

# EMERGING MARKETS EX-CHINA FUND

## Investment Review: Quarter Ending March 31, 2022

### OVERVIEW

The GMO Emerging Markets ex-China Fund seeks total return in excess of the MSCI EM ex-China Index by using proprietary quantitative techniques and fundamental analysis to evaluate and select countries, sectors, and equity investments based on valuation, quality, patterns of price movement and volatility, macroeconomic factors, and ESG (environmental, social and governance) criteria.

### PERFORMANCE (%)

Net of Fees, Class VI, Fair Value, USD	-21.29
Gross of Fees, Class VI, Local Close, USD	-20.96
MSCI Emerging Markets ex-China <sup>1</sup>	-3.50
<b>Value Added</b>	<b>-17.45</b>

### Major Performance Drivers

Emerging markets dropped as investors fretted over the fallout of the crisis in Ukraine, tightening U.S. monetary policy, and the impact of Covid on China. Country returns over the quarter varied, ranging from a wipeout in Russia to a 35.9% leap in Brazil.

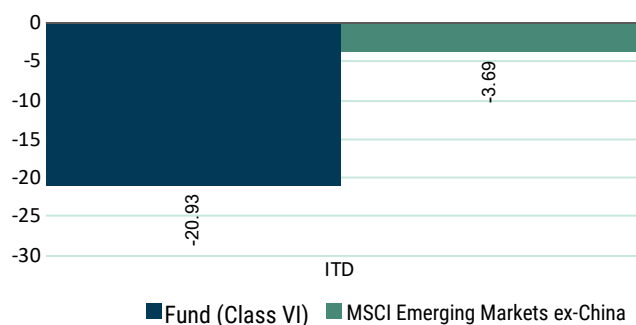
Investors in Brazil looked past their concerns on fiscal matters and the upcoming presidential election to focus on depressed valuations. Also helping sentiment was the jump in commodity prices. Our underweight in Brazil Financials hurt performance.

The jump in commodity prices was a major boost to countries such as Mexico, which have significant commodity exports. Our overweight in Mexico Financials helped performance.

Russian equities went into a freefall over the Ukraine invasion. Our overweight in Russian sectors such as Materials, Energy, and Financials was a big blow to performance.

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 investors 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. To obtain performance information to the most recent month-end, visit [www.gmo.com](http://www.gmo.com). Gross Expense Ratio of 1.07% is equal to the Funds Total Annual Operating Expenses set forth in the Funds most recent prospectus dated June 30, 2021.

### ANNUALIZED RETURN (%) AS OF 03/31/2022



Inception date: 10/18/2021

Includes purchase premiums and redemption fees impact if applicable.

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**An investor should consider the fund's investment objectives, risks, charges and expenses before investing. This and other important information can be found in the fund's prospectus. To obtain a prospectus please visit [www.gmo.com](http://www.gmo.com). Read the prospectus carefully before investing.**

Risks associated with investing in the Fund may include Market Risk-Equities, Non-U.S. Investment Risk, Currency Risk, Management and Operational Risk and Illiquidity Risk. For a more complete discussion of these risks and others, please consult the Fund's prospectus. The GMO Trust funds are distributed in the United States by Funds Distributor LLC. GMO and Funds Distributor LLC are not affiliated.

<sup>1</sup> The MSCI Emerging Markets ex China Index is an independently maintained and widely published index which captures large and mid cap representation within Emerging Markets (EM) countries, excluding China. 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.