

## Gyrostat Levered Absolute Return Income Equity (Class B)

Gyrostat Risk Managed Equity Fund – Address uncertainty through portfolio construction - Volatility is our friend with a 10 year track record of returns increasing with market volatility (including large market falls).

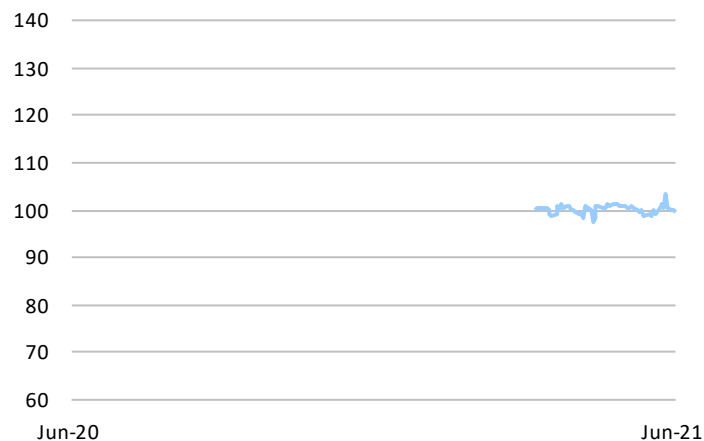
Solutions for: - Equity income (absolute return benchmarks) and Australian and international equities (vs index) with protection always in place against major market falls (sequencing).

Headquartered in Melbourne, Australia, Gyrostat are specialists in delivering diversified low and non correlated investment solutions which address sequencing and portfolio drawdown risk while delivering equity income (derived from dividend pass through and risk management overlay profits.)

The Gyrostat Levered Absolute Return Income Equity Fund is designed to generate equity income of at least BBSW + 6% (paid quarterly) with no quarterly draw-downs to exceed a pre-defined 6% limit. The strategy builds on the class A track record exceeding ten years with no quarterly drawdown greater than a pre-defined 3% limit.

Gyrostat in 2021 has expanded its risk managed investment classes.

### Performance (Growth of AUD \$100,000)



Compounded returns are net of fees and including franking credits, cash (BBSW90) includes re-investment of interest  
 Comparison is with: BBSW90 (cash)

### Net Investment Performance % \*

	1M	3M	6M	1YR	3YR (PA)	5YR (PA)	SI (PA)
Gyrostat Risk Managed Equity Fund Class B	-1.74						-0.94
BBSW 90 day + 3%	0.23						0.71
Excess Returns	-1.97						-1.65

\* Returns are net of fees and include franking credits

### Class B Facts

Trustee	Gyrostat Capital Management Pty Ltd
Admin/custody	Unity Fund Services Pty Ltd
Investment Manager	Gyrostat Capital Management Advisers Pty Ltd
Sales & Marketing Manager	Mantis Funds Pty Ltd
Fund Inception date	13 April 2021
Strategy Inception date	10 December 2010
APIR	CIS3754AU
Base currency	Australian dollars
Management fee	1.3% of NAV
Performance fee	15% over Hurdle
Investment minimum	AUD50,000
Buy/sell spread	0.15%
Liquidity	Daily
Benchmark	BBSW 90 day
Platforms	Mason Stevens, Netwealth, Powerwrap
Distribution frequency	Quarterly

### Return Analytics

Monthly Volatility	1.66%
Sharpe Ratio	-0.65
Drawdown	-1.74%
Sortino Ratio	-1.00
Leverage *	0%

\* Ratio defined as margin debt/net assets

### Portfolio Analytics

Number of Stocks	9
Average Positive Months	1.52%
Average Negative Months	-1.22%
Beta (ASX200)	-12.10
% of Positive Months	33

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## Market Commentary

### MONTHLY UPDATE

The Class B NAV at 30 Jun 2021 was 0.9906, a distribution was declared of \$0.0088 with a post distribution NAV of and \$0.9818.

The Class commenced operations on 13 April 2021.

The Australian market traded in a range of 2.4% during June (lows 7142 on 1 Jun, high 7313 on 30 Jun). Our investment strategy is designed for returns to increase the larger the market range (in either trending, falling, or rising markets)

Market volatility was low and continued to fall in June (as measured by the VIX and Australia-VIX). The volatility fall was the major contribution to the fund moderate losses for the month.

### FUND OVERVIEW

**Purpose:** A global non correlated income fund as part of the 'equity income' component of a portfolio to enhance income in a historically low interest rate environment

**Investment Objectives:**

**Returns:** To exceed income distributions over rolling 12 months

**Income:** Minimum cash rate + 6% from dividends and risk management profits paid quarterly

**Protection:** No quarterly NAV draw-down exceeding 6%.

Distributions may be higher dependent on the performance of the Class.

Class B buys and holds ASX-20 and International listed equities and options with the relevant exchange as the derivative counterparty. The Class may borrow up to 100% of Class assets

Class B is a levered version of Class A designed to deliver higher income than Class A with a higher risk tolerance. It seeks to generate equity income with downside protection always in place. In contrast to Class A it may not necessarily gain from major market falls.

### Contributors to Return (Basis Points)

TOP 5		BOTTOM 5	
CBA	117	SPY	-195
NAB	-8	QQQ	-151
WOW	-10	STW	-35
ANZ	-12	WBC	-26
		BHP	-18

### Team Members Experience

INVESTMENT TEAM	GYROSTAT	INDUSTRY
Craig Racine Chief Investment Officer	10	30
Leo Tang Senior Investment Officer	6	30
BUSINESS TEAM		
David Barwise Director	3	30
Damien Hatfield Head of Distribution	1	40+
Andrew Smith Compliance and Risk	7	30+
Peter Clifton Chairman	7	30+

### Top 10 Holdings \*

HOLDING	%
STW	46.2%
WOW	15.8%
ANZ	10.6%
NAB	9.5%
BHP	6.8%
WBC	6.0%
CBA	2.4%
SPY	2.1%
QQQ	0.5%

\* Based on capital deployed in underlying asset and risk management overlay

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**GYROSTAT**  
RISK MANAGED EQUITY FUNDS

AS AT 30 JUN 2021

\*Preliminary.