

# QUARTERLY INVESTMENT REVIEW

## Multi-Asset Trust

### Performance returns (AUD)

ANNUALIZED RETURNS (QUARTER-END)	Quarter-End	YTD	1-Year	3-Year	5-Year	10-Year	Since Inception
Multi-Asset Trust (net)	5.21	5.21	13.73	–	–	–	14.49
Multi-Asset Trust (gross)	5.42	5.42	14.64	–	–	–	15.41
Multi-Asset Trust Blended Index	5.41	5.41	13.31	–	–	–	14.97
Value Add	-0.20	-0.20	+0.42	–	–	–	-0.47

### Major Performance Drivers

For the quarter, the GMO Multi-Asset Trust slightly trailed the policy benchmark of 50% Bloomberg Global Agg (AUD Hedged) / 25% MSCI ACWI ex Australia (AUD Hedged) / 25% MSCI ACWI ex Australia (Unhedged).

Long-only equities represented 51% of the portfolio at the end of the quarter, with 13.4% in Emerging Markets with a distinct Value bias, 6.3% in Japan Value, 7.7% in European Opportunistic Value, 10.3% in Developed ex-U.S., 8.6% in U.S. Opportunistic Value, 2.9% in Quality Cyclical, and 1.7% in Resource equities. The equity portfolio lagged the MSCI ACWI ex Australia index return of 13.3% (unhedged in AUD) by broadly 2%. For the quarter, the regional positioning proved detrimental as the U.S. beat Developed ex-U.S., while Emerging Markets lagged Developed Markets. Security selection was also mildly negative for the quarter as Value lagged Growth in both Developed and Emerging Markets.

Alternatives represented 22% of the portfolio at quarter end and had posted a solid positive return for the period. The alternatives are invested 19.0% in Equity Dislocation and 3.5% in Systematic Global Macro. The Equity Dislocation strategy, which is 100% long Value and 100% short Growth, posted a 3.5% return, which was a very strong result as MSCI ACWI Value lost to MSCI ACWI Growth by some 2.6% for the quarter. The Systematic Global Macro strategy was a little negative, down -0.2%. The decision to invest in alternatives in lieu of greater exposure to fixed income had a small positive impact on performance as they outperformed the Bloomberg Global Agg (AUD Hedged) for the period.

Fixed income represented 27% of the portfolio at quarter end, including 5.2% in asset-backed securities, 1.8% in high-yield, 3.1% in Emerging Country Debt, 13.4% in Australian Nominals, and 3.1% in U.S. treasury positions (with some leverage). In aggregate, the fixed income exposure return was well ahead of the -0.3% return of the Bloomberg Global Agg (AUD Hedged), aided by strong returns in Emerging Country Debt and the Australian nominal bond positions.

There was no exposure to cash and equivalents at quarter end. The portfolio intends to employ currency hedges such that the currency exposure will, very broadly, reflect the AUD exposure in the benchmark.

Inception Date: 14-Oct-22

Performance for the year of inception is less than a full calendar year. Returns shown for periods less than one year are not annualized.

**Risks:** Risks associated with investing in the Fund may include Market Risk - Equities, Commodities Risk, Management and Operational Risk, Focused Investment Risk, and Foreign Investment Risk. For a more complete discussion of these risks and others, please consult the Trusts 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).

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.

**Performance data quoted represents past performance and is not indicative of future results. The investment return and principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. Current performance data may be lower or higher than the performance data provided herein.** The portfolio is not managed relative to a benchmark. References to an index are for informational purposes only. The local market in which the Fund is priced was closed for Good Friday on March 29, 2024. Therefore, the performance for the fund and corresponding benchmark will utilize March 28 for purposes of the ending valuation for the March return and the starting valuation for the April return.

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## PRODUCT OVERVIEW

The GMO Multi-Asset Trust seeks to achieve a total return greater than that of its benchmark of 25% MSCI All Country World ex Australia Index Unhedged, 25% MSCI All Country World ex Australia Index Hedged, and 50% Bloomberg Global Aggregate Index Hedged, over a complete market cycle by allocating dynamically across asset classes. GMO's proprietary 7-Year Asset Class Forecasts form the foundation of our investment process, providing a framework to assess the return opportunity embedded in different asset classes.

## IMPORTANT INFORMATION

**Comparator Index(es):** The Multi-Asset Trust Blended Index is an internally maintained benchmark computed by GMO, comprised of (i) 50% Bloomberg Global Aggregate Index, (ii) 25% MSCI ACWI (All Country World Index) ex-Australia Index (Hedged) (MSCI Standard Index Series, net of withholding tax), and (iii) 25% MSCI ACWI (All Country World Index) ex-Australia Index (MSCI Standard Index Series, net of withholding tax). MSCI data may not be reproduced or used for any other purpose. MSCI provides no warranties, has not prepared or approved this report, and has no liability hereunder.

**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.

## 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.

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\*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