampered relative performance this period, returning -30%. An overweight stake in chemical company Chemours (-33%) also proved disappointing. In contrast, the portfolio's positioning in utilities lifted our relative result. Picks in energy, consumer staples and communication services added considerable value, but were partly offset by sizable overweightings in each of those lagging sectors. The top relative contributor was Euronet Worldwide, a provider of payment and transaction processing. Our stake here gained about 54%, mainly due to a strong first half of 2019 for the stock. Oil & gas exploration & production company Anadarko Petroleum (+64%) also aided the fund's performance. The stock moved sharply higher in April after the company became the target of a bidding war between Chevron and Occidental Petroleum, and we exited the majority of our position by the end of that month. All contributors and detractors mentioned here were out-of-benchmark positions, except for Chemours.

The views expressed above reflect those of the portfolio manager(s) only through the end of the period as stated on the cover of this report and do not necessarily represent the views of Fidelity or any other person in the Fidelity organization. Any such views are subject to change at any time based upon market or other conditions and Fidelity disclaims any responsibility to update such views. These views may not be relied on as investment advice and, because investment decisions for a Fidelity fund are based on numerous factors, may not be relied on as an indication of trading intent on behalf of any Fidelity fund.

Note to shareholders: On February 22, 2019, Daniel Sherwood assumed co-management responsibilities for the fund, joining Co-Manager Thomas Allen.

Investment Summary (Unaudited)

Top Ten Stocks as of December 31, 2019

	% of fund's net assets
Activision Blizzard, Inc.	2.0
The AES Corp.	2.0
Electronic Arts, Inc.	1.8
FleetCor Technologies, Inc.	1.6
Euronet Worldwide, Inc.	1.6
Deckers Outdoor Corp.	1.5
ITT, Inc.	1.4
Zimmer Biomet Holdings, Inc.	1.3
Akamai Technologies, Inc.	1.3
Nomad Foods Ltd.	1.2
	15.7

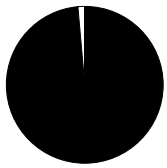
Top Five Market Sectors as of December 31, 2019

	% of fund's net assets
Information Technology	19.1
Financials	14.5
Industrials	13.4
Health Care	10.2
Materials	7.5

Asset Allocation (% of fund's net assets)

As of December 31, 2019*

■ Stocks II	98.6%
□ Short-Term Investments and Net Other Assets (Liabilities)	1.4%



* *Foreign investments – 16.6%*

Schedule of Investments December 31, 2019

Showing Percentage of Net Assets

Common Stocks – 98.6%

	Shares	Value
COMMUNICATION SERVICES – 5.8%		
Entertainment – 4.4%		
Activision Blizzard, Inc.	2,478,400	$ 147,266,526
Electronic Arts, Inc. (a)	1,197,290	128,720,648
Lions Gate Entertainment Corp.:		
Class A (a) (b)	837,237	8,924,946
Class B (a)	443,050	4,399,487
World Wrestling Entertainment, Inc. Class A (b)	497,300	32,259,851
		321,571,458
Media – 1.4%		
Interpublic Group of Companies, Inc.	2,434,185	56,229,674
News Corp. Class A	638,600	9,029,804
The New York Times Co. Class A (b)	1,120,900	36,059,353
		101,318,831
TOTAL COMMUNICATION SERVICES		422,890,289
CONSUMER DISCRETIONARY – 6.2%		
Hotels, Restaurants & Leisure – 2.2%		
ARAMARK Holdings Corp.	557,200	24,182,480
Churchill Downs, Inc.	31,700	4,349,240
Dine Brands Global, Inc. (b)	476,198	39,772,057
Eldorado Resorts, Inc. (a)	289,531	17,267,629
Hilton Grand Vacations, Inc. (a)	768,500	26,428,715
Jubilant Foodworks Ltd.	150,140	3,476,649
Penn National Gaming, Inc. (a)	448,000	11,450,880
The Restaurant Group PLC	407,000	878,753
Wyndham Hotels & Resorts, Inc.	506,200	31,794,422
		159,600,825
Household Durables – 0.4%		
KB Home	370,800	12,707,316
Toll Brothers, Inc.	502,800	19,865,628
		32,572,944
Internet & Direct Marketing Retail – 0.1%		
Naspers Ltd. Class N	30,800	5,040,328
Prosus NV (a)	30,800	2,298,502
		7,338,830
Multiline Retail – 0.8%		
Dollar Tree, Inc. (a)	611,700	57,530,385
Specialty Retail – 0.3%		
Williams-Sonoma, Inc.	317,600	23,324,544
Textiles, Apparel & Luxury Goods – 2.4%		
Capri Holdings Ltd. (a)	320,100	12,211,815
Deckers Outdoor Corp. (a)	626,325	105,761,240
PVH Corp.	519,300	54,604,395
		172,577,450
TOTAL CONSUMER DISCRETIONARY		452,944,978
CONSUMER STAPLES – 6.6%		
Beverages – 0.6%		
C&C Group PLC (United Kingdom)	7,164,645	38,578,024
Food & Staples Retailing – 1.9%		
Performance Food Group Co. (a)	1,244,896	64,087,246
U.S. Foods Holding Corp. (a)	1,785,800	74,807,162
		138,894,408
Food Products – 3.1%		
Conagra Brands, Inc.	1,202,000	$ 41,156,480
Ezaki Glico Co. Ltd.	530,800	23,766,435
Nomad Foods Ltd. (a)	3,727,100	83,375,227
Post Holdings, Inc. (a)	341,800	37,290,380
TreeHouse Foods, Inc. (a)	741,000	35,938,500
		221,527,022
Household Products – 0.9%		
Essity AB Class B	1,118,800	36,049,671
Spectrum Brands Holdings, Inc.	485,700	31,225,653
		67,275,324
Personal Products – 0.1%		
Edgewell Personal Care Co. (a)	305,600	9,461,376
TOTAL CONSUMER STAPLES		475,736,154
ENERGY – 4.5%		
Energy Equipment & Services – 0.9%		
Baker Hughes, A GE Co. Class A	1,460,581	37,434,691
Helmerich & Payne, Inc.	268,400	12,193,412
Oceaneering International, Inc. (a)	1,317,400	19,642,434
		69,270,537
Oil, Gas & Consumable Fuels – 3.6%		
Cabot Oil & Gas Corp.	484,600	8,436,886
Cheniere Energy, Inc. (a)	967,200	59,066,904
Cimarex Energy Co.	218,200	11,453,318
Devon Energy Corp.	796,600	20,687,702
Encana Corp.	4,160,680	19,513,589
Noble Energy, Inc.	2,625,934	65,228,201
Par Pacific Holdings, Inc. (a)	958,800	22,282,512
Suncor Energy, Inc.	746,800	24,476,384
World Fuel Services Corp.	658,600	28,596,412
		259,741,908
TOTAL ENERGY		329,012,445
FINANCIALS – 14.5%		
Banks – 6.8%		
Bank OZK	444,200	13,550,321
BankUnited, Inc.	470,961	17,218,334
Boston Private Financial Holdings, Inc.	2,334,816	28,087,836
CIT Group, Inc.	737,100	33,633,873
CVB Financial Corp.	1,096,662	23,665,966
East West Bancorp, Inc.	100,700	4,904,090
First Horizon National Corp.	2,559,600	42,386,976
FNB Corp., Pennsylvania	778,400	9,885,680
Great Western Bancorp, Inc.	180,930	6,285,508
Heartland Financial U.S.A., Inc.	72,200	3,591,228
Huntington Bancshares, Inc.	5,437,716	82,000,757
KeyCorp	856,200	17,329,488
Lakeland Financial Corp.	79,919	3,910,437
M&T Bank Corp.	276,900	47,003,775
PacWest Bancorp	748,300	28,637,441
Prosperity Bancshares, Inc.	97,800	7,030,842
Signature Bank	278,600	38,059,546
UMB Financial Corp.	261,200	17,928,768

See accompanying notes which are an integral part of the financial statements.

Common Stocks – continued

	Shares	Value
FINANCIALS – continued		
Banks – continued		
Union Bankshares Corp.	649,900	$ 24,403,745
Univest Corp. of Pennsylvania	61,900	1,657,682
Valley National Bancorp	558,800	6,398,260
Wintrust Financial Corp.	477,900	33,883,110
		491,453,663
Capital Markets – 1.5%		
Affiliated Managers Group, Inc.	83,400	7,067,316
Ameriprise Financial, Inc.	133,913	22,307,228
Cboe Global Markets, Inc.	100,600	12,072,000
CRISIL Ltd.	78,365	2,095,005
Legg Mason, Inc.	268,700	9,649,017
Moody's Corp.	138,800	32,952,508
Raymond James Financial, Inc.	275,695	24,663,675
		110,806,749
Consumer Finance – 1.2%		
Capital One Financial Corp.	241,400	24,842,474
OneMain Holdings, Inc.	157,400	6,634,410
Synchrony Financial	1,514,000	54,519,140
		85,996,024
Insurance – 4.1%		
Alleghany Corp. (a)	18,100	14,472,217
Bajaj Finserv Ltd.	52,508	6,912,284
Chubb Ltd.	229,839	35,776,739
Hiscox Ltd.	1,447,717	27,307,278
Hyundai Fire & Marine Insurance Co. Ltd.	257,141	5,996,634
Old Republic International Corp.	1,519,400	33,988,978
Primerica, Inc.	595,520	77,751,091
Principal Financial Group, Inc.	1,143,600	62,898,000
Reinsurance Group of America, Inc.	193,124	31,490,799
		296,594,020
Thrifts & Mortgage Finance – 0.9%		
Essent Group Ltd.	1,012,670	52,648,713
Housing Development Finance Corp. Ltd.	410,552	13,880,979
		66,529,692
TOTAL FINANCIALS		1,051,380,148
HEALTH CARE – 10.2%		
Biotechnology – 1.4%		
Alexion Pharmaceuticals, Inc. (a)	496,500	53,696,475
Argenx SE ADR (a)	31,945	5,127,811
FibroGen, Inc. (a)	437,800	18,777,242
Sarepta Therapeutics, Inc. (a)	197,300	25,459,592
		103,061,120
Health Care Equipment & Supplies – 5.6%		
Boston Scientific Corp. (a)	1,213,203	54,861,040
Dentsply Sirona, Inc.	123,900	7,011,501
Envista Holdings Corp. (a)	716,000	21,222,240
Hill-Rom Holdings, Inc.	218,511	24,807,554
Hologic, Inc. (a)	1,148,624	59,969,659
Medtronic PLC	318,100	36,088,445
ResMed, Inc.	153,348	23,764,340
STERIS PLC	309,400	47,158,748
The Cooper Companies, Inc.	114,783	$ 36,878,630
Zimmer Biomet Holdings, Inc.	618,300	92,547,144
		404,309,301
Health Care Providers & Services – 2.6%		
Centene Corp. (a)	965,376	60,693,189
Cigna Corp.	92,400	18,894,876
HCA Holdings, Inc.	299,235	44,229,925
HealthEquity, Inc. (a)	278,000	20,591,460
Universal Health Services, Inc. Class B	317,700	45,577,242
		189,986,692
Life Sciences Tools & Services – 0.6%		
10X Genomics, Inc. (a)	52,899	4,033,549
Thermo Fisher Scientific, Inc.	127,263	41,343,931
		45,377,480
Pharmaceuticals – 0.0%		
Theravance Biopharma, Inc. (a)	10,605	274,563
TOTAL HEALTH CARE		743,009,156
INDUSTRIALS – 13.4%		
Aerospace & Defense – 0.0%		
MTU Aero Engines Holdings AG	5,514	1,574,715
Air Freight & Logistics – 0.9%		
XPO Logistics, Inc. (a) (b)	845,881	67,416,716
Airlines – 0.6%		
Allegiant Travel Co.	71,200	12,391,648
Copa Holdings SA Class A	68,800	7,435,904
Spirit Airlines, Inc. (a)	514,913	20,756,143
		40,583,695
Building Products – 0.4%		
Johnson Controls International PLC	791,576	32,225,059
Commercial Services & Supplies – 1.2%		
Knoll, Inc.	1,249,606	31,565,048
Stericycle, Inc. (a) (b)	920,592	58,742,976
		90,308,024
Construction & Engineering – 1.4%		
Dycom Industries, Inc. (a)	829,100	39,092,065
Fluor Corp.	823,600	15,549,568
Jacobs Engineering Group, Inc.	498,655	44,794,179
		99,435,812
Electrical Equipment – 3.2%		
AMETEK, Inc.	399,600	39,856,104
Generac Holdings, Inc. (a)	563,300	56,662,347
Hubbell, Inc. Class B	476,400	70,421,448
Regal Beloit Corp.	478,115	40,931,425
Sunrun, Inc. (a) (b)	1,685,183	23,272,377
		231,143,701
Industrial Conglomerates – 0.4%		
Smiths Group PLC	1,347,170	30,103,863
Machinery – 4.5%		
Allison Transmission Holdings, Inc.	607,800	29,368,896
Flowserve Corp.	645,400	32,121,558
Gardner Denver Holdings, Inc. (a)	872,100	31,988,628
Ingersoll-Rand PLC	485,045	64,472,181

See accompanying notes which are an integral part of the financial statements.

Common Stocks – continued

	Shares	Value
INDUSTRIALS – continued		
Machinery – continued		
ITT, Inc.	1,391,400	$ 102,838,374
Rexnord Corp. (a)	1,956,234	63,812,353
		324,601,990
Road & Rail – 0.1%		
Knight-Swift Transportation Holdings, Inc. Class A	221,974	7,955,548
Trading Companies & Distributors – 0.7%		
HD Supply Holdings, Inc. (a)	1,172,493	47,157,668
TOTAL INDUSTRIALS		972,506,791
INFORMATION TECHNOLOGY – 19.1%		
Communications Equipment – 0.4%		
Ericsson (B Shares)	3,676,400	32,123,705
Electronic Equipment & Components – 2.6%		
CDW Corp.	402,301	57,464,675
Keysight Technologies, Inc. (a)	27,953	2,868,816
Samsung SDI Co. Ltd.	180,110	36,781,316
TE Connectivity Ltd.	354,266	33,952,853
Zebra Technologies Corp. Class A (a)	222,500	56,835,400
		187,903,060
IT Services – 11.6%		
Akamai Technologies, Inc. (a)	1,070,900	92,504,342
Black Knight, Inc. (a)	533,300	34,387,184
Cognizant Technology Solutions Corp. Class A	284,893	17,669,064
EPAM Systems, Inc. (a)	185,900	39,440,544
Euronet Worldwide, Inc. (a)	732,377	115,393,320
FleetCor Technologies, Inc. (a)	416,340	119,789,345
Genpact Ltd.	1,805,788	76,150,080
Global Payments, Inc.	287,102	52,413,341
GoDaddy, Inc. (a)	778,800	52,896,096
Indra Sistemas SA (a)	1,704,100	19,458,958
KBR, Inc.	1,935,800	59,041,900
Leidos Holdings, Inc.	72,300	7,077,447
Maximus, Inc.	247,700	18,426,403
PayPal Holdings, Inc. (a)	189,700	20,519,849
Sabre Corp.	259,800	5,829,912
Tech Mahindra Ltd.	1,702,400	18,187,086
Verra Mobility Corp. (a)	2,932,500	41,025,675
Visa, Inc. Class A	279,300	52,480,470
		842,691,016
Semiconductors & Semiconductor Equipment – 4.0%		
First Solar, Inc. (a) (b)	287,200	16,071,712
Marvell Technology Group Ltd.	1,908,900	50,700,384
MKS Instruments, Inc.	350,700	38,580,507
NXP Semiconductors NV	435,200	55,383,552
Qualcomm, Inc.	718,800	63,419,724
Semtech Corp. (a)	409,751	21,675,828
SolarEdge Technologies, Inc. (a)	459,000	43,646,310
		289,478,017

	Shares	Value
Software – 0.5%		
Adobe, Inc. (a)	86,600	$ 28,561,546
CDK Global, Inc.	126,300	6,906,084
		35,467,630
TOTAL INFORMATION TECHNOLOGY		1,387,663,428
MATERIALS – 7.5%		
Chemicals – 3.6%		
Ashland Global Holdings, Inc.	164,026	12,552,910
CF Industries Holdings, Inc.	369,900	17,659,026
Element Solutions, Inc. (a)	3,404,300	39,762,224
Innospec, Inc.	125,009	12,930,931
LG Chemical Ltd.	91,108	25,030,970
Orion Engineered Carbons SA	1,606,100	30,997,730
The Chemours Co. LLC	1,801,100	32,581,899
The Mosaic Co.	2,458,200	53,195,448
W.R. Grace & Co.	486,200	33,961,070
		258,672,208
Construction Materials – 0.4%		
Martin Marietta Materials, Inc.	95,000	26,565,800
Taiheiyo Cement Corp.	193,000	5,665,151
		32,230,951
Containers & Packaging – 1.9%		
Aptargroup, Inc.	165,230	19,103,893
Avery Dennison Corp.	396,500	51,870,130
Crown Holdings, Inc. (a)	933,400	67,708,836
		138,682,859
Metals & Mining – 1.6%		
B2Gold Corp.	4,312,000	17,300,466
Barrick Gold Corp.	3,458,484	64,293,218
Continental Gold, Inc. (a)	100	412
Pan American Silver Corp. rights (a) (c)	686,100	5
Torex Gold Resources, Inc. (a)	2,266,400	35,814,199
		117,408,300
TOTAL MATERIALS		546,994,318
REAL ESTATE – 6.6%		
Equity Real Estate Investment Trusts (REITs) – 6.2%		
Alexandria Real Estate Equities, Inc.	221,000	35,709,180
American Homes 4 Rent Class A	659,600	17,288,116
Corporate Office Properties Trust (SBI)	1,046,500	30,746,170
Douglas Emmett, Inc.	531,200	23,319,680
Duke Realty Corp.	520,900	18,059,603
Federal Realty Investment Trust (SBI)	129,800	16,709,154
Healthcare Trust of America, Inc.	553,400	16,756,952
Hibernia (REIT) PLC	6,056,285	9,578,602
Highwoods Properties, Inc. (SBI)	1,206,900	59,029,479
Invitation Homes, Inc.	581,900	17,439,543
National Retail Properties, Inc.	869,600	46,627,952
Outfront Media, Inc.	864,100	23,175,162
Realty Income Corp.	505,300	37,205,239
Safestore Holdings PLC	4,115,659	43,939,911
Store Capital Corp.	702,191	26,149,593

See accompanying notes which are an integral part of the financial statements.

Common Stocks – continued

	Shares	Value
REAL ESTATE – continued		
Equity Real Estate Investment Trusts (REITs) – continued		
Urban Edge Properties	1,000,400	$ 19,187,672
VEREIT, Inc.	1,437,750	13,284,810
		454,206,818
Real Estate Management & Development – 0.4%		
CBRE Group, Inc. (a)	367,423	22,519,356
Wing Tai Holdings Ltd.	3,999,300	6,006,607
		28,525,963
TOTAL REAL ESTATE		482,732,781
UTILITIES – 4.2%		
Independent Power and Renewable Electricity Producers – 4.2%		
Clearway Energy, Inc. Class C	2,736,590	54,594,971
NextEra Energy Partners LP	1,062,500	55,940,625
The AES Corp.	7,279,700	144,866,030
Vistra Energy Corp.	2,260,106	51,959,837
		307,361,463
TOTAL COMMON STOCKS		
(Cost $5,412,190,368)		**7,172,231,951**

Money Market Funds – 2.9%

Fidelity Cash Central Fund 1.58% (d)	103,637,581	103,658,309
Fidelity Securities Lending Cash Central Fund 1.58% (d) (e)	104,231,854	104,242,277
TOTAL MONEY MARKET FUNDS		
(Cost $207,900,586)		**207,900,586**
TOTAL INVESTMENT IN SECURITIES – 101.5%		
(Cost $5,620,090,954)		**7,380,132,537**
NET OTHER ASSETS (LIABILITIES) – (1.5)%		**(106,146,520)**
NET ASSETS – 100%		**$7,273,986,017**

Legend

(a) Non-income producing

(b) Security or a portion of the security is on loan at period end.

(c) Level 3 security

(d) Affiliated fund that is generally available only to investment companies and other accounts managed by Fidelity Investments. The rate quoted is the annualized seven-day yield of the fund at period end. A complete unaudited listing of the fund's holdings as of its most recent quarter end is available upon request. In addition, each Fidelity Central Fund's financial statements, which are not covered by the Fund's Report of Independent Registered Public Accounting Firm, are available on the SEC's website or upon request.

(e) Investment made with cash collateral received from securities on loan.

See accompanying notes which are an integral part of the financial statements.

Affiliated Central Funds

Information regarding fiscal year to date income earned by the Fund from investments in Fidelity Central Funds is as follows:

Fund	Income earned
Fidelity Cash Central Fund	$ 9,220,954
Fidelity Securities Lending Cash Central Fund	551,895
Total	$ 9,772,849

Amounts in the income column in the above table include any capital gain distributions from underlying funds, which are presented in the corresponding line-item in the Statement of Operations, if applicable. Amount for Fidelity Securities Lending Cash Central Fund represents the income earned on investing cash collateral, less rebates paid to borrowers and any lending agent fees associated with the loan, plus any premium payments received for lending certain types of securities.

Investment Valuation

The following is a summary of the inputs used, as of December 31, 2019, involving the Fund's assets and liabilities carried at fair value. The inputs or methodology used for valuing securities may not be an indication of the risk associated with investing in those securities. For more information on valuation inputs, and their aggregation into the levels used below, please refer to the Investment Valuation section in the accompanying Notes to Financial Statements.

	Valuation Inputs at Reporting Date:			
Description	Total	Level 1	Level 2	Level 3
Investments in Securities:				
Equities:				
Communication Services	$ 422,890,289	$ 422,890,289	$ —	$ —
Consumer Discretionary	452,944,978	447,904,650	5,040,328	—
Consumer Staples	475,736,154	475,736,154	—	—
Energy	329,012,445	329,012,445	—	—
Financials	1,051,380,148	1,051,380,148	—	—
Health Care	743,009,156	743,009,156	—	—
Industrials	972,506,791	972,506,791	—	—
Information Technology	1,387,663,428	1,355,539,723	32,123,705	—
Materials	546,994,318	541,329,162	5,665,151	5
Real Estate	482,732,781	482,732,781	—	—
Utilities	307,361,463	307,361,463	—	—
Money Market Funds	207,900,586	207,900,586	—	—
Total Investments in Securities:	$7,380,132,537	$7,337,303,348	$42,829,184	$ 5

Other Information

Distribution of investments by country or territory of incorporation, as a percentage of Total Net Assets, is as follows (Unaudited):

United States of America	83.4%
Ireland	3.2%
Bermuda	2.8%
Canada	2.4%
British Virgin Islands	1.4%
United Kingdom	1.0%
Switzerland	1.0%
Others (Individually Less Than 1%)	4.8%
	100.0%

See accompanying notes which are an integral part of the financial statements.

Financial Statements

Statement of Assets and Liabilities

		December 31, 2019
Assets		
Investment in securities, at value (including securities loaned of $101,896,660) — See accompanying schedule:		
Unaffiliated issuers (cost $5,412,190,368)	$ 7,172,231,951	
Fidelity Central Funds (cost $207,900,586)	207,900,586	
Total Investment in Securities (cost $5,620,090,954)		$ 7,380,132,537
Cash		7,333
Foreign currency held at value (cost $46,255)		47,484
Receivable for investments sold		1,692,168
Receivable for fund shares sold		640,633
Dividends receivable		6,080,897
Distributions receivable from Fidelity Central Funds		409,735
Prepaid expenses		10,024
Other receivables		225,158
Total assets		7,389,245,969
Liabilities		
Payable for investments purchased	$ 19,065	
Payable for fund shares redeemed	6,023,133	
Accrued management fee	3,211,713	
Distribution and service plan fees payable	1,133,609	
Other affiliated payables	527,453	
Other payables and accrued expenses	116,583	
Collateral on securities loaned	104,228,396	
Total liabilities		115,259,952
Net Assets		$ 7,273,986,017
Net Assets consist of:		
Paid in capital		$ 5,737,404,601
Total accumulated earnings (loss)		1,536,581,416
Net Assets		$ 7,273,986,017
Net Asset Value and Maximum Offering Price		
Initial Class:		
Net Asset Value, offering price and redemption price per share ($843,079,543 ÷ 25,583,272 shares)		$ 32.95
Service Class:		
Net Asset Value, offering price and redemption price per share ($564,678,389 ÷ 17,326,447 shares)		$ 32.59
Service Class 2:		
Net Asset Value, offering price and redemption price per share ($5,282,468,299 ÷ 166,389,209 shares)		$ 31.75
Investor Class:		
Net Asset Value, offering price and redemption price per share ($583,759,786 ÷ 17,839,987 shares)		$ 32.72

See accompanying notes which are an integral part of the financial statements.

Statement of Operations

		Year ended December 31, 2019
Investment Income		
Dividends		$ 99,532,364
Income from Fidelity Central Funds (including $551,895 from security lending)		9,772,849
Total income		109,305,213
Expenses		
Management fee	$ 39,249,337	
Transfer agent fees	5,187,832	
Distribution and service plan fees	13,173,099	
Accounting and security lending fees	1,184,173	
Custodian fees and expenses	73,805	
Independent trustees' fees and expenses	40,183	
Audit	58,481	
Legal	25,161	
Interest	5,753	
Miscellaneous	51,639	
Total expenses before reductions	59,049,463	
Expense reductions	(513,092)	
Total expenses after reductions		58,536,371
Net investment income (loss)		50,768,842
Realized and Unrealized Gain (Loss)		
Net realized gain (loss) on:		
Investment securities:		
Unaffiliated issuers	(215,876,431)	
Fidelity Central Funds	10,272	
Foreign currency transactions	37,811	
Total net realized gain (loss)		(215,828,348)
Change in net unrealized appreciation (depreciation) on:		
Investment securities:		
Unaffiliated issuers	1,653,507,986	
Fidelity Central Funds	(7,545)	
Assets and liabilities in foreign currencies	1,042	
Total change in net unrealized appreciation (depreciation)		1,653,501,483
Net gain (loss)		1,437,673,135
Net increase (decrease) in net assets resulting from operations		$ 1,488,441,977

Statement of Changes in Net Assets

	Year ended December 31, 2019	Year ended December 31, 2018
Increase (Decrease) in Net Assets		
Operations		
Net investment income (loss)	$ 50,768,842	$ 37,194,595
Net realized gain (loss)	(215,828,348)	823,701,248
Change in net unrealized appreciation (depreciation)	1,653,501,483	(1,997,516,445)
Net increase (decrease) in net assets resulting from operations	1,488,441,977	(1,136,620,602)
Distributions to shareholders	(871,146,302)	(783,437,537)
Share transactions – net increase (decrease)	(46,009,752)	(199,541,008)
Total increase (decrease) in net assets	571,285,923	(2,119,599,147)
Net Assets		
Beginning of period	6,702,700,094	8,822,299,241
End of period	$ 7,273,986,017	$ 6,702,700,094

See accompanying notes which are an integral part of the financial statements.

Financial Highlights

VIP Mid Cap Portfolio Initial Class

Years ended December 31,	2019	2018	2017	2016	2015
Selected Per–Share Data					
Net asset value, beginning of period	$ 30.19	$ 38.94	$ 33.98	$ 32.65	$ 37.68
Income from Investment Operations					
Net investment income (loss) [A]	.27	.23	.26	.21	.17
Net realized and unrealized gain (loss)	6.39	(5.47)	6.59	3.27	(.59)
Total from investment operations	6.66	(5.24)	6.85	3.48	(.42)
Distributions from net investment income	(.28)	(.24)	(.26)	(.16)	(.16)[B]
Distributions from net realized gain	(3.63)	(3.27)	(1.63)	(1.99)	(4.45)[B]
Total distributions	(3.90)[C]	(3.51)	(1.89)	(2.15)	(4.61)
Net asset value, end of period	$ 32.95	$ 30.19	$ 38.94	$ 33.98	$ 32.65
Total Return [D,E]	23.45%	(14.54)%	20.81%	12.23%	(1.39)%
Ratios to Average Net Assets [F,G]					
Expenses before reductions	.62%	.62%	.63%	.63%	.63%
Expenses net of fee waivers, if any	.62%	.62%	.63%	.63%	.63%
Expenses net of all reductions	.61%	.62%	.62%	.63%	.63%
Net investment income (loss)	.88%	.62%	.74%	.68%	.49%
Supplemental Data					
Net assets, end of period (000 omitted)	$ 843,080	$ 1,141,305	$ 1,463,407	$ 1,360,134	$ 1,382,527
Portfolio turnover rate [H]	34%	47%	31%	30%	26%[I]

A *Calculated based on average shares outstanding during the period.*

B *The amounts shown reflect certain reclassifications related to book to tax differences that were made in the year shown.*

C *Total distributions of $3.90 per share is comprised of distributions from net investment income of $.276 and distributions from net realized gain of $3.626 per share.*

D *Total returns do not reflect charges attributable to your insurance company's separate account. Inclusion of these charges would reduce the total returns shown.*

E *Total returns would have been lower if certain expenses had not been reduced during the applicable periods shown.*

F *Fees and expenses of any underlying Fidelity Central Funds are not included in the Fund's expense ratio. The Fund indirectly bears its proportionate share of the expenses of any underlying Fidelity Central Funds.*

G *Expense ratios reflect operating expenses of the class. Expenses before reductions do not reflect amounts reimbursed by the investment adviser or reductions from brokerage service arrangements or reductions from other expense offset arrangements and do not represent the amount paid by the class during periods when reimbursements or reductions occur. Expenses net of fee waivers reflect expenses after reimbursement by the investment adviser but prior to reductions from brokerage service arrangements or other expense offset arrangements. Expenses net of all reductions represent the net expenses paid by the class.*

H *Amount does not include the portfolio activity of any underlying Fidelity Central Funds.*

I *The portfolio turnover rate does not include the assets acquired in the merger.*

See accompanying notes which are an integral part of the financial statements.

VIP Mid Cap Portfolio Service Class

Years ended December 31,	2019	2018	2017	2016	2015
Selected Per–Share Data					
Net asset value, beginning of period	$ 29.90	$ 38.60	$ 33.70	$ 32.41	$ 37.44
Income from Investment Operations					
Net investment income (loss) [A]	.24	.19	.23	.18	.13
Net realized and unrealized gain (loss)	6.33	(5.42)	6.52	3.23	(.59)
Total from investment operations	6.57	(5.23)	6.75	3.41	(.46)
Distributions from net investment income	(.25)	(.20)	(.22)	(.14)	(.13)[B]
Distributions from net realized gain	(3.63)	(3.27)	(1.63)	(1.99)	(4.45)[B]
Total distributions	(3.88)	(3.47)	(1.85)	(2.12)[C]	(4.57)[D]
Net asset value, end of period	$ 32.59	$ 29.90	$ 38.60	$ 33.70	$ 32.41
Total Return [E,F]	23.35%	(14.64)%	20.70%	12.11%	(1.50)%
Ratios to Average Net Assets [G,H]					
Expenses before reductions	.72%	.72%	.73%	.73%	.73%
Expenses net of fee waivers, if any	.72%	.72%	.73%	.73%	.73%
Expenses net of all reductions	.71%	.72%	.72%	.73%	.73%
Net investment income (loss)	.78%	.52%	.64%	.58%	.39%
Supplemental Data					
Net assets, end of period (000 omitted)	$ 564,678	$ 504,156	$ 629,727	$ 566,378	$ 566,349
Portfolio turnover rate [I]	34%	47%	31%	30%	26%[J]

A *Calculated based on average shares outstanding during the period.*

B *The amounts shown reflect certain reclassifications related to book to tax differences that were made in the year shown.*

C *Total distributions of $2.12 per share is comprised of distributions from net investment income of $.137 and distributions from net realized gain of $1.987 per share.*

D *Total distributions of $4.57 per share is comprised of distributions from net investment income of $.128 and distributions from net realized gain of $4.445 per share.*

E *Total returns do not reflect charges attributable to your insurance company's separate account. Inclusion of these charges would reduce the total returns shown.*

F *Total returns would have been lower if certain expenses had not been reduced during the applicable periods shown.*

G *Fees and expenses of any underlying Fidelity Central Funds are not included in the Fund's expense ratio. The Fund indirectly bears its proportionate share of the expenses of any underlying Fidelity Central Funds.*

H *Expense ratios reflect operating expenses of the class. Expenses before reductions do not reflect amounts reimbursed by the investment adviser or reductions from brokerage service arrangements or reductions from other expense offset arrangements and do not represent the amount paid by the class during periods when reimbursements or reductions occur. Expenses net of fee waivers reflect expenses after reimbursement by the investment adviser but prior to reductions from brokerage service arrangements or other expense offset arrangements. Expenses net of all reductions represent the net expenses paid by the class.*

I *Amount does not include the portfolio activity of any underlying Fidelity Central Funds.*

J *The portfolio turnover rate does not include the assets acquired in the merger.*

See accompanying notes which are an integral part of the financial statements.

VIP Mid Cap Portfolio Service Class 2

Years ended December 31,	2019	2018	2017	2016	2015
Selected Per–Share Data					
Net asset value, beginning of period	$ 29.22	$ 37.79	$ 33.03	$ 31.83	$ 36.84
Income from Investment Operations					
Net investment income (loss) [A]	.19	.13	.17	.13	.08
Net realized and unrealized gain (loss)	6.18	(5.28)	6.39	3.16	(.57)
Total from investment operations	6.37	(5.15)	6.56	3.29	(.49)
Distributions from net investment income	(.21)	(.15)	(.17)	(.10)	(.08)[B]
Distributions from net realized gain	(3.63)	(3.27)	(1.63)	(1.99)	(4.45)[B]
Total distributions	(3.84)	(3.42)	(1.80)	(2.09)	(4.52)[C]
Net asset value, end of period	$ 31.75	$ 29.22	$ 37.79	$ 33.03	$ 31.83
Total Return [D,E]	23.17%	(14.77)%	20.54%	11.92%	(1.63)%
Ratios to Average Net Assets [F,G]					
Expenses before reductions	.87%	.87%	.88%	.88%	.88%
Expenses net of fee waivers, if any	.87%	.87%	.88%	.88%	.88%
Expenses net of all reductions	.86%	.87%	.87%	.88%	.88%
Net investment income (loss)	.63%	.37%	.49%	.43%	.24%
Supplemental Data					
Net assets, end of period (000 omitted)	$ 5,282,468	$ 4,526,446	$ 6,070,380	$ 5,746,266	$ 5,591,030
Portfolio turnover rate [H]	34%	47%	31%	30%	26%[I]

A *Calculated based on average shares outstanding during the period.*

B *The amounts shown reflect certain reclassifications related to book to tax differences that were made in the year shown.*

C *Total distributions of $4.52 per share is comprised of distributions from net investment income of $.075 and distributions from net realized gain of $4.446 per share.*

D *Total returns do not reflect charges attributable to your insurance company's separate account. Inclusion of these charges would reduce the total returns shown.*

E *Total returns would have been lower if certain expenses had not been reduced during the applicable periods shown.*

F *Fees and expenses of any underlying Fidelity Central Funds are not included in the Fund's expense ratio. The Fund indirectly bears its proportionate share of the expenses of any underlying Fidelity Central Funds.*

G *Expense ratios reflect operating expenses of the class. Expenses before reductions do not reflect amounts reimbursed by the investment adviser or reductions from brokerage service arrangements or reductions from other expense offset arrangements and do not represent the amount paid by the class during periods when reimbursements or reductions occur. Expenses net of fee waivers reflect expenses after reimbursement by the investment adviser but prior to reductions from brokerage service arrangements or other expense offset arrangements. Expenses net of all reductions represent the net expenses paid by the class.*

H *Amount does not include the portfolio activity of any underlying Fidelity Central Funds.*

I *The portfolio turnover rate does not include the assets acquired in the merger.*

See accompanying notes which are an integral part of the financial statements.

VIP Mid Cap Portfolio Investor Class

Years ended December 31,	2019	2018	2017	2016	2015
Selected Per–Share Data					
Net asset value, beginning of period	$ 30.01	$ 38.72	$ 33.80	$ 32.50	$ 37.53
Income from Investment Operations					
Net investment income (loss) [A]	.25	.20	.23	.19	.14
Net realized and unrealized gain (loss)	6.34	(5.43)	6.55	3.24	(.59)
Total from investment operations	6.59	(5.23)	6.78	3.43	(.45)
Distributions from net investment income	(.26)	(.21)	(.23)	(.14)	(.14)[B]
Distributions from net realized gain	(3.63)	(3.27)	(1.63)	(1.99)	(4.45)[B]
Total distributions	(3.88)[C]	(3.48)	(1.86)	(2.13)	(4.58)[D]
Net asset value, end of period	$ 32.72	$ 30.01	$ 38.72	$ 33.80	$ 32.50
Total Return [E,F]	23.35%	(14.60)%	20.72%	12.13%	(1.47)%
Ratios to Average Net Assets [G,H]					
Expenses before reductions	.70%	.70%	.71%	.71%	.71%
Expenses net of fee waivers, if any	.70%	.70%	.71%	.71%	.71%
Expenses net of all reductions	.69%	.70%	.71%	.71%	.71%
Net investment income (loss)	.80%	.54%	.65%	.60%	.41%
Supplemental Data					
Net assets, end of period (000 omitted)	$ 583,760	$ 530,794	$ 658,785	$ 561,609	$ 523,368
Portfolio turnover rate [I]	34%	47%	31%	30%	26%[J]

A *Calculated based on average shares outstanding during the period.*

B *The amounts shown reflect certain reclassifications related to book to tax differences that were made in the year shown.*

C *Total distributions of $3.88 per share is comprised of distributions from net investment income of $.258 and distributions from net realized gain of $3.626 per share.*

D *Total distributions of $4.58 per share is comprised of distributions from net investment income of $.137 and distributions from net realized gain of $4.446 per share.*

E *Total returns do not reflect charges attributable to your insurance company's separate account. Inclusion of these charges would reduce the total returns shown.*

F *Total returns would have been lower if certain expenses had not been reduced during the applicable periods shown.*

G *Fees and expenses of any underlying Fidelity Central Funds are not included in the Fund's expense ratio. The Fund indirectly bears its proportionate share of the expenses of any underlying Fidelity Central Funds.*

H *Expense ratios reflect operating expenses of the class. Expenses before reductions do not reflect amounts reimbursed by the investment adviser or reductions from brokerage service arrangements or reductions from other expense offset arrangements and do not represent the amount paid by the class during periods when reimbursements or reductions occur. Expenses net of fee waivers reflect expenses after reimbursement by the investment adviser but prior to reductions from brokerage service arrangements or other expense offset arrangements. Expenses net of all reductions represent the net expenses paid by the class.*

I *Amount does not include the portfolio activity of any underlying Fidelity Central Funds.*

J *The portfolio turnover rate does not include the assets acquired in the merger.*

See accompanying notes which are an integral part of the financial statements.

1. Organization.

VIP Mid Cap Portfolio (the Fund) is a fund of Variable Insurance Products Fund III (the Trust) and is authorized to issue an unlimited number of shares. The Trust is registered under the Investment Company Act of 1940, as amended (the 1940 Act), as an open-end management investment company organized as a Massachusetts business trust. Shares of the Fund may only be purchased by insurance companies for the purpose of funding variable annuity or variable life insurance contracts. The Fund offers the following classes of shares: Initial Class shares, Service Class shares, Service Class 2 shares and Investor Class shares. All classes have equal rights and voting privileges, except for matters affecting a single class.

2. Investments in Fidelity Central Funds.

The Fund invests in Fidelity Central Funds, which are open-end investment companies generally available only to other investment companies and accounts managed by the investment adviser and its affiliates. The Fund's Schedule of Investments lists each of the Fidelity Central Funds held as of period end, if any, as an investment of the Fund, but does not include the underlying holdings of each Fidelity Central Fund. As an Investing Fund, the Fund indirectly bears its proportionate share of the expenses of the underlying Fidelity Central Funds.

The Money Market Central Funds seek preservation of capital and current income and are managed by Fidelity Investments Money Management, Inc. (FIMM), an affiliate of the investment adviser. Annualized expenses of the Money Market Central Funds as of their most recent shareholder report date ranged from less than .005% to .01%.

A complete unaudited list of holdings for each Fidelity Central Fund is available upon request or at the Securities and Exchange Commission (the SEC) website at www.sec.gov. In addition, the financial statements of the Fidelity Central Funds, which are not covered by the Fund's Report of Independent Registered Public Accounting Firm, are available on the SEC website or upon request.

3. Significant Accounting Policies.

The Fund is an investment company and applies the accounting and reporting guidance of the Financial Accounting Standards Board (FASB) Accounting Standards Codification Topic 946 Financial Services – Investments Companies. The financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP), which require management to make certain estimates and assumptions at the date of the financial statements. Actual results could differ from those estimates. Subsequent events, if any, through the date that the financial statements were issued have been evaluated in the preparation of the financial statements. The following summarizes the significant accounting policies of the Fund:

Investment Valuation. Investments are valued as of 4:00 p.m. Eastern time on the last calendar day of the period. The Board of Trustees (the Board) has delegated the day to day responsibility for the valuation of the Fund's investments to the Fair Value Committee (the Committee) established by the Fund's investment adviser. In accordance with valuation policies and procedures approved by the Board, the Fund attempts to obtain prices from one or more third party pricing vendors or brokers to value its investments. When current market prices, quotations or currency exchange rates are not readily available or reliable, investments will be fair valued in good faith by the Committee, in accordance with procedures adopted by the Board. Factors used in determining fair value vary by investment type and may include market or investment specific events. The frequency with which these procedures are used cannot be predicted and they may be utilized to a significant extent. The Committee oversees the Fund's valuation policies and procedures and reports to the Board on the Committee's activities and fair value determinations. The Board monitors the appropriateness of the procedures used in valuing the Fund's investments and ratifies the fair value determinations of the Committee.

The Fund categorizes the inputs to valuation techniques used to value its investments into a disclosure hierarchy consisting of three levels as shown below:

Level 1 – quoted prices in active markets for identical investments

Level 2 – other significant observable inputs (including quoted prices for similar investments, interest rates, prepayment speeds, etc.)

Level 3 – unobservable inputs (including the Fund's own assumptions based on the best information available)

Valuation techniques used to value the Fund's investments by major category are as follows:

Equity securities, including restricted securities, for which market quotations are readily available, are valued at the last reported sale price or official closing price as reported by a third party pricing vendor on the primary market or exchange on which they are traded and are categorized as Level 1 in the hierarchy. In the event there were no sales during the day or closing prices are not available, securities are valued at the last quoted bid price or may be valued using the last available price and are generally categorized as Level 2 in the hierarchy. For foreign equity securities, when market or security specific events arise, comparisons to the valuation of American Depositary Receipts (ADRs), futures contracts, Exchange-Traded Funds (ETFs) and certain indexes as well as quoted prices for similar securities may be used and would be categorized as Level 2 in the hierarchy. For equity securities, including restricted securities, where observable inputs are limited, assumptions about market activity and risk are used and these securities may be categorized as Level 3 in the hierarchy

Investments in open-end mutual funds, including the Fidelity Central Funds, are valued at their closing net asset value (NAV) each business day and are categorized as Level 1 in the hierarchy.

Changes in valuation techniques may result in transfers in or out of an assigned level within the disclosure hierarchy. The aggregate value of investments by input level as of December 31, 2019 is included at the end of the Fund's Schedule of Investments.

Foreign Currency. The Fund may use foreign currency contracts to facilitate transactions in foreign-denominated securities. Gains and losses from these transactions may arise from changes in the value of the foreign currency or if the counterparties do not perform under the contracts' terms.

Foreign-denominated assets, including investment securities, and liabilities are translated into U.S. dollars at the exchange rates at period end. Purchases and sales of investment securities, income and dividends received and expenses denominated in foreign currencies are translated into U.S. dollars at the exchange rate in effect on the transaction date.

The effects of exchange rate fluctuations on investments are included with the net realized and unrealized gain (loss) on investment securities. Other foreign currency transactions resulting in realized and unrealized gain (loss) are disclosed separately.

Investment Transactions and Income. For financial reporting purposes, the Fund's investment holdings and NAV include trades executed through the end of the last business day of the period. The NAV per share for processing shareholder transactions is calculated as of the close of business of the New York Stock Exchange (NYSE), normally 4:00 p.m. Eastern time and includes trades executed through the end of the prior business day. Gains and losses on securities sold are determined on the basis of identified cost and include proceeds received from litigation. Dividend income is recorded on the ex-dividend date, except for certain dividends from foreign securities where the ex-dividend date may have passed, which are recorded as soon as the Fund is informed of the ex-dividend date. Non-cash dividends included in dividend income, if any, are recorded at the fair market value of the securities received. Income and capital gain distributions from Fidelity Central Funds, if any, are recorded on the ex-dividend date. Certain distributions received by the Fund represent a return of capital or capital gain. The Fund determines the components of these distributions subsequent to the ex-dividend date, based upon receipt of tax filings or other correspondence relating to the underlying investment. These distributions are recorded as a reduction of cost of investments and/or as a realized gain. Investment income is recorded net of foreign taxes withheld where recovery of such taxes is uncertain.

Class Allocations and Expenses. Investment income, realized and unrealized capital gains and losses, common expenses of the Fund, and certain fund-level expense reductions, if any, are allocated daily on a pro-rata basis to each class based on the relative net assets of each class to the total net assets of the Fund. Each class differs with respect to transfer agent and distribution and service plan fees incurred. Certain expense reductions may also differ by class. For the reporting period, the allocated portion of income and expenses to each class as a percent of its average net assets may vary due to the timing of recording these transactions in relation to fluctuating net assets of the classes. Expenses directly attributable to a fund are charged to that fund. Expenses attributable to more than one fund are allocated among the respective funds on the basis of relative net assets or other appropriate methods. Expense estimates are accrued in the period to which they relate and adjustments are made when actual amounts are known.

Deferred Trustee Compensation. Under a Deferred Compensation Plan (the Plan), certain independent Trustees have elected to defer receipt of a portion of their annual compensation. Deferred amounts are invested in a cross-section of Fidelity funds, are marked-to-market and remain in the Fund until distributed in accordance with the Plan. The investment of deferred amounts and the offsetting payable to the Trustees of $36,987 are included in the accompanying Statement of Assets and Liabilities in other receivables and other payables and accrued expenses, respectively.

Income Tax Information and Distributions to Shareholders. Each year, the Fund intends to qualify as a regulated investment company under Subchapter M of the Internal Revenue Code, including distributing substantially all of its taxable income and realized gains. As a result, no provision for U.S. Federal income taxes is required. As of December 31, 2019, the Fund did not have any unrecognized tax benefits in the financial statements; nor is the Fund aware of any tax positions for which it is reasonably possible that the total amounts of unrecognized tax benefits will significantly change in the next twelve months. The Fund files a U.S. federal tax return, in addition to state and local tax returns as required. The Fund's federal income tax returns are subject to examination by the Internal Revenue Service (IRS) for a period of three fiscal years after they are filed. State and local tax returns may be subject to examination for an additional fiscal year depending on the jurisdiction. Foreign taxes are provided for based on the Fund's understanding of the tax rules and rates that exist in the foreign markets in which it invests.

Distributions are declared and recorded on the ex-dividend date. Income and capital gain distributions are declared separately for each class. Income and capital gain distributions are determined in accordance with income tax regulations, which may differ from GAAP.

Capital accounts within the financial statements are adjusted for permanent book-tax differences. These adjustments have no impact on net assets or the results of operations. Capital accounts are not adjusted for temporary book-tax differences which will reverse in a subsequent period.

Book-tax differences are primarily due to foreign currency transactions, passive foreign investment companies (PFIC), deferred trustees compensation and losses deferred due to wash sales.

As of period end, the cost and unrealized appreciation (depreciation) in securities, and derivatives if applicable, for federal income tax purposes were as follows:

Gross unrealized appreciation	$1,972,443,184
Gross unrealized depreciation	(236,756,092)
Net unrealized appreciation (depreciation)	$1,735,687,092
Tax Cost	$5,644,445,445

The tax-based components of distributable earnings as of period end were as follows:

Undistributed ordinary income	$ 9,303,684
Capital loss carryforward	$ (208,332,654)
Net unrealized appreciation (depreciation) on securities and other investments	$1,735,647,373

Capital loss carryforwards are only available to offset future capital gains of the Fund to the extent provided by regulations and may be limited. The capital loss carryforward information presented below, including any applicable limitation, is estimated as of fiscal period end and is subject to adjustment.

No expiration	
Short-term	$ (162,302,952)
Long-term	(46,029,702)
Total capital loss carryforward	$ (208,332,654)

The tax character of distributions paid was as follows:

	December 31, 2019	December 31, 2018
Ordinary Income	$ 50,964,046	$ 54,137,705
Long-term Capital Gains	820,182,256	729,299,832
Total	$871,146,302	$783,437,537

4. Purchases and Sales of Investments.

Purchases and sales of securities, other than short-term securities, aggregated $2,360,778,376 and $2,546,557,602, respectively.

5. Fees and Other Transactions with Affiliates.

Management Fee. Fidelity Management & Research Company (the investment adviser) and its affiliates provide the Fund with investment management related services for which the Fund pays a monthly management fee. The management fee is the sum of an individual fund fee rate that is based on an annual rate of .30% of the Fund's average net assets and an annualized group fee rate that averaged .24% during the period. The group fee rate is based upon the average net assets of all the mutual funds advised by the investment adviser, including any mutual funds previously advised by the investment adviser that are currently advised by Fidelity SelectCo, LLC, an affiliate of the investment adviser. The group fee rate decreases as assets under management increase and increases as assets under management decrease. For the reporting period, the total annual management fee rate was .54% of the Fund's average net assets.

Distribution and Service Plan Fees. In accordance with Rule 12b-1 of the 1940 Act, the Fund has adopted separate 12b-1 Plans for each Service Class of shares. Each Service Class pays Fidelity Distributors Corporation (FDC), an affiliate of the investment adviser, a service fee. For the period, the service fee is based on an annual rate of .10% of Service Class' average net assets and .25% of Service Class 2's average net assets.

For the period, total fees, all of which were re-allowed to insurance companies for the distribution of shares and providing shareholder support services, were as follows:

Service Class	$ 549,656
Service Class 2	12,623,443
	$13,173,099

Transfer Agent Fees. Fidelity Investments Institutional Operations Company, Inc. (FIIOC), an affiliate of the investment adviser, is the Fund's transfer, dividend disbursing, and shareholder servicing agent. FIIOC receives an asset-based fee with respect to each class. Each class pays a fee for transfer agent services, typesetting and printing and mailing of shareholder reports, excluding mailing of proxy statements, equal to an annual rate of class-level average net assets. The annual rate for Investor Class is .15% and the annual rate for all other classes is .07%. For the period, transfer agent fees for each class were as follows:

Initial Class	$ 737,650
Service Class	355,182
Service Class 2	3,262,534
Investor Class	832,466
	$5,187,832

Accounting and Security Lending Fees. Fidelity Service Company, Inc. (FSC), an affiliate of the investment adviser, maintains the Fund's accounting records. The accounting fee is based on the level of average net assets for each month. Prior to April 1, 2019, FSC had a separate agreement with the Fund for administration of the security lending program, based on the number and duration of lending transactions. For the period, the total fees paid for accounting and administration of securities lending were equivalent to the following annual rates:

	% of Average Net Assets
VIP Mid Cap Portfolio	.02

Brokerage Commissions. A portion of portfolio transactions were placed with brokerage firms which are affiliates of the investment adviser. Brokerage commissions are included in net realized gain (loss) and change in net unrealized appreciation (depreciation) in the Statement of Operations. The commissions paid to these affiliated firms were as follows:

	Amount
VIP Mid Cap Portfolio	$105,116

Interfund Lending Program. Pursuant to an Exemptive Order issued by the SEC, the fund, along with other registered investment companies having management contracts with Fidelity Management & Research Company (FMR) or other affiliated entities of FMR, may participate in an interfund lending program. This program provides an alternative credit facility allowing the fund to borrow from, or lend money to, other participating affiliated funds. At period end, there were no interfund loans outstanding. Activity in this program during the period for which loans were outstanding was as follows:

	Borrower or Lender	Average Loan Balance	Weighted Average Interest Rate	Interest Expense
VIP Mid Cap Portfolio	Borrower	$116,079,000	1.78%	$5,753

Interfund Trades. The Fund may purchase from or sell securities to other Fidelity Funds under procedures adopted by the Board. The procedures have been designed to ensure these interfund trades are executed in accordance with Rule 17a-7 of the 1940 Act. Interfund trades are included within the respective purchases and sales amounts shown in the Purchases and Sales of Investments note.

6. Committed Line of Credit.

The Fund participates with other funds managed by the investment adviser or an affiliate in a $4.25 billion credit facility (the "line of credit") to be utilized for temporary or emergency purposes to fund shareholder redemptions or for other short-term liquidity purposes. The Fund has agreed to pay commitment fees on its pro-rata portion of the line of credit, which amounted to $19,653 and is reflected in Miscellaneous expenses on the Statement of Operations. During the period, the Fund did not borrow on this line of credit.

7. Security Lending.

The Fund lends portfolio securities from time to time in order to earn additional income. For equity securities, lending agents are used, including National Financial Services (NFS), an affiliate of the Fund. Pursuant to a securities lending agreement, NFS will receive a fee, which is capped at 9.9% of daily lending revenue, for its services as lending agent. The Fund may lend securities to certain qualified borrowers, including NFS. On the settlement date of the loan, the Fund receives collateral (in the form of U.S. Treasury obligations, letters of credit and/or cash) against the loaned securities and maintains collateral in an amount not less than 100% of the market value of the loaned securities during the period of the loan. The market value of the loaned securities is determined at the close of business of the Fund and any additional required collateral is delivered to the Fund on the next business day. The Fund or borrower may terminate the loan at any time, and if the borrower defaults on its obligation to return the securities loaned because of insolvency or other reasons, the Fund may apply collateral received from the borrower against the obligation. The Fund may experience delays and costs in recovering the securities loaned. Any cash collateral received is invested in the Fidelity Securities Lending Cash Central Fund. The value of loaned securities and cash collateral at period end are disclosed on the Fund's Statement of Assets and Liabilities. At period end, there were no security loans outstanding with NFS, as affiliated borrower. Total fees paid by the Fund to NFS, as lending agent, amounted to $34,391. Security lending income represents the income earned on investing cash collateral, less rebates paid to borrowers and any lending agent fees associated with the loan, plus any premium payments received for lending certain types of securities. Security lending income is presented in the Statement of Operations as a component of income from Fidelity Central Funds, and includes $28,471 from securities loaned to NFS, as affiliated borrower.

8. Expense Reductions.

Commissions paid to certain brokers with whom the investment adviser, or its affiliates, places trades on behalf of the Fund include an amount in addition to trade execution, which may be rebated back to the Fund to offset certain expenses. This amount totaled $457,848 for the period.

In addition, during the period the investment adviser reimbursed and/or waived a portion of fund-level operating expenses in the amount of $55,244.

9. Distributions to Shareholders.

Distributions to shareholders of each class were as follows:

	Year ended December 31, 2019	Year ended December 31, 2018
Distributions to shareholders		
Initial Class	$142,831,190	$130,588,444
Service Class	64,998,396	55,957,161
Service Class 2	594,808,621	538,053,244
Investor Class	68,508,095	58,838,688
Total	$871,146,302	$783,437,537

10. Share Transactions.

Transactions for each class of shares were as follows:

	Shares Year ended December 31, 2019	Shares Year ended December 31, 2018	Dollars Year ended December 31, 2019	Dollars Year ended December 31, 2018
Initial Class				

	Shares Year ended December 31, 2019	Shares Year ended December 31, 2018	Dollars Year ended December 31, 2019	Dollars Year ended December 31, 2018
Shares sold	2,060,792	2,294,740	$ 63,994,229	$ 80,031,412
Reinvestment of distributions	4,772,664	3,784,446	142,831,190	130,588,444
Shares redeemed	(19,054,267)	(5,854,418)	(604,022,057)	(212,748,287)
Net increase (decrease)	(12,220,811)	224,768	$ (397,196,638)	$ (2,128,431)
Service Class				
Shares sold	1,155,559	977,622	$ 35,837,194	$ 34,774,687
Reinvestment of distributions	2,193,244	1,635,455	64,998,396	55,957,161
Shares redeemed	(2,882,411)	(2,067,819)	(89,241,286)	(75,042,884)
Net increase (decrease)	466,392	545,258	$ 11,594,304	$ 15,688,964
Service Class 2				
Shares sold	24,805,897	7,063,298	$ 750,591,961	$ 241,631,875
Reinvestment of distributions	20,604,179	16,056,436	594,808,621	538,053,244
Shares redeemed	(33,917,475)	(28,873,961)	(1,008,076,550)	(1,014,808,988)
Net increase (decrease)	11,492,601	(5,754,227)	$ 337,324,032	$ (235,123,869)
Investor Class				
Shares sold	381,737	821,947	$ 11,919,095	$ 29,845,088
Reinvestment of distributions	2,302,243	1,714,198	68,508,095	58,838,688
Shares redeemed	(2,532,087)	(1,860,577)	(78,158,640)	(66,661,448)
Net increase (decrease)	151,893	675,568	$ 2,268,550	$ 22,022,328

11. Other.

The Fund's organizational documents provide former and current trustees and officers with a limited indemnification against liabilities arising in connection with the performance of their duties to the Fund. In the normal course of business, the Fund may also enter into contracts that provide general indemnifications. The Fund's maximum exposure under these arrangements is unknown as this would be dependent on future claims that may be made against the Fund. The risk of material loss from such claims is considered remote.

At the end of the period, the investment adviser or its affiliates were the owners of record of 12% of the total outstanding shares of the Fund and one otherwise unaffiliated shareholder was the owner of record of 11% of the total outstanding shares of the Fund.

Effective January 1, 2020, following any required regulatory notices and approvals:

Investment advisers Fidelity Investments Money Management, Inc., FMR Co., Inc., and Fidelity SelectCo, LLC, merged with and into Fidelity Management & Research Company. In connection with the merger transactions, the resulting, merged investment adviser was then redomiciled from Massachusetts to Delaware, changed its corporate structure from a corporation to a limited liability company, and changed its name to "Fidelity Management & Research Company LLC".

Broker-dealer Fidelity Distributors Corporation merged with and into Fidelity Investments Institutional Services Company, Inc. ("FIISC"). FIISC was then redomiciled from Massachusetts to Delaware, changed its corporate structure from a corporation to a limited liability company, and changed its name to "Fidelity Distributors Company LLC".

Fidelity Investments Institutional Operations Company, Inc. (FIIOC) converted from a Massachusetts corporation to a Massachusetts LLC, and changed its name to "Fidelity Investments Institutional Operations Company LLC".

Report of Independent Registered Public Accounting Firm

To the Board of Trustees of Variable Insurance Products Fund III and Shareholders of VIP Mid Cap Portfolio:

Opinion on the Financial Statements

We have audited the accompanying statement of assets and liabilities, including the schedule of investments, of VIP Mid Cap Portfolio (one of the funds constituting Variable Insurance Products Fund III, referred to hereafter as the "Fund") as of December 31, 2019, the related statement of operations for the year ended December 31, 2019, the statement of changes in net assets for each of the two years in the period ended December 31, 2019, including the related notes, and the financial highlights for each of the five years in the period ended December 31, 2019 (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Fund as of December 31, 2019, the results of its operations for the year then ended, the changes in its net assets for each of the two years in the period ended December 31, 2019 and the financial highlights for each of the five years in the period ended December 31, 2019 in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

These financial statements are the responsibility of the Fund's management. Our responsibility is to express an opinion on the Fund's financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Fund in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits of these financial statements in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. Our procedures included confirmation of securities owned as of December 31, 2019 by correspondence with the custodian and brokers; when replies were not received from brokers, we performed other auditing procedures. We believe that our audits provide a reasonable basis for our opinion.

PricewaterhouseCoopers LLP
Boston, Massachusetts
February 11, 2020

We have served as the auditor of one or more investment companies in the Fidelity group of funds since 1932.

Trustees and Officers

The Trustees, Members of the Advisory Board (if any), and officers of the trust and fund, as applicable, are listed below. The Board of Trustees governs the fund and is responsible for protecting the interests of shareholders. The Trustees are experienced executives who meet periodically throughout the year to oversee the fund's activities, review contractual arrangements with companies that provide services to the fund, oversee management of the risks associated with such activities and contractual arrangements, and review the fund's performance. Except for Michael E. Wiley, each of the Trustees oversees 302 funds. Mr. Wiley oversees 199 funds.

The Trustees hold office without limit in time except that (a) any Trustee may resign; (b) any Trustee may be removed by written instrument, signed by at least two-thirds of the number of Trustees prior to such removal; (c) any Trustee who requests to be retired or who has become incapacitated by illness or injury may be retired by written instrument signed by a majority of the other Trustees; and (d) any Trustee may be removed at any special meeting of shareholders by a two-thirds vote of the outstanding voting securities of the trust. Each Trustee who is not an interested person (as defined in the Investment Company Act of 1940 (1940 Act)) of the trust and the fund is referred to herein as an Independent Trustee. Each Independent Trustee shall retire not later than the last day of the calendar year in which his or her 75th birthday occurs. The Independent Trustees may waive this mandatory retirement age policy with respect to individual Trustees. Officers and Advisory Board Members hold office without limit in time, except that any officer or Advisory Board Member may resign or may be removed by a vote of a majority of the Trustees at any regular meeting or any special meeting of the Trustees. Except as indicated, each individual has held the office shown or other offices in the same company for the past five years.

The fund's Statement of Additional Information (SAI) includes more information about the Trustees. To request a free copy, call Fidelity at 1-877-208-0098.

Experience, Skills, Attributes, and Qualifications of the Trustees. The Governance and Nominating Committee has adopted a statement of policy that describes the experience, qualifications, attributes, and skills that are necessary and desirable for potential Independent Trustee candidates (Statement of Policy). The Board believes that each Trustee satisfied at the time he or she was initially elected or appointed a Trustee, and continues to satisfy, the standards contemplated by the Statement of Policy. The Governance and Nominating Committee also engages professional search firms to help identify potential Independent Trustee candidates who have the experience, qualifications, attributes, and skills consistent with the Statement of Policy. From time to time, additional criteria based on the composition and skills of the current Independent Trustees, as well as experience or skills that may be appropriate in light of future changes to board composition, business conditions, and regulatory or other developments, have also been considered by the professional search firms and the Governance and Nominating Committee. In addition, the Board takes into account the Trustees' commitment and participation in Board and committee meetings, as well as their leadership of standing and ad hoc committees throughout their tenure.

In determining that a particular Trustee was and continues to be qualified to serve as a Trustee, the Board has considered a variety of criteria, none of which, in isolation, was controlling. The Board believes that, collectively, the Trustees have balanced and diverse experience, qualifications, attributes, and skills, which allow the Board to operate effectively in governing the fund and protecting the interests of shareholders. Information about the specific experience, skills, attributes, and qualifications of each Trustee, which in each case led to the Board's conclusion that the Trustee should serve (or continue to serve) as a trustee of the fund, is provided below.

Board Structure and Oversight Function. James C. Curvey is an interested person and currently serves as Chairman. The Trustees have determined that an interested Chairman is appropriate and benefits shareholders because an interested Chairman has a personal and professional stake in the quality and continuity of services provided to the fund. Independent Trustees exercise their informed business judgment to appoint an individual of their choosing to serve as Chairman, regardless of whether the Trustee happens to be independent or a member of management. The Independent Trustees have determined that they can act independently and effectively without having an Independent Trustee serve as Chairman and that a key structural component for assuring that they are in a position to do so is for the Independent Trustees to constitute a substantial majority for the Board. The Independent Trustees also regularly meet in executive session. Ned C. Lautenbach serves as Chairman of the Independent Trustees and as such (i) acts as a liaison between the Independent Trustees and management with respect to matters important to the Independent Trustees and (ii) with management prepares agendas for Board meetings.

Fidelity® funds are overseen by different Boards of Trustees. The fund's Board oversees Fidelity's high income and certain equity funds, and other Boards oversee Fidelity's investment-grade bond, money market, asset allocation, and other equity funds. The asset allocation funds may invest in Fidelity® funds overseen by the fund's Board. The use of separate Boards, each with its own committee structure, allows the Trustees of each group of Fidelity® funds to focus on the unique issues of the funds they oversee, including common research, investment, and operational issues. On occasion, the separate Boards establish joint committees to address issues of overlapping consequences for the Fidelity® funds overseen by each Board.

The Trustees operate using a system of committees to facilitate the timely and efficient consideration of all matters of importance to the Trustees, the fund, and fund shareholders and to facilitate compliance with legal and regulatory requirements and oversight of the fund's activities and associated risks. The Board, acting through its committees, has charged FMR and its affiliates with (i) identifying events or circumstances the occurrence of which could have demonstrably adverse effects on the fund's business and/or reputation; (ii) implementing processes and controls to lessen the possibility that such events or circumstances occur or to mitigate the effects of such events or circumstances if they do occur; and (iii) creating and maintaining a system designed to evaluate continuously business and market conditions in order to facilitate the identification and implementation processes described in (i) and (ii) above. Because the day-to-day operations and activities of the fund are carried out by or through FMR, its affiliates, and other service providers, the fund's exposure to risks is mitigated but not eliminated by the processes overseen by the Trustees. While each of the Board's committees has responsibility for overseeing different aspects of the fund's activities, oversight is exercised primarily through the Operations, Audit, and Compliance Committees. Appropriate personnel, including but not limited to the fund's Chief Compliance Officer (CCO), FMR's internal auditor, the independent accountants, the fund's Treasurer and portfolio management personnel, make periodic reports to the Board's committees, as appropriate, including an annual review of Fidelity's risk management program for the Fidelity® funds. The responsibilities of each standing committee, including their oversight responsibilities, are described further under "Standing Committees of the Trustees."

Interested Trustees*:

Correspondence intended for a Trustee who is an interested person may be sent to Fidelity Investments, 245 Summer Street, Boston, Massachusetts 02210.

Name, Year of Birth; Principal Occupations and Other Relevant Experience+

James C. Curvey (1935)

Year of Election or Appointment: 2007
Trustee
Chairman of the Board of Trustees

Mr. Curvey also serves as Trustee of other Fidelity® funds. Mr. Curvey is Vice Chairman (2007-present) and Director of FMR LLC (diversified financial services company). In addition, Mr. Curvey is an Overseer Emeritus for the Boston Symphony Orchestra, a Director of Artis-Naples, and a Trustee of Brewster Academy in Wolfeboro, New Hampshire. Previously, Mr. Curvey served as a Director of Fidelity Research & Analysis Co. (investment adviser firm, 2009-2018), Director of Fidelity Investments Money Management, Inc. (investment adviser firm, 2009-2014) and a Director of FMR and FMR Co., Inc. (investment adviser firms, 2007-2014).

* Determined to be an "Interested Trustee" by virtue of, among other things, his or her affiliation with the trust or various entities under common control with FMR.

+ The information includes the Trustee's principal occupation during the last five years and other information relating to the experience, attributes, and skills relevant to the Trustee's qualifications to serve as a Trustee, which led to the conclusion that the Trustee should serve as a Trustee for the fund.

Independent Trustees:

Correspondence intended for an Independent Trustee may be sent to Fidelity Investments, P.O. Box 55235, Boston, Massachusetts 02205-5235.

Name, Year of Birth; Principal Occupations and Other Relevant Experience+

Dennis J. Dirks (1948)

Year of Election or Appointment: 2005
Trustee

Mr. Dirks also serves as Trustee of other Fidelity® funds. Prior to his retirement in May 2003, Mr. Dirks was Chief Operating Officer and a member of the Board of The Depository Trust & Clearing Corporation (DTCC). He also served as President, Chief Operating Officer, and Board member of The Depository Trust Company (DTC) and President and Board member of the National Securities Clearing Corporation (NSCC). In addition, Mr. Dirks served as Chief Executive Officer and Board member of the Government Securities Clearing Corporation, Chief Executive Officer and Board member of the Mortgage-Backed Securities Clearing Corporation, as a Trustee and a member of the Finance Committee of Manhattan College (2005-2008), as a Trustee and a member of the Finance Committee of AHRC of Nassau County (2006-2008), as a member of the Independent Directors Council (IDC) Governing Council (2010-2015), and as a member of the Board of Directors for The Brookville Center for Children's Services, Inc. (2009-2017). Mr. Dirks is a member of the Finance Committee (2016-present) and Board of Directors (2017-present) and is Treasurer (2018-present) of the Asolo Repertory Theatre.

Donald F. Donahue (1950)

Year of Election or Appointment: 2018
Trustee

Mr. Donahue also serves as a Trustee of other Fidelity® funds. Mr. Donahue is President and Chief Executive Officer of Miranda Partners, LLC (risk consulting for the financial services industry, 2012-present). Previously, Mr. Donahue served as a Member of the Advisory Board of certain Fidelity® funds (2015-2018) and Chief Executive Officer (2006-2012), Chief Operating Officer (2003-2006), and Managing Director, Customer Marketing and Development (1999-2003) of The Depository Trust & Clearing Corporation (financial markets infrastructure). Mr. Donahue serves as a Member (2007-present) and Co-Chairman (2016-present) of the Board of Directors of United Way of New York, Member of the Board of Directors of NYC Leadership Academy (2012-present) and Member of the Board of Advisors of Ripple Labs, Inc. (financial services, 2015-present). He also served as Chairman (2010-2012) and Member of the Board of Directors (2012-2013) of Omgeo, LLC (financial services), Treasurer of United Way of New York (2012-2016), and Member of the Board of Directors of XBRL US (financial services non-profit, 2009-2012) and the International Securities Services Association (2009-2012).

Alan J. Lacy (1953)

Year of Election or Appointment: 2008
Trustee

Mr. Lacy also serves as Trustee of other Fidelity® funds. Mr. Lacy serves as a Director of Bristol-Myers Squibb Company (global pharmaceuticals, 2008-present). He is a Trustee of the California Chapter of The Nature Conservancy (2015-present) and a Director of the Center for Advanced Study in the Behavioral Sciences at Stanford University (2015-present). In addition, Mr. Lacy served as Senior Adviser (2007-2014) of Oak Hill Capital Partners, L.P. (private equity) and also served as Chief Executive Officer (2005) and Vice Chairman (2005-2006) of Sears Holdings Corporation (retail) and Chief Executive Officer and Chairman of the Board of Sears, Roebuck and Co. (retail, 2000-2005). Previously, Mr. Lacy served as Chairman (2014-2017) and a member (2010-2017) of the Board of Directors of Dave & Buster's Entertainment, Inc. (restaurant and entertainment complexes), as Chairman (2008-2011) and a member (2006-2015) of the Board of Trustees of the National Parks Conservation Association, and as a member of the Board of Directors for The Hillman Companies, Inc. (hardware wholesalers, 2010-2014), Earth Fare, Inc. (retail grocery, 2010-2014), and The Western Union Company (global money transfer, 2006-2011).

Trustees and Officers – continued

Ned C. Lautenbach (1944)

Year of Election or Appointment: 2000
Trustee
Chairman of the Independent Trustees

Mr. Lautenbach also serves as Trustee of other Fidelity® funds. Mr. Lautenbach currently serves as Chair (2018-present) and Member (2013-present) of the Board of Governors, State University System of Florida and is a member of the Council on Foreign Relations (1994-present). He is also a member and has most recently served as Chairman of the Board of Directors of Artis-Naples (2012-present). Previously, Mr. Lautenbach served as a member and then Lead Director of the Board of Directors of Eaton Corporation (diversified industrial, 1997-2016). He was also a Partner and Advisory Partner at Clayton, Dubilier & Rice, LLC (private equity investment, 1998-2010), as well as a Director of Sony Corporation (2006-2007). In addition, Mr. Lautenbach also had a 30-year career with IBM (technology company) during which time he served as Senior Vice President and a member of the Corporate Executive Committee (1968-1998).

Joseph Mauriello (1944)

Year of Election or Appointment: 2008
Trustee

Mr. Mauriello also serves as Trustee of other Fidelity® funds. Prior to his retirement in January 2006, Mr. Mauriello served in numerous senior management positions including Deputy Chairman and Chief Operating Officer (2004-2005), and Vice Chairman of Financial Services (2002-2004) of KPMG LLP US (professional services, 1965-2005). Mr. Mauriello currently serves as a member of the Independent Directors Council (IDC) Governing Council (2015-present). Previously, Mr. Mauriello served as a member of the Board of Directors of XL Group plc. (global insurance and re-insurance, 2006-2018).

Cornelia M. Small (1944)

Year of Election or Appointment: 2005
Trustee

Ms. Small also serves as Trustee of other Fidelity® funds. Ms. Small is a member of the Board of Directors (2009-present) and Chair of the Investment Committee (2010-present) of the Teagle Foundation. Ms. Small also serves on the Investment Committee of the Berkshire Taconic Community Foundation (2008-present). Previously, Ms. Small served as Chairperson (2002-2008) and a member of the Investment Committee and Chairperson (2008-2012) and a member of the Board of Trustees of Smith College. In addition, Ms. Small served as Chief Investment Officer, Director of Global Equity Investments, and a member of the Board of Directors of Scudder, Stevens & Clark and Scudder Kemper Investments.

Garnett A. Smith (1947)

Year of Election or Appointment: 2018
Trustee

Mr. Smith also serves as Trustee of other Fidelity® funds. Prior to Mr. Smith's retirement, he served as Chairman and Chief Executive Officer of Inbrand Corp. (manufacturer of personal absorbent products, 1990-1997). He also served as President (1986-1990) of Inbrand Corp. Prior to his employment with Inbrand Corp., he was employed by a retail fabric chain and North Carolina National Bank. In addition, Mr. Smith served as a Member of the Advisory Board of certain Fidelity® funds (2012-2013) and as a board member of the Jackson Hole Land Trust (2009-2012).

David M. Thomas (1949)

Year of Election or Appointment: 2008
Trustee

Mr. Thomas also serves as Trustee of other Fidelity® funds. Mr. Thomas serves as Non-Executive Chairman of the Board of Directors of Fortune Brands Home and Security (home and security products, 2011-present) and as a member of the Board of Directors (2004-present) and Presiding Director (2013-present) of Interpublic Group of Companies, Inc. (marketing communication). Previously, Mr. Thomas served as Executive Chairman (2005-2006) and Chairman and Chief Executive Officer (2000-2005) of IMS Health, Inc. (pharmaceutical and healthcare information solutions), a Director of Fortune Brands, Inc. (consumer products, 2000-2011), and a member of the Board of Trustees of the University of Florida (2013-2018).

Michael E. Wiley (1950)

Year of Election or Appointment: 2018
Trustee

Mr. Wiley also serves as Trustee or Member of the Advisory Board of other Fidelity® funds. Mr. Wiley serves as a Director of High Point Resources (exploration and production, 2005-present). Previously, Mr. Wiley served as a Director of Andeavor Corporation (independent oil refiner and marketer, 2005-2018), a Director of Andeavor Logistics LP (natural resources logistics, 2015-2018), a Director of Post Oak Bank (privately-held bank, 2004-2018), a Director of Asia Pacific Exploration Consolidated (international oil and gas exploration and production, 2008-2013), a member of the Board of Trustees of the University of Tulsa (2000-2006; 2007-2010), a Senior Energy Advisor of Katzenbach Partners, LLC (consulting, 2006-2007), an Advisory Director of Riverstone Holdings (private investment), a Director of Spinnaker Exploration Company (exploration and production, 2001-2005) and Chairman, President, and CEO of Baker Hughes, Inc. (oilfield services, 2000-2004).

+ The information includes the Trustee's principal occupation during the last five years and other information relating to the experience, attributes, and skills relevant to the Trustee's qualifications to serve as a Trustee, which led to the conclusion that the Trustee should serve as a Trustee for the fund.

Advisory Board Members and Officers:

Correspondence intended for a Member of the Advisory Board (if any) may be sent to Fidelity Investments, P.O. Box 55235, Boston, Massachusetts 02205-5235. Correspondence intended for an officer or Peter S. Lynch may be sent to Fidelity Investments, 245 Summer Street, Boston, Massachusetts 02210. Officers appear below in alphabetical order.

Name, Year of Birth; Principal Occupation

Vicki L. Fuller (1957)

Year of Election or Appointment: 2018
Member of the Advisory Board

Ms. Fuller also serves as Member of the Advisory Board of other Fidelity® funds. Ms. Fuller serves as a member of the Board of Directors, Audit Committee, and Nominating and Governance Committee of The Williams Companies, Inc. (natural gas infrastructure, 2018-present). Previously, Ms. Fuller served as the Chief Investment Officer of the New York State Common Retirement Fund (2012-2018) and held a variety of positions at AllianceBernstein L.P. (global asset management, 1985-2012), including Managing Director (2006-2012) and Senior Vice President and Senior Portfolio Manager (2001-2006).

Patricia L. Kampling (1959)

Year of Election or Appointment: 2020
Member of the Advisory Board

Ms. Kampling also serves as Member of the Advisory Board of other Fidelity® funds. Prior to her retirement, Ms. Kampling served as Chairman of the Board and Chief Executive Officer (2012-2019), President and Chief Operating Officer (2011-2012) and Executive Vice President and Chief Financial Officer (2010-2011) of Alliant Energy Corporation. Ms. Kampling currently serves as a member of the Board, Compensation Committee and Executive Committee and as Chair of the Audit Committee of Briggs & Stratton Corporation (manufacturing, 2011-present) and as a member of the Board, Audit, Finance and Risk Committee and Safety, Environmental, Technology and Operations Committee of American Water Works Company, Inc. (utilities company, 2019-present). In addition, Ms. Kampling currently serves as a member of the Board of the Nature Conservancy, Wisconsin Chapter (2019-present). Previously, Ms. Kampling served as a member of the Board of Interstate Power and Light Company (2012-2019) and Wisconsin Power and Light Company (2012-2019) (each a subsidiary of Alliant Energy Corporation) and as a member of the Board and Workforce Development Committee of the Business Roundtable (2018-2019).

Peter S. Lynch (1944)

Year of Election or Appointment: 2003
Member of the Advisory Board

Mr. Lynch also serves as Member of the Advisory Board of other Fidelity® funds. Mr. Lynch is Vice Chairman and a Director of Fidelity Management & Research Company LLC (investment adviser firm). In addition, Mr. Lynch serves as a Trustee of Boston College and as the Chairman of the Inner-City Scholarship Fund. Previously, Mr. Lynch served as Vice Chairman and a Director of FMR Co., Inc. (investment adviser firm) and on the Special Olympics International Board of Directors (1997-2006).

Susan Tomasky (1953)

Year of Election or Appointment: 2020
Member of the Advisory Board

Ms. Tomasky also serves as Member of the Advisory Board of other Fidelity® funds. Prior to her retirement, Ms. Tomasky served in various executive officer positions at American Electric Power Company, Inc. (1998-2011), including most recently as President of AEP Transmission (2007-2011). Ms. Tomasky currently serves as a member of the Board and Sustainability Committee and as Chair of the Audit Committee of Marathon Petroleum Corporation (2018-present) and as a member of the Board, Corporate Governance Committee and Organization and Compensation Committee and as Chair of the Audit Committee of Public Service Enterprise Group, Inc. (utilities company, 2012-present). In addition, Ms. Tomasky currently serves as a member of the Board of the Columbus Regional Airport Authority (2007-present), as a member of the Board of the Royal Shakespeare Company – America (2009-present), as a member of the Board of the Columbus Association for the Performing Arts (2011-present) and as a member of the Board of Kenyon College (2016-present). Previously, Ms. Tomasky served as a member of the Board (2011-2019) and as Lead Independent Director (2015-2018) of Andeavor Corporation (previously Tesoro Corporation) (independent oil refiner and marketer) and as a member of the Board of Summit Midstream Partners LP (energy, 2012-2018).

Elizabeth Paige Baumann (1968)

Year of Election or Appointment: 2017
Anti-Money Laundering (AML) Officer

Ms. Baumann also serves as AML Officer of other funds. She is Chief AML Officer (2012-present) and Senior Vice President (2014-present) of FMR LLC (diversified financial services company) and is an employee of Fidelity Investments. Previously, Ms. Baumann served as AML Officer of the funds (2012-2016), and Vice President (2007-2014) and Deputy Anti-Money Laundering Officer (2007-2012) of FMR LLC.

Craig S. Brown (1977)

Year of Election or Appointment: 2019
Assistant Treasurer

Mr. Brown also serves as Assistant Treasurer of other funds. Mr. Brown is an employee of Fidelity Investments (2013-present).

John J. Burke III (1964)

Year of Election or Appointment: 2018
Chief Financial Officer

Mr. Burke also serves as Chief Financial Officer of other funds. Mr. Burke serves as Head of Investment Operations for Fidelity Fund and Investment Operations (2018-present) and is an employee of Fidelity Investments (1998-present). Previously Mr. Burke served as head of Asset Management Investment Operations (2012-2018).

Trustees and Officers – continued

William C. Coffey (1969)

Year of Election or Appointment: 2019
Assistant Secretary

Mr. Coffey also serves as Assistant Secretary of other funds. He is Senior Vice President and Deputy General Counsel of FMR LLC (diversified financial services company, 2010-present), and is an employee of Fidelity Investments. Previously, Mr. Coffey served as Secretary and CLO of certain funds (2018-2019); CLO, Secretary, and Senior Vice President of Fidelity Management & Research Company and FMR Co., Inc. (investment adviser firms, 2018-2019); Secretary of Fidelity SelectCo, LLC and Fidelity Investments Money Management, Inc. (investment adviser firms, 2018-2019); CLO of Fidelity Management & Research (Hong Kong) Limited, FMR Investment Management (UK) Limited, and Fidelity Management & Research (Japan) Limited (investment adviser firms, 2018-2019); and Assistant Secretary of certain funds (2009-2018).

Timothy M. Cohen (1969)

Year of Election or Appointment: 2018
Vice President

Mr. Cohen also serves as Vice President of other funds. Mr. Cohen serves as Co-Head of Equity (2018-present), a Director of Fidelity Management & Research (Japan) Limited (investment adviser firm, 2016-present), and is an employee of Fidelity Investments. Previously, Mr. Cohen served as Executive Vice President of Fidelity SelectCo, LLC (2019), Head of Global Equity Research (2016-2018), Chief Investment Officer – Equity and a Director of Fidelity Management & Research (U.K.) Inc. (investment adviser firm, 2013-2015) and as a Director of Fidelity Management & Research (Hong Kong) Limited (investment adviser firm, 2017).

Jonathan Davis (1968)

Year of Election or Appointment: 2010
Assistant Treasurer

Mr. Davis also serves as Assistant Treasurer of other funds. Mr. Davis serves as Assistant Treasurer of FMR Capital, Inc. (2017-present) and is an employee of Fidelity Investments. Previously, Mr. Davis served as Vice President and Associate General Counsel of FMR LLC (diversified financial services company, 2003-2010).

Laura M. Del Prato (1964)

Year of Election or Appointment: 2018
Assistant Treasurer

Ms. Del Prato also serves as an officer of other funds. Ms. Del Prato is an employee of Fidelity Investments (2017-present). Prior to joining Fidelity Investments, Ms. Del Prato served as a Managing Director and Treasurer of the JPMorgan Mutual Funds (2014-2017). Prior to JPMorgan, Ms. Del Prato served as a partner at Cohen Fund Audit Services (accounting firm, 2012-2013) and KPMG LLP (accounting firm, 2004-2012).

Colm A. Hogan (1973)

Year of Election or Appointment: 2020
Assistant Treasurer

Mr. Hogan also serves as an officer of other funds. Mr. Hogan serves as Assistant Treasurer of FMR Capital, Inc. (2017-present) and is an employee of Fidelity Investments (2005-present). Previously, Mr. Hogan served as Deputy Treasurer of certain Fidelity® funds (2016-2020) and Assistant Treasurer of certain Fidelity® funds (2016-2018).

Pamela R. Holding (1964)

Year of Election or Appointment: 2018
Vice President

Ms. Holding also serves as Vice President of other funds. Ms. Holding serves as Co-Head of Equity (2018-present) and is an employee of Fidelity Investments (2013-present). Previously, Ms. Holding served as Executive Vice President of Fidelity SelectCo, LLC (2019) and as Chief Investment Officer of Fidelity Institutional Asset Management (2013-2018).

Cynthia Lo Bessette (1969)

Year of Election or Appointment: 2019
Secretary and Chief Legal Officer (CLO)

Ms. Lo Bessette also serves as an officer of other funds. Ms. Lo Bessette serves as CLO, Secretary, and Senior Vice President of Fidelity Management & Research Company LLC (investment adviser firm, 2019-present); and CLO of Fidelity Management & Research (Hong Kong) Limited, FMR Investment Management (UK) Limited, and Fidelity Management & Research (Japan) Limited (investment adviser firms, 2019-present). She is a Senior Vice President and Deputy General Counsel of FMR LLC (diversified financial services company, 2019-present), and is an employee of Fidelity Investments. Previously, Ms. Lo Bessette served as CLO, Secretary, and Senior Vice President of FMR Co., Inc. (investment adviser firm, 2019); Secretary of Fidelity SelectCo, LLC and Fidelity Investments Money Management, Inc. (investment adviser firms, 2019). Prior to joining Fidelity Investments, Ms. Lo Bessette was Executive Vice President, General Counsel (2016-2019) and Senior Vice President, Deputy General Counsel (2015-2016) of OppenheimerFunds (investment management company) and Deputy Chief Legal Officer (2013-2015) of Jennison Associates LLC (investment adviser firm).

Chris Maher (1972)

Year of Election or Appointment: 2020
Deputy Treasurer

Mr. Maher also serves as an officer of other funds. Mr. Maher serves as Assistant Treasurer of FMR Capital, Inc. (2017-present), and is an employee of Fidelity Investments (2008-present). Previously, Mr. Maher served as Assistant Treasurer of certain funds (2013-2020); Vice President of Asset Management Compliance (2013), Vice President of the Program Management Group of FMR (investment adviser firm, 2010-2013), and Vice President of Valuation Oversight (2008-2010).

Kenneth B. Robins (1969)

Year of Election or Appointment: 2016
Chief Compliance Officer

Mr. Robins also serves as an officer of other funds. Mr. Robins serves as Compliance Officer of Fidelity Management & Research Company LLC (investment adviser firm, 2016-present) and is an employee of Fidelity Investments (2004-present). Previously, Mr. Robins served as Compliance Officer of FMR Co., Inc. (investment adviser firm, 2016-2019), as Executive Vice President of Fidelity Investments Money Management, Inc. (investment adviser firm, 2013-2016) and served in other fund officer roles.

Stacie M. Smith (1974)

Year of Election or Appointment: 2016
President and Treasurer

Ms. Smith also serves as an officer of other funds. Ms. Smith serves as Assistant Treasurer of FMR Capital, Inc. (2017-present), is an employee of Fidelity Investments (2009-present), and has served in other fund officer roles. Prior to joining Fidelity Investments, Ms. Smith served as Senior Audit Manager of Ernst & Young LLP (accounting firm, 1996-2009). Previously, Ms. Smith served as Assistant Treasurer (2013-2019) and Deputy Treasurer (2013-2016) of certain Fidelity® funds.

Marc L. Spector (1972)

Year of Election or Appointment: 2016
Assistant Treasurer

Mr. Spector also serves as an officer of other funds. Mr. Spector serves as Assistant Treasurer of FMR Capital, Inc. (2017-present) and is an employee of Fidelity Investments (2016-present). Prior to joining Fidelity Investments, Mr. Spector served as Director at the Siegfried Group (accounting firm, 2013-2016), and prior to Siegfried Group as audit senior manager at Deloitte & Touche (accounting firm, 2005-2013).

Jim Wegmann (1979)

Year of Election or Appointment: 2019
Assistant Treasurer

Mr. Wegmann also serves as Assistant Treasurer of other funds. Mr. Wegmann is an employee of Fidelity Investments (2011-present).

Shareholder Expense Example

As a shareholder of the Fund, you incur two types of costs: (1) transaction costs and (2) ongoing costs, including management fees, distribution and/or service (12b-1) fees and other Fund expenses. This Example is intended to help you understand your ongoing costs (in dollars) of investing in the Fund and to compare these costs with the ongoing costs of investing in other mutual funds.

The Example is based on an investment of $1,000 invested at the beginning of the period and held for the entire period (July 1, 2019 to December 31, 2019).

Actual Expenses

The first line of the accompanying table for each class of the Fund provides information about actual account values and actual expenses. You may use the information in this line, together with the amount you invested, to estimate the expenses that you paid over the period. Simply divide your account value by $1,000.00 (for example, an $8,600 account value divided by $1,000.00 = 8.6), then multiply the result by the number in the first line for a class of the Fund under the heading entitled "Expenses Paid During Period" to estimate the expenses you paid on your account during this period. The estimate of expenses does not include any fees or other expenses of any variable annuity or variable life insurance product. If they were, the estimate of expenses you paid during the period would be higher, and your ending account value would be lower. In addition, the Fund, as a shareholder in the underlying Fidelity Central Funds, will indirectly bear its pro-rata share of the fees and expenses incurred by the underlying Fidelity Central Funds. These fees and expenses are not included in the Fund's annualized expense ratio used to calculate the expense estimate in the table below.

Hypothetical Example for Comparison Purposes

The second line of the accompanying table for each class of the Fund provides information about hypothetical account values and hypothetical expenses based on a Class' actual expense ratio and an assumed rate of return of 5% per year before expenses, which is not the Class' actual return. The hypothetical account values and expenses may not be used to estimate the actual ending account balance or expenses you paid for the period. You may use this information to compare the ongoing costs of investing in the Fund and other funds. To do so, compare this 5% hypothetical example with the 5% hypothetical examples that appear in the shareholder reports of the other funds. The estimate of expenses does not include any fees or other expenses of any variable annuity or variable life insurance product. If they were, the estimate of expenses you paid during the period would be higher, and your ending account value would be lower. In addition, the Fund, as a shareholder in the underlying Fidelity Central Funds, will indirectly bear its pro-rata share of the fees and expenses incurred by the underlying Fidelity Central Funds. These fees and expenses are not included in the Fund's annualized expense ratio used to calculate the expense estimate in the table below.

Please note that the expenses shown in the table are meant to highlight your ongoing costs only and do not reflect any transaction costs. Therefore, the second line of the table is useful in comparing ongoing costs only, and will not help you determine the relative total costs of owning different funds.

	Annualized Expense Ratio-[A]	Beginning Account Value July 1, 2019	Ending Account Value December 31, 2019	Expenses Paid During Period-[B] July 1, 2019 to December 31, 2019
Initial Class	.62%			
Actual		$1,000.00	$1,051.60	$3.21
Hypothetical-[C]		$1,000.00	$1,022.08	$3.16
Service Class	.72%			
Actual		$1,000.00	$1,051.20	$3.72
Hypothetical-[C]		$1,000.00	$1,021.58	$3.67
Service Class 2	.87%			
Actual		$1,000.00	$1,050.40	$4.50
Hypothetical-[C]		$1,000.00	$1,020.82	$4.43
Investor Class	.70%			
Actual		$1,000.00	$1,051.20	$3.62
Hypothetical-[C]		$1,000.00	$1,021.68	$3.57

[A] *Annualized expense ratio reflects expenses net of applicable fee waivers.*

[B] *Expenses are equal to each Class' annualized expense ratio, multiplied by the average account value over the period, multiplied by 184/365 (to reflect the one-half year period).*

[C] *5% return per year before expenses*

Distributions (Unaudited)

Initial Class, Service Class, and Service Class 2 designates 100% of the dividends distributed in February and December, respectively during the fiscal year as qualifying for the dividends–received deduction for corporate shareholders.

Board Approval of Investment Advisory Contracts

VIP Mid Cap Portfolio

At its November 2019 meeting, the Board of Trustees, including the Independent Trustees (together, the Board), voted to approve an amended and restated management contract and amended and restated sub-advisory agreements (together, the Amended and Restated Contracts) for the fund, effective January 1, 2020, for a one month period through January 31, 2020, in connection with an upcoming consolidation of certain of Fidelity's advisory businesses.

The Board considered that, on or about January 1, 2020, each of FMR Co., Inc. (FMRC), Fidelity Investments Money Management, Inc. (FIMM), and SelectCo, LLC (SelectCo) will merge with and into Fidelity Management & Research Company (FMR) and that, after the merger, FMR will redomicile as a Delaware limited liability company. The Board also approved the termination of the sub-advisory agreement with FMRC upon the completion of the merger. The Board noted that the Amended and Restated Contracts would be updated to reflect the renamed adviser, Fidelity Management & Research Company LLC and its new form of organization and domicile. The Board also noted that the Amended and Restated Contracts will not change the investment processes, the level or nature of services provided, the resources and personnel allocated, trading and compliance operations, or any fees or expenses paid by the fund.

The Board concluded that the fund's Amended and Restated Contracts are fair and reasonable, and that the fund's Advisory Contracts should be approved through January 31, 2020.

In connection with its consideration of future renewals of the fund's Amended and Restated Contracts, the Board will consider: (i) the nature, extent and quality of services provided to the fund, including shareholder and administrative services and investment performance; (ii) the competitiveness of the management fee and total expenses for the fund; (iii) the costs of the services and profitability, including the revenues earned and the expenses incurred in conducting the business of developing, marketing, distributing, managing, administering, and servicing the fund and its shareholders, to the extent applicable; and (iv) whether there have been economies of scale in respect of the Fidelity funds, whether the Fidelity funds (including the fund) have appropriately benefited from any such economies of scale, and whether there is the potential for realization of any further economies.

Based on its evaluation of all of the conclusions noted above, and after considering all factors it believed relevant, the Board ultimately concluded that the fund's management fee structure is fair and reasonable, and that the continuation of the fund's Amended and Restated Contracts should be approved.

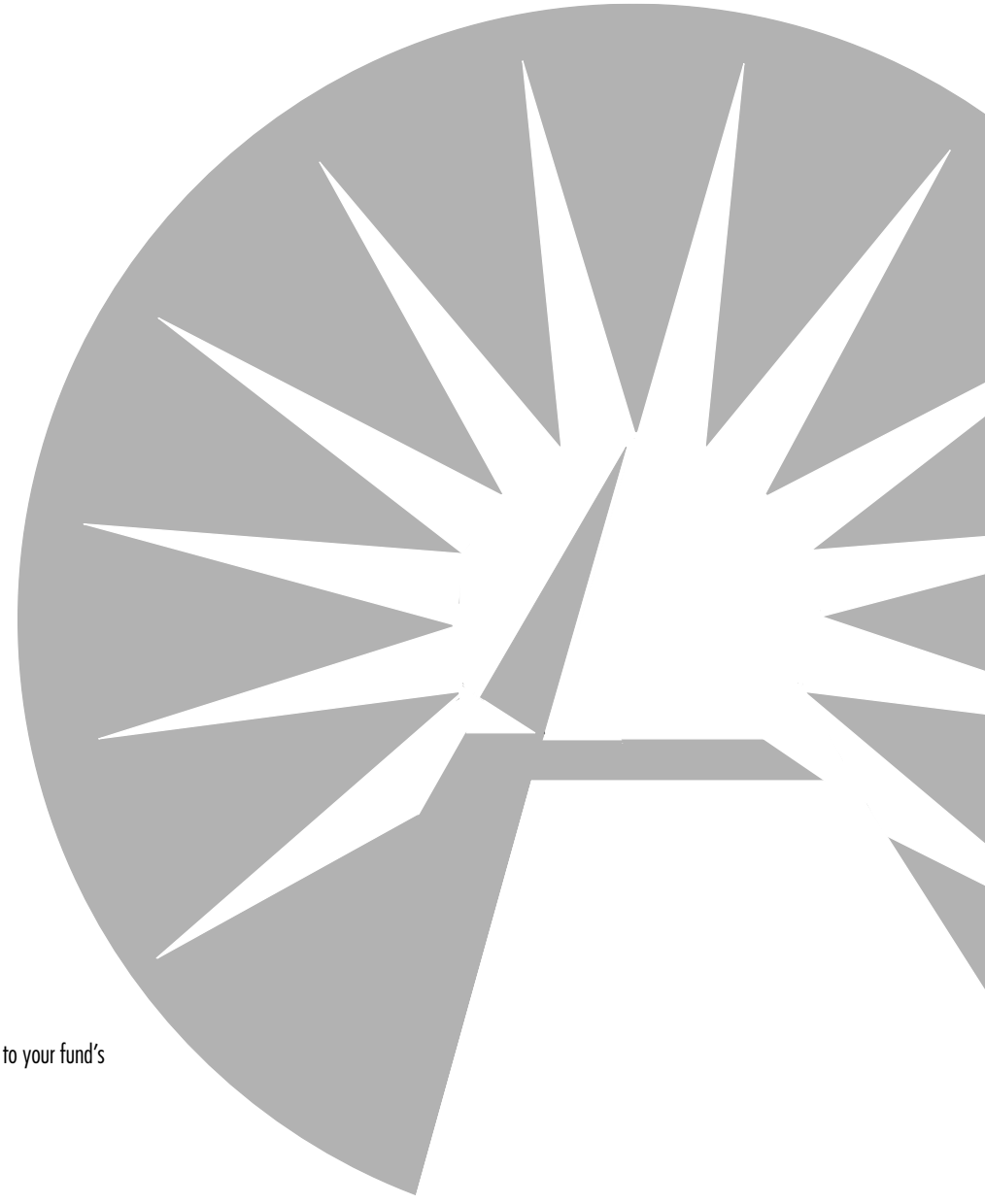


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Fidelity® Variable Insurance Products:

Contrafund® Portfolio

Annual Report
December 31, 2019



See the inside front cover for important information about access to your fund's shareholder reports.

Fidelity INVESTMENTS®

Beginning on January 1, 2021, as permitted by regulations adopted by the Securities and Exchange Commission, and if your insurance carrier elects to participate, you may not be receiving paper copies of the Fund's shareholder reports from the insurance company that offers your variable insurance product unless you specifically request paper copies from your financial professional or the administrator of your variable insurance product. Instead, the reports will be made available on a website, and you will be notified by mail each time a report is posted and provided with a website link to access the report.

If you already elected to receive shareholder reports electronically, you will not be affected by this change and you need not take any action. You may elect to receive shareholder reports and other communications from the Fund electronically, by contacting your financial professional or the administrator of your variable insurance product. If you own a Fidelity-administered variable insurance product, please visit fidelity.com/mailpreferences to make your election or call 1-800-343-3548.

You may elect to receive all future reports in paper free of charge. If you wish to continue receiving paper copies of your shareholder reports, you may contact your financial professional or the administrator of your variable insurance product. If you own a Fidelity-administered variable insurance product, please visit fidelity.com/mailpreferences to make your election or call 1-800-343-3548. Your election to receive reports in paper will apply to all funds available under your variable insurance product.

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To view a fund's proxy voting guidelines and proxy voting record for the 12-month period ended June 30, visit http://www.fidelity.com/proxyvotingresults or visit the Securities and Exchange Commission's (SEC) web site at http://www.sec.gov.

You may also call 1-877-208-0098 to request a free copy of the proxy voting guidelines.

Fidelity® Variable Insurance Products are separate account options which are purchased through a variable insurance contract.

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This report and the financial statements contained herein are submitted for the general information of the shareholders of the Fund. This report is not authorized for distribution to prospective investors in the Fund unless preceded or accompanied by an effective prospectus.

A fund files its complete schedule of portfolio holdings with the SEC for the first and third quarters of each fiscal year on Form N-PORT. Forms N-PORT are available on the SEC's web site at http://www.sec.gov. A fund's Forms N-PORT may be reviewed and copied at the SEC's Public Reference Room in Washington, DC. Information regarding the operation of the SEC's Public Reference Room may be obtained by calling 1-800-SEC-0330.

For a complete list of a fund's portfolio holdings, view the most recent holdings listing, semiannual report, or annual report on Fidelity's web site at http://www.fidelity.com, http://www.institutional.fidelity.com, or http://www.401k.com, as applicable.

NOT FDIC INSURED •MAY LOSE VALUE •NO BANK GUARANTEE

Neither the Fund nor Fidelity Distributors Corporation is a bank.

Performance: The Bottom Line

Average annual total return reflects the change in the value of an investment, assuming reinvestment of distributions from dividend income and capital gains (the profits earned upon the sale of securities that have grown in value, if any) and assuming a constant rate of performance each year. During periods of reimbursement by Fidelity, a fund's total return will be greater than it would be had the reimbursement not occurred. Performance numbers are net of all underlying fund operating expenses, but do not include any insurance charges imposed by your insurance company's separate account. If performance information included the effect of these additional charges, the total returns would have been lower. How a fund did yesterday is no guarantee of how it will do tomorrow.

Average Annual Total Returns

For the periods ended December 31, 2019	Past 1 year	Past 5 years	Past 10 years
Initial Class	31.58%	10.30%	12.30%
Service Class	31.45%	10.19%	12.19%
Service Class 2	31.27%	10.02%	12.02%
Investor Class	31.49%	10.21%	12.21%

$10,000 Over 10 Years

Let's say hypothetically that $10,000 was invested in VIP Contrafund[SM] Portfolio – Initial Class on December 31, 2009.

The chart shows how the value of your investment would have changed, and also shows how the S&P 500® Index performed over the same period.



Management's Discussion of Fund Performance

Market Recap: U.S. stocks continued to roll in 2019, with the S&P 500® index soaring 31.49% and marking history as the longest and strongest bull market ever, despite persistent, nagging concerns about global economic growth and trade. After a rough end to 2018, equities sharply reversed course to begin the new year amid upbeat company earnings and signs the Federal Reserve may pause on rates. The uptrend continued until May, when the index sunk as trade negotiations between the U.S. and China broke down. The bull market roared back to record a series of highs in July, when the Fed cut interest rates for the first time since 2008. Volatility intensified in August, as the Treasury yield curve inverted, which some investors viewed as a sign the U.S. economy could be heading for recession. But the market proved resilient, hitting a new high on October 30, when the Fed lowered rates for the third time in 2019, and moving even higher through year-end. Gains were robust and broad-based, with information technology (+50%) leading the way with its best calendar-year result in a decade, amid strong growth trends. Communication services (+33%) and financials (+32%) also stood out. In contrast, energy (+12%) was by far the weakest group – struggling amid sluggish oil prices – while several strong gainers nonetheless fell short of the broader market: industrials and real estate (+29% each), consumer discretionary and consumer staples (+28% each), utilities (+26%), materials (+25%), and health care (+21%).

Comments from Co-Portfolio Managers William Danoff and Jean Park: For the year, the fund's share classes gained about 31% to 32%, roughly in line with the benchmark S&P 500® index. Versus the benchmark, a considerable overweighting in the market-leading information technology sector notably contributed, as did underexposure to energy. Our picks in health care and consumer staples also helped. The biggest individual contributor was a large investment in Microsoft (+58%), which benefited from enterprises moving their information technology workloads from their own data centers to larger and cheaper third-party data centers. It also helped to overweight Facebook (+57%), as the social-media platform operator reported better-than-expected revenue and earnings. Microsoft and Facebook were among the fund's top holdings. Conversely, security selection in information technology and financials detracted most. The fund's modest position in cash hampered relative performance in a strong market. The largest individual relative detractor was an underweighting in Apple (+89%), a maker of personal electronics and a sizable benchmark component the past year.The company had favorable financial results, driven by its wearables, home and accessories segment. Underexposure to Apple allowed us to invest in companies with better growth prospects. In health care, it hurt to overweight UnitedHealth Group, as shares of the managed health care and insurance giantgained 20% in 2019, lagging the benchmark.

The views expressed above reflect those of the portfolio manager(s) only through the end of the period as stated on the cover of this report and do not necessarily represent the views of Fidelity or any other person in the Fidelity organization. Any such views are subject to change at any time based upon market or other conditions and Fidelity disclaims any responsibility to update such views. These views may not be relied on as investment advice and, because investment decisions for a Fidelity fund are based on numerous factors, may not be relied on as an indication of trading intent on behalf of any Fidelity fund.

Investment Summary (Unaudited)

Top Ten Stocks as of December 31, 2019

	% of fund's net assets
Microsoft Corp.	7.2
Alphabet, Inc. Class C	4.5
Amazon.com, Inc.	4.5
Facebook, Inc. Class A	4.2
Salesforce.com, Inc.	3.5
UnitedHealth Group, Inc.	3.2
Berkshire Hathaway, Inc. Class B	2.9
Apple, Inc.	2.8
JPMorgan Chase & Co.	2.4
MasterCard, Inc. Class A	2.3
	37.5

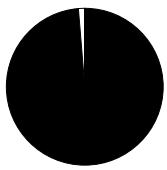
Top Market Sectors as of December 31, 2019

	% of fund's net assets
Information Technology	32.3
Health Care	15.4
Financials	12.6
Communication Services	12.5
Consumer Discretionary	11.3
Consumer Staples	5.0
Industrials	4.3
Materials	2.2
Real Estate	1.3
Energy	1.1

Asset Allocation (% of fund's net assets)

As of December 31, 2019*

■ Stocks	98.7%
□ Short-Term Investments and Net Other Assets (Liabilities)	1.3%



* *Foreign investments – 6.3%*

Schedule of Investments December 31, 2019

Showing Percentage of Net Assets

Common Stocks – 98.7%

	Shares	Value
COMMUNICATION SERVICES – 12.5%		
Entertainment – 2.9%		
Activision Blizzard, Inc.	108,728	$ 6,460,618
Electronic Arts, Inc. (a)	48,855	5,252,401
Netflix, Inc. (a)	1,114,054	360,474,453
Sea Ltd. ADR (a)	31,756	1,277,226
Spotify Technology SA (a)	20,297	3,035,416
Take-Two Interactive Software, Inc. (a)	382,400	46,817,232
The Walt Disney Co.	712,758	103,086,190
		526,403,536
Interactive Media & Services – 8.7%		
Alphabet, Inc.:		
Class A (a)	1,872	2,507,338
Class C (a)	615,767	823,292,794
CarGurus, Inc. Class A (a)	1,088	38,276
Facebook, Inc. Class A (a)	3,669,713	753,208,593
TripAdvisor, Inc.	106,700	3,241,546
		1,582,288,547
Media – 0.7%		
Charter Communications, Inc. Class A (a)	22,852	11,085,048
Comcast Corp. Class A	2,389,748	107,466,968
Discovery Communications, Inc. Class A (a)	108,185	3,541,977
Liberty Media Corp. Liberty Formula One Group Series C (a)	230	10,572
		122,104,565
Wireless Telecommunication Services – 0.2%		
T-Mobile U.S., Inc. (a)	418,401	32,811,006
TOTAL COMMUNICATION SERVICES		2,263,607,654
CONSUMER DISCRETIONARY – 11.3%		
Automobiles – 0.0%		
Tesla, Inc. (a)	12,100	5,061,793
Toyota Motor Corp.	14,700	1,035,784
		6,097,577
Hotels, Restaurants & Leisure – 1.2%		
Chipotle Mexican Grill, Inc. (a)	57,485	48,121,268
Churchill Downs, Inc.	7,817	1,072,492
Evolution Gaming Group AB (b)	182,800	5,503,702
Hilton Worldwide Holdings, Inc.	48,694	5,400,652
McDonald's Corp.	288,490	57,008,509
Starbucks Corp.	1,189,178	104,552,530
		221,659,153
Household Durables – 0.5%		
Garmin Ltd.	72,404	7,063,734
Lennar Corp. Class A	531,099	29,630,013
Mohawk Industries, Inc. (a)	55,226	7,531,722
NVR, Inc. (a)	11,400	43,415,874
		87,641,343
Internet & Direct Marketing Retail – 5.1%		
Alibaba Group Holding Ltd.	1,362,900	36,239,991
Alibaba Group Holding Ltd. sponsored ADR (a)	22,657	4,805,550
Amazon.com, Inc. (a)	443,002	818,596,816
eBay, Inc.	1,550,000	55,970,500
Expedia, Inc.	62,000	6,704,680
Meituan Dianping Class B (a)	196,200	2,565,710
		924,883,247
Multiline Retail – 0.5%		
Dollar General Corp.	534,609	$ 83,388,312
Specialty Retail – 2.8%		
AutoZone, Inc. (a)	43,599	51,939,925
Best Buy Co., Inc.	97,710	8,578,938
Burlington Stores, Inc. (a)	15,145	3,453,514
John David Group PLC	751,500	8,335,789
Lowe's Companies, Inc.	559,300	66,981,768
O'Reilly Automotive, Inc. (a)	47,616	20,868,188
Ross Stores, Inc.	85,969	10,008,511
Sally Beauty Holdings, Inc. (a)	137,400	2,507,550
The Home Depot, Inc.	896,260	195,725,259
TJX Companies, Inc.	2,000,354	122,141,615
Ulta Beauty, Inc. (a)	31,000	7,847,340
Urban Outfitters, Inc. (a)	490,000	13,607,300
		511,995,697
Textiles, Apparel & Luxury Goods – 1.2%		
adidas AG	196,249	63,794,399
Allbirds, Inc. (a) (c) (d)	130,840	1,487,651
Burberry Group PLC	91,500	2,672,480
Deckers Outdoor Corp. (a)	29,259	4,940,675
Hermes International SCA	4,580	3,422,527
lululemon athletica, Inc. (a)	1,759	407,508
NIKE, Inc. Class B	1,026,330	103,977,492
Ralph Lauren Corp.	40,521	4,749,872
VF Corp.	361,601	36,037,156
		221,489,760
TOTAL CONSUMER DISCRETIONARY		2,057,155,089
CONSUMER STAPLES – 5.0%		
Beverages – 1.1%		
Budweiser Brewing Co. APAC Ltd. (a) (b)	1,238,900	4,181,445
Keurig Dr. Pepper, Inc.	1,074,380	31,103,301
PepsiCo, Inc.	921,042	125,878,810
The Coca-Cola Co.	633,557	35,067,380
		196,230,936
Food & Staples Retailing – 1.8%		
Alimentation Couche-Tard, Inc. Class B (sub. vtg.)	190,600	6,048,767
Costco Wholesale Corp.	684,219	201,105,648
Grocery Outlet Holding Corp. (e)	89,045	2,889,510
Walmart, Inc.	907,165	107,807,489
		317,851,414
Food Products – 0.3%		
Mondelez International, Inc.	135,253	7,449,735
The Hershey Co.	288,000	42,330,240
The Simply Good Foods Co. (a)	139,234	3,973,738
		53,753,713
Household Products – 0.8%		
Procter & Gamble Co.	1,227,157	153,271,909
Personal Products – 1.0%		
Estee Lauder Companies, Inc. Class A	868,408	179,360,988

See accompanying notes which are an integral part of the financial statements.

Common Stocks – continued

	Shares	Value
CONSUMER STAPLES – continued		
Personal Products – continued		
L'Oreal SA	15,400	$ 4,560,384
Shiseido Co. Ltd.	70,600	5,013,305
		188,934,677
TOTAL CONSUMER STAPLES		910,042,649
ENERGY – 1.1%		
Oil, Gas & Consumable Fuels – 1.1%		
Canadian Natural Resources Ltd.	159,600	5,162,065
Centennial Resource Development, Inc. Class A (a)	850,270	3,928,247
Continental Resources, Inc.	154,372	5,294,960
EOG Resources, Inc.	145,301	12,170,412
Hess Corp.	962,946	64,334,422
Magnolia Oil & Gas Corp. Class A (a)	851,052	10,706,234
Reliance Industries Ltd.	4,815,081	102,169,062
		203,765,402
FINANCIALS – 12.6%		
Banks – 4.2%		
Bank of America Corp.	7,579,177	266,938,614
Citigroup, Inc.	55,900	4,465,851
HDFC Bank Ltd. sponsored ADR	767,514	48,637,362
JPMorgan Chase & Co.	3,089,939	430,737,497
Kotak Mahindra Bank Ltd.	45,700	1,078,758
PNC Financial Services Group, Inc.	69,231	11,051,345
U.S. Bancorp	88,300	5,235,307
		768,144,734
Capital Markets – 2.2%		
Brookfield Asset Management, Inc. (Canada) Class A	191,800	11,082,172
Charles Schwab Corp.	171,400	8,151,784
CME Group, Inc.	619,674	124,380,965
Moody's Corp.	47,534	11,285,047
Morgan Stanley	1,129,700	57,750,264
MSCI, Inc.	320,735	82,807,362
S&P Global, Inc.	346,900	94,721,045
Tradeweb Markets, Inc. Class A	9,772	452,932
XP, Inc. Class A (a)	73,100	2,815,812
		393,447,383
Consumer Finance – 1.8%		
American Express Co.	2,568,771	319,786,302
Diversified Financial Services – 2.9%		
AXA Equitable Holdings, Inc.	42,400	1,050,672
Berkshire Hathaway, Inc. Class B (a)	2,321,388	525,794,382
		526,845,054
Insurance – 1.5%		
AFLAC, Inc.	1,360,745	71,983,411
Allstate Corp.	589,289	66,265,548
American International Group, Inc.	562,124	28,853,825
Arch Capital Group Ltd. (a)	315,400	13,527,506
Assurant, Inc.	121,533	15,930,546
Chubb Ltd.	98,549	15,340,137
Marsh & McLennan Companies, Inc.	28,209	3,142,765
Primerica, Inc.	35,762	4,669,087
Progressive Corp.	770,000	$ 55,740,300
The Travelers Companies, Inc.	4,100	561,495
		276,014,620
TOTAL FINANCIALS		2,284,238,093
HEALTH CARE – 15.4%		
Biotechnology – 1.9%		
AbbVie, Inc.	1,172,215	103,787,916
Acceleron Pharma, Inc. (a)	14,137	749,544
Allogene Therapeutics, Inc. (a) (e)	43,387	1,127,194
Amgen, Inc.	356,200	85,869,134
Argenx SE ADR (a)	8,200	1,316,264
bluebird bio, Inc. (a)	30,290	2,657,948
Bridgebio Pharma, Inc.	27,750	972,638
Galapagos Genomics NV sponsored ADR (a)	9,860	2,039,344
Global Blood Therapeutics, Inc. (a)	14,200	1,128,758
Idorsia Ltd. (a)	220,300	6,815,232
Innovent Biolgics, Inc. (a) (b)	338,000	1,151,637
Morphosys AG (a)	15,900	2,261,482
Regeneron Pharmaceuticals, Inc. (a)	58,625	22,012,515
Turning Point Therapeutics, Inc.	53,447	3,329,214
Vertex Pharmaceuticals, Inc. (a)	504,085	110,369,411
		345,588,231
Health Care Equipment & Supplies – 6.4%		
Abbott Laboratories	1,707,336	148,299,205
Baxter International, Inc.	1,279,968	107,030,924
Becton, Dickinson & Co.	176,500	48,002,705
Boston Scientific Corp. (a)	2,118,937	95,818,331
Danaher Corp.	1,286,463	197,446,341
DexCom, Inc. (a)	181,442	39,688,623
Edwards Lifesciences Corp. (a)	1,165,580	271,918,158
Haemonetics Corp. (a)	8,600	988,140
Hoya Corp.	5,500	528,968
Intuitive Surgical, Inc. (a)	239,120	141,355,788
Masimo Corp. (a)	20,905	3,304,244
ResMed, Inc.	359,890	55,772,153
Sonova Holding AG Class B	51,600	11,809,671
Stryker Corp.	175,257	36,793,455
Zimmer Biomet Holdings, Inc.	36,200	5,418,416
		1,164,175,122
Health Care Providers & Services – 4.0%		
Anthem, Inc.	54,336	16,411,102
Centene Corp. (a)	755,000	47,466,850
Cigna Corp.	201,347	41,173,448
Hapvida Participacoes e Investimentos SA (b)	464,300	7,375,337
HCA Holdings, Inc.	203,120	30,023,167
UnitedHealth Group, Inc.	1,982,040	582,680,119
		725,130,023
Health Care Technology – 0.2%		
Veeva Systems, Inc. Class A (a)	173,368	24,385,943
Life Sciences Tools & Services – 1.0%		
10X Genomics, Inc. (a)	35,371	2,697,039
Bio-Rad Laboratories, Inc. Class A (a)	18,174	6,724,925
Bruker Corp.	23,200	1,182,504
IQVIA Holdings, Inc. (a)	114,894	17,752,272

See accompanying notes which are an integral part of the financial statements.

Common Stocks – continued

	Shares	Value
HEALTH CARE – continued		
Life Sciences Tools & Services – continued		
Mettler-Toledo International, Inc. (a)	32,908	$ 26,105,258
PRA Health Sciences, Inc. (a)	9,800	1,089,270
Thermo Fisher Scientific, Inc.	395,899	128,615,708
Wuxi Biologics (Cayman), Inc. (a) (b)	101,000	1,278,653
		185,445,629
Pharmaceuticals – 1.9%		
Astellas Pharma, Inc.	70,000	1,194,899
AstraZeneca PLC:		
(United Kingdom)	62,366	6,242,335
sponsored ADR	1,437,817	71,689,556
Bristol-Myers Squibb Co.	932,447	59,853,773
Bristol-Myers Squibb Co. rights (a)	621,200	1,869,812
Eli Lilly & Co.	42,234	5,550,815
Hansoh Pharmaceutical Group Co. Ltd. (b)	2,050,000	6,813,778
Merck & Co., Inc.	511,015	46,476,814
Novartis AG sponsored ADR	274,731	26,014,278
Roche Holding AG (participation certificate)	143,200	46,540,403
Zoetis, Inc. Class A	594,096	78,628,606
		350,875,069
TOTAL HEALTH CARE		2,795,600,017
INDUSTRIALS – 4.3%		
Aerospace & Defense – 1.9%		
Harris Corp.	433,605	85,797,421
Huntington Ingalls Industries, Inc.	185,000	46,412,800
Lockheed Martin Corp.	21,175	8,245,122
Northrop Grumman Corp.	190,251	65,440,636
TransDigm Group, Inc.	245,907	137,707,920
		343,603,899
Air Freight & Logistics – 0.1%		
C.H. Robinson Worldwide, Inc.	209,000	16,343,800
Airlines – 0.0%		
Southwest Airlines Co.	36,100	1,948,678
United Continental Holdings, Inc. (a)	11,400	1,004,226
		2,952,904
Building Products – 0.2%		
Allegion PLC	9,000	1,120,860
Masco Corp.	67,000	3,215,330
Toto Ltd.	578,600	24,432,608
		28,768,798
Commercial Services & Supplies – 0.2%		
Cintas Corp.	97,905	26,344,277
Clean TeQ Holdings Ltd. (a)	51,800	7,452
Copart, Inc. (a)	170,000	15,459,800
Edenred SA	20,100	1,039,378
		42,850,907
Electrical Equipment – 0.2%		
AMETEK, Inc.	316,289	31,546,665
Generac Holdings, Inc. (a)	21,786	2,191,454
Vestas Wind Systems A/S	88,700	8,959,277
		42,697,396
Industrial Conglomerates – 0.5%		
General Electric Co.	3,671,221	$ 40,970,826
Roper Technologies, Inc.	137,000	48,529,510
		89,500,336
Machinery – 0.5%		
Dover Corp.	196,500	22,648,590
Fortive Corp.	758,206	57,919,356
IDEX Corp.	11,157	1,919,004
Ingersoll-Rand PLC	65,477	8,703,203
PACCAR, Inc.	13,600	1,075,760
		92,265,913
Professional Services – 0.5%		
Clarivate Analytics PLC (a)	837,345	14,067,396
CoStar Group, Inc. (a)	15,916	9,522,543
Experian PLC	266,854	9,046,212
FTI Consulting, Inc. (a)	432,370	47,846,064
Verisk Analytics, Inc.	81,000	12,096,540
		92,578,755
Road & Rail – 0.2%		
Canadian Pacific Railway Ltd.	21,200	5,404,363
Union Pacific Corp.	168,172	30,403,816
		35,808,179
TOTAL INDUSTRIALS		787,370,887
INFORMATION TECHNOLOGY – 32.3%		
Communications Equipment – 0.7%		
Cisco Systems, Inc.	1,990,100	95,445,196
Motorola Solutions, Inc.	185,753	29,932,238
		125,377,434
Electronic Equipment & Components – 1.6%		
Amphenol Corp. Class A	1,617,298	175,040,163
CDW Corp.	248,050	35,431,462
Keysight Technologies, Inc. (a)	533,111	54,713,182
Zebra Technologies Corp. Class A (a)	119,930	30,634,919
		295,819,726
IT Services – 8.8%		
Accenture PLC Class A	512,597	107,937,550
Adyen BV (a) (b)	25,119	20,596,643
Booz Allen Hamilton Holding Corp. Class A	351,100	24,973,743
Endava PLC ADR (a)	21,012	979,159
EPAM Systems, Inc. (a)	90,896	19,284,495
Fidelity National Information Services, Inc.	420,887	58,541,173
Fiserv, Inc. (a)	58,472	6,761,117
FleetCor Technologies, Inc. (a)	121,699	35,015,236
Global Payments, Inc.	737,778	134,688,752
MasterCard, Inc. Class A	1,373,540	410,125,309
MongoDB, Inc. Class A (a) (e)	512,198	67,410,379
Okta, Inc. (a)	1,477,651	170,476,596
PayPal Holdings, Inc. (a)	1,303,044	140,950,269
Square, Inc. (a)	48,662	3,044,295
StoneCo Ltd. Class A (a)	105,400	4,204,406
VeriSign, Inc. (a)	48,100	9,267,908
Visa, Inc. Class A	2,034,956	382,368,232
		1,596,625,262

See accompanying notes which are an integral part of the financial statements.

Common Stocks – continued

	Shares	Value
INFORMATION TECHNOLOGY – continued		
Semiconductors & Semiconductor Equipment – 3.1%		
Advanced Micro Devices, Inc. (a)	1,570,739	$ 72,034,091
Analog Devices, Inc.	170,339	20,243,087
Applied Materials, Inc.	40,647	2,481,093
ASML Holding NV	26,199	7,753,332
Cirrus Logic, Inc. (a)	48,700	4,013,367
Enphase Energy, Inc. (a) (e)	42,900	1,120,977
KLA-Tencor Corp.	283,351	50,484,648
Lam Research Corp.	348,451	101,887,072
Marvell Technology Group Ltd.	186,919	4,964,569
Mellanox Technologies Ltd. (a)	136,234	15,963,900
Microchip Technology, Inc.	46,523	4,871,889
Micron Technology, Inc. (a)	268,000	14,413,040
NVIDIA Corp.	426,760	100,416,628
NXP Semiconductors NV	185,658	23,626,837
Qorvo, Inc. (a)	54,100	6,288,043
Qualcomm, Inc.	766,210	67,602,708
Skyworks Solutions, Inc.	78,420	9,479,410
SolarEdge Technologies, Inc. (a)	46,553	4,426,725
Synaptics, Inc. (a)	49,856	3,279,029
Taiwan Semiconductor Manufacturing Co. Ltd. sponsored ADR	26,998	1,568,584
Texas Instruments, Inc.	67,400	8,646,746
Universal Display Corp.	10,800	2,225,556
Xilinx, Inc.	274,950	26,881,862
		554,673,193
Software – 15.3%		
Adobe, Inc. (a)	1,043,853	344,273,158
Atlassian Corp. PLC (a)	676,542	81,415,064
Cadence Design Systems, Inc. (a)	125,068	8,674,716
Ceridian HCM Holding, Inc. (a)	76,300	5,179,244
Coupa Software, Inc. (a) (e)	485,510	71,005,838
DocuSign, Inc. (a)	31,129	2,306,970
Dropbox, Inc. Class A (a)	92,531	1,657,230
Fortinet, Inc. (a)	408,900	43,654,164
Intuit, Inc.	286,432	75,025,134
Microsoft Corp.	8,295,300	1,308,168,805
Netcompany Group A/S (a) (b)	856	40,732
Paycom Software, Inc. (a)	5,000	1,323,800
RingCentral, Inc. (a)	791,862	133,563,364
Salesforce.com, Inc. (a)	3,908,838	635,733,412
Slack Technologies, Inc. Class A (a)	288,600	6,487,728
Synopsys, Inc. (a)	38,658	5,381,194
Workday, Inc. Class A (a)	367,701	60,468,429
Xero Ltd. (a)	20,100	1,128,414
		2,785,487,396
Technology Hardware, Storage & Peripherals – 2.8%		
Apple, Inc.	1,710,000	502,141,500
Samsung Electronics Co. Ltd.	150,900	7,286,196
		509,427,696
TOTAL INFORMATION TECHNOLOGY		5,867,410,707
MATERIALS – 2.2%		
Chemicals – 0.7%		
Air Products & Chemicals, Inc.	52,883	12,426,976
FMC Corp.	32,700	$ 3,264,114
PPG Industries, Inc.	43,095	5,752,752
Sherwin-Williams Co.	154,582	90,204,780
Westlake Chemical Corp.	136,994	9,610,129
		121,258,751
Construction Materials – 0.0%		
Vulcan Materials Co.	684	98,489
Containers & Packaging – 0.0%		
Avery Dennison Corp.	8,000	1,046,560
Metals & Mining – 1.5%		
Agnico Eagle Mines Ltd. (Canada)	87,300	5,376,962
Barrick Gold Corp.	106,699	1,983,534
Barrick Gold Corp. (Canada)	2,364,509	43,919,724
Franco-Nevada Corp.	740,800	76,495,993
Kirkland Lake Gold Ltd.	2,766,764	121,958,778
Lundin Gold, Inc. (a) (e)	314,400	2,016,828
Newcrest Mining Ltd.	595,438	12,639,921
Royal Gold, Inc.	16,318	1,994,876
Wheaton Precious Metals Corp.	75,000	2,231,720
		268,618,336
TOTAL MATERIALS		391,022,136
REAL ESTATE – 1.3%		
Equity Real Estate Investment Trusts (REITs) – 1.3%		
American Tower Corp.	741,809	170,482,544
Equity Commonwealth	33,300	1,093,239
Equity Lifestyle Properties, Inc.	184,486	12,985,970
Equity Residential (SBI)	169,756	13,736,656
Prologis, Inc.	33,600	2,995,104
Public Storage	12,100	2,576,816
SBA Communications Corp. Class A	157,000	37,835,430
		241,705,759
UTILITIES – 0.7%		
Electric Utilities – 0.7%		
NextEra Energy, Inc.	529,797	128,295,642
TOTAL COMMON STOCKS		
(Cost $11,861,029,172)		**17,930,214,035**

Preferred Stocks – 0.0%

Convertible Preferred Stocks – 0.0%

CONSUMER DISCRETIONARY – 0.0%		
Textiles, Apparel & Luxury Goods – 0.0%		
Allbirds, Inc.:		
Series A (a) (c) (d)	51,640	587,147
Series B (a) (c) (d)	9,070	103,126
Series C (a) (c) (d)	86,705	985,836
Series Seed (a) (c) (d)	27,745	315,461
		1,991,570

See accompanying notes which are an integral part of the financial statements.

Preferred Stocks – continued

	Shares	Value
Nonconvertible Preferred Stocks – 0.0%		
ENERGY – 0.0%		
Oil, Gas & Consumable Fuels – 0.0%		
Petroleo Brasileiro SA - Petrobras sponsored ADR	126,400	$ 2,014,816
TOTAL PREFERRED STOCKS (Cost $3,994,978)		**4,006,386**

Money Market Funds – 1.8%

Fidelity Cash Central Fund 1.58% (f)	247,247,971	247,297,421
Fidelity Securities Lending Cash Central Fund 1.58% (f) (g)	74,514,338	74,521,790
TOTAL MONEY MARKET FUNDS (Cost $321,814,303)		**321,819,211**
TOTAL INVESTMENT IN SECURITIES – 100.5% (Cost $12,186,838,453)		**18,256,039,632**
NET OTHER ASSETS (LIABILITIES) – (0.5)%		**(88,673,674)**
NET ASSETS – 100%		**$18,167,365,958**

Legend

(a) Non-income producing

(b) Security exempt from registration under Rule 144A of the Securities Act of 1933. These securities may be resold in transactions exempt from registration, normally to qualified institutional buyers. At the end of the period, the value of these securities amounted to $46,941,927 or 0.3% of net assets.

(c) Restricted securities – Investment in securities not registered under the Securities Act of 1933 (excluding 144A issues). At the end of the period, the value of restricted securities (excluding 144A issues) amounted to $3,479,221 or 0.0% of net assets.

(d) Level 3 security

(e) Security or a portion of the security is on loan at period end.

(f) Affiliated fund that is generally available only to investment companies and other accounts managed by Fidelity Investments. The rate quoted is the annualized seven-day yield of the fund at period end. A complete unaudited listing of the fund's holdings as of its most recent quarter end is available upon request. In addition, each Fidelity Central Fund's financial statements, which are not covered by the Fund's Report of Independent Registered Public Accounting Firm, are available on the SEC's website or upon request.

(g) Investment made with cash collateral received from securities on loan.

Additional information on each restricted holding is as follows:

Security	Acquisition Date	Acquisition Cost
Allbirds, Inc.	10/9/18	$ 1,434,943
Allbirds, Inc. Series A	10/9/18	$ 566,344
Allbirds, Inc. Series B	10/9/18	$ 99,472
Allbirds, Inc. Series C	10/9/18	$ 950,908
Allbirds, Inc. Series Seed	10/9/18	$ 304,284

See accompanying notes which are an integral part of the financial statements.

Affiliated Central Funds

Information regarding fiscal year to date income earned by the Fund from investments in Fidelity Central Funds is as follows:

Fund	Income earned
Fidelity Cash Central Fund	$ 5,213,607
Fidelity Securities Lending Cash Central Fund	1,057,918
Total	$ 6,271,525

Amounts in the income column in the above table include any capital gain distributions from underlying funds, which are presented in the corresponding line-item in the Statement of Operations, if applicable. Amount for Fidelity Securities Lending Cash Central Fund represents the income earned on investing cash collateral, less rebates paid to borrowers and any lending agent fees associated with the loan, plus any premium payments received for lending certain types of securities.

Investment Valuation

The following is a summary of the inputs used, as of December 31, 2019, involving the Fund's assets and liabilities carried at fair value. The inputs or methodology used for valuing securities may not be an indication of the risk associated with investing in those securities. For more information on valuation inputs, and their aggregation into the levels used below, please refer to the Investment Valuation section in the accompanying Notes to Financial Statements.

	Valuation Inputs at Reporting Date:			
Description	Total	Level 1	Level 2	Level 3
Investments in Securities:				
Equities:				
Communication Services	$ 2,263,607,654	$ 2,263,607,654	$ —	$ —
Consumer Discretionary	2,059,146,659	2,054,631,654	1,035,784	3,479,221
Consumer Staples	910,042,649	905,029,344	5,013,305	—
Energy	205,780,218	205,780,218	—	—
Financials	2,284,238,093	2,284,238,093	—	—
Health Care	2,795,600,017	2,741,622,380	53,977,637	—
Industrials	787,370,887	744,932,790	42,438,097	—
Information Technology	5,867,410,707	5,867,410,707	—	—
Materials	391,022,136	391,022,136	—	—
Real Estate	241,705,759	241,705,759	—	—
Utilities	128,295,642	128,295,642	—	—
Money Market Funds	321,819,211	321,819,211	—	—
Total Investments in Securities:	$18,256,039,632	$18,150,095,588	$102,464,823	$3,479,221

See accompanying notes which are an integral part of the financial statements.

Financial Statements

Statement of Assets and Liabilities

		December 31, 2019
Assets		
Investment in securities, at value (including securities loaned of $74,281,059) — See accompanying schedule:		
Unaffiliated issuers (cost $11,865,024,150)	$ 17,934,220,421	
Fidelity Central Funds (cost $321,814,303)	321,819,211	
Total Investment in Securities (cost $12,186,838,453)		$ 18,256,039,632
Cash		41,333
Foreign currency held at value (cost $28,965)		28,965
Receivable for investments sold		37
Receivable for fund shares sold		1,907,888
Dividends receivable		17,149,831
Distributions receivable from Fidelity Central Funds		706,532
Prepaid expenses		24,544
Other receivables		1,128,228
Total assets		18,277,026,990
Liabilities		
Payable for investments purchased	$ 79,866	
Payable for fund shares redeemed	18,746,927	
Accrued management fee	8,000,294	
Distribution and service plan fees payable	1,783,065	
Other affiliated payables	1,222,079	
Other payables and accrued expenses	5,307,776	
Collateral on securities loaned	74,521,025	
Total liabilities		109,661,032
Net Assets		$ 18,167,365,958
Net Assets consist of:		
Paid in capital		$ 12,019,135,885
Total accumulated earnings (loss)		6,148,230,073
Net Assets		$ 18,167,365,958
Net Asset Value and Maximum Offering Price		
Initial Class:		
Net Asset Value, offering price and redemption price per share ($6,919,368,545 ÷ 186,160,564 shares)		$ 37.17
Service Class:		
Net Asset Value, offering price and redemption price per share ($1,493,164,385 ÷ 40,397,936 shares)		$ 36.96
Service Class 2:		
Net Asset Value, offering price and redemption price per share ($8,038,646,292 ÷ 222,684,558 shares)		$ 36.10
Investor Class:		
Net Asset Value, offering price and redemption price per share ($1,716,186,736 ÷ 46,494,113 shares)		$ 36.91

See accompanying notes which are an integral part of the financial statements.

Statement of Operations

		Year ended December 31, 2019
Investment Income		
Dividends		$ 187,628,246
Income from Fidelity Central Funds (including $1,057,918 from security lending)		6,271,525
Total income		193,899,771
Expenses		
Management fee	$ 95,002,508	
Transfer agent fees	12,718,048	
Distribution and service plan fees	21,178,559	
Accounting and security lending fees	1,606,244	
Custodian fees and expenses	212,887	
Independent trustees' fees and expenses	96,761	
Audit	81,328	
Legal	47,263	
Miscellaneous	121,207	
Total expenses before reductions	131,064,805	
Expense reductions	(473,112)	
Total expenses after reductions		130,591,693
Net investment income (loss)		63,308,078
Realized and Unrealized Gain (Loss)		
Net realized gain (loss) on:		
Investment securities:		
Unaffiliated issuers (net of foreign taxes of $413,875)	244,935,824	
Fidelity Central Funds	926	
Foreign currency transactions	76,418	
Total net realized gain (loss)		245,013,168
Change in net unrealized appreciation (depreciation) on:		
Investment securities:		
Unaffiliated issuers (net of increase in deferred foreign taxes of $4,138,736)	4,446,141,885	
Fidelity Central Funds	(1)	
Assets and liabilities in foreign currencies	11,737	
Total change in net unrealized appreciation (depreciation)		4,446,153,621
Net gain (loss)		4,691,166,789
Net increase (decrease) in net assets resulting from operations		$ 4,754,474,867

Statement of Changes in Net Assets

	Year ended December 31, 2019	Year ended December 31, 2018
Increase (Decrease) in Net Assets		
Operations		
Net investment income (loss)	$ 63,308,078	$ 99,021,828
Net realized gain (loss)	245,013,168	2,300,592,450
Change in net unrealized appreciation (depreciation)	4,446,153,621	(3,411,045,027)
Net increase (decrease) in net assets resulting from operations	4,754,474,867	(1,011,430,749)
Distributions to shareholders	(2,102,317,791)	(1,830,022,548)
Share transactions – net increase (decrease)	(432,541,997)	(1,199,312,259)
Total increase (decrease) in net assets	2,219,615,079	(4,040,765,556)
Net Assets		
Beginning of period	15,947,750,879	19,988,516,435
End of period	$ 18,167,365,958	$ 15,947,750,879

See accompanying notes which are an integral part of the financial statements.

Financial Highlights

VIP Contrafund Portfolio Initial Class

Years ended December 31,	2019	2018	2017	2016	2015
Selected Per–Share Data					
Net asset value, beginning of period	$ 32.13	$ 37.94	$ 33.18	$ 33.91	$ 37.36
Income from Investment Operations					
Net investment income (loss) [A]	.16	.23	.35	.33	.35
Net realized and unrealized gain (loss)	9.15	(2.50)	6.69	1.85	(.14)
Total from investment operations	9.31	(2.27)	7.04	2.18	.21
Distributions from net investment income	(.16)	(.26)	(.36)	(.26)	(.37)
Distributions from net realized gain	(4.11)	(3.28)	(1.91)	(2.65)	(3.30)
Total distributions	(4.27)	(3.54)	(2.28)[B]	(2.91)	(3.66)[C]
Net asset value, end of period	$ 37.17	$ 32.13	$ 37.94	$ 33.18	$ 33.91
Total Return [D,E]	31.58%	(6.38)%	21.88%	8.04%	.64%
Ratios to Average Net Assets [F,G]					
Expenses before reductions	.61%	.62%	.62%	.63%	.63%
Expenses net of fee waivers, if any	.61%	.62%	.62%	.63%	.63%
Expenses net of all reductions	.61%	.61%	.62%	.62%	.62%
Net investment income (loss)	.48%	.64%	.98%	1.04%	1.01%
Supplemental Data					
Net assets, end of period (000 omitted)	$ 6,919,369	$ 6,240,295	$ 7,609,925	$ 6,962,430	$ 7,436,130
Portfolio turnover rate [H]	37%[I]	111%[I]	70%	62%	80%

A *Calculated based on average shares outstanding during the period.*

B *Total distributions of $2.28 per share is comprised of distributions from net investment income of $.364 and distributions from net realized gain of $1.911 per share.*

C *Total distributions of $3.66 per share is comprised of distributions from net investment income of $.369 and distributions from net realized gain of $3.295 per share.*

D *Total returns do not reflect charges attributable to your insurance company's separate account. Inclusion of these charges would reduce the total returns shown.*

E *Total returns would have been lower if certain expenses had not been reduced during the applicable periods shown.*

F *Fees and expenses of any underlying Fidelity Central Funds are not included in the Fund's expense ratio. The Fund indirectly bears its proportionate share of the expenses of any underlying Fidelity Central Funds.*

G *Expense ratios reflect operating expenses of the class. Expenses before reductions do not reflect amounts reimbursed by the investment adviser or reductions from brokerage service arrangements or reductions from other expense offset arrangements and do not represent the amount paid by the class during periods when reimbursements or reductions occur. Expenses net of fee waivers reflect expenses after reimbursement by the investment adviser but prior to reductions from brokerage service arrangements or other expense offset arrangements. Expenses net of all reductions represent the net expenses paid by the class.*

H *Amount does not include the portfolio activity of any underlying Fidelity Central Funds.*

I *Portfolio turnover rate excludes securities received or delivered in-kind.*

See accompanying notes which are an integral part of the financial statements.

VIP Contrafund Portfolio Service Class

Years ended December 31,	2019	2018	2017	2016	2015
Selected Per–Share Data					
Net asset value, beginning of period	$ 31.97	$ 37.77	$ 33.04	$ 33.79	$ 37.23
Income from Investment Operations					
Net investment income (loss) [A]	.13	.19	.31	.29	.32
Net realized and unrealized gain (loss)	9.10	(2.48)	6.66	1.84	(.13)
Total from investment operations	9.23	(2.29)	6.97	2.13	.19
Distributions from net investment income	(.13)	(.22)	(.33)	(.23)	(.33)
Distributions from net realized gain	(4.11)	(3.28)	(1.91)	(2.65)	(3.30)
Total distributions	(4.24)	(3.51)[B]	(2.24)	(2.88)	(3.63)
Net asset value, end of period	$ 36.96	$ 31.97	$ 37.77	$ 33.04	$ 33.79
Total Return [C,D]	31.45%	(6.49)%	21.76%	7.91%	.56%
Ratios to Average Net Assets [E,F]					
Expenses before reductions	.71%	.72%	.72%	.73%	.73%
Expenses net of fee waivers, if any	.71%	.72%	.72%	.73%	.73%
Expenses net of all reductions	.71%	.71%	.72%	.72%	.72%
Net investment income (loss)	.38%	.54%	.88%	.94%	.91%
Supplemental Data					
Net assets, end of period (000 omitted)	$ 1,493,164	$ 1,324,859	$ 1,569,798	$ 1,428,793	$ 1,546,864
Portfolio turnover rate [G]	37%[H]	111%[H]	70%	62%	80%

A *Calculated based on average shares outstanding during the period.*

B *Total distributions of $3.51 per share is comprised of distributions from net investment income of $.223 and distributions from net realized gain of $3.282 per share.*

C *Total returns do not reflect charges attributable to your insurance company's separate account. Inclusion of these charges would reduce the total returns shown.*

D *Total returns would have been lower if certain expenses had not been reduced during the applicable periods shown.*

E *Fees and expenses of any underlying Fidelity Central Funds are not included in the Fund's expense ratio. The Fund indirectly bears its proportionate share of the expenses of any underlying Fidelity Central Funds.*

F *Expense ratios reflect operating expenses of the class. Expenses before reductions do not reflect amounts reimbursed by the investment adviser or reductions from brokerage service arrangements or reductions from other expense offset arrangements and do not represent the amount paid by the class during periods when reimbursements or reductions occur. Expenses net of fee waivers reflect expenses after reimbursement by the investment adviser but prior to reductions from brokerage service arrangements or other expense offset arrangements. Expenses net of all reductions represent the net expenses paid by the class.*

G *Amount does not include the portfolio activity of any underlying Fidelity Central Funds.*

H *Portfolio turnover rate excludes securities received or delivered in-kind.*

See accompanying notes which are an integral part of the financial statements.

VIP Contrafund Portfolio Service Class 2

Years ended December 31,	2019	2018	2017	2016	2015
Selected Per–Share Data					
Net asset value, beginning of period	$ 31.31	$ 37.05	$ 32.45	$ 33.25	$ 36.70
Income from Investment Operations					
Net investment income (loss) [A]	.08	.14	.25	.24	.26
Net realized and unrealized gain (loss)	8.89	(2.44)	6.54	1.80	(.14)
Total from investment operations	8.97	(2.30)	6.79	2.04	.12
Distributions from net investment income	(.07)	(.16)	(.28)	(.20)	(.28)
Distributions from net realized gain	(4.11)	(3.28)	(1.91)	(2.65)	(3.30)
Total distributions	(4.18)	(3.44)	(2.19)	(2.84)[B]	(3.57)[C]
Net asset value, end of period	$ 36.10	$ 31.31	$ 37.05	$ 32.45	$ 33.25
Total Return [D,E]	31.27%	(6.64)%	21.59%	7.76%	.39%
Ratios to Average Net Assets [F,G]					
Expenses before reductions	.86%	.87%	.87%	.88%	.88%
Expenses net of fee waivers, if any	.86%	.87%	.87%	.88%	.88%
Expenses net of all reductions	.86%	.86%	.87%	.87%	.87%
Net investment income (loss)	.23%	.39%	.73%	.79%	.76%
Supplemental Data					
Net assets, end of period (000 omitted)	$ 8,038,646	$ 6,979,731	$ 9,255,124	$ 8,138,206	$ 8,363,076
Portfolio turnover rate [H]	37%[I]	111%[I]	70%	62%	80%

A *Calculated based on average shares outstanding during the period.*

B *Total distributions of $2.84 per share is comprised of distributions from net investment income of $.196 and distributions from net realized gain of $2.648 per share.*

C *Total distributions of $3.57 per share is comprised of distributions from net investment income of $.279 and distributions from net realized gain of $3.295 per share.*

D *Total returns do not reflect charges attributable to your insurance company's separate account. Inclusion of these charges would reduce the total returns shown.*

E *Total returns would have been lower if certain expenses had not been reduced during the applicable periods shown.*

F *Fees and expenses of any underlying Fidelity Central Funds are not included in the Fund's expense ratio. The Fund indirectly bears its proportionate share of the expenses of any underlying Fidelity Central Funds.*

G *Expense ratios reflect operating expenses of the class. Expenses before reductions do not reflect amounts reimbursed by the investment adviser or reductions from brokerage service arrangements or reductions from other expense offset arrangements and do not represent the amount paid by the class during periods when reimbursements or reductions occur. Expenses net of fee waivers reflect expenses after reimbursement by the investment adviser but prior to reductions from brokerage service arrangements or other expense offset arrangements. Expenses net of all reductions represent the net expenses paid by the class.*

H *Amount does not include the portfolio activity of any underlying Fidelity Central Funds.*

I *Portfolio turnover rate excludes securities received or delivered in-kind.*

See accompanying notes which are an integral part of the financial statements.

VIP Contrafund Portfolio Investor Class

Years ended December 31,	2019	2018	2017	2016	2015
Selected Per–Share Data					
Net asset value, beginning of period	$ 31.93	$ 37.74	$ 33.01	$ 33.76	$ 37.21
Income from Investment Operations					
Net investment income (loss) [A]	.14	.20	.32	.30	.32
Net realized and unrealized gain (loss)	9.08	(2.49)	6.66	1.84	(.13)
Total from investment operations	9.22	(2.29)	6.98	2.14	.19
Distributions from net investment income	(.14)	(.23)	(.34)	(.24)	(.34)
Distributions from net realized gain	(4.11)	(3.28)	(1.91)	(2.65)	(3.30)
Total distributions	(4.24) [B]	(3.52) [C]	(2.25)	(2.89)	(3.64)
Net asset value, end of period	$ 36.91	$ 31.93	$ 37.74	$ 33.01	$ 33.76
Total Return [D,E]	31.49%	(6.49)%	21.81%	7.95%	.56%
Ratios to Average Net Assets [F,G]					
Expenses before reductions	.69%	.70%	.70%	.71%	.71%
Expenses net of fee waivers, if any	.69%	.69%	.70%	.71%	.71%
Expenses net of all reductions	.69%	.69%	.70%	.70%	.70%
Net investment income (loss)	.40%	.56%	.90%	.95%	.93%
Supplemental Data					
Net assets, end of period (000 omitted)	$ 1,716,187	$ 1,402,867	$ 1,553,670	$ 1,327,708	$ 1,276,807
Portfolio turnover rate [H]	37% [I]	111% [I]	70%	62%	80%

A *Calculated based on average shares outstanding during the period.*

B *Total distributions of $4.24 per share is comprised of distributions from net investment income of $.135 and distributions from net realized gain of $4.109 per share.*

C *Total distributions of $3.52 per share is comprised of distributions from net investment income of $.233 and distributions from net realized gain of $3.282 per share.*

D *Total returns do not reflect charges attributable to your insurance company's separate account. Inclusion of these charges would reduce the total returns shown.*

E *Total returns would have been lower if certain expenses had not been reduced during the applicable periods shown.*

F *Fees and expenses of any underlying Fidelity Central Funds are not included in the Fund's expense ratio. The Fund indirectly bears its proportionate share of the expenses of any underlying Fidelity Central Funds.*

G *Expense ratios reflect operating expenses of the class. Expenses before reductions do not reflect amounts reimbursed by the investment adviser or reductions from brokerage service arrangements or reductions from other expense offset arrangements and do not represent the amount paid by the class during periods when reimbursements or reductions occur. Expenses net of fee waivers reflect expenses after reimbursement by the investment adviser but prior to reductions from brokerage service arrangements or other expense offset arrangements. Expenses net of all reductions represent the net expenses paid by the class.*

H *Amount does not include the portfolio activity of any underlying Fidelity Central Funds.*

I *Portfolio turnover rate excludes securities received or delivered in-kind.*

See accompanying notes which are an integral part of the financial statements.

1. Organization.

VIP Contrafund Portfolio (the Fund) is a fund of Variable Insurance Products Fund II (the Trust) and is authorized to issue an unlimited number of shares. The Trust is registered under the Investment Company Act of 1940, as amended (the 1940 Act), as an open-end management investment company organized as a Massachusetts business trust. Shares of the Fund may only be purchased by insurance companies for the purpose of funding variable annuity or variable life insurance contracts. The Fund offers the following classes of shares: Initial Class shares, Service Class shares, Service Class 2 shares and Investor Class shares. All classes have equal rights and voting privileges, except for matters affecting a single class.

2. Investments in Fidelity Central Funds.

The Fund invests in Fidelity Central Funds, which are open-end investment companies generally available only to other investment companies and accounts managed by the investment adviser and its affiliates. The Fund's Schedule of Investments lists each of the Fidelity Central Funds held as of period end, if any, as an investment of the Fund, but does not include the underlying holdings of each Fidelity Central Fund. As an Investing Fund, the Fund indirectly bears its proportionate share of the expenses of the underlying Fidelity Central Funds.

The Money Market Central Funds seek preservation of capital and current income and are managed by Fidelity Investments Money Management, Inc. (FIMM), an affiliate of the investment adviser. Annualized expenses of the Money Market Central Funds as of their most recent shareholder report date ranged from less than .005% to .01%.

A complete unaudited list of holdings for each Fidelity Central Fund is available upon request or at the Securities and Exchange Commission (the SEC) website at www.sec.gov. In addition, the financial statements of the Fidelity Central Funds, which are not covered by the Fund's Report of Independent Registered Public Accounting Firm, are available on the SEC website or upon request.

3. Significant Accounting Policies.

The Fund is an investment company and applies the accounting and reporting guidance of the Financial Accounting Standards Board (FASB) Accounting Standards Codification Topic 946 Financial Services – Investments Companies. The financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP), which require management to make certain estimates and assumptions at the date of the financial statements. Actual results could differ from those estimates. Subsequent events, if any, through the date that the financial statements were issued have been evaluated in the preparation of the financial statements. The following summarizes the significant accounting policies of the Fund:

Investment Valuation. Investments are valued as of 4:00 p.m. Eastern time on the last calendar day of the period. The Board of Trustees (the Board) has delegated the day to day responsibility for the valuation of the Fund's investments to the Fair Value Committee (the Committee) established by the Fund's investment adviser. In accordance with valuation policies and procedures approved by the Board, the Fund attempts to obtain prices from one or more third party pricing vendors or brokers to value its investments. When current market prices, quotations or currency exchange rates are not readily available or reliable, investments will be fair valued in good faith by the Committee, in accordance with procedures adopted by the Board. Factors used in determining fair value vary by investment type and may include market or investment specific events. The frequency with which these procedures are used cannot be predicted and they may be utilized to a significant extent. The Committee oversees the Fund's valuation policies and procedures and reports to the Board on the Committee's activities and fair value determinations. The Board monitors the appropriateness of the procedures used in valuing the Fund's investments and ratifies the fair value determinations of the Committee.

