

# GMO GLOBAL BOND STRATEGY

## OVERVIEW

Launched in 1995, the GMO Global Bond Strategy seeks total return in excess of the J.P. Morgan Global Government Bond Index using a variety of investment strategies covering interest-rate and currency markets as well as off-benchmark exposures to asset-backed securities, emerging country debt and other credit markets.

## PORTFOLIO MANAGEMENT



Jason Hotra

- Joined GMO in 2015
- 23 yrs industry experience
- B.S. from the Massachusetts Institute of Technology

Performance Net of Fees (USD)

### TOTAL RETURN (%)

	Portfolio	J.P. Morgan GBI Global
MTD	-0.68	-0.52
QTD	0.76	1.05
YTD	-4.83	-3.64

### ANNUAL TOTAL RETURN (%)

Year	Portfolio	J.P. Morgan GBI Global
2020	8.73	9.68
2019	6.20	6.02
2018	0.92	-0.66
2017	6.53	6.83
2016	-0.15	1.57
2015	-3.38	-2.61
2014	4.98	0.67
2013	-2.56	-4.50
2012	6.36	1.30
2011	8.30	7.22

Returns shown for periods greater than one year are on an annualized basis.

Returns for one of the accounts in the composite are based on estimated market values for the period from and including October 2008 through February 2009.

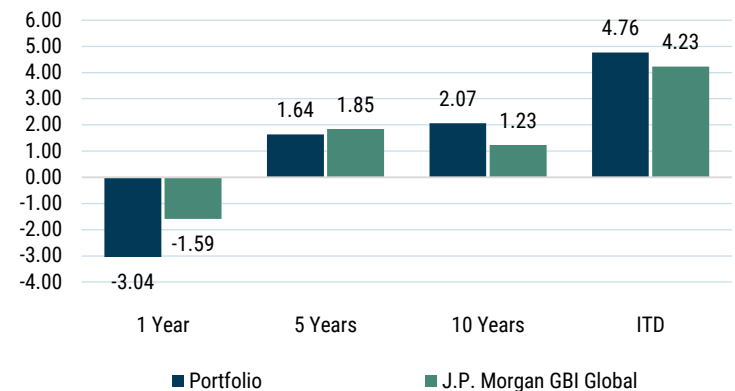
**Performance data quoted represents past performance and is not predictive of future performance.** Net returns are presented after the deduction of a model advisory fee and incentive fee if applicable. These returns include transaction costs, commissions and withholding taxes on foreign income and 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. **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.**

Risks associated with investing in the Strategy may include: Market Risk - Fixed Income Investments, Credit Risk, Illiquidity Risk, Derivatives and Short Sales Risk, and Futures Contracts Risk.

## FACTS

Strategy Inception Date	December 28, 1995
Benchmark	J.P. Morgan GBI Global
Total Assets as of 06/30/21	\$75mm USD

## ANNUALIZED RETURNS (%) AS OF 08/31/2021



Composite Inception Date: December 31, 1995

# GMO GLOBAL BOND STRATEGY

## CHARACTERISTICS

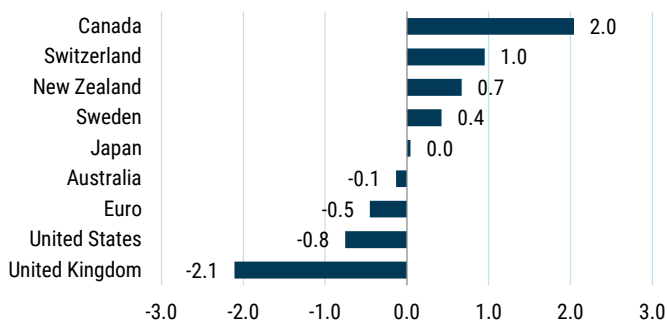
	<i>Portfolio</i>
Interest Rate Duration	8.9
Maturity	5.8Yrs.
Yield to Maturity	0.1%
Coupon	1.1%

