

# Gyrostat Risk Managed Australian Equity (Class C)

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 12 year track record of returns increasing with market volatility \(including large market falls\).](#)

Five Classes: - Regular equity income (absolute return benchmarks) and Australian and international equities (index return benchmarks) 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 Australian Equity Class C is designed to outperform the Morningstar® Australia Index™ over rolling 12 months by mitigating against large losses on major market falls (downside protection always in place.) An Australian equities allocation that 'spins out' the ASX200 State Street ETF with protection always with upside. The strategy builds on the class A track record over 12 years.

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



## Net Investment Performance %

	1M	3M	6M	1YR	3YR (PA)	5YR (PA)	SI (PA)
Risk Managed Australian Equity Class C	-1.95	-1.60	9.02	10.67			-13.68
Morningstar® Australia Index™	-2.61	0.11	6.11	7.16			6.02
Excess Returns	0.66	-1.71	2.91	3.51			-19.70

\* Returns are net of fees and include franking credits.

## Class Facts

Eligibility	Investors who qualify as 'Wholesale Clients'
Responsible Entity	One Managed Investment Funds Limited
Investment Manager	Gyrostat Capital Management Advisers Pty Ltd
Registry Services Provider	One Registry Services Pty Limited
Fund Inception date	16 April 2021
Strategy Inception date	16 April 2021
APIR	CIS2863AU
Base currency	Australian dollars
Management fee	1.1% of NAV
Performance fee	15% over Hurdle
Investment minimum	AUD 5,000
Buy/sell spread	0.15%
Liquidity	Weekly
Benchmark	Morningstar® Australia Index™
Platforms	
Distribution frequency	Quarterly

## Return Analytics

Monthly Volatility	4.42%
Sharpe Ratio	-0.92
Drawdown	-31.41%
Sortino Ratio	-0.87
Leverage *	87%

\* Ratio defined as margin debt/net assets

## Portfolio Analytics

Number of Stocks	3
Average Positive Months	2.75%
Average Negative Months	-3.57%
Beta (ASX200)	0.19
% of Positive Months	39

## Unit Value (AUD)

Net Asset Value	\$0.5473
Application Value	\$0.5481
Redemption Value	\$0.5465

The responsible entity for the Gyrostat Risk Managed Equity Fund (ARSN 651 853 799) (Fund) is One Managed Investment Funds Limited ACN 117 400 987 AFSL 297042 (OMIFL). 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) (AFSL 452917) (GCM).

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You should obtain and carefully consider the Product Disclosure Statement (PDS) and 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 20 October 2022), TMD and relevant application form may be obtained from <https://www.gyrostat.com.au/application-forms> or <https://www.oneinvestment.com.au/gyrostat>

## Market Commentary

### MONTHLY UPDATE

NAV per unit was \$0.5473. Total NAV of the Fund was \$12.7m.

The Australian market traded in a range of 4.41% during the month of Feb (7558 high on 3 Feb, 7224 low on 27 Feb). Our investment strategy is designed for returns to increase the larger the market range (in either trending, falling, or rising markets).

Market volatility rose in Feb by 15.83% (as measured by the VIX) and traded in a relatively narrow band. Month open VIX 1 Feb 17.87, high 22.87 on 21 Feb, month end 20.70 on 28 Feb. The strategy is designed to outperform the wider the volatility range.

The investment strategy is designed to mitigate 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 Australian equities portfolio allocation.

We anticipate strong investment performance to continue with volatility favourable to our 'dynamic hedging' risk management approach, and our increased exposure to BHP into the dividend capture cycle in March.

For the 12 months to 28 Feb 2023, Class C outperformed the benchmark index by +3.51%.

### FUND OVERVIEW

**Strategy:** Designed to outperform the Morningstar® Australia Index™ over rolling 12 months whilst mitigating against major losses on large Australian market falls (downside protection always in place).

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

**Investment Objectives:**

**Return:** 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 can be described as Risk Managed Australian Equities ETF, holding ASX200 State Street ETF, and component stocks with risk management overlay. Leverage can be up to 100% of class assets.

- It provides liquidity (ASX200 State Street ETF and XJO Australian index exchange traded options for risk management overlay)
- It provides a stable and reliable source of income (from dividends, franking credits, and risk management overlay)
- It provides an opportunity to address sequencing risk

### Contributors to Return (%)

TOP GAINS		TOP LOSSES	
		XJO	-1.25
		BHP	-0.22
		WDS	-0.03

### Team Members Experience

INVESTMENT TEAM	GYROSTAT	INDUSTRY
Craig Racine Chief Investment Officer	12	30
Leo Tang Senior Investment Officer	7	30
BUSINESS TEAM		
David Barwise Director	4	30
Peter Keating Investment Operations	1	30+
Andrew Smith Compliance and Risk	8	30+
Peter Clifton Chairman	8	30+

### Top Holdings

HOLDING	%
XJO	54.2
BHP	44.5
WDS	1.3

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### Enquiries

[www.gyrostat.com.au](http://www.gyrostat.com.au)

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)

**GYROSTAT**  
RISK MANAGED EQUITY FUNDS

AS AT 28 FEB 2023

### RG240 Disclosure

For the period covered by this report, there were no material changes to any of the following: The Fund's risk profile; the Fund's strategy; and key investment personnel related to the Gyrostat Risk Managed Equity Fund. For information since that date, please refer to [www.gyrostat.com.au](http://www.gyrostat.com.au).