The Fund categorizes the inputs to valuation techniques used to value its investments into a disclosure hierarchy consisting of three levels as shown below:

Level 1 – quoted prices in active markets for identical investments

Level 2 – other significant observable inputs (including quoted prices for similar investments, interest rates, prepayment speeds, etc.)

Level 3 – unobservable inputs (including the Fund's own assumptions based on the best information available)

Valuation techniques used to value the Fund's investments by major category are as follows:

Equity securities, including restricted securities, for which market quotations are readily available, are valued at the last reported sale price or official closing price as reported by a third party pricing vendor on the primary market or exchange on which they are traded and are categorized as Level 1 in the hierarchy. In the event there were no sales during the day or closing prices are not available, securities are valued at the last quoted bid price or may be valued using the last available price and are generally categorized as Level 2 in the hierarchy. For foreign equity securities, when market or security specific events arise, comparisons to the valuation of American Depositary Receipts (ADRs), futures contracts, Exchange-Traded Funds (ETFs) and certain indexes as well as quoted prices for similar securities may be used and would be categorized as Level 2 in the hierarchy. For equity securities, including restricted securities, where observable inputs are limited, assumptions about market activity and risk are used and these securities may be categorized as Level 3 in the hierarchy.

Investments in open-end mutual funds, including the Fidelity Central Funds, are valued at their closing net asset value (NAV) each business day and are categorized as Level 1 in the hierarchy.

Changes in valuation techniques may result in transfers in or out of an assigned level within the disclosure hierarchy. The aggregate value of investments by input level as of December 31, 2019 is included at the end of the Fund's Schedule of Investments.

Foreign Currency. The Fund may use foreign currency contracts to facilitate transactions in foreign-denominated securities. Gains and losses from these transactions may arise from changes in the value of the foreign currency or if the counterparties do not perform under the contracts' terms.

Foreign-denominated assets, including investment securities, and liabilities are translated into U.S. dollars at the exchange rates at period end. Purchases and sales of investment securities, income and dividends received and expenses denominated in foreign currencies are translated into U.S. dollars at the exchange rate in effect on the transaction date.

The effects of exchange rate fluctuations on investments are included with the net realized and unrealized gain (loss) on investment securities. Other foreign currency transactions resulting in realized and unrealized gain (loss) are disclosed separately.

Investment Transactions and Income. For financial reporting purposes, the Fund's investment holdings and NAV include trades executed through the end of the last business day of the period. The NAV per share for processing shareholder transactions is calculated as of the close of business of the New York Stock Exchange (NYSE), normally 4:00 p.m. Eastern time and includes trades executed through the end of the prior business day. Gains and losses on securities sold are determined on the basis of identified cost and include proceeds received from litigation. Dividend income is recorded on the ex-dividend date, except for certain dividends from foreign securities where the ex-dividend date may have passed, which are recorded as soon as the Fund is informed of the ex-dividend date. Non-cash dividends included in dividend income, if any, are recorded at the fair market value of the securities received. Income and capital gain distributions from Fidelity Central Funds, if any, are recorded on the ex-dividend date. Certain distributions received by the Fund represent a return of capital or capital gain. The Fund determines the components of these distributions subsequent to the ex-dividend date, based upon receipt of tax filings or other correspondence relating to the underlying investment. These distributions are recorded as a reduction of cost of investments and/or as a realized gain. Investment income is recorded net of foreign taxes withheld where recovery of such taxes is uncertain.

Class Allocations and Expenses. Investment income, realized and unrealized capital gains and losses, common expenses of the Fund, and certain fund-level expense reductions, if any, are allocated daily on a pro-rata basis to each class based on the relative net assets of each class to the total net assets of the Fund. Each class differs with respect to transfer agent and distribution and service plan fees incurred. Certain expense reductions may also differ by class. For the reporting period, the allocated portion of income and expenses to each class as a percent of its average net assets may vary due to the timing of recording these transactions in relation to fluctuating net assets of the classes. Expenses directly attributable to a fund are charged to that fund. Expenses attributable to more than one fund are allocated among the respective funds on the basis of relative net assets or other appropriate methods. Expense estimates are accrued in the period to which they relate and adjustments are made when actual amounts are known.

Deferred Trustee Compensation. Under a Deferred Compensation Plan (the Plan), certain independent Trustees have elected to defer receipt of a portion of their annual compensation. Deferred amounts are invested in a cross-section of Fidelity funds, are marked-to-market and remain in the Fund until distributed in accordance with the Plan. The investment of deferred amounts and the offsetting payable to the Trustees of $1,028,905 are included in the accompanying Statement of Assets and Liabilities in other receivables and other payables and accrued expenses, respectively.

Income Tax Information and Distributions to Shareholders. Each year, the Fund intends to qualify as a regulated investment company under Subchapter M of the Internal Revenue Code, including distributing substantially all of its taxable income and realized gains. As a result, no provision for U.S. Federal income taxes is required. As of December 31, 2019, the Fund did not have any unrecognized tax benefits in the financial statements; nor is the Fund aware of any tax positions for which it is reasonably possible that the total amounts of unrecognized tax benefits will significantly change in the next twelve months. The Fund files a U.S. federal tax return, in addition to state and local tax returns as required. The Fund's federal income tax returns are subject to examination by the Internal Revenue Service (IRS) for a period of three fiscal years after they are filed. State and local tax returns may be subject to examination for an additional fiscal year depending on the jurisdiction. Foreign taxes are provided for based on the Fund's understanding of the tax rules and rates that exist in the foreign markets in which it invests. The Fund is subject to a tax imposed on capital gains by certain countries in which it invests. An estimated deferred tax liability for net unrealized appreciation on the applicable securities is included in Other payables and accrued expenses on the Statement of Assets & Liabilities.

Distributions are declared and recorded on the ex-dividend date. Income and capital gain distributions are declared separately for each class. Income and capital gain distributions are determined in accordance with income tax regulations, which may differ from GAAP.

Capital accounts within the financial statements are adjusted for permanent book-tax differences. These adjustments have no impact on net assets or the results of operations. Capital accounts are not adjusted for temporary book-tax differences which will reverse in a subsequent period.

Book-tax differences are primarily due to foreign currency transactions, certain foreign taxes, passive foreign investment companies (PFIC), redemptions in kind, deferred trustees compensation and losses deferred due to wash sales.

As of period end, the cost and unrealized appreciation (depreciation) in securities, and derivatives if applicable, for federal income tax purposes were as follows:

Gross unrealized appreciation	$ 6,126,650,041
Gross unrealized depreciation	(79,877,767)
Net unrealized appreciation (depreciation)	$ 6,046,772,274
Tax Cost	$12,209,267,358

The tax-based components of distributable earnings as of period end were as follows:

Undistributed ordinary income	$ 17,764,319
Undistributed long-term capital gain	$ 88,928,002
Net unrealized appreciation (depreciation) on securities and other investments	$6,046,705,392

The tax character of distributions paid was as follows:

	December 31, 2019	December 31, 2018
Ordinary Income	$ 58,328,154	$ 169,336,386
Long-term Capital Gains	2,043,989,637	1,660,686,162
Total	$2,102,317,791	$1,830,022,548

Restricted Securities. The Fund may invest in securities that are subject to legal or contractual restrictions on resale. These securities generally may be resold in transactions exempt from registration or to the public if the securities are registered. Disposal of these securities may involve time-consuming negotiations and expense, and prompt sale at an acceptable price may be difficult. Information regarding restricted securities is included at the end of the Fund's Schedule of Investments.

4. Purchases and Sales of Investments.

Purchases and sales of securities, other than short-term securities and in-kind transactions, aggregated $6,502,892,337 and $8,464,734,008, respectively.

Unaffiliated Redemptions In-Kind. During the period, 12,062,536 shares of the Fund were redeemed in-kind for investments, and cash with a value of $400,234,962. The net realized gain of $150,078,422 on investments delivered through in-kind redemptions is included in the accompanying Statement of Operations. The amount of the in-kind redemptions is included in share transactions in the accompanying Statement of Changes in Net Assets as well as the Notes to Financial Statements. The Fund recognized no gain or loss for federal income tax purposes.

Prior Fiscal Year Unaffiliated Redemptions In-Kind. During the prior period, 21,612,787 shares of the Fund were redeemed in-kind for investments and cash with a value of $749,882,972. The Fund had a net realized gain of $218,492,937 on investments delivered through in-kind redemptions. The amount of the in-kind redemptions is included in share transactions in the accompanying Statement of Changes in Net Assets as well as the Notes to Financial Statements. The Fund recognized no gain or loss for federal income tax purposes.

5. Fees and Other Transactions with Affiliates.

Management Fee. Fidelity Management & Research Company (the investment adviser) and its affiliates provide the Fund with investment management related services for which the Fund pays a monthly management fee. The management fee is the sum of an individual fund fee rate that is based on an annual rate of .30% of the Fund's average net assets and an annualized group fee rate that averaged .24% during the period. The group fee rate is based upon the average net assets of all the mutual funds advised by the investment adviser, including any mutual funds previously advised by the investment adviser that are currently advised by Fidelity SelectCo, LLC, an affiliate of the investment adviser. The group fee rate decreases as assets under management increase and increases as assets under management decrease. For the reporting period, the total annual management fee rate was .54% of the Fund's average net assets.

Distribution and Service Plan Fees. In accordance with Rule 12b-1 of the 1940 Act, the Fund has adopted separate 12b-1 Plans for each Service Class of shares. Each Service Class pays Fidelity Distributors Corporation (FDC), an affiliate of the investment adviser, a service fee. For the period, the service fee is based on an annual rate of .10% of Service Class' average net assets and .25% of Service Class 2's average net assets.

For the period, total fees, all of which were re-allowed to insurance companies for the distribution of shares and providing shareholder support services, were as follows:

Service Class	$ 1,471,239
Service Class 2	19,707,320
	$21,178,559

Transfer Agent Fees. Fidelity Investments Institutional Operations Company, Inc. (FIIOC), an affiliate of the investment adviser, is the Fund's transfer, dividend disbursing, and shareholder servicing agent. FIIOC receives an asset-based fee with respect to each class. Each class pays a fee for transfer agent services, typesetting and printing and mailing of shareholder reports, excluding mailing of proxy statements, equal to an annual rate of class-level average net assets. The annual rate for Investor Class is .15% and the annual rate for all other classes is .07%. For the period, transfer agent fees for each class were as follows:

Initial Class	$ 4,367,723
Service Class	950,568
Service Class 2	5,093,412
Investor Class	2,306,345
	$12,718,048

Accounting and Security Lending Fees. Fidelity Service Company, Inc. (FSC), an affiliate of the investment adviser, maintains the Fund's accounting records. The accounting fee is based on the level of average net assets for each month. Prior to April 1, 2019, FSC had a separate agreement with the Fund for administration of the security lending program, based on the number and duration of lending transactions. For the period, the total fees paid for accounting and administration of securities lending were equivalent to the following annual rates:

	% of Average Net Assets
VIP Contrafund Portfolio	.01

Brokerage Commissions. A portion of portfolio transactions were placed with brokerage firms which are affiliates of the investment adviser. Brokerage commissions are included in net realized gain (loss) and change in net unrealized appreciation (depreciation) in the Statement of Operations. The commissions paid to these affiliated firms were as follows:

	Amount
VIP Contrafund Portfolio	$164,614

Interfund Trades. The Fund may purchase from or sell securities to other Fidelity Funds under procedures adopted by the Board. The procedures have been designed to ensure these interfund trades are executed in accordance with Rule 17a-7 of the 1940 Act. Interfund trades are included within the respective purchases and sales amounts shown in the Purchases and Sales of Investments note.

Other. During the period, the investment adviser reimbursed the Fund for certain losses in the amount of $125,688.

6. Committed Line of Credit.

The Fund participates with other funds managed by the investment adviser or an affiliate in a $4.25 billion credit facility (the "line of credit") to be utilized for temporary or emergency purposes to fund shareholder redemptions or for other short-term liquidity purposes. The Fund has agreed to pay commitment fees on its pro-rata portion of the line of credit, which amounted to $46,796 and is reflected in Miscellaneous expenses on the Statement of Operations. During the period, the Fund did not borrow on this line of credit.

7. Security Lending.

The Fund lends portfolio securities from time to time in order to earn additional income. For equity securities, lending agents are used, including National Financial Services (NFS), an affiliate of the Fund. Pursuant to a securities lending agreement, NFS will receive a fee, which is capped at 9.9% of daily lending revenue, for its services as lending agent. The Fund may lend securities to certain qualified borrowers, including NFS. On the settlement date of the loan, the Fund receives collateral (in the form of U.S. Treasury obligations, letters of credit and/or cash) against the loaned securities and maintains collateral in an amount not less than 100% of the market value of the loaned securities during the period of the loan. The market value of the loaned securities is determined at the close of business of the Fund and any additional required collateral is delivered to the Fund on the next business day. The Fund or borrower may terminate the loan at any time, and if the borrower defaults on its obligation to return the securities loaned because of insolvency or other reasons, the Fund may apply collateral received from the borrower against the obligation. The Fund may experience delays and costs in recovering the securities loaned. Any cash collateral received is invested in the Fidelity Securities Lending Cash Central Fund. The value of loaned securities and cash collateral at period end are disclosed on the Fund's Statement of Assets and Liabilities. At period end, there were no security loans outstanding with NFS, as affiliated borrower. Total fees paid by the Fund to NFS, as lending agent, amounted to $32,857. Security lending income represents the income earned on investing cash collateral, less rebates paid to borrowers and any lending agent fees associated with the loan, plus any premium payments received for lending certain types of securities. Security lending income is presented in the Statement of Operations as a component of income from Fidelity Central Funds, and includes $14,302 from securities loaned to NFS, as affiliated borrower.

8. Expense Reductions.

Commissions paid to certain brokers with whom the investment adviser, or its affiliates, places trades on behalf of the Fund include an amount in addition to trade execution, which may be rebated back to the Fund to offset certain expenses. This amount totaled $343,079 for the period.

In addition, during the period the investment adviser reimbursed and/or waived a portion of fund-level operating expenses in the amount of $130,033.

9. Distributions to Shareholders.

Distributions to shareholders of each class were as follows:

	Year ended December 31, 2019	Year ended December 31, 2018
Distributions to shareholders		
Initial Class	$ 815,577,615	$ 698,874,927
Service Class	174,225,616	143,784,613
Service Class 2	926,626,620	843,883,749
Investor Class	185,887,940	143,479,259
Total	$2,102,317,791	$1,830,022,548

10. Share Transactions.

Transactions for each class of shares were as follows:

	Shares Year ended December 31, 2019	Shares Year ended December 31, 2018	Dollars Year ended December 31, 2019	Dollars Year ended December 31, 2018
Initial Class				
Shares sold	2,935,670	4,059,960	$ 99,683,246	$ 145,255,809
Reinvestment of distributions	26,150,469	20,693,857	815,577,615	698,874,927
Shares redeemed	(37,160,663)	(31,071,165)[a]	(1,264,009,092)	(1,127,211,361)[a]
Net increase (decrease)	(8,074,524)	(6,317,348)	$ (348,748,231)	$ (283,080,625)

	Shares Year ended December 31, 2019	Shares Year ended December 31, 2018	Dollars Year ended December 31, 2019	Dollars Year ended December 31, 2018
Service Class				
Shares sold	1,148,632	1,284,175	$ 38,865,138	$ 46,034,436
Reinvestment of distributions	5,621,468	4,277,001	174,225,616	143,784,613
Shares redeemed	(7,812,299)	(5,681,788)	(266,838,399)	(204,912,780)
Net increase (decrease)	(1,042,199)	(120,612)	$ (53,747,645)	$ (15,093,731)
Service Class 2				
Shares sold	14,840,569	13,800,310	$ 482,410,740	$ 480,254,082
Reinvestment of distributions	30,647,896	25,604,080	926,626,620	843,883,749
Shares redeemed	(45,696,007)[b]	(66,305,493)[a]	(1,508,908,292)[b]	(2,314,846,305)[a]
Net increase (decrease)	(207,542)	(26,901,103)	$ (99,870,932)	$ (990,708,474)
Investor Class				
Shares sold	1,266,076	2,340,125	$ 42,751,874	$ 83,325,236
Reinvestment of distributions	6,003,266	4,273,374	185,887,940	143,479,259
Shares redeemed	(4,705,289)	(3,855,597)	(158,815,003)	(137,233,924)
Net increase (decrease)	2,564,053	2,757,902	$ 69,824,811	$ 89,570,571

(a) Amount includes in-kind redemptions (see the Prior Fiscal Year Unaffiliated Redemptions In-Kind note for additional details).

(b) Amount includes in-kind redemptions (see the Unaffiliated Redemptions In-Kind note for additional details).

11. Other.

The Fund's organizational documents provide former and current trustees and officers with a limited indemnification against liabilities arising in connection with the performance of their duties to the Fund. In the normal course of business, the Fund may also enter into contracts that provide general indemnifications. The Fund's maximum exposure under these arrangements is unknown as this would be dependent on future claims that may be made against the Fund. The risk of material loss from such claims is considered remote.

At the end of the period, the investment adviser or its affiliates were the owners of record of 15% of the total outstanding shares of the Fund and two otherwise unaffiliated shareholders were the owner of record of 23% of the total outstanding shares of the Fund.

Effective January 1, 2020, following any required regulatory notices and approvals:

Investment advisers Fidelity Investments Money Management, Inc., FMR Co., Inc., and Fidelity SelectCo, LLC, merged with and into Fidelity Management & Research Company. In connection with the merger transactions, the resulting, merged investment adviser was then redomiciled from Massachusetts to Delaware, changed its corporate structure from a corporation to a limited liability company, and changed its name to "Fidelity Management & Research Company LLC".

Broker-dealer Fidelity Distributors Corporation merged with and into Fidelity Investments Institutional Services Company, Inc. ("FIISC"). FIISC was then redomiciled from Massachusetts to Delaware, changed its corporate structure from a corporation to a limited liability company, and changed its name to "Fidelity Distributors Company LLC".

Fidelity Investments Institutional Operations Company, Inc. (FIIOC) converted from a Massachusetts corporation to a Massachusetts LLC, and changed its name to "Fidelity Investments Institutional Operations Company LLC".

Report of Independent Registered Public Accounting Firm

To the Trustees of Variable Insurance Products Fund II and Shareholders of VIP Contrafund Portfolio:

Opinion on the Financial Statements and Financial Highlights

We have audited the accompanying statement of assets and liabilities of VIP Contrafund Portfolio (the "Fund"), a fund of Variable Insurance Products Fund II, including the schedule of investments, as of December 31, 2019, the related statement of operations for the year then ended, the statement of changes in net assets for each of the two years in the period then ended, the financial highlights for each of the five years in the period then ended, and the related notes. In our opinion, the financial statements and financial highlights present fairly, in all material respects, the financial position of the Fund as of December 31, 2019, and the results of its operations for the year then ended, the changes in its net assets for each of the two years in the period then ended, and the financial highlights for each of the five years in the period then ended in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

These financial statements and financial highlights are the responsibility of the Fund's management. Our responsibility is to express an opinion on the Fund's financial statements and financial highlights based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Fund in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements and financial highlights are free of material misstatement, whether due to error or fraud. The Fund is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements and financial highlights, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements and financial highlights. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements and financial highlights. Our procedures included confirmation of securities owned as of December 31, 2019, by correspondence with the custodians and brokers; when replies were not received from brokers, we performed other auditing procedures. We believe that our audits provide a reasonable basis for our opinion.

/s/ Deloitte & Touche LLP
Boston, Massachusetts
February 10, 2020

We have served as the auditor of one or more of the Fidelity investment companies since 1999.

Trustees and Officers

The Trustees, Members of the Advisory Board (if any), and officers of the trust and fund, as applicable, are listed below. The Board of Trustees governs the fund and is responsible for protecting the interests of shareholders. The Trustees are experienced executives who meet periodically throughout the year to oversee the fund's activities, review contractual arrangements with companies that provide services to the fund, oversee management of the risks associated with such activities and contractual arrangements, and review the fund's performance. Except for Michael E. Wiley, each of the Trustees oversees 302 funds. Mr. Wiley oversees 199 funds.

The Trustees hold office without limit in time except that (a) any Trustee may resign; (b) any Trustee may be removed by written instrument, signed by at least two-thirds of the number of Trustees prior to such removal; (c) any Trustee who requests to be retired or who has become incapacitated by illness or injury may be retired by written instrument signed by a majority of the other Trustees; and (d) any Trustee may be removed at any special meeting of shareholders by a two-thirds vote of the outstanding voting securities of the trust. Each Trustee who is not an interested person (as defined in the Investment Company Act of 1940 (1940 Act)) of the trust and the fund is referred to herein as an Independent Trustee. Each Independent Trustee shall retire not later than the last day of the calendar year in which his or her 75th birthday occurs. The Independent Trustees may waive this mandatory retirement age policy with respect to individual Trustees. Officers and Advisory Board Members hold office without limit in time, except that any officer or Advisory Board Member may resign or may be removed by a vote of a majority of the Trustees at any regular meeting or any special meeting of the Trustees. Except as indicated, each individual has held the office shown or other offices in the same company for the past five years.

The fund's Statement of Additional Information (SAI) includes more information about the Trustees. To request a free copy, call Fidelity at 1-877-208-0098.

Experience, Skills, Attributes, and Qualifications of the Trustees. The Governance and Nominating Committee has adopted a statement of policy that describes the experience, qualifications, attributes, and skills that are necessary and desirable for potential Independent Trustee candidates (Statement of Policy). The Board believes that each Trustee satisfied at the time he or she was initially elected or appointed a Trustee, and continues to satisfy, the standards contemplated by the Statement of Policy. The Governance and Nominating Committee also engages professional search firms to help identify potential Independent Trustee candidates who have the experience, qualifications, attributes, and skills consistent with the Statement of Policy. From time to time, additional criteria based on the composition and skills of the current Independent Trustees, as well as experience or skills that may be appropriate in light of future changes to board composition, business conditions, and regulatory or other developments, have also been considered by the professional search firms and the Governance and Nominating Committee. In addition, the Board takes into account the Trustees' commitment and participation in Board and committee meetings, as well as their leadership of standing and ad hoc committees throughout their tenure.

In determining that a particular Trustee was and continues to be qualified to serve as a Trustee, the Board has considered a variety of criteria, none of which, in isolation, was controlling. The Board believes that, collectively, the Trustees have balanced and diverse experience, qualifications, attributes, and skills, which allow the Board to operate effectively in governing the fund and protecting the interests of shareholders. Information about the specific experience, skills, attributes, and qualifications of each Trustee, which in each case led to the Board's conclusion that the Trustee should serve (or continue to serve) as a trustee of the fund, is provided below.

Board Structure and Oversight Function. James C. Curvey is an interested person and currently serves as Chairman. The Trustees have determined that an interested Chairman is appropriate and benefits shareholders because an interested Chairman has a personal and professional stake in the quality and continuity of services provided to the fund. Independent Trustees exercise their informed business judgment to appoint an individual of their choosing to serve as Chairman, regardless of whether the Trustee happens to be independent or a member of management. The Independent Trustees have determined that they can act independently and effectively without having an Independent Trustee serve as Chairman and that a key structural component for assuring that they are in a position to do so is for the Independent Trustees to constitute a substantial majority for the Board. The Independent Trustees also regularly meet in executive session. Ned C. Lautenbach serves as Chairman of the Independent Trustees and as such (i) acts as a liaison between the Independent Trustees and management with respect to matters important to the Independent Trustees and (ii) with management prepares agendas for Board meetings.

Fidelity® funds are overseen by different Boards of Trustees. The fund's Board oversees Fidelity's high income and certain equity funds, and other Boards oversee Fidelity's investment-grade bond, money market, asset allocation, and other equity funds. The asset allocation funds may invest in Fidelity® funds overseen by the fund's Board. The use of separate Boards, each with its own committee structure, allows the Trustees of each group of Fidelity® funds to focus on the unique issues of the funds they oversee, including common research, investment, and operational issues. On occasion, the separate Boards establish joint committees to address issues of overlapping consequences for the Fidelity® funds overseen by each Board.

The Trustees operate using a system of committees to facilitate the timely and efficient consideration of all matters of importance to the Trustees, the fund, and fund shareholders and to facilitate compliance with legal and regulatory requirements and oversight of the fund's activities and associated risks. The Board, acting through its committees, has charged FMR and its affiliates with (i) identifying events or circumstances the occurrence of which could have demonstrably adverse effects on the fund's business and/or reputation; (ii) implementing processes and controls to lessen the possibility that such events or circumstances occur or to mitigate the effects of such events or circumstances if they do occur; and (iii) creating and maintaining a system designed to evaluate continuously business and market conditions in order to facilitate the identification and implementation processes described in (i) and (ii) above. Because the day-to-day operations and activities of the fund are carried out by or through FMR, its affiliates, and other service providers, the fund's exposure to risks is mitigated but not eliminated by the processes overseen by the Trustees. While each of the Board's committees has responsibility for overseeing different aspects of the fund's activities, oversight is exercised primarily through the Operations, Audit, and Compliance Committees. Appropriate personnel, including but not limited to the fund's Chief Compliance Officer (CCO), FMR's internal auditor, the independent accountants, the fund's Treasurer and portfolio management personnel, make periodic reports to the Board's committees, as appropriate, including an annual review of Fidelity's risk management program for the Fidelity® funds. The responsibilities of each standing committee, including their oversight responsibilities, are described further under "Standing Committees of the Trustees."

Interested Trustees*:

Correspondence intended for a Trustee who is an interested person may be sent to Fidelity Investments, 245 Summer Street, Boston, Massachusetts 02210.

Trustees and Officers – continued

Name, Year of Birth; Principal Occupations and Other Relevant Experience+

James C. Curvey (1935)

Year of Election or Appointment: 2007
Trustee
Chairman of the Board of Trustees

Mr. Curvey also serves as Trustee of other Fidelity® funds. Mr. Curvey is Vice Chairman (2007-present) and Director of FMR LLC (diversified financial services company). In addition, Mr. Curvey is an Overseer Emeritus for the Boston Symphony Orchestra, a Director of Artis-Naples, and a Trustee of Brewster Academy in Wolfeboro, New Hampshire. Previously, Mr. Curvey served as a Director of Fidelity Research & Analysis Co. (investment adviser firm, 2009-2018), Director of Fidelity Investments Money Management, Inc. (investment adviser firm, 2009-2014) and a Director of FMR and FMR Co., Inc. (investment adviser firms, 2007-2014).

* Determined to be an "Interested Trustee" by virtue of, among other things, his or her affiliation with the trust or various entities under common control with FMR.

+ The information includes the Trustee's principal occupation during the last five years and other information relating to the experience, attributes, and skills relevant to the Trustee's qualifications to serve as a Trustee, which led to the conclusion that the Trustee should serve as a Trustee for the fund.

Independent Trustees:

Correspondence intended for an Independent Trustee may be sent to Fidelity Investments, P.O. Box 55235, Boston, Massachusetts 02205-5235.

Name, Year of Birth; Principal Occupations and Other Relevant Experience+

Dennis J. Dirks (1948)

Year of Election or Appointment: 2005
Trustee

Mr. Dirks also serves as Trustee of other Fidelity® funds. Prior to his retirement in May 2003, Mr. Dirks was Chief Operating Officer and a member of the Board of The Depository Trust & Clearing Corporation (DTCC). He also served as President, Chief Operating Officer, and Board member of The Depository Trust Company (DTC) and President and Board member of the National Securities Clearing Corporation (NSCC). In addition, Mr. Dirks served as Chief Executive Officer and Board member of the Government Securities Clearing Corporation, Chief Executive Officer and Board member of the Mortgage-Backed Securities Clearing Corporation, as a Trustee and a member of the Finance Committee of Manhattan College (2005-2008), as a Trustee and a member of the Finance Committee of AHRC of Nassau County (2006-2008), as a member of the Independent Directors Council (IDC) Governing Council (2010-2015), and as a member of the Board of Directors for The Brookville Center for Children's Services, Inc. (2009-2017). Mr. Dirks is a member of the Finance Committee (2016-present) and Board of Directors (2017-present) and is Treasurer (2018-present) of the Asolo Repertory Theatre.

Donald F. Donahue (1950)

Year of Election or Appointment: 2018
Trustee

Mr. Donahue also serves as a Trustee of other Fidelity® funds. Mr. Donahue is President and Chief Executive Officer of Miranda Partners, LLC (risk consulting for the financial services industry, 2012-present). Previously, Mr. Donahue served as a Member of the Advisory Board of certain Fidelity® funds (2015-2018) and Chief Executive Officer (2006-2012), Chief Operating Officer (2003-2006), and Managing Director, Customer Marketing and Development (1999-2003) of The Depository Trust & Clearing Corporation (financial markets infrastructure). Mr. Donahue serves as a Member (2007-present) and Co-Chairman (2016-present) of the Board of Directors of United Way of New York, Member of the Board of Directors of NYC Leadership Academy (2012-present) and Member of the Board of Advisors of Ripple Labs, Inc. (financial services, 2015-present). He also served as Chairman (2010-2012) and Member of the Board of Directors (2012-2013) of Omgeo, LLC (financial services), Treasurer of United Way of New York (2012-2016), and Member of the Board of Directors of XBRL US (financial services non-profit, 2009-2012) and the International Securities Services Association (2009-2012).

Alan J. Lacy (1953)

Year of Election or Appointment: 2008
Trustee

Mr. Lacy also serves as Trustee of other Fidelity® funds. Mr. Lacy serves as a Director of Bristol-Myers Squibb Company (global pharmaceuticals, 2008-present). He is a Trustee of the California Chapter of The Nature Conservancy (2015-present) and a Director of the Center for Advanced Study in the Behavioral Sciences at Stanford University (2015-present). In addition, Mr. Lacy served as Senior Adviser (2007-2014) of Oak Hill Capital Partners, L.P. (private equity) and also served as Chief Executive Officer (2005) and Vice Chairman (2005-2006) of Sears Holdings Corporation (retail) and Chief Executive Officer and Chairman of the Board of Sears, Roebuck and Co. (retail, 2000-2005). Previously, Mr. Lacy served as Chairman (2014-2017) and a member (2010-2017) of the Board of Directors of Dave & Buster's Entertainment, Inc. (restaurant and entertainment complexes), as Chairman (2008-2011) and a member (2006-2015) of the Board of Trustees of the National Parks Conservation Association, and as a member of the Board of Directors for The Hillman Companies, Inc. (hardware wholesalers, 2010-2014), Earth Fare, Inc. (retail grocery, 2010-2014), and The Western Union Company (global money transfer, 2006-2011).

Ned C. Lautenbach (1944)

Year of Election or Appointment: 2000
Trustee
Chairman of the Independent Trustees

Mr. Lautenbach also serves as Trustee of other Fidelity® funds. Mr. Lautenbach currently serves as Chair (2018-present) and Member (2013-present) of the Board of Governors, State University System of Florida and is a member of the Council on Foreign Relations (1994-present). He is also a member and has most recently served as Chairman of the Board of Directors of Artis-Naples (2012-present). Previously, Mr. Lautenbach served as a member and then Lead Director of the Board of Directors of Eaton Corporation (diversified industrial, 1997-2016). He was also a Partner and Advisory Partner at Clayton, Dubilier & Rice, LLC (private equity investment, 1998-2010), as well as a Director of Sony Corporation (2006-2007). In addition, Mr. Lautenbach also had a 30-year career with IBM (technology company) during which time he served as Senior Vice President and a member of the Corporate Executive Committee (1968-1998).

Joseph Mauriello (1944)

Year of Election or Appointment: 2008
Trustee

Mr. Mauriello also serves as Trustee of other Fidelity® funds. Prior to his retirement in January 2006, Mr. Mauriello served in numerous senior management positions including Deputy Chairman and Chief Operating Officer (2004-2005), and Vice Chairman of Financial Services (2002-2004) of KPMG LLP US (professional services, 1965-2005). Mr. Mauriello currently serves as a member of the Independent Directors Council (IDC) Governing Council (2015-present). Previously, Mr. Mauriello served as a member of the Board of Directors of XL Group plc. (global insurance and re-insurance, 2006-2018).

Cornelia M. Small (1944)

Year of Election or Appointment: 2005
Trustee

Ms. Small also serves as Trustee of other Fidelity® funds. Ms. Small is a member of the Board of Directors (2009-present) and Chair of the Investment Committee (2010-present) of the Teagle Foundation. Ms. Small also serves on the Investment Committee of the Berkshire Taconic Community Foundation (2008-present). Previously, Ms. Small served as Chairperson (2002-2008) and a member of the Investment Committee and Chairperson (2008-2012) and a member of the Board of Trustees of Smith College. In addition, Ms. Small served as Chief Investment Officer, Director of Global Equity Investments, and a member of the Board of Directors of Scudder, Stevens & Clark and Scudder Kemper Investments.

Garnett A. Smith (1947)

Year of Election or Appointment: 2018
Trustee

Mr. Smith also serves as Trustee of other Fidelity® funds. Prior to Mr. Smith's retirement, he served as Chairman and Chief Executive Officer of Inbrand Corp. (manufacturer of personal absorbent products, 1990-1997). He also served as President (1986-1990) of Inbrand Corp. Prior to his employment with Inbrand Corp., he was employed by a retail fabric chain and North Carolina National Bank. In addition, Mr. Smith served as a Member of the Advisory Board of certain Fidelity® funds (2012-2013) and as a board member of the Jackson Hole Land Trust (2009-2012).

David M. Thomas (1949)

Year of Election or Appointment: 2008
Trustee

Mr. Thomas also serves as Trustee of other Fidelity® funds. Mr. Thomas serves as Non-Executive Chairman of the Board of Directors of Fortune Brands Home and Security (home and security products, 2011-present) and as a member of the Board of Directors (2004-present) and Presiding Director (2013-present) of Interpublic Group of Companies, Inc. (marketing communication). Previously, Mr. Thomas served as Executive Chairman (2005-2006) and Chairman and Chief Executive Officer (2000-2005) of IMS Health, Inc. (pharmaceutical and healthcare information solutions), a Director of Fortune Brands, Inc. (consumer products, 2000-2011), and a member of the Board of Trustees of the University of Florida (2013-2018).

Michael E. Wiley (1950)

Year of Election or Appointment: 2018
Trustee

Mr. Wiley also serves as Trustee or Member of the Advisory Board of other Fidelity® funds. Mr. Wiley serves as a Director of High Point Resources (exploration and production, 2005-present). Previously, Mr. Wiley served as a Director of Andeavor Corporation (independent oil refiner and marketer, 2005-2018), a Director of Andeavor Logistics LP (natural resources logistics, 2015-2018), a Director of Post Oak Bank (privately-held bank, 2004-2018), a Director of Asia Pacific Exploration Consolidated (international oil and gas exploration and production, 2008-2013), a member of the Board of Trustees of the University of Tulsa (2000-2006; 2007-2010), a Senior Energy Advisor of Katzenbach Partners, LLC (consulting, 2006-2007), an Advisory Director of Riverstone Holdings (private investment), a Director of Spinnaker Exploration Company (exploration and production, 2001-2005) and Chairman, President, and CEO of Baker Hughes, Inc. (oilfield services, 2000-2004).

+ The information includes the Trustee's principal occupation during the last five years and other information relating to the experience, attributes, and skills relevant to the Trustee's qualifications to serve as a Trustee, which led to the conclusion that the Trustee should serve as a Trustee for the fund.

Advisory Board Members and Officers:

Correspondence intended for a Member of the Advisory Board (if any) may be sent to Fidelity Investments, P.O. Box 55235, Boston, Massachusetts 02205-5235. Correspondence intended for an officer or Peter S. Lynch may be sent to Fidelity Investments, 245 Summer Street, Boston, Massachusetts 02210. Officers appear below in alphabetical order.

Trustees and Officers – continued

Name, Year of Birth; Principal Occupation

Vicki L. Fuller (1957)

Year of Election or Appointment: 2018
Member of the Advisory Board

Ms. Fuller also serves as Member of the Advisory Board of other Fidelity® funds. Ms. Fuller serves as a member of the Board of Directors, Audit Committee, and Nominating and Governance Committee of The Williams Companies, Inc. (natural gas infrastructure, 2018-present). Previously, Ms. Fuller served as the Chief Investment Officer of the New York State Common Retirement Fund (2012-2018) and held a variety of positions at AllianceBernstein L.P. (global asset management, 1985-2012), including Managing Director (2006-2012) and Senior Vice President and Senior Portfolio Manager (2001-2006).

Patricia L. Kampling (1959)

Year of Election or Appointment: 2020
Member of the Advisory Board

Ms. Kampling also serves as Member of the Advisory Board of other Fidelity® funds. Prior to her retirement, Ms. Kampling served as Chairman of the Board and Chief Executive Officer (2012-2019), President and Chief Operating Officer (2011-2012) and Executive Vice President and Chief Financial Officer (2010-2011) of Alliant Energy Corporation. Ms. Kampling currently serves as a member of the Board, Compensation Committee and Executive Committee and as Chair of the Audit Committee of Briggs & Stratton Corporation (manufacturing, 2011-present) and as a member of the Board, Audit, Finance and Risk Committee and Safety, Environmental, Technology and Operations Committee of American Water Works Company, Inc. (utilities company, 2019-present). In addition, Ms. Kampling currently serves as a member of the Board of the Nature Conservancy, Wisconsin Chapter (2019-present). Previously, Ms. Kampling served as a member of the Board of Interstate Power and Light Company (2012-2019) and Wisconsin Power and Light Company (2012-2019) (each a subsidiary of Alliant Energy Corporation) and as a member of the Board and Workforce Development Committee of the Business Roundtable (2018-2019).

Peter S. Lynch (1944)

Year of Election or Appointment: 2003
Member of the Advisory Board

Mr. Lynch also serves as Member of the Advisory Board of other Fidelity® funds. Mr. Lynch is Vice Chairman and a Director of Fidelity Management & Research Company LLC (investment adviser firm). In addition, Mr. Lynch serves as a Trustee of Boston College and as the Chairman of the Inner-City Scholarship Fund. Previously, Mr. Lynch served as Vice Chairman and a Director of FMR Co., Inc. (investment adviser firm) and on the Special Olympics International Board of Directors (1997-2006).

Susan Tomasky (1953)

Year of Election or Appointment: 2020
Member of the Advisory Board

Ms. Tomasky also serves as Member of the Advisory Board of other Fidelity® funds. Prior to her retirement, Ms. Tomasky served in various executive officer positions at American Electric Power Company, Inc. (1998-2011), including most recently as President of AEP Transmission (2007-2011). Ms. Tomasky currently serves as a member of the Board and Sustainability Committee and as Chair of the Audit Committee of Marathon Petroleum Corporation (2018-present) and as a member of the Board, Corporate Governance Committee and Organization and Compensation Committee and as Chair of the Audit Committee of Public Service Enterprise Group, Inc. (utilities company, 2012-present). In addition, Ms. Tomasky currently serves as a member of the Board of the Columbus Regional Airport Authority (2007-present), as a member of the Board of the Royal Shakespeare Company – America (2009-present), as a member of the Board of the Columbus Association for the Performing Arts (2011-present) and as a member of the Board of Kenyon College (2016-present). Previously, Ms. Tomasky served as a member of the Board (2011-2019) and as Lead Independent Director (2015-2018) of Andeavor Corporation (previously Tesoro Corporation) (independent oil refiner and marketer) and as a member of the Board of Summit Midstream Partners LP (energy, 2012-2018).

Elizabeth Paige Baumann (1968)

Year of Election or Appointment: 2017
Anti-Money Laundering (AML) Officer

Ms. Baumann also serves as AML Officer of other funds. She is Chief AML Officer (2012-present) and Senior Vice President (2014-present) of FMR LLC (diversified financial services company) and is an employee of Fidelity Investments. Previously, Ms. Baumann served as AML Officer of the funds (2012-2016), and Vice President (2007-2014) and Deputy Anti-Money Laundering Officer (2007-2012) of FMR LLC.

Craig S. Brown (1977)

Year of Election or Appointment: 2019
Assistant Treasurer

Mr. Brown also serves as Assistant Treasurer of other funds. Mr. Brown is an employee of Fidelity Investments (2013-present).

John J. Burke III (1964)

Year of Election or Appointment: 2018
Chief Financial Officer

Mr. Burke also serves as Chief Financial Officer of other funds. Mr. Burke serves as Head of Investment Operations for Fidelity Fund and Investment Operations (2018-present) and is an employee of Fidelity Investments (1998-present). Previously Mr. Burke served as head of Asset Management Investment Operations (2012-2018).

William C. Coffey (1969)

Year of Election or Appointment: 2019
Assistant Secretary

Mr. Coffey also serves as Assistant Secretary of other funds. He is Senior Vice President and Deputy General Counsel of FMR LLC (diversified financial services company, 2010-present), and is an employee of Fidelity Investments. Previously, Mr. Coffey served as Secretary and CLO of certain funds (2018-2019); CLO, Secretary, and Senior Vice President of Fidelity Management & Research Company and FMR Co., Inc. (investment adviser firms, 2018-2019); Secretary of Fidelity SelectCo, LLC and Fidelity Investments Money Management, Inc. (investment adviser firms, 2018-2019); CLO of Fidelity Management & Research (Hong Kong) Limited, FMR Investment Management (UK) Limited, and Fidelity Management & Research (Japan) Limited (investment adviser firms, 2018-2019); and Assistant Secretary of certain funds (2009-2018).

Timothy M. Cohen (1969)

Year of Election or Appointment: 2018
Vice President

Mr. Cohen also serves as Vice President of other funds. Mr. Cohen serves as Co-Head of Equity (2018-present), a Director of Fidelity Management & Research (Japan) Limited (investment adviser firm, 2016-present), and is an employee of Fidelity Investments. Previously, Mr. Cohen served as Executive Vice President of Fidelity SelectCo, LLC (2019), Head of Global Equity Research (2016-2018), Chief Investment Officer – Equity and a Director of Fidelity Management & Research (U.K.) Inc. (investment adviser firm, 2013-2015) and as a Director of Fidelity Management & Research (Hong Kong) Limited (investment adviser firm, 2017).

Jonathan Davis (1968)

Year of Election or Appointment: 2010
Assistant Treasurer

Mr. Davis also serves as Assistant Treasurer of other funds. Mr. Davis serves as Assistant Treasurer of FMR Capital, Inc. (2017-present) and is an employee of Fidelity Investments. Previously, Mr. Davis served as Vice President and Associate General Counsel of FMR LLC (diversified financial services company, 2003-2010).

Laura M. Del Prato (1964)

Year of Election or Appointment: 2018
Assistant Treasurer

Ms. Del Prato also serves as an officer of other funds. Ms. Del Prato is an employee of Fidelity Investments (2017-present). Prior to joining Fidelity Investments, Ms. Del Prato served as a Managing Director and Treasurer of the JPMorgan Mutual Funds (2014-2017). Prior to JPMorgan, Ms. Del Prato served as a partner at Cohen Fund Audit Services (accounting firm, 2012-2013) and KPMG LLP (accounting firm, 2004-2012).

Colm A. Hogan (1973)

Year of Election or Appointment: 2020
Assistant Treasurer

Mr. Hogan also serves as an officer of other funds. Mr. Hogan serves as Assistant Treasurer of FMR Capital, Inc. (2017-present) and is an employee of Fidelity Investments (2005-present). Previously, Mr. Hogan served as Deputy Treasurer of certain Fidelity® funds (2016-2020) and Assistant Treasurer of certain Fidelity® funds (2016-2018).

Pamela R. Holding (1964)

Year of Election or Appointment: 2018
Vice President

Ms. Holding also serves as Vice President of other funds. Ms. Holding serves as Co-Head of Equity (2018-present) and is an employee of Fidelity Investments (2013-present). Previously, Ms. Holding served as Executive Vice President of Fidelity SelectCo, LLC (2019) and as Chief Investment Officer of Fidelity Institutional Asset Management (2013-2018).

Cynthia Lo Bessette (1969)

Year of Election or Appointment: 2019
Secretary and Chief Legal Officer (CLO)

Ms. Lo Bessette also serves as an officer of other funds. Ms. Lo Bessette serves as CLO, Secretary, and Senior Vice President of Fidelity Management & Research Company LLC (investment adviser firm, 2019-present); and CLO of Fidelity Management & Research (Hong Kong) Limited, FMR Investment Management (UK) Limited, and Fidelity Management & Research (Japan) Limited (investment adviser firms, 2019-present). She is a Senior Vice President and Deputy General Counsel of FMR LLC (diversified financial services company, 2019-present), and is an employee of Fidelity Investments. Previously, Ms. Lo Bessette served as CLO, Secretary, and Senior Vice President of FMR Co., Inc. (investment adviser firm, 2019); Secretary of Fidelity SelectCo, LLC and Fidelity Investments Money Management, Inc. (investment adviser firms, 2019). Prior to joining Fidelity Investments, Ms. Lo Bessette was Executive Vice President, General Counsel (2016-2019) and Senior Vice President, Deputy General Counsel (2015-2016) of OppenheimerFunds (investment management company) and Deputy Chief Legal Officer (2013-2015) of Jennison Associates LLC (investment adviser firm).

Trustees and Officers – continued

Chris Maher (1972)

Year of Election or Appointment: 2020
Deputy Treasurer

Mr. Maher also serves as an officer of other funds. Mr. Maher serves as Assistant Treasurer of FMR Capital, Inc. (2017-present), and is an employee of Fidelity Investments (2008-present). Previously, Mr. Maher served as Assistant Treasurer of certain funds (2013-2020); Vice President of Asset Management Compliance (2013), Vice President of the Program Management Group of FMR (investment adviser firm, 2010-2013), and Vice President of Valuation Oversight (2008-2010).

Kenneth B. Robins (1969)

Year of Election or Appointment: 2016
Chief Compliance Officer

Mr. Robins also serves as an officer of other funds. Mr. Robins serves as Compliance Officer of Fidelity Management & Research Company LLC (investment adviser firm, 2016-present) and is an employee of Fidelity Investments (2004-present). Previously, Mr. Robins served as Compliance Officer of FMR Co., Inc. (investment adviser firm, 2016-2019), as Executive Vice President of Fidelity Investments Money Management, Inc. (investment adviser firm, 2013-2016) and served in other fund officer roles.

Stacie M. Smith (1974)

Year of Election or Appointment: 2016
President and Treasurer

Ms. Smith also serves as an officer of other funds. Ms. Smith serves as Assistant Treasurer of FMR Capital, Inc. (2017-present), is an employee of Fidelity Investments (2009-present), and has served in other fund officer roles. Prior to joining Fidelity Investments, Ms. Smith served as Senior Audit Manager of Ernst & Young LLP (accounting firm, 1996-2009). Previously, Ms. Smith served as Assistant Treasurer (2013-2019) and Deputy Treasurer (2013-2016) of certain Fidelity® funds.

Marc L. Spector (1972)

Year of Election or Appointment: 2016
Assistant Treasurer

Mr. Spector also serves as an officer of other funds. Mr. Spector serves as Assistant Treasurer of FMR Capital, Inc. (2017-present) and is an employee of Fidelity Investments (2016-present). Prior to joining Fidelity Investments, Mr. Spector served as Director at the Siegfried Group (accounting firm, 2013-2016), and prior to Siegfried Group as audit senior manager at Deloitte & Touche (accounting firm, 2005-2013).

Jim Wegmann (1979)

Year of Election or Appointment: 2019
Assistant Treasurer

Mr. Wegmann also serves as Assistant Treasurer of other funds. Mr. Wegmann is an employee of Fidelity Investments (2011-present).

Shareholder Expense Example

As a shareholder of the Fund, you incur two types of costs: (1) transaction costs and (2) ongoing costs, including management fees, distribution and/or service (12b-1) fees and other Fund expenses. This Example is intended to help you understand your ongoing costs (in dollars) of investing in the Fund and to compare these costs with the ongoing costs of investing in other mutual funds.

The Example is based on an investment of $1,000 invested at the beginning of the period and held for the entire period (July 1, 2019 to December 31, 2019).

Actual Expenses

The first line of the accompanying table for each class of the Fund provides information about actual account values and actual expenses. You may use the information in this line, together with the amount you invested, to estimate the expenses that you paid over the period. Simply divide your account value by $1,000.00 (for example, an $8,600 account value divided by $1,000.00 = 8.6), then multiply the result by the number in the first line for a class of the Fund under the heading entitled "Expenses Paid During Period" to estimate the expenses you paid on your account during this period. The estimate of expenses does not include any fees or other expenses of any variable annuity or variable life insurance product. If they were, the estimate of expenses you paid during the period would be higher, and your ending account value would be lower. In addition, the Fund, as a shareholder in the underlying Fidelity Central Funds, will indirectly bear its pro-rata share of the fees and expenses incurred by the underlying Fidelity Central Funds. These fees and expenses are not included in the Fund's annualized expense ratio used to calculate the expense estimate in the table below.

Hypothetical Example for Comparison Purposes

The second line of the accompanying table for each class of the Fund provides information about hypothetical account values and hypothetical expenses based on a Class' actual expense ratio and an assumed rate of return of 5% per year before expenses, which is not the Class' actual return. The hypothetical account values and expenses may not be used to estimate the actual ending account balance or expenses you paid for the period. You may use this information to compare the ongoing costs of investing in the Fund and other funds. To do so, compare this 5% hypothetical example with the 5% hypothetical examples that appear in the shareholder reports of the other funds. The estimate of expenses does not include any fees or other expenses of any variable annuity or variable life insurance product. If they were, the estimate of expenses you paid during the period would be higher, and your ending account value would be lower. In addition, the Fund, as a shareholder in the underlying Fidelity Central Funds, will indirectly bear its pro-rata share of the fees and expenses incurred by the underlying Fidelity Central Funds. These fees and expenses are not included in the Fund's annualized expense ratio used to calculate the expense estimate in the table below.

Please note that the expenses shown in the table are meant to highlight your ongoing costs only and do not reflect any transaction costs. Therefore, the second line of the table is useful in comparing ongoing costs only, and will not help you determine the relative total costs of owning different funds.

	Annualized Expense Ratio-[A]	Beginning Account Value July 1, 2019	Ending Account Value December 31, 2019	Expenses Paid During Period-[B] July 1, 2019 to December 31, 2019
Initial Class	.61%			
Actual		$1,000.00	$1,093.90	$3.22
Hypothetical-[C]		$1,000.00	$1,022.13	$3.11
Service Class	.71%			
Actual		$1,000.00	$1,093.20	$3.75
Hypothetical-[C]		$1,000.00	$1,021.63	$3.62
Service Class 2	.86%			
Actual		$1,000.00	$1,092.60	$4.54
Hypothetical-[C]		$1,000.00	$1,020.87	$4.38
Investor Class	.69%			
Actual		$1,000.00	$1,093.60	$3.64
Hypothetical-[C]		$1,000.00	$1,021.73	$3.52

[A] *Annualized expense ratio reflects expenses net of applicable fee waivers.*

[B] *Expenses are equal to each Class' annualized expense ratio, multiplied by the average account value over the period, multiplied by 184/365 (to reflect the one-half year period).*

[C] *5% return per year before expenses*

Distributions (Unaudited)

The Board of Trustees of VIP Contrafund Portfolio voted to pay to shareholders of record at the opening of business on record date, the following distributions per share derived from capital gains realized from sales of portfolio securities, and dividends derived from net investment income:

	Pay Date	Record Date	Dividends	Capital Gains
VIP Contrafund Portfolio				
Initial Class	02/07/20	02/07/20	$0.044	$0.183
Service Class	02/07/20	02/07/20	$0.038	$0.183
Service Class 2	02/07/20	02/07/20	$0.030	$0.183
Investor Class	02/07/20	02/07/20	$0.040	$0.183

The fund hereby designates as a capital gain dividend with respect to the taxable year ended December 31, 2019, $ 90,144,811, or, if subsequently determined to be different, the net capital gain of such year.

Initial Class, Service Class, Service Class 2 and Investor Class designate 100% of the dividends distributed during the fiscal year as qualifying for the dividends–received deduction for corporate shareholders.

Board Approval of Investment Advisory Contracts

VIP Contrafund Portfolio

At its November 2019 meeting, the Board of Trustees, including the Independent Trustees (together, the Board), voted to approve an amended and restated management contract and amended and restated sub-advisory agreements (together, the Amended and Restated Contracts) for the fund, effective January 1, 2020, for a one month period through January 31, 2020, in connection with an upcoming consolidation of certain of Fidelity's advisory businesses.

The Board considered that, on or about January 1, 2020, each of FMR Co., Inc. (FMRC), Fidelity Investments Money Management, Inc. (FIMM), and SelectCo, LLC (SelectCo) will merge with and into Fidelity Management & Research Company (FMR) and that, after the merger, FMR will redomicile as a Delaware limited liability company. The Board also approved the termination of the sub-advisory agreement with FMRC upon the completion of the merger. The Board noted that the Amended and Restated Contracts would be updated to reflect the renamed adviser, Fidelity Management & Research Company LLC and its new form of organization and domicile. The Board also noted that the Amended and Restated Contracts will not change the investment processes, the level or nature of services provided, the resources and personnel allocated, trading and compliance operations, or any fees or expenses paid by the fund.

The Board concluded that the fund's Amended and Restated Contracts are fair and reasonable, and that the fund's Advisory Contracts should be approved through January 31, 2020.

In connection with its consideration of future renewals of the fund's Amended and Restated Contracts, the Board will consider: (i) the nature, extent and quality of services provided to the fund, including shareholder and administrative services and investment performance; (ii) the competitiveness of the management fee and total expenses for the fund; (iii) the costs of the services and profitability, including the revenues earned and the expenses incurred in conducting the business of developing, marketing, distributing, managing, administering, and servicing the fund and its shareholders, to the extent applicable; and (iv) whether there have been economies of scale in respect of the Fidelity funds, whether the Fidelity funds (including the fund) have appropriately benefited from any such economies of scale, and whether there is the potential for realization of any further economies.

Based on its evaluation of all of the conclusions noted above, and after considering all factors it believed relevant, the Board ultimately concluded that the fund's management fee structure is fair and reasonable, and that the continuation of the fund's Amended and Restated Contracts should be approved.



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NEUBERGER | BERMAN

Neuberger Berman Advisers Management Trust

Sustainable Equity Portfolio

I Class Shares
S Class Shares



Annual Report

December 31, 2019

Beginning on January 1, 2021, as permitted by regulations adopted by the U.S. Securities and Exchange Commission, you may no longer receive paper copies of the Fund's annual and semi-annual shareholder reports by mail from the insurance company that issued your variable annuity and variable life insurance contract or from the financial intermediary that administers your qualified pension or retirement plan, unless you specifically request paper copies of the reports from your insurance company or financial intermediary. Instead, the reports will be made available on the Fund's website www.nb.com/AMTliterature, and may also be available on a website from the insurance company or financial intermediary that offers your contract or administers your retirement plan, and such insurance company or financial intermediary will notify you by mail each time a report is posted and provide you with a website link to access the report.

If you already elected to receive shareholder reports electronically, you will not be affected by this change and you need not take any action. You may elect to receive shareholder reports and other communications from the insurance company or financial intermediary electronically by following the instructions provided by the insurance company or financial intermediary. If offered by your insurance company or financial intermediary, you may elect to receive all future reports in paper and free of charge from the insurance company or financial intermediary. You can contact your insurance company or financial intermediary if you wish to continue receiving paper copies of your shareholder reports. Your election to receive reports in paper will apply to all funds available under your contract or retirement plan.

B1017 02/20

Sustainable Equity Portfolio Commentary (Unaudited)

The Neuberger Berman Advisers Management Trust Sustainable Equity Portfolio Class I generated a total return of 25.88% for the 12 months ended December 31, 2019, trailing the 31.49% total return of its benchmark, the S&P 500® Index (the Index), for the same period. (Performance for all share classes is provided in the table immediately following this letter.)

The Index returns outpaced earnings growth this year as valuation multiples continued to expand within a backdrop of steady, albeit slow, economic growth, less slack in the economy, low inflation, a de-escalation in trade tensions, and supportive monetary policy.

The Information Technology (IT) sector was the biggest driver of Index returns. Growth-focused investors created a narrow market, where the value-versus-growth dispersion continued, and stocks with high revenue growth surged past those of more established businesses. Although this backdrop was a headwind given our valuation-sensitive discipline, the market's volatility allowed us to opportunistically add high quality names at valuations we consider attractive.

By sector, Financials and Utilities contributed most to the Fund's relative returns versus the Index. Danaher and Aptiv were our top individual contributors. Danaher announced plans to acquire GE's healthcare assets, further positioning the diversified life sciences company for strong organic growth in the fast growing biopharma business. Aptiv outperformed as the company continued to capture the secular growth in autonomous technology, electrification and enhanced safety of automobiles.

IT and Consumer Staples sectors were our largest areas of underperformance. EQT Corp. and Premier Inc. were our largest absolute detractors. EQT, a natural gas exploration and delivery company, underperformed around concerns related to oversupply in U.S. natural gas. We sold Premier believing uncertainty in the healthcare regulatory backdrop could undermine the company's future growth potential.

In addition to Premier, sales included Cimarex Energy, Schlumberger, Equitrans Midstream Corp., eBay, ManpowerGroup and 3M. Purchases included National Grid, an investor-owned utility facilitating de-carbonization of the grid. The company is investing in safety, reliability and modernization, including the ability to help deliver smart grid technology, renewable energy connections and electric vehicle charging infrastructure. Volatility allowed our entry at a discounted price-to-earnings ratio relative to the overall market and sector. Other new holdings include Stanley Black & Decker, Vestas Wind Systems, United Rentals, Microsoft, CSX, Arista Networks and Zebra Technologies.

Despite current healthy economic fundamentals, we anticipate the slow growth environment to continue, with U.S. GDP in the 2% range. However, we believe a tight labor market and the U.S. Federal Reserve Board's need to monetize growing fiscal deficits could result in inflation. While currently subdued, we are mindful of the potential impact of inflation across our portfolio.

Globally, geopolitical issues—including the Chinese economic slowdown, Hong Kong unrest, Brexit, and any re-escalation of global trade conflicts—could fuel market volatility and weigh on global economic growth.

We continue to focus on owning best-in-class businesses exposed to secular growth trends (energy efficiency, health and nutrition, accelerating innovation, etc.) that we believe will enable them to grow and increase market share even within a slower growth backdrop.

We believe the fundamentals of the businesses the Fund owns can translate such top-line growth into stronger, advantaged bottom-line growth, supported by competitive advantages, attractive return on capital profiles and demonstrated leadership in environmental, social and governance (ESG) practices—in fact, 63% of the companies in our portfolio by weight this year ranked as either Trendsetters or First Tier by the CPA-Zicklin Index*. We believe our portfolio holdings also have the balance sheet strength and free cash flow generation that could enable them to weather global economic turmoil, should it occur.

We look forward to continuing to serve your investment needs.

Sincerely,

INGRID S. DYOTT AND SAJJAD S. LADIWALA
CO-PORTFOLIO MANAGERS

*** The CPA-Zicklin Index benchmarks the political disclosure and accountability policies and practices for election-related spending of leading U.S. public companies. Issued annually, it is produced by the Center for Political Accountability in conjunction with the Zicklin Center for Business Ethics Research at The Wharton School at the University of Pennsylvania. Companies receiving a score of 90% or higher for political disclosure and accountability received the "Trendsetter" designation, while companies that scored between 80-100% were ranked in the "First Tier."**

Information about principal risks of investing in the Fund is set forth in the prospectus and statement of additional information.

The portfolio composition, industries and holdings of the Fund are subject to change without notice.

The opinions expressed are those of the Fund's portfolio managers. The opinions are as of the date of this report and are subject to change without notice.

To read more on how we integrate sustainability issues into our investment process and a recent engagement on a portfolio company's commitment to climate change, please visit www.nb.com/sustainableequity.

Sustainable Equity Portfolio (Unaudited)

SECTOR ALLOCATION

(as a % of Total Investments*)

Communication Services	7.1%
Consumer Discretionary	10.6
Consumer Staples	5.1
Energy	2.3
Financials	13.5
Health Care	18.7
Industrials	15.3
Information Technology	18.0
Materials	4.7
Real Estate	1.6
Utilities	1.6
Short-Term Investments	1.5
Total	100.0%

* Derivatives, if any, are excluded from this chart.

PERFORMANCE HIGHLIGHTS

	Inception Date	Average Annual Total Return Ended 12/31/2019 1 Year	5 Years	10 Years	Life of Fund
Class I	02/18/1999	25.88%	8.98%	11.92%	7.54%
Class S[2]	05/01/2006	25.58%	8.74%	11.72%	7.42%
S&P 500® Index[1,3]		31.49%	11.70%	13.56%	6.78%

The performance data quoted represent past performance and do not indicate future results. Current performance may be lower or higher than the performance data quoted. For current performance data, please visit http://www.nb.com/amtportfolios/performance.

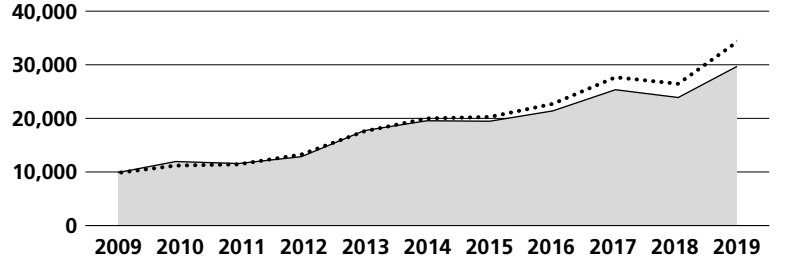
The results shown in the table reflect the reinvestment of income dividends and other distributions, if any. The results do not reflect the effect of taxes a shareholder would pay on Fund distributions or on the redemption of Fund shares. The results do not reflect fees and expenses of the variable annuity and variable life insurance policies or the qualified pension and retirement plans whose proceeds are invested in the Fund.

The investment return and principal value of an investment will fluctuate and shares, when redeemed, may be worth more or less than their original cost.

Returns would have been lower if Neuberger Berman Investment Advisers LLC ("Management") had not reimbursed certain expenses and/or waived a portion of the investment management fees during certain of the periods shown. Repayment by a class (of expenses previously reimbursed and/or fees previously waived by Management) will decrease the class's returns. Please see Note B in the Notes to Financial Statements for specific information regarding expense reimbursement and/or fee waiver arrangements.

As stated in the Fund's most recent prospectus, the total annual operating expense ratios for fiscal year 2018 were 0.95% and 1.20% for Class I and Class S shares, respectively (before expense reimbursements and/or fee waivers, if any). The expense ratio was 1.18% for Class S shares after expense reimbursements and/or fee waivers. The expense ratios for the annual period ended December 31, 2019 can be found in the Financial Highlights section of this report.

COMPARISON OF A $10,000 INVESTMENT



	Value as of 12/31/19
Sustainable Equity Portfolio Class I	$30,848
S&P 500® Index	$35,666

This graph shows the change in value of a hypothetical $10,000 investment in the Fund over the past 10 fiscal years, or since the Fund's inception, if it has not operated for 10 years. The graph is based on Class I shares only; the performance of the Fund's share classes will differ primarily due to different class expenses (see Performance Highlights chart above). The result is compared with benchmarks, which include a broad-based market index and may include a more narrowly based index. Market indices have not been reduced to reflect any of the fees and costs of investing. The results shown in the graph reflect the reinvestment of income dividends and other distributions, if any. The results do not reflect the effect of taxes a shareholder would pay on Fund distributions or on the redemption of Fund shares. The results do not reflect fees and expenses of the variable annuity and variable life insurance policies or the qualified pension and retirement plans whose proceeds are invested in the Fund. Results represent past performance and do not indicate future results.

Please see Endnotes for additional information.

Endnotes

1 The date used to calculate Life of Fund performance for the index is February 18, 1999, the inception date of Class I shares, the Fund's oldest share class.

2 Performance shown prior to May 1, 2006 for Class S shares is that of Class I shares, which has lower expenses and correspondingly higher returns than Class S shares.

3 The S&P 500® Index is a float-adjusted market capitalization-weighted index that focuses on the large-cap segment of the U.S. equity market, and includes a significant portion of the total value of the market. Please note that the index described in this report does not take into account any fees, expenses or tax consequences of investing in the individual securities that it tracks, and that individuals cannot invest directly in any index. Data about the performance of an index are prepared or obtained by Neuberger Berman Investment Advisers LLC ("Management") and reflect the reinvestment of income dividends and other distributions, if any. The Fund may invest in securities not included in a described index and generally does not invest in all securities included in a described index.

The investments for the Fund are managed by the same portfolio manager(s) who manage(s) one or more other registered funds that have names, investment objectives and investment styles that are similar to those of the Fund. You should be aware that the Fund is likely to differ from those other mutual fund(s) in size, cash flow pattern and tax matters. Accordingly, the holdings and performance of the Fund can be expected to vary from those of the other mutual fund(s).

Shares of the separate Neuberger Berman Advisers Management Trust Portfolios, including the Fund, are not available to the general public. Shares of the Fund may be purchased only by life insurance companies to be held in their separate accounts, which fund variable annuity and variable life insurance policies, and by qualified pension and retirement plans.

Statistics and projections in this report are derived from sources deemed to be reliable but cannot be regarded as a representation of future results of the Fund. This report is prepared for the general information of shareholders and is not an offer of shares of the Fund. Shares are sold only through the currently effective prospectus, which must precede or accompany this report.

The "Neuberger Berman" name and logo and "Neuberger Berman Investment Advisers LLC" name are registered service marks of Neuberger Berman Group LLC. The individual Fund name in this piece is either a service mark or registered service mark of Neuberger Berman Investment Advisers LLC, an affiliate of Neuberger Berman BD LLC, distributor, member FINRA.

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Information About Your Fund's Expenses (Unaudited)

As a Fund shareholder, you incur two types of costs: (1) transaction costs such as fees and expenses that are, or may be, imposed under your variable contract or qualified pension plan; and (2) ongoing costs, including management fees, distribution and/or service (12b-1) fees (if applicable), and other Fund expenses. This example is intended to help you understand your ongoing costs (in U.S. dollars) of investing in the Fund and compare these costs with the ongoing costs of investing in other mutual funds.

This table is designed to provide information regarding costs related to your investments. The following examples are based on an investment of $1,000 made at the beginning of the six month period ended December 31, 2019 and held for the entire period. The table illustrates the Fund's costs in two ways:

Actual Expenses and Performance: The first section of the table provides information about actual account values and actual expenses in dollars, based on the Fund's actual performance during the period indicated. You may use the information in this line, together with the amount you invested, to estimate the expenses you paid over the period. Simply divide your account value by $1,000 (for example, an $8,600 account value divided by $1,000 = 8.6), then multiply the result by the number in the first section of the table under the heading entitled "Expenses Paid During the Period" to estimate the expenses you paid over the period.

Hypothetical Example for Comparison Purposes: The second section of the table provides information about hypothetical account values and hypothetical expenses based on the Fund's actual expense ratio and an assumed rate of return at 5% per year before expenses. This return is not the Fund's actual return. The hypothetical account values and expenses may not be used to estimate the actual ending account balance or expenses you paid for the period. You may use this information to compare the ongoing costs of investing in this Fund versus other funds. To do so, compare the expenses shown in this 5% hypothetical example with the 5% hypothetical examples that appear in the shareholder reports of other funds.

Please note that the expenses in the table are meant to highlight your ongoing costs only and do not include any transaction costs, such as fees and expenses that are, or may be imposed under your variable contract or qualified pension plan. Therefore, the information under the heading "Hypothetical (5% annual return before expenses)" is useful in comparing ongoing costs only, and will not help you determine the relative total costs of owning different funds. In addition, if these transaction costs were included, your costs would have been higher.

Expense Example (Unaudited)

NEUBERGER BERMAN ADVISERS MANAGEMENT TRUST SUSTAINABLE EQUITY PORTFOLIO

	Beginning Account Value	Ending Account Value	Expenses Paid During the Period	
Actual	**7/1/19**	**12/31/19**	**7/1/19 – 12/31/19**	**Expense Ratio**
Class I	$1,000.00	$1,106.30	$4.88[(a)]	0.92%
Class S	$1,000.00	$1,104.50	$6.21[(a)]	1.17%
Hypothetical (5% annual return before expenses)				
Class I	$1,000.00	$1,020.57	$4.69[(b)]	0.92%
Class S	$1,000.00	$1,019.31	$5.96[(b)]	1.17%

(a) For each class, expenses are equal to the annualized expense ratio for the class, multiplied by the average account value over the period, multiplied by 184/365 (to reflect the one-half year period shown).

(b) Hypothetical expenses are equal to the annualized expense ratios for each class, multiplied by the average account value over the period (assuming a 5% annual return), multiplied by 184/365 (to reflect the one-half year period shown).

Schedule of Investments Sustainable Equity Portfolio^ December 31, 2019

NUMBER OF SHARES		VALUE
Common Stocks 98.5%		
Airlines 2.2%		
153,453	Ryanair Holdings PLC ADR	**$ 13,444,017***
Auto Components 3.4%		
216,903	Aptiv PLC	**20,599,278**
Banks 6.3%		
158,403	JPMorgan Chase & Co.	22,081,378
281,448	U.S. Bancorp	16,687,052
		38,768,430
Capital Markets 3.7%		
245,308	Intercontinental Exchange, Inc.	**22,703,255**
Communications Equipment 1.8%		
53,636	Arista Networks, Inc.	**10,909,562***
Consumer Finance 1.8%		
87,284	American Express Co.	**10,865,985**
Electrical Equipment 2.9%		
178,803	Vestas Wind Systems A/S	**18,060,252**
Electronic Equipment, Instruments & Components 1.7%		
39,988	Zebra Technologies Corp. Class A	**10,214,535***
Equity Real Estate Investment Trusts 1.6%		
328,439	Weyerhaeuser Co.	**9,918,858**
Food & Staples Retailing 2.2%		
465,664	Kroger Co.	**13,499,599**
Health Care Equipment & Supplies 9.7%		
73,779	Becton, Dickinson & Co.	20,065,675
126,548	Danaher Corp.	19,422,587
175,576	Medtronic PLC	19,919,097
		59,407,359
Health Care Providers & Services 6.1%		
195,147	AmerisourceBergen Corp.	16,591,398
102,779	Cigna Corp.	21,017,278
		37,608,676
Hotels, Restaurants & Leisure 2.4%		
587,053	Compass Group PLC	**14,696,834**
Insurance 1.7%		
147,440	Progressive Corp.	**$ 10,673,182**
Interactive Media & Services 3.4%		
15,609	Alphabet, Inc. Class A	**20,906,538***
IT Services 4.5%		
192,228	Cognizant Technology Solutions Corp. Class A	11,921,980
51,552	MasterCard, Inc. Class A	15,392,912
		27,314,892
Machinery 3.8%		
139,870	Stanley Black & Decker, Inc.	**23,182,054**
Materials 2.7%		
27,877	Sherwin-Williams Co.	**16,267,345**
Media 3.7%		
501,443	Comcast Corp. Class A	**22,549,892**
Multi-Utilities 1.6%		
763,373	National Grid PLC	**9,548,419**
Oil, Gas & Consumable Fuels 2.3%		
399,418	EQT Corp.	4,353,656
400,609	Noble Energy, Inc.	9,951,128
		14,304,784
Personal Products 2.9%		
305,869	Unilever NV	**17,575,233**
Pharmaceuticals 2.8%		
53,042	Roche Holding AG	**17,238,791**
Road & Rail 1.5%		
127,834	CSX Corp.	**9,250,068**
Semiconductors & Semiconductor Equipment 4.0%		
191,291	Texas Instruments, Inc.	**24,540,722**
Software 6.1%		
45,884	Intuit, Inc.	12,018,396
162,208	Microsoft Corp.	25,580,202
		37,598,598
Specialty Chemicals 2.0%		
255,332	Novozymes A/S B Shares	**12,497,748**

Schedule of Investments Sustainable Equity Portfolio^ (cont'd)

NUMBER OF SHARES		VALUE
Specialty Retail 3.6%		
138,093	Advance Auto Parts, Inc.	**$ 22,116,975**
Textiles, Apparel & Luxury Goods 1.2%		
247,696	Gildan Activewear, Inc.	**7,314,463**
Trading Companies & Distributors 4.9%		
94,035	United Rentals, Inc.	15,682,217*
42,346	W.W. Grainger, Inc.	14,334,968
		30,017,185
	Total Common Stocks (Cost $430,453,043)	**603,593,529**
Short-Term Investments 1.4%		
PRINCIPAL AMOUNT		
Certificates of Deposit 0.0%[(a)]		
$ 100,000	Self Help Credit Union, 0.25%, due 1/29/2020	100,000
100,000	Self Help Federal Credit Union, 0.25%, due 3/18/2020	100,000
		200,000
NUMBER OF SHARES		
Investment Companies 1.4%		
8,686,349	State Street Institutional Treasury Money Market Fund Premier Class, 1.52%[(b)]	**8,686,349**
	Total Short-Term Investments (Cost $8,886,349)	**8,886,349**
	Total Investments 99.9% (Cost $439,339,392)	**612,479,878**
	Other Assets Less Liabilities 0.1%	332,706
	Net Assets 100.0%	**$612,812,584**

* Non-income producing security.

(a) Represents less than 0.05% of net assets of the Fund.

(b) Represents 7-day effective yield as of December 31, 2019.

Schedule of Investments Sustainable Equity Portfolio^ (cont'd)

POSITIONS BY COUNTRY

Country	Investments at Value	Percentage of Net Assets
Canada	$ 7,314,463	1.2%
Denmark	30,558,000	5.0%
Ireland	13,444,017	2.2%
Switzerland	17,238,791	2.8%
United Kingdom	41,820,486	6.8%
United States	493,217,772	80.5%
Short-Term Investments and Other Assets-Net	9,219,055	1.5%
	$612,812,584	**100.0%**

The following is a summary, categorized by Level (see Note A of Notes to Financial Statements), of inputs used to value the Fund's investments as of December 31, 2019:

Asset Valuation Inputs	Level 1	Level 2	Level 3	Total
Investments:				
Common Stocks				
Electrical Equipment	$ —	$18,060,252	$—	$ 18,060,252
Pharmaceuticals	—	17,238,791	—	17,238,791
Specialty Chemicals	—	12,497,748	—	12,497,748
Other Common Stocks[a]	555,796,738	—	—	555,796,738
Total Common Stocks	555,796,738	47,796,791	—	603,593,529
Short-Term Investments	—	8,886,349	—	8,886,349
Total Investments	**$555,796,738**	**$56,683,140**	**$—**	**$612,479,878**

(a) The Schedule of Investments provides information on the industry categorization as well as a Positions by Country summary.

^ A balance indicated with a "—", reflects either a zero balance or an amount that rounds to less than 1.

Statement of Assets and Liabilities

Neuberger Berman Advisers Management Trust

	SUSTAINABLE EQUITY PORTFOLIO
	December 31, 2019
Assets	
Investments in securities, at value* (Note A)—see Schedule of Investments:	
Unaffiliated issuers[(a)]	$612,479,878
Foreign currency[(b)]	11
Dividends and interest receivable	682,945
Receivable for securities sold	157,198
Receivable for Fund shares sold	177,798
Prepaid expenses and other assets	19,415
Total Assets	613,517,245
Liabilities	
Payable to investment manager—net (Note B)	273,160
Payable for Fund shares redeemed	152,531
Payable to administrator—net (Note B)	178,829
Payable for audit fees	46,156
Other accrued expenses and payables	53,985
Total Liabilities	704,661
Net Assets	$612,812,584
Net Assets consist of:	
Paid-in capital	$413,021,024
Total distributable earnings/(losses)	199,791,560
Net Assets	$612,812,584
Net Assets	
Class I	$491,329,839
Class S	121,482,745
Shares Outstanding ($.001 par value; unlimited shares authorized)	
Class I	18,273,732
Class S	4,504,040
Net Asset Value, offering and redemption price per share	
Class I	$26.89
Class S	26.97
***Cost of Investments:**	
(a) Unaffiliated issuers	$439,339,392
(b) Total cost of foreign currency	$11

Statement of Operations

Neuberger Berman Advisers Management Trust

	SUSTAINABLE EQUITY PORTFOLIO For the Fiscal Year Ended December 31, 2019
Investment Income:	
Income (Note A):	
Dividend income—unaffiliated issuers	$8,520,966
Interest and other income—unaffiliated issuers	185,011
Foreign taxes withheld	(188,340)
Total income	$8,517,637
Expenses:	
Investment management fees (Note B)	2,865,478
Administration fees (Note B):	
Class I	1,300,373
Class S	309,061
Distribution fees (Note B):	
Class S	257,551
Audit fees	46,156
Custodian and accounting fees	90,224
Insurance	14,916
Legal fees	139,490
Shareholder reports	110,850
Trustees' fees and expenses	48,214
Interest	36
Miscellaneous	45,140
Total expenses	5,227,489
Expenses reimbursed by Management (Note B)	(1,611)
Total net expenses	5,225,878
Net investment income/(loss)	$3,291,759
Realized and Unrealized Gain/(Loss) on Investments (Note A):	
Net realized gain/(loss) on:	
Transactions in investment securities of unaffiliated issuers	23,859,791
Settlement of foreign currency transactions	(5,638)
Change in net unrealized appreciation/(depreciation) in value of:	
Investment securities of unaffiliated issuers	86,942,639
Foreign currency translations	7,813
Net gain/(loss) on investments	110,804,605
Net increase/(decrease) in net assets resulting from operations	$114,096,364

Statements of Changes in Net Assets

Neuberger Berman Advisers Management Trust

	SUSTAINABLE EQUITY PORTFOLIO	
	Fiscal Year Ended December 31, 2019	**Fiscal Year Ended December 31, 2018**
Increase/(Decrease) in Net Assets:		
From Operations (Note A):		
Net investment income/(loss)	$3,291,759	$2,253,151
Net realized gain/(loss) on investments	23,854,153	31,779,438
Change in net unrealized appreciation/(depreciation) of investments	86,950,452	(57,486,060)
Net increase/(decrease) in net assets resulting from operations	114,096,364	(23,453,471)
Distributions to Shareholders From (Note A):		
Distributable earnings:		
Class I	(27,383,729)	(22,066,494)
Class S	(6,650,912)	(4,403,246)
Total distributions to shareholders	(34,034,641)	(26,469,740)
From Fund Share Transactions (Note D):		
Proceeds from shares sold:		
Class I	50,062,884	8,513,562
Class S	48,642,200	5,816,916
Proceeds from reinvestment of dividends and distributions:		
Class I	27,383,729	22,066,494
Class S	6,650,912	4,403,246
Proceeds from shares issued in connection with tax-free reorganizations (Note F):		
Class I	51,104,256	—
Class S	125,163	—
Payments for shares redeemed:		
Class I	(42,305,183)	(29,595,142)
Class S	(17,528,030)	(17,992,156)
Net increase/(decrease) from Fund share transactions	124,135,931	(6,787,080)
Net Increase/(Decrease) in Net Assets	204,197,654	(56,710,291)
Net Assets:		
Beginning of year	408,614,930	465,325,221
End of year	$612,812,584	$408,614,930

Notes to Financial Statements Sustainable Equity Portfolio

Note A—Summary of Significant Accounting Policies:

1 **General:** Neuberger Berman Advisers Management Trust (the "Trust") is a Delaware statutory trust organized pursuant to an Amended and Restated Trust Instrument dated March 27, 2014. The Trust is currently comprised of six separate operating series (each individually a "Fund," and collectively the "Funds") each of which is diversified. The Trust is registered as an open-end management investment company under the Investment Company Act of 1940, as amended (the "1940 Act"), and its shares are registered under the Securities Act of 1933, as amended. Neuberger Berman Advisers Management Trust Sustainable Equity Portfolio (the "Fund") currently offers Class I and Class S shares. The Trust's Board of Trustees (the "Board") may establish additional series or classes of shares without the approval of shareholders.

A balance indicated with a "—", reflects either a zero balance or a balance that rounds to less than 1.

The assets of each Fund belong only to that Fund, and the liabilities of each Fund are borne solely by that Fund and no other.

The Fund is an investment company and accordingly follows the investment company accounting and reporting guidance of the Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") Topic 946 "Financial Services—Investment Companies."

The preparation of financial statements in accordance with U.S. generally accepted accounting principles ("GAAP") requires Neuberger Berman Investment Advisers LLC ("Management" or "NBIA") to make estimates and assumptions at the date of the financial statements. Actual results could differ from those estimates.

Shares of the Fund are not available to the general public and may be purchased only by life insurance companies to serve as an investment vehicle for premiums paid under their variable annuity and variable life insurance contracts and to certain qualified pension and other retirement plans.

2 **Portfolio valuation:** In accordance with ASC 820 "Fair Value Measurement" ("ASC 820"), all investments held by the Fund are carried at the value that Management believes the Fund would receive upon selling an investment in an orderly transaction to an independent buyer in the principal or most advantageous market for the investment under current market conditions. Various inputs, including the volume and level of activity for the asset or liability in the market, are considered in valuing the Fund's investments, some of which are discussed below. Significant Management judgment may be necessary to value investments in accordance with ASC 820.

ASC 820 established a three-tier hierarchy of inputs to create a classification of value measurements for disclosure purposes. The three-tier hierarchy of inputs is summarized in the three broad Levels listed below.

- Level 1—quoted prices in active markets for identical investments
- Level 2—other observable inputs (including quoted prices for similar investments, interest rates, prepayment speeds, credit risk, amortized cost, etc.)
- Level 3—unobservable inputs (including the Fund's own assumptions in determining the fair value of investments)

The inputs or methodology used for valuing an investment are not necessarily an indication of the risk associated with investing in those securities.

The value of the Fund's investments in equity securities, for which market quotations are readily available, is generally determined by Management by obtaining valuations from independent pricing services based on the latest sale price quoted on a principal exchange or market for that security (Level 1 inputs). Securities traded primarily on the NASDAQ Stock Market are normally valued at the NASDAQ Official Closing Price ("NOCP") provided by NASDAQ each business day. The NOCP is the most recently reported price as of 4:00:02 p.m., Eastern

Time, unless that price is outside the range of the "inside" bid and asked prices (i.e., the bid and asked prices that dealers quote to each other when trading for their own accounts); in that case, NASDAQ will adjust the price to equal the inside bid or asked price, whichever is closer. Because of delays in reporting trades, the NOCP may not be based on the price of the last trade to occur before the market closes. If there is no sale of a security on a particular day, the independent pricing services may value the security based on market quotations.

Management has developed a process to periodically review information provided by independent pricing services for all types of securities.

Certificates of deposit are valued at amortized cost (Level 2 inputs).

Investments in non-exchange traded investment companies are valued using the respective fund's daily calculated net asset value ("NAV") per share (Level 2 inputs).

If a valuation is not available from an independent pricing service, or if Management has reason to believe that the valuation received does not represent the amount the Fund might reasonably expect to receive on a current sale in an orderly transaction, Management seeks to obtain quotations from brokers or dealers (generally considered Level 2 or Level 3 inputs depending on the number of quotes available). If such quotations are not readily available, the security is valued using methods the Board has approved in the good-faith belief that the resulting valuation will reflect the fair value of the security. Numerous factors may be considered when determining the fair value of a security based on Level 2 or Level 3 inputs, including available analyst, media or other reports, securities within the same industry with recent highly correlated performance, trading in futures or American Depositary Receipts and whether the issuer of the security being fair valued has other securities outstanding.

The value of the Fund's investments in foreign securities is generally determined using the same valuation methods and inputs as other Fund investments, as discussed above. Foreign security prices expressed in local currency values are normally translated from the local currency into U.S. dollars using the exchange rates as of 4:00 p.m., Eastern Time on days the New York Stock Exchange ("NYSE") is open for business. The Board has approved the use of ICE Data Pricing and Reference Data LLC ("ICE") to assist in determining the fair value of foreign equity securities when changes in the value of a certain index suggest that the closing prices on the foreign exchanges may no longer represent the amount that the Fund could expect to receive for those securities or on days when foreign markets are closed and U.S. markets are open. In each of these events, ICE will provide adjusted prices for certain foreign equity securities using a statistical analysis of historical correlations of multiple factors (Level 2 inputs). In the absence of precise information about the market values of these foreign securities as of the time as of which the Fund's share price is calculated, the Board has determined on the basis of available data that prices adjusted or evaluated in this way are likely to be closer to the prices the Fund could realize on a current sale than are the prices of those securities established at the close of the foreign markets in which the securities primarily trade.

Fair value prices are necessarily estimates, and there is no assurance that such a price will be at or close to the price at which the security is next quoted or next trades.

3 **Foreign currency translations:** The accounting records of the Fund are maintained in U.S. dollars. Foreign currency amounts are normally translated into U.S. dollars using the exchange rate as of 4:00 p.m. Eastern Time, on days the NYSE is open for business, to determine the value of investments, other assets and liabilities. Purchase and sale prices of securities, and income and expenses, are translated into U.S. dollars at the prevailing rate of exchange on the respective dates of such transactions. Net unrealized foreign currency gain/(loss), if any, arises from changes in the value of assets and liabilities, other than investments in securities, as a result of changes in exchange rates and is stated separately in the Statement of Operations.

4 **Securities transactions and investment income:** Securities transactions are recorded on trade date for financial reporting purposes. Dividend income is recorded on the ex-dividend date or, for certain foreign dividends, as soon as the Fund becomes aware of the dividends. Non-cash dividends included in dividend income, if any, are recorded at the fair market value of the securities received. Interest income, including accretion of discount

(adjusted for original issue discount, where applicable), and amortization of premium, where applicable, is recorded on the accrual basis. Realized gains and losses from securities transactions and foreign currency transactions, if any, are recorded on the basis of identified cost and stated separately in the Statement of Operations. Included in net realized gain/(loss) on investments are proceeds from the settlement of class action litigation(s) in which the Fund participated as a class member. The amount of such proceeds for the year ended December 31, 2019, was $596.

5 Income tax information: The Fund is treated as a separate entity for U.S. federal income tax purposes. It is the policy of the Fund to continue to qualify for treatment as a regulated investment company ("RIC") by complying with the requirements of the U.S. Internal Revenue Code applicable to RICs and to distribute substantially all of its net investment income and net realized capital gains to its shareholders. To the extent the Fund distributes substantially all of its net investment income and net realized capital gains to shareholders, no federal income or excise tax provision is required.

The Fund has adopted the provisions of ASC 740 "Income Taxes" ("ASC 740"). ASC 740 sets forth a minimum threshold for financial statement recognition of a tax position taken, or expected to be taken, in a tax return. The Fund recognizes interest and penalties, if any, related to unrecognized tax positions as an income tax expense in the Statement of Operations. The Fund is subject to examination by U.S. federal and state tax authorities for returns filed for the tax years for which the applicable statutes of limitations have not yet expired. As of December 31, 2019, the Fund did not have any unrecognized tax positions.

At December 31, 2019, the cost for all long security positions for U.S. federal income tax purposes was $440,307,172. Gross unrealized appreciation of long security positions and derivative instruments, if any, was $184,681,851 and gross unrealized depreciation of long security positions and derivative instruments, if any, was $12,509,145 resulting in net unrealized appreciation of $172,172,706 based on cost for U.S. federal income tax purposes.

Income distributions and capital gain distributions are determined in accordance with income tax regulations, which may differ from GAAP. These differences are primarily due to differing treatments of income and gains on various investment securities held by the Fund, timing differences and differing characterization of distributions made by the Fund. The Fund may also utilize earnings and profits distributed to shareholders on redemption of their shares as a part of the dividends-paid deduction for income tax purposes.

Any permanent differences resulting from different book and tax treatment are reclassified at year-end and have no impact on net income, NAV or NAV per share of the Fund. For the year ended December 31, 2019, the Fund recorded the following permanent reclassifications primarily related to book to tax differences transferred to a surviving fund due to a reorganization. For the year ended December 31, 2019, the Fund recorded the following permanent reclassifications:

Paid-in Capital	Total Distributable Earnings/(Losses)
$137,842	$(137,842)

The tax character of distributions paid during the years ended December 31, 2019, and December 31, 2018, was as follows:

Distributions Paid From:					
Ordinary Income		Long-Term Capital Gain		Total	
2019	2018	2019	2018	2019	2018
$2,241,408	$4,303,645	$31,793,233	$22,166,095	$34,034,641	$26,469,740

As of December 31, 2019, the components of distributable earnings (accumulated losses) on a U.S. federal income tax basis were as follows:

Undistributed Ordinary Income	Undistributed Long-Term Capital Gain	Unrealized Appreciation/ (Depreciation)	Loss Carryforwards and Deferrals	Other Temporary Differences	Total
$3,284,616	$24,327,166	$172,179,778	$—	$—	$199,791,560

The temporary differences between book basis and tax basis distributable earnings are primarily due to: losses disallowed and recognized on wash sales and tax adjustments related to other investments.

6 Distributions to shareholders: The Fund may earn income, net of expenses, daily on its investments. Distributions from net investment income and net realized capital gains, if any, are generally distributed once a year (usually in October) and are recorded on the ex-date.

It is the policy of the Fund to pass through to its shareholders substantially all real estate investment trust ("REIT") distributions and other income it receives, less operating expenses. The distributions the Fund receives from REITs are generally composed of income, capital gains, and/or return of REIT capital, but the REITs do not report this information to the Fund until the following calendar year. At December 31, 2019, the Fund estimated these amounts for the period January 1, 2019 to December 31, 2019 within the financial statements because the 2019 information is not available from the REITs until after the Fund's fiscal year-end. All estimates are based upon REIT information sources available to the Fund together with actual IRS Forms 1099-DIV received to date. For the year ended December 31, 2019, the character of distributions, if any, paid to shareholders of the Fund disclosed within the Statements of Changes in Net Assets is based on estimates made at that time. Based on past experience it is possible that a portion of the Fund's distributions during the current fiscal year, if any, will be considered tax return of capital, but the actual amount of the tax return of capital, if any, is not determinable until after the Fund's fiscal year-end. After calendar year-end, when the Fund learns the nature of the distributions paid by REITs during that year, distributions previously identified as income are often re-characterized as return of capital and/or capital gain. After all applicable REITs have informed the Fund of the actual breakdown of distributions paid to the Fund during its fiscal year, estimates previously recorded are adjusted on the books of the Fund to reflect actual results. As a result, the composition of the Fund's distributions as reported herein may differ from the final composition determined after calendar year-end and reported to Fund shareholders on IRS Form 1099-DIV.

7 Foreign taxes: Foreign taxes withheld, if any, represent amounts withheld by foreign tax authorities, net of refunds recoverable.

8 Expense allocation: Certain expenses are applicable to multiple funds within the complex of related investment companies. Expenses directly attributable to a fund are charged to that fund. Expenses of the Trust that are not directly attributable to a particular series of the Trust (e.g., the Fund) are allocated among the series of the Trust, on the basis of relative net assets, except where a more appropriate allocation of expenses to each of the series can otherwise be made fairly. Expenses borne by the complex of related investment companies, which includes open-end and closed-end investment companies for which NBIA serves as investment manager, that are not directly attributable to a particular investment company in the complex (e.g., the Trust) or series thereof are allocated among the investment companies in the complex or series thereof on the basis of relative net assets, except where a more appropriate allocation of expenses to each of the investment companies in the complex or series thereof can otherwise be made fairly. The Fund's expenses (other than those specific to each class) are allocated proportionally each day among its classes based upon the relative net assets of each class.

9 Investments in foreign securities: Investing in foreign securities may involve sovereign and other risks, in addition to the credit and market risks normally associated with domestic securities. These additional risks include the possibility of adverse political and economic developments (including political instability, nationalization, expropriation, or confiscatory taxation) and the potentially adverse effects of unavailability of public information regarding issuers, less governmental supervision and regulation of financial markets, reduced liquidity of certain

financial markets, and the lack of uniform accounting, auditing, and financial reporting standards or the application of standards that are different or less stringent than those applied in the United States. Foreign securities also may experience greater price volatility, higher rates of inflation, and delays in settlement.

10 **Investment company securities and exchange-traded funds:** The Fund may invest in shares of other registered investment companies, including exchange-traded funds ("ETFs"), within the limitations prescribed by (a) the 1940 Act, (b) the exemptive order from the Securities and Exchange Commission ("SEC") that permits the Fund to invest in both affiliated and unaffiliated investment companies, including ETFs, in excess of the limits in Section 12(d)(1)(A) of the 1940 Act, subject to the terms and conditions of such order, or (c) the ETF's exemptive order or other relief. Some ETFs seek to track the performance of a particular market index. These indices include both broad-based market indices and more narrowly-based indices, including those relating to particular sectors, markets, regions or industries. However, some ETFs have an actively-managed investment objective. ETF shares are traded like traditional equity securities on a national securities exchange or NASDAQ. The Fund will indirectly bear its proportionate share of any management fees and other expenses paid by such other investment companies, which will decrease returns.

11 **Securities lending:** The Fund, using State Street Bank and Trust Company ("State Street") as its lending agent, may loan securities to qualified brokers and dealers in exchange for negotiated lender's fees. These fees, if any, would be disclosed within the Statement of Operations under the caption "Income from securities loaned-net" and are net of expenses retained by State Street as compensation for its services as lending agent.

The initial cash collateral received by the Fund at the beginning of each transaction shall have a value equal to at least 102% of the prior day's market value of the loaned securities (105% in the case of international securities). Thereafter, the value of the cash collateral is monitored on a daily basis, and cash collateral is moved daily between a counterparty and the Fund until the close of the transaction. The Fund may only receive collateral in the form of cash (U.S. dollars). Cash collateral is generally invested in a money market fund registered under the 1940 Act that is managed by an affiliate of State Street. The risks associated with lending portfolio securities include, but are not limited to, possible delays in receiving additional collateral or in the recovery of the loaned securities. Any increase or decrease in the fair value of the securities loaned and any interest earned or dividends paid or owed on those securities during the term of the loan would accrue to the Fund.

As of December 31, 2019, the Fund did not participate in securities lending.

12 **Indemnifications:** Like many other companies, the Trust's organizational documents provide that its officers ("Officers") and trustees ("Trustees") are indemnified against certain liabilities arising out of the performance of their duties to the Trust. In addition, both in some of its principal service contracts and in the normal course of its business, the Trust enters into contracts that provide indemnifications to other parties for certain types of losses or liabilities. The Trust's maximum exposure under these arrangements is unknown as this could involve future claims against the Trust.

13 **Other:** All net investment income and realized and unrealized capital gains and losses of the Fund are allocated, on the basis of relative net assets, pro rata among its respective classes.

Note B—Investment Management Fees, Administration Fees, Distribution Arrangements, and Other Transactions with Affiliates:

The Fund retains NBIA as its investment manager under a Management Agreement. For such investment management services, the Fund pays NBIA a fee at the annual rate of 0.55% of the first $250 million of the Fund's average daily net assets, 0.525% of the next $250 million, 0.50% of the next $250 million, 0.475% of the next $250 million, 0.45% of the next $500 million, 0.425% of the next $2.5 billion, and 0.40% of average daily net assets in excess of $4 billion. Accordingly, for the year ended December 31, 2019, the investment management fee pursuant to the Management Agreement was equivalent to an annual effective rate of 0.53% of the Fund's average daily net assets.

The Fund retains NBIA as its administrator under an Administration Agreement. Each class pays NBIA an administration fee at the annual rate of 0.30% of its average daily net assets under this agreement. Additionally, NBIA retains State Street as its sub-administrator under a Sub-Administration Agreement. NBIA pays State Street a fee for all services received under the Sub-Administration Agreement.

NBIA has contractually agreed to waive fees and/or reimburse the Fund's Class I and Class S shares so that the total annual operating expenses of those classes do not exceed the expense limitations as detailed in the following table. These undertakings exclude interest, taxes, transaction costs, brokerage commissions, acquired fund fees and expenses, extraordinary expenses, and dividend and interest expenses relating to short sales, if any (commitment fees relating to borrowings are treated as interest for purposes of this exclusion) ("annual operating expenses"); consequently, net expenses may exceed the contractual expense limitations. The Fund has agreed that each of its classes will repay NBIA for fees and expenses waived or reimbursed for that class provided that repayment does not cause that class's annual operating expenses to exceed its contractual expense limitation in place at the time the fees and expenses were waived or reimbursed, or the expense limitation in place at the time the Fund repays NBIA, whichever is lower. Any such repayment must be made within three years after the year in which NBIA incurred the expense.

During the year ended December 31, 2019, there was no repayment to NBIA under these agreements.

At December 31, 2019, the Fund's contingent liabilities to NBIA under the agreements were as follows:

			Expenses Reimbursed in Year Ended December 31,		
			2017	2018	2019
			Subject to Repayment until December 31,		
Class	Contractual Expense Limitation[a]	Expiration	2020	2021	2022
Class I	1.30%	12/31/22	$—	$—	$—
Class S	1.17%	12/31/22	15,076	20,826	1,611

(a) Expense limitation per annum of the respective class's average daily net assets.

Neuberger Berman BD LLC (the "Distributor") is the Fund's "principal underwriter" within the meaning of the 1940 Act. It acts as agent in arranging for the sale of the Fund's Class I shares without sales commission or other compensation and bears all advertising and promotion expenses incurred in the sale of those shares. The Board adopted a non-fee distribution plan for the Fund's Class I shares.

The Board has adopted a distribution and shareholder services plan (the "Plan") for Class S shares pursuant to Rule 12b-1 under the 1940 Act. The Plan provides that, as compensation for administrative and other services related to the sale and distribution of Class S shares, and ongoing services provided to investors in the class, the Distributor receives from Class S a fee at the annual rate of 0.25% of Class S's average daily net assets. The Distributor may pay a portion of the proceeds from the 12b-1 fee to institutions that provide such services, including insurance companies or their affiliates and qualified plan administrators ("intermediaries") for services they provide respecting the Fund to current and prospective variable contract owners and qualified plan participants that invest in the Fund through the intermediaries. Those institutions may use the payments for, among other purposes, compensating employees engaged in sales and/or shareholder servicing. The amount of fees paid by the class during any year may be more or less than the cost of distribution and other services provided to the class. FINRA rules limit the amount of annual distribution fees that may be paid by a mutual fund and impose a ceiling on the cumulative distribution fees paid. The Plan complies with those rules.

Note C—Securities Transactions:

During the year ended December 31, 2019, there were purchase and sale transactions of long-term securities of $108,454,406 and $131,799,460, respectively.

During the year ended December 31, 2019, no brokerage commissions on securities transactions were paid to affiliated brokers.

Note D—Fund Share Transactions:

Share activity for the years ended December 31, 2019, and December 31, 2018, was as follows:

For the Year Ended December 31, 2019

	Shares Sold	Shares Issued on Reinvestment of Dividends and Distributions	Shares Issued in Connection With Tax-Free Reorganization (see Note F)	Shares Redeemed	Total
Class I	1,935,571	1,095,787	1,956,524	(1,650,810)	3,337,072
Class S	1,862,001	265,188	4,775	(680,000)	1,451,964

For the Year Ended December 31, 2018

	Shares Sold	Shares Issued on Reinvestment of Dividends and Distributions	Shares Redeemed	Total
Class I	335,290	891,936	(1,116,631)	110,595
Class S	221,485	177,122	(681,518)	(282,911)

Note E—Line of Credit:

At December 31, 2019, the Fund was a participant in a syndicated committed, unsecured $700,000,000 line of credit (the "Credit Facility"), to be used only for temporary or emergency purposes. Series of other investment companies managed by NBIA also participate in this line of credit on substantially the same terms. Interest is charged on borrowings under this Credit Facility at the highest of (a) a federal funds effective rate plus 1.00% per annum, (b) a Eurodollar rate for a one-month period plus 1.00% per annum, and (c) an overnight bank funding rate plus 1.00% per annum. The Credit Facility has an annual commitment fee of 0.15% per annum of the available line of credit, which is paid quarterly. The Fund has agreed to pay its pro rata share of the annual commitment fee, based on the ratio of its individual net assets to the net assets of all participants at the time the fee is due, and interest charged on any borrowing made by the Fund and other costs incurred by the Fund. Because several mutual funds participate in the Credit Facility, there is no assurance that the Fund will have access to all or any part of the $700,000,000 at any particular time. There were no loans outstanding under the Credit Facility at December 31, 2019. During the year ended December 31, 2019, the Fund did not utilize the Credit Facility.

Note F—Reorganizations:

At a meeting held on December 13, 2018, the Board of the Trust approved two separate tax-free reorganizations of Neuberger Berman Advisers Management Trust Guardian Portfolio ("Guardian Portfolio") and Neuberger Berman Advisers Management Trust Large Cap Value Portfolio ("Large Cap Value Portfolio") (each, a "Merging Portfolio") into the Fund (the "Surviving Portfolio," and together with the Merging Portfolios, the "Reorganization Portfolios"). All Reorganization Portfolios are series of the Trust. After the close of business on April 30, 2019, the

Surviving Portfolio acquired all of the net assets of the Merging Portfolios in a tax-free exchange of shares pursuant to the Plan of Reorganization and Dissolution approved by the Board. Accordingly, shareholders of each Merging Portfolio became shareholders of the Surviving Portfolio.

Guardian Portfolio	Shares Prior to Reorganization	Shares Issued by the Surviving Portfolio	Net Assets Prior to Reorganization
Class I	743,986	308,792	$8,065,623
Class S	11,758	4,775	125,163

Large Cap Value Portfolio	Shares Prior to Reorganization	Shares Issued by the Surviving Portfolio	Net Assets Prior to Reorganization
Class I	3,418,695	1,647,732	$43,038,633

The appreciation of Guardian Portfolio and Large Cap Value Portfolio were $2,282,095 and $389,841, respectively, as of the date of the reorganization. The combined net assets of the Surviving Portfolio immediately after the reorganization were $594,631,684. For financial reporting purposes, assets received and shares issued by the Surviving Portfolio were recorded at fair value; however, the cost basis of the investments received from the Merging Portfolios were carried forward to align ongoing reporting of the Surviving Portfolio's realized and unrealized gains and losses with amounts distributable to shareholders for tax purposes.

Assuming the reorganization had been completed on January 1, 2019, the beginning of the reporting period of the Surviving Portfolio, the Surviving Portfolio's pro forma results of operations for the year ended December 31, 2019, were as follows:

Net Investment Income/(Loss)	$3,884,108
Net Realized and Unrealized Gains/(Losses) on Investments and Foreign Currency Transactions	$127,335,428
Net Increase/(Decrease) in Net Assets resulting from Operations	$131,219,536

Because the combined investment portfolios have been managed as a single integrated portfolio since the reorganization was completed, it is not practicable to separate the amounts of revenue and earnings of the Merging Portfolios that have been included in the Surviving Portfolio's Statement of Operations as of December 31, 2019.

Note G—Recent Accounting Pronouncement:

In August 2018, FASB issued Accounting Standards Update No. 2018-13, Fair Value Measurement (Topic 820: "Disclosure Framework—Changes to the Disclosure Requirements for Fair Value Measurement") ("ASU 2018-13"). ASU 2018-13 eliminates the requirement to disclose the amount of and reasons for transfers between Level 1 and Level 2 of the fair value hierarchy, the timing of transfers between levels of the fair value hierarchy and the valuation processes for Level 3 fair value measurements. ASU 2018-13 will require the disclosure of the range and weighted average used to develop significant unobservable inputs for Level 3 fair value measurements and the changes in unrealized gains and losses for recurring Level 3 fair value measurements. ASU 2018-13 will also require that information is provided about the measurement uncertainty of Level 3 fair value measurements as of the reporting date. The guidance is effective for fiscal years, and interim periods within those fiscal years, beginning after December 15, 2019, and allows for early adoption of either the entire standard or only the provisions that eliminate or modify the disclosure requirements. Management has elected to adopt early the provisions that eliminate the disclosure requirements. Management is still currently evaluating the impact of applying the rest of the guidance.

Financial Highlights

Sustainable Equity Portfolio

The following tables include selected data for a share outstanding throughout each year and other performance information derived from the Financial Statements. Amounts that do not round to $0.01 or $(0.01) per share are presented as $0.00 or $(0.00), respectively. Ratios that do not round to 0.01% or (0.01)% are presented as 0.00% or (0.00)%, respectively. A "—" indicates that the line item was not applicable in the corresponding period.

Class I

	Year Ended December 31,				
	2019	**2018**	**2017**	**2016**	**2015**
Net Asset Value, Beginning of Year	$22.70	$25.61	$22.57	$21.46	$23.88
Income From Investment Operations:					
Net Investment Income/(Loss)[@]	0.17	0.14	0.12	0.13	0.16
Net Gains or Losses on Securities (both realized and unrealized)	5.59	(1.48)	3.99	1.94	(0.28)
Total From Investment Operations	5.76	(1.34)	4.11	2.07	(0.12)
Less Distributions From:					
Net Investment Income	(0.11)	(0.13)	(0.13)	(0.16)	(0.14)
Net Realized Capital Gains	(1.46)	(1.44)	(0.94)	(0.80)	(2.16)
Total Distributions	(1.57)	(1.57)	(1.07)	(0.96)	(2.30)
Net Asset Value, End of Year	$26.89	$22.70	$25.61	$22.57	$21.46
Total Return[†]	25.88%^	(5.73)%^	18.43%^‡	9.86%	(0.46)%^
Ratios/Supplemental Data					
Net Assets, End of Year (in millions)	$491.3	$339.0	$379.6	$329.1	$307.6
Ratio of Gross Expenses to Average Net Assets[#]	0.93%	0.95%	0.94%	1.00%	0.98%
Ratio of Net Expenses to Average Net Assets	0.93%	0.95%	0.93%[β]	1.00%	0.98%
Ratio of Net Investment Income/(Loss) to Average Net Assets	0.67%	0.53%	0.50%[β]	0.59%	0.70%
Portfolio Turnover Rate	21%[ñ]	13%	18%	31%	24%

Financial Highlights (cont'd)

Class S

	Year Ended December 31,				
	2019	**2018**	**2017**	**2016**	**2015**
Net Asset Value, Beginning of Year	$22.79	$25.69	$22.66	$21.54	$23.93
Income From Investment Operations:					
Net Investment Income/(Loss)[@]	0.10	0.08	0.06	0.09	0.12
Net Gains or Losses on Securities (both realized and unrealized)	5.61	(1.48)	3.99	1.94	(0.27)
Total From Investment Operations	5.71	(1.40)	4.05	2.03	(0.15)
Less Distributions From:					
Net Investment Income	(0.07)	(0.06)	(0.08)	(0.11)	(0.08)
Net Realized Capital Gains	(1.46)	(1.44)	(0.94)	(0.80)	(2.16)
Total Distributions	(1.53)	(1.50)	(1.02)	(0.91)	(2.24)
Net Asset Value, End of Year	$26.97	$22.79	$25.69	$22.66	$21.54
Total Return[†]	25.58%^	(5.94)%^	18.11%^‡	9.64%	(0.59)%^
Ratios/Supplemental Data					
Net Assets, End of Year (in millions)	$121.5	$ 69.6	$ 85.7	$ 78.2	$ 74.9
Ratio of Gross Expenses to Average Net Assets[#]	1.18%	1.20%	1.19%	1.25%	1.23%
Ratio of Net Expenses to Average Net Assets	1.17%	1.17%	1.17%[β]	1.17%	1.17%
Ratio of Net Investment Income/(Loss) to Average Net Assets	0.39%	0.31%	0.25%[β]	0.42%	0.52%
Portfolio Turnover Rate	21%[ñ]	13%	18%	31%	24%

Notes to Financial Highlights Sustainable Equity Portfolio

@ Calculated based on the average number of shares outstanding during each fiscal period.

† Total return based on per share NAV reflects the effects of changes in NAV on the performance of the Fund during each fiscal period. Returns assume income dividends and other distributions, if any, were reinvested. Results represent past performance and do not indicate future results. Current returns may be lower or higher than the performance data quoted. Investment returns and principal will fluctuate and shares, when redeemed, may be worth more or less than original cost. Total return would have been lower if Management had not reimbursed and/or waived certain expenses. The total return information shown does not reflect charges and other expenses that apply to the separate accounts or the related insurance policies or other qualified pension or retirement plans, and the inclusion of these charges and other expenses would reduce the total return for all fiscal periods shown.

^ The class action proceeds listed in Note A of the Notes to Financial Statements had no impact on the Fund's total return for the year ended December 31, 2019. The class action proceeds received in 2018, 2017 and 2015 had no impact on the Fund's total return for the years ended December 31, 2018, 2017 and 2015, respectively.

‡ In May 2016, the Fund's custodian, State Street, announced that it had identified inconsistencies in the way in which the Fund was invoiced for categories of expenses, particularly those deemed "out-of-pocket" costs, from 1998 through November 2015, and refunded to the Fund certain expenses, plus interest, determined to be payable to the Fund for the period in question. These amounts were refunded to the Fund by State Street during the year ended December 31, 2017. These amounts had no impact on the Fund's total return for the year ended December 31, 2017.

Represents the annualized ratios of net expenses to average daily net assets if Management had not reimbursed certain expenses and/or waived a portion of the investment management fee and/or if the Fund had not received refunds, plus interest, from State Street noted in ‡ above for custodian out-of-pocket expenses previously paid during the year ended December 31, 2017. Management did not reimburse or waive fees during the fiscal periods shown for Class I.

ß The custodian expenses refund noted in ‡ above is non-recurring and is included in these ratios. Had the Fund not received the refund, the annualized ratio of net expenses to average net assets and the annualized ratio of net investment income/(loss) to average net assets would have been:

	Ratio of Net Expenses to Average Net Assets Year Ended December 31, 2017	Ratio of Net Investment Income/(Loss) to Average Net Assets Year Ended December 31, 2017
Class I	0.94%	0.48%
Class S	1.17%	0.25%

ñ After the close of business on April 30, 2019, the Fund acquired all of the net assets of Neuberger Berman Advisers Management Trust Guardian Portfolio ("Guardian") and Neuberger Berman Advisers Management Trust Large Cap Value Portfolio ("Large Cap Value") in a tax-free exchange of shares pursuant to a Plan of Reorganization and Dissolution approved by the Board. Portfolio turnover excludes purchases of $114,219,008 of securities acquired pursuant to the reorganization, and there were no sales made following a purchase-of-assets transaction relative to the reorganization.

Report of Independent Registered Public Accounting Firm

To the Shareholders of
Sustainable Equity Portfolio and
Board of Trustees of the Neuberger Berman Advisers Management Trust

Opinion on the Financial Statements

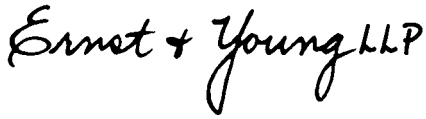
We have audited the accompanying statement of assets and liabilities of Sustainable Equity Portfolio (the "Portfolio") (one of the portfolios constituting Neuberger Berman Advisers Management Trust (the "Trust")), including the schedule of investments, as of December 31, 2019, and the related statement of operations for the year then ended, the statements of changes in net assets for each of the two years in the period then ended, the financial highlights for each of the five years in the period then ended and the related notes (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Portfolio (one of the portfolios constituting Neuberger Berman Advisers Management Trust) at December 31, 2019, the results of its operations for the year then ended, the changes in its net assets for each of the two years in the period then ended and its financial highlights for each of the five years in the period then ended, in conformity with U.S. generally accepted accounting principles.

Basis for Opinion

These financial statements are the responsibility of the Trust's management. Our responsibility is to express an opinion on the Portfolio's financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) ("PCAOB") and are required to be independent with respect to the Trust in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. The Trust is not required to have, nor were we engaged to perform, an audit of the Trust's internal control over financial reporting. As part of our audits, we are required to obtain an understanding of internal control over financial reporting, but not for the purpose of expressing an opinion on the effectiveness of the Trust's internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our procedures included confirmation of securities owned as of December 31, 2019, by correspondence with the custodian and brokers or by other appropriate auditing procedures where replies from others were not received. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.



We have served as the auditor of one or more Neuberger Berman investment companies since 1954.

Boston, Massachusetts
February 11, 2020

Trustees and Officers

The following tables set forth information concerning the Trustees and Officers of the Fund. All persons named as Trustees and Officers also serve in similar capacities for other funds administered or managed by Neuberger Berman Investment Advisers LLC ("NBIA"). The Fund's Statement of Additional Information includes additional information about the Trustees as of the time of the Fund's most recent public offering and is available upon request, without charge, by calling (800) 877-9700.

Information about the Board of Trustees

Name, (Year of Birth), and Address[1]	Position(s) and Length of Time Served[2]	Principal Occupation(s)[3]	Number of Funds in Fund Complex Overseen by Fund Trustee	Other Directorships Held Outside Fund Complex by Fund Trustee[3]
Independent Fund Trustees				
Michael J. Cosgrove (1949)	Trustee since 2015	President, Carragh Consulting USA, since 2014; formerly, Executive, General Electric Company, 1970 to 2014, including President, Mutual Funds and Global Investment Programs, GE Asset Management, 2011 to 2014, President and Chief Executive Officer, Mutual Funds and Intermediary Business, GE Asset Management, 2007 to 2011, President, Institutional Sales and Marketing, GE Asset Management, 1998 to 2007, and Chief Financial Officer, GE Asset Management, and Deputy Treasurer, GE Company, 1988 to 1993.	51	Director, America Press, Inc. (not-for-profit Jesuit publisher), since 2015; formerly, Director, Fordham University, 2001 to 2018; formerly, Director, The Gabelli Go Anywhere Trust, June 2015 to June 2016; formerly, Director, Skin Cancer Foundation (not-for-profit), 2006 to 2015; formerly, Director, GE Investments Funds, Inc., 1997 to 2014; formerly, Trustee, GE Institutional Funds, 1997 to 2014; formerly, Director, GE Asset Management, 1988 to 2014; formerly, Director, Elfun Trusts, 1988 to 2014; formerly, Trustee, GE Pension & Benefit Plans, 1988 to 2014; formerly, Member of Board of Governors, Investment Company Institute.

Name, (Year of Birth), and Address[1]	Position(s) and Length of Time Served[2]	Principal Occupation(s)[3]	Number of Funds in Fund Complex Overseen by Fund Trustee	Other Directorships Held Outside Fund Complex by Fund Trustee[3]
Marc Gary (1952)	Trustee since 2015	Executive Vice Chancellor and Chief Operating Officer, Jewish Theological Seminary, since 2012; formerly, Executive Vice President and General Counsel, Fidelity Investments, 2007 to 2012; formerly, Executive Vice President and General Counsel, BellSouth Corporation, 2004 to 2007; formerly, Vice President and Associate General Counsel, BellSouth Corporation, 2000 to 2004; formerly, Associate, Partner, and National Litigation Practice Co-Chair, Mayer, Brown LLP, 1981 to 2000; formerly, Associate Independent Counsel, Office of Independent Counsel, 1990 to 1992.	51	Trustee, Jewish Theological Seminary, since 2015; Director, Legility, Inc. (privately held for-profit company), since 2012; Director, Lawyers Committee for Civil Rights Under Law (not-for-profit), since 2005; formerly, Director, Equal Justice Works (not-for-profit), 2005 to 2014; formerly, Director, Corporate Counsel Institute, Georgetown University Law Center, 2007 to 2012; formerly, Director, Greater Boston Legal Services (not-for-profit), 2007 to 2012.

Name, (Year of Birth), and Address[1]	Position(s) and Length of Time Served[2]	Principal Occupation(s)[3]	Number of Funds in Fund Complex Overseen by Fund Trustee	Other Directorships Held Outside Fund Complex by Fund Trustee[3]
Martha C. Goss (1949)	Trustee since 2007	President, Woodhill Enterprises Inc./Chase Hollow Associates LLC (personal investment vehicle), since 2006; formerly, Consultant, Resources Global Professionals (temporary staffing), 2002 to 2006; formerly, Chief Financial Officer, Booz-Allen & Hamilton, Inc., 1995 to 1999; formerly, Enterprise Risk Officer, Prudential Insurance, 1994 to1995; formerly, President, Prudential Asset Management Company, 1992 to 1994; formerly, President, Prudential Power Funding (investments in electric and gas utilities and alternative energy projects), 1989 to 1992; formerly, Treasurer, Prudential Insurance Company, 1983 to 1989.	51	Director, American Water (water utility), since 2003; Director, Allianz Life of New York (insurance), since 2005; Director, Berger Group Holdings, Inc. (engineering consulting firm), since 2013; Director, Financial Women's Association of New York (not-for-profit association), since 2003; Trustee Emerita, Brown University, since 1998; Director, Museum of American Finance (not-for-profit), since 2013; formerly, Non-Executive Chair and Director, Channel Reinsurance (financial guaranty reinsurance), 2006 to 2010; formerly, Director, Ocwen Financial Corporation (mortgage servicing), 2005 to 2010; formerly, Director, Claire's Stores, Inc. (retailer), 2005 to 2007; formerly, Director, Parsons Brinckerhoff Inc. (engineering consulting firm), 2007 to 2010; formerly, Director, Bank Leumi (commercial bank), 2005 to 2007; formerly, Advisory Board Member, Attensity (software developer), 2005 to 2007.
Michael M. Knetter (1960)	Trustee since 2007	President and Chief Executive Officer, University of Wisconsin Foundation, since 2010; formerly, Dean, School of Business, University of Wisconsin—Madison; formerly, Professor of International Economics and Associate Dean, Amos Tuck School of Business—Dartmouth College, 1998 to 2002.	51	Director, 1 William Street Credit Income Fund, since 2018; Board Member, American Family Insurance (a mutual company, not publicly traded), since March 2009; formerly, Trustee, Northwestern Mutual Series Fund, Inc., 2007 to 2011; formerly, Director, Wausau Paper, 2005 to 2011; formerly, Director, Great Wolf Resorts, 2004 to 2009.

Name, (Year of Birth), and Address[1]	Position(s) and Length of Time Served[2]	Principal Occupation(s)[3]	Number of Funds in Fund Complex Overseen by Fund Trustee	Other Directorships Held Outside Fund Complex by Fund Trustee[3]
Deborah C. McLean (1954)	Trustee since 2015	Member, Circle Financial Group (private wealth management membership practice), since 2011; Managing Director, Golden Seeds LLC (an angel investing group), since 2009; Adjunct Professor, Columbia University School of International and Public Affairs, since 2008; formerly, Visiting Assistant Professor, Fairfield University, Dolan School of Business, Fall 2007; formerly, Adjunct Associate Professor of Finance, Richmond, The American International University in London, 1999 to 2007.	51	Board member, Norwalk Community College Foundation, since 2014; Dean's Advisory Council, Radcliffe Institute for Advanced Study, since 2014; formerly, Director and Treasurer, At Home in Darien (not-for-profit), 2012 to 2014; formerly, Director, National Executive Service Corps (not-for-profit), 2012 to 2013; formerly, Trustee, Richmond, The American International University in London, 1999 to 2013.
George W. Morriss (1947)	Trustee since 2007	Adjunct Professor, Columbia University School of International and Public Affairs, since 2012; formerly, Executive Vice President and Chief Financial Officer, People's United Bank, Connecticut (a financial services company), 1991 to 2001.	51	Director, 1 William Street Credit Income Fund, since 2018; Director and Chair, Thrivent Church Loan and Income Fund, since 2018; formerly, Trustee, Steben Alternative Investment Funds, Steben Select Multi-Strategy Fund, and Steben Select Multi-Strategy Master Fund, 2013 to 2017; formerly, Treasurer, National Association of Corporate Directors, Connecticut Chapter, 2011 to 2015; formerly, Manager, Larch Lane Multi-Strategy Fund complex (which consisted of three funds), 2006 to 2011; formerly, Member, NASDAQ Issuers' Affairs Committee, 1995 to 2003.

Name, (Year of Birth), and Address[1]	Position(s) and Length of Time Served[2]	Principal Occupation(s)[3]	Number of Funds in Fund Complex Overseen by Fund Trustee	Other Directorships Held Outside Fund Complex by Fund Trustee[3]
Tom D. Seip (1950)	Trustee since 2000; Chairman of the Board since 2008; formerly Lead Independent Trustee from 2006 to 2008	Formerly, Managing Member, Ridgefield Farm LLC (a private investment vehicle), 2004 to 2016; formerly, President and CEO, Westaff, Inc. (temporary staffing), May 2001 to January 2002; formerly, Senior Executive, The Charles Schwab Corporation, 1983 to 1998, including Chief Executive Officer, Charles Schwab Investment Management, Inc.; Trustee, Schwab Family of Funds and Schwab Investments, 1997 to 1998; and Executive Vice President-Retail Brokerage, Charles Schwab & Co., Inc., 1994 to 1997.	51	Formerly, Director, H&R Block, Inc. (tax services company), 2001 to 2018; formerly, Director, Talbot Hospice Inc., 2013 to 2016; formerly, Chairman, Governance and Nominating Committee, H&R Block, Inc., 2011 to 2015; formerly, Chairman, Compensation Committee, H&R Block, Inc., 2006 to 2010; formerly, Director, Forward Management, Inc. (asset management company), 1999 to 2006.
James G. Stavridis (1955)	Trustee since 2015	Operating Executive, The Carlyle Group, since 2018; Commentator, NBC News, since 2015; formerly, Dean, Fletcher School of Law and Diplomacy, Tufts University, 2013 to 2018; formerly, Admiral, United States Navy, 1976 to 2013, including Supreme Allied Commander, NATO and Commander, European Command, 2009 to 2013, and Commander, United States Southern Command, 2006 to 2009.	51	Director, American Water (water utility), since 2018; Director, NFP Corp. (insurance broker and consultant), since 2017; Director, U.S. Naval Institute, since 2014; Director, Onassis Foundation, since 2014; Director, BMC Software Federal, LLC, since 2014; Director, Vertical Knowledge, LLC, since 2013; formerly, Director, Navy Federal Credit Union, 2000-2002.

Name, (Year of Birth), and Address[1]	Position(s) and Length of Time Served[2]	Principal Occupation(s)[3]	Number of Funds in Fund Complex Overseen by Fund Trustee	Other Directorships Held Outside Fund Complex by Fund Trustee[3]
Candace L. Straight (1947)	Trustee since 1999	Private investor and consultant specializing in the insurance industry; formerly, Advisory Director, Securitas Capital LLC (a global private equity investment firm dedicated to making investments in the insurance sector), 1998 to 2003.	51	Director, ERA Coalition (not-for-profit), since January 2019; Director, Re belle Media (a privately held TV and film production company), since 2018; formerly, Public Member, Board of Governors and Board of Trustees, Rutgers University, 2011 to 2016; formerly, Director, Montpelier Re Holdings Ltd. (reinsurance company), 2006 to 2015; formerly, Director, National Atlantic Holdings Corporation (property and casualty insurance company), 2004 to 2008; formerly, Director, The Proformance Insurance Company (property and casualty insurance company), 2004 to 2008; formerly, Director, Providence Washington Insurance Company (property and casualty insurance company), 1998 to 2006; formerly, Director, Summit Global Partners (insurance brokerage firm), 2000 to 2005.
Peter P. Trapp (1944)	Trustee since 1984	Retired; formerly, Regional Manager for Mid-Southern Region, Ford Motor Credit Company, September 1997 to 2007; formerly, President, Ford Life Insurance Company, April 1995 to August 1997.	51	None.

Name, (Year of Birth), and Address[1]	Position(s) and Length of Time Served[2]	Principal Occupation(s)[3]	Number of Funds in Fund Complex Overseen by Fund Trustee	Other Directorships Held Outside Fund Complex by Fund Trustee[3]
Fund Trustees who are "Interested Persons"				
Joseph V. Amato* (1962)	Chief Executive Officer and President since 2018 and Trustee since 2009	President and Director, Neuberger Berman Group LLC, since 2009; President and Chief Executive Officer, Neuberger Berman BD LLC ("Neuberger Berman") and Neuberger Berman Holdings LLC (including its predecessor, Neuberger Berman Inc.), since 2007; Chief Investment Officer (Equities) and President (Equities), Neuberger Berman Investment Advisers LLC ("NBIA") (formerly, Neuberger Berman Fixed Income LLC and including predecessor entities), since 2007, and Board Member of NBIA since 2006; formerly, Global Head of Asset Management of Lehman Brothers Holdings Inc.'s ("LBHI") Investment Management Division, 2006 to 2009; formerly, member of LBHI's Investment Management Division's Executive Management Committee, 2006 to 2009; formerly, Managing Director, Lehman Brothers Inc. ("LBI"), 2006 to 2008; formerly, Chief Recruiting and Development Officer, LBI, 2005 to 2006; formerly, Global Head of LBI's Equity Sales and a Member of its Equities Division Executive Committee, 2003 to 2005; President and Chief Executive Officer, ten registered investment companies for which NBIA acts as investment manager and/or administrator.	51	Member of Board of Advisors, McDonough School of Business, Georgetown University, since 2001; Member of New York City Board of Advisors, Teach for America, since 2005; Trustee, Montclair Kimberley Academy (private school), since 2007; Member of Board of Regents, Georgetown University, since 2013.

Name, (Year of Birth), and Address[1]	Position(s) and Length of Time Served[2]	Principal Occupation(s)[3]	Number of Funds in Fund Complex Overseen by Fund Trustee	Other Directorships Held Outside Fund Complex by Fund Trustee[3]
Robert Conti* (1956)	Trustee since 2008; formerly, Chief Executive Officer and President 2008 to 2018	Retired; formerly, Managing Director, Neuberger Berman, 2007 to 2018; formerly, President—Mutual Funds, NBIA, 2008 to 2018; formerly, Senior Vice President, Neuberger Berman, 2003 to 2006; formerly, Vice President, Neuberger Berman, 1999 to 2003.	51	Director, Staten Island Mental Health Society, since 1994; formerly, Chairman of the Board, Staten Island Mental Health Society, 2008 to 2011; formerly, Member of the Board of Governors, Investment Company Institute.

(1) The business address of each listed person is 1290 Avenue of the Americas, New York, NY 10104.

(2) Pursuant to the Trust's Amended and Restated Trust Instrument, subject to any limitations on the term of service imposed by the By-Laws or any retirement policy adopted by the Fund Trustees, each Fund Trustee shall hold office for life or until his or her successor is elected or the Trust terminates; except that (a) any Fund Trustee may resign by delivering a written resignation; (b) any Fund Trustee may be removed with or without cause at any time by a written instrument signed by at least two-thirds of the other Fund Trustees; (c) any Fund Trustee who requests to be retired, or who has become unable to serve, may be retired by a written instrument signed by a majority of the other Fund Trustees; and (d) any Fund Trustee may be removed at any shareholder meeting by a vote of at least two-thirds of the outstanding shares.

(3) Except as otherwise indicated, each individual has held the positions shown during at least the last five years.

* Indicates a Fund Trustee who is an "interested person" within the meaning of the 1940 Act. Mr. Amato is an interested person of the Trust by virtue of the fact that he is an officer of NBIA and/or its affiliates. Mr. Conti is an interested person of the Trust by virtue of the fact that he was an officer of NBIA and/or its affiliates until June 2018.

Information about the Officers of the Trust

Name, (Year of Birth), and Address[1]	Position(s) and Length of Time Served[2]	Principal Occupation(s)[3]
Claudia A. Brandon (1956)	Executive Vice President since 2008 and Secretary since 1985	Senior Vice President, Neuberger Berman, since 2007 and Employee since 1999; Senior Vice President, NBIA, since 2008 and Assistant Secretary since 2004; formerly, Vice President, Neuberger Berman, 2002 to 2006; formerly, Vice President—Mutual Fund Board Relations, NBIA, 2000 to 2008; formerly, Vice President, NBIA, 1986 to 1999 and Employee, 1984 to 1999; Executive Vice President and Secretary, twenty-nine registered investment companies for which NBIA acts as investment manager and/or administrator.
Agnes Diaz (1971)	Vice President since 2013	Senior Vice President, Neuberger Berman, since 2012; Senior Vice President, NBIA, since 2012 and Employee since 1996; formerly, Vice President, Neuberger Berman, 2007 to 2012; Vice President, ten registered investment companies for which NBIA acts as investment manager and/or administrator.
Anthony DiBernardo (1979)	Assistant Treasurer since 2011	Senior Vice President, Neuberger Berman, since 2014; Senior Vice President, NBIA, since 2014, and Employee since 2003; formerly, Vice President, Neuberger Berman, 2009 to 2014; Assistant Treasurer, ten registered investment companies for which NBIA acts as investment manager and/or administrator.
Savonne L. Ferguson (1973)	Chief Compliance Officer since 2018	Senior Vice President, Chief Compliance Officer (Mutual Funds) and Associate General Counsel, NBIA, since November 2018; formerly, Vice President T. Rowe Price Group, Inc. (2018), Vice President and Senior Legal Counsel, T. Rowe Price Associates, Inc. (2014-2018), Vice President and Director of Regulatory Fund Administration, PNC Capital Advisors, LLC (2009-2014), Secretary, PNC Funds and PNC Advantage Funds (2010-2014); Chief Compliance Officer, twenty-nine registered investment companies for which NBIA acts as investment manager and/or administrator.
Corey A. Issing (1978)	Chief Legal Officer since 2016 (only for purposes of sections 307 and 406 of the Sarbanes-Oxley Act of 2002)	General Counsel and Head of Compliance—Mutual Funds since 2016 and Managing Director, NBIA, since 2017; formerly, Associate General Counsel (2015 to 2016), Counsel (2007 to 2015), Senior Vice President (2013-2016), Vice President (2009-2013); Chief Legal Officer (only for purposes of sections 307 and 406 of the Sarbanes-Oxley Act of 2002), twenty-nine registered investment companies for which NBIA acts as investment manager and/or administrator.
Sheila R. James (1965)	Assistant Secretary since 2002	Vice President, Neuberger Berman, since 2008 and Employee since 1999; Vice President, NBIA, since 2008; formerly, Assistant Vice President, Neuberger Berman, 2007; Employee, NBIA, 1991 to 1999; Assistant Secretary, twenty-nine registered investment companies for which NBIA acts as investment manager and/or administrator.

Name, (Year of Birth), and Address[1]	Position(s) and Length of Time Served[2]	Principal Occupation(s)[3]
Brian Kerrane (1969)	Chief Operating Officer since 2015 and Vice President since 2008	Managing Director, Neuberger Berman, since 2013; Chief Operating Officer—Mutual Funds and Managing Director, NBIA, since 2015; formerly, Senior Vice President, Neuberger Berman, 2006 to 2014; Vice President, NBIA, 2008 to 2015 and Employee since 1991; Chief Operating Officer, ten registered investment companies for which NBIA acts as investment manager and/or administrator; Vice President, twenty-nine registered investment companies for which NBIA acts as investment manager and/or administrator.
Anthony Maltese (1959)	Vice President since 2015	Senior Vice President, Neuberger Berman, since 2014 and Employee since 2000; Senior Vice President, NBIA, since 2014; Vice President, ten registered investment companies for which NBIA acts as investment manager and/or administrator.
Josephine Marone (1963)	Assistant Secretary since 2017	Senior Paralegal, Neuberger Berman, since 2007 and Employee since 2007; Assistant Secretary, twenty-nine registered investment companies for which NBIA acts as investment manager and/or administrator.
Owen F. McEntee, Jr. (1961)	Vice President since 2008	Vice President, Neuberger Berman, since 2006; Vice President, NBIA, since 2006 and Employee since 1992; Vice President, ten registered investment companies for which NBIA acts as investment manager and/or administrator.
John M. McGovern (1970)	Treasurer and Principal Financial and Accounting Officer since 2005	Senior Vice President, Neuberger Berman, since 2007; Senior Vice President, NBIA, since 2007 and Employee since 1993; formerly, Vice President, Neuberger Berman, 2004 to 2006; formerly, Assistant Treasurer, 2002 to 2005; Treasurer and Principal Financial and Accounting Officer, twenty-nine registered investment companies for which NBIA acts as investment manager and/or administrator.
Frank Rosato (1971)	Assistant Treasurer since 2005	Vice President, Neuberger Berman, since 2006; Vice President, NBIA, since 2006 and Employee since 1995; Assistant Treasurer, ten registered investment companies for which NBIA acts as investment manager and/or administrator.
Niketh Velamoor (1979)	Anti-Money Laundering Compliance Officer since 2018	Senior Vice President and Associate General Counsel, Neuberger Berman, since July 2018; Assistant United States Attorney, Southern District of New York, 2009 to 2018; Anti-Money Laundering Compliance Officer, four registered investment companies for which NBIA acts as investment manager and/or administrator.

(1) The business address of each listed person is 1290 Avenue of the Americas, New York, NY 10104.

(2) Pursuant to the By-Laws of the Trust, each officer elected by the Fund Trustees shall hold office until his or her successor shall have been elected and qualified or until his or her earlier death, inability to serve, or resignation. Officers serve at the pleasure of the Fund Trustees and may be removed at any time with or without cause.

(3) Except as otherwise indicated, each individual has held the positions shown during at least the last five years.

Proxy Voting Policies and Procedures

A description of the policies and procedures that the Trust uses to determine how to vote proxies relating to portfolio securities is available, without charge, by calling 800-877-9700 (toll-free) and on the SEC's website at www.sec.gov. Information regarding how the Trust voted proxies relating to portfolio securities during the most recent 12-month period ended June 30 is also available upon request, without charge, by calling 800-877-9700 (toll-free), on the SEC's website at www.sec.gov, and on Neuberger Berman's website at www.nb.com.

Quarterly Portfolio Schedule

The Trust files a complete schedule of portfolio holdings with the SEC for the first and third quarters of each fiscal year as an exhibit to its report on Form N-PORT (Form N-Q for filings prior to March 31, 2019). The Trust's Forms N-Q and N-PORT are available on the SEC's website at www.sec.gov. The portfolio holdings information on Form N-Q or Form N-PORT is available upon request, without charge, by calling 800-877-9700 (toll free).

Board Consideration of the Management Agreement

On an annual basis, the Board of Trustees (the "Board") of Neuberger Berman Advisers Management Trust (the "Trust"), including the Trustees who are not "interested persons" of the Trust or of Neuberger Berman Investment Advisers LLC ("Management") (including its affiliates) ("Independent Fund Trustees"), considers whether to continue the management agreement with Management (the "Agreement") with respect to Sustainable Equity Portfolio (the "Fund"). Throughout the process, the Independent Fund Trustees are advised by counsel that is experienced in Investment Company Act of 1940 matters and that is independent of Management ("Independent Counsel"). At a meeting held on September 12, 2019, the Board, including the Independent Fund Trustees, approved the continuation of the Agreement for the Fund.

In evaluating the Agreement, the Board, including the Independent Fund Trustees, reviewed extensive materials provided by Management in response to questions submitted by the Independent Fund Trustees and Independent Counsel, and met with senior representatives of Management regarding its personnel, operations, and financial condition as they relate to the Fund. The annual contract review extends over at least two regular meetings of the Board to ensure that Management has time to respond to any questions the Independent Fund Trustees may have on their initial review of the materials and that the Independent Fund Trustees have time to consider those responses.

In connection with its deliberations, the Board also considered the broad range of information relevant to the annual contract review that is provided to the Board (including its various standing committees) at meetings throughout the year, including reports on investment performance, portfolio risk, and other portfolio information for the Fund, as well as periodic reports on, among other matters, pricing and valuation; quality and cost of portfolio trade execution; compliance; and shareholder and other services provided by Management and its affiliates. The Contract Review Committee, which is comprised of Independent Fund Trustees, was established by the Board to assist in its deliberations regarding the annual contract review. The Board has also established other committees that focus throughout the year on specific areas relevant to the annual contract review, such as Fund performance or compliance matters, and that are charged with specific responsibilities regarding the annual contract review. Those committees provide reports to the Contract Review Committee and the full Board, which consider that information as part of the annual contract review process. The Board's Contract Review Committee annually considers and updates the questions it asks of Management in light of legal advice furnished to them by Independent Counsel; their own business judgment; and developments in the industry, in the markets, in mutual fund regulation and litigation, and in Management's business model.

The Independent Fund Trustees received from Independent Counsel a memorandum discussing the legal standards for their consideration of the proposed continuation of the Agreement. During the course of the year and during their deliberations regarding the annual contract review, the Contract Review Committee and the Independent Fund Trustees met with Independent Counsel separately from representatives of Management.

Provided below is a description of the Board's contract approval process and material factors that the Board considered at its meetings regarding renewal of the Agreement and the compensation to be paid thereunder. In connection with its approval of the continuation of the Agreement, the Board evaluated the terms of the Agreement, the overall fairness of the Agreement to the Fund, and whether the Agreement was in the best interests of the Fund and its shareholders. The Board's determination to approve the continuation of the Agreement was based on a comprehensive consideration of all information provided to the Board throughout the year and specifically in connection with the annual contract review. The Board considered the Fund's investment management agreement separately from those of other funds of the Trust.

This description is not intended to include all of the factors considered by the Board. The Board members did not identify any particular information or factor that was all-important or controlling, and each Trustee may have attributed different weights to the various factors. The Board focused on the costs and benefits of the Agreement to the Fund and, through the Fund, its shareholders.

Nature, Extent, and Quality of Services

With respect to the nature, extent, and quality of the services provided, the Board considered the investment philosophy and decision-making processes of, and the qualifications, experience, and capabilities of, and the resources available to, the portfolio management personnel of Management who perform services for the Fund. The Board noted that Management also provides certain administrative services, including fund accounting and compliance services. The Board also considered Management's policies and practices regarding brokerage, commissions, other trading costs, and allocation of portfolio transactions and reviewed the quality of the execution services that Management had provided. The Board also reviewed Management's use of brokers to execute Fund transactions that provide research services to Management. Moreover, the Board considered Management's approach to potential conflicts of interest both generally and between the Fund's investments and those of other funds or accounts managed by Management. The Board also noted that Management had increased its research capabilities with respect to environmental, social, and corporate governance matters and how those factors may relate to investment performance.

The Board noted the extensive range of services that Management provides to the Fund beyond the investment management services. The Board noted that Management is also responsible for monitoring compliance with the Fund's investment objectives, policies, and restrictions, as well as compliance with applicable law, including implementing rulemaking initiatives of the U.S. Securities and Exchange Commission. The Board considered that Management assumes significant ongoing risks with respect to all Funds, for which it is entitled to reasonable compensation. Specifically, Management's responsibilities include continual management of investment, operational, enterprise, legal, regulatory, and compliance risks as they relate to the Fund, and the Board considers on a regular basis information regarding Management's processes for monitoring and managing risk. In addition, the Board also noted that when Management launches a new fund or share class, it assumes entrepreneurial risk with respect to that fund or share class, and that some funds and share classes have been liquidated without ever having been profitable to Management.

The Board also noted Management's activities under its contractual obligation to oversee the Fund's various outside service providers, including its renegotiation of certain service providers' fees and its evaluation of service providers' infrastructure, cybersecurity programs, compliance programs, and business continuity programs, among other matters. The Board also considered Management's ongoing development of its own infrastructure and information technology to support the Fund through, among other things, cybersecurity, business continuity planning, and risk management. In addition, the Board noted the positive compliance history of Management, as no significant compliance problems were reported to the Board with respect to Management. The Board also considered the general structure of the portfolio managers' compensation and whether this structure provides appropriate incentives to act in the best interests of the Fund. The Board also considered the ability of Management to attract and retain qualified personnel to service the Fund.

As in past years, the Board also considered the manner in which Management addressed various matters that arose during the year, some of them a result of developments in the broader fund industry or the regulations governing it. In addition, the Board considered actions taken by Management in response to recent market conditions and considered the overall performance of Management in this context.

Fund Performance

The Board requested a report from an outside consulting firm that specializes in the analysis of fund industry data that compared the Fund's performance, along with its fees and other expenses, to a group of industry peers and a broader universe of funds pursuing generally similar strategies with the same investment classification and/or objective. The Board considered the Fund's performance and fees in light of the limitations inherent in the methodology for constructing such comparative groups and determining which investment companies should be included in the comparative groups.

With respect to investment performance, the Board considered information regarding the Fund's short-, intermediate- and long-term performance, net of the Fund's fees and expenses on an absolute basis and relative to a benchmark index that does not deduct the fees or expenses of investing, and compared to the performance of the industry peer group and a broader universe of funds, each constructed by the consulting firm. The Board also reviewed performance in relation to certain measures of the degree of investment risk undertaken by the portfolio managers.

The broader universe of funds referenced in this section was identified by the consulting firm, as discussed above, and the risk/return ratio referenced is the Sharpe ratio provided by the consulting firm. For any period of underperformance, the Board considered the magnitude and duration of that underperformance relative to the broader universe, as defined below, and/or the benchmark (e.g., the amount by which a Fund underperformed, including, for example, whether the Fund slightly underperformed or significantly underperformed its benchmark). With respect to performance quintile rankings for the Fund compared to its broader universe ("Performance Universe"), the first quintile represents the highest (best) performance and the fifth quintile represents the lowest performance. The Board considered that, based on performance data for the periods ended December 31, 2018: (1) as compared to its benchmark, the Fund's performance was lower for the 1-, 3-, 5-, and 10-year periods; and (2) as compared to its Performance Universe, the Fund's performance was in the second quintile for the 1-year period and the third quintile for the 3-, 5-, and 10-year periods. In determining to renew the Agreement, the Board took into account that the Fund showed a risk/return ratio that was better than the median of its Performance Universe for the 5-year period, meaning that per unit of risk taken versus a presumed risk-free investment, the Fund achieved a higher level of return than the median of its Performance Universe for that period.

Noting that the Fund underperformed over certain periods, the Board discussed with Management the Fund's performance, potential reasons for the relative performance, and, if necessary, steps that Management had taken, or intended to take, to improve performance. The Board also met with the portfolio managers of the Fund during the 12 months prior to voting on the contract renewal to discuss the Fund's performance. The Board also considered Management's responsiveness to the Fund's relative performance. In this regard, the Board noted that performance, especially short-term performance, is only one of the factors that it deems relevant to its consideration of the Agreement and that, after considering all relevant factors, it determined to approve the continuation of the Agreement notwithstanding the Fund's relative performance.

Fee Rates, Profitability, and Fall-out Benefits

With respect to the overall fairness of the Agreement, the Board considered the fee structure for the Fund under the Agreement as compared to the peer group provided by the consulting firm. The Board reviewed a comparison of the Fund's management fee to a peer group of comparable funds. The Board noted that the comparative management fee analysis includes, in the Fund's management fee, the separate administrative fees paid to Management. However, the Board noted that some funds in the peer group pay directly from fund assets for certain services that Management covers out of the administration fees for the Fund. Accordingly, the Board also considered the Fund's total expense ratio as compared with its peer group as a way of taking account of these differences.

The Board compared the Fund's contractual and actual management fees to the median of the contractual and actual management fees, respectively, of the Fund's peer group. (The actual management fees are the contractual management fees reduced by any fee waivers or other adjustments.) The Board also compared the Fund's total expenses to the median of the total expenses of the Fund's peer group. The Board noted that the Fund's actual management fee and total expenses

were higher than the peer group median, and considered whether specific portfolio management, administration or oversight needs contributed to the Fund's actual management fee and total expenses. With respect to the quintile rankings for fees and total expenses (net of waivers or other adjustments, if any) for the Fund compared to its peer group ("Expense Group"), the first quintile represents the lowest fees and/or total expenses and the fifth quintile represents the highest fees and/or total expenses. For fee comparisons and investment performance comparisons, the Board looked at the Fund's Class I as a proxy for both of the Fund's classes. The Board considered that, as compared to its Expense Group, the Fund's contractual management fee, the actual management fee, and total expenses each ranked in the fifth quintile. The Board considered Management's representations regarding the resources devoted to the sustainable equity strategy that are available to the portfolio management team. In addition to considering the above-referenced factors, the Board took note of its ongoing dialogue with Management regarding the dynamics of the insurance/annuity marketplace, including the specific challenges facing that market generally, which assisted the Board in understanding the context for the Fund's expense ratio and performance.

In concluding that the benefits accruing to Management and its affiliates by virtue of their relationship with the Fund were reasonable in light of the costs of providing the investment advisory and other services and the benefits accruing to the Fund, the Board reviewed specific data as to Management's estimated profit on the Fund for a recent period on a pre-tax basis without regard to distribution expenses, including year-over-year changes in each of Management's reported expense categories. (The Board also reviewed data on Management's estimated profit on the Fund after distribution/servicing expenses and taxes were factored in, as indicators of the health of the business and the extent to which Management is directing its profits into the growth of the business.) The Board considered the cost allocation methodology that Management used in developing its estimated profitability figures. In recent years, the Board engaged an independent forensic accountant to review the profitability methodology utilized by Management when preparing this information and discussed with the consultant its conclusion that Management's process for calculating and reporting its estimated profit was not unreasonable.

Recognizing that there is no uniform methodology within the asset management industry for determining profitability for this purpose and that the use of different reasonable methodologies can give rise to different profit and loss results, the Board, in recent years, requested from Management examples of profitability calculated by different methods and noted that the estimated profitability levels were still reasonable when calculated by these other methods. The Board further noted Management's representation that its estimate of profitability is derived using methodology that is consistent with the methodology used to assess and/or report measures of profitability elsewhere at the firm. In addition, the Board recognized that Management's calculations regarding its costs may not reflect all risks, including regulatory, legal, operational, reputational, and, where appropriate, entrepreneurial risks, associated with offering and managing a mutual fund in the current regulatory and market environment. The Board also considered any fall-out (i.e., indirect) benefits likely to accrue to Management or its affiliates from their relationship with the Fund. The Board recognized that Management and its affiliates should be entitled to earn a reasonable level of profits for services they provide to the Fund and, based on its review, concluded that Management's reported level of estimated profitability on the Fund was reasonable.

Information Regarding Services to Other Clients

The Board also considered other funds and separate accounts that were advised or sub-advised by Management or its affiliates with investment objectives, policies and strategies that were similar to those of the Fund, and compared the fees charged to the Fund to the fees charged to such comparable funds and separate accounts. The Board considered the appropriateness and reasonableness of any differences between the fees charged to a Fund and such comparable funds and/or separate accounts, and determined that differences in fees and fee structures were consistent with the differences in the management and other services provided. The Board explored with Management its assertion that although, generally, the rates of fees paid by such accounts (other than mutual funds) were lower than the fee rates paid by the corresponding Fund, the differences reflected Management's greater level of responsibilities and significantly broader scope of services regarding the Fund, the more extensive regulatory obligations and risks associated with managing the Fund, and other financial considerations with respect to creation and sponsorship of the Fund.

Economies of Scale

The Board also evaluated apparent or anticipated economies of scale in relation to the services Management provides to the Fund. The Board considered whether the Fund's fee structure provides for a reduction of payments resulting from the use of breakpoints, the size of any breakpoints in the Fund's advisory fees, and whether any such breakpoints are set at appropriate asset levels. The Board also compared the breakpoint structure to that of the peer group. In addition, the Board considered the expense limitation and/or fee waiver arrangements that reduces Fund expenses at all asset levels which can have an effect similar to breakpoints in sharing economies of scale with shareholders and provide protection from an increase in expenses if the Fund's assets decline. The Board also considered that Management has provided, at no added cost to the Fund, certain additional services, including but not limited to, services required by new regulations or regulatory interpretations, services impelled by changes in the securities markets or the business landscape, and/or services requested by the Board. The Board considered that this is a way of sharing economies of scale with the Fund and its shareholders.

Conclusions

In approving the continuation of the Agreement, the Board concluded that, in its business judgment, the terms of the Agreement are fair and reasonable to the Fund and that approval of the continuation of the Agreement is in the best interests of the Fund and its shareholders. In reaching this determination, the Board considered that Management could be expected to continue to provide a high level of service to the Fund; that the Board retained confidence in Management's capabilities to manage the Fund; that the Fund's fee structure appeared to the Board to be reasonable given the nature, extent, and quality of services provided; and that the benefits accruing to Management and its affiliates by virtue of their relationship with the Fund were reasonable in light of the costs of providing the investment advisory and other services and the benefits accruing to the Fund. The Board's conclusions may be based in part on its consideration of materials prepared in connection with the approval or continuance of the Agreement in prior years and on the Board's ongoing regular review of Fund performance and operations throughout the year, in addition to material prepared specifically for the most recent annual review of the Agreement.

Notice to Shareholders

100.00% of the dividends earned during the fiscal year ended December 31, 2019 qualify for the dividends received deduction for corporate shareholders.

The Fund designates $31,793,233 as a capital gain distribution.

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Russell Investments

2019 ANNUAL REPORT

Russell Investment Funds

DECEMBER 31, 2019

FUND
U.S. Strategic Equity Fund
U.S. Small Cap Equity Fund
International Developed Markets Fund
Strategic Bond Fund
Global Real Estate Securities Fund

Beginning January 1, 2021, as permitted by regulations adopted by the Securities and Exchange Commission, paper copies of the Funds' annual and semi-annual shareholder reports will no longer be sent by mail, unless you specifically request paper copies of the reports from your financial professional or variable annuity provider. Instead, the reports will be made available on a website, and you will be notified by mail each time a report is posted and provided with a website link to access the report.

If you already elected to receive shareholder reports electronically, you will not be affected by this change and you need not take any action. If supported by your financial professional or variable annuity provider, you may elect to receive shareholder reports and other Fund communications electronically. Please contact your financial professional or variable annuity provider for more information.

You may elect to receive all future shareholder reports in paper free of charge. Please contact your financial professional or variable annuity provider to inform them that you wish to continue receiving paper copies of your shareholder reports. Your election to receive reports in paper will apply to all Russell Investment Funds and other funds you hold with your financial professional or variable annuity provider.

Russell Investment Funds

Russell Investment Funds is
a series investment company
with nine different investment
portfolios referred to as Funds.
These financial statements report
on five of these Funds.

Russell Investment Funds

Annual Report

December 31, 2019

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Russell Investment Funds

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Fund objectives, risks, charges and expenses should be carefully considered before investing. A prospectus containing this and other important information must precede or accompany this material. Please read the prospectus carefully before investing.

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Indices and benchmarks are unmanaged and cannot be invested in directly. Returns represent past performance, are not a guarantee of future performance, and are not indicative of any specific investment. Index return information is provided by vendors and although deemed reliable, is not guaranteed by Russell Investments or its affiliates.

Performance quoted represents past performance and does not guarantee future results. The investment return and principal value of an investment will fluctuate so that shares, when redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than the performance data quoted.

