

## FUND OVERVIEW

The GMO Global Equity Allocation Fund seeks total return greater than that of the MSCI All Country World Index.

The Fund uses multi-year forecasts of returns among asset classes to build a portfolio that primarily provides exposure to non-U.S. and U.S. equity markets.

## FUND FACTS

### Fund Identifier (Class III):

Ticker: GMGEX  
Cusip: 362007 14 8

**Inception:** 11/26/96

**Benchmark:** MSCI All Country World Index

**Assets:** \$1.6 Billion

### Portfolio Management:

Ben Inker

### Risks:

Risks associated with investing in the Fund may include Market Risk - Equities, Management and Operational Risk, Non-U.S. Investment Risk, Derivatives and Short Sales Risk, and Fund of Funds Risk. For a more complete discussion of these risks and others, please consult the Fund's prospectus.

### About GMO:

Founded in 1977, GMO is an independently-owned, global institutional investment manager dedicated to providing our clients with superior investment advice and performance.

### Contact Us:

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## METHODOLOGY

The Fund's methodology, driven by the investment principle that valuations revert over time to their fair value, determines allocations based on multi-year forecasts of relative value among the major equity asset classes, together with an assessment of the relative risks of such asset classes. The process analyzes country, sector, and individual security levels based on factors and characteristics such as aggregated price/book, dividend yield, cash earnings, price/cyclically-adjusted earnings, inflation, interest rates, etc. The forecasts are then used to select the underlying portfolios in which to invest and to decide how much to invest in each.

The underlying portfolios in which the Fund invests are actively managed, and equities are bought and sold according to GMO's evaluation of companies' published financial information and corporate behavior, and securities' prices. GMO uses a combination of investment methods to evaluate individual equities or groups of equities based on the ratio of their price relative to historical financial information and forecasted financial information, such as book value, cash flow, and earnings, and a comparison of these ratios to industry or market averages or to their own history.

## PORTFOLIO CONSTRUCTION

The GMO Global Equity Allocation Fund invests in other GMO-managed funds or directly in securities and derivatives. Depending upon the current valuation assessment of the global marketplace, the Fund may own different proportions of underlying portfolios at different times. The Fund attempts to rebalance when the investment outlook has changed, when cash flows occur, or when there has been a significant change in market valuation levels.

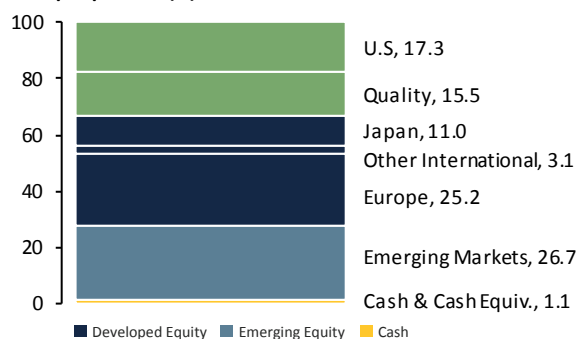
## PHILOSOPHY & APPROACH

### Harnessing the long horizon

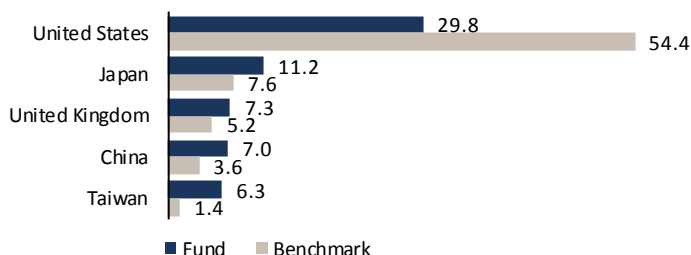


## FUND PROFILE

### Group Exposures (%)<sup>1</sup>



### Top Country Weights (%)



### 5-Year Risk Profile<sup>2</sup>

	Fund	Benchmark
Alpha	-2.24	0.00
Beta	1.01	1.00
R <sup>2</sup>	0.94	1.00
Sharpe Ratio	0.13	0.34
Std. Deviation	11.21	10.78

