

GMO U.S. SMALL CAP VALUE FUND

OVERVIEW

The GMO U.S. Small Cap Value Fund seeks to generate total return in excess of its benchmark, the S&P SmallCap 600 Value Index, by investing primarily in equities of U.S. companies that are included in the Index or whose market capitalization at the time of investment is less than that of the 1000 largest publicly held companies.

PORTFOLIO MANAGEMENT



Simon Harris

- Joined GMO in 1989
- 31 yrs industry experience
- BSc from City University, London



Josh White

- Joined GMO in 2015
- 9 yrs industry experience
- Ph.D. from Harvard University

Performance Net of Fees (USD) - Share Class VI

TOTAL RETURN (%)

	Portfolio	S&P 600 Value	Russell 2000 Value
MTD	-3.63	-5.27	-4.65
QTD	5.47	2.09	2.56
YTD	-19.65	-22.88	-21.54

ANNUAL TOTAL RETURN (%)

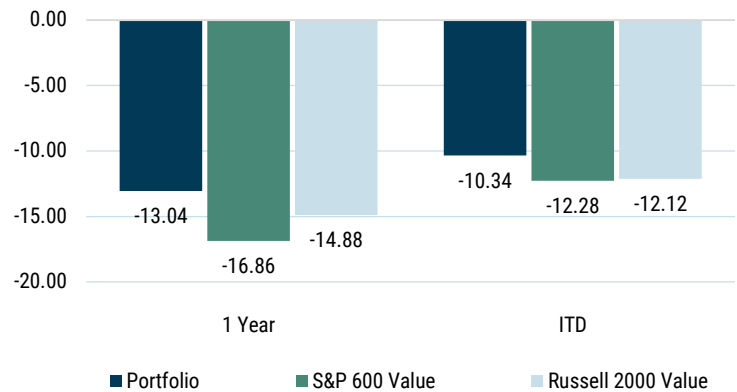
2019	8.60	10.10	8.47
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FACTS: Share Class VI

Fund Inception Date	July 2, 2019
Benchmark	S&P 600 Value
Total Assets as of 09/30/20	\$406mm USD
Ticker Symbol	GCAVX
CUSIP	36256V874
Net Expense Ratio	0.44
Gross Expense Ratio	0.44

Net Expense Ratio reflects the reduction of expenses from fee reimbursements. The fee reimbursements will continue until at least June 30, 2021. Elimination of this reimbursement will result in higher fees and lower performance. Gross Expense Ratio is equal to the Funds Total Annual Operating Expenses set forth in the Funds most recent prospectus dated June 30, 2020.

ANNUALIZED RETURNS (%) AS OF 09/30/2020



Inception Date: July 2, 2019

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

If certain expenses were not reimbursed, performance would be lower. Transaction costs, if any, are paid to the fund to offset the cost of portfolio transactions to invest or raise cash.

As of April 1, 2020, the U.S. Small Cap Value Fund changed its benchmark so that the Fund now seeks to generate total return in excess of that of the S&P SmallCap 600 Value Index. The Fund formerly sought to outperform the Russell 2000 Value Index.

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.

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 funds prospectus. To obtain a prospectus please visit www.gmo.com. Read the prospectus carefully before investing. The GMO Trust funds are distributed in the United States by Funds Distributor LLC. GMO and Funds Distributor LLC are not affiliated.

Risks associated with investing in the Fund may include those as follows. (1) Market Risk – Equities – The market price of an equity may decline due to factors affecting the issuer or its industry or the economy and equity markets generally. (2) Management and Operational Risk: The risk that GMO's investment techniques will fail to produce desired results. (3) Small Company Risk – Smaller companies may have limited product lines, markets, or financial resources, lack the competitive strength of larger companies, have inexperienced managers or depend on a few key employees. The securities of companies with smaller market capitalizations often are less widely held and trade less frequently and in lesser quantities, and their market prices often fluctuate more, than the securities of companies with larger market capitalizations. For a more complete discussion of these risks and others, please consult the Fund's prospectus.