To Our Shareholders

Fellow Investors,

Your financial security is not only our focus; it is our purpose. We believe that the combination of our investment solutions, a sound plan and timely investment advice can help to achieve that financial security. That is the reason we work hard to maintain a time-tested, disciplined investment approach, focused on meeting the financial needs of clients like you.

Market volatility and the fear of a recession can make it difficult for individuals to stick to an investment plan. Some investors are tempted to leave sectors too early, to stay in too long, or to pull out too much. These types of behavior can cause the less-disciplined investor to fall into the harmful trap of buying high and selling low. However, we believe this is the type of market in which our process shines.

We maintain our focus and look to position our funds for the investing environment ahead, not the one that has just passed. With this in mind, we hold the following views on markets:

- We believe in the importance of diversifying globally. International investments provide diversification relative to U.S.-based investments as well as open the portfolio up to additional opportunities outside our borders.
- Within our equity exposure, we have an underweight preference for U.S. equities, driven by expensive valuations and cycle concerns. We're broadly neutral on developed international equities, and overweight on emerging markets equities, driven by valuations.
- Within our bond exposure, we continue to diversify across sectors. Additionally, active management will be important during a period of low anticipated fixed income returns.

2019 again showed that volatility is still present in the market. And we believe uncertainty about future market downturns helps to prove the value of a disciplined approach. As do, in our view, these key events of the last 12 months:

- Global growth concerns and geopolitical tension have remained in investors' thoughts. Progress in U.S.-China trade talks fluctuated over the period, with both countries implementing costly tariffs, which has impacted financial markets.
- While short-term recession risks remain low, the U.S. yield curve is signaling that the risk is increasing. The U.S. yield curve inverted for the first time since 2007 as government bond yields sunk to new depths.[1] The U.S. 10-year treasury reached its lowest since 2016[2] while the U.S. 30-year yield touched an all-time bottom in August.[3]
- Nevertheless, global equities have ground higher amid dovish central bank policy. The Federal Reserve cut rates three times, while the European Central Bank cut rates to a record -0.5% and restarted quantitative easing.[4] China's central bank also took steps to stimulate its economy.[5]
- Volatility spiked at points over the year[6], but equity markets have not touched the volatility experienced during December 2018—where a Federal Reserve rate increase and a worsening of U.S.-China tensions led investors flight to safety.[7]
- 2019 saw positive returns from major asset classes, with U.S. large cap[8] and infrastructure asset classes[9] leading the way. Even with strong absolute performance it has not been without bumps; asset class leadership can change month-to-month and quarter-to-quarter, reinforcing the need for a balanced multi-asset approach to investing.

Looking forward to the year ahead, we believe we are late in the cycle; with some bright spots. The service sector is still robust in most economies; policy stimulus is being ramped up, with many central banks now cutting interest rates and indicating that more cuts are on the way; and an easing of trade tensions seems likely. On balance, we think it is more likely that the combination of trade-war resolution and policy stimulus will see the global economy recover in 2020. However, the asymmetry of the different outcomes—bear market versus limited upside—keeps us cautious until there is more clarity on the trade and stimulus outlook.

To Our Shareholders

At Russell Investments, our purpose is to improve people's financial security. We have a long heritage of providing multi-asset solutions to help investors like you reach your financial goals, whether you're saving for retirement, already there or building a college fund. Thank you for the trust you have placed in our firm. All of us at Russell Investments appreciate the opportunity to help you achieve your own financial security.

Best regards,



Peter Gunning

Global Chief Investment Officer, Russell Investments

[1] Source: https://www.reuters.com/article/us-us-bonds-curve/u-s-treasury-bond-curve-inverts-for-first-time-since-2007-in-recession-warning-idUSKCN1V4165

[2] Source: https://www.cnbc.com/2019/09/03/us-bonds-wall-street-monitors-economic-data-treasury-auctions.html

[3] Source: https://www.cnbc.com/2019/08/28/us-bonds-key-yield-curve-inverts-further-as-30-year-hits-record-low.html

[4] Source: https://www.marketwatch.com/story/ecb-cuts-key-rate-restarts-qe-as-it-attempts-to-revive-eurozone-economy-2019-09-12

[5] Source: https://www.reuters.com/article/us-china-economy-poll/chinas-2019-growth-seen-slowing-to-62-as-trade-war-weighs-idUSKCN1U514W

[6] Source: https://www.cnbc.com/2019/08/14/stock-markets-wall-street-in-focus-amid-earnings-economic-data.html

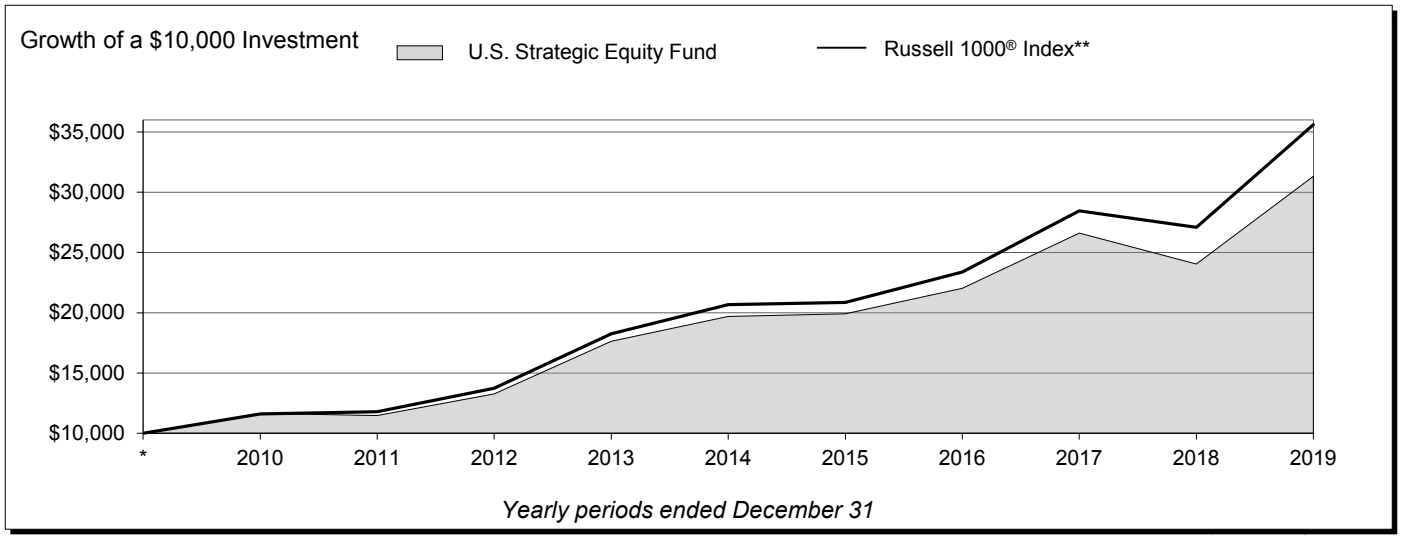
[7] Source: https://www.wsj.com/articles/the-battered-bull-market-is-limping-into-2019-11546425000

[8] Source: https://www.cnbc.com/2019/10/28/stock-market-investors-monitor-busiest-week-of-earnings-season.html

[9] Source: https://us.spindices.com/indices/equity/sp-global-infrastructure-index

Russell Investment Funds
U.S. Strategic Equity Fund

Portfolio Management Discussion and Analysis — December 31, 2019 (Unaudited)



U.S. Strategic Equity Fund

	Total Return
1 Year	30.26%
5 Years	9.72%§
10 Years	12.09%§

Russell 1000® Index**

	Total Return
1 Year	31.43%
5 Years	11.48%§
10 Years	13.54%§

Russell Investment Funds
U.S. Strategic Equity Fund

Portfolio Management Discussion and Analysis, continued — December 31, 2019 (Unaudited)

The U.S. Strategic Equity Fund (the "Fund") employs a multi-manager approach whereby portions of the Fund are allocated to different money manager strategies. Fund assets not allocated to money managers are managed by Russell Investment Management, LLC ("RIM"), the Fund's advisor. RIM may change the allocation of the Fund's assets among money managers at any time, including not allocating Fund assets to one or more money manager strategies. An exemptive order from the Securities and Exchange Commission ("SEC") permits RIM to engage or terminate a money manager at any time, subject to approval by the Fund's Board, without a shareholder vote. Pursuant to the terms of the exemptive order, the Fund is required to notify its shareholders within 90 days of when a money manager begins providing services. As of December 31, 2019, the Fund had four money managers.

What is the Fund's investment objective?

The Fund seeks to provide long term capital growth.

How did the Fund perform relative to its benchmark for the fiscal year ended December 31, 2019?

For the fiscal year ended December 31, 2019, the Fund gained 30.26%. This is compared to the Fund's benchmark, the Russell 1000® Index, which gained 31.43% during the same period. The Fund's performance includes operating expenses, whereas index returns are unmanaged and do not include expenses of any kind.

For the fiscal year ended December 31, 2019, the Morningstar® Insurance Large Blend Category, a group of funds that Morningstar considers to have investment strategies similar to those of the Fund, gained 29.72%. This result serves as a peer comparison and is expressed net of operating expenses.

RIM may assign a money manager a specific style or capitalization benchmark other than the Fund's index. However, the Fund's primary index remains the benchmark for the Fund and is representative of the aggregate of each money manager's benchmark index.

How did market conditions affect the Fund's performance?

The fiscal year ended December 31, 2019 saw the Fund underperform the Russell 1000® Index and outperform the Morningstar® Insurance Large Blend peer group. With a more dovish U.S. Federal Reserve in 2019, the U.S. equity market produced strong positive returns. Growth stocks performed better than value stocks for the 12-month period, but value had bursts of outperformance including the sharp "factor rotation" in September. Dynamic stocks slightly outperformed defensive stocks over the period. However, most of the outperformance came in the fourth quarter as phase one of the U.S.-China trade deal lifted investor sentiment and business surveys showed tentative signs of a bottoming in the global cycle.

How did the investment strategies and techniques employed by the Fund and its money managers affect its benchmark relative performance?

Over the period, the Fund maintained exposure to moderately priced securities with low price momentum as well as companies with lower financial leverage. Additionally, the Fund was tilted away from the largest market capitalization stocks due to valuation concerns. Overall, the Fund's factor tilts provided negative results as underweights to large market capitalization, high leverage and high valuation stocks detracted from relative performance.

From a sector standpoint, the Fund was positioned toward more pro-cyclical areas of the market which are expected to benefit from a healthy domestic consumer such as the consumer discretionary, financials and energy sectors, while avoiding bond proxies. Sector allocation decisions were moderately beneficial over the period, including underweights to the health care and industrials sectors.

Stock selection by the Fund's money managers was mixed, as positive selection within the energy and financials sectors was offset by negative selection within the information technology and communication services sectors.

The Fund employs discretionary and non-discretionary money managers. The Fund's discretionary money managers select the individual portfolio securities for the assets assigned to them. The Fund's non-discretionary money managers provide a model portfolio to RIM representing their investment recommendations, based upon which RIM purchases and sells securities for the Fund. RIM manages assets not allocated to money manager strategies and the Fund's cash balances.

With respect to certain of the Fund's money managers, Brandywine Global Investment Management, LLC outperformed the Russell 1000® Value Index. Factor exposures were rewarded, including the manager's tilt toward stocks with low momentum. Stock selection within the energy, financials and information technology sectors was the primary driver of outperformance over the year.

During the period, RIM utilized a positioning strategy to control Fund-level exposures and risks through the purchase of a stock portfolio. Using the output from a quantitative model, the strategy seeks to position the portfolio to meet RIM's overall preferred positioning with respect to Fund exposures along factor and industry dimensions. The Fund's active positioning strategy provided exposure to RIM's strategic equity beliefs associated with value, quality and low volatility factors. During the fiscal year, the strategy underperformed the Russell 1000® Index as the value factor lagged in the U.S. equity market. From a sector perspective, the positioning strategy's large overweight to the health care sector detracted from benchmark relative performance.

Russell Investment Funds
U.S. Strategic Equity Fund

Portfolio Management Discussion and Analysis, continued — December 31, 2019 (Unaudited)

During the period, RIM partially equitized the Fund's cash using index futures contracts to provide the Fund with greater market exposure. This had a positive impact on the Fund's absolute performance.

Describe any changes to the Fund's structure or the money manager line-up.

In February 2019, RIM replaced Suffolk Capital Management, LLC, which ceased operations as of end of January, with Jackson Square Partners, LLC.

In June 2019, RIM determined to no longer allocate Fund assets to Jacobs Levy Equity Management, Inc. and HS Management Partners, LLC's strategies. Allocations to the other money managers and the RIM positioning strategy were adjusted as a result.

Money Managers as of December 31, 2019	Styles
Brandywine Global Investment Management, LLC	Value
HS Management Partners, LLC	Growth
Jacobs Levy Equity Management, Inc.	Market-Oriented
Jackson Square Partners, LLC	Growth

The views expressed in this report reflect those of the portfolio managers only through the end of the period covered by the report. These views do not necessarily represent the views of RIM, or any other person in RIM or any other affiliated organization. These views are subject to change at any time based upon market conditions or other events, and RIM disclaims any responsibility to update the views contained herein. These views should not be relied on as investment advice and, because investment decisions for a Russell Investment Funds ("RIF") Fund are based on numerous factors, should not be relied on as an indication of investment decisions of any RIF Fund.

* Assumes initial investment on January 1, 2010.

** The Russell 1000® Index includes the 1,000 largest companies in the Russell 3000® Index. The Russell 1000® Index represents the universe of stocks from which most active money managers typically select. The Russell 1000® Index return reflects adjustments from income dividends and capital gain distributions reinvested as of the ex-dividend dates.

§ Annualized.

The performance shown in this section does not reflect any Insurance Company Separate Account or Policy Charges. Performance is historical and assumes reinvestment of all dividends and capital gains. Investment return and principal value will fluctuate so that an investor's shares, when redeemed, may be worth more or less than when purchased. Past performance is not indicative of future results. Additionally, the returns presented herein may differ from the performance reported in the Financial Highlights as the returns herein are calculated in a manner consistent with standardized performance in accordance with Securities and Exchange Commission rules, while the performance in the Financial Highlights has been calculated in accordance with U.S. Generally Accepted Accounting Principles ("U.S. GAAP").

Russell Investment Funds
U.S. Strategic Equity Fund

Shareholder Expense Example — December 31, 2019 (Unaudited)

Fund Expenses

The following disclosure provides important information regarding the Fund's Shareholder Expense Example ("Example").

Example

As a shareholder of the Fund, you incur two types of costs: (1) transaction costs, and (2) ongoing costs, including advisory and administrative fees and other Fund expenses. The Example is intended to help you understand your ongoing costs (in dollars) of investing in the Fund and to compare these costs with the ongoing costs of investing in other mutual funds. The Example is based on an investment of $1,000 invested at the beginning of the period and held for the entire period indicated, which for this Fund is from July 1, 2019 to December 31, 2019.

Actual Expenses

The information in the table under the heading "Actual Performance" provides information about actual account values and actual expenses. You may use the information in this column, together with the amount you invested, to estimate the expenses that you paid over the period. Simply divide your account value by $1,000 (for example, an $8,600 account value divided by $1,000 = 8.6), then multiply the result by the number in the first column in the row entitled "Expenses Paid During Period" to estimate the expenses you paid on your account during this period.

Hypothetical Example for Comparison Purposes

The information in the table under the heading "Hypothetical Performance (5% return before expenses)" provides information about hypothetical account values and hypothetical expenses based on the Fund's actual expense ratio and an assumed rate of return of 5% per year before expenses, which is not the Fund's actual return. The hypothetical account values and expenses may not be used to estimate the actual ending account balance or expenses you paid for the period. You may use this information to compare the ongoing costs of investing in the Fund and other funds. To do so, compare this 5% hypothetical example with the 5% hypothetical examples that appear in the shareholder reports of other funds.

Please note that the expenses shown in the table are meant to highlight your ongoing costs only and do not reflect any transactional costs. Therefore, the information under the heading "Hypothetical Performance (5% return before expenses)" is useful in comparing ongoing costs only, and will not help you determine the relative total costs of owning different funds. In addition, if these transactional costs were included, your costs would have been higher. The fees and expenses shown in this section do not reflect any Insurance Company Separate Account Policy Charges.

	Actual Performance	Hypothetical Performance (5% return before expenses)
Beginning Account Value July 1, 2019	$ 1,000.00	$ 1,000.00
Ending Account Value December 31, 2019	$ 1,085.00	$ 1,020.92
Expenses Paid During Period*	$ 4.47	$ 4.33

* Expenses are equal to the Fund's annualized expense ratio of 0.85% (representing the six month period annualized), multiplied by the average account value over the period, multiplied by 184/365 (to reflect the one-half year period).

Russell Investment Funds
U.S. Strategic Equity Fund

Schedule of Investments — December 31, 2019

Amounts in thousands *(except share amounts)*

	Principal Amount ($) or Shares	Fair Value $
Common Stocks - 95.6%		
Consumer Discretionary - 14.0%		
Amazon.com, Inc.(Æ)	2,402	4,439
Amerco, Inc.	627	236
Aramark Services, Inc.	9,710	421
Bright Horizons Family Solutions, Inc.(Æ)	2,077	312
Carnival Corp.	3,338	170
Charter Communications, Inc. Class A(Æ)	17,625	8,549
Choice Hotels International, Inc.(Ñ)	3,980	412
Cinemark Holdings, Inc.	38,439	1,301
Comcast Corp. Class A	34,851	1,567
Costco Wholesale Corp.	2,575	757
Darden Restaurants, Inc.	2,689	293
Dollar Tree, Inc.(Æ)	72,618	6,829
Domino's Pizza, Inc.	19,518	5,734
DR Horton, Inc.	33,433	1,764
eBay, Inc.	28,665	1,035
Expedia Group, Inc.	1,917	207
Extended Stay America, Inc.	10,010	149
Ford Motor Co.	55,821	519
Garmin, Ltd.	3,337	326
General Motors Co.	107,353	3,929
Gentex Corp.	24,202	701
Genuine Parts Co.	2,261	240
Goodyear Tire & Rubber Co. (The)	16,183	252
Hasbro, Inc.	72,665	7,673
Home Depot, Inc. (The)	5,539	1,210
Lennar Corp. Class A	4,925	275
Liberty Global PLC Class C(Æ)	63,821	1,391
Liberty Media Corp. Class A(Æ)	6,201	300
Liberty SiriusXM Group Class C(Æ)	6,835	329
Macy's, Inc.	7,883	134
McDonald's Corp.	4,160	822
Mohawk Industries, Inc.(Æ)	18,101	2,469
Netflix, Inc.(Æ)	17,140	5,546
Nike, Inc. Class B	4,493	455
Norwegian Cruise Line Holdings, Ltd.(Æ)	38,839	2,269
Omnicom Group, Inc.	3,467	281
Penske Automotive Group, Inc.	3,280	165
PulteGroup, Inc.	64,332	2,496
Ross Stores, Inc.	2,740	319
Royal Caribbean Cruises, Ltd.	2,807	375
Sensata Technologies Holding PLC(Æ)	5,004	270
Starbucks Corp.	5,646	496
Tapestry, Inc.	5,818	157
Target Corp.	4,885	626
TJX Cos., Inc.	3,703	226
Ulta Salon Cosmetics & Fragrance, Inc.(Æ)	781	198
ViacomCBS Inc. Class B	10,067	423
WABCO Holdings, Inc.(Æ)	3,992	541
Walmart, Inc.	9,477	1,126
Walt Disney Co. (The)	7,919	1,145
		71,859
Consumer Staples - 5.1%		
Archer-Daniels-Midland Co.	8,634	400
Coca-Cola Co. (The)	21,846	1,209
Constellation Brands, Inc. Class A	44,286	8,404
CVS Health Corp.	43,878	3,260
Ingredion, Inc.	27,788	2,583
JM Smucker Co. (The)	3,096	322
Molson Coors Brewing Co. Class B(Ñ)	65,544	3,533
Mondelez International, Inc. Class A	9,921	546
PepsiCo, Inc.	8,330	1,138
Procter & Gamble Co. (The)	17,389	2,172
Tyson Foods, Inc. Class A	31,091	2,831
		26,398
Energy - 6.1%		
BP PLC - ADR	98,296	3,710
Cabot Oil & Gas Corp.	10,541	184
Canadian Natural Resources, Ltd.	156,088	5,049
Chevron Corp.	35,745	4,308
ConocoPhillips	37,706	2,452
Exxon Mobil Corp.	31,565	2,203
Halliburton Co.	130,476	3,193
Magna International, Inc. Class A	38,646	2,119
Marathon Petroleum Corp.	6,147	370
Phillips 66	5,747	640
Royal Dutch Shell PLC Class B - ADR(Ñ)	44,095	2,644
Schlumberger, Ltd.	109,033	4,383
Valero Energy Corp.	2,772	260
		31,515
Financial Services - 22.7%		
AerCap Ireland Capital, Ltd. / AerCap Global Aviation Trust(Æ)	39,216	2,411
Aflac, Inc.	13,013	688
AGNC Investment Corp.(Æ)	37,352	660
Alliance Data Systems Corp.	2,771	311
Allstate Corp. (The)	4,650	523
Ally Financial, Inc.	7,595	232
American Express Co.	6,013	749
American Homes 4 Rent Class A(ö)	9,422	247
American Tower Corp.(ö)	2,084	479
Annaly Capital Management, Inc.(ö)	218,267	2,056
Apple Hospitality REIT, Inc.(ö)	30,365	493
AvalonBay Communities, Inc.(ö)	1,131	237
Banco Santander SA - ADR(Ñ)	351,913	1,457
Bank of America Corp.	157,241	5,538
Bank of New York Mellon Corp. (The)	22,775	1,146
Berkshire Hathaway, Inc. Class B(Æ)	34,680	7,855
Broadridge Financial Solutions, Inc.	5,339	660
Brookfield Property REIT, Inc. Class A(Ñ)(ö)	12,292	227
Capital One Financial Corp.	4,190	431
CBOE Global Markets, Inc.	6,168	740
CBRE Group, Inc. Class A(Æ)	6,371	390
Charles Schwab Corp. (The)	150,999	7,182
Chubb, Ltd.	5,626	876
Citigroup, Inc.	97,605	7,798
CME Group, Inc. Class A	29,499	5,921
Comerica, Inc.	6,864	492
Crown Castle International Corp.(ö)	23,084	3,281

Russell Investment Funds
U.S. Strategic Equity Fund

Schedule of Investments, continued — December 31, 2019

Amounts in thousands *(except share amounts)*

	Principal Amount ($) or Shares	Fair Value $
CubeSmart(ö)	6,859	216
Discover Financial Services	4,249	360
E*Trade Financial Corp.	21,752	987
Equinix, Inc.(Æ)(ö)	1,274	744
Essex Property Trust, Inc.(ö)	782	235
Everest Re Group, Ltd.	934	259
Fidelity National Information Services, Inc.	4,609	641
First Republic Bank	3,665	430
Fiserv, Inc.(Æ)	2,540	294
FleetCor Technologies, Inc.(Æ)	1,063	306
Gaming and Leisure Properties, Inc.(ö)	30,077	1,295
Global Payments, Inc.	5,205	950
Goldman Sachs Group, Inc. (The)	1,102	253
Hartford Financial Services Group, Inc.	5,215	317
Host Hotels & Resorts, Inc.(ö)	9,213	171
Intercontinental Exchange, Inc.	4,759	440
Invitation Homes, Inc.(ö)	8,610	258
Jack Henry & Associates, Inc.	5,507	802
JPMorgan Chase & Co.	46,508	6,483
KeyCorp	29,558	598
KKR & Co., Inc. Class A	233,059	6,798
Life Storage, Inc.(Æ)(ö)	2,382	258
M&T Bank Corp.	1,944	330
MasterCard, Inc. Class A	31,077	9,280
Medical Properties Trust, Inc.(ö)	13,740	290
Merck & Co., Inc.	15,728	1,430
MetLife, Inc.	4,703	240
MFA Financial, Inc.(ö)	37,864	290
Morgan Stanley	13,225	676
Northern Trust Corp.	4,706	500
PayPal Holdings, Inc.(Æ)	59,204	6,404
People's United Financial, Inc.	14,121	239
PNC Financial Services Group, Inc. (The)	4,233	676
Prudential Financial, Inc.	4,951	464
Public Storage(ö)	963	205
Raymond James Financial, Inc.	5,545	496
Regency Centers Corp.(ö)	3,454	218
Reinsurance Group of America, Inc. Class A	1,509	246
RenaissanceRe Holdings, Ltd.	1,288	252
SLM Corp.	116,591	1,039
Starwood Property Trust, Inc.(ö)	14,105	351
State Street Corp.	8,729	690
Sun Communities, Inc.(ö)	1,770	266
Synchrony Financial	13,607	490
Travelers Cos., Inc. (The)	3,142	430
Truist Financial Corp.	19,179	1,080
Two Harbors Investment Corp.(ö)	87,324	1,277
US Bancorp	17,800	1,055
VEREIT, Inc.(ö)	25,982	240
Virtu Financial, Inc. Class A	10,601	170
Visa, Inc. Class A	46,442	8,726
Wells Fargo & Co.	28,085	1,511
Western Union Co. (The)	11,682	313
WP Carey, Inc.(ö)	2,849	228
		116,277

Amounts in thousands *(except share amounts)*

	Principal Amount ($) or Shares	Fair Value $
Health Care - 12.2%		
Abbott Laboratories	10,343	898
AbbVie, Inc.	25,287	2,239
Agilent Technologies, Inc.	7,578	646
Amgen, Inc.	1,304	314
Anthem, Inc.(Æ)	860	260
AstraZeneca PLC - ADR	29,086	1,450
Baxter International, Inc.	6,824	571
Becton Dickinson and Co.	2,915	793
Boston Scientific Corp.(Æ)	5,939	269
Bristol-Myers Squibb Co.	35,427	2,274
Centene Corp.(Æ)	2,844	179
Cerner Corp.	7,539	553
Cigna Corp.	2,621	536
Cooper Cos., Inc. (The)	719	231
Eli Lilly & Co.	5,606	737
Gilead Sciences, Inc.	20,886	1,357
HCA Healthcare, Inc.	969	143
Horizon Therapeutics PLC(Æ)	38,741	1,402
Illumina, Inc.(Æ)	17,636	5,851
IQVIA Holdings, Inc.(Æ)	62,201	9,611
Jazz Pharmaceuticals PLC(Æ)	8,855	1,322
Johnson & Johnson	33,429	4,876
Laboratory Corp. of America Holdings(Æ)	2,367	400
MEDNAX, Inc.(Æ)	9,580	266
Medtronic PLC	29,936	3,396
Mylan NV(Æ)	57,555	1,157
Pfizer, Inc.	113,786	4,458
Qiagen NV(Æ)	5,970	202
Quest Diagnostics, Inc.	3,476	371
Regeneron Pharmaceuticals, Inc.(Æ)	844	317
Steris PLC	1,563	238
Stryker Corp.	2,243	471
Thermo Fisher Scientific, Inc.	2,957	961
UnitedHealth Group, Inc.	33,592	9,876
Universal Health Services, Inc. Class B	3,794	544
Vertex Pharmaceuticals, Inc.(Æ)	1,069	234
WellCare Health Plans, Inc.(Æ)	1,401	463
Zimmer Biomet Holdings, Inc.	15,244	2,282
Zoetis, Inc. Class A	5,319	704
		62,852
Materials and Processing - 5.8%		
Air Products & Chemicals, Inc.	3,247	763
AptarGroup, Inc.	1,917	222
Ball Corp.	129,687	8,386
Berry Plastics Group, Inc.(Æ)	4,377	208
Crown Holdings, Inc.(Æ)	39,117	2,838
Dow, Inc.	15,746	862
DowDuPont, Inc.	13,965	897
Eastman Chemical Co.	21,525	1,706
Ecolab, Inc.	6,338	1,223
Freeport-McMoRan, Inc.	97,714	1,282
Huntsman Corp.	75,198	1,817
Ingersoll-Rand PLC	4,862	646
International Flavors & Fragrances, Inc.(Ñ)	2,888	373
Lennox International, Inc.	910	222

See accompanying notes which are an integral part of the financial statements.

Russell Investment Funds
U.S. Strategic Equity Fund

Schedule of Investments, continued — December 31, 2019

Amounts in thousands *(except share amounts)*

	Principal Amount ($) or Shares	Fair Value $
Linde PLC(Æ)	3,360	715
LyondellBasell Industries NV Class A	4,468	422
NewMarket Corp.	796	387
Newmont Goldcorp Corp.	66,157	2,874
Nucor Corp.	10,698	602
Owens Corning	4,178	272
PPG Industries, Inc.	2,485	332
Reliance Steel & Aluminum Co.	4,021	482
Royal Gold, Inc.	7,575	926
Silgan Holdings, Inc.	8,624	268
Sonoco Products Co.	3,596	222
Steel Dynamics, Inc.	7,891	269
Westrock Co.	7,415	318
		29,534
Producer Durables - 5.4%		
3M Co.	2,193	387
Accenture PLC Class A	4,568	962
AECOM(Æ)	6,434	277
American Airlines Group, Inc.	106,025	3,040
Ametek, Inc.	5,005	499
Automatic Data Processing, Inc.	4,921	839
Boeing Co. (The)	1,463	477
Booz Allen Hamilton Holding Corp. Class A	7,696	547
Carlisle Cos., Inc.	3,137	508
CH Robinson Worldwide, Inc.(Ñ)	3,238	253
Cintas Corp.	1,104	297
CoStar Group, Inc.(Æ)	900	538
CSX Corp.	3,078	223
Cummins, Inc.	3,179	569
Danaher Corp.	4,739	727
Deere & Co.	1,450	251
Delta Air Lines, Inc.	8,188	479
Eaton Corp. PLC	10,875	1,030
Emerson Electric Co.	3,665	279
Flir Systems, Inc.	4,588	239
Fortive Corp.	3,870	296
General Dynamics Corp.	1,440	254
HD Supply Holdings, Inc.(Æ)	5,959	240
HEICO Corp.	1,206	138
Honeywell International, Inc.	6,140	1,087
Huntington Ingalls Industries, Inc.	597	150
IDEX Corp.	2,079	358
IHS Markit, Ltd.(Æ)	8,664	653
Illinois Tool Works, Inc.	1,625	292
Johnson Controls International PLC(Æ)	24,616	1,002
Kansas City Southern	1,960	300
L3Harris Technologies, Inc.	3,321	657
Lockheed Martin Corp.	1,215	473
Middleby Corp.(Æ)	1,748	191
Northrop Grumman Corp.	1,657	570
PACCAR Financial Corp.	9,069	717
Paychex, Inc.	8,520	725
Quanta Services, Inc.	6,202	252
Raytheon Co.	4,335	953
Republic Services, Inc. Class A	4,849	435
Roper Technologies, Inc.	1,312	465
S&P Global, Inc.	2,205	602
Snap-on, Inc.	1,486	252
Southwest Airlines Co.	7,581	409
Textron, Inc.	6,057	270
Toro Co. (The)	4,294	342
Union Pacific Corp.	2,511	454
United Parcel Service, Inc. Class B	2,401	281
United Technologies Corp.	8,540	1,279
Verisk Analytics, Inc. Class A	2,323	347
Waste Management, Inc.	4,708	537
Waters Corp.(Æ)	2,319	542
		27,944
Technology - 21.4%		
Adobe, Inc.(Æ)	3,172	1,046
Allegion PLC	2,791	348
Alphabet, Inc. Class A(Æ)	9,409	12,602
Alphabet, Inc. Class C(Æ)	1,971	2,635
Amdocs, Ltd.	12,178	879
Amphenol Corp. Class A	6,538	708
Ansys, Inc.(Æ)	640	165
Apple, Inc.	26,827	7,878
Applied Materials, Inc.	86,516	5,281
Arista Networks, Inc.(Æ)	16,855	3,428
Arrow Electronics, Inc.(Æ)	5,107	433
Autodesk, Inc.(Æ)	31,304	5,743
Black Knight, Inc.(Æ)	3,882	250
Broadcom, Inc.	2,842	898
CDW Corp.	2,415	345
Cisco Systems, Inc.	34,685	1,663
Citrix Systems, Inc.	6,557	727
Cognizant Technology Solutions Corp. Class A	4,227	262
Corning, Inc.	7,541	220
Corteva, Inc. Class W	63,899	1,889
Cypress Semiconductor Corp.	34,447	804
Dell Technologies, Inc. Class C(Æ)	7,292	375
Dolby Laboratories, Inc. Class A	5,543	381
DXC Technology Co.	3,665	138
F5 Networks, Inc.(Æ)	2,416	337
Facebook, Inc. Class A(Æ)	27,805	5,707
Genpact, Ltd.	17,127	722
Hewlett Packard Enterprise Co. Class H	25,802	409
HP, Inc.(Æ)	25,392	522
Intel Corp.	40,104	2,400
Intuit, Inc.	1,727	452
IPG Photonics Corp.(Æ)	9,313	1,350
Jabil Circuit, Inc.	7,666	317
Juniper Networks, Inc.	20,695	510
Lam Research Corp.	1,205	352
Leidos Holdings, Inc.	5,593	547
LogMeIn, Inc.	3,186	273
Marvell Technology Group, Ltd.	100,970	2,682
Micron Technology, Inc.(Æ)	5,825	313
Microsoft Corp.	171,700	27,078
Motorola Solutions, Inc.	1,828	295
NVIDIA Corp.	10,359	2,437

See accompanying notes which are an integral part of the financial statements.

Russell Investment Funds
U.S. Strategic Equity Fund

Schedule of Investments, continued — December 31, 2019

Amounts in thousands *(except share amounts)*

	Principal Amount ($) or Shares	Fair Value $
ON Semiconductor Corp.(Æ)	10,724	261
Oracle Corp.	14,347	760
Salesforce.com, Inc.(Æ)	4,708	766
ServiceNow, Inc.(Æ)	13,461	3,800
SYNNEX Corp.	2,413	311
Synopsys, Inc.(Æ)	3,910	544
Take-Two Interactive Software, Inc.(Æ)	42,830	5,244
Teradyne, Inc.	5,072	346
Texas Instruments, Inc.	9,529	1,222
VMware, Inc. Class A(Æ)	1,967	299
Zynga, Inc. Class A(Æ)	38,500	236
		109,590
Utilities - 2.9%		
AT&T, Inc.	187,496	7,326
Avangrid, Inc.	4,903	251
CenterPoint Energy, Inc.	10,109	276
Consolidated Edison, Inc.	4,123	373
DTE Energy Co.	1,968	256
Duke Energy Corp.	6,335	578
Evergy, Inc.	10,550	687
Eversource Energy(Æ)	3,433	292
Exelon Corp.	11,311	516
International Business Machines Corp.	4,227	567
NextEra Energy, Inc.	1,291	313
Pinnacle West Capital Corp.	1,968	177
PPL Corp.	10,727	385
Sempra Energy	1,950	295
Southern Co. (The)	4,650	296
Verizon Communications, Inc.	25,983	1,595
WEC Energy Group, Inc.(Æ)(Ñ)	5,587	515
		14,698
Total Common Stocks		
(cost $424,793)		490,667
Warrants & Rights - 0.0%		
Bristol-Myers Squibb Co.(Æ)		
2021 Rights	5,115	15
Total Warrants & Rights		
(cost $11)		15
Short-Term Investments - 4.2%		
U.S. Cash Management Fund(@)	21,728,104(∞)	21,735
Total Short-Term Investments		
(cost $21,736)		21,735
Other Securities - 1.4%		
U.S. Cash Collateral Fund(×)(@)	7,335,095(∞)	7,335
Total Other Securities		
(cost $7,335)		7,335
Total Investments 101.2%		
(identified cost $453,875)		519,752

Amounts in thousands *(except share amounts)*

	Principal Amount ($) or Shares	Fair Value $
Other Assets and Liabilities, Net - (1.2%)		(6,390)
Net Assets - 100.0%		513,362

See accompanying notes which are an integral part of the financial statements.

Russell Investment Funds
U.S. Strategic Equity Fund

Schedule of Investments, continued — December 31, 2019

Futures Contracts

Amounts in thousands *(except contract amounts)*

	Number of Contracts		Notional Amount	Expiration Date	Value and Unrealized Appreciation (Depreciation) $
Long Positions					
S&P 500 E-Mini Index Futures	55	USD	8,886	03/20	155
Total Value and Unrealized Appreciation (Depreciation) on Open Futures Contracts (â)					155

Presentation of Portfolio Holdings

Amounts in thousands

	Fair Value					
Portfolio Summary	**Level 1**	**Level 2**	**Level 3**	**Practical Expedient (a)**	**Total**	**% of Net Assets**
Common Stocks						
Consumer Discretionary	$ 71,859	$ —	$ —	$ —	$ 71,859	14.0
Consumer Staples	26,398	—	—	—	26,398	5.1
Energy	31,515	—	—	—	31,515	6.1
Financial Services	116,277	—	—	—	116,277	22.7
Health Care	62,852	—	—	—	62,852	12.2
Materials and Processing	29,534	—	—	—	29,534	5.8
Producer Durables	27,944	—	—	—	27,944	5.4
Technology	109,590	—	—	—	109,590	21.4
Utilities	14,698	—	—	—	14,698	2.9
Warrants & Rights	15	—	—	—	15	—*
Short-Term Investments	—	—	—	21,735	21,735	4.2
Other Securities	—	—	—	7,335	7,335	1.4
Total Investments	490,682	—	—	29,070	519,752	101.2
Other Assets and Liabilities, Net						(1.2)
						100.0
Other Financial Instruments						
Assets						
Futures Contracts	155	—	—	—	155	—*
Total Other Financial Instruments**	$ 155	$ —	$ —	$ —	$ 155	

* Less than 0.05% of net assets.

** Futures and foreign currency exchange contract values reflect the unrealized appreciation (depreciation) on the investments.

(a) Certain investments that are measured at fair value using the net asset value per share (or its equivalent) practical expedient have not been classified in the fair value levels. The fair value amounts presented in the table are intended to permit reconciliation to the amounts presented in the Schedule of Investments.

For a description of the Levels, see note 2 in the Notes to Financial Statements.
For a disclosure on transfers between Levels 1, 2 and 3 during the period ended December 31, 2019, see note 2 in the Notes to Financial Statements.

See accompanying notes which are an integral part of the financial statements.

Russell Investment Funds
U.S. Strategic Equity Fund

Fair Value of Derivative Instruments — December 31, 2019

Amounts in thousands

Derivatives not accounted for as hedging instruments	Equity Contracts
Location: Statement of Assets and Liabilities - Assets	
Variation margin on futures contracts*	$ 155

Derivatives not accounted for as hedging instruments	Equity Contracts
Location: Statement of Operations - Net realized gain (loss)	
Futures contracts	$ 2,499
Location: Statement of Operations - Net change in unrealized appreciation (depreciation)	
Futures contracts	$ 392

* Includes cumulative appreciation/depreciation of futures contracts as reported in the Schedule of Investments. Only variation margin is reported within the Statement of Assets and Liabilities.

For further disclosure on derivatives see note 2 in the Notes to Financial Statements.

See accompanying notes which are an integral part of the financial statements.

Russell Investment Funds
U.S. Strategic Equity Fund
Balance Sheet Offsetting of Financial and Derivative Instruments — December 31, 2019

Amounts in thousands

Offsetting of Financial Assets and Derivative Assets

Description	Location: Statement of Assets and Liabilities - Assets	Gross Amounts of Recognized Assets	Gross Amounts Offset in the Statement of Assets and Liabilities	Net Amounts of Assets Presented in the Statement of Assets and Liabilities
Securities on Loan*	Investments, at fair value	$ 7,198	$ —	$ 7,198
Total Financial and Derivative Assets		7,198	—	7,198
Financial and Derivative Assets not subject to a netting agreement		—	—	—
Total Financial and Derivative Assets subject to a netting agreement		$ 7,198	$ —	$ 7,198

Financial Assets, Derivative Assets, and Collateral Held by Counterparty

Counterparty	Net Amounts of Assets Presented in the Statement of Assets and Liabilities	Gross Amounts Not Offset in the Statement of Assets and Liabilities: Financial and Derivative Instruments	Gross Amounts Not Offset in the Statement of Assets and Liabilities: Collateral Received^	Net Amount
Citigroup	$ 498	$ —	$ 498	$ —
Fidelity	2,781	—	2,781	—
JPMorgan Chase	2,933	—	2,933	—
Morgan Stanley	986	—	986	—
Total	$ 7,198	$ —	$ 7,198	$ —

* Fair value of securities on loan as reported in the footnotes to the Statement of Assets and Liabilities.

^ Collateral received or pledged amounts may not reconcile to those disclosed in the Statement of Assets and Liabilities due to the inclusion of off-Balance Sheet collateral and adjustments made to exclude overcollateralization.

For further disclosure on derivatives and counterparty risk see note 2 in the Notes to Financial Statements.

See accompanying notes which are an integral part of the financial statements.

Russell Investment Funds
U.S. Strategic Equity Fund

Statement of Assets and Liabilities — December 31, 2019

Amounts in thousands

Assets		
Investments, at identified cost	$	453,875
Investments, at fair value(*)(>)		519,752
Receivables:		
Dividends and interest		566
Dividends from affiliated funds		37
Investments sold		4,345
From broker(a)		254
Variation margin on futures contracts		155
Total assets		525,109
Liabilities		
Payables:		
Investments purchased		3,591
Fund shares redeemed		392
Accrued fees to affiliates		339
Other accrued expenses		90
Payable upon return of securities loaned		7,335
Total liabilities		11,747
Net Assets	$	513,362
Net Assets Consist of:		
Total distributable earnings (losses)	$	68,813
Shares of beneficial interest		320
Additional paid-in capital		444,229
Net Assets	$	513,362
Net Asset Value, offering and redemption price per share:		
Net asset value per share:(#)	$	16.03
Net assets	$	513,361,635
Shares outstanding ($.01 par value)		32,029,733

Amounts in thousands

(*)	Securities on loan included in investments	$	7,198
(>)	Investments in affiliates, U.S. Cash Management Fund and U.S. Cash Collateral Fund	$	29,070
(a)	Receivable from Broker for Futures	$	254

(#) Net asset value per share equals net assets divided by shares of beneficial interest outstanding.

See accompanying notes which are an integral part of the financial statements.

Russell Investment Funds
U.S. Strategic Equity Fund

Statement of Operations — For the Period Ended December 31, 2019

Amounts in thousands

Investment Income		
Dividends	$	7,624
Dividends from affiliated funds		402
Securities lending income (net)		292
Total investment income		8,318
Expenses		
Advisory fees		3,162
Administrative fees		217
Custodian fees		73
Transfer agent fees		19
Professional fees		105
Trustees' fees		17
Printing fees		61
Miscellaneous		21
Total expenses		3,675
Net investment income (loss)		4,643
Net Realized and Unrealized Gain (Loss)		
Net realized gain (loss) on:		
Investments		30,518
Investments in affiliated funds		5
Futures contracts		2,499
Net realized gain (loss)		33,022
Net change in unrealized appreciation (depreciation) on:		
Investments		75,319
Futures contracts		392
Foreign currency-related transactions		2
Net change in unrealized appreciation (depreciation)		75,713
Net realized and unrealized gain (loss)		108,735
Net Increase (Decrease) in Net Assets from Operations	$	113,378

See accompanying notes which are an integral part of the financial statements.

Russell Investment Funds
U.S. Strategic Equity Fund

Statements of Changes in Net Assets

Amounts in thousands	For the Periods Ended December 31, 2019	2018
Increase (Decrease) in Net Assets		
Operations		
Net investment income (loss)	$ 4,643	$ 4,199
Net realized gain (loss)	33,022	63,766
Net change in unrealized appreciation (depreciation)	75,713	(107,106)
Net increase (decrease) in net assets from operations	113,378	(39,141)
Distributions		
To shareholders	(30,796)	(85,895)
Net decrease in net assets from distributions	(30,796)	(85,895)
Share Transactions*		
Net increase (decrease) in net assets from share transactions	51,204	42,885
Total Net Increase (Decrease) in Net Assets	133,786	(82,151)
Net Assets		
Beginning of period	379,576	461,727
End of period	$ 513,362	$ 379,576

* Share transaction amounts (in thousands) for the periods ended December 31, 2019 and December 31, 2018 were as follows:

	2019		2018	
	Shares	Dollars	Shares	Dollars
Proceeds from shares sold	4,553	$ 72,578	255	$ 4,570
Proceeds from reinvestment of distributions	1,958	30,796	6,333	85,895
Payments for shares redeemed	(3,413)	(52,170)	(2,574)	(47,580)
Total increase (decrease)	3,098	$ 51,204	4,014	$ 42,885

See accompanying notes which are an integral part of the financial statements.

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Russell Investment Funds
U.S. Strategic Equity Fund

Financial Highlights — For the Periods Ended

For a Share Outstanding Throughout Each Period.

	$ Net Asset Value, Beginning of Period	$ Net Investment Income (Loss)(a)(b)	$ Net Realized and Unrealized Gain (Loss)	$ Total from Investment Operations	$ Distributions from Net Investment Income	$ Distributions from Net Realized Gain
December 31, 2019	13.12	.16	3.77	3.93	(.16)	(.86)
December 31, 2018	18.53	.17	(1.97)	(1.80)	(.21)	(3.40)
December 31, 2017	17.08	.17	3.29	3.46	(.19)	(1.82)
December 31, 2016	16.64	.19	1.53	1.72	(.17)	(1.11)
December 31, 2015	18.11	.15	.05	.20	(.15)	(1.52)

See accompanying notes which are an integral part of the financial statements.

$ Total Distributions	$ Net Asset Value, End of Period	% Total Return(d)	$ Net Assets, End of Period (000)	% Ratio of Expenses to Average Net Assets, Gross(e)	% Ratio of Expenses to Average Net Assets, Net(b)(e)	% Ratio of Net Investment Income to Average Net Assets(b)	% Portfolio Turnover Rate
(1.02)	16.03	30.26	513,362	.85	.85	1.07	100
(3.61)	13.12	(9.64)	379,576	.84	.84	.93	150
(2.01)	18.53	20.80	461,727	.83	.83	.94	80
(1.28)	17.08	10.64	443,053	.83	.83	1.15	101
(1.67)	16.64	1.11	454,341	.84	.84	.84	99

See accompanying notes which are an integral part of the financial statements.

Russell Investment Funds
U.S. Strategic Equity Fund

Related Party Transactions, Fees and Expenses

Accrued fees payable to affiliates for the period ended December 31, 2019 were as follows:

Advisory fees	$ 314,350
Administration fees	21,531
Transfer agent fees	1,894
Trustee fees	1,517
	$ 339,292

Transactions (amounts in thousands) during the period ended December 31, 2019 with Underlying Funds which are, or were, an affiliated company are as follows:

	Fair Value, Beginning of Period	Purchases	Sales	Realized Gain (Loss)	Change in Unrealized Gain (Loss)	Fair Value, End of Period	Income Distributions	Capital Gains Distributions
U.S. Cash Management Fund	$ 17,324	$ 147,513	$ 143,107	$ 5	$ —	$ 21,735	$ 402	$ —
U.S. Cash Collateral Fund	9,290	113,779	115,734	—	—	7,335	236	—
	$ 26,614	$ 261,292	$ 258,841	$ 5	$ —	$ 29,070	$ 638	$ —

Federal Income Taxes

At December 31, 2019, the cost of investments and net unrealized appreciation (depreciation), undistributed ordinary income and undistributed long-term capital gains for income tax purposes were as follows:

Cost of Investments	Unrealized Appreciation	Unrealized Depreciation	Net Unrealized Appreciation (Depreciation)	Undistributed Ordinary Income	Undistributed Long-Term Capital Gains (Capital Loss Carryforward)
$ 455,422,241	$ 70,527,672	$ (6,042,481)	$ 64,485,191	$ —	$ 4,481,071

For the fiscal years ended December 31, 2019 and December 31, 2018 respectively, the Fund made the following tax basis distributions:

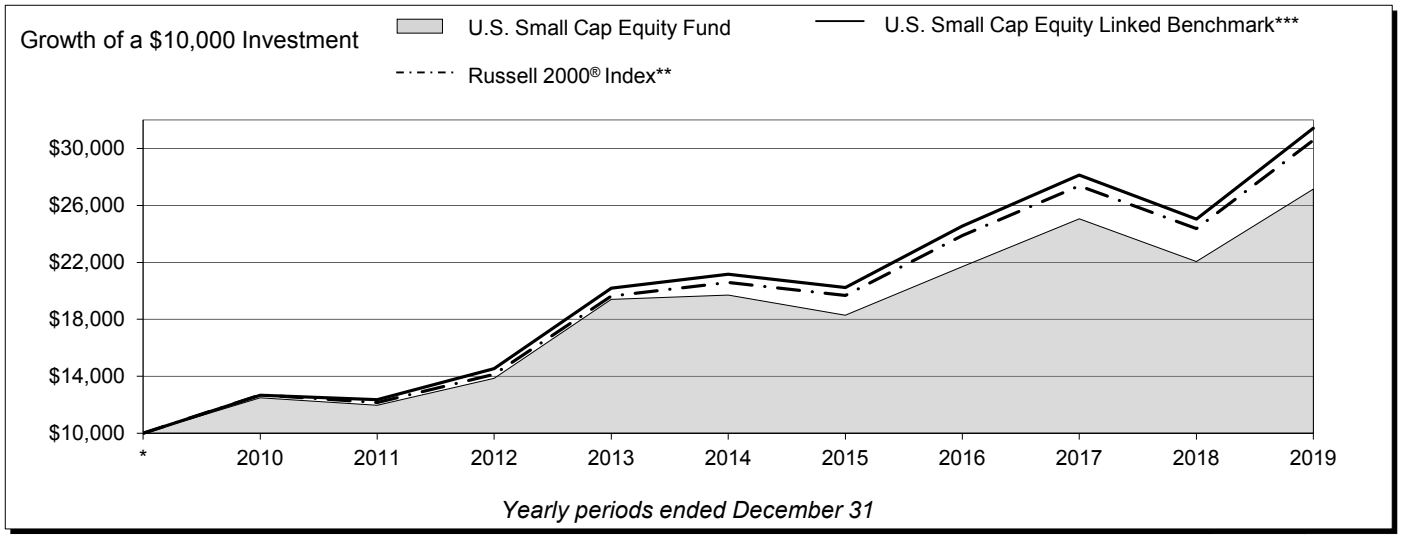
December 31, 2019			December 31, 2018		
Ordinary Income Distributions	Long-Term Capital Gain Distributions	Return of Capital	Ordinary Income Distributions	Long-Term Capital Gain Distributions	Return of Capital
$ 5,055,899	$ 25,740,255	$ —	$ 19,913,216	$ 65,982,476	$ —

Net investment income and net realized gains (losses) in the financial statements may differ from taxable net investment income and net realized gains (losses). Capital accounts within the financial statements are adjusted for permanent book-tax differences. Book-tax differences are primarily due to foreign currency gains and losses, reclassifications of dividends, differences in treatment of income from swaps, net operating losses, investments in partnerships, investments in passive foreign investment companies (PFICs), tax straddle transaction, use of tax equalization and foreign capital gains taxes. These adjustments have no impact on the net assets. At December 31, 2019, there were no adjustments to the Statement of Assets and Liabilities.

See accompanying notes which are an integral part of the financial statements.

Russell Investment Funds
U.S. Small Cap Equity Fund

Portfolio Management Discussion and Analysis — December 31, 2019 (Unaudited)



U.S. Small Cap Equity Fund

	Total Return
1 Year	23.07%
5 Years	6.62%§
10 Years	10.50%§

U.S. Small Cap Equity Linked Benchmark***

	Total Return
1 Year	25.52%
5 Years	8.23%§
10 Years	12.13%§

Russell 2000® Index**

	Total Return
1 Year	25.52%
5 Years	8.23%§
10 Years	11.83%§

Russell Investment Funds
U.S. Small Cap Equity Fund

Portfolio Management Discussion and Analysis, continued — December 31, 2019 (Unaudited)

The U.S. Small Cap Equity Fund (the "Fund") employs a multi-manager approach whereby portions of the Fund are allocated to different money manager strategies. Fund assets not allocated to money managers are managed by Russell Investment Management, LLC ("RIM"), the Fund's advisor. RIM may change the allocation of the Fund's assets among money managers at any time, including not allocating Fund assets to one or more money manager strategies. An exemptive order from the Securities and Exchange Commission ("SEC") permits RIM to engage or terminate a money manager at any time, subject to approval by the Fund's Board, without a shareholder vote. Pursuant to the terms of the exemptive order, the Fund is required to notify its shareholders within 90 days of when a money manager begins providing services. As of December 31, 2019, the Fund had eight money managers.

What is the Fund's investment objective?

The Fund seeks to provide long term capital growth.

How did the Fund perform relative to its benchmark for the fiscal year ended December 31, 2019?

For the fiscal year ended December 31, 2019, the Fund gained 23.07%. This is compared to the Fund's benchmark, the Russell 2000® Index, which gained 25.52% during the same period. The Fund's performance includes operating expenses, whereas index returns are unmanaged and do not include expenses of any kind.

For the fiscal year ended December 31, 2019, the Morningstar® Insurance Small Blend Category, a group of funds that Morningstar considers to have investment strategies similar to those of the Fund, gained 24.79%. This result serves as a peer comparison and is expressed net of operating expenses.

RIM may assign a money manager a specific style or capitalization benchmark other than the Fund's index. However, the Fund's primary index remains the benchmark for the Fund and is representative of the aggregate of each money manager's benchmark index.

How did market conditions affect the Fund's performance?

The fiscal year ended December 31, 2019 saw the Fund underperform the Russell 2000® Index and the Morningstar® Insurance Small Blend peer group. With a more dovish U.S. Federal Reserve in 2019, the U.S. equity market produced strong positive returns. Growth stocks performed better than value stocks for the 12-month period, but value had bursts of outperformance including the sharp "factor rotation" in September. Dynamic stocks slightly outperformed defensive stocks over the period. However, most of the outperformance came in the fourth quarter as phase one of the U.S.-China trade deal lifted investor sentiment and business surveys showed tentative signs of a bottoming in the global cycle.

How did the investment strategies and techniques employed by the Fund and its money managers affect its benchmark relative performance?

Over the period, the Fund maintained exposure to small and micro capitalization stocks trading at discounted valuations as well as companies with lower volatility, lower momentum and higher quality characteristics. This positioning was in recognition of perceived valuation opportunities as well as the risk of elevated levels of corporate debt and unprofitability among U.S. small cap companies. Within the U.S. small cap market, a preference for low valuation and low momentum stocks negatively impacted benchmark relative performance. The Fund's quality positioning also detracted as companies with lower return on equity outperformed.

Sector allocation decisions were positive, including an overweight to the information technology sector and an underweight to the health care sector. Over the period, the Fund increasingly moved towards a more neutral positioning compared to the benchmark as earnings growth rates for U.S. small/mid cap companies meaningfully decelerated and global economic data moderated throughout 2019. Investor sentiment was expected to remain volatile given ongoing uncertainty around the impact of trade disputes, the U.S. presidential election and the direction of monetary policy going into 2020.

Stock selection by the Fund's money managers was the primary detractor during the period, including underperforming holdings within the health care, industrials and information technology sectors.

The Fund employs discretionary and non-discretionary money managers. The Fund's discretionary money managers select the individual portfolio securities for the assets assigned to them. The Fund's non-discretionary money managers provide a model portfolio to RIM representing their investment recommendations, based upon which RIM purchases and sells securities for the Fund. RIM manages assets not allocated to money manager strategies and the Fund's cash balances.

With respect to certain of the Fund's money managers, Copeland Capital Management, LLC was the best performing money manager for the fiscal year and outperformed the Russell 2000® Index. While the manager's overweights to the energy and consumer staples sectors were headwinds, strong stock selection within the communication services, financials and energy sectors was the primary driver of outperformance.

Boston Partners Global Investors, Inc. faced the strongest headwinds over the fiscal year and underperformed their 50% Russell 2000® Value / 50% Russell 2000® Microcap Value Index. A large overweight to the energy sector held back benchmark relative performance over the one-year period. Additionally,

underperforming holdings within the energy, information technology and health care sectors were detractors over the period.

During the period, RIM utilized a positioning strategy to control Fund-level exposures and risks through the purchase of a stock portfolio. Using the output from a quantitative model, the strategy seeks to position the portfolio to meet RIM's overall preferred positioning with respect to Fund exposures along factor and industry dimensions. The Fund's active positioning strategy provided exposure to RIM's strategic equity beliefs associated with value, quality and low volatility factors. During the fiscal year, the strategy slightly outperformed the Russell 2000® Index. Factor impact was negative including tilts toward low valuation and low momentum stocks. Sector allocation decisions were additive to benchmark relative performance, including underweights to the energy and consumer staples sectors.

During the period, RIM partially equitized the Fund's cash using index futures contracts to provide the Fund with greater market exposure. This had a positive impact on the Fund's absolute performance.

Describe any changes to the Fund's structure or the money manager line-up.

In June 2019, RIM determined to no longer allocate Fund assets to DePrince, Race & Zollo, Inc. and Penn Capital Management Company, Inc.'s strategies. Allocations to the other money managers were adjusted as a result.

In September 2019, RIM hired Ranger Investment Management, L.P., terminated Falcon Point Investors, LLC and determined to no longer allocate Fund assets to Calamos Advisors, LLC's strategy.

Money Managers as of December 31, 2019	Styles
Ancora Advisor, LLC	Market-Oriented
Boston Partners Global Investors, Inc.	Value
Calamos Advisors LLC	Growth
Copeland Capital Management LLC	Market-Oriented
DePrince, Race & Zollo, Inc.	Value
Jacobs Levy Equity Management, Inc.	Market-Oriented
Penn Capital Management Company, Inc.	Market-Oriented
Ranger Investment Management L.P.	Growth

The views expressed in this report reflect those of the portfolio managers only through the end of the period covered by the report. These views do not necessarily represent the views of RIM, or any other person in RIM or any other affiliated organization. These views are subject to change at any time based upon market conditions or other events, and RIM disclaims any responsibility to update the views contained herein. These views should not be relied on as investment advice and, because investment decisions for a Russell Investment Funds ("RIF") Fund are based on numerous factors, should not be relied on as an indication of investment decisions of any RIF Fund.

* Assumes initial investment on January 1, 2010.

** Russell 2000® Index measures the performance of the small-cap segment of the U.S. equity universe. The Russell 2000® Index is a subset of the Russell 3000® Index representing approximately 10% of the total market capitalization of that index. It includes approximately 2000 of the smallest securities based on a combination of their market cap and current index membership. The Russell 2000® Index is constructed to provide a comprehensive and unbiased small-cap opportunity barometer and is completely reconstituted annually to ensure larger stocks do not distort the performance and characteristics of the true small-cap opportunity set.

*** The U.S. Small Cap Equity Linked Benchmark provides a means to compare the Fund's average annual returns to a secondary benchmark that takes into account historical changes in the Fund's primary benchmark. The U.S. Small Cap Equity Linked Benchmark represents the returns of the Russell 2500™ Index through April 30, 2012 and the returns of the Russell 2000® Index thereafter.

§ Annualized.

The performance shown in this section does not reflect any Insurance Company Separate Account or Policy Charges. Performance is historical and assumes reinvestment of all dividends and capital gains. Investment return and principal value will fluctuate so that an investor's shares, when redeemed, may be worth more or less than when purchased. Past performance is not indicative of future results. Additionally, the returns presented herein may differ from the performance reported in the Financial Highlights as the returns herein are calculated in a manner consistent with standardized performance in accordance with Securities and Exchange Commission rules, while the performance in the Financial Highlights has been calculated in accordance with U.S. Generally Accepted Accounting Principles ("U.S. GAAP").

Russell Investment Funds
U.S. Small Cap Equity Fund

Shareholder Expense Example — December 31, 2019 (Unaudited)

Fund Expenses

The following disclosure provides important information regarding the Fund's Shareholder Expense Example ("Example").

Example

As a shareholder of the Fund, you incur two types of costs: (1) transaction costs, and (2) ongoing costs, including advisory and administrative fees and other Fund expenses. The Example is intended to help you understand your ongoing costs (in dollars) of investing in the Fund and to compare these costs with the ongoing costs of investing in other mutual funds. The Example is based on an investment of $1,000 invested at the beginning of the period and held for the entire period indicated, which for this Fund is from July 1, 2019 to December 31, 2019.

Actual Expenses

The information in the table under the heading "Actual Performance" provides information about actual account values and actual expenses. You may use the information in this column, together with the amount you invested, to estimate the expenses that you paid over the period. Simply divide your account value by $1,000 (for example, an $8,600 account value divided by $1,000 = 8.6), then multiply the result by the number in the first column in the row entitled "Expenses Paid During Period" to estimate the expenses you paid on your account during this period.

Hypothetical Example for Comparison Purposes

The information in the table under the heading "Hypothetical Performance (5% return before expenses)" provides information about hypothetical account values and hypothetical expenses based on the Fund's actual expense ratio and an assumed rate of return of 5% per year before expenses, which is not the Fund's actual return. The hypothetical account values and expenses may not be used to estimate the actual ending account balance or expenses you paid for the period. You may use this information to compare the ongoing costs of investing in the Fund and other funds. To do so, compare this 5% hypothetical example with the 5% hypothetical examples that appear in the shareholder reports of other funds.

Please note that the expenses shown in the table are meant to highlight your ongoing costs only and do not reflect any transactional costs. Therefore, the information under the heading "Hypothetical Performance (5% return before expenses)" is useful in comparing ongoing costs only, and will not help you determine the relative total costs of owning different funds. In addition, if these transactional costs were included, your costs would have been higher. The fees and expenses shown in this section do not reflect any Insurance Company Separate Account Policy Charges.

	Actual Performance	Hypothetical Performance (5% return before expenses)
Beginning Account Value July 1, 2019	$ 1,000.00	$ 1,000.00
Ending Account Value December 31, 2019	$ 1,058.80	$ 1,018.80
Expenses Paid During Period*	$ 6.59	$ 6.46

* Expenses are equal to the Fund's annualized expense ratio of 1.27% (representing the six month period annualized), multiplied by the average account value over the period, multiplied by 184/365 (to reflect the one-half year period).

Russell Investment Funds
U.S. Small Cap Equity Fund

Schedule of Investments — December 31, 2019

Amounts in thousands *(except share amounts)*

	Principal Amount ($) or Shares	Fair Value $
Common Stocks - 100.5%		
Consumer Discretionary - 12.6%		
Aaron's, Inc. Class A(Û)	9,380	535
Abercrombie & Fitch Co. Class A	4,693	81
Adtalem Global Education, Inc.(Æ)(Û)	14,431	504
American Axle & Manufacturing Holdings, Inc.(Æ)(Ð)	14,300	154
American Eagle Outfitters, Inc.	15,404	226
American Public Education, Inc.(Æ)	7,586	208
America's Car-Mart, Inc.(Æ)	9,752	1,070
B. Riley Financial, Inc.	41,450	1,045
Barnes & Noble Education, Inc.(Æ)	32,028	137
Bassett Furniture Industries, Inc.	1,600	27
Bed Bath & Beyond, Inc.	11,061	191
Big Lots, Inc.	2,751	79
BJ's Restaurants, Inc.	25,434	966
BJ's Wholesale Club Holdings, Inc.(Æ)	3,377	77
Bloomin' Brands, Inc.	9,935	219
BMC Stock Holdings, Inc.(Æ)	8,370	240
Brinker International, Inc.(Ð)	2,840	119
Cable One, Inc.	191	284
Carrols Restaurant Group, Inc.(Æ)	42,172	297
Cavco Industries, Inc.(Æ)	4,894	957
Celestica, Inc.(Æ)	17,514	145
Central European Media Enterprises, Ltd. Class A(Æ)	41,073	186
Central Garden & Pet Co. Class A(Æ)(Û)	7,337	216
Century Casinos, Inc.(Æ)	35,244	279
Cheesecake Factory, Inc. (The)	3,398	132
Chegg, Inc.(Æ)(Ñ)	14,477	549
Chico's FAS, Inc.	20,236	77
Children's Place, Inc. (The)(Ñ)	5,727	358
Churchill Downs, Inc.	1,620	222
Chuy's Holdings, Inc.(Æ)(Ð)	1,480	38
Cooper Tire & Rubber Co.	5,184	149
Cooper-Standard Holdings, Inc.(Æ)(Û)	3,240	107
Cracker Barrel Old Country Store, Inc.(Ñ)	998	153
Cumulus Media, Inc. Class A(Æ)	36,429	640
Dave & Buster's Entertainment, Inc.	22,184	892
Deckers Outdoor Corp.(Æ)	669	113
Del Taco Restaurants, Inc.(Æ)	58,506	462
Delta Apparel, Inc.(Æ)	17,844	555
Dillard's, Inc. Class A(Ñ)	3,015	222
Eldorado Resorts, Inc.(Æ)(Ñ)	7,632	455
Eros International PLC(Æ)(Ñ)	32,989	112
Ethan Allen Interiors, Inc.	6,018	115
Fiesta Restaurant Group, Inc.(Æ)	4,800	47
Fossil Group, Inc.(Æ)	2,700	21
Foundation Building Materials, Inc.(Æ)	1,300	25
Genesco, Inc.(Æ)	12,478	598
Golden Entertainment, Inc.(Æ)	900	17
Goodyear Tire & Rubber Co. (The)	12,300	191
GoPro, Inc. Class A(Æ)	6,900	30
Group 1 Automotive, Inc.	537	54
Habit Restaurants, Inc. (The) Class A(Æ)	2,700	28
Hamilton Beach Brands Holding Co. Class A	32,863	628
Haverty Furniture Cos., Inc.(Û)	4,600	93

Amounts in thousands *(except share amounts)*

	Principal Amount ($) or Shares	Fair Value $
HealthStream, Inc.(Æ)(Û)	1,560	42
Hillenbrand, Inc.	2,010	67
Hooker Furniture Corp.	3,900	100
Houghton Mifflin Harcourt Co.(Æ)(Ð)	5,796	36
Inter Parfums, Inc.	11,071	805
International Game Technology PLC	8,900	133
IntriCon Corp.(Æ)(Ñ)	24,751	446
J Alexander's Holdings, Inc.(Æ)	47,760	457
Jack in the Box, Inc.(Û)	2,490	194
JC Penney Co., Inc.(Æ)	29,668	33
John Wiley & Sons, Inc. Class A	1,291	63
K12, Inc.(Æ)(Û)	4,380	89
KB Home	1,793	61
Kontoor Brands, Inc.	25,950	1,091
Laureate Education, Inc. Class A(Æ)	5,155	91
La-Z-Boy, Inc. Class Z	4,476	141
Libbey, Inc.(Æ)	66,478	96
Liberty Braves Group Class C(Æ)(Ð)	550	16
Lithia Motors, Inc. Class A	989	145
Lovesac Co. (The)(Æ)(Ñ)	12,390	199
Madison Square Garden Co. (The) Class A(Æ)(Ð)	922	271
Marchex, Inc. Class B(Æ)	4,000	15
MarineMax, Inc.(Æ)	2,778	46
Marriott Vacations Worldwide Corp.	5,946	766
Matthews International Corp. Class A	1,973	75
Meredith Corp.	1,842	60
Monro Muffler Brake, Inc.(Ñ)	3,052	239
Motorcar Parts of America, Inc.(Æ)	6,352	140
Murphy USA, Inc.(Æ)	1,246	146
National CineMedia, Inc.	4,019	29
Nautilus, Inc.(Æ)	8,509	15
Nexstar Broadcasting, Inc. Class A	1,007	118
Oxford Industries, Inc.	618	47
PetIQ, Inc.(Æ)(Ñ)	27,733	695
Pool Corp.	1,376	292
Potbelly Corp.(Æ)	2,100	9
Quotient Technology, Inc.(Æ)(Ð)	7,566	75
Regis Corp.(Æ)(Ð)	4,000	71
Rent-A-Center, Inc. Class A	700	20
Restoration Hardware(Æ)	309	66
REV Group, Inc.	3,200	39
Rocky Brands, Inc.	200	6
Rosetta Stone, Inc.(Æ)	2,107	38
Ruth's Hospitality Group, Inc.	2,400	52
Sally Beauty Holdings, Inc.(Æ)(Ñ)	32,466	593
Scholastic Corp.	5,060	195
Scientific Games Corp. Class A(Æ)(Ð)	1,100	29
Skyline Champion Corp.(Æ)	23,579	747
SMART Global Holdings, Inc.(Æ)	12,965	492
Sportsman's Warehouse Holdings, Inc.(Æ)(Ñ)	18,143	146
Stamps.com, Inc.(Æ)	1,097	92
Standard Motor Products, Inc.	3,176	169
Steven Madden, Ltd.	11,062	476
Superior Uniform Group, Inc.	17,988	244
TEGNA, Inc.	3,910	65
Texas Roadhouse, Inc. Class A	2,803	158

See accompanying notes which are an integral part of the financial statements.

Russell Investment Funds
U.S. Small Cap Equity Fund

Schedule of Investments, continued — December 31, 2019

Amounts in thousands *(except share amounts)*

	Principal Amount ($) or Shares	Fair Value $
TiVo Corp.	31,458	266
Travelzoo, Inc.(Æ)(Û)	1,100	12
Tribune Publishing Co.(Æ)	1,300	17
Tupperware Brands Corp.	7,141	61
Turtle Beach Corp.(Æ)(Ñ)	12,686	120
Viad Corp.	1,650	111
Vista Outdoor, Inc.(Æ)(Ð)	11,100	83
Visteon Corp.(Æ)(Ð)	1,918	166
Wingstop, Inc.	2,520	217
Wolverine World Wide, Inc.	35,183	1,188
WW International, Inc.(Æ)	2,069	79
Zumiez, Inc.(Æ)	2,271	78
		28,764
Consumer Staples - 3.1%		
Calavo Growers, Inc.(Ñ)	4,989	452
Casey's General Stores, Inc.	1,399	222
Core-Mark Holding Co., Inc.	5,693	155
Cott Corp.	15,897	217
Energizer Holdings, Inc. - GDR(Æ)(Ñ)	28,360	1,289
Farmer Brothers Co.(Æ)	23,565	355
Fresh Del Monte Produce, Inc.	11,794	412
Helen of Troy, Ltd.(Æ)	673	121
Herbalife Nutrition, Ltd.(Æ)(Ð)	1,760	84
J&J Snack Foods Corp.	5,052	931
Lancaster Colony Corp.	454	73
Lifevantage Corp.(Æ)(Ð)	2,200	34
Medifast, Inc.	520	57
MGP Ingredients, Inc.	1,152	56
National Beverage Corp.(Æ)(Ñ)	2,148	110
Nomad Foods, Ltd.(Æ)	40,232	900
Performance Food Group Co.(Æ)	2,840	146
PolyOne Corp.(Ð)	5,050	186
Post Holdings, Inc.(Æ)(Ð)	470	51
Primo Water Corp.(Æ)	39,385	442
Quanex Building Products Corp.	4,400	75
Sanderson Farms, Inc.(Ð)	1,250	220
SpartanNash Co.	4,000	57
Universal Corp.	2,315	132
USANA Health Sciences, Inc.(Æ)(Û)	3,179	250
Weis Markets, Inc.	1,415	57
		7,084
Energy - 3.6%		
Algonquin Power & Utilities Corp.	18,863	267
Amplify Energy Corp.(Æ)	16,995	112
Berry Petroleum Corp.	9,239	87
Cabot Oil & Gas Corp.(Ð)	4,500	78
CONSOL Energy, Inc.(Æ)	300	4
Delek US Holdings, Inc.(Ñ)	9,445	317
Devon Energy Corp.(Ð)	700	18
Exterran Corp.(Æ)	3,800	30
Forum Energy Technologies, Inc.(Æ)	15,200	26
Green Brick Partners, Inc.(Æ)	81,058	930
Green Plains, Inc.(Æ)	4,502	69
Gulf Island Fabrication, Inc.(Æ)	200	1

Amounts in thousands *(except share amounts)*

	Principal Amount ($) or Shares	Fair Value $
Gulfport Energy Corp.(Æ)	37,129	113
HollyFrontier Corp.	3,800	193
KLX Energy Services Holdings, Inc.(Æ)	25,937	167
Luxfer Holdings PLC - ADR	14,309	265
Magnolia Oil & Gas Corp.(Æ)(Ñ)	49,651	625
Matrix Service Co.(Æ)	24,061	551
National Energy Services Reunited Corp. (Æ)(Ñ)	63,897	583
Natural Gas Services Group, Inc.(Æ)	28,417	348
Newpark Resources, Inc.(Æ)	69,540	436
NexTier Oilfield Solutions, Inc.(Æ)	3,416	23
NOW, Inc.(Æ)	7,781	87
Oceaneering International, Inc.(Æ)	6,389	95
Panhandle Oil and Gas, Inc. Class A	17,299	194
Par Pacific Holdings, Inc.(Æ)	7,000	163
Parker Drilling Co.(Æ)	600	14
Parsley Energy, Inc. Class A	9,843	186
PBF Energy, Inc. Class A	5,400	169
Peabody Energy Corp.	16,909	154
RigNet, Inc.(Æ)	7,357	49
SEACOR Holdings, Inc.(Æ)(Ð)	510	22
Select Energy Services, Inc. Class A(Æ)	50,919	473
Smart Sand, Inc.(Æ)	5,400	14
Solaris Oilfield Infrastructure, Inc. Class A(Ñ)	41,033	574
TETRA Technologies, Inc.(Æ)	238,994	468
Warrior Met Coal, Inc.	5,951	126
World Fuel Services Corp.(Ð)(Û)	5,860	254
		8,285
Financial Services - 26.0%		
1st Source Corp.	1,940	101
AG Mortgage Investment Trust, Inc.(ö)	5,566	86
Altisource Portfolio Solutions SA(Æ)	600	12
Amalgamated Bank Class A	1,100	21
American Campus Communities, Inc.(ö)	7,764	365
American Equity Investment Life Holding Co.	10,181	304
American Homes 4 Rent Class A(ö)	9,040	237
Americold Realty Trust(Ñ)(ö)	5,729	201
Ameris Bancorp	11,635	495
Amerisafe, Inc.	2,368	156
Apartment Investment & Management Co. Class A(ö)	1,470	76
Apollo Commercial Real Estate Finance, Inc.(ö)	8,003	146
Argo Group International Holdings, Ltd.	5,157	339
Arrow Financial Corp.	382	14
Artisan Partners Asset Management, Inc. Class A	1,290	42
Associated Banc-Corp.(Ð)	5,100	112
Atlantic Capital Bancshares, Inc.(Æ)	38,360	704
Atlantic Union Bankshares Corp.(Æ)	3,410	128
Axis Capital Holdings, Ltd.(Û)	5,990	356
Axos Financial, Inc.(Æ)	4,061	123
Banc of California, Inc.	56,156	965
BancFirst Corp.	930	58
BancorpSouth Bank	4,137	130

See accompanying notes which are an integral part of the financial statements.

Russell Investment Funds
U.S. Small Cap Equity Fund

Schedule of Investments, continued — December 31, 2019

Amounts in thousands *(except share amounts)*

	Principal Amount ($) or Shares	Fair Value $
Bank of NT Butterfield & Son, Ltd. (The)	2,182	81
Bank OZK	7,531	230
BankFinancial Corp.	1,700	22
Banner Corp.(Û)	14,591	826
Baycom Corp.(Æ)(Ð)	1,200	27
Berkshire Hills Bancorp, Inc.	3,099	102
Blackstone Mortgage Trust, Inc. Class A(Ñ)(ö)	8,482	316
Bridgewater Bancshares, Inc.(Æ)	1,200	17
Brighthouse Financial, Inc.(Æ)	5,997	235
Brightsphere Investment Group, Inc.	12,500	128
Brixmor Property Group, Inc.(ö)	16,608	359
Business First Bancshares, Inc.(Û)	300	7
Byline Bancorp, Inc.	13,301	260
Cadence Bancorp	10,395	188
Camden National Corp.	930	43
Camden Property Trust(Ð)(ö)	4,240	450
Cannae Holdings, Inc.(Æ)	36,480	1,356
Capital City Bank Group, Inc.	16,110	492
Capstar Financial Holdings, Inc.	25,983	433
Capstead Mortgage Corp.(ö)	9,877	78
Carter Bank & Trust(Æ)	23,720	563
Cathay General Bancorp	3,284	125
CBTX, Inc.	1,390	43
CenterState Bank Corp.	27,069	676
Central Pacific Financial Corp.	21,400	633
Century Bancorp, Inc. Class A	2,122	191
Chemung Financial Corp.	100	4
Civista Bancshares, Inc.	4,452	107
Clipper Realty, Inc.(ö)(Û)	600	6
CNB Financial Corp.	550	18
CNO Financial Group, Inc.	5,560	101
Cohen & Steers, Inc.	3,812	239
Columbia Banking System, Inc.	3,282	134
Columbia Property Trust, Inc.(ö)	7,500	157
Community Bank System, Inc.	1,861	132
Consolidated-Tomoka Land Co.	5,700	344
CoreCivic, Inc.(Æ)	14,317	249
CorePoint Lodging, Inc.(ö)	4,200	45
Cowen Group, Inc. Class A(Æ)	19,691	310
Cullen/Frost Bankers, Inc.(Ð)	2,780	272
CVB Financial Corp.	5,750	124
CyrusOne, Inc.(ö)	8,511	557
Deluxe Corp.	3,135	156
DiamondRock Hospitality Co.(ö)	23,169	257
Diversified Healthcare Trust(Æ)	15,605	132
Donegal Group, Inc. Class A	100	1
Douglas Emmett, Inc.(ö)(Û)	10,040	441
E*Trade Financial Corp.	930	42
Eagle Bancorp, Inc.	8,371	407
East West Bancorp, Inc.(Ð)	4,170	203
EastGroup Properties, Inc.(ö)	631	84
Emerald Expositions Events, Inc.	1,800	19
Employers Holdings, Inc.(Û)	1,110	46
Enova International, Inc.(Æ)	1,400	34
Equity Commonwealth(ö)(Û)	20,768	681
Essent Group, Ltd.	11,096	577
Evercore, Inc. Class A(Û)	4,107	307

Amounts in thousands *(except share amounts)*

	Principal Amount ($) or Shares	Fair Value $
Everest Re Group, Ltd.(Ð)(Û)	1,007	279
Everi Holdings, Inc.(Æ)	932	13
Ezcorp, Inc. Class A(Æ)(Ð)	4,168	28
FB Financial Corp.	2,550	101
Federal Agricultural Mortgage Corp. Class C	2,356	197
Federated Investors, Inc. Class B	5,472	178
FGL Holdings	7,476	80
First American Financial Corp.	3,870	226
First BanCorp(Û)	13,671	237
First Defiance Financial Corp.	460	14
First Financial Bankshares, Inc.	1,876	66
First Financial Corp.	100	5
First Foundation, Inc.	38,255	666
First Hawaiian, Inc.	5,650	163
First Industrial Realty Trust, Inc.(ö)	1,155	48
First Interstate BancSystem, Inc. Class A	10,511	441
First Merchants Corp.	1,955	81
First Midwest Bancorp, Inc.	4,670	108
Flagstar Bancorp, Inc.	1,438	55
Forestar Group, Inc.(Æ)	1,078	22
Forrester Research, Inc.(Æ)	1,153	48
Franklin Street Properties Corp.(Ð)(ö)	4,900	42
Fulton Financial Corp.	6,295	110
Gaming and Leisure Properties, Inc.(ö)	20,272	873
GEO Group, Inc. (The)(ö)	9,752	162
Glacier Bancorp, Inc.	2,681	123
Gladstone Commercial Corp.(ö)	3,100	68
Goosehead Insurance, Inc. Class A(Ñ)	5,113	217
Great Southern Bancorp, Inc.	470	30
Great Western Bancorp, Inc.	9,125	317
Green Dot Corp. Class A(Æ)(Ð)	7,923	185
Guaranty Bancshares, Inc.(Û)	460	15
Hallmark Financial Services, Inc.(Æ)	32,379	569
Hancock Holding Co.	5,056	222
Hanmi Financial Corp.	2,700	54
Hanover Insurance Group, Inc. (The)	2,790	381
HarborOne Bancorp, Inc.(Æ)	1,077	12
HCI Group, Inc.(Ð)	1,210	55
Healthcare Realty Trust, Inc.(ö)	1,073	36
Healthcare Trust of America, Inc. Class A(ö)	5,580	169
Heartland Financial USA, Inc.	4,017	199
Heritage Insurance Holdings, Inc.(Ð)	400	5
Hilltop Holdings, Inc.	5,038	126
Home Bancorp, Inc.(Û)	280	11
Home BancShares, Inc.	20,140	396
HomeStreet, Inc.	37,590	1,278
HomeTrust Bancshares, Inc.(Û)	750	20
Hope Bancorp, Inc.	7,221	107
I3 Verticals, Inc. Class A(Æ)	52,102	1,471
Iberiabank Corp.	2,718	203
Independence Realty Trust, Inc.(ö)	55,902	787
Independent Bank Corp.(Û)	56,995	1,291
Independent Bank Group, Inc.	2,056	114
Industrial Logistics Properties Trust(ö)	5,618	126
Interactive Brokers Group, Inc. Class A	470	22
International Bancshares Corp.	1,821	78
Invesco Mortgage Capital, Inc.(ö)	9,507	158

See accompanying notes which are an integral part of the financial statements.

Russell Investment Funds
U.S. Small Cap Equity Fund

Schedule of Investments, continued — December 31, 2019

Amounts in thousands *(except share amounts)*

	Principal Amount ($) or Shares	Fair Value $
Investors Bancorp, Inc.	8,500	101
Investors Real Estate Trust(ö)	8,514	617
James River Group Holdings, Ltd.(Ð)	5,558	229
Janus Henderson Group PLC	1,838	45
JER Investment Trust, Inc.(Æ)(Š)(Þ)	1,771	—
Kearny Financial Corp.	85,406	1,181
Kemper Corp.	4,889	379
Kennedy-Wilson Holdings, Inc.	17,875	399
Kingstone Cos., Inc.	200	2
KKR Real Estate Finance Trust, Inc.(ö)	7,946	162
Ladder Capital Corp. Class A(ö)	21,267	384
Lakeland Financial Corp.	3,759	184
Lamar Advertising Co. Class A(Ð)(ö)	1,100	98
Lazard, Ltd. Class A(Ð)	840	34
Legacy Housing Corp.(Æ)	19,199	319
LendingClub Corp.(Æ)(Ð)	7,879	99
LendingTree, Inc.(Æ)(Ñ)	1,305	396
Life Storage, Inc.(Æ)(ö)	920	100
Live Oak Bancshares, Inc.	1,860	35
LPL Holdings, Inc.	280	26
LTC Properties, Inc.(Ð)(ö)	1,380	62
Luther Burbank Corp.	1,100	13
Macatawa Bank Corp.	1,100	12
Marcus & Millichap, Inc.(Æ)(Ð)	2,390	89
Mercantile Bank Corp.	830	30
Merchants Bancorp	1,900	37
Mercury General Corp.(Ð)	280	14
Meridian Bancorp, Inc.	1,400	28
Meta Financial Group, Inc.	1,603	59
Metropolitan Bank Holding Corp.(Æ)	190	9
MGIC Investment Corp.	28,884	409
MidWestOne Financial Group, Inc.	650	24
Moelis & Co. Class A	1,711	55
Morningstar, Inc.	1,345	204
National Bank Holdings Corp. Class A	13,627	480
National General Holdings Corp.	8,500	188
National Health Investors, Inc.(ö)	1,385	113
NBT Bancorp, Inc.	5,373	218
New York Mortgage Trust, Inc.(ö)	12,377	77
NexPoint Residential Trust, Inc.(ö)	9,854	443
Nicolet Bankshares, Inc.(Æ)	1,020	75
NMI Holdings, Inc. Class A(Æ)	1,734	58
Northeast Bank	12,696	279
Northrim BanCorp, Inc.	400	15
Northwest Bancshares, Inc.	11,108	185
OceanFirst Financial Corp.	3,636	93
OFG Bancorp(Ð)	1,300	31
Old National Bancorp	2,777	51
Old Second Bancorp, Inc.	33,978	457
Opus Bank(Ð)	4,510	117
Origin Bancorp, Inc.	13,582	514
Pacific Premier Bancorp, Inc.	3,988	130
Park Hotels & Resorts, Inc.(ö)	9,985	258
PCSB Financial Corp.	54,129	1,096
PennyMac Financial Services, Inc.	2,108	72
PennyMac Mortgage Investment Trust(ö)	4,050	90
Peoples Bancorp, Inc.	1,200	42

Amounts in thousands *(except share amounts)*

	Principal Amount ($) or Shares	Fair Value $
People's United Financial, Inc.	11,099	188
People's Utah Bancorp	1,150	35
Physicians Realty Trust(ö)	2,506	47
Piedmont Office Realty Trust, Inc. Class A(ö)	15,214	338
Piper Jaffray Cos.	1,100	88
Plymouth Industrial REIT, Inc.(ö)	25,333	466
Popular, Inc.	16,440	966
Potlatch Corp.(ö)	28,276	1,223
ProAssurance Corp.	1,294	47
Prosperity Bancshares, Inc.	2,690	193
Protective Insurance Corp. Class B	400	6
Provident Financial Services, Inc.	6,970	172
PS Business Parks, Inc.(ö)	1,471	243
QCR Holdings, Inc.	1,020	45
QTS Realty Trust, Inc. Class A(ö)	4,328	235
Radian Group, Inc.	10,102	254
Rayonier, Inc.(ö)	5,680	186
RE/MAX Holdings, Inc. Class A	3,528	136
Regency Centers Corp.(Ð)(ö)	3,760	237
Reinsurance Group of America, Inc. Class A(Û)	2,950	481
Renasant Corp.	3,192	113
Republic First Bancorp, Inc.(Æ)	802	3
Retail Properties of America, Inc. Class A(ö)(Û)	17,400	233
Retail Value, Inc.(ö)	1,020	38
RLJ Lodging Trust(ö)	14,620	259
RMR Group, Inc. (The) Class A	1,546	71
Ryman Hospitality Properties, Inc.(ö)	3,604	312
Sabra Health Care REIT, Inc.(ö)	6,419	137
Selective Insurance Group, Inc.	1,483	97
ServisFirst Bancshares, Inc.	2,285	86
Silvercrest Asset Management Group, Inc. Class A	18,391	231
Simmons First National Corp. Class A	3,993	107
SITE Centers Corp.(ö)	86,914	1,218
SL Green Realty Corp.(ö)	2,550	234
SmartFinancial, Inc.	1,500	35
South State Corp.	4,106	356
Southern First Bancshares, Inc.(Æ)	280	12
Spirit Realty Capital, Inc.(Ð)(ö)	3,700	182
Stewart Information Services Corp.	6,404	261
Stifel Financial Corp.	8,969	544
Summit Hotel Properties, Inc.(ö)	8,146	101
Sunstone Hotel Investors, Inc.(ö)(Û)	39,854	555
Tanger Factory Outlet Centers, Inc.(Ñ)(ö)	9,171	135
Terreno Realty Corp.(ö)	752	41
Texas Capital Bancshares, Inc.(Æ)(Û)	3,520	200
Third Point Reinsurance, Ltd.(Æ)(Ð)	11,800	124
Tiptree Financial, Inc. Class A	36,377	296
Towne Bank	3,070	85
TPG RE Finance Trust, Inc.(ö)	7,310	148
TriCo Bancshares	930	38
Triumph Bancorp, Inc.(Æ)	13,951	530
Trustmark Corp.	3,532	122
UMB Financial Corp.	2,824	194
UMH Properties, Inc.(ö)	52,485	826

See accompanying notes which are an integral part of the financial statements.

Russell Investment Funds
U.S. Small Cap Equity Fund

Schedule of Investments, continued — December 31, 2019

Amounts in thousands *(except share amounts)*

	Principal Amount ($) or Shares	Fair Value $
Umpqua Holdings Corp.(Ð)	2,700	48
United Bankshares, Inc.	2,945	114
United Community Banks, Inc.	15,975	493
United Community Financial Corp.	3,100	36
United Insurance Holdings Corp.	4,300	54
Universal Insurance Holdings, Inc.	6,231	174
Unum Group	650	19
Valley National Bancorp	11,240	129
Voya Financial, Inc.(Ð)	3,980	243
Waddell & Reed Financial, Inc. Class A(Ð)	19,300	323
Washington Federal, Inc.	5,948	218
WesBanco, Inc.	1,925	73
WR Berkley Corp.(Ð)	3,760	260
WSFS Financial Corp.	2,859	126
Xenia Hotels & Resorts, Inc.(ö)	4,972	107
		59,170
Health Care - 14.4%		
Acadia Pharmaceuticals, Inc.(Æ)	5,285	226
Acceleron Pharma, Inc.(Æ)	4,293	228
Accuray, Inc.(Æ)	125,783	355
Acorda Therapeutics, Inc.(Æ)(Ð)	19,900	41
Aeglea BioTherapeutics, Inc.(Æ)	11,788	90
Akcea Therapeutics, Inc.(Æ)(Ñ)	10,491	178
Akebia Therapeutics, Inc.(Æ)(Ð)	7,061	45
Akorn, Inc.(Æ)(Ð)	4,800	7
Alector, Inc.(Æ)(Ñ)	10,069	173
Alkermes PLC(Æ)(Ð)	7,600	155
Allogene Therapeutics, Inc.(Æ)(Ñ)	5,831	151
Allscripts Healthcare Solutions, Inc.(Æ)	56,462	555
AMAG Pharmaceuticals, Inc.(Æ)(Ð)	9,500	116
Amedisys, Inc.(Æ)	537	90
Amicus Therapeutics, Inc.(Æ)	25,206	246
AMN Healthcare Services, Inc.(Æ)	1,207	75
AnaptysBio, Inc.(Æ)	3,825	62
AngioDynamics, Inc.(Æ)	4,007	64
ANI Pharmaceuticals, Inc.(Æ)	12,274	757
Applied Genetic Technologies Corp.(Æ)(Ð)	3,589	16
Aptinyx, Inc.(Æ)	2,500	9
Arcus Biosciences, Inc.(Æ)	900	9
Arena Pharmaceuticals, Inc.(Æ)	852	39
ArQule, Inc.(Æ)	5,906	118
Arrowhead Pharmaceuticals, Inc.(Æ)(Ñ)	2,149	136
Assertio Therapeutics, Inc.(Æ)	31,430	39
Atara Biotherapeutics, Inc.(Æ)	3,941	65
Audentes Therapeutics, Inc.(Æ)	3,565	213
BioCryst Pharmaceuticals, Inc.(Æ)(Ð)	17,500	60
Biohaven Pharmaceutical Holding Co., Ltd. (Æ)	3,676	200
BioLife Solutions, Inc.(Æ)(Ñ)	55,973	906
BioSpecifics Technologies Corp.(Æ)	6,971	397
BioTelemetry, Inc.(Æ)	27,511	1,274
Blueprint Medicines Corp.(Æ)	3,729	299
Brookdale Senior Living, Inc. Class A(Æ)	11,100	81
Cantel Medical Corp.	2,877	204
Castlight Health, Inc. Class B(Æ)	9,200	12
Cellular Biomedicine Group, Inc.(Æ)	3,907	63

Amounts in thousands *(except share amounts)*

	Principal Amount ($) or Shares	Fair Value $
Chemed Corp.	733	322
Chimerix, Inc.(Æ)(Ð)	9,000	18
Cidara Therapeutics, Inc.(Æ)(Ð)	1,632	6
Coherus Biosciences, Inc.(Æ)(Ð)	1,200	22
Computer Programs & Systems, Inc.	3,050	81
Concert Pharmaceuticals, Inc.(Æ)(Ð)	3,200	30
CONMED Corp.	3,572	399
Corbus Pharmaceuticals Holdings, Inc.(Æ)(Ñ)	11,656	64
CorVel Corp.(Æ)	3,998	349
Cross Country Healthcare, Inc.(Æ)	2,100	24
Cutera, Inc.(Æ)	830	30
Cyclerion Therapeutics, Inc.(Æ)	2,800	8
Cytokinetics, Inc.(Æ)(Ð)	510	5
CytomX Therapeutics, Inc.(Æ)	1,605	13
Denali Therapeutics, Inc.(Æ)(Ñ)	10,890	190
Eagle Pharmaceuticals, Inc.(Æ)	3,946	237
Eidos Therapeutics, Inc.(Æ)(Ñ)	1,486	85
Enanta Pharmaceuticals, Inc.(Æ)	4,554	281
Encompass Health Corp.(Æ)	3,818	264
Endo International PLC(Æ)	6,700	31
Endologix, Inc.(Æ)	2,500	4
Ensign Group, Inc. (The)	5,269	239
Epizyme, Inc.(Æ)	5,975	147
Esperion Therapeutics, Inc.(Æ)(Ñ)	4,013	239
Exact Sciences Corp.(Æ)	713	66
Fate Therapeutics, Inc.(Æ)	13,025	255
FibroGen, Inc.(Æ)	4,252	182
Five Prime Therapeutics, Inc.(Æ)	5,991	27
Fluidigm Corp.(Æ)(Ð)	10,848	38
Global Blood Therapeutics, Inc.(Æ)	4,941	393
Globus Medical, Inc. Class A(Æ)	2,110	124
Halozyme Therapeutics, Inc.(Æ)	5,577	99
Heron Therapeutics, Inc.(Æ)	8,917	210
Heska Corp.(Æ)(Ñ)	9,882	948
Homology Medicines, Inc.(Æ)	4,492	93
Immunomedics, Inc.(Æ)	10,847	230
Infinity Pharmaceuticals, Inc.(Æ)	1,300	1
Insmed, Inc.(Æ)	3,519	84
Integer Holdings Corp.(Æ)	4,591	369
Intercept Pharmaceuticals, Inc.(Æ)	1,188	147
Intra-Cellular Therapies, Inc. Class A(Æ)	1,400	48
Intrexon Corp.(Æ)	3,900	21
Invacare Corp.	15,939	144
Invitae Corp.(Æ)(Ñ)	11,966	193
Iovance Biotherapeutics, Inc.(Æ)	7,621	211
iRadimed Corp.(Æ)	32,935	770
Ironwood Pharmaceuticals, Inc. Class A(Æ)	11,182	149
Jazz Pharmaceuticals PLC(Æ)	1,180	176
Kodiak Sciences, Inc.(Æ)	3,322	239
Lantheus Holdings, Inc.(Æ)	44,920	921
LeMaitre Vascular, Inc.	42,489	1,528
Ligand Pharmaceuticals, Inc. Class B(Æ)(Ñ)	970	101
LivaNova PLC(Æ)	1,210	91
Magellan Health, Inc.(Æ)	2,240	175
Medicines Co. (The)(Æ)(Ñ)	2,181	185
Medpace Holdings, Inc.(Æ)	5,609	471
MEI Pharma, Inc.(Æ)(Ð)	3,978	10

See accompanying notes which are an integral part of the financial statements.

Russell Investment Funds
U.S. Small Cap Equity Fund

Schedule of Investments, continued — December 31, 2019

Amounts in thousands *(except share amounts)*

	Principal Amount ($) or Shares	Fair Value $
MeiraGTx Holdings PLC(Æ)	3,010	60
Menlo Therapeutics, Inc.(Æ)	3,000	14
Meridian Bioscience, Inc.	10,727	105
Minerva Neurosciences, Inc.(Æ)(Ð)	2,200	16
Mirati Therapeutics, Inc.(Æ)	2,346	302
Molina Healthcare, Inc.(Æ)	1,560	212
Momenta Pharmaceuticals, Inc.(Æ)	7,670	151
Myriad Genetics, Inc.(Æ)	6,308	172
Natera, Inc.(Æ)	4,966	167
Neogen Corp.(Æ)	6,954	454
NeoGenomics, Inc.(Æ)	26,127	764
Neos Therapeutics, Inc.(Æ)	21,228	32
Neuronetics, Inc.(Æ)	2,738	12
NextGen Healthcare, Inc.(Æ)	1,300	21
Omeros Corp.(Æ)(Ð)	800	11
OraSure Technologies, Inc.(Æ)(Ð)	8,400	67
Orthofix Medical, Inc.(Æ)	2,580	119
Owens & Minor, Inc.	8,500	44
Patterson Cos., Inc.	10,233	210
PDL BioPharma, Inc.(Æ)	58,096	189
Pennant Group, Inc. (The)(Æ)	15,492	512
Perrigo Co. PLC(Ð)(Û)	3,430	177
Portola Pharmaceuticals, Inc.(Æ)	2,113	50
PRA Health Sciences, Inc.(Æ)	7,102	789
Prestige Brands Holdings, Inc.(Æ)(Ñ)	16,560	671
Principia Biopharma, Inc.(Æ)	3,369	185
Prothena Corp. PLC(Æ)(Ð)	3,700	59
Providence Service Corp. (The)(Æ)	906	54
PTC Therapeutics, Inc.(Æ)	4,869	234
Ra Pharmaceuticals, Inc.(Æ)	2,193	103
Radius Health, Inc.(Æ)	603	12
RadNet, Inc.(Æ)	56,472	1,146
Reata Pharmaceuticals, Inc. Class A(Æ)	313	64
Repligen Corp.(Æ)	8,762	810
Retrophin, Inc.(Æ)(Ð)	4,100	58
Sangamo BioSciences, Inc.(Æ)	7,342	61
SeaSpine Holdings Corp.(Æ)	17,884	215
Seres Therapeutics, Inc.(Æ)(Ð)	4,400	15
Spectrum Pharmaceuticals, Inc.(Æ)	12,455	45
Spero Therapeutics, Inc.(Æ)	242	2
Surmodics, Inc.(Æ)	550	23
Sutro Biopharma, Inc.(Æ)	1,000	11
Synthorx, Inc.(Æ)	1,026	72
Tabula Rasa HealthCare, Inc.(Æ)(Ñ)	25,963	1,264
Tactile Systems Technology, Inc.(Æ)(Ñ)	10,971	741
Triple-S Management Corp. Class B(Æ)	1,686	31
Ultragenyx Pharmaceutical, Inc.(Æ)	5,416	231
United Therapeutics Corp.(Æ)	580	51
UNITY Biotechnology, Inc.(Æ)	3,300	24
US Physical Therapy, Inc.	1,544	177
Utah Medical Products, Inc.	14,592	1,575
Vanda Pharmaceuticals, Inc.(Æ)	7,230	119
Varex Imaging Corp.(Æ)	15,227	454
Veracyte, Inc.(Æ)	3,129	87
Xencor, Inc.(Æ)	2,624	90
		32,875

Amounts in thousands *(except share amounts)*

	Principal Amount ($) or Shares	Fair Value $
Materials and Processing - 7.1%		
AdvanSix, Inc.(Æ)	1,700	34
Allegheny Technologies, Inc.(Æ)	12,054	249
American Vanguard Corp.	20,959	408
Apogee Enterprises, Inc.	2,370	77
Arch Coal, Inc. Class A(Ð)	4,277	307
Armstrong Flooring, Inc.(Æ)(Û)	6,700	29
Armstrong World Industries, Inc.	5,999	564
Ashland Global Holdings, Inc.(Ð)	3,520	269
Aspen Aerogels, Inc.(Æ)	30,618	238
Beacon Roofing Supply, Inc.(Æ)	3,566	114
Belden, Inc.	3,638	200
Boise Cascade Co.(Ð)	3,870	141
Builders FirstSource, Inc.(Æ)	3,132	80
Cabot Corp.(Ð)	550	26
Cabot Microelectronics Corp.	3,278	473
Caesarstone, Ltd.	18,565	280
Carpenter Technology Corp.	5,228	260
CF Industries Holdings, Inc.(Ð)	1,481	71
Cleveland-Cliffs, Inc.(Æ)(Ñ)	14,058	118
Comfort Systems USA, Inc.	27,043	1,348
Commercial Metals Co.	9,954	222
Culp, Inc.	1,100	15
Eagle Materials, Inc.	7,404	671
Element Solutions, Inc.(Æ)	95,915	1,120
Haynes International, Inc.	7,011	251
Huntsman Corp.	8,100	196
Insteel Industries, Inc.	12,434	267
Intrepid Potash, Inc.(Æ)	79,036	214
Kraton Corp.(Æ)(Ð)	2,300	58
Landec Corp.(Æ)	63,793	721
LB Foster Co. Class A(Æ)	400	8
Lennox International, Inc.(Ð)	1,193	291
LiqTech International, Inc.(Æ)(Ñ)	72,693	425
Louisiana-Pacific Corp.	3,365	100
Masonite International Corp.(Æ)	2,940	212
Neenah Paper, Inc.	2,547	179
Novagold Resources, Inc.(Æ)	23,754	213
O-I Glass, Inc. Class I(Ð)	14,300	171
Olympic Steel, Inc.	824	15
Omega Flex, Inc.	5,859	629
PGT Innovations, Inc.(Æ)	15,251	227
PH Glatfelter Co.(Ð)	2,600	48
Quaker Chemical Corp.	3,361	553
RBC Bearings, Inc.(Æ)	950	150
Resideo Technologies, Inc.(Æ)(Ð)	6,800	81
Schnitzer Steel Industries, Inc. Class A	5,300	115
Schweitzer-Mauduit International, Inc.	24,658	1,034
Sensient Technologies Corp.	2,463	163
Silgan Holdings, Inc.(Ð)	5,404	168
SiteOne Landscape Supply, Inc.(Æ)(Ñ)	5,412	491
Stepan Co.	2,300	236
TimkenSteel Corp.(Æ)	5,100	40
Trex Co., Inc.(Æ)	1,072	96
Trinseo SA	4,986	186
Unifi, Inc.(Æ)(Ð)	1,319	33
Universal Stainless & Alloy Products, Inc.(Æ)	24,264	362

See accompanying notes which are an integral part of the financial statements.

Russell Investment Funds
U.S. Small Cap Equity Fund

Schedule of Investments, continued — December 31, 2019

Amounts in thousands *(except share amounts)*

	Principal Amount ($) or Shares	Fair Value $
US Concrete, Inc.(Æ)	6,907	288
Valvoline, Inc.(Ð)	13,200	283
Veritiv Corp.(Æ)	900	18
Verso Corp. Class A(Æ)(Ð)	900	16
Worthington Industries, Inc.	4,587	193
WR Grace & Co.(Ð)	1,010	71
		16,116
Producer Durables - 17.3%		
ACCO Brands Corp.	20,097	188
Adient PLC(Æ)(Ð)	2,200	47
AECOM(Æ)	5,370	232
AGCO Corp.(Ð)	4,250	328
Air Transport Services Group, Inc.(Æ)	4,770	112
Allegiant Travel Co. Class A	412	72
Allied Motion Technologies, Inc.	22,279	1,080
Allison Transmission Holdings, Inc. Class A	1,200	58
Applied Industrial Technologies, Inc.	1,587	106
ArcBest Corp.	6,745	186
Arcosa, Inc.	39,118	1,741
Ardmore Shipping Corp.(Æ)	61,516	557
Argan, Inc.	12,102	486
ASGN, Inc.(Æ)	3,307	235
Astec Industries, Inc.	3,110	131
Astronics Corp.(Æ)	3,390	95
AstroNova, Inc.	780	11
Axon Enterprise, Inc.(Æ)(Ñ)	6,877	504
Babcock & Wilcox Co. (The) Class W(Æ)	18,158	1,126
Badger Meter, Inc.	3,637	236
Barnes Group, Inc.	1,439	89
Barrett Business Services, Inc.	830	75
Brady Corp. Class A	788	45
Briggs & Stratton Corp.(Ð)	7,100	47
Brink's Co. (The)	7,776	705
Commercial Vehicle Group, Inc.(Æ)	2,637	17
Concrete Pumping Holdings, Inc.(Æ)	22,708	124
Covenant Transportation Group, Inc. Class A(Æ)	34,931	451
CPI Aerostructures, Inc.(Æ)	37,151	250
CRA International, Inc.	13,523	737
Crane Co.	370	32
Dorian LPG, Ltd.(Æ)	1,400	22
Echo Global Logistics, Inc.(Æ)	6,200	128
EMCOR Group, Inc.	3,190	275
Euronav NV	19,156	240
Evo Payments, Inc. Class A(Æ)	23,193	613
Exponent, Inc.	3,547	245
Fluor Corp.(Ð)	1,997	38
frontdoor, Inc.(Æ)(Û)	28,435	1,348
FTI Consulting, Inc.(Æ)	1,155	128
GATX Corp.	2,593	215
Generac Holdings, Inc.(Æ)	2,741	276
Great Lakes Dredge & Dock Corp.(Æ)	39,806	451
Greenbrier Cos., Inc.	3,410	111
Hackett Group, Inc. (The)	21,468	346
Harsco Corp.(Æ)	51,645	1,187
Hawaiian Holdings, Inc.	6,035	177

Amounts in thousands *(except share amounts)*

	Principal Amount ($) or Shares	Fair Value $
Herman Miller, Inc.	1,985	83
Hill International, Inc.(Æ)	39,478	125
HNI Corp.	9,213	345
Hub Group, Inc. Class A(Æ)	6,882	353
Hudson, Ltd. Class A(Æ)	18,436	283
Hyster-Yale Materials Handling, Inc.	2,030	120
ICF International, Inc.	11,911	1,090
InnerWorkings, Inc.(Æ)	1,000	6
Insperity, Inc.(Û)	2,200	189
KBR, Inc.	31,592	964
Kennametal, Inc.	2,459	91
Kforce, Inc.	1,430	57
Kimball International, Inc. Class B	37,295	771
Korn & Ferry International(Û)	6,149	261
Kratos Defense & Security Solutions, Inc.(Æ)	32,560	586
Landstar System, Inc.	1,930	220
Lincoln Electric Holdings, Inc.	1,470	142
Liquidity Services, Inc.(Æ)	33,379	199
Littelfuse, Inc.	1,143	219
Manitowoc Co., Inc. (The)(Æ)	4,800	84
ManpowerGroup, Inc.(Ð)(Û)	3,330	323
Marten Transport, Ltd.	13,035	280
MasTec, Inc.(Æ)	8,427	541
Matson, Inc.	1,550	63
MAXIMUS, Inc.	13,035	970
Mesa Laboratories, Inc.(Ñ)	6,076	1,514
Methode Electronics, Inc.	2,700	106
Modine Manufacturing Co.(Æ)	4,100	32
MSC Industrial Direct Co., Inc. Class A	2,912	229
MYR Group, Inc.(Æ)	740	24
Navistar International Corp.(Æ)	3,060	89
Orion Group Holdings, Inc.(Æ)	86,151	447
Park-Ohio Holdings Corp.	300	10
Pentair PLC	4,780	219
Pitney Bowes, Inc.(Û)	31,337	126
Radiant Logistics, Inc.(Æ)	35,391	197
Rollins, Inc.(Ð)	650	22
RR Donnelley & Sons Co.(Ð)	15,600	62
Ryder System, Inc.	6,893	374
Saia, Inc.(Æ)	3,318	309
Schneider National, Inc. Class B	3,500	76
Scorpio Tankers, Inc.	16,498	649
SkyWest, Inc.	14,619	945
Spirit AeroSystems Holdings, Inc. Class A	1,670	122
Spirit Airlines, Inc.(Æ)	8,950	361
SPX Corp.(Æ)	370	19
Standex International Corp.	2,538	201
StealthGas, Inc.(Æ)	113,152	388
Steelcase, Inc. Class A	32,277	660
Sterling Construction Co., Inc.(Æ)	4,200	59
Sykes Enterprises, Inc.(Æ)	7,476	277
Teekay Tankers, Ltd. Class A(Æ)	17,050	409
Tennant Co.	11,700	912
Terex Corp.	5,260	157
Tetra Tech, Inc.	5,904	509
Titan International, Inc.	5,500	20
TopBuild Corp.(Æ)	2,770	286

See accompanying notes which are an integral part of the financial statements.

Russell Investment Funds
U.S. Small Cap Equity Fund

Schedule of Investments, continued — December 31, 2019

Amounts in thousands *(except share amounts)*

	Principal Amount ($) or Shares	Fair Value $
TreeHouse Foods, Inc.(Æ)	16,026	777
TriNet Group, Inc.(Æ)	1,137	64
TrueBlue, Inc.(Æ)(Û)	12,714	306
Tutor Perini Corp.(Æ)	29,554	380
Ultralife Corp.(Æ)	65,486	484
UniFirst Corp.	621	125
Universal Truckload Services, Inc.	11,926	226
US Xpress Enterprises, Inc. Class A(Æ)	7,000	35
USA Truck, Inc.(Æ)	20,422	152
Vectrus, Inc.(Æ)	9,453	485
Wabash National Corp.	2,300	34
Watts Water Technologies, Inc. Class A	1,947	194
Welbilt, Inc.(Æ)	15,113	236
Werner Enterprises, Inc.	3,074	112
WESCO International, Inc.(Æ)(Ð)	3,150	187
WNS Holdings, Ltd. - ADR(Æ)	17,332	1,146
XPO Logistics, Inc.(Æ)(Ð)	2,085	166
YRC Worldwide, Inc.(Æ)(Ñ)	90,335	230
		39,417
Technology - 11.2%		
3D Systems Corp.(Æ)(Ð)	4,300	38
Adesto Technologies Corp.(Æ)(Ñ)	30,416	259
ADTRAN, Inc.	6,300	62
Agilysys, Inc.(Æ)	500	13
Allot Communications, Ltd.(Æ)	31,931	271
Alpha & Omega Semiconductor, Ltd.(Æ)	25,418	346
American Software, Inc. Class A	1,000	15
Anixter International, Inc.(Æ)	1,942	179
Appfolio, Inc. Class A(Æ)	2,703	297
Arlo Technologies, Inc.(Æ)(Ð)	19,900	84
Arrow Electronics, Inc.(Æ)(Ð)	3,610	306
Asure Software, Inc.(Æ)	14,875	122
Avaya Holdings Corp.(Æ)	12,149	164
Avid Technology, Inc.(Æ)(Ð)	4,200	36
Avnet, Inc.(Û)	5,930	252
AVX Corp.	3,822	78
Bel Fuse, Inc. Class B	2,045	42
Benchmark Electronics, Inc.	13,489	463
Blackbaud, Inc.	1,126	90
Bottomline Technologies, Inc.(Æ)(Û)	1,780	95
Box, Inc. Class A(Æ)	24,048	404
Calix, Inc.(Æ)	6,600	53
Cars.com, Inc.(Æ)	18,136	222
Casa Systems, Inc.(Æ)	6,261	26
Cerence, Inc.(Æ)	164	4
ChannelAdvisor Corp.(Æ)	1,500	14
Cirrus Logic, Inc.(Æ)(Û)	8,044	663
Coherent, Inc.(Æ)	1,397	232
CommVault Systems, Inc.(Æ)	7,495	335
comScore, Inc.(Æ)(Ð)	9,300	46
Conduent, Inc.(Æ)	21,089	131
DASAN Zhone Solutions, Inc.(Æ)	1,900	17
Diebold Nixdorf, Inc.(Æ)	70,460	744
Donnelley Financial Solutions, Inc.(Æ)(Ð)	6,400	67
Dropbox, Inc. Class A(Æ)(Ð)	6,772	121
DSP Group, Inc.(Æ)(Û)	10,652	167

Amounts in thousands *(except share amounts)*

	Principal Amount ($) or Shares	Fair Value $
EMCORE Corp.(Æ)(Û)	3,700	11
Endava PLC - ADR(Æ)	7,670	357
F5 Networks, Inc.(Æ)	360	50
Fabrinet(Æ)	1,365	89
FireEye, Inc.(Æ)	3,670	61
Glu Mobile, Inc.(Æ)(Ð)	3,400	21
Harmonic, Inc.(Æ)(Ð)	4,280	33
HC2 Holdings, Inc.(Æ)	2,200	5
Infinera Corp.(Æ)(Ð)	12,679	101
Insight Enterprises, Inc.(Æ)	2,603	183
InterDigital, Inc.	1,397	76
Intevac, Inc.(Æ)	300	2
iRobot Corp.(Æ)(Ñ)	1,986	101
Jabil Circuit, Inc.	5,830	241
Juniper Networks, Inc.(Û)	7,758	191
Kemet Corp.	3,015	82
Kimball Electronics, Inc.(Æ)	42,933	753
Liberty Latin America, Ltd. Class C(Æ)(Ð)	8,400	163
LiveRamp Holdings, Inc.(Æ)	1,715	82
LogMeIn, Inc.	2,594	222
ManTech International Corp. Class A	1,829	146
Maxar Technologies, Inc.	17,613	276
Meet Group, Inc.(Æ)	6,900	35
Mercury Systems, Inc.(Æ)	4,881	337
MicroStrategy, Inc. Class A(Æ)	3,952	563
Mimecast, Ltd.(Æ)	11,836	513
MiX Telematics, Ltd. - ADR	7,973	103
MobileIron, Inc.(Æ)	17,400	85
Model N, Inc.(Æ)	14,114	495
NAPCO Security Technologies, Inc.(Æ)	42,882	1,261
NeoPhotonics Corp.(Æ)	26,510	234
NETGEAR, Inc.(Æ)(Ð)	8,341	204
NetScout Systems, Inc.(Æ)	15,218	367
Nuance Communications, Inc.(Æ)(Ð)	11,100	198
NVE Corp.	10,343	738
OneSpan, Inc.(Æ)	41,054	703
Ooma, Inc.(Æ)	21,657	286
PC Connection, Inc.	1,489	74
Pegasystems, Inc.	12,561	1,000
Perspecta, Inc.	31,966	845
Pixelworks, Inc.(Æ)	8,000	31
Plantronics, Inc.	10,726	293
PlayAGS, Inc.(Æ)	4,500	55
Plexus Corp.(Æ)	1,580	122
Power Integrations, Inc.	2,262	224
Progress Software Corp.	2,170	90
QAD, Inc. Class A	22,849	1,164
Qualys, Inc.(Æ)(Ñ)	8,669	723
Ribbon Communications, Inc.(Æ)	6,300	20
SailPoint Technologies Holding, Inc.(Æ)	2,081	49
Sanmina Corp.(Æ)	2,895	99
ScanSource, Inc.(Æ)	3,497	129
Seachange International, Inc.(Æ)	3,015	13
Silicon Laboratories, Inc.(Æ)	4,332	502
Simulations Plus, Inc.	24,993	727
Sitime Corp.(Æ)	9,517	243
Sonos, Inc.(Æ)(Ð)	5,763	90

See accompanying notes which are an integral part of the financial statements.

Russell Investment Funds
U.S. Small Cap Equity Fund

Schedule of Investments, continued — December 31, 2019

Amounts in thousands *(except share amounts)*

	Principal Amount ($) or Shares	Fair Value $
Stratasys, Ltd.(Æ)	2,500	51
Synaptics, Inc.(Æ)(Ð)	4,342	286
Synchronoss Technologies, Inc.(Æ)(Ð)	9,600	46
SYNNEX Corp.	2,212	285
Tech Data Corp.(Æ)	2,037	293
TeleNav, Inc.(Æ)(Ð)	6,200	30
Tenable Holdings, Inc.(Æ)	1,382	33
TrueCar, Inc.(Æ)	22,500	107
Unisys Corp.(Æ)	31,743	376
Universal Display Corp.	620	128
Varonis Systems, Inc.(Æ)(Ð)	550	43
Veeco Instruments, Inc.(Æ)(Ð)	7,500	110
Vishay Intertechnology, Inc.	5,859	125
Workiva, Inc.(Æ)	14,261	599
Yelp, Inc. Class A(Æ)	1,740	61
Zix Corp.(Æ)	95,703	649
		25,541
Utilities - 5.2%		
Allete, Inc.	5,368	436
American States Water Co.	3,367	292
Atlantic Power Corp.(Æ)	50,729	118
ATN International, Inc.(Æ)	1,210	67
Avista Corp.	13,534	650
Black Hills Corp.	3,200	251
Bonanza Creek Energy, Inc.(Æ)	1,545	36
Brigham Minerals, Inc. Class A	24,658	529
Chesapeake Utilities Corp.	830	80
Clearway Energy, Inc.(Æ)	2,565	49
Cogent Communications Holdings, Inc.	9,913	653
Earthstone Energy, Inc. Class A(Æ)	36,466	231
El Paso Electric Co.	1,438	98
GCI Liberty, Inc. Class A(Æ)	8,409	596
Gogo, Inc.(Æ)(Ð)	8,874	57
HighPoint Resources Corp.(Æ)	413,136	698
j2 Global, Inc.	2,104	197
Mammoth Energy Services, Inc.	50,133	110
MDU Resources Group, Inc.	51,249	1,523
MGE Energy, Inc.	908	72
Montage Resources Corp.(Æ)	12,560	100
New Jersey Resources Corp.	6,342	283
Northwest Natural Holding Co.	1,840	136
NorthWestern Corp.	5,545	397
NRG Energy, Inc.(Ð)	6,470	257
ONE Gas, Inc.(Û)	5,039	471
Orbcomm, Inc.(Æ)	12,083	51
Pinnacle West Capital Corp.(Ð)	3,040	273
Plains GP Holdings, LP Class A(Æ)	1,100	21
PNM Resources, Inc.	1,671	85
Portland General Electric Co.	13,719	765
Rosehill Resources, Inc. Class A(Æ)	25,142	32
South Jersey Industries, Inc.	20,254	668
Southwest Gas Holdings, Inc.	5,583	425
Spire, Inc.	2,162	180
Spok Holdings, Inc.	4,328	53
Talos Energy, Inc.(Æ)	2,500	75
Unitil Corp.	2,154	133

Amounts in thousands *(except share amounts)*

	Principal Amount ($) or Shares	Fair Value $
Vistra Energy Corp.	29,221	672
		11,820
Total Common Stocks		
(cost $205,184)		229,072
Short-Term Investments - 3.7%		
U.S. Cash Management Fund(@)	8,454,252(∞)	8,457
Total Short-Term Investments		
(cost $8,457)		8,457
Other Securities - 6.8%		
U.S. Cash Collateral Fund(×)(@)	15,524,476(∞)	15,524
Total Other Securities		
(cost $15,524)		15,524
Total Investments 111.0%		
(identified cost $229,165)		253,053
Securities Sold Short - (4.3)%		
Consumer Discretionary - (0.9)%		
1-800-Flowers.com, Inc. Class A(Æ)	(3,600)	(52)
At Home Group, Inc.(Æ)	(4,033)	(22)
Buckle, Inc. (The)	(1,100)	(30)
Caleres, Inc.	(2,000)	(48)
Carvana Co.(Æ)	(190)	(17)
Century Communities, Inc.(Æ)	(3,215)	(88)
Dorman Products, Inc.(Æ)	(660)	(50)
Fox Factory Holding Corp.(Æ)	(1,237)	(86)
Gap, Inc. (The)	(2,840)	(50)
G-III Apparel Group, Ltd.(Æ)	(4,130)	(138)
Gray Television, Inc.(Æ)	(3,400)	(73)
Hanesbrands, Inc.	(417)	(6)
Harley-Davidson, Inc.	(1,260)	(47)
Leggett & Platt, Inc.	(3,670)	(187)
LGI Homes, Inc.(Æ)	(1,090)	(77)
Lifetime Brands, Inc.	(400)	(3)
Lovesac Co. (The)(Æ)	(400)	(6)
Marriott Vacations Worldwide Corp.	(770)	(99)
Michaels Cos., Inc. (The)(Æ)	(10,400)	(84)
Monro Muffler Brake, Inc.	(1,020)	(80)
Movado Group, Inc.	(4,600)	(100)
Party City Holdco, Inc.(Æ)	(32,546)	(76)
Penn National Gaming, Inc.(Æ)	(700)	(18)
PetIQ, Inc.(Æ)	(2,000)	(50)
PriceSmart, Inc.	(1,632)	(116)
SEACOR Marine Holdings, Inc.(Æ)	(400)	(6)
Sinclair Broadcast Group, Inc. Class A	(682)	(23)
Strategic Education, Inc.(Æ)	(590)	(94)
Tenneco, Inc. Class A	(2,800)	(37)
Thor Industries, Inc.	(2,760)	(205)

See accompanying notes which are an integral part of the financial statements.

Russell Investment Funds
U.S. Small Cap Equity Fund

Schedule of Investments, continued — December 31, 2019

Amounts in thousands *(except share amounts)*

	Principal Amount ($) or Shares	Fair Value $
Vince Holding Corp.(Æ)	(300)	(5)
Winnebago Industries, Inc.	(2,530)	(134)
		(2,107)
Consumer Staples - (0.1)%		
Energizer Holdings, Inc.	(3,690)	(185)
Limoneira Co.	(1,100)	(21)
Simply Good Foods Co. (The)(Æ)	(2,573)	(73)
		(279)
Energy - (0.3)%		
Abraxas Petroleum Corp.(Æ)	(47,995)	(17)
Advanced Emissions Solutions, Inc.	(3,622)	(38)
Antero Resources Corp.(Æ)	(17,200)	(49)
Callon Petroleum Co.(Æ)	(10,200)	(49)
Clean Energy Fuels Corp.(Æ)	(3,483)	(8)
Contango Oil & Gas Co.(Æ)	(700)	(3)
Diamond Offshore Drilling, Inc.(Æ)	(4,400)	(32)
Gulfport Energy Corp.(Æ)	(26,421)	(80)
Laredo Petroleum, Inc.(Æ)	(16,500)	(47)
Nine Energy Service, Inc.(Æ)	(5,200)	(41)
Northern Oil and Gas, Inc.(Æ)	(3,000)	(7)
Oil States International, Inc.(Æ)	(1,000)	(16)
Profire Energy, Inc.(Æ)	(1,000)	(1)
ProPetro Holding Corp.(Æ)	(6,100)	(69)
Range Resources Corp.	(13,900)	(67)
Ring Energy, Inc.(Æ)	(9,000)	(24)
Select Energy Services, Inc. Class A(Æ)	(2,800)	(26)
Solaris Oilfield Infrastructure, Inc. Class A	(4,942)	(69)
TerraForm Power, Inc. Class A	(1,647)	(25)
Unit Corp.(Æ)	(8,041)	(6)
US Silica Holdings, Inc.	(5,300)	(33)
US Well Services, Inc.(Æ)	(1,100)	(2)
		(709)
Financial Services - (1.1)%		
AGNC Investment Corp.(Æ)	(10,100)	(179)
Allegiance Bancshares, Inc.	(1,100)	(41)
Apollo Commercial Real Estate Finance, Inc.(ö)	(3,300)	(60)
Arbor Realty Trust, Inc.(ö)	(10,400)	(149)
Cannae Holdings, Inc.(Æ)	(2,159)	(80)
CBL & Associates Properties, Inc.(ö)	(27,900)	(29)
Cherry Hill Mortgage Investment Corp.(ö)	(2,460)	(36)
Chimera Investment Corp.(ö)	(7,700)	(158)
Colony Credit Real Estate, Inc.(ö)	(1,200)	(16)
eHealth, Inc.(Æ)	(190)	(18)
Encore Capital Group, Inc.(Æ)	(1,401)	(50)
First Financial Bancorp	(4,300)	(109)
Granite Point Mortgage Trust, Inc.(ö)	(3,300)	(61)
Hannon Armstrong Sustainable Infrastructure Capital, Inc.(ö)	(2,320)	(75)
Helios Technologies, Inc.(Æ)	(750)	(35)

Amounts in thousands *(except share amounts)*

	Principal Amount ($) or Shares	Fair Value $
I3 Verticals, Inc. Class A(Æ)	(646)	(18)
Jernigan Capital, Inc.(ö)	(800)	(15)
Legacy Housing Corp.(Æ)	(300)	(5)
MBIA, Inc.(Æ)	(6,200)	(58)
Moelis & Co. Class A	(1,100)	(35)
New Residential Investment Corp.(ö)	(10,900)	(176)
New York Mortgage Trust, Inc.(ö)	(15,900)	(99)
Newmark Group, Inc. Class A	(6,500)	(87)
Ocwen Financial Corp.(Æ)	(2,825)	(4)
Office Properties Income Trust(ö)	(2,570)	(83)
Pebblebrook Hotel Trust(ö)	(6,250)	(168)
PennyMac Mortgage Investment Trust(ö)	(7,200)	(160)
Potlatch Corp.(ö)	(3,950)	(171)
Ready Capital Corp.(Æ)	(1,000)	(15)
Redwood Trust, Inc.(ö)	(5,100)	(84)
Target Hospitality Corp. Class A(Æ)	(1,556)	(8)
Two Harbors Investment Corp.(ö)	(5,100)	(75)
Veritex Holdings, Inc.	(2,000)	(58)
Victory Capital Holdings, Inc. Class A	(1,000)	(21)
Virtu Financial, Inc. Class A	(4,400)	(70)
Western Asset Mortgage Capital Corp.(ö)	(954)	(10)
		(2,516)
Health Care - (0.6)%		
Acadia Pharmaceuticals, Inc.(Æ)	(560)	(24)
ADMA Biologics, Inc.(Æ)	(3,100)	(12)
Alphatec Holdings, Inc.(Æ)	(1,000)	(7)
Anika Therapeutics, Inc.(Æ)	(740)	(38)
Arena Pharmaceuticals, Inc.(Æ)	(2,667)	(121)
Arrowhead Pharmaceuticals, Inc.(Æ)	(290)	(18)
Axonics Modulation Technologies, Inc.(Æ)	(400)	(11)
BioDelivery Sciences International, Inc.(Æ)	(4,900)	(31)
Bio-Rad Laboratories, Inc. Class A(Æ)	(514)	(190)
Bio-Techne Corp.(Æ)	(370)	(81)
Capital Senior Living Corp.(Æ)	(1,600)	(5)
CareDx, Inc.(Æ)	(400)	(9)
CASI Pharmaceuticals, Inc.(Æ)	(700)	(2)
Catalent, Inc.(Æ)	(1,560)	(88)
Deciphera Pharmaceuticals, Inc.(Æ)	(190)	(12)
Emergent BioSolutions, Inc.(Æ)	(1,580)	(85)
Geron Corp.(Æ)	(12,029)	(16)
Global Blood Therapeutics, Inc.(Æ)	(106)	(8)
Guardant Health, Inc.(Æ)	(100)	(8)
iRhythm Technologies, Inc.(Æ)	(500)	(34)
Kodiak Sciences, Inc.(Æ)	(121)	(9)
Krystal Biotech, Inc.(Æ)	(550)	(30)
LHC Group, Inc.(Æ)	(710)	(98)
Ligand Pharmaceuticals, Inc. Class B(Æ)	(1,470)	(153)
MannKind Corp.(Æ)	(3,300)	(4)
Matinas BioPharma Holdings, Inc.(Æ)	(4,500)	(10)

See accompanying notes which are an integral part of the financial statements.

Russell Investment Funds
U.S. Small Cap Equity Fund

Schedule of Investments, continued — December 31, 2019

Amounts in thousands *(except share amounts)*

	Principal Amount ($) or Shares	Fair Value $
NeoGenomics, Inc.(Æ)	(1,900)	(56)
OncoCyte Corp.(Æ)	(4,164)	(9)
Principia Biopharma, Inc.(Æ)	(285)	(16)
Quanterix Corp.(Æ)	(800)	(19)
REGENXBIO, Inc.(Æ)	(170)	(7)
Repligen Corp.(Æ)	(1,010)	(93)
Sientra, Inc.(Æ)	(1,000)	(9)
Tabula Rasa HealthCare, Inc.(Æ)	(920)	(45)
Teladoc Health, Inc.(Æ)	(710)	(59)
ViewRay, Inc.(Æ)	(2,500)	(11)
		(1,428)
Materials and Processing - (0.2)%		
Coeur Mining, Inc.(Æ)	(3,100)	(25)
Cornerstone Building Brands, Inc.(Æ)	(6,300)	(54)
Covia Holdings Corp.(Æ)	(3,600)	(7)
Griffon Corp.	(1,800)	(37)
Hecla Mining Co.	(33,000)	(112)
Livent Corp.(Æ)	(2,400)	(21)
NN, Inc.	(3,800)	(35)
Quaker Chemical Corp.	(90)	(15)
Universal Forest Products, Inc.	(500)	(24)
Universal Stainless & Alloy Products, Inc.(Æ)	(1,900)	(28)
Uranium Energy Corp.(Æ)	(16,491)	(15)
		(373)
Producer Durables - (0.3)%		
Altra Industrial Motion Corp.	(2,940)	(106)
Aqua Metals, Inc.(Æ)	(2,100)	(2)
Coda Octopus Group, Inc.(Æ)	(1,000)	(8)
Concrete Pumping Holdings, Inc.(Æ)	(2,700)	(15)
Construction Partners, Inc. Class A(Æ)	(3,800)	(64)
DMC Global, Inc.(Æ)	(498)	(22)
ESCO Technologies, Inc.	(590)	(55)
Federal Signal Corp.	(800)	(26)
Iteris, Inc.(Æ)	(3,800)	(19)
Knight-Swift Transportation Holdings, Inc. (Æ)	(1,100)	(39)
Stericycle, Inc.(Æ)	(1,700)	(108)
Teledyne Technologies, Inc.(Æ)	(240)	(83)
Willdan Group, Inc.(Æ)	(830)	(26)
		(573)
Technology - (0.7)%		
Adesto Technologies Corp.(Æ)	(1,800)	(15)
Altair Engineering, Inc. Class A(Æ)	(2,390)	(86)
Alteryx, Inc. Class A(Æ)	(370)	(37)
Anterix Inc.(Æ)	(550)	(24)
Blackline, Inc.(Æ)	(660)	(34)
Brooks Automation, Inc.	(1,200)	(50)
Calyxt, Inc.(Æ)	(1,688)	(12)
Cohu, Inc.	(3,100)	(71)

Amounts in thousands *(except share amounts)*

	Principal Amount ($) or Shares	Fair Value $
CommScope Holding Co., Inc.(Æ)	(6,040)	(86)
CTS Corp.	(1,012)	(30)
Digimarc Corp.(Æ)	(470)	(16)
Diodes, Inc.(Æ)	(1,840)	(104)
Envestnet, Inc.(Æ)	(1,300)	(91)
FormFactor, Inc.(Æ)	(562)	(15)
II-VI, Inc.(Æ)	(5,683)	(191)
Immersion Corp.(Æ)	(9,200)	(68)
IPG Photonics Corp.(Æ)	(170)	(25)
Lumentum Holdings, Inc. Class E(Æ)	(494)	(39)
Match Group, Inc.(Æ)	(550)	(45)
MongoDB, Inc.(Æ)	(196)	(26)
NAPCO Security Technologies, Inc.(Æ)	(3,150)	(93)
Onto Innovation, Inc.(Æ)	(1,930)	(71)
Science Applications International Corp.	(1,010)	(88)
Switch, Inc. Class A	(1,800)	(27)
SYNNEX Corp.	(154)	(20)
TTM Technologies, Inc.(Æ)	(6,300)	(95)
Ultra Clean Holdings(Æ)	(4,900)	(115)
Upland Software, Inc.(Æ)	(750)	(27)
Verra Mobility Corp.(Æ)	(2,700)	(38)
Zix Corp.(Æ)	(8,200)	(56)
		(1,695)
Utilities - (0.1)%		
Chaparral Energy, Inc. Class A(Æ)	(9,000)	(16)
Globalstar, Inc.(Æ)	(10,629)	(6)
HighPoint Resources Corp.(Æ)	(13,700)	(23)
Montage Resources Corp.(Æ)	(3,600)	(29)
New Fortress Energy LLC(Æ)	(1,000)	(16)
SilverBow Resources, Inc.(Æ)	(1,292)	(13)
		(103)
Total Securities Sold Short		
(proceeds $9,293)		(9,783)
Other Assets and Liabilities, Net - (6.7%)		(15,371)
Net Assets - 100.0%		227,899

See accompanying notes which are an integral part of the financial statements.

Russell Investment Funds
U.S. Small Cap Equity Fund

Schedule of Investments, continued — December 31, 2019

Restricted Securities

Amounts in thousands *(except share and cost per unit amounts)*

% of Net Assets Securities	Acquisition Date	Principal Amount ($) or shares	Cost per Unit $	Cost (000) $	Fair Value (000) $
0.0%					
JER Investment Trust, Inc.	05/27/04	1,771	82.03	145	—
					—

For a description of restricted securities see note 7 in the Notes to Financial Statements.

Futures Contracts

Amounts in thousands *(except contract amounts)*

	Number of Contracts		Notional Amount	Expiration Date	Value and Unrealized Appreciation (Depreciation) $
Long Positions					
Russell 2000 E-Mini Index Futures	97	USD	8,102	03/20	97
Total Value and Unrealized Appreciation (Depreciation) on Open Futures Contracts (â)					97

Presentation of Portfolio Holdings

Amounts in thousands

	Fair Value					
Portfolio Summary	Level 1	Level 2	Level 3	Practical Expedient (a)	Total	% of Net Assets
Common Stocks						
Consumer Discretionary	$ 28,764	$ —	$ —	$ —	$ 28,764	12.6
Consumer Staples	7,084	—	—	—	7,084	3.1
Energy	8,285	—	—	—	8,285	3.6
Financial Services	59,170	—	—	—	59,170	26.0
Health Care	32,875	—	—	—	32,875	14.4
Materials and Processing	16,116	—	—	—	16,116	7.1
Producer Durables	39,417	—	—	—	39,417	17.3
Technology	25,541	—	—	—	25,541	11.2
Utilities	11,820	—	—	—	11,820	5.2
Short-Term Investments	—	—	—	8,457	8,457	3.7
Other Securities	—	—	—	15,524	15,524	6.8
Total Investments	229,072	—	—	23,981	253,053	111.0
Securities Sold Short***	(9,783)	—	—	—	(9,783)	(4.3)
Other Assets and Liabilities, Net						(6.7)
						100.0
Other Financial Instruments						
Assets						
Futures Contracts	97	—	—	—	97	—*
Total Other Financial Instruments**	$ 97	$ —	$ —	$ —	$ 97	

See accompanying notes which are an integral part of the financial statements.

Russell Investment Funds
U.S. Small Cap Equity Fund

Schedule of Investments, continued — December 31, 2019

* Less than 0.05% of net assets.
** Futures and foreign currency exchange contract values reflect the unrealized appreciation (depreciation) on the investments.
*** Refer to Schedule of Investments for detailed sector breakout.
(a) Certain investments that are measured at fair value using the net asset value per share (or its equivalent) practical expedient have not been classified in the fair value levels. The fair value amounts presented in the table are intended to permit reconciliation to the amounts presented in the Schedule of Investments.

For a description of the Levels, see note 2 in the Notes to Financial Statements.
For a disclosure on transfers between Levels 1, 2 and 3 during the period ended December 31, 2019, see note 2 in the Notes to Financial Statements.
Investments in which significant unobservable inputs (Level 3) were used in determining a fair value for the period ended December 31, 2019, were less than 1% of net assets.

Russell Investment Funds
U.S. Small Cap Equity Fund

Fair Value of Derivative Instruments — December 31, 2019

Amounts in thousands

Derivatives not accounted for as hedging instruments	Equity Contracts
Location: Statement of Assets and Liabilities - Assets	
Variation margin on futures contracts*	$ 97

Derivatives not accounted for as hedging instruments	Equity Contracts
Location: Statement of Operations - Net realized gain (loss)	
Futures contracts	$ 970
Location: Statement of Operations - Net change in unrealized appreciation (depreciation)	
Futures contracts	$ 213

* Includes cumulative appreciation/depreciation of futures contracts as reported in the Schedule of Investments. Only variation margin is reported within the Statement of Assets and Liabilities.

For further disclosure on derivatives see note 2 in the Notes to Financial Statements.

See accompanying notes which are an integral part of the financial statements.

Russell Investment Funds
U.S. Small Cap Equity Fund
Balance Sheet Offsetting of Financial and Derivative Instruments — December 31, 2019

Amounts in thousands

Offsetting of Financial Assets and Derivative Assets

Description	Location: Statement of Assets and Liabilities - Assets	Gross Amounts of Recognized Assets	Gross Amounts Offset in the Statement of Assets and Liabilities	Net Amounts of Assets Presented in the Statement of Assets and Liabilities
Securities on Loan*	Investments, at fair value	$ 15,190	$ —	$ 15,190
Total Financial and Derivative Assets		15,190	—	15,190
Financial and Derivative Assets not subject to a netting agreement		—	—	—
Total Financial and Derivative Assets subject to a netting agreement		$ 15,190	$ —	$ 15,190

Financial Assets, Derivative Assets, and Collateral Held by Counterparty

Counterparty	Net Amounts of Assets Presented in the Statement of Assets and Liabilities	Gross Amounts Not Offset in the Statement of Assets and Liabilities: Financial and Derivative Instruments	Gross Amounts Not Offset in the Statement of Assets and Liabilities: Collateral Received^	Net Amount
Barclays	$ 115	$ —	$ 115	$ —
Citigroup	984	—	984	—
Credit Suisse	62	—	62	—
Fidelity	4,161	—	4,161	—
JPMorgan Chase	2,348	—	2,348	—
Merrill Lynch	2,155	—	2,155	—
Morgan Stanley	5,365	—	5,365	—
Total	$ 15,190	$ —	$ 15,190	$ —

See accompanying notes which are an integral part of the financial statements.

Russell Investment Funds
U.S. Small Cap Equity Fund
Balance Sheet Offsetting of Financial and Derivative Instruments, continued — December 31, 2019

Amounts in thousands

Offsetting of Financial Liabilities and Derivative Liabilities

Description	Location: Statement of Assets and Liabilities - Liabilities	Gross Amounts of Recognized Liabilities	Gross Amounts Offset in the Statement of Assets and Liabilities	Net Amounts of Liabilities Presented in the Statement of Assets and Liabilities
Short Sales	Securities sold short, at fair value	$ 9,783	$ —	$ 9,783
Total Financial and Derivative Liabilities		9,783	—	9,783
Financial and Derivative Liabilities not subject to a netting agreement		—	—	—
Total Financial and Derivative Liabilities subject to a netting agreement		$ 9,783	$ —	$ 9,783

Financial Liabilities, Derivative Liabilities, and Collateral Pledged by Counterparty

		Gross Amounts Not Offset in the Statement of Assets and Liabilities		
Counterparty	Net Amounts of Liabilities Presented in the Statement of Assets and Liabilities	Financial and Derivative Instruments	Collateral Pledged^	Net Amount
State Street	$ 9,783	$ —	$ 9,783	$ —
Total	$ 9,783	$ —	$ 9,783	$ —

* Fair value of securities on loan as reported in the footnotes to the Statement of Assets and Liabilities.

^ Collateral received or pledged amounts may not reconcile to those disclosed in the Statement of Assets and Liabilities due to the inclusion of off-Balance Sheet collateral and adjustments made to exclude overcollateralization.

For further disclosure on derivatives and counterparty risk see note 2 in the Notes to Financial Statements.

See accompanying notes which are an integral part of the financial statements.

Russell Investment Funds
U.S. Small Cap Equity Fund

Statement of Assets and Liabilities — December 31, 2019

Amounts in thousands

Assets		
Investments, at identified cost	$	229,165
Investments, at fair value(*)(>)		253,053
Receivables:		
Dividends and interest		242
Dividends from affiliated funds		13
Investments sold		188
From broker(a)		205
Variation margin on futures contracts		97
Total assets		253,798
Liabilities		
Payables:		
Investments purchased		92
Fund shares redeemed		218
Accrued fees to affiliates		184
Other accrued expenses		98
Securities sold short, at fair value(‡)		9,783
Payable upon return of securities loaned		15,524
Total liabilities		25,899
Net Assets	$	227,899

See accompanying notes which are an integral part of the financial statements.

Russell Investment Funds
U.S. Small Cap Equity Fund

Statement of Assets and Liabilities, continued — December 31, 2019

Amounts in thousands

Net Assets Consist of:		
Total distributable earnings (losses)	$	24,001
Shares of beneficial interest		159
Additional paid-in capital		203,739
Net Assets	$	227,899

Net Asset Value, offering and redemption price per share:		
Net asset value per share: (#)	$	14.30
Net assets	$	227,898,550
Shares outstanding ($.01 par value)		15,941,692

Amounts in thousands

(*)	Securities on loan included in investments	$	15,190
(‡)	Proceeds on securities sold short	$	9,293
(>)	Investments in affiliates, U.S. Cash Management Fund and U.S. Cash Collateral Fund	$	23,981

(a)	Receivable from Broker for Futures	$	205

(#) Net asset value per share equals net assets divided by shares of beneficial interest outstanding.

See accompanying notes which are an integral part of the financial statements.

Russell Investment Funds
U.S. Small Cap Equity Fund

Statement of Operations — For the Period Ended December 31, 2019

Amounts in thousands

Investment Income		
Dividends	$	3,173
Dividends from affiliated funds		172
Securities lending income (net)		105
Total investment income		3,450
Expenses		
Advisory fees		2,033
Administrative fees		113
Custodian fees		132
Transfer agent fees		10
Professional fees		83
Trustees' fees		9
Printing fees		34
Dividends from securities sold short		201
Interest expense paid on securities sold short		56
Miscellaneous		17
Total expenses		2,688
Net investment income (loss)		762
Net Realized and Unrealized Gain (Loss)		
Net realized gain (loss) on:		
Investments		12,396
Investments in affiliated funds		4
Futures contracts		970
Securities sold short		307
Net realized gain (loss)		13,677
Net change in unrealized appreciation (depreciation) on:		
Investments		31,787
Futures contracts		213
Securities sold short		(490)
Net change in unrealized appreciation (depreciation)		31,510
Net realized and unrealized gain (loss)		45,187
Net Increase (Decrease) in Net Assets from Operations	$	45,949

See accompanying notes which are an integral part of the financial statements.

Russell Investment Funds
U.S. Small Cap Equity Fund

Statements of Changes in Net Assets

Amounts in thousands	For the Periods Ended December 31, 2019	2018
Increase (Decrease) in Net Assets		
Operations		
Net investment income (loss)	$ 762	$ 1,128
Net realized gain (loss)	13,677	13,506
Net change in unrealized appreciation (depreciation)	31,510	(41,214)
Net increase (decrease) in net assets from operations	45,949	(26,580)
Distributions		
To shareholders	(4,653)	(40,853)
Net decrease in net assets from distributions	(4,653)	(40,853)
Share Transactions*		
Net increase (decrease) in net assets from share transactions	(17,887)	17,069
Total Net Increase (Decrease) in Net Assets	23,409	(50,364)
Net Assets		
Beginning of period	204,490	254,854
End of period	$ 227,899	$ 204,490

* Share transaction amounts (in thousands) for the periods ended December 31, 2019 and December 31, 2018 were as follows:

	2019		2018	
	Shares	Dollars	Shares	Dollars
Proceeds from shares sold	579	$ 7,812	420	$ 6,505
Proceeds from reinvestment of distributions	326	4,653	3,169	40,853
Payments for shares redeemed	(2,208)	(30,352)	(1,883)	(30,289)
Total increase (decrease)	(1,303)	$ (17,887)	1,706	$ 17,069

See accompanying notes which are an integral part of the financial statements.

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Russell Investment Funds
U.S. Small Cap Equity Fund

Financial Highlights — For the Periods Ended

For a Share Outstanding Throughout Each Period.

	$ Net Asset Value, Beginning of Period	$ Net Investment Income (Loss) (a)(b)	$ Net Realized and Unrealized Gain (Loss)	$ Total from Investment Operations	$ Distributions from Net Investment Income	$ Distributions from Net Realized Gain	$ Return of Capital
December 31, 2019	11.86	.05	2.68	2.73	(.07)	(.22)	—
December 31, 2018	16.40	.07	(1.94)	(1.87)	(.08)	(2.59)	—
December 31, 2017	15.21	.03	2.33	2.36	(.03)	(1.14)	—
December 31, 2016	12.93	.10	2.30	2.40	(.10)	(.01)	(.01)
December 31, 2015	15.51	.09	(1.19)	(1.10)	(.10)	(1.38)	—

See accompanying notes which are an integral part of the financial statements.

$ Total Distributions	$ Net Asset Value, End of Period	% Total Return(d)	$ Net Assets, End of Period (000)	% Ratio of Expenses to Average Net Assets, Gross(e)	% Ratio of Expenses to Average Net Assets, Net(b)(e)	% Ratio of Net Investment Income to Average Net Assets(b)	% Portfolio Turnover Rate
(.29)	14.30	23.07	227,899	1.19	1.19	.34	127
(2.67)	11.86	(11.97)	204,490	1.04	1.04	.45	80
(1.17)	16.40	15.48	254,854	1.03	1.03	.17	135
(.12)	15.21	18.66	228,715	1.03	1.03	.76	106
(1.48)	12.93	(7.19)	218,063	1.06	1.04	.61	138

See accompanying notes which are an integral part of the financial statements.

Russell Investment Funds
U.S. Small Cap Equity Fund

Related Party Transactions, Fees and Expenses

Accrued fees payable to affiliates for the period ended December 31, 2019 were as follows:

Advisory fees	$ 172,774
Administration fees	9,599
Transfer agent fees	845
Trustee fees	907
	$ 184,125

Transactions (amounts in thousands) during the period ended December 31, 2019 with Underlying Funds which are, or were, an affiliated company are as follows:

	Fair Value, Beginning of Period	Purchases	Sales	Realized Gain (Loss)	Change in Unrealized Gain (Loss)	Fair Value, End of Period	Income Distributions	Capital Gains Distributions
U.S. Cash Management Fund	$ 9,000	$ 50,373	$ 50,920	$ 4	$ —	$ 8,457	$ 172	$ —
U.S. Cash Collateral Fund	7,689	72,397	64,562	—	—	15,524	296	$ —
	$ 16,689	$ 122,770	$ 115,482	$ 4	$ —	$ 23,981	$ 468	$ —

Federal Income Taxes

At December 31, 2019, the cost of investments and net unrealized appreciation (depreciation), undistributed ordinary income and undistributed long-term capital gains for income tax purposes were as follows:

Cost of Investments	Unrealized Appreciation	Unrealized Depreciation	Net Unrealized Appreciation (Depreciation)	Undistributed Ordinary Income	Undistributed Long-Term Capital Gains (Capital Loss Carryforward)
$ 233,455,222	$ 25,684,516	$ (6,086,434)	$ 19,598,082	$ —	$ 4,892,231

For the fiscal years ended December 31, 2019 and December 31, 2018 respectively, the Fund made the following tax basis distributions:

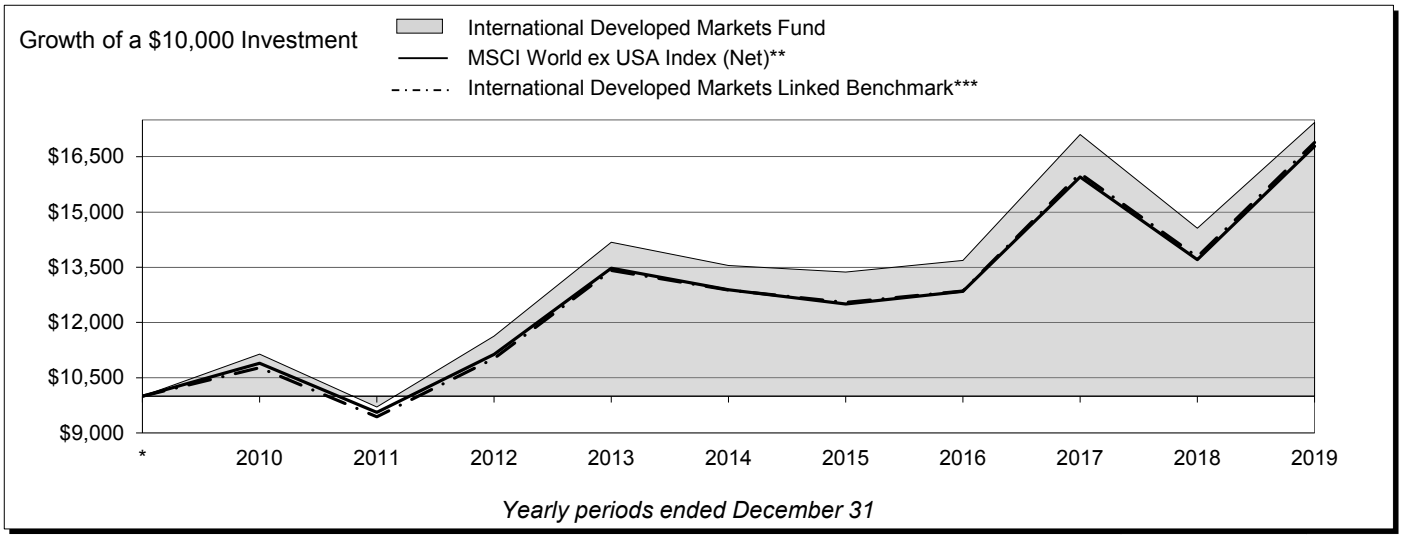
December 31, 2019			December 31, 2018		
Ordinary Income Distributions	Long-Term Capital Gain Distributions	Return of Capital	Ordinary Income Distributions	Long-Term Capital Gain Distributions	Return of Capital
$ 1,244,022	$ 3,409,094	$ —	$ 11,168,845	$ 29,683,414	$ —

Net investment income and net realized gains (losses) in the financial statements may differ from taxable net investment income and net realized gains (losses). Capital accounts within the financial statements are adjusted for permanent book-tax differences. Book-tax differences are primarily due to foreign currency gains and losses, reclassifications of dividends, differences in treatment of income from swaps, net operating losses, investments in partnerships, investments in passive foreign investment companies (PFICs), tax straddle transaction, use of tax equalization and foreign capital gains taxes. These adjustments have no impact on the net assets. At December 31, 2019, there were no adjustments to the Statement of Assets and Liabilities.

See accompanying notes which are an integral part of the financial statements.

