

## U.S. OPPORTUNISTIC VALUE FUND

## Quarterly Investment Review

ANNUALIZED RETURNS (USD, %) (QUARTER-END)

	Quarter-End	YTD	1-Year	3-Year	5-Year	10-Year	Since Inception
U.S. Opportunistic Value Fund (net)	3.05	3.05	17.34	15.04	-	-	13.26
U.S. Opportunistic Value Fund (gross)	3.15	3.15	17.81	15.49	-	-	13.70
MSCI USA Value (Gross)	0.80	0.80	11.38	13.09	-	-	10.67
Value Add vs. MSCI USA Value (Gross)	+2.25	+2.25	+5.96	+1.95	-	-	+2.58
MSCI USA (Gross)	-4.52	-4.52	17.74	18.38	-	-	17.61
Value Add vs. MSCI USA (Gross)	+7.57	+7.57	-0.40	-3.34	-	-	-4.35

Net of all fees and expenses after reimbursement by the Manager, but not transaction costs, if any. If certain expenses were not reimbursed, performance would be lower. Gross of fees, expenses and transaction costs, if any. If these fees, expenses and costs were included, performance would be lower. **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).** The portfolio is actively-managed, is not managed relative to a benchmark and uses an index for performance comparison purposes only and, where applicable, to compute a performance fee. The Index used for performance reporting purposes changed from S&P Composite 1500 to MSCI U.S.A. Value effective June 30th, 2024.

## MAJOR PERFORMANCE DRIVERS

Global equity markets started the year with positive absolute returns across regions, then fell after the U.S. and Israel decided to attack Iran, ending the quarter with all regions posting negative returns. In January and February, the U.S. underperformed markets outside the U.S. However, non-U.S. markets were most directly exposed to disruptions in the trade of energy, commodities, and other critical products from the Middle East and were the worst performers in March.

Amid the market volatility, value modestly outperformed growth in the U.S., and the MSCI USA Value Index finished the quarter with positive absolute returns. In this environment, the stocks our models identified as deep value outperformed index value, shallow value, and the broader market. Price to Fair Value and Composite Value were the strongest performing models in the period.

The success of the portfolio's deep value-oriented stock selection was seen across a wide range of sectors. Energy was a top contributor as deep value stock selection led to an overweight position as the sector dramatically outperformed in the quarter. Other areas with successful deep value stock selection included Health Care and Communication Services.

Detractors in the period were not enough to offset the strong stock selection. Headwinds included deep value stock selection in Information Technology and Consumer Discretionary, as well as underweight positioning toward Utilities.

Inception Date: 13-Dec-22

Performance for the year of inception is less than a full calendar year. Returns shown for periods greater than one year are on an annualized basis.

**Risks:** Risks associated with investing in the Fund may include: (1) Focused Investment Risk: the Fund invests its assets in the securities of a limited number of issuers, and a decline in the market price of a particular security held by the Fund may affect the Fund's performance more than if the Fund invested in the securities of a larger number of issuers; (2) Commodities Risk: commodity prices can be extremely volatile, and exposure to commodities can cause the value of the Fund's shares to decline or fluctuate more than if the Fund had a broader range of investments; and (3) Market Risk - Equities: the market price of equities may decline due to factors affecting the issuer, its industries, or the economy and equity markets generally. Declines in stock market prices generally are likely to reduce the net asset value of the Fund's shares. For a more complete discussion of these and other risks, please consult the Fund's Prospectus. **Performance Returns:** Annualized Returns may include the impact of purchase premiums and redemption fees. The GMO Trust funds are distributed in the United States by Funds Distributor LLC. GMO and Funds Distributor LLC are not affiliated.

**Net Expense Ratio: 0.39%; Gross Expense Ratio: 0.43% Net Expense Ratio reflects the reduction of expenses from fee reimbursements. The fee reimbursements will continue until at least 30 June 2026. 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 30 June 2025.**

## U.S. OPPORTUNISTIC VALUE FUND

*Quarterly Investment Review*

## PRODUCT OVERVIEW

The GMO U.S. Opportunistic Value Fund (the “Fund”) seeks to generate total return by investing primarily in U.S. equities. The Fund measures its performance against the MSCI U.S. Value Index.

GMO’s U.S. Opportunistic Value Fund seeks to profit from our Asset Allocation Team’s top-down insights as to the most attractively valued segment of the U.S. market. Currently, the team finds “deep value” (cheapest 20%) stocks to be truly dislocated in the U.S. This actively managed Fund avoids the “shallow value” stocks, which are expensive relative to their own history, and focuses solely on the deep value names. With this Fund we focus on the U.S. stocks that GMO’s Systematic Equity team identifies as the most undervalued, recognizing that relying on reported financials and index definitions of value can lead investors to misjudge the opportunity.

## IMPORTANT INFORMATION

**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](http://www.gmo.com). Read the prospectus carefully before investing.**

**Comparator Index(es):** The MSCI USA Value (Gross) Index is an independently maintained and widely published index comprised of large and mid cap US securities exhibiting overall value style characteristics. 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. The MSCI USA (Gross) Index is an independently maintained and widely published index comprised of large and mid cap segments of the US market. 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.

The GMO Trust funds are distributed in the United States by Funds Distributor LLC. GMO and Funds Distributor LLC are not affiliated.

## ABOUT GMO

Founded in 1977, GMO is a global asset manager committed to delivering superior performance and advice to our clients. We are privately owned, which allows us to singularly focus on our sole business – achieving outstanding long-term client investment outcomes. Offering multi-asset, equity, fixed income, and alternative strategies, we invest with a long-term, valuation-based philosophical approach.

AMSTERDAM

BOSTON

LONDON

SAN FRANCISCO\*

SINGAPORE

SYDNEY

TOKYO\*\*

\*GMO’s West Coast Hub is comprised of members of Investment, Global Client Relations, and other teams located in and around the Greater San Francisco area

\*\*Representative Office

[www.GMO.com](http://www.GMO.com)