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CHARACTERISTICS

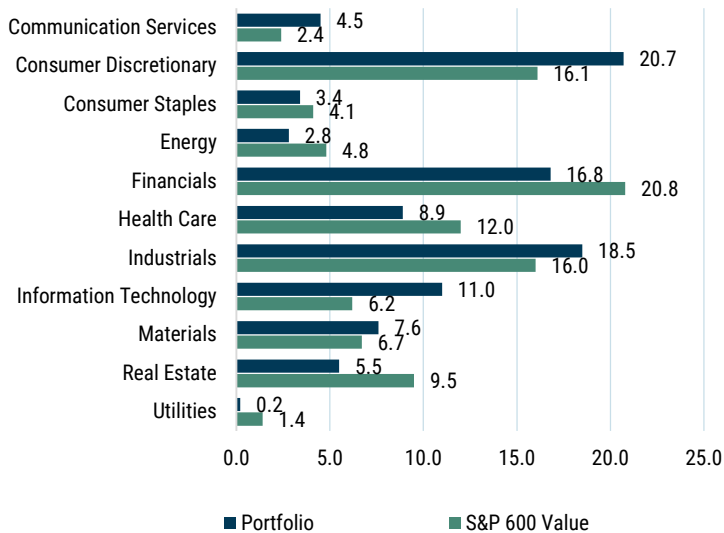
	<i>Portfolio</i>	<i>S&P 600 Value</i>
Price/Earnings - Hist 1 Yr Wtd Mdn	17.5x	42.2x
Price/Book - Hist 1 Yr Wtd Avg	1.4x	1.2x
Price/Cash Flow - Hist 1 Yr Wtd Mdn	6.4x	7.6x
Return on Equity - Hist 1 Yr Mdn	10.2%	4.9%
Market Cap - Wtd Mdn Bil	1.3 USD	1.2 USD
Number of Equity Holdings	308	452

RISK PROFILE - SINCE INCEPTION (07/31/2019)

	<i>Portfolio</i>	<i>S&P 600 Value</i>
Alpha (Jensen's)	2.65	N/A
Beta	1.04	N/A
R Squared	0.99	N/A
Sharpe Ratio	-0.42	-0.50
Standard Deviation	32.49	31.10

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.

SECTORS (%)



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TOP HOLDINGS

<i>Company</i>	<i>Sector</i>	<i>%</i>
PennyMac Financial Services Inc	Financials	2.0
Group 1 Automotive Inc	Consumer Discretionary	1.9
Big Lots Inc	Consumer Discretionary	1.8
Sanmina Corp	Information Technology	1.8
UFP Industries Inc	Industrials	1.7
Brinker International Inc	Consumer Discretionary	1.7
Insight Enterprises Inc	Information Technology	1.6
Dick's Sporting Goods Inc	Consumer Discretionary	1.5
TEGNA Inc	Communication Services	1.5
AutoNation Inc	Consumer Discretionary	1.5
Total		17.0

GICS Sector. Portfolio holdings are percent of equity. Where applicable, the top holdings are derived by looking through to the underlying funds in which the asset allocation funds invest and, where appropriate, individual security positions are aggregated. They are subject to change and should not be considered a recommendation to buy individual securities.

The S&P 600 Value Index is an independently maintained and widely published index comprised of value stocks within the S&P SmallCap 600 index. The S&P SmallCap 600 seeks to measure the small-cap segment of the U.S. equity market. Value stocks are measured using three factors: the ratios of book value, earnings, and sales to price. 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. The Russell 2000 Value Index is an independently maintained and widely published index which measures the performance of small-capitalization value securities within the U.S. equity market. Russell 2000 Index stocks are ranked by their book-to-price ratio (B/P), their I/B/E/S forecast medium-term growth (2 year) and sales per share historical growth (5 year), and those with combined lower price-to-book ratios, historical and forecasted growth rates are included in the Index. Russell Investment Group is the source and owner of the trademarks, service marks and copyrights related to the Russell Indexes. Russell is a trademark of Russell Investment Group.



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.