

# SYSTEMATIC GLOBAL MACRO

## OVERVIEW

The GMO Systematic Global Macro Trust's investment objective is long-term total return. GMO Australia aims to produce a portfolio that seeks to outperform the Bloomberg Ausbond Bank Bill Index by taking both long and short positions in a range of global equity, bond, currency, and commodity markets using exchange-traded futures and forward foreign exchange contracts, as well as by making other investments.

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. Using sentiment helps us avoid buying inexpensive assets too early and closing winning positions too quickly.

## CUMULATIVE TOTAL RETURNS (AUD, 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>
Class B	-4.01	-4.01	-9.59	6.36	8.19	-5.01	7.85	-0.92
Benchmark	0.35	0.35	1.44	3.89	1.25	0.03	0.37	1.50

## ANNUALIZED TOTAL RETURNS (AUD, NET OF FEES, %)

	<i>1 Year</i>	<i>3 Years</i>	<i>5 Years</i>	<i>10 Years</i>	<i>ITD</i>
Class B	-4.92	1.41	-0.13	2.28	6.18
Benchmark	4.24	2.19	1.55	1.83	3.22

## FACTS

APIR Code	GMO0006AU
ISIN	AU60GMO00067
Inception	9-Feb-06
Total Assets	\$860mm AUD
Management Fee	1.011% p.a.
Buy/Sell Spread	0.00%
Pricing Frequency	Daily
Distribution Frequency	Quarterly
Liquidity	Daily
Benchmark	Bloomberg AusBond Bank Bill +

## RISK PROFILE (5-YEAR TRAILING)

Sharpe Ratio	-0.21
Standard Deviation	8.08
Max Port. Drawdown (29-Dec-23 - 30-Apr-24)	-9.59

## PORTFOLIO MANAGEMENT



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

**Risks:** Risks associated with investing in the Trust may include Market Risk - Equity Securities, Market Risk - Fixed Income, Credit Risk, Small Company Risk, and Commodities Risk. For a more complete discussion of these risks and others, please consult the Trust's Information Memorandum or Product Disclosure Statement. 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](http://www.gmo.com). **Performance Returns:** Net returns are presented after the deduction of management fees and incentive fees 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. The GMO Systematic Global Macro Trust ARSN 090 799 385 ("the Trust") is issued by GMO Australia Limited ABN 30 071 502 639, AFS Licence No. 236 656. Performance data quoted represents past performance and is not predictive of future performance. Buy/Sell Spread: Entry/ Exit Transaction Cost Allowance. Distribution Frequency: Distributions are assessed on a quarterly basis. Management Fees: Inclusive of GST and net of any applicable Input Tax Credits and/or Reduced Input Tax Credits.

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## EQUITY MARKET SELECTION (% NET WEIGHT)

	<i>Portfolio</i>
North America	43.25
Europe	-2.78
Asia and Oceania	-33.46
Total	7.01

## FIXED INCOME MARKETS (% NET WEIGHT)

	<i>Portfolio</i>
North America	-6.77
Europe	3.08
Asia and Oceania	0.46
Total	-3.23

## CURRENCY MARKETS (% NET WEIGHT)

	<i>Portfolio</i>
North America	23.07
Europe	21.33
Asia and Oceania	-48.06
South America and Africa	6.02
USD	-2.36

## COMMODITY MARKETS (% NET WEIGHT)

	<i>Portfolio</i>
Energy	-11.3
Metals	-24.21
Agriculture	-1.28
Total	-36.79

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## IMPORTANT INFORMATION

**Benchmark(s):** The Bloomberg AusBond Bank Bill + Index is an internally maintained benchmark computed by GMO, comprised of (i) the Bloomberg AusBond Bank Bill through 29/11/2002, (ii) the Bloomberg AusBond Composite 0+ Yr Index through 29/04/2005, and (iii) the Bloomberg AusBond Bank Bill Index thereafter.

The Trust accepts investments from wholesale investors only. Retail investors are not able to directly invest in the Trust but may gain exposure to the Trusts by investing with certain investor directed portfolio services, master trusts, wrap accounts or custodians ("services"). GMO Australia Limited, GMO LLC, and their affiliates, do not guarantee the performance of the Trust or the repayment of an investor's capital. This information is of a general nature only and is not advice. It does not take into account the objectives, financial situation or needs of any specific investor. The offer to invest in the Trust for wholesale investors is contained in the current information memorandum. A Product Disclosure Statement ("PDS") is also available solely for use by retail investors gaining exposure to the Trust through a service. A Target Market Determination (TMD) has also been prepared for the Trust. The information memorandum PDS and TMD can be obtained by visiting our website [www.gmo.com](http://www.gmo.com). Investors should read the information memorandum or PDS, consider their own circumstances, and obtain their own advice before making an investment decision.

## 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

[www.gmo.com](http://www.gmo.com)