

SYSTEMATIC GLOBAL MACRO MAJOR MARKETS

OVERVIEW

The GMO Systematic Global Macro Major Markets Strategy's investment objective is long-term total return. The Strategy takes both long and short positions in a range of global equity, bond, currency, commodity, and over-the-counter (OTC) markets using exchange-traded OTC futures, forward non-U.S. currency contracts, swaps on commodity and equity indices, and index options.

The Systematic Global Macro team's investment process systematically applies value and sentiment strategies across global markets. We believe that markets are inefficient but, in the long term, that economic reality will prevail and markets will revert toward fair value; however, the timing of this is uncertain. We aim to profit from mean reversion by buying markets that we believe are depressed in price and shorting markets that we believe are trading at inflated values. To deal with the uncertainty of timing, we model investor sentiment.

CUMULATIVE TOTAL RETURNS (USD, NET OF FEES, %)

	<i>MTD</i>	<i>QTD</i>	<i>YTD</i>	<i>2023</i>	<i>2022</i>	<i>2021</i>	<i>2020</i>	<i>2019</i>
Composite	-2.27	-1.59	-0.73	4.48	2.89	-5.55	6.61	1.84
Benchmark	0.40	0.83	5.03	5.26	1.50	0.05	0.58	2.25

ANNUALIZED TOTAL RETURNS (USD, NET OF FEES, %)

	<i>1 Year</i>	<i>3 Years</i>	<i>5 Years</i>	<i>10 Years</i>	<i>ITD</i>
Composite	0.77	2.63	1.61	1.50	2.07
Benchmark	5.53	3.92	2.49	1.75	1.35

FACTS

Strategy Inception	03-Oct-11
Composite Inception	31-Oct-11
Total Assets	\$57mm USD
Benchmark	FTSE 3-Mo. TBill

RISK PROFILE (5-YEAR TRAILING)

Sharpe Ratio	-0.16
Standard Deviation	5.61
Max Port. Drawdown (31-Dec-20 - 31-Oct-22)	-10.19

PORTFOLIO MANAGEMENT



Jason Halliwell, CFA
Joined GMO in 1999
BCOMM, University of
Queensland

Performance Returns: Returns shown for periods greater than one year are on an annualized basis. To obtain performance information to the most recent month-end, visit www.gmo.com. **Performance data quoted represents past performance and is not predictive of future performance.** Net returns are presented after the deduction of a model advisory fee and incentive fee if applicable. These returns include transaction costs, commissions and withholding taxes on foreign income and capital gains and include the reinvestment of dividends and other income, as applicable. Fees paid by accounts within the composite may be higher or lower than the model fees used. **GMO LLC claims compliance with the Global Investment Performance Standards (GIPS®).** A Global Investment Performance Standards (GIPS®) Composite Report is available on GMO.com by clicking the GIPS® Composite Report link in the documents section of the strategy page. GIPS® is a registered trademark owned by CFA Institute. CFA Institute does not endorse or promote this organization, nor does it warrant the accuracy or quality of the content contained herein. Actual fees are disclosed in Part 2 of GMO's Form ADV and are also available in each strategy's Composite Report.

SYSTEMATIC GLOBAL MACRO MAJOR MARKETS

EQUITY MARKET SELECTION (% NET WEIGHT)

	<i>Portfolio</i>
North America	-17.26
Europe	7.16
Asia and Oceania	3.92
South America and Africa	-0.79
Total	-6.97

FIXED INCOME MARKETS (% NET WEIGHT)

	<i>Portfolio</i>
North America	9.63
Europe	-0.97
Total	8.66

CURRENCY MARKETS (% NET WEIGHT)

	<i>Portfolio</i>
North America	10.14
Europe	5.17
Asia and Oceania	-1.59
USD	-13.72

COMMODITY MARKETS (% NET WEIGHT)

	<i>Portfolio</i>
North America	-5.78
Total	-5.78

SYSTEMATIC GLOBAL MACRO MAJOR MARKETS

IMPORTANT INFORMATION

Benchmark(s): The FTSE 3-Month Treasury Bill Index is an independently maintained and widely published index comprised of short-term U.S. Treasury bills.

The above information is based on a representative account in the Strategy selected because it has the fewest restrictions and best represents the implementation of the Strategy.

GLOSSARY

Exposures Summary: The U.S. Dollar exposure is a balancing item for foreign exchange positions. It should not be included in gross exposure calculations. The Cash exposure is a balancing item for all other positions (including foreign exchange, but excluding U.S. Dollar). It should not be included in gross exposure calculations.

Risk Statistics: Risk profile data is net of fees. Sharpe Ratio is the return over the risk free rate per unit of risk. Std Deviation is a measure of the volatility of a portfolio. Drawdown is based on the portfolio's worst performance over the period based on monthly observations.

ABOUT GMO

Founded in 1977, GMO is a global asset manager committed to delivering superior performance and advice to our clients. We are privately owned, which allows us to singularly focus on our sole business – achieving outstanding long-term client investment outcomes. Offering multi-asset, equity, fixed income, and alternative strategies, we invest with a long-term, valuation-based philosophical approach.

AMSTERDAM

BOSTON

LONDON

SAN FRANCISCO*

SINGAPORE

SYDNEY

TOKYO**

*GMO's West Coast Hub is comprised of members of Investment, Global Client Relations, and other teams located in and around the Greater San Francisco area

**Representative Office