### Characteristics

	Fund	Benchmark
Price/Earnings - Hist 1 Yr Wtd Median	12.4 x	17.4 x
Price/Book - Hist 1 Yr Wtd Avg	1.6 x	2.1 x
Return on Equity - Hist 1 Yr Med	16.9 %	16.7 %
Market Cap - Weighted Median \$Bil	\$23.5	\$45.3
Number of Equity Holdings	1,085	2,549

### Top Holdings<sup>3</sup>

Company	Country	Sector	% of Equity
Taiwan Semiconductor	Taiwan	Information Tech.	1.3
GlaxoSmithKline PLC	United Kingdom	Health Care	1.3
Alphabet Inc.	United States	Communication Svcs.	1.2
Allianz AG Holding	Germany	Financials	1.2
Apple Inc.	United States	Information Tech.	1.1
<b>Total</b>			<b>6.1</b>

<sup>1</sup> The groups indicated above represent exposures determined pursuant to proprietary methodologies and are subject to change over time.

<sup>2</sup> **Alpha** is a measure of risk-adjusted return; **Beta** is a measure of a portfolio's sensitivity to the market; **R<sup>2</sup>** 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.

<sup>3</sup> Portfolio holdings are percent of equity. They are subject to change and should not be considered a recommendation to buy individual securities.

## PERFORMANCE NET OF FEES (CLASS III)

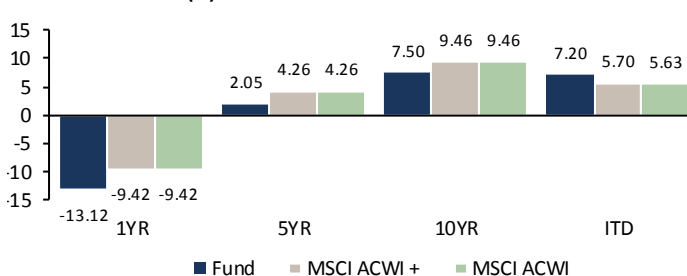
### Total Return (%)<sup>1</sup>

	Fund	MSCI ACWI +	MSCI ACWI
4Q 2018	-12.57	-12.75	-12.75
YTD 2018	-13.12	-9.42	-9.42

### Annual Total Return (%)<sup>1</sup>

Year	Fund	MSCI ACWI +	MSCI ACWI
2017	26.39	23.97	23.97
2016	7.97	7.86	7.86
2015	-5.83	-2.36	-2.36
2014	-0.88	4.16	4.16
2013	20.97	22.80	22.80
2012	14.69	16.13	16.13
2011	-1.95	-7.35	-7.35
2010	9.98	12.67	12.67
2009	24.50	34.63	34.63
2008	-33.09	-42.56	-42.19

### Annualized Return (%)<sup>2</sup>



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.

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. To obtain performance information to the most recent month end, visit [www.gmo.com](http://www.gmo.com).

Fees (Class III): Gross Expense Ratio 0.63% equal to the Fund's Total Annual Operating Expense set forth in the Fund's most recent prospectus dated June 30, 2018.

Net Expense Ratio 0.62% reflects the reduction of expenses from fee reimbursements. The fee reimbursements will continue until at least June 30, 2019. Elimination of this reimbursement will result in higher fees and lower performance.

<sup>1</sup> Does not include the impact of purchase premiums and redemption fees.

<sup>2</sup> Includes the impact of purchase premiums and redemption fees.

The MSCI ACWI + is an internally maintained benchmark computed by GMO, comprised of (i) the GMO Global Equity Index, an internally maintained benchmark computed by GMO, comprised of 75% S&P 500 Index and 25% MSCI ACWI ex-U.S. (MSCI Standard Index Series, net of withholding tax) through 5/31/2008 and (ii) the MSCI ACWI (MSCI Standard Index Series, net of withholding tax) thereafter. The MSCI ACWI (MSCI Standard Index Series, net of withholding tax) is an independently maintained and widely published index comprised of global developed and emerging markets. S&P does not guarantee the accuracy, adequacy, completeness or availability of any data or information and is not responsible for any errors or omissions from the use of such data or information. Reproduction of the data or information in any form is prohibited except with the prior written permission of S&P or its third party licensors. 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.

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