Russell Investment Funds
International Developed Markets Fund

Portfolio Management Discussion and Analysis — December 31, 2019 (Unaudited)



International Developed Markets Fund	Total Return
1 Year	19.72%
5 Years	5.17%§
10 Years	5.71%§

MSCI World ex USA Index (Net)**	Total Return
1 Year	22.49%
5 Years	5.42%§
10 Years	5.32%§

International Developed Markets Linked Benchmark***	Total Return
1 Year	22.49%
5 Years	5.57%§
10 Years	5.38%§

Russell Investment Funds
International Developed Markets Fund

Portfolio Management Discussion and Analysis, continued — December 31, 2019 (Unaudited)

International Developed Markets Fund (the "Fund") employs a multi-manager approach whereby Russell Investment Management, LLC ("RIM") manages a portion of the Fund's assets based upon model portfolios provided by multiple non-discretionary money managers. The Fund's money managers have non-discretionary assignments pursuant to which they provide a model portfolio to RIM representing their investment recommendations, based upon which RIM purchases and sells securities for the Fund. RIM also manages the portion of the Fund's assets that RIM determines not to manage based upon model portfolios provided by the Fund's money managers. RIM may change the allocation of the Fund's assets at any time. An exemptive order from the Securities and Exchange Commission ("SEC") permits RIM to engage or terminate a money manager at any time, subject to approval by the Fund's Board, without a shareholder vote. Pursuant to the terms of the exemptive order, the Fund is required to notify its shareholders within 90 days of when a money manager begins providing services. As of December 31, 2019, the Fund had three money managers.

What is the Fund's investment objective?

The Fund seeks to provide long term capital growth.

How did the Fund perform relative to its benchmark for the fiscal year ended December 31, 2019?

For the fiscal year ended December 31, 2019, the Fund gained 19.72%. This is compared to the Fund's benchmark, the MSCI World ex USA Index (Net), which gained 22.49% during the same period. The Fund's performance includes operating expenses, whereas index returns are unmanaged and do not include expenses of any kind.

For the fiscal year ended December 31, 2019, the Morningstar® Insurance Foreign Large Blend Category, a group of funds that Morningstar considers to have investment strategies similar to those of the Fund, gained 21.61%. This result serves as a peer comparison and is expressed net of operating expenses.

How did market conditions affect the Fund's performance?

Non-U.S. developed markets were strongly positive over the period. Europe ex-UK recorded the strongest gains, while the United Kingdom and Asia-Pacific underperformed relative to the overall market.

In terms of sector performance within the Fund's benchmark over the fiscal year, information technology and health care were the largest drivers of positive performance. Energy and communication services recorded the smallest gains.

In terms of factor performance, quality and growth factors were the biggest drivers of positive performance over the period. Momentum factor also outperformed while value and low volatility factors lagged.

How did the investment strategies and techniques employed by the Fund and its money managers affect its benchmark relative performance?

The Fund underperformed its benchmark for the one-year period ended December 31, 2019. Sector allocation detracted, mainly due to an underweight to health care and an overweight to communication services. An overweight to emerging markets further held back gains. Stock selection contributed negatively over the period, particularly within energy, consumer discretionary and health care sectors. Positive selection in financials moderated the loss.

The Fund's money managers have non-discretionary assignments pursuant to which they provide a model portfolio to RIM representing their investment recommendations, based upon which RIM purchases and sells securities for the Fund. With respect to this portion of the Fund, RIM manages the Fund's assets based upon the model portfolios provided by the Fund's money managers. RIM manages assets not allocated to money manager strategies and the Fund's cash balances.

With respect to certain of the Fund's money managers, GQG Partners LLC ("GQG") was the top performer during the period. GQG's growth-oriented strategy was a tailwind. An underweight to energy and an overweight to information technology were additive. Effective stock selection in Europe and the financials sector also boosted performance.

Pzena Investment Management, LLC was the weakest performer as the manager's value strategy faced headwinds. An overweight to energy and an underweight to health care were the main detractors. Stock selection in consumer discretionary and health care further detracted. An overweight to emerging markets also impacted negatively.

RIM manages a multi-factor positioning strategy that aims to increase the Fund's value exposure while moderating volatility exposure and expressing RIM's total preferred positioning across multiple factors and sectors. The strategy uses the output from a quantitative model to purchase a stock portfolio expressing these views. The positioning strategy's benchmark-relative performance was negative for the period, as the strategy's overweight to value detracted.

In addition, RIM utilized equity futures and currency forward contracts in order to position the portfolio to meet RIM's overall preferred positioning with respect to country and currency exposures. This strategy detracted during the fiscal year.

During the period, RIM used index futures contracts to equitize a portion of the Fund's cash. The decision to equitize cash was additive, as the market's absolute return was positive over the period.

Russell Investment Funds
International Developed Markets Fund

Portfolio Management Discussion and Analysis, continued — December 31, 2019 (Unaudited)

Describe any changes to the Fund's structure or the money manager line-up.

In March 2019, Numeric Investors LLC was terminated and allocations to existing money managers were increased.

In June 2019, Janus Capital Management LLC and Perkins Investment Management, LLC were terminated. Wellington Management Company LLP's mandate was expanded to include its international contrarian value ex-small cap strategy. The objective of this change was to improve the Fund's excess return potential.

In December 2019, GQG Partners, LLC resigned its role in the Fund and Intermede Global Partners Inc. and Intermede Investment Partners Limited were hired.

Money Managers as of December 31, 2019	Styles
Intermede Global Partners Inc. and Intermede Investment Partners Limited	Growth
Pzena Investment Management LLC	Value
Wellington Management Company LLP	Growth

The views expressed in this report reflect those of the portfolio managers only through the end of the period covered by the report. These views do not necessarily represent the views of RIM or any other person in RIM or any other affiliated organization. These views are subject to change at any time based upon market conditions or other events, and RIM disclaims any responsibility to update the views contained herein. These views should not be relied on as investment advice and, because investment decisions for a Russell Investment Funds ("RIF") Fund are based on numerous factors, should not be relied on as an indication of investment decisions of any RIF Fund.

* Assumes initial investment on January 1, 2010.

** The MSCI World ex USA Index (Net) is a free float-adjusted market capitalization weighted index that is designed to measure the equity market performance of developed markets. The index consists of 22 developed market country indexes.

*** The International Developed Markets Linked Benchmark provides a means to compare the Fund's average annual returns to a secondary benchmark that takes into account historical changes in the Fund's primary benchmark. The International Developed Markets Linked Benchmark represents the returns of the MSCI EAFE Index (net of tax on dividends from foreign holdings) through December 31, 2010, the returns of the Russell Developed ex US Large Cap Index (net of tax on dividends from foreign holdings) from January 1, 2011 through December 31, 2017, and the returns of the MSCI World ex USA Index (net of tax on dividends from foreign holdings) thereafter.

§ Annualized.

The performance shown in this section does not reflect any Insurance Company Separate Account or Policy Charges. Performance is historical and assumes reinvestment of all dividends and capital gains. Investment return and principal value will fluctuate so that an investor's shares, when redeemed, may be worth more or less than when purchased. Past performance is not indicative of future results. Additionally, the returns presented herein may differ from the performance reported in the Financial Highlights as the returns herein are calculated in a manner consistent with standardized performance in accordance with Securities and Exchange Commission rules, while the performance in the Financial Highlights has been calculated in accordance with U.S. Generally Accepted Accounting Principles ("U.S. GAAP").

Russell Investment Funds
International Developed Markets Fund

Shareholder Expense Example — December 31, 2019 (Unaudited)

Fund Expenses

The following disclosure provides important information regarding the Fund's Shareholder Expense Example ("Example").

Example

As a shareholder of the Fund, you incur two types of costs: (1) transaction costs, and (2) ongoing costs, including advisory and administrative fees and other Fund expenses. The Example is intended to help you understand your ongoing costs (in dollars) of investing in the Fund and to compare these costs with the ongoing costs of investing in other mutual funds. The Example is based on an investment of $1,000 invested at the beginning of the period and held for the entire period indicated, which for this Fund is from July 1, 2019 to December 31, 2019.

Actual Expenses

The information in the table under the heading "Actual Performance" provides information about actual account values and actual expenses. You may use the information in this column, together with the amount you invested, to estimate the expenses that you paid over the period. Simply divide your account value by $1,000 (for example, an $8,600 account value divided by $1,000 = 8.6), then multiply the result by the number in the first column in the row entitled "Expenses Paid During Period" to estimate the expenses you paid on your account during this period.

Hypothetical Example for Comparison Purposes

The information in the table under the heading "Hypothetical Performance (5% return before expenses)" provides information about hypothetical account values and hypothetical expenses based on the Fund's actual expense ratio and an assumed rate of return of 5% per year before expenses, which is not the Fund's actual return. The hypothetical account values and expenses may not be used to estimate the actual ending account balance or expenses you paid for the period. You may use this information to compare the ongoing costs of investing in the Fund and other funds. To do so, compare this 5% hypothetical example with the 5% hypothetical examples that appear in the shareholder reports of other funds.

Please note that the expenses shown in the table are meant to highlight your ongoing costs only and do not reflect any transactional costs. Therefore, the information under the heading "Hypothetical Performance (5% return before expenses)" is useful in comparing ongoing costs only, and will not help you determine the relative total costs of owning different funds. In addition, if these transactional costs were included, your costs would have been higher. The fees and expenses shown in this section do not reflect any Insurance Company Separate Account Policy Charges.

	Actual Performance	Hypothetical Performance (5% return before expenses)
Beginning Account Value July 1, 2019	$ 1,000.00	$ 1,000.00
Ending Account Value December 31, 2019	$ 1,070.30	$ 1,019.96
Expenses Paid During Period*	$ 5.43	$ 5.30

* Expenses are equal to the Fund's annualized expense ratio of 1.04% (representing the six month period annualized), multiplied by the average account value over the period, multiplied by 184/365 (to reflect the one-half year period).

Russell Investment Funds
International Developed Markets Fund

Schedule of Investments — December 31, 2019

Amounts in thousands *(except share amounts)*

	Principal Amount ($) or Shares	Fair Value $
Common Stocks - 94.5%		
Argentina - 0.1%		
YPF SA - ADR(Ñ)	34,203	396
Australia - 2.1%		
AGL Energy, Ltd.	37,966	548
Alumina, Ltd.	31,015	50
Aristocrat Leisure, Ltd.	37,100	880
ASX, Ltd. - ADR	4,108	227
Australia & New Zealand Banking Group, Ltd. - ADR	18,262	316
Bendigo & Adelaide Bank, Ltd.	9,460	65
BHP Group PLC	23,335	551
BHP Group, Ltd. - ADR	2,672	73
Caltex Australia, Ltd.	4,489	107
Commonwealth Bank of Australia - ADR	17,507	984
CSL, Ltd.	9,174	1,781
Dexus Property Group(Æ)(ö)	22,617	186
GPT Group (The)(ö)	35,203	139
Insurance Australia Group, Ltd.(Æ)	24,344	131
Macquarie Group, Ltd.	7,647	742
Mirvac Group(ö)	36,328	81
National Australia Bank, Ltd. - ADR	14,149	245
Origin Energy, Ltd.	30,207	180
Scentre Group(ö)	21,507	58
South32, Ltd. Class B	34,053	65
Stockland(ö)	27,491	89
Telstra Corp., Ltd.	30,057	75
Treasury Wine Estates, Ltd.	15,093	172
Wesfarmers, Ltd.(Æ)	10,711	312
Westpac Banking Corp.	19,678	335
		8,392
Austria - 0.2%		
Erste Group Bank AG(Æ)	6,004	226
OMV AB	6,014	338
Voestalpine AG	4,135	115
		679
Belgium - 0.8%		
Ageas	20,867	1,234
KBC Groep NV	23,298	1,757
Solvay SA	2,210	257
		3,248
Bermuda - 0.0%		
NWS Holdings, Ltd.	108,000	152
Brazil - 0.3%		
Banco Bradesco SA - ADR	85,726	767
Pagseguro Digital, Ltd. Class A(Æ)(Ñ)	15,193	519
		1,286
Canada - 4.0%		
Algonquin Power & Utilities Corp.	62,023	877
ARC Resources, Ltd.(Ñ)	21,406	135
Atco, Ltd. Class I	3,893	149
Bank of Montreal	7,077	548
Bank of Nova Scotia (The)	11,143	629
Barrick Gold Corp.	61,195	1,138
BCE, Inc.	7,410	343
Brookfield Asset Management, Inc. Class A	6,061	350
Cameco Corp. Class A	17,489	156
Canadian Imperial Bank of Commerce	3,862	321
Canadian National Railway Co.	6,925	626
Canadian Natural Resources, Ltd.	12,580	407
Cenovus Energy, Inc.	24,425	248
Dollarama, Inc.	13,416	461
Encana Corp.	153,823	720
First Capital Real Estate Investment Trust(Æ)	4,475	71
Fortis, Inc.	25,184	1,046
George Weston, Ltd.	1,870	148
Great-West Lifeco, Inc.	15,478	396
Healthcare Realty Trust, Inc.(Æ)(ö)	7,729	126
Husky Energy, Inc.	10,036	81
iA Financial Corp., Inc.	4,923	270
Imperial Oil, Ltd.	9,004	238
Kinross Gold Corp.(Æ)	107,441	509
Magna International, Inc. Class A	3,173	174
Manulife Financial Corp.	33,802	686
National Bank of Canada	2,100	117
Power Corp. of Canada	9,625	248
Power Financial Corp.	5,180	139
Quebecor, Inc. Class B	3,680	94
RioCan Real Estate Investment Trust(ö)	7,625	157
Royal Bank of Canada - GDR	13,941	1,104
Shaw Communications, Inc. Class B	5,973	121
Sun Life Financial, Inc.	20,051	914
Suncor Energy, Inc.	11,320	371
TC Energy Corp.(Æ)	6,098	325
Teck Resources, Ltd. Class B	7,383	128
Toronto Dominion Bank	21,168	1,188
Tourmaline Oil Corp.	9,270	109
		15,868
Cayman Islands - 0.1%		
Trip.com Group, Ltd. - ADR(Æ)	13,082	439
China - 2.7%		
Alibaba Group Holding, Ltd. - ADR(Æ)	22,376	4,746
China Construction Bank Corp. Class H	544,000	471
China Telecom Corp., Ltd. Class H	2,160,000	887
Dongfeng Motor Group Co., Ltd. Class H	962,000	906
Lenovo Group, Ltd.	1,796,257	1,208
Ping An Insurance Group Co. of China, Ltd. Class H	57,466	681
Sunny Optical Technology Group Co., Ltd.	31,499	547
Tencent Holdings, Ltd.	23,384	1,128
		10,574
Denmark - 2.1%		
AP Moller - Maersk A/S Class B	2,620	3,780

Amounts in thousands *(except share amounts)*

See accompanying notes which are an integral part of the financial statements.

Russell Investment Funds
International Developed Markets Fund

Schedule of Investments, continued — December 31, 2019

Amounts in thousands *(except share amounts)*

	Principal Amount ($) or Shares	Fair Value $
Coloplast A/S Class B	7,294	907
Danske Bank A/S	47,038	761
Drilling Co. of 1972 A/S (The)(Æ)	1,163	77
DSV A/S	5,831	675
Genmab A/S(Æ)	3,365	749
Novo Nordisk A/S Class B	22,589	1,310
		8,259
Finland - 0.7%		
Elisa OYJ Class A	1,574	87
Kone OYJ Class B	6,625	433
Neste OYJ	9,931	346
Nokia OYJ	158,369	588
Nordea Bank AB	20,914	169
Nordea Bank Abp	344	3
Orion OYJ Class B	1,887	87
Sampo OYJ Class A	10,506	458
Stora Enso OYJ Class R	6,919	101
UPM-Kymmene OYJ	15,122	524
Wartsila OYJ Abp Class B	6,190	68
		2,864
France - 10.4%		
Air Liquide SA Class A	20,139	2,862
Airbus Group SE	6,184	907
Amundi SA(Þ)	21,746	1,709
Arkema SA	908	97
Atos SE	2,375	199
AXA SA	21,044	594
BNP Paribas SA	33,245	1,979
Bouygues SA - ADR	22,095	941
Capgemini SE	4,703	576
Carrefour SA	6,475	109
Cie Generale des Etablissements Michelin SCA Class B	8,786	1,078
CNP Assurances	700	14
Compagnie de Saint-Gobain SA	46,121	1,895
Covivio(ö)	626	71
Credit Agricole SA	111,694	1,627
Danone SA	6,450	535
Eiffage SA	1,933	222
Engie SA	66,866	1,081
Eurazeo SE	1,724	118
Hermes International	810	606
Klepierre SA - GDR(ö)	7,335	279
L'Oreal SA	10,651	3,163
LVMH Moet Hennessy Louis Vuitton SE - ADR	271	126
Natixis SA	23,693	106
Orange SA - ADR	8,481	125
Pernod Ricard SA	4,813	862
Peugeot SA	3,268	78
Publicis Groupe SA - ADR	35,733	1,618
Renault SA	19,756	937
Rexel SA Class H	251,825	3,353
Safran SA	17,600	2,728
Sanofi - ADR	10,411	1,046
Schneider Electric SE	31,068	3,196
SCOR SE - ADR	20,166	847
Societe Generale SA	43,723	1,528
Total SA	68,158	3,766
Unibail-Rodamco-Westfield(ö)	1,391	220
Vinci SA	1,525	169
		41,367
Germany - 5.1%		
Adidas AG	2,051	667
Allianz SE	3,743	918
BASF SE	27,605	2,093
Bayer AG	2,823	231
Beiersdorf AG	3,565	427
BMW US Capital LLC	3,827	315
Commerzbank AG	18,403	114
Continental AG	809	105
Covestro AG(Þ)	19,618	912
Daimler AG	24,536	1,360
Deutsche Boerse AG	16,920	2,660
Deutsche Lufthansa AG	33,134	610
Deutsche Post AG	3,305	126
Deutsche Telekom AG	8,128	133
E.ON SE	38,503	412
Evonik Industries AG	2,666	82
Fresenius SE & Co. KGaA	1,750	99
GEA Group AG	4,183	138
Hannover Rueck SE	2,745	531
HeidelbergCement AG	1,110	81
Infineon Technologies AG - ADR	28,745	659
Metro AG(Æ)	49,527	302
Metro Wholesale & Food Specialist AG	23,465	378
Muenchener Rueckversicherungs-Gesellschaft AG	3,912	1,154
RWE AG	12,433	382
Salzgitter AG	6,117	136
SAP SE - ADR	22,816	3,058
Siemens AG	11,094	1,450
Symrise AG	2,932	308
Uniper SE	2,518	83
Vonovia SE	2,035	110
Zalando SE(Æ)(Þ)	4,344	220
		20,254
Hong Kong - 2.8%		
AIA Group, Ltd.	227,408	2,393
Bank of East Asia, Ltd. (The)	60,800	136
China Mobile, Ltd.	114,500	967
China Resources Power Holdings Co., Ltd.	1,210,417	1,700
China Unicom Hong Kong, Ltd.	1,014,000	957
CK Asset Holdings, Ltd.	27,549	200
CK Hutchison Holdings, Ltd. Class B	36,313	347
CK Infrastructure Holdings, Ltd.	42,500	303
CLP Holdings, Ltd.	32,500	342
Hang Seng Bank, Ltd.	21,800	451
Henderson Land Development Co., Ltd.	35,200	173

See accompanying notes which are an integral part of the financial statements.

Russell Investment Funds
International Developed Markets Fund

Schedule of Investments, continued — December 31, 2019

Amounts in thousands *(except share amounts)*

	Principal Amount ($) or Shares	Fair Value $
Hongkong Land Holdings, Ltd.	39,100	225
Hysan Development Co., Ltd.	20,000	79
Jardine Matheson Holdings, Ltd.	5,400	300
Jardine Strategic Holdings, Ltd.	4,400	135
Kerry Properties, Ltd.	18,500	59
Link Real Estate Investment Trust(ö)	16,076	171
New World Development Co., Ltd.	165,000	226
Power Assets Holdings, Ltd.	33,500	245
Sun Hung Kai Properties, Ltd.	13,000	199
Swire Pacific, Ltd. Class A	16,000	149
Swire Properties, Ltd.	18,416	61
Techtronic Industries Co., Ltd.	56,271	460
WH Group, Ltd.(Þ)	230,000	238
Wharf Holdings, Ltd. (The)	32,000	81
Wharf Real Estate Investment Co., Ltd.	20,000	123
Wheelock & Co., Ltd.	28,000	187
		10,907
India - 1.3%		
Canara Bank(Æ)	119,258	370
HDFC Bank, Ltd. - ADR	54,876	3,476
Infosys, Ltd. - ADR	69,146	714
NTPC, Ltd.	30,955	52
Zee Entertainment Enterprises, Ltd.	105,298	432
		5,044
Indonesia - 0.2%		
Bank Central Asia Tbk PT	298,895	718
Ireland - 0.6%		
Accenture PLC Class A	3,797	800
AIB Group PLC	84,267	295
Bank of Ireland Group PLC	156,758	865
CRH PLC	7,610	305
Paddy Power Betfair PLC	1,019	124
		2,389
Israel - 0.2%		
Bank Hapoalim BM	43,318	359
Bank Leumi Le-Israel BM	48,024	350
Israel Discount Bank, Ltd. Class A	28,582	133
Mizrahi Tefahot Bank, Ltd.	3,401	91
		933
Italy - 3.5%		
Assicurazioni Generali SpA	54,821	1,132
BPER Banca	109,385	550
Davide Campari-Milano SpA	58,379	533
Enel SpA	447,276	3,559
ENI SpA - ADR	141,327	2,196
Ferrari NV	3,543	588
FinecoBank Banca Fineco SpA	12,771	153
Intesa Sanpaolo SpA	105,897	279
Mediobanca SpA	21,004	231
Moncler SpA	12,797	576
Poste Italiane SpA(Þ)	14,442	164
Saipem SpA(Æ)	136,856	669

Amounts in thousands *(except share amounts)*

	Principal Amount ($) or Shares	Fair Value $
Snam Rete Gas SpA	40,525	214
Telecom Italia SpA(Æ)	830,901	518
Terna Rete Elettrica Nazionale SpA	31,532	211
UniCredit SpA	154,915	2,265
		13,838
Japan - 18.4%		
Aisin Seiki Co., Ltd.	3,000	111
ANA Holdings, Inc.	4,900	164
Aozora Bank, Ltd.	6,000	158
Asahi Glass Co., Ltd.	4,100	146
Asahi Kasei Corp.	18,000	202
Astellas Pharma, Inc.	30,700	524
Benesse Holdings, Inc.	5,100	134
Bridgestone Corp.	19,600	728
Canon, Inc.	32,000	873
Central Japan Railway Co.	1,900	382
Chiba Bank, Ltd. (The)	33,000	190
Chiyoda Corp.(Æ)	31,000	80
Chubu Electric Power Co., Inc.	7,500	106
Citizen Watch Co., Ltd.	71,900	390
Concordia Financial Group, Ltd.	56,200	231
Dai Nippon Printing Co., Ltd.	6,500	176
Daicel Chemical Industries, Ltd.	8,200	78
Dai-ichi Life Holdings, Inc.	112,050	1,845
Daito Trust Construction Co., Ltd.	2,900	359
Daiwa House Industry Co., Ltd.	4,400	136
Daiwa Securities Group, Inc.	31,000	157
DeNA Co., Ltd.	24,300	391
Denso Corp.	15,900	717
East Japan Railway Co.	3,600	325
Eisai Co., Ltd.	10,740	800
Electric Power Development Co., Ltd.	10,100	245
Fuji Heavy Industries, Ltd.	12,900	319
Fuji Media Holdings, Inc.	15,800	224
FUJIFILM Holdings Corp.	4,800	229
Fujitsu, Ltd.	22,700	2,143
Fukuoka Financial Group, Inc.	20,500	391
GMO Payment Gateway, Inc.	6,800	468
Gree, Inc.	64,800	294
Hankyu Hanshin Holdings, Inc.	5,800	248
Hitachi Metals, Ltd.	206,600	3,036
Hitachi, Ltd.	4,900	206
Honda Motor Co., Ltd.	155,900	4,399
Iida Group Holdings Co., Ltd.	54,000	945
Inpex Corp.	296,400	3,093
Isuzu Motors, Ltd.	92,900	1,094
ITOCHU Corp.	23,800	551
Japan Airlines Co., Ltd.	7,200	225
Japan Exchange Group, Inc.	8,300	146
Japan Post Bank Co., Ltd. Class A	8,800	84
Japan Post Holdings Co., Ltd.	20,000	188
Japan Tobacco, Inc.	17,800	397
JFE Holdings, Inc.	5,800	74
JGC Holdings Corp.	54,400	875
JSR Corp.	57,800	1,056
JX Holdings, Inc.	390,300	1,785

See accompanying notes which are an integral part of the financial statements.

Russell Investment Funds
International Developed Markets Fund

Schedule of Investments, continued — December 31, 2019

Amounts in thousands *(except share amounts)*

	Principal Amount ($) or Shares	Fair Value $
Kajima Corp.	9,000	120
Kamigumi Co., Ltd.	10,000	219
KDDI Corp.	27,900	830
Kirin Holdings Co., Ltd.	14,600	318
Konica Minolta, Inc.	10,900	71
Kyocera Corp.	5,600	382
Kyushu Electric Power Co., Inc.	5,100	44
Marubeni Corp.	44,800	331
Mazda Motor Corp.	16,900	144
Medipal Holdings Corp.	6,000	132
Mitsubishi Chemical Holdings Corp.	24,700	184
Mitsubishi Corp.	18,100	480
Mitsubishi Electric Corp.	38,400	522
Mitsubishi Estate Co., Ltd.	39,800	761
Mitsubishi Heavy Industries, Ltd.	30,100	1,164
Mitsubishi Materials Corp.	5,700	155
Mitsubishi Motors Corp.	70,700	294
Mitsubishi UFJ Financial Group, Inc.	373,200	2,018
Mitsui & Co., Ltd.	75,300	1,339
Mitsui Chemicals, Inc.	5,300	129
Mizuho Financial Group, Inc.	604,500	930
MS&AD Insurance Group Holdings, Inc.	25,200	830
Murata Manufacturing Co., Ltd.	3,400	210
Nidec Corp.	3,250	444
Nikon Corp.	47,700	583
Nintendo Co., Ltd.	1,610	650
Nippon Steel & Sumitomo Metal Corp.	13,900	209
Nippon Telegraph & Telephone Corp.	16,406	416
Nippon Television Holdings, Inc.	26,800	358
Nissan Motor Co., Ltd.	151,600	881
Nitto Denko Corp.	20,500	1,150
Nomura Holdings, Inc.	193,900	996
Nomura Real Estate Holdings, Inc.	3,100	75
NTT DOCOMO, Inc.	18,400	514
Obayashi Corp.	21,400	237
Oji Holdings Corp.	52,900	286
ORIX Corp.	26,200	436
Osaka Gas Co., Ltd.	8,400	160
Otsuka Holdings Co., Ltd.	6,200	276
Resona Holdings, Inc.	397,200	1,732
Ricoh Co., Ltd.	21,400	232
Seibu Holdings, Inc.	3,600	59
Sekisui Chemical Co., Ltd.	11,900	206
Sekisui House, Ltd.	17,200	367
Shimamura Co., Ltd.	9,300	710
Shimizu Corp.	6,000	61
Shin-Etsu Chemical Co., Ltd.	4,635	508
SoftBank Group Corp.	13,200	575
Sompo Japan Nipponkoa Holdings, Inc.	7,700	302
Sony Corp.	6,510	443
Sumitomo Chemical Co., Ltd.	25,000	113
Sumitomo Corp.	24,200	361
Sumitomo Electric Industries, Ltd.	21,000	315
Sumitomo Metal Mining Co., Ltd.	5,000	161
Sumitomo Mitsui Financial Group, Inc.	80,500	2,964
Sumitomo Mitsui Trust Holdings, Inc.	29,300	1,156
T&D Holdings, Inc.	112,800	1,424
Taiheiyo Cement Corp.	5,200	152
Takeda Pharmaceutical Co., Ltd.	34,300	1,359
Teijin, Ltd.	7,000	131
THK Co., Ltd.	18,500	497
Tohoku Electric Power Co., Inc.	17,700	175
Tokio Marine Holdings, Inc.	39,300	2,195
Tokyo Electric Power Co. Holdings, Inc. (Æ)	33,900	145
Tokyo Electron, Ltd.	2,900	637
Tokyo Gas Co., Ltd.	4,700	114
Tokyu Fudosan Holdings Corp.	23,800	164
Toppan Printing Co., Ltd.	10,500	216
Toyota Industries Corp.	4,100	236
Toyota Motor Corp.	27,100	1,908
Toyota Tsusho Corp.	8,600	301
Trend Micro, Inc.	1,600	82
West Japan Railway Co.	3,500	302
Yahoo! Japan Corp.	272,900	1,143
Yamada Denki Co., Ltd.	26,000	138
		72,980
Luxembourg - 0.3%		
ArcelorMittal SA(Æ)	7,875	139
Aroundtown SA	12,829	115
Millicom International Cellular SA	547	26
RTL Group SA	2,936	145
Spotify Technology SA(Æ)	3,945	590
Tenaris SA	10,649	120
		1,135
Macao - 0.2%		
Sands China, Ltd.	123,625	663
Malaysia - 0.0%		
CIMB Group Holdings BHD	143,100	180
Netherlands - 3.9%		
ABN AMRO Group NV(Þ)	50,076	915
Adyen NV(Æ)(Þ)	702	578
Aegon NV	41,917	192
ASML Holding NV	6,684	1,991
Euronext NV(Þ)	7,422	606
Exor NV	2,352	182
Heineken NV	8,383	894
ING Groep NV	241,918	2,907
InterXion Holding NV(Æ)	8,688	728
Koninklijke Ahold Delhaize NV	19,425	487
Koninklijke KPN NV	293,050	866
NN Group NV	6,815	259
Randstad Holding NV	1,958	120
Royal Dutch Shell PLC Class A	104,533	3,079
TNT NV - ADR	150,034	338
Unilever NV	17,708	1,019
VEON, Ltd.(Æ)	157,835	399
		15,560

See accompanying notes which are an integral part of the financial statements.

Russell Investment Funds
International Developed Markets Fund

Schedule of Investments, continued — December 31, 2019

Amounts in thousands *(except share amounts)*

	Principal Amount ($) or Shares	Fair Value $
New Zealand - 0.2%		
a2 Milk Co., Ltd.(Æ)	54,557	550
Spark New Zealand, Ltd.	29,159	85
		635
Norway - 0.7%		
DNB ASA	14,926	280
Marine Harvest ASA	10,241	266
Norsk Hydro ASA	255,790	955
Orkla ASA	30,622	310
Statoil ASA Class N	36,284	726
Telenor ASA	10,428	187
		2,724
Portugal - 0.2%		
Energias de Portugal SA	69,724	302
Galp Energia SGPS SA Class B	34,895	584
		886
Russia - 0.6%		
Gazprom PJSC - ADR	106,088	874
Lukoil PJSC - ADR	5,068	503
Sberbank of Russia PJSC - ADR	32,641	537
Yandex NV Class A(Æ)	14,023	610
		2,524
Singapore - 1.4%		
Ascendas Real Estate Investment Trust(Æ)(ö)	183,300	405
CapitaLand, Ltd.	85,800	239
DBS Group Holdings, Ltd.	64,500	1,243
Keppel Corp., Ltd. - ADR	23,700	119
Oversea-Chinese Banking Corp., Ltd.	16,645	136
Singapore Airlines, Ltd.(Æ)	24,300	163
Singapore Technologies Engineering, Ltd.	109,000	320
Singapore Telecommunications, Ltd.	245,700	616
United Overseas Bank, Ltd.	10,500	207
UOL Group, Ltd.	15,400	95
Venture Corp., Ltd.	12,900	156
Wilmar International, Ltd.	625,500	1,919
Yangzijiang Shipbuilding Holdings, Ltd.	71,700	60
		5,678
South Africa - 0.3%		
Gold Fields, Ltd. - ADR	80,958	534
Impala Platinum Holdings, Ltd.(Æ)	38,050	390
MTN Group, Ltd.	61,938	365
		1,289
South Korea - 1.3%		
KB Financial Group, Inc.	24,492	1,011
KT Corp. - ADR	79,085	917
POSCO	5,479	1,116
Samsung Electronics Co., Ltd.	14,773	712
Shinhan Financial Group Co., Ltd.	38,215	1,430
		5,186
Spain - 2.6%		
ACS Actividades de Construccion y Servicios SA	4,727	189
Banco Bilbao Vizcaya Argentaria SA - ADR	62,751	354
Banco Santander SA - ADR	112,243	474
Bankia SA	263,386	564
Bankinter SA	14,092	104
CaixaBank SA	396,112	1,249
Cellnex Telecom SA(Þ)	94,843	4,088
Enagas SA	5,909	151
Endesa SA - ADR	15,547	415
Gas Natural SDG SA	10,383	261
Iberdrola SA	91,916	947
Industria de Diseno Textil SA	11,323	401
Mapfre SA	31,672	84
Red Electrica Corp. SA	14,192	285
Repsol SA - ADR	17,416	273
Telefonica SA - ADR	40,445	283
		10,122
Sweden - 1.5%		
Assa Abloy AB Class B	28,764	672
Atlas Copco AB(Æ)	12,975	517
Bausch & Lomb, Inc.(Æ)	10,401	277
Investor AB Class B	1,564	85
Kinnevik AB Class B	3,988	98
Sandvik AB	25,591	500
Skandinaviska Enskilda Banken AB Class A	24,837	234
Skanska AB Class B	5,334	121
SKF AB Class B	16,922	343
Svenska Handelsbanken AB Class A	97,734	1,052
Swedbank AB Class A	10,769	161
Swedish Match AB	4,393	226
Telefonaktiebolaget LM Ericsson Class B	75,605	662
Telia Co. AB	37,983	163
Trelleborg AB Class B	30,275	545
Volvo AB Class B	11,120	187
		5,843
Switzerland - 8.2%		
ABB, Ltd.	29,826	720
Adecco SA	25,867	1,635
Alcon, Inc.(Æ)	8,300	470
Baloise Holding AG	1,774	321
Chocoladefabriken Lindt & Spruengli AG	27	210
Cie Financiere Richemont SA	1,133	89
Credit Suisse Group AG(Æ)	77,821	1,056
Glencore PLC(Æ)	77,853	243
Julius Baer Group, Ltd.(Æ)	34,842	1,799
Kuehne & Nagel International AG	1,623	274
LafargeHolcim, Ltd.(Æ)	27,433	1,521

Russell Investment Funds
International Developed Markets Fund

Schedule of Investments, continued — December 31, 2019

Amounts in thousands *(except share amounts)*

	Principal Amount ($) or Shares	Fair Value $
Nestle SA	40,410	4,378
Novartis AG	61,979	5,872
Pargesa Holding SA	1,090	91
Partners Group Holding AG	1,073	983
Roche Holding AG	13,064	4,236
SGS SA	107	293
Sika AG	5,921	1,115
Swiss Life Holding AG	800	401
Swiss Re AG	7,695	865
Swisscom AG	407	216
Temenos AG(Æ)	3,656	578
UBS Group AG	342,625	4,324
Zurich Insurance Group AG	2,559	1,050
		32,740
Taiwan - 1.1%		
Catcher Technology Co., Ltd.	119,513	906
Hon Hai Precision Industry Co., Ltd.	410,184	1,242
Innolux Corp.	1,324,000	369
MediaTek, Inc.	41,000	607
Shin Kong Financial Holding Co., Ltd. (Æ)	1,382,000	478
Taiwan Semiconductor Manufacturing Co., Ltd.	69,000	764
		4,366
Thailand - 0.1%		
Kasikornbank PCL	110,800	555
United Kingdom - 13.6%		
3i Group PLC	20,545	299
Admiral Group PLC	4,177	128
Anglo American PLC	53,291	1,538
AstraZeneca PLC	43,573	4,359
Aviva PLC	222,562	1,242
Babcock International Group PLC	71,547	598
Barclays PLC	488,669	1,167
Barratt Developments PLC	13,413	133
Berkeley Group Holdings PLC	4,717	306
BP PLC	544,044	3,415
British American Tobacco PLC	10,853	462
British Land Co. PLC (The)(ö)	64,438	549
BT Group PLC	513,608	1,316
Centrica PLC	612,799	730
Compass Group PLC	3,229	81
Diageo PLC	56,988	2,401
Direct Line Insurance Group PLC	67,607	282
Experian PLC	7,181	243
Fevertree Drinks PLC	16,136	449
Fiat Chrysler Automobiles NV	18,218	270
GlaxoSmithKline PLC - ADR	11,585	273
HSBC Holdings PLC	509,181	3,999
ITV PLC	100,487	202
J Sainsbury PLC	858,455	2,632
John Wood Group PLC	335,013	1,774
Kingfisher PLC	316,010	916
Land Securities Group PLC(ö)	47,368	622
Legal & General Group PLC	91,982	371
Lloyds Banking Group PLC	1,598,859	1,334
London Stock Exchange Group PLC	26,701	2,758
Marks & Spencer Group PLC	175,249	497
National Grid PLC	19,345	243
Pearson PLC	7,320	62
Persimmon PLC Class A	6,006	216
Prudential PLC	60,381	1,162
Reckitt Benckiser Group PLC	2,976	242
Rio Tinto PLC	29,481	1,752
Royal Bank of Scotland Group PLC	396,764	1,272
RSA Insurance Group PLC	27,558	208
Segro PLC(ö)	12,111	145
Smith & Nephew PLC	37,755	912
St. James's Place PLC	15,239	236
Standard Chartered PLC	332,631	3,142
Standard Life Aberdeen PLC(Æ)	117,740	513
Taylor Wimpey PLC	66,138	171
TechnipFMC PLC	81,363	1,744
Tesco PLC	403,955	1,368
Travis Perkins PLC	95,896	2,052
Unilever PLC	2,116	121
United Utilities Group PLC	8,004	101
Vodafone Group PLC	859,323	1,668
Wausau Paper Corp.	64,204	904
Willis Towers Watson PLC(Æ)	2,000	404
Wm Morrison Supermarkets PLC	29,824	79
		54,063
United States - 2.7%		
Abbott Laboratories	19,803	1,720
Alphabet, Inc. Class C(Æ)	1,507	2,015
Carnival PLC	5,320	254
MasterCard, Inc. Class A	7,585	2,264
Mylan NV(Æ)	55,924	1,124
NVIDIA Corp.	4,951	1,165
Visa, Inc. Class A	10,817	2,033
		10,575
Total Common Stocks		
(cost $352,667)		375,311
Preferred Stocks - 1.2%		
Germany - 1.2%		
Porsche Automobil Holding SE 2.210% (Ÿ)	5,955	445
Volkswagen AG 4.860% (Ÿ)	22,078	4,365
		4,810
Total Preferred Stocks		
(cost $3,972)		4,810
Warrants & Rights - 0.0%		
Spain - 0.0%		
Repsol SA(Æ)		

See accompanying notes which are an integral part of the financial statements.

Russell Investment Funds
International Developed Markets Fund

Schedule of Investments, continued — December 31, 2019

Amounts in thousands *(except share amounts)*

	Principal Amount ($) or Shares	Fair Value $
2020 Rights	17,416	8
Total Warrants & Rights		
(cost $8)		8
Short-Term Investments - 2.6%		
United States - 2.6%		
U.S. Cash Management Fund(@)	10,312,076(∞)	10,315
Total Short-Term Investments		
(cost $10,316)		10,315
Other Securities - 0.3%		
U.S. Cash Collateral Fund(×)(@)	1,037,378(∞)	1,037
Total Other Securities		
(cost $1,037)		1,037
Total Investments 98.6%		
(identified cost $368,000)		391,481
Other Assets and Liabilities, Net - 1.4%		5,625
Net Assets - 100.0%		397,106

See accompanying notes which are an integral part of the financial statements.

Russell Investment Funds
International Developed Markets Fund

Schedule of Investments, continued — December 31, 2019

Restricted Securities

Amounts in thousands *(except share and cost per unit amounts)*

% of Net Assets Securities	Acquisition Date		Principal Amount ($) or shares	Cost per Unit $	Cost (000) $	Fair Value (000) $
2.4%						
ABN AMRO Group NV	06/26/19	EUR	50,076	18.08	905	915
Adyen NV	07/25/19	EUR	702	743.78	522	578
Amundi SA	02/21/19	EUR	21,746	65.34	1,421	1,709
Cellnex Telecom SA	06/19/17	EUR	94,843	30.17	2,861	4,088
Covestro AG	06/26/19	EUR	19,618	44.56	874	912
Euronext NV	04/25/19	EUR	7,422	69.64	517	606
Poste Italiane SpA	06/26/19	EUR	14,442	10.45	151	164
WH Group, Ltd.	06/26/19	HKD	230,000	1.05	240	238
Zalando SE	12/12/19	EUR	4,344	46.15	200	220
						9,430

For a description of restricted securities see note 7 in the Notes to Financial Statements.

Futures Contracts

Amounts in thousands *(except contract amounts)*

	Number of Contracts		Notional Amount	Expiration Date	Value and Unrealized Appreciation (Depreciation) $
Long Positions					
EURO STOXX 50 Index Futures	319	EUR	11,896	03/20	(120)
MSCI EAFE Index Futures	78	USD	7,942	03/20	28
S&P/TSX 60 Index Futures	83	CAD	16,806	03/20	48
SPI 200 Index Futures	76	AUD	12,546	03/20	(262)
TOPIX Index Futures	111	JPY	1,910,309	03/20	18
Short Positions					
Hang Seng Index Futures	42	HKD	59,367	01/20	(71)
MSCI Emerging Markets Index Futures	328	USD	18,371	03/20	(445)
S&P 500 E-Mini Index Futures	170	USD	27,464	03/20	(487)
Total Value and Unrealized Appreciation (Depreciation) on Open Futures Contracts (â)					(1,291)

Foreign Currency Exchange Contracts

Amounts in thousands

Counterparty	Amount Sold		Amount Bought		Settlement Date	Unrealized Appreciation (Depreciation) $
Bank of Montreal	USD	2,185	AUD	3,183	03/18/20	53
Bank of Montreal	USD	3,858	CAD	5,100	03/18/20	71
Bank of Montreal	USD	4,059	JPY	438,467	03/18/20	(8)
Bank of Montreal	HKD	12,006	USD	1,535	03/18/20	(5)
Bank of New York	USD	2,190	AUD	3,183	03/18/20	48
Bank of New York	USD	3,865	CAD	5,100	03/18/20	63
Bank of New York	USD	4,061	JPY	438,467	03/18/20	(9)
Bank of New York	HKD	12,006	USD	1,536	03/18/20	(4)
Brown Brothers Harriman	AUD	74	USD	52	01/02/20	—
Brown Brothers Harriman	CAD	53	USD	41	01/03/20	—
Brown Brothers Harriman	EUR	51	USD	57	01/02/20	—
Brown Brothers Harriman	GBP	52	USD	69	01/02/20	—
Brown Brothers Harriman	SEK	629	USD	67	01/02/20	—
Citigroup	USD	2,190	AUD	3,183	03/18/20	48
Citigroup	USD	3,867	CAD	5,100	03/18/20	60

See accompanying notes which are an integral part of the financial statements.

Russell Investment Funds
International Developed Markets Fund

Schedule of Investments, continued — December 31, 2019

Foreign Currency Exchange Contracts

Amounts in thousands

Counterparty	Amount Sold		Amount Bought		Settlement Date	Unrealized Appreciation (Depreciation) $
Citigroup	USD	4,060	JPY	438,467	03/18/20	(8)
Citigroup	HKD	12,006	USD	1,536	03/18/20	(4)
Royal Bank of Canada	USD	2,185	AUD	3,183	03/18/20	53
Royal Bank of Canada	USD	3,860	CAD	5,100	03/18/20	69
Royal Bank of Canada	USD	4,060	JPY	438,467	03/18/20	(8)
Royal Bank of Canada	HKD	12,006	USD	1,535	03/18/20	(5)
Standard Chartered	USD	2,186	AUD	3,183	03/18/20	52
Standard Chartered	USD	3,858	CAD	5,100	03/18/20	71
Standard Chartered	USD	4,059	JPY	438,467	03/18/20	(8)
Standard Chartered	HKD	12,006	USD	1,535	03/18/20	(5)
State Street	USD	3,289	GBP	2,489	03/18/20	15
State Street	CHF	1,900	USD	1,941	03/18/20	(32)
State Street	DKK	11,970	USD	1,789	03/18/20	(17)
State Street	EUR	1,557	USD	1,738	03/18/20	(16)
State Street	NOK	12,510	USD	1,367	03/18/20	(58)
Total Unrealized Appreciation (Depreciation) on Open Foreign Currency Exchange Contracts						416

Presentation of Portfolio Holdings

Amounts in thousands

	Fair Value					
Portfolio Summary	Level 1	Level 2	Level 3	Practical Expedient (a)	Total	% of Net Assets
Common Stocks						
Argentina	$ 396	$ —	$ —	$ —	$ 396	0.1
Australia	—	8,392	—	—	8,392	2.1
Austria	—	679	—	—	679	0.2
Belgium	—	3,248	—	—	3,248	0.8
Bermuda	—	152	—	—	152	—*
Brazil	1,286	—	—	—	1,286	0.3
Canada	15,868	—	—	—	15,868	4.0
Cayman Islands	439	—	—	—	439	0.1
China	4,746	5,828	—	—	10,574	2.7
Denmark	—	8,259	—	—	8,259	2.1
Finland	—	2,864	—	—	2,864	0.7
France	—	41,367	—	—	41,367	10.4
Germany	2,837	17,417	—	—	20,254	5.1
Hong Kong	—	10,907	—	—	10,907	2.8
India	4,190	854	—	—	5,044	1.3
Indonesia	—	718	—	—	718	0.2
Ireland	800	1,589	—	—	2,389	0.6
Israel	—	933	—	—	933	0.2
Italy	—	13,838	—	—	13,838	3.5
Japan	—	72,980	—	—	72,980	18.4

See accompanying notes which are an integral part of the financial statements.

Russell Investment Funds
International Developed Markets Fund

Schedule of Investments, continued — December 31, 2019

Presentation of Portfolio Holdings

Amounts in thousands

	Fair Value					
Portfolio Summary	**Level 1**	**Level 2**	**Level 3**	**Practical Expedient (a)**	**Total**	**% of Net Assets**
Luxembourg	590	545	—	—	1,135	0.3
Macao	—	663	—	—	663	0.2
Malaysia	—	180	—	—	180	—*
Netherlands	1,127	14,433	—	—	15,560	3.9
New Zealand	—	635	—	—	635	0.2
Norway	—	2,724	—	—	2,724	0.7
Portugal	—	886	—	—	886	0.2
Russia	610	1,914	—	—	2,524	0.6
Singapore	—	5,678	—	—	5,678	1.4
South Africa	534	755	—	—	1,289	0.3
South Korea	917	4,269	—	—	5,186	1.3
Spain	—	10,122	—	—	10,122	2.6
Sweden	—	5,843	—	—	5,843	1.5
Switzerland	—	32,740	—	—	32,740	8.2
Taiwan	—	4,366	—	—	4,366	1.1
Thailand	—	555	—	—	555	0.1
United Kingdom	2,148	51,915	—	—	54,063	13.6
United States	10,321	254	—	—	10,575	2.7
Preferred Stocks	—	4,810	—	—	4,810	1.2
Warrants & Rights	8	—	—	—	8	—*
Short-Term Investments	—	—	—	10,315	10,315	2.6
Other Securities	—	—	—	1,037	1,037	0.3
Total Investments	46,817	333,312	—	11,352	391,481	98.6
Other Assets and Liabilities, Net						1.4
						100.0
Other Financial Instruments						
Assets						
Futures Contracts	94	—	—	—	94	—*
Foreign Currency Exchange Contracts	—	603	—	—	603	0.2
Liabilities						
Futures Contracts	(1,385)	—	—	—	(1,385)	(0.3)
Foreign Currency Exchange Contracts	—	(187)	—	—	(187)	(—)*
Total Other Financial Instruments**	$ (1,291)	$ 416	$ —	$ —	$ (875)	

* Less than 0.05% of net assets.

** Futures and foreign currency exchange contract values reflect the unrealized appreciation (depreciation) on the investments.

(a) Certain investments that are measured at fair value using the net asset value per share (or its equivalent) practical expedient have not been classified in the fair value levels. The fair value amounts presented in the table are intended to permit reconciliation to the amounts presented in the Schedule of Investments.

For a description of the Levels, see note 2 in the Notes to Financial Statements.

See accompanying notes which are an integral part of the financial statements.

Russell Investment Funds
International Developed Markets Fund

Schedule of Investments, continued — December 31, 2019

For a disclosure on transfers between Levels 1, 2 and 3 during the period ended December 31, 2019, see note 2 in the Notes to Financial Statements.

Amounts in thousands

Sector Exposure	Fair Value $
Consumer Discretionary	42,693
Consumer Staples	14,265
Energy	28,207
Financial Services	120,128
Health Care	28,544
Materials and Processing	37,992
Producer Durables	39,293
Technology	41,085
Utilities	27,914
Warrants & Rights	8
Short-Term Investments	10,315
Other Securities	1,037
Total Investments	391,481

See accompanying notes which are an integral part of the financial statements.

Russell Investment Funds
International Developed Markets Fund

Fair Value of Derivative Instruments — December 31, 2019

Amounts in thousands

Derivatives not accounted for as hedging instruments	Equity Contracts	Foreign Currency Contracts
Location: Statement of Assets and Liabilities - Assets		
Unrealized appreciation on foreign currency exchange contracts	$ —	$ 603
Variation margin on futures contracts*	94	—
Total	$ 94	$ 603
Location: Statement of Assets and Liabilities - Liabilities		
Variation margin on futures contracts*	$ 1,385	$ —
Unrealized depreciation on foreign currency exchange contracts	—	187
Total	$ 1,385	$ 187

Derivatives not accounted for as hedging instruments	Equity Contracts	Foreign Currency Contracts
Location: Statement of Operations - Net realized gain (loss)		
Futures contracts	$ 1,553	$ —
Foreign currency exchange contracts	—	448
Total	$ 1,553	$ 448
Location: Statement of Operations - Net change in unrealized appreciation (depreciation)		
Futures contracts	$ (113)	$ —
Foreign currency exchange contracts	—	286
Total	$ (113)	$ 286

* Includes cumulative appreciation/depreciation of futures contracts as reported in the Schedule of Investments. Only variation margin is reported within the Statement of Assets and Liabilities.

For further disclosure on derivatives see note 2 in the Notes to Financial Statements.

See accompanying notes which are an integral part of the financial statements.

Russell Investment Funds
International Developed Markets Fund
Balance Sheet Offsetting of Financial and Derivative Instruments — December 31, 2019

Amounts in thousands

Offsetting of Financial Assets and Derivative Assets

Description	Location: Statement of Assets and Liabilities - Assets	Gross Amounts of Recognized Assets	Gross Amounts Offset in the Statement of Assets and Liabilities	Net Amounts of Assets Presented in the Statement of Assets and Liabilities
Securities on Loan*	Investments, at fair value	$ 1,022	$ —	$ 1,022
Foreign Currency Exchange Contracts	Unrealized appreciation on foreign currency exchange contracts	603	—	603
Total Financial and Derivative Assets		1,625	—	1,625
Financial and Derivative Assets not subject to a netting agreement		—	—	—
Total Financial and Derivative Assets subject to a netting agreement		$ 1,625	$ —	$ 1,625

Financial Assets, Derivative Assets, and Collateral Held by Counterparty

Counterparty	Net Amounts of Assets Presented in the Statement of Assets and Liabilities	Gross Amounts Not Offset in the Statement of Assets and Liabilities: Financial and Derivative Instruments	Gross Amounts Not Offset in the Statement of Assets and Liabilities: Collateral Received^	Net Amount
Bank of Montreal	$ 123	$ 12	$ —	$ 111
Bank of New York	111	14	—	97
Citigroup	109	13	—	96
JPMorgan Chase	506	—	506	—
Merrill Lynch	516	—	516	—
Royal Bank of Canada	122	13	—	109
Standard Chartered	123	12	—	111
State Street	15	15	—	—
Total	$ 1,625	$ 79	$ 1,022	$ 524

See accompanying notes which are an integral part of the financial statements.

Russell Investment Funds
International Developed Markets Fund
Balance Sheet Offsetting of Financial and Derivative Instruments, continued — December 31, 2019

Amounts in thousands

Offsetting of Financial Liabilities and Derivative Liabilities

Description	Location: Statement of Assets and Liabilities - Liabilities	Gross Amounts of Recognized Liabilities	Gross Amounts Offset in the Statement of Assets and Liabilities	Net Amounts of Liabilities Presented in the Statement of Assets and Liabilities
Foreign Currency Exchange Contracts	Unrealized depreciation on foreign currency exchange contracts	$ 187	$ —	$ 187
Total Financial and Derivative Liabilities		187	—	187
Financial and Derivative Liabilities not subject to a netting agreement		—	—	—
Total Financial and Derivative Liabilities subject to a netting agreement		$ 187	$ —	$ 187

Financial Liabilities, Derivative Liabilities, and Collateral Pledged by Counterparty

		Gross Amounts Not Offset in the Statement of Assets and Liabilities		
Counterparty	Net Amounts of Liabilities Presented in the Statement of Assets and Liabilities	Financial and Derivative Instruments	Collateral Pledged^	Net Amount
Bank of Montreal	$ 12	$ 12	$ —	$ —
Bank of New York	14	14	—	—
Citigroup	13	13	—	—
Royal Bank of Canada	13	13	—	—
Standard Chartered	12	12	—	—
State Street	123	15	—	108
Total	$ 187	$ 79	$ —	$ 108

* Fair value of securities on loan as reported in the footnotes to the Statement of Assets and Liabilities.

^ Collateral received or pledged amounts may not reconcile to those disclosed in the Statement of Assets and Liabilities due to the inclusion of off-Balance Sheet collateral and adjustments made to exclude overcollateralization.

For further disclosure on derivatives and counterparty risk see note 2 in the Notes to Financial Statements.

See accompanying notes which are an integral part of the financial statements.

Russell Investment Funds
International Developed Markets Fund

Statement of Assets and Liabilities — December 31, 2019

Amounts in thousands

Assets		
Investments, at identified cost	$	368,000
Investments, at fair value(*)(>)		391,481
Foreign currency holdings(^)		861
Unrealized appreciation on foreign currency exchange contracts		603
Receivables:		
Dividends and interest		366
Dividends from affiliated funds		16
Fund shares sold		5
Foreign capital gains taxes recoverable		746
From broker(a)		6,176
Total assets		400,254
Liabilities		
Payables:		
Fund shares redeemed		185
Accrued fees to affiliates		320
Other accrued expenses		125
Variation margin on futures contracts		1,288
Deferred capital gains tax liability		6
Unrealized depreciation on foreign currency exchange contracts		187
Payable upon return of securities loaned		1,037
Total liabilities		3,148
Net Assets	$	397,106

See accompanying notes which are an integral part of the financial statements.

Russell Investment Funds
International Developed Markets Fund

Statement of Assets and Liabilities, continued — December 31, 2019

Amounts in thousands

Net Assets Consist of:		
Total distributable earnings (losses)	$	9,688
Shares of beneficial interest		339
Additional paid-in capital		387,079
Net Assets	$	397,106

Net Asset Value, offering and redemption price per share:		
Net asset value per share: (#)	$	11.72
Net assets	$	397,105,592
Shares outstanding ($.01 par value)		33,885,361

Amounts in thousands

(^)	Foreign currency holdings - cost	$	852
(*)	Securities on loan included in investments	$	1,022
(>)	Investments in affiliates, U.S. Cash Management Fund and U.S. Cash Collateral Fund	$	11,352

(a)	Receivable from Broker for Futures	$	6,176

(#) Net asset value per share equals net assets divided by shares of beneficial interest outstanding.

See accompanying notes which are an integral part of the financial statements.

Russell Investment Funds
International Developed Markets Fund

Statement of Operations — For the Period Ended December 31, 2019

Amounts in thousands

Investment Income		
Dividends	$	12,783
Dividends from affiliated funds		278
Securities lending income (net)		53
Less foreign taxes withheld		(1,171)
Total investment income		11,943
Expenses		
Advisory fees		3,463
Administrative fees		192
Custodian fees		221
Transfer agent fees		16
Professional fees		98
Trustees' fees		16
Printing fees		54
Miscellaneous		17
Total expenses		4,077
Net investment income (loss)		7,866
Net Realized and Unrealized Gain (Loss)		
Net realized gain (loss) on:		
Investments (net of deferred tax liability for foreign capital gains taxes)		(3,494)
Investments in affiliated funds		7
Futures contracts		1,553
Foreign currency exchange contracts		448
Foreign currency-related transactions		(23)
Net realized gain (loss)		(1,509)
Net change in unrealized appreciation (depreciation) on:		
Investments (net of deferred tax liability for foreign capital gains taxes)		62,324
Investments in affiliated funds		(1)
Futures contracts		(113)
Foreign currency exchange contracts		286
Foreign currency-related transactions		1
Net change in unrealized appreciation (depreciation)		62,497
Net realized and unrealized gain (loss)		60,988
Net Increase (Decrease) in Net Assets from Operations	$	68,854

See accompanying notes which are an integral part of the financial statements.

Russell Investment Funds
International Developed Markets Fund

Statements of Changes in Net Assets

Amounts in thousands	For the Periods Ended December 31, 2019	2018
Increase (Decrease) in Net Assets		
Operations		
Net investment income (loss)	$ 7,866	$ 7,249
Net realized gain (loss)	(1,509)	13,567
Net change in unrealized appreciation (depreciation)	62,497	(83,059)
Net increase (decrease) in net assets from operations	68,854	(62,243)
Distributions		
To shareholders	(9,905)	(39,021)
Net decrease in net assets from distributions	(9,905)	(39,021)
Share Transactions*		
Net increase (decrease) in net assets from share transactions	(19,439)	22,550
Total Net Increase (Decrease) in Net Assets	39,510	(78,714)
Net Assets		
Beginning of period	357,596	436,310
End of period	$ 397,106	$ 357,596

* Share transaction amounts (in thousands) for the periods ended December 31, 2019 and December 31, 2018 were as follows:

	2019		2018	
	Shares	Dollars	Shares	Dollars
Proceeds from shares sold	1,397	$ 15,227	1,229	$ 15,125
Proceeds from reinvestment of distributions	852	9,905	3,619	39,021
Payments for shares redeemed	(3,974)	(44,571)	(2,481)	(31,596)
Total increase (decrease)	(1,725)	$ (19,439)	2,367	$ 22,550

See accompanying notes which are an integral part of the financial statements.

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Russell Investment Funds
International Developed Markets Fund

Financial Highlights — For the Periods Ended

For a Share Outstanding Throughout Each Period.

	$ Net Asset Value, Beginning of Period	$ Net Investment Income (Loss)(a)(b)	$ Net Realized and Unrealized Gain (Loss)	$ Total from Investment Operations	$ Distributions from Net Investment Income	$ Distributions from Net Realized Gain
December 31, 2019	10.04	.22	1.76	1.98	(.30)	—
December 31, 2018	13.12	.22	(2.11)	(1.89)	(.22)	(.97)
December 31, 2017	11.15	.19	2.58	2.77	(.34)	(.46)
December 31, 2016	11.26	.19	.06	.25	(.36)	—
December 31, 2015	11.54	.19	(.33)	(.14)	(.14)	—

See accompanying notes which are an integral part of the financial statements.

$ Total Distributions	$ Net Asset Value, End of Period	% Total Return(d)	$ Net Assets, End of Period (000)	% Ratio of Expenses to Average Net Assets, Gross(e)	% Ratio of Expenses to Average Net Assets, Net(b)(e)	% Ratio of Net Investment Income to Average Net Assets(b)	% Portfolio Turnover Rate
(.30)	11.72	19.72	397,106	1.06	1.06	2.03	72
(1.19)	10.04	(14.87)	357,596	1.08	1.08	1.76	65
(.80)	13.12	24.98	436,310	1.08	1.08	1.59	117
(.36)	11.15	2.36	355,374	1.02	1.02	1.78	36
(.14)	11.26	(1.31)	358,125	1.06	1.04	1.60	35

See accompanying notes which are an integral part of the financial statements.

Russell Investment Funds
International Developed Markets Fund

Related Party Transactions, Fees and Expenses

Accrued fees payable to affiliates for the period ended December 31, 2019 were as follows:

Advisory fees	$ 300,377
Administration fees	16,688
Transfer agent fees	1,468
Trustee fees	1,491
	$ 320,024

Transactions (amounts in thousands) during the period ended December 31, 2019 with Underlying Funds which are, or were, an affiliated company are as follows:

	Fair Value, Beginning of Period	Purchases	Sales	Realized Gain (Loss)	Change in Unrealized Gain (Loss)	Fair Value, End of Period	Income Distributions	Capital Gains Distributions
U.S. Cash Management Fund	$ 18,677	$ 115,405	$ 123,773	$ 7	$ (1)	$ 10,315	$ 278	$ —
U.S. Cash Collateral Fund	1,256	45,682	45,901	—	—	1,037	51	—
	$ 19,933	$ 161,087	$ 169,674	$ 7	$ (1)	$ 11,352	$ 329	$ —

Federal Income Taxes

At December 31, 2019, the cost of investments and net unrealized appreciation (depreciation), undistributed ordinary income and undistributed long-term capital gains for income tax purposes were as follows:

Cost of Investments	Unrealized Appreciation	Unrealized Depreciation	Net Unrealized Appreciation (Depreciation)	Undistributed Ordinary Income	Undistributed Long-Term Capital Gains (Capital Loss Carryforward)
$ 372,550,212	$ 34,999,189	$ (16,374,263)	$ 18,624,926	$ 1,372,070	$ (10,320,344)

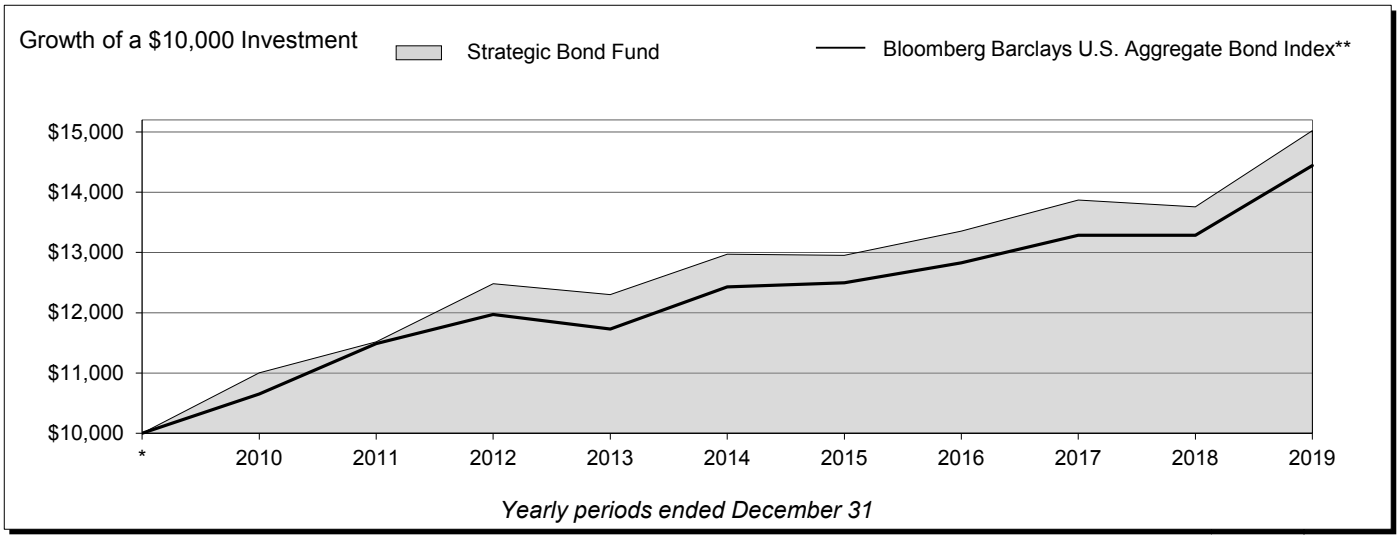
For the fiscal years ended December 31, 2019 and December 31, 2018 respectively, the Fund made the following tax basis distributions:

December 31, 2019			December 31, 2018		
Ordinary Income Distributions	Long-Term Capital Gain Distributions	Return of Capital	Ordinary Income Distributions	Long-Term Capital Gain Distributions	Return of Capital
$ 9,905,479	$ —	$ —	$ 18,629,370	$ 20,391,546	$ —

Net investment income and net realized gains (losses) in the financial statements may differ from taxable net investment income and net realized gains (losses). Capital accounts within the financial statements are adjusted for permanent book-tax differences. Book-tax differences are primarily due to foreign currency gains and losses, reclassifications of dividends, differences in treatment of income from swaps, net operating losses, investments in partnerships, investments in passive foreign investment companies (PFICs), tax straddle transaction, use of tax equalization and foreign capital gains taxes. These adjustments have no impact on the net assets. At December 31, 2019, there were no adjustments to the Statement of Assets and Liabilities.

Russell Investment Funds
Strategic Bond Fund

Portfolio Management Discussion and Analysis — December 31, 2019 (Unaudited)



Strategic Bond Fund	Total Return
1 Year	9.19%
5 Years	2.98%§
10 Years	4.15%§

Bloomberg Barclays U.S. Aggregate Bond Index**	Total Return
1 Year	8.72%
5 Years	3.05%§
10 Years	3.75%§

Russell Investment Funds
Strategic Bond Fund

Portfolio Management Discussion and Analysis, continued — December 31, 2019 (Unaudited)

The Strategic Bond Fund (the "Fund") employs a multi-manager approach whereby portions of the Fund are allocated to different money manager strategies. Fund assets not allocated to money managers are managed by Russell Investment Management, LLC ("RIM"), the Fund's advisor. RIM may change the allocation of the Fund's assets among money managers at any time. An exemptive order from the Securities and Exchange Commission ("SEC") permits RIM to engage or terminate a money manager at any time, subject to approval by the Fund's Board, without a shareholder vote. Pursuant to the terms of the exemptive order, the Fund is required to notify its shareholders within 90 days of when a money manager begins providing services. As of December 31, 2019, the Fund had three money managers.

What is the Fund's investment objective?

The Fund seeks to provide total return.

How did the Fund perform relative to its benchmark for the fiscal year ended December 31, 2019?

For the fiscal year ended December 31, 2019, the Fund gained 9.19%. This is compared to the Fund's benchmark, the Bloomberg Barclays U.S. Aggregate Bond Index, which gained 8.72% during the same period. The Fund's performance includes operating expenses, whereas index returns are unmanaged and do not include expenses of any kind.

For the fiscal year ended December 31, 2019, the Morningstar® Insurance Intermediate-Term Bond Category, a group of funds that Morningstar considers to have investment strategies similar to those of the Fund, gained 8.68%. This return serves as a peer comparison and is expressed net of operating expenses.

RIM may assign a money manager a benchmark other than the Fund's index. However, the Fund's primary index remains the benchmark for the Fund.

How did market conditions affect the Fund's performance?

The fiscal year ended December 31, 2019 began with a strong rally on the back of the market sell off that closed the prior year. Members of the U.S. Federal Reserve board began to quickly alter their late 2018 communications in favor of a less hawkish and eventually solidly dovish bias. This caused a reversal of market sentiment to open the year. However, interest rates remained contained and in fact continued to fall throughout much of the rest of the fiscal year. The 10-year Treasury, which began the fiscal year at a yield of 2.68%, fell to as low as 1.45% in early September before ending the fiscal year at a yield of 1.92%.

Credit spreads, on the other hand, reacted very favorably to the change in rhetoric, and ultimately policy, from the Fed. After the tumultuous period coming into the year, credit spreads experienced a sharp rally to start the new year, and most sectors of the market sustained that momentum to finish the fiscal year with spreads notably tighter than where they started. The U.S. investment grade corporate market produced especially strong results with the Bloomberg Barclays U.S. Corporate Bond Index posting a total return of 14.5% for the fiscal year. Emerging market currencies also responded favorably to the loosening of financial conditions. Volatile and troubled economies such as Turkey and Argentina had some of the strongest performing currencies over the course of the fiscal year.

How did the investment strategies and techniques employed by the Fund and its money managers affect its benchmark relative performance?

The Fund was generally positioned long duration, underweight to government and government-guaranteed securities and overweight securitized credit, all of which contributed positively to benchmark-relative performance. A small underweight to investment grade corporates during parts of the year detracted modestly from performance.

The Fund employs discretionary money managers. The Fund's discretionary money managers select the individual portfolio securities for the assets assigned to them. RIM manages assets not allocated to money manager strategies and the Fund's cash balances.

With respect to certain of the Fund's money managers, Western Asset Management Company ("Western") was the best performing money manager, outperforming both the Fund's benchmark and their RIM-assigned benchmark. Western's strategic biases to overweight credit and maintain long duration were rewarded on both sides in the market environment. Western was also tactical with its duration and yield curve positioning, allowing it to add further value beyond its strategic biases. Furthermore, Western favored the value in BBB-rated corporate bonds and emerging market issuers, both of which were among the strongest performing segments of credit markets.

Schroder Investment Management North America Inc. ("Schroder") was the worst performing money manager during the period, slightly underperforming the Fund's benchmark but outperforming their RIM-assigned benchmark. The shorter duration nature of Schroder's securitized credit mandate drove the underperformance relative to the Fund's benchmark. However, Schroder's lower quality bias and security selection within the securitized credit markets led to substantial outperformance relative to their RIM-assigned benchmark.

During the period, RIM managed multiple positioning strategies to seek to achieve the desired risk/return profile for the Fund.

The U.S. Investment Grade Intelligent Credit positioning strategy, which screens securities based on value within the Bloomberg Barclays US Corporate Bond Index and purchases physical bonds that RIM believes to be undervalued, outperformed the Fund's

benchmark. The strategy benefited both from its longer duration nature as well as a concentrated emphasis on the investment grade corporate market.

On the downside, the U.S. Government positioning strategy, which seeks to provide exposure to securities issued by the U.S. Government, lagged as credit spread markets outperformed.

RIM also managed currency factor (carry, value and trend) and rates factor (carry and value) strategies which seek to generate active returns through currency and international rates positioning, respectively, to reduce the Fund's reliance on traditional fixed income market risks. The rates strategy produced solid positive performance while the currency factors had neutral performance for the fiscal year. Within the rates strategy, the global decline in interest rates led to considerable convergence in global interest rates, which was an especially positive tailwind for the value component with the rates factors. Among currency factors, solid performance among the carry and value factors, particularly within emerging market currencies, was generally offset by the drag from another year of negative results from the trend factor.

During the period, RIM also implemented numerous tactical positioning strategies via derivatives that added to Fund performance during the period. RIM utilized interest rate derivatives to extend duration throughout the period, which had the greatest impact on total performance. RIM also utilized credit default swaps to capture the market rally that began the period. The Fund's tactical positions in developed market currencies via forwards had a muted impact.

Describe any changes to the Fund's structure or the money manager line-up.

In March 2019, RIM terminated Insight Investment International Limited and reallocated the assets among existing strategies.

In September 2019, RIM terminated Metlife Investment Management, LLC and Scout Investments, LLC and reallocated the assets among existing strategies.

Money Managers as of December 31, 2019	Styles
Colchester Global Investors Limited	Generalist
Schroder Investment Management North America Inc.	Specialist
Western Asset Management Company and Western Asset Management Company Limited	Generalist

The views expressed in this report reflect those of the portfolio managers only through the end of the period covered by the report. These views do not necessarily represent the views of RIM, or any other person in RIM or any other affiliated organization. These views are subject to change at any time based upon market conditions or other events, and RIM disclaims any responsibility to update the views contained herein. These views should not be relied on as investment advice and, because investment decisions for a Russell Investment Funds ("RIF") Fund are based on numerous factors, should not be relied on as an indication of investment decisions of any RIF Fund.

* Assumes initial investment on January 1, 2010.

** The Bloomberg Barclays U.S. Aggregate Bond Index is an index, with income reinvested, generally representative of intermediate-term government bonds, investment-grade corporate debt securities and mortgage-backed securities.

§ Annualized.

The performance shown in this section does not reflect any Insurance Company Separate Account or Policy Charges. Performance is historical and assumes reinvestment of all dividends and capital gains. Investment return and principal value will fluctuate so that an investor's shares, when redeemed, may be worth more or less than when purchased. Past performance is not indicative of future results. Additionally, the returns presented herein may differ from the performance reported in the Financial Highlights as the returns herein are calculated in a manner consistent with standardized performance in accordance with Securities and Exchange Commission rules, while the performance in the Financial Highlights has been calculated in accordance with U.S. Generally Accepted Accounting Principles ("U.S. GAAP").

Russell Investment Funds
Strategic Bond Fund

Shareholder Expense Example — December 31, 2019 (Unaudited)

Fund Expenses

The following disclosure provides important information regarding the Fund's Shareholder Expense Example ("Example").

Example

As a shareholder of the Fund, you incur two types of costs: (1) transaction costs, and (2) ongoing costs, including advisory and administrative fees and other Fund expenses. The Example is intended to help you understand your ongoing costs (in dollars) of investing in the Fund and to compare these costs with the ongoing costs of investing in other mutual funds. The Example is based on an investment of $1,000 invested at the beginning of the period and held for the entire period indicated, which for this Fund is from July 1, 2019 to December 31, 2019.

Actual Expenses

The information in the table under the heading "Actual Performance" provides information about actual account values and actual expenses. You may use the information in this column, together with the amount you invested, to estimate the expenses that you paid over the period. Simply divide your account value by $1,000 (for example, an $8,600 account value divided by $1,000 = 8.6), then multiply the result by the number in the first column in the row entitled "Expenses Paid During Period" to estimate the expenses you paid on your account during this period.

Hypothetical Example for Comparison Purposes

The information in the table under the heading "Hypothetical Performance (5% return before expenses)" provides information about hypothetical account values and hypothetical expenses based on the Fund's actual expense ratio and an assumed rate of return of 5% per year before expenses, which is not the Fund's actual return. The hypothetical account values and expenses may not be used to estimate the actual ending account balance or expenses you paid for the period. You may use this information to compare the ongoing costs of investing in the Fund and other funds. To do so, compare this 5% hypothetical example with the 5% hypothetical examples that appear in the shareholder reports of other funds.

Please note that the expenses shown in the table are meant to highlight your ongoing costs only and do not reflect any transactional costs. Therefore, the information under the heading "Hypothetical Performance (5% return before expenses)" is useful in comparing ongoing costs only, and will not help you determine the relative total costs of owning different funds. In addition, if these transactional costs were included, your costs would have been higher. The fees and expenses shown in this on do not reflect any Insurance Company Separate Account Policy Charges.

	Actual Performance	Hypothetical Performance (5% return before expenses)
Beginning Account Value July 1, 2019	$ 1,000.00	$ 1,000.00
Ending Account Value December 31, 2019	$ 1,025.90	$ 1,021.78
Expenses Paid During Period*	$ 3.47	$ 3.47

* Expenses are equal to the Fund's annualized expense ratio of 0.68% (representing the six month period annualized), multiplied by the average account value over the period, multiplied by 184/365 (to reflect the one-half year period).

Russell Investment Funds
Strategic Bond Fund

Schedule of Investments — December 31, 2019

Amounts in thousands *(except share amounts)*

	Principal Amount ($) or Shares	Fair Value $
Long-Term Investments - 88.6%		
Asset-Backed Securities - 5.2%		
ACE Securities Corp. Home Equity Loan Trust		
Series 2005-HE3 Class M2		
3.181% due 05/25/35 (Ê)	174	174
ACE Securities Corp. Mortgage Loan Trust		
Series 2007-D1 Class A2		
6.336% due 02/25/38 (~)(Ê)(Þ)	543	516
AEP Texas Restoration Funding LLC		
Series 2019-1 Class A2		
2.294% due 08/01/31	989	974
Ally Auto Receivables Trust		
Series 2019-2 Class A2		
2.340% due 06/15/22	1,700	1,703
Americredit Automobile Receivables Trust		
Series 2019-1 Class A2A		
2.930% due 06/20/22	905	908
Ameriquest Mortgage Securities, Inc. Asset-Backed Pass-Through Certificates		
Series 2005-R1 Class M4		
3.596% due 03/25/35 (Ê)	830	828
Applebee's Funding LLC / IHOP Funding LLC		
Series 2019-1A Class A2I		
4.194% due 06/07/49 (Þ)	340	345
Asset Backed Securities Corp. Home Equity Loan Trust		
Series 2007-HE1 Class A4		
2.406% due 12/25/36 (Ê)	464	449
Avis Budget Rental Car Funding LLC		
Series 2019-2A Class A		
3.350% due 09/22/25 (Þ)	600	618
Bank of America Corp.		
Series 2017-A2 Class A2		
1.840% due 01/17/23	1,474	1,474
BCAP LLC Trust		
Series 2014-RR3 Class 3A2		
2.629% due 07/26/36 (~)(Ê)(Þ)	909	868
Series 2014-RR3 Class 5A2		
2.639% due 10/26/36 (~)(Ê)(Þ)	579	553
Blackbird Capital Aircraft Lease Securitization, Ltd.		
Series 2016-1A Class AA		
2.487% due 12/16/41 (~)(Ê)(Þ)	812	806
BNC Mortgage Loan Trust		
Series 2007-1 Class A4		
2.646% due 03/25/37 (Ê)	851	814
CAL Funding III, Ltd.		
Series 2017-1A Class A		
3.620% due 06/25/42 (Þ)	593	593
Series 2018-2A Class A		
4.340% due 09/25/43 (Þ)	259	263
Carlyle Global Market Strategies CLO, Ltd.		
Series 2017-2A Class AR		
3.491% due 01/18/29 (Ê)(Þ)	761	758
CarMax Auto Owner Trust		
Series 2017-3 Class A3		
1.970% due 04/15/22	744	744
Citigroup Mortgage Loan Trust, Inc.		
Series 2007-WFH2 Class M2		
2.936% due 03/25/37 (Ê)	1,490	1,460
Conseco Financial Corp.		
Series 1998-2 Class M1		
6.940% due 12/01/28 (~)(Ê)	1,389	1,341
Countrywide Asset-Backed Certificates		
Series 2007-4 Class A4W		
4.683% due 04/25/47	1,565	1,632
Dividend Solar Loans LLC		
Series 2019-1 Class A		
3.670% due 08/22/39 (Þ)	370	371
Education Loan Asset-Backed Trust I		
Series 2013-1 Class A2		
3.066% due 04/26/32 (Ê)(Þ)	580	575
Fieldstone Mortgage Investment Trust		
Series 2004-4 Class M3		
2.438% due 10/25/35 (Ê)	349	351
Flatiron CLO, Ltd.		
Series 2017-1A Class A		
3.160% due 05/15/30 (Ê)(Þ)	1,000	1,000
Greenpoint Manufactured Housing Contract Trust		
Series 2000-4 Class A3		
3.846% due 08/21/31 (Ê)	850	826
Home Equity Asset Trust		
Series 2005-9 Class M1		
2.233% due 04/25/36 (Ê)	359	358
Series 2006-4 Class 2A4		
2.103% due 08/25/36 (Ê)	574	571
Series 2006-6 Class 2A3		
0.596% due 11/25/36 (Ê)	536	503
Horizon Aircraft Finance I, Ltd.		
Series 2018-1 Class A		
4.458% due 12/15/38 (Þ)	840	862
HSI Asset Securitization Corp. Trust		
Series 2007-OPT1 Class 1A		
2.626% due 12/25/36 (Ê)	248	219
Legacy Mortgage Asset Trust		
Series 2019-GS4 Class A1		
3.438% due 05/25/59 (~)(Ê)(Þ)	443	445
Long Beach Mortgage Loan Trust		
Series 2004-1 Class M1		
3.236% due 02/25/34 (Ê)	951	942
Series 2004-4 Class M1		
3.386% due 10/25/34 (Ê)	645	644
Mastr Asset Backed Securities Trust		
Series 2005-WMC1 Class M4		
2.768% due 03/25/35 (Ê)	429	431
Merrill Lynch Mortgage Investors Trust		
Series 2006-FF1 Class M4		

Russell Investment Funds
Strategic Bond Fund

Schedule of Investments, continued — December 31, 2019

Amounts in thousands *(except share amounts)*

	Principal Amount ($) or Shares	Fair Value $
2.378% due 08/25/36 (Ê)	790	788
Navient Student Loan Trust		
Series 2015-1 Class A2		
2.423% due 04/25/40 (Ê)	175	171
New Century Home Equity Loan Trust		
Series 2005-B Class M1		
2.303% due 10/25/35 (Ê)	690	672
Option One Mortgage Loan Trust		
Series 2004-3 Class M1		
1.314% due 11/25/34 (Ê)	456	455
Series 2007-FXD1 Class 3A4		
5.860% due 01/25/37 (~)(Ê)	790	789
Park Place Securities, Inc. Asset-Backed Pass-Through Certificates		
Series 2005-WHQ1 Class M5		
1.896% due 03/25/35 (Ê)	1,290	1,286
Popular ABS Mortgage Pass-Through Trust		
Series 2006-C Class A4		
2.736% due 07/25/36 (Ê)	389	387
Series 2006-D Class A3		
2.746% due 11/25/36 (Ê)	1,296	1,279
RAMP Trust		
Series 2006-RZ1 Class M4		
3.055% due 03/25/36 (Ê)	960	932
Renaissance Home Equity Loan Trust		
Series 2006-1 Class AF6		
5.746% due 05/25/36 (~)(Ê)	95	63
SBA Small Business Investment Cos.		
Series 2017-10A Class 1		
2.845% due 03/10/27	206	209
Series 2019-10A Class 1		
3.113% due 03/10/29	198	205
SLM Private Credit Student Loan Trust		
Series 2005-B Class A4		
2.941% due 06/15/39 (Ê)	194	190
Series 2006-A Class A5		
2.901% due 06/15/39 (Ê)	196	191
SMB Private Education Loan Trust		
Series 2019-B Class A2B		
3.028% due 06/15/37 (Ê)(Þ)	190	190
SoFi Professional Loan Program Trust		
Series 2019-A Class A2FX		
3.690% due 06/15/48 (Þ)	730	754
Structured Asset Investment Loan Trust		
Series 2005-HE3 Class M1		
2.543% due 09/25/35 (Ê)	578	577
Structured Asset Securities Corp. Mortgage Loan Trust		
Series 2007-BC3 Class 2A4		
2.278% due 05/25/47 (Ê)	1,422	1,200
Sunrun Atlas Issuer LLC		
Series 2019-2 Class A		
3.610% due 01/30/55 (Š)(Þ)	600	596
Textainer Marine Containers, Ltd.		
Series 2017-1A Class A		
3.720% due 05/20/42 (Þ)	759	762
Towd Point Mortgage Trust		
Series 2016-3 Class A1		
2.250% due 04/25/56 (~)(Ê)(Þ)	205	205
Series 2017-1 Class A1		
2.750% due 10/25/56 (~)(Ê)(Þ)	939	945
Series 2017-3 Class A1		
2.750% due 07/25/57 (~)(Ê)(Þ)	451	452
Series 2017-4 Class A1		
2.750% due 06/25/57 (~)(Ê)(Þ)	573	576
Series 2018-4 Class A1		
3.000% due 06/25/58 (~)(Ê)(Þ)	1,104	1,120
Series 2019-1 Class A1		
3.750% due 03/25/58 (~)(Ê)(Þ)	1,304	1,353
Series 2019-4 Class A1		
2.900% due 07/25/59 (~)(Ê)(Þ)	1,775	1,784
Triton Container Finance IV LLC		
Series 2017-2A Class A		
3.620% due 08/20/42 (Þ)	514	513
Triton Container Finance V LLC		
Series 2018-1A Class A		
3.950% due 03/20/43 (Þ)	205	206
Triton Container Finance VI LLC		
Series 2017-1A Class A		
3.520% due 06/20/42 (Þ)	570	568
United States Small Business Administration		
Series 2019-20D Class 1		
2.980% due 04/01/39	68	70
Series 2019-25G Class 1		
2.690% due 07/01/44	70	71
VOLT LXII LLC		
Series 2017-NPL9 Class A1		
3.125% due 09/25/47 (~)(Ê)(Þ)	1,808	1,808
		47,286
Corporate Bonds and Notes - 17.6%		
3M Co.		
2.750% due 03/01/22	305	310
2.375% due 08/26/29	70	69
ABB Treasury Center, Inc.		
4.000% due 06/15/21 (Þ)	220	227
Abbott Laboratories		
3.750% due 11/30/26	51	56
4.750% due 11/30/36	60	75
4.900% due 11/30/46	80	105
AbbVie, Inc.		
2.300% due 05/14/21	745	748
2.300% due 11/21/22 (Þ)	440	442
2.600% due 11/21/24 (Þ)	390	392
3.600% due 05/14/25	60	63
2.950% due 11/21/26 (Þ)	100	101
3.200% due 11/21/29 (Þ)	380	386
Aetna, Inc.		
2.800% due 06/15/23	30	30
Air Lease Corp.		
Series 513		
3.875% due 04/01/21	714	729

See accompanying notes which are an integral part of the financial statements.

Russell Investment Funds
Strategic Bond Fund

Schedule of Investments, continued — December 31, 2019

Amounts in thousands *(except share amounts)*

	Principal Amount ($) or Shares	Fair Value $
Allergan Finance LLC		
3.250% due 10/01/22	706	721
Allergan Sales LLC		
5.000% due 12/15/21 (Þ)	687	718
Altria Group, Inc.		
3.490% due 02/14/22	40	41
2.850% due 08/09/22	170	173
4.000% due 01/31/24	690	732
3.800% due 02/14/24	110	116
4.400% due 02/14/26	350	380
10.200% due 02/06/39	482	775
5.950% due 02/14/49	100	121
Amazon.com, Inc.		
2.500% due 11/29/22	715	729
4.950% due 12/05/44	60	78
Series WI		
5.200% due 12/03/25	100	116
3.150% due 08/22/27	220	233
3.875% due 08/22/37	50	57
4.050% due 08/22/47	70	82
American Airlines Pass-Through Trust		
Series 2013-2 Class A		
4.950% due 01/15/23	99	104
American Express Co.		
3.375% due 05/17/21	261	266
American Express Credit Corp.		
2.250% due 05/05/21	723	726
American International Group, Inc.		
3.750% due 07/10/25	110	118
American Tower Corp.		
2.250% due 01/15/22	230	231
Amgen, Inc.		
2.650% due 05/11/22	274	278
3.625% due 05/22/24	10	11
4.400% due 05/01/45	100	112
Andeavor LLC		
Series WI		
5.125% due 12/15/26	225	240
Anheuser-Busch Cos. LLC / Anheuser-Busch InBev Worldwide, Inc.		
3.650% due 02/01/26	470	501
4.900% due 02/01/46	70	83
Anheuser-Busch InBev Finance, Inc.		
3.300% due 02/01/23	180	186
Anheuser-Busch InBev Worldwide, Inc.		
4.150% due 01/23/25	360	392
4.000% due 04/13/28	20	22
4.750% due 01/23/29	90	104
5.875% due 06/15/35	207	255
5.550% due 01/23/49	160	207
Anthem, Inc.		
3.700% due 08/15/21	40	41
3.125% due 05/15/22	30	31
2.950% due 12/01/22	80	82
3.350% due 12/01/24	30	31
3.650% due 12/01/27	110	116
4.550% due 03/01/48	675	762

Amounts in thousands *(except share amounts)*

	Principal Amount ($) or Shares	Fair Value $
Aon Corp.		
8.205% due 01/01/27	172	221
Apache Corp.		
3.250% due 04/15/22	16	16
4.375% due 10/15/28	70	73
5.100% due 09/01/40	140	142
4.750% due 04/15/43	130	125
4.250% due 01/15/44	120	110
Apple, Inc.		
2.400% due 05/03/23	716	728
2.450% due 08/04/26	110	111
4.650% due 02/23/46	100	125
Ares Capital Corp.		
3.500% due 02/10/23	261	265
Associated Bank NA		
Series BKNT		
3.500% due 08/13/21	365	372
AT&T, Inc.		
3.000% due 02/15/22	40	41
3.875% due 01/15/26	685	733
3.800% due 02/15/27	80	85
5.250% due 03/01/37	190	227
4.350% due 06/15/45	100	108
Athene Holding, Ltd.		
4.125% due 01/12/28	630	652
Avnet, Inc.		
4.875% due 12/01/22	410	434
BAC Capital Trust XIV		
Series G		
4.000% due 09/29/49 (Ê)(ƒ)	70	64
Bank of America Corp.		
3.550% due 03/05/24 (Ê)	130	135
4.000% due 01/22/25	175	187
3.366% due 01/23/26 (Ê)	325	340
4.250% due 10/22/26	320	349
4.271% due 07/23/29 (Ê)	200	222
3.974% due 02/07/30 (Ê)	500	549
4.330% due 03/15/50 (Ê)	30	36
Series AA		
6.100% due 12/31/49 (Ê)(ƒ)	10	11
Series GMTN		
2.625% due 04/19/21	718	725
3.300% due 01/11/23	460	475
4.450% due 03/03/26	30	33
3.500% due 04/19/26	790	840
3.593% due 07/21/28 (Ê)	260	275
Series WI		
3.004% due 12/20/23 (Ê)	42	43
3.419% due 12/20/28 (Ê)	482	505
BankUnited, Inc.		
4.875% due 11/17/25	661	720
Barrick NA Finance LLC		
5.700% due 05/30/41	130	160
BAT Capital Corp.		
Series WI		
3.557% due 08/15/27	445	454

See accompanying notes which are an integral part of the financial statements.

Russell Investment Funds
Strategic Bond Fund

Schedule of Investments, continued — December 31, 2019

Amounts in thousands *(except share amounts)*

	Principal Amount ($) or Shares	Fair Value $
4.540% due 08/15/47	160	160
Bayer US Finance II LLC		
3.500% due 06/25/21 (Þ)	713	726
Bayer US Finance LLC		
3.375% due 10/08/24 (Þ)	726	748
BB&T Corp.		
2.050% due 05/10/21	728	730
Becton Dickinson and Co.		
3.363% due 06/06/24	180	187
3.734% due 12/15/24	706	748
4.685% due 12/15/44	8	9
Berkshire Hathaway Energy Co. Series WI		
2.800% due 01/15/23	245	251
3.800% due 07/15/48	491	527
Berkshire Hathaway Finance Corp.		
4.200% due 08/15/48	621	733
4.250% due 01/15/49	130	154
Berkshire Hathaway, Inc.		
3.125% due 03/15/26	694	731
Blue Racer Midstream LLC / Blue Racer Finance Corp.		
6.125% due 11/15/22 (Þ)	30	29
BMW US Capital LLC		
2.000% due 04/11/21 (Þ)	724	725
1.850% due 09/15/21 (Þ)	20	20
Boardwalk Pipelines, LP		
4.800% due 05/03/29	710	758
Boeing Co. (The)		
2.125% due 03/01/22	272	273
3.100% due 05/01/26	20	21
2.700% due 02/01/27	40	41
2.800% due 03/01/27	30	30
3.200% due 03/01/29	120	125
3.250% due 02/01/35	380	388
3.750% due 02/01/50	40	42
BP Capital Markets America, Inc.		
3.245% due 05/06/22	10	10
2.520% due 09/19/22	250	253
2.750% due 05/10/23	513	525
3.216% due 11/28/23	290	302
3.410% due 02/11/26	200	213
3.119% due 05/04/26	120	125
Brighthouse Financial, Inc. Series WI		
4.700% due 06/22/47	859	794
Bristol-Myers Squibb Co.		
2.250% due 08/15/21 (Þ)	70	70
2.600% due 05/16/22 (Þ)	90	91
3.550% due 08/15/22 (Þ)	30	31
2.900% due 07/26/24 (Þ)	290	299
3.875% due 08/15/25 (Þ)	200	216
3.200% due 06/15/26 (Þ)	190	199
3.900% due 02/20/28 (Þ)	380	418
3.400% due 07/26/29 (Þ)	170	182
5.000% due 08/15/45 (Þ)	80	102
Broadcom, Inc.		

Amounts in thousands *(except share amounts)*

	Principal Amount ($) or Shares	Fair Value $
3.125% due 04/15/21 (Þ)	712	720
Brown & Brown, Inc.		
4.200% due 09/15/24	693	737
Bunge, Ltd. Finance Corp.		
3.000% due 09/25/22	531	538
4.350% due 03/15/24	220	231
Burlington Northern Santa Fe LLC		
3.400% due 09/01/24	220	233
4.550% due 09/01/44	461	548
4.150% due 04/01/45	100	113
Cameron LNG LLC		
2.902% due 07/15/31 (Þ)	40	40
3.302% due 01/15/35 (Þ)	140	141
Caterpillar Financial Services Corp. Series I		
2.650% due 05/17/21	276	279
CC Holdings GS V LLC / Crown Castle GS III Corp.		
3.849% due 04/15/23	242	254
Charter Communications Operating LLC / Charter Communications Operating Capital		
5.050% due 03/30/29	360	408
5.375% due 04/01/38	80	92
5.750% due 04/01/48	350	408
Series WI		
4.908% due 07/23/25	420	462
6.384% due 10/23/35	20	25
6.484% due 10/23/45	60	75
6.834% due 10/23/55	593	773
Chevron Corp.		
2.100% due 05/16/21	302	303
2.355% due 12/05/22	436	442
2.954% due 05/16/26	70	73
Chubb INA Holdings, Inc.		
3.350% due 05/03/26	30	32
Cigna Corp. Series WI		
3.400% due 09/17/21	60	61
3.750% due 07/15/23	150	157
4.125% due 11/15/25	130	141
4.375% due 10/15/28	460	509
Cimarex Energy Co.		
4.375% due 06/01/24	10	11
3.900% due 05/15/27	210	217
4.375% due 03/15/29	80	85
Cintas Corp. No. 2		
2.900% due 04/01/22	60	61
3.700% due 04/01/27	70	76
Cisco Systems, Inc.		
2.200% due 02/28/21	220	221
Citigroup, Inc.		
4.450% due 09/29/27	610	671
8.125% due 07/15/39	550	920
5.300% due 05/06/44	101	129
4.750% due 05/18/46	220	264
4.650% due 07/23/48	55	69

See accompanying notes which are an integral part of the financial statements.

Russell Investment Funds
Strategic Bond Fund

Schedule of Investments, continued — December 31, 2019

Amounts in thousands *(except share amounts)*

	Principal Amount ($) or Shares	Fair Value $
Series 9-RG		
4.650% due 07/30/45	147	182
Series P		
5.950% due 12/31/49 (Ê)(ƒ)	280	306
CME Group, Inc.		
5.300% due 09/15/43	30	40
CNH Industrial Capital LLC		
3.875% due 10/15/21	250	257
CNOOC Finance USA LLC		
3.500% due 05/05/25	550	575
Coca-Cola Co. (The)		
3.300% due 09/01/21	281	288
Comcast Cable Communications Holdings, Inc.		
9.455% due 11/15/22	583	704
Comcast Corp.		
1.625% due 01/15/22	290	289
3.700% due 04/15/24	260	277
3.950% due 10/15/25	200	218
3.150% due 03/01/26	30	31
4.150% due 10/15/28	350	394
4.250% due 10/15/30	120	137
6.500% due 11/15/35	90	127
6.550% due 07/01/39	200	284
Concho Resources, Inc.		
4.375% due 01/15/25	90	93
3.750% due 10/01/27	110	116
4.300% due 08/15/28	90	98
Constellation Brands, Inc.		
4.750% due 11/15/24	40	44
Continental Airlines Pass-Through Trust		
Series 071A Class A		
5.983% due 04/19/22	71	75
Continental Resources, Inc.		
4.500% due 04/15/23	110	115
3.800% due 06/01/24	80	83
4.900% due 06/01/44	10	11
Series WI		
4.375% due 01/15/28	130	138
Crown Castle International Corp.		
4.875% due 04/15/22	299	317
5.250% due 01/15/23	203	220
CVS Health Corp.		
2.750% due 12/01/22	90	91
3.700% due 03/09/23	260	271
2.625% due 08/15/24	200	202
4.100% due 03/25/25	190	204
4.300% due 03/25/28	590	644
3.250% due 08/15/29	200	203
4.780% due 03/25/38	70	79
5.125% due 07/20/45	140	166
5.050% due 03/25/48	265	313
Daimler Finance NA LLC		
2.875% due 03/10/21 (Þ)	320	323
DCP Midstream Operating, LP		
6.450% due 11/03/36 (Þ)	30	32
Delhaize America, Inc.		
9.000% due 04/15/31	154	228
Dell International LLC / EMC Corp.		
4.420% due 06/15/21 (Þ)	430	442
Delta Air Lines Pass-Through Trust		
Series 071A Class A		
6.821% due 08/10/22	33	36
Series 2002-1		
6.718% due 01/02/23	72	76
Delta Air Lines, Inc.		
3.625% due 03/15/22	223	228
Devon Energy Corp.		
5.850% due 12/15/25	440	521
5.000% due 06/15/45	180	208
Devon Financing Co. LLC		
7.875% due 09/30/31	150	209
Diageo Investment Corp.		
2.875% due 05/11/22	90	92
Diamondback Energy, Inc.		
Series WI		
5.375% due 05/31/25	30	31
DISH DBS Corp.		
Series WI		
5.875% due 11/15/24	220	225
7.750% due 07/01/26	30	32
Dominion Energy, Inc.		
2.715% due 08/15/21 (~)(Ê)	726	731
7.000% due 06/15/38	20	28
Domtar Corp.		
6.750% due 02/15/44	656	760
Dow Chemical Co. (The)		
3.500% due 10/01/24	694	728
Duke Energy Carolinas LLC		
5.300% due 02/15/40	30	39
4.000% due 09/30/42	100	111
Duke Energy Corp.		
3.750% due 04/15/24	682	722
DuPont de Nemours, Inc.		
5.319% due 11/15/38	589	701
Eaton Corp.		
2.750% due 11/02/22	150	153
4.150% due 11/02/42	40	45
Edison International		
4.125% due 03/15/28	718	736
EMD Finance LLC		
3.250% due 03/19/25 (Þ)	272	280
Enbridge Energy Partners, LP		
7.375% due 10/15/45	484	721
Energy Transfer Operating, LP		
5.875% due 01/15/24	653	722
4.500% due 04/15/24	100	106
6.250% due 04/15/49	10	12
Series 10Y		
4.950% due 06/15/28	20	22
Enterprise Products Operating LLC		
3.500% due 02/01/22	708	730
3.900% due 02/15/24	30	32

Russell Investment Funds
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Schedule of Investments, continued — December 31, 2019

Amounts in thousands *(except share amounts)*

	Principal Amount ($) or Shares	Fair Value $
4.150% due 10/16/28	310	342
7.550% due 04/15/38	20	29
4.850% due 03/15/44	20	23
4.200% due 01/31/50	160	171
EOG Resources, Inc.		
4.150% due 01/15/26	30	33
EQM Midstream Partners, LP		
Series 5Y		
4.750% due 07/15/23	260	261
ERP Operating, LP		
4.625% due 12/15/21	686	717
Exelon Corp.		
3.497% due 06/01/22	245	252
Series WI		
3.950% due 06/15/25	489	525
Exelon Generation Co. LLC		
5.600% due 06/15/42	615	703
Exxon Mobil Corp.		
2.726% due 03/01/23	778	797
3.043% due 03/01/26	60	63
4.114% due 03/01/46	40	47
FedEx Corp.		
4.500% due 02/01/65	226	202
Fidelity National Information Services, Inc.		
3.750% due 05/21/29	675	738
FirstEnergy Corp.		
Series B		
4.250% due 03/15/23	100	105
3.900% due 07/15/27	370	395
Series C		
7.375% due 11/15/31	550	776
Ford Holdings LLC		
9.300% due 03/01/30	564	714
Ford Motor Co.		
7.450% due 07/16/31	446	529
4.750% due 01/15/43	10	9
7.400% due 11/01/46	230	262
Ford Motor Credit Co. LLC		
5.875% due 08/02/21	200	209
3.096% due 05/04/23	739	738
Series FXD		
3.813% due 10/12/21	200	204
Fox Corp.		
4.709% due 01/25/29 (Þ)	30	34
5.476% due 01/25/39 (Þ)	270	330
Freeport-McMoRan, Inc.		
3.550% due 03/01/22	10	10
4.550% due 11/14/24	10	11
5.450% due 03/15/43	230	238
Fresenius Medical Care US Finance II, Inc.		
5.875% due 01/31/22 (Þ)	236	252
4.750% due 10/15/24 (Þ)	110	119
General Dynamics Corp.		
3.000% due 05/11/21	713	725
General Electric Co.		
5.300% due 02/11/21	130	134
Series GMTN		
6.875% due 01/10/39	511	680
Series MTNA		
6.750% due 03/15/32	619	794
General Motors Co.		
4.875% due 10/02/23	671	720
6.250% due 10/02/43	110	123
General Motors Financial Co., Inc.		
4.375% due 09/25/21	20	21
4.200% due 11/06/21	335	348
4.250% due 05/15/23	10	11
4.350% due 04/09/25	505	541
Georgia Power Co.		
2.850% due 05/15/22	250	254
Gilead Sciences, Inc.		
3.650% due 03/01/26	90	97
4.750% due 03/01/46	100	120
GlaxoSmithKline Capital, Inc.		
2.800% due 03/18/23	449	460
Glencore Funding LLC		
4.125% due 03/12/24 (Þ)	430	450
4.625% due 04/29/24 (Þ)	40	42
4.000% due 03/27/27 (Þ)	350	363
3.875% due 10/27/27 (Þ)	60	62
GLP Capital, LP / GLP Financing II, Inc.		
5.375% due 11/01/23	80	87
5.375% due 04/15/26	653	722
Goldman Sachs Group, Inc. (The)		
2.875% due 02/25/21	324	327
5.250% due 07/27/21	380	399
3.200% due 02/23/23	70	72
3.850% due 07/08/24	150	159
3.272% due 09/29/25 (Ê)	350	362
4.250% due 10/21/25	310	336
3.500% due 11/16/26	90	95
3.691% due 06/05/28 (Ê)	200	212
4.223% due 05/01/29 (Ê)	50	55
6.750% due 10/01/37	410	568
4.411% due 04/23/39 (Ê)	100	114
6.250% due 02/01/41	160	223
5.150% due 05/22/45	200	245
4.750% due 10/21/45	250	304
Halliburton Co.		
3.800% due 11/15/25	70	75
4.850% due 11/15/35	130	147
Hanesbrands, Inc.		
4.625% due 05/15/24 (Þ)	10	11
4.875% due 05/15/26 (Þ)	70	74
Harman International Industries, Inc.		
4.150% due 05/15/25	233	248
Hasbro, Inc.		
5.100% due 05/15/44	480	476
HCA, Inc.		
5.000% due 03/15/24	50	55
4.500% due 02/15/27	40	43

Russell Investment Funds
Strategic Bond Fund

Schedule of Investments, continued — December 31, 2019

Amounts in thousands *(except share amounts)*

	Principal Amount ($) or Shares	Fair Value $
5.625% due 09/01/28	100	114
4.125% due 06/15/29	269	285
5.500% due 06/15/47	463	531
Home Depot, Inc. (The)		
3.250% due 03/01/22	525	542
2.625% due 06/01/22	243	248
Honeywell International, Inc.		
1.850% due 11/01/21	730	731
HSBC USA, Inc.		
7.200% due 07/15/97	457	694
Humana, Inc.		
3.150% due 12/01/22	10	10
3.950% due 03/15/27	200	215
4.625% due 12/01/42	20	22
4.950% due 10/01/44	20	24
4.800% due 03/15/47	10	12
Huntington National Bank (The)		
3.150% due 03/14/21	281	284
Ingersoll-Rand Global Holding Co., Ltd.		
2.900% due 02/21/21	500	505
Intel Corp.		
3.700% due 07/29/25	20	22
Series WI		
3.734% due 12/08/47	10	11
International Business Machines Corp.		
2.250% due 02/19/21	270	271
3.000% due 05/15/24	220	228
3.500% due 05/15/29	215	231
International Lease Finance Corp.		
8.625% due 01/15/22	50	56
5.875% due 08/15/22	410	446
International Paper Co.		
5.150% due 05/15/46	188	216
Jefferies Group LLC		
6.500% due 01/20/43	635	755
Jefferies Group LLC / Jefferies Group Capital Finance, Inc.		
4.150% due 01/23/30	732	775
Johnson & Johnson		
2.250% due 03/03/22	725	733
3.625% due 03/03/37	70	77
JPMorgan Chase & Co.		
2.550% due 03/01/21	30	30
4.350% due 08/15/21	130	135
4.500% due 01/24/22	691	725
3.875% due 09/10/24	100	107
4.023% due 12/05/24 (Ê)	220	234
4.125% due 12/15/26	230	252
4.250% due 10/01/27	30	33
4.203% due 07/23/29 (Ê)	200	223
4.452% due 12/05/29 (Ê)	260	296
8.750% due 09/01/30	280	408
4.950% due 06/01/45	100	127
Keurig Dr Pepper, Inc.		
Series WI		
3.551% due 05/25/21	608	621
4.057% due 05/25/23	222	234

Amounts in thousands *(except share amounts)*

	Principal Amount ($) or Shares	Fair Value $
Kinder Morgan Energy Partners, LP		
3.500% due 03/01/21	30	30
6.550% due 09/15/40	600	765
5.500% due 03/01/44	20	23
Kinder Morgan, Inc.		
4.300% due 06/01/25	80	87
4.300% due 03/01/28	170	185
5.550% due 06/01/45	80	96
5.050% due 02/15/46	30	34
Series GMTN		
7.800% due 08/01/31	176	242
KKR Group Finance Co. II LLC		
5.500% due 02/01/43 (Þ)	10	12
Kraft Heinz Foods Co.		
4.875% due 02/15/25 (Þ)	28	29
Series WI		
3.000% due 06/01/26	60	60
5.000% due 07/15/35	702	778
Kroger Co. (The)		
2.600% due 02/01/21	225	226
5.150% due 08/01/43	20	23
L3Harris Technologies, Inc.		
4.854% due 04/27/35	40	47
5.054% due 04/27/45	40	49
Lamb Weston Holdings, Inc.		
4.875% due 11/01/26 (Þ)	60	64
Las Vegas Sands Corp.		
3.200% due 08/08/24	430	443
Lennar Corp.		
4.500% due 04/30/24	40	42
Series WI		
5.000% due 06/15/27	10	11
4.750% due 11/29/27	100	108
Lockheed Martin Corp.		
3.100% due 01/15/23	702	724
Class Preference		
4.500% due 05/15/36	10	12
Series 10YR		
3.550% due 01/15/26	90	96
Lowe's Cos., Inc.		
3.800% due 11/15/21	240	247
LyondellBasell Industries NV		
5.750% due 04/15/24	198	223
Marathon Petroleum Corp.		
5.000% due 09/15/54	234	252
Markel Corp.		
4.300% due 11/01/47	699	728
Mars, Inc.		
2.700% due 04/01/25 (Þ)	60	61
3.200% due 04/01/30 (Þ)	30	32
Masco Corp.		
4.450% due 04/01/25	238	259
McDonald's Corp.		
3.700% due 01/30/26	60	65
3.500% due 03/01/27	40	43
3.800% due 04/01/28	200	218

See accompanying notes which are an integral part of the financial statements.

Russell Investment Funds
Strategic Bond Fund

Schedule of Investments, continued — December 31, 2019

Amounts in thousands *(except share amounts)*

	Principal Amount ($) or Shares	Fair Value $
Medtronic, Inc.		
Series WI		
3.150% due 03/15/22	254	261
3.500% due 03/15/25	67	72
MetLife, Inc.		
6.400% due 12/15/36	100	123
Microsoft Corp.		
2.400% due 02/06/22	721	731
2.875% due 02/06/24	180	187
2.700% due 02/12/25	40	41
2.400% due 08/08/26	200	202
3.300% due 02/06/27	810	866
4.100% due 02/06/37	200	236
3.750% due 02/12/45	100	113
MidAmerican Energy Co.		
3.700% due 09/15/23	237	249
3.650% due 04/15/29	477	521
Midwest Connector Capital Co. LLC		
3.625% due 04/01/22 (Þ)	267	274
Mondelez International, Inc.		
3.625% due 05/07/23	689	722
Morgan Stanley		
3.737% due 04/24/24 (Ê)	170	178
Series GMTN		
3.772% due 01/24/29 (Ê)	20	22
4.431% due 01/23/30 (Ê)	10	11
MPLX, LP		
4.000% due 03/15/28	40	41
4.800% due 02/15/29	170	186
4.500% due 04/15/38	80	81
4.700% due 04/15/48	140	142
5.500% due 02/15/49	60	68
Series WI		
4.500% due 07/15/23	100	106
4.875% due 06/01/25	40	44
NBCUniversal Media LLC		
4.375% due 04/01/21	368	379
2.875% due 01/15/23	524	538
Nestle Holdings, Inc.		
3.100% due 09/24/21 (Þ)	718	734
Netflix, Inc.		
5.375% due 02/01/21	60	62
Nevada Power Co.		
5.450% due 05/15/41	208	265
Series R		
6.750% due 07/01/37	362	511
Newell Brands, Inc.		
3.850% due 04/01/23	40	42
4.200% due 04/01/26	40	42
NGPL PipeCo LLC		
7.768% due 12/15/37 (Þ)	553	713
Noble Energy, Inc.		
3.900% due 11/15/24	250	264
3.850% due 01/15/28	80	84
5.250% due 11/15/43	10	11
4.950% due 08/15/47	40	44

Amounts in thousands *(except share amounts)*

	Principal Amount ($) or Shares	Fair Value $
Northern Natural Gas Co.		
4.300% due 01/15/49 (Þ)	631	709
Northrop Grumman Corp.		
2.550% due 10/15/22	717	727
2.930% due 01/15/25	80	82
Series F0TZ		
3.250% due 01/15/28	310	323
Novartis Capital Corp.		
2.400% due 05/17/22	719	729
Oasis Petroleum, Inc.		
6.875% due 03/15/22	80	77
6.875% due 01/15/23	10	10
Occidental Petroleum Corp.		
4.850% due 03/15/21	80	82
2.600% due 08/13/21	60	60
3.125% due 02/15/22	30	31
2.700% due 08/15/22	80	81
6.950% due 07/01/24	10	12
2.900% due 08/15/24	480	487
3.500% due 06/15/25	707	730
5.550% due 03/15/26	230	261
3.400% due 04/15/26	50	51
3.000% due 02/15/27	360	361
3.500% due 08/15/29	200	204
7.875% due 09/15/31	30	40
6.450% due 09/15/36	110	135
4.500% due 07/15/44	125	126
4.625% due 06/15/45	30	31
6.600% due 03/15/46	90	116
4.400% due 04/15/46	20	20
4.100% due 02/15/47	190	184
4.200% due 03/15/48	70	69
ONEOK Partners, LP		
6.125% due 02/01/41	614	738
ONEOK, Inc.		
7.500% due 09/01/23	204	238
4.350% due 03/15/29	506	547
Oracle Corp.		
2.625% due 02/15/23	719	734
PacifiCorp		
5.750% due 04/01/37	543	717
PepsiCo, Inc.		
2.750% due 03/05/22	224	229
Pfizer, Inc.		
1.950% due 06/03/21	728	731
Philip Morris International, Inc.		
2.500% due 08/22/22	90	91
4.500% due 03/20/42	40	45
Series 5YR		
2.500% due 11/02/22	60	61
Series NCD		
2.375% due 08/17/22	938	947
Phillips 66		
Series WI		
4.300% due 04/01/22	498	523
Plains All American Pipeline, LP / PAA Finance Corp.		

See accompanying notes which are an integral part of the financial statements.

Russell Investment Funds
Strategic Bond Fund

Schedule of Investments, continued — December 31, 2019

Amounts in thousands *(except share amounts)*

	Principal Amount ($) or Shares	Fair Value $
3.600% due 11/01/24	705	725
PNC Bank NA		
Series BKNT		
2.150% due 04/29/21	724	726
Precision Castparts Corp.		
2.500% due 01/15/23	240	244
3.900% due 01/15/43	457	494
Prime Security Services Borrower LLC / Prime Finance, Inc.		
9.250% due 05/15/23 (Þ)	35	37
5.250% due 04/15/24 (Þ)	70	74
5.750% due 04/15/26 (Þ)	60	65
Procter & Gamble Co. (The)		
2.150% due 08/11/22	270	273
Progress Energy, Inc.		
4.400% due 01/15/21	30	31
7.000% due 10/30/31	173	236
PSEG Power LLC		
8.625% due 04/15/31	170	237
Range Resources Corp.		
5.875% due 07/01/22	30	30
Series WI		
4.875% due 05/15/25	230	197
Regency Energy Partners, LP / Regency Energy Finance Corp.		
5.875% due 03/01/22	60	64
5.000% due 10/01/22	516	547
Reliance Holdings USA, Inc.		
5.400% due 02/14/22 (Þ)	684	723
Republic Services, Inc.		
2.500% due 08/15/24	60	61
Reynolds American, Inc.		
5.850% due 08/15/45	70	80
Rohm & Haas Co.		
7.850% due 07/15/29	540	721
Sabal Trail Transmission LLC		
4.246% due 05/01/28 (Þ)	663	723
Salesforce.com, Inc.		
3.250% due 04/11/23	70	73
3.700% due 04/11/28	30	33
Santander Holdings, Inc.		
4.500% due 07/17/25	20	22
3.244% due 10/05/26 (Þ)	350	353
Schlumberger Holdings Corp.		
4.000% due 12/21/25 (Þ)	40	43
Sempra Energy		
3.550% due 06/15/24	252	264
Service Properties Trust		
4.375% due 02/15/30	765	750
Sherwin-Williams Co. (The)		
3.125% due 06/01/24	704	727
Sierra Pacific Power Co.		
Series WI		
2.600% due 05/01/26	718	721
Southern Co. (The)		
2.950% due 07/01/23	712	730
Southern Co. Gas Capital Corp.		

Amounts in thousands *(except share amounts)*

	Principal Amount ($) or Shares	Fair Value $
6.000% due 10/01/34	196	247
Spectra Energy Partners, LP		
4.750% due 03/15/24	671	730
Sprint Capital Corp.		
8.750% due 03/15/32	260	316
Sprint Corp.		
Series WI		
7.250% due 09/15/21	50	53
Sprint Spectrum Co. LLC / Sprint Spectrum Co. II LLC / Sprint Spectrum Co. III LLC		
3.360% due 09/20/21 (Þ)	88	88
4.738% due 03/20/25 (Þ)	240	254
Starbucks Corp.		
3.800% due 08/15/25	220	237
Sunoco Logistics Partners Operations, LP		
3.450% due 01/15/23	420	427
4.250% due 04/01/24	269	283
Synchrony Financial		
3.750% due 08/15/21	270	276
Sysco Corp.		
2.500% due 07/15/21	225	227
Targa Resources Partners, LP / Targa Resources Partners Finance Corp.		
4.250% due 11/15/23	20	20
5.875% due 04/15/26	10	11
5.375% due 02/01/27	10	10
5.500% due 03/01/30 (Þ)	30	31
Teachers Insurance & Annuity Association of America		
4.900% due 09/15/44 (Þ)	340	417
Thermo Fisher Scientific, Inc.		
3.000% due 04/15/23	706	725
Time Warner Cable LLC		
4.125% due 02/15/21	150	152
7.300% due 07/01/38	600	781
6.750% due 06/15/39	20	25
Time Warner Entertainment Co., LP		
8.375% due 03/15/23	182	215
TJX Cos., Inc. (The)		
2.750% due 06/15/21	246	249
Toll Brothers Finance Corp.		
4.375% due 04/15/23	30	31
Transcontinental Gas Pipe Line Co. LLC		
Series WI		
7.850% due 02/01/26	220	279
Tyson Foods, Inc.		
4.500% due 06/15/22	518	545
3.950% due 08/15/24	237	254
Unilever Capital Corp.		
1.375% due 07/28/21	254	252
2.200% due 05/05/22	504	507
Union Pacific Corp.		
2.950% due 01/15/23	269	276
3.750% due 07/15/25	60	64
3.950% due 09/10/28	400	441

See accompanying notes which are an integral part of the financial statements.

Russell Investment Funds
Strategic Bond Fund

Schedule of Investments, continued — December 31, 2019

Amounts in thousands *(except share amounts)*

	Principal Amount ($) or Shares	Fair Value $
3.839% due 03/20/60 (Þ)	140	142
United Rentals NA, Inc.		
6.500% due 12/15/26	20	22
4.875% due 01/15/28	30	31
5.250% due 01/15/30	130	140
United Technologies Corp.		
1.950% due 11/01/21	232	232
3.100% due 06/01/22	100	103
3.650% due 08/16/23	616	649
3.950% due 08/16/25	30	33
4.125% due 11/16/28	150	169
4.500% due 06/01/42	20	24
UnitedHealth Group, Inc.		
2.875% due 12/15/21	40	41
2.875% due 03/15/22	720	734
4.625% due 07/15/35	100	121
5.700% due 10/15/40	60	79
3.700% due 08/15/49	160	171
3.875% due 08/15/59	30	32
US Bancorp		
2.350% due 01/29/21	728	732
US Bank NA		
Series BKNT		
3.150% due 04/26/21	250	254
Valero Energy Corp.		
10.500% due 03/15/39	151	254
Verizon Communications, Inc.		
3.500% due 11/01/24	20	21
2.625% due 08/15/26	70	71
4.125% due 03/16/27	40	44
3.875% due 02/08/29	120	132
7.750% due 12/01/30	100	143
4.500% due 08/10/33	450	525
5.250% due 03/16/37	80	100
5.500% due 03/16/47	10	14
Series WI		
2.946% due 03/15/22	717	733
3.376% due 02/15/25	178	188
4.329% due 09/21/28	123	139
ViacomCBS, Inc.		
3.875% due 04/01/24	20	21
Visa, Inc.		
2.150% due 09/15/22	277	280
3.150% due 12/14/25	150	158
4.300% due 12/14/45	590	726
Vistra Operations Co. LLC		
4.300% due 07/15/29 (Þ)	708	721
VOC Escrow, Ltd.		
5.000% due 02/15/28 (Þ)	60	63
Volkswagen Group of America Finance LLC		
4.000% due 11/12/21 (Þ)	699	723
Walgreen Co.		
3.100% due 09/15/22	716	730
Walgreens Boots Alliance, Inc.		
3.300% due 11/18/21	707	720
Walmart, Inc.		
3.700% due 06/26/28	230	253
Walt Disney Co. (The)		
2.350% due 12/01/22	240	243
Series WI		
6.650% due 11/15/37	40	59
Waste Management, Inc.		
3.500% due 05/15/24	190	200
2.950% due 06/15/24	100	103
3.200% due 06/15/26	100	105
3.450% due 06/15/29	120	128
4.150% due 07/15/49	40	46
Wells Fargo & Co.		
2.500% due 03/04/21	1,129	1,137
4.600% due 04/01/21	220	227
3.157% due 10/31/23 (Ê)	200	204
3.750% due 01/24/24	535	565
3.000% due 04/22/26	400	411
3.000% due 10/23/26	260	266
4.150% due 01/24/29	545	606
2.879% due 10/30/30 (Ê)	260	261
5.375% due 11/02/43	200	256
4.650% due 11/04/44	10	12
4.400% due 06/14/46	230	263
4.750% due 12/07/46	530	635
Series GMTN		
4.900% due 11/17/45	250	305
Wells Fargo Bank NA		
Series BKNT		
2.600% due 01/15/21	725	730
Western Midstream Operating, LP		
4.650% due 07/01/26	40	41
5.300% due 03/01/48	845	737
Williams Cos., Inc. (The)		
7.750% due 06/15/31	130	173
8.750% due 03/15/32	517	743
5.800% due 11/15/43	155	184
Series A		
7.500% due 01/15/31	80	104
WPX Energy, Inc.		
5.250% due 10/15/27	10	11
		161,678

International Debt - 10.3%

1011778 B.C. Unlimited Liability Co.		
Term Loan B4		
3.549% due 11/14/26 (Ê)	362	363
1011778 BC ULC / New Red Finance, Inc.		
4.250% due 05/15/24 (Þ)	120	123
ABN AMRO Bank NV		
2.650% due 01/19/21 (Þ)	725	729
Abu Dhabi Government International Bond		
Series C		
2.500% due 10/11/22 (Þ)	200	202
Adani Abbot Point Terminal Pty, Ltd.		
4.450% due 12/15/22 (Þ)	253	257

See accompanying notes which are an integral part of the financial statements.

Russell Investment Funds
Strategic Bond Fund

Schedule of Investments, continued — December 31, 2019

Amounts in thousands *(except share amounts)*

	Principal Amount ($) or Shares	Fair Value $
AerCap Ireland Capital DAC / AerCap Global Aviation Trust		
Series WI		
5.000% due 10/01/21	652	684
Air Liquide Finance SA		
1.750% due 09/27/21 (Þ)	733	730
Alcoa Nederland Holding BV		
6.750% due 09/30/24 (Þ)	200	210
Alibaba Group Holding, Ltd.		
Series WI		
3.125% due 11/28/21	616	628
Alimentation Couche-Tard, Inc.		
3.550% due 07/26/27 (Þ)	702	721
Allergan Funding SCS		
3.450% due 03/15/22	285	292
3.800% due 03/15/25	60	63
4.550% due 03/15/35	10	11
Altrice France SA Term Loan B12		
5.427% due 01/31/26 (Ê)	86	86
Ambac LSNI LLC		
6.945% due 02/12/23 (Ê)(Þ)	3,947	3,998
Anglo American Capital PLC		
3.750% due 04/10/22 (Þ)	368	378
3.625% due 09/11/24 (Þ)	200	207
ArcelorMittal SA		
6.250% due 02/25/22	110	119
3.600% due 07/16/24	110	113
6.125% due 06/01/25	170	195
4.550% due 03/11/26	50	53
Argentine Republic Government International Bond		
5.625% due 01/26/22	340	176
6.875% due 01/11/48	210	101
Series NY		
5.250% due 12/31/38 (~)(Ê)	160	78
Series WI		
7.500% due 04/22/26	170	88
AstraZeneca PLC		
2.375% due 06/12/22	403	407
Banco de Bogota SA		
Series EMTQ		
4.375% due 08/03/27 (Þ)	686	726
Banco de Credito del Peru		
4.250% due 04/01/23 (Þ)	693	730
Banco Santander SA		
3.848% due 04/12/23	200	209
2.706% due 06/27/24	400	405
4.379% due 04/12/28	200	219
Bancolombia SA		
5.950% due 06/03/21	684	718
Bangkok Bank PCL		
3.875% due 09/27/22 (Þ)	219	227
Banistmo SA		
Series MTQ0		
3.650% due 09/19/22 (Þ)	729	736
Bank of Montreal		
2.900% due 03/26/22	270	275
3.803% due 12/15/32 (Ê)	20	21
Series D		
3.100% due 04/13/21	519	527
Bank of Nova Scotia (The)		
Series BKNT		
2.450% due 03/22/21	724	730
Barclays PLC		
4.972% due 05/16/29 (Ê)	400	450
4.950% due 01/10/47	660	775
BBVA Bancomer SA		
6.500% due 03/10/21 (Þ)	695	725
Bharti Airtel International Netherlands BV		
Series 144a		
5.125% due 03/11/23 (Þ)	693	727
BHP Billiton Finance USA, Ltd.		
2.875% due 02/24/22	5	5
5.000% due 09/30/43	170	217
BNP Paribas SA		
4.705% due 01/10/25 (Ê)(Þ)	260	281
4.400% due 08/14/28 (Þ)	200	222
Series 144a		
5.198% due 01/10/30 (Ê)(Þ)	570	669
BP Capital Markets PLC		
3.245% due 05/06/22	222	228
Brazil Government International Bond		
2.625% due 01/05/23	220	220
4.625% due 01/13/28	990	1,063
5.625% due 01/07/41	170	190
5.000% due 01/27/45	350	364
British Telecommunications PLC		
9.625% due 12/15/30	30	46
Brookfield Finance, Inc.		
4.000% due 04/01/24	618	662
Canadian Imperial Bank of Commerce		
2.550% due 06/16/22	718	728
Cedar Funding, Ltd.		
Series 2018-5A Class A1R		
3.102% due 07/17/31 (Ê)(Þ)	1,600	1,598
Celulosa Arauco y Constitucion SA		
Series WI		
3.875% due 11/02/27	705	708
Cencosud SA		
5.500% due 01/20/21 (Þ)	264	270
Colombia Government International Bond		
5.625% due 02/26/44	270	335
Cooperatieve Rabobank UA		
4.625% due 12/01/23	250	271
4.375% due 08/04/25	900	976
Covidien International Finance SA		
3.200% due 06/15/22	703	722
Credit Suisse Group Funding Guernsey, Ltd.		
Series WI		
3.450% due 04/16/21	709	721
4.875% due 05/15/45	300	378

Amounts in thousands *(except share amounts)*

| | Principal Amount ($) or Shares | Fair Value $ |

See accompanying notes which are an integral part of the financial statements.

Russell Investment Funds
Strategic Bond Fund

Schedule of Investments, continued — December 31, 2019

Amounts in thousands *(except share amounts)*

	Principal Amount ($) or Shares	Fair Value $
DAE Funding LLC		
5.750% due 11/15/23 (Þ)	20	21
Danone SA		
2.077% due 11/02/21 (Þ)	890	891
2.589% due 11/02/23 (Þ)	718	729
Danske Bank A/S		
5.000% due 01/12/22 (Þ)	400	420
3.875% due 09/12/23 (Þ)	200	208
5.375% due 01/12/24 (Þ)	862	945
Deutsche Telekom International Finance BV		
1.950% due 09/19/21 (Þ)	251	251
DNB Bank ASA		
2.375% due 06/02/21 (Þ)	550	554
DP World PLC		
5.625% due 09/25/48 (Þ)	200	231
Dryden 50 Senior Loan Fund		
Series 2017-50A Class A1		
3.221% due 07/15/30 (Ê)(Þ)	1,230	1,226
ECAF, Ltd.		
Series 2015-1A Class A1		
3.473% due 06/15/40 (Þ)	268	267
Ecopetrol SA		
5.375% due 06/26/26	60	67
5.875% due 05/28/45	350	413
Ecuador Government International Bond		
7.875% due 01/23/28 (Þ)	200	178
Embotelladora Andina SA		
5.000% due 10/01/23 (Þ)	264	282
Enbridge, Inc.		
3.700% due 07/15/27	687	727
Enel Finance International NV		
Series 658A		
3.500% due 04/06/28 (Þ)	706	722
Eni SpA		
4.250% due 05/09/29 (Þ)	658	722
Equate Petrochemical BV		
4.250% due 11/03/26 (Þ)	200	214
Fairfax Financial Holdings, Ltd.		
Series WI		
4.850% due 04/17/28	226	246
Four Seasons Hotels, Ltd. 1st Lien Term Loan B		
0.000% due 11/30/23 (Ê)	100	100
Garda World Security Corp. 1st Lien Term Loan B		
6.660% due 10/17/26 (Ê)	100	101
Gazprom PJSC Via Gaz Capital SA		
6.510% due 03/07/22 (Þ)	672	729
GE Capital International Funding Co. Unlimited Co.		
Series WI		
4.418% due 11/15/35	600	639
GFL Environmental, Inc. 1st Lien Term Loan B		
4.799% due 05/31/25 (Ê)	40	40
GlaxoSmithKline Capital PLC		
2.850% due 05/08/22	256	261

Amounts in thousands *(except share amounts)*

	Principal Amount ($) or Shares	Fair Value $
2.875% due 06/01/22	510	521
Goldentree Loan Management US CLO 2, Ltd.		
Series 2017-2A Class A		
3.116% due 11/28/30 (Ê)(Þ)	1,860	1,858
Heineken NV		
3.400% due 04/01/22 (Þ)	710	731
HSBC Bank PLC		
7.650% due 05/01/25	375	453
HSBC Holdings PLC		
2.650% due 01/05/22	721	729
3.900% due 05/25/26	220	234
4.041% due 03/13/28 (Ê)	410	438
4.583% due 06/19/29 (Ê)	400	447
3.973% due 05/22/30 (Ê)	200	215
6.250% due 12/31/99 (Ê)(ƒ)	200	212
6.500% due 12/31/99 (Ê)(ƒ)	200	220
ICICI Bank, Ltd.		
4.000% due 03/18/26 (Þ)	252	262
Indonesia Government International Bond		
3.500% due 01/11/28	210	219
4.350% due 01/11/48	240	264
3.700% due 10/30/49	540	554
Series REGS		
3.750% due 04/25/22	430	444
Intelsat Jackson Holdings SA Term Loan B3		
5.682% due 11/27/23 (Ê)	90	90
Intesa Sanpaolo SpA		
3.125% due 07/14/22 (Þ)	400	405
3.375% due 01/12/23 (Þ)	200	203
3.875% due 01/12/28 (Þ)	287	288
Inversiones CMPC SA		
4.500% due 04/25/22 (Þ)	214	221
KazMunayGas National Co. JSC		
5.375% due 04/24/30 (Þ)	200	232
Korea Southern Power Co., Ltd.		
3.000% due 01/29/21 (Þ)	241	243
Kuwait Government International Bond		
3.500% due 03/20/27 (Þ)	210	226
LCM XXIII, Ltd.		
Series 2016-23A Class A1		
3.748% due 10/20/29 (Ê)(Þ)	1,020	1,020
LCM XXV, Ltd.		
Series 2017-25A Class A		
3.176% due 07/20/30 (Ê)(Þ)	1,124	1,120
Lloyds Banking Group PLC		
4.375% due 03/22/28	200	220
4.550% due 08/16/28	400	448
Series WI		
4.582% due 12/10/25	688	744
Lukoil International Finance BV		
4.563% due 04/24/23 (Þ)	682	723
LYB Finance Co. BV		
8.100% due 03/15/27 (Þ)	186	238
LYB International Finance BV		

See accompanying notes which are an integral part of the financial statements.

Russell Investment Funds
Strategic Bond Fund

Schedule of Investments, continued — December 31, 2019

Amounts in thousands *(except share amounts)*

	Principal Amount ($) or Shares	Fair Value $
4.000% due 07/15/23	214	226
Madison Park Funding XIII, Ltd.		
Series 2018-13A Class AR2		
3.542% due 04/19/30 (Ê)(Þ)	574	574
Madison Park Funding XVIII, Ltd.		
Series 2017-18A Class A1R		
3.156% due 10/21/30 (Ê)(Þ)	872	872
Madison Park Funding XXVI, Ltd.		
Series 2017-26A Class AR		
3.128% due 07/29/30 (Ê)(Þ)	780	780
Magnetite XVIII, Ltd.		
Series 2018-18A Class AR		
3.696% due 11/15/28 (Ê)(Þ)	1,488	1,487
Marks And Spencer PLC		
7.125% due 12/01/37 (Þ)	623	704
Mexico Government International Bond		
6.050% due 01/11/40	30	39
4.750% due 03/08/44	20	22
4.350% due 01/15/47	810	855
Mitsubishi UFJ Financial Group, Inc.		
2.950% due 03/01/21	725	733
2.998% due 02/22/22	60	61
Mondelez International Holdings Netherlands BV		
2.000% due 10/28/21 (Þ)	726	726
NBK SPC, Ltd.		
2.750% due 05/30/22 (Þ)	714	719
Nordea Bank AB		
4.875% due 05/13/21 (Þ)	265	275
Nutrien, Ltd.		
3.625% due 03/15/24	264	276
NXP BV / NXP Funding LLC		
4.625% due 06/15/22 (Þ)	693	730
Park Aerospace Holdings, Ltd.		
5.250% due 08/15/22 (Þ)	50	53
Pernod Ricard SA		
4.450% due 01/15/22 (Þ)	150	157
Peru Government International Bond		
6.550% due 03/14/37	30	44
5.625% due 11/18/50	160	234
Petrobras Global Finance BV		
6.250% due 03/17/24	100	112
Series WI		
5.299% due 01/27/25	2,205	2,406
Petroleos Mexicanos		
6.625% due 06/15/35	10	10
Series WI		
4.625% due 09/21/23	100	104
6.875% due 08/04/26	220	242
Poland Government International Bond		
5.125% due 04/21/21	550	573
Prosus NV		
4.850% due 07/06/27 (Þ)	250	272
Provincia de Buenos Aires		
6.500% due 02/15/23 (Þ)	140	58
Qatar Government International Bond		
4.817% due 03/14/49 (Þ)	410	507
Riserva CLO, Ltd.		
Series 2019-3A Class AR		
3.143% due 10/18/28 (Ê)(Þ)	940	940
Royal Bank of Canada		
Series GMTN		
3.200% due 04/30/21	70	71
2.750% due 02/01/22	500	509
Royal Bank of Scotland Group PLC		
6.125% due 12/15/22	70	77
3.875% due 09/12/23	200	209
5.125% due 05/28/24	420	455
4.519% due 06/25/24 (Ê)	200	212
4.269% due 03/22/25 (Ê)	200	212
Sands China, Ltd.		
Series WI		
5.125% due 08/08/25	400	439
Sanofi		
4.000% due 03/29/21	232	238
Santander PLC		
5.000% due 11/07/23 (Þ)	676	727
Santander UK Group Holdings PLC Class N		
4.750% due 09/15/25 (Þ)	701	752
Sasol Financing International, Ltd.		
4.500% due 11/14/22	698	720
Schneider Electric SE		
2.950% due 09/27/22 (Þ)	200	205
Shackleton CLO, Ltd.		
Series 2018-4RA Class A1A		
3.001% due 04/13/31 (Ê)(Þ)	930	917
Shell International Finance BV		
1.875% due 05/10/21	524	524
2.375% due 08/21/22	269	273
2.875% due 05/10/26	40	41
4.375% due 05/11/45	320	382
4.000% due 05/10/46	80	91
Siemens Financieringsmaatschappij NV		
1.700% due 09/15/21 (Þ)	250	250
Societe Generale SA		
5.000% due 01/17/24 (Þ)	700	754
Southern Copper Corp.		
6.750% due 04/16/40	10	13
5.250% due 11/08/42	590	677
Standard Chartered PLC		
5.700% due 03/26/44 (Þ)	600	770
Stars Group Holdings BV Term Loan B		
5.445% due 07/10/25 (Ê)	9	9
Sumitomo Mitsui Financial Group, Inc.		
2.934% due 03/09/21	723	731
Series 5FXD		
2.058% due 07/14/21	90	90
Suncor Energy, Inc.		
3.600% due 12/01/24	688	730
Svenska Handelsbanken AB		
Series BKNT		

See accompanying notes which are an integral part of the financial statements.

Russell Investment Funds
Strategic Bond Fund

Schedule of Investments, continued — December 31, 2019

Amounts in thousands *(except share amounts)*

	Principal Amount ($) or Shares	Fair Value $
3.350% due 05/24/21	250	255
Swedbank AB		
2.650% due 03/10/21 (Þ)	797	802
Syngenta Finance NV		
3.125% due 03/28/22	718	725
Telefonica Emisiones SA		
5.213% due 03/08/47	150	178
Teva Pharmaceutical Finance Co. BV		
2.950% due 12/18/22	10	10
Series 2		
3.650% due 11/10/21	10	10
Teva Pharmaceutical Finance IV BV		
3.650% due 11/10/21	20	20
Teva Pharmaceutical Finance Netherlands III BV		
2.200% due 07/21/21	210	203
2.800% due 07/21/23	220	204
THL Credit Wind River CLO, Ltd.		
Series 2017-2A Class AR		
3.233% due 10/18/30 (Ê)(Þ)	1,016	1,012
Toronto-Dominion Bank (The)		
3.250% due 06/11/21	90	92
1.800% due 07/13/21	733	733
Total Capital Canada, Ltd.		
2.750% due 07/15/23	770	789
Total Capital International SA		
2.750% due 06/19/21	718	727
2.700% due 01/25/23	713	728
Total Capital SA		
4.250% due 12/15/21	230	240
Trust F/1401		
5.250% due 01/30/26 (Þ)	685	736
UBS Group AG		
3.491% due 05/23/23 (Þ)	270	278
3.126% due 08/13/30 (Ê)(Þ)	200	203
7.000% due 12/31/99 (Ê)(ƒ)(Þ)	660	721
UBS Group Funding Switzerland AG		
4.253% due 03/23/28 (Þ)	200	218
UniCredit SpA		
6.572% due 01/14/22 (Þ)	1,042	1,118
Vale Overseas, Ltd.		
6.875% due 11/21/36	180	234
Vodafone Group PLC		
4.375% due 05/30/28	220	244
Voya CLO, Ltd.		
Series 2017-2A Class A1R		
3.252% due 04/17/30 (Ê)(Þ)	1,964	1,959
Woori Bank		
5.875% due 04/13/21 (Þ)	681	710
Ziggo Secured Finance Partnership 1st Lien Term Loan E		
4.240% due 04/15/25 (Ê)	46	46
		94,556
Loan Agreements - 1.3%		
Air Medical Group Holdings, Inc. 1st Lien Term Loan B		
5.035% due 04/28/22 (Ê)	116	113
Albertson's LLC Term Loan B7		
4.549% due 11/17/25 (Ê)	79	80
Albertson's LLC Term Loan B8		
4.549% due 08/17/26 (Ê)	88	89
Allied Universal Holdco Delayed Draw Term Loan		
6.055% due 07/12/26 (Ê)	29	29
Allied Universal Holdco Term Loan B		
6.049% due 07/12/26 (Ê)	295	297
AMC Entertainment Holdings, Inc. Term Loan B		
4.800% due 04/22/26 (Ê)	40	40
American Airlines, Inc. 1st Lien Term Loan B		
3.740% due 12/14/23 (Ê)	69	69
APi Group DE, Inc. Term Loan B		
4.299% due 10/01/26 (Ê)	320	322
Aramark Services, Inc. 1st Lien Term Loan B3		
3.549% due 03/11/25 (Ê)	48	48
Asurion LLC 1st Lien Term Loan B7		
4.799% due 11/03/24 (Ê)	189	190
Asurion LLC Term Loan B4		
4.799% due 08/04/22 (Ê)	126	127
Atlantic Aviation FBO, Inc. Term Loan B		
5.550% due 12/06/25 (Ê)	20	20
Avolon LLC 1st Lien Term Loan B3		
3.515% due 01/15/25 (Ê)	160	161
Bausch Health Americas, Inc. Term Loan B		
4.740% due 06/01/25 (Ê)	87	87
BCP CC Holdings Merger Sub, Inc. Term Loan B1		
4.695% due 12/01/24 (Ê)	50	50
Berry Global, Inc. Term Loan W		
3.715% due 10/01/22 (Ê)	134	134
Blackstone CQP Holdco, LP Term Loan B		
5.408% due 09/30/24 (Ê)	40	40
Boyd Gaming Corp. Term Loan B		
3.853% due 09/15/23 (Ê)	6	7
Brickman Group, Ltd. 1st Lien Term Loan B		
4.278% due 08/15/25 (Ê)	39	40
Caesars Entertainment Operating Co. LLC 1st Lien Term Loan B		
3.799% due 10/06/24 (Ê)	134	135
Caesars Resort Collection LLC 1st Lien Term Loan B		
4.549% due 12/22/24 (Ê)	139	139
Change Healthcare Holdings LLC 1st Lien Term Loan B		
4.299% due 03/01/24 (Ê)	317	318
Charter Communications, Inc. Term Loan B1		
3.550% due 04/30/25 (Ê)	327	329
Citadel Securities, LP Term Loan B		
5.299% due 02/27/26 (Ê)	269	270
CityCenter Holdings LLC Term Loan B		
4.049% due 04/18/24 (Ê)	32	32

See accompanying notes which are an integral part of the financial statements.

Russell Investment Funds
Strategic Bond Fund

Schedule of Investments, continued — December 31, 2019

Amounts in thousands *(except share amounts)*

	Principal Amount ($) or Shares	Fair Value $
CSC Holdings LLC 2019 Term Loan B5 4.240% due 04/15/27 (Ê)	50	50
Dcert Buyer, Inc. Term Loan B 5.799% due 08/08/26 (Ê)	330	331
Dell International LLC Term Loan B 3.800% due 09/19/25 (Ê)	227	228
Diamond Sports Group LLC Term Loan 5.030% due 08/24/26 (Ê)	40	40
Edelman Financial Center LLC Term Loan B1 5.035% due 07/19/25 (Ê)	69	70
Focus Financial Partners LLC 1st Lien Term Loan B2 4.299% due 07/03/24 (Ê)	130	130
Genesee & Wyoming, Inc. Term Loan 0.000% due 11/06/26 (~)(Ê)	250	252
Golden Nugget, Inc. 1st Lien Term Loan B 4.695% due 10/04/23 (Ê)	268	269
Grifols Worldwide Operations USA, Inc. 1st Lien Term Loan B 0.000% due 11/15/27 (~)(Ê)	180	181
HCA, Inc. Term Loan B12 3.549% due 03/13/25 (Ê)	47	48
Hilton Worldwide Finance LLC Term Loan B 3.542% due 06/21/26 (Ê)	285	287
iHeartCommunications, Inc. Exit Term Loan 5.691% due 05/01/26 (Ê)	259	261
Intrawest Resorts Holdings, Inc. 1st Lien Term Loan B1 4.549% due 07/31/24 (Ê)	139	140
Jaguar Holding Co. II 1st Lien Term Loan 4.299% due 08/18/22 (Ê)	186	187
Jane Street Group LLC Term Loan B 4.799% due 08/25/22 (Ê)	319	318
Level 3 Financing, Inc. Term Loan B 3.549% due 03/01/27 (Ê)	148	149
LPL Holdings, Inc. Term Loan B1 3.542% due 11/12/26 (Ê)	14	15
MA Finance Co. LLC 1st Lien Term Loan B 0.000% due 06/21/24 (Ê)	4	4
McAfee LLC Term Loan B1 5.555% due 09/29/24 (Ê)	329	330
MGM Growth Properties LLC 1st Lien Term Loan B 3.799% due 03/25/25 (Ê)	92	92
Michaels Stores, Inc. 1st Lien Term Loan B 4.301% due 01/28/23 (Ê)	78	75
MultiPlan, Inc. Term Loan B 4.695% due 05/25/23 (Ê)	197	194
Nexstar Broadcasting, Inc. Term Loan B4 4.452% due 09/19/26 (Ê)	350	350
Option Care Helath, Inc. Term Loan B 6.299% due 08/06/26 (Ê)	320	318
Panther BF Aggregator, LP Term Loan B 5.305% due 04/30/26 (Ê)	319	320
Party City Holdings, Inc. 1st Lien Term Loan 4.300% due 08/19/22 (Ê)	64	59
PCI Gaming Authority Term Loan 4.299% due 05/31/26 (Ê)	81	82
Phoenix Guarantor, Inc. Term Loan B1 6.210% due 03/05/26 (Ê)	123	124
Prime Security Services Borrower LLC / Prime Finance, Inc. Term Loan B1 4.944% due 09/23/26 (Ê)	255	256
RegionalCare Hospital Partners Holdings, Inc. Term Loan B 6.299% due 11/16/25 (Ê)	339	340
Reynolds Group Holdings, Inc. 1st Lien Term Loan B 4.549% due 02/05/23 (Ê)	323	324
RPI Finance Trust Term Loan B 3.799% due 04/17/23 (Ê)	246	248
Scientific Games International, Inc. 1st Lien Term Loan B5 4.549% due 08/14/24 (Ê)	313	313
Seattle SpinCo, Inc. 1st Lien Term Loan B3 4.299% due 06/21/24 (Ê)	26	26
Sotera Health Holdings LLC Term Loan 6.289% due 11/20/26 (Ê)	340	341
Sprint Corp. Term Loan B 4.313% due 02/03/24 (Ê)	47	46
Sungard AS New Holdings III LLC Term Loan 5.945% due 02/03/22 (Ê)	39	36
Sungard Availability Services Capital, Inc. Term Loan 5.891% due 11/03/22 (Ê)	125	74
TKC Holdings, Inc. 1st Lien Term Loan 5.550% due 02/01/23 (Ê)	218	201
Trans Union LLC Term Loan B5 3.549% due 11/13/26 (Ê)	99	99
UFC Holdings LLC Term Loan 5.500% due 04/29/26 (Ê)	219	220
Univision Communications, Inc. Term Loan C5 4.549% due 03/15/24 (Ê)	145	143
VFH Parent LLC Term Loan B 5.197% due 03/01/26 (Ê)	322	323
VICI Properties, Inc. 1st Lien Term Loan B 3.785% due 12/22/24 (Ê)	116	117
Virgin Media Secured Finance PLC Term Loan 4.240% due 01/04/28 (Ê)	197	198
VVC Holdings Corp. Term Loan B 6.401% due 02/11/26 (Ê)	318	320
Western Digital Corp. 1st Lien Term Loan B4 3.452% due 04/29/23 (Ê)	37	37
Wynn Resorts Finance LLC Term Loan A 3.404% due 09/20/24 (~)(Ê)	360	359
		12,091

See accompanying notes which are an integral part of the financial statements.

Russell Investment Funds
Strategic Bond Fund

Schedule of Investments, continued — December 31, 2019

Amounts in thousands *(except share amounts)*

	Principal Amount ($) or Shares	Fair Value $
Mortgage-Backed Securities - 30.6%		
A10 Securitization LLC		
Series 2017-AA Class B1 0.071% due 05/15/36 (Þ)	961	955
American Home Mortgage Investment Trust		
Series 2004-4 Class 4A 3.844% due 02/25/45 (Ê)	11	11
Banc of America Funding Trust		
Series 2005-D Class A1 4.633% due 05/25/35 (~)(Ê)	260	265
Series 2006-6 Class 2A1 6.000% due 08/25/36	783	771
Bayview Commercial Asset Trust		
Series 2007-2A Class A1 1.507% due 07/25/37 (Ê)(Þ)	952	905
BCAP LLC Trust		
Series 2010-RR7 Class 3A12 3.997% due 08/26/35 (~)(Ê)(Þ)	761	704
Bear Stearns ALT-A Trust		
Series 2005-2 Class 1M1 3.236% due 03/25/35 (Ê)	736	724
Bear Stearns ARM Trust		
Series 2004-3 Class 2A 4.017% due 07/25/34 (~)(Ê)	123	125
Bear Stearns Commercial Mortgage Securities Trust		
Series 2007-T26 Class AM 5.513% due 01/12/45 (~)(Ê)	72	72
Benchmark Mortgage Trust		
Series 2018-B5 Class A3 3.944% due 07/15/51	1,977	2,167
Series 2018-B5 Class A4 4.208% due 07/15/51	1,987	2,221
Series 2018-B7 Class A4 4.510% due 05/15/53 (~)(Ê)	1,567	1,792
Series 2018-B8 Class A5 4.232% due 01/15/52	2,315	2,599
BX Commercial Mortgage Trust		
Series 2018-BILT Class C 3.120% due 05/15/30 (Ê)(Þ)	1,650	1,641
Series 2018-BIOA Class D 3.628% due 03/15/37 (Ê)(Þ)	790	791
Series 2018-BIOA Class E 4.424% due 03/15/37 (Ê)(Þ)	1,575	1,574
Series 2018-IND Class G 4.330% due 11/15/35 (Ê)(Þ)	133	133
Series 2019-XL Class A 2.920% due 10/15/36 (Ê)(Þ)	1,100	1,101
BXP Trust		
Series 2017-GM Class A 3.379% due 06/13/39 (Þ)	818	857
CAMB Commercial Mortgage Trust		
Series 2019-LIFE Class F 5.050% due 12/15/37 (Ê)(Þ)	987	992
Series 2019-LIFE Class G 5.750% due 12/15/37 (Ê)(Þ)	1,651	1,661
CHL Mortgage Pass-Through Trust		
Series 2005-3 Class 1A2 3.066% due 04/25/35 (Ê)	7	7
Citigroup Commercial Mortgage Trust		
Series 2013-375P Class A 3.251% due 05/10/35 (Þ)	170	175
Series 2013-375P Class D 3.635% due 05/10/35 (~)(Ê)(Þ)	1,418	1,428
Series 2019-SST2 Class F 4.940% due 12/15/36 (Ê)(Þ)	430	431
Citigroup Mortgage Loan Trust, Inc.		
Series 2005-2 Class 1A2A 4.913% due 05/25/35 (~)(Ê)	246	254
Series 2005-11 Class A2A 4.820% due 10/25/35 (Ê)	5	5
Series 2015-2 Class 5A1 2.740% due 03/25/47 (Ê)(Þ)	142	143
Commercial Mortgage Trust		
Series 2013-300P Class A1 4.353% due 08/10/30 (Þ)	195	206
Series 2013-CR6 Class B 3.397% due 03/10/46 (Þ)	211	215
Series 2014-277P Class A 3.732% due 08/10/49 (~)(Ê)(Þ)	205	216
Series 2015-LC19 Class A4 3.183% due 02/10/48	1,438	1,490
Series 2016-GCT Class A 2.681% due 08/10/29 (Þ)	140	140
Series 2018-COR3 Class A3 4.228% due 05/10/51	2,944	3,278
Series 2019-521F Class A 3.380% due 06/15/34 (Ê)(Þ)	1,203	1,202
Series 2019-521F Class D 4.030% due 06/15/34 (Ê)(Þ)	899	899
CORE Mortgage Trust		
Series 2019-CORE Class D 3.564% due 12/15/31 (Ê)(Þ)	1,520	1,519
Countrywide Alternative Loan Trust		
Series 2007-16CB Class 1A5 2.886% due 08/25/37 (Ê)	416	315
Credit Suisse Mortgage Capital Certificates		
Series 2017-CHOP Class G 8.093% due 07/15/32 (Ê)(Þ)	600	600
Series 2019-ICE4 Class A 2.745% due 05/15/36 (Ê)(Þ)	800	802
Series 2019-ICE4 Class E 4.613% due 05/15/36 (Ê)(Þ)	1,282	1,284
Credit Suisse Mortgage Securities Corp. Trust		
1.000% due 12/15/22	680	680
Credit Suisse Mortgage Trust		
Series 2018-J1 Class A2 3.500% due 02/25/48 (~)(Ê)(Þ)	1,080	1,101
DBGS Mortgage Trust		

Russell Investment Funds
Strategic Bond Fund

Schedule of Investments, continued — December 31, 2019

Amounts in thousands *(except share amounts)*

	Principal Amount ($) or Shares	Fair Value $
Series 2019-1735 Class D		
4.194% due 04/10/37 (~)(Ê)(Þ)	985	1,046
Deutsche Bank Commercial Mortgage Trust		
Series 2016-C3 Class A5		
2.890% due 08/10/49	240	245
Deutsche Mortgage Securities, Inc. Re-REMIC Trust		
Series 2007-WM1 Class A1		
3.685% due 06/27/37 (~)(Ê)(Þ)	425	435
Fannie Mae		
4.250% due 2021	395	403
4.283% due 2021	383	392
4.500% due 2024	2	3
4.500% due 2025	117	124
2.560% due 2028	370	375
3.640% due 2028	100	108
2.520% due 2029	20	20
2.740% due 2029	100	103
2.790% due 2029	300	309
3.160% due 2029	50	52
3.240% due 2029	90	95
3.260% due 2029	30	32
3.350% due 2029	20	21
3.500% due 2030	101	104
2.600% due 2031	375	374
2.670% due 2031	100	101
2.765% due 2031	100	102
2.770% due 2031	100	102
2.810% due 2031	100	102
2.850% due 2031	100	103
2.860% due 2031	100	103
5.000% due 2031	100	107
3.000% due 2032	67	68
6.000% due 2032	20	23
3.000% due 2033	910	937
3.500% due 2033	676	708
5.000% due 2033	5	6
3.500% due 2034	1,390	1,451
5.500% due 2034	17	19
4.500% due 2035	395	426
3.000% due 2037	81	83
5.500% due 2037	104	117
5.500% due 2038	453	510
6.000% due 2039	41	47
4.000% due 2040	276	299
5.500% due 2040	525	588
6.000% due 2040	121	138
4.000% due 2041	457	490
6.000% due 2041	128	147
3.500% due 2043	1,219	1,281
4.000% due 2044	929	1,013
3.500% due 2045	1,544	1,617
3.000% due 2046	871	892
3.500% due 2046	261	275
4.000% due 2046	1,417	1,517
4.500% due 2046	494	548

Amounts in thousands *(except share amounts)*

	Principal Amount ($) or Shares	Fair Value $
3.000% due 2047	3,897	3,992
3.500% due 2047	2,594	2,724
4.000% due 2047	1,553	1,634
4.500% due 2047	538	569
3.500% due 2048	817	849
4.500% due 2048	3,660	3,863
5.000% due 2048	668	714
2.500% due 2049	2,100	2,076
3.000% due 2049	21,712	22,121
3.500% due 2049	21,072	21,704
4.000% due 2049	9,472	9,853
4.500% due 2049	834	887
3.000% due 2050	1,800	1,825
4.000% due 2056	1,112	1,192
4.500% due 2056	276	299
5.500% due 2056	257	280
3.500% due 2057	803	845
4.000% due 2057	150	161
4.500% due 2057	237	257
30 Year TBA(Ï)		
3.000%	3,800	3,851
3.500%	200	206
Fannie Mae Aces		
Series 2019-M4 Class A2		
3.610% due 02/25/31	90	98
Series 2019-M5 Class A2		
3.273% due 01/25/29	150	159
Series 2019-M6 Class A2		
3.450% due 01/01/29	170	182
Fannie Mae Connecticut Avenue Securities		
Series 2014-C02 Class 1M2		
5.086% due 05/25/24 (Ê)	812	845
Series 2014-C03 Class 1M2		
5.486% due 07/25/24 (Ê)	1,545	1,625
Series 2014-C04 Class 1M2		
6.723% due 11/25/24 (Ê)	767	842
Series 2016-C04 Class 1M2		
6.073% due 01/25/29 (Ê)	50	53
Series 2019-R07 Class 1M2		
3.923% due 10/25/39 (Ê)(Þ)	670	676
Fannie Mae REMIC Trust		
Series 2004-W5 Class A1		
6.000% due 02/25/47	155	178
Fannie Mae REMICS		
Series 1999-56 Class Z		
7.000% due 12/18/29	9	10
Series 2005-24 Class ZE		
5.000% due 04/25/35	187	205
Series 2012-35 Class SC		
Interest Only STRIP		
4.015% due 04/25/42 (Ê)	22	4
Series 2012-55 Class PC		
3.500% due 05/25/42	668	690
Series 2013-54 Class BS		

See accompanying notes which are an integral part of the financial statements.

