

SGM MAJOR MARKETS INVESTMENT FUND

Investment Review: Quarter Ending December 31, 2022

OVERVIEW

The GMO SGM Major Markets Investment Fund seeks long-term total return by investing in a portfolio of long and short positions in global equity, bond, currency, and commodity markets. We implement the Fund primarily by using liquid futures and forward non-U.S. exchange contracts.

PERFORMANCE (%)

Net of Fees, Fair Value, USD	+6.61
Gross of Fees, Local Close, USD	+6.57
FTSE 3-Mo. TBill ¹	+0.87
Value Added	+5.70

Major Performance Drivers

Equity markets finished the year with a positive quarter. Inflation seemed to be stabilizing, although it remains uncomfortably high, and central banks have continued to raise rates globally, exacerbating the situation for bond markets. For many assets, the quarter closed off what proved to be a challenging year for generating investment returns. Macro, as a sector, was one of the few that did well.

The portfolio posted a particularly strong return for the quarter, benefiting from a general recovery in equities with long positions in better-valued European and emerging countries contributing significantly to performance. Long positions in the yen and euro were well rewarded within currencies, reflecting in part, a pullback from an overextended U.S. dollar. Fixed income, held net short over the period, added minor value, and our short commodity index position had a negligible impact on performance.

Important Information

This is a marketing communication. This is not a contractually binding document. Please refer to the prospectus and to the KIID and do not base any final investment decision on this communication alone. Investors and potential investors can also obtain the prospectus and key investor information, in English and other languages, and a summary of investor rights and information on access to collective redress mechanisms at the following website: <https://www.gmo.com/europe/product-index-page/alternatives/systematic-global-macro-major-markets-strategy/sgm-major-markets-investment-fund---smurf/>. Please note that GMO Investments ICAV and GMO Funds PLC may decide to terminate the arrangements made for the marketing of the sub-funds in one or more EU member states pursuant to the UCITS marketing passport in accordance with the procedure provided for under the applicable laws that implement Article 93a of Directive 2009/65/EC (the UCITS Directive). A full list of fees and charges applied to investment can be found in the Fund Supplement or KIID, available at <https://www.gmo.com/europe/product-index-page/alternatives/systematic-global-macro-major-markets-strategy/sgm-major-markets-investment-fund---smurf/>.

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.

GMO UK Limited authorised and regulated by the Financial Conduct Authority Registered no 4658801 England. GMO Netherlands is a branch office of GMO UK Limited and is registered with the AFM. Risks associated with investing in the Fund may include Market Risk - Equities, Management and Operational Risk, Focused Investment Risk, Non-U.S. Investment Risk, and Currency Risk. For a more complete discussion of these risks and others, please consult the Fund's prospectus.

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¹ The FTSE 3-Month Treasury Bill Index is an independently maintained and widely published index comprised of short-term U.S. Treasury bills.

The above Fund has not been registered under the United States Investment Company Act of 1940, as amended, nor the U.S. Securities Act of 1933, as amended. None of the shares may be offered or sold, directly or indirectly, in the U.S. or to any U.S. Person, unless the securities are registered under the Act or an exemption from the registration requirements of the Act is available. A U.S. Person is defined as (a) any individual who is a citizen or resident of the U.S. for federal income tax purposes; (b) a corporation, partnership, or other entity created or organized under the laws of or existing in the U.S.; (c) an estate or trust the income of which is subject to U.S. federal income tax regardless of whether such income is effectively connected with a U.S. trade or business.