## RISK PROFILE - 5-YEAR TRAILING

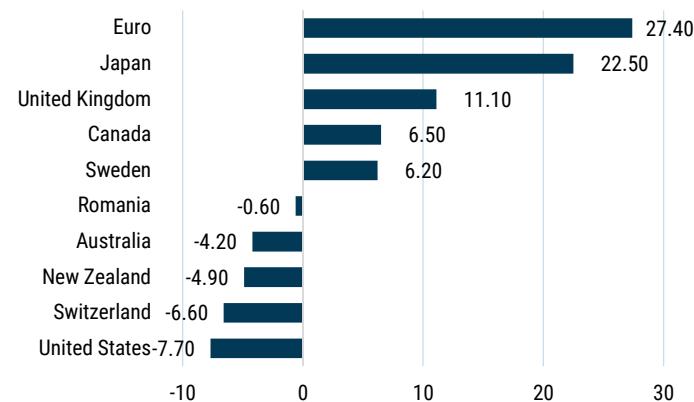
	<i>Portfolio</i>	<i>J.P. Morgan GBI Global</i>
Alpha (Jensen's)	-0.30	N/A
Beta	1.05	N/A
R Squared	0.96	N/A
Sharpe Ratio	0.10	0.16
Standard Deviation	5.32	4.95

Alpha is a measure of risk-adjusted return. Beta is a measure of a portfolio's sensitivity to the market. R-Squared is a measure of how well a portfolio tracks the market. 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. Risk profile data is net.

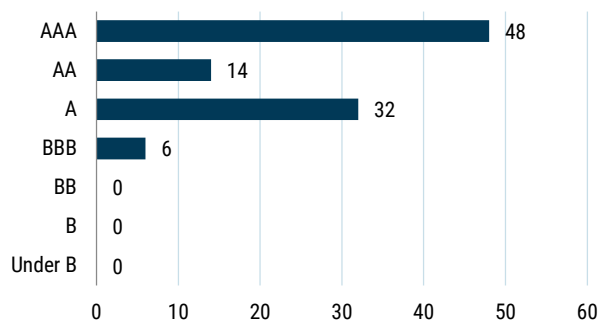
## GLOBAL RATES CONTRIBUTION TO ACTIVE DURATION (%)



## PORTFOLIO OVERLAY CURRENCY POSITIONS (%)



## PORTFOLIO RATING BREAKDOWN (%)



Currency positions are versus USD

The credit ratings above may encompass emerging debt, developed rates, and asset-backed exposure. Ratings for the emerging debt and developed rates portions of the portfolio are derived by taking the Standard and Poor's country ratings and applying these ratings to the country exposures of the portfolio. For the asset-backed portion of the portfolio, credit ratings are derived by using the lowest rating among rating agencies at the issue level. Final credit ratings are expressed based upon Standard and Poor's ratings scale. Standard & Poor's rates securities from AAA (highest quality) to C (lowest quality), and D to indicate securities in default; some securities are not rated (NR). BB and below are considered below investment grade securities. Copyright 2021, S&P Global Market Intelligence. Reproduction of any information, data or material, including ratings ("Content") in any form is prohibited except with the prior written permission of the relevant party. Such party, its affiliates and suppliers ("Content Providers") do not guarantee the accuracy, adequacy, completeness, timeliness or availability of any Content and are not responsible for any errors or omissions (negligent or otherwise), regardless of the cause, or for the results obtained from the use of such Content. In no event shall Content Providers be liable for any damages, costs, expenses, legal fees, or losses (including lost income or lost profit and opportunity costs) in connection with any use of the Content. A reference to a particular investment or security, a rating or any observation concerning an investment that is part of the Content is not a recommendation to buy, sell or hold such investment or security, does not address the suitability of an investment or security and should not be relied on as investment advice. Credit ratings are statements of opinions and are not statements of fact.

The J.P. Morgan GBI Global Index is an independently maintained and widely published index comprised of government bonds of developed countries with maturities of one year or more.

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.



**About GMO:** Founded in 1977, GMO is a private partnership whose sole business is investment management. The firm manages global portfolios with offices and clients around the world. Investment offerings include equity, fixed income, multi-asset class, and alternative strategies. GMO is known for blended fundamental and quantitative investment research expertise and a long-term orientation toward value opportunities.