Russell Investment Funds
Strategic Bond Fund

Schedule of Investments, continued — December 31, 2019

Amounts in thousands *(except share amounts)*

	Principal Amount ($) or Shares	Fair Value $
Interest Only STRIP		
3.665% due 06/25/43 (Ê)	96	20
Series 2013-124 Class SB		
Interest Only STRIP		
3.465% due 12/25/43 (Ê)	107	20
Series 2016-23 Class ST		
Interest Only STRIP		
3.515% due 11/25/45 (Ê)	358	75
Series 2016-61 Class BS		
Interest Only STRIP		
3.615% due 09/25/46 (Ê)	305	48
Series 2017-76 Class SB		
Interest Only STRIP		
3.615% due 10/25/57 (Ê)	341	68
Series 2017-85 Class SC		
Interest Only STRIP		
3.715% due 11/25/47 (Ê)	68	11
Fannie Mae-Aces		
Series 2013-M6 Class 1AC		
3.828% due 02/25/43 (~)(Ê)	89	94
Series 2018-M9 Class APT2		
3.124% due 04/25/28 (~)(Ê)	200	210
Series 2019-M1 Class A2		
3.673% due 09/25/28 (~)(Ê)	70	76
Series 2019-M19 Class A2		
2.560% due 09/25/29	539	540
Series 2019-M23 Class 3A3		
2.720% due 10/25/31 (~)(Ê)	200	201
Series 2019-M27 Class A2		
2.700% due 11/25/40	100	98
Series 2019-M28 Class AV		
2.232% due 02/25/27	300	296
Flagstar Mortgage Trust		
Series 2017-2 Class A5		
3.500% due 10/25/47 (~)(Ê)(Þ)	671	674
Series 2018-2 Class A4		
3.500% due 04/25/48 (~)(Ê)(Þ)	270	275
Freddie Mac		
3.500% due 2030	104	108
3.000% due 2032	228	235
3.000% due 2033	1,208	1,243
4.500% due 2034	151	163
3.000% due 2038	166	170
5.500% due 2038	330	373
6.000% due 2038	76	88
5.000% due 2040	208	229
4.000% due 2041	1,164	1,263
4.500% due 2041	211	230
5.500% due 2041	219	246
3.500% due 2043	912	970
4.000% due 2044	540	580
3.500% due 2045	1,524	1,616
4.000% due 2045	1,145	1,217
3.000% due 2046	2,997	3,083
4.000% due 2046	1,251	1,337
4.500% due 2046	225	241

Amounts in thousands *(except share amounts)*

	Principal Amount ($) or Shares	Fair Value $
3.000% due 2047	1,078	1,107
4.000% due 2047	335	353
3.000% due 2048	178	184
3.500% due 2048	1,168	1,204
4.000% due 2048	2,399	2,502
4.500% due 2048	2,805	2,954
5.000% due 2048	213	229
2.500% due 2049	1,497	1,481
3.000% due 2049	7,902	8,039
3.500% due 2049	6,548	6,753
4.000% due 2049	3,331	3,462
5.000% due 2049	343	366
3.000% due 2050	1,000	1,020
Freddie Mac Multifamily Structured		
Pass-Through Certificates		
Series 2013-K024 Class A2		
2.573% due 09/25/22	1,530	1,552
Series 2013-K029 Class A2		
3.320% due 02/25/23 (~)(Ê)	1,450	1,503
Series 2015-K045 Class A2		
3.023% due 01/25/25	1,020	1,060
Series 2015-K046 Class A2		
3.205% due 03/25/25	400	420
Series 2016-K052 Class A2		
3.151% due 11/25/25	1,110	1,165
Series 2016-K053 Class A2		
2.995% due 12/25/25	390	406
Series 2016-K058 Class X1		
Interest Only STRIP		
0.930% due 08/25/26 (~)(Ê)	4,098	216
Series 2017-K070 Class A2		
3.303% due 11/25/27 (~)(Ê)	329	350
Series 2018-K074 Class A2		
3.600% due 01/25/28	3,204	3,472
Series 2018-K080 Class A2		
3.926% due 07/25/28 (~)(Ê)	3,081	3,412
Series 2018-K085 Class A2		
4.060% due 10/25/28 (~)(Ê)	586	655
Series 2019-K091 Class A2		
3.505% due 03/25/29	170	184
Freddie Mac Reference REMICS		
Series 2006-R007 Class ZA		
6.000% due 05/15/36	214	245
Freddie Mac REMICS		
Series 2003-2624 Class QH		
5.000% due 06/15/33	66	74
Series 2010-3632 Class PK		
5.000% due 02/15/40	135	146
Series 2010-3653 Class B		
4.500% due 04/15/30	213	229
Series 2011-3973 Class SA		
Interest Only STRIP		
4.017% due 12/15/41 (Ê)	325	68
Series 2012-4010 Class KM		
3.000% due 01/15/42	115	118
Series 2018-4813 Class CJ		

See accompanying notes which are an integral part of the financial statements.

Russell Investment Funds
Strategic Bond Fund

Schedule of Investments, continued — December 31, 2019

Amounts in thousands *(except share amounts)*

	Principal Amount ($) or Shares	Fair Value $
3.000% due 08/15/48	108	108
Series 2019-RR01 Class X		
Interest Only STRIP		
1.534% due 06/25/48 (~)(Ê)	2,500	272
Freddie Mac Strips		
Series 2014-334 Class S7		
Interest Only STRIP		
3.627% due 08/15/44 (Ê)	155	31
Series 2016-353 Class S1		
Interest Only STRIP		
3.527% due 12/15/46 (Ê)	72	12
Freddie Mac Structured Agency Credit Risk Debt Notes		
Series 2014-HQ2 Class M3		
5.573% due 09/25/24 (Ê)	522	564
Series 2015-DN1 Class M3		
5.973% due 01/25/25 (Ê)	588	614
Series 2015-DNA2 Class M2		
5.077% due 12/25/27 (Ê)	68	69
Series 2015-DNA3 Class M3		
6.523% due 04/25/28 (Ê)	1,330	1,473
Series 2015-DNA3 Class M3F		
6.186% due 04/25/28 (Ê)	760	808
Series 2015-HQA2 Class M2		
5.286% due 05/25/28 (Ê)	190	191
Series 2017-DNA2 Class B1		
6.973% due 10/25/29 (Ê)	510	589
Series 2017-DNA2 Class M2		
5.936% due 10/25/29 (Ê)	440	469
Ginnie Mae I		
3.000% due 2042	374	386
3.500% due 2048	81	85
Ginnie Mae II		
3.500% due 2044	89	93
3.500% due 2045	34	36
3.500% due 2047	324	336
4.000% due 2047	1,359	1,421
3.000% due 2048	657	676
3.500% due 2048	308	320
4.000% due 2048	883	919
4.500% due 2048	337	354
2.500% due 2049	99	98
3.000% due 2049	1,600	1,643
3.500% due 2049	3,370	3,480
4.000% due 2049	499	527
4.500% due 2049	3,720	3,889
5.000% due 2049	316	334
30 Year TBA(Ï)		
2.500%	3,500	3,515
3.000%	4,500	4,619
Ginnie Mae REMICS		
Series 2012-135 Class IO		
Interest Only STRIP		
0.611% due 01/16/53 (~)(Ê)	1,719	55
Series 2013-53 Class OI		
Interest Only STRIP		
3.500% due 04/20/43	708	100
Series 2014-17 Class AM		
2.516% due 06/16/48 (~)(Ê)	83	85
Series 2016-21 Class ST		
Interest Only STRIP		
5.588% due 02/20/46 (Ê)	227	39
Series 2016-51 Class NS		
Interest Only STRIP		
5.518% due 04/20/46 (Ê)	109	19
Series 2018-130 Class A		
3.250% due 05/16/59	43	44
Series 2019-123 Class A		
3.000% due 10/20/49	100	102
Grace Mortgage Trust		
Series 2014-GRCE Class A		
3.369% due 06/10/28 (Þ)	393	397
GS Mortgage Securities Corp. II		
Series 2018-SRP5 Class A		
3.065% due 09/15/31 (Ê)(Þ)	490	490
GS Mortgage Securities Trust		
Series 2013-GC14 Class AS		
4.507% due 08/10/46 (Þ)	235	251
Series 2016-GS2 Class A4		
3.050% due 05/10/49 (Æ)	1,342	1,386
Series 2019-SOHO Class A		
3.350% due 06/15/36 (Ê)(Þ)	630	630
Hawaii Hotel Trust		
Series 2019-MAUI Class C		
3.390% due 05/15/38 (Ê)(Þ)	940	939
Hilton USA Trust		
Series 2016-HHV Class D		
4.333% due 11/05/38 (~)(Ê)(Þ)	1,240	1,290
Series 2016-HHV Class E		
4.333% due 11/05/38 (~)(Ê)(Þ)	600	611
Series 2016-SFP Class A		
2.828% due 11/05/35 (Þ)	226	226
HMH Trust		
Series 2017-NSS Class E		
6.292% due 07/05/31 (Þ)	1,170	1,221
Hospitality Mortgage Trust		
Series 2019-HIT Class D		
4.500% due 11/15/36 (Ê)(Þ)	1,393	1,393
IndyMac Index Mortgage Loan Trust		
Series 2006-AR2 Class 1A1A		
2.730% due 04/25/46 (Ê)	697	658
Series 2006-AR2 Class 1A1B		
2.696% due 04/25/46 (Ê)	523	493
Series 2007-FLX3 Class A1		
2.726% due 06/25/37 (Ê)	195	187
JPMorgan Chase Commercial Mortgage Securities Trust		
Series 2004-LN2 Class B		
5.462% due 07/15/41 (~)(Ê)	19	20
Series 2016-NINE Class A		
2.949% due 09/06/38 (~)(Ê)(Þ)	394	400

See accompanying notes which are an integral part of the financial statements.

Russell Investment Funds
Strategic Bond Fund

Schedule of Investments, continued — December 31, 2019

Amounts in thousands *(except share amounts)*

	Principal Amount ($) or Shares	Fair Value $
JPMorgan Mortgage Trust		
Series 2015-3 Class A5 3.500% due 05/25/45 (~)(Ê)(Þ)	241	242
Series 2016-4 Class A5 3.500% due 10/25/46 (~)(Ê)(Þ)	503	512
Series 2017-2 Class A6 3.000% due 05/25/47 (~)(Ê)(Þ)	2,070	2,082
Series 2017-3 Class 1A5 3.500% due 08/25/47 (~)(Ê)(Þ)	619	625
Series 2017-6 Class A5 3.500% due 12/25/48 (~)(Ê)(Þ)	306	310
Series 2018-3 Class A1 3.500% due 09/25/48 (~)(Ê)(Þ)	601	612
Series 2018-4 Class A1 3.500% due 10/25/48 (~)(Ê)(Þ)	229	233
Series 2018-4 Class A15 3.500% due 10/25/48 (~)(Ê)(Þ)	602	606
Series 2018-5 Class A1 3.500% due 10/25/48 (~)(Ê)(Þ)	536	546
Series 2018-6 Class 1A4 3.500% due 12/25/48 (~)(Ê)(Þ)	1,181	1,188
Series 2018-8 Class A15 4.000% due 01/25/49 (~)(Ê)(Þ)	292	292
Series 2018-8 Class A5 4.000% due 01/25/49 (~)(Ê)(Þ)	1,482	1,495
Series 2018-9 Class A15 4.000% due 02/25/49 (~)(Ê)(Þ)	172	172
Series 2019-1 Class A6 4.000% due 05/25/49 (~)(Ê)(Þ)	305	304
Series 2019-INV2 Class A3 3.500% due 02/25/50 (~)(Ê)(Þ)	967	981
LB-UBS Commercial Mortgage Trust		
Series 2005-C7 Class F 5.350% due 11/15/40 (~)(Ê)	224	225
LSTAR Securities Investment, Ltd.		
Series 2019-4 Class A1 3.532% due 05/01/24 (Ê)(Þ)	427	427
ML-CFC Commercial Mortgage Trust		
Series 2007-5 Class AJ 5.450% due 08/12/48 (~)(Ê)	176	108
Series 2007-5 Class AJFL 5.450% due 08/12/48 (~)(Ê)(Þ)	175	107
Morgan Stanley Bank of America Merrill Lynch Trust		
Series 2016-C31 Class A1 1.511% due 11/15/49	195	193
Morgan Stanley Capital I Trust		
Series 2011-C3 Class A4 4.118% due 07/15/49	80	82
Series 2015-MS1 Class A4 3.779% due 05/15/48 (~)(Ê)	200	213
Series 2016-UBS9 Class A4 3.594% due 03/15/49	205	217
Series 2018-BOP Class E 4.423% due 06/15/35 (Ê)(Þ)	1,732	1,732
Series 2018-SUN Class E 4.423% due 07/15/35 (Ê)(Þ)	1,955	1,955
Series 2019-NUGS Class E 3.994% due 12/15/36 (Ê)(Þ)	1,970	1,963
Morgan Stanley Capital I, Inc.		
Series 2019-BPR Class A 3.900% due 05/15/36 (Ê)(Þ)	350	349
Series 2019-PLND Class A 3.500% due 05/15/36 (Ê)(Þ)	1,613	1,610
Morgan Stanley Mortgage Capital Holdings LLC Trust		
Series 2017-237P Class D 3.865% due 09/13/39 (Þ)	1,500	1,519
Series 2017-237P Class XA Interest Only STRIP 0.467% due 09/13/39 (~)(Ê)(Þ)	8,761	223
Series 2017-237P Class XB Interest Only STRIP 0.050% due 09/13/39 (~)(Ê)(Þ)	5,418	36
MSCG Trust		
Series 2015-ALDR Class A2 3.577% due 06/07/35 (~)(Ê)(Þ)	255	260
Natixis Commercial Mortgage Securities Trust		
Series 2019-FAME Class A 3.047% due 08/15/34 (Þ)	440	444
New Residential Mortgage Loan Trust		
Series 2019-NQM4 Class A2 2.644% due 09/25/59 (~)(Ê)(Þ)	477	475
Nomura Resecuritization Trust		
Series 2015-4R Class 1A14 2.670% due 03/26/47 (Ê)(Þ)	1,237	1,049
NYT Mortgage Trust		
Series 2019-NYT Class A 3.700% due 11/15/35 (Ê)(Þ)	2,451	2,457
One Market Plaza Trust		
Series 2017-1MKT Class C 4.016% due 02/10/32 (Þ)	217	221
Series 2017-1MKT Class D 4.146% due 02/10/32 (Þ)	500	509
Series 2017-1MKT Class E 4.142% due 02/10/32 (Þ)	595	596
PMT Credit Risk Transfer Trust		
Series 2019-1R Class A 4.484% due 03/27/24 (Ê)(Þ)	380	380
Series 2019-3R Class A 4.164% due 10/27/22 (Ê)(Þ)	710	713
RBS Commercial Funding, Inc. Trust		
Series 2013-GSP Class A 3.961% due 01/15/32 (~)(Æ)(Ê)(Þ)	200	209
Residential Accredit Loans, Inc.		
Series 2006-QO7 Class 2A1 3.247% due 09/25/46 (Ê)	909	838
Residential Asset Securitization Trust		
Series 2003-A15 Class 1A2 2.936% due 02/25/34 (Ê)	19	17
Sequoia Mortgage Trust		

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Russell Investment Funds
Strategic Bond Fund

Schedule of Investments, continued — December 31, 2019

Amounts in thousands *(except share amounts)*

		Principal Amount ($) or Shares	Fair Value $
Series 2013-4 Class A3			
1.550% due 04/25/43 (~)(Ê)		1,386	1,348
Series 2015-1 Class A1			
3.500% due 01/25/45 (~)(Ê)(Þ)		524	532
Structured Adjustable Rate Mortgage Loan Trust			
Series 2006-5 Class 3A			
4.249% due 06/25/36 (~)(Ê)		1,174	955
Tharaldson Hotel Portfolio Trust			
Series 2018-THL Class A			
2.520% due 11/11/34 (Ê)(Þ)		243	243
Washington Mutual Mortgage Pass-Through Certificates Trust			
Series 2003-AR7 Class A7			
4.148% due 08/25/33 (~)(Ê)		51	51
Series 2004-AR4 Class A6			
4.504% due 06/25/34 (~)(Ê)		438	440
Series 2005-10 Class 3CB1			
6.000% due 11/25/35		803	750
Series 2005-AR9 Class A1A			
3.126% due 07/25/45 (Ê)		278	276
Series 2005-AR11 Class A1A			
2.806% due 08/25/45 (Ê)		519	517
Series 2006-AR1 Class 2A1A			
3.467% due 01/25/46 (Ê)		345	350
Wells Fargo Commercial Mortgage Trust			
Series 2015-NXS1 Class A5			
3.148% due 05/15/48		1,864	1,931
Series 2017-RB1 Class XA			
Interest Only STRIP			
1.288% due 03/15/50 (~)(Ê)		1,959	147
Wells Fargo Mortgage-Backed Securities Trust			
Series 2006-AR5 Class 1A1			
5.079% due 04/25/36 (~)(Ê)		1,080	1,018
WinWater Mortgage Loan Trust			
Series 2014-1 Class A1			
3.926% due 06/20/44 (~)(Ê)(Þ)		539	549
Worldwide Plaza Trust			
Series 2017-WWP Class A			
3.526% due 11/10/36 (Þ)		452	475
			280,984
Non-US Bonds - 6.8%			
Argentine Bonos del Tesoro			
18.200% due 10/03/21	ARS	5,600	33
Brazil Notas do Tesouro Nacional			
Series NTNB			
6.000% due 05/15/45	BRL	401	461
Series NTNF			
10.000% due 01/01/21	BRL	4,005	1,047
10.000% due 01/01/23	BRL	4,026	1,113
10.000% due 01/01/25	BRL	3,706	1,059
10.000% due 01/01/27	BRL	165	48
Canadian Government International Bond			
0.750% due 09/01/21	CAD	1,578	1,196
1.500% due 06/01/23	CAD	2,491	1,907
2.250% due 06/01/25	CAD	1,778	1,409
1.000% due 06/01/27	CAD	1,968	1,440
Colombian Titulos de Tesoreria			
Series B			
10.000% due 07/24/24	COP	16,186,200	5,828
6.000% due 04/28/28	COP	4,450,300	1,347
Indonesia Treasury Bond			
Series FR68			
8.375% due 03/15/34	IDR	14,844,000	1,144
Series FR77			
8.125% due 05/15/24	IDR	13,960,000	1,072
Series FR78			
8.250% due 05/15/29	IDR	22,837,000	1,773
Malaysia Government International Bond			
Series 0111			
4.160% due 07/15/21	MYR	150	37
Series 0114			
4.181% due 07/15/24	MYR	5,725	1,458
Series 0116			
3.800% due 08/17/23	MYR	3,100	775
Series 0117			
3.882% due 03/10/22	MYR	3,921	976
Series 0119			
3.906% due 07/15/26	MYR	215	54
Series 0215			
3.795% due 09/30/22	MYR	1,275	318
Series 0218			
3.757% due 04/20/23	MYR	4,616	1,152
Series 0314			
4.048% due 09/30/21	MYR	610	152
Series 0319			
3.478% due 06/14/24	MYR	1,057	261
Series 0517			
3.441% due 02/15/21	MYR	432	106
Mexican Bonos			
Series M 20			
10.000% due 12/05/24	MXN	11,350	681
7.500% due 06/03/27	MXN	35,397	1,944
8.500% due 05/31/29	MXN	33,020	1,944
Series M 30			
10.000% due 11/20/36	MXN	40,673	2,778
8.500% due 11/18/38	MXN	9,100	549
Series M			
6.500% due 06/10/21	MXN	740	39
7.750% due 05/29/31	MXN	4,863	274
7.750% due 11/13/42	MXN	92,493	5,188
8.000% due 11/07/47	MXN	28,620	1,658
Norway Government International Bond			
Series 475			
2.000% due 05/24/23 (Þ)	NOK	10,613	1,232
Series 476			
3.000% due 03/14/24 (Þ)	NOK	11,435	1,387
Series 478			
1.500% due 02/19/26 (Þ)	NOK	2,985	342
Series 479			
1.750% due 02/17/27 (Þ)	NOK	2,270	263

See accompanying notes which are an integral part of the financial statements.

Russell Investment Funds
Strategic Bond Fund

Schedule of Investments, continued — December 31, 2019

Amounts in thousands *(except share amounts)*

		Principal Amount ($) or Shares	Fair Value $
Series 480			
2.000% due 04/26/28 (Þ)	NOK	4,687	554
Peru Government International Bond			
5.700% due 08/12/24	PEN	6,444	2,172
6.900% due 08/12/37	PEN	3,424	1,245
Russian Federal Bond - OFZ			
Series 6207			
8.150% due 02/03/27	RUB	48,740	878
Series 6212			
7.050% due 01/19/28	RUB	8,430	143
Series 6219			
7.750% due 09/16/26	RUB	31,660	556
Series 6224			
6.900% due 05/23/29	RUB	56,020	951
Series 6225			
7.250% due 05/10/34	RUB	1,960	34
Series 6228			
7.650% due 04/10/30	RUB	55,230	981
Series 6230			
7.700% due 03/16/39	RUB	42,470	775
Singapore Government International Bond			
2.250% due 06/01/21	SGD	963	723
1.250% due 10/01/21	SGD	1,199	887
3.125% due 09/01/22	SGD	569	441
2.750% due 07/01/23	SGD	1,670	1,292
3.000% due 09/01/24	SGD	1,016	804
2.375% due 06/01/25	SGD	1,437	1,114
2.125% due 06/01/26	SGD	3,616	2,771
3.500% due 03/01/27	SGD	2,077	1,736
			62,502
United States Government Treasuries - 16.8%			
United States Treasury Inflation Indexed Bonds			
0.125% due 04/15/21		6,862	6,848
0.125% due 01/15/22		637	636
0.375% due 07/15/23		9,020	9,144
0.375% due 07/15/25		4,534	4,626
3.375% due 04/15/32		4,117	5,652
2.125% due 02/15/40		1,655	2,163
1.375% due 02/15/44		1,745	2,057
1.000% due 02/15/46		1,010	1,110
0.875% due 02/15/47		2,942	3,152
1.000% due 02/15/48		762	843
1.000% due 02/15/49		2,178	2,420
United States Treasury Notes			
1.375% due 05/31/21		8,665	8,637
1.125% due 06/30/21		12,245	12,158
1.750% due 05/15/23		19,405	19,468
1.375% due 06/30/23		480	475
1.250% due 07/31/23		4,330	4,268
2.250% due 04/30/24		30	31
1.250% due 08/31/24		435	426
2.250% due 11/15/24		390	400
1.500% due 11/30/24		140	139
1.750% due 12/31/24		2,830	2,836
2.000% due 02/15/25		3,790	3,841
2.125% due 05/15/25		2,735	2,789
2.000% due 08/15/25		5,273	5,340
3.000% due 10/31/25		685	731
2.250% due 11/15/25		2,545	2,611
1.625% due 02/15/26		4,303	4,260
2.250% due 03/31/26		1,065	1,093
1.625% due 05/15/26		3,005	2,971
1.500% due 08/15/26		3,540	3,467
1.625% due 09/30/26		450	444
1.625% due 11/30/26		1,340	1,321
2.375% due 05/15/27		1,935	2,005
2.750% due 02/15/28		530	564
2.375% due 05/15/29		875	909
1.750% due 11/15/29		320	315
4.500% due 05/15/38		1,090	1,471
2.750% due 11/15/42		1,190	1,268
2.875% due 05/15/43		1,200	1,306
3.750% due 11/15/43		1,510	1,886
3.125% due 08/15/44		920	1,045
2.875% due 08/15/45		4,765	5,202
3.000% due 11/15/45		1,322	1,477
3.000% due 05/15/47		1,225	1,375
2.750% due 08/15/47		1,180	1,264
2.750% due 11/15/47		1,775	1,901
3.000% due 02/15/48		4,435	4,980
3.125% due 05/15/48		2,665	3,065
3.000% due 08/15/48		440	495
3.375% due 11/15/48		480	579
3.000% due 02/15/49		90	101
2.875% due 05/15/49		290	319
2.250% due 08/15/49		6,550	6,346
			154,230
Total Long-Term Investments			
(cost $795,316)			813,327
Common Stocks - 0.0%			
Financial Services - 0.0%			
Escrow GM Corp.(Æ)(Š)		80,000	—
Technology - 0.0%			
Sungard Availability Services, LP(Æ)(Š)		1,760	35
Total Common Stocks			
(cost $44)			35
Options Purchased - 0.0%			
(Number of Contracts)			
United States 10 Year Treasury Note Futures Bank of America Jan 2020 128.50 Call (21)	USD	2,699 (ÿ)	10
United States 5 Year Treasury Note Futures Bank of America Jan 2020 118.50 Call (56)	USD	6,636 (ÿ)	19

See accompanying notes which are an integral part of the financial statements.

Russell Investment Funds
Strategic Bond Fund

Schedule of Investments, continued — December 31, 2019

Amounts in thousands *(except share amounts)*

		Principal Amount ($) or Shares	Fair Value $
Total Options Purchased			
(cost $25)			29
Short-Term Investments - 10.5%			
Ambac Assurance Corp.			
5.100% due 06/07/20 (Þ)		1	1
American Express Credit Corp.			
2.375% due 05/26/20		80	80
Amgen, Inc.			
2.125% due 05/01/20		20	20
Apple, Inc.			
2.000% due 11/13/20		80	80
Argentina POM Politica Monetaria Series POM			
56.590% due 06/21/20 (Ê)	ARS	6,310	58
Boeing Co. (The)			
4.875% due 02/15/20		100	100
Charter Communications Operating LLC / Charter Communications Operating Capital Series WI			
3.579% due 07/23/20		80	81
Chubb INA Holdings, Inc.			
2.300% due 11/03/20		20	20
Credit Suisse Mortgage Trust Series 2018-PLUM Class A			
4.971% due 08/15/20 (Ê)(Þ)		33	33
Express Scripts Holding Co.			
2.600% due 11/30/20		278	280
Fannie Mae			
4.000% due 01/01/20		—	—
Federal Home Loan Banks			
2.125% due 02/11/20		70	70
1.660% due 10/07/20 (Ê)		660	660
Freddie Mac			
4.500% due 08/01/20		—	—
1.580% due 09/10/20 (Ê)		290	290
General Electric Co. Series GMTN			
5.500% due 01/08/20		10	10
General Motors Financial Co., Inc.			
2.450% due 11/06/20		30	30
Gilead Sciences, Inc.			
2.550% due 09/01/20		120	121
Glencore Funding LLC			
2.875% due 04/16/20 (Þ)		20	20
Goldman Sachs Capital II			
4.000% due 12/20/20 (Ê)		3	3
Goldman Sachs Group, Inc. (The)			
Series D			
6.000% due 06/15/20		150	153
JPMorgan Chase & Co.			
4.250% due 10/15/20		300	305
Lloyds TSB Bank PLC			
6.500% due 09/14/20 (Þ)		228	234
Malaysia Government International Bond Series 0315			
3.659% due 10/15/20	MYR	3,222	792
Series 0613			
3.889% due 07/31/20	MYR	230	57
Prosus NV			
6.000% due 07/18/20 (Þ)		206	209
Reliance Standard Life Global Funding II			
2.500% due 01/15/20 (Þ)		30	30
Reynolds American, Inc.			
3.250% due 06/12/20		40	40
Royal Bank of Canada			
2.150% due 10/26/20		70	70
Santander PLC			
2.375% due 03/16/20		40	40
Shell International Finance BV			
4.375% due 03/25/20		10	10
Singapore Government International Bond			
2.000% due 07/01/20	SGD	464	346
Telefonica Emisiones SA			
5.134% due 04/27/20		40	40
U.S. Cash Management Fund		16,798,811(∞)	16,804
United States Treasury Bills			
0.000% due 01/02/20 (ç)(ž)		10,732	10,732
0.994% due 01/07/20 (ç)(ž)		500	500
1.284% due 01/14/20 (ç)(ž)		1,415	1,414
1.440% due 02/06/20 (ç)(ž)		19,842	19,813
1.489% due 03/05/20 (ž)		10,752	10,724
1.527% due 04/02/20 (ž)		7,167	7,140
1.542% due 05/21/20 (ž)		9,037	8,983
1.560% due 07/16/20 (ž)		9,216	9,139
United States Treasury Notes			
0.511% due 05/31/20		6,121	6,115
UnitedHealth Group, Inc.			
3.875% due 10/15/20		10	10
Class A			
2.700% due 07/15/20		70	70
Westpac Banking Corp.			
2.300% due 05/26/20		10	10
2.600% due 11/23/20		80	80

Russell Investment Funds
Strategic Bond Fund

Schedule of Investments, continued — December 31, 2019

Amounts in thousands *(except share amounts)*

	Principal Amount ($) or Shares	Fair Value $
Williams Cos., Inc. (The)		
5.250% due 03/15/20	40	40
Total Short-Term Investments		
(cost $95,802)		95,857
Total Investments 99.1%		
(identified cost $891,187)		909,248
Other Assets and Liabilities, Net - 0.9%		8,522
Net Assets - 100.0%		917,770

See accompanying notes which are an integral part of the financial statements.

Russell Investment Funds
Strategic Bond Fund

Schedule of Investments, continued — December 31, 2019

Restricted Securities

Amounts in thousands *(except share and cost per unit amounts)*

% of Net Assets Securities	Acquisition Date	Principal Amount ($) or shares	Cost per Unit $	Cost (000) $	Fair Value (000) $
16.9%					
1011778 BC ULC / New Red Finance, Inc.	03/15/19	120,000	100.63	121	123
A10 Securitization LLC	06/23/17	961,000	100.00	961	955
ABB Treasury Center, Inc.	03/05/19	220,000	101.37	223	227
AbbVie, Inc.	11/12/19	380,000	100.01	380	386
AbbVie, Inc.	11/12/19	100,000	99.88	100	101
AbbVie, Inc.	11/12/19	440,000	99.91	440	442
AbbVie, Inc.	11/12/19	390,000	99.91	390	392
ABN AMRO Bank NV	03/05/19	725,000	100.25	727	729
Abu Dhabi Government International Bond	10/03/17	200,000	99.81	200	202
ACE Securities Corp. Mortgage Loan Trust	03/08/17	543,258	93.64	509	516
Adani Abbot Point Terminal Pty, Ltd.	02/01/19	253,000	90.30	228	257
Air Liquide Finance SA	09/03/19	733,000	99.57	730	730
Alcoa Nederland Holding BV	09/28/17	200,000	107.86	216	210
Alimentation Couche-Tard, Inc.	09/19/17	702,000	103.01	723	721
Allergan Sales LLC	09/26/19	687,000	104.52	718	718
Ambac Assurance Corp.	02/09/17	881	159.16	1	1
Ambac LSNI LLC	02/09/17	3,946,905	98.85	3,986	3,998
Anglo American Capital PLC	09/06/17	200,000	99.96	200	207
Anglo American Capital PLC	09/30/19	368,000	102.49	377	378
Applebee's Funding LLC / IHOP Funding LLC	05/28/19	340,000	100.00	340	345
Avis Budget Rental Car Funding LLC	04/16/19	600,000	100.38	602	618
Banco de Bogota SA	09/22/17	686,000	104.68	718	726
Banco de Credito del Peru	12/04/19	693,000	105.24	729	730
Bangkok Bank PCL	11/09/18	219,000	99.44	218	227
Banistmo SA	12/07/17	729,000	100.63	734	736
Bayer US Finance II LLC	06/19/18	713,000	101.10	721	726
Bayer US Finance LLC	08/02/18	726,000	100.60	730	748
Bayview Commercial Asset Trust	10/26/17	952,275	96.01	914	905
BBVA Bancomer SA	09/27/19	695,000	104.03	723	725
BCAP LLC Trust	07/21/16	760,739	75.45	574	704
BCAP LLC Trust	03/20/17	579,368	85.80	497	553
BCAP LLC Trust	03/20/17	909,181	85.83	780	868
Bharti Airtel International Netherlands BV	09/26/19	693,000	105.20	729	727
Blackbird Capital Aircraft Lease Securitization, Ltd.	11/04/16	812,063	99.73	810	806
Blue Racer Midstream LLC / Blue Racer Finance Corp.	02/25/19	30,000	101.78	31	29
BMW US Capital LLC	03/20/18	20,000	97.77	20	20
BMW US Capital LLC	09/27/19	724,000	99.90	723	725
BNP Paribas SA	08/07/18	200,000	99.52	199	222
BNP Paribas SA	01/03/19	260,000	100.00	260	281
BNP Paribas SA	01/03/19	570,000	105.35	600	669
Bristol-Myers Squibb Co.	05/07/19	190,000	100.12	190	199
Bristol-Myers Squibb Co.	05/07/19	170,000	99.22	169	182
Bristol-Myers Squibb Co.	05/07/19	290,000	99.66	289	299
Bristol-Myers Squibb Co.	05/07/19	90,000	99.79	90	91
Bristol-Myers Squibb Co.	11/20/19	70,000	100.39	70	70
Bristol-Myers Squibb Co.	11/20/19	30,000	103.71	31	31
Bristol-Myers Squibb Co.	11/20/19	200,000	107.27	215	216
Bristol-Myers Squibb Co.	11/20/19	380,000	108.99	414	418
Bristol-Myers Squibb Co.	11/20/19	80,000	127.49	102	102
Broadcom, Inc.	09/30/19	712,000	100.84	718	720
BX Commercial Mortgage Trust	03/02/18	1,575,000	99.45	1,566	1,574
BX Commercial Mortgage Trust	06/01/18	1,650,000	100.00	1,650	1,641
BX Commercial Mortgage Trust	03/05/19	133,000	100.48	134	133
BX Commercial Mortgage Trust	04/18/19	790,000	100.06	790	791
BX Commercial Mortgage Trust	10/09/19	1,100,000	100.00	1,100	1,101
BXP Trust	10/30/17	818,000	100.72	824	857
CAL Funding III, Ltd.	06/28/17	593,250	99.99	593	593
CAL Funding III, Ltd.	12/10/19	259,000	101.69	263	263
CAMB Commercial Mortgage Trust	01/25/19	1,651,000	100.00	1,651	1,661
CAMB Commercial Mortgage Trust	01/25/19	987,000	100.14	988	992
Cameron LNG LLC	12/05/19	40,000	100.00	40	40
Cameron LNG LLC	12/05/19	140,000	100.21	140	141
Carlyle Global Market Strategies CLO, Ltd.	11/07/19	761,000	99.59	758	758

See accompanying notes which are an integral part of the financial statements.

Russell Investment Funds
Strategic Bond Fund

Schedule of Investments, continued — December 31, 2019

Restricted Securities

Amounts in thousands *(except share and cost per unit amounts)*

% of Net Assets Securities	Acquisition Date	Principal Amount ($) or shares	Cost per Unit $	Cost (000) $	Fair Value (000) $
Cedar Funding, Ltd.	07/03/18	1,600,000	100.00	1,600	1,598
Cencosud SA	07/01/19	264,000	102.63	271	270
Citigroup Commercial Mortgage Trust	01/12/17	170,000	102.54	174	175
Citigroup Commercial Mortgage Trust	02/12/19	1,418,000	0.99	1,402	1,428
Citigroup Commercial Mortgage Trust	02/21/19	430,000	100.00	430	431
Citigroup Mortgage Loan Trust, Inc.	02/01/17	141,648	97.78	139	143
Commercial Mortgage Trust	01/22/16	195,000	1.06	207	206
Commercial Mortgage Trust	02/17/16	205,000	103.75	213	216
Commercial Mortgage Trust	07/25/16	140,000	102.23	143	140
Commercial Mortgage Trust	11/21/16	211,000	100.81	213	215
Commercial Mortgage Trust	06/05/19	899,000	100.00	899	899
Commercial Mortgage Trust	06/05/19	1,203,000	100.00	1,203	1,202
CORE Mortgage Trust	03/01/19	1,520,000	100.00	1,520	1,519
Credit Suisse Mortgage Capital Certificates	06/20/17	600,000	99.57	597	600
Credit Suisse Mortgage Capital Certificates	05/28/19	800,000	100.00	800	802
Credit Suisse Mortgage Capital Certificates	05/28/19	1,282,000	100.00	1,282	1,284
Credit Suisse Mortgage Trust	06/26/18	1,079,959	97.66	1,055	1,101
Credit Suisse Mortgage Trust	09/19/18	33,103	100.00	33	33
DAE Funding LLC	11/01/18	20,000	100.00	20	21
Daimler Finance NA LLC	08/12/19	320,000	100.64	322	323
Danone SA	10/26/16	890,000	99.93	889	891
Danone SA	04/22/19	718,000	100.12	719	729
Danske Bank A/S	01/11/19	400,000	102.13	409	420
Danske Bank A/S	03/11/19	862,000	105.20	918	945
Danske Bank A/S	09/17/19	200,000	103.03	206	208
DBGS Mortgage Trust	04/03/19	985,000	101.40	999	1,046
DCP Midstream Operating, LP	12/11/19	30,000	104.99	31	32
Dell International LLC / EMC Corp.	05/17/16	430,000	101.38	436	442
Deutsche Mortgage Securities, Inc. Re-REMIC Trust	01/04/17	424,732	100.62	427	435
Deutsche Telekom International Finance BV	05/02/18	251,000	97.68	245	251
Dividend Solar Loans LLC	06/28/19	370,376	99.98	370	371
DNB Bank ASA	10/22/19	550,000	100.37	552	554
DP World PLC	10/03/19	200,000	115.42	231	231
Dryden 50 Senior Loan Fund	07/24/17	1,230,000	100.00	1,230	1,226
ECAF, Ltd.	08/09/18	267,527	99.23	265	267
Ecuador Government International Bond	01/18/18	200,000	100.00	200	178
Education Loan Asset-Backed Trust I	07/24/19	580,000	99.32	576	575
Embotelladora Andina SA	09/03/19	264,000	106.93	282	282
EMD Finance LLC	04/22/19	272,000	98.30	267	280
Enel Finance International NV	01/05/18	706,000	101.12	714	722
Eni SpA	09/26/19	658,000	109.20	719	722
Equate Petrochemical BV	10/27/16	200,000	99.11	198	214
Fannie Mae Connecticut Avenue Securities	10/29/19	670,000	100.00	670	676
Flagstar Mortgage Trust	10/26/17	670,900	101.40	680	674
Flagstar Mortgage Trust	04/13/18	269,916	98.62	266	275
Flatiron CLO, Ltd.	11/21/19	1,000,000	100.10	1,001	1,000
Fox Corp.	01/15/19	30,000	100.00	30	34
Fox Corp.	01/17/19	270,000	115.49	312	330
Fresenius Medical Care US Finance II, Inc.	06/16/16	110,000	102.77	113	119
Fresenius Medical Care US Finance II, Inc.	09/19/17	236,000	106.13	250	252
Gazprom PJSC Via Gaz Capital SA	02/01/19	672,000	106.87	718	729
Glencore Funding LLC	10/12/16	40,000	101.07	40	42
Glencore Funding LLC	09/13/17	350,000	101.09	354	363
Glencore Funding LLC	03/21/18	20,000	99.90	20	20
Glencore Funding LLC	01/16/19	60,000	94.38	57	62
Glencore Funding LLC	03/05/19	430,000	101.17	435	450
Goldentree Loan Management US CLO 2, Ltd.	10/26/18	1,860,000	100.04	1,861	1,858
Grace Mortgage Trust	05/19/17	393,000	103.25	406	397
GS Mortgage Securities Corp. II	06/06/18	490,000	100.00	490	490
GS Mortgage Securities Trust	07/20/16	235,000	111.96	263	251
GS Mortgage Securities Trust	05/31/19	630,000	100.00	630	630
Hanesbrands, Inc.	08/10/18	10,000	98.14	10	11
Hanesbrands, Inc.	08/13/18	70,000	102.01	71	74
Hawaii Hotel Trust	05/16/19	940,000	100.00	940	939

See accompanying notes which are an integral part of the financial statements.

Russell Investment Funds
Strategic Bond Fund

Schedule of Investments, continued — December 31, 2019

Restricted Securities

Amounts in thousands *(except share and cost per unit amounts)*

% of Net Assets Securities	Acquisition Date		Principal Amount ($) or shares	Cost per Unit $	Cost (000) $	Fair Value (000) $
Heineken NV	10/22/19		710,000	102.78	730	731
Hilton USA Trust	11/22/16		1,840,000	88.99	1,677	1,901
Hilton USA Trust	05/26/17		226,000	99.71	225	226
HMH Trust	06/09/17		1,170,000	99.99	1,170	1,221
Horizon Aircraft Finance I, Ltd.	11/16/18		840,028	100.00	840	862
Hospitality Mortgage Trust	05/16/19		1,392,533	100.00	1,393	1,393
ICICI Bank, Ltd.	09/06/18		252,000	94.98	239	262
Intesa Sanpaolo SpA	07/10/17		400,000	100.21	401	405
Intesa Sanpaolo SpA	01/05/18		200,000	99.84	200	203
Intesa Sanpaolo SpA	04/22/19		287,000	92.28	265	288
Inversiones CMPC SA	09/22/17		214,000	102.85	220	221
JPMorgan Chase Commercial Mortgage Securities Trust	10/30/17		394,000	98.89	390	400
JPMorgan Mortgage Trust	03/30/17		241,313	102.55	247	242
JPMorgan Mortgage Trust	08/09/17		618,639	102.59	635	625
JPMorgan Mortgage Trust	10/26/17		502,970	101.06	508	512
JPMorgan Mortgage Trust	03/23/18		600,825	98.62	593	612
JPMorgan Mortgage Trust	04/25/18		1,366,249	98.85	1,356	1,385
JPMorgan Mortgage Trust	08/16/18		1,774,585	100.48	1,781	1,787
JPMorgan Mortgage Trust	09/20/18		172,056	100.53	173	172
JPMorgan Mortgage Trust	01/18/19		304,533	100.69	307	304
JPMorgan Mortgage Trust	03/06/19		1,487,606	100.43	1,490	1,498
JPMorgan Mortgage Trust	03/08/19		2,069,530	98.07	2,030	2,082
JPMorgan Mortgage Trust	09/18/19		967,007	101.21	979	981
KazMunayGas National Co. JSC	04/17/18		200,000	100.00	200	232
KKR Group Finance Co. II LLC	02/20/15		10,000	109.70	11	12
Korea Southern Power Co., Ltd.	05/02/18		241,000	99.52	240	243
Kraft Heinz Foods Co.	08/05/15		28,000	104.38	29	29
Kuwait Government International Bond	03/13/17		210,000	99.26	208	226
Lamb Weston Holdings, Inc.	12/01/16		60,000	99.72	60	64
LCM XXIII, Ltd.	04/18/19		1,020,000	100.30	1,023	1,020
LCM XXV, Ltd.	07/10/17		1,124,000	100.00	1,124	1,120
Legacy Mortgage Asset Trust	05/23/19		442,775	100.00	443	445
Lloyds TSB Bank PLC	12/07/17		228,000	102.55	234	234
LSTAR Securities Investment, Ltd.	05/17/19		427,485	100.00	427	427
Lukoil International Finance BV	09/19/17		682,000	104.66	714	723
LYB Finance Co. BV	02/15/19		186,000	119.10	222	238
Madison Park Funding XIII, Ltd.	11/07/19		574,000	99.64	572	574
Madison Park Funding XVIII, Ltd.	12/01/17		872,000	100.68	878	872
Madison Park Funding XXVI, Ltd.	09/05/17		780,000	100.00	780	780
Magnetite XVIII, Ltd.	10/31/18		1,488,000	100.00	1,488	1,487
Marks And Spencer PLC	11/06/17		623,000	115.47	719	704
Mars, Inc.	03/26/19		30,000	99.72	30	32
Mars, Inc.	03/26/19		60,000	99.94	60	61
Midwest Connector Capital Co. LLC	06/04/19		267,000	101.62	271	274
ML-CFC Commercial Mortgage Trust	08/05/16		175,471	82.25	144	107
Mondelez International Holdings Netherlands BV	10/22/19		726,000	99.93	726	726
Morgan Stanley Capital I Trust	07/19/18		1,955,000	100.00	1,955	1,955
Morgan Stanley Capital I Trust	08/15/18		1,732,000	100.00	1,732	1,732
Morgan Stanley Capital I Trust	12/12/19		1,970,000	99.42	1,959	1,963
Morgan Stanley Capital I, Inc.	04/24/19		350,000	100.00	350	349
Morgan Stanley Capital I, Inc.	05/10/19		1,613,000	100.00	1,613	1,610
Morgan Stanley Mortgage Capital Holdings LLC Trust	08/11/17		5,418,000	0.67	36	36
Morgan Stanley Mortgage Capital Holdings LLC Trust	08/11/17		8,761,000	2.55	223	223
Morgan Stanley Mortgage Capital Holdings LLC Trust	08/11/17		1,500,000	97.23	1,459	1,519
MSCG Trust	05/19/15		255,000	101.41	259	260
Natixis Commercial Mortgage Securities Trust	08/29/19		440,000	102.94	453	444
NBK SPC, Ltd.	09/30/19		714,000	100.68	719	719
Nestle Holdings, Inc.	04/22/19		718,000	101.48	729	734
New Residential Mortgage Loan Trust	09/09/19		477,221	100.00	477	475
NGPL PipeCo LLC	09/26/19		553,000	129.81	718	713
Nomura Resecuritization Trust	07/22/16		1,236,546	59.19	732	1,049
Nordea Bank AB	06/04/19		265,000	102.61	272	275
Northern Natural Gas Co.	08/02/18		631,000	109.11	688	709
Norway Government International Bond	01/18/19	NOK	2,985,000	11.40	340	342

See accompanying notes which are an integral part of the financial statements.

Russell Investment Funds
Strategic Bond Fund

Schedule of Investments, continued — December 31, 2019

Restricted Securities

Amounts in thousands *(except share and cost per unit amounts)*

% of Net Assets Securities	Acquisition Date		Principal Amount ($) or shares	Cost per Unit $	Cost (000) $	Fair Value (000) $
Norway Government International Bond	01/18/19	NOK	2,270,000	11.43	260	263
Norway Government International Bond	01/18/19	NOK	4,687,000	11.69	548	554
Norway Government International Bond	01/18/19	NOK	10,613,000	11.85	1,258	1,232
Norway Government International Bond	01/18/19	NOK	11,435,000	12.02	1,375	1,387
NXP BV / NXP Funding LLC	05/02/19		693,000	104.03	721	730
NYT Mortgage Trust	01/11/19		2,451,000	100.00	2,451	2,457
One Market Plaza Trust	02/15/17		500,000	100.03	500	509
One Market Plaza Trust	02/15/17		217,000	102.76	223	221
One Market Plaza Trust	02/15/17		595,000	97.90	583	596
Park Aerospace Holdings, Ltd.	02/25/19		50,000	101.89	51	53
Pernod Ricard SA	06/13/16		150,000	103.83	156	157
PMT Credit Risk Transfer Trust	03/21/19		380,453	100.00	380	380
PMT Credit Risk Transfer Trust	10/11/19		709,664	100.00	710	713
Prime Security Services Borrower LLC / Prime Finance, Inc.	10/18/16		35,000	104.95	37	37
Prime Security Services Borrower LLC / Prime Finance, Inc.	09/13/19		60,000	101.93	61	65
Prime Security Services Borrower LLC / Prime Finance, Inc.	09/20/19		70,000	102.56	72	74
Prosus NV	06/29/17		250,000	100.00	250	272
Prosus NV	09/21/17		206,000	101.73	210	209
Provincia de Buenos Aires	02/08/17		140,000	99.76	140	58
Qatar Government International Bond	10/03/19		410,000	123.99	508	507
RBS Commercial Funding, Inc. Trust	01/19/16		200,000	1.04	208	209
Reliance Holdings USA, Inc.	12/04/19		684,000	105.76	723	723
Reliance Standard Life Global Funding II	03/23/18		30,000	99.98	30	30
Riserva CLO, Ltd.	06/10/19		940,000	100.00	940	940
Sabal Trail Transmission LLC	08/02/18		663,000	105.92	702	723
Santander Holdings, Inc.	10/01/19		350,000	100.28	351	353
Santander PLC	05/14/19		676,000	105.04	710	727
Santander UK Group Holdings PLC	03/05/19		701,000	102.45	718	752
Schlumberger Holdings Corp.	12/10/15		40,000	99.96	40	43
Schneider Electric SE	02/04/19		200,000	98.75	197	205
Sequoia Mortgage Trust	10/21/16		523,842	103.03	540	532
Shackleton CLO, Ltd.	04/04/18		930,000	100.00	930	917
Siemens Financieringsmaatschappij NV	03/05/19		250,000	97.88	245	250
SMB Private Education Loan Trust	06/04/19		190,000	100.00	190	190
Societe Generale SA	12/11/19		700,000	107.72	754	754
SoFi Professional Loan Program Trust	12/12/19		730,000	103.70	757	754
Sprint Spectrum Co. LLC / Sprint Spectrum Co. II LLC / Sprint Spectrum Co. III LLC	03/14/18		240,000	100.00	240	254
Sprint Spectrum Co. LLC / Sprint Spectrum Co. II LLC / Sprint Spectrum Co. III LLC	03/15/18		87,500	99.83	87	88
Standard Chartered PLC	09/26/19		600,000	122.69	736	770
Sunrun Atlas Issuer LLC	10/17/19		600,000	99.95	600	596
Swedbank AB	09/27/19		797,000	100.39	800	802
Targa Resources Partners, LP / Targa Resources Partners Finance Corp.	12/11/19		30,000	101.66	30	31
Teachers Insurance & Annuity Association of America	06/14/16		340,000	115.38	392	417
Textainer Marine Containers, Ltd.	05/11/17		759,236	100.00	759	762
Tharaldson Hotel Portfolio Trust	01/22/18		243,024	99.94	243	243
THL Credit Wind River CLO, Ltd.	10/02/17		1,016,000	100.00	1,016	1,012
Towd Point Mortgage Trust	07/22/16		205,102	99.86	205	205
Towd Point Mortgage Trust	07/07/17		450,726	100.55	453	452
Towd Point Mortgage Trust	08/04/17		572,991	100.34	575	576
Towd Point Mortgage Trust	09/18/17		938,992	100.60	945	945
Towd Point Mortgage Trust	10/25/19		1,303,750	104.60	1,364	1,353
Towd Point Mortgage Trust	10/31/19		1,103,965	102.30	1,129	1,120
Towd Point Mortgage Trust	11/04/19		1,775,309	100.97	1,793	1,784
Triton Container Finance IV LLC	08/16/17		513,961	100.08	514	513
Triton Container Finance V LLC	03/13/18		204,600	99.98	205	206
Triton Container Finance VI LLC	06/07/17		570,445	99.05	565	568
Trust F/1401	09/20/17		685,000	105.89	725	736
UBS Group AG	03/16/17		270,000	100.00	270	278
UBS Group AG	01/28/19		660,000	102.29	675	721
UBS Group AG	09/20/19		200,000	100.80	202	203
UBS Group Funding Switzerland AG	03/16/17		200,000	100.00	200	218
UniCredit SpA	01/08/19		1,042,000	103.27	1,086	1,118

See accompanying notes which are an integral part of the financial statements.

Russell Investment Funds
Strategic Bond Fund

Schedule of Investments, continued — December 31, 2019

Restricted Securities

Amounts in thousands *(except share and cost per unit amounts)*

% of Net Assets Securities	Acquisition Date	Principal Amount ($) or shares	Cost per Unit $	Cost (000) $	Fair Value (000) $
Union Pacific Corp.	06/07/18	140,000	100.93	141	142
Vistra Operations Co. LLC	06/04/19	708,000	101.47	718	721
VOC Escrow, Ltd.	08/07/18	60,000	97.18	58	63
Volkswagen Group of America Finance LLC	09/26/19	699,000	102.92	719	723
VOLT LXII LLC	05/16/19	1,807,734	99.91	1,807	1,808
Voya CLO, Ltd.	03/31/17	1,964,000	99.98	1,963	1,959
WinWater Mortgage Loan Trust	03/29/17	539,298	102.45	552	549
Woori Bank	12/07/17	681,000	103.96	708	710
Worldwide Plaza Trust	10/31/17	452,000	102.68	464	475
					155,306

For a description of restricted securities see note 7 in the Notes to Financial Statements.

See accompanying notes which are an integral part of the financial statements.

Russell Investment Funds
Strategic Bond Fund

Schedule of Investments, continued — December 31, 2019

Variable Rate Securities

Securities	Referenced Rate	Spread %
1011778 B.C. Unlimited Liability Co. Term Loan B4	USD 1 Month LIBOR	1.750
ACE Securities Corp. Home Equity Loan Trust	USD 1 Month LIBOR	0.675
Air Medical Group Holdings, Inc. 1st Lien Term Loan B	USD 1 Month LIBOR	3.250
Albertson's LLC Term Loan B7	USD 1 Month LIBOR	2.750
Albertson's LLC Term Loan B8	USD 1 Month LIBOR	2.750
Allied Universal Holdco Delayed Draw Term Loan	USD 1 Month LIBOR	4.250
Allied Universal Holdco Term Loan B	USD 1 Month LIBOR	4.250
Altrice France SA Term Loan B12	USD 1 Month LIBOR	3.688
Ambac LSNI LLC	USD 3 Month LIBOR	10.000
AMC Entertainment Holdings, Inc. Term Loan B	USD 1 Month LIBOR	3.000
American Airlines, Inc. 1st Lien Term Loan B	USD 1 Month LIBOR	2.000
American Home Mortgage Investment Trust	USD 6 Month LIBOR	2.000
Ameriquest Mortgage Securities, Inc. Asset-Backed Pass-Through Certificates	USD 1 Month LIBOR	1.110
APi Group DE, Inc. Term Loan B	USD 1 Month LIBOR	2.500
Aramark Services, Inc. 1st Lien Term Loan B3	USD 1 Month LIBOR	1.750
Argentina POM Politica Monetaria	Argentina Blended Historical Policy Rate	0.000
Asset Backed Securities Corp. Home Equity Loan Trust	USD 1 Month LIBOR	0.140
Asurion LLC 1st Lien Term Loan B7	USD 1 Month LIBOR	3.000
Asurion LLC Term Loan B4	USD 1 Month LIBOR	3.000
Atlantic Aviation FBO, Inc. Term Loan B	USD 1 Month LIBOR	3.750
Avolon LLC 1st Lien Term Loan B3	USD 1 Month LIBOR	1.750
BAC Capital Trust XIV	USD 3 Month LIBOR	0.400
Bank of America Corp.	USD 3 Month LIBOR	1.370
Bank of America Corp.	USD 3 Month LIBOR	1.520
Bank of America Corp.	USD 3 Month LIBOR	1.210
Bank of America Corp.	USD 3 Month LIBOR	1.310
Bank of America Corp.	USD 3 Month LIBOR	0.780
Bank of America Corp.	USD 3 Month LIBOR	1.040
Bank of America Corp.	USD 3 Month LIBOR	0.790
Bank of America Corp.	USD 3 Month LIBOR	0.810
Bank of America Corp.	USD 3 Month LIBOR	3.898
Bank of Montreal	USD Swap Semiannual 30/360 (versus 3 Month LIBOR) 5 Year Rate	1.432
Barclays PLC	USD 3 Month LIBOR	1.902
Bausch Health Americas, Inc. Term Loan B	USD 1 Month LIBOR	3.000
Bayview Commercial Asset Trust	USD 1 Month LIBOR	0.270
BCP CC Holdings Merger Sub, Inc. Term Loan B1	USD 3 Month LIBOR	2.750
Bear Stearns ALT-A Trust	USD 1 Month LIBOR	0.750
Berry Global, Inc. Term Loan W	USD 1 Month LIBOR	2.000
Blackstone CQP Holdco, LP Term Loan B	USD 3 Month LIBOR	3.500
BNC Mortgage Loan Trust	USD 1 Month LIBOR	0.160
BNP Paribas SA	USD 3 Month LIBOR	2.567
BNP Paribas SA	USD 3 Month LIBOR	2.235

See accompanying notes which are an integral part of the financial statements.

Russell Investment Funds
Strategic Bond Fund

Schedule of Investments, continued — December 31, 2019

Variable Rate Securities

Securities	Referenced Rate	Spread %
Boyd Gaming Corp. Term Loan B	USD 1 Week LIBOR	2.250
Brickman Group, Ltd. 1st Lien Term Loan B	USD 1 Month LIBOR	2.500
BX Commercial Mortgage Trust	USD 1 Month LIBOR	2.050
BX Commercial Mortgage Trust	USD 1 Month LIBOR	0.920
BX Commercial Mortgage Trust	USD 1 Month LIBOR	1.321
BX Commercial Mortgage Trust	USD 1 Month LIBOR	1.951
BX Commercial Mortgage Trust	USD 1 Month LIBOR	1.220
Caesars Entertainment Operating Co. LLC 1st Lien Term Loan B	USD 1 Month LIBOR	2.000
Caesars Resort Collection LLC 1st Lien Term Loan B	USD 1 Month LIBOR	2.750
CAMB Commercial Mortgage Trust	USD 1 Month LIBOR	2.550
CAMB Commercial Mortgage Trust	USD 1 Month LIBOR	3.250
Carlyle Global Market Strategies CLO, Ltd.	USD 3 Month LIBOR	0.890
Cedar Funding, Ltd.	USD 3 Month LIBOR	1.100
Change Healthcare Holdings LLC 1st Lien Term Loan B	USD 1 Month LIBOR	2.500
Charter Communications, Inc. Term Loan B1	USD 1 Month LIBOR	1.750
CHL Mortgage Pass-Through Trust	USD 1 Month LIBOR	0.580
Citadel Securities, LP Term Loan B	USD 1 Month LIBOR	3.500
Citigroup Commercial Mortgage Trust	USD 1 Month LIBOR	2.500
Citigroup Mortgage Loan Trust, Inc.	U.S. Treasury Yield Curve Rate T Note Constant Maturity 1 Year	2.400
Citigroup Mortgage Loan Trust, Inc.	USD 1 Month LIBOR	0.250
Citigroup Mortgage Loan Trust, Inc.	USD 1 Month LIBOR	0.450
Citigroup, Inc.	USD 3 Month LIBOR	3.905
CityCenter Holdings LLC Term Loan B	USD 1 Month LIBOR	2.250
Commercial Mortgage Trust	USD 1 Month LIBOR	0.900
Commercial Mortgage Trust	USD 1 Month LIBOR	1.550
CORE Mortgage Trust	USD 1 Month LIBOR	1.650
Countrywide Alternative Loan Trust	USD 1 Month LIBOR	0.400
Credit Suisse Mortgage Capital Certificates	USD 1 Month LIBOR	0.980
Credit Suisse Mortgage Capital Certificates	USD 1 Month LIBOR	2.150
Credit Suisse Mortgage Capital Certificates	USD 1 Month LIBOR	5.620
Credit Suisse Mortgage Trust	USD 1 Month LIBOR	3.231
CSC Holdings LLC 2019 Term Loan B5	USD 1 Month LIBOR	2.500
Dcert Buyer, Inc. Term Loan B	USD 1 Month LIBOR	4.000
Dell International LLC Term Loan B	USD 1 Month LIBOR	2.000
Diamond Sports Group LLC Term Loan	USD 1 Month LIBOR	3.250
Dryden 50 Senior Loan Fund	USD 3 Month LIBOR	1.220
Edelman Financial Center LLC Term Loan B1	USD 1 Month LIBOR	3.250
Education Loan Asset-Backed Trust I	USD 1 Month LIBOR	0.800
Fannie Mae Connecticut Avenue Securities	USD 1 Month LIBOR	4.250
Fannie Mae Connecticut Avenue Securities	USD 1 Month LIBOR	2.100
Fannie Mae Connecticut Avenue Securities	USD 1 Month LIBOR	4.900
Fannie Mae Connecticut Avenue Securities	USD 1 Month LIBOR	2.600

See accompanying notes which are an integral part of the financial statements.

Russell Investment Funds
Strategic Bond Fund

Schedule of Investments, continued — December 31, 2019

Variable Rate Securities

Securities	Referenced Rate	Spread %
Fannie Mae Connecticut Avenue Securities	USD 1 Month LIBOR	3.000
Fannie Mae REMICS	USD 1 Month LIBOR	6.500
Fannie Mae REMICS	USD 1 Month LIBOR	6.000
Fannie Mae REMICS	USD 1 Month LIBOR	6.150
Fannie Mae REMICS	USD 1 Month LIBOR	5.950
Fannie Mae REMICS	USD 1 Month LIBOR	6.100
Fannie Mae REMICS	USD 1 Month LIBOR	6.100
Fannie Mae REMICS	USD 1 Month LIBOR	6.200
Federal Home Loan Banks	Secured Overnight Financing Rate	0.120
Fieldstone Mortgage Investment Trust	USD 1 Month LIBOR	1.950
Flatiron CLO, Ltd.	USD 3 Month LIBOR	1.250
Focus Financial Partners LLC 1st Lien Term Loan B2	USD 1 Month LIBOR	2.500
Four Seasons Hotels, Ltd. 1st Lien Term Loan B	USD 1 Month LIBOR	2.000
Freddie Mac	Secured Overnight Financing Rate	0.040
Freddie Mac REMICS	USD 1 Month LIBOR	6.490
Freddie Mac Strips	USD 1 Month LIBOR	6.000
Freddie Mac Strips	USD 1 Month LIBOR	6.100
Freddie Mac Structured Agency Credit Risk Debt Notes	USD 1 Month LIBOR	3.750
Freddie Mac Structured Agency Credit Risk Debt Notes	USD 1 Month LIBOR	2.800
Freddie Mac Structured Agency Credit Risk Debt Notes	USD 1 Month LIBOR	3.700
Freddie Mac Structured Agency Credit Risk Debt Notes	USD 1 Month LIBOR	4.700
Freddie Mac Structured Agency Credit Risk Debt Notes	USD 1 Month LIBOR	2.600
Freddie Mac Structured Agency Credit Risk Debt Notes	USD 1 Month LIBOR	4.150
Freddie Mac Structured Agency Credit Risk Debt Notes	USD 1 Month LIBOR	5.150
Freddie Mac Structured Agency Credit Risk Debt Notes	USD 1 Month LIBOR	3.450
Garda World Security Corp. 1st Lien Term Loan B	USD 3 Month LIBOR	4.750
GFL Environmental, Inc. 1st Lien Term Loan B	USD 1 Month LIBOR	3.000
Ginnie Mae REMICS	USD 1 Month LIBOR	6.150
Ginnie Mae REMICS	USD 1 Month LIBOR	6.050
Golden Nugget, Inc. 1st Lien Term Loan B	USD 3 Month LIBOR	2.750
Goldentree Loan Management US CLO 2, Ltd.	USD 3 Month LIBOR	1.150
Goldman Sachs Capital II	USD 3 Month LIBOR	0.768
Goldman Sachs Group, Inc. (The)	USD 3 Month LIBOR	1.510
Goldman Sachs Group, Inc. (The)	USD 3 Month LIBOR	1.201
Goldman Sachs Group, Inc. (The)	USD 3 Month LIBOR	1.301
Goldman Sachs Group, Inc. (The)	USD 3 Month LIBOR	1.430
Greenpoint Manufactured Housing Contract Trust	USD 1 Month LIBOR	2.000
GS Mortgage Securities Corp. II	USD 1 Month LIBOR	1.300
GS Mortgage Securities Trust	USD 1 Month LIBOR	0.900
Hawaii Hotel Trust	USD 1 Month LIBOR	1.650
HCA, Inc. Term Loan B12	USD 1 Month LIBOR	1.750
Hilton Worldwide Finance LLC Term Loan B	USD 1 Month LIBOR	1.750
Home Equity Asset Trust	USD 1 Month LIBOR	0.280

See accompanying notes which are an integral part of the financial statements.

Russell Investment Funds
Strategic Bond Fund

Schedule of Investments, continued — December 31, 2019

Variable Rate Securities

Securities	Referenced Rate	Spread %
Home Equity Asset Trust	USD 1 Month LIBOR	0.410
Home Equity Asset Trust	USD 1 Month LIBOR	0.150
Hospitality Mortgage Trust	USD 1 Month LIBOR	2.000
HSBC Holdings PLC	USD 3 Month LIBOR	1.546
HSBC Holdings PLC	USD ICE Swap Rate NY 5 Year Rate	3.453
HSBC Holdings PLC	USD ICE Swap Rate NY 5 Year Rate	3.606
HSBC Holdings PLC	USD 3 Month LIBOR	1.535
HSBC Holdings PLC	USD 3 Month LIBOR	1.610
HSI Asset Securitization Corp. Trust	USD 1 Month LIBOR	0.140
iHeartCommunications, Inc. Exit Term Loan	USD 1 Month LIBOR	4.000
IndyMac Index Mortgage Loan Trust	USD 1 Month LIBOR	0.220
IndyMac Index Mortgage Loan Trust	USD 1 Month LIBOR	0.240
IndyMac Index Mortgage Loan Trust	USD 1 Month LIBOR	0.210
Intelsat Jackson Holdings SA Term Loan B3	USD 6 Month LIBOR	3.750
Intrawest Resorts Holdings, Inc. 1st Lien Term Loan B1	USD 1 Month LIBOR	2.750
Jaguar Holding Co. II 1st Lien Term Loan	USD 1 Month LIBOR	2.500
Jane Street Group LLC Term Loan B	USD 1 Month LIBOR	3.000
JPMorgan Chase & Co.	USD 3 Month LIBOR	1.260
JPMorgan Chase & Co.	USD 3 Month LIBOR	1.330
JPMorgan Chase & Co.	USD 3 Month LIBOR	1.000
LCM XXIII, Ltd.	USD 3 Month LIBOR	1.400
LCM XXV, Ltd.	USD 3 Month LIBOR	1.210
Level 3 Financing, Inc. Term Loan B	USD 1 Month LIBOR	1.750
Long Beach Mortgage Loan Trust	USD 1 Month LIBOR	0.900
Long Beach Mortgage Loan Trust	USD 1 Month LIBOR	1.500
LPL Holdings, Inc. Term Loan B1	USD 1 Month LIBOR	1.750
LSTAR Securities Investment, Ltd.	USD 1 Month LIBOR	1.500
MA Finance Co. LLC 1st Lien Term Loan B	USD 1 Month LIBOR	2.500
Madison Park Funding XIII, Ltd.	USD 3 Month LIBOR	0.950
Madison Park Funding XVIII, Ltd.	USD 3 Month LIBOR	1.190
Madison Park Funding XXVI, Ltd.	USD 3 Month LIBOR	1.200
Magnetite XVIII, Ltd.	USD 3 Month LIBOR	1.080
Mastr Asset Backed Securities Trust	USD 1 Month LIBOR	0.945
McAfee LLC Term Loan B1	USD 1 Month LIBOR	3.750
Merrill Lynch Mortgage Investors Trust	USD 1 Month LIBOR	0.370
MGM Growth Properties LLC 1st Lien Term Loan B	USD 1 Month LIBOR	2.000
Michaels Stores, Inc. 1st Lien Term Loan B	USD 1 Month LIBOR	2.500
Morgan Stanley	USD 3 Month LIBOR	0.847
Morgan Stanley	USD 3 Month LIBOR	1.140
Morgan Stanley	USD 3 Month LIBOR	1.628
Morgan Stanley Capital I Trust	USD 1 Month LIBOR	1.950
Morgan Stanley Capital I Trust	USD 1 Month LIBOR	2.244
Morgan Stanley Capital I Trust	USD 1 Month LIBOR	1.950

See accompanying notes which are an integral part of the financial statements.

Russell Investment Funds
Strategic Bond Fund

Schedule of Investments, continued — December 31, 2019

Variable Rate Securities

Securities	Referenced Rate	Spread %
Morgan Stanley Capital I, Inc.	USD 1 Month LIBOR	1.400
Morgan Stanley Capital I, Inc.	USD 1 Month LIBOR	1.000
MultiPlan, Inc. Term Loan B	USD 3 Month LIBOR	2.750
Navient Student Loan Trust	USD 1 Month LIBOR	0.600
New Century Home Equity Loan Trust	USD 1 Month LIBOR	0.480
Nexstar Broadcasting, Inc. Term Loan B4	USD 1 Month LIBOR	2.750
Nomura Resecuritization Trust	USD 1 Month LIBOR	0.190
NYT Mortgage Trust	USD 1 Month LIBOR	1.200
Option Care Helath, Inc. Term Loan B	USD 1 Month LIBOR	4.500
Option One Mortgage Loan Trust	USD 1 Month LIBOR	0.780
Panther BF Aggregator, LP Term Loan B	USD 1 Month LIBOR	3.500
Park Place Securities, Inc. Asset-Backed Pass-Through Certificates	USD 1 Month LIBOR	1.125
Party City Holdings, Inc. 1st Lien Term Loan	USD 1 Month LIBOR	2.500
PCI Gaming Authority Term Loan	USD 1 Month LIBOR	2.500
Phoenix Guarantor, Inc. Term Loan B1	USD 1 Month LIBOR	4.500
PMT Credit Risk Transfer Trust	USD 1 Month LIBOR	2.000
PMT Credit Risk Transfer Trust	USD 1 Month LIBOR	2.700
Popular ABS Mortgage Pass-Through Trust	USD 1 Month LIBOR	0.250
Popular ABS Mortgage Pass-Through Trust	USD 1 Month LIBOR	0.260
Prime Security Services Borrower LLC / Prime Finance, Inc. Term Loan B1	USD 1 Month LIBOR	3.250
RAMP Trust	USD 1 Month LIBOR	0.570
RegionalCare Hospital Partners Holdings, Inc. Term Loan B	USD 3 Month LIBOR	3.500
Residential Accredit Loans, Inc.	Federal Reserve U.S. 12 Month Cumulative Avg 1 year CMT	0.850
Residential Asset Securitization Trust	USD 1 Month LIBOR	0.450
Reynolds Group Holdings, Inc. 1st Lien Term Loan B	USD 1 Month LIBOR	2.750
Riserva CLO, Ltd.	USD 3 Month LIBOR	1.140
Royal Bank of Scotland Group PLC	USD 3 Month LIBOR	1.550
Royal Bank of Scotland Group PLC	USD 3 Month LIBOR	1.762
RPI Finance Trust Term Loan B	USD 1 Month LIBOR	2.000
Scientific Games International, Inc. 1st Lien Term Loan B5	USD 1 Month LIBOR	2.750
Seattle SpinCo, Inc. 1st Lien Term Loan B3	USD 1 Month LIBOR	2.500
Shackleton CLO, Ltd.	USD 3 Month LIBOR	1.000
SLM Private Credit Student Loan Trust	USD 3 Month LIBOR	0.330
SLM Private Credit Student Loan Trust	USD 3 Month LIBOR	0.290
SMB Private Education Loan Trust	USD 1 Month LIBOR	1.000
Sotera Health Holdings LLC Term Loan	USD 3 Month LIBOR	4.500
Sprint Corp. Term Loan B	USD 1 Month LIBOR	2.500
Stars Group Holdings BV Term Loan B	USD 3 Month LIBOR	3.500
Structured Asset Investment Loan Trust	USD 1 Month LIBOR	0.720
Structured Asset Securities Corp. Mortgage Loan Trust	USD 1 Month LIBOR	0.260
Sungard AS New Holdings III LLC Term Loan	USD 3 Month LIBOR	7.500
Sungard Availability Services Capital, Inc. Term Loan	USD 3 Month LIBOR	4.000

See accompanying notes which are an integral part of the financial statements.

Russell Investment Funds
Strategic Bond Fund

Schedule of Investments, continued — December 31, 2019

Variable Rate Securities

Securities	Referenced Rate	Spread %
Tharaldson Hotel Portfolio Trust	USD 1 Month LIBOR	0.750
THL Credit Wind River CLO, Ltd.	USD 3 Month LIBOR	1.230
TKC Holdings, Inc. 1st Lien Term Loan	USD 1 Month LIBOR	3.750
Trans Union LLC Term Loan B5	USD 1 Month LIBOR	1.750
UBS Group AG	USD Swap Semiannual 30/360 (versus 3 Month LIBOR) 5 Year Rate	4.344
UBS Group AG	USD 3 Month LIBOR	1.468
UFC Holdings LLC Term Loan	USD 1 Month LIBOR	3.250
Univision Communications, Inc. Term Loan C5	USD 1 Month LIBOR	2.750
VFH Parent LLC Term Loan B	USD 1 Month LIBOR	3.500
VICI Properties, Inc. 1st Lien Term Loan B	USD 1 Month LIBOR	2.000
Virgin Media Secured Finance PLC Term Loan	USD 1 Month LIBOR	2.500
Voya CLO, Ltd.	USD 3 Month LIBOR	1.250
VVC Holdings Corp. Term Loan B	USD 3 Month LIBOR	4.500
Washington Mutual Mortgage Pass-Through Certificates Trust	USD 1 Month LIBOR	0.640
Washington Mutual Mortgage Pass-Through Certificates Trust	Federal Reserve U.S. 12 Month Cumulative Avg 1 year CMT	1.070
Washington Mutual Mortgage Pass-Through Certificates Trust	USD 1 Month LIBOR	0.320
Wells Fargo & Co.	USD 3 Month LIBOR	1.230
Wells Fargo & Co.	USD 3 Month LIBOR	1.170
Western Digital Corp. 1st Lien Term Loan B4	USD 3 Month LIBOR	1.750
Ziggo Secured Finance Partnership 1st Lien Term Loan E	USD 1 Month LIBOR	2.500

For a description of variable, adjustable or floating rate securities see note 2 in the Notes to Financial Statements.

Futures Contracts

Amounts in thousands *(except contract amounts)*

	Number of Contracts		Notional Amount	Expiration Date	Value and Unrealized Appreciation (Depreciation) $
Long Positions					
Australia 10 Year Government Bond Futures	110	AUD	15,725	03/20	(200)
Canadian 10 Year Government Bond Futures	206	CAD	28,321	03/20	(397)
Euro-BTP Futures	38	EUR	5,413	03/20	9
Eurodollar Futures	116	USD	28,510	06/20	174
Eurodollar Futures	143	USD	35,171	12/20	12
Eurodollar Futures	133	USD	32,731	03/21	50
Federal Fund 30 Day Futures	32	USD	13,130	05/20	(24)
Federal Fund 30 Day Futures	32	USD	13,134	07/20	(38)
Japan 10 Year Government Bond Futures	6	JPY	913,080	03/20	(7)
United States 2 Year Treasury Note Futures	565	USD	121,758	03/20	(76)
United States 5 Year Treasury Note Futures	966	USD	114,577	03/20	(301)
United States 10 Year Treasury Note Futures	1,357	USD	174,268	03/20	(1,565)
United States 10 Year Ultra Treasury Note Futures	36	USD	5,065	03/20	(60)
United States Treasury Long Bond Futures	242	USD	37,729	03/20	(764)
United States Treasury Ultra Bond Futures	220	USD	39,964	03/20	(1,252)
Short Positions					
Australia 10 Year Government Bond Futures	67	AUD	9,578	03/20	119

See accompanying notes which are an integral part of the financial statements.

Russell Investment Funds
Strategic Bond Fund

Schedule of Investments, continued — December 31, 2019

Futures Contracts

Amounts in thousands *(except contract amounts)*

Euro-Bobl Futures	105	EUR	14,031	03/20	103
Euro-Bund Futures	192	EUR	32,734	03/20	400
Eurodollar Futures	316	USD	77,629	03/20	14
Euro-OAT Futures	45	EUR	7,325	03/20	133
Japan 10 Year Government Bond Futures	2	JPY	304,360	03/20	19
Long Gilt Futures	131	GBP	17,211	03/20	191
United States 2 Year Treasury Note Futures	85	USD	18,318	03/20	8
United States 5 Year Treasury Note Futures	14	USD	1,661	03/20	5
United States 10 Year Ultra Treasury Note Futures	80	USD	11,256	03/20	148
United States Treasury Long Bond Futures	122	USD	19,021	03/20	470
Total Value and Unrealized Appreciation (Depreciation) on Open Futures Contracts (å)					(2,829)

Options Written

Amounts in thousands *(except contract amounts)*

Description	Counterparty	Call/Put	Number of Contracts	Strike Price		Notional Amount	Expiration Date	Fair Value $
Swaption (Counterparty, Fund Receives/Fund Pays, Notional, Termination Date)								
Bank of America, USD 1.37%/USD 3 Month LIBOR, USD 980, 02/04/20	Bank of America	Call	1	0.00		980	02/04/20	—
Bank of America, USD 3 Month LIBOR/ USD 1.77%, USD 980, 02/04/20	Bank of America	Put	1	0.00		980	02/04/20	(2)
United States 5 Year Treasury Note Futures	Bank of America	Call	25	119.00	USD	2,975	01/24/20	(3)
United States 5 Year Treasury Note Futures	Bank of America	Put	25	118.00	USD	2,950	01/24/20	(2)
United States 5 Year Treasury Note Futures	Bank of America	Put	21	118.25	USD	2,483	01/24/20	(3)
United States 10 Year Treasury Note Futures	Bank of America	Call	14	129.25	USD	1,810	01/24/20	(3)
United States 10 Year Treasury Note Futures	Bank of America	Call	15	129.50	USD	1,943	01/24/20	(2)
United States 10 Year Treasury Note Futures	Bank of America	Call	12	131.00	USD	1,572	02/21/20	(2)
United States 10 Year Treasury Note Futures	Bank of America	Put	12	128.00	USD	1,536	02/21/20	(7)
Total Liability for Options Written (premiums received $43)								(24)

Foreign Currency Exchange Contracts

Amounts in thousands

Counterparty	Amount Sold		Amount Bought		Settlement Date	Unrealized Appreciation (Depreciation) $
Bank of America	USD	2,660	HUF	802,208	02/26/20	66
Bank of America	USD	1,751	MXN	34,215	02/26/20	44
Bank of America	USD	298	THB	9,008	02/26/20	3
Bank of America	USD	6,015	TRY	35,352	02/26/20	(152)
Bank of America	USD	1,751	ZAR	26,278	02/26/20	112
Bank of America	HKD	34,446	USD	4,394	02/26/20	(24)
Bank of America	SGD	5,996	USD	4,411	02/26/20	(49)
Bank of America	THB	53,187	USD	1,762	02/26/20	(16)
Bank of America	TRY	5,768	USD	969	02/26/20	12
Bank of Montreal	USD	4,550	JPY	491,500	03/18/20	(9)
Bank of Montreal	GBP	1,850	USD	2,447	03/18/20	(9)
Barclays	USD	3,819	CAD	5,083	01/17/20	96
Barclays	EUR	1,400	USD	1,551	01/17/20	(21)

See accompanying notes which are an integral part of the financial statements.

Russell Investment Funds
Strategic Bond Fund

Schedule of Investments, continued — December 31, 2019

Foreign Currency Exchange Contracts

Amounts in thousands

Counterparty	Amount Sold		Amount Bought		Settlement Date	Unrealized Appreciation (Depreciation) $
Citigroup	USD	676	GBP	524	01/17/20	18
Citigroup	USD	1,124	GBP	916	01/17/20	90
Citigroup	USD	1,737	IDR	24,767,716	02/26/20	46
Citigroup	USD	1,346	INR	97,074	01/17/20	15
Citigroup	USD	4,551	JPY	491,500	03/18/20	(10)
Citigroup	USD	161	RUB	10,343	01/17/20	6
Citigroup	USD	6,131	RUB	396,081	02/26/20	215
Citigroup	USD	9,197	SEK	86,004	01/22/20	(6)
Citigroup	CNY	14,261	USD	1,995	01/17/20	(52)
Citigroup	EUR	671	USD	745	01/17/20	(9)
Citigroup	GBP	518	USD	699	01/17/20	12
Citigroup	GBP	1,850	USD	2,446	03/18/20	(10)
Citigroup	NOK	49,957	USD	5,545	01/22/20	(146)
Citigroup	PHP	223,591	USD	4,402	02/26/20	(1)
Citigroup	RUB	14,915	USD	231	01/17/20	(9)
Citigroup	RUB	16,899	USD	263	01/17/20	(9)
Citigroup	RUB	44,528	USD	686	01/17/20	(31)
Goldman Sachs	USD	1,846	BRL	7,579	01/17/20	37
HSBC	USD	19,893	GBP	15,110	01/22/20	132
JPMorgan Chase	USD	588	BRL	2,457	01/17/20	23
JPMorgan Chase	USD	2,314	COP	7,990,133	01/10/20	116
JPMorgan Chase	USD	53	CZK	1,230	03/16/20	1
JPMorgan Chase	USD	6,377	GBP	4,833	02/18/20	33
JPMorgan Chase	USD	4,337	JPY	469,062	02/18/20	(10)
JPMorgan Chase	USD	5,289	KRW	6,272,178	01/15/20	141
JPMorgan Chase	USD	1,614	MXN	32,104	01/17/20	80
JPMorgan Chase	USD	4,658	NOK	42,782	03/16/20	216
JPMorgan Chase	USD	4,521	PLN	17,492	03/16/20	91
JPMorgan Chase	USD	9,337	SEK	88,455	03/16/20	140
JPMorgan Chase	AUD	3,295	USD	2,273	02/18/20	(42)
JPMorgan Chase	BRL	1,099	USD	262	01/10/20	(11)
JPMorgan Chase	BRL	1,099	USD	262	01/13/20	(11)
JPMorgan Chase	BRL	8,085	USD	1,913	01/17/20	(96)
JPMorgan Chase	CAD	2,562	USD	1,937	03/16/20	(36)
JPMorgan Chase	CHF	7,737	USD	7,904	03/16/20	(130)
JPMorgan Chase	COP	12,684,002	USD	3,611	01/23/20	(244)
JPMorgan Chase	EUR	9,976	USD	11,153	02/18/20	(69)
JPMorgan Chase	HKD	811	USD	104	03/16/20	—
JPMorgan Chase	HUF	1,554,603	USD	5,215	03/16/20	(73)
JPMorgan Chase	IDR	25,035,556	USD	1,763	01/10/20	(47)
JPMorgan Chase	IDR	4,231,000	USD	301	01/13/20	(4)
JPMorgan Chase	IDR	25,035,556	USD	1,766	01/13/20	(43)
JPMorgan Chase	JPY	39,894	USD	375	01/17/20	7
JPMorgan Chase	MXN	66,349	USD	3,405	03/17/20	(65)
JPMorgan Chase	NZD	9,190	USD	6,058	02/18/20	(132)
JPMorgan Chase	PEN	2,661	USD	788	01/10/20	(15)
JPMorgan Chase	PEN	802	USD	236	01/13/20	(6)
JPMorgan Chase	PEN	2,661	USD	783	01/13/20	(20)
JPMorgan Chase	PEN	4,478	USD	1,318	01/14/20	(33)
JPMorgan Chase	PEN	4,144	USD	1,227	01/15/20	(24)
JPMorgan Chase	PEN	4,144	USD	1,227	01/16/20	(23)
JPMorgan Chase	PEN	8,925	USD	2,622	01/23/20	(70)

See accompanying notes which are an integral part of the financial statements.

Russell Investment Funds
Strategic Bond Fund

Schedule of Investments, continued — December 31, 2019

Foreign Currency Exchange Contracts

Amounts in thousands

Counterparty	Amount Sold		Amount Bought		Settlement Date	Unrealized Appreciation (Depreciation) $
JPMorgan Chase	RUB	22,967	USD	357	01/17/20	(13)
JPMorgan Chase	RUB	24,277	USD	378	01/17/20	(12)
JPMorgan Chase	SGD	13,040	USD	9,598	03/16/20	(104)
JPMorgan Chase	THB	51,270	USD	1,697	01/14/20	(16)
JPMorgan Chase	THB	232,033	USD	7,673	01/17/20	(76)
Royal Bank of Canada	USD	3,668	CAD	4,828	01/22/20	50
Royal Bank of Canada	USD	9,712	GBP	7,400	03/18/20	110
Royal Bank of Canada	USD	4,551	JPY	491,500	03/18/20	(9)
Royal Bank of Canada	CHF	12,643	USD	12,927	01/22/20	(151)
Royal Bank of Canada	GBP	1,850	USD	2,446	03/18/20	(9)
Standard Chartered	USD	4,550	JPY	491,500	03/18/20	(9)
Standard Chartered	GBP	1,850	USD	2,447	03/18/20	(8)
State Street	USD	367	CLP	279,026	02/26/20	4
State Street	USD	4,406	COP	15,138,860	02/26/20	188
State Street	USD	754	HKD	5,881	02/26/20	1
State Street	USD	953	KRW	1,111,915	02/26/20	10
State Street	USD	4,402	MYR	18,272	02/26/20	74
State Street	USD	746	PEN	2,508	02/26/20	10
State Street	USD	749	PHP	37,984	02/26/20	(1)
State Street	USD	764	SGD	1,035	02/26/20	5
State Street	USD	309	TWD	9,221	02/26/20	1
State Street	COP	2,797,323	USD	830	02/26/20	(19)
State Street	HUF	151,623	USD	515	02/26/20	—
State Street	IDR	4,237,219	USD	301	02/26/20	(4)
State Street	MXN	6,292	USD	328	02/26/20	(2)
State Street	MYR	3,050	USD	736	02/26/20	(11)
State Street	PEN	14,931	USD	4,417	02/26/20	(82)
State Street	RUB	74,625	USD	1,185	02/26/20	(11)
State Street	TWD	53,663	USD	1,777	02/26/20	(24)
State Street	ZAR	5,004	USD	345	02/26/20	(10)
UBS	CLP	1,403,533	USD	1,812	02/26/20	(56)
UBS	EUR	7,406	USD	8,282	01/22/20	(35)
UBS	JPY	566,609	USD	5,185	01/22/20	(34)
UBS	KRW	7,192,712	USD	6,182	02/26/20	(48)
Total Unrealized Appreciation (Depreciation) on Open Foreign Currency Exchange Contracts						(306)

Interest Rate Swap Contracts

Amounts in thousands

Counterparty	Notional Amount		Fund Receives	Fund Pays	Termination Date	Premiums Paid (Received) $	Unrealized Appreciation (Depreciation) $	Fair Value $
Citigroup	BRL	1,189	8.410%[3]	Brazil Interbank Deposit Rate[5]	01/02/20	1	8	9
Citigroup	BRL	2,300	8.410%[3]	Brazil Interbank Deposit Rate[5]	01/02/20	1	17	18
Citigroup	BRL	2,600	8.410%[3]	Brazil Interbank Deposit Rate[5]	01/02/20	1	20	21
Citigroup	BRL	4,000	8.410%[2]	Brazil Interbank Deposit Rate[5]	01/02/20	2	30	32
Citigroup	BRL	11,431	8.410%[2]	Brazil Interbank Deposit Rate[5]	01/02/20	—	90	90

See accompanying notes which are an integral part of the financial statements.

Russell Investment Funds
Strategic Bond Fund

Schedule of Investments, continued — December 31, 2019

Interest Rate Swap Contracts

Amounts in thousands

Counterparty	Notional Amount		Fund Receives	Fund Pays	Termination Date	Premiums Paid (Received) $	Unrealized Appreciation (Depreciation) $	Fair Value $
Citigroup	BRL	2,100	7.024%[3]	Brazil Interbank Deposit Rate[5]	01/04/27	—	13	13
Citigroup	BRL	2,400	7.024%[5]	Brazil Interbank Deposit Rate[5]	01/04/27	1	14	15
Citigroup	BRL	2,631	7.024%[5]	Brazil Interbank Deposit Rate[5]	01/04/27	2	14	16
JPMorgan Chase	BRL	1,700	7.044%[5]	Brazil Interbank Deposit Rate[5]	01/04/27	—	11	11
JPMorgan Chase	HUF	640,150	Six Month BUBOR[2]	0.930%[4]	04/05/27	—	42	42
JPMorgan Chase	HUF	1,080,700	Six Month BUBOR[1]	1.848%[4]	04/05/27	—	(209)	(209)
Merrill Lynch	USD	5,040	Three Month LIBOR[5]	1.732%[3]	06/27/21	—	(1)	(1)
Merrill Lynch	USD	7,584	Federal Fund Effective Rate[3]	1.350%[3]	09/15/21	(1)	15	14
Merrill Lynch	USD	44,496	Three Month LIBOR[3]	1.550%[3]	06/30/26	72	552	624
Merrill Lynch	USD	12,827	Three Month LIBOR[5]	1.520%[3]	07/31/26	46	160	206
Merrill Lynch	USD	5,994	Federal Fund Effective Rate[3]	1.550%[3]	11/15/26	8	(4)	4
Merrill Lynch	MXN	40,840	7.450%[3]	Mexico Interbank 28 Day Deposit Rate[1]	07/18/29	17	85	102
Merrill Lynch	USD	384	Three Month LIBOR[5]	2.875%[3]	05/15/44	1	(61)	(60)
Merrill Lynch	USD	3,184	Three Month LIBOR[2]	1.810%[3]	11/15/44	(30)	209	179
Merrill Lynch	USD	5,708	Three Month LIBOR[3]	1.850%[3]	11/15/44	12	263	275
Total Open Interest Rate Swap Contracts (å)						133	1,268	1,401

Credit Default Swap Contracts

Amounts in thousands

Credit Indices

Reference Entity	Counterparty	Purchase/Sell Protection	Notional Amount		Fund (Pays)/ Receives Fixed Rate	Termination Date	Premiums Paid/ (Received) $	Unrealized Appreciation (Depreciation) $	Fair Value $
CDX NA High Yield Index	Goldman Sachs	Sell	USD	17,721	5.000%[2]	12/20/24	1,260	477	1,737
CDX NA High Yield Index	Merrill Lynch	Sell	USD	574	5.000%[2]	12/20/24	43	13	56
CDX NA Investment Grade Index	Merrill Lynch	Sell	USD	6,280	1.000%[2]	12/20/24	124	41	165
Total Open Credit Indices Contracts (å)							1,427	531	1,958

See accompanying notes which are an integral part of the financial statements.

Russell Investment Funds
Strategic Bond Fund

Schedule of Investments, continued — December 31, 2019

Presentation of Portfolio Holdings

Amounts in thousands

	Fair Value					
Portfolio Summary	**Level 1**	**Level 2**	**Level 3**	**Practical Expedient (a)**	**Total**	**% of Net Assets**
Long-Term Investments						
Asset-Backed Securities	$ —	$ 46,690	$ 596	$ —	$ 47,286	5.2
Corporate Bonds and Notes	—	161,678	—	—	161,678	17.6
International Debt	—	94,556	—	—	94,556	10.3
Loan Agreements	—	12,091	—	—	12,091	1.3
Mortgage-Backed Securities	—	280,984	—	—	280,984	30.6
Non-US Bonds	—	62,502	—	—	62,502	6.8
United States Government Treasuries	—	154,230	—	—	154,230	16.8
Common Stocks	—	—	35		35	—*
Options Purchased	29	—	—	—	29	—*
Short-Term Investments	—	79,053	—	16,804	95,857	10.5
Total Investments	29	891,784	631	16,804	909,248	99.1
Other Assets and Liabilities, Net						0.9
						100.0
Other Financial Instruments						
Assets						
Futures Contracts	1,855	—	—	—	1,855	0.2
Foreign Currency Exchange Contracts	—	2,205	—	—	2,205	0.2
Interest Rate Swap Contracts	—	1,671	—	—	1,671	0.2
Credit Default Swap Contracts	—	1,958	—	—	1,958	0.2
Liabilities						
Futures Contracts	(4,684)	—	—	—	(4,684)	(0.5)
Options Written	(22)	(2)	—	—	(24)	(—)*
Foreign Currency Exchange Contracts	—	(2,511)	—	—	(2,511)	(0.3)
Interest Rate Swap Contracts	—	(270)	—	—	(270)	(—)*
Total Other Financial Instruments**	$ (2,851)	$ 3,051	$ —	$ —	$ 200	

* Less than 0.05% of net assets.

** Futures and foreign currency exchange contract values reflect the unrealized appreciation (depreciation) on the investments.

(a) Certain investments that are measured at fair value using the net asset value per share (or its equivalent) practical expedient have not been classified in the fair value levels. The fair value amounts presented in the table are intended to permit reconciliation to the amounts presented in the Schedule of Investments.

For a description of the Levels, see note 2 in the Notes to Financial Statements.
For a disclosure on transfers between Levels 1, 2 and 3 during the period ended December 31, 2019, see note 2 in the Notes to Financial Statements.
Investments in which significant unobservable inputs (Level 3) were used in determining a fair value for the period ended December 31, 2019, were less than 1% of net assets.

See accompanying notes which are an integral part of the financial statements.

Russell Investment Funds
Strategic Bond Fund

Schedule of Investments, continued — December 31, 2019

Amounts in thousands

Country Exposure	Fair Value $
Argentina	592
Australia	569
Brazil	5,798
Canada	14,595
Cayman Islands	19,360
Chile	1,480
China	628
Colombia	9,436
Curacao	39
Denmark	1,573
Ecuador	178
Finland	275
France	6,658
Guernsey	1,099
India	262
Indonesia	5,471
Ireland	1,643
Isle of Man	720
Italy	2,737
Japan	1,615
Kazakhstan	231
Kuwait	226
Luxembourg	1,657
Macao	439
Malaysia	6,139
Mexico	17,785
Netherlands	13,222
Norway	4,332
Panama	736
Peru	5,116
Poland	573
Qatar	507
Russia	5,047
Singapore	10,113
South Korea	953
Spain	1,050
Sweden	1,057
Switzerland	1,421
Thailand	227
United Arab Emirates	1,173
United Kingdom	12,272
United States	750,244
Total Investments	909,248

See accompanying notes which are an integral part of the financial statements.

Russell Investment Funds
Strategic Bond Fund

Fair Value of Derivative Instruments — December 31, 2019

Amounts in thousands

Derivatives not accounted for as hedging instruments	Credit Contracts	Foreign Currency Contracts	Interest Rate Contracts
Location: Statement of Assets and Liabilities - Assets			
Investments, at fair value*	$ —	$ —	$ 29
Unrealized appreciation on foreign currency exchange contracts	—	2,205	—
Variation margin on futures contracts**	—	—	1,855
Interest rate swap contracts, at fair value	—	—	1,671
Credit default swap contracts, at fair value	1,958	—	—
Total	$ 1,958	$ 2,205	$ 3,555
Location: Statement of Assets and Liabilities - Liabilities			
Variation margin on futures contracts**	$ —	$ —	$ 4,684
Unrealized depreciation on foreign currency exchange contracts	—	2,511	—
Options written, at fair value	—	—	24
Interest rate swap contracts, at fair value	—	—	270
Total	$ —	$ 2,511	$ 4,978

Derivatives not accounted for as hedging instruments	Credit Contracts	Foreign Currency Contracts	Interest Rate Contracts
Location: Statement of Operations - Net realized gain (loss)			
Investments***	$ —	$ (46)	$ (169)
Futures contracts	—	15	19,555
Options written	—	35	726
Interest rate swap contracts	—	—	(2,024)
Credit default swap contracts	2,007	—	—
Foreign currency exchange contracts	—	508	—
Total	$ 2,007	$ 512	$ 18,088
Location: Statement of Operations - Net change in unrealized appreciation (depreciation)			
Investments****	$ —	$ (24)	$ 15
Futures contracts	—	(85)	(8,975)
Options written	—	32	65
Interest rate swap contracts	—	—	1,248
Credit default swap contracts	930	—	—
Foreign currency exchange contracts	—	(140)	—
Total	$ 930	$ (217)	$ (7,647)

* Fair value of purchased options.

** Includes cumulative appreciation/depreciation of futures contracts as reported in the Schedule of Investments. Only variation margin is reported within the Statement of Assets and Liabilities.

*** Includes net realized gain (loss) on purchased options as reported in the Statement of Operations.

**** Includes net change in unrealized appreciation/depreciation on purchased options as reported in the Statement of Operations.

For further disclosure on derivatives see note 2 in the Notes to Financial Statements.

See accompanying notes which are an integral part of the financial statements.

Russell Investment Funds
Strategic Bond Fund
Balance Sheet Offsetting of Financial and Derivative Instruments — December 31, 2019

Amounts in thousands

Offsetting of Financial Assets and Derivative Assets

Description	Location: Statement of Assets and Liabilities - Assets	Gross Amounts of Recognized Assets	Gross Amounts Offset in the Statement of Assets and Liabilities	Net Amounts of Assets Presented in the Statement of Assets and Liabilities
Options Purchased Contracts	Investments, at fair value	$ 29	$ —	$ 29
Foreign Currency Exchange Contracts	Unrealized appreciation on foreign currency exchange contracts	2,205	—	2,205
Interest Rate Swap Contracts	Interest rate swap contracts, at fair value	1,671	—	1,671
Credit Default Swap Contracts	Credit default swap contracts, at fair value	1,958	—	1,958
Total Financial and Derivative Assets		5,863	—	5,863
Financial and Derivative Assets not subject to a netting agreement		(3,391)	—	(3,391)
Total Financial and Derivative Assets subject to a netting agreement		$ 2,472	$ —	$ 2,472

Financial Assets, Derivative Assets, and Collateral Held by Counterparty

Counterparty	Net Amounts of Assets Presented in the Statement of Assets and Liabilities	Gross Amounts Not Offset in the Statement of Assets and Liabilities: Financial and Derivative Instruments	Gross Amounts Not Offset in the Statement of Assets and Liabilities: Collateral Received^	Net Amount
Bank of America	$ 238	$ 238	$ —	$ —
Barclays	96	21	—	75
Citigroup	615	263	270	82
Goldman Sachs	37	—	37	—
HSBC	132	—	—	132
JPMorgan Chase	901	828	—	73
Royal Bank of Canada	160	68	—	92
State Street	293	164	—	129
Total	$ 2,472	$ 1,582	$ 307	$ 583

See accompanying notes which are an integral part of the financial statements.

Russell Investment Funds
Strategic Bond Fund
Balance Sheet Offsetting of Financial and Derivative Instruments, continued — December 31, 2019

Amounts in thousands

Offsetting of Financial Liabilities and Derivative Liabilities

Description	Location: Statement of Assets and Liabilities - Liabilities	Gross Amounts of Recognized Liabilities	Gross Amounts Offset in the Statement of Assets and Liabilities	Net Amounts of Liabilities Presented in the Statement of Assets and Liabilities
Foreign Currency Exchange Contracts	Unrealized depreciation on foreign currency exchange contracts	$ 2,511	$ —	$ 2,511
Options Written Contracts	Options written, at fair value	24	—	24
Interest Rate Swap Contracts	Interest rate swap contracts, at fair value	270	—	270
Total Financial and Derivative Liabilities		2,805	—	2,805
Financial and Derivative Liabilities not subject to a netting agreement		(82)	—	(82)
Total Financial and Derivative Liabilities subject to a netting agreement		$ 2,723	$ —	$ 2,723

Financial Liabilities, Derivative Liabilities, and Collateral Pledged by Counterparty

		Gross Amounts Not Offset in the Statement of Assets and Liabilities		
Counterparty	Net Amounts of Liabilities Presented in the Statement of Assets and Liabilities	Financial and Derivative Instruments	Collateral Pledged^	Net Amount
Bank of America	$ 245	$ 238	$ —	$ 7
Bank of Montreal	18	—	—	18
Barclays	21	21	—	—
Citigroup	282	263	—	19
JPMorgan Chase	1,633	828	740	65
Royal Bank of Canada	170	68	—	102
Standard Chartered	17	—	—	17
State Street	164	164	—	—
UBS	173	—	—	173
Total	$ 2,723	$ 1,582	$ 740	$ 401

^ Collateral received or pledged amounts may not reconcile to those disclosed in the Statement of Assets and Liabilities due to the inclusion of off-Balance Sheet collateral and adjustments made to exclude overcollateralization.

For further disclosure on derivatives and counterparty risk see note 2 in the Notes to Financial Statements.

See accompanying notes which are an integral part of the financial statements.

Russell Investment Funds
Strategic Bond Fund

Statement of Assets and Liabilities — December 31, 2019

Amounts in thousands

Assets		
Investments, at identified cost	$	891,187
Investments, at fair value(>)		909,248
Cash		9,575
Foreign currency holdings(^)		3,351
Unrealized appreciation on foreign currency exchange contracts		2,205
Receivables:		
Dividends and interest		4,892
Dividends from affiliated funds		26
Investments sold		19,686
Fund shares sold		14
From broker(a)(b)		10,953
Variation margin on futures contracts		348
Interest rate swap contracts, at fair value(•)		1,671
Credit default swap contracts, at fair value(+)		1,958
Total assets		963,927
Liabilities		
Payables:		
Due to broker (c)(d)		1,893
Investments purchased		37,518
Fund shares redeemed		84
Accrued fees to affiliates		475
Other accrued expenses		184
Variation margin on futures contracts		3,166
Deferred capital gains tax liability		12
Unfunded loan commitment		20
Unrealized depreciation on foreign currency exchange contracts		2,511
Options written, at fair value(x)		24
Interest rate swap contracts, at fair value(•)		270
Total liabilities		46,157
Net Assets	$	917,770

See accompanying notes which are an integral part of the financial statements.

Russell Investment Funds
Strategic Bond Fund

Statement of Assets and Liabilities, continued — December 31, 2019

Amounts in thousands

Net Assets Consist of:		
Total distributable earnings (losses)	$	8,979
Shares of beneficial interest		869
Additional paid-in capital		907,922
Net Assets	$	917,770

Net Asset Value, offering and redemption price per share:		
Net asset value per share: (#)	$	10.56
Net assets	$	917,770,135
Shares outstanding ($.01 par value)		86,941,148

Amounts in thousands

(^)	Foreign currency holdings - cost	$	3,293
(x)	Premiums received on options written	$	43
(+)	Credit default swap contracts - premiums paid (received)	$	1,427
(•)	Interest rate swap contracts - premiums paid (received)	$	133
(>)	Investments in affiliates, U.S. Cash Management Fund	$	16,804

(a)	Receivable from Broker for Futures	$	10,213
(b)	Receivable from Broker for Forwards	$	740
(c)	Due to Broker for Swaps	$	1,623
(d)	Due to Broker for Forwards	$	270

(#) Net asset value per share equals net assets divided by shares of beneficial interest outstanding.

See accompanying notes which are an integral part of the financial statements.

Russell Investment Funds
Strategic Bond Fund

Statement of Operations — For the Period Ended December 31, 2019

Amounts in thousands

Investment Income		
Dividends from affiliated funds	$	989
Interest		28,019
Total investment income		29,008
Expenses		
Advisory fees		4,983
Administrative fees		453
Custodian fees		335
Transfer agent fees		39
Professional fees		150
Trustees' fees		39
Printing fees		124
Miscellaneous		27
Total expenses		6,150
Net investment income (loss)		22,858
Net Realized and Unrealized Gain (Loss)		
Net realized gain (loss) on:		
Investments (net of deferred tax liability for foreign capital gains taxes)		14,720
Investments in affiliated funds		18
Futures contracts		19,570
Options written		761
Foreign currency exchange contracts		508
Interest rate swap contracts		(2,024)
Credit default swap contracts		2,007
Foreign currency-related transactions		1
Net realized gain (loss)		35,561
Net change in unrealized appreciation (depreciation) on:		
Investments (net of deferred tax liability for foreign capital gains taxes)		27,699
Investments in affiliated funds		1
Futures contracts		(9,060)
Options written		97
Foreign currency exchange contracts		(140)
Interest rate swap contracts		1,248
Credit default swap contracts		930
Foreign currency-related transactions		134
Net change in unrealized appreciation (depreciation)		20,909
Net realized and unrealized gain (loss)		56,470
Net Increase (Decrease) in Net Assets from Operations	$	79,328

See accompanying notes which are an integral part of the financial statements.

Russell Investment Funds
Strategic Bond Fund

Statements of Changes in Net Assets

Amounts in thousands	For the Periods Ended December 31, 2019	2018
Increase (Decrease) in Net Assets		
Operations		
Net investment income (loss)	$ 22,858	$ 21,715
Net realized gain (loss)	35,561	(23,026)
Net change in unrealized appreciation (depreciation)	20,909	(6,627)
Net increase (decrease) in net assets from operations	79,328	(7,938)
Distributions		
To shareholders	(36,716)	(18,804)
Net decrease in net assets from distributions	(36,716)	(18,804)
Share Transactions*		
Net increase (decrease) in net assets from share transactions	(3,503)	(1,964)
Total Net Increase (Decrease) in Net Assets	39,109	(28,706)
Net Assets		
Beginning of period	878,661	907,367
End of period	$ 917,770	$ 878,661

* Share transaction amounts (in thousands) for the periods ended December 31, 2019 and December 31, 2018 were as follows:

	2019		2018	
	Shares	Dollars	Shares	Dollars
Proceeds from shares sold	2,937	$ 30,895	3,617	$ 36,596
Proceeds from reinvestment of distributions	3,485	36,716	1,872	18,804
Payments for shares redeemed	(6,759)	(71,114)	(5,709)	(57,364)
Total increase (decrease)	(337)	$ (3,503)	(220)	$ (1,964)

See accompanying notes which are an integral part of the financial statements.

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Russell Investment Funds
Strategic Bond Fund

Financial Highlights — For the Periods Ended

For a Share Outstanding Throughout Each Period.

	$ Net Asset Value, Beginning of Period	$ Net Investment Income (Loss)(a)(b)	$ Net Realized and Unrealized Gain (Loss)	$ Total from Investment Operations	$ Distributions from Net Investment Income	$ Distributions from Net Realized Gain
December 31, 2019	10.07	.27	.65	.92	(.29)	(.14)
December 31, 2018	10.37	.25	(.34)	(.09)	(.21)	—
December 31, 2017	10.12	.20	.19	.39	(.14)	—
December 31, 2016	10.27	.18	.14	.32	(.17)	(.30)
December 31, 2015	10.66	.16	(.17)	(.01)	(.26)	(.12)

See accompanying notes which are an integral part of the financial statements.

$ Total Distributions	$ Net Asset Value, End of Period	% Total Return(d)	$ Net Assets, End of Period (000)	% Ratio of Expenses to Average Net Assets, Gross	% Ratio of Expenses to Average Net Assets, Net(b)	% Ratio of Net Investment Income to Average Net Assets(b)	% Portfolio Turnover Rate
(.43)	10.56	9.19	917,770	.68	.68	2.52	116
(.21)	10.07	(.81)	878,661	.67	.67	2.44	96
(.14)	10.37	3.86	907,367	.67	.66	1.89	143
(.47)	10.12	3.10	850,722	.67	.65	1.72	262
(.38)	10.27	(.14)	855,909	.67	.64	1.49	225

See accompanying notes which are an integral part of the financial statements.

Russell Investment Funds
Strategic Bond Fund

Related Party Transactions, Fees and Expenses

Accrued fees payable to affiliates for the period ended December 31, 2019 were as follows:

Advisory fees	$ 428,165
Administration fees	38,924
Transfer agent fees	3,426
Trustee fees	4,691
	$ 475,206

Transactions (amounts in thousands) during the period ended December 31, 2019 with Underlying Funds which are, or were, an affiliated company are as follows:

	Fair Value, Beginning of Period	Purchases	Sales	Realized Gain (Loss)	Change in Unrealized Gain (Loss)	Fair Value, End of Period	Income Distributions	Capital Gains Distributions
U.S. Cash Management Fund	$ 58,419	$ 581,612	$ 623,246	$ 18	$ 1	$ 16,804	$ 989	$ —
	$ 58,419	$ 581,612	$ 623,246	$ 18	$ 1	$ 16,804	$ 989	$ —

Federal Income Taxes

At December 31, 2019, the cost of investments and net unrealized appreciation (depreciation), undistributed ordinary income and undistributed long-term capital gains for income tax purposes were as follows:

Cost of Investments	Unrealized Appreciation	Unrealized Depreciation	Net Unrealized Appreciation (Depreciation)	Undistributed Ordinary Income	Undistributed Long-Term Capital Gains (Capital Loss Carryforward)
$ 897,882,100	$ 16,762,329	$ (4,905,907)	$ 11,856,422	$ 2,256,071	$ —

For the fiscal years ended December 31, 2019 and December 31, 2018 respectively, the Fund made the following tax basis distributions:

December 31, 2019			December 31, 2018		
Ordinary Income Distributions	Long-Term Capital Gain Distributions	Return of Capital	Ordinary Income Distributions	Long-Term Capital Gain Distributions	Return of Capital
$ 33,102,127	$ 3,613,267	$ —	$ 18,803,832	$ —	$ —

Net investment income and net realized gains (losses) in the financial statements may differ from taxable net investment income and net realized gains (losses). Capital accounts within the financial statements are adjusted for permanent book-tax differences. Book-tax differences are primarily due to foreign currency gains and losses, reclassifications of dividends, differences in treatment of income from swaps, net operating losses, investments in partnerships, investments in passive foreign investment companies (PFICs), tax straddle transaction, use of tax equalization and foreign capital gains taxes. These adjustments have no impact on the net assets.

At December 31, 2019, the Assets and Liabilities have been adjusted by the following amounts (in thousands):

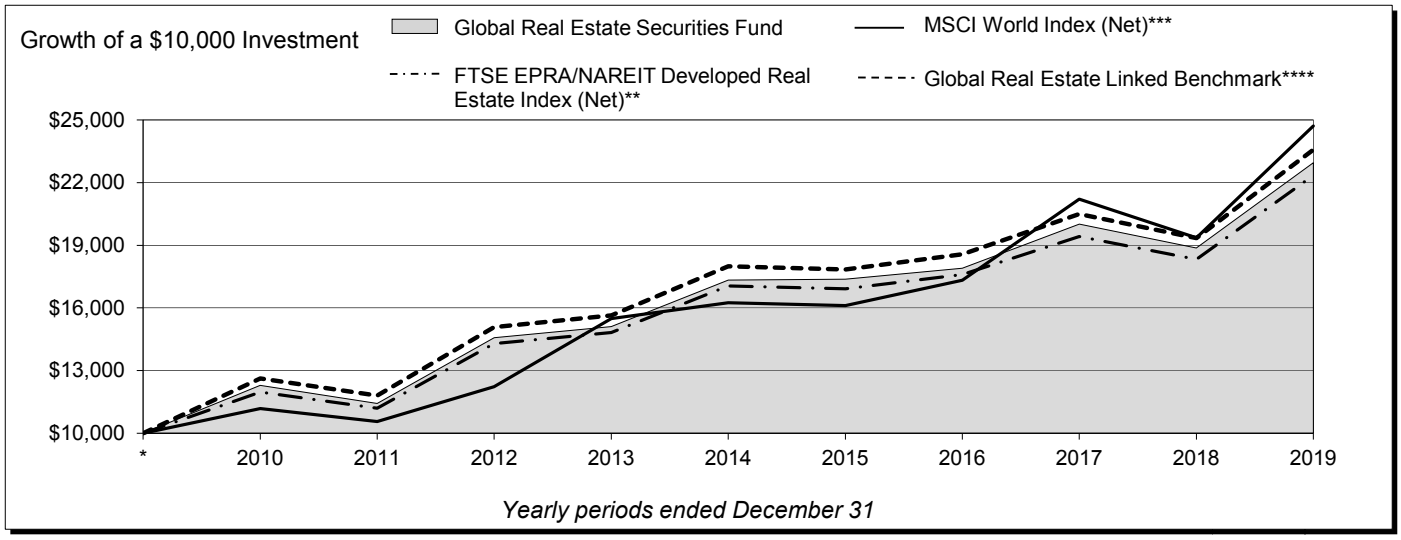
Total distributable earnings (losses)	$ 34
Additional paid-in capital	(34)

As permitted by tax regulations, the Fund intends to defer a net realized capital loss of $5,164,455 incurred from November 1, 2019 to December 31, 2019, and treat it as arising in the fiscal year 2020.

See accompanying notes which are an integral part of the financial statements.

Russell Investment Funds
Global Real Estate Securities Fund

Portfolio Management Discussion and Analysis — December 31, 2019 (Unaudited)



Global Real Estate Securities Fund

	Total Return
1 Year	21.64%
5 Years	5.78%§
10 Years	8.66%§

FTSE EPRA/NAREIT Developed Real Estate Index (Net)**

	Total Return
1 Year	21.91%
5 Years	5.56%§
10 Years	8.37%§

MSCI World Index (Net)***

	Total Return
1 Year	27.67%
5 Years	8.74%§
10 Years	9.47%§

Global Real Estate Linked Benchmark****

	Total Return
1 Year	21.91%
5 Years	5.56%§
10 Years	8.96%§

Russell Investment Funds
Global Real Estate Securities Fund

Portfolio Management Discussion and Analysis, continued — December 31, 2019 (Unaudited)

The Global Real Estate Securities Fund (the "Fund") employs a multi-manager approach whereby Russell Investment Management, LLC ("RIM") manages a portion of the Fund's assets based upon model portfolios provided by multiple non-discretionary money managers. The Fund's money managers have non-discretionary assignments pursuant to which they provide a model portfolio to RIM representing their investment recommendations, based upon which RIM purchases and sells securities for the Fund. RIM also manages the portion of the Fund's assets that RIM determines not to manage based upon model portfolios provided by the Fund's money managers. RIM may change the allocation of the Fund's assets at any time. An exemptive order from the Securities and Exchange Commission ("SEC") permits RIM to engage or terminate a money manager at any time, subject to approval by the Fund's Board, without a shareholder vote. Pursuant to the terms of the exemptive order, the Fund is required to notify its shareholders within 90 days of when a money manager begins providing services. As of December 31, 2019, the Fund had two money managers.

What is the Fund's investment objective?

The Fund seeks to provide current income and long term capital growth.

How did the Fund perform relative to its benchmark for the fiscal year ended December 31, 2019?

For the fiscal year ended December 31, 2019, the Fund gained 21.64%. This is compared to the Fund's benchmark, the FTSE EPRA/NAREIT Developed Real Estate Index (Net), which gained 21.91% during the same period. The Fund's performance includes operating expenses, whereas index returns are unmanaged and do not include expenses of any kind.

For the fiscal year ended December 31, 2019, the Morningstar® Insurance Global Real Estate Category, a group of funds that Morningstar considers to have investment strategies similar to those of the Fund, gained 22.49%. This result serves as a peer comparison and is expressed net of operating expenses.

How did market conditions affect the Fund's performance?

For the fiscal year ended December 31, 2019, the global listed property market, as measured by the FTSE EPRA/NAREIT Developed Real Estate Index (Net), delivered a 21.91% return, while underperforming broader global equities. Within the global property securities market, all regions posted double-digit returns. Europe led the index with strong performance in the U.K., as uncertainty around Brexit was moderated after U.K.'s Conservative Party won a majority in the country's general elections in December. North America followed with Canada ahead of the U.S. Asia was the weakest performer, underperforming the broader index, weighted down by Hong Kong as the city's ongoing anti-government protests and an economy in technical recession continued to weigh on the local market. With respect to property sectors, there was a wide dispersion in performance. The industrial and residential sectors were the strongest performers finishing with double-digit returns. The more cyclical office sector was also a solid performer, while self-storage and malls property types finished with weak returns.

How did the investment strategies and techniques employed by the Fund and its money managers affect its benchmark relative performance?

The Fund modestly underperformed its benchmark for the one-year period ending December 31, 2019. Detracting from performance was an overweight to Hong Kong and an underweight position to the U.S. industrial sector. Positive stock selection within the U.S. health care and self-storage sectors as well as an overweight position to the U.S. residential sector were beneficial. Stock selection within Japanese REITs and Singapore added value.

The Fund's money managers have non-discretionary assignments pursuant to which they provide a model portfolio to RIM representing their investment recommendations, based upon which RIM purchases and sells securities for the Fund. With respect to this portion of the Fund, RIM manages the Fund's assets based upon the model portfolios provided by the Fund's money managers. RIM manages assets not allocated to money manager strategies and the Fund's cash balances.

With respect to the Fund's money managers, Cohen & Steers Capital Management, Inc., Cohen & Steers UK Limited and Cohen & Steers Asia Limited (together, "Cohen & Steers") outperformed the Fund's benchmark for the fiscal year. Cohen & Steers seeks to generate excess returns through a combination of fundamental bottom-up stock selection and top-down regional and property type allocation decisions. The key contributors to outperformance were bottom-up stock selection within the U.K. and Australia. Also contributing positively was an underweight to the U.S. malls sector and overweights to the U.S. residential and self-storage sectors. Detracting from performance was negative stock selection within the U.S. office sector.

RREEF America L.L.C., Deutsche Investments Australia Limited and Deutsche Alternatives Asset Management (Global) Limited (together, "Deutsche Asset Management") provided the best performing strategy, outperforming the Fund's benchmark for the fiscal year. Stock selection within the U.S. was a key contributor to outperformance. Results were positive within the malls, health care and lodging sectors. In addition, stock selection within Japan was beneficial. Negative stock selection within Hong Kong detracted from performance.

During the period, RIM continued to utilize a strategy to implement regional and property sector tilting through the direct purchase of real estate stocks. Using the output from a

Russell Investment Funds
Global Real Estate Securities Fund

Portfolio Management Discussion and Analysis, continued — December 31, 2019 (Unaudited)

quantitative model, the strategy seeks to position the portfolio to meet RIM's overall preferred positioning with respect to regional and property type exposures. The strategy outperformed relative to the Fund's benchmark for the one-year period. Positive performance was driven by an underweight position to Hong Kong as well as overweights to the U.S. health care and residential sectors. Detracting from performance was an overweight to the U.S. malls sector.

During the period, the Fund used index futures and swap contracts to equitize the Fund's cash. The use of these derivatives had a modestly positive impact on absolute performance, as global equity markets delivered positive returns.

Describe any changes to the Fund's structure or the money manager line-up.

In June 2019, Morgan Stanley Investment Management, Inc., Morgan Stanley Investment Management Limited and Morgan Stanley Investment Management Company ("Morgan Stanley"), Cohen & Steers and Deutsche Asset Management were transitioned from discretionary to non-discretionary mandates.

In September 2019, RIM terminated Morgan Stanley and increased the allocations to Cohen & Steers and Deutsche Asset Management.

Money Managers as of December 31, 2019	Styles
Cohen & Steers Capital Management, Inc., Cohen & Steers UK Limited and Cohen & Steers Asia Limited	Market-Oriented
RREEF America L.L.C., Deutsche Investments Australia Limited and Deutsche Alternatives Asset Management (Global) Limited operating under the brand name Deutsche Asset Management	Market-Oriented

The views expressed in this report reflect those of the portfolio managers only through the end of the period covered by the report. These views do not necessarily represent the views of RIM or any other person in RIM or any other affiliated organization. These views are subject to change at any time based upon market conditions or other events, and RIM disclaims any responsibility to update the views contained herein. These views should not be relied on as investment advice and, because investment decisions for a Russell Investment Funds ("RIF") Fund are based on numerous factors, should not be relied on as an indication of investment decisions of any RIF Fund.

* Assumes initial investment on January 1, 2010.

** The FTSE EPRA/NAREIT Developed Real Estate Index (Net) is an unmanaged market-weighted total return index, which consists of publicly traded equity REITs and listed property companies from developed markets whose floats are larger than $100 million and derive more than half of their revenue from property-related activities and is net of dividend withholding taxes.

*** The MSCI World Index (Net) is a free float-adjusted market capitalization weighted index that is designed to measure the equity market performance of developed markets. The index consists of 23 developed market country indexes.

**** The Global Real Estate Linked Benchmark provides a means to compare the Fund's average annual returns to a secondary benchmark that takes into account historical changes in the Fund's primary benchmark. The Global Real Estate Linked Benchmark represents the returns of the FTSE NAREIT Equity REIT Index through September 30, 2010 and the returns of the FTSE EPRA/NAREIT Developed Real Estate Index (net) thereafter.

§ Annualized.

The performance shown in this section does not reflect any Insurance Company Separate Account or Policy Charges. Performance is historical and assumes reinvestment of all dividends and capital gains. Investment return and principal value will fluctuate so that an investor's shares, when redeemed, may be worth more or less than when purchased. Past performance is not indicative of future results. Additionally, the returns presented herein may differ from the performance reported in the Financial Highlights as the returns herein are calculated in a manner consistent with standardized performance in accordance with Securities and Exchange Commission rules, while the performance in the Financial Highlights has been calculated in accordance with U.S. Generally Accepted Accounting Principles ("U.S. GAAP").

Russell Investment Funds
Global Real Estate Securities Fund

Shareholder Expense Example — December 31, 2019 (Unaudited)

Fund Expenses

The following disclosure provides important information regarding the Fund's Shareholder Expense Example ("Example").

Example

As a shareholder of the Fund, you incur two types of costs: (1) transaction costs, and (2) ongoing costs, including advisory and administrative fees and other Fund expenses. The Example is intended to help you understand your ongoing costs (in dollars) of investing in the Fund and to compare these costs with the ongoing costs of investing in other mutual funds. The Example is based on an investment of $1,000 invested at the beginning of the period and held for the entire period indicated, which for this Fund is from July 1, 2019 to December 31, 2019.

Actual Expenses

The information in the table under the heading "Actual Performance" provides information about actual account values and actual expenses. You may use the information in this column, together with the amount you invested, to estimate the expenses that you paid over the period. Simply divide your account value by $1,000 (for example, an $8,600 account value divided by $1,000 = 8.6), then multiply the result by the number in the first column in the row entitled "Expenses Paid During Period" to estimate the expenses you paid on your account during this period.

Hypothetical Example for Comparison Purposes

The information in the table under the heading "Hypothetical Performance (5% return before expenses)" provides information about hypothetical account values and hypothetical expenses based on the Fund's actual expense ratio and an assumed rate of return of 5% per year before expenses, which is not the Fund's actual return. The hypothetical account values and expenses may not be used to estimate the actual ending account balance or expenses you paid for the period. You may use this information to compare the ongoing costs of investing in the Fund and other funds. To do so, compare this 5% hypothetical example with the 5% hypothetical examples that appear in the shareholder reports of other funds.

Please note that the expenses shown in the table are meant to highlight your ongoing costs only and do not reflect any transactional costs. Therefore, the information under the heading "Hypothetical Performance (5% return before expenses)" is useful in comparing ongoing costs only, and will not help you determine the relative total costs of owning different funds. In addition, if these transactional costs were included, your costs would have been higher. The fees and expenses shown in this section do not reflect any Insurance Company Separate Account Policy Charges.

	Actual Performance	Hypothetical Performance (5% return before expenses)
Beginning Account Value July 1, 2019	$ 1,000.00	$ 1,000.00
Ending Account Value December 31, 2019	$ 1,063.00	$ 1,020.57
Expenses Paid During Period*	$ 4.78	$ 4.69

* Expenses are equal to the Fund's annualized expense ratio of 0.92% (representing the six month period annualized), multiplied by the average account value over the period, multiplied by 184/365 (to reflect the one-half year period).

Russell Investment Funds
Global Real Estate Securities Fund

Schedule of Investments — December 31, 2019

Amounts in thousands *(except share amounts)*

	Principal Amount ($) or Shares	Fair Value $
Common Stocks - 95.4%		
Australia - 3.3%		
BGP Holdings PLC(Æ)(Š)	926,311	—
Charter Hall Group - ADR(ö)	439,421	3,422
Cromwell Property Group(ö)	1,683,246	1,390
Dexus Property Group(Æ)(ö)	91,050	749
Goodman Group(ö)	736,641	6,925
GPT Group (The)(ö)	1,699,791	6,691
Mirvac Group(ö)	5,329,286	11,919
		31,096
Austria - 0.2%		
CA Immobilien Anlagen AG	52,923	2,224
Belgium - 0.8%		
Aedifica(ö)	30,794	3,918
VGP NV	11,472	1,130
Warehouses De Pauw SCA(ö)	12,312	2,242
		7,290
Canada - 2.9%		
Allied Properties Real Estate Investment Trust(ö)	154,249	6,185
Boardwalk Real Estate Investment Trust(Ñ)(ö)	163,600	5,787
Canadian Apartment Properties(Ñ)(ö)	172,383	7,037
Granite Real Estate Investment Trust(ö)	121,302	6,163
InterRent Real Estate Investment Trust(ö)	213,534	2,572
		27,744
China - 0.5%		
China Overseas Land & Investment, Ltd.	682,000	2,663
GDS Holdings, Ltd. - ADR(Æ)(Ñ)	49,062	2,531
		5,194
France - 2.0%		
ARGAN SA(ö)	4,751	414
Covivio(ö)	15,632	1,776
Gecina SA(ö)	42,827	7,677
Klepierre SA - GDR(ö)	250,326	9,515
		19,382
Germany - 4.1%		
ADO Properties SA(Þ)	2,522	91
Alstria Office REIT-AG(ö)	258,238	4,853
Deutsche Wohnen SE	235,683	9,632
Instone Real Estate Group AG(Æ)(Þ)	72,518	1,794
LEG Immobilien AG	52,252	6,189
Vonovia SE	312,784	16,838
		39,397
Hong Kong - 5.5%		
CK Asset Holdings, Ltd.	149,000	1,080
ESR Cayman, Ltd.(Æ)(Þ)	987,400	2,230
Hang Lung Properties, Ltd. - ADR	141,000	308
Link Real Estate Investment Trust(ö)	1,039,500	11,036
New World Development Co., Ltd.	10,545,000	14,462
Shimao Property Holdings, Ltd.	594,500	2,309
Sino Land Co., Ltd.	2,434,000	3,546
Sun Hung Kai Properties, Ltd.	530,000	8,130
Swire Properties, Ltd.	1,911,800	6,353
Wharf Real Estate Investment Co., Ltd.	402,000	2,465
		51,919
Japan - 11.4%		
Activia Properties, Inc.(ö)	2,720	13,640
Daibiru Corp.	145,400	1,745
Daiwa House REIT Investment Corp.(ö)	142	371
Daiwa Office Investment Corp.(ö)	23	177
Frontier Real Estate Investment Corp.(ö)	765	3,217
Global One Real Estate Investment Corp.(ö)	1,793	2,324
GLP J-REIT(Æ)(ö)	3,816	4,748
Hulic REIT, Inc.(ö)	2,102	3,815
Invincible Investment Corp.(ö)	471	268
Japan Real Estate Investment Corp.(ö)	66	438
Japan Rental Housing Investments, Inc.(ö)	3,195	3,126
Japan Retail Fund Investment Corp.(ö)	1,636	3,517
Mitsubishi Estate Co., Ltd.	564,100	10,784
Mitsui Fudosan Co., Ltd.	751,200	18,347
Mitsui Fudosan Logistics Park, Inc.(ö)	650	2,886
MORI Hills REIT Investment Corp. Class A(ö)	3,001	4,985
MORI Trust Hotel REIT, Inc.(ö)	789	1,093
MORI Trust Sogo REIT, Inc.(ö)	1,485	2,666
Nippon Building Fund, Inc.(ö)	629	4,609
Nippon Prologis REIT, Inc.(Æ)(ö)	182	464
Nippon REIT Investment Corp.(ö)	627	2,761
Nomura Real Estate Master Fund, Inc.(ö)	2,195	3,751
Orix JREIT, Inc.(ö)	231	501
Premier Investment Corp.(ö)	1,318	1,865
Sumitomo Realty & Development Co., Ltd.	320,400	11,175
Tokyo Tatemono Co., Ltd.	18,300	286
Tokyu Fudosan Holdings Corp.	426,600	2,946
XYMAX REIT Investment Corp.(ö)	1,161	1,474
		107,979
Netherlands - 1.5%		
InterXion Holding NV(Æ)	137,475	11,522
Unibail-Rodamco-Westfield(ö)	14,823	2,342
		13,864
Norway - 0.4%		
Entra ASA(Þ)	216,882	3,584
Singapore - 3.2%		
CapitaLand, Ltd.	2,349,200	6,552
City Developments, Ltd.	872,300	7,114
Frasers Centrepoint Trust(ö)	1,074,400	2,245
Keppel DC REIT(ö)	1,607,300	2,486
Mapletree Commercial Trust(ö)	260,100	462
Mapletree Industrial Trust(ö)	837,900	1,620

See accompanying notes which are an integral part of the financial statements.

Russell Investment Funds
Global Real Estate Securities Fund

Schedule of Investments, continued — December 31, 2019

Amounts in thousands *(except share amounts)*

	Principal Amount ($) or Shares	Fair Value $
Mapletree Logistics Trust(ö)	5,244,400	6,789
Parkway Life Real Estate Investment Trust(Æ)(ö)	1,168,600	2,885
		30,153
Spain - 1.0%		
Arima Real Estate Socimi SA(Æ)(ö)	84,610	1,073
Inmobiliaria Colonial Socimi SA(ö)	130,992	1,671
Merlin Properties Socimi SA(ö)	482,624	6,936
		9,680
Sweden - 2.1%		
Castellum AB	315,601	7,416
Catena AB	47,469	2,096
Fabege AB	314,534	5,231
Fastighets AB Balder Class B(Æ)	115,044	5,323
Hemfosa Fastigheter AB(Æ)	13,972	181
		20,247
Switzerland - 0.6%		
Swiss Prime Site AG Class A(Æ)	52,209	6,052
United Kingdom - 5.5%		
Assura PLC(ö)	2,576,850	2,664
Big Yellow Group PLC(ö)	148,624	2,368
British Land Co. PLC (The)(ö)	536,866	4,571
Derwent London PLC(ö)	100,085	5,346
Grainger PLC	727,531	3,020
Great Portland Estates PLC(ö)	284,054	3,240
Intu Properties PLC Class H(Æ)(Ñ)(ö)	515,942	233
Land Securities Group PLC(ö)	383,510	5,039
LondonMetric Property PLC(ö)	706,090	2,222
PRS REIT PLC (The)(ö)	1,249,155	1,523
Safestore Holdings PLC(ö)	139,190	1,487
Segro PLC(ö)	900,254	10,745
Tritax EuroBox PLC(Þ)	953,426	1,199
UNITE Group PLC (The)(ö)	361,107	6,039
Urban & Civic PLC	538,623	2,463
		52,159
United States - 50.4%		
Agree Realty Corp.(Ñ)(ö)	112,053	7,863
Alexandria Real Estate Equities, Inc.(ö)	70,248	11,351
American Campus Communities, Inc.(ö)	10,300	484
American Tower Corp.(ö)	23,729	5,453
Americold Realty Trust(Ñ)(ö)	321,135	11,259
Apartment Investment & Management Co. Class A(ö)	161,837	8,359
Boyd Gaming Corp.	167,863	5,026
Brixmor Property Group, Inc.(ö)	332,809	7,192
Columbia Property Trust, Inc.(ö)	132,200	2,764
CoreSite Realty Corp. Class A(ö)	31,714	3,556
Cousins Properties, Inc.(ö)	111,624	4,599
CubeSmart(ö)	23,937	754
CyrusOne, Inc.(ö)	85,829	5,616
DiamondRock Hospitality Co.(ö)	200,701	2,224
Digital Realty Trust, Inc.(Ñ)(ö)	32,504	3,892

Amounts in thousands *(except share amounts)*

	Principal Amount ($) or Shares	Fair Value $
Douglas Emmett, Inc.(ö)	162,638	7,140
EastGroup Properties, Inc.(ö)	34,683	4,601
Empire State Realty Trust, Inc. Class A(ö)	220,951	3,084
Equinix, Inc.(Æ)(ö)	11,390	6,648
Equity LifeStyle Properties, Inc. Class A(ö)	149,507	10,524
Equity Residential(ö)	248,967	20,146
Essential Properties Realty Trust, Inc. (Ñ)(ö)	178,900	4,439
Essex Property Trust, Inc.(ö)	54,935	16,528
Extra Space Storage, Inc.(ö)	179,334	18,941
Healthcare Trust of America, Inc. Class A(ö)	122,661	3,714
Healthpeak Properties, Inc.(ö)	375,802	12,954
Highwoods Properties, Inc.(ö)	10,576	517
Hilton Worldwide Holdings, Inc.	33,851	3,754
Host Hotels & Resorts, Inc.(ö)	124,326	2,306
Invitation Homes, Inc.(ö)	637,283	19,099
JBG Smith Properties(ö)	28,050	1,119
Jones Lang LaSalle, Inc.	21,729	3,783
Kilroy Realty Corp.(ö)	217,989	18,289
Kimco Realty Corp.(ö)	781,734	16,190
Liberty Property Trust(ö)	37,492	2,251
Life Storage, Inc.(Æ)(ö)	63,594	6,886
Macerich Co. (The)(Ñ)(ö)	11,952	322
Medical Properties Trust, Inc.(ö)	672,413	14,195
Mid-America Apartment Communities, Inc.(ö)	79,971	10,545
Omega Healthcare Investors, Inc.(ö)	150,382	6,369
Paramount Group, Inc.(ö)	21,002	292
Park Hotels & Resorts, Inc.(ö)	242,968	6,286
Pebblebrook Hotel Trust(ö)	80,824	2,167
Physicians Realty Trust(ö)	18,400	348
Prologis, Inc.(ö)	432,948	38,594
Public Storage(ö)	22,365	4,763
Realty Income Corp.(ö)	184,643	13,595
Regency Centers Corp.(ö)	126,395	7,974
Rexford Industrial Realty, Inc.(ö)	201,026	9,181
Ryman Hospitality Properties, Inc.(ö)	65,654	5,690
Sabra Health Care REIT, Inc.(ö)	25,868	552
SBA Communications Corp.(ö)	2,096	505
Simon Property Group, Inc.(ö)	130,128	19,384
SITE Centers Corp.(ö)	135,800	1,904
STORE Capital Corp.(ö)	222,875	8,300
Sun Communities, Inc.(ö)	34,220	5,136
Taubman Centers, Inc.(ö)	41,300	1,284
UDR, Inc.(ö)	303,742	14,185
VEREIT, Inc.(ö)	744,328	6,878
VICI Properties, Inc.(Ñ)(ö)	239,662	6,123
Weingarten Realty Investors(ö)	129,452	4,044
Welltower, Inc.(ö)	291,884	23,870
Weyerhaeuser Co.(ö)	122,379	3,696
		479,487
Total Common Stocks (cost $741,644)		907,451

See accompanying notes which are an integral part of the financial statements.

Russell Investment Funds
Global Real Estate Securities Fund

Schedule of Investments, continued — December 31, 2019

Amounts in thousands *(except share amounts)*

	Principal Amount ($) or Shares	Fair Value $
Short-Term Investments - 4.0%		
United States - 4.0%		
U.S. Cash Management Fund(@)	37,820,286(∞)	37,832
Total Short-Term Investments		
(cost $37,833)		37,832
Other Securities - 3.1%		
U.S. Cash Collateral Fund(×)(@)	29,944,201(∞)	29,944
Total Other Securities		
(cost $29,944)		29,944
Total Investments 102.5%		
(identified cost $809,421)		975,227
Other Assets and Liabilities, Net - (2.5%)		(23,940)
Net Assets - 100.0%		951,287

See accompanying notes which are an integral part of the financial statements.

Russell Investment Funds
Global Real Estate Securities Fund

Schedule of Investments, continued — December 31, 2019

Restricted Securities

Amounts in thousands *(except share and cost per unit amounts)*

% of Net Assets Securities	Acquisition Date		Principal Amount ($) or shares	Cost per Unit $	Cost (000) $	Fair Value (000) $
0.9%						
ADO Properties SA	07/23/15	EUR	2,522	21.12	53	91
Entra ASA	08/04/15	NOK	216,882	10.97	2,380	3,584
ESR Cayman, Ltd.	11/12/19	HKD	987,400	2.17	2,138	2,230
Instone Real Estate Group AG	03/28/19	EUR	72,518	23.21	1,683	1,794
Tritax EuroBox PLC	07/04/18	GBP	953,426	1.16	1,109	1,199
						8,898

For a description of restricted securities see note 7 in the Notes to Financial Statements.

See accompanying notes which are an integral part of the financial statements.

Russell Investment Funds
Global Real Estate Securities Fund

Schedule of Investments, continued — December 31, 2019

Futures Contracts

Amounts in thousands *(except contract amounts)*

	Number of Contracts		Notional Amount	Expiration Date	Value and Unrealized Appreciation (Depreciation) $
Long Positions					
Dow Jones U.S. Real Estate Index Futures	620	USD	22,785	03/20	530
FTSE/EPRA Europe Index Futures	259	EUR	6,409	03/20	164
Hang Seng Index Futures	14	HKD	19,789	01/20	24
MSCI Singapore Index Futures	43	SGD	1,597	01/20	(1)
S&P/TSX 60 Index Futures	9	CAD	1,822	03/20	2
SPI 200 Index Futures	13	AUD	2,146	03/20	(42)
TOPIX Index Futures	32	JPY	550,720	03/20	—
Total Value and Unrealized Appreciation (Depreciation) on Open Futures Contracts (å)					677

Foreign Currency Exchange Contracts

Amounts in thousands

Counterparty	Amount Sold		Amount Bought		Settlement Date	Unrealized Appreciation (Depreciation) $
Bank of America	USD	74	EUR	66	01/02/20	—
Bank of Montreal	USD	395	AUD	575	03/18/20	10
Bank of Montreal	USD	377	CAD	499	03/18/20	7
Bank of Montreal	USD	1,913	EUR	1,713	03/18/20	17
Bank of Montreal	USD	847	HKD	6,621	03/18/20	3
Bank of Montreal	USD	1,492	JPY	161,126	03/18/20	(3)
Bank of Montreal	USD	375	SGD	509	03/18/20	4
Brown Brothers Harriman	USD	222	AUD	320	03/18/20	3
Brown Brothers Harriman	USD	304	CAD	400	03/18/20	4
Brown Brothers Harriman	USD	713	EUR	640	03/18/20	8
Brown Brothers Harriman	USD	367	HKD	2,860	03/18/20	—
Brown Brothers Harriman	USD	52	JPY	5,707	01/06/20	—
Brown Brothers Harriman	USD	14	JPY	1,506	01/07/20	—
Brown Brothers Harriman	USD	795	JPY	86,480	03/18/20	5
Brown Brothers Harriman	AUD	170	USD	117	03/18/20	(2)
Brown Brothers Harriman	EUR	440	USD	493	03/18/20	(3)
Brown Brothers Harriman	HKD	3,230	USD	415	01/03/20	—
Brown Brothers Harriman	HKD	2,650	USD	339	03/18/20	(1)
Brown Brothers Harriman	JPY	52,630	USD	488	03/18/20	2
Citigroup	USD	395	AUD	575	03/18/20	9
Citigroup	USD	378	CAD	499	03/18/20	6
Citigroup	USD	1,912	EUR	1,713	03/18/20	18
Citigroup	USD	847	HKD	6,621	03/18/20	2
Citigroup	USD	1,492	JPY	161,126	03/18/20	(3)
Citigroup	USD	375	SGD	509	03/18/20	4
Royal Bank of Canada	USD	395	AUD	575	03/18/20	9
Royal Bank of Canada	USD	377	CAD	499	03/18/20	7
Royal Bank of Canada	USD	1,913	EUR	1,713	03/18/20	17
Royal Bank of Canada	USD	847	HKD	6,621	03/18/20	3
Royal Bank of Canada	USD	1,492	JPY	161,126	03/18/20	(3)
Royal Bank of Canada	USD	375	SGD	509	03/18/20	4
Standard Chartered	CAD	200	USD	151	03/18/20	(3)
State Street	USD	15	EUR	13	01/03/20	—
Total Unrealized Appreciation (Depreciation) on Open Foreign Currency Exchange Contracts						124

See accompanying notes which are an integral part of the financial statements.

Russell Investment Funds
Global Real Estate Securities Fund

Schedule of Investments, continued — December 31, 2019

Presentation of Portfolio Holdings

Amounts in thousands

	Fair Value					
Portfolio Summary	**Level 1**	**Level 2**	**Level 3**	**Practical Expedient (a)**	**Total**	**% of Net Assets**
Common Stocks						
Australia	$ —	$ 31,096	$ —	$ —	$ 31,096	3.3
Austria	—	2,224	—	—	2,224	0.2
Belgium	—	7,290	—	—	7,290	0.8
Canada	27,744	—	—	—	27,744	2.9
China	2,531	2,663	—	—	5,194	0.5
France	—	19,382	—	—	19,382	2.0
Germany	—	39,397	—	—	39,397	4.1
Hong Kong	2,230	49,689	—	—	51,919	5.5
Japan	—	107,979	—	—	107,979	11.4
Netherlands	11,522	2,342	—	—	13,864	1.5
Norway	—	3,584	—	—	3,584	0.4
Singapore	—	30,153	—	—	30,153	3.2
Spain	—	9,680	—	—	9,680	1.0
Sweden	—	20,247	—	—	20,247	2.1
Switzerland	—	6,052	—	—	6,052	0.6
United Kingdom	—	52,159	—	—	52,159	5.5
United States	479,487	—	—	—	479,487	50.4
Short-Term Investments	—	—	—	37,832	37,832	4.0
Other Securities	—	—	—	29,944	29,944	3.1
Total Investments	523,514	383,937	—	67,776	975,227	102.5
Other Assets and Liabilities, Net						(2.5)
						100.0
Other Financial Instruments						
Assets						
Futures Contracts	720	—	—	—	720	0.1
Foreign Currency Exchange Contracts	1	141	—	—	142	—*
Liabilities						
Futures Contracts	(43)	—	—	—	(43)	(—)*
Foreign Currency Exchange Contracts	—	(18)	—	—	(18)	(—)*
Total Other Financial Instruments**	$ 678	$ 123	$ —	$ —	$ 801	

* Less than 0.05% of net assets.

** Futures and foreign currency exchange contract values reflect the unrealized appreciation (depreciation) on the investments.

(a) Certain investments that are measured at fair value using the net asset value per share (or its equivalent) practical expedient have not been classified in the fair value levels. The fair value amounts presented in the table are intended to permit reconciliation to the amounts presented in the Schedule of Investments.

For a description of the Levels, see note 2 in the Notes to Financial Statements.

See accompanying notes which are an integral part of the financial statements.

Russell Investment Funds
Global Real Estate Securities Fund

Schedule of Investments, continued — December 31, 2019

For a disclosure on transfers between Levels 1, 2 and 3 during the period ended December 31, 2019, see note 2 in the Notes to Financial Statements.
Investments in which significant unobservable inputs (Level 3) were used in determining a fair value for the period ended December 31, 2019, were less than 1% of net assets.

Amounts in thousands

Property Sector Exposure	Fair Value $
Diversified	305,789
Healthcare	67,551
Industrial	95,441
Lodging/Resorts	23,788
Office	105,163
Residential	167,958
Retail	106,562
Self Storage	35,199
Short-Term Investments	37,832
Other Securities	29,944
Total Investments	975,227

See accompanying notes which are an integral part of the financial statements.

Russell Investment Funds
Global Real Estate Securities Fund

Fair Value of Derivative Instruments — December 31, 2019

Amounts in thousands

Derivatives not accounted for as hedging instruments	Equity Contracts	Foreign Currency Contracts
Location: Statement of Assets and Liabilities - Assets		
Unrealized appreciation on foreign currency exchange contracts	$ —	$ 142
Variation margin on futures contracts*	720	—
Total	$ 720	$ 142
Location: Statement of Assets and Liabilities - Liabilities		
Variation margin on futures contracts*	$ 43	$ —
Unrealized depreciation on foreign currency exchange contracts	—	18
Total	$ 43	$ 18

Derivatives not accounted for as hedging instruments	Equity Contracts	Foreign Currency Contracts
Location: Statement of Operations - Net realized gain (loss)		
Futures contracts	$ 3,826	$ —
Foreign currency exchange contracts	—	(287)
Total	$ 3,826	$ (287)
Location: Statement of Operations - Net change in unrealized appreciation (depreciation)		
Futures contracts	$ 1,610	$ —
Foreign currency exchange contracts	—	97
Total	$ 1,610	$ 97

* Includes cumulative appreciation/depreciation of futures contracts as reported in the Schedule of Investments. Only variation margin is reported within the Statement of Assets and Liabilities.

For further disclosure on derivatives see note 2 in the Notes to Financial Statements.

See accompanying notes which are an integral part of the financial statements.

Russell Investment Funds
Global Real Estate Securities Fund
Balance Sheet Offsetting of Financial and Derivative Instruments — December 31, 2019

Amounts in thousands

Offsetting of Financial Assets and Derivative Assets

Description	Location: Statement of Assets and Liabilities - Assets	Gross Amounts of Recognized Assets	Gross Amounts Offset in the Statement of Assets and Liabilities	Net Amounts of Assets Presented in the Statement of Assets and Liabilities
Securities on Loan*	Investments, at fair value	$ 28,629	$ —	$ 28,629
Foreign Currency Exchange Contracts	Unrealized appreciation on foreign currency exchange contracts	142	—	142
Total Financial and Derivative Assets		28,771	—	28,771
Financial and Derivative Assets not subject to a netting agreement		(1)	—	(1)
Total Financial and Derivative Assets subject to a netting agreement		$ 28,770	$ —	$ 28,770

Financial Assets, Derivative Assets, and Collateral Held by Counterparty

Counterparty	Net Amounts of Assets Presented in the Statement of Assets and Liabilities	Gross Amounts Not Offset in the Statement of Assets and Liabilities: Financial and Derivative Instruments	Gross Amounts Not Offset in the Statement of Assets and Liabilities: Collateral Received^	Net Amount
Bank of Montreal	$ 41	$ 3	$ —	$ 38
Brown Brothers Harriman	21	6	—	15
Citigroup	2,449	3	2,410	36
JPMorgan Chase	3,199	—	3,199	—
Merrill Lynch	19,600	—	19,600	—
Morgan Stanley	3,420	—	3,420	—
Royal Bank of Canada	40	3	—	37
Total	$ 28,770	$ 15	$ 28,629	$ 126

See accompanying notes which are an integral part of the financial statements.

Russell Investment Funds
Global Real Estate Securities Fund
Balance Sheet Offsetting of Financial and Derivative Instruments, continued — December 31, 2019

Amounts in thousands

Offsetting of Financial Liabilities and Derivative Liabilities

Description	Location: Statement of Assets and Liabilities - Liabilities	Gross Amounts of Recognized Liabilities	Gross Amounts Offset in the Statement of Assets and Liabilities	Net Amounts of Liabilities Presented in the Statement of Assets and Liabilities
Foreign Currency Exchange Contracts	Unrealized depreciation on foreign currency exchange contracts	$ 18	$ —	$ 18
Total Financial and Derivative Liabilities		18	—	18
Financial and Derivative Liabilities not subject to a netting agreement		—	—	—
Total Financial and Derivative Liabilities subject to a netting agreement		$ 18	$ —	$ 18

Financial Liabilities, Derivative Liabilities, and Collateral Pledged by Counterparty

Counterparty	Net Amounts of Liabilities Presented in the Statement of Assets and Liabilities	Gross Amounts Not Offset in the Statement of Assets and Liabilities: Financial and Derivative Instruments	Gross Amounts Not Offset in the Statement of Assets and Liabilities: Collateral Pledged^	Net Amount
Bank of Montreal	$ 3	$ 3	$ —	$ —
Brown Brothers Harriman	6	6	—	—
Citigroup	3	3	—	—
Royal Bank of Canada	3	3	—	—
Standard Chartered	3	—	—	3
Total	$ 18	$ 15	$ —	$ 3

* Fair value of securities on loan as reported in the footnotes to the Statement of Assets and Liabilities.

