

# Gyrostat Risk Managed Global Equity (Class E)

Gyrostat Risk Managed Equity Fund ARSN 651 853 799

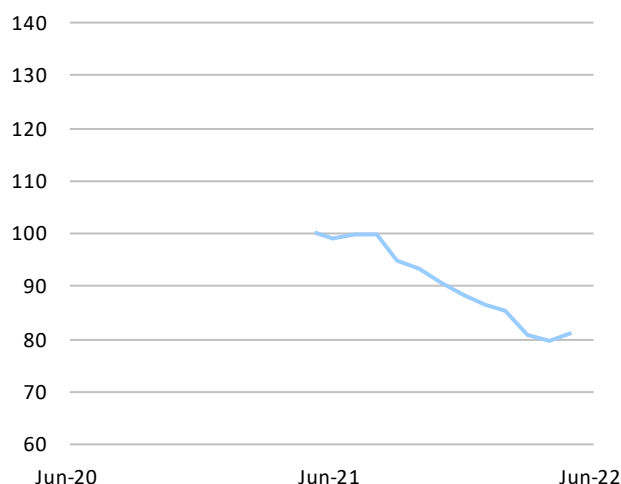
Gyrostat Risk Managed Equity Fund – [Address uncertainty through portfolio construction - Volatility is our friend with a 11 year track record of returns increasing with market volatility \(including large market falls\).](#)

**Solutions for:** - Retiree 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 Risk Managed Global Equity Class E is designed to outperform the Morningstar® Global Markets Index™ over rolling 12 months by mitigating against large losses on major market falls (downside protection always in place.) An international equities allocation that ‘spins out’ the ACWI iShares ETF with protection always with upside. The strategy builds on the class A track record exceeding eleven years.

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



## Net Investment Performance %

	1M	3M	6M	1YR	3YR (PA)	5YR (PA)	SI
Risk Managed Global Equity Class E	2.12	-5.07	-10.55				-19.06
Morningstar® Global Markets Index™	0.10	-5.83	-9.15				-7.94
Excess Returns	2.02	0.76	-1.40				-11.12

\* Returns are net of fees and include franking credits. Redemption value is reported NAV less sell spread of -0.15%.

## Class Facts

Eligibility	Investors who qualify as 'Wholesale Clients'
Responsible Entity	Columbus Investment Services Ltd
Investment Manager	Gyrostat Capital Management Advisers Pty Ltd
Sales & Marketing Manager	Mantis Funds Pty Ltd
Fund Inception date	8 June 2021
Strategy Inception date	8 June 2021
APIR	CIS6911AU
Base currency	United States dollars
Management fee	1.1% of NAV
Performance fee	15% over Hurdle
Investment minimum	USD 5,000
Buy/sell spread	0.15%
Liquidity	Daily
Benchmark	Morningstar® Global Markets Index™
Platforms	Mason Stevens, Netwealth, Powerwrap
Distribution frequency	Quarterly

## Return Analytics

Monthly Volatility	2.21%
Sharpe Ratio	-2.72
Drawdown	-20.74%
Sortino Ratio	-2.31
Leverage *	68%

\* Ratio defined as margin debt / net assets

## Portfolio Analytics

Number of Stocks	2
Average Positive Months	1.48%
Average Negative Months	-2.36%
Beta (ASX200)	-0.18
% of Positive Months	17

The responsible entity for the Gyrostat Risk Managed Equity Fund (ARSN 651 853 799) is Columbus Investment Services Limited (ACN 095 162 931) (AFSL221183) (CISL). The investment manager for the fund is Gyrostat Capital Management Advisers Pty Ltd (ACN 168 737 246), a duly authorised representative of Gyrostat Capital Management Pty Ltd (ACN 138 219 002) (GCM) and One Wholesale Fund Services Ltd (ACN 159 624 585).

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You should obtain and carefully consider the the Product Disclosure Statement (PDS) and the Target Market Determination (TMD) for the Fund before making any decision about whether to acquire, or continue to hold, an interest in the Fund. Applications for units in the Fund can only be made pursuant to the application form relevant to the Fund. A copy of the PDS (dated 15 February 2022), TMD (dated 1 October 2021) and relevant application form can be obtained from

[www.gyrostat.com.au/application-forms](http://www.gyrostat.com.au/application-forms) or [www.oneinvestment.com.au/gyrostat](http://www.oneinvestment.com.au/gyrostat)

## Market Commentary

### MONTHLY UPDATE

The Class E NAV at 31 May 2022 was \$0.8094.

The Class commenced operations on 8 June 2021. The Morningstar® Global Markets Index™ traded in a range of 8.4% during May (high 94.77 on 4 May, low 86.85 on 12 May). Our investment strategy is designed for returns to increase the larger the market range (in either trending, falling, or rising markets)

Market volatility saw falls of -24.6% in May (as measured by the VIX and Australia-VIX). VIX high 34.8 on 9 May, low 26.2 on 31 May. The reduction in the pricing of risk reduces the valuation of protection. The outperformance of our benchmark index for the month was driven by the larger index trading range, mitigated by falling protection costs.

The investment strategy is designed to mitigate against large losses on major market falls (downside protection always in place) and address sequencing risk, particularly for pre and post retiree investors, and is part of an “International equities” portfolio allocation.

Gyrostat Risk Managed Global Equity Class E buys and holds iShares AWCI ETF with lowest cost AWCI index protection always in place and dynamically managed with market movements. Investments were entered into the SP500 ETF and SP500 options during the month given the enhanced liquidity and scalability.

### FUND OVERVIEW

**Purpose:** A risk managed global ETF as part of the ‘global equity’ component of a portfolio to de-risk portfolio structure.

**Investment Objectives:**

**Returns:** To exceed the benchmark index over rolling 12 months

**Income:** To match the benchmark index

**Protection:** Always in place to mitigate losses against large market falls to address sequencing risk

The strategy could be described as a Risk Managed Global Equities ETF, holding the iShares ACWI ETF with a risk management overlay. Leverage can also be added up to 100% of class assets.

- It provides liquidity (iShares ACWI ETF and ACWI index exchange traded options for risk management overlay)
- It provides a stable and reliable source of income (from dividends and risk management overlay)
- It provides an opportunity to address sequencing risk

### Contributors to Return (%)

TOP GAINS		TOP LOSSES	
SPX	3.57	ACWI	-0.22

### Team Members Experience

INVESTMENT TEAM	GYROSTAT	INDUSTRY
Craig Racine Chief Investment Officer	11	30
Leo Tang Senior Investment Officer	7	30
BUSINESS TEAM		
David Barwise Director	4	30
Damien Hatfield Head of Distribution	1	40+
Andrew Smith Compliance and Risk	8	30+
Peter Clifton Chairman	8	30+
Peter Keating	1	30+

### Top Holdings

HOLDING	%
SPX	62.2
ACWI	37.8

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## Enquiries

Mantis Funds Pty Ltd  
Level 1, 131 Clarence St,  
Sydney NSW 2000, Australia

M. +61 400 166 144  
[gyrostat@mantisfunds.com](mailto:gyrostat@mantisfunds.com)  
[www.mantisfunds.com](http://www.mantisfunds.com)

PDS and application form can be obtained from:  
[www.gyrostat.com.au/application-forms](http://www.gyrostat.com.au/application-forms) or  
[www.oneinvestment.com.au/gyrostat](http://www.oneinvestment.com.au/gyrostat)

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RISK MANAGED EQUITY FUNDS

AS AT 31 MAY 2022