^ Collateral received or pledged amounts may not reconcile to those disclosed in the Statement of Assets and Liabilities due to the inclusion of off-Balance Sheet collateral and adjustments made to exclude overcollateralization.

For further disclosure on derivatives and counterparty risk see note 2 in the Notes to Financial Statements.

See accompanying notes which are an integral part of the financial statements.

Russell Investment Funds
Global Real Estate Securities Fund

Statement of Assets and Liabilities — December 31, 2019

Amounts in thousands

Assets		
Investments, at identified cost	$	809,421
Investments, at fair value(*)(>)		975,227
Foreign currency holdings(^)		1,996
Unrealized appreciation on foreign currency exchange contracts		142
Receivables:		
Dividends and interest		3,103
Dividends from affiliated funds		54
Investments sold		9,361
Fund shares sold		77
Foreign capital gains taxes recoverable		149
From broker(a)		1,273
Variation margin on futures contracts		680
Total assets		992,062
Liabilities		
Payables:		
Due to custodian		4
Investments purchased		9,965
Fund shares redeemed		11
Accrued fees to affiliates		683
Other accrued expenses		150
Unrealized depreciation on foreign currency exchange contracts		18
Payable upon return of securities loaned		29,944
Total liabilities		40,775
Net Assets	$	951,287

See accompanying notes which are an integral part of the financial statements.

Russell Investment Funds
Global Real Estate Securities Fund

Statement of Assets and Liabilities, continued — December 31, 2019

Amounts in thousands

Net Assets Consist of:		
Total distributable earnings (losses)	$	122,690
Shares of beneficial interest		618
Additional paid-in capital		827,979
Net Assets	$	951,287

Net Asset Value, offering and redemption price per share:		
Net asset value per share: (#)	$	15.40
Net assets	$	951,287,321
Shares outstanding ($.01 par value)		61,777,634

Amounts in thousands

(^)	Foreign currency holdings - cost	$	1,978
(*)	Securities on loan included in investments	$	28,629
(>)	Investments in affiliates, U.S. Cash Management Fund and U.S. Cash Collateral Fund	$	67,776
(a)	Receivable from Broker for Futures	$	1,273

(#) Net asset value per share equals net assets divided by shares of beneficial interest outstanding.

See accompanying notes which are an integral part of the financial statements.

Russell Investment Funds
Global Real Estate Securities Fund

Statement of Operations — For the Period Ended December 31, 2019

Amounts in thousands

Investment Income		
Dividends	$	24,794
Dividends from affiliated funds		530
Securities lending income (net)		127
Less foreign taxes withheld		(1,236)
Total investment income		24,215
Expenses		
Advisory fees		7,348
Administrative fees		459
Custodian fees		284
Transfer agent fees		39
Professional fees		125
Trustees' fees		39
Printing fees		119
Miscellaneous		30
Total expenses		8,443
Net investment income (loss)		15,772
Net Realized and Unrealized Gain (Loss)		
Net realized gain (loss) on:		
Investments (net of deferred tax liability for foreign capital gains taxes)		12,183
Investments in affiliated funds		5
Futures contracts		3,826
Foreign currency exchange contracts		(287)
Foreign currency-related transactions		18
Net realized gain (loss)		15,745
Net change in unrealized appreciation (depreciation) on:		
Investments (net of deferred tax liability for foreign capital gains taxes)		141,855
Investments in affiliated funds		(1)
Futures contracts		1,610
Foreign currency exchange contracts		97
Foreign currency-related transactions		46
Net change in unrealized appreciation (depreciation)		143,607
Net realized and unrealized gain (loss)		159,352
Net Increase (Decrease) in Net Assets from Operations	$	175,124

See accompanying notes which are an integral part of the financial statements.

Russell Investment Funds
Global Real Estate Securities Fund

Statements of Changes in Net Assets

Amounts in thousands	For the Periods Ended December 31, 2019	2018
Increase (Decrease) in Net Assets		
Operations		
Net investment income (loss)	$ 15,772	$ 26,548
Net realized gain (loss)	15,745	13,800
Net change in unrealized appreciation (depreciation)	143,607	(90,795)
Net increase (decrease) in net assets from operations	175,124	(50,447)
Distributions		
To shareholders	(46,690)	(40,384)
Net decrease in net assets from distributions	(46,690)	(40,384)
Share Transactions*		
Net increase (decrease) in net assets from share transactions	379	13,851
Total Net Increase (Decrease) in Net Assets	128,813	(76,980)
Net Assets		
Beginning of period	822,474	899,454
End of period	$ 951,287	$ 822,474

* Share transaction amounts (in thousands) for the periods ended December 31, 2019 and December 31, 2018 were as follows:

	2019		2018	
	Shares	Dollars	Shares	Dollars
Proceeds from shares sold	1,024	$ 15,653	1,494	$ 21,338
Proceeds from reinvestment of distributions	3,076	46,690	2,900	40,384
Payments for shares redeemed	(4,086)	(61,964)	(3,345)	(47,871)
Total increase (decrease)	14	$ 379	1,049	$ 13,851

See accompanying notes which are an integral part of the financial statements.

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Russell Investment Funds
Global Real Estate Securities Fund

Financial Highlights — For the Periods Ended

For a Share Outstanding Throughout Each Period.

	$ Net Asset Value, Beginning of Period	$ Net Investment Income (Loss)(a)(b)	$ Net Realized and Unrealized Gain (Loss)	$ Total from Investment Operations	$ Distributions from Net Investment Income	$ Distributions from Net Realized Gain	$ Return of Capital
December 31, 2019	13.32	.26	2.60	2.86	(.78)	—	—
December 31, 2018	14.81	.43	(1.26)	(.83)	(.64)	(.02)	—
December 31, 2017	14.00	.29	1.34	1.63	(.54)	(.28)	—
December 31, 2016	14.71	.31	.13	.44	(.57)	(.46)	(.12)
December 31, 2015	15.63	.29	(.25)	.04	(.25)	(.71)	—

See accompanying notes which are an integral part of the financial statements.

$ Total Distributions	$ Net Asset Value, End of Period	% Total Return(d)	$ Net Assets, End of Period (000)	% Ratio of Expenses to Average Net Assets, Gross	% Ratio of Expenses to Average Net Assets, Net(b)	% Ratio of Net Investment Income to Average Net Assets(b)	% Portfolio Turnover Rate
(.78)	15.40	21.64	951,287	.92	.92	1.72	81
(.66)	13.32	(5.72)	822,474	.92	.92	3.03	78
(.82)	14.81	11.80	899,454	.92	.92	2.09	84
(1.15)	14.00	3.02	800,818	.94	.94	2.06	91
(.96)	14.71	.25	778,091	.93	.93	1.86	64

See accompanying notes which are an integral part of the financial statements.

Russell Investment Funds
Global Real Estate Securities Fund

Related Party Transactions, Fees and Expenses

Accrued fees payable to affiliates for the period ended December 31, 2019 were as follows:

Advisory fees	$ 635,164
Administration fees	39,698
Transfer agent fees	3,494
Trustee fees	4,589
	$ 682,945

Transactions (amounts in thousands) during the period ended December 31, 2019 with Underlying Funds which are, or were, an affiliated company are as follows:

	Fair Value, Beginning of Period	Purchases	Sales	Realized Gain (Loss)	Change in Unrealized Gain (Loss)	Fair Value, End of Period	Income Distributions	Capital Gains Distributions
U.S. Cash Management Fund	$ 18,169	$ 232,910	$ 213,251	$ 5	$ (1)	$ 37,832	$ 530	$ —
U.S. Cash Collateral Fund	2,813	146,702	119,571	—	—	29,944	419	—
	$ 20,982	$ 379,612	$ 332,822	$ 5	$ (1)	$ 67,776	$ 949	$ —

Federal Income Taxes

At December 31, 2019, the cost of investments and net unrealized appreciation (depreciation), undistributed ordinary income and undistributed long-term capital gains for income tax purposes were as follows:

Cost of Investments	Unrealized Appreciation	Unrealized Depreciation	Net Unrealized Appreciation (Depreciation)	Undistributed Ordinary Income	Undistributed Long-Term Capital Gains (Capital Loss Carryforward)
$ 849,652,379	$ 128,917,279	$ (3,424,290)	$ 125,492,989	$ —	$ (1,118,050)

For the fiscal years ended December 31, 2019 and December 31, 2018 respectively, the Fund made the following tax basis distributions:

December 31, 2019			December 31, 2018		
Ordinary Income Distributions	Long-Term Capital Gain Distributions	Return of Capital	Ordinary Income Distributions	Long-Term Capital Gain Distributions	Return of Capital
$ 46,690,134	$ —	$ —	$ 39,290,345	$ 1,093,348	$ —

Net investment income and net realized gains (losses) in the financial statements may differ from taxable net investment income and net realized gains (losses). Capital accounts within the financial statements are adjusted for permanent book-tax differences. Book-tax differences are primarily due to foreign currency gains and losses, reclassifications of dividends, differences in treatment of income from swaps, net operating losses, investments in partnerships, investments in passive foreign investment companies (PFICs), tax straddle transaction, use of tax equalization and foreign capital gains taxes. These adjustments have no impact on the net assets.

At December 31, 2019, Assets and Liabilities have been adjusted by the following amount (in thousands):

Total distributable earnings (losses)	$ 2,191
Additional paid-in capital	(2,191)

See accompanying notes which are an integral part of the financial statements.

Russell Investment Funds

Notes to Schedule of Investments — December 31, 2019

Footnotes:

(Æ) Non-income-producing security.
(ö) Real Estate Investment Trust (REIT).
(§) All or a portion of the shares of this security are pledged as collateral in connection with futures contracts purchased (sold), options written, or swaps entered into by the Fund.
(ž) Rate noted is yield-to-maturity from date of acquisition.
(ç) At amortized cost, which approximates market.
(Ê) Variable, adjustable or floating rate security. Rate shown reflects rate in effect at period end.
(Ï) Forward commitment.
(ƒ) Perpetual floating rate security. Rate shown reflects rate in effect at period end.
(µ) Bond is insured by a guarantor.
(æ) Pre-refunded: These bonds are collateralized by U.S. Treasury securities, which are held in escrow by a trustee and used to pay principal and interest in the tax-exempt issue and to retire the bonds in full at the earliest refunding date.
(Ø) In default.
(x) The security is purchased with the cash collateral from the securities loaned.
(Ñ) All or a portion of the shares of this security are on loan.
(~) Rate fluctuates based on various factors such as changes in current rates and prepayments of the underlying assets, changes in the CPI or other contractual arrangements.
(ì) All or a portion of the shares of this security are pledged as collateral in connection with options written contracts.
(¢) Date shown reflects next contractual call date.
(Þ) Restricted security. Security may have contractual restrictions on resale, may have been offered in a private placement transaction, and may not be registered under the Securities Act of 1933. See Note 7.
(ÿ) Notional Amount in thousands.
(Š) Value was determined using significant unobservable inputs.
(@) Affiliate.
(Ÿ) Rate noted is dividend yield at period end.
(å) Currency balances were pledged in connection with futures contracts purchased (sold), options written, or swaps entered into by the Fund. See Note 2.
(∞) Unrounded units.
(v) Loan agreement still pending. Rate not available at period end.
(Û) All or a portion of the shares of this security are pledged as collateral in connection with securities sold short.
(Ð) All or a portion of the shares of this security are on loan through the reciprocal lending program with State Street. See note 2 in the Notes to the Financial Statements.
(1) Weekly payment frequency.
(2) Quarterly payment frequency.
(3) Semi-annual payment frequency.
(4) Annual payment frequency.
(5) Payment at termination.

Abbreviations:

ADR - American Depositary Receipt
ADS - American Depositary Share
BBR - Bank Bill Rate
BBSW - Bank Bill Swap Reference Rate
BUBOR – Budapest Interbank Offered Rate
CIBOR - Copenhagen Interbank Offered Rate
CME - Chicago Mercantile Exchange
CMO - Collateralized Mortgage Obligation
CVO - Contingent Value Obligation
EMU - European Economic and Monetary Union
EURIBOR - Euro Interbank Offered Rate
FDIC - Federal Deposit Insurance Company
GDR - Global Depositary Receipt
GDS - Global Depositary Share
GSCI – Goldman Sachs Commodity Index
HIBOR – Hong Kong Interbank Offer Rate

JIBAR – Johannesburg Interbank Agreed Rate
KSDA – Korean Securities Dealers Association
LIBOR - London Interbank Offered Rate
MIBOR - Mumbai Interbank Offered Rate
NIBOR - Norwegian Interbank Offered Rate
PIK - Payment in Kind
PRIBOR – Prague Interbank Offered Rate
REMIC - Real Estate Mortgage Investment Conduit
STIBOR – Stockholm Interbank Offered Rate
STRIP - Separate Trading of Registered Interest and Principal of Securities
SFE - Sydney Futures Exchange
TBA - To Be Announced Security
UK - United Kingdom
WTI – West Texas Intermediate

Foreign Currency Abbreviations:

ARS - Argentine peso
AUD - Australian dollar
BRL - Brazilian real
CAD - Canadian dollar
CHF - Swiss franc
CLP - Chilean peso
CNH – Chinese offshore spot
CNY - Chinese renminbi yuan
COP - Colombian peso
CRC - Costa Rican colon
CZK - Czech koruna
DKK - Danish krone
DOP - Dominican peso
EGP - Egyptian pound
EUR - Euro
GBP - British pound sterling
GHS – Ghanaian Cedi
HKD - Hong Kong dollar
HUF - Hungarian forint
IDR - Indonesian rupiah
ILS - Israeli shekel
INR - Indian rupee
ISK - Icelandic krona
ITL - Italian lira
JPY - Japanese yen
KES - Kenyan schilling
KRW - South Korean won
MXN - Mexican peso
MYR - Malaysian ringgit
NOK - Norwegian krone
NGN – Nigerian naira
NZD - New Zealand dollar
PEN - Peruvian nuevo sol
PHP - Philippine peso
PKR - Pakistani rupee
PLN - Polish zloty
RON – Romanian New Leu
RUB - Russian ruble
SEK - Swedish krona
SGD - Singapore dollar
SKK - Slovakian koruna
THB - Thai baht
TRY - Turkish lira
TWD - Taiwanese dollar
USD - United States dollar
UYU – Uruguayan peso
VEB - Venezuelan bolivar
VND - Vietnamese dong
ZAR - South African rand

Russell Investment Funds

Notes to Financial Highlights — December 31, 2019

(a) Average daily shares outstanding were used for this calculation.
(b) May reflect amounts waived and/or reimbursed by Russell Investment Management, LLC ("RIM").
(c) Less than $.01 per share.
(d) The total return does not reflect any Insurance Company Separate Account or Policy Charges.
(e) Gross and Net Expense Ratios for the period ended December 31, 2016 include a reimbursement from State Street for the overbilling of custody expenses in prior years. Without the reimbursement, the expense ratios would have been higher by the amount listed below.

Fund	Impact of the fee reimbursement on gross and net expense ratios
U.S. Strategic Equity Fund	0.01%
U.S. Small Cap Equity Fund	0.01%
International Developed Markets Fund	0.05%

See accompanying notes which are an integral part of the financial statements.

Russell Investment Funds

Notes to Financial Statements — December 31, 2019

1. Organization

Russell Investment Funds (the "Investment Company" or "RIF") is a series investment company with nine different investment portfolios referred to as funds (each a "Fund" and collectively the "Funds"). These financial statements report on five of these Funds. The Investment Company provides the investment base for one or more variable insurance products issued by one or more insurance companies. These Funds are offered at net asset value ("NAV") to qualified insurance company separate accounts offering variable insurance products. The Investment Company is registered under the Investment Company Act of 1940, as amended ("Investment Company Act"), as an open-end management investment company. It is organized and operated as a Massachusetts business trust under a Second Amended and Restated Master Trust Agreement dated March 1, 2018, as amended ("Master Trust Agreement"), and the provisions of Massachusetts law governing the operation of a Massachusetts business trust. The Investment Company's Master Trust Agreement permits the Board of Trustees (the "Board") to issue an unlimited number of shares of beneficial interest. Each of the Funds is diversified. Under the Investment Company Act, a diversified company is defined as a management company which meets the following requirements: at least 75% of the value of its total assets is represented by cash and cash equivalents (including receivables), government securities, securities of other investment companies, and other securities for the purposes of this calculation limited in respect of any one issuer to an amount not greater in value than five percent of the value of the total assets of such management company and to not more than 10% of the outstanding voting securities of such issuer.

2. Significant Accounting Policies

The Funds' financial statements are prepared in accordance with U.S. generally accepted accounting principles ("U.S. GAAP") which require the use of management estimates and assumptions at the date of the financial statements. Actual results could differ from those estimates. The Funds are considered investment companies under U.S. GAAP and follow the accounting and reporting guidance applicable to investment companies. The following is a summary of the significant accounting policies consistently followed by each Fund in the preparation of its financial statements.

In August 2018, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) No. 2018-13, Fair Value Measurement (Topic 820): Disclosure Framework - Changes to the Disclosure Requirements for Fair Value Measurements. The amendments in the ASU modify the disclosure requirements on fair value measurements in Topic 820. The ASU is effective for interim and annual reporting periods beginning after December 15, 2019. Management has evaluated the impact and believes the adoption of this ASU will not have a material impact on financial statements.

In March 2017, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) No. 2017-08, Receivables - Nonrefundable Fees and Other Costs (Subtopic 310-20) - Premium Amortization on Purchased Callable Debt Securities. The amendments in this update shorten the amortization period for certain callable debt securities held at a premium. Management has adopted the ASU and there was no material impact to the financial statements.

Security Valuation

The Funds value portfolio securities according to Board-approved securities valuation procedures which include market and fair value procedures. The Board has delegated the responsibility for administration of the securities valuation procedures to Russell Investments Fund Services, LLC ("RIFUS").

U.S. GAAP defines fair value as the price that a Fund would receive to sell an asset or pay to transfer a liability in an orderly transaction between market participants at the measurement date. It establishes a fair value hierarchy that prioritizes inputs to valuation methods and requires a separate disclosure of the fair value hierarchy for each major category of assets and liabilities, that segregates fair value measurements into levels (Level 1, 2, and 3). The inputs or methodology used for valuing securities are not necessarily an indication of the risk associated with investing in those securities. Levels 1, 2 and 3 of the fair value hierarchy are defined as follows:

- Level 1 — Quoted prices (unadjusted) in active markets or exchanges for identical assets and liabilities.
- Level 2 — Inputs other than quoted prices included within Level 1 that are observable, which may include, but are not limited to, quoted prices for similar assets or liabilities in markets that are active, quoted prices for identical or similar assets or liabilities in markets that are not active, and inputs such as interest rates, yield curves, implied volatilities, credit spreads or other market corroborated inputs.
- Level 3 — Significant unobservable inputs based on the best information available in the circumstances, to the extent observable inputs are not available, which may include assumptions made by RIFUS, acting at the discretion of the Board, that are used in determining the fair value of investments.

The availability of observable inputs can vary from security to security and is affected by a wide variety of factors, including, for example, the type of security, whether the security is new and not yet established in the marketplace, the liquidity of markets, and other characteristics particular to the security. To the extent that valuation is based on models or inputs that are less observable or unobservable in the market, the determination of fair value requires more judgement. Accordingly, the degree of judgement exercised in determining fair value is greatest for instruments categorized in Level 3. The inputs or methodology used for valuing securities are not necessarily an indication of the risk associated with investing in those securities.

The inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, for disclosure purposes, the level in the fair value hierarchy within which the fair value measurement falls is determined based on the lowest level input that is significant to the fair value measurement in its entirety.

The valuation techniques and significant inputs used in determining the fair market values of financial instruments categorized as Level 1 and Level 2 of the fair value hierarchy are as follows:

Equity securities, including common and preferred stock, short securities, ETFs and restricted securities that are traded on a national securities exchange (or reported on the NASDAQ national market), are stated at the last reported sales price on the day of valuation or official closing price, as applicable. To the extent these securities are actively traded, and valuation adjustments are not applied, they are categorized as Level 1 of the fair value hierarchy. Preferred stock and other equities traded on inactive markets or valued by reference to similar instruments are categorized as Level 2 of the fair value hierarchy. Certain foreign equity securities may be fair valued using a pricing service that considers the correlation of the trading patterns of the foreign security to the intraday trading in the U.S. markets for investments such as American Depositary Receipts, financial futures, exchange-traded funds, and the movement of certain indexes of securities, based on the statistical analysis of historical relationships. Foreign equity securities prices as described above are categorized as Level 2 of the fair value hierarchy.

Fixed income securities including corporate, convertible, U.S. government agency, municipal bonds and notes, U.S. treasury obligations, sovereign issues, bank loans, bank notes and non-U.S. bonds are normally valued by pricing service providers that use broker dealer quotations or valuation estimates from their internal pricing models. The pricing service providers' internal models use inputs that are observable such as issuer details, interest rates, yield curves, prepayment speeds, credit risks/spreads and default rates. Such fixed income securities that use pricing service internal models as described above are categorized as Level 2 of the fair value hierarchy. Such fixed income securities that use broker dealer quotations are categorized as Level 3 of the fair value hierarchy.

Fixed income securities purchased on a delayed-delivery basis and marked-to-market daily until settlement at the forward settlement date are categorized as Level 2 of the fair value hierarchy.

Mortgage and asset-backed securities are usually issued as separate tranches, or classes, of securities within each deal. These securities are also normally valued by pricing service providers that use broker dealer quotations or valuation estimates from their internal pricing models. The pricing models for these securities usually consider tranche-level attributes, including estimated cash flows of each tranche, market-based yield spreads for each tranche, and current market data, as well as incorporate deal collateral performance, as available. Mortgage and asset-backed securities that use these and similar valuation techniques and inputs as described above are categorized as Level 2 of the fair value hierarchy.

Investments in investment funds that are not traded on a national securities exchange will be valued based upon the NAV of such investments. The Funds have adopted the authoritative guidance under U.S. GAAP for estimating the fair value of investments in funds that have calculated NAV per share in accordance with the specialized accounting guidance for investment companies. Accordingly, the Funds estimate the fair value of an investment in a fund using the NAV per share without further adjustment as a practical expedient, if the NAV per share of the investment is determined in accordance with the specialized accounting guidance for investment companies as of the reporting entity's measurement date.

Short-term investments having a maturity of 60 days or less are generally valued at amortized cost, which approximates fair market value. These investments are categorized as Level 2 of the fair value hierarchy.

Derivative instruments are instruments such as foreign currency contracts, futures contracts, options contracts, or swap agreements that derive their value from underlying asset prices, indices, reference rates, and other inputs or a combination of these factors. Derivatives may be classified into two groups depending upon the way that they are traded: privately traded over-the-counter ("OTC") derivatives that do not go through an exchange or intermediary and exchange-traded derivatives that are traded through specialized derivatives exchanges or other regulated exchanges. OTC derivatives are normally valued on the basis of broker dealer quotations or pricing service providers. Depending on the product and the terms of the transaction, the value of the derivative

instrument can be estimated by a pricing service provider using a series of techniques, including simulation pricing models. The pricing models use inputs that are observed from actively quoted markets such as issuer details, indices, spreads, interest rates, yield curves, dividends and exchange rates. OTC derivatives that use these and similar valuation techniques and inputs as described above are categorized as Level 2 of the fair value hierarchy, with the exception of foreign currency spot contracts which are categorized as Level 1 of the fair value hierarchy. OTC derivatives that use broker dealer quotations are categorized as level 3 of the fair value hierarchy. Exchange-traded derivatives are valued based on the last reported sales price on the day of valuation and are categorized as Level 1 of the fair value hierarchy.

Centrally cleared swaps listed or traded on a multilateral or trade facility platform, such as a registered exchange, are valued at the daily settlement price determined by the respective exchange. For centrally cleared credit default swaps, the clearing facility requires its members to provide actionable levels across complete term structures. These levels along with external third-party prices are used to produce daily settlement prices. These securities are categorized as Level 2 of the fair value hierarchy. Centrally cleared interest rate swaps are valued using a pricing model that references the underlying rates including the Overnight Index Swap ("OIS") rate and London Interbank Offered Rate ("LIBOR") forward rate to produce the daily settlement price. These securities are categorized as Level 2 of the fair value hierarchy.

Events or circumstances affecting the values of Fund securities that occur between the closing of the principal markets on which they trade and the time the NAV of Fund shares is determined may be reflected in the calculation of NAV for each applicable Fund when the Fund deems that the particular event or circumstance would materially affect such Fund's NAV. Funds that invest primarily in frequently traded exchange-listed securities will use fair value pricing in limited circumstances since reliable market quotations will often be readily available. Funds that invest in foreign securities use fair value pricing daily as events may occur between the close of foreign markets and the time of pricing. Although there are observable inputs assigned on a security level, prices are derived from factors using proprietary models or matrix pricing. For this reason, fair value factors will cause movement between Levels 1 and 2. Significant events that could trigger fair value pricing of one or more securities include: a company development such as a material business development; a natural disaster or emergency situation; or an armed conflict.

The NAV of a Fund's portfolio that includes foreign securities may change on days when shareholders will not be able to purchase or redeem Fund shares, since foreign securities can trade on non-business days.

For movements between the levels within the fair value hierarchy, the Funds have adopted a policy of recognizing the transfers as of period end.

The U.S. Strategic Equity, U.S. Small Cap Equity, International Developed Markets and Global Real Estate Securities Funds had no transfers between Levels 1, 2, and 3 for the period ended December 31, 2019.

The Strategic Bond Fund had transfers out of Level 3 into Level 2 representing financial instruments for which approved pricing became available. The amount transferred was $68,895.

Level 3 Fair Value Investments

The valuation techniques and significant inputs used in determining the fair values of financial instruments classified as Level 3 of the fair value hierarchy are as follows:

Securities and other assets for which market quotes are not readily available, or are not reliable, are valued at fair value as determined in good faith by RIFUS and are categorized as Level 3 of the fair value hierarchy. Market quotes are considered not readily available in circumstances where there is an absence of current or reliable market-based data (e.g., trade information or broker quotes). When RIFUS applies fair valuation methods that use significant unobservable inputs to determine a Fund's NAV, securities will not be priced on the basis of quotes from the primary market in which they are traded, but instead may be priced by another method that RIFUS believes accurately reflects fair value and will be categorized as Level 3 of the fair value hierarchy. Fair value pricing may require subjective determinations about the value of a security. While the securities valuation procedures are intended to result in a calculation of a Fund's NAV that fairly reflects security values as of the time of pricing, the process cannot guarantee that fair values determined by RIFUS would accurately reflect the price that a Fund could obtain for a security if it were to dispose of that security as of the time of pricing (for instance, in a forced or distressed sale). The prices used by a Fund may differ from the value that would be realized if the security was sold.

RIFUS employs third-party pricing vendors to provide fair value measurements. RIFUS oversees third-party pricing service providers in order to support the valuation process throughout the year.

The significant unobservable inputs used in fair value measurement of certain of the Funds' private equity securities include market data of comparable public companies, discount rates, EBITDA multiples, and future projected cash flows for the portfolio company. These inputs are utilized in valuation models that are based on market analysis and discounted cash flow methodologies. Significant increases or decreases in the unobservable inputs would have a direct and proportional impact to fair value.

The significant unobservable input used in the fair value measurement of certain Funds' debt securities is the yield to worst ratio. Significant increases (decreases) in the yield to worst ratio would result in a lower (higher) fair value measurement.

These significant unobservable inputs are further disclosed in the Presentation of Portfolio Holdings for each respective Fund as applicable.

If third-party evaluated vendor pricing is neither available nor deemed to be indicative of fair value, RIFUS may elect to obtain indicative market quotations ("broker quotes") directly from the broker or passed through from a third-party vendor. In the event that the source of fair value is from a single source broker quote, these securities are classified as Level 3 per the fair value hierarchy. Broker quotes are typically received from established market participants. Although independently received on a daily basis, RIFUS does not have the transparency to view the underlying inputs which support the broker quotes. Significant changes in the broker quote would have direct and proportional changes in the fair value of the security. There is a third-party pricing exception to the quantitative disclosure requirement when prices are not determined by the reporting entity. RIFUS is exercising this exception and has made a reasonable attempt to obtain quantitative information from the third-party pricing vendors regarding the unobservable inputs used.

For fair valuations using significant unobservable inputs, U.S. GAAP requires a reconciliation of the beginning to ending balances for reported fair values that present changes attributable to total realized and unrealized gains or losses, purchases and sales, and transfers in/out of the Level 3 category during the period. Additionally, U.S. GAAP requires quantitative information regarding the significant unobservable inputs used in the determination of fair value of assets categorized as Level 3 in the fair value hierarchy. In accordance with the requirements of U.S. GAAP, a fair value hierarchy, a Level 3 reconciliation and an additional disclosure about fair value measurements, if any, has been included in the Presentation of Portfolio Holdings for each respective Fund.

Investment Transactions

Investment transactions are reflected as of the trade date for financial reporting purposes. This may cause the NAV stated in the financial statements to be different from the NAV at which shareholders may transact. Realized gains and losses from securities transactions, if applicable, are recorded on the basis of specific identified cost.

Investment Income

Dividend income is recorded net of applicable withholding taxes on the ex-dividend date, except that certain dividends from foreign securities are recorded as soon as the Funds are informed of the dividend, subsequent to the ex-dividend date. To the extent the dividend represents a return of capital or capital gain for tax purposes, reclassifications are made which may be based on management's estimates. Interest income is recorded daily on the accrual basis. The Strategic Bond Fund classifies gains and losses realized on prepayments received on mortgage-backed securities as an adjustment to interest income. All premiums and discounts, including original issue discounts, are amortized/ accreted using the effective interest method. Debt obligation securities may be placed in a non-accrual status and related interest income may be reduced by stopping current accruals and writing off interest receivable when the collection of all or a portion of interest has become doubtful.

Federal Income Taxes

Since the Investment Company is a Massachusetts business trust, each Fund is a separate corporate taxpayer and determines its net investment income and capital gains (or losses) and the amounts to be distributed to each Fund's shareholders without regard to the income and capital gains (or losses) of the other Funds.

For each year, each Fund intends to qualify or continue to qualify as a regulated investment company under Subchapter M of the Internal Revenue Code of 1986, as amended (the "Code") and intends to distribute all of its taxable income and capital gains. Therefore, no federal income tax provision is required for the Funds.

The Funds comply with the authoritative guidance for uncertainty in income taxes which requires management to determine whether a tax position of the Funds is more likely than not to be sustained upon examination, including resolution of any related appeals or litigation processes, based on the technical merits of the position. For tax positions meeting the more likely than not threshold, the tax amount recognized in the financial statements is reduced by the largest benefit that has a greater than 50% likelihood of being

realized upon ultimate settlement with the relevant taxing authority. Management determined that no accruals need to be made in the financial statements due to uncertain tax positions. Management continually reviews and adjusts the Funds' liability for income taxes based on analyses of tax laws and regulations, as well as their interpretations, and other relevant factors.

Each Fund files a U.S. tax return. At December 31, 2019, the Funds had recorded no liabilities for net unrecognized tax benefits relating to uncertain income tax positions they have taken or expect to take in future tax returns. While the statute of limitations remains open to examine the Funds' U.S. tax returns filed for the fiscal years ended December 31, 2016 through December 31, 2018, no examinations are in progress or anticipated at this time. The Funds are not aware of any tax positions for which it is reasonably possible that the total amounts of unrecognized tax benefits will significantly change in the next twelve months.

Dividends and Distributions to Shareholders

For all Funds, income, capital gain distributions and return of capital, if any, are recorded on the ex-dividend date. Income distributions are generally declared and paid according to the following schedule:

Declared	Payable	Funds
Quarterly	April, July, October and mid-December	U.S. Strategic Equity, U.S. Small Cap Equity, Strategic Bond and Global Real Estate Securities Funds
Annually	Mid-December	International Developed Markets Fund

The Funds intend to distribute substantially all of the distributions they receive from real estate investment trust ("REIT") investments, less expenses, as well as income from other investments. Such distributions may be comprised of income, return of capital, and capital gains. The Funds may also realize capital gains on the sale of its REIT shares and other investments.

Capital gain distributions are generally declared and paid annually. An additional distribution may be paid by the Funds to avoid imposition of federal income and excise tax on any remaining undistributed capital gains and net investment income.

The timing and characterization of certain income and capital gain distributions are determined in accordance with federal tax regulations which may differ from U.S. GAAP. As a result, net investment income and net realized gain (or loss) on investments and foreign currency-related transactions for a reporting period may differ significantly from distributions during such period. The differences between tax regulations and U.S. GAAP primarily relate to investments in options, futures, forward contracts, swap contracts, passive foreign investment companies, foreign-denominated investments, mortgage-backed securities, certain securities sold at a loss, wash sale deferrals and capital loss carryforwards. Accordingly, the Funds may periodically make reclassifications among certain of their capital accounts without impacting their NAVs.

Expenses

The Funds pay their own expenses other than those expressly assumed by Russell Investment Management, LLC ("RIM"), the Funds' adviser, or RIFUS. Most expenses can be directly attributed to the individual Funds. Expenses which cannot be directly attributed to a specific Fund are allocated among all Funds principally based on their relative net assets.

Foreign Currency Translations

The books and records of the Funds are maintained in U.S. dollars. Foreign currency amounts and transactions of the Funds are translated into U.S. dollars on the following basis:

(a) Fair value of investment securities, other assets and liabilities at the closing rate of exchange on the valuation date.

(b) Purchases and sales of investment securities and income at the closing rate of exchange prevailing on the respective trade dates of such transactions.

Net realized gains or losses from foreign currency-related transactions arise from: sales and maturities of short-term securities; sales of foreign currencies; currency gains or losses realized between the trade and settlement dates on securities transactions; the difference between the amounts of dividends, interest, and foreign withholding taxes recorded on the Funds' books and the U.S. dollar equivalent of the amounts actually received or paid. Net unrealized gains or losses from foreign currency-related transactions arise from changes in the value of assets and liabilities, other than investments in securities, as a result of changes in the exchange rates.

The Funds do not isolate that portion of the results of operations of the Funds that arises as a result of changes in exchange rates from that portion that arises from changes in market prices of investments during the year. Such fluctuations are included with the net realized and unrealized gain or loss from investments. However, for federal income tax purposes, the Funds do isolate the effects

of changes in foreign exchange rates from the fluctuations arising from changes in market prices for realized gain (or loss) on debt obligations.

Capital Gains Taxes

The Funds may be subject to capital gains taxes and repatriation taxes imposed by certain countries in which they invest. The International Developed Markets and Global Real Estate Securities Funds may record a deferred capital gains tax liability with respect to the unrealized appreciation on foreign securities for potential capital gains and repatriation taxes at December 31, 2019. The accrual for capital gains and repatriation taxes is included in net unrealized appreciation (depreciation) on investments in the Statements of Assets and Liabilities. The amounts related to capital gains and repatriation taxes are included in net realized gain (loss) on investments in the Statements of Operations for the following Funds:

	Deferred Capital Gains Tax Liability	Capital Gains Taxes
International Developed Markets Fund	$ 5,779	$ 1,194
Strategic Bond Fund	11,792	—

Derivatives

The Funds may invest in derivatives. Derivatives are instruments or agreements whose value is derived from an underlying security or index. They include options, futures, swaps and forwards. These instruments offer unique characteristics and risks that facilitate the Funds' investment strategies.

The Funds typically use derivatives in three ways: exposing cash to markets, hedging and return enhancement. In addition, certain Funds may enter into foreign exchange contracts for trade settlement purposes. The Funds may pursue their strategy of being fully invested by exposing cash to the performance of appropriate markets by purchasing securities and/or derivatives. This is intended to cause the Funds to perform as though cash were actually invested in those markets.

Hedging may be used by certain Funds to limit or control risks, such as adverse movements in exchange rates and interest rates. Return enhancement can be accomplished through the use of derivatives in a Fund, including using derivatives as a substitute for holding physical securities, and using them to express various macro views (e.g., interest rate movements, currency movements, and macro credit strategies). By purchasing certain instruments, the Funds may more effectively achieve the desired portfolio characteristics that assist them in meeting their investment objectives. Depending on how the derivatives are structured and utilized, the risks associated with them may vary widely. These risks include, but are not limited to, market risk, liquidity risk, leveraging risk, counterparty risk, basis risk, reinvestment risk, political risk, prepayment risk, extension risk, valuation risk and credit risk.

Futures, certain options and cleared swaps are traded or cleared on an exchange or central exchange clearing house. Exchange-traded or exchange-cleared transactions generally present less counterparty risk to a Fund. The exchange's clearing house stands between the Fund and the broker to the contract and therefore, credit risk is generally limited to the failure of the clearing house and the clearing member. Cleared swap contracts are subject to clearing house rules, including initial and variation margin requirement, daily settlement of obligations and the clearing house guarantee of payments to the broker. There is, however, still counterparty risk due to the insolvency of the broker with respect to any margin held in the brokers' customer accounts. While clearing members are required to segregate customer assets from their own assets, in the event of insolvency, there may be a shortfall in the amount of margin held by the broker for its clients. Collateral and margin requirements for exchange-traded or exchange-cleared derivatives are established through regulation, as well as set by the broker or applicable clearing house. Margin for exchange-traded and exchange-cleared transactions are detailed in the Statement of Assets and Liabilities as Receivables for Variation margin on future contracts and Payables for Variation margin on futures contracts. Securities and cash pledged as collateral are reflected as assets on the Statements of Assets and Liabilities as either a component of Investments at fair value (securities) or Receivable from broker. Cash collateral received is not typically held in a segregated account and as such is reflected as a liability on the Statement of Assets and Liabilities as Due to broker. Typically, the Funds and counterparties are not permitted to sell, repledge, rehypothecate or otherwise use collateral pledged by the other party unless explicitly permitted by each respective governing agreement.

In addition, proposed regulatory changes by the Securities and Exchange Commission ("SEC") relating to a mutual fund's use of derivatives could potentially limit or impact the Funds' ability to invest in derivatives and adversely affect the value or performance of the Funds or their derivative investments.

The effects of derivative instruments, categorized by risk exposure, on the Statement of Assets and Liabilities and the Statement of Operations, for the period ended December 31, 2019, if applicable, are disclosed in the Fair Value of Derivative Instruments table following each applicable Fund's Schedule of Investments.

Foreign Currency Exchange Contracts

Certain Funds may enter into foreign currency exchange spot contracts and forward foreign currency exchange contracts ("FX contracts"). From time to time, certain Funds may enter into FX contracts to hedge certain foreign currency-denominated assets. FX contracts are recorded at fair value. Certain risks may arise upon entering into these FX contracts from the potential inability of counterparties to meet the terms of their FX contracts and are generally limited to the amount of unrealized gain on the FX contracts, if any, that are disclosed in the Statements of Assets and Liabilities.

For the period ended December 31, 2019, the following Funds entered into foreign currency exchange contracts primarily for the strategies listed below:

Funds	Strategies
International Developed Markets Fund	Return enhancement, hedging, exposing cash to markets, and trade settlement
Strategic Bond Fund	Return enhancement and hedging
Global Real Estate Securities Fund	Exposing cash to markets and trade settlement

The Funds' foreign currency contract notional dollar values outstanding fluctuate throughout the fiscal year as required to meet strategic requirements. The following tables illustrate the quarterly volume of foreign currency contracts. For the purpose of this disclosure, volume is measured by the amounts bought and sold in USD.

	Outstanding Contract Amounts Sold			
Quarter Ended	March 31, 2019	June 30, 2019	September 30, 2019	December 31, 2019
International Developed Markets Fund	$ 166,952,447	$ 108,530,104	$ 68,435,457	$ 68,753,406
Strategic Bond Fund	276,761,776	346,905,191	406,773,970	303,162,633
Global Real Estate Securities Fund	13,077,807	9,690,876	29,934,621	20,756,946

	Outstanding Contract Amounts Bought			
Quarter Ended	March 31, 2019	June 30, 2019	September 30, 2019	December 31, 2019
International Developed Markets Fund	$ 166,988,286	$ 108,684,111	$ 67,845,339	$ 69,080,121
Strategic Bond Fund	281,153,505	338,223,071	407,769,462	302,932,646
Global Real Estate Securities Fund	13,018,690	9,698,703	29,658,735	20,831,583

Options

Certain Funds may purchase and sell (write) call and put options on securities and securities indices. Such options are traded on a national securities exchange or in an OTC market. The Funds may also purchase and sell (write) call and put options on foreign currencies.

When a Fund writes a covered call or a put option, an amount equal to the premium received by the Fund is included in the Fund's Statement of Assets and Liabilities as an asset and as an equivalent liability. The amount of the liability is subsequently marked-to-market to reflect the current fair value of the option written. The Fund receives a premium on the sale of a call option but gives up the opportunity to profit from any increase in the value of the underlying instrument above the exercise price of the option, and when the Fund writes a put option it is exposed to a decline in the price of the underlying instrument.

When a Fund sells an uncovered call option, it does not simultaneously have a long position in the underlying security. When a Fund sells an uncovered put option, it does not simultaneously have a short position in the underlying security. Uncovered options are riskier than covered options because there is no underlying security held by the Fund that can act as a partial hedge.

Whether an option which the Fund has written expires on its stipulated expiration date or the Fund enters into a closing purchase transaction, the Fund realizes a gain (or loss, if the cost of a closing purchase transaction exceeds the premium received when the option was sold) without regard to any unrealized gain or loss on the underlying security, and the liability related to such option is extinguished. If a call option which the Fund has written is exercised, the Fund realizes a capital gain or loss from the sale of the underlying security, and the proceeds from such sale are increased by the premium originally received. When a put option which a Fund has written is exercised, the amount of the premium originally received will reduce the cost of the security which a Fund purchases upon exercise of the option.

The Funds' use of written options involves, to varying degrees, elements of market risk in excess of the amount recognized in the Statements of Assets and Liabilities. The face or contract amounts of these instruments reflect the extent of the Funds' exposure to market risk. The risks may be caused by an imperfect correlation between movements in the price of the instrument and the price of the underlying securities and interest rates.

Certain Funds may enter into a swaption (an option on a swap). In a swaption, in exchange for an option, the buyer gains the right but not the obligation to enter into a specified swap agreement with the issuer on a specified future date. The writer of the contract receives the premium and bears the risk of unfavorable changes in the preset rate on the underlying swap.

For the period ended December 31, 2019, the Strategic Bond Fund purchased/sold options primarily for return enhancement and hedging.

The Strategic Bond Fund's options contracts notional amounts fluctuate throughout the fiscal year as required to meet strategic requirements. The following table illustrates the quarterly volume of options contracts measured by notional in USD.

	Notional of Options Contracts Outstanding			
Funds	March 31, 2019	June 30, 2019	September 30, 2019	December 31, 2019
Strategic Bond Fund	$ 16,412,750	$ 58,192,750	$ 47,490,500	$ 26,562,750

Futures Contracts

The Funds may invest in futures contracts (i.e., interest rate, foreign currency and index futures contracts).The face or contract value of these instruments reflect the extent of the Funds' exposure to off balance sheet risk. The primary risks associated with the use of futures contracts are an imperfect correlation between the change in fair value of the securities held by the Funds and the prices of futures contracts, and the possibility of an illiquid market. Upon entering into a futures contract, the Funds are required to deposit with a broker an amount, termed the initial margin, which typically represents 5% to 10% of the purchase price indicated in the futures contract. Payments to and from the broker, known as variation margin, are typically required to be made on a daily basis as the price of the futures contract fluctuates. Changes in initial settlement value are accounted for as unrealized appreciation (depreciation) until the contracts are terminated, at which time realized gains and losses are recognized.

For the period ended December 31, 2019, the following Funds entered into futures contracts primarily for the strategies listed below:

Funds	Strategies
U.S. Strategic Equity Fund	Exposing cash to markets
U.S. Small Cap Equity Fund	Exposing cash to markets
International Developed Markets Fund	Return enhancement, hedging and exposing cash to markets
Strategic Bond Fund	Return enhancement, hedging and exposing cash to markets
Global Real Estate Securities Fund	Exposing cash to markets

The Funds' futures contracts notional amounts fluctuate throughout the fiscal year as required to meet strategic requirements. The following table illustrates the quarterly volume of futures contracts measured by notional in USD.

	Notional of Futures Contracts Outstanding			
Funds	March 31, 2019	June 30, 2019	September 30, 2019	December 31, 2019
U.S. Strategic Equity Fund	$ 6,243,160	$ 7,066,080	$ 1,936,025	$ 8,885,525
U.S. Small Cap Equity Fund	2,006,940	7,600,435	5,185,000	8,102,410
International Developed Markets Fund	118,377,117	112,050,501	109,639,209	114,067,224
Strategic Bond Fund	584,543,689	679,752,543	775,144,815	884,234,682
Global Real Estate Securities Fund	21,319,343	18,589,439	47,941,057	41,679,030

Swap Agreements

Certain Funds may enter into swap agreements, on either an asset-based or liability-based basis, depending on whether they are hedging their assets or their liabilities, and will usually enter into swaps on a net basis (i.e., the two payment streams are netted out, with the Funds receiving or paying only the net amount of the two payments). When a Fund engages in a swap, it exchanges its obligations to pay or rights to receive payments for the obligations to pay or rights to receive payments of another party (i.e., an exchange of floating rate payments for fixed rate payments).

Certain Funds may enter into several different types of swap agreements including credit default, interest rate, total return (equity and/or index) and currency swaps. Credit default swaps are a counterparty agreement which allows the transfer of third-party credit

risk (the possibility that an issuer will default on its obligation by failing to pay principal or interest in a timely manner) from one party to another. The lender faces the credit risk from a third-party and the counterparty in the swap agrees to insure this risk in exchange for regular periodic payments. Interest rate swaps are a counterparty agreement, can be customized to meet each party's needs, and involve the exchange of a fixed or variable payment per period for a payment that is not fixed. Total return swaps are a counterparty agreement where two parties exchange two sets of cash flows on predetermined dates for an agreed upon amount of time. The cash flows will typically be an equity index value swapped with a floating rate such as LIBOR plus or minus a pre-defined spread. Total return swap agreements are a counterparty agreement intended to expose cash to markets or to effect investment transactions consistent with those Funds' investment objectives and strategies. Currency swaps are a counterparty agreement where two parties exchange specified amounts of different currencies which are followed by each paying the other a series of interest payments that are based on the principal cash flow. At maturity the principal amounts are returned.

The Funds generally expect to enter into these transactions primarily to preserve a return or spread on a particular investment or portion of their portfolios or to protect against any increase in the price of securities they anticipate purchasing at a later date, or for return enhancement. Under most swap agreements entered into by a Fund, the parties' obligations are determined on a "net basis". The net amount of the excess, if any, of the Funds' obligations over their entitlements with respect to each swap will be accrued on a daily basis and an amount of cash or liquid assets having an aggregate NAV at least equal to the accrued excess will be segregated. To the extent that the Funds enter into swaps on other than a net basis, the amount maintained in a segregated account will be the full amount of the Funds' obligations, if any, with respect to such swaps, accrued on a daily basis. If there is a default by the other party to such a transaction, the Funds will have contractual remedies pursuant to the agreement related to the transaction.

A Fund may not receive the expected amount under a swap agreement if the other party to the agreement defaults or becomes bankrupt.

Credit Default Swaps

The Strategic Bond Fund may enter into credit default swaps. A credit default swap can refer to corporate issues, government issues, asset-backed securities or an index of assets, each known as the reference entity or underlying asset. The Fund may act as either the buyer or the seller of a credit default swap involving one party making a stream of payments to another party in exchange for the right to receive a specified return in the event of a default or other credit event. Depending upon the terms of the contract, the credit default swap may be closed via physical settlement. However, due to the possible or potential instability in the market, there is a risk that the Fund may be unable to deliver the underlying debt security to the other party to the agreement. Additionally, the Fund may not receive the expected amount under the swap agreement if the other party to the agreement defaults or becomes bankrupt. In an unhedged credit default swap, the Fund enters into a credit default swap without owning the underlying asset or debt issued by the reference entity. Credit default swaps allow the Fund to acquire or reduce credit exposure to a particular issuer, asset or basket of instruments.

As the seller of protection in a credit default swap, the Fund would be required to pay the par or other agreed-upon value (or otherwise perform according to the swap contract) of a reference debt obligation to the counterparty in the event of a default (or other specified credit event) and the counterparty would be required to surrender the reference debt obligation. In return, the Fund would receive from the counterparty a periodic stream of payments over the term of the contract provided that no credit event has occurred. If no credit event occurs, the Fund would keep the stream of payments and would have no payment obligations. As a seller of protection, the Fund would effectively add leverage to its portfolio because in addition to its total net assets, that Fund would be subject to investment exposure on the notional amount of the swap.

The Fund may also purchase protection via credit default swap contracts in order to offset the risk of default of debt securities held in their portfolios or to take a short position in a debt security, in which case the Fund would function as the counterparty referenced in the preceding paragraph.

If a credit event occurs and cash settlement is not elected, a variety of other deliverable obligations may be delivered in lieu of the specific referenced obligation. The ability to deliver other obligations may result in a cheapest-to-deliver option (the buyer of protection's right to choose the deliverable obligation with the lowest value following a credit event). The Fund may use credit default swaps to provide a measure of protection against defaults of the issuers (i.e., to reduce risk where the Fund owns or has exposure to the referenced obligation) or to take an active long or short position with respect to the likelihood (as measured by the credit default swap's spread) of a particular issuer's default.

Deliverable obligations for credit default swaps on asset-backed securities in most instances are limited to the specific referenced obligation as performance for asset-backed securities can vary across deals. Prepayments, principal paydowns, and other writedown

or loss events on the underlying mortgage loans will reduce the outstanding principal balance of the referenced obligation. These reductions may be temporary or permanent as defined under the terms of the swap agreement and the notional amount for the swap agreement generally will be adjusted by corresponding amounts. The Strategic Bond Fund may use credit default swaps on asset-backed securities to provide a measure of protection against defaults (or other defined credit events) of the referenced obligation or to take an active long or short position with respect to the likelihood of a particular referenced obligation's default (or another defined credit event).

Credit default swap agreements on credit indices involve one party making a stream of payments to another party in exchange for the right to receive a specified return in the event of a write-down, principal shortfall, interest shortfall or default of all or part of the referenced entities comprising the credit index. A credit index is a basket of credit instruments or exposures designed to be representative of some part of the credit market as a whole. These indices are made up of reference credits that are judged by a poll of dealers to be the most liquid entities in the credit default swap market based on the sector of the index. Components of the indices may include, but are not limited to, investment grade securities, high yield securities, asset-backed securities, emerging markets, and/or various credit ratings within each sector. Credit indices are traded using credit default swaps with standardized terms including a fixed spread and standard maturity dates. An index credit default swap references all the names in the index, and if there is a default, the credit event is settled based on that name's weight in the index. The composition of the indices changes periodically, usually every six months, and, for most indices, each name has an equal weight in the index. Traders may use credit default swaps on indices to speculate on changes in credit quality.

Implied credit spreads, represented in absolute terms, utilized in determining the fair value of credit default swap agreements on corporate issues as of period-end are disclosed in the Schedules of Investments and generally serve as an indicator of the current status of the payment/performance risk and represent the likelihood or risk of default (or other defined credit event) for the credit derivative. The implied credit spread of a particular referenced entity reflects the cost of entering into a credit default swap and may include upfront payments required to be made to enter into the agreement. For credit default swap agreements on asset-backed securities and credit indices, the quoted market prices and resulting values serve as the indicator of the current status of the payment/performance risk. Wider credit spreads and increasing fair values, in absolute terms when compared to the notional amount of the swap, generally represent a deterioration of the referenced entity's credit soundness and a greater likelihood or risk of default or other credit event occurring as defined under the terms of the agreement. The maximum potential amount of future payments (undiscounted) that the Fund as a seller of protection could be required to make under a credit default swap agreement equals the notional amount of the agreement. Notional amounts of all credit default swap agreements outstanding as of December 31, 2019, for which a Fund is the seller of protection are disclosed in the Schedules of Investments. These potential amounts would be partially offset by any recovery values of the respective referenced obligations, upfront payments received upon entering into the agreement, or net amounts received from the settlement of buy protection credit default swap agreements entered into by the Fund for the same referenced entity or entities.

Credit default swaps could result in losses if the Fund does not correctly evaluate the creditworthiness of the company or companies on which the credit default swap is based. Credit default swap agreements may involve greater risks than if the Fund had invested in the reference obligation directly since, in addition to risks relating to the reference obligation, credit default swaps are subject to illiquidity and counterparty risk. The Fund will generally incur a greater degree of risk when it sells a credit default swap than when it purchases a credit default swap. As a buyer of a credit default swap, the Fund may lose its investment and recover nothing should a credit event fail to occur and the swap is held to its termination date. As seller of a credit default swap, if a credit event were to occur, the value of any deliverable obligation received by the Fund, coupled with the upfront or periodic payments previously received, may be less than what it pays to the buyer, resulting in a loss of value to the Fund.

If the creditworthiness of the Fund's swap counterparty declines, the risk that the counterparty may not perform could increase, potentially resulting in a loss to the Fund. To limit the counterparty risk involved in swap agreements, the Fund will only enter into swap agreements with counterparties that meet certain standards of creditworthiness. Although there can be no assurance that the Fund will be able to do so, the Fund may be able to reduce or eliminate its exposure under a swap agreement either by assignment or other disposition, or by entering into an offsetting swap agreement with the same party or another creditworthy party. The Fund may have limited ability to eliminate its exposure under a credit default swap if the credit quality of the reference entity or underlying asset has declined.

For the period ended December 31, 2019, the Strategic Bond Fund entered into credit default swaps primarily for return enhancement, hedging and exposing cash to markets.

The Strategic Bond Fund's credit default swap contract notional amounts outstanding fluctuate throughout the fiscal year as required to meet strategic requirements. The following table illustrates the quarterly volume of credit default swap contracts. For the purpose of this disclosure, volume is measured by notional amounts outstanding in USD at each quarter end.

	Credit Default Swap Notional Amounts Outstanding			
Quarter Ended	March 31, 2019	June 30, 2019	September 30, 2019	December 31, 2019
Strategic Bond Fund	$ 36,699,702	$ 36,190,000	$ 18,034,200	$ 24,575,200

Interest Rate Swaps

The use of interest rate swaps is a highly specialized activity which involves investment techniques and risks different from those associated with ordinary portfolio securities transactions. If RIM or a money manager using this technique is incorrect in its forecast of fair values, interest rates and other applicable factors, the investment performance of a Fund might diminish compared to what it would have been if this investment technique were not used.

Interest rate swaps do not involve the delivery of securities or other underlying assets or principal. Accordingly, the risk of loss with respect to interest rate swaps is limited to the net amount of interest payments that a Fund is contractually obligated to make. Interest rate swaps are traded on exchanges and are subject to central clearing. If the clearing house or futures commission merchant defaults, a Funds' risk of loss consists of the net amount of interest payments that a Fund is contractually entitled to receive. The counterparty risk for cleared derivatives is generally lower than for uncleared derivatives. However, clearing may subject a Fund to increased costs or margin requirements.

For the period ended December 31, 2019, the Strategic Bond Fund entered into interest rate swaps primarily for return enhancement, hedging and exposing cash to markets.

The Strategic Bond Fund's interest rate swap contract notional amounts outstanding fluctuate throughout the fiscal year as required to meet strategic requirements. The following table illustrates the quarterly volume of interest rate swap contracts. For the purpose of this disclosure, volume is measured by the notional amounts outstanding in USD at each quarter end.

	Interest Rate Swap Notional Amounts Outstanding			
Quarter Ended	March 31, 2019	June 30, 2019	September 30, 2019	December 31, 2019
Strategic Bond Fund	$ 60,993,824	$ 81,003,255	$ 89,927,991	$ 100,754,192

Total Return Swaps

Certain Funds may enter into total return swap agreements to expose cash to markets or to effect investment transactions. Total return swap agreements are two party contracts entered into primarily by institutional investors for periods ranging from a few weeks to more than one year. In a standard total return swap transaction, the two parties agree to exchange the returns (or differentials in rates of return) earned or realized on particular investments or instruments. The returns to be exchanged between the parties are calculated with respect to a "notional amount" (i.e., a specified dollar amount that is hypothetically invested in a "basket" of securities representing a particular index).

For the period ended December 31, 2019, there were no total return swaps held in the Funds.

Currency Swaps

Certain Funds may enter into currency swap agreements to enhance returns or for hedging purposes. Currency swap agreements are agreements where two parties exchange specified amounts of different currencies which are followed by paying the other a series of interest payments that are based on the principal cash flow. At maturity, the principal amounts are exchanged.

For the period ended December 31, 2019, there were no currency swaps held in the Funds.

Master Agreements

Certain Funds are parties to International Swaps and Derivatives Association, Inc. Master Agreements ("ISDA Master Agreements") with counterparties that govern transactions in OTC derivative and foreign exchange contracts entered into by the Funds and those counterparties. The ISDA Master Agreements contain provisions for general obligations, representations, agreements, collateral and events of default or termination. Events of termination and default include conditions that may entitle either party to elect to terminate early and cause settlement of all outstanding transactions under the applicable ISDA Master Agreement. Any election to terminate early could be material to the financial statements. Since different types of forward and OTC financial derivative transactions have different mechanics and are sometimes traded out of different legal entities of a particular counterparty organization, each type of transaction may be covered by a different ISDA Master Agreement, resulting in the need for multiple

agreements with a single counterparty. As the ISDA Master Agreements are specific to unique operations of different asset types, they allow a Fund to net its total exposure to a counterparty in the event of a default with respect to all the transactions governed under a single agreement with a counterparty.

Master Repurchase Agreements ("Master Repo Agreements") govern transactions between a Fund and select counterparties. The Master Repo Agreements maintain provisions for, among other things, initiation, income payments, events of default, and maintenance of collateral for repurchase and reverse repurchase agreements.

Master Securities Forward Transaction Agreements ("Master Forward Agreements") govern the considerations and factors surrounding the settlement of certain forward settling transactions, such as delayed delivery by and between a Fund and select counterparties. The Master Forward Agreements maintain provisions for, among other things, initiation and confirmation, payment and transfer, events of default, termination, and maintenance of collateral.

Disclosure about Offsetting Assets and Liabilities

Balance sheet disclosure is based on various netting agreements between brokers and counterparties, such as ISDA Master Agreements, Master Repo Agreements and Master Forward Agreements. Certain Funds utilize multiple counterparties. The quantitative disclosure begins with disaggregation of counterparties by legal entity and the roll up of the data to reflect a single counterparty in the table within the Funds' financial statements. Net exposure represents the net receivable (payable) that would be due from/to the counterparty in the event of default. Exposure from OTC derivatives can only be netted across transactions governed under the same Master Agreement with the same legal entity.

Loan Agreements

The Strategic Bond Fund may invest in direct debt instruments which are interests in amounts owed by corporate, governmental, or other borrowers to lenders or lending syndicates. The Fund's investments in loans may be in the form of participations in loans or assignments of all or a portion of loans from third parties. A loan is often administered by a bank or other financial institution (the "agent") that acts as agent for all holders. The agent administers the terms of the loan, as specified in the loan agreement. When investing in a loan participation, the Fund has the right to receive payments of principal, interest and any fees to which it is entitled only from the agent selling the loan agreement and only upon receipt by the agent of payments from the borrower. The Fund generally has no right to enforce compliance with the terms of the loan agreement with the borrower. As a result, the Fund may be subject to the credit risk of both the borrower and the agent that is selling the loan agreement. When the Fund purchases assignments from agents it acquires direct rights against the borrower on the loan. The total amount of unfunded loan commitments as of December 31, 2019 was $19,710.

Local Access Products

Certain Funds may invest in local access products, also known as certificates of participation, participation notes or participation interest notes. Local access products are issued by banks or broker-dealers and are designed to replicate the performance of foreign companies or foreign securities markets and can be used by the Fund as an alternative means to access the securities market of a frontier emerging market country. The performance results of local access products will not replicate exactly the performance of the foreign companies or foreign securities markets that they seek to replicate due to transaction and other expenses. Investments in local access products involve certain risks in addition to those associated with a direct investment in the underlying foreign companies or foreign securities markets whose return they seek to replicate. There can be no assurance that there will be a trading market or that the trading price of local access products will equal the underlying value of the foreign company or foreign securities market that it seeks to replicate. The Funds rely on the creditworthiness of the counterparty issuing the local access products and have no rights against the issuer of the underlying security. The Funds minimize this risk by entering into agreements only with counterparties that RIM deems creditworthy. Due to liquidity and transfer restrictions, the secondary markets on which the local access products are traded may be less liquid than the markets for other securities, or may be completely illiquid.

Credit Linked Notes

Certain Funds may invest in credit linked notes. Credit linked notes are obligations between two or more parties where the payment of principal and/or interest is based on the performance of some obligation, basket of obligations, index or economic indicator (a "reference instrument"). In addition to the credit risk associated with the reference instrument and interest rate risk, the buyer and seller of a credit linked note or similar structured investment are subject to counterparty risk.

Short Sales

The U.S. Small Cap Equity Fund may enter into short sale transactions. In a short sale, the seller sells a security that it does not own, typically a security borrowed from a broker or dealer. Because the seller remains liable to return the underlying security that it borrowed from the broker or dealer, the seller must purchase the security prior to the date on which delivery to the broker or dealer is required. The Fund will incur a loss as a result of the short sale if the price of the security increases between the date of the short sale and the date on which the Fund must return the borrowed security. The Fund will realize a gain if the security declines in price between those dates. Short sales expose the Fund to the risk of liability for the fair value of the security that is sold (the amount of which increases as the fair value of the underlying security increases), in addition to the costs associated with establishing, maintaining and closing out the short position.

Although the Fund's potential for gain as a result of a short sale is limited to the price at which it sold the security short less the cost of borrowing the security, its potential for loss is theoretically unlimited because there is no limit to the cost of replacing the borrowed security. When the Fund makes a short sale, the Fund may use all or a portion of the cash proceeds of short sales to purchase other securities or for any other permissible Fund purpose. To the extent necessary to meet collateral requirements, the Fund is required to pledge assets in a segregated account maintained by the Fund's custodian for the benefit of the broker. The Fund also may use securities they own to meet any such collateral obligations. Until the Fund replaces a borrowed security in connection with a short sale, the Fund will: (a) maintain daily a segregated account, containing liquid assets at such a level that the amount deposited in the segregated account will equal the current requirement under Regulation T promulgated by the Board of Governors of the Federal Reserve System under the authority of Sections 7 and 8 of the Securities Exchange Act of 1934, as amended; or (b) otherwise cover its short position in accordance with positions taken by the staff of the Securities and Exchange Commission (e.g., taking an offsetting long position in the security sold short).

The U.S. Small Cap Fund may participate in a reciprocal lending program with State Street through which the Fund is permitted to use cash collateral received in connection with certain security lending activities to finance the Fund's short selling activity. Such arrangements subject the Fund to the risk that the counterparty holding the cash collateral may fail to return it promptly. This risk may be heightened during periods of market stress and volatility, particularly if the type of collateral provided is different than the type of security borrowed (e.g., cash is provided as collateral for a loan of an equity security).

As of December 31, 2019, the market value of the securities on loan through the reciprocal lending program for U.S. Small Cap Equity Fund was $9,061,091.

As of December 31, 2019, the U.S. Small Cap Equity Fund held $12,150,947 as collateral for short sales.

Securities Lending

The Investment Company has a securities lending program whereby each Fund can loan securities with a value up to 33 1/3% of each Fund's total assets. The maturity associated with these securities is considered continuous. The Fund receives cash (U.S.currency), U.S. Government or U.S. Government Agency obligations as collateral against the loaned securities. The collateral cannot be resold, repledged or rehypothecated. As of December 31, 2019, to the extent that a loan was collateralized by cash, such collateral was invested by the securities lending agent, Goldman Sachs Agency Lending ("GSAL"), in the U.S. Cash Collateral Fund, an unregistered fund advised by RIM. The collateral received is recorded on a lending Fund's Statement of Assets and Liabilities along with the related obligation to return the collateral.

Income generated from the investment of cash collateral, less negotiated rebate fees paid to participating brokers, is divided between the Fund and the securities lending agent and is reported as securities lending income on the Fund's Statement of Operations. To the extent that a loan is secured by non-cash collateral, brokers pay the Fund negotiated lenders' fees, which are divided between the Fund and the securities lending agent and are recorded as securities lending income for the Fund. All collateral received will be in an amount at least equal to 102% (for loans of U.S. securities) or 105% (for loans of non-U.S. securities) of the fair value of the loaned securities at the inception of each loan. The fair value of the loaned securities is determined at the close of business of the Fund and any additional required collateral is delivered to the Fund the next day. Should the borrower of the securities fail financially, there is a risk of delay in recovery of the securities or loss of rights in the collateral.

Emerging Markets Securities

Certain Funds may invest in emerging markets securities. Investing in emerging markets securities can pose some risks different from, and greater than, risks of investing in U.S. or developed markets securities. These risks include: a risk of loss due to exposure to economic structures that are generally less diverse and mature, and to political systems which may have less stability,

than those of more developed countries; smaller market capitalization of securities markets, which may suffer periods of relative illiquidity; significant price volatility; restrictions on foreign investment; and possible difficulties in the repatriation of investment income and capital. In addition, foreign investors may be required to register the proceeds of sales and future economic or political crises could lead to price controls, forced mergers, expropriation or confiscatory taxation, seizure, nationalization, or creation of government monopolies. The currencies of emerging market countries may experience significant declines against the U.S. dollar, and devaluation may occur subsequent to investments in these currencies by the Funds. Emerging market securities may be subject to currency transfer restrictions and may experience delays and disruptions in settlement procedures. Inflation and rapid fluctuations in inflation rates have had, and may continue to have, negative effects on the economies and securities markets of certain emerging market countries.

Emerging Markets Debt

The Strategic Bond Fund may invest in emerging markets debt. The Fund's emerging markets debt securities may include obligations of governments and corporations. As with any fixed income securities, emerging markets debt securities are subject to the risk of being downgraded in credit rating due to the risk of default. In the event of a default on any investments in foreign debt obligations, it may be more difficult for the Fund to obtain or to enforce a judgment against the issuers of such securities. With respect to debt issued by emerging market governments, such issuers may be unwilling to pay interest and repay principal when due, either due to an inability to pay or submission to political pressure not to pay, and as a result may default, declare temporary suspensions of interest payments or require that the conditions for payment be renegotiated.

Repurchase Agreements

The Strategic Bond Fund may enter into repurchase agreements. A repurchase agreement is an agreement under which a Fund acquires a fixed income security from a commercial bank, broker or dealer and simultaneously agrees to resell such security to the seller at an agreed upon price and date (normally within a few days or weeks). The resale price reflects an agreed upon interest rate effective for the period the security is held by a Fund and is unrelated to the interest rate on the security. The securities acquired by a Fund constitute collateral for the repurchase obligation. In these transactions, the securities acquired by a Fund (including accrued interest earned thereon) must have a total value in excess of the value of the repurchase agreement and must be held by the custodian bank until repurchased. A Fund will not invest more than 15% of its net assets (taken at current fair value) in repurchase agreements maturing in more than seven days.

Mortgage-Related and Other Asset-Backed Securities

The Strategic Bond Fund may invest in mortgage or other asset-backed securities ("ABS"). These securities may include mortgage instruments issued by U.S. government agencies ("agency mortgages") or those issued by private entities ("non-agency mortgages"). Specific types of instruments may include reverse mortgages, mortgage pass-through securities, collateralized mortgage obligations ("CMO"), commercial mortgage-backed securities, mortgage dollar rolls, CMO residuals, stripped mortgage-backed securities and other securities that directly or indirectly represent a participation in, or are secured by a payable from, mortgage loans on real property. The value of a Fund's mortgage-backed securities ("MBS") may be affected by, among other things, changes or perceived changes in interest rates, factors concerning the interests in and structure of the issuer or the originator of the mortgage, or the quality of the underlying assets. The mortgages underlying the securities may default or decline in quality or value. Through its investments in MBS, a Fund has exposure to subprime loans, Alt-A loans and non-conforming loans as well as to the mortgage and credit markets generally. Underlying collateral related to subprime, Alt-A and non-conforming mortgage loans has become increasingly susceptible to defaults and declines in quality or value, especially in a declining residential real estate market. In addition, regulatory or tax changes may adversely affect the mortgage securities markets as a whole.

Mortgage-Backed Securities

MBS often have stated maturities of up to thirty years when they are issued, depending upon the length of the mortgages underlying the securities. In practice, however, unscheduled or early payments of principal and interest on the underlying mortgages may make the securities' effective maturity shorter than this, and the prevailing interest rates may be higher or lower than the current yield of a Fund's portfolio at the time resulting in reinvestment risk.

Rising or high interest rates may result in slower than expected principal payments which may tend to extend the duration of MBS, making them more volatile and more sensitive to changes in interest rates. This is known as extension risk.

MBS may have less potential for capital appreciation than comparable fixed income securities due to the likelihood of increased prepayments of mortgages resulting from foreclosures or declining interest rates. These foreclosed or refinanced mortgages are paid off at face value (par) or less, causing a loss, particularly for any investor who may have purchased the security at a premium or a price above par. In such an environment, this risk limits the potential price appreciation of these securities.

Agency Mortgage-Backed Securities

Certain MBS may be issued or guaranteed by the U.S. government or a government sponsored entity, such as Fannie Mae (the Federal National Mortgage Association) or Freddie Mac (the Federal Home Loan Mortgage Corporation). Although these instruments may be guaranteed by the U.S. government or a government sponsored entity, many such MBS are not backed by the full faith and credit of the United States and are still exposed to the risk of non-payment.

Privately Issued Mortgage-Backed Securities

MBS held by a Fund may be issued by private issuers including commercial banks, savings associations, mortgage companies, investment banking firms, finance companies and special purpose finance entities (called special purpose vehicles or SPVs) and other entities that acquire and package mortgage loans for resale as MBS. These privately issued non-agency MBS may offer higher yields than those issued by government agencies, but also may be subject to greater price changes than governmental issues. Subprime loans refer to loans made to borrowers with weakened credit histories or with a lower capacity to make timely payments on their loans. Alt-A loans refer to loans extended to borrowers who have incomplete documentation of income, assets, or other variables that are important to the credit underwriting processes. Non-conforming mortgages are loans that do not meet the standards that allow purchase by government-sponsored enterprises. MBS with exposure to subprime loans, Alt-A loans or nonconforming loans have had in many cases higher default rates than those loans that meet government underwriting requirements. The risk of non-payment is greater for MBS that are backed by mortgage pools that contain subprime, Alt-A and non-conforming loans, but a level of risk exists for all loans.

Unlike agency MBS issued or guaranteed by the U.S. government or a government-sponsored entity (e.g., Fannie Mae and Freddie Mac), MBS issued by private issuers do not have a government or government-sponsored entity guarantee, but may have credit enhancements provided by external entities such as banks or financial institutions or achieved through the structuring of the transaction itself. Examples of such credit support arising out of the structure of the transaction include the issue of senior and subordinated securities (e.g., the issuance of securities by an SPV in multiple classes or tranches, with one or more classes being senior to other subordinated classes as to the payment of principal and interest, with the result that defaults on the underlying mortgage loans are borne first by the holders of the subordinated class); creation of reserve funds (in which case cash or investments, sometimes funded from a portion of the payments on the underlying mortgage loans, are held in reserve against future losses); and overcollateralization (in which case the scheduled payments on, or the principal amount of, the underlying mortgage loans exceeds that required to make payment on the securities and pay any servicing or other fees). However, there can be no guarantee that credit enhancements, if any, will be sufficient to prevent losses in the event of defaults on the underlying mortgage loans. In addition, MBS that are issued by private issuers are not subject to the underwriting requirements for the underlying mortgages that are applicable to those MBS that have a government or government-sponsored entity guarantee. As a result, the mortgage loans underlying private MBS may, and frequently do, have less favorable collateral, credit risk or other underwriting characteristics than government or government-sponsored MBS and have wider variances in a number of terms including interest rate, term, size, purpose and borrower characteristics. Privately issued pools more frequently include second mortgages, high loan-to-value mortgages and manufactured housing loans. The coupon rates and maturities of the underlying mortgage loans in a private-label MBS pool may vary to a greater extent than those included in a government guaranteed pool, and the pool may include subprime mortgage loans.

Privately issued MBS are not traded on an exchange and there may be a limited market for the securities, especially when there is a perceived weakness in the mortgage and real estate market sectors. Without an active trading market, MBS held in a Fund's portfolio may be particularly difficult to value because of the complexities involved in assessing the value of the underlying mortgage loans.

Asset-Backed Securities

ABS may include MBS, loans, receivables or other assets. The value of the Funds' ABS may be affected by, among other things, actual or perceived changes in interest rates, factors concerning the interests in and structure of the issuer or the originator of the receivables, the market's assessment of the quality of underlying assets or actual or perceived changes in the credit worthiness of the individual borrowers, the originator, the servicing agent or the financial institution providing the credit support.

Payment of principal and interest may be largely dependent upon the cash flows generated by the assets backing the securities. Rising or high interest rates tend to extend the duration of ABS, making them more volatile and more sensitive to changes in interest rates. The underlying assets are sometimes subject to prepayments which can shorten the security's weighted average life and may lower its return. Defaults on loans underlying ABS have become an increasing risk for ABS that are secured by home equity loans related to sub-prime, Alt-A or non-conforming mortgage loans, especially in a declining residential real estate market.

ABS (other than MBS) present certain risks that are not presented by MBS. Primarily, these securities may not have the benefit of any security interest in the related assets. Credit card receivables are generally unsecured and the debtors are entitled to the protection of a number of state and federal consumer credit laws, many of which give such debtors the right to set off certain amounts owed on the credit cards, thereby reducing the balance due. There is the possibility that recoveries on repossessed collateral may not, in some cases, be available to support payments on these securities. ABS are often backed by a pool of assets representing the obligations of a number of different parties. To lessen the effect of failures by obligors on underlying assets to make payments, the securities may contain elements of credit support which fall into two categories: (i) liquidity protection, and (ii) protection against losses resulting from ultimate default by an obligor on the underlying assets. Liquidity protection refers to the provision of advances, generally by the entity administering the pool of assets, to ensure that the receipt of payments on the underlying pool occurs in a timely fashion. Protection against losses results from payment of the insurance obligations on at least a portion of the assets in the pool. This protection may be provided through guarantees, policies or letters of credit obtained by the issuer or sponsor from third parties, through various means of structuring the transaction or through a combination of such approaches. The Fund will not pay any additional or separate fees for credit support. The degree of credit support provided for each issue is generally based on historical information respecting the level of credit risk associated with the underlying assets.

Delinquency or loss in excess of that anticipated or failure of the credit support could adversely affect the return on an investment in such a security. The availability of ABS may be affected by legislative or regulatory developments. It is possible that such developments may require the Funds to dispose of any then-existing holdings of such securities.

Forward Commitments

The Strategic Bond Fund may contract to purchase securities for a fixed price at a future date beyond customary settlement time. The price of the underlying securities and the date when the securities will be delivered and paid for are fixed at the time the transaction is negotiated. The Fund may dispose of a forward commitment transaction prior to settlement if it is appropriate to do so and may realize short-term gains (or losses) upon such sale. When effecting such transactions, cash or liquid high-grade debt obligations of the Fund in a dollar amount sufficient to make payment for the portfolio securities to be purchased will be earmarked on the Fund's records at the trade date and until the transaction is settled. A forward commitment transaction involves a risk of loss if the value of the security to be purchased declines prior to the settlement date or the other party to the transaction fails to complete the transaction.

The Strategic Bond Fund may invest in to-be-announced ("TBA") mortgage-backed securities. A TBA security is a forward mortgage-backed securities trade in which a seller agrees to issue a TBA mortgage-backed security at a future date. The securities are purchased and sold on a forward commitment basis with an approximate principal amount and maturity date. The actual principal amount and maturity date will be determined upon settlement when the specific mortgage pools are assigned. These securities are within the parameters of industry "good delivery" standards.

As of December 31, 2019, the Strategic Bond Fund had no cash collateral balances in connection with TBAs.

Inflation-Indexed Bonds

The Strategic Bond Fund may invest in inflation-indexed securities, which are typically bonds or notes designed to provide a return higher than the rate of inflation (based on a designated index) if held to maturity. A common type of inflation-indexed security is a U.S. Treasury Inflation-Protected Security ("TIPS"). The principal of a TIPS increases with inflation and decreases with deflation, as measured by the Consumer Price Index. When a TIPS matures, the adjusted principal or original principal is paid, whichever is greater. TIPS pay interest twice a year, at a fixed rate. The rate is applied to the adjusted principal; so, like the principal, interest payments rise with inflation and fall with deflation.

Guarantees

In the normal course of business, the Funds enter into contracts that contain a variety of representations which provide general indemnifications. The Funds' maximum exposure under these arrangements is unknown as this would involve future claims that may be made against the Funds that have not yet occurred. However, the Funds expect the risk of loss to be remote.

LIBOR

The Funds may invest in certain instruments including, but not limited to, repurchase agreements, collateralized loan obligations and mortgage-backed securities, that rely in some fashion upon LIBOR. LIBOR is an average interest rate, determined by the ICE Benchmark Administration, that banks charge one another for the use of short-term money. The United Kingdom's Financial Conduct Authority, which regulates LIBOR, has announced plans to phase out the use of LIBOR by the end of 2021. There remains uncertainty regarding the future utilization of LIBOR and the nature of any replacement rate (e.g., the Secured Overnight Financing Rate, which is intended to replace U.S. dollar LIBOR and measures the cost of overnight borrowings through repurchase agreement transactions collateralized with U.S. Treasury securities). Any potential effects of the transition away from LIBOR on the Funds or on certain instruments in which a Fund invests can be difficult to ascertain, and they may vary depending on factors that include, but are not limited to: (i) existing fallback or termination provisions in individual contracts and (ii) whether, how, and when industry participants develop and adopt new reference rates and fallbacks for both legacy and new products and instruments. For example, certain of the Fund's investments may involve individual contracts that have no existing fallback provision or language that contemplates the discontinuation of LIBOR, and those investments could experience increased volatility or illiquidity as a result of the transition process. In addition, interest rate provisions included in such contracts may need to be renegotiated in contemplation of the transition away from LIBOR. The transition may also result in a reduction in the value of certain instruments held by a Fund, including those described in this paragraph, or a reduction in the effectiveness of related Fund transactions such as hedges. Any such effects of the transition away from LIBOR, as well as other unforeseen effects, could result in losses to a Fund.

Market, Credit and Counterparty Risk

In the normal course of business, the Funds trade financial instruments and enter into financial transactions where risk of potential loss exists due to changes in the market (market risk) or failure of the other party to a transaction to perform (credit risk). Similar to credit risk, the Funds may also be exposed to counterparty risk or risk that an institution or other entity with which the Funds have unsettled or open transactions will default. The potential loss could exceed the value of the relevant assets recorded in the Funds' financial statements (the "Assets"). The Assets consist principally of cash due from counterparties and investments. The extent of the Funds' exposure to market, credit and counterparty risks with respect to the Assets approximates their carrying value as recorded in the Funds' Statements of Assets and Liabilities.

Global economies and financial markets are becoming increasingly interconnected and political and economic conditions (including recent instability and volatility) and events (including natural disasters) in one country, region or financial market may adversely impact issuers in a different country, region or financial market. As a result, issuers of securities held by a Fund may experience significant declines in the value of their assets and even cease operations. Such conditions and/or events may not have the same impact on all types of securities and may expose a Fund to greater market and liquidity risk and potential difficulty in valuing portfolio instruments held. This could cause a Fund to underperform other types of investments.

3. Investment Transactions

Securities

During the period ended December 31, 2019, purchases and sales of investment securities (excluding U.S. Government and Agency obligations, short-term investments, options, futures and repurchase agreements) were as follows:

	Purchases	Sales
U.S. Strategic Equity Fund	$ 441,515,002	$ 417,657,912
U.S. Small Cap Equity Fund	276,808,287	301,239,263
International Developed Markets Fund	262,990,171	274,664,398
Strategic Bond Fund	373,266,865	315,189,575
Global Real Estate Securities Fund	721,008,107	759,709,636

Purchases and sales of U.S. Government and Agency obligations (excluding short-term investments, options, futures and repurchase agreements) were as follows:

	Purchases	Sales
Strategic Bond Fund	$ 676,473,262	$ 691,984,241

Notes to Financial Statements, continued — December 31, 2019

4. Related Party Transactions, Fees and Expenses

Adviser, Administrator, Transfer and Dividend Disbursing Agent

RIM provides or oversees the provision of all investment advisory and portfolio management services for the Funds. From its advisory fees received from the Funds, RIM, as agent for RIF, pays all fees to the money managers for their investment advisory services. Each money manager has agreed that it will look only to RIM for the payment of the money manager's fee, after RIF has paid RIM. Fees paid to the money managers are not affected by any voluntary or statutory expense limitations. RIFUS is the Funds' administrator and transfer agent. RIFUS, in its capacity as the Funds' administrator, provides or oversees the provision of all administrative services for the Funds. RIFUS, in its capacity as the Funds' transfer agent and dividend disbursing agent, is responsible for providing transfer agency and dividend disbursing services to the Funds. RIFUS is a wholly-owned subsidiary of RIM. RIM is an indirect, wholly-owned subsidiary of Russell Investments Group, Ltd., a Cayman company.

The Funds are permitted to invest their cash (i.e., cash awaiting investment or cash held to meet redemption requests or to pay expenses) in the U.S. Cash Management Fund, an unregistered fund advised by RIM. As of December 31, 2019, the Funds had invested $95,142,064 in the U.S. Cash Management Fund. In addition, all or a portion of the collateral received from the Investment Company's securities lending program in the amount of $53,841,150 is invested in the U.S. Cash Collateral Fund, an unregistered fund advised by RIM.

The advisory fee is based upon the average daily net assets of each Fund and the administration fee of up to 0.05% is based on the combined average daily net assets of the Funds. Advisory and administration fees are paid monthly.

	Annual Rate	
Funds	Adviser (%)	Administration (%)
U.S. Strategic Equity Fund	0.73	Up to 0.05
U.S. Small Cap Equity Fund	0.90	Up to 0.05
International Developed Markets Fund	0.90	Up to 0.05
Strategic Bond Fund	0.55	Up to 0.05
Global Real Estate Securities Fund	0.80	Up to 0.05

The following table shows the total amount of each of these fees paid by the Funds for the period ended December 31, 2019:

	Advisory	Administration
U.S. Strategic Equity Fund	$ 3,162,336	$ 216,599
U.S. Small Cap Equity Fund	2,032,869	112,937
International Developed Markets Fund	3,463,081	192,393
Strategic Bond Fund	4,982,598	452,964
Global Real Estate Securities Fund	7,347,925	459,245

There were no advisory fee waivers for the Funds during the period.

RIM does not have the ability to recover amounts waived or reimbursed from previous periods.

Transfer and Dividend Disbursing Agent

RIFUS serves as transfer agent and provides dividend disbursing services to the Funds. For this service, RIFUS is paid a fee based upon the average daily net assets of the Funds for transfer agency and dividend disbursing services. RIFUS retains a portion of this fee for services provided to the Funds and pays the balance to unaffiliated agents who assist in providing these services. Transfer agency fees paid by the Funds presented herein for the period ended December 31, 2019 were as follows:

	Amount
U.S. Strategic Equity Fund	$ 18,504
U.S. Small Cap Equity Fund	9,633
International Developed Markets Fund	16,418
Strategic Bond Fund	38,699
Global Real Estate Securities Fund	39,212

Distributor

Russell Investments Financial Services, LLC (the "Distributor"), a wholly-owned subsidiary of RIM, is the distributor for the Investment Company, pursuant to a distribution agreement with the Investment Company. The Distributor receives no compensation from the Investment Company for its services.

Affiliated Brokerage Transactions

The Funds effect certain transactions through Russell Investments Implementation Services, LLC ("RIIS"). RIIS is a registered broker and investment adviser and an affiliate of RIM. RIIS uses a multi-venue trade management approach whereby RIIS allocates trades among RIIS' network of independent brokers for execution, clearing and other services. Trades placed through RIIS and its independent brokers are made (i) to manage trading associated with changes in money managers, rebalancing across existing money managers, cash flows and other portfolio transitions, (ii) to execute portfolio securities transactions for the portion of each Fund's assets that RIM determines not to allocate to money managers, (iii) to execute portfolio securities transactions for the portion of a Fund's assets that RIM manages based upon model portfolios provided by the Fund's non-discretionary managers, (iv) to execute money manager's portfolio securities transactions for the segment of a Fund's portfolio assigned to the money manager, or (v) to execute foreign currency transactions on behalf of the Funds. RIM has authorized RIIS to effect certain futures, swaps, OTC derivative transactions, and cleared swaps, including foreign currency spots, forwards and options trading on behalf of the Funds.

The Funds are permitted to purchase or sell securities from or to certain related affiliated funds under specified conditions outlined in procedures adopted by the Board. The procedures have been designed to ensure that any purchase or sale of securities by the Funds from or to another fund or portfolio that are, or could be, considered an affiliate by virtue of having a common investment adviser (or affiliated investment advisers), common Trustees and/or common officers complies with Rule 17a -7 of the Investment Company Act. Further, as defined under the procedures each transaction is effected at the current market value.

During the period ended December 31, 2019, the Funds did not engage in purchases and sales of securities pursuant to Rule 17a -7 of the Investment Company Act.

Board of Trustees

The Russell Investments Fund Complex consists of Russell Investment Company ("RIC"), which has 34 funds and RIF, which has 9 funds. Each of the Trustees is a Trustee of RIC and RIF. The Russell Investments Fund Complex compensates each Trustee who is not an employee of RIM or its affiliates. Trustee compensation and expenses are allocated to each Fund based on its net assets relative to other funds in the Russell Investments Fund Complex.

For the period ended December 31, 2019, the regular compensation paid to the Trustees by the Russell Investments Fund Complex was $1,612,750.

5. Federal Income Taxes

At December 31, 2019, the following Funds had net tax basis capital loss carryforwards which may be applied against any net realized taxable gains in each succeeding year or until their respective expiration dates, whichever occurs first. Available capital loss carryforwards and expiration dates are as follows:

	No Expiration		
Funds	**Short Term**	**Long-Term**	**Totals**
International Developed Markets Fund	$ 1,024,488	$ 9,295,856	$10,320,344
Global Real Estate Securities Fund	411,623	706,427	1,118,050

6. Record Ownership

At December 31, 2019, the following table includes shareholders of record with greater than 10% of the total outstanding shares of each respective Fund:

	# of Shareholders	%
U.S. Strategic Equity Fund	2	75.5
U.S. Small Cap Equity Fund	2	72.8

International Developed Markets Fund	2	72.5
Strategic Bond Fund	1	71.2
Global Real Estate Securities Fund	2	90.9

7. Restricted Securities

Restricted securities are subject to contractual restrictions on resale, are often issued in private placement transactions, and are not registered under the Securities Act of 1933, as amended, ("the Act"). The most common types of restricted securities are those sold under Rule 144A of the Act and commercial paper sold under Section 4(2) of the Act.

See each Fund's Schedule of Investments for a list of restricted securities that have been footnoted as a restricted security or as an illiquid and restricted security.

8. Commitments and Contingencies

The Strategic Bond Fund may enter into certain credit agreements, all or a portion of which may be unfunded. The Fund is obligated to fund these loan commitments at the borrowers' discretion. Unfunded loan commitments and funded portions of credit agreements are marked to market daily and any unrealized appreciation or depreciation is included in the Statements of Assets and Liabilities and the Statements of Operations. Funded portions of credit agreements are presented in the Schedules of Investments. The unfunded loan commitments are footnoted in the Schedule of Investments.

9. Subsequent Events

Management has evaluated the events and/or transactions that have occurred through the date the financial statements were issued and noted no items requiring adjustments of the financial statements or additional disclosures.



Report of Independent Registered Public Accounting Firm

To the Board of Trustees of Russell Investment Funds and Shareholders of U.S. Strategic Equity Fund, U.S. Small Cap Equity Fund, International Developed Markets Fund, Strategic Bond Fund and Global Real Estate Securities Fund

Opinions on the Financial Statements

We have audited the accompanying statements of assets and liabilities, including the schedules of investments, of U.S. Strategic Equity Fund, U.S. Small Cap Equity Fund, International Developed Markets Fund, Strategic Bond Fund and Global Real Estate Securities Fund (five of the funds constituting Russell Investment Funds, hereafter collectively referred to as the "Funds") as of December 31, 2019, the related statements of operations for the year ended December 31, 2019, the statements of changes in net assets for each of the two years in the period ended December 31, 2019, including the related notes, and the financial highlights for each of the five years in the period ended December 31, 2019 (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of each of the Funds as of December 31, 2019, the results of each of their operations for the year then ended, the changes in each of their net assets for each of the two years in the period ended December 31, 2019 and each of the financial highlights for each of the five years in the period ended December 31, 2019 in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinions

These financial statements are the responsibility of the Funds' management. Our responsibility is to express an opinion on the Funds' financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) ("PCAOB") and are required to be independent with respect to the Funds in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits of these financial statements in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. Our procedures included confirmation of securities owned as of December 31, 2019 by correspondence with the custodian, transfer agent and brokers; when replies were not received from brokers, we performed other auditing procedures. We believe that our audits provide a reasonable basis for our opinions.

PricewaterhouseCoopers LLP

February 21, 2020

We have served as the auditor of one or more investment companies in the Russell Investments family of funds since 1981.

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Russell Investment Funds

Tax Information — December 31, 2019 (Unaudited)

For the tax year ended December 31, 2019, the Funds designate 100% or the maximum amount allowable of their net taxable income as qualified dividends taxed at individual net capital gain rates.

The Form 1099 you receive in January 2020 will show the tax status of all distributions paid to your account in calendar year 2019.

The Funds designate dividends distributed during the fiscal year as qualifying for the dividends received deduction for corporate shareholders as follows:

U.S. Strategic Equity	100.0%
U.S. Small Cap Equity	100.0%
International Developed Markets	0.0%
Global Real Estate Securities	0.0%
Strategic Bond	0.0%

Pursuant to Section 852 of the Internal Revenue Code, the Funds designate the following amounts as long-term capital gain dividends for their taxable year ended December 31, 2019:

U.S. Strategic Equity	$ 25,740,255
U.S. Small Cap Equity	3,409,094
International Developed Markets	—
Global Real Estate Securities	—
Strategic Bond	3,613,267

The Funds listed below paid foreign taxes and recognized foreign source income during the taxable year ended December 31, 2019. Pursuant to Section 853 of the Internal Revenue Code, the Funds designate the following per share amounts of foreign taxes paid and income earned from foreign sources:

Fund Name	Foreign Taxes Paid	Foreign Taxes Paid Per Share	Foreign Source Income	Foreign Source Income Per Share
International Developed Markets	$ 1,081,709	$ 0.0319	$ 12,317,178	$ 0.3635

Please consult a tax adviser for any questions about federal or state income tax laws.

Russell Investment Funds

Affiliated Brokerage Transactions — December 31, 2019 (Unaudited)

As discussed in the Note 4 in the Notes to Financial Statements contained in this annual report, the Funds utilize RIIS and its independent brokers. RIIS is a registered broker dealer and investment adviser and an affiliate of RIM. RIIS uses a multi-venue trade management approach whereby RIIS allocates trades among RIIS' network of independent brokers for execution, clearing, and other services. Trades placed through RIIS and its independent brokers are made (i) to manage trading associated with changes in money managers, rebalancing across existing money managers, cash flows and other portfolio transitions, (ii) to execute portfolio securities transactions for the portion of each Fund's assets that RIM determines not to allocate to money managers, (iii) to execute portfolio securities transactions for the portion of a Fund's assets that RIM manages based upon model portfolios provided by the Funds' non-discretionary managers, (iv) to execute money manager portfolio securities transactions for the segment of a Fund's portfolio assigned to the money manager, or (v) to execute foreign currency transactions on behalf of the Funds. RIM has authorized RIIS to effect certain futures, swaps, OTC derivative transactions, and cleared swaps, including foreign currency spots, forwards and options trading on behalf of the Funds.

Amounts retained by RIIS for the period ended December 31, 2019 were as follows:

Fund Name	
U.S. Strategic Equity Fund	$ 48,664
U.S. Small Cap Equity Fund	70,960
International Developed Markets Fund	105,629
Strategic Bond Fund	55,227
Global Real Estate Securities Fund	157,699

Russell Investment Funds

Basis for Approval of Investment Advisory Contracts — (Unaudited)

Approval of Money Manager Contracts

The Board received the following proposals from RIM: (i) at a meeting held on August 27, 2019, to approve a new portfolio management contract for the U.S. Small Cap Equity Fund; and (ii) at a meeting held on December 10, 2019, to approve a new portfolio management contract for the International Developed Markets Fund. In the case of each proposed change, the Trustees approved the terms of the proposed portfolio management contract based upon RIM's recommendation to hire the Money Manager at the proposed fee rate; information as to the reason for the proposed change; information as to the Money Manager's role in the management of the Fund's investment portfolio (including the amount of Fund assets to be allocated to the Money Manager or managed pursuant to the Money Manager's strategy) and RIM's evaluation of the anticipated quality of the investment advisory services to be provided by the Money Manager; information as to any significant business relationships between the Money Manager and RIM or Russell Investments Financial Services, LLC, the Fund's underwriter; the CCO's evaluation of the Money Manager's compliance program, policies and procedures in relation to the Money Manager's role in the management of the Fund's investment portfolio, and certification that they were consistent with applicable legal standards; RIM's explanation as to the lack of relevance of Money Manager profitability to the evaluation of portfolio management contracts with Money Managers because the willingness of Money Managers to serve in such capacity depends upon arm's-length negotiations with RIM; RIM's awareness of the standard fee rates charged by the Money Manager to other clients; RIM's belief that the proposed Money Manager fees would be reasonable in light of the anticipated quality of investment advisory services to be rendered; the increase or decrease in aggregate Money Manager fees to be paid by RIM from its advisory fee as a result of the engagement of the Money Manager; and the expected costs of transitioning Fund assets to the Money Manager or its strategy. The Trustees' approval also reflected their findings at prior meetings, including their May 20, 2019 meeting in connection with their evaluation and approval of the Funds' existing investment advisory agreements with RIM and then current Money Managers for the Funds, as well as information received throughout the course of the year regarding, among other things, the quality of services provided to the Funds in the case of existing Money Managers and the reasonableness of the aggregate investment advisory fees paid by the Funds, as well as the fact that the aggregate investment advisory fees paid by the Funds would not increase or decrease as a result of the implementation of the proposed Money Manager changes because the Money Manager's investment advisory fees are paid by RIM.

Russell Investment Funds

Shareholder Requests for Additional Information — December 31, 2019 (Unaudited)

Each Fund files portfolio holdings information within 60 days after the end of each fiscal quarter as an exhibit on Form N-PORT. Portfolio holdings information for the third month of each fiscal quarter is publicly available on the SEC's website at http://www.sec.gov. Each Fund's complete schedule of portfolio holdings for the second and fourth quarters of each fiscal year is included in the semi-annual and annual reports to Fund shareholders.

The Board has delegated to RIM, as RIF's investment adviser, the primary responsibility for monitoring, evaluating and voting proxies solicited by or with respect to issuers of securities in which assets of the Funds may be invested. RIM has established a proxy voting committee and has adopted written proxy voting policies and procedures ("P&P") and proxy voting guidelines ("Guidelines"). The Funds maintain a Portfolio Holdings Disclosure Policy that governs the timing and circumstances of disclosure to shareholders and third parties of information regarding the portfolio investments held by the Funds. A description of the P&P, Guidelines, Portfolio Holdings Disclosure Policy and additional information about Fund Trustees are contained in the Funds' Statement of Additional Information ("SAI"). The SAI and information regarding how the Funds voted proxies relating to portfolio securities during the most recent 12-month period ended June 30, 2019 are available (i) free of charge, upon request, by calling the Funds at (800) 787-7354, and (ii) on the Securities and Exchange Commission's website at www.sec.gov.

If possible, depending on contract owner registration and address information, and unless you have otherwise opted out, only one copy of the RIF prospectus and each annual and semi-annual report will be sent to contract owners at the same address. If you would like to receive a separate copy of these documents, please contact your Insurance Company. If you currently receive multiple copies of the prospectus, annual report and semi-annual report and would like to request to receive a single copy of these documents in the future, please call your insurance company.

Some insurance companies may offer electronic delivery of the Funds' prospectuses and annual and semi-annual reports. Please contact your insurance company for further details.

Disclosure of Information about Fund Trustees and Officers — December 31, 2019 (Unaudited)

The following tables provide information for each officer and trustee of the Russell Investments Fund Complex. The Russell Investments Fund Complex consists of Russell Investment Company ("RIC"), which has 34 funds and Russell Investment Funds ("RIF"), which has 9 funds. Each of the trustees is a trustee of RIC and RIF. The first table provides information for the Interested Trustee. The second table provides information for the Independent Trustees. The third table provides information for the Trustee Emeritus. The fourth table provides information for the officers. Furthermore, each Trustee possesses the following specific attributes: Mr. Alston has business, financial and investment experience as a senior executive of an international real estate firm and is trained as a lawyer; Ms. Blake has had experience as a certified public accountant and has had experience as a member of boards of directors/trustees of other investment companies; Ms. Burgermeister has had experience as a certified public accountant and as a member of boards of directors/ trustees of other investment companies and has been determined by the Board to be an "audit committee financial expert"; Ms. Krysty has had business, financial and investment experience as the founder and senior executive of a registered investment adviser focusing on high net worth individuals as well as a certified public accountant and a member of the boards of other corporations and non-profit organizations; Ms. Dien Ledoux has had investment experience as a portfolio manager and has had experience as a member of the board of trustees of other investment companies; Mr. Tennison has had business, financial and investment experience as a senior executive of a corporation with international activities and was trained as an accountant; Mr. Thompson has had experience in business, governance, investment and financial reporting matters as a senior executive of an organization sponsoring and managing other investment companies, and, subsequently, has served as a board member of other investment companies. Mr. Spina has had experience with other financial services companies, including companies engaged in the sponsorship, management and distribution of investment companies. As a senior officer and/or director of the Funds, the Adviser and various affiliates of the Adviser providing services to the Funds, Mr. Spina is in a position to provide the Board with such parties' perspectives on the management, operations and distribution of the Funds.

Name, Age, Address	Position(s) Held With Fund and Length of Time Served	Term of Office *	Principal Occupation(s) During the Past 5 Years	No. of Portfolios in Russell Fund Complex Overseen by Trustee	Other Directorships Held by Trustee During the Past 5 Years
INTERESTED TRUSTEE					
Mark Spina, # Born June 8, 1970 1301 Second Avenue, 18th Floor, Seattle, WA 98101	Trustee since 2017; President and Chief Executive Officer since 2017	Appointed until successor is duly elected and qualified; Appointed until successor is chosen and qualified by Trustees	• President and CEO, RIC and RIF • Chairman of the Board, President, Russell Investments Financial Services, LLC ("RIFIS") • Chairman of the Board, President, Russell Investments Fund Services, LLC ("RIFUS") • Director, RIM. • From 2015-2016, Head of Intermediary Distribution and President of Pioneer Funds Distributor • From 2008-2015 Head of Intermediary Distribution, Voya Investment Management	43	None
INDEPENDENT TRUSTEES					
Thaddas L. Alston, Born April 7, 1945 1301 Second Avenue, 18th Floor, Seattle, WA 98101	Trustee since 2006	Appointed until successor is duly elected and qualified	Senior Vice President, Larco Investments, Ltd. (real estate firm)	43	Until October 2015, Trustee, Russell Exchange Traded Funds Trust

Disclosure of Information about Fund Trustees and Officers, continued — December 31, 2019 (Unaudited)

Name, Age, Address	Position(s) Held With Fund and Length of Time Served	Term of Office *	Principal Occupation(s) During the Past 5 Years	No. of Portfolios in Russell Fund Complex Overseen by Trustee	Other Directorships Held by Trustee During the Past 5 Years
INDEPENDENT TRUSTEES (continued)					
Kristianne Blake, Born January 22, 1954 1301 Second Avenue, 18th Floor, Seattle, WA 98101	Trustee since 2000; Chairman since 2005	Appointed until successor is duly elected and qualified; Approved annually	• Lead Independent Director, Avista Corp (electric utilities) • Until May 2017, Director and Chairman of the Audit Committee, Avista Corp (electric utilities) • Until September 2018, Regent, University of Washington • President, Kristianne Gates Blake, P.S. (accounting services) • Until June 2014, Director, Ecova (total energy and sustainability management)	43	• Lead Independent Director, Avista Corp (electric utilities) • Until May 2017, Director Avista Corp (electric Utilities) • Until June 2014, Director, Ecova (total energy and sustainability management) • Until October 2015, Trustee, Russell Exchange Traded Funds Trust

Disclosure of Information about Fund Trustees and Officers, continued — December 31, 2019 (Unaudited)

Name, Age, Address	Position(s) Held With Fund and Length of Time Served	Term of Office *	Principal Occupation(s) During the Past 5 Years	No. of Portfolios in Russell Fund Complex Overseen by Trustee	Other Directorships Held by Trustee During the Past 5 Years
INDEPENDENT TRUSTEES (continued)					
Cheryl Burgermeister, Born June 26, 1951 1301 Second Avenue, 18th Floor, Seattle, WA 98101	Trustee since 2012; Chairman of the Audit Committee since 2017	Appointed until successor is duly elected and qualified; Appointed until successor is duly elected and qualified	• Retired • Trustee and Chairperson of Select Sector SPDR Funds (investment company) • Until December 31, 2014, Chairperson of Audit Committee, Select Sector SPDR Funds (investment company)	43	• Trustee and Chairperson of Select Sector SPDR Funds (investment company) • From August 2012 through May 2016, Trustee, ALPS Series Trust (investment company) • Until October 2015, Trustee, Russell Exchange Traded Funds Trust
Katherine W. Krysty, Born December 3, 1951 1301 Second Avenue 18th Floor, Seattle, WA 98101	Trustee since 2014	Appointed until successor is duly elected and qualified	• Retired	43	Until October 2015, Trustee, Russell Exchange Traded Funds Trust
Julie Dien Ledoux, Born August 17, 1969 1301 Second Avenue 18th Floor, Seattle, WA 98101	Trustee since 2019	Appointed until successor is duly elected and qualified	• Until March 2018, Trustee of Avenue Credit Strategies Fund (investment company) • Until November 2017, Trustee of Avenue Income Credit Strategies Fund (investment company)	43	• Until March 2018, Trustee, of Avenue Credit Strategies Fund (investment company) • Until November 2017 Trustee, of Avenue Income Credit Strategies Fund (investment company)

Disclosure of Information about Fund Trustees and Officers, continued — December 31, 2019 (Unaudited)

Name, Age, Address	Position(s) Held With Fund and Length of Time Served	Term of Office *	Principal Occupation(s) During the Past 5 Years	No. of Portfolios in Russell Fund Complex Overseen by Trustee	Other Directorships Held by Trustee During the Past 5 Years
INDEPENDENT TRUSTEES (continued)					
Raymond P. Tennison, Jr., Born December 21, 1955 1301 Second Avenue 18th Floor, Seattle, WA 98101	Trustee since 2000; Chairman of the Nominating and Governance Committee since 2007	Appointed until successor is duly elected and qualified; Appointed until successor is duly elected and qualified	• Retired	43	Until October 2015, Trustee, Russell Exchange Traded Funds Trust
Jack R. Thompson, Born March 21, 1949 1301 Second Avenue, 18th Floor, Seattle, WA 98101	Trustee since 2005; Chairman of the Investment Committee since 2015	Appointed until successor is duly elected and qualified; Appointed until successor is duly elected and qualified	• Retired	43	• Until October 2015, Trustee, Russell Exchange Traded Funds Trust

* Each Trustee is subject to mandatory retirement at age 75.
\# Mr. Spina is also an officer and/or director of one or more affiliates of RIC and RIF and is therefore an Interested Trustee.

Name, Age, Address	Position(s) Held With Fund and Length of Time Served	Term of Office	Principal Occupation(s) During the Past 5 Years	No. of Portfolios in Russell Fund Complex Overseen by Trustee	Other Directorships Held by Trustee During the Past 5 Years
TRUSTEE EMERITUS					
George F. Russell, Jr., Born July 3, 1932 1301 Second Avenue, 18th Floor, Seattle, WA 98101	Trustee Emeritus and Chairman Emeritus since 1999	Until resignation or removal	• Director Emeritus, RIM	43	None

Disclosure of Information about Fund Trustees and Officers, continued — December 31, 2019 (Unaudited)

Name, Age, Address	Positions(s) Held With Fund and Length of Time Served	Term of Office	Principal Occupation(s) During the Past 5 Years
OFFICERS			
Mark Spina, Born June 8, 1970 1301 Second Avenue 18th Floor, Seattle, WA 98101	President and Chief Executive Officer since 2017	Until successor is chosen and qualified by Trustees	• President and Chief Executive Officer, RIC and RIF • Chairman of the Board, President, RIFIS • Chairman of the Board, RIFUS • Director, RIM • From 2015 to 2016, Head of Intermediary Distribution and President of Pioneer Funds Distributor • From 2008 to 2015, Head of Intermediary Distribution, Voya Investment Management
Cheryl Wichers, Born December 16, 1966 1301 Second Avenue 18th Floor, Seattle, WA 98101	Chief Compliance Officer since 2005	Until removed by Independent Trustees	• Chief Compliance Officer, RIC and RIF • Chief Compliance Officer, RIFUS • 2011 to 2016 Chief Compliance Officer, U.S. One , LLC
Mark E. Swanson, Born November 26, 1963 1301 Second Avenue 18th Floor, Seattle, WA 98101	Treasurer, Chief Accounting Officer and Chief Financial Officer since 1998	Until successor is chosen and qualified by Trustees	• Global Head of Fund Services, Russell Investments • Treasurer, Chief Accounting Officer and CFO, RIC and RIF • Director and President, RIFUS • Director RIM, Russell Investments Trust Company (“RITC”) and RIFIS • President and Chief Executive Officer, RIC and RIF, June 2016 to June 2017
Peter Gunning, Born February 22, 1967 1301 Second Avenue, 18th Floor, Seattle WA 98101	Chief Investment Officer since 2018	Until removed by Trustees	• Global Chief Investment Officer, Russell Investments • Chief Investment Officer, RIC and RIF • Chief Investments Officer, Asia Pacific, Russell Investments • President, RIM
Mary Beth R. Albaneze, Born April 25, 1969 1301 Second Avenue, 18th Floor, Seattle, WA 98101	Secretary since 2010	Until successor is chosen and qualified by Trustees	• Associate General Counsel, Russell Investments • Secretary, RIM, RIFUS and RIFIS • Secretary and Chief Legal Officer, RIC and RIF • Assistant Secretary, U.S. One, LLC

Russell Investment Funds

Adviser, Money Managers and Service Providers — December 31, 2019 (Unaudited)

Interested Trustee
Mark Spina

Independent Trustees
Thaddas L. Alston
Kristianne Blake
Cheryl Burgermeister
Katherine W. Krysty
Julie Dien Ledoux
Raymond P. Tennison, Jr.
Jack R. Thompson

Trustee Emeritus
George F. Russell, Jr.

Officers
Mark Spina, President and Chief Executive Officer
Mark E. Swanson, Treasurer, Chief Accounting Officer and Chief Financial Officer
Cheryl Wichers, Chief Compliance Officer
Peter Gunning, Chief Investment Officer
Mary Beth R. Albaneze, Secretary

Adviser
Russell Investment Management, LLC
1301 Second Avenue
Seattle, WA 98101

Administrator and Transfer and Dividend Disbursing Agent
Russell Investments Fund Services, LLC
1301 Second Avenue
Seattle, WA 98101

Custodian
State Street Bank and Trust Company
1 Heritage Drive
North Quincy, MA 02171

Office of Shareholder Inquiries
1301 Second Avenue
Seattle, WA 98101
(800) 787-7354

Legal Counsel
Dechert LLP
One International Place, 40th Floor
100 Oliver Street
Boston, MA 02110

Distributor
Russell Investments Financial Services, LLC
1301 Second Avenue
Seattle, WA 98101

Independent Registered Public Accounting Firm
PricewaterhouseCoopers LLP
1420 5th Avenue, Suite 2800
Seattle, WA 98101

Money Managers

U.S. Strategic Equity Fund
Brandywine Global Investment Management, LLC, Philadelphia, PA
HS Management Partners, LLC, New York, NY
Jackson Square Partners, LLC, San Francisco, CA
Jacobs Levy Equity Management, Inc., Florham Park, NJ

U.S. Small Cap Equity Fund
Ancora Advisors, LLC, Cleveland, OH
Boston Partners Global Investors, Inc., New York, NY
Calamos Advisors LLC, Naperville, IL
Copeland Capital Management, LLC, Conshohocken, PA
DePrince, Race & Zollo, Inc., Winter Park, FL
Jacobs Levy Equity Management, Inc., Florham Park, NJ
Penn Capital Management Company, Inc., Philadelphia, PA
Ranger Investment Management, L.P., Dallas TX

International Developed Markets Fund
Intermede Global Partners Inc., San Francisco, CA and Intermede Investment Partners Limited, London, United Kingdom
Pzena Investment Management LLC, New York, NY
Wellington Management Company LLP, Boston, MA

Strategic Bond Fund
Colchester Global Investors Limited, London, England
Schroder Investment Management North America Inc., New York, NY
Western Asset Management Company, Pasadena, CA and Western Asset Management Company Limited, London, United Kingdom

Global Real Estate Securities Fund
Cohen & Steers Capital Management, Inc., New York, NY Cohen & Steers UK Limited London, United Kingdom and Cohen & Steers Asia Limited, Hong Kong, China
RREEF America L.L.C., Chicago, IL, Deutsche Investments Australia Limited, Sydney, Australia and Deutsche Alternative Management (Global) Limited, London, United Kingdom operating under the brand name Deutsche Asset Management

This report is prepared from the books and records of the Funds and is submitted for the general information of shareholders and is not authorized for distribution to prospective investors unless accompanied or preceded by an effective Prospectus. Nothing herein contained is to be considered an offer of sale or a solicitation of an offer to buy shares of Russell Investment Funds. Such offering is made only by Prospectus, which includes details as to offering price and other material information.

Russell Investment Funds
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Russell Investments

Russell Investments

2019 ANNUAL REPORT

Russell Investment Funds

LifePoints® Funds Variable Target Portfolio Series

DECEMBER 31, 2019

FUND

Moderate Strategy Fund
Balanced Strategy Fund
Growth Strategy Fund
Equity Growth Strategy Fund

Beginning January 1, 2021, as permitted by regulations adopted by the Securities and Exchange Commission, paper copies of the Funds' annual and semi-annual shareholder reports will no longer be sent by mail, unless you specifically request paper copies of the reports from your financial professional or variable annuity provider. Instead, the reports will be made available on a website, and you will be notified by mail each time a report is posted and provided with a website link to access the report.

If you already elected to receive shareholder reports electronically, you will not be affected by this change and you need not take any action. If supported by your financial professional or variable annuity provider, you may elect to receive shareholder reports and other Fund communications electronically. Please contact your financial professional or variable annuity provider for more information.

You may elect to receive all future shareholder reports in paper free of charge. Please contact your financial professional or variable annuity provider to inform them that you wish to continue receiving paper copies of your shareholder reports. Your election to receive reports in paper will apply to all Russell Investment Funds and other funds you hold with your financial professional or variable annuity provider.

Russell Investment Funds

Russell Investment Funds is
a series investment company
with nine different investment
portfolios referred to as Funds.
These financial statements report
on four of these Funds.

Russell Investment Funds

LifePoints® Funds

Variable Target Portfolio Series

Annual Report

December 31, 2019

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Russell Investment Funds - LifePoints® Funds Variable Target Portfolio Series

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Indices and benchmarks are unmanaged and cannot be invested in directly. Returns represent past performance, are not a guarantee of future performance, and are not indicative of any specific investment. Index return information is provided by vendors and although deemed reliable, is not guaranteed by Russell Investments or its affiliates.

Performance quoted represents past performance and does not guarantee future results. The investment return and principal value of an investment will fluctuate so that shares, when redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than the performance data quoted.

To Our Shareholders

Fellow Investors,

Your financial security is not only our focus; it is our purpose. We believe that the combination of our investment solutions, a sound plan and timely investment advice can help to achieve that financial security. That is the reason we work hard to maintain a time-tested, disciplined investment approach, focused on meeting the financial needs of clients like you.

Market volatility and the fear of a recession can make it difficult for individuals to stick to an investment plan. Some investors are tempted to leave sectors too early, to stay in too long, or to pull out too much. These types of behavior can cause the less-disciplined investor to fall into the harmful trap of buying high and selling low. However, we believe this is the type of market in which our process shines.

We maintain our focus and look to position our funds for the investing environment ahead, not the one that has just passed. With this in mind, we hold the following views on markets:

- We believe in the importance of diversifying globally. International investments provide diversification relative to U.S.-based investments as well as open the portfolio up to additional opportunities outside our borders.
- Within our equity exposure, we have an underweight preference for U.S. equities, driven by expensive valuations and cycle concerns. We're broadly neutral on developed international equities, and overweight on emerging markets equities, driven by valuations.
- Within our bond exposure, we continue to diversify across sectors. Additionally, active management will be important during a period of low anticipated fixed income returns.

2019 again showed that volatility is still present in the market. And we believe uncertainty about future market downturns helps to prove the value of a disciplined approach. As do, in our view, these key events of the last 12 months:

- Global growth concerns and geopolitical tension have remained in investors' thoughts. Progress in U.S.-China trade talks fluctuated over the period, with both countries implementing costly tariffs, which has impacted financial markets.
- While short-term recession risks remain low, the U.S. yield curve is signaling that the risk is increasing. The U.S. yield curve inverted for the first time since 2007 as government bond yields sunk to new depths.[1] The U.S. 10-year treasury reached its lowest since 2016[2] while the U.S. 30-year yield touched an all-time bottom in August.[3]
- Nevertheless, global equities have ground higher amid dovish central bank policy. The Federal Reserve cut rates three times, while the European Central Bank cut rates to a record -0.5% and restarted quantitative easing.[4] China's central bank also took steps to stimulate its economy.[5]
- Volatility spiked at points over the year[6], but equity markets have not touched the volatility experienced during December 2018—where a Federal Reserve rate increase and a worsening of U.S.-China tensions led investors flight to safety.[7]
- 2019 saw positive returns from major asset classes, with U.S. large cap[8] and infrastructure asset classes[9] leading the way. Even with strong absolute performance it has not been without bumps; asset class leadership can change month-to-month and quarter-to-quarter, reinforcing the need for a balanced multi-asset approach to investing.

Looking forward to the year ahead, we believe we are late in the cycle; with some bright spots. The service sector is still robust in most economies; policy stimulus is being ramped up, with many central banks now cutting interest rates and indicating that more cuts are on the way; and an easing of trade tensions seems likely. On balance, we think it is more likely that the combination of trade-war resolution and policy stimulus will see the global economy recover in 2020. However, the asymmetry of the different outcomes—bear market versus limited upside—keeps us cautious until there is more clarity on the trade and stimulus outlook.

To Our Shareholders

At Russell Investments, our purpose is to improve people's financial security. We have a long heritage of providing multi-asset solutions to help investors like you reach your financial goals, whether you're saving for retirement, already there or building a college fund. Thank you for the trust you have placed in our firm. All of us at Russell Investments appreciate the opportunity to help you achieve your own financial security.

Best regards,



Peter Gunning

Global Chief Investment Officer, Russell Investments

[1] Source: https://www.reuters.com/article/us-us-bonds-curve/u-s-treasury-bond-curve-inverts-for-first-time-since-2007-in-recession-warning-idUSKCN1V4165

[2] Source: https://www.cnbc.com/2019/09/03/us-bonds-wall-street-monitors-economic-data-treasury-auctions.html

[3] Source: https://www.cnbc.com/2019/08/28/us-bonds-key-yield-curve-inverts-further-as-30-year-hits-record-low.html

[4] Source: https://www.marketwatch.com/story/ecb-cuts-key-rate-restarts-qe-as-it-attempts-to-revive-eurozone-economy-2019-09-12

[5] Source: https://www.reuters.com/article/us-china-economy-poll/chinas-2019-growth-seen-slowing-to-62-as-trade-war-weighs-idUSKCN1U514W

[6] Source: https://www.cnbc.com/2019/08/14/stock-markets-wall-street-in-focus-amid-earnings-economic-data.html

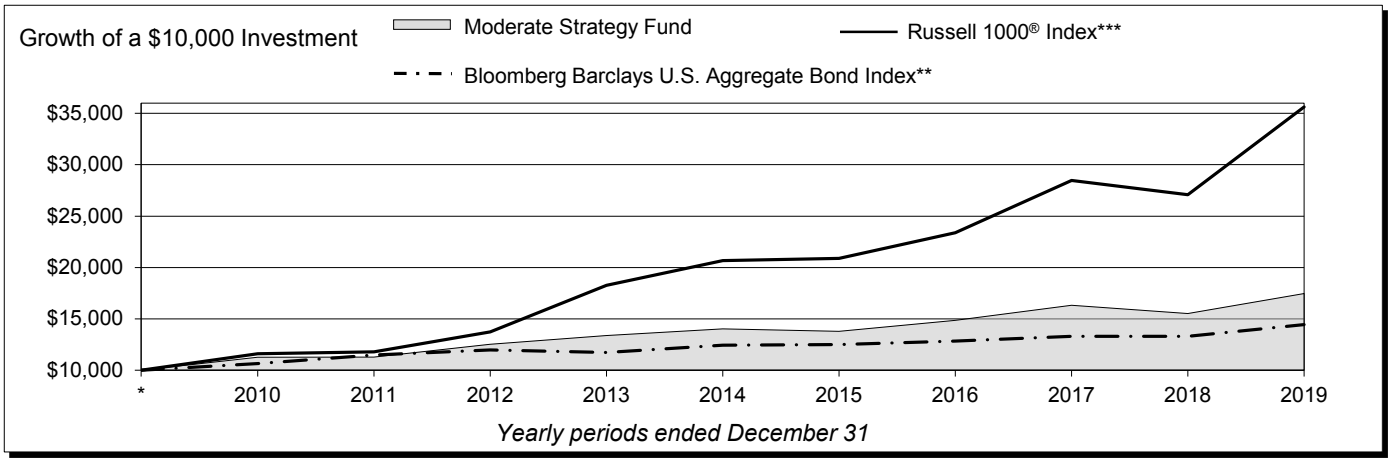
[7] Source: https://www.wsj.com/articles/the-battered-bull-market-is-limping-into-2019-11546425000

[8] Source: https://www.cnbc.com/2019/10/28/stock-market-investors-monitor-busiest-week-of-earnings-season.html

[9] Source: https://us.spindices.com/indices/equity/sp-global-infrastructure-index

Russell Investment Funds
Moderate Strategy Fund

Portfolio Management Discussion and Analysis — December 31, 2019 (Unaudited)



Moderate Strategy Fund

	Total Return
1 Year	12.54%
5 Years	4.48%§
10 Years	5.73%§

Bloomberg Barclays U.S. Aggregate Bond Index**

	Total Return
1 Year	8.72%
5 Years	3.05%§
10 Years	3.75%§

Russell 1000® Index***

	Total Return
1 Year	31.43%
5 Years	11.48%§
10 Years	13.54%§

Russell Investment Funds
Moderate Strategy Fund

Portfolio Management Discussion and Analysis, continued — December 31, 2019 (Unaudited)

The Moderate Strategy Fund (the "Fund") is a fund of funds that invests principally in other Russell Investment Funds ("RIF") and Russell Investment Company ("RIC") mutual funds (the "Underlying Funds"). The Underlying Funds employ a multi-manager approach whereby portions of the Underlying Funds are allocated to different money manager strategies. Underlying Fund assets not allocated to money managers are managed by Russell Investment Management, LLC ("RIM"), the Fund's and Underlying Funds' advisor. RIM, as the Underlying Funds' advisor, may change the allocation of the Underlying Funds' assets among money managers at any time. An exemptive order from the Securities and Exchange Commission ("SEC") permits RIM to engage or terminate a money manager in an Underlying Fund at any time, subject to approval by the Underlying Fund's Board, without a shareholder vote. Pursuant to the terms of the exemptive order, an Underlying Fund is required to notify its shareholders within 90 days of when a money manager begins providing services.

What is the Fund's investment objective?

The Fund seeks to provide current income and moderate long term capital appreciation.

How did the Fund perform relative to its benchmark for the fiscal year ended December 31, 2019?

For the fiscal year ended December 31, 2019, the Fund gained 12.54%. This is compared to the Fund's primary benchmark, the Bloomberg Barclays U.S. Aggregate Bond Index, which gained 8.72% during the same period. The Fund's performance includes operating expenses, whereas index returns are unmanaged and do not include expenses of any kind.

For the fiscal year ended December 31, 2019, the Morningstar® Insurance Allocation – 30% to 50% Equity Category, a group of funds that Morningstar considers to have investment strategies similar to those of the Fund, gained 15.26%. This result serves as a peer comparison and is expressed net of operating expenses.

How did market conditions affect the Fund's performance?

The Fund seeks to achieve its objective by investing in Underlying Funds that provide exposure to a range of diversified investments, and most major asset classes invested in by the Underlying Funds produced positive absolute returns during the period.

Within the Fund's fixed income portfolio, exposure to securitized assets was beneficial, as a strong U.S. consumer and the low-rate environment created opportunities within prepayment risk assets. The low-rate environment was also beneficial to global infrastructure and global real estate investment trusts ("REITs"), as both asset classes posted strong returns over the period.

The U.S. equity market, as broadly measured by the Russell 3000® Index, surged to 31.02% at period-end, closing out a strong year. From a style perspective, growth outperformed value. From a sector perspective, information technology was the best performing sector, while health care, materials, communication services and financials followed closely behind. The Fund's strategic exposure to non-U.S. equities benefited performance over the period, as market sentiment in emerging markets improved due to apparent progress in the U.S.-China trade talks and a "phase one" deal.

How did the investment strategies and techniques employed by the Fund and the Underlying Funds affect the Fund's performance?

The Fund is a fund of funds and its performance is based on RIM's strategic asset allocations, the performance of the Underlying Funds in which the Fund invests, and tactical changes in the Fund's asset allocation throughout the year. In order to seek to achieve the Fund's objective during the period, RIM's strategic asset allocation included investments in global equity, fixed income, multi-asset and alternative Underlying Funds.

Broadly, the Fund's asset allocation was a positive contributor to performance relative to the Fund's fixed income benchmark during the period. Allocations to global real estate investment trusts and infrastructure benefited the Fund, as both asset classes posted strong double-digit returns. Further, allocations to non-U.S. equities bolstered returns as well, outperforming the fixed income asset class.

The fixed income portion of the Fund's portfolio provided positive results compared to the Fund's fixed income benchmark. An allocation to the RIF Strategic Bond Fund was positive from a benchmark-relative perspective as a result of its exposure to securitized credit, which generated an above market yield. An allocation to the RIC Investment Grade Bond Fund also contributed positively as a result of the Underlying Fund's underweight to government and government-guaranteed securities and an overweight to securitized credit. An allocation to the RIC Opportunistic Credit Fund was additive due to its higher allocation to high yield relative to the Bloomberg Barclays U.S. Aggregate Bond Index, and its emerging markets currency exposure provided a significant boost to active returns.

While the broader equity markets delivered strong absolute performance over the period, the Fund's equity allocation exceeded the Fund's fixed income benchmark. However, the equity Underlying Funds generally underperformed their respective equity benchmarks. The RIC Sustainable Equity Fund underperformed its benchmark, as it was consistently underweight stocks that have higher momentum and expensive valuations and overweight stocks with higher profitability. Both factor tilts negatively impacted benchmark-relative performance over the year. The RIF International Developed Markets Fund

underperformed its benchmark due to its sector allocations – for instance, an underweight to health care and overweight to communication services detracted. A tilt toward low valuation stocks was a meaningful driver of underperformance for the RIC U.S. Dynamic Equity Fund. Coupled with negative stock selection within the information technology sector, the Underlying Fund underperformed its equity benchmark.

The alternative assets portion of the Fund's portfolio provided positive results compared to the Fund's fixed income benchmark. The RIF Global Real Estate Securities Fund outperformed the Fund's benchmark due to the overall strength of the asset class relative to fixed income, as real assets were bolstered by a low interest rate environment. The RIC Global Infrastructure Fund outperformed both the Fund's fixed income benchmark and its listed infrastructure benchmark due to out-of-index exposures to construction and engineering and specialized REITs. The RIC Commodity Strategies Fund outperformed its benchmark but struggled against the Fund's fixed income benchmark.

The multi-asset portion of the Fund's portfolio outperformed the Fund's fixed income benchmark. The RIC Multi-Strategy Income Fund benefited from overweight positions to mortgage back securities that added value due to the low interest rate environment. However, the Fund's regional positioning was challenged over the period, mainly driven by an overweight to non-U.S. equity and a U.S. equity underweight.

Describe any changes to the Fund's structure or allocation to the Underlying Funds.

RIM has the discretion to vary the Fund's actual allocation from the target strategic asset allocation by up to +/- 5% at the equity, fixed income, multi-asset or alternative category level based on RIM's capital markets research. In addition to investing in the Underlying Funds, RIM may seek to actively manage a Fund's overall exposures by investing in derivatives that RIM believes will achieve the desired risk/return profile for the Fund.

RIM continued to operate the Fund as a risk manager rather than risk taker during the period. RIM's tactical regional modifications to the Fund's asset allocation versus strategic targets were challenged during the period, mainly driven by an overweight to non-U.S. equity and U.S. equity underweight while U.S. equity led global market performance. In terms of tactical asset class modifications, in the first quarter of 2019, real estate exposure was added given attractive valuations. At the beginning of 2019, RIM also increased exposure to high yield corporate credit, but pared back as spreads compressed to expensive levels.

Effective on November 13, 2019, the Fund's allocation to the Underlying Funds in which it invests was modified to an approximate target allocation of 34% to equity, 52% to fixed income, 12% to multi-asset and 2% to alternative asset classes.

RIM manages a global real yield positioning strategy and a currency factor positioning strategy for the Fund. Using futures, the global high real yield strategy took long positions in high quality government bonds whose net-of-inflation yields are expected to be relatively high and short positions where net-of-inflation yield is expected to be relatively low. The currency factor strategy utilized currency forward contracts to take long and short positions in global foreign exchange markets. The global real yield strategy detracted over the period as the long positions underperformed, with the cost split evenly between the U.S. and Canada. With respect to the currency factor strategy, the Fund's exposure moderately detracted.

The views expressed in this report reflect those of the portfolio managers only through the end of the period covered by the report. These views do not necessarily represent the views of RIM, or any other person in RIM or any other affiliated organization. These views are subject to change at any time based upon market conditions or other events, and RIM disclaims any responsibility to update the views contained herein. These views should not be relied on as investment advice and, because investment decisions for a RIF Fund are based on numerous factors, should not be relied on as an indication of investment decisions of any RIF Fund.

Portfolio Management Discussion and Analysis, continued — December 31, 2019 (Unaudited)

* Assumes initial investment on January 1, 2010.

** The Bloomberg Barclays U.S. Aggregate Bond Index is an index, with income reinvested, generally representative of intermediate-term government bonds, investment grade corporate debt securities and mortgage-backed securities.

*** The Russell 1000® Index includes the 1,000 largest companies in the Russell 3000® Index. The Russell 1000® Index represents the universe of stocks from which most active money managers typically select. The Russell 1000® Index return reflects adjustments from income dividends and capital gain distributions reinvested as of the ex-dividend dates.

§ Annualized.

The performance shown in this section does not reflect any Insurance Company Separate Account or Policy Charges. Performance is historical and assumes reinvestment of all dividends and capital gains. Investment return and principal value will fluctuate so that an investor's shares, when redeemed, may be worth more or less than when purchased. Past performance is not indicative of future results. Additionally, the returns presented herein may differ from the performance reported in the Financial Highlights as the returns herein are calculated in a manner consistent with standardized performance in accordance with Securities and Exchange Commission rules, while the performance in the Financial Highlights has been calculated in accordance with U.S. Generally Accepted Accounting Principles ("U.S. GAAP").

Russell Investment Funds
Moderate Strategy Fund

Shareholder Expense Example — December 31, 2019 (Unaudited)

Fund Expenses

The following disclosure provides important information regarding the Fund's Shareholder Expense Example ("Example").

Example

As a shareholder of the Fund, you incur two types of costs: (1) transaction costs, and (2) ongoing costs, including advisory and administrative fees and other Fund expenses. The Example is intended to help you understand your ongoing costs (in dollars) of investing in the Fund and to compare these costs with the ongoing costs of investing in other mutual funds. The Example is based on an investment of $1,000 invested at the beginning of the period and held for the entire period indicated, which for this Fund is from July 1, 2019 to December 31, 2019.

Actual Expenses

The information in the table under the heading "Actual Performance" provides information about actual account values and actual expenses. You may use the information in this column, together with the amount you invested, to estimate the expenses that you paid over the period. Simply divide your account value by $1,000 (for example, an $8,600 account value divided by $1,000 = 8.6), then multiply the result by the number in the first column in the row entitled "Expenses Paid During Period" to estimate the expenses you paid on your account during this period.

Hypothetical Example for Comparison Purposes

The information in the table under the heading "Hypothetical Performance (5% return before expenses)" provides information about hypothetical account values and hypothetical expenses based on the Fund's actual expense ratio and an assumed rate of return of 5% per year before expenses, which is not the Fund's actual return. The hypothetical account values and expenses may not be used to estimate the actual ending account balance or expenses you paid for the period. You may use this information to compare the ongoing costs of investing in the Fund and other funds. To do so, compare this 5% hypothetical example with the 5% hypothetical examples that appear in the shareholder reports of other funds.

Please note that the expenses shown in the table are meant to highlight your ongoing costs only and do not reflect any transactional costs. Therefore, the information under the heading "Hypothetical Performance (5% return before expenses)" is useful in comparing ongoing costs only, and will not help you determine the relative total costs of owning different funds. In addition, if these transactional costs were included, your costs would have been higher. The fees and expenses shown in this section do not reflect any Insurance Company Separate Account Policy Charges.

	Actual Performance	Hypothetical Performance (5% return before expenses)
Beginning Account Value July 1, 2019	$ 1,000.00	$ 1,000.00
Ending Account Value December 31, 2019	$ 1,039.20	$ 1,024.50
Expenses Paid During Period*	$ 0.72	$ 0.71

* Expenses are equal to the Fund's annualized expense ratio of 0.14% (representing the six month period annualized), multiplied by the average account value over the period, multiplied by 184/365 (to reflect the one-half year period). May reflect amounts waived and/or reimbursed. Without any waivers and/or reimbursements, expenses would have been higher.

Russell Investment Funds
Moderate Strategy Fund

Schedule of Investments — December 31, 2019

Amounts in thousands *(except share amounts)*

	Shares	Fair Value $
Investments in Affiliated Funds - 97.8%		
Alternative - 2.0%		
RIC Commodity Strategies Fund Class Y	388,441	2,024
Domestic Equities - 14.1%		
RIF U.S. Small Cap Equity Fund	492,621	7,045
RIF U.S. Strategic Equity Fund	440,654	7,064
		14,109
Fixed Income - 51.6%		
RIC Investment Grade Bond Fund Class Y	547,346	11,910
RIC Unconstrained Total Return Fund Class Y	1,811,739	17,972
RIF Strategic Bond Fund	2,071,881	21,880
		51,762
International Equities - 18.1%		
RIC Emerging Markets Fund Class Y	260,854	5,105
RIC Global Equity Fund Class Y	754,559	7,055
RIF International Developed Markets Fund	514,356	6,028
		18,188
Multi-Asset - 12.0%		
RIC Multi-Strategy Income Fund Class Y	1,192,108	12,028
Total Investments in Affiliated Funds (cost $92,816)		98,111
Short-Term Investments - 0.5%		
U.S. Cash Management Fund (@)	531,017(∞)	531
Total Short-Term Investments (cost $531)		531
Total Investments 98.3% (identified cost $93,347)		98,642
Other Assets and Liabilities, Net - 1.7%		1,703
Net Assets - 100.0%		100,345

See accompanying notes which are an integral part of the financial statements.

Russell Investment Funds
Moderate Strategy Fund

Schedule of Investments, continued — December 31, 2019

Futures Contracts

Amounts in thousands *(except contract amounts)*

	Number of Contracts		Notional Amount	Expiration Date	Value and Unrealized Appreciation (Depreciation) $
Long Positions					
Amsterdam Index Futures	5	EUR	605	01/20	(4)
CAC40 Euro Index Futures	27	EUR	1,612	01/20	10
DAX Index Futures	4	EUR	1,325	03/20	(8)
Dow Jones U.S. Real Estate Index Futures	65	USD	2,389	03/20	57
EURO STOXX 50 Index Futures	26	EUR	970	03/20	(10)
FTSE 100 Index Futures	4	GBP	300	03/20	1
FTSE/MIB Index Futures	3	EUR	351	03/20	(1)
Hang Seng Index Futures	2	HKD	2,827	01/20	3
IBEX 35 Index Futures	5	EUR	476	01/20	(3)
MSCI EAFE Index Futures	15	USD	1,527	03/20	(4)
MSCI Emerging Markets Index Futures	18	USD	1,008	03/20	19
OMXS30 Index Futures	19	SEK	3,360	01/20	(2)
S&P 500 E-Mini Index Futures	19	USD	3,070	03/20	55
S&P/TSX 60 Index Futures	4	CAD	810	03/20	2
SPI 200 Index Futures	8	AUD	1,321	03/20	(28)
TOPIX Index Futures	6	JPY	103,260	03/20	1
Short Positions					
NASDAQ 100 E-Mini Index Futures	21	USD	3,676	03/20	(129)
Russell 1000 E-Mini Index Futures	5	USD	446	03/20	(8)
Russell 2000 E-Mini Index Futures	54	USD	4,511	03/20	(62)
S&P 400 E-Mini Index Futures	3	USD	619	03/20	(12)
S&P 500 E-Mini Index Futures	42	USD	6,785	03/20	(120)
S&P Financial Select Sector Index Futures	25	USD	2,369	03/20	(52)
Total Value and Unrealized Appreciation (Depreciation) on Open Futures Contracts (å)					(295)

Foreign Currency Exchange Contracts

Amounts in thousands

Counterparty	Amount Sold		Amount Bought		Settlement Date	Unrealized Appreciation (Depreciation) $
Bank of Montreal	USD	216	AUD	315	03/18/20	5
Bank of Montreal	USD	373	CAD	494	03/18/20	6
Bank of Montreal	USD	343	EUR	307	03/18/20	3
Bank of Montreal	USD	197	HKD	1,542	03/18/20	1
Bank of Montreal	USD	366	JPY	39,503	03/18/20	(1)
Bank of Montreal	USD	30	MXN	575	03/18/20	1
Bank of Montreal	CHF	118	USD	121	03/18/20	(2)
Bank of Montreal	GBP	241	USD	318	03/18/20	(1)
Bank of Montreal	SEK	432	USD	46	03/18/20	—
Bank of Montreal	SGD	26	USD	19	03/18/20	—
Bank of Montreal	ZAR	250	USD	17	03/18/20	(1)
Citigroup	USD	981	CNY	6,920	03/18/20	11
Citigroup	USD	21	RUB	1,340	03/18/20	1
Citigroup	TWD	9,520	USD	315	03/18/20	(5)
Royal Bank of Canada	USD	216	AUD	315	03/18/20	5
Royal Bank of Canada	USD	374	CAD	494	03/18/20	6
Royal Bank of Canada	USD	343	EUR	307	03/18/20	3
Royal Bank of Canada	USD	197	HKD	1,542	03/18/20	1

See accompanying notes which are an integral part of the financial statements.

Russell Investment Funds
Moderate Strategy Fund

Schedule of Investments, continued — December 31, 2019

Foreign Currency Exchange Contracts

Amounts in thousands

Counterparty	Amount Sold		Amount Bought		Settlement Date	Unrealized Appreciation (Depreciation) $
Royal Bank of Canada	USD	366	JPY	39,503	03/18/20	(1)
Royal Bank of Canada	USD	30	MXN	575	03/18/20	1
Royal Bank of Canada	CHF	118	USD	121	03/18/20	(2)
Royal Bank of Canada	GBP	241	USD	318	03/18/20	(2)
Royal Bank of Canada	SEK	432	USD	46	03/18/20	—
Royal Bank of Canada	SGD	26	USD	19	03/18/20	—
Royal Bank of Canada	ZAR	250	USD	17	03/18/20	(1)
State Street	INR	8,140	USD	114	03/18/20	—
State Street	KRW	349,910	USD	294	03/18/20	(9)
Total Unrealized Appreciation (Depreciation) on Open Foreign Currency Exchange Contracts						19

Credit Default Swap Contracts

Amounts in thousands

Credit Indices

Reference Entity	Counterparty	Purchase/Sell Protection	Notional Amount		Fund (Pays)/ Receives Fixed Rate	Termination Date	Premiums Paid/ (Received) $	Unrealized Appreciation (Depreciation) $	Fair Value $
CDX NA High Yield Index	Bank of America	Sell	USD	5,544	5.000%[2]	12/20/24	372	171	543
CDX NA Investment Grade Index	Bank of America	Purchase	USD	8,900	(1.000%)[2]	12/20/24	(183)	(51)	(234)
Total Open Credit Indices Contracts (å)							189	120	309

See accompanying notes which are an integral part of the financial statements.

Russell Investment Funds
Moderate Strategy Fund

Schedule of Investments, continued — December 31, 2019

Presentation of Portfolio Holdings

Amounts in thousands

	Fair Value					
Portfolio Summary	**Level 1**	**Level 2**	**Level 3**	**Practical Expedient (a)**	**Total**	**% of Net Assets**
Investments in Affiliated Funds	$ 98,111	$ —	$ —	$ —	$ 98,111	97.8
Short-Term Investments	—	—	—	531	531	0.5
Total Investments	98,111	—	—	531	98,642	98.3
Other Assets and Liabilities, Net						1.7
						100.0
Other Financial Instruments						
Assets						
Futures Contracts	148	—	—	—	148	0.1
Foreign Currency Exchange Contracts	—	44	—	—	44	—*
Credit Default Swap Contracts	—	543	—	—	543	0.5
Liabilities						
Futures Contracts	(443)	—	—	—	(443)	(0.4)
Foreign Currency Exchange Contracts	—	(25)	—	—	(25)	(—)*
Credit Default Swap Contracts	—	(234)	—	—	(234)	(0.2)
Total Other Financial Instruments**	$ (295)	$ 328	$ —	$ —	$ 33	

* Less than 0.05% of net assets.

** Futures and foreign currency exchange contract values reflect the unrealized appreciation (depreciation) on the investments.

(a) Certain investments that are measured at fair value using the net asset value per share (or its equivalent) practical expedient have not been classified in the fair value levels. The fair value amounts presented in the table are intended to permit reconciliation to the amounts presented in the Schedule of Investments.

For a description of the Levels, see note 2 in the Notes to Financial Statements.
For a disclosure on transfers between Levels 1, 2 and 3 during the period ended December 31, 2019, see note 2 in the Notes to Financial Statements.

Russell Investment Funds
Moderate Strategy Fund

Fair Value of Derivative Instruments — December 31, 2019

Amounts in thousands

Derivatives not accounted for as hedging instruments	Equity Contracts	Credit Contracts	Foreign Currency Contracts
Location: Statement of Assets and Liabilities - Assets			
Unrealized appreciation on foreign currency exchange contracts	$ —	$ —	$ 44
Variation margin on futures contracts*	148	—	—
Credit default swap contracts, at fair value	—	543	—
Total	$ 148	$ 543	$ 44
Location: Statement of Assets and Liabilities - Liabilities			
Variation margin on futures contracts*	$ 443	$ —	$ —
Unrealized depreciation on foreign currency exchange contracts	—	—	25
Credit default swap contracts, at fair value	—	234	—
Total	$ 443	$ 234	$ 25

Derivatives not accounted for as hedging instruments	Equity Contracts	Credit Contracts	Foreign Currency Contracts	Interest Rate Contracts
Location: Statement of Operations - Net realized gain (loss)				
Investments**	$ (308)	$ —	$ —	$ —
Futures contracts	1,042	—	—	(230)
Options written	42	—	—	—
Total return swap contracts	(1,751)	—	—	—
Credit default swap contracts	—	23	—	—
Foreign currency exchange contracts	—	—	(3)	—
Total	$ (975)	$ 23	$ (3)	$ (230)
Location: Statement of Operations - Net change in unrealized appreciation (depreciation)				
Investments***	$ 250	$ —	$ —	$ —
Futures contracts	(87)	—	—	64
Options written	23	—	—	—
Credit default swap contracts	—	184	—	—
Foreign currency exchange contracts****	—	—	47	—
Total	$ 186	$ 184	$ 47	$ 64

* Includes cumulative appreciation/depreciation of futures contracts as reported in the Schedule of Investments. Only variation margin is reported within the Statement of Assets and Liabilities.

** Includes net realized gain (loss) on purchased options as reported in the Statement of Operations.

*** Only includes net realized gain (loss) on forward and spot contracts. May differ from the net realized gain (loss) on foreign currency-related transactions reported within the Statement of Operations.

**** Includes net change in unrealized appreciation/depreciation on purchased options as reported in the Statement of Operations.

For further disclosure on derivatives see note 2 in the Notes to Financial Statements.

See accompanying notes which are an integral part of the financial statements.

Russell Investment Funds
Moderate Strategy Fund
Balance Sheet Offsetting of Financial and Derivative Instruments — December 31, 2019

Amounts in thousands

Offsetting of Financial Assets and Derivative Assets

Description	Location: Statement of Assets and Liabilities - Assets	Gross Amounts of Recognized Assets	Gross Amounts Offset in the Statement of Assets and Liabilities	Net Amounts of Assets Presented in the Statement of Assets and Liabilities
Foreign Currency Exchange Contracts	Unrealized appreciation on foreign currency exchange contracts	$ 44	$ —	$ 44
Credit Default Swap Contracts	Credit default swap contracts, at fair value	543	—	543
Total Financial and Derivative Assets		587	—	587
Financial and Derivative Assets not subject to a netting agreement		(543)	—	(543)
Total Financial and Derivative Assets subject to a netting agreement		$ 44	$ —	$ 44

Financial Assets, Derivative Assets, and Collateral Held by Counterparty

Counterparty	Net Amounts of Assets Presented in the Statement of Assets and Liabilities	Gross Amounts Not Offset in the Statement of Assets and Liabilities: Financial and Derivative Instruments	Gross Amounts Not Offset in the Statement of Assets and Liabilities: Collateral Received^	Net Amount
Bank of Montreal	$ 17	$ 5	$ —	$ 12
Citigroup	11	5	—	6
Royal Bank of Canada	16	5	—	11
Total	$ 44	$ 15	$ —	$ 29

See accompanying notes which are an integral part of the financial statements.

Russell Investment Funds
Moderate Strategy Fund
Balance Sheet Offsetting of Financial and Derivative Instruments, continued — December 31, 2019

Amounts in thousands

Offsetting of Financial Liabilities and Derivative Liabilities

Description	Location: Statement of Assets and Liabilities - Liabilities	Gross Amounts of Recognized Liabilities	Gross Amounts Offset in the Statement of Assets and Liabilities	Net Amounts of Liabilities Presented in the Statement of Assets and Liabilities
Foreign Currency Exchange Contracts	Unrealized depreciation on foreign currency exchange contracts	$ 25	$ —	$ 25
Credit Default Swap Contracts	Credit default swap contracts, at fair value	234	—	234
Total Financial and Derivative Liabilities		259	—	259
Financial and Derivative Liabilities not subject to a netting agreement		(234)	—	(234)
Total Financial and Derivative Liabilities subject to a netting agreement		$ 25	$ —	$ 25

Financial Liabilities, Derivative Liabilities, and Collateral Pledged by Counterparty

		Gross Amounts Not Offset in the Statement of Assets and Liabilities		
Counterparty	Net Amounts of Liabilities Presented in the Statement of Assets and Liabilities	Financial and Derivative Instruments	Collateral Pledged^	Net Amount
Bank of Montreal	$ 5	$ 5	$ —	$ —
Citigroup	5	5	—	—
Royal Bank of Canada	5	5	—	—
State Street	10	—	—	10
Total	$ 25	$ 15	$ —	$ 10

^ Collateral received or pledged amounts may not reconcile to those disclosed in the Statement of Assets and Liabilities due to the inclusion of off-Balance Sheet collateral and adjustments made to exclude overcollateralization.

For further disclosure on derivatives and counterparty risk see note 2 in the Notes to Financial Statements.

See accompanying notes which are an integral part of the financial statements.

Russell Investment Funds
Moderate Strategy Fund

Statement of Assets and Liabilities — December 31, 2019

Amounts in thousands

Assets		
Investments, at identified cost	$	93,347
Investments, at fair value(>)		98,642
Unrealized appreciation on foreign currency exchange contracts		44
Receivables:		
Dividends and interest		1
Dividends from affiliated funds		1
Fund shares sold		3
From affiliates		5
From broker(a)		1,833
Credit default swap contracts, at fair value(+)		543
Total assets		101,072
Liabilities		
Payables:		
Due to custodian		6
Due to broker (b)		104
Investments purchased		2
Fund shares redeemed		1
Accrued fees to affiliates		4
Other accrued expenses		57
Variation margin on futures contracts		294
Unrealized depreciation on foreign currency exchange contracts		25
Credit default swap contracts, at fair value(+)		234
Total liabilities		727
Net Assets	$	100,345

See accompanying notes which are an integral part of the financial statements.

Russell Investment Funds
Moderate Strategy Fund

Statement of Assets and Liabilities, continued — December 31, 2019

Amounts in thousands

Net Assets Consist of:		
Total distributable earnings (losses)	$	5,289
Shares of beneficial interest		100
Additional paid-in capital		94,956
Net Assets	$	100,345

Net Asset Value, offering and redemption price per share:		
Net asset value per share: (#)	$	10.05
Net assets	$	100,345,498
Shares outstanding ($.01 par value)		9,984,121

Amounts in thousands

(+)	Credit default swap contracts - premiums paid (received)	$	189
(>)	Investments in affiliated funds	$	98,642

(a)	Receivable from Broker for Futures	$	1,833
(b)	Due to Broker for Swaps	$	104

(#) Net asset value per share equals net assets divided by shares of beneficial interest outstanding.

See accompanying notes which are an integral part of the financial statements.

Russell Investment Funds
Moderate Strategy Fund

Statement of Operations — For the Period Ended December 31, 2019

Amounts in thousands

Investment Income		
Income distributions from affiliated funds	$	3,160
Interest		3
Total investment income		3,163
Expenses		
Advisory fees		203
Administrative fees		43
Custodian fees		52
Transfer agent fees		4
Professional fees		43
Trustees' fees		4
Printing fees		26
Miscellaneous		9
Expenses before reductions		384
Expense reductions		(242)
Net expenses		142
Net investment income (loss)		3,021
Net Realized and Unrealized Gain (Loss)		
Net realized gain (loss) on:		
Investments		92
Investments in affiliated funds		154
Futures contracts		812
Options written		42
Foreign currency exchange contracts		(3)
Total return swap contracts		(1,751)
Credit default swap contracts		23
Capital gain distributions from affiliated funds		1,093
Net realized gain (loss)		462
Net change in unrealized appreciation (depreciation) on:		
Investments		250
Investments in affiliated funds		8,037
Futures contracts		(23)
Options written		23
Foreign currency exchange contracts		47
Credit default swap contracts		184
Foreign currency-related transactions		7
Net change in unrealized appreciation (depreciation)		8,525
Net realized and unrealized gain (loss)		8,987
Net Increase (Decrease) in Net Assets from Operations	$	12,008

See accompanying notes which are an integral part of the financial statements.

Russell Investment Funds
Moderate Strategy Fund

Statements of Changes in Net Assets

Amounts in thousands	For the Periods Ended December 31, 2019	2018
Increase (Decrease) in Net Assets		
Operations		
Net investment income (loss)	$ 3,021	$ 3,519
Net realized gain (loss)	462	2,715
Net change in unrealized appreciation (depreciation)	8,525	(11,509)
Net increase (decrease) in net assets from operations	12,008	(5,275)
Distributions		
To shareholders	(3,680)	(5,778)
Net decrease in net assets from distributions	(3,680)	(5,778)
Share Transactions*		
Net increase (decrease) in net assets from share transactions	(9,086)	(2,750)
Total Net Increase (Decrease) in Net Assets	(758)	(13,803)
Net Assets		
Beginning of period	101,103	114,906
End of period	$ 100,345	$ 101,103

* Share transaction amounts (in thousands) for the periods ended December 31, 2019 and December 31, 2018 were as follows:

	2019		2018	
	Shares	Dollars	Shares	Dollars
Proceeds from shares sold	401	$ 3,863	872	$ 8,698
Proceeds from reinvestment of distributions	384	3,680	601	5,778
Payments for shares redeemed	(1,717)	(16,629)	(1,727)	(17,226)
Total increase (decrease)	(932)	$ (9,086)	(254)	$ (2,750)

See accompanying notes which are an integral part of the financial statements.

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Russell Investment Funds
Moderate Strategy Fund

Financial Highlights — For the Periods Ended

For a Share Outstanding Throughout Each Period.

	$ Net Asset Value, Beginning of Period	$ Net Investment Income (Loss) (a)(b)(d)	$ Net Realized and Unrealized Gain (Loss)	$ Total from Investment Operations	$ Distributions from Net Investment Income	$ Distributions from Net Realized Gain
December 31, 2019	9.26	.29	.85	1.14	(.12)	(.23)
December 31, 2018	10.29	.32	(.82)	(.50)	(.44)	(.09)
December 31, 2017	9.69	.25	.70	.95	(.23)	(.12)
December 31, 2016	9.78	.31	.43	.74	(.38)	(.45)
December 31, 2015	10.45	.26	(.43)	(.17)	(.25)	(.25)

See accompanying notes which are an integral part of the financial statements.

$ Total Distributions	$ Net Asset Value, End of Period	% Total Return(e)	$ Net Assets, End of Period (000)	% Ratio of Expenses to Average Net Assets, Gross(c)	% Ratio of Expenses to Average Net Assets, Net(c)(d)	% Ratio of Net Investment Income to Average Net Assets(b)(d)	% Portfolio Turnover Rate
(.35)	10.05	12.54	100,345	.38	.14	2.98	26
(.53)	9.26	(4.92)	101,103	.35	.14	3.20	22
(.35)	10.29	9.88	114,906	.35	.13	2.57	20
(.83)	9.69	7.75	107,632	.33	.11	3.17	38
(.50)	9.78	(1.71)	108,045	.32	.11	2.57	29

See accompanying notes which are an integral part of the financial statements.

Russell Investment Funds
Moderate Strategy Fund

Related Party Transactions, Fees and Expenses

Accrued fees payable to affiliates for the period ended December 31, 2019 were as follows:

Advisory fees	$ 1
Administration fees	3,601
Transfer agent fees	373
Trustee fees	442
	$ 4,417

Transactions (amounts in thousands) during the period ended December 31, 2019 with Underlying Funds which are, or were, an affiliated company are as follows:

	Fair Value, Beginning of Period	Purchases	Sales	Realized Gain (Loss)	Change in Unrealized Gain (Loss)	Fair Value, End of Period	Income Distributions	Capital Gains Distributions
RIC Commodity Strategies Fund	$ 2,843	$ 408	$ 1,366	$ (357)	$ 496	$ 2,024	$ 64	$ 2
RIC Global Infrastructure Fund	1,651	91	2,052	234	76	—	37	—
RIF Global Real Estate Securities Fund	1,291	88	1,595	155	61	—	16	—
RIC Sustainable Equity Fund	57	3	72	7	5	—	—	—
RIC U.S. Dynamic Equity Fund	214	20	285	(32)	83	—	1	—
RIF U.S. Small Cap Equity Fund	7,096	954	2,437	(311)	1,743	7,045	40	105
RIF U.S. Strategic Equity Fund	1,521	5,798	579	(66)	390	7,064	50	299
RIC Investment Grade Bond Fund	12,122	924	1,779	7	636	11,910	416	—
RIC Opportunistic Credit Fund	6,280	397	7,006	421	(92)	—	225	—
RIC Unconstrained Total Return Fund	8,119	10,572	814	(2)	97	17,972	467	—
RIF Strategic Bond Fund	21,902	1,922	3,007	2	1,061	21,880	796	86
RIC Emerging Markets Fund	6,268	962	3,074	207	742	5,105	130	4
RIC Global Equity Fund	6,848	1,348	1,932	(86)	877	7,055	312	575
RIF International Developed Markets Fund	5,736	727	1,364	(2)	931	6,028	150	—
RIC Multi-Strategy Income Fund	14,318	924	4,122	(23)	931	12,028	453	22
U.S. Cash Management Fund	—	6,040	5,509	—	—	531	3	—
	$ 96,266	$ 31,178	$ 36,993	$ 154	$ 8,037	$ 98,642	$ 3,160	$ 1,093

Federal Income Taxes

At December 31, 2019, the cost of investments and net unrealized appreciation (depreciation), undistributed ordinary income and undistributed long-term capital gains for income tax purposes were as follows:

Cost of Investments	Unrealized Appreciation	Unrealized Depreciation	Net Unrealized Appreciation (Depreciation)	Undistributed Ordinary Income	Undistributed Long-Term Capital Gains (Capital Loss Carryforward)
$ 94,471,654	$ 4,899,930	$ (451,424)	$ 4,448,506	$ 1,192,617	$ (87,673)

For the fiscal years ended December 31, 2019 and December 31, 2018, respectively, the Fund made the following tax basis distributions:

December 31, 2019			December 31, 2018		
Ordinary Income Distributions	Long-Term Capital Gain Distributions	Return of Capital	Ordinary Income Distributions	Long-Term Capital Gain Distributions	Return of Capital
$ 1,227,506	$ 2,452,600	$ —	$ 4,830,202	$ 947,736	$ —

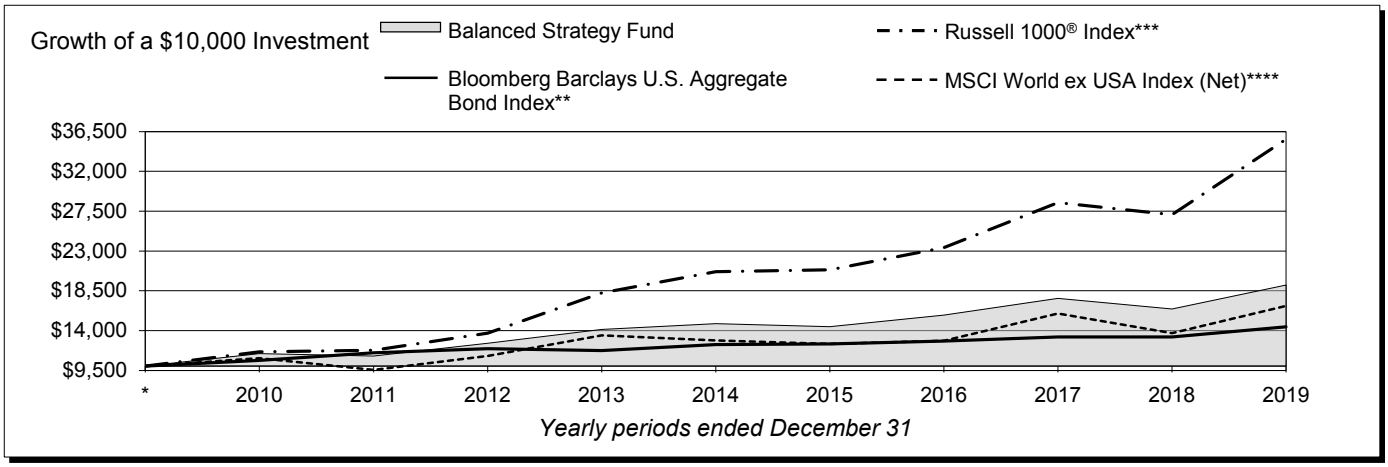
See accompanying notes which are an integral part of the financial statements.

Federal Income Taxes, continued

Net investment income and net realized gains (losses) in the financial statements may differ from taxable net investment income and net realized gains (losses). Capital accounts within the financial statements are adjusted for permanent differences between book and tax accounting. Book-tax differences may be due to foreign currency gains and losses, reclassifications of dividends and differences in treatment of income from swaps. These adjustments have no impact on the net assets. At December 31, 2019, there were no adjustments to the Statement of Assets and Liabilities.

Russell Investment Funds
Balanced Strategy Fund

Portfolio Management Discussion and Analysis — December 31, 2019 (Unaudited)



Balanced Strategy Fund

	Total Return
1 Year	16.45%
5 Years	5.31%§
10 Years	6.72%§

Bloomberg Barclays U.S. Aggregate Bond Index**

	Total Return
1 Year	8.72%
5 Years	3.05%§
10 Years	3.75%§

Russell 1000® Index***

	Total Return
1 Year	31.43%
5 Years	11.48%§
10 Years	13.54%§

MSCI World ex USA Index (Net)****

	Total Return
1 Year	22.49%
5 Years	5.42%§
10 Years	5.32%§

Russell Investment Funds
Balanced Strategy Fund

Portfolio Management Discussion and Analysis, continued — December 31, 2019 (Unaudited)

The Balanced Strategy Fund (the "Fund") is a fund of funds that invests principally in other Russell Investment Funds ("RIF") and Russell Investment Company ("RIC") mutual funds (the "Underlying Funds"). The Underlying Funds employ a multi-manager approach whereby portions of the Underlying Funds are allocated to different money manager strategies. Underlying Fund assets not allocated to money managers are managed by Russell Investment Management, LLC ("RIM"), the Fund's and Underlying Funds' advisor. RIM, as the Underlying Funds' advisor, may change the allocation of the Underlying Funds' assets among money managers at any time. An exemptive order from the Securities and Exchange Commission ("SEC") permits RIM to engage or terminate a money manager in an Underlying Fund at any time, subject to approval by the Underlying Fund's Board, without a shareholder vote. Pursuant to the terms of the exemptive order, an Underlying Fund is required to notify its shareholders within 90 days of when a money manager begins providing services.

What is the Fund's investment objective?

The Fund seeks to provide above average long term capital appreciation and a moderate level of current income.

How did the Fund perform relative to its benchmark for the fiscal year ended December 31, 2019?

For the fiscal year ended December 31, 2019, the Fund gained 16.45%. This is compared to the Fund's primary benchmark, the Bloomberg Barclays U.S. Aggregate Bond Index, which gained 8.72% during the same period. The Fund's performance includes operating expenses, whereas index returns are unmanaged and do not include expenses of any kind.

For the fiscal year ended December 31, 2019, the Morningstar® Insurance Allocation – 50% to 70% Equity Category, a group of funds that Morningstar considers to have investment strategies similar to those of the Fund, gained 19.04%. This result serves as a peer comparison and is expressed net of operating expenses.

How did market conditions affect the Fund's performance?

The Fund seeks to achieve its objective by investing in Underlying Funds that provide exposure to a range of diversified investments, and most major asset classes invested in by the Underlying Funds produced positive absolute returns during the period.

Within the Fund's fixed income portfolio, exposure to securitized assets was beneficial, as a strong U.S. consumer and the low-rate environment created opportunities within prepayment risk assets. The low-rate environment was also beneficial to global infrastructure and global real estate investment trusts ("REITs"), as both asset classes posted strong returns over the period.

The U.S. equity market, as broadly measured by the Russell 3000® Index, surged to 31.02% at period-end, closing out a strong year. From a style perspective, growth outperformed value. From a sector perspective, information technology was the best performing sector, while health care, materials, communication services and financials followed closely behind. The Fund's strategic exposure to non-U.S. equities benefited performance over the period, as market sentiment in emerging markets improved due to apparent progress in the U.S.-China trade talks and a "phase one" deal.

How did the investment strategies and techniques employed by the Fund and the Underlying Funds affect the Fund's performance?

The Fund is a fund of funds and its performance is based on RIM's strategic asset allocations, the performance of the Underlying Funds in which the Fund invests, and tactical changes in the Fund's asset allocation throughout the year. In order to seek to achieve the Fund's objective during the period, RIM's strategic asset allocation included investments in global equity, fixed income, multi-asset and alternative Underlying Funds.

Broadly, the Fund's asset allocation was a positive contributor to performance relative to the Fund's fixed income benchmark during the period. Allocations to global real estate investment trusts and infrastructure benefited the Fund, as both asset classes posted strong double-digit returns. Further, allocations to non-U.S. equities bolstered returns as well, outperforming the fixed income asset class.

The fixed income portion of the Fund's portfolio provided positive results compared to the Fund's fixed income benchmark. An allocation to the RIF Strategic Bond Fund was positive from a benchmark-relative perspective as a result of its exposure to securitized credit, which generated an above market yield. An allocation to the RIC Investment Grade Bond Fund also contributed positively as a result of the Underlying Fund's underweight to government and government-guaranteed securities and an overweight to securitized credit. An allocation to the RIC Opportunistic Credit Fund was additive due to its higher allocation to high yield relative to the Bloomberg Barclays U.S. Aggregate Bond Index, and its emerging markets currency exposure provided a significant boost to active returns.

While the broader equity markets delivered strong absolute performance over the period, the Fund's equity allocation exceeded the Fund's fixed income benchmark. However, the equity Underlying Funds generally underperformed their respective equity benchmarks. The RIC Sustainable Equity Fund underperformed its benchmark, as it was consistently underweight stocks that have higher momentum and expensive valuations and overweight stocks with higher profitability. Both factor tilts negatively impacted benchmark-relative performance over the year. The RIF International Developed Markets Fund

underperformed its benchmark due to its sector allocations – for instance, an underweight to health care and overweight to communication services detracted. A tilt toward low valuation stocks was a meaningful driver of underperformance for the RIC U.S. Dynamic Equity Fund. Coupled with negative stock selection within the information technology sector, the Underlying Fund underperformed its equity benchmark.

The alternative assets portion of the Fund's portfolio provided positive results compared to the Fund's fixed income benchmark. The RIF Global Real Estate Securities Fund outperformed the Fund's benchmark due to the overall strength of the asset class relative to fixed income, as real assets were bolstered by a low interest rate environment. The RIC Global Infrastructure Fund outperformed both the Fund's fixed income benchmark and its listed infrastructure benchmark due to out-of-index exposures to construction and engineering and specialized REITs. The RIC Commodity Strategies Fund outperformed its benchmark but struggled against the Fund's fixed income benchmark.

The multi-asset portion of the Fund's portfolio outperformed the Fund's fixed income benchmark. The RIC Multi-Strategy Income Fund benefited from overweight positions to mortgage back securities that added value due to the low interest rate environment. However, the Fund's regional positioning was challenged over the period, mainly driven by an overweight to non-U.S. equity and a U.S. equity underweight.

Describe any changes to the Fund's structure or allocation to the Underlying Funds.

RIM has the discretion to vary the Fund's actual allocation from the target strategic asset allocation by up to +/- 5% at the equity, fixed income, multi-asset or alternative category level based on RIM's capital markets research. In addition to investing in the Underlying Funds, RIM may seek to actively manage a Fund's overall exposures by investing in derivatives that RIM believes will achieve the desired risk/return profile for the Fund.

RIM continued to operate the Fund as a risk manager rather than risk taker during the period. RIM's tactical regional modifications to the Fund's asset allocation versus strategic targets were challenged during the period, mainly driven by an overweight to non-U.S. equity and U.S. equity underweight while U.S. equity led global market performance. In terms of tactical asset class modifications, in the first quarter of 2019, real estate exposure was added given attractive valuations. At the beginning of 2019, RIM also increased exposure to high yield corporate credit, but pared back as spreads compressed to expensive levels.

Effective on November 13, 2019, the Fund's allocation to the Underlying Funds in which it invests was modified to an approximate target allocation of 53% to equity, 33% to fixed income, 10% to multi-asset and 4% to alternative asset classes.

RIM manages a global real yield positioning strategy and a currency factor positioning strategy for the Fund. Using futures, the global high real yield strategy took long positions in high quality government bonds whose net-of-inflation yields are expected to be relatively high and short positions where net-of-inflation yield is expected to be relatively low. The currency factor strategy utilized currency forward contracts to take long and short positions in global foreign exchange markets. The global real yield strategy detracted over the period as the long positions underperformed, with the cost split evenly between the U.S. and Canada. With respect to the currency factor strategy, the Fund's exposure moderately detracted.

The views expressed in this report reflect those of the portfolio managers only through the end of the period covered by the report. These views do not necessarily represent the views of RIM, or any other person in RIM or any other affiliated organization. These views are subject to change at any time based upon market conditions or other events, and RIM disclaims any responsibility to update the views contained herein. These views should not be relied on as investment advice and, because investment decisions for a RIF Fund are based on numerous factors, should not be relied on as an indication of investment decisions of any RIF Fund.

Portfolio Management Discussion and Analysis, continued — December 31, 2019 (Unaudited)

* Assumes initial investment on January 1, 2010.

** The Bloomberg Barclays U.S. Aggregate Bond Index is an index, with income reinvested, generally representative of intermediate-term government bonds, investment grade corporate debt securities and mortgage-backed securities.

*** The Russell 1000® Index includes the 1,000 largest companies in the Russell 3000® Index. The Russell 1000® Index represents the universe of stocks from which most active money managers typically select. The Russell 1000® Index return reflects adjustments from income dividends and capital gain distributions reinvested as of the ex-dividend dates.

**** The MSCI World ex USA Index (Net) is a free float-adjusted market capitalization weighted index that is designed to measure the equity market performance of developed markets. The index consists of 22 developed market country indexes.

§ Annualized.

The performance shown in this section does not reflect any Insurance Company Separate Account or Policy Charges. Performance is historical and assumes reinvestment of all dividends and capital gains. Investment return and principal value will fluctuate so that an investor's shares, when redeemed, may be worth more or less than when purchased. Past performance is not indicative of future results. Additionally, the returns presented herein may differ from the performance reported in the Financial Highlights as the returns herein are calculated in a manner consistent with standardized performance in accordance with Securities and Exchange Commission rules, while the performance in the Financial Highlights has been calculated in accordance with U.S. Generally Accepted Accounting Principles ("U.S. GAAP").

Russell Investment Funds
Balanced Strategy Fund

Shareholder Expense Example — December 31, 2019 (Unaudited)

Fund Expenses

The following disclosure provides important information regarding the Fund's Shareholder Expense Example ("Example").

Example

As a shareholder of the Fund, you incur two types of costs: (1) transaction costs, and (2) ongoing costs, including advisory and administrative fees and other Fund expenses. The Example is intended to help you understand your ongoing costs (in dollars) of investing in the Fund and to compare these costs with the ongoing costs of investing in other mutual funds. The Example is based on an investment of $1,000 invested at the beginning of the period and held for the entire period indicated, which for this Fund is from July 1, 2019 to December 31, 2019.

Actual Expenses

The information in the table under the heading "Actual Performance" provides information about actual account values and actual expenses. You may use the information in this column, together with the amount you invested, to estimate the expenses that you paid over the period. Simply divide your account value by $1,000 (for example, an $8,600 account value divided by $1,000 = 8.6), then multiply the result by the number in the first column in the row entitled "Expenses Paid During Period" to estimate the expenses you paid on your account during this period.

Hypothetical Example for Comparison Purposes

The information in the table under the heading "Hypothetical Performance (5% return before expenses)" provides information about hypothetical account values and hypothetical expenses based on the Fund's actual expense ratio and an assumed rate of return of 5% per year before expenses, which is not the Fund's actual return. The hypothetical account values and expenses may not be used to estimate the actual ending account balance or expenses you paid for the period. You may use this information to compare the ongoing costs of investing in the Fund and other funds. To do so, compare this 5% hypothetical example with the 5% hypothetical examples that appear in the shareholder reports of other funds.

Please note that the expenses shown in the table are meant to highlight your ongoing costs only and do not reflect any transactional costs. Therefore, the information under the heading "Hypothetical Performance (5% return before expenses)" is useful in comparing ongoing costs only, and will not help you determine the relative total costs of owning different funds. In addition, if these transactional costs were included, your costs would have been higher. The fees and expenses shown in this section do not reflect any Insurance Company Separate Account Policy Charges.

	Actual Performance	Hypothetical Performance (5% return before expenses)
Beginning Account Value July 1, 2019	$ 1,000.00	$ 1,000.00
Ending Account Value December 31, 2019	$ 1,055.50	$ 1,024.50
Expenses Paid During Period*	$ 0.73	$ 0.71

* Expenses are equal to the Fund's annualized expense ratio of 0.14% (representing the six month period annualized), multiplied by the average account value over the period, multiplied by 184/365 (to reflect the one-half year period). May reflect amounts waived and/or reimbursed. Without any waivers and/or reimbursements, expenses would have been higher.

Russell Investment Funds
Balanced Strategy Fund

Schedule of Investments — December 31, 2019

Amounts in thousands *(except share amounts)*

	Shares	Fair Value $
Investments in Affiliated Funds - 97.7%		
Alternative - 4.0%		
RIC Commodity Strategies Fund Class Y	1,016,471	5,296
RIF Global Real Estate Securities Fund	339,383	5,226
		10,522
Domestic Equities - 18.0%		
RIF U.S. Small Cap Equity Fund	1,106,965	15,830
RIF U.S. Strategic Equity Fund	1,982,797	31,784
		47,614
Fixed Income - 32.6%		
RIC Unconstrained Total Return Fund Class Y	3,420,578	33,932
RIF Strategic Bond Fund	4,918,090	51,935
		85,867
International Equities - 33.1%		
RIC Emerging Markets Fund Class Y	817,373	15,996
RIC Global Equity Fund Class Y	4,244,290	39,685
RIF International Developed Markets Fund	2,700,491	31,650
		87,331
Multi-Asset - 10.0%		
RIC Multi-Strategy Income Fund Class Y	2,608,640	26,321
Total Investments in Affiliated Funds		
(cost $235,857)		257,655
Short-Term Investments - 1.0%		
U.S. Cash Management Fund(@)	2,721,393(∞)	2,722
Total Short-Term Investments		
(cost $2,722)		2,722
Total Investments 98.7%		
(identified cost $238,579)		260,377
Other Assets and Liabilities, Net - 1.3%		3,296
Net Assets - 100.0%		263,673

See accompanying notes which are an integral part of the financial statements.

Russell Investment Funds
Balanced Strategy Fund

Schedule of Investments, continued — December 31, 2019

Futures Contracts

Amounts in thousands *(except contract amounts)*

	Number of Contracts	Notional Amount		Expiration Date	Value and Unrealized Appreciation (Depreciation) $
Long Positions					
Amsterdam Index Futures	18	EUR	2,177	01/20	(14)
CAC40 Euro Index Futures	97	EUR	5,791	01/20	35
DAX Index Futures	14	EUR	4,636	03/20	(29)
Dow Jones U.S. Real Estate Index Futures	162	USD	5,954	03/20	143
EURO STOXX 50 Index Futures	88	EUR	3,282	03/20	(33)
FTSE 100 Index Futures	18	GBP	1,350	03/20	3
FTSE/MIB Index Futures	11	EUR	1,288	03/20	(3)
IBEX 35 Index Futures	16	EUR	1,525	01/20	(10)
MSCI EAFE Index Futures	9	USD	916	03/20	(2)
MSCI Emerging Markets Index Futures	84	USD	4,705	03/20	90
OMXS30 Index Futures	68	SEK	12,023	01/20	(6)
S&P/TSX 60 Index Futures	2	CAD	405	03/20	1
SPI 200 Index Futures	9	AUD	1,486	03/20	(31)
TOPIX Index Futures	25	JPY	430,249	03/20	4
Short Positions					
Hang Seng Index Futures	1	HKD	1,414	01/20	(2)
MSCI Singapore Index Futures	1	SGD	37	01/20	—
NASDAQ 100 E-Mini Index Futures	85	USD	14,878	03/20	(520)
Russell 1000 E-Mini Index Futures	7	USD	625	03/20	(12)
S&P 400 E-Mini Index Futures	4	USD	826	03/20	(16)
S&P 500 E-Mini Index Futures	63	USD	10,179	03/20	(180)
S&P Financial Select Sector Index Futures	48	USD	4,549	03/20	(99)
Total Value and Unrealized Appreciation (Depreciation) on Open Futures Contracts (å)					(681)

Foreign Currency Exchange Contracts

Amounts in thousands

Counterparty	Amount Sold		Amount Bought		Settlement Date	Unrealized Appreciation (Depreciation) $
Bank of America	TRY	1,760	USD	296	03/18/20	6
Bank of Montreal	USD	502	CAD	663	03/18/20	9
Bank of Montreal	USD	229	CHF	224	03/18/20	4
Bank of Montreal	USD	870	JPY	94,023	03/18/20	(2)
Bank of Montreal	USD	28	MXN	553	03/18/20	—
Bank of Montreal	USD	202	NOK	1,850	03/18/20	9
Bank of Montreal	AUD	909	USD	624	03/18/20	(15)
Bank of Montreal	EUR	1,381	USD	1,542	03/18/20	(15)
Bank of Montreal	GBP	910	USD	1,203	03/18/20	(4)
Bank of Montreal	HKD	1,498	USD	192	03/18/20	(1)
Bank of Montreal	SEK	618	USD	66	03/18/20	—
Bank of Montreal	SGD	306	USD	225	03/18/20	(2)
Bank of Montreal	ZAR	70	USD	5	03/18/20	—
Citigroup	USD	503	CAD	663	03/18/20	8
Citigroup	USD	229	CHF	224	03/18/20	4
Citigroup	USD	2,188	CNY	15,430	03/18/20	24
Citigroup	USD	871	JPY	94,023	03/18/20	(2)
Citigroup	USD	29	MXN	553	03/18/20	—

See accompanying notes which are an integral part of the financial statements.

Russell Investment Funds
Balanced Strategy Fund

Schedule of Investments, continued — December 31, 2019

Foreign Currency Exchange Contracts

Amounts in thousands

Counterparty	Amount Sold		Amount Bought		Settlement Date	Unrealized Appreciation (Depreciation) $
Citigroup	USD	202	NOK	1,850	03/18/20	9
Citigroup	USD	29	RUB	1,880	03/18/20	1
Citigroup	AUD	909	USD	626	03/18/20	(14)
Citigroup	BRL	5,310	USD	1,277	03/18/20	(40)
Citigroup	EUR	1,381	USD	1,542	03/18/20	(15)
Citigroup	GBP	910	USD	1,203	03/18/20	(5)
Citigroup	HKD	1,498	USD	192	03/18/20	(1)
Citigroup	SEK	618	USD	66	03/18/20	—
Citigroup	SGD	306	USD	225	03/18/20	(2)
Citigroup	TWD	28,550	USD	945	03/18/20	(15)
Citigroup	ZAR	70	USD	5	03/18/20	—
Royal Bank of Canada	USD	502	CAD	663	03/18/20	9
Royal Bank of Canada	USD	229	CHF	224	03/18/20	4
Royal Bank of Canada	USD	871	JPY	94,023	03/18/20	(2)
Royal Bank of Canada	USD	28	MXN	553	03/18/20	—
Royal Bank of Canada	USD	202	NOK	1,850	03/18/20	8
Royal Bank of Canada	AUD	909	USD	624	03/18/20	(15)
Royal Bank of Canada	EUR	1,381	USD	1,542	03/18/20	(14)
Royal Bank of Canada	GBP	910	USD	1,203	03/18/20	(5)
Royal Bank of Canada	HKD	1,498	USD	192	03/18/20	(1)
Royal Bank of Canada	SEK	618	USD	66	03/18/20	—
Royal Bank of Canada	SGD	306	USD	225	03/18/20	(2)
Royal Bank of Canada	ZAR	70	USD	5	03/18/20	—
State Street	INR	49,110	USD	686	03/18/20	2
State Street	KRW	1,695,470	USD	1,426	03/18/20	(44)
Total Unrealized Appreciation (Depreciation) on Open Foreign Currency Exchange Contracts						(119)

Credit Default Swap Contracts

Amounts in thousands

Credit Indices

Reference Entity	Counterparty	Purchase/Sell Protection	Notional Amount		Fund (Pays)/ Receives Fixed Rate	Termination Date	Premiums Paid/ (Received) $	Unrealized Appreciation (Depreciation) $	Fair Value $
CDX NA High Yield Index	Bank of America	Sell	USD	1,980	5.000%[2]	12/20/24	133	61	194
CDX NA Investment Grade Index	Bank of America	Purchase	USD	16,800	(1.000%)[2]	12/20/24	(343)	(98)	(441)
Total Open Credit Indices Contracts (å)							(210)	(37)	(247)

See accompanying notes which are an integral part of the financial statements.

Russell Investment Funds
Balanced Strategy Fund

Schedule of Investments, continued — December 31, 2019

Presentation of Portfolio Holdings

Amounts in thousands

	Fair Value					
Portfolio Summary	**Level 1**	**Level 2**	**Level 3**	**Practical Expedient (a)**	**Total**	**% of Net Assets**
Investments in Affiliated Funds	$ 257,655	$ —	$ —	$ —	$ 257,655	97.7
Short-Term Investments	—	—	—	2,722	2,722	1.0
Total Investments	257,655	—	—	2,722	260,377	98.7
Other Assets and Liabilities, Net						1.3
						100.0
Other Financial Instruments						
Assets						
Futures Contracts	276	—	—	—	276	0.1
Foreign Currency Exchange Contracts	—	97	—	—	97	—*
Credit Default Swap Contracts	—	194	—	—	194	0.1
Liabilities						
Futures Contracts	(957)	—	—	—	(957)	(0.4)
Foreign Currency Exchange Contracts	—	(216)	—	—	(216)	(0.1)
Credit Default Swap Contracts	—	(441)	—	—	(441)	(0.2)
Total Other Financial Instruments**	$ (681)	$ (366)	$ —	$ —	$ (1,047)	

* Less than 0.05% of net assets.

** Futures and foreign currency exchange contract values reflect the unrealized appreciation (depreciation) on the investments.

(a) Certain investments that are measured at fair value using the net asset value per share (or its equivalent) practical expedient have not been classified in the fair value levels. The fair value amounts presented in the table are intended to permit reconciliation to the amounts presented in the Schedule of Investments.

For a description of the Levels, see note 2 in the Notes to Financial Statements.
For a disclosure on transfers between Levels 1, 2 and 3 during the period ended December 31, 2019, see note 2 in the Notes to Financial Statements.

See accompanying notes which are an integral part of the financial statements.

Russell Investment Funds
Balanced Strategy Fund

Fair Value of Derivative Instruments — December 31, 2019

Amounts in thousands

Derivatives not accounted for as hedging instruments	Equity Contracts	Credit Contracts	Foreign Currency Contracts
Location: Statement of Assets and Liabilities - Assets			
Unrealized appreciation on foreign currency exchange contracts	$ —	$ —	$ 97
Variation margin on futures contracts*	276	—	—
Credit default swap contracts, at fair value	—	194	—
Total	$ 276	$ 194	$ 97
Location: Statement of Assets and Liabilities - Liabilities			
Variation margin on futures contracts*	$ 957	$ —	$ —
Unrealized depreciation on foreign currency exchange contracts	—	—	216
Credit default swap contracts, at fair value	—	441	—
Total	$ 957	$ 441	$ 216

Derivatives not accounted for as hedging instruments	Equity Contracts	Credit Contracts	Foreign Currency Contracts	Interest Rate Contracts
Location: Statement of Operations - Net realized gain (loss)				
Investments**	$ (933)	$ —	$ —	$ —
Futures contracts	5,027	—	—	(400)
Options written	107	—	—	—
Total return swap contracts	(4,126)	—	—	—
Credit default swap contracts	—	(156)	—	—
Foreign currency exchange contracts	—	—	611	—
Total	$ 75	$ (156)	$ 611	$ (400)
Location: Statement of Operations - Net change in unrealized appreciation (depreciation)				
Investments***	$ 633	$ —	$ —	$ —
Futures contracts	281	—	—	72
Options written	59	—	—	—
Total return swap contracts	551	—	—	—
Credit default swap contracts	—	143	—	—
Foreign currency exchange contracts	—	—	(141)	—
Total	$ 1,524	$ 143	$ (141)	$ 72

* Includes cumulative appreciation/depreciation of futures contracts as reported in the Schedule of Investments. Only variation margin is reported within the Statement of Assets and Liabilities.

** Includes net realized gain (loss) on purchased options as reported in the Statement of Operations.

*** Includes net change in unrealized appreciation/depreciation on purchased options as reported in the Statement of Operations.

For further disclosure on derivatives see note 2 in the Notes to Financial Statements.

See accompanying notes which are an integral part of the financial statements.

Russell Investment Funds
Balanced Strategy Fund
Balance Sheet Offsetting of Financial and Derivative Instruments — December 31, 2019

Amounts in thousands

Offsetting of Financial Assets and Derivative Assets

Description	Location: Statement of Assets and Liabilities - Assets	Gross Amounts of Recognized Assets	Gross Amounts Offset in the Statement of Assets and Liabilities	Net Amounts of Assets Presented in the Statement of Assets and Liabilities
Foreign Currency Exchange Contracts	Unrealized appreciation on foreign currency exchange contracts	$ 97	$ —	$ 97
Credit Default Swap Contracts	Credit default swap contracts, at fair value	194	—	194
Total Financial and Derivative Assets		291	—	291
Financial and Derivative Assets not subject to a netting agreement		(194)	—	(194)
Total Financial and Derivative Assets subject to a netting agreement		$ 97	$ —	$ 97

Financial Assets, Derivative Assets, and Collateral Held by Counterparty

Counterparty	Net Amounts of Assets Presented in the Statement of Assets and Liabilities	Gross Amounts Not Offset in the Statement of Assets and Liabilities: Financial and Derivative Instruments	Gross Amounts Not Offset in the Statement of Assets and Liabilities: Collateral Received^	Net Amount
Bank of America	$ 5	$ —	$ —	$ 5
Bank of Montreal	22	—	—	22
Citigroup	45	—	—	45
Royal Bank of Canada	22	—	—	22
State Street	3	—	—	3
Total	$ 97	$ —	$ —	$ 97

See accompanying notes which are an integral part of the financial statements.

Russell Investment Funds
Balanced Strategy Fund
Balance Sheet Offsetting of Financial and Derivative Instruments, continued — December 31, 2019

Amounts in thousands

Offsetting of Financial Liabilities and Derivative Liabilities

Description	Location: Statement of Assets and Liabilities - Liabilities	Gross Amounts of Recognized Liabilities	Gross Amounts Offset in the Statement of Assets and Liabilities	Net Amounts of Liabilities Presented in the Statement of Assets and Liabilities
Foreign Currency Exchange Contracts	Unrealized depreciation on foreign currency exchange contracts	$ 216	$ —	$ 216
Credit Default Swap Contracts	Credit default swap contracts, at fair value	441	—	441
Total Financial and Derivative Liabilities		657	—	657
Financial and Derivative Liabilities not subject to a netting agreement		(441)	—	(441)
Total Financial and Derivative Liabilities subject to a netting agreement		$ 216	$ —	$ 216

Financial Liabilities, Derivative Liabilities, and Collateral Pledged by Counterparty

Counterparty	Net Amounts of Liabilities Presented in the Statement of Assets and Liabilities	Gross Amounts Not Offset in the Statement of Assets and Liabilities: Financial and Derivative Instruments	Gross Amounts Not Offset in the Statement of Assets and Liabilities: Collateral Pledged^	Net Amount
Bank of Montreal	$ 40	$ —	$ —	$ 40
Citigroup	93	—	—	93
Royal Bank of Canada	39	—	—	39
State Street	44	—	—	44
Total	$ 216	$ —	$ —	$ 216

^ Collateral received or pledged amounts may not reconcile to those disclosed in the Statement of Assets and Liabilities due to the inclusion of off-Balance Sheet collateral and adjustments made to exclude overcollateralization.

For further disclosure on derivatives and counterparty risk see note 2 in the Notes to Financial Statements.

See accompanying notes which are an integral part of the financial statements.

Russell Investment Funds
Balanced Strategy Fund

Statement of Assets and Liabilities — December 31, 2019

Amounts in thousands

Assets		
Investments, at identified cost	$	238,579
Investments, at fair value(>)		260,377
Unrealized appreciation on foreign currency exchange contracts		97
Receivables:		
Dividends and interest		8
Dividends from affiliated funds		5
Investments sold		20
From broker(a)(b)		4,414
Credit default swap contracts, at fair value(+)		194
Total assets		265,115
Liabilities		
Payables:		
Fund shares redeemed		20
Accrued fees to affiliates		15
Other accrued expenses		71
Variation margin on futures contracts		679
Unrealized depreciation on foreign currency exchange contracts		216
Credit default swap contracts, at fair value(+)		441
Total liabilities		1,442
Net Assets	$	263,673

See accompanying notes which are an integral part of the financial statements.

Russell Investment Funds
Balanced Strategy Fund

Statement of Assets and Liabilities, continued — December 31, 2019

Amounts in thousands

Net Assets Consist of:		
Total distributable earnings (losses)	$	22,674
Shares of beneficial interest		270
Additional paid-in capital		240,729
Net Assets	$	263,673

Net Asset Value, offering and redemption price per share:		
Net asset value per share: (#)	$	9.78
Net assets	$	263,673,300
Shares outstanding ($.01 par value)		26,970,857

Amounts in thousands

(+)	Credit default swap contracts - premiums paid (received)	$	(210)
(>)	Investments in affiliated funds	$	260,377

(a)	Receivable from Broker for Futures	$	4,041
(b)	Receivable from Broker for Swaps	$	373

(#) Net asset value per share equals net assets divided by shares of beneficial interest outstanding.

See accompanying notes which are an integral part of the financial statements.

Russell Investment Funds
Balanced Strategy Fund

Statement of Operations — For the Period Ended December 31, 2019

Amounts in thousands

Investment Income	
Income distributions from affiliated funds	$ 7,900
Expenses	
Advisory fees	521
Administrative fees	111
Custodian fees	55
Transfer agent fees	11
Professional fees	55
Trustees' fees	11
Printing fees	51
Miscellaneous	10
Expenses before reductions	825
Expense reductions	(461)
Net expenses	364
Net investment income (loss)	7,536
Net Realized and Unrealized Gain (Loss)	
Net realized gain (loss) on:	
Investments	(933)
Investments in affiliated funds	(297)
Futures contracts	4,627
Options written	107
Foreign currency exchange contracts	611
Total return swap contracts	(4,126)
Credit default swap contracts	(156)
Capital gain distributions from affiliated funds	5,060
Net realized gain (loss)	4,893
Net change in unrealized appreciation (depreciation) on:	
Investments	633
Investments in affiliated funds	25,194
Futures contracts	353
Options written	59
Foreign currency exchange contracts	(141)
Total return swap contracts	551
Credit default swap contracts	143
Foreign currency-related transactions	44
Net change in unrealized appreciation (depreciation)	26,836
Net realized and unrealized gain (loss)	31,729
Net Increase (Decrease) in Net Assets from Operations	$ 39,265

See accompanying notes which are an integral part of the financial statements.

Russell Investment Funds
Balanced Strategy Fund

Statements of Changes in Net Assets

Amounts in thousands	For the Periods Ended December 31, 2019	2018
Increase (Decrease) in Net Assets		
Operations		
Net investment income (loss)	$ 7,536	$ 9,202
Net realized gain (loss)	4,893	10,079
Net change in unrealized appreciation (depreciation)	26,836	(37,870)
Net increase (decrease) in net assets from operations	39,265	(18,589)
Distributions		
To shareholders	(8,971)	(23,207)
Net decrease in net assets from distributions	(8,971)	(23,207)
Share Transactions*		
Net increase (decrease) in net assets from share transactions	(19,950)	(134)
Total Net Increase (Decrease) in Net Assets	10,344	(41,930)
Net Assets		
Beginning of period	253,329	295,259
End of period	$ 263,673	$ 253,329

* Share transaction amounts (in thousands) for the periods ended December 31, 2019 and December 31, 2018 were as follows:

	2019		2018	
	Shares	Dollars	Shares	Dollars
Proceeds from shares sold	855	$ 7,917	728	$ 7,156
Proceeds from reinvestment of distributions	962	8,971	2,507	23,207
Payments for shares redeemed	(3,973)	(36,838)	(3,134)	(30,497)
Total increase (decrease)	(2,156)	$ (19,950)	101	$ (134)

See accompanying notes which are an integral part of the financial statements.

Russell Investment Funds
Balanced Strategy Fund

Financial Highlights — For the Periods Ended

For a Share Outstanding Throughout Each Period.

	$ Net Asset Value, Beginning of Period	$ Net Investment Income (Loss) (a)(b)(d)	$ Net Realized and Unrealized Gain (Loss)	$ Total from Investment Operations	$ Distributions from Net Investment Income	$ Distributions from Net Realized Gain
December 31, 2019	8.70	.27	1.13	1.40	(.15)	(.17)
December 31, 2018	10.17	.32	(.97)	(.65)	(.54)	(.28)
December 31, 2017	9.74	.28	.87	1.15	(.25)	(.47)
December 31, 2016	9.38	.24	.60	.84	(.32)	(.16)
December 31, 2015	10.40	.22	(.44)	(.22)	(.22)	(.58)

See accompanying notes which are an integral part of the financial statements.

$ Total Distributions	$ Net Asset Value, End of Period	% Total Return(e)	$ Net Assets, End of Period (000)	% Ratio of Expenses to Average Net Assets, Gross(c)	% Ratio of Expenses to Average Net Assets, Net(c)(d)	% Ratio of Net Investment Income to Average Net Assets(b)(d)	% Portfolio Turnover Rate
(.32)	9.78	16.32	263,673	.32	.14	2.89	32
(.82)	8.70	(6.69)	253,329	.30	.14	3.25	13
(.72)	10.17	12.00	295,259	.31	.13	2.74	35
(.48)	9.74	9.05	282,137	.30	.11	2.55	19
(.80)	9.38	(2.30)	288,675	.29	.11	2.16	23

See accompanying notes which are an integral part of the financial statements.

Russell Investment Funds
Balanced Strategy Fund

Related Party Transactions, Fees and Expenses

Accrued fees payable to affiliates for the period ended December 31, 2019 were as follows:

Advisory fees	$ 3,115
Administration fees	9,472
Transfer agent fees	981
Trustee fees	1,090
	$ 14,658

Transactions (amounts in thousands) during the period ended December 31, 2019 with Underlying Funds which are, or were, an affiliated company are as follows:

	Fair Value, Beginning of Period	Purchases	Sales	Realized Gain (Loss)	Change in Unrealized Gain (Loss)	Fair Value, End of Period	Income Distributions	Capital Gains Distributions
RIC Commodity Strategies Fund	$ 7,773	$ 1,029	$ 3,874	$ (2,036)	$ 2,404	$ 5,296	$ 166	$ 5
RIC Global Infrastructure Fund	4,712	234	5,827	584	297	—	106	—
RIF Global Real Estate Securities Fund	4,005	1,499	878	4	596	5,226	246	—
RIC Sustainable Equity Fund	4,594	219	5,796	3,376	(2,393)	—	28	—
RIC U.S. Dynamic Equity Fund	1,646	136	2,181	(295)	694	—	8	—
RIF U.S. Small Cap Equity Fund	12,168	2,502	1,413	(156)	2,729	15,830	83	236
RIF U.S. Strategic Equity Fund	3,310	28,924	1,176	61	665	31,784	197	1,311
RIC Opportunistic Credit Fund	9,978	952	11,444	155	359	—	355	—
RIC Unconstrained Total Return Fund	17,752	17,762	1,811	(10)	239	33,932	934	—
RIF Strategic Bond Fund	59,148	6,485	16,580	204	2,678	51,935	2,010	204
RIC Emerging Markets Fund	19,350	3,001	9,310	305	2,650	15,996	413	13
RIC Global Equity Fund	43,074	7,308	16,233	(1,636)	7,172	39,685	1,759	3,244
RIF International Developed Markets Fund	29,977	2,791	6,100	(781)	5,763	31,650	791	—
RIC Multi-Strategy Income Fund	20,102	6,949	1,998	(73)	1,341	26,321	790	47
U.S. Cash Management Fund	10	14,395	11,684	1	—	2,722	14	—
	$ 237,599	$ 94,186	$ 96,305	$ (297)	$ 25,194	$ 260,377	$ 7,900	$ 5,060

Federal Income Taxes

At December 31, 2019, the cost of investments and net unrealized appreciation (depreciation), undistributed ordinary income and undistributed long-term capital gains for income tax purposes were as follows:

Cost of Investments	Unrealized Appreciation	Unrealized Depreciation	Net Unrealized Appreciation (Depreciation)	Undistributed Ordinary Income	Undistributed Long-Term Capital Gains (Capital Loss Carryforward)
$ 240,901,100	$ 20,200,530	$ (1,018,251)	$ 19,182,279	$ 1,475,611	$ 3,571,549

For the fiscal years ended December 31, 2019 and December 31, 2018, respectively, the Fund made the following tax basis distributions:

December 31, 2019			December 31, 2018		
Ordinary Income Distributions	Long-Term Capital Gain Distributions	Return of Capital	Ordinary Income Distributions	Long-Term Capital Gain Distributions	Return of Capital
$ 4,016,825	$ 4,954,324	$ —	$ 15,120,983	$ 8,085,679	$ —

See accompanying notes which are an integral part of the financial statements.

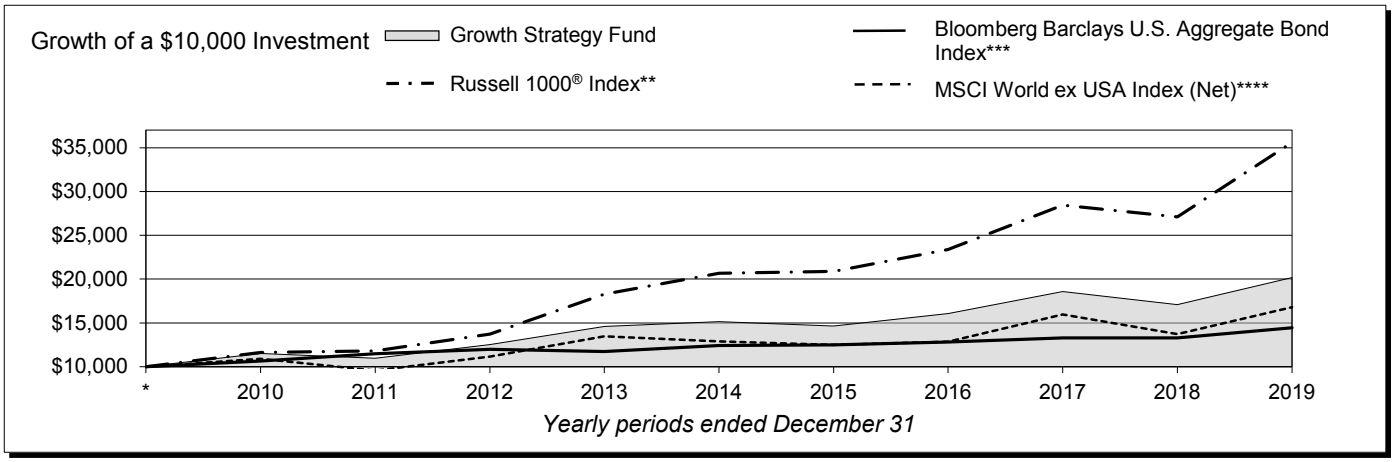
Russell Investment Funds
Balanced Strategy Fund

Federal Income Taxes, continued

Net investment income and net realized gains (losses) in the financial statements may differ from taxable net investment income and net realized gains (losses). Capital accounts within the financial statements are adjusted for permanent differences between book and tax accounting. Book-tax differences may be due to foreign currency gains and losses, reclassifications of dividends and differences in treatment of income from swaps. These adjustments have no impact on the net assets. At December 31, 2019, there were no adjustments to the Statement of Assets and Liabilities.

Russell Investment Funds
Growth Strategy Fund

Portfolio Management Discussion and Analysis — December 31, 2019 (Unaudited)



Growth Strategy Fund

	Total Return
1 Year	18.06%
5 Years	5.90%§
10 Years	7.27%§

Russell 1000® Index**

	Total Return
1 Year	31.43%
5 Years	11.48%§
10 Years	13.54%§

Bloomberg Barclays U.S. Aggregate Bond Index***

	Total Return
1 Year	8.72%
5 Years	3.05%§
10 Years	3.75%§

MSCI World ex USA Index (Net)****

	Total Return
1 Year	22.49%
5 Years	5.42%§
10 Years	5.32%§

Russell Investment Funds
Growth Strategy Fund

Portfolio Management Discussion and Analysis, continued — December 31, 2019 (Unaudited)

The Growth Strategy Fund (the "Fund") is a fund of funds that invests principally in other Russell Investment Funds ("RIF") and Russell Investment Company ("RIC") mutual funds (the "Underlying Funds"). The Underlying Funds employ a multi-manager approach whereby portions of the Underlying Funds are allocated to different money manager strategies. Underlying Fund assets not allocated to money managers are managed by Russell Investment Management, LLC ("RIM"), the Fund's and Underlying Funds' advisor. RIM, as the Underlying Funds' advisor, may change the allocation of the Underlying Funds' assets among money managers at any time. An exemptive order from the Securities and Exchange Commission ("SEC") permits RIM to engage or terminate a money manager in an Underlying Fund at any time, subject to approval by the Underlying Fund's Board, without a shareholder vote. Pursuant to the terms of the exemptive order, an Underlying Fund is required to notify its shareholders within 90 days of when a money manager begins providing services.

What is the Fund's investment objective?

The Fund seeks to provide high long term capital appreciation, and as a secondary objective, current income.

How did the Fund perform relative to its benchmark for the fiscal year ended December 31, 2019?

For the fiscal year ended December 31, 2019, the Fund gained 18.06%. This is compared to the Fund's primary benchmark, the Russell 1000® Index, which gained 31.43% during the same period. The Fund's performance includes operating expenses, whereas index returns are unmanaged and do not include expenses of any kind.

For the fiscal year ended December 31, 2019, the Morningstar® Insurance Allocation – 70% to 85% Equity Category, a group of funds that Morningstar considers to have investment strategies similar to those of the Fund, gained 21.50%. This result serves as a peer comparison and is expressed net of operating expenses.

How did market conditions affect the Fund's performance?

The Fund seeks to achieve its objective by investing in Underlying Funds that provide exposure to a range of diversified investments, and most major asset classes invested in by the Underlying Funds produced positive absolute returns during the period.

Within the Fund's fixed income portfolio, exposure to securitized assets was beneficial, as a strong U.S. consumer and the low-rate environment created opportunities within prepayment risk assets. The low-rate environment was also beneficial to global infrastructure and global real estate investment trusts ("REITs"), as both asset classes posted strong returns over the period.

The U.S. equity market, as broadly measured by the Russell 3000® Index, surged to 31.02% at period-end, closing out a strong year. From a style perspective, growth outperformed value. From a sector perspective, information technology was the best performing sector, while health care, materials, communication services and financials followed closely behind. The Fund's strategic exposure to non-U.S. equities benefited performance over the period as market sentiment in emerging markets improved due to apparent progress in the U.S.-China trade talks and a "phase one" deal.

How did the investment strategies and techniques employed by the Fund and the Underlying Funds affect the Fund's performance?

The Fund is a fund of funds and its performance is based on RIM's strategic asset allocations, the performance of the Underlying Funds in which the Fund invests, and tactical changes in the Fund's asset allocation throughout the year. In order to seek to achieve the Fund's objective during the period, RIM's strategic asset allocation included investments in global equity, fixed income, multi-asset and alternative Underlying Funds.

The Fund's asset allocation was a detractor to performance relative to the Fund's equity benchmark during the period. Allocations to global real estate investment trusts and infrastructure were costly, as were exposures to high yield credit and treasuries. Commodities delivered positive absolute performance, yet the Fund's allocation to this asset class detracted as equities outperformed broadly across asset classes.

The fixed income portion of the Fund's portfolio underperformed the Fund's equity benchmark. Allocations to the RIF Strategic Bond Fund and RIC Opportunistic Credit Fund detracted as fixed income underperformed the broader equity markets.

While the broader equity markets delivered strong absolute performance over the period, the Fund's equity allocation underperformed the Fund's equity benchmark. In addition, the equity Underlying Funds generally underperformed their respective equity benchmarks. The RIC Sustainable Equity Fund underperformed its benchmark, as it was consistently underweight stocks with higher momentum and expensive and overweight stocks with higher profitability. Both factor tilts negatively impacted benchmark-relative performance over the year. The RIF International Developed Markets Fund underperformed its benchmark due to sector allocations – for instance, an underweight to health care and overweight to communication services detracted. A tilt toward low valuation stocks was also a meaningful driver of underperformance for the RIC U.S. Dynamic Equity Fund. Coupled with negative stock selection within the information technology sector, the Fund underperformed its equity benchmark.

The alternative assets portion of the Fund's portfolio provided negative results compared to the Fund's equity benchmark. The

RIF Global Real Estate Securities Fund underperformed the Fund's benchmark due to the relative strength of equities over real estate investment trusts. The RIC Global Infrastructure Fund underperformed the Fund's equity benchmark but outperformed its listed infrastructure benchmark due to out-of-index exposures to construction and engineering and specialized REITs. The RIC Commodity Strategies Fund struggled against the Fund's benchmark but fared better against its assigned benchmark.

The multi-asset portion of the Fund's portfolio underperformed the Fund's equity benchmark. The RIC Multi-Asset Growth Strategy Fund struggled to beat the equity returns with more diversified allocation to equity and fixed asset classes.

Describe any changes to the Fund's structure or allocation to the Underlying Funds.

RIM has the discretion to vary the Fund's actual allocation from the target strategic asset allocation by up to +/- 5% at the equity, fixed income, multi-asset or alternative category level based on RIM's capital markets research. In addition to investing in the Underlying Funds, RIM may seek to actively manage a Fund's overall exposures by investing in derivatives that RIM believes will achieve the desired risk/return profile for the Fund.

RIM continued to operate the Fund as a risk manager rather than risk taker during the period. RIM's tactical regional modifications to the Fund's asset allocation versus strategic targets were challenged during the period, mainly driven by an overweight to non-U.S. equity and U.S. equity underweight while U.S. equity led global market performance. In terms of tactical asset class modifications, in the first quarter of 2019, real estate exposure was added given attractive valuations. At the beginning of 2019, RIM also increased exposure to high yield corporate credit, but pared back as spreads compressed to expensive levels.

Effective on November 13, 2019, the Fund's allocation to the Underlying Funds in which it invests was modified to an approximate target allocation of 70% to equity, 16% to fixed income, 10% to multi-asset and 4% to alternative asset classes.

RIM manages a global real yield positioning strategy and a currency factor positioning strategy for the Fund. Using futures, the global high real yield strategy took long positions in high quality government bonds whose net-of-inflation yields are expected to be relatively high and short positions where net-of-inflation yield is expected to be relatively low. The currency factor strategy utilized currency forward contracts to take long and short positions in global foreign exchange markets. The global real yield strategy detracted over the period as the long positions underperformed, with the cost split evenly between the U.S. and Canada. With respect to the currency factor strategy, the Fund's exposure moderately detracted.

The views expressed in this report reflect those of the portfolio managers only through the end of the period covered by the report. These views do not necessarily represent the views of RIM, or any other person in RIM or any other affiliated organization. These views are subject to change at any time based upon market conditions or other events, and RIM disclaims any responsibility to update the views contained herein. These views should not be relied on as investment advice and, because investment decisions for a RIF Fund are based on numerous factors, should not be relied on as an indication of investment decisions of any RIF Fund.

* Assumes initial investment on January 1, 2010.

** The Russell 1000® Index includes the 1,000 largest companies in the Russell 3000® Index. The Russell 1000® Index represents the universe of stocks from which most active money managers typically select. The Russell 1000® Index return reflects adjustments from income dividends and capital gain distributions reinvested as of the ex-dividend dates.

*** The Bloomberg Barclays U.S. Aggregate Bond Index is an index, with income reinvested, generally representative of intermediate-term government bonds, investment grade corporate debt securities and mortgage-backed securities.

**** The MSCI World ex USA Index (Net) is a free float-adjusted market capitalization weighted index that is designed to measure the equity market performance of developed markets. The index consists of 22 developed market country indexes.

§ Annualized.

The performance shown in this section does not reflect any Insurance Company Separate Account or Policy Charges. Performance is historical and assumes reinvestment of all dividends and capital gains. Investment return and principal value will fluctuate so that an investor's shares, when redeemed, may be worth more or less than when purchased. Past performance is not indicative of future results. Additionally, the returns presented herein may differ from the performance reported in the Financial Highlights as the returns herein are calculated in a manner consistent with standardized performance in accordance with Securities and Exchange Commission rules, while the performance in the Financial Highlights has been calculated in accordance with U.S. Generally Accepted Accounting Principles ("U.S. GAAP").

Russell Investment Funds
Growth Strategy Fund

Shareholder Expense Example — December 31, 2019 (Unaudited)

Fund Expenses

The following disclosure provides important information regarding the Fund's Shareholder Expense Example ("Example").

Example

As a shareholder of the Fund, you incur two types of costs: (1) transaction costs, and (2) ongoing costs, including advisory and administrative fees and other Fund expenses. The Example is intended to help you understand your ongoing costs (in dollars) of investing in the Fund and to compare these costs with the ongoing costs of investing in other mutual funds. The Example is based on an investment of $1,000 invested at the beginning of the period and held for the entire period indicated, which for this Fund is from July 1, 2019 to December 31, 2019.

Actual Expenses

The information in the table under the heading "Actual Performance" provides information about actual account values and actual expenses. You may use the information in this column, together with the amount you invested, to estimate the expenses that you paid over the period. Simply divide your account value by $1,000 (for example, an $8,600 account value divided by $1,000 = 8.6), then multiply the result by the number in the first column in the row entitled "Expenses Paid During Period" to estimate the expenses you paid on your account during this period.

Hypothetical Example for Comparison Purposes

The information in the table under the heading "Hypothetical Performance (5% return before expenses)" provides information about hypothetical account values and hypothetical expenses based on the Fund's actual expense ratio and an assumed rate of return of 5% per year before expenses, which is not the Fund's actual return. The hypothetical account values and expenses may not be used to estimate the actual ending account balance or expenses you paid for the period. You may use this information to compare the ongoing costs of investing in the Fund and other funds. To do so, compare this 5% hypothetical example with the 5% hypothetical examples that appear in the shareholder reports of other funds.

Please note that the expenses shown in the table are meant to highlight your ongoing costs only and do not reflect any transactional costs. Therefore, the information under the heading "Hypothetical Performance (5% return before expenses)" is useful in comparing ongoing costs only, and will not help you determine the relative total costs of owning different funds. In addition, if these transactional costs were included, your costs would have been higher. The fees and expenses shown in this section do not reflect any Insurance Company Separate Account Policy Charges.

	Actual Performance	Hypothetical Performance (5% return before expenses)
Beginning Account Value July 1, 2019	$ 1,000.00	$ 1,000.00
Ending Account Value December 31, 2019	$ 1,060.30	$ 1,024.45
Expenses Paid During Period*	$ 0.78	$ 0.77

* Expenses are equal to the Fund's annualized expense ratio of 0.15% (representing the six month period annualized), multiplied by the average account value over the period, multiplied by 184/365 (to reflect the one-half year period). May reflect amounts waived and/or reimbursed. Without any waivers and/or reimbursements, expenses would have been higher.

Russell Investment Funds
Growth Strategy Fund

Schedule of Investments — December 31, 2019

Amounts in thousands *(except share amounts)*

	Shares	Fair Value $
Investments in Affiliated Funds - 97.6%		
Alternative - 4.0%		
RIC Commodity Strategies Fund Class Y	791,400	4,123
RIF Global Real Estate Securities Fund	263,644	4,060
		8,183
Domestic Equities - 31.0%		
RIF U.S. Small Cap Equity Fund	1,289,321	18,437
RIF U.S. Strategic Equity Fund	2,828,119	45,335
		63,772
Fixed Income - 15.7%		
RIC Unconstrained Total Return Fund Class Y	2,031,935	20,157
RIF Strategic Bond Fund	1,138,752	12,025
		32,182
International Equities - 37.0%		
RIC Emerging Markets Fund Class Y	742,543	14,532
RIC Global Equity Fund Class Y	3,297,891	30,836
RIF International Developed Markets Fund	2,622,683	30,738
		76,106
Multi-Asset - 9.9%		
RIC Multi-Asset Growth Strategy Fund Class Y	1,970,929	20,320
Total Investments in Affiliated Funds		
(cost $181,634)		200,563
Short-Term Investments - 0.8%		
U.S. Cash Management Fund(@)	1,620,687(∞)	1,621
Total Short-Term Investments		
(cost $1,621)		1,621
Total Investments 98.4%		
(identified cost $183,255)		202,184
Other Assets and Liabilities, Net - 1.6%		3,225
Net Assets - 100.0%		205,409

See accompanying notes which are an integral part of the financial statements.

Russell Investment Funds
Growth Strategy Fund

Schedule of Investments, continued — December 31, 2019

Futures Contracts

Amounts in thousands *(except contract amounts)*

	Number of Contracts	Notional Amount		Expiration Date	Value and Unrealized Appreciation (Depreciation) $
Long Positions					
Amsterdam Index Futures	14	EUR	1,693	01/20	(11)
CAC40 Euro Index Futures	80	EUR	4,776	01/20	29
DAX Index Futures	11	EUR	3,643	03/20	(23)
Dow Jones U.S. Real Estate Index Futures	60	USD	2,205	03/20	53
EURO STOXX 50 Index Futures	73	EUR	2,722	03/20	(27)
FTSE 100 Index Futures	20	GBP	1,500	03/20	4
FTSE/MIB Index Futures	9	EUR	1,053	03/20	(2)
IBEX 35 Index Futures	14	EUR	1,334	01/20	(9)
MSCI EAFE Index Futures	24	USD	2,444	03/20	(7)
MSCI Emerging Markets Index Futures	68	USD	3,809	03/20	73
OMXS30 Index Futures	56	SEK	9,902	01/20	(5)
S&P/TSX 60 Index Futures	14	CAD	2,835	03/20	8
SPI 200 Index Futures	14	AUD	2,311	03/20	(48)
TOPIX Index Futures	26	JPY	447,460	03/20	4
United States 2 Year Treasury Note Futures	43	USD	9,267	03/20	(5)
Short Positions					
NASDAQ 100 E-Mini Index Futures	59	USD	10,328	03/20	(361)
Russell 1000 E-Mini Index Futures	7	USD	625	03/20	(12)
Russell 2000 E-Mini Index Futures	54	USD	4,511	03/20	(62)
S&P 400 E-Mini Index Futures	4	USD	826	03/20	(16)
S&P 500 E-Mini Index Futures	77	USD	12,440	03/20	(221)
S&P Financial Select Sector Index Futures	12	USD	1,137	03/20	(25)
Total Value and Unrealized Appreciation (Depreciation) on Open Futures Contracts (å)					(663)

Foreign Currency Exchange Contracts

Amounts in thousands

Counterparty	Amount Sold		Amount Bought		Settlement Date	Unrealized Appreciation (Depreciation) $
Bank of Montreal	USD	505	CAD	668	03/18/20	9
Bank of Montreal	USD	774	JPY	83,623	03/18/20	(1)
Bank of Montreal	AUD	113	USD	78	03/18/20	(2)
Bank of Montreal	CHF	388	USD	396	03/18/20	(6)
Bank of Montreal	EUR	2,008	USD	2,242	03/18/20	(22)
Bank of Montreal	GBP	1,451	USD	1,918	03/18/20	(7)
Bank of Montreal	HKD	893	USD	114	03/18/20	—
Bank of Montreal	MXN	760	USD	39	03/18/20	(1)
Bank of Montreal	SEK	620	USD	66	03/18/20	—
Bank of Montreal	SGD	55	USD	41	03/18/20	—
Bank of Montreal	ZAR	133	USD	9	03/18/20	(1)
Citigroup	USD	506	CAD	668	03/18/20	8
Citigroup	USD	2,113	CNY	14,900	03/18/20	22
Citigroup	USD	774	JPY	83,623	03/18/20	(2)
Citigroup	USD	42	RUB	2,680	03/18/20	1
Citigroup	AUD	113	USD	78	03/18/20	(2)
Citigroup	CHF	388	USD	396	03/18/20	(6)
Citigroup	EUR	2,008	USD	2,242	03/18/20	(21)

See accompanying notes which are an integral part of the financial statements.

Russell Investment Funds
Growth Strategy Fund

Schedule of Investments, continued — December 31, 2019

Foreign Currency Exchange Contracts

Amounts in thousands

Counterparty	Amount Sold		Amount Bought		Settlement Date	Unrealized Appreciation (Depreciation) $
Citigroup	GBP	1,451	USD	1,918	03/18/20	(8)
Citigroup	HKD	893	USD	114	03/18/20	—
Citigroup	MXN	760	USD	39	03/18/20	(1)
Citigroup	SEK	620	USD	66	03/18/20	—
Citigroup	SGD	55	USD	41	03/18/20	—
Citigroup	TWD	28,550	USD	945	03/18/20	(15)
Citigroup	ZAR	133	USD	9	03/18/20	—
Royal Bank of Canada	USD	505	CAD	668	03/18/20	9
Royal Bank of Canada	USD	774	JPY	83,623	03/18/20	(2)
Royal Bank of Canada	AUD	113	USD	78	03/18/20	(2)
Royal Bank of Canada	CHF	388	USD	396	03/18/20	(6)
Royal Bank of Canada	EUR	2,008	USD	2,243	03/18/20	(21)
Royal Bank of Canada	GBP	1,451	USD	1,918	03/18/20	(7)
Royal Bank of Canada	HKD	893	USD	114	03/18/20	—
Royal Bank of Canada	MXN	760	USD	39	03/18/20	(1)
Royal Bank of Canada	SEK	620	USD	66	03/18/20	—
Royal Bank of Canada	SGD	55	USD	41	03/18/20	—
Royal Bank of Canada	ZAR	133	USD	9	03/18/20	(1)
State Street	KRW	233,270	USD	196	03/18/20	(6)
Total Unrealized Appreciation (Depreciation) on Open Foreign Currency Exchange Contracts						(92)

Credit Default Swap Contracts

Amounts in thousands

Credit Indices

Reference Entity	Counterparty	Purchase/Sell Protection	Notional Amount		Fund (Pays)/ Receives Fixed Rate	Termination Date	Premiums Paid/ (Received) $	Unrealized Appreciation (Depreciation) $	Fair Value $
CDX NA High Yield Index	Bank of America	Purchase	USD	9,900	(5.000%)[2]	12/20/24	(664)	(306)	(970)
CDX NA Investment Grade Index	Bank of America	Purchase	USD	5,300	(1.000%)[2]	12/20/24	(108)	(31)	(139)
Total Open Credit Indices Contracts (â)							(772)	(337)	(1,109)

Presentation of Portfolio Holdings

Amounts in thousands

	Fair Value					
Portfolio Summary	Level 1	Level 2	Level 3	Practical Expedient (a)	Total	% of Net Assets
Investments in Affiliated Funds	$ 200,563	$ —	$ —	$ —	$ 200,563	97.6
Short-Term Investments	—	—	—	1,621	1,621	0.8
Total Investments	200,563	—	—	1,621	202,184	98.4
Other Assets and Liabilities, Net						1.6
						100.0

See accompanying notes which are an integral part of the financial statements.

Russell Investment Funds
Growth Strategy Fund

Schedule of Investments, continued — December 31, 2019

Presentation of Portfolio Holdings

Amounts in thousands

	Fair Value					
Portfolio Summary	**Level 1**	**Level 2**	**Level 3**	**Practical Expedient (a)**	**Total**	**% of Net Assets**
Other Financial Instruments						
Assets						
Futures Contracts	171	—	—	—	171	0.1
Foreign Currency Exchange Contracts	—	49	—	—	49	—*
Liabilities						
Futures Contracts	(834)	—	—	—	(834)	(0.4)
Foreign Currency Exchange Contracts	—	(141)	—	—	(141)	(0.1)
Credit Default Swap Contracts	—	(1,109)	—	—	(1,109)	(0.5)
Total Other Financial Instruments**	$ (663)	$ (1,201)	$ —	$ —	$ (1,864)	

* Less than 0.05% of net assets.

** Futures and foreign currency exchange contract values reflect the unrealized appreciation (depreciation) on the investments.

(a) Certain investments that are measured at fair value using the net asset value per share (or its equivalent) practical expedient have not been classified in the fair value levels. The fair value amounts presented in the table are intended to permit reconciliation to the amounts presented in the Schedule of Investments.

For a description of the Levels, see note 2 in the Notes to Financial Statements.
For a disclosure on transfers between Levels 1, 2 and 3 during the period ended December 31, 2019, see note 2 in the Notes to Financial Statements.

See accompanying notes which are an integral part of the financial statements.

Russell Investment Funds
Growth Strategy Fund

Fair Value of Derivative Instruments — December 31, 2019

Amounts in thousands

Derivatives not accounted for as hedging instruments	Equity Contracts	Credit Contracts	Foreign Currency Contracts	Interest Rate Contracts
Location: Statement of Assets and Liabilities - Assets				
Unrealized appreciation on foreign currency exchange contracts	$ —	$ —	$ 49	$ —
Variation margin on futures contracts*	171	—	—	—
Total	$ 171	$ —	$ 49	$ —
Location: Statement of Assets and Liabilities - Liabilities				
Variation margin on futures contracts*	$ 829	$ —	$ —	$ 5
Unrealized depreciation on foreign currency exchange contracts	—	—	141	—
Credit default swap contracts, at fair value	—	1,109	—	—
Total	$ 829	$ 1,109	$ 141	$ 5

Derivatives not accounted for as hedging instruments	Equity Contracts	Credit Contracts	Foreign Currency Contracts	Interest Rate Contracts
Location: Statement of Operations - Net realized gain (loss)				
Investments**	$ (704)	$ —	$ —	$ —
Futures contracts	1,027	—	—	801
Options written	81	—	—	—
Total return swap contracts	(1,767)	—	—	—
Credit default swap contracts	—	(255)	—	—
Foreign currency exchange contracts	—	—	406	—
Total	$ (1,363)	$ (255)	$ 406	$ 801
Location: Statement of Operations - Net change in unrealized appreciation (depreciation)				
Investments***	$ 479	$ —	$ —	$ —
Futures contracts	(691)	—	—	(420)
Options written	45	—	—	—
Credit default swap contracts	—	(629)	—	—
Foreign currency exchange contracts	—	—	(16)	—
Total	$ (167)	$ (629)	$ (16)	$ (420)

* Includes cumulative appreciation/depreciation of futures contracts as reported in the Schedule of Investments. Only variation margin is reported within the Statement of Assets and Liabilities.

** Includes net realized gain (loss) on purchased options as reported in the Statement of Operations.

*** Includes net change in unrealized appreciation/depreciation on purchased options as reported in the Statement of Operations.

For further disclosure on derivatives see note 2 in the Notes to Financial Statements.

See accompanying notes which are an integral part of the financial statements.

Russell Investment Funds
Growth Strategy Fund
Balance Sheet Offsetting of Financial and Derivative Instruments — December 31, 2019

Amounts in thousands

Offsetting of Financial Assets and Derivative Assets

Description	Location: Statement of Assets and Liabilities - Assets	Gross Amounts of Recognized Assets	Gross Amounts Offset in the Statement of Assets and Liabilities	Net Amounts of Assets Presented in the Statement of Assets and Liabilities
Foreign Currency Exchange Contracts	Unrealized appreciation on foreign currency exchange contracts	$ 49	$ —	$ 49
Total Financial and Derivative Assets		49	—	49
Financial and Derivative Assets not subject to a netting agreement		—	—	—
Total Financial and Derivative Assets subject to a netting agreement		$ 49	$ —	$ 49

Financial Assets, Derivative Assets, and Collateral Held by Counterparty

Counterparty	Net Amounts of Assets Presented in the Statement of Assets and Liabilities	Gross Amounts Not Offset in the Statement of Assets and Liabilities: Financial and Derivative Instruments	Gross Amounts Not Offset in the Statement of Assets and Liabilities: Collateral Received^	Net Amount
Bank of Montreal	$ 9	$ 9	$ —	$ —
Citigroup	31	31	—	—
Royal Bank of Canada	9	9	—	—
Total	$ 49	$ 49	$ —	$ —

See accompanying notes which are an integral part of the financial statements.

Russell Investment Funds
Growth Strategy Fund
Balance Sheet Offsetting of Financial and Derivative Instruments, continued — December 31, 2019

Amounts in thousands

Offsetting of Financial Liabilities and Derivative Liabilities

Description	Location: Statement of Assets and Liabilities - Liabilities	Gross Amounts of Recognized Liabilities	Gross Amounts Offset in the Statement of Assets and Liabilities	Net Amounts of Liabilities Presented in the Statement of Assets and Liabilities
Foreign Currency Exchange Contracts	Unrealized depreciation on foreign currency exchange contracts	$ 141	$ —	$ 141
Credit Default Swap Contracts	Credit default swap contracts, at fair value	1,109	—	1,109
Total Financial and Derivative Liabilities		1,250	—	1,250
Financial and Derivative Liabilities not subject to a netting agreement		(1,109)	—	(1,109)
Total Financial and Derivative Liabilities subject to a netting agreement		$ 141	$ —	$ 141

Financial Liabilities, Derivative Liabilities, and Collateral Pledged by Counterparty

		Gross Amounts Not Offset in the Statement of Assets and Liabilities		
Counterparty	Net Amounts of Liabilities Presented in the Statement of Assets and Liabilities	Financial and Derivative Instruments	Collateral Pledged^	Net Amount
Bank of Montreal	$ 39	$ 9	$ —	$ 30
Citigroup	56	31	—	25
Royal Bank of Canada	40	9	—	31
State Street	6	—	—	6
Total	$ 141	$ 49	$ —	$ 92

^ Collateral received or pledged amounts may not reconcile to those disclosed in the Statement of Assets and Liabilities due to the inclusion of off-Balance Sheet collateral and adjustments made to exclude overcollateralization.

For further disclosure on derivatives and counterparty risk see note 2 in the Notes to Financial Statements.

See accompanying notes which are an integral part of the financial statements.

Russell Investment Funds
Growth Strategy Fund

Statement of Assets and Liabilities — December 31, 2019

Amounts in thousands

Assets		
Investments, at identified cost	$	183,255
Investments, at fair value(>)		202,184
Cash		22
Unrealized appreciation on foreign currency exchange contracts		49
Receivables:		
Dividends and interest		1
Dividends from affiliated funds		3
Investments sold		3
Fund shares sold		1
From broker(a)(b)		5,136
Total assets		207,399
Liabilities		
Payables:		
Fund shares redeemed		3
Accrued fees to affiliates		10
Other accrued expenses		66
Variation margin on futures contracts		661
Unrealized depreciation on foreign currency exchange contracts		141
Credit default swap contracts, at fair value(+)		1,109
Total liabilities		1,990
Net Assets	$	205,409

See accompanying notes which are an integral part of the financial statements.

Russell Investment Funds
Growth Strategy Fund

Statement of Assets and Liabilities, continued — December 31, 2019

Amounts in thousands

Net Assets Consist of:		
Total distributable earnings (losses)	$	20,599
Shares of beneficial interest		211
Additional paid-in capital		184,599
Net Assets	$	205,409

Net Asset Value, offering and redemption price per share:		
Net asset value per share: (#)	$	9.72
Net assets	$	205,409,104
Shares outstanding ($.01 par value)		21,122,235

Amounts in thousands

(+)	Credit default swap contracts - premiums paid (received)	$	(772)
(>)	Investments in affiliated funds	$	202,184

(a)	Receivable from Broker for Futures	$	3,684
(b)	Receivable from Broker for Swaps	$	1,452

(#) Net asset value per share equals net assets divided by shares of beneficial interest outstanding.

See accompanying notes which are an integral part of the financial statements.

Russell Investment Funds
Growth Strategy Fund

Statement of Operations — For the Period Ended December 31, 2019

Amounts in thousands

Investment Income		
Income distributions from affiliated funds	$	5,245
Interest		25
Total investment income		5,270
Expenses		
Advisory fees		401
Administrative fees		85
Custodian fees		52
Transfer agent fees		9
Professional fees		51
Trustees' fees		8
Printing fees		43
Miscellaneous		9
Expenses before reductions		658
Expense reductions		(358)
Net expenses		300
Net investment income (loss)		4,970
Net Realized and Unrealized Gain (Loss)		
Net realized gain (loss) on:		
Investments		(704)
Investments in affiliated funds		465
Futures contracts		1,828
Options written		81
Foreign currency exchange contracts		406
Total return swap contracts		(1,767)
Credit default swap contracts		(255)
Capital gain distributions from affiliated funds		4,838
Net realized gain (loss)		4,892
Net change in unrealized appreciation (depreciation) on:		
Investments		479
Investments in affiliated funds		24,559
Futures contracts		(1,111)
Options written		45
Foreign currency exchange contracts		(16)
Credit default swap contracts		(629)
Foreign currency-related transactions		33
Net change in unrealized appreciation (depreciation)		23,360
Net realized and unrealized gain (loss)		28,252
Net Increase (Decrease) in Net Assets from Operations	$	33,222

See accompanying notes which are an integral part of the financial statements.

Russell Investment Funds
Growth Strategy Fund

Statements of Changes in Net Assets

Amounts in thousands	For the Periods Ended December 31, 2019	2018
Increase (Decrease) in Net Assets		
Operations		
Net investment income (loss)	$ 4,970	$ 7,905
Net realized gain (loss)	4,892	12,922
Net change in unrealized appreciation (depreciation)	23,360	(37,685)
Net increase (decrease) in net assets from operations	33,222	(16,858)
Distributions		
To shareholders	(12,311)	(18,776)
Net decrease in net assets from distributions	(12,311)	(18,776)
Share Transactions*		
Net increase (decrease) in net assets from share transactions	(5,544)	4,841
Total Net Increase (Decrease) in Net Assets	15,367	(30,793)
Net Assets		
Beginning of period	190,042	220,835
End of period	$ 205,409	$ 190,042

* Share transaction amounts (in thousands) for the periods ended December 31, 2019 and December 31, 2018 were as follows:

	2019		2018	
	Shares	Dollars	Shares	Dollars
Proceeds from shares sold	453	$ 4,145	592	$ 6,014
Proceeds from reinvestment of distributions	1,362	12,311	1,994	18,776
Payments for shares redeemed	(2,393)	(22,000)	(1,991)	(19,949)
Total increase (decrease)	(578)	$ (5,544)	595	$ 4,841

See accompanying notes which are an integral part of the financial statements.

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Russell Investment Funds
Growth Strategy Fund

Financial Highlights — For the Periods Ended

For a Share Outstanding Throughout Each Period.

	$ Net Asset Value, Beginning of Period	$ Net Investment Income (Loss) (a)(b)(d)	$ Net Realized and Unrealized Gain (Loss)	$ Total from Investment Operations	$ Distributions from Net Investment Income	$ Distributions from Net Realized Gain
December 31, 2019	8.76	.23	1.31	1.54	(.07)	(.51)
December 31, 2018	10.46	.37	(1.17)	(.80)	(.51)	(.39)
December 31, 2017	9.53	.34	1.13	1.47	(.32)	(.22)
December 31, 2016	8.94	.20	.66	.86	(.27)	—(f)
December 31, 2015	10.07	.17	(.48)	(.31)	(.18)	(.64)

See accompanying notes which are an integral part of the financial statements.

$ Total Distributions	$ Net Asset Value, End of Period	% Total Return(e)	$ Net Assets, End of Period (000)	% Ratio of Expenses to Average Net Assets, Gross(c)	% Ratio of Expenses to Average Net Assets, Net(c)(d)	% Ratio of Net Investment Income to Average Net Assets(b)(d)	% Portfolio Turnover Rate
(.58)	9.72	18.06	205,409	.33	.15	2.48	35
(.90)	8.76	(8.05)	190,042	.31	.15	3.69	18
(.54)	10.46	15.65	220,835	.32	.14	3.37	29
(.27)	9.53	9.73	205,944	.30	.12	2.14	18
(.82)	8.94	(3.31)	200,116	.30	.11	1.78	23

See accompanying notes which are an integral part of the financial statements.

Russell Investment Funds
Growth Strategy Fund

Related Party Transactions, Fees and Expenses

Accrued fees payable to affiliates for the period ended December 31, 2019 were as follows:

Advisory fees	$ 1,140
Administration fees	7,350
Transfer agent fees	761
Trustee fees	810
	$ 10,061

Transactions (amounts in thousands) during the period ended December 31, 2019 with Underlying Funds which are, or were, an affiliated company are as follows:

	Fair Value, Beginning of Period	Purchases	Sales	Realized Gain (Loss)	Change in Unrealized Gain (Loss)	Fair Value, End of Period	Income Distributions	Capital Gains Distributions
RIC Commodity Strategies Fund	$ 5,452	$ 618	$ 2,199	$ (1,893)	$ 2,145	$ 4,123	$ 129	$ 4
RIC Global Infrastructure Fund	3,455	135	4,244	474	180	—	80	—
RIF Global Real Estate Securities Fund	4,989	386	2,100	110	675	4,060	217	—
RIC Sustainable Equity Fund	8,815	289	11,017	6,129	(4,216)	—	56	—
RIC U.S. Dynamic Equity Fund	6,146	278	7,903	(1,190)	2,669	—	29	—
RIF U.S. Small Cap Equity Fund	19,347	1,660	6,492	(715)	4,637	18,437	112	274
RIF U.S. Strategic Equity Fund	15,797	28,782	2,707	(188)	3,651	45,335	377	1,989
RIC Opportunistic Credit Fund	2,281	146	2,545	(38)	156	—	83	—
RIC Unconstrained Total Return Fund	22,086	1,853	4,204	(18)	440	20,157	794	—
RIF Strategic Bond Fund	9,871	3,051	1,350	27	426	12,025	391	47
RIC Emerging Markets Fund	14,843	2,001	4,673	6	2,355	14,532	373	11
RIC Global Equity Fund	32,301	4,957	10,521	(934)	5,033	30,836	1,362	2,513
RIF International Developed Markets Fund	31,817	2,558	8,890	(1,305)	6,558	30,738	771	—
RIC Multi-Asset Growth Strategy Fund	—	20,527	57	—	(150)	20,320	461	—
U.S. Cash Management Fund	19	10,427	8,825	—	—	1,621	10	—
	$ 177,219	$ 77,668	$ 77,727	$ 465	$ 24,559	$ 202,184	$ 5,245	$ 4,838

Federal Income Taxes

At December 31, 2019, the cost of investments and net unrealized appreciation (depreciation), undistributed ordinary income and undistributed long-term capital gains for income tax purposes were as follows:

Cost of Investments	Unrealized Appreciation	Unrealized Depreciation	Net Unrealized Appreciation (Depreciation)	Undistributed Ordinary Income	Undistributed Long-Term Capital Gains (Capital Loss Carryforward)
$ 184,877,256	$ 18,507,745	$ (2,343,662)	$ 16,164,083	$ 2,538,831	$ 3,418,527

See accompanying notes which are an integral part of the financial statements.

Russell Investment Funds
Growth Strategy Fund

Federal Income Taxes, continued

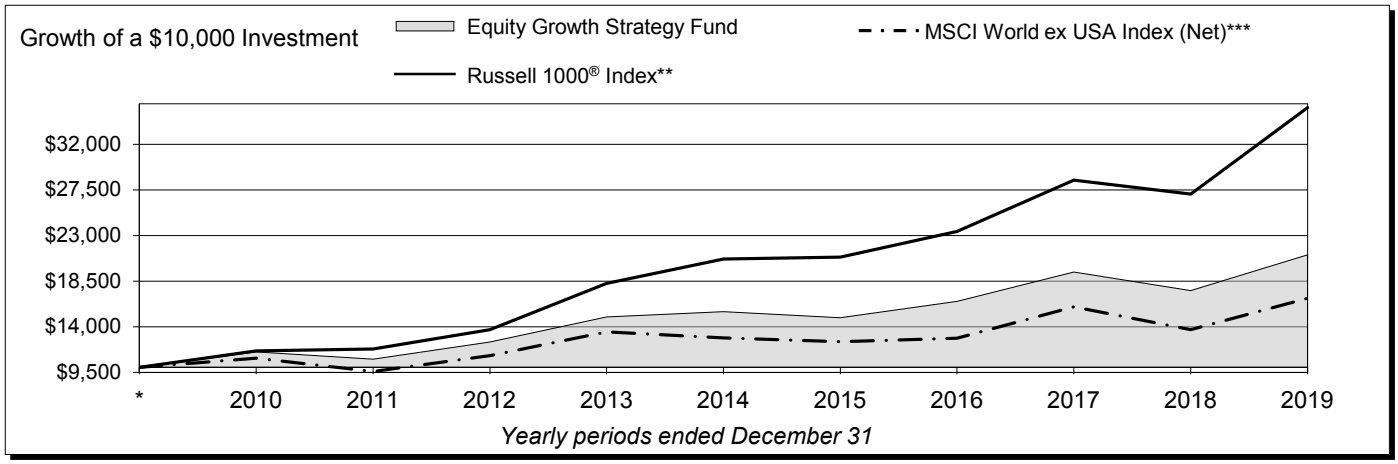
For the fiscal years ended December 31, 2019 and December 31, 2018, respectively, the Fund made the following tax basis distributions:

December 31, 2019			December 31, 2018		
Ordinary Income Distributions	Long-Term Capital Gain Distributions	Return of Capital	Ordinary Income Distributions	Long-Term Capital Gain Distributions	Return of Capital
$ 1,404,242	$ 10,906,819	$ —	$ 10,477,718	$ 8,298,093	$ —

Net investment income and net realized gains (losses) in the financial statements may differ from taxable net investment income and net realized gains (losses). Capital accounts within the financial statements are adjusted for permanent differences between book and tax accounting. Book-tax differences may be due to foreign currency gains and losses, reclassifications of dividends and differences in treatment of income from swaps. These adjustments have no impact on the net assets. At December 31, 2019, there were no adjustments to the Statement of Assets and Liabilities.

Russell Investment Funds
Equity Growth Strategy Fund

Portfolio Management Discussion and Analysis — December 31, 2019 (Unaudited)



Equity Growth Strategy Fund

	Total Return
1 Year	20.09%
5 Years	6.37%§
10 Years	7.74%§

Russell 1000® Index**

	Total Return
1 Year	31.43%
5 Years	11.48%§
10 Years	13.54%§

MSCI World ex USA Index (Net)***

	Total Return
1 Year	22.49%
5 Years	5.42%§
10 Years	5.32%§

Russell Investment Funds
Equity Growth Strategy Fund

Portfolio Management Discussion and Analysis, continued — December 31, 2019 (Unaudited)

The Equity Growth Strategy Fund (the "Fund") is a fund of funds that invests principally in other Russell Investment Funds ("RIF") and Russell Investment Company ("RIC") mutual funds (the "Underlying Funds"). The Underlying Funds employ a multi-manager approach whereby portions of the Underlying Funds are allocated to different money manager strategies. Underlying Fund assets not allocated to money managers are managed by Russell Investment Management, LLC ("RIM"), the Fund's and Underlying Funds' advisor. RIM, as the Underlying Funds' advisor, may change the allocation of the Underlying Funds' assets among money managers at any time. An exemptive order from the Securities and Exchange Commission ("SEC") permits RIM to engage or terminate a money manager in an Underlying Fund at any time, subject to approval by the Underlying Fund's Board, without a shareholder vote. Pursuant to the terms of the exemptive order, an Underlying Fund is required to notify its shareholders within 90 days of when a money manager begins providing services.

What is the Fund's investment objective?

The Fund seeks to provide high long term capital appreciation.

How did the Fund perform relative to its benchmark for the fiscal year ended December 31, 2019?

For the fiscal year ended December 31, 2019, the Fund gained 20.09%. This is compared to the Fund's primary benchmark, the Russell 1000® Index, which gained 31.43% during the same period. The Fund's performance includes operating expenses, whereas index returns are unmanaged and do not include expenses of any kind.

For the fiscal year ended December 31, 2019, the Morningstar® Insurance Allocation – 70% to 85% Equity Category, a group of funds that Morningstar considers to have investment strategies similar to those of the Fund, gained 21.50%. This result serves as a peer comparison and is expressed net of operating expenses.

How did market conditions affect the Fund's performance?

The Fund seeks to achieve its objective by investing in Underlying Funds that provide exposure to a range of diversified investments, and most major asset classes invested in by the Underlying Funds produced positive absolute returns during the period.

Within the Fund's fixed income portfolio, exposure to securitized assets was beneficial, as a strong U.S. consumer and the low-rate environment created opportunities within prepayment risk assets. The low-rate environment was also beneficial to global infrastructure and global real estate investment trusts ("REITs"), as both asset classes posted strong returns over the period.

The U.S. equity market, as broadly measured by the Russell 3000® Index, surged to 31.02% at period-end, closing out a strong year. From a style perspective, growth outperformed value. From a sector perspective, information technology was the best performing sector, while health care, materials, communication services and financials followed closely behind. The Fund's strategic exposure to non-U.S. equities benefited performance over the period as market sentiment in emerging markets improved due to apparent progress in the U.S.-China trade talks and a "phase one" deal.

How did the investment strategies and techniques employed by the Fund and the Underlying Funds affect the Fund's performance?

The Fund is a fund of funds and its performance is based on RIM's strategic asset allocations, the performance of the Underlying Funds in which the Fund invests, and tactical changes in the Fund's asset allocation throughout the year. In order to seek to achieve the Fund's objective during the period, RIM's strategic asset allocation included investments in global equity, fixed income, multi-asset and alternative Underlying Funds.

The Fund's asset allocation was a detractor to performance relative to the Fund's equity benchmark during the period. Allocations to global real estate investment trusts and infrastructure were costly, as were exposures to high yield credit and treasuries. Commodities delivered positive absolute performance, yet the Fund's allocation to this asset class detracted as equities outperformed broadly across asset classes.

The fixed income portion of the Fund's portfolio underperformed the Fund's equity benchmark. Allocations to the RIC Unconstrained Total Return Fund and RIC Opportunistic Credit Fund detracted as fixed income underperformed the broader equity markets.

While the broader equity markets delivered strong absolute performance over the period, the Fund's equity allocation underperformed the Fund's equity benchmark. In addition, the equity Underlying Funds generally underperformed their respective equity benchmarks. The RIC Sustainable Equity Fund underperformed its benchmark, as it was consistently underweight stocks with higher momentum and expensive and overweight stocks with higher profitability. Both factor tilts negatively impacted benchmark-relative performance over the year. The RIF International Developed Markets Fund underperformed its benchmark due to sector allocations – for instance, an underweight to health care and overweight to communication services detracted. A tilt toward low valuation stocks was also a meaningful driver of underperformance for the RIC U.S. Dynamic Equity Fund. Coupled with negative stock selection within the information technology sector, the Fund underperformed its equity benchmark.

The alternative assets portion of the Fund's portfolio provided negative results compared to the Fund's equity benchmark. The RIF Global Real Estate Securities Fund underperformed the

Fund's benchmark due to the relative strength of equities over real estate investment trusts. The RIC Global Infrastructure Fund underperformed the Fund's equity benchmark but outperformed its listed infrastructure benchmark due to out-of-index exposures to construction and engineering and specialized REITs. The RIC Commodity Strategies Fund struggled against the Fund's benchmark but fared better against its assigned benchmark.

The multi-asset portion of the Fund's portfolio underperformed the Fund's equity benchmark. The RIC Multi-Asset Growth Strategy Fund struggled to beat the equity returns with a more diversified allocation to equity and fixed asset classes.

Describe any changes to the Fund's structure or allocation to the Underlying Funds.

RIM has the discretion to vary the Fund's actual allocation from the target strategic asset allocation by up to +/- 5% at the equity, fixed income, multi-asset or alternative category level based on RIM's capital markets research. In addition to investing in the Underlying Funds, RIM may seek to actively manage a Fund's overall exposures by investing in derivatives that RIM believes will achieve the desired risk/return profile for the Fund.

RIM continued to operate the Fund as a risk manager rather than risk taker during the period. RIM's tactical regional modifications to the Fund's asset allocation versus strategic targets were challenged during the period, mainly driven by an overweight to non-U.S. equity and U.S. equity underweight while U.S. equity led global market performance. In terms of tactical asset class modifications, in the first quarter of 2019, real estate exposure was added given attractive valuations. At the beginning of 2019, RIM also increased exposure to high yield corporate credit, but pared back as spreads compressed to expensive levels.

Effective on November 13, 2019, the Fund's allocation to the Underlying Funds in which it invests was modified to an approximate target allocation of 80% to equity, 11% to fixed income, 4% to multi-asset and 5% to alternative asset classes.

RIM manages a global real yield positioning strategy and a currency factor positioning strategy for the Fund. Using futures, the global high real yield strategy took long positions in high quality government bonds whose net-of-inflation yields are expected to be relatively high and short positions where net-of-inflation yield is expected to be relatively low. The currency factor strategy utilized currency forward contracts to take long and short positions in global foreign exchange markets. The global real yield strategy detracted over the period as the long positions underperformed, with the cost split evenly between the U.S. and Canada. With respect to the currency factor strategy, the Fund's exposure moderately detracted.

The views expressed in this report reflect those of the portfolio managers only through the end of the period covered by the report. These views do not necessarily represent the views of RIM, or any other person in RIM or any other affiliated organization. These views are subject to change at any time based upon market conditions or other events, and RIM disclaims any responsibility to update the views contained herein. These views should not be relied on as investment advice and, because investment decisions for a RIF Fund are based on numerous factors, should not be relied on as an indication of investment decisions of any RIF Fund.

* Assumes initial investment on January 1, 2010.

** The Russell 1000® Index includes the 1,000 largest companies in the Russell 3000® Index. The Russell 1000® Index represents the universe of stocks from which most active money managers typically select. The Russell 1000® Index return reflects adjustments from income dividends and capital gain distributions reinvested as of the ex-dividend dates.

*** The MSCI World ex USA Index (Net) is a free float-adjusted market capitalization weighted index that is designed to measure the equity market performance of developed markets. The index consists of 22 developed market country indexes.

§ Annualized.

The performance shown in this section does not reflect any Insurance Company Separate Account or Policy Charges. Performance is historical and assumes reinvestment of all dividends and capital gains. Investment return and principal value will fluctuate so that an investor's shares, when redeemed, may be worth more or less than when purchased. Past performance is not indicative of future results. Additionally, the returns presented herein may differ from the performance reported in the Financial Highlights as the returns herein are calculated in a manner consistent with standardized performance in accordance with Securities and Exchange Commission rules, while the performance in the Financial Highlights has been calculated in accordance with U.S. Generally Accepted Accounting Principles ("U.S. GAAP").

Russell Investment Funds
Equity Growth Strategy Fund

Shareholder Expense Example — December 31, 2019 (Unaudited)

Fund Expenses

The following disclosure provides important information regarding the Fund's Shareholder Expense Example ("Example").

Example

As a shareholder of the Fund, you incur two types of costs: (1) transaction costs, and (2) ongoing costs, including advisory and administrative fees and other Fund expenses. The Example is intended to help you understand your ongoing costs (in dollars) of investing in the Fund and to compare these costs with the ongoing costs of investing in other mutual funds. The Example is based on an investment of $1,000 invested at the beginning of the period and held for the entire period indicated, which for this Fund is from July 1, 2019 to December 31, 2019.

Actual Expenses

The information in the table under the heading "Actual Performance" provides information about actual account values and actual expenses. You may use the information in this column, together with the amount you invested, to estimate the expenses that you paid over the period. Simply divide your account value by $1,000 (for example, an $8,600 account value divided by $1,000 = 8.6), then multiply the result by the number in the first column in the row entitled "Expenses Paid During Period" to estimate the expenses you paid on your account during this period.

Hypothetical Example for Comparison Purposes

The information in the table under the heading "Hypothetical Performance (5% return before expenses)" provides information about hypothetical account values and hypothetical expenses based on the Fund's actual expense ratio and an assumed rate of return of 5% per year before expenses, which is not the Fund's actual return. The hypothetical account values and expenses may not be used to estimate the actual ending account balance or expenses you paid for the period. You may use this information to compare the ongoing costs of investing in the Fund and other funds. To do so, compare this 5% hypothetical example with the 5% hypothetical examples that appear in the shareholder reports of other funds.

Please note that the expenses shown in the table are meant to highlight your ongoing costs only and do not reflect any transactional costs. Therefore, the information under the heading "Hypothetical Performance (5% return before expenses)" is useful in comparing ongoing costs only, and will not help you determine the relative total costs of owning different funds. In addition, if these transactional costs were included, your costs would have been higher. The fees and expenses shown in this section do not reflect any Insurance Company Separate Account Policy Charges.

	Actual Performance	Hypothetical Performance (5% return before expenses)
Beginning Account Value July 1, 2019	$ 1,000.00	$ 1,000.00
Ending Account Value December 31, 2019	$ 1,066.90	$ 1,024.45
Expenses Paid During Period*	$ 0.78	$ 0.77

* Expenses are equal to the Fund's annualized expense ratio of 0.15% (representing the six month period annualized), multiplied by the average account value over the period, multiplied by 184/365 (to reflect the one-half year period). May reflect amounts waived and/or reimbursed. Without any waivers and/or reimbursements, expenses would have been higher.

Russell Investment Funds
Equity Growth Strategy Fund

Schedule of Investments — December 31, 2019

Amounts in thousands *(except share amounts)*

	Shares	Fair Value $
Investments in Affiliated Funds - 96.6%		
Alternative - 4.9%		
RIC Commodity Strategies Fund Class Y	187,272	976
RIF Global Real Estate Securities Fund	94,123	1,449
		2,425
Domestic Equities - 33.6%		
RIF U.S. Small Cap Equity Fund	407,542	5,828
RIF U.S. Strategic Equity Fund	669,690	10,735
		16,563
Fixed Income - 10.7%		
RIC Unconstrained Total Return Fund Class Y	532,663	5,284
International Equities - 43.5%		
RIC Emerging Markets Fund Class Y	201,599	3,945
RIC Global Equity Fund Class Y	1,092,479	10,215
RIF International Developed Markets Fund	620,583	7,273
		21,433
Multi-Asset - 3.9%		
RIC Multi-Asset Growth Strategy Fund Class Y	186,868	1,927
Total Investments in Affiliated Funds		
(cost $42,411)		47,632
Short-Term Investments - 1.9%		
U.S. Cash Management Fund(@)	958,089(∞)	958
Total Short-Term Investments		
(cost $958)		958
Total Investments 98.5%		
(identified cost $43,369)		48,590
Other Assets and Liabilities, Net - 1.5%		726
Net Assets - 100.0%		49,316

See accompanying notes which are an integral part of the financial statements.

Russell Investment Funds
Equity Growth Strategy Fund

Schedule of Investments, continued — December 31, 2019

Futures Contracts

Amounts in thousands *(except contract amounts)*

	Number of Contracts	Notional Amount		Expiration Date	Value and Unrealized Appreciation (Depreciation) $
Long Positions					
Amsterdam Index Futures	4	EUR	484	01/20	(3)
CAC40 Euro Index Futures	20	EUR	1,194	01/20	7
DAX Index Futures	3	EUR	993	03/20	(6)
Dow Jones U.S. Real Estate Index Futures	66	USD	2,425	03/20	58
Euro STOXX 50 Index Futures	18	EUR	671	03/20	(7)
FTSE 100 Index Futures	7	GBP	525	03/20	1
FTSE/MIB Index Futures	2	EUR	234	03/20	(1)
IBEX 35 Index Futures	3	EUR	286	01/20	(2)
MSCI EAFE Index Futures	12	USD	1,222	03/20	(3)
OMXS30 Index Futures	13	SEK	2,299	01/20	(1)
Russell 1000 E-Mini Index Futures	1	USD	89	03/20	2
SPI 200 Index Futures	3	AUD	495	03/20	(10)
TOPIX Index Futures	4	JPY	68,839	03/20	1
Short Positions					
MSCI Emerging Markets Index Futures	25	USD	1,400	03/20	(27)
NASDAQ 100 E-Mini Index Futures	16	USD	2,800	03/20	(98)
Russell 2000 E-Mini Index Futures	23	USD	1,921	03/20	(27)
S&P 500 E-Mini Index Futures	8	USD	1,292	03/20	(23)
S&P Financial Select Sector Index Futures	12	USD	1,137	03/20	(25)
Total Value and Unrealized Appreciation (Depreciation) on Open Futures Contracts (â)					(164)

Foreign Currency Exchange Contracts

Amounts in thousands

Counterparty	Amount Sold		Amount Bought		Settlement Date	Unrealized Appreciation (Depreciation) $
Bank of Montreal	USD	304	AUD	443	03/18/20	8
Bank of Montreal	USD	172	CAD	227	03/18/20	3
Bank of Montreal	USD	351	JPY	37,862	03/18/20	(1)
Bank of Montreal	USD	8	ZAR	115	03/18/20	—
Bank of Montreal	CHF	223	USD	227	03/18/20	(4)
Bank of Montreal	EUR	655	USD	731	03/18/20	(7)
Bank of Montreal	GBP	420	USD	555	03/18/20	(2)
Bank of Montreal	HKD	360	USD	46	03/18/20	—
Bank of Montreal	MXN	2,025	USD	104	03/18/20	(2)
Bank of Montreal	SEK	375	USD	40	03/18/20	—
Bank of Montreal	SGD	22	USD	16	03/18/20	—
Citigroup	USD	496	CNY	3,500	03/18/20	4
Citigroup	USD	23	RUB	1,490	03/18/20	1
Citigroup	BRL	980	USD	236	03/18/20	(7)
Citigroup	TWD	9,520	USD	315	03/18/20	(4)
Royal Bank of Canada	USD	304	AUD	443	03/18/20	8
Royal Bank of Canada	USD	172	CAD	227	03/18/20	3
Royal Bank of Canada	USD	351	JPY	37,862	03/18/20	(1)
Royal Bank of Canada	USD	8	ZAR	115	03/18/20	—
Royal Bank of Canada	CHF	223	USD	227	03/18/20	(4)

See accompanying notes which are an integral part of the financial statements.

Russell Investment Funds
Equity Growth Strategy Fund

Schedule of Investments, continued — December 31, 2019

Foreign Currency Exchange Contracts

Amounts in thousands

Counterparty	Amount Sold		Amount Bought		Settlement Date	Unrealized Appreciation (Depreciation) $
Royal Bank of Canada	EUR	655	USD	731	03/18/20	(7)
Royal Bank of Canada	GBP	420	USD	555	03/18/20	(2)
Royal Bank of Canada	HKD	360	USD	46	03/18/20	—
Royal Bank of Canada	MXN	2,025	USD	104	03/18/20	(2)
Royal Bank of Canada	SEK	375	USD	40	03/18/20	—
Royal Bank of Canada	SGD	22	USD	16	03/18/20	—
State Street	INR	12,940	USD	181	03/18/20	1
State Street	KRW	116,630	USD	98	03/18/20	(3)
Total Unrealized Appreciation (Depreciation) on Open Foreign Currency Exchange Contracts						(18)

Credit Default Swap Contracts

Amounts in thousands

Credit Indices

Reference Entity	Counterparty	Purchase/Sell Protection	Notional Amount		Fund (Pays)/ Receives Fixed Rate	Termination Date	Premiums Paid/ (Received) $	Unrealized Appreciation (Depreciation) $	Fair Value $
CDX NA High Yield Index	Bank of America	Purchase	USD	1,287	(5.000%)[2]	12/20/24	(86)	(40)	(126)
Total Open Credit Indices Contracts (â)							(86)	(40)	(126)

See accompanying notes which are an integral part of the financial statements.

Russell Investment Funds
Equity Growth Strategy Fund

Schedule of Investments, continued — December 31, 2019

Presentation of Portfolio Holdings

Amounts in thousands

	Fair Value					
Portfolio Summary	**Level 1**	**Level 2**	**Level 3**	**Practical Expedient (a)**	**Total**	**% of Net Assets**
Investments in Affiliated Funds	$ 47,632	$ —	$ —	$ —	$ 47,632	96.6
Short-Term Investments	—	—	—	958	958	1.9
Total Investments	47,632	—	—	958	48,590	98.5
Other Assets and Liabilities, Net						1.5
						100.0
Other Financial Instruments						
Assets						
Futures Contracts	69	—	—	—	69	0.1
Foreign Currency Exchange Contracts	—	28	—	—	28	0.1
Liabilities						
Futures Contracts	(233)	—	—	—	(233)	(0.5)
Foreign Currency Exchange Contracts	—	(46)	—	—	(46)	(0.1)
Credit Default Swap Contracts	—	(126)	—	—	(126)	(0.3)
Total Other Financial Instruments*	$ (164)	$ (144)	$ —	$ —	$ (308)	

* Futures and foreign currency exchange contract values reflect the unrealized appreciation (depreciation) on the investments.

(a) Certain investments that are measured at fair value using the net asset value per share (or its equivalent) practical expedient have not been classified in the fair value levels. The fair value amounts presented in the table are intended to permit reconciliation to the amounts presented in the Schedule of Investments.

For a description of the Levels, see note 2 in the Notes to Financial Statements.
For a disclosure on transfers between Levels 1, 2 and 3 during the period ended December 31, 2019, see note 2 in the Notes to Financial Statements.

Russell Investment Funds
Equity Growth Strategy Fund

Fair Value of Derivative Instruments — December 31, 2019

Amounts in thousands

Derivatives not accounted for as hedging instruments	Equity Contracts	Credit Contracts	Foreign Currency Contracts
Location: Statement of Assets and Liabilities - Assets			
Unrealized appreciation on foreign currency exchange contracts	$ —	$ —	$ 28
Variation margin on futures contracts*	69	—	—
Total	$ 69	$ —	$ 28
Location: Statement of Assets and Liabilities - Liabilities			
Variation margin on futures contracts*	$ 233	$ —	$ —
Unrealized depreciation on foreign currency exchange contracts	—	—	46
Credit default swap contracts, at fair value	—	126	—
Total	$ 233	$ 126	$ 46

Derivatives not accounted for as hedging instruments	Equity Contracts	Credit Contracts	Foreign Currency Contracts	Interest Rate Contracts
Location: Statement of Operations - Net realized gain (loss)				
Investments**	$ (178)	$ —	$ —	$ —
Futures contracts	328	—	—	3
Options written	21	—	—	—
Total return swap contracts	(509)	—	—	—
Credit default swap contracts	—	3	—	—
Foreign currency exchange contracts	—	—	46	—
Total	$ (338)	$ 3	$ 46	$ 3
Location: Statement of Operations - Net change in unrealized appreciation (depreciation)				
Investments***	$ 122	$ —	$ —	$ —
Futures contracts	22	—	—	(16)
Options written	11	—	—	—
Total return swap contracts	68	—	—	—
Credit default swap contracts	—	(105)	—	—
Foreign currency exchange contracts	—	—	37	—
Total	$ 223	$ (105)	$ 37	$ (16)

* Includes cumulative appreciation/depreciation of futures contracts as reported in the Schedule of Investments. Only variation margin is reported within the Statement of Assets and Liabilities.

** Includes net realized gain (loss) on purchased options as reported in the Statement of Operations.

*** Includes net change in unrealized appreciation/depreciation on purchased options as reported in the Statement of Operations.

For further disclosure on derivatives see note 2 in the Notes to Financial Statements.

See accompanying notes which are an integral part of the financial statements.

Russell Investment Funds
Equity Growth Strategy Fund
Balance Sheet Offsetting of Financial and Derivative Instruments — December 31, 2019

Amounts in thousands

Offsetting of Financial Assets and Derivative Assets

Description	Location: Statement of Assets and Liabilities - Assets	Gross Amounts of Recognized Assets	Gross Amounts Offset in the Statement of Assets and Liabilities	Net Amounts of Assets Presented in the Statement of Assets and Liabilities
Foreign Currency Exchange Contracts	Unrealized appreciation on foreign currency exchange contracts	$ 28	$ —	$ 28
Total Financial and Derivative Assets		28	—	28
Financial and Derivative Assets not subject to a netting agreement		—	—	—
Total Financial and Derivative Assets subject to a netting agreement		$ 28	$ —	$ 28

Financial Assets, Derivative Assets, and Collateral Held by Counterparty

Counterparty	Net Amounts of Assets Presented in the Statement of Assets and Liabilities	Gross Amounts Not Offset in the Statement of Assets and Liabilities: Financial and Derivative Instruments	Gross Amounts Not Offset in the Statement of Assets and Liabilities: Collateral Received^	Net Amount
Bank of Montreal	$ 10	$ 10	$ —	$ —
Citigroup	6	6	—	—
Royal Bank of Canada	11	11	—	—
State Street	1	1	—	—
Total	$ 28	$ 28	$ —	$ —

See accompanying notes which are an integral part of the financial statements.

Russell Investment Funds
Equity Growth Strategy Fund
Balance Sheet Offsetting of Financial and Derivative Instruments, continued — December 31, 2019

Amounts in thousands

Offsetting of Financial Liabilities and Derivative Liabilities

Description	Location: Statement of Assets and Liabilities - Liabilities	Gross Amounts of Recognized Liabilities	Gross Amounts Offset in the Statement of Assets and Liabilities	Net Amounts of Liabilities Presented in the Statement of Assets and Liabilities
Foreign Currency Exchange Contracts	Unrealized depreciation on foreign currency exchange contracts	$ 46	$ —	$ 46
Credit Default Swap Contracts	Credit default swap contracts, at fair value	126	—	126
Total Financial and Derivative Liabilities		172	—	172
Financial and Derivative Liabilities not subject to a netting agreement		(126)	—	(126)
Total Financial and Derivative Liabilities subject to a netting agreement		$ 46	$ —	$ 46

Financial Liabilities, Derivative Liabilities, and Collateral Pledged by Counterparty

		Gross Amounts Not Offset in the Statement of Assets and Liabilities		
Counterparty	Net Amounts of Liabilities Presented in the Statement of Assets and Liabilities	Financial and Derivative Instruments	Collateral Pledged^	Net Amount
Bank of Montreal	$ 15	$ 10	$ —	$ 5
Citigroup	12	6	—	6
Royal Bank of Canada	16	11	—	5
State Street	3	1	—	2
Total	$ 46	$ 28	$ —	$ 18

^ Collateral received or pledged amounts may not reconcile to those disclosed in the Statement of Assets and Liabilities due to the inclusion of off-Balance Sheet collateral and adjustments made to exclude overcollateralization.

For further disclosure on derivatives and counterparty risk see note 2 in the Notes to Financial Statements.

See accompanying notes which are an integral part of the financial statements.

Russell Investment Funds
Equity Growth Strategy Fund

Statement of Assets and Liabilities — December 31, 2019

Amounts in thousands

Assets		
Investments, at identified cost	$	43,369
Investments, at fair value(>)		48,590
Cash		2
Unrealized appreciation on foreign currency exchange contracts		28
Receivables:		
Dividends from affiliated funds		2
Investments sold		1
From affiliates		7
From broker(a)(b)		1,076
Total assets		49,706
Liabilities		
Payables:		
Fund shares redeemed		1
Accrued fees to affiliates		2
Other accrued expenses		51
Variation margin on futures contracts		164
Unrealized depreciation on foreign currency exchange contracts		46
Credit default swap contracts, at fair value(+)		126
Total liabilities		390
Net Assets	$	49,316

See accompanying notes which are an integral part of the financial statements.

Russell Investment Funds
Equity Growth Strategy Fund

Statement of Assets and Liabilities, continued — December 31, 2019

Amounts in thousands

Net Assets Consist of:		
Total distributable earnings (losses)	$	5,276
Shares of beneficial interest		54
Additional paid-in capital		43,986
Net Assets	$	49,316

Net Asset Value, offering and redemption price per share:		
Net asset value per share: (#)	$	9.20
Net assets	$	49,316,330
Shares outstanding ($.01 par value)		5,360,417

Amounts in thousands

(+)	Credit default swap contracts - premiums paid (received)	$	(86)
(>)	Investments in affiliated funds	$	48,590

(a)	Receivable from Broker for Futures	$	910
(b)	Receivable from Broker for Swaps	$	166

(#) Net asset value per share equals net assets divided by shares of beneficial interest outstanding.

See accompanying notes which are an integral part of the financial statements.

Russell Investment Funds
Equity Growth Strategy Fund

Statement of Operations — For the Period Ended December 31, 2019

Amounts in thousands

Investment Income		
Income distributions from affiliated funds	$	1,212
Expenses		
Advisory fees		97
Administrative fees		21
Custodian fees		49
Transfer agent fees		2
Professional fees		40
Trustees' fees		2
Printing fees		16
Miscellaneous		7
Expenses before reductions		234
Expense reductions		(162)
Net expenses		72
Net investment income (loss)		1,140
Net Realized and Unrealized Gain (Loss)		
Net realized gain (loss) on:		
Investments		(178)
Investments in affiliated funds		764
Futures contracts		331
Options written		21
Foreign currency exchange contracts		46
Total return swap contracts		(509)
Credit default swap contracts		3
Capital gain distributions from affiliated funds		1,377
Net realized gain (loss)		1,855
Net change in unrealized appreciation (depreciation) on:		
Investments		122
Investments in affiliated funds		5,765
Futures contracts		6
Options written		11
Foreign currency exchange contracts		37
Total return swap contracts		68
Credit default swap contracts		(105)
Foreign currency-related transactions		(1)
Net change in unrealized appreciation (depreciation)		5,903
Net realized and unrealized gain (loss)		7,758
Net Increase (Decrease) in Net Assets from Operations	$	8,898

See accompanying notes which are an integral part of the financial statements.

Russell Investment Funds
Equity Growth Strategy Fund

Statements of Changes in Net Assets

Amounts in thousands	For the Periods Ended December 31, 2019	2018
Increase (Decrease) in Net Assets		
Operations		
Net investment income (loss)	$ 1,140	$ 2,043
Net realized gain (loss)	1,855	3,588
Net change in unrealized appreciation (depreciation)	5,903	(10,675)
Net increase (decrease) in net assets from operations	8,898	(5,044)
Distributions		
To shareholders	(3,114)	(5,072)
Net decrease in net assets from distributions	(3,114)	(5,072)
Share Transactions*		
Net increase (decrease) in net assets from share transactions	(4,098)	1,800
Total Net Increase (Decrease) in Net Assets	1,686	(8,316)
Net Assets		
Beginning of period	47,630	55,946
End of period	$ 49,316	$ 47,630

* Share transaction amounts (in thousands) for the periods ended December 31, 2019 and December 31, 2018 were as follows:

	2019		2018	
	Shares	Dollars	Shares	Dollars
Proceeds from shares sold	250	$ 2,157	363	$ 3,462
Proceeds from reinvestment of distributions	369	3,114	571	5,072
Payments for shares redeemed	(1,094)	(9,369)	(712)	(6,734)
Total increase (decrease)	(475)	$ (4,098)	222	$ 1,800

See accompanying notes which are an integral part of the financial statements.

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Russell Investment Funds
Equity Growth Strategy Fund

Financial Highlights — For the Periods Ended

For a Share Outstanding Throughout Each Period.

	$ Net Asset Value, Beginning of Period	$ Net Investment Income (Loss) (a)(b)(d)	$ Net Realized and Unrealized Gain (Loss)	$ Total from Investment Operations	$ Distributions from Net Investment Income	$ Distributions from Net Realized Gain
December 31, 2019	8.16	.20	1.39	1.59	(.02)	(.53)
December 31, 2018	9.97	.36	(1.26)	(.90)	(.48)	(.43)
December 31, 2017	8.92	.35	1.21	1.56	(.32)	(.19)
December 31, 2016	8.28	.17	.72	.89	(.25)	—
December 31, 2015	9.46	.16	(.50)	(.34)	(.13)	(.71)

See accompanying notes which are an integral part of the financial statements.

$ Total Distributions	$ Net Asset Value, End of Period	% Total Return(e)	$ Net Assets, End of Period (000)	% Ratio of Expenses to Average Net Assets, Gross(c)	% Ratio of Expenses to Average Net Assets, Net(c)(d)	% Ratio of Net Investment Income to Average Net Assets(b)(d)	% Portfolio Turnover Rate
(.55)	9.20	20.09	49,316	.48	.15	2.36	38
(.91)	8.16	(9.55)	47,630	.43	.15	3.73	21
(.51)	9.97	17.67	55,946	.43	.14	3.72	35
(.25)	8.92	10.85	48,164	.40	.12	1.97	21
(.84)	8.28	(3.87)	48,051	.39	.11	1.73	31

See accompanying notes which are an integral part of the financial statements.

Russell Investment Funds
Equity Growth Strategy Fund

Related Party Transactions, Fees and Expenses

Accrued fees payable to affiliates for the period ended December 31, 2019 were as follows:

Administration fees	$ 1,757
Transfer agent fees	182
Trustee fees	215
	$ 2,154

Transactions (amounts in thousands) during the period ended December 31, 2019 with Underlying Funds which are, or were, an affiliated company are as follows:

	Fair Value, Beginning of Period	Purchases	Sales	Realized Gain (Loss)	Change in Unrealized Gain (Loss)	Fair Value, End of Period	Income Distributions	Capital Gains Distributions
RIC Commodity Strategies Fund	$ 1,333	$ 234	$ 656	$ (396)	$ 461	$ 976	$ 30	$ 1
RIC Global Infrastructure Fund	979	67	1,229	133	50	—	22	—
RIF Global Real Estate Securities Fund	600	926	160	3	80	1,449	61	—
RIC Sustainable Equity Fund	3,269	120	4,074	2,268	(1,583)	—	20	—
RIC U.S. Dynamic Equity Fund	2,368	120	3,034	(472)	1,018	—	10	—
RIF U.S. Small Cap Equity Fund	6,338	663	2,435	(278)	1,540	5,828	35	86
RIF U.S. Strategic Equity Fund	2,574	8,282	661	99	441	10,735	77	457
RIC Opportunistic Credit Fund	377	44	441	3	17	—	13	—
RIC Unconstrained Total Return Fund	3,591	2,182	546	(2)	59	5,284	161	—
RIC Emerging Markets Fund	5,048	687	2,530	151	589	3,945	101	3
RIC Global Equity Fund	9,591	1,613	2,046	(331)	1,388	10,215	450	830
RIF International Developed Markets Fund	8,226	670	2,928	(414)	1,719	7,273	184	—
RIC Multi-Asset Growth Strategy Fund	—	1,947	6	—	(14)	1,927	43	—
U.S. Cash Management Fund	20	2,548	1,610	—	—	958	5	—
	$ 44,314	$ 20,103	$ 22,356	$ 764	$ 5,765	$ 48,590	$ 1,212	$ 1,377

Federal Income Taxes

At December 31, 2019, the cost of investments and net unrealized appreciation (depreciation), undistributed ordinary income and undistributed long-term capital gains for income tax purposes were as follows:

Cost of Investments	Unrealized Appreciation	Unrealized Depreciation	Net Unrealized Appreciation (Depreciation)	Undistributed Ordinary Income	Undistributed Long-Term Capital Gains (Capital Loss Carryforward)
$ 44,770,363	$ 3,890,559	$ (209,265)	$ 3,681,294	$ 766,714	$ 1,320,148

For the fiscal years ended December 31, 2019 and December 31, 2018, respectively, the Fund made the following tax basis distributions:

December 31, 2019			December 31, 2018		
Ordinary Income Distributions	Long-Term Capital Gain Distributions	Return of Capital	Ordinary Income Distributions	Long-Term Capital Gain Distributions	Return of Capital
$ 112,615	$ 3,001,276	$ —	$ 2,655,457	$ 2,416,855	$ —

See accompanying notes which are an integral part of the financial statements.

Federal Income Taxes, continued

Net investment income and net realized gains (losses) in the financial statements may differ from taxable net investment income and net realized gains (losses). Capital accounts within the financial statements are adjusted for permanent differences between book and tax accounting. Book-tax differences may be due to foreign currency gains and losses, reclassifications of dividends and differences in treatment of income from swaps. These adjustments have no impact on the net assets. At December 31, 2019, there were no adjustments to the Statement of Assets and Liabilities.

Russell Investment Funds
LifePoints® Funds Variable Target Portfolio Series

Notes to Schedule of Investments — December 31, 2019

Footnotes:

(å) Currency balances were pledged in connection with futures contracts purchased (sold), options written, foreign currency exchange contracts, or swaps entered into by the Fund. See Statement of Assets and Liabilities.
(ÿ) Notional Amount in thousands.
(∞) Unrounded units.
(@) Affiliate.
(1) Monthly payment frequency.
(2) Quarterly payment frequency.
(3) Semi-annual payment frequency.
(4) Annual payment frequency.
(5) Payment at termination.

Abbreviations:

144A - Represents private placement security for qualified buyers according to rule 144A of the Securities Act of 1933.
ADR - American Depositary Receipt
ADS - American Depositary Share
BBSW - Bank Bill Swap Reference Rate
CIBOR - Copenhagen Interbank Offered Rate
CME - Chicago Mercantile Exchange
CMO - Collateralized Mortgage Obligation
CVO - Contingent Value Obligation
EMU - European Economic and Monetary Union
EURIBOR - Euro Interbank Offered Rate
FDIC - Federal Deposit Insurance Company
GDR - Global Depositary Receipt
GDS - Global Depositary Share
HIBOR – Hong Kong Interbank Offered Rate
LIBOR - London Interbank Offered Rate
NIBOR - Norwegian Interbank Offered Rate
PIK - Payment in Kind
PRIBOR – Prague Interbank Offered Rate
REMIC - Real Estate Mortgage Investment Conduit
SIBOR – Singapore Interbank Offered Rate
STRIP - Separate Trading of Registered Interest and Principal of Securities
TBA - To Be Announced Security
UK - United Kingdom

Russell Investment Funds
LifePoints® Funds Variable Target Portfolio Series

Notes to Schedule of Investments, continued — December 31, 2019

Foreign Currency Abbreviations:

ARS - Argentine peso
AUD - Australian dollar
BRL - Brazilian real
CAD - Canadian dollar
CHF - Swiss franc
CLP - Chilean peso
CNY - Chinese renminbi yuan
COP - Colombian peso
CRC - Costa Rican colon
CZK - Czech koruna
DKK - Danish krone
EGP - Egyptian pound
EUR - Euro
GBP - British pound sterling
HKD – Hong Kong dollar
HUF - Hungarian forint
IDR - Indonesian rupiah
ILS - Israeli shekel
INR - Indian rupee
ISK - Icelandic krona
ITL - Italian lira
JPY - Japanese yen
KES - Kenyan schilling
KRW - South Korean won
MXN - Mexican peso
MYR – Malaysian ringgit
NOK - Norwegian krone
NZD - New Zealand dollar
PEN - Peruvian nuevo sol
PHP – Philippine peso
PKR - Pakistani rupee
PLN - Polish zloty
RUB - Russian ruble
SEK - Swedish krona
SGD - Singapore dollar
SKK - Slovakian koruna
THB - Thai baht
TRY - Turkish lira
TWD - Taiwanese dollar
USD - United States dollar
VEB - Venezuelan bolivar
VND - Vietnamese dong
ZAR - South African rand

Russell Investment Funds
LifePoints® Funds Variable Target Portfolio Series

Notes to Financial Highlights — December 31, 2019

(a) Average daily shares outstanding were used for this calculation.
(b) Recognition of net investment income by the Fund is affected by the timing of the declaration of dividends by the Underlying Funds in which the Fund invests.
(c) The calculation includes only those expenses charged directly to the Fund and does not include expenses charged to the Underlying Funds in which the Fund invests.
(d) May reflect amounts waived and reimbursed by Russell Investment Management, LLC ("RIM").
(e) The total return does not reflect any Insurance Company Separate Account or Policy Charges.
(f) Less than $.01 per share.

Russell Investment Funds
LifePoints® Funds Variable Target Portfolio Series

Notes to Financial Statements — December 31, 2019

1. Organization

Russell Investment Funds (the "Investment Company" or "RIF") is a series investment company with nine different investment portfolios referred to as funds (each a "Fund" and collectively the "Funds"). These financial statements report on four of these Funds. The Investment Company provides the investment base for one or more variable insurance products issued by one or more insurance companies. These Funds are offered at net asset value ("NAV") to qualified insurance company separate accounts offering variable insurance products. The Investment Company is registered under the Investment Company Act of 1940, as amended ("Investment Company Act"), as an open-end management investment company. It is organized and operated as a Massachusetts business trust under a Second Amended and Restated Master Trust Agreement dated March 1, 2018, as amended ("Master Trust Agreement"), and the provisions of Massachusetts law governing the operation of a Massachusetts business trust. The Investment Company's Master Trust Agreement permits the Board of Trustees (the "Board") to issue an unlimited number of shares of beneficial interest. Each of the Funds is diversified. Under the Investment Company Act, a diversified company is defined as a management company which meets the following requirements: at least 75% of the value of its total assets is represented by cash and cash equivalents (including receivables), government securities, securities of other investment companies, and other securities for the purposes of this calculation limited in respect of any one issuer to an amount not greater in value than five percent of the value of the total assets of such management company and to not more than 10% of the outstanding voting securities of such issuer.

Each of the Funds listed in the table below is a "fund of funds" and diversifies its assets by investing principally, in shares of several other RIF Funds and in certain Russell Investment Company ("RIC") Funds (the "Underlying Funds"). Each Fund seeks to achieve its specific investment objective by investing in different combinations of Underlying Funds. In addition to investing in the Underlying Funds, Russell Investment Management, LLC ("RIM"), the Funds' investment adviser, may seek to actively manage the Funds' overall exposures by investing in derivatives, including futures, options, forwards and swaps, that RIM believes will achieve the desired exposures for the Funds. The Funds may hold cash in connection with these investments. The Funds usually, but not always, pursue a strategy of being fully invested by exposing their cash to the performance of segments of the global equity market by purchasing index futures contracts (also known as "equitization").

Each Fund intends its strategy of investing in combinations of equity, fixed income, multi-asset and alternative Underlying Funds to result in investment diversification that an investor could otherwise achieve only by holding numerous individual investments. A Fund's actual allocation may vary from the target strategic asset allocation at any point in time (1) due to market movements, (2) by up to +/- 5% at the equity, fixed income, multi-asset or alternative category level based on RIM's capital markets research, and/or (3) due to the implementation over a period of time of a change to the target strategic asset allocation including the addition of a new Underlying Fund. There may be no changes in the asset allocation or to the Underlying Funds in a given year or such changes may be made one or more times in a year.

The following table shows the Funds' approximate expected target strategic asset allocation effective on or about December 31, 2019 to equity, fixed income, multi-asset, and alternative asset classes. The equity Underlying Funds in which the Funds may invest include the RIC Sustainable Equity, RIC U.S. Dynamic Equity, RIF U.S. Small Cap Equity, RIF U.S. Strategic Equity, RIC Emerging Markets, RIC Global Equity, and RIF International Developed Markets Funds. The fixed income Underlying Funds in which the Funds may invest include the RIC Opportunistic Credit, RIC Investment Grade Bond, RIC Short Duration Bond, RIC Unconstrained Total Return, and RIF Strategic Bond Funds. The multi-asset Underlying Funds in which the Funds may invest include the RIC Multi-Strategy Income and RIC Multi-Asset Growth Strategy Funds. The alternative Underlying Funds in which the Funds may invest include the RIC Commodity Strategies, RIC Global Infrastructure and RIF Global Real Estate Securities Funds.

	Asset Allocation*			
	Moderate Strategy Fund	Balanced Strategy Fund	Growth Strategy Fund	Equity Growth Strategy Fund
Equity	34%	53%	70%	80%
Fixed Income	52%	33%	16%	11%
Multi-Asset	12%	10%	10%	4%
Alternative **	2%	4%	4%	5%

* As described above, actual asset allocation may vary.

** Alternative Underlying Funds pursue investment strategies that differ from those of traditional broad market equity or fixed income funds.

2. Significant Accounting Policies

The Funds' financial statements are prepared in accordance with U.S. generally accepted accounting principles ("U.S. GAAP") which require the use of management estimates and assumptions at the date of the financial statements. Actual results could differ from those estimates. The Funds are considered investment companies under U.S. GAAP and follow the accounting and reporting guidance applicable to investment companies. The following is a summary of the significant accounting policies consistently followed by each Fund in the preparation of its financial statements.

In August 2018, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) No. 2018-13, Fair Value Measurement (Topic 820): Disclosure Framework - Changes to the Disclosure Requirements for Fair Value Measurements. The amendments in the ASU modify the disclosure requirements on fair value measurements in Topic 820. The ASU is effective for interim and annual reporting periods beginning after December 15, 2019. Management has evaluated the impact and believes the adoption of this ASU will not have a material impact on financial statements.

Security Valuation

The Funds value portfolio securities according to Board-approved securities valuation procedures which include market and fair value procedures. The Board has delegated the responsibility for administration of the securities valuation procedures to Russell Investments Fund Services, LLC ("RIFUS"). The Funds value the shares of the Underlying Funds at the current NAV per share of each Underlying Fund. The Funds have adopted the authoritative guidance under U.S. GAAP for estimating the fair value of investments in funds that have calculated NAV per share in accordance with the specialized accounting guidance for investment companies. Accordingly, the Funds estimate the fair value of an investment in a fund using the NAV per share without further adjustment as a practical expedient, if the NAV per share of the investment is determined in accordance with the specialized accounting guidance for investment companies as of the reporting entity's measurement date.

U.S. GAAP defines fair value as the price that a Fund would receive to sell an asset or pay to transfer a liability in an orderly transaction between market participants at the measurement date. It establishes a fair value hierarchy that prioritizes inputs to valuation methods and requires a separate disclosure of the fair value hierarchy for each major category of assets and liabilities, that segregates fair value measurements into levels (Level 1, 2, and 3). The inputs or methodology used for valuing securities are not necessarily an indication of the risk associated with investing in those securities. Levels 1, 2 and 3 of the fair value hierarchy are defined as follows:

- Level 1 — Quoted prices (unadjusted) in active markets or exchanges for identical assets and liabilities.
- Level 2 — Inputs other than quoted prices included within Level 1 that are observable, which may include, but are not limited to, quoted prices for similar assets or liabilities in markets that are active, quoted prices for identical or similar assets or liabilities in markets that are not active, and inputs such as interest rates, yield curves, implied volatilities, credit spreads or other market corroborated inputs.
- Level 3 — Significant unobservable inputs based on the best information available in the circumstances, to the extent observable inputs are not available, which may include assumptions made by RIFUS, acting at the discretion of the Board, that are used in determining the fair value of investments.

The availability of observable inputs can vary from security to security and is affected by a wide variety of factors, including, for example, the type of security, whether the security is new and not yet established in the marketplace, the liquidity of markets, and other characteristics particular to the security. To the extent that valuation is based on models or inputs that are less observable or unobservable in the market, the determination of fair value requires more judgement. Accordingly, the degree of judgement exercised in determining fair value is greatest for instruments categorized in Level 3. The inputs or methodology used for valuing securities are not necessarily an indication of the risk associated with investing in those securities.

The inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, for disclosure purposes, the level in the fair value hierarchy within which the fair value measurement falls is determined based on the lowest level input that is significant to the fair value measurement in its entirety.

The valuation techniques and significant inputs used in determining the fair market values of financial instruments categorized as Level 1 and Level 2 of the fair value hierarchy are as follows:

Equity securities, including common and preferred stock, short securities, ETFs and restricted securities that are traded on a national securities exchange, are stated at the last reported sales price on the day of valuation or official closing price, as applicable.

To the extent these securities are actively traded, and valuation adjustments are not applied, they are categorized as Level 1 of the fair value hierarchy.

Investments in investment funds that are not traded on a national securities exchange (or reported on the NASDAQ national market) will be valued based upon the NAV of such investments. The Funds have adopted the authoritative guidance under U.S. GAAP for estimating the fair value of investments in funds that have calculated NAV per share in accordance with the specialized accounting guidance for investment companies. Accordingly, the Funds estimate the fair value of an investment in a fund using the NAV per share without further adjustment as a practical expedient, if the NAV per share of the investment is determined in accordance with the specialized accounting guidance for investment companies as of the reporting entity's measurement date.

Derivative instruments are instruments such as foreign currency contracts, futures contracts, options contracts, or swap agreements that derive their value from underlying asset prices, indices, reference rates, and other inputs or a combination of these factors. Derivatives may be classified into two groups depending upon the way that they are traded: privately traded over-the-counter ("OTC") derivatives that do not go through an exchange or intermediary and exchange-traded derivatives that are traded through specialized derivatives exchanges or other regulated exchanges. OTC derivatives are normally valued on the basis of broker dealer quotations or pricing service providers. Depending on the product and the terms of the transaction, the value of the derivative instrument can be estimated by a pricing service provider using a series of techniques, including simulation pricing models. The pricing models use inputs that are observed from actively quoted markets such as issuer details, indices, spreads, interest rates, yield curves, dividends and exchange rates. OTC derivatives that use these and similar valuation techniques and inputs as described above are categorized as Level 2 of the fair value hierarchy, with the exception of foreign currency spot contracts which are categorized as Level 1 of the fair value hierarchy. OTC derivatives that use broker dealer quotations are categorized as level 3 of the fair value hierarchy. Exchange-traded derivatives are valued based on the last reported sales price on the day of valuation and are categorized as Level 1 of the fair value hierarchy.

Centrally cleared swaps listed or traded on a multilateral or trade facility platform, such as a registered exchange, are valued at the daily settlement price determined by the respective exchange. For centrally cleared credit default swaps, the clearing facility requires its members to provide actionable levels across complete term structures. These levels along with external third-party prices are used to produce daily settlement prices. These securities are categorized as Level 2 of the fair value hierarchy. Centrally cleared interest rate swaps are valued using a pricing model that references the underlying rates including the Overnight Index Swap ("OIS") rate and London Interbank Offered Rate ("LIBOR") forward rate to produce the daily settlement price. These securities are categorized as Level 2 of the fair value hierarchy.

For movements between the levels within the fair value hierarchy, the Funds have adopted a policy of recognizing the transfers as of period end.

For the period ended December 31, 2019, there was no movement between the levels of the fair value hierarchy.

Level 3 Fair Value Investments

The valuation techniques and significant inputs used in determining the fair values of financial instruments classified as Level 3 of the fair value hierarchy are as follows:

Securities and other assets for which market quotes are not readily available, or are not reliable, are valued at fair value as determined in good faith by RIFUS and are categorized as Level 3 of the fair value hierarchy. Market quotes are considered not readily available in circumstances where there is an absence of current or reliable market-based data (e.g., trade information or broker quotes). When RIFUS applies fair valuation methods that use significant unobservable inputs to determine a Fund's NAV, securities will not be priced on the basis of quotes from the primary market in which they are traded, but instead may be priced by another method that RIFUS believes accurately reflects fair value and will be categorized as Level 3 of the fair value hierarchy. Fair value pricing may require subjective determinations about the value of a security. While the securities valuation procedures are intended to result in a calculation of a Fund's NAV that fairly reflects security values as of the time of pricing, the process cannot guarantee that fair values determined by RIFUS would accurately reflect the price that a Fund could obtain for a security if it were to dispose of that security as of the time of pricing (for instance, in a forced or distressed sale). The prices used by a Fund may differ from the value that would be realized if the security was sold.

RIFUS employs third-party pricing vendors to provide fair value measurements. RIFUS oversees third-party pricing service providers in order to support the valuation process throughout the year.

If third-party evaluated vendor pricing is neither available nor deemed to be indicative of fair value, RIFUS may elect to obtain indicative market quotations ("broker quotes") directly from the broker or passed through from a third-party vendor. In the event that the source of fair value is from a single source broker quote, these securities are classified as Level 3 per the fair value hierarchy. Broker quotes are typically received from established market participants. Although independently received on a daily basis, RIFUS does not have the transparency to view the underlying inputs which support the broker quotes. Significant changes in the broker quote would have direct and proportional changes in the fair value of the security. There is a third-party pricing exception to the quantitative disclosure requirement when prices are not determined by the reporting entity. RIFUS is exercising this exception and has made a reasonable attempt to obtain quantitative information from the third-party pricing vendors regarding the unobservable inputs used.

For fair valuations using significant unobservable inputs, U.S. GAAP requires a reconciliation of the beginning to ending balances for reported fair values that present changes attributable to total realized and unrealized gains or losses, purchases and sales, and transfers in/out of the Level 3 category during the period. Additionally, U.S. GAAP requires quantitative information regarding the significant unobservable inputs used in the determination of fair value of assets categorized as Level 3 in the fair value hierarchy. In accordance with the requirements of U.S. GAAP, a fair value hierarchy, a Level 3 reconciliation and an additional disclosure about fair value measurements, if any, has been included in the Presentation of Portfolio Holdings for each respective Fund.

Investment Transactions

Investment transactions are reflected as of the trade date for financial reporting purposes. This may cause the NAV stated in the financial statements to be different from the NAV at which shareholders may transact. Realized gains and losses from securities transactions, if applicable, are recorded on the basis of specific identified cost within a particular Fund.

Investment Income

Distributions of income and capital gains from the Funds or Underlying Funds are recorded on the ex-dividend date.

Federal Income Taxes

Since the Investment Company is a Massachusetts business trust, each Fund is a separate corporate taxpayer and determines its net investment income and capital gains (or losses) and the amounts to be distributed to each Fund's shareholders without regard to the income and capital gains (or losses) of the other Funds.

For each year, each Fund intends to qualify or continue to qualify as a regulated investment company under Subchapter M of the Internal Revenue Code of 1986, as amended (the "Code") and intends to distribute all of its taxable income and capital gains. Therefore, no federal income tax provision is required for the Funds.

Each Fund files a U.S. tax return. At December 31, 2019, the Funds had recorded no liabilities for net unrecognized tax benefits relating to uncertain income tax positions they have taken or expect to take in future tax returns. While the statute of limitations remains open to examine the Funds' U.S. tax returns filed for the fiscal years ended December 31, 2016 through December 31, 2018, no examinations are in progress or anticipated at this time. The Funds are not aware of any tax positions for which it is reasonably possible that the total amounts of unrecognized tax benefits will significantly change in the next twelve months.

The Funds comply with the authoritative guidance for uncertainty in income taxes which requires management to determine whether a tax position of the Funds is more likely than not to be sustained upon examination, including resolution of any related appeals or litigation processes, based on the technical merits of the position. For tax positions meeting the more likely than not threshold, the tax amount recognized in the financial statements is reduced by the largest benefit that has a greater than 50% likelihood of being realized upon ultimate settlement with the relevant taxing authority. Management determined that no accruals need to be made in the financial statements due to uncertain tax positions. Management continually reviews and adjusts the Funds' liability for income taxes based on analyses of tax laws and regulations, as well as their interpretations, and other relevant factors.

Dividends and Distributions to Shareholders

Income dividends, capital gain distributions and return of capital, if any, are recorded on the ex-dividend date. Income dividends are generally declared and paid quarterly. Capital gain distributions are generally declared and paid annually. An additional distribution may be paid by the Funds to avoid imposition of federal income and excise tax on any remaining undistributed capital gains and net investment income.

The timing and characterization of certain income and capital gain distributions are determined in accordance with federal tax regulations which may differ from U.S. GAAP. As a result, net investment income and net realized gain (or loss) on investment and foreign currency-related transactions for a reporting period may differ significantly from distributions during such period. The differences between tax regulations and U.S. GAAP primarily relate to investments in options, futures, forward contracts, swap contracts, the Underlying Funds sold at a loss, wash sale deferrals and capital loss carryforwards. Accordingly, the Funds may periodically make reclassifications among certain of their capital accounts without impacting their NAVs.

Expenses

Expenses included in the accompanying financial statements reflect the expenses of each Fund and do not include those expenses incurred by the Underlying Funds. Because the Underlying Funds have varied expense and fee levels and the Funds may own different proportions of the Underlying Funds at different times, the amount of the Underlying Funds' fees and expenses incurred indirectly by the Funds will vary.

The Funds pay their own expenses other than those expressly assumed by RIM, the Funds' adviser, or RIFUS. Most expenses can be directly attributed to the individual Funds. Expenses which cannot be directly attributed to a specific Fund are allocated among all Funds principally based on their relative net assets.

Derivatives

The Funds may invest in derivatives. Derivatives are instruments or agreements whose value is derived from an underlying security or index. They include options, futures, swaps and forwards. These instruments offer unique characteristics and risks that facilitate the Funds' investment strategies.

The Funds typically use derivatives in three ways: exposing cash to markets, hedging and return enhancement. In addition, the Funds may enter into foreign currency contracts for trade settlement purposes. The Funds may pursue their strategy of being fully invested by exposing cash to the performance of segments of the global equity market by purchasing index futures contracts. This is intended to cause the Funds to perform as though cash were actually invested in the global equity market.

Hedging may be used by the Funds to limit or control risks, such as adverse movements in exchange rates and interest rates. Return enhancement can be accomplished through the use of derivatives in a Fund, including using derivatives as a substitute for holding physical securities, and using them to express various macro views (e.g., interest rate movements, currency movements, and macro credit strategies). By purchasing certain instruments, the Funds may more effectively achieve the desired portfolio characteristics that assist them in meeting their investment objectives. Depending on how the derivatives are structured and utilized, the risks associated with them may vary widely. These risks include, but are not limited to, market risk, liquidity risk, leveraging risk, counterparty risk, basis risk, reinvestment risk, political risk, prepayment risk, extension risk, valuation risk and credit risk.

Futures, certain options and cleared swaps are traded or cleared on an exchange or central exchange clearing house. Exchange-traded or exchange-cleared transactions generally present less counterparty risk to a Fund. The exchange's clearing house stands between the Fund and the broker to the contract and therefore, credit risk is generally limited to the failure of the clearing house and the clearing member. Cleared swap contracts are subject to clearing house rules, including initial and variation margin requirement, daily settlement of obligations and the clearing house guarantee of payments to the broker. There is, however, still counterparty risk due to the insolvency of the broker with respect to any margin held in the brokers' customer accounts. While clearing members are required to segregate customer assets from their own assets, in the event of insolvency, there may be a shortfall in the amount of margin held by the broker for its clients. Collateral and margin requirements for exchange-traded or exchange-cleared derivatives are established through regulation, as well as set by the broker or applicable clearing house. Margin for exchange-traded and exchange-cleared transactions are detailed in the Statement of Assets and Liabilities as Receivables for Variation margin on future contracts and Payables for Variation margin on futures contracts. Securities and cash pledged as collateral are reflected as assets on the Statements of Assets and Liabilities as either a component of Investments at fair value (securities) or Receivable from broker. Cash collateral received is not typically held in a segregated account and as such is reflected as a liability on the Statement of Assets and Liabilities as Due to broker. Typically, the Funds and counterparties are not permitted to sell, repledge, rehypothecate or otherwise use collateral pledged by the other party unless explicitly permitted by each respective governing agreement.

In addition, proposed regulatory changes by the Securities and Exchange Commission ("SEC") relating to a mutual fund's use of derivatives could potentially limit or impact the Funds' ability to invest in derivatives and adversely affect the value or performance of the Funds or their derivative investments.

The effects of derivative instruments, categorized by risk exposure, on the Statement of Assets and Liabilities and the Statement of Operations, for the period ended December 31, 2019, if applicable, are disclosed in the Fair Value of Derivative Instruments table following each applicable Fund's Schedule of Investments.

Foreign Currency Exchange Contracts

The Funds may enter into foreign currency exchange spot contracts and forward foreign currency exchange contracts ("FX contracts"). From time to time, the Funds may enter into FX contracts to hedge certain foreign currency-denominated assets. FX contracts are recorded at fair value. Certain risks may arise upon entering into these FX contracts from the potential inability of counterparties to meet the terms of their FX contracts and are generally limited to the amount of unrealized gain on the FX contracts, if any, that are disclosed in the Statements of Assets and Liabilities.

For the period ended December 31, 2019, the following Funds entered into foreign currency exchange contracts primarily for the strategies listed below:

Funds	Strategies
Moderate Strategy Fund	Return enhancement and hedging
Balanced Strategy Fund	Return enhancement and hedging
Growth Strategy Fund	Return enhancement and hedging
Equity Growth Strategy Fund	Return enhancement and hedging

The Funds' foreign currency contract notional dollar values outstanding fluctuate throughout the fiscal year as required to meet strategic requirements. The following tables illustrate the quarterly volume of foreign currency contracts. For the purpose of this disclosure, volume is measured by the amounts bought and sold in USD.

	Outstanding Contract Amounts Sold			
Quarter Ended	March 31, 2019	June 30, 2019	September 30, 2019	December 31, 2019
Moderate Strategy Fund	$ 4,905,073	$ 4,872,821	$ 4,806,520	$ 5,832,581
Balanced Strategy Fund	27,267,094	27,208,203	26,424,147	24,086,502
Growth Strategy Fund	20,864,821	20,806,082	20,173,112	21,924,976
Equity Growth Strategy Fund	6,992,077	6,998,613	6,823,926	6,490,002

	Outstanding Contract Amounts Bought			
Quarter Ended	March 31, 2019	June 30, 2019	September 30, 2019	December 31, 2019
Moderate Strategy Fund	$ 4,912,234	$ 4,883,162	$ 4,790,978	$ 5,852,546
Balanced Strategy Fund	27,448,081	27,200,421	26,596,040	23,989,245
Growth Strategy Fund	21,076,097	20,854,961	20,396,544	21,884,217
Equity Growth Strategy Fund	7,038,708	7,004,671	6,855,798	6,479,295

Options

The Funds may purchase and sell (write) call and put options on securities and securities indices. Such options are traded on a national securities exchange or in an OTC market. The Funds may also purchase and sell (write) call and put options on foreign currencies.

When a Fund writes a covered call or a put option, an amount equal to the premium received by the Fund is included in the Fund's Statement of Assets and Liabilities as an asset and as an equivalent liability. The amount of the liability is subsequently marked-to-market to reflect the current fair value of the option written. The Fund receives a premium on the sale of a call option but gives up the opportunity to profit from any increase in the value of the underlying instrument above the exercise price of the option, and when the Fund writes a put option it is exposed to a decline in the price of the underlying instrument.

When a Fund sells an uncovered call option, it does not simultaneously have a long position in the underlying security. When a Fund sells an uncovered put option, it does not simultaneously have a short position in the underlying security. Uncovered options are riskier than covered options because there is no underlying security held by the Fund that can act as a partial hedge.

Whether an option which the Fund has written expires on its stipulated expiration date or the Fund enters into a closing purchase transaction, the Fund realizes a gain (or loss, if the cost of a closing purchase transaction exceeds the premium received when the option was sold) without regard to any unrealized gain or loss on the underlying security, and the liability related to such option is extinguished. If a call option which the Fund has written is exercised, the Fund realizes a capital gain or loss from the sale of the underlying security, and the proceeds from such sale are increased by the premium originally received. When a put option which

a Fund has written is exercised, the amount of the premium originally received will reduce the cost of the security which a Fund purchases upon exercise of the option.

The Funds' use of written options involves, to varying degrees, elements of market risk in excess of the amount recognized in the Statements of Assets and Liabilities. The face or contract amounts of these instruments reflect the extent of the Funds' exposure to market risk. The risks may be caused by an imperfect correlation between movements in the price of the instrument and the price of the underlying securities and interest rates.

The Funds may enter into a swaption (an option on a swap). In a swaption, in exchange for an option, the buyer gains the right but not the obligation to enter into a specified swap agreement with the issuer on a specified future date. The writer of the contract receives the premium and bears the risk of unfavorable changes in the preset rate on the underlying swap.

For the period ended December 31, 2019, the Funds purchased or sold options primarily for the strategies listed below:

Funds	Strategies
Moderate Strategy Fund	Return enhancement, hedging and exposing cash to markets
Balanced Strategy Fund	Return enhancement, hedging and exposing cash to markets
Growth Strategy Fund	Return enhancement, hedging and exposing cash to markets
Equity Growth Strategy Fund	Return enhancement, hedging and exposing cash to markets

The Funds' options contracts notional amounts fluctuate throughout the fiscal year as required to meet strategic requirements. The following table illustrates the quarterly volume of options contracts measured by notional in USD.

	Notional of Options Contracts Outstanding			
Funds	March 31, 2019	June 30, 2019	September 30, 2019	December 31, 2019
Moderate Strategy Fund	$ 2,970,006	$ —	$ —	$ —
Balanced Strategy Fund	15,839,969	—	—	—
Growth Strategy Fund	11,880,024	—	—	—
Equity Growth Strategy Fund	2,970,006	—	—	—

Futures Contracts

The Funds may invest in futures contracts (i.e., interest rate, foreign currency and index futures contracts). The face or contract value of these instruments reflect the extent of the Funds' exposure to off balance sheet risk. The primary risks associated with the use of futures contracts are an imperfect correlation between the change in fair value of the securities held by the Funds and the prices of futures contracts, and the possibility of an illiquid market. Upon entering into a futures contract, the Funds are required to deposit with a broker an amount, termed the initial margin, which typically represents 5% to 10% of the purchase price indicated in the futures contract. Payments to and from the broker, known as variation margin, are typically required to be made on a daily basis as the price of the futures contract fluctuates. Changes in initial settlement value are accounted for as unrealized appreciation (depreciation) until the contracts are terminated, at which time realized gains and losses are recognized.

For the period ended December 31, 2019, the following Funds entered into futures contracts primarily for the strategies listed below:

Funds	Strategies
Moderate Strategy Fund	Return enhancement, hedging, and exposing cash to markets
Balanced Strategy Fund	Return enhancement, hedging, and exposing cash to markets
Growth Strategy Fund	Return enhancement, hedging, and exposing cash to markets
Equity Growth Strategy Fund	Return enhancement, hedging, and exposing cash to markets

The Funds' futures contracts notional amounts fluctuate throughout the fiscal year as required to meet strategic requirements. The following table illustrates the quarterly volume of futures contracts measured by notional in USD.

	Notional of Futures Contracts Outstanding			
Funds	March 31, 2019	June 30, 2019	September 30, 2019	December 31, 2019
Moderate Strategy Fund	$ 29,441,229	$ 31,739,708	$ 31,772,152	$ 36,008,326
Balanced Strategy Fund	63,311,201	69,668,624	69,949,203	72,199,263
Growth Strategy Fund	72,687,385	89,617,357	89,395,571	75,630,479
Equity Growth Strategy Fund	18,307,057	18,816,467	18,751,014	18,542,790

Swap Agreements

The Funds may enter into swap agreements, on either an asset-based or liability-based basis, depending on whether they are hedging their assets or their liabilities, and will usually enter into swaps on a net basis (i.e., the two payment streams are netted out, with the Funds receiving or paying only the net amount of the two payments). When a Fund engages in a swap, it exchanges its obligations to pay or rights to receive payments for the obligations to pay or rights to receive payments of another party (i.e., an exchange of floating rate payments for fixed rate payments).

The Funds may enter into several different types of swap agreements including credit default, interest rate, total return and currency swaps. Credit default swaps are a counterparty agreement which allows the transfer of third-party credit risk (the possibility that an issuer will default on its obligation by failing to pay principal or interest in a timely manner) from one party to another. The lender faces the credit risk from a third-party and the counterparty in the swap agrees to insure this risk in exchange for regular periodic payments. Interest rate swaps are a counterparty agreement, can be customized to meet each party's needs, and involve the exchange of a fixed or variable payment per period for a payment that is not fixed. Total return swaps are a counterparty agreement where two parties exchange two sets of cash flows on predetermined dates for an agreed upon amount of time. The cash flows will typically be an equity index value swapped with a floating rate such as LIBOR plus or minus a pre-defined spread. Total return swap agreements are a counterparty agreement intended to expose cash to markets or to effect investment transactions consistent with those Funds' investment objectives and strategies. Currency swaps are a counterparty agreement where two parties exchange specified amounts of different currencies which are followed by each paying the other a series of interest payments that are based on the principal cash flow. At maturity the principal amounts are returned.

The Funds generally expect to enter into these transactions primarily to preserve a return or spread on a particular investment or portion of their portfolios or to protect against any increase in the price of securities they anticipate purchasing at a later date, or for return enhancement. Under most swap agreements entered into by a Fund, the parties' obligations are determined on a "net basis". The net amount of the excess, if any, of the Funds' obligations over their entitlements with respect to each swap will be accrued on a daily basis and an amount of cash or liquid assets having an aggregate NAV at least equal to the accrued excess will be segregated. To the extent that the Funds enter into swaps on other than a net basis, the amount maintained in a segregated account will be the full amount of the Funds' obligations, if any, with respect to such swaps, accrued on a daily basis. If there is a default by the other party to such a transaction, the Funds will have contractual remedies pursuant to the agreement related to the transaction.

A Fund may not receive the expected amount under a swap agreement if the other party to the agreement defaults or becomes bankrupt.

Credit Default Swaps

The Funds may enter into credit default swaps. A credit default swap can refer to corporate issues, government issues, asset-backed securities or an index of assets, each known as the reference entity or underlying asset. Funds may act as either the buyer or the seller of a credit default swap involving one party making a stream of payments to another party in exchange for the right to receive a specified return in the event of a default or other credit event. Depending upon the terms of the contract, the credit default swap may be closed via physical settlement. However, due to the possible or potential instability in the market, there is a risk that the Funds may be unable to deliver the underlying debt security to the other party to the agreement. Additionally, the Funds may not receive the expected amount under the swap agreement if the other party to the agreement defaults or becomes bankrupt. In an unhedged credit default swap, Funds enter into a credit default swap without owning the underlying asset or debt issued by the reference entity. Credit default swaps allow Funds to acquire or reduce credit exposure to a particular issuer, asset or basket of instruments.

As the seller of protection in a credit default swap, a Fund would be required to pay the par or other agreed-upon value (or otherwise perform according to the swap contract) of a reference debt obligation to the counterparty in the event of a default (or other specified credit event) and the counterparty would be required to surrender the reference debt obligation. In return, the Fund would receive from the counterparty a periodic stream of payments over the term of the contract provided that no credit event has occurred. If no credit event occurs, the Fund would keep the stream of payments and would have no payment obligations. As a seller of protection, the Fund would effectively add leverage to its portfolio because, in addition to its total net assets, that Fund would be subject to investment exposure on the notional amount of the swap.

The Funds may also purchase protection via credit default swap contracts in order to offset the risk of default of debt securities held in their portfolios or to take a short position in a debt security, in which case the Fund would function as the counterparty referenced in the preceding paragraph.

If a credit event occurs and cash settlement is not elected, a variety of other deliverable obligations may be delivered in lieu of the specific referenced obligation. The ability to deliver other obligations may result in a cheapest-to-deliver option (the buyer of protection's right to choose the deliverable obligation with the lowest value following a credit event). The Funds may use credit default swaps to provide a measure of protection against defaults of the issuers (i.e., to reduce risk where Funds own or have exposure to the referenced obligation) or to take an active long or short position with respect to the likelihood (as measured by the credit default swap's spread) of a particular issuer's default.

Deliverable obligations for credit default swaps on asset-backed securities in most instances are limited to the specific referenced obligation as performance for asset-backed securities can vary across deals. Prepayments, principal paydowns, and other writedown or loss events on the underlying mortgage loans will reduce the outstanding principal balance of the referenced obligation. These reductions may be temporary or permanent as defined under the terms of the swap agreement and the notional amount for the swap agreement generally will be adjusted by corresponding amounts. The Funds may use credit default swaps on asset-backed securities to provide a measure of protection against defaults (or other defined credit events) of the referenced obligation or to take an active long or short position with respect to the likelihood of a particular referenced obligation's default (or another defined credit event).

Credit default swap agreements on credit indices involve one party making a stream of payments to another party in exchange for the right to receive a specified return in the event of a write-down, principal shortfall, interest shortfall or default of all or part of the referenced entities comprising the credit index. A credit index is a basket of credit instruments or exposures designed to be representative of some part of the credit market as a whole. These indices are made up of reference credits that are judged by a poll of dealers to be the most liquid entities in the credit default swap market based on the sector of the index. Components of the indices may include, but are not limited to, investment grade securities, high yield securities, asset-backed securities, emerging markets, and/or various credit ratings within each sector. Credit indices are traded using credit default swaps with standardized terms including a fixed spread and standard maturity dates. An index credit default swap references all the names in the index, and if there is a default, the credit event is settled based on that name's weight in the index. The composition of the indices changes periodically, usually every six months, and, for most indices, each name has an equal weight in the index. Traders may use credit default swaps on indices to speculate on changes in credit quality.

Implied credit spreads, represented in absolute terms, utilized in determining the fair value of credit default swap agreements on corporate issues as of period-end are disclosed in the Schedules of Investments and generally serve as an indicator of the current status of the payment/performance risk and represent the likelihood or risk of default (or other defined credit event) for the credit derivative. The implied credit spread of a particular referenced entity reflects the cost of entering into a credit default swap and may include upfront payments required to be made to enter into the agreement. For credit default swap agreements on asset-backed securities and credit indices, the quoted market prices and resulting values serve as the indicator of the current status of the payment/performance risk. Wider credit spreads and increasing fair values, in absolute terms when compared to the notional amount of the swap, generally represent a deterioration of the referenced entity's credit soundness and a greater likelihood or risk of default or other credit event occurring as defined under the terms of the agreement. The maximum potential amount of future payments (undiscounted) that Funds as a seller of protection could be required to make under a credit default swap agreement equals the notional amount of the agreement. Notional amounts of all credit default swap agreements outstanding as of December 31, 2019, for which a Fund is the seller of protection are disclosed in the Schedules of Investments. These potential amounts would be partially offset by any recovery values of the respective referenced obligations, upfront payments received upon entering into the agreement, or net amounts received from the settlement of buy protection credit default swap agreements entered into by a Fund for the same referenced entity or entities.

Credit default swaps could result in losses if the Funds do not correctly evaluate the creditworthiness of the company or companies on which the credit default swap is based. Credit default swap agreements may involve greater risks than if the Funds had invested in the reference obligation directly since, in addition to risks relating to the reference obligation, credit default swaps are subject to illiquidity and counterparty risk. A Fund will generally incur a greater degree of risk when it sells a credit default swap than when it purchases a credit default swap. As a buyer of a credit default swap, a Fund may lose its investment and recover nothing should a credit event fail to occur and the swap is held to its termination date. As seller of a credit default swap, if a credit event were to occur, the value of any deliverable obligation received by a Fund, coupled with the upfront or periodic payments previously received, may be less than what it pays to the buyer, resulting in a loss of value to the Fund.

If the creditworthiness of a Fund's swap counterparty declines, the risk that the counterparty may not perform could increase, potentially resulting in a loss to the Fund. To limit the counterparty risk involved in swap agreements, the Funds will only enter into swap agreements with counterparties that meet certain standards of creditworthiness. Although there can be no assurance that

the Funds will be able to do so, the Funds may be able to reduce or eliminate their exposure under a swap agreement either by assignment or other disposition, or by entering into an offsetting swap agreement with the same party or another creditworthy party. The Funds may have limited ability to eliminate their exposure under a credit default swap if the credit quality of the reference entity or underlying asset has declined.

For the period ended December 31, 2019, the Funds entered into credit default swaps primarily for the strategies listed below:

Funds	Strategies
Moderate Strategy Fund	Return enhancement, hedging and exposing cash to markets
Balanced Strategy Fund	Return enhancement, hedging and exposing cash to markets
Growth Strategy Fund	Return enhancement, hedging and exposing cash to markets
Equity Growth Strategy Fund	Return enhancement, hedging and exposing cash to markets

The Funds' period end credit default swap contract notional amounts outstanding fluctuate throughout the fiscal year as required to meet strategic requirements. The following table illustrates the quarterly volume of credit default swap contracts. For the purpose of this disclosure, volume is measured by notional amounts outstanding in USD at each quarter end.

	Credit Default Swap Notional Amounts Outstanding			
Quarter Ended	March 31, 2019	June 30, 2019	September 30, 2019	December 31, 2019
Moderate Strategy Fund	$ 14,700,000	$ 16,700,000	$ 16,700,000	$ 14,444,000
Balanced Strategy Fund	23,100,000	23,100,000	23,100,000	18,780,000
Growth Strategy Fund	15,400,000	15,400,000	15,400,000	15,200,000
Equity Growth Strategy Fund	1,400,000	1,400,000	1,400,000	1,287,000

Total Return Swaps

The Funds may enter into total return swap agreements to expose cash to markets or to effect investment transactions. Total return swap agreements are two party contracts entered into primarily by institutional investors for periods ranging from a few weeks to more than one year. In a standard total return swap transaction, the two parties agree to exchange the returns (or differentials in rates of return) earned or realized on particular investments or instruments.

The returns to be exchanged between the parties are calculated with respect to a "notional amount" (i.e., a specified dollar amount that is hypothetically invested in a "basket" of securities representing a particular index).

For the period ended December 31, 2019, the Funds did not enter into any total return swaps.

Master Agreements

Certain Funds are parties to International Swaps and Derivatives Association, Inc. Master Agreements ("ISDA Master Agreements") with counterparties that govern transactions in OTC derivative and foreign exchange contracts entered into by the Funds and those counterparties. The ISDA Master Agreements contain provisions for general obligations, representations, agreements, collateral and events of default or termination. Events of termination and default include conditions that may entitle either party to elect to terminate early and cause settlement of all outstanding transactions under the applicable ISDA Master Agreement. Any election to terminate early could be material to the financial statements. Since different types of forward and OTC financial derivative transactions have different mechanics and are sometimes traded out of different legal entities of a particular counterparty organization, each type of transaction may be covered by a different ISDA Master Agreement, resulting in the need for multiple agreements with a single counterparty. As the ISDA Master Agreements are specific to unique operations of different asset types, they allow a Fund to net its total exposure to a counterparty in the event of a default with respect to all the transactions governed under a single agreement with a counterparty.

Master Securities Forward Transaction Agreements ("Master Forward Agreements") govern the considerations and factors surrounding the settlement of certain forward settling transactions, such as delayed delivery by and between a Fund and select counterparties. The Master Forward Agreements maintain provisions for, among other things, initiation and confirmation, payment and transfer, events of default, termination, and maintenance of collateral.

Disclosure about Offsetting Assets and Liabilities

Balance sheet disclosure is based on various netting agreements for OTC derivative transactions between brokers and counterparties, such as ISDA Master Agreements and Master Forward Agreements. Certain Funds utilize multiple counterparties. The quantitative disclosure begins with disaggregation of counterparties by legal entity and the roll up of the data to reflect a single counterparty in

the table within the Funds' financial statements. Net exposure represents the net receivable (payable) that would be due from/to the counterparty in the event of default. Exposure from OTC derivatives can only be netted across transactions governed under the same Master Agreement with the same legal entity.

Guarantees

In the normal course of business, the Funds enter into contracts that contain a variety of representations which provide general indemnifications. The Funds' maximum exposure under these arrangements is unknown as this would involve future claims that may be made against the Funds that have not yet occurred. However, the Funds expect the risk of loss to be remote.

LIBOR

The Funds may invest in certain instruments including, but not limited to, repurchase agreements, collateralized loan obligations and mortgage-backed securities, that rely in some fashion upon LIBOR. LIBOR is an average interest rate, determined by the ICE Benchmark Administration, that banks charge one another for the use of short-term money. The United Kingdom's Financial Conduct Authority, which regulates LIBOR, has announced plans to phase out the use of LIBOR by the end of 2021. There remains uncertainty regarding the future utilization of LIBOR and the nature of any replacement rate (e.g., the Secured Overnight Financing Rate, which is intended to replace U.S. dollar LIBOR and measures the cost of overnight borrowings through repurchase agreement transactions collateralized with U.S. Treasury securities). Any potential effects of the transition away from LIBOR on the Funds or on certain instruments in which a Fund invests can be difficult to ascertain, and they may vary depending on factors that include, but are not limited to: (i) existing fallback or termination provisions in individual contracts and (ii) whether, how, and when industry participants develop and adopt new reference rates and fallbacks for both legacy and new products and instruments. For example, certain of the Fund's investments may involve individual contracts that have no existing fallback provision or language that contemplates the discontinuation of LIBOR, and those investments could experience increased volatility or illiquidity as a result of the transition process. In addition, interest rate provisions included in such contracts may need to be renegotiated in contemplation of the transition away from LIBOR. The transition may also result in a reduction in the value of certain instruments held by a Fund, including those described in this paragraph, or a reduction in the effectiveness of related Fund transactions such as hedges. Any such effects of the transition away from LIBOR, as well as other unforeseen effects, could result in losses to a Fund.

Market, Credit and Counterparty Risk

In the normal course of business, the Funds and Underlying Funds trade financial instruments and enter into financial transactions where risk of potential loss exists due to changes in the market (market risk) or failure of the other party to a transaction to perform (credit risk). Similar to credit risk, the Funds and Underlying Funds may also be exposed to counterparty risk or risk that an institution or other entity with which the Funds or Underlying Funds have unsettled or open transactions will default. The potential loss could exceed the value of the relevant assets recorded in the Funds' and Underlying Funds' financial statements (the "Assets"). The Assets consist principally of cash due from counterparties and investments. The extent of the Funds' and Underlying Funds' exposure to market, credit and counterparty risks with respect to the Assets approximates their carrying value as recorded in the Funds' and Underlying Funds' Statements of Assets and Liabilities.

Global economies and financial markets are becoming increasingly interconnected and political and economic conditions (including recent instability and volatility) and events (including natural disasters) in one country, region or financial market may adversely impact issuers in a different country, region or financial market. As a result, issuers of securities held by a Fund or an Underlying Fund may experience significant declines in the value of their assets and even cease operations. Such conditions and/or events may not have the same impact on all types of securities and may expose a Fund or an Underlying Fund to greater market and liquidity risk and potential difficulty in valuing portfolio instruments held. This could cause a Fund or an Underlying Fund to underperform other types of investments.

3. Investment Transactions

Securities

During the period ended December 31, 2019, purchases and sales of investment securities (excluding short-term investments, options and futures) were as follows:

	Purchases	Sales
Moderate Strategy Fund	$ 25,137,767	$ 31,484,325
Balanced Strategy Fund	79,791,050	84,620,529

	Purchases	Sales
Growth Strategy Fund	67,241,026	68,901,657
Equity Growth Strategy Fund	17,555,212	20,746,308

4. Related Party Transactions, Fees and Expenses

Adviser, Administrator, Transfer and Dividend Disbursing Agent

RIM provides or oversees the provision of all investment advisory and portfolio management services for the Funds. RIFUS is the Funds' administrator and transfer agent. RIFUS, in its capacity as the Funds' administrator, provides or oversees the provision of all administrative services for the Funds. RIFUS, in its capacity as the Funds' transfer agent and dividend disbursing agent, is responsible for providing transfer agency and dividend disbursing services to the Funds. RIFUS is a wholly-owned subsidiary of RIM. RIM is an indirect, wholly-owned subsidiary of Russell Investments Group, Ltd., a Cayman company.

The Funds are permitted to invest their cash (i.e., cash awaiting investment or cash held to meet redemption requests or to pay expenses) in the U.S. Cash Management Fund, an unregistered fund advised by RIM. As of December 31, 2019, the Funds had invested $5,832,936 in the U.S. Cash Management Fund.

An affiliated company is a company in which a Fund has ownership of at least 5% of the voting securities or which the Fund controls, is controlled by or is under common control with. See each Fund's Related Party Transactions, Fees and Expenses for disclosure of transactions with affiliated companies.

The advisory fee of 0.20% is based upon the average daily net assets of each Fund and the administration fee of up to 0.0425% is based on the combined average daily net assets of the Funds. Advisory and administration fees are paid monthly. The following table shows the total amount of each of these fees paid by the Funds for the period ended December 31, 2019:

	Advisory	Administration
Moderate Strategy Fund	$ 202,640	$ 43,061
Balanced Strategy Fund	520,627	110,633
Growth Strategy Fund	400,869	85,185
Equity Growth Strategy Fund	96,682	20,545

RIM has agreed to certain waivers of its advisory fees as follows:

For the Moderate Strategy Fund, RIM has contractually agreed, until April 30, 2020, to waive up to the full amount of its 0.20% advisory fee and then to reimburse the Fund for other direct Fund-level expenses to the extent that direct Fund-level expenses exceed 0.14% of the average daily net assets of the Fund on an annual basis. Direct Fund-level expenses do not include extraordinary expenses or the expenses of other investment companies in which the Fund invests, including the Underlying Funds, which are borne indirectly by the Fund. This waiver and reimbursement may not be terminated during the relevant period except with Board approval.

For the Balanced Strategy Fund, RIM has contractually agreed, until April 30, 2020, to waive up to the full amount of its 0.20% advisory fee and then to reimburse the Fund for other direct Fund-level expenses to the extent that direct Fund-level expenses exceed 0.14% of the average daily net assets of the Fund on an annual basis. Direct Fund-level expenses do not include extraordinary expenses or the expenses of other investment companies in which the Fund invests, including the Underlying Funds, which are borne indirectly by the Fund. This waiver and reimbursement may not be terminated during the relevant period except with Board approval.

For the Growth Strategy Fund, RIM has contractually agreed, until April 30, 2020, to waive up to the full amount of its 0.20% advisory fee and then to reimburse the Fund for other direct Fund-level expenses to the extent that direct Fund-level expenses exceed 0.15% of the average daily net assets of the Fund on an annual basis. Direct Fund-level expenses do not include extraordinary expenses or the expenses of other investment companies in which the Fund invests, including the Underlying Funds, which are borne indirectly by the Fund. This waiver and reimbursement may not be terminated during the relevant period except with Board approval.

For the Equity Growth Strategy Fund, RIM has contractually agreed, until April 30, 2020, to waive up to the full amount of its 0.20% advisory fee and then to reimburse the Fund for other direct Fund-level expenses to the extent that direct Fund-level

expenses exceed 0.15% of the average daily net assets of the Fund on an annual basis. Direct Fund-level expenses do not include extraordinary expenses or the expenses of other investment companies in which the Fund invests, including the Underlying Funds, which are borne indirectly by the Fund. This waiver and reimbursement may not be terminated during the relevant period except with Board approval.

For the period ended December 31, 2019, RIM waived/reimbursed the following expenses:

	Waiver	Reimbursement	Total
Moderate Strategy Fund	$ 202,640	$ 39,472	$ 242,112
Balanced Strategy Fund	460,540	—	460,540
Growth Strategy Fund	357,922	—	357,922
Equity Growth Strategy Fund	96,682	65,179	161,861

RIM does not have the ability to recover amounts waived or reimbursed from previous periods.

Transfer and Dividend Disbursing Agent

RIFUS serves as transfer agent and provides dividend disbursing services to the Funds. For this service, RIFUS is paid a fee based upon the average daily net assets of the Funds for transfer agency and dividend disbursing services. RIFUS retains a portion of this fee for its services provided to the Funds and pays the balance to unaffiliated agents who assist in providing these services. Transfer agency fees paid by the Funds presented herein for the period ended December 31, 2019 were as follows:

	Amount
Moderate Strategy Fund	$ 4,323
Balanced Strategy Fund	11,106
Growth Strategy Fund	8,552
Equity Growth Strategy Fund	2,061

Distributor

Russell Investments Financial Services, LLC, (the "Distributor"), a wholly-owned subsidiary of RIM, is the distributor for the Investment Company pursuant to a distribution agreement with the Investment Company. The Distributor receives no compensation from the Investment Company for its services.

Affiliated Brokerage Transactions

The Funds effect certain transactions through Russell Investments Implementation Services, LLC ("RIIS"). RIIS is a registered broker and investment adviser and an affiliate of RIM. RIIS uses a multi-venue trade management approach whereby RIIS allocates trades among RIIS' network of independent brokers for execution, clearing and other services. RIM has authorized RIIS to effect certain futures, swaps, OTC derivative transactions, and cleared swaps, including foreign currency spots, forwards and options trading on behalf of the Funds.

Board of Trustees

The Russell Investments Fund Complex consists of RIC, which has 34 funds and RIF, which has 9 funds. Each of the Trustees is a Trustee of RIC and RIF. The Russell Investments Fund Complex compensates each Trustee who is not an employee of RIM or its affiliates. Trustee compensation and expenses are allocated to each Fund based on its net assets relative to other funds in the Russell Investments Fund Complex.

For the period ended December 31, 2019, the regular compensation paid to the Trustees by the Russell Investments Fund Complex was $1,612,750.

5. Federal Income Taxes

At December 31, 2019, the following Funds had net tax basis capital loss carryforwards which may be applied against any net realized taxable gains in each succeeding year or until their respective expiration dates, whichever occurs first. Available capital loss carryforwards and expiration dates are as follows:

	No Expiration		
Funds	Short Term	Long-Term	Totals
Moderate Strategy Fund	$ 87,673	$ —	$ 87,673

6. Record Ownership

As of December 31, 2019, the following table includes shareholders of record with greater than 10% of the total outstanding shares of each respective Fund.

	# of Shareholders	%
Moderate Strategy Fund	1	88.6
Balanced Strategy Fund	1	88.9
Growth Strategy Fund	2	97.8
Equity Growth Strategy Fund	2	97.1

7. Subsequent Events

Management has evaluated the events and/or transactions that have occurred through the date the financial statements were issued and noted no items requiring adjustments to the financial statements or additional disclosures.



Report of Independent Registered Public Accounting Firm

To the Board of Trustees of Russell Investment Funds and Shareholders of Moderate Strategy Fund, Balanced Strategy Fund, Growth Strategy Fund and Equity Growth Strategy Fund

Opinions on the Financial Statements

We have audited the accompanying statements of assets and liabilities, including the schedules of investments, of Moderate Strategy Fund, Balanced Strategy Fund, Growth Strategy Fund and Equity Growth Strategy Fund (four of the funds constituting Russell Investment Funds, hereafter collectively referred to as the "Funds") as of December 31, 2019, the related statements of operations for the year ended December 31, 2019, the statements of changes in net assets for each of the two years in the period ended December 31, 2019, including the related notes, and the financial highlights for each of the five years in the period ended December 31, 2019 (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of each of the Funds as of December 31, 2019, the results of each of their operations for the year then ended, the changes in each of their net assets for each of the two years in the period ended December 31, 2019 and each of the financial highlights for each of the five years in the period ended December 31, 2019 in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinions

These financial statements are the responsibility of the Funds' management. Our responsibility is to express an opinion on the Funds' financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) ("PCAOB") and are required to be independent with respect to the Funds in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits of these financial statements in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. Our procedures included confirmation of securities owned as of December 31, 2019 by correspondence with the transfer agents and brokers; when replies were not received from brokers, we performed other auditing procedures. We believe that our audits provide a reasonable basis for our opinions.

PricewaterhouseCoopers LLP

February 21, 2020

We have served as the auditor of one or more investment companies in the Russell Investments family of funds since 1981.

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Russell Investment Funds
LifePoints® Funds Variable Target Portfolio Series

Tax Information — December 31, 2019 (Unaudited)

For the tax year ended December 31, 2019, the Funds designate 100% or the maximum amount allowable of their net taxable income as qualified dividends taxed at individual net capital gain rates.

The Form 1099 you receive in January 2020 will show the tax status of all distributions paid to your account in calendar year 2019.

The Funds designate dividends distributed during the fiscal year as qualifying for the dividends received deduction for corporate shareholders as follows:

Moderate Strategy	11.6%
Balanced Strategy	34.5%
Growth Strategy	31.4%
Equity Growth Strategy	39.3%

Pursuant to Section 852 of the Internal Revenue Code, the Funds designate the following amounts as long-term capital gain dividends for their taxable year ended December 31, 2019:

Moderate Strategy	$2,452,600
Balanced Strategy	$4,954,324
Growth Strategy	$10,906,819
Equity Growth Strategy	$3,001,276

Russell Investment Funds
LifePoints® Funds Variable Target Portfolio Series

Shareholder Requests for Additional Information — December 31, 2019 (Unaudited)

Each Fund files portfolio holdings information within 60 days after the end of each fiscal quarter as an exhibit on Form N-PORT. Portfolio holdings information for the third month of each fiscal quarter is publicly available on the SEC's website at http://www.sec.gov. Each Fund's complete schedule of portfolio holdings for the second and fourth quarters of each fiscal year is included in the semi-annual and annual reports to Fund shareholders.

The Board has delegated to RIM, as RIF's investment adviser, the primary responsibility for monitoring, evaluating and voting proxies solicited by or with respect to issuers of securities in which assets of the Underlying Funds may be invested. RIM has established a proxy voting committee and has adopted written proxy voting policies and procedures ("P&P") and proxy voting guidelines ("Guidelines"). The Funds maintain a Portfolio Holdings Disclosure Policy that governs the timing and circumstances of disclosure to shareholders and third parties of information regarding the portfolio investments held by the Funds. A description of the P&P, Guidelines, Portfolio Holdings Disclosure Policy and additional information about Fund Trustees are contained in the Funds' Statement of Additional Information ("SAI"). The SAI and information regarding how the Underlying Funds voted proxies relating to portfolio securities during the most recent 12-month period ended June 30, 2019 are available (i) free of charge, upon request, by calling the Funds at (800) 787-7354, and (ii) on the Securities and Exchange Commission's website at www.sec.gov.

If possible, depending on contract owner registration and address information, and unless you have otherwise opted out, only one copy of the RIF prospectus and each annual and semi-annual report will be sent to contract owners at the same address. If you would like to receive a separate copy of these documents, please contact your Insurance Company. If you currently receive multiple copies of the prospectus, annual report and semi-annual report and would like to request to receive a single copy of these documents in the future, please call your Insurance Company.

Some Insurance Companies may offer electronic delivery of the Funds' prospectuses and annual and semi-annual reports. Please contact your Insurance Company for further details.

Financial statements of the Underlying Funds can be obtained at no charge by calling the Funds at (800)787-7354.

Russell Investment Funds
LifePoints® Funds Variable Target Portfolio Series

Disclosure of Information about Fund Trustees and Officers — December 31, 2019 (Unaudited)

The following tables provide information for each officer and trustee of the Russell Investments Fund Complex. The Russell Investments Fund Complex consists of Russell Investment Company ("RIC"), which has 34 funds and Russell Investment Funds ("RIF"), which has 9 funds. Each of the trustees is a trustee of RIC and RIF. The first table provides information for the Interested Trustee. The second table provides information for the Independent Trustees. The third table provides information for the Trustee Emeritus. The fourth table provides information for the officers. Furthermore, each Trustee possesses the following specific attributes: Mr. Alston has business, financial and investment experience as a senior executive of an international real estate firm and is trained as a lawyer; Ms. Blake has had experience as a certified public accountant and has had experience as a member of boards of directors/trustees of other investment companies; Ms. Burgermeister has had experience as a certified public accountant and as a member of boards of directors/ trustees of other investment companies and has been determined by the Board to be an "audit committee financial expert"; Ms. Krysty has had business, financial and investment experience as the founder and senior executive of a registered investment adviser focusing on high net worth individuals as well as a certified public accountant and a member of the boards of other corporations and non-profit organizations; Ms. Dien Ledoux has had investment experience as a portfolio manager and has had experience as a member of the board of trustees of other investment companies; Mr. Tennison has had business, financial and investment experience as a senior executive of a corporation with international activities and was trained as an accountant; Mr. Thompson has had experience in business, governance, investment and financial reporting matters as a senior executive of an organization sponsoring and managing other investment companies, and, subsequently, has served as a board member of other investment companies. Mr. Spina has had experience with other financial services companies, including companies engaged in the sponsorship, management and distribution of investment companies. As a senior officer and/or director of the Funds, the Adviser and various affiliates of the Adviser providing services to the Funds, Mr. Spina is in a position to provide the Board with such parties' perspectives on the management, operations and distribution of the Funds.

Name, Age, Address	Position(s) Held With Fund and Length of Time Served	Term of Office *	Principal Occupation(s) During the Past 5 Years	No. of Portfolios in Russell Fund Complex Overseen by Trustee	Other Directorships Held by Trustee During the Past 5 Years
INTERESTED TRUSTEE					
Mark Spina, # Born June 8, 1970 1301 Second Avenue, 18th Floor, Seattle, WA 98101	Trustee since 2017; President and Chief Executive Officer since 2017	Appointed until successor is duly elected and qualified; Appointed until successor is chosen and qualified by Trustees	• President and CEO, RIC and RIF • Chairman of the Board, President, Russell Investments Financial Services, LLC ("RIFIS") • Chairman of the Board, President, Russell Investments Fund Services, LLC ("RIFUS") • Director, RIM. • From 2015-2016, Head of Intermediary Distribution and President of Pioneer Funds Distributor • From 2008-2015 Head of Intermediary Distribution, Voya Investment Management	43	None
INDEPENDENT TRUSTEES					
Thaddas L. Alston, Born April 7, 1945 1301 Second Avenue, 18th Floor, Seattle, WA 98101	Trustee since 2006	Appointed until successor is duly elected and qualified	Senior Vice President, Larco Investments, Ltd. (real estate firm)	43	Until October 2015, Trustee, Russell Exchange Traded Funds Trust

Russell Investment Funds
LifePoints® Funds Variable Target Portfolio Series

Disclosure of Information about Fund Trustees and Officers, continued — December 31, 2019 (Unaudited)

Name, Age, Address	Position(s) Held With Fund and Length of Time Served	Term of Office *	Principal Occupation(s) During the Past 5 Years	No. of Portfolios in Russell Fund Complex Overseen by Trustee	Other Directorships Held by Trustee During the Past 5 Years
INDEPENDENT TRUSTEES (continued)					
Kristianne Blake, Born January 22, 1954 1301 Second Avenue, 18th Floor, Seattle, WA 98101	Trustee since 2000; Chairman since 2005	Appointed until successor is duly elected and qualified; Approved annually	• Lead Independent Director, Avista Corp (electric utilities) • Until May 2017, Director and Chairman of the Audit Committee, Avista Corp (electric utilities) • Until September 2018, Regent, University of Washington • President, Kristianne Gates Blake, P.S. (accounting services) • Until June 2014, Director, Ecova (total energy and sustainability management)	43	• Lead Independent Director, Avista Corp (electric utilities) • Until May 2017, Director Avista Corp (electric Utilities) • Until June 2014, Director, Ecova (total energy and sustainability management) • Until October 2015, Trustee, Russell Exchange Traded Funds Trust

Russell Investment Funds
LifePoints® Funds Variable Target Portfolio Series

Disclosure of Information about Fund Trustees and Officers, continued — December 31, 2019 (Unaudited)

Name, Age, Address	Position(s) Held With Fund and Length of Time Served	Term of Office *	Principal Occupation(s) During the Past 5 Years	No. of Portfolios in Russell Fund Complex Overseen by Trustee	Other Directorships Held by Trustee During the Past 5 Years
INDEPENDENT TRUSTEES (continued)					
Cheryl Burgermeister, Born June 26, 1951 1301 Second Avenue, 18th Floor, Seattle, WA 98101	Trustee since 2012; Chairman of the Audit Committee since 2017	Appointed until successor is duly elected and qualified; Appointed until successor is duly elected and qualified	• Retired • Trustee and Chairperson of Select Sector SPDR Funds (investment company) • Until December 31, 2014, Chairperson of Audit Committee, Select Sector SPDR Funds (investment company)	43	• Trustee and Chairperson of Select Sector SPDR Funds (investment company) • From August 2012 through May 2016, Trustee, ALPS Series Trust (investment company) • Until October 2015, Trustee, Russell Exchange Traded Funds Trust
Katherine W. Krysty, Born December 3, 1951 1301 Second Avenue 18th Floor, Seattle, WA 98101	Trustee since 2014	Appointed until successor is duly elected and qualified	• Retired	43	Until October 2015, Trustee, Russell Exchange Traded Funds Trust
Julie Dien Ledoux, Born August 17, 1969 1301 Second Avenue 18th Floor, Seattle, WA 98101	Trustee since 2019	Appointed until successor is duly elected and qualified	• Until March 2018, Trustee of Avenue Credit Strategies Fund (investment company) • Until November 2017, Trustee of Avenue Income Credit Strategies Fund (investment company)	43	• Until March 2018, Trustee, of Avenue Credit Strategies Fund (investment company) • Until November 2017 Trustee, of Avenue Income Credit Strategies Fund (investment company)

Russell Investment Funds
LifePoints® Funds Variable Target Portfolio Series

Disclosure of Information about Fund Trustees and Officers, continued — December 31, 2019 (Unaudited)

Name, Age, Address	Position(s) Held With Fund and Length of Time Served	Term of Office *	Principal Occupation(s) During the Past 5 Years	No. of Portfolios in Russell Fund Complex Overseen by Trustee	Other Directorships Held by Trustee During the Past 5 Years
INDEPENDENT TRUSTEES (continued)					
Raymond P. Tennison, Jr., Born December 21, 1955 1301 Second Avenue 18th Floor, Seattle, WA 98101	Trustee since 2000; Chairman of the Nominating and Governance Committee since 2007	Appointed until successor is duly elected and qualified; Appointed until successor is duly elected and qualified	• Retired	43	Until October 2015, Trustee, Russell Exchange Traded Funds Trust
Jack R. Thompson, Born March 21, 1949 1301 Second Avenue, 18th Floor, Seattle, WA 98101	Trustee since 2005; Chairman of the Investment Committee since 2015	Appointed until successor is duly elected and qualified; Appointed until successor is duly elected and qualified	• Retired	43	• Until October 2015, Trustee, Russell Exchange Traded Funds Trust

* Each Trustee is subject to mandatory retirement at age 75.
\# Mr. Spina is also an officer and/or director of one or more affiliates of RIC and RIF and is therefore an Interested Trustee.

Name, Age, Address	Position(s) Held With Fund and Length of Time Served	Term of Office	Principal Occupation(s) During the Past 5 Years	No. of Portfolios in Russell Fund Complex Overseen by Trustee	Other Directorships Held by Trustee During the Past 5 Years
TRUSTEE EMERITUS					
George F. Russell, Jr., Born July 3, 1932 1301 Second Avenue, 18th Floor, Seattle, WA 98101	Trustee Emeritus and Chairman Emeritus since 1999	Until resignation or removal	• Director Emeritus, RIM	43	None

Russell Investment Funds
LifePoints® Funds Variable Target Portfolio Series

Disclosure of Information about Fund Trustees and Officers, continued — December 31, 2019 (Unaudited)

Name, Age, Address	Positions(s) Held With Fund and Length of Time Served	Term of Office	Principal Occupation(s) During the Past 5 Years
OFFICERS			
Mark Spina, Born June 8, 1970 1301 Second Avenue 18th Floor, Seattle, WA 98101	President and Chief Executive Officer since 2017	Until successor is chosen and qualified by Trustees	• President and Chief Executive Officer, RIC and RIF • Chairman of the Board, President, RIFIS • Chairman of the Board, RIFUS • Director, RIM • From 2015 to 2016, Head of Intermediary Distribution and President of Pioneer Funds Distributor • From 2008 to 2015, Head of Intermediary Distribution, Voya Investment Management
Cheryl Wichers, Born December 16, 1966 1301 Second Avenue 18th Floor, Seattle, WA 98101	Chief Compliance Officer since 2005	Until removed by Independent Trustees	• Chief Compliance Officer, RIC and RIF • Chief Compliance Officer, RIFUS • 2011 to 2016 Chief Compliance Officer, U.S. One , LLC
Mark E. Swanson, Born November 26, 1963 1301 Second Avenue 18th Floor, Seattle, WA 98101	Treasurer, Chief Accounting Officer and Chief Financial Officer since 1998	Until successor is chosen and qualified by Trustees	• Global Head of Fund Services, Russell Investments • Treasurer, Chief Accounting Officer and CFO, RIC and RIF • Director and President, RIFUS • Director RIM, Russell Investments Trust Company (“RITC”) and RIFIS • President and Chief Executive Officer, RIC and RIF, June 2016 to June 2017
Peter Gunning, Born February 22, 1967 1301 Second Avenue, 18th Floor, Seattle WA 98101	Chief Investment Officer since 2018	Until removed by Trustees	• Global Chief Investment Officer, Russell Investments • Chief Investment Officer, RIC and RIF • Chief Investments Officer, Asia Pacific, Russell Investments • President, RIM
Mary Beth R. Albaneze, Born April 25, 1969 1301 Second Avenue, 18th Floor, Seattle, WA 98101	Secretary since 2010	Until successor is chosen and qualified by Trustees	• Associate General Counsel, Russell Investments • Secretary, RIM, RIFUS and RIFIS • Secretary and Chief Legal Officer, RIC and RIF • Assistant Secretary, U.S. One, LLC

Russell Investment Funds
LifePoints® Funds Variable Target Portfolio Series

Adviser and Service Providers — December 31, 2019 (Unaudited)

Interested Trustee
Mark Spina

Independent Trustees
Thaddas L. Alston
Kristianne Blake
Cheryl Burgermeister
Katherine W. Krysty
Julie Dien Ledoux
Raymond P. Tennison, Jr.
Jack R. Thompson

Trustee Emeritus
George F. Russell, Jr.

Officers
Mark Spina, President and Chief Executive Officer
Mark E. Swanson, Treasurer, Chief Accounting Officer and Chief Financial Officer
Cheryl Wichers, Chief Compliance Officer
Peter Gunning, Chief Investment Officer
Mary Beth R. Albaneze, Secretary

Adviser
Russell Investment Management, LLC
1301 Second Avenue
Seattle, WA 98101

Administrator and Transfer and Dividend Disbursing Agent
Russell Investments Fund Services, LLC
1301 Second Avenue
Seattle, WA 98101

Custodian
State Street Bank and Trust Company
1 Heritage Drive
North Quincy, MA 02171

Office of Shareholder Inquiries
1301 Second Avenue
Seattle, WA 98101
(800) 787-7354

Legal Counsel
Dechert LLP
One International Place, 40th Floor
100 Oliver Street
Boston, MA 02110

Distributor
Russell Investments Financial Services, LLC
1301 Second Avenue
Seattle, WA 98101

Independent Registered Public Accounting Firm
PricewaterhouseCoopers LLP
1420 5th Avenue, Suite 2800
Seattle, WA 98101

This report is prepared from the books and records of the Funds and is submitted for the general information of shareholders and is not authorized for distribution to prospective investors unless accompanied or preceded by an effective Prospectus. Nothing herein contained is to be considered an offer of sale or a solicitation of an offer to buy shares of Russell Investment Funds. Such offering is made only by Prospectus, which includes details as to offering price and other material information.

Russell Investment Funds
1301 Second Avenue
Seattle, Washington 98101
800-787-7354
Fax: 206-505-3495

Russell Investments

CREDIT SUISSE

CREDIT SUISSE FUNDS

Annual Report

December 31, 2019

- **CREDIT SUISSE TRUST COMMODITY RETURN STRATEGY PORTFOLIO**

Beginning on January 1, 2021, as permitted by regulations adopted by the Securities and Exchange Commission, paper copies of the Portfolio's shareholder reports will no longer be sent by mail, unless you specifically request paper copies of the reports from Credit Suisse Asset Management, LLC or from your financial intermediary, such as a broker-dealer or bank. Instead, the reports will be made available on a website, and you will be notified by mail each time a report is posted and provided with a website link to access the report.

You may elect to receive all future reports in paper free of charge. If you hold accounts directly with the Portfolio, you can call 877-870-2874 to inform Credit Suisse Asset Management, LLC that you wish to continue receiving paper copies of your shareholder reports. If you hold accounts through a financial intermediary, you can contact your financial intermediary to request that you continue to receive paper copies of your shareholder reports. Please note that not all financial intermediaries may offer this service. Your election to receive reports in paper will apply to all funds advised by Credit Suisse Asset Management, LLC, or all funds held with your financial intermediary, as applicable.

If you already elected to receive shareholder reports electronically, you will not be affected by this change and you need not take any action. You may elect to receive electronic delivery of shareholder reports and other communications by: (i) accessing the Credit Suisse Asset Management, LLC website at www.credit-suisse.com/us/funds and logging into your accounts, if you hold accounts directly with the Portfolio or (ii) contacting your financial intermediary, if you hold accounts through a financial intermediary. Please note that not all financial intermediaries may offer this service.

The Portfolio's investment objective, risks, charges and expenses (which should be considered carefully before investing), and more complete information about the Portfolio, are provided in the *Prospectus*, which should be read carefully before investing. You may obtain additional copies by calling 877-870-2874 or by visiting our website at www.credit-suisse.com/us/funds.

Credit Suisse Securities (USA) LLC, Distributor, is located at Eleven Madison Avenue, New York, NY 10010. The Portfolio is advised by Credit Suisse Asset Management, LLC.

Credit Suisse Trust — Commodity Return Strategy Portfolio (the "Portfolio") shares are not available directly to individual investors, but may be offered only through certain insurance products and pension and retirement plans.

Portfolio shares are not deposits or other obligations of Credit Suisse Asset Management, LLC ("Credit Suisse") or any affiliate, are not FDIC-insured and are not guaranteed by Credit Suisse or any affiliate. Portfolio investments are subject to investment risks, including loss of your investment.

Credit Suisse Trust — Commodity Return Strategy Portfolio
Annual Investment Adviser's Report
December 31, 2019 (unaudited)

January 15, 2020

Dear Shareholder:

We are pleased to present this Annual Report covering the activities of the Credit Suisse Trust — Commodity Return Strategy Portfolio (the "Portfolio") for the 12 months ended December 31, 2019.

Performance Summary
01/01/19 – 12/31/19

Fund & Benchmark

Credit Suisse Trust — Commodity Return Strategy Portfolio[1]	6.69%
Bloomberg Commodity Index Total Return[2]	7.69%

Market and Strategy Review:

Commodities gained for the 12 months ended December 31, 2019. The Bloomberg Commodity Index Total Return (the "Benchmark") increased 7.69%, with 14 out of 23 index constituents posting gains.

For the 12 months ended December 31, 2019, the Portfolio outperformed the Benchmark before fees and fund expenses, but underperformed net of fees and expenses. Commodity strategies and underlying cash management both positively contributed to relative performance. The Portfolio held derivatives linked to futures contracts which expire on different dates than those held within the Benchmark; this forward curve positioning in the Energy sector had the largest positive impact on Portfolio performance relative to the Benchmark. Positioning within the Livestock sector contributed modestly to positive relative performance for the period.

Precious Metals increased 17.02% amid continued loose monetary policy across central banks. Notably, the US Federal Reserve cut short-term interest rates three times from July to October in hopes of combating slowing economic growth expectations as US-China trade tensions continued to simmer. Escalating military tensions in the Middle East also added to the attractiveness of Gold and Silver as safe haven assets and alternative stores of wealth.

Energy rose 11.78%. The top three performers for the year came from the Energy sector. Gasoline, Brent Crude Oil and WTI Crude Oil rose 44.49%, 35.57% and 34.44%, respectively. This strong performance was largely supported by supply drivers, with continued voluntary OPEC+ production cuts as well as involuntary cuts stemming from US sanctions on Iran and domestic problems in Venezuela. The various instances of increasing or decreasing tensions in the

Middle East also helped drive volatility in petroleum prices throughout the year. The back and forth on US-China trade tensions also influenced prices during the year as well. A positive demand driver for low-sulfur petroleum products was a new international maritime rule set to go into effect in 2020. Meanwhile, gains in Crude Oil and petroleum products were offset by losses in Natural Gas, the largest Index detractor for the one-year period. Natural Gas was the worst performing commodity, down 37.42%. With the exception of a few short-lived cold fronts, most of the continental US experienced warmer-than-average temperatures during the winter seasons, dampening heating demand. This, along with strong production growth, allowed the pace of inventory builds to materially surpass the five-year historical average. Forecasts of mild temperatures into mid-January 2020 further weighed on heating demand expectations towards the end of the year.

Industrial Metals gained 6.98%, led higher by Nickel, as the Indonesian government announced that it would institute a ban on all nickel ore exports starting in January 2020, two years earlier than expected.

Agriculture increased 1.72%, led higher by Soybean Oil, as US soybean oil reserves consistently came in lower than last year's figures throughout the third quarter. The oilseed derivative also received a boost in the fourth quarter from higher biofuel blending mandates in Indonesia and Malaysia that go into effect in January 2020. This, along with lower-than-expected Malaysian production in November, tightened fundamentals for palm oil, a key substitute for soybean oil. Meanwhile, Kansas City Wheat declined the most in the sector during the one-year period as supportive growing conditions in the Black Sea Region and the US Northern Plains led to better-than-expected crop yields for the 2019 harvest.

Livestock declined 5.99%, led lower by Lean Hogs. Lean Hogs fell 19.18% after the US Department of Agriculture reported increases in pork production, frozen inventories and herd sizes throughout the year while the timing of more US pork exports to China remained uncertain as a partial US-China trade agreement remained unsigned by year end. Losses in Lean Hogs were slightly offset by gains in Live Cattle. Live Cattle increased, mostly in the last four months of the year, as the demand outlook brightened for US beef. The US signed trade agreements with Japan, Canada and Mexico, its largest beef consumers internationally.

Outlook:

Global trade developments became a major theme in December. The US started off the month by reinstating tariffs on steel and aluminum sourced from Brazil and Argentina while also proposing over $2 billion in new levies on French

goods. The US administration's attitude towards protectionist trade policies later softened as the US and China agreed in principle to a Phase One trade deal that avoided an escalation in US tariffs initially scheduled for December 15th. Although full details of the agreement have yet to be released, China announced its commitment to substantially increase its purchases of US agricultural products. Given the prolonged length of the US-China trade war, it may take time for US suppliers to reestablish supply chains to China. In addition, the US House of Representatives signed the revised US-Mexico-Canada Agreement with ratification expected in January. Lower trade barriers worldwide may improve global growth forecasts while also supporting commodity demand.

Entering 2020, new International Maritime Organization ("IMO") regulations will require the shipping industry to use more expensive, cleaner burning fuels or to install scrubbers to clean fuels on ships. Even those involved in the supply chain of refining fuels may be impacted, though it remains unclear how exactly the new rules will impact various grades of crude oil, shipping fuels, and shipping rates. All of these costs may add inflationary pressure to the energy sector. Energy market participants will also closely monitor OPEC+ compliance with the new production cut targets as well as any changes in growth in US oil production. Rising geopolitical tensions in the Middle East between the US and Iran also has the potential to shock the energy complex. Near month-end, an Iran-sanctioned attack on an Iraqi military base resulted in the death of a US contractor while also causing injuries to US and Iraqi personnel. Pro-Iranian protestors also attacked the US embassy in Baghdad, Iraq. In response to these events, the US announced plans to retaliate against Iran. This rapid escalation of tensions may increase the risks that oil infrastructure of US allies in the region may be targeted, including the key shipping channel of the Strait of Hormuz as well as production and refining facilities in Iraq or elsewhere in the Middle East.

In macro-economic related news, the Chinese economy showed signs of improvement during the month, highlighted by larger-then-expected, year-over-year increases in industrial production and retail sales for November. However, economic readings in the US were less supportive of an improved growth outlook as US jobless claims and key indicators of the US manufacturing sector underperformed expectations. Further progress on trade discussions between the two countries may lend support to improved growth forecasts. Central banks of developed countries seem in no rush to tighten amid mixed economic signals as well as rising geopolitical risk.

The Credit Suisse Commodities Management Team

Nelson Louie
Christopher Burton

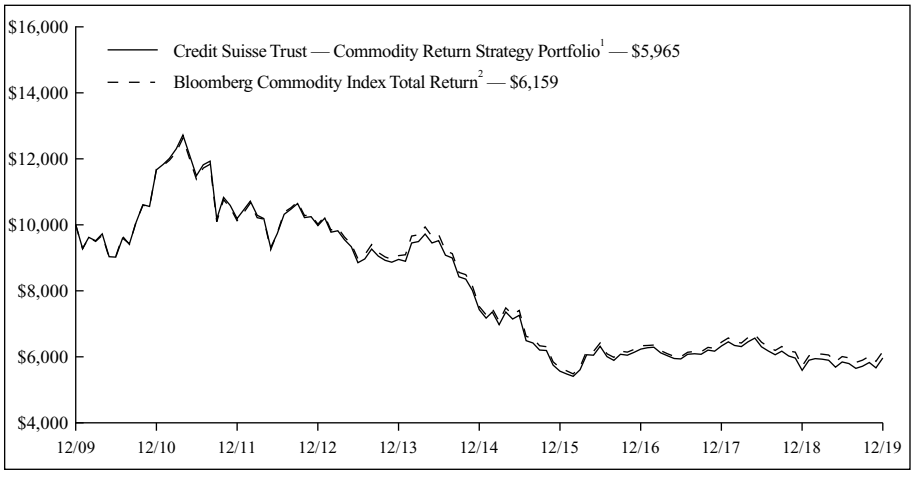
This Portfolio is non-diversified, which means it may invest a greater proportion of its assets in the securities of a smaller number of issuers than a diversified mutual fund and may therefore be subject to greater volatility. The Portfolio's investment in commodity-linked derivative instruments may subject the Portfolio to greater volatility than investment in traditional securities, particularly in investments involving leverage.

The use of derivatives such as commodity-linked structured notes, swaps and futures entails substantial risks, including risk of loss of a significant portion of their principal value, commodity exposure risk, correlation risk, derivatives risk, exposure risk, fixed income risk, focus risk, futures contract risk, leveraging risk, liquidity risk, interest rate risk, market risk, portfolio turnover risk, structured note risk, subsidiary risk, swap agreements risk, U.S. government securities risk, credit risk and tax risk. Gains and losses from speculative positions in derivatives may be much greater than the derivative's cost. At any time, the risk of loss of any individual security held by the Portfolio could be significantly higher than 50% of the security's value. For a detailed discussion of these and other risks, please refer to the Portfolio's Prospectus, which should be read carefully before investing.

In addition to historical information, this report contains forward-looking statements, which may concern, among other things, domestic and foreign market, industry and economic trends and developments and government regulation and their potential impact on the Portfolio's investments. These statements are subject to risks and uncertainties and actual trends, developments and regulations in the future, and their impact on the Portfolio could be materially different from those projected, anticipated or implied. The Portfolio has no obligation to update or revise forward-looking statements.

The views of the Portfolio's management are as of the date of this letter and the Portfolio holdings described in this document are as of December 31, 2019; these views and Portfolio holdings may have changed subsequent to these dates. Nothing in this document is a recommendation to purchase or sell securities.

Comparison of Change in Value of $10,000 Investment in the Credit Suisse Trust — Commodity Return Strategy Portfolio[1] and the Bloomberg Commodity Index Total Return[2] For Ten Years



1 Fee waivers and/or expense reimbursements may reduce expenses for the Portfolio, without which performance would be lower. The Portfolio entered into a written contract to limit expenses to 1.05% of the Portfolio's average daily net assets through at least May 1, 2021. This limit excludes certain expenses, as set forth in the Portfolio's Prospectus.

2 The Bloomberg Commodity Index Total Return is a broadly diversified futures index currently composed of futures contracts on 23 physical commodities. The index does not have transaction costs and investors may not invest directly in the index.

Average Annual Returns as of December 31, 2019[1]

1 Year	5 Years	10 Years
6.69%	(4.30)%	(5.04)%

Returns represent past performance and include change in share price and reinvestment of dividends and capital gain distributions, if any. ***Past performance cannot guarantee future results.*** *The current performance of the Portfolio may be lower or higher than the figures shown. Returns and share price will fluctuate, and redemption value may be more or less than original cost. The performance results do not reflect the deduction of taxes that a shareholder would pay on Portfolio distributions or the redemption of Portfolio shares. Performance information current to the most recent month end is available at www.credit-suisse.com/us/funds.*

The annualized gross and net expense ratio is 1.05%.

[1] Fee waivers and/or expense reimbursements reduce expenses for the Portfolio, without which performance would be lower. The Portfolio entered into a written contract to limit expenses to 1.05% of the Portfolio's average daily net assets through at least May 1, 2021. This limit excludes certain expenses, as set forth in the Portfolio's Prospectus.

Information About Your Portfolio's Expenses

As an investor of the Portfolio, you incur two types of costs: ongoing expenses and transaction costs. Ongoing expenses include management fees, distribution and service (12b-1) fees and other Portfolio expenses. Examples of transaction costs include sales charges (loads), redemption fees and account maintenance fees, which are not shown in this section and which would result in higher total expenses. The following table is intended to help you understand your ongoing expenses of investing in the Portfolio and to help you compare these expenses with the ongoing expenses of investing in other mutual funds. The table is based on an investment of $1,000 made at the beginning of the six months ended December 31, 2019.

The table illustrates your Portfolio's expenses in two ways:

- **Actual Portfolio Return.** This helps you estimate the actual dollar amount of ongoing expenses paid on a $1,000 investment in the Portfolio using the Portfolio's actual return during the period. To estimate the expenses you paid over the period, simply divide your account value by $1,000 (for example, an $8,600 account value divided by $1,000 = 8.6), then multiply the result by the number in the "Expenses Paid per $1,000" line.
- **Hypothetical 5% Portfolio Return.** This helps you to compare the Portfolio's ongoing expenses with those of other mutual funds using the Portfolio's actual expense ratio and a hypothetical rate of return of 5% per year before expenses. Examples using a 5% hypothetical portfolio return may be found in the shareholder reports of other mutual funds. The hypothetical account values and expenses may not be used to estimate the actual ending account balance or expenses you paid for the period.

Please note that the expenses shown in these tables are meant to highlight your ongoing expenses only and do not reflect any transaction costs, such as sales charges (loads) or redemption fees. If these transaction costs had been included, your costs would have been higher. The "Expenses Paid per $1,000" line of the tables is useful in comparing ongoing expenses only and will not help you determine the relative total expenses of owning different funds.

Expenses and Value for a $1,000 Investment for the six-month period ended December 31, 2019

Actual Portfolio Return	
Beginning Account Value 07/01/19	$1,000.00
Ending Account Value 12/31/19	$1,020.60
Expenses Paid per $1,000*	$ 5.35
Hypothetical 5% Portfolio Return	
Beginning Account Value 07/01/19	$1,000.00
Ending Account Value 12/31/19	$1,019.91
Expenses Paid per $1,000*	$ 5.35
Annualized Expense Ratio*	1.05%

* *Expenses are equal to the Portfolio's annualized expense ratio multiplied by the average account value over the period, multiplied by 184/365 to reflect the one-half year period.*

The "Expenses Paid per $1,000" and the "Annualized Expense Ratio" in the tables are based on actual expenses paid by the Portfolio during the period, net of fee waivers and/or actual expense reimbursements, if applicable. If those fee waivers and/or expense reimbursements had not been in effect, the Portfolio's actual expenses would have been higher. Expenses do not reflect additional charges and expenses that are, or may be, imposed under the variable contracts or plans. Such charges and expenses are described in the prospectus of the insurance company separate account or in the plan documents or other informational materials supplied by plan sponsors. The Portfolio's expenses should be considered with these charges and expenses in evaluating the overall cost of investing in the separate account.

For more information, please refer to the Portfolio's Prospectus.

Portfolio Breakdown*

United States Agency Obligations	68.51%
United States Treasury Obligations	31.49
Total	100.00%

* Expressed as a percentage of total investments (excluding securities lending collateral, if applicable) and may vary over time.

Credit Suisse Trust — Commodity Return Strategy Portfolio
Consolidated Schedule of Investments
December 31, 2019

Par (000)		Ratings† (S&P/Moody's)	Maturity	Rate%	Value
UNITED STATES AGENCY OBLIGATIONS (65.6%)					
$16,500	Federal Farm Credit Banks, LIBOR 1M + 0.130%[1]	(AA+, Aaa)	11/05/21	1.834	$ 16,510,286
10,100	Federal Farm Credit Banks, LIBOR 1M + 0.090%[1]	(AA+, Aaa)	11/18/21	1.835	10,098,131
15,000	Federal Farm Credit Banks, FCPR DLY - 2.800%[1]	(AA+, Aaa)	11/23/21	1.950	15,041,926
2,400	Federal Farm Credit Banks, LIBOR 1M + 0.100%[1]	(AA+, Aaa)	12/23/21	1.885	2,399,534
10,000	Federal Farm Credit Banks, FCPR DLY - 2.800%[1]	(AA+, Aaa)	03/14/22	1.950	10,021,809
19,100	Federal Farm Credit Banks, SOFR + 0.200%[1]	(AA+, Aaa)	04/22/22	1.740	19,073,745
8,900	Federal Farm Credit Banks, USBMMY3M + 0.270%[1]	(AA+, Aaa)	05/16/22	1.796	8,874,909
12,600	Federal Farm Credit Banks, FCPR DLY - 2.810%[1]	(AA+, Aaa)	05/20/22	1.940	12,632,869
11,900	Federal Farm Credit Banks, SOFR + 0.310%[1]	(AA+, Aaa)	11/07/22	1.850	11,896,596
5,300	Federal Farm Credit Banks, USBMMY3M + 0.420%[1]	(AA+, Aaa)	11/07/22	1.946	5,298,520
12,700	Federal Farm Credit Banks	(AA+, Aaa)	11/25/25	2.050	12,685,644
1,600	Federal Farm Credit Banks	(AA+, Aaa)	10/15/26	2.230	1,592,607
2,500	Federal Farm Credit Banks	(AA+, Aaa)	09/25/29	2.620	2,474,453
3,000	Federal Home Loan Bank Discount Notes[2]	(AA+, Aaa)	01/23/20	1.525	2,997,204
15,300	Federal Home Loan Bank Discount Notes[2]	(AA+, Aaa)	01/23/20	1.560	15,286,220
10,000	Federal Home Loan Banks	(AA+, Aaa)	02/05/21	2.150	10,001,337
17,400	Federal Home Loan Banks	(AA+, Aaa)	08/05/22	2.250	17,407,514
7,500	Federal Home Loan Banks	(AA+, Aaa)	08/21/24	2.000	7,425,404
13,900	Federal Home Loan Mortgage Corp.	(AA+, Aaa)	08/19/21	2.000	13,905,547
41,000	Federal Home Loan Mortgage Corp., SOFR + 0.130%[1]	(AA+, Aaa)	08/05/22	1.670	40,852,546
3,700	Federal Home Loan Mortgage Corp.	(AA+, Aaa)	08/26/22	2.050	3,701,333
5,550	Federal Home Loan Mortgage Corp.	(AA+, Aaa)	08/12/24	2.250	5,551,696
5,000	Federal Home Loan Mortgage Corp.	(AA+, Aaa)	08/28/24	2.010	5,001,497
4,300	Federal National Mortgage Association, SOFR + 0.100%[1]	(AA+, Aaa)	04/30/20	1.640	4,300,563
20,000	Federal National Mortgage Association, SOFR + 0.075%[1]	(AA+, Aaa)	10/30/20	1.615	20,004,419
14,600	Federal National Mortgage Association, SOFR + 0.040%[1]	(AA+, Aaa)	01/29/21	1.580	14,588,908
7,900	Federal National Mortgage Association	(AA+, Aaa)	10/28/22	1.950	7,900,762
TOTAL UNITED STATES AGENCY OBLIGATIONS (Cost $297,725,945)					297,525,979
UNITED STATES TREASURY OBLIGATIONS (30.2%)					
3,500	United States Treasury Bills[2]	(AA+, Aaa)	01/07/20	1.526	3,499,110
4,700	United States Treasury Bills[2]	(AA+, Aaa)	02/18/20	1.510	4,690,536
7,000	United States Treasury Floating Rate Notes, USBMMY3M + 0.115%[1]	(AA+, Aaa)	01/31/21	1.641	6,998,061

See Accompanying Notes to Consolidated Financial Statements.

Par (000)		Ratings† (S&P/Moody's)	Maturity	Rate%	Value
UNITED STATES TREASURY OBLIGATIONS (continued)					
$10,000	United States Treasury Floating Rate Notes, USBMMY3M + 0.139%[1][4]	(AA+, Aaa)	04/30/21	1.665	$ 9,995,840
25,800	United States Treasury Floating Rate Notes, USBMMY3M + 0.220%[1][3]	(AA+, Aaa)	07/31/21	1.746	25,815,107
50,000	United States Treasury Floating Rate Notes, USBMMY3M + 0.300%[1][4]	(AA+, Aaa)	10/31/21	1.826	50,093,125
8,200	United States Treasury Notes	(AA+, Aaa)	03/31/20	2.250	8,211,691
4,000	United States Treasury Notes	(AA+, Aaa)	03/31/20	1.125	3,994,766
7,000	United States Treasury Notes	(AA+, Aaa)	04/30/20	1.125	6,988,242
16,500	United States Treasury Notes	(AA+, Aaa)	05/31/20	1.375	16,481,631
TOTAL UNITED STATES TREASURY OBLIGATIONS (Cost $136,679,703)					136,768,109
TOTAL INVESTMENTS AT VALUE (95.8%) (Cost $434,405,648)					434,294,088
OTHER ASSETS IN EXCESS OF LIABILITIES (4.2%)					18,844,209
NET ASSETS (100.0%)					$453,138,297

† Credit ratings given by the S&P Global Ratings Division of S&P Global Inc. ("S&P") and Moody's Investors Service, Inc. ("Moody's") are unaudited.

[1] Variable rate obligation — The interest rate shown is the rate in effect as of December 31, 2019.

[2] Securities are zero coupon. Rate presented is yield to maturity as of December 31, 2019.

[3] At December 31, 2019, $1,000,580 in the value of this security has been pledged to cover initial margin requirements for open futures contracts.

[4] At December 31, 2019, $10,235,031 in the value of these securities has been pledged as collateral for open swap contracts.

INVESTMENT ABBREVIATIONS

1M = 1 Month
DLY = Daily
FCPR = Federal Reserve Bank Prime Loan Rate U.S.
LIBOR = London Interbank Offered Rate
SOFR = Secured Overnight Financing Rate
USBMMY3M = U.S. Treasury 3 Month Bill Money Market Yield

Futures Contracts

Contract Description	Currency	Expiration Date	Number of Contracts	Notional Value	Net Unrealized Appreciation (Depreciation)
Contracts to Purchase					
Energy					
Brent Crude Oil Futures	USD	Jun 2020	32	$ 2,050,560	$ 222,633
Contracts to Sell					
Energy					
Brent Crude Oil Futures	USD	Dec 2020	(32)	(1,959,040)	(160,138)
					$ 62,495

Commodity Index Swap Contracts

Currency	Notional Amount	Expiration Date	Counterparty	Receive Return of the Reference Index	Pay	Payment Frequency	Upfront Premiums Paid/ (Received)	Net Unrealized Appreciation (Depreciation)
USD	$ 3,095,576	01/23/20	Bank of America	Bloomberg Commodity Index 3 Month Forward Total Return	1.60%	At Maturity	$—	$ 26,177
USD	10,779,067	01/23/20	Bank of America	Bloomberg Commodity Index Total Return	1.64%	At Maturity	—	72,112
USD	54,665,792	01/23/20	Bank of America	Merrill Lynch Commodity Index Extra CS2T Total Return[a]	1.78%	At Maturity	—	364,653
USD	33,501,857	01/23/20	CIBC	Bloomberg Commodity Index Total Return	1.64%	At Maturity	—	224,162
USD	63,455,067	01/23/20	Citigroup	Bloomberg Commodity Index Total Return	1.63%	At Maturity	—	424,788
USD	30,831,598	01/23/20	JP Morgan Chase	Bloomberg Commodity Index Total Return	1.62%	At Maturity	—	206,498
USD	10,063,195	01/23/20	Macquarie	Bloomberg Commodity Index Total Return	1.61%	At Maturity	—	72,153
USD	54,799,414	01/23/20	Macquarie	Macquarie Commodity Customized Product 112T Index[b]	1.78%	At Maturity	—	365,664
USD	43,875,914	01/23/20	Morgan Stanley	Bloomberg Commodity Index 2 Month Forward Total Return	1.66%	At Maturity	—	372,700
USD	12,895,252	01/23/20	RBC Capital	Bloomberg Commodity Index 2 Month Forward Total Return	1.70%	At Maturity	—	109,368
USD	7,961,716	01/23/20	RBC Capital	Bloomberg Commodity Index Total Return	1.64%	At Maturity	—	53,272
				Bloomberg Commodity				

Commodity Index Swap Contracts (continued)

Currency	Notional Amount	Expiration Date	Counterparty	Receive Return of the Reference Index	Pay	Payment Frequency	Upfront Premiums Paid/ (Received)	Net Unrealized Appreciation (Depreciation)
USD	$ 3,534,018	01/23/20	Societe Generale	Index 2 Month Forward Total Return	1.66%	At Maturity	$—	$ 30,019
USD	33,329,599	01/23/20	Societe Generale	Bloomberg Commodity Index Total Return	1.63%	At Maturity	—	223,119
USD	47,836,776	01/23/20	Societe Generale	Societe Generale P04 TR Index[c]	1.78%	At Maturity	—	324,084
USD	39,537,409	01/23/20	UBS	Bloomberg Commodity Index Total Return	1.63%	At Maturity	—	264,676
								$3,133,445

[a] Private index, constituents are available at the counterparty's website

[b] The index seeks to provide exposure to a diversified group of commodities, inclusive of energy, livestock and meat, agricultural and metals. The Fund has indirect exposure to all of the below underlying positions that make up the custom index. When applicable, the table is limited to the largest 50 positions (based on absolute market value) and any other position where the notional value for the position exceeds 1% of the notional value of the index.

Commodity Name	Weight	Quantity[1]	12/31/19 Value[1]
COMEX Gold FEB 20 Futures	13.39%	48.52	7,390,541
NYMEX WTI Crude Oil MAR 20 Futures	8.75%	79.45	4,828,094
ICE Brent Crude Oil APR 20 Futures	7.76%	65.63	4,285,117
COMEX High Grade Copper MAR 20 Futures	7.27%	57.42	4,014,886
NYMEX Nat Gas MAR 20 Futures	5.95%	152.11	3,282,496
CBOT Soybeans MAR 20 Futures	5.76%	66.57	3,180,237
CBOT Corn MAR 20 Futures	5.52%	157.21	3,047,967
COMEX Silver MAR 20 Futures	4.11%	25.29	2,266,021
LME Aluminium MAR 20 Futures	3.96%	48.33	2,186,769
CME Live Cattle FEB 20 Futures	3.82%	41.88	2,109,268
CBOT Bean Oil MAR 20 Futures	3.49%	92.30	1,925,606
LME Nickel MAR 20 Futures	3.16%	20.75	1,746,234
CBOT Wheat MAR 20 Futures	3.15%	62.25	1,739,137
NYBOT Sugar MAR 20 Futures	3.12%	114.45	1,720,280
NYBOT Coffee MAR 20 Futures	3.06%	34.68	1,686,914
CBOT Soy Meal MAR 20 Futures	3.01%	54.52	1,661,260
LME Zinc MAR 20 Futures	2.72%	26.43	1,503,204
ICE Gas Oil MAR 20 Futures	2.72%	24.56	1,501,111
NYMEX Unleaded Gasoline MAR 20 Futures	2.64%	20.36	1,456,568
NYMEX Heating Oil MAR 20 Futures	2.25%	14.67	1,242,654

Commodity Index Swap Contracts (continued)

Commodity Name	Weight	Quantity[1]	12/31/19 Value[1]
CME Lean Hogs FEB 20 Futures	1.96%	37.94	1,084,022
NYBOT Cotton MAR 20 Futures	1.26%	20.18	696,773
KCBOT Kansas Wheat MAR 20 Futures	1.16%	26.46	642,956

[1] Amounts represent quantity and value of index components as they relate specifically to the Fund's swap position as of December 31, 2019.

[c] The index seeks to provide exposure to a diversified group of commodities, inclusive of energy, livestock and meat, agricultural and metals. The Fund has indirect exposure to all of the below underlying positions that make up the custom index. When applicable, the table is limited to the largest 50 positions (based on absolute market value) and any other position where the notional value for the position exceeds 1% of the notional value of the index.

Commodity Name	Weight	Quantity[1]	12/31/19 Value[1]
COMEX Gold FEB 20 Futures	13.38%	42.33	6,447,778
NYMEX WTI Crude Oil MAY 20 Futures	8.76%	70.38	4,220,933
ICE Brent Crude Oil MAR 20 Futures	7.76%	56.64	3,738,073
COMEX High Grade Copper MAR 20 Futures	7.27%	50.12	3,504,835
NYMEX Nat Gas MAR 20 Futures	5.96%	132.98	2,869,695
CBOT Soybeans MAR 20 Futures	5.75%	57.97	2,769,460
CBOT Corn MAR 20 Futures	5.52%	137.23	2,660,552
COMEX Silver MAR 20 Futures	4.11%	22.08	1,978,186
LME Aluminium MAR 20 Futures	3.96%	42.18	1,908,793
CME Live Cattle FEB 20 Futures	3.82%	36.56	1,841,327
CBOT Bean Oil MAR 20 Futures	3.49%	80.57	1,680,856
LME Nickel MAR 20 Futures	3.16%	18.11	1,524,239
CBOT Wheat MAR 20 Futures	3.15%	54.33	1,517,975
NYBOT Sugar MAR 20 Futures	3.12%	99.90	1,501,590
NYBOT Coffee MAR 20 Futures	3.06%	30.28	1,472,676
CBOT Soy Meal MAR 20 Futures	3.01%	47.56	1,449,063
LME Zinc MAR 20 Futures	2.72%	23.07	1,312,205
ICE Gas Oil MAR 20 Futures	2.72%	21.41	1,308,832
NYMEX Unleaded Gasoline MAR 20 Futures	2.64%	17.77	1,271,244
NYMEX Heating Oil MAR 20 Futures	2.25%	12.80	1,084,268
CME Lean Hogs FEB 20 Futures	1.96%	33.11	945,963
NYBOT Cotton MAR 20 Futures	1.26%	17.61	608,154
KCBOT Kansas Wheat MAR 20 Futures	1.16%	23.08	560,928

[1] Amounts represent quantity and value of index components as they relate specifically to the Fund's swap position as of December 31, 2019.

Credit Suisse Trust — Commodity Return Strategy Portfolio
Consolidated Statement of Assets and Liabilities
December 31, 2019

Assets	
Investments at value (Cost $434,405,648) (Note 2)	$434,294,088
Cash	5,217,293
Cash segregated at brokers for swap contracts (Note 2)	9,761,000
Unrealized appreciation on open swap contracts (Note 2)	3,133,445
Interest receivable	1,432,296
Receivable for Portfolio shares sold	63,631
Prepaid expenses and other assets	659
Total assets	453,902,412
Liabilities	
Investment advisory fee payable (Note 3)	222,366
Administrative services fee payable (Note 3)	24,319
Shareholder servicing/Distribution fee payable (Note 3)	94,008
Payable for Portfolio shares redeemed	30,096
Trustees' fee payable	12,709
Variation margin payable on futures contracts (Note 2)	960
Accrued expenses	379,657
Total liabilities	764,115
Net Assets	
Capital stock, $.001 par value (Note 6)	123,607
Paid-in capital (Note 6)	442,079,526
Total distributable earnings (loss)	10,935,164
Net assets	$453,138,297
Shares outstanding	123,607,251
Net asset value, offering price and redemption price per share	$3.67

See Accompanying Notes to Consolidated Financial Statements.

Credit Suisse Trust — Commodity Return Strategy Portfolio
Consolidated Statement of Operations
For the Year Ended December 31, 2019

Investment Income	
Interest	$ 9,680,909
Securities lending (net of rebates)	1,042
Total investment income	9,681,951
Expenses	
Investment advisory fees (Note 3)	2,511,023
Administrative services fees (Note 3)	71,814
Shareholder servicing/Distribution fees (Note 3)	1,063,993
Transfer agent fees (Note 3)	467,427
Printing fees	92,348
Audit and tax fees	65,940
Trustees' fees	65,683
Legal fees	61,978
Custodian fees	44,710
Commitment fees (Note 4)	23,678
Insurance expense	9,325
Miscellaneous expense	8,208
Total expenses	4,486,127
Less: fees waived (Note 3)	(17,357)
Net expenses	4,468,770
Net investment income	5,213,181
Net Realized and Unrealized Gain (Loss) from Investments, Futures Contracts and Swap Contracts	
Net realized loss from investments	(55,695)
Net realized gain from futures contracts	671,028
Net realized gain from swap contracts	2,884,117
Net change in unrealized appreciation (depreciation) from investments	(259,589)
Net change in unrealized appreciation (depreciation) from futures contracts	(504,462)
Net change in unrealized appreciation (depreciation) from swap contracts	18,780,805
Net realized and unrealized gain from investments, futures contracts and swap contracts	21,516,204
Net increase in net assets resulting from operations	$26,729,385

See Accompanying Notes to Consolidated Financial Statements.

Credit Suisse Trust — Commodity Return Strategy Portfolio
Consolidated Statements of Changes in Net Assets

	For the Year Ended December 31, 2019	For the Year Ended December 31, 2018
From Operations		
Net investment income	$ 5,213,181	$ 3,919,105
Net realized gain (loss) from investments, futures contracts and swap contracts	3,499,450	(26,974,130)
Net change in unrealized appreciation (depreciation) from investments, futures contracts and swap contracts	18,016,754	(28,623,981)
Net increase (decrease) in net assets resulting from operations	26,729,385	(51,679,006)
From Distributions		
From distributable earnings	(3,749,493)	(10,610,261)
From Capital Share Transactions (Note 6)		
Proceeds from sale of shares	49,304,132	48,249,187
Reinvestment of dividends	3,749,493	10,610,261
Net asset value of shares redeemed	(12,826,017)	(15,520,258)
Net increase in net assets from capital share transactions	40,227,608	43,339,190
Net increase (decrease) in net assets	63,207,500	(18,950,077)
Net Assets		
Beginning of year	389,930,797	408,880,874
End of year	$453,138,297	$389,930,797

See Accompanying Notes to Consolidated Financial Statements.

Credit Suisse Trust — Commodity Return Strategy Portfolio
Consolidated Financial Highlights
(For a Share of the Portfolio Outstanding Throughout Each Year)

	For the Year Ended December 31,				
	2019	**2018**	**2017**	**2016**	**2015**
Per share data					
Net asset value, beginning of year	$ 3.47	$ 4.03	$ 4.38	$ 3.91	$ 5.22
INVESTMENT OPERATIONS					
Net investment income (loss)[1]	0.04	0.04	0.00[2]	(0.01)	(0.03)
Net gain (loss) from investments, futures contracts and swap contracts (both realized and unrealized)	0.19	(0.50)	0.04	0.48	(1.28)
Total from investment operations	0.23	(0.46)	0.04	0.47	(1.31)
LESS DIVIDENDS					
Dividends from net investment income	(0.03)	(0.10)	(0.39)	—	—
Total dividends	(0.03)	(0.10)	(0.39)	—	—
Net asset value, end of year	$ 3.67	$ 3.47	$ 4.03	$ 4.38	$ 3.91
Total return[3]	6.69%	(11.66)%	1.52%	12.02%	(25.10)%
RATIOS AND SUPPLEMENTAL DATA					
Net assets, end of year (000s omitted)	$453,138	$389,931	$408,881	$347,118	$274,835
Ratio of net expenses to average net assets	1.05%	1.04%	1.05%	1.05%	1.05%
Ratio of net investment income (loss) to average net assets	1.22%	0.93%	0.07%	(0.35)%	(0.73)%
Decrease reflected in above operating expense ratios due to waivers/reimbursements	0.00%[4]	—%	0.06%	0.02%	0.04%
Portfolio turnover rate	148%	105%	94%	113%	113%

[1] Per share information is calculated using the average shares outstanding method.

[2] This amount represents less than $0.01 per share.

[3] Total returns are historical and include change in share price and reinvestment of all dividends and distributions. Had certain expenses not been reduced during the years shown, total returns would have been lower.

[4] This amount represents less than 0.01%.

See Accompanying Notes to Consolidated Financial Statements.

Note 1. Organization

Credit Suisse Trust (the "Trust") is an open-end management investment company registered under the Investment Company Act of 1940, as amended (the "1940 Act"), which currently offers the Commodity Return Strategy Portfolio (the "Portfolio"). The Portfolio is a non-diversified, open-end management investment company that seeks total return that exceeds the return of its benchmark index, the Bloomberg Commodity Index Total Return (the "Benchmark"). Shares of the Portfolio are not available directly to individual investors but may be offered only through (a) variable annuity contracts and variable life insurance contracts offered by separate accounts of certain insurance companies and (b) tax qualified pension and retirement plans. The Portfolio may not be available in connection with a particular contract or plan. The Trust was organized under the laws of the Commonwealth of Massachusetts as a business trust on March 15, 1995.

Credit Suisse Asset Management, LLC ("Credit Suisse"), the investment adviser to the Portfolio, is registered as an investment adviser with the Securities and Exchange Commission and as a Commodity Pool Operator with the Commodity Futures Trading Commission. The Portfolio intends to gain exposure to commodity derivatives through investing in a wholly-owned subsidiary, Credit Suisse Cayman Commodity Fund II, Ltd. (the "Subsidiary"), organized under the laws of the Cayman Islands. The Subsidiary invests in commodity-linked derivative instruments, such as swaps and futures. The Subsidiary may also invest in debt securities, some of which are intended to serve as margin or collateral for the Subsidiary's derivatives positions.

The Subsidiary is managed by the same portfolio managers that manage the Portfolio and the accompanying financial statements reflect the financial position of the Portfolio and the Subsidiary and the results of operations on a consolidated basis. The consolidated financial statements include portfolio holdings of the Portfolio and the Subsidiary and all intercompany transactions and balances have been eliminated. The Portfolio may invest up to 25% of its total assets in the Subsidiary. As of December 31, 2019, the Portfolio held $86,612,834 in the Subsidiary, representing 19.1% of the Portfolio's consolidated net assets. For the year ended December 31, 2019, the net realized gain on securities and other financial instruments held in the Subsidiary was $3,546,859.

Subsequent references to the Portfolio within the Notes to Consolidated Financial Statements collectively refer to the Portfolio and the Subsidiary.

Note 2. Significant Accounting Policies

The following is a summary of significant accounting policies followed by the Portfolio in the preparation of its consolidated financial statements. The policies are in accordance with generally accepted accounting principles in the United States of America ("GAAP"). The preparation of consolidated financial statements requires management to make estimates and assumptions that affect the reported amounts and disclosures in the consolidated financial statements. Actual results could differ from those estimates. The Portfolio is considered an investment company for financial reporting purposes under GAAP and follows the accounting and reporting guidance in Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") Topic 946 — Financial Services — Investment Companies.

A) SECURITY VALUATION — The Board of Trustees (the "Board") is responsible for the Portfolio's valuation process. The Board has delegated the supervision of the daily valuation process to Credit Suisse Asset Management, LLC, the Portfolio's investment adviser ("Credit Suisse" or the "Adviser"), who has established a Pricing Committee which, pursuant to the policies adopted by the Board, is responsible for making fair valuation determinations and overseeing the Portfolio's pricing policies. The net asset value of the Portfolio is determined daily as of the close of regular trading on the New York Stock Exchange, Inc. (the "Exchange") on each day the Exchange is open for business. The valuations for fixed income securities (which may include, but are not limited to, corporate, government, municipal, mortgage-backed, collateralized mortgage obligations and asset-backed securities) and certain derivative instruments are typically the prices supplied by independent third party pricing services, which may use market prices or broker/dealer quotations or a variety of valuation techniques and methodologies. The independent third party pricing services use inputs that are observable such as issuer details, interest rates, yield curves, prepayment speeds, credit risks/spreads, default rates and quoted prices for similar securities. These pricing services generally price fixed income securities assuming orderly transactions of an institutional "round lot" size, but some trades occur in smaller "odd lot" sizes which may be effected at lower prices than institutional round lot trades. Structured note agreements are valued in accordance with a dealer-supplied valuation based on changes in the value of the underlying index. Futures contracts are valued daily at the settlement price established by the board of trade or exchange on which they are traded. Forward contracts are valued at the London closing spot rates and the London closing forward point rates on a daily basis. The currency forward contract pricing model

Note 2. Significant Accounting Policies (continued)

derives the differential in point rates to the expiration date of the forward and calculates its present value. Equity securities for which market quotations are available are valued at the last reported sales price or official closing price on the primary market or exchange on which they trade. The Portfolio may utilize a service provided by an independent third party which has been approved by the Board to fair value certain securities. When fair value pricing is employed, the prices of securities used by the Trust to calculate its net asset value may differ from quoted or published prices for the same securities. If independent third party pricing services are unable to supply prices for a portfolio investment, or if the prices supplied are deemed by the investment adviser to be unreliable, the market price may be determined by the investment adviser using quotations from one or more brokers/dealers or at the transaction price if the security has recently been purchased and no value has yet been obtained from a pricing service or pricing broker. When reliable prices are not readily available, such as when the value of a security has been significantly affected by events after the close of the exchange or market on which the security is principally traded, but before the Portfolio calculates its net asset value, these securities will be fair valued in good faith by the Pricing Committee, in accordance with procedures adopted by the Board.

The Portfolio uses valuation techniques to measure fair value that are consistent with the market approach and/or income approach, depending on the type of security and the particular circumstance. The market approach uses prices and other relevant information generated by market transactions involving identical or comparable securities. The income approach uses valuation techniques to discount estimated future cash flows to present value.

GAAP established a disclosure hierarchy that categorizes the inputs to valuation techniques used to value assets and liabilities at each measurement date. These inputs are summarized in the three broad levels listed below:

- Level 1 – quoted prices in active markets for identical investments
- Level 2 – other significant observable inputs (including quoted prices for similar investments, interest rates, prepayment speeds, credit risk, etc.)
- Level 3 – significant unobservable inputs (including the Portfolio's own assumptions in determining the fair value of investments)

The inputs or methodologies used to value securities are not necessarily an indication of the risk associated with investing in those securities.

Note 2. Significant Accounting Policies (continued)

The following is a summary of the inputs used as of December 31, 2019 in valuing the Portfolio's assets and liabilities carried at fair value:

Assets	Level 1	Level 2	Level 3	Total
Investments in Securities				
United States Agency Obligations	$ —	$297,525,979	$ —	$297,525,979
United States Treasury Obligations	—	136,768,109	—	136,768,109
	$ —	$434,294,088	$ —	$434,294,088
Other Financial Instruments*				
Futures Contracts	$222,633	$ —	$ —	$ 222,633
Swap Contracts**	—	3,133,445	—	3,133,445
Liabilities	**Level 1**	**Level 2**	**Level 3**	**Total**
Other Financial Instruments*				
Futures Contracts	$160,138	$ —	$ —	$ 160,138

* Other financial instruments include unrealized appreciation/(depreciation) on futures and swap contracts.

**Value includes any premium paid or received with respect to swap contracts, if applicable.

For the year ended December 31, 2019, there were no transfers between Level 2 and Level 3. All transfers, if any, are assumed to occur at the end of the reporting period.

B) DERIVATIVE INSTRUMENTS AND HEDGING ACTIVITIES — The Portfolio adopted amendments to authoritative guidance on disclosures about derivative instruments and hedging activities which require that a portfolio disclose (a) how and why an entity uses derivative instruments, (b) how derivative instruments and hedging activities are accounted for and (c) how derivative instruments and related hedging activities affect a portfolio's financial position, financial performance and cash flows. For the year ended December 31, 2019, the Portfolio's derivatives did not qualify for hedge accounting as they are held at fair value.

The following table presents the fair value and the location of derivatives within the Consolidated Statement of Assets and Liabilities at December 31, 2019 and the effect of these derivatives on the Consolidated Statement of Operations for the year ended December 31, 2019.

Primary Underlying Risk	Derivative Assets[1]	Derivative Liabilities[1]	Realized Gain (Loss)	Change in Unrealized Appreciation (Depreciation)
Commodity price				
Futures contracts[2]	$ 222,633	$160,138	$ 671,028	$ (504,462)
Total return swap contracts[3]	3,133,445	—	2,884,117	18,780,805
	$3,356,078	$160,138	$3,555,145	$18,276,343

[1] Generally, the balance sheet location for asset derivatives is receivables/net unrealized appreciation (depreciation) and for liability derivatives is payables/net unrealized appreciation (depreciation).

Note 2. Significant Accounting Policies (continued)

[2] Includes cumulative appreciation (depreciation) of futures contracts as reported in the Consolidated Schedule of Investments. Only variation margin is reported within the receivables and/or payables on the Consolidated Statement of Assets and Liabilities.

[3] Includes cumulative appreciation (depreciation) of total return swap contracts as reported in the Consolidated Schedule of Investments. Only variation margin is reported within the receivables and/or payables on the Consolidated Statement of Assets and Liabilities.

The notional amount of futures contracts and swap contracts open at December 31, 2019 is reflected in the Consolidated Schedule of Investments. For the year ended December 31, 2019, the Portfolio held average monthly notional values on a net basis of $1,980,629, $1,698,441 and $427,139,535 in long futures contracts, short futures contracts and swap contracts, respectively.

The Portfolio is a party to International Swap and Derivatives Association, Inc. ("ISDA") Master Agreements ("Master Agreements") with certain counterparties that govern over-the-counter derivative (including Total Return, Credit Default and Interest Rate Swaps) and foreign exchange contracts entered into by the Portfolio. The Master Agreements may contain provisions regarding, among other things, the parties' general obligations, representations, agreements, collateral requirements, events of default and early termination. Termination events applicable to the Portfolio may occur upon a decline in the Portfolio's net assets below a specified threshold over a certain period of time.

The following table presents by counterparty the Portfolio's derivative assets, net of related collateral held by the Portfolio, at December 31, 2019:

Counterparty	Gross Amount of Derivative Assets Presented in the Consolidated Statement of Assets and Liabilities[a]	Financial Instruments and Derivatives Available for Offset	Non-Cash Collateral Received[b]	Cash Collateral Received[b]	Net Amount of Derivative Assets
Bank of America	$ 462,942	$ —	$ —	$ —	$ 462,942
CIBC	224,162	—	—	—	224,162
Citigroup	424,788	—	—	—	424,788
JPMorgan Chase	206,498	—	—	—	206,498
Macquarie	437,817	—	—	—	437,817
Morgan Stanley	372,700	—	—	—	372,700
RBC Capital	162,640	—	—	—	162,640
Societe Generale	577,222	—	—	—	577,222
UBS	264,676	—	—	—	264,676
	$3,133,445	$ —	$	$ —	$3,133,445

[a] Swap contracts are included.

[b] The actual collateral pledged may be more than the amounts shown.

Note 2. Significant Accounting Policies (continued)

C) SECURITY TRANSACTIONS AND INVESTMENT INCOME/EXPENSE — Security transactions are accounted for on a trade date basis. Interest income/expense is recorded on the accrual basis. The Portfolio amortizes premiums and accretes discounts using the effective interest method. Dividend income/expense is recorded on the ex-dividend date. The cost of investments sold is determined by use of the specific identification method for both financial reporting and income tax purposes. To the extent any issuer defaults or a credit event occurs that impacts the issuer, the Portfolio may halt any additional interest income accruals and consider the realizability of interest accrued up to the date of default or credit event.

D) DIVIDENDS AND DISTRIBUTIONS TO SHAREHOLDERS — Dividends from net investment income, if any, are declared and paid quarterly. Distributions of net realized capital gains, if any, are declared and paid at least annually. However, to the extent that a net realized capital gain can be reduced by a capital loss carryforward, such gain will not be distributed. Dividends and distributions to shareholders of the Portfolio are recorded on the ex-dividend date and are determined in accordance with federal income tax regulations, which may differ from GAAP.

E) FEDERAL AND OTHER TAXES — No provision is made for federal taxes as it is the Portfolio's intention to continue to qualify as a regulated investment company ("RIC") under the Internal Revenue Code of 1986, as amended (the "Code"), and to make the requisite distributions to its shareholders, which will be sufficient to relieve it from federal income taxes.

In order to qualify as a RIC under the Code, the Portfolio must meet certain requirements regarding the source of its income, the diversification of its assets and the distribution of its income. One of these requirements is that the Portfolio derive at least 90% of its gross income for each taxable year from dividends, interest, payments with respect to certain securities loans, gains from the sale or other disposition of stock, securities or foreign currencies, other income derived with respect to its business of investing in such stock, securities or currencies or net income derived from interests in certain publicly-traded partnerships ("Qualifying Income"). The Portfolio may invest in structured notes designed to track the performance of the Benchmark. The Portfolio may, through its investment in the Subsidiary, invest in commodity-linked swaps and/or futures contracts.

If the Portfolio is unable to ensure continued qualification as a RIC, the Portfolio may be required to change its investment objective, policies or

Note 2. Significant Accounting Policies (continued)

techniques, or may be liquidated. If the Portfolio fails to qualify as a RIC, the Portfolio will be subject to federal income tax on its net income and capital gains at regular corporate rates (without reduction for distributions to shareholders). If the Portfolio were to fail to qualify as a RIC and become subject to federal income tax, shareholders of the Portfolio would be subject to the risk of diminished returns.

The Portfolio adopted the authoritative guidance for uncertainty in income taxes and recognizes a tax benefit or liability from an uncertain position only if it is more likely than not that the position is sustainable based solely on its technical merits and consideration of the relevant taxing authority's widely understood administrative practices and procedures. The Portfolio has reviewed its current tax positions and has determined that no provision for income tax is required in the Portfolio's financial statements. The Portfolio's federal and state income tax returns for tax years for which the applicable statutes of limitations have not expired are subject to examination by the Internal Revenue Service and state departments of revenue.

F) CASH — The Portfolio's uninvested cash balance is held in an interest bearing variable rate demand deposit account at State Street Bank and Trust Company ("SSB"), the Portfolio's custodian.

G) FUTURES — The Portfolio may enter into futures contracts to the extent permitted by its investment policies and objectives. The Portfolio may use futures contracts to gain exposure to or hedge against changes in commodities. Upon entering into a futures contract, the Portfolio is required to deposit cash and/or pledge U.S. Government securities as initial margin with a Futures Commission Merchant ("FCM"). Subsequent payments, which are dependent on the daily fluctuations in the value of the underlying instrument, are made or received by the Portfolio each day (daily variation margin) and are recorded as unrealized gains or losses in the Consolidated Statement of Operations until the contracts are closed. When the contracts are closed, the Portfolio records a realized gain or loss equal to the difference between the proceeds from (or cost of) the closing transaction and the Portfolio's basis in the contract. Risks of entering into futures contracts for hedging purposes include the possibility that a change in the value of the contract may not correlate with the changes in the value of the underlying instruments. Futures have minimal counterparty credit risk because futures are exchange traded and the exchange's clearinghouse, as counterparty to all exchange-traded futures, guarantees the futures against default. In addition, the purchase of a futures contract involves the risk that the Portfolio could lose more than the original margin deposit and

Note 2. Significant Accounting Policies (continued)

subsequent payments may be required for a futures transaction. The Portfolio's open futures contracts are disclosed in the Consolidated Schedule of Investments. At December 31, 2019, the amount of restricted cash held at brokers related to open futures contracts was $0.

The Commodity Exchange Act requires an FCM to segregate all customer transactions and assets from the FCM's proprietary activities. A customer's cash and other equity deposited with an FCM are considered commingled with all other customer funds subject to the FCM's segregation requirements. In the event of an FCM's insolvency, recovery may be limited to the Portfolio's pro-rata share of segregated customer funds available. It is possible that the recovery amount could be less than the total of cash and other equity deposited.

H) SWAPS — The Portfolio may enter into commodity index swaps either for hedging purposes or to seek to increase total return. A swap contract is an agreement that obligates two parties to exchange a series of cash flows at specified intervals based upon or calculated by reference to changes in specified prices or rates for a specified amount of an underlying asset or notional principal amount. The Portfolio will enter into swap contracts only on a net basis, which means that the two payment streams are netted out, with the Portfolio receiving or paying, as the case may be, only the net amount of the two payments. Risks may arise as a result of the failure of the counterparty to the swap contract to comply with the terms of the swap contract. The extent of the Portfolio's exposure to credit and counterparty risks is the discounted net value of the cash flows to be received from the counterparty over the contract's remaining life, to the extent that the amount is positive. These risks are mitigated by having a master netting arrangement between the Portfolio and the counterparty and by the posting of collateral by the counterparty to the Portfolio to cover the Portfolio's exposure to the counterparty. Therefore, the Portfolio considers the creditworthiness of each counterparty as well as the amounts posted by the counterparty pursuant to the master netting agreement to a swap contract in evaluating potential credit risk. Additionally, risks may arise from unanticipated movements in interest rates or in the value of the underlying reference asset or index.

The Portfolio may enter into total return swap contracts, involving commitments to pay interest in exchange for a market-linked return, both based on notional amounts. The Portfolio may invest in total return swap contracts for hedging purposes or to seek to increase total return. To the extent the total return of the security or index underlying the transaction exceeds or falls short of the offsetting interest rate obligation, the Portfolio will receive a payment from or make a payment to the counterparty.

Note 2. Significant Accounting Policies (continued)

The Portfolio records unrealized gains or losses on a daily basis representing the value and the current net receivable or payable relating to open swap contracts. Net amounts received or paid on the swap contract are recorded as realized gains or losses. Fluctuations in the value of swap contracts are recorded for financial statement purposes as unrealized appreciation or depreciation from swap contracts. Realized gains and losses from terminated swaps are included in net realized gains/losses from swap contracts. The Portfolio's open swap contracts are disclosed in the Consolidated Schedule of Investments. At December 31, 2019, the amount of restricted cash held at brokers related to open swap contracts was $9,761,000.

I) SECURITIES LENDING — The initial collateral received by the Portfolio is required to have a value of at least 102% of the market value of domestic securities on loan (including any accrued interest thereon) and 105% of the market value of foreign securities on loan (including any accrued interest thereon). The collateral is maintained thereafter at a value equal to at least 102% of the current market value of the securities on loan. The market value of loaned securities is determined at the close of each business day of the Portfolio and any additional required collateral is delivered to the Portfolio, or excess collateral returned by the Portfolio, on the next business day. Cash collateral received by the Portfolio in connection with securities lending activity may be pooled together with cash collateral for other funds/portfolios advised by Credit Suisse and may be invested in a variety of investments, including funds advised by SSB, the Portfolio's securities lending agent, or money market instruments. However, in the event of default or bankruptcy by the other party to the agreement, realization and/or retention of the collateral may be subject to legal proceedings.

SSB has been engaged by the Portfolio to act as the Portfolio's securities lending agent. The Portfolio's securities lending arrangement provides that the Portfolio and SSB will share the net income earned from securities lending activities. Securities lending income is accrued as earned. At December 31, 2019, there were no securities out on loan.

During the year ended December 31, 2019, total earnings from the Portfolio's investment in cash collateral received in connection with securities lending arrangements was $13,548 of which $12,158 was rebated to borrowers (brokers). The Portfolio retained $1,042 in income from the cash collateral investment, and SSB, as lending agent, was paid $348.

Note 2. Significant Accounting Policies (continued)

J) OTHER — In the normal course of business the Portfolio trades financial instruments and enters into financial transactions for which risk of potential loss exists due to changes in the market (market risk) or failure of the other party to a transaction to perform (credit risk). Similar to credit risk, the Portfolio may be exposed to counterparty risk, including securities lending, or the risk that an institution or other entity with which the Portfolio has unsettled or open transactions will default. The potential loss could exceed the value of the financial assets recorded in the consolidated financial statements. Financial assets, which potentially expose the Portfolio to credit risk, consist principally of cash due from counterparties and investments. The extent of the Portfolio's exposure to credit and counterparty risks in respect to these financial assets approximates their carrying value as recorded in the Portfolio's Consolidated Statement of Assets and Liabilities.

K) RECENT ACCOUNTING PRONOUNCEMENTS — In August 2018, the FASB issued Accounting Standards Update 2018-13, Fair Value Measurement (Topic 820): Disclosure Framework — Changes to the Disclosure Requirements for Fair Value Measurement ("ASU 2018-13"). The update provides guidance that eliminates, adds and modifies certain disclosure requirements for fair value measurements. ASU 2018-13 will be effective for annual periods beginning after December 15, 2019. Management is currently assessing the potential impact of these changes to future financial statements.

L) SUBSEQUENT EVENTS — In preparing the financial statements as of December 31, 2019, management considered the impact of subsequent events for potential recognition or disclosure in these financial statements through the date of release of this report. No such events requiring recognition or disclosure were identified through the date of the release of this report.

Note 3. Transactions with Affiliates and Related Parties

Credit Suisse serves as investment adviser and co-administrator for the Portfolio. For its investment advisory and administration services, Credit Suisse is entitled to receive a fee from the Portfolio at an annual rate of 0.59% of the Portfolio's average daily net assets. For the year ended December 31, 2019, investment advisory and administration fees earned and voluntarily waived by Credit Suisse were $2,511,023 and $17,357, respectively. Credit Suisse has contractually agreed to limit expenses so that the Portfolio's annual operating expenses do not exceed 1.05% of the Portfolio's average daily net assets. The Portfolio is authorized to reimburse Credit Suisse for management fees previously limited and/or for expenses previously reimbursed by Credit

Note 3. Transactions with Affiliates and Related Parties (continued)

Suisse, provided, however, that any reimbursements must be paid at a date not more than thirty-six months following the applicable month during which such fees were limited or expenses were reimbursed by Credit Suisse and the reimbursements do not cause the Portfolio to exceed the applicable expense limitation in the contract at the time the fees are recouped. This contract may not be terminated before May 1, 2021.

The amounts waived and reimbursed by Credit Suisse, which are available for potential future recoupment by Credit Suisse, and the expiration schedule at December 31, 2019 are as follows:

Fee waivers/expense reimbursements subject to recoupment	Expires December 31, 2020	Expires December 31, 2021	Expires December 31, 2022
$227,733	$210,376	$—	$17,357

For its co-administrative services, SSB receives a fee, exclusive of out-of-pocket expenses, calculated in total for all the Credit Suisse funds/portfolios co-administered by SSB and allocated based upon the relative average net assets of each fund/portfolio, subject to an annual minimum fee. For the year ended December 31, 2019, co-administrative services fees earned by SSB (including out-of-pocket expenses) with respect to the Portfolio were $71,814.

Credit Suisse Securities (USA) LLC ("CSSU"), an affiliate of Credit Suisse, serves as the distributor of the Portfolio's shares. Pursuant to a distribution plan adopted by the Portfolio pursuant to Rule 12b-1 under the 1940 Act, CSSU receives fees for its distribution services. These fees were calculated at an annual rate of 0.25% of the average daily net assets. For the year ended December 31, 2019, Rule 12b-1 distribution fees were 1,063,993.

Certain brokers, dealers and financial representatives provide transfer agent-related services to the Portfolio and receive compensation from the Portfolio. For the year ended December 31, 2019, the Portfolio paid $346,312, which is included within transfer agent fees.

Note 4. Line of Credit

The Portfolio, together with other funds/portfolios advised by Credit Suisse (collectively, the "Participating Funds"), participates in a committed, unsecured line of credit facility ("Credit Facility"), with SSB in an aggregated amount of $250 million for temporary or emergency purposes under a first-come, first-served basis. Under the terms of the Credit Facility, the Participating Funds pay an aggregate commitment fee on the average unused amount of the Credit

Note 4. Line of Credit (continued)

Facility, which is allocated among the Participating Funds in such manner as is determined by the governing Boards of the Participating Funds. In addition, the Participating Funds pay interest on borrowings at either the Overnight Federal Funds rate or the Overnight LIBOR rate plus a spread. At December 31, 2019 and during the year ended December 31, 2019, the Portfolio had no borrowings outstanding under the Credit Facility.

Note 5. Purchases and Sales of Securities

For the year ended December 31, 2019, purchases and sales of investment securities (excluding short-term investments) and U.S. Government and Agency Obligations were as follows:

Investment Securities		U.S. Government/ Agency Obligations	
Purchases	Sales	Purchases	Sales
$0	$0	$562,921,684	$559,572,141

Note 6. Capital Share Transactions

The Portfolio is authorized to issue an unlimited number of full and fractional shares of beneficial interest, $.001 par value per share. Transactions in capital shares of the Portfolio were as follows:

	For the Year Ended December 31, 2019	For the Year Ended December 31, 2018
Shares sold	13,693,556	12,385,004
Shares issue in reinvestment of dividends and distributions	1,038,921	2,732,726
Shares redeemed	(3,575,689)	(4,010,535)
Net increase	11,156,788	11,107,195

On December 31, 2019, the number of shareholders that held 5% or more of the outstanding shares of the Portfolio was as follows:

Number of Shareholders	Approximate Percentage of Outstanding Shares
1	88%

The Portfolio's performance may be negatively impacted in the event one or more of the Portfolio's greater than 5% shareholders were to redeem at a given time. Some of the shareholders may be omnibus accounts, which hold shares on behalf of individual shareholders.

Note 7. Income Tax Information and Distributions to Shareholders

Income and capital gain distributions are determined in accordance with federal income tax regulations, which may differ from GAAP.

The tax character of distributions paid during the years ended December 31, 2019 and 2018, respectively, was as follows:

Ordinary Income	
2019	**2018**
$3,749,493	$10,610,261

The tax basis components of distributable earnings differ from the amounts reflected in the Consolidated Statement of Assets and Liabilities by temporary book/tax differences. At December 31, 2019, the components of distributable earnings on a tax basis were as follows:

Undistributed net investment income	$ 23,311,127
Accumulated net realized loss	(15,459,005)
Unrealized appreciation	3,083,042
	$ 10,935,164

At December 31, 2019, the Portfolio had $10,905,204 of unlimited short-term capital loss carryforwards and $4,553,801 of unlimited long-term capital loss carryforwards available to offset possible future capital gains.

At December 31, 2019, the cost and net unrealized appreciation (depreciation) of investments and derivatives for income tax purposes were as follows:

Cost of Investments	$434,406,986
Unrealized appreciation	$ 3,578,240
Unrealized depreciation	(495,198)
Net unrealized appreciation (depreciation)	$ 3,083,042

To adjust for current period permanent book/tax differences which arose principally from differing book/tax treatment of Subsidiary cumulative income/loss and AICPA adjustments, paid-in capital was charged $18,276,343 and distributable earnings/loss was credited $18,276,343. Net assets were not affected by this reclassification.

Note 8. Contingencies

In the normal course of business, the Portfolio may provide general indemnifications pursuant to certain contracts and organizational documents. The Portfolio's maximum exposure under these arrangements is dependent on future claims that may be made against the Portfolio and, therefore, cannot be estimated; however, based on experience, the risk of loss from such claims is considered remote.

Credit Suisse Trust — Commodity Return Strategy Portfolio
Report of Independent Registered Public Accounting Firm

To the Shareholders and Board of Trustees
Credit Suisse Trust — Commodity Return Strategy Portfolio:

Opinion on the Financial Statements

We have audited the accompanying consolidated statement of assets and liabilities of Credit Suisse Trust — Commodity Return Strategy Portfolio (the Portfolio), including the consolidated schedule of investments, as of December 31, 2019, and the related consolidated statement of operations for the year then ended, the consolidated statements of changes in net assets for each of the years in the two-year period then ended, and the related notes (collectively, the consolidated financial statements) and the consolidated financial highlights for each of the years in the five-year period then ended. In our opinion, the consolidated financial statements and consolidated financial highlights present fairly, in all material respects, the financial position of the Portfolio as of December 31, 2019, the results of its operations for the year then ended, the changes in its net assets for each of the years in the two-year period then ended, and the consolidated financial highlights for each of the years in the five-year period then ended, in conformity with U.S. generally accepted accounting principles.

Basis for Opinion

These consolidated financial statements and consolidated financial highlights are the responsibility of the Portfolio's management. Our responsibility is to express an opinion on these consolidated financial statements and consolidated financial highlights based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) ("PCAOB") and are required to be independent with respect to the Portfolio in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements and consolidated financial highlights are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the consolidated financial statements and consolidated financial highlights, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements and consolidated financial highlights. Such procedures also included confirmation of securities owned as of December 31, 2019, by correspondence

with custodians and brokers or by other appropriate auditing procedures. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements and consolidated financial highlights. We believe that our audits provide a reasonable basis for our opinion.

KPMG LLP

We have served as the auditor of one or more Credit Suisse Asset Management, LLC investment companies since 2015.

New York, New York
February 14, 2020

In approving the amended and restated investment management agreement (the "Investment Management Agreement") for the Commodity Return Strategy Portfolio (the "Portfolio"), a series of Credit Suisse Trust (the "Trust"), the Board of Trustees of the Trust (the "Board"), including all of the trustees who are not "interested persons" of the Trust as defined in the Investment Company Act of 1940 (the "Independent Trustees"), at a Special Telephonic Meeting held on November 5, 2019 where the Board discussed information and materials previously provided to them in connection with the renewal of the Investment Management Agreement, and at an in-person meeting held on November 11 and 12, 2019, considered the following factors:

Investment Management Fee Rates and Expenses

The Board reviewed and considered the contractual management fee rate of 0.59% for the Portfolio ("Contractual Management Fee") in light of the extent and quality of the management services provided by Credit Suisse Asset Management, LLC ("Credit Suisse"), the Portfolio's investment manager. The Board also considered that Credit Suisse entered into a contractual expense limitation agreement ("Expense Limitation Agreement") limiting the Portfolio's total net expenses to 1.05% of the average daily net assets until May 1, 2021.

Additionally, the Board received and considered information comparing the Portfolio's Contractual Management Fee, Contractual Management Fee less waivers and/or reimbursements ("Net Management Fee") and the Portfolio's overall expenses with those of funds in both the relevant expense group ("Expense Group") and universe of funds ("Expense Universe") provided by Broadridge, an independent provider of investment company data. The Board noted that the Portfolio's Contractual Management Fee, Net Management Fee and overall expenses were within the range of its peers as presented in the Broadridge report. The Board was provided with a description of the methodology used to arrive at the funds included in the Expense Group and the Expense Universe.

Nature, Extent and Quality of the Services under the Management Agreement

The Board received and considered information regarding the nature, extent and quality of services provided to the Portfolio by Credit Suisse under the Investment Management Agreement. The Board also noted information received at regular meetings throughout the year related to the services rendered by Credit Suisse which, in addition to portfolio management and investment management services set forth in the Investment Management

Agreement, included credit analysis and research, supervising the day-to-day operations of the Portfolio's non-advisory functions which include accounting, administration, custody, transfer agent and other applicable third party service providers, overseeing and facilitating audits, overseeing the Portfolio's credit facility and supervising and/or preparing applicable Portfolio filings, disclosures and shareholder reports. The Board noted that the extensive investment management services provided by Credit Suisse included broad supervisory responsibility and oversight over other service providers to the Portfolio. The Board also considered Credit Suisse's compliance program with respect to the Portfolio. The Board noted that Credit Suisse reports to the Board about portfolio management and compliance matters on a periodic basis. The Board reviewed background information about Credit Suisse including its Form ADV Part 2 — Disclosure Brochure and Brochure Supplement. The Board considered the background and experience of Credit Suisse's senior management and the expertise of, and the amount of attention given to the Portfolio by, senior personnel of Credit Suisse. In addition, the Board reviewed the qualifications, backgrounds and responsibilities of the portfolio management team primarily responsible for the day-to-day portfolio management of the Portfolio and the extent of the resources devoted to research and analysis of actual and potential investments, as well as the resources provided to them. The Board evaluated the ability of Credit Suisse, based on its resources, reputation and other attributes, to attract and retain qualified investment professionals including research, advisory, and supervisory personnel. The Board also received and considered information about the nature, extent and quality of services and fee rates offered to other Credit Suisse clients for comparable services. The Board acknowledged Credit Suisse's representation that the services provided to the Portfolio are more extensive than the services provided in connection with other types of accounts, such as separate accounts, offered by Credit Suisse and the services also are more extensive from those offered and provided to a sub-advised fund. The Board also considered that the services provided by Credit Suisse have expanded over time as a result of regulatory and other developments.

Portfolio Performance

The Board received and considered performance results of the Portfolio over the previous year as well as over longer time periods, along with comparisons both to the relevant performance group ("Performance Group") and universe of funds ("Performance Universe") for the Portfolio provided in the Broadridge materials. The Board was provided with a description of the methodology used

to arrive at the funds included in the Performance Group and the Performance Universe. The Board noted that the Portfolio underperformed its Performance Universe for the one-year period reported, and had varying performance compared to its Performance Universe over various longer investment periods reported. The Board also considered the investment performance of the Portfolio relative to its stated objectives.

Credit Suisse Profitability

The Board received and considered a profitability analysis of Credit Suisse based on the fees payable under the Investment Management Agreement for the Portfolio, including any fee waivers, as well as other relationships between the Portfolio on the one hand and Credit Suisse affiliates on the other. The Board deliberations also reflected Credit Suisse's methodology for allocating costs to the Portfolio, recognizing that cost allocation methodologies are inherently subjective. The Board also received net profitability information for the other funds in the Credit Suisse family of funds, which include both open-end and closed-end funds. The Board also reviewed Credit Suisse's profit margin as reflected in the profitability analysis, as well as reviewing profitability in light of appropriate court cases and the services rendered to the Portfolio.

Economies of Scale

The Board considered information regarding whether there have been economies of scale with respect to the management of the Portfolio, whether the Portfolio has appropriately benefited from any economies of scale, and whether there is potential for realization of any further economies of scale. The Board noted that, if the Portfolio's asset levels grow, further economies of scale potentially could be realized and additionally noted the current expense limitations in place between the Portfolio and Credit Suisse. The Board received information regarding Credit Suisse's profitability in connection with providing investment management services to the Portfolio, including Credit Suisse's costs in providing the services.

Other Benefits to Credit Suisse

The Board considered other benefits received by Credit Suisse and its affiliates as a result of their relationship with the Portfolio. Such benefits include, among others, benefits potentially derived from an increase in Credit

Suisse's businesses and its reputation as a result of its relationship with the Portfolio (such as the ability to market its advisory services to other clients or investors including separate account or third party sub-advised mandates or other financial products offered by Credit Suisse and its affiliates) as well as the fees paid to an affiliate of Credit Suisse for distribution services.

The Board considered the standards applied in seeking best execution and their policies and practices regarding soft dollars and reviewed Credit Suisse's method for allocating portfolio investment opportunities among its advisory clients.

Other Factors and Broader Review

As discussed above, the Board reviewed detailed materials received from Credit Suisse as part of the annual approval process. The Board also reviews and assesses the quality of the services that the Portfolio receives throughout the year. In this regard, the Board reviews reports of Credit Suisse at least quarterly, which include, among other things, detailed portfolio and market reviews, detailed fund performance reports and Credit Suisse's compliance procedures.

Conclusions

In selecting Credit Suisse, and approving the renewal of the Investment Management Agreement and the investment management fee under such agreement, the Board concluded that:

- The Contractual Management Fee and Net Management Fee, reviewed along with information provided by Broadridge for the funds in the Portfolio's Expense Group and Expense Universe, were reasonable in relation to the services provided by Credit Suisse.
- The Board was satisfied with the nature, extent and quality of the investment management services provided to the Portfolio by Credit Suisse and that, based on dialogue with management and counsel, the services provided by Credit Suisse under the Investment Management Agreement are typical of, and consistent with, those provided to similar mutual funds by other investment managers.
- In light of the costs of providing investment management and other services to the Portfolio and Credit Suisse's ongoing commitment to the

Portfolio and willingness to waive fees, Credit Suisse's net profitability based on fees payable under the Investment Management Agreement, as well as other ancillary benefits that Credit Suisse and its affiliates received, were considered reasonable.

- In light of the information received and considered by the Board, the Portfolio's current fee structure was considered reasonable.

No single factor reviewed by the Board was identified by the Board as the principal factor in determining whether to approve the renewal of the Investment Management Agreement. The Independent Trustees were advised by separate independent legal counsel throughout the process.

Credit Suisse Trust — Commodity Return Strategy Portfolio
Information Concerning Trustees and Officers (unaudited)

Name, Address (Year of Birth)	Position(s) Held with Portfolio	Term of Office[1] and Length of Time Served	Principal Occupation(s) During Past Five Years	Number of Portfolios in Portfolio Complex Overseen by Trustee	Other Trusteeships Held by Trustee During Past Five Years
Independent Trustees					
Laura A. DeFelice c/o Credit Suisse Asset Management, LLC Attn: General Counsel Eleven Madison Avenue New York, New York 10010 (1959)	Trustee, Nominating and Audit Committee member	Since 2017	Partner of Acacia Properties LLC (multi-family and commercial real estate ownership and operation) from 2008 to present; Stonegate Advisors LLC (renewable energy and energy efficiency) from 2007 to present.	9	None.
Jeffrey E. Garten c/o Credit Suisse Asset Management, LLC Attn: General Counsel Eleven Madison Avenue New York, New York 10010 (1946)	Trustee, Nominating and Audit Committee member	Since Portfolio Inception	Dean Emeritus of Yale School of Management from July 2015 to present; The Juan Trippe Professor in the Practice of International Trade, Finance and Business, Yale School of Management, from July 2005 to July 2015; Partner and Chairman of Garten Rothkopf (consulting firm) from October 2005 to June 2017.	9	Director of Aetna, Inc. (insurance company) from January 1999 to 2019; Director of CarMax Group (used car dealers) from January 2002 to 2019; Director of Miller Buckfire & Co., LLC (financial restructuring) from January 2008 to 2019.

[1] Subject to the Trust's retirement policy, each Trustee may continue to serve as a Trustee until the last day of the calendar year in which the applicable Trustee attains age 75. Officer serves until his or her respective successor has been duly elected and qualified.

Name, Address (Year of Birth)	Position(s) Held with Portfolio	Term of Office[1] and Length of Time Served	Principal Occupation(s) During Past Five Years	Number of Portfolios in Portfolio Complex Overseen by Trustee	Other Trusteeships Held by Trustee During Past Five Years
Independent Trustees					
Mahendra R. Gupta c/o Credit Suisse Asset Management, LLC Attn: General Counsel Eleven Madison Avenue New York, New York 10010 (1956)	Trustee, Nominating Committee member and Audit Committee Chairman	Since 2017	Professor, Washington University in St. Louis from July 1990 to present; Dean of Olin Business School at Washington University in St. Louis from July 2005 to July 2016; Partner, R.J. Mithaiwala (food manufacturing and retail, India) from March 1977 to present; Partner, F.F.B. Corporation (agriculture, India) from March 1977 to present; Partner, RPMG Research Corporation (benchmark research) from July 2001 to present.	9	Director of Caleres Inc. (footwear) from May 2012 to present; Director of Koch Development Corporation (real estate development) from November 2017 to present; Director of Supernova (fin-tech) from June 2014 to September 2018.

[1] Subject to the Trust's retirement policy, each Trustee may continue to serve as a Trustee until the last day of the calendar year in which the applicable Trustee attains age 75. Officer serves until his or her respective successor has been duly elected and qualified.

Name, Address (Year of Birth)	Position(s) Held with Portfolio	Term of Office[1] and Length of Time Served	Principal Occupation(s) During Past Five Years	Number of Portfolios in Portfolio Complex Overseen by Trustee	Other Trusteeships Held by Trustee During Past Five Years
Independent Trustees					
Steven N. Rappaport c/o Credit Suisse Asset Management, LLC Attn: General Counsel Eleven Madison Avenue New York, New York 10010 (1948)	Chairman of the Board, Nominating Committee Chairman and Audit Committee member	Trustee since Portfolio Inception and Chairman since 2005	Partner of Lehigh Court, LLC and RZ Capital (private investment firms) from July 2002 to present; Partner of Backstage Acquisition Holdings, LLC (publication job postings) from November 2013 to 2018.	9	Director of Aberdeen Emerging Market Equity Income Fund, Inc., (a closed-end investment company); Director of Aberdeen Funds (25 open-end portfolios); Director of iCAD, Inc. (surgical and medical instruments and apparatus company) from 2006 to 2018.
Interested Trustee					
John G. Popp[2] Credit Suisse Asset Management, LLC Eleven Madison Avenue New York, New York 10010 (1956)	Trustee, Chief Executive Officer and President	Trustee since 2017 Chief Executive Officer and President since 2010	Managing Director of Credit Suisse; Global Head and Chief Investment Officer of the Credit Investments Group; Associated with Credit Suisse or its predecessor since 1997; Officer of other Credit Suisse Funds.	9	None.

[1] Subject to the Trust's retirement policy, each Trustee may continue to serve as a Trustee until the last day of the calendar year in which the applicable Trustee attains age 75. Officer serves until his or her respective successor has been duly elected and qualified.

[2] Mr. Popp is an "interested person" of the Trust, as defined in the 1940 Act, by virtue of his current position as an officer of Credit Suisse.

Name, Address (Year of Birth)	Position(s) Held with Portfolio	Term of Office[1] and Length of Time Served	Principal Occupation(s) During Past Five Years
Officers*			
Emidio Morizio Credit Suisse Asset Management, LLC Eleven Madison Avenue New York, New York 10010 (1966)	Chief Compliance Officer	Since Portfolio Inception	Managing Director and Global Head of Compliance of Credit Suisse since 2010; Associated with Credit Suisse since July 2000; Officer of other Credit Suisse Funds.
Lou Anne McInnis Credit Suisse Asset Management, LLC Eleven Madison Avenue New York, New York 10010 (1959)	Chief Legal Officer	Since 2015	Director of Credit Suisse; Associated with Credit Suisse since April 2015; Counsel at DLA Piper US LLP from 2011 to April 2015; Associated with Morgan Stanley Investment Management from 1997 to 2010; Officer of other Credit Suisse Funds.
Omar Tariq Credit Suisse Asset Management, LLC Eleven Madison Avenue New York, New York 10010 (1983)	Chief Financial Officer and Treasurer	Since 2019	Director of Credit Suisse since 2019; Senior Manager of PricewaterhouseCoopers,LLP from September 2010 to March 2019; Officer of other Credit Suisse Funds.
Karen Regan Credit Suisse Asset Management, LLC Eleven Madison Avenue New York, New York 10010 (1963)	Vice President and Secretary	Since 2010	Vice President of Credit Suisse; Associated with Credit Suisse since December 2004; Officer of other Credit Suisse Funds.

[1] Subject to the Trust's retirement policy, each Trustee may continue to serve as a Trustee until the last day of the calendar year in which the applicable Trustee attains age 75. Officer serves until his or her respective successor has been duly elected and qualified.

* The officers of the Trust shown are officers that make policy decisions.

The Statement of Additional Information includes additional information about the Trustees and is available, without charge, upon request, by calling 877-870-2874.

Credit Suisse Trust — Commodity Return Strategy Portfolio
Proxy Voting and Portfolio Holdings Information (unaudited)

Information regarding how the Portfolio voted proxies related to its portfolio securities during the 12-month period ended June 30 of each year, as well as the policies and procedures that the Portfolio uses to determine how to vote proxies relating to its portfolio securities are available:

- By calling 1-877-870-2874
- On the Portfolio's website, www.credit-suisse.com/us/funds
- On the website of the Securities and Exchange Commission, www.sec.gov

The Portfolio files a complete schedule of its portfolio holdings for the first and third quarters of its fiscal year with the SEC as an exhibit to its reports on Form N-PORT, and for reporting periods ended prior to March 31, 2019, filed such information on Form N-Q. The Portfolio's Forms N-PORT and N-Q are available on the SEC's website at www.sec.gov.



P.O. Box 219916, Kansas City, MO 64121-9916
877-870-2874 ■ www.credit-suisse.com/us/funds

CREDIT SUISSE SECURITIES (USA) LLC, DISTRIBUTOR. TRCOM-AR-1219

Prospectus Supplements

The following prospectus supplements are included herein (in chronological order):

- Russell Investment Funds prospectus supplement dated September 11, 2019
- Russell Investment Funds – LifePoints® Funds, Variable Target Portfolio Series prospectus supplement dated September 11, 2019
- Northwestern Mutual Series Fund, Inc. prospectus supplement dated October 17, 2019
- Northwestern Mutual Series Fund, Inc. prospectus supplement dated December 9, 2019
- Russell Investment Funds prospectus supplement dated December 27, 2019
- Russell Investment Funds – LifePoints® Funds, Variable Target Portfolio Series prospectus supplement dated December 27, 2019
- Northwestern Mutual Variable Life Account and Northwestern Mutual Variable Life Account II prospectus supplement dated February 28, 2020

RUSSELL INVESTMENT FUNDS
Supplement dated September 11, 2019 to
PROSPECTUS DATED MAY 1, 2019,
As supplemented May 24, 2019 and
June 10, 2019

I. U.S. SMALL CAP EQUITY FUND RISK/RETURN SUMMARY: The following replaces the list of money managers in the sub-section entitled "Management" in the Risk/Return Summary section for the U.S. Small Cap Equity Fund in the Prospectus listed above:

- Ancora Advisors, LLC
- Boston Partners Global Investors, Inc.
- Calamos Advisors LLC
- Copeland Capital Management, LLC
- DePrince, Race & Zollo, Inc.
- Jacobs Levy Equity Management, Inc.
- Penn Capital Management Company, Inc.
- Ranger Investment Management, L.P.

II. GLOBAL REAL ESTATE SECURITIES FUND RISK/RETURN SUMMARY: The following replaces the list of money managers in the sub-section entitled "Management" in the Risk/Return Summary section for the Global Real Estate Securities Fund in the Prospectus listed above:

- Cohen & Steers Capital Management, Inc., Cohen & Steers UK Limited and Cohen & Steers Asia Limited
- RREEF America L.L.C., Deutsche Investments Australia Limited and Deutsche Alternative Asset Management (Global) Limited, operating under the brand name Deutsche Asset Management

III. STRATEGIC BOND FUND RISK/RETURN SUMMARY: The following replaces the list of money managers in the sub-section entitled "Management" in the Risk/Return Summary section for the Strategic Bond Fund in the Prospectus listed above:

- Colchester Global Investors Limited
- Schroder Investment Management North America Inc.
- Western Asset Management Company and Western Asset Management Company Limited

IV. GLOBAL REAL ESTATE SECURITIES FUND INVESTMENT OBJECTIVE AND INVESTMENT STRATEGIES: The following replaces the third paragraph in the sub-section entitled "Principal Investment Strategies" for the Global Real Estate Securities Fund in the Prospectus listed above:

RIM provides or oversees the provision of all investment advisory and portfolio management services for the Fund. The Fund is advised by RIM and multiple money managers unaffiliated with RIM pursuant to a "multi-manager" approach. Subject to the approval of the Fund's Board of Trustees, RIM selects, oversees and evaluates the Fund's money managers and allocates Fund assets among itself and multiple money manager investment strategies. The Fund's money managers have non-discretionary asset management assignments pursuant to which they provide a model portfolio to RIM representing their investment recommendations, based upon which RIM purchases and sells securities for the Fund. RIM also manages Fund assets not allocated to money manager strategies and the Fund's cash balances and may manage portions of the Fund during transitions between money manager strategies.

With respect to the portion of the Fund that RIM manages based upon money manager model portfolios, RIM constructs a portfolio that represents the aggregation of the model portfolios based upon RIM's allocation to each money manager's strategy. RIM then implements the portfolio consistent with the

aggregation of the model portfolios, but may deviate from such aggregation primarily for the purposes of exposure and transaction cost management. For this portion of the Fund, RIM purchases and sells securities at the times and in the manner considered by RIM to be efficient for the Fund and it is expected that, generally, trades will be effected on a periodic basis, unless RIM determines that more frequent trading is appropriate due to changing market conditions or other significant factors.

V. MONEY MANAGER CHANGES: The following replaces the information in the "Money Manager Information" section for the U.S. Small Cap Equity, Global Real Estate Securities and Strategic Bond Funds in the Prospectus listed above:

U.S. Small Cap Equity Fund

Ancora Advisors, LLC, 6060 Parkland Boulevard, Suite 200, Cleveland, OH 44124.

Boston Partners Global Investors, Inc., One Grand Central Place, 60 East 42nd St., Suite 1550, New York, NY 10165.

Calamos Advisors LLC, 2020 Calamos Court, Naperville, IL 60563-2787.

Copeland Capital Management, LLC, Eight Tower Bridge, 161 Washington St., Suite 1650, Conshohocken, PA 19428.

DePrince, Race & Zollo, Inc., 250 Park Avenue South, Suite 250, Winter Park, FL 32789.

Jacobs Levy Equity Management, Inc., 100 Campus Drive, 2nd Floor West, Florham Park, NJ 07932-0650.

Penn Capital Management Company, Inc., The Navy Yard Corporate Center, 1200 Intrepid Avenue, Suite 400, Philadelphia, PA 19112.

Ranger Investment Management, L.P., 2828 N. Harwood Street, Suite 1900, Dallas, TX 75201.

Global Real Estate Securities Fund

Cohen & Steers Capital Management, Inc., 280 Park Avenue, 10th Floor, New York, NY 10017-1216, Cohen & Steers UK Limited, 50 Pall Mall, 7th Floor, London SW1Y 5JH, United Kingdom and Cohen & Steers Asia Limited, Suites 1201-02 Champion Tower, 3 Garden Road, Central Hong Kong.

RREEF America L.L.C. 222 S. Riverside Plaza, Chicago, IL 60606, Deutsche Investments Australia Limited, Deutsche Bank Place, Level 16, Corner of Hunter and Phillip Streets, Sydney NSW 2000 Australia and Deutsche Alternative Asset Management (Global) Limited, 70 Victoria Street, The Zig Zag Building - Westminster, London SW1E 6SQ, United Kingdom.

Strategic Bond Fund

Colchester Global Investors Limited, Heathcoat House, 4th Floor, 20 Savile Row, London, England W1S 3PR United Kingdom.

Schroder Investment Management North America Inc., 7 Bryant Park 19th Floor, New York, NY 10018.

Western Asset Management Company, 385 East Colorado Boulevard, Pasadena, CA 91101, and Western Asset Management Company Limited, 10 Exchange Square, Primrose Street, London, England EC2A 2EN United Kingdom.

RUSSELL INVESTMENT FUNDS
Supplement dated September 11, 2019 to
PROSPECTUS DATED May 1, 2019
As Supplemented June 10, 2019

I. CHANGE IN TARGET ASSET ALLOCATIONS: Effective on or about November 13, 2019, each Fund's target allocation to the Underlying Funds in which it invests will be modified. As a result, the following changes are made to the Prospectus listed above:

(i) RISK/RETURN SUMMARY: The following is added after the fourth sentence in the first paragraph of the relevant Fund's "Principal Investment Strategies of the Fund" sub-section of the Risk/Return Summary section of the Prospectus listed above:

Moderate Strategy Fund: Effective on or about November 13, 2019, the Fund's allocation to the Underlying Funds in which it invests will be modified and RIM expects that the Fund's approximate target allocation on or about November 13, 2019 will be 34% to equity, 52% to fixed income, 12% to multi-asset and 2% to alternative asset classes.

Balanced Strategy Fund: Effective on or about November 13, 2019, the Fund's allocation to the Underlying Funds in which it invests will be modified and RIM expects that the Fund's approximate target allocation on or about November 13, 2019 will be 53% to equity, 33% to fixed income, 10% to multi-asset and 4% to alternative asset classes.

Growth Strategy Fund: Effective on or about November 13, 2019, the Fund's allocation to the Underlying Funds in which it invests will be modified and RIM expects that the Fund's approximate target allocation on or about November 13, 2019 will be 70% to equity, 16% to fixed income, 10% to multi-asset and 4% to alternative asset classes.

Equity Growth Strategy Fund: Effective on or about November 13, 2019, the Fund's allocation to the Underlying Funds in which it invests will be modified and RIM expects that the Fund's approximate target allocation on or about November 13, 2019 will be 80% to equity, 11% to fixed income, 4% to multi-asset and 5% to alternative asset classes.

(ii) INVESTMENT OBJECTIVE AND INVESTMENT STRATEGIES OF THE FUNDS: On or about November 13, 2019, the following replaces the second paragraph and asset allocation table in the sub-section entitled "Principal Investment Strategies" in the "Investment Objective and Investment Strategies of the Funds" section in the Prospectus listed above:

The following table shows the Funds' approximate expected target strategic asset allocations to equity, fixed income, multi-asset and alternative asset classes on or about November 13, 2019.

Asset Allocation*	Moderate Strategy Fund	Balanced Strategy Fund	Growth Strategy Fund	Equity Growth Strategy Fund
Equity	34%	53%	70%	80%
Fixed Income	52%	33%	16%	11%
Multi-Asset	12%	10%	10%	4%
Alternative#	2%	4%	4%	5%

* As described below, actual asset allocation may vary.

\# Alternative Underlying Funds pursue investment strategies that differ from those of traditional broad market equity or fixed income funds.

II. INVESTMENT OBJECTIVE AND INVESTMENT STRATEGIES OF THE UNDERLYING FUNDS:
The following replaces the second paragraph in the sub-section entitled "Principal Investment Strategies" for the RIC Global Infrastructure Fund in the Prospectus listed above:

Russell Investment Management, LLC ("RIM") provides or oversees the provision of all investment advisory and portfolio management services for the Fund. The Fund is advised by RIM and multiple money managers unaffiliated with RIM pursuant to a multi-manager approach. The Fund's money managers have non-discretionary asset management assignments pursuant to which they provide a model portfolio to RIM representing their investment recommendations, based upon which RIM purchases and sells securities for the Fund. For Fund assets not allocated to money manager strategies, RIM utilizes quantitative and/or rules-based processes and qualitative analysis to assess Fund characteristics and invest in securities and instruments which provide the desired exposures. RIM may use strategies based on indexes. RIM also manages the Fund's cash balances. The Fund usually, but not always, pursues a strategy to be fully invested by exposing all or a portion of its cash to the performance of appropriate markets by purchasing equity securities and/or derivatives, which typically include index futures contracts.

Northwestern Mutual Series Fund, Inc.
Prospectus Supplement Dated October 17, 2019

The following information supplements the Statutory Prospectus for the Northwestern Mutual Series Fund, Inc. (the "Fund") dated May 1, 2019, as supplemented June 28, 2019, September 6, 2019 and September 30, 2019 (the "Prospectus"). You should read this Supplement together with the Prospectus.

Amended Fee Table for Large Cap Blend Portfolio

Effective immediately, within the Portfolio Summary relating to the Large Cap Blend Portfolio (the "Portfolio"), the fee table for the Portfolio under "Fees and Expenses of the Portfolio" is amended to add a footnote indicating that the Total Annual Operating Expenses of the Portfolio were restated to reflect current expenses. No fee and expense numbers in the table have been changed in connection with this amendment. The amended fee table is set forth below:

Shareholder Fees (fees paid directly from your investment)	N/A
Annual Portfolio Operating Expenses (expenses that you pay each year as a percentage of the value of your investment)	
Management Fee	0.76%
Distribution and Service (12b-1) Fees	None
Other Expenses	0.05%
Acquired Fund Fees and Expenses	0.01%
Total Annual Portfolio Operating Expenses [(1) (2)]	0.82%
Fee Waiver [(3)]	(0.01)%
Total Annual Portfolio Operating Expenses After Fee Waiver [(1), (3)]	0.81%

[(1)] Includes fees and expenses incurred indirectly by the Portfolio as a result of investments in other investment companies (Acquired Fund Fees and Expenses). The operating expenses of the Portfolio reflected in the Portfolio's most recent annual report and Financial Highlights do not include Acquired Fund Fees and Expenses.

(2) Restated to reflect current expenses.

(3) The Portfolio's investment adviser has entered into a written agreement to waive a portion of its management fee. This fee waiver agreement may be terminated by the adviser at any time after April 30, 2020.

Amended Fee Table for Equity Income Portfolio

Effective immediately, within the Portfolio Summary relating to the Equity Income Portfolio (the "Portfolio"), the fee table for the Portfolio under "Fees and Expenses of the Portfolio" is amended to add a footnote indicating that the Total Annual Operating Expenses of the Portfolio were restated to reflect current expenses. No fee and expense numbers in the table have been changed in connection with this amendment. The amended fee table is set forth below:

Shareholder Fees (fees paid directly from your investment)	N/A
Annual Portfolio Operating Expenses (expenses that you pay each year as a percentage of the value of your investment)	
Management Fee	0.63%
Distribution and Service (12b-1) Fees	None
Other Expenses	0.02%
Total Annual Portfolio Operating Expenses [(1)]	0.65%
Fee Waiver [(2)]	(0.05)%
Total Annual Portfolio Operating Expenses After Fee Waiver [(2)]	0.60%

[(1)] Restated to reflect current expenses.

[(2)] The Portfolio's investment adviser has entered into a written agreement to waive a portion of its management fee. This fee waiver agreement may be terminated by the adviser at any time after April 30, 2020.

Amended Fee Table for Mid Cap Value Portfolio

Effective immediately, within the Portfolio Summary relating to the Mid Cap Value Portfolio (the "Portfolio"), the fee table for the Portfolio under "Fees and Expenses of the Portfolio" is amended to add a footnote indicating that the Total Annual Operating Expenses of the Portfolio were restated to reflect current expenses. No fee and expense numbers in the table have been changed in connection with this amendment. The amended fee table is set forth below:

Shareholder Fees (fees paid directly from your investment)	N/A
Annual Portfolio Operating Expenses (expenses that you pay each year as a percentage of the value of your investment)	
Management Fee	0.85%
Distribution and Service (12b-1) Fees	None
Other Expenses	0.04%
Acquired Fund Fees and Expenses	0.01%

Total Annual Portfolio Operating Expenses [1], [2]	0.90%
Fee Waiver [3]	(0.14)%
Total Annual Portfolio Operating Expenses After Fee Waiver [1], [3]	0.76%

[1] Includes fees and expenses incurred indirectly by the Portfolio as a result of investments in other investment companies (Acquired Fund Fees and Expenses). The operating expenses of the Portfolio reflected in the Portfolio's most recent annual report and Financial Highlights do not include Acquired Fund Fees and Expenses.

[2] Restated to reflect current expenses.

[3] The Portfolio's investment adviser has entered into a written agreement to waive a portion of its management fee. This fee waiver agreement may be terminated by the adviser at any time after April 30, 2020.

Amended Fee Table for Emerging Markets Equity Portfolio

Effective immediately, within the Portfolio Summary relating to the Emerging Markets Equity Portfolio (the "Portfolio"), the fee table for the Portfolio under "Fees and Expenses of the Portfolio" is amended to add a footnote indicating that the Total Annual Operating Expenses of the Portfolio were restated to reflect current expenses. No fee and expense numbers in the table have been changed in connection with this amendment. The amended fee table is set forth below:

Shareholder Fees (fees paid directly from your investment)	N/A
Annual Portfolio Operating Expenses (expenses that you pay each year as a percentage of the value of your investment)	
Management Fee	1.07%
Distribution and Service (12b-1) Fees	None
Other Expenses	0.05%
Total Annual Portfolio Operating Expenses [1]	1.12%
Fee Waiver [2]	(0.13)%
Total Annual Portfolio Operating Expenses After Fee Waiver [2]	0.99%

[1] Restated to reflect current expenses.

[2] The Portfolio's investment adviser has entered into a written agreement to waive a portion of its management fee. This fee waiver agreement may be terminated by the adviser at any time after April 30, 2020.

Amended Fee Table for Multi-Sector Bond Portfolio

Effective immediately, within the Portfolio Summary relating to the Multi-Sector Bond Portfolio (the "Portfolio"), the fee table for the Portfolio under "Fees and Expenses of the Portfolio" is amended to add a footnote indicating that the Total Annual Operating Expenses of the Portfolio were restated to reflect current expenses. No fee and expense numbers in the table have been changed in connection with this amendment. The amended fee table is set forth below:

Shareholder Fees (fees paid directly from your investment)	N/A
Annual Portfolio Operating Expenses (expenses that you pay each year as a percentage of the value of your investment)	
Management Fee	0.77%
Distribution and Service (12b-1) Fees	None
Other Expenses	0.05%
Total Annual Portfolio Operating Expenses [(1)]	0.82%
Fee Waiver [(2)]	(0.09)%
Total Annual Portfolio Operating Expenses After Fee Waiver [(2)]	0.73%

[(1)] Restated to reflect current expenses.

[(2)] The Portfolio's investment adviser has entered into a written agreement to waive a portion of its management fee. This fee waiver agreement may be terminated by the adviser at any time after April 30, 2020.

Please retain this Supplement for future reference.

Northwestern Mutual Series Fund, Inc.
Prospectus Supplement Dated December 9, 2019

The following information supplements the Statutory Prospectus for the Northwestern Mutual Series Fund, Inc. (the "Fund") dated May 1, 2019, as supplemented June 28, 2019, September 6, 2019, September 30, 2019 and October 17, 2019 (the "Prospectus"). You should read this Supplement together with the Prospectus.

Select Bond Portfolio – Portfolio Manager Update

Effective December 31, 2020, Thomas O'Connor will no longer serve as co-portfolio manager of the Select Bond Portfolio (the "Portfolio"). Accordingly, after December 31, 2020 all references to Thomas O'Connor in the Fund's Prospectus are hereby removed.

Please retain this Supplement for future reference.

RUSSELL INVESTMENT FUNDS
Supplement dated December 27, 2019 to
PROSPECTUS DATED MAY 1, 2019,
As supplemented May 24, 2019,
June 10, 2019 and September 11, 2019

I. INTERNATIONAL DEVELOPED MARKETS FUND RISK/RETURN SUMMARY:

(i) The following replaces the second paragraph in the sub-section entitled "Principal Investment Strategies of the Fund" in the Risk/Return Summary section for the for the International Developed Markets Fund in the Prospectus listed above:

Russell Investment Management, LLC ("RIM") provides or oversees the provision of all investment advisory and portfolio management services for the Fund. The Fund is advised by RIM and multiple money managers unaffiliated with RIM pursuant to a multi-style (e.g., growth, value, market-oriented and defensive) and multi-manager approach. The Fund's money managers have non-discretionary asset management assignments pursuant to which they provide a model portfolio to RIM representing their investment recommendations, based upon which RIM purchases and sells securities for the Fund. RIM manages Fund assets not allocated to money manager strategies and utilizes quantitative and/or rules-based processes and qualitative analysis to assess Fund characteristics and invest in securities and instruments which provide the desired exposures. RIM may use strategies based on indexes. RIM also manages the Fund's cash balances. The Fund usually, but not always, pursues a strategy to be fully invested by exposing all or a portion of its cash to the performance of appropriate markets by purchasing equity securities and/or derivatives, which typically include index futures contracts and forward currency contracts. The Fund may use derivatives, including stock options, country index futures and swaps or currency forwards, to (1) manage country and currency exposure as a substitute for holding securities directly or (2) facilitate the implementation of its investment strategy. The Fund may use derivatives to take both long and short positions.

(ii) The following replaces the list of money managers in the sub-section entitled "Management" in the Risk/Return Summary section for the International Developed Markets Fund in the Prospectus listed above:

- Intermede Investment Partners Limited
- Pzena Investment Management LLC
- Wellington Management Company LLP

II. MANAGEMENT OF THE FUNDS: The following replaces the tenth paragraph in the section entitled "Management of the Funds" in the Prospectus listed above:

Each Fund that lends its portfolio securities invests all or a portion of its collateral received in securities lending transactions in an unregistered cash management fund advised by RIM. RIM charges a management fee of 0.12% to this unregistered fund. Out of the management fee, RIM pays certain expenses of the unregistered fund, including an administrative fee of 0.0025% to RIFUS. RIM retains the balance of the management fee.

III. INTERNATIONAL DEVELOPED MARKETS FUND INVESTMENT OBJECTIVE AND INVESTMENT STRATEGIES: The following replaces the third paragraph in the sub-section entitled "Principal Investment Strategies" for the International Developed Markets Fund in the Prospectus listed above:

RIM provides or oversees the provision of all investment advisory and portfolio management services for the Fund. The Fund is advised by RIM and multiple money managers unaffiliated with RIM pursuant to a "multi-style, multi-manager" approach. Subject to the approval of the Fund's Board of Trustees, RIM selects, oversees and evaluates the Fund's money managers and allocates Fund assets

among itself and multiple money manager investment strategies. The Fund's money managers have non-discretionary asset management assignments pursuant to which they provide a model portfolio to RIM representing their investment recommendations, based upon which RIM purchases and sells securities for the Fund. RIM manages Fund assets not allocated to money manager strategies. RIM also manages the Fund's cash balances. RIM may also manage portions of the Fund during transitions between money managers.

IV. MONEY MANAGER INFORMATION: The following replaces the information in the "Money Manager Information" section for the International Developed Markets Fund in the Prospectus listed above:

International Developed Markets Fund

Intermede Investment Partners Limited, 75 Wells Street, Third Floor London W1T 3QH, United Kingdom.

Pzena Investment Management LLC, 320 Park Avenue, 8th Floor, New York, NY 10022.

Wellington Management Company LLP, 280 Congress Street, Boston, MA 02210.

RUSSELL INVESTMENT FUNDS
Supplement dated December 27, 2019 to
PROSPECTUS DATED May 1, 2019
As Supplemented June 10, 2019 and
September 11, 2019

I. MANAGEMENT OF THE FUNDS AND UNDERLYING FUNDS: The following replaces the thirteenth paragraph in the section entitled "Management of the Funds and Underlying Funds" in the Prospectus listed above:

Each Underlying Fund that lends its portfolio securities invests all or a portion of its collateral received in securities lending transactions in an unregistered cash management fund advised by RIM. RIM charges a management fee of 0.12% to this unregistered fund. Out of the management fee, RIM pays certain expenses of the unregistered fund, including an administrative fee of 0.0025% to RIFUS. RIM retains the balance of the management fee.

II. INVESTMENT OBJECTIVE AND INVESTMENT STRATEGIES OF THE UNDERLYING FUNDS:

(i) The following replaces the second paragraph in the sub-section entitled "Principal Investment Strategies" for the RIF International Developed Markets Fund in the Prospectus listed above:

Russell Investment Management, LLC ("RIM") provides or oversees the provision of all investment advisory and portfolio management services for the Fund. The Fund is advised by RIM and multiple money managers unaffiliated with RIM pursuant to a multi-style (e.g., growth, value, market-oriented and defensive) and multi-manager approach. The Fund's money managers have non-discretionary asset management assignments pursuant to which they provide a model portfolio to RIM representing their investment recommendations, based upon which RIM purchases and sells securities for the Fund. RIM manages Fund assets not allocated to money manager strategies and utilizes quantitative and/or rules-based processes and qualitative analysis to assess Fund characteristics and invest in securities and instruments which provide the desired exposures. RIM may use strategies based on indexes. RIM also manages the Fund's cash balances. The Fund usually, but not always, pursues a strategy to be fully invested by exposing all or a portion of its cash to the performance of appropriate markets by purchasing equity securities and/or derivatives, which typically include index futures contracts and forward currency contracts. The Fund may use derivatives, including stock options, country index futures and swaps or currency forwards, to (1) manage country and currency exposure as a substitute for holding securities directly or (2) facilitate the implementation of its investment strategy. The Fund may use derivatives to take both long and short positions.

(ii) The following replaces the second paragraph in the sub-section entitled "Principal Investment Strategies" for the RIC Global Equity Fund in the Prospectus listed above:

Russell Investment Management, LLC ("RIM") provides or oversees the provision of all investment advisory and portfolio management services for the Fund. The Fund is advised by RIM and multiple money managers unaffiliated with RIM pursuant to a multi-style (e.g., growth, value, market-oriented and defensive) and multi-manager approach. The Fund's money managers have non-discretionary asset management assignments pursuant to which they provide a model portfolio to RIM representing their investment recommendations, based upon which RIM purchases and sells securities for the Fund. RIM manages Fund assets not allocated to money manager strategies and utilizes quantitative and/or rules-based processes and qualitative analysis to assess Fund characteristics and invest in securities and instruments which provide the desired exposures. RIM may use strategies based on indexes. RIM also manages the Fund's cash balances. The Fund usually, but not always, pursues a strategy to be fully invested by exposing all or a portion of its cash to the performance of appropriate markets by

(continued on reverse side)

purchasing equity securities and/or derivatives, which typically include index futures contracts and forward currency contracts. The Fund may use derivatives, including stock options, country index futures and swaps or currency forwards, to (1) manage country and currency exposure as a substitute for holding securities directly or (2) facilitate the implementation of its investment strategy. The Fund may use derivatives to take both long and short positions.

(iii) The following sentence in the sub-section entitled "Principal Investment Strategies" for the RIC Unconstrained Total Return Fund in the Prospectus listed above is deleted:

The Fund is classified as a "non-diversified fund" under the Investment Company Act of 1940, as amended, which means that a relatively high percentage of the Fund's assets may be invested in a limited number of issuers.

III. RISKS:

The following paragraph is deleted in the Prospectus listed above:

Non-Diversification Risk

A non-diversified fund is subject to additional risk. To the extent an Underlying Fund invests a relatively high percentage of its assets in the securities of a single issuer or group of issuers, an Underlying Fund's performance will be more vulnerable to changes in the market value of the single issuer or group of issuers, and more susceptible to risks associated with a single economic, political or regulatory occurrence, than it would be if the Underlying Fund were a diversified fund.

THE NORTHWESTERN MUTUAL LIFE INSURANCE COMPANY

NORTHWESTERN MUTUAL VARIABLE LIFE ACCOUNT
SUPPLEMENT TO THE PROSPECTUSES

VARIABLE LIFE (DATED MAY 1, 2019)
VARIABLE COMPLIFE® (DATED MAY 1, 2019)
VARIABLE JOINT LIFE (DATED MAY 1, 2019)
VARIABLE EXECUTIVE LIFE (DATED MAY 1, 2019)

NORTHWESTERN MUTUAL VARIABLE LIFE ACCOUNT II
SUPPLEMENT TO THE PROSPECTUSES

VARIABLE UNIVERSAL LIFE PLUS (DATED NOVEMBER 11, 2019)
EXECUTIVE VARIABLE UNIVERSAL LIFE – II (DATED NOVEMBER 11, 2019)
VARIABLE UNIVERSAL LIFE PLUS – NY (DATED JANUARY 1, 2020)
CUSTOM VARIABLE UNIVERSAL LIFE (DATED MAY 1, 2019)
EXECUTIVE VARIABLE UNIVERSAL LIFE (DATED MAY 1, 2019)
SURVIVORSHIP VARIABLE UNIVERSAL LIFE (DATED MAY 1, 2019)

This Supplement and Notice describes changes to the investment options available under your variable life insurance policy (the "Policy") issued by the Northwestern Mutual Life Insurance Company (the "Company").

Unless notice is provided to the contrary, the Company anticipates that on or around May 1, 2020 it will automatically transfer any amounts you have in Divisions investing in the following portfolios from the portfolio's current Rule 12b-1 share class (current class) to a share class of the same portfolio that does not have a Rule 12b-1 fee (new class):

Fund Family	**Portfolio**	**Current Class**	**New Class**
Fidelity® Variable Insurance Products	Fidelity® VIP Mid Cap Portfolio	Service Class 2 Shares	Initial Class Shares
Fidelity® Variable Insurance Products	Fidelity® VIP Contrafund® Portfolio	Service Class 2 Shares	Initial Class Shares
Credit Suisse Trust	Commodity Return Strategy Portfolio	Class 1 Shares	Class 2 Shares

The portfolios will continue to be managed by the same investment advisor according to the same investment objectives and policies and for the same investment advisory and other fee structure as before the transaction. However, expenses related to investment in the new class of the portfolios will not reflect a 0.25% Rule 12b-1 fee. After the transaction the portfolios' current class will no longer be available for investment under the Policy.

This change will not result in a change in your Policy Value nor will your rights or our obligations under the Policy be altered except that allocations as of the date of the transaction to the current Rule 12b-1 class will be replaced with allocations to the new, non-Rule 12b-1 class, including any systematic allocations currently in place such as dollar-cost average programs, rebalancing, asset allocation model or other scheduled transactions. You will not incur any fees or charges as a result of the transaction and we or our affiliates will bear all expenses incurred in connection with the transaction. You will receive a summary or statutory prospectus for the new class of shares with the May 1, 2020 prospectus for your Policy.

If you have any questions concerning the Substitution, please contact your Registered Representative or the Variable Life Service Center, toll-free at 1-866-424-2609.

Please read this Supplement and Notice carefully and keep it with your Prospectus for future reference.

This Supplement is dated February 28, 2020.

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This booklet contains information about the Northwestern Mutual variable insurance products and the variable investment options identified on the front cover. The variable investment options correspond with the investment divisions available under the variable insurance product ("Product"). **The information is prepared for Product owners and does not represent an offer of the Product, nor should it be used in connection with any offer, except when accompanied or preceded by the current Product prospectus and the variable investment option prospectuses, which contain detailed information about variable investment option investment objectives and operations, applicable fees, expenses and sales charges. Prospectuses may be obtained by calling the telephone number or visiting the website address listed on the inside of the front cover. You should read and carefully consider this information before you invest or send money.** The variable investment option reports are prepared from the books and records of the options. Discussions of investment performance in the reports represent the views of the options' portfolio managers as of the dates of the reports. They are not guarantees of investment results, nor should they be relied upon as investment advice or indications of current or future trading strategies of the portfolio managers. Portfolio manager views and security holdings are subject to change at any time.

NMIS is a member of Financial Industry Regulatory Authority (FINRA) and in accordance with the Investor Education and Protection Rule, we are providing our clients information regarding FINRA BrokerCheck, a free resource available to investors. An investor brochure describing FINRA BrokerCheck may be obtained online from FINRA's website at FINRA.org or by contacting the FINRA BrokerCheck Help Line at 800-289-9999.

Northwestern Mutual is the marketing name for The Northwestern Mutual Life Insurance Company (NM), Milwaukee, WI (life and disability insurance, annuities, and life insurance with long-term care benefits) and its subsidiaries. Northwestern Long Term Care Insurance Company, Milwaukee, WI (long-term care insurance) is a subsidiary of NM.

Product Distributor: **Northwestern Mutual Investment Services, LLC (NMIS)**,
720 East Wisconsin Avenue, Milwaukee, WI 53202-4797, 1-866-664-7737, member FINRA and SIPC

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