

# Gyrostat Risk Managed Global Equity (Class E)

Gyrostat Risk Managed Equity Fund ARSN 651 853 799

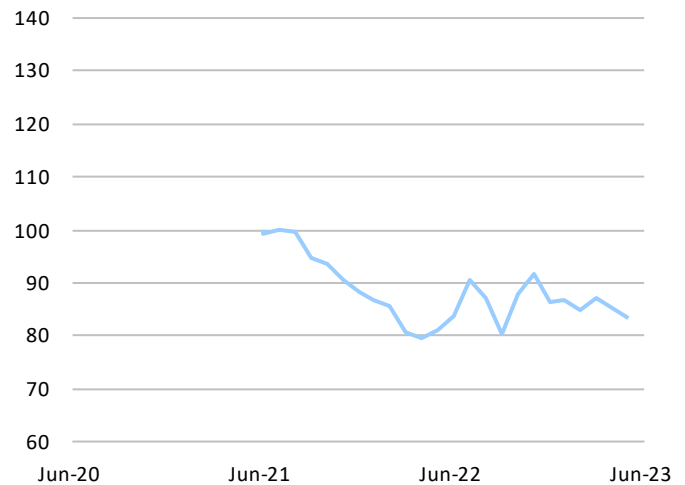
Gyrostat Risk Managed Equity Fund – [Address uncertainty through portfolio construction](#) – Lower beta with alpha from ‘dynamic hedging’ with a 12 year track record of returns increasing with market volatility (including large market falls).

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.)

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 over 12 years.

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



## Net Investment Performance %

|                                    | 1M    | 3M    | 6M     | 1YR  | 3YR (PA) | 5YR (PA) | SI (PA) |
|------------------------------------|-------|-------|--------|------|----------|----------|---------|
| Risk Managed Global Equity Class E | -2.38 | -1.77 | -9.19  | 2.65 |          |          | -8.93   |
| Morningstar® Global Markets Index™ | -1.14 | 2.87  | 3.31   | 0.83 |          |          | -3.69   |
| Excess Returns                     | -1.24 | -4.64 | -12.50 | 1.82 |          |          | -5.24   |

\* 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        | 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                  | Weekly                                       |
| Benchmark                  | Morningstar® Global Markets Index™           |
| Platforms                  |  |
| Distribution frequency     | Quarterly                                    |

## Return Analytics

|                    |         |
|--------------------|---------|
| Monthly Volatility | 4.13%   |
| Sharpe Ratio       | -0.68   |
| Drawdown           | -20.74% |
| Sortino Ratio      | -0.91   |
| Leverage *         | 86%     |

\* Ratio defined as margin debt / net assets

## Portfolio Analytics

|                         |        |
|-------------------------|--------|
| Number of Stocks        | 1      |
| Average Positive Months | 3.92%  |
| Average Negative Months | -2.99% |
| Beta (ASX200)           | 0.37   |
| % of Positive Months    | 33     |

## Unit Value (USD)

|                   |          |
|-------------------|----------|
| Net Asset Value   | \$0.7983 |
| Application Value | \$0.7995 |
| Redemption Value  | \$0.7971 |

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). The information provided in this document was not prepared by OMIFL but prepared by other parties. All of the commentary, statements of opinion and recommendations contain general advice only. This information does not take into account your investment objectives, particular needs or financial situation. You should seek independent financial advice. The content of this document does not constitute an offer or solicitation to subscribe for units in the Funds or an offer to buy or sell any financial product. Accordingly, reliance should not be placed on this document as the basis for making an investment, financial or other decision. Past performance is not a reliable indicator of future performance. Performance comparisons are provided purely for information purposes only and should not be relied upon. The information included in this document may include information that is predictive in character which may be affected by inaccurate assumptions or by known or unknown risks and uncertainties and may differ materially from results ultimately achieved. Whilst all care has been taken in preparation of this document, neither OMIFL nor the Investment Manager give any representation or warranty as to the reliability, completeness or accuracy of the information contained in this document. Neither OMIFL nor the Investment Manager accepts liability for any inaccurate, incomplete or omitted information of any kind or any losses caused by using this information. 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 \$0.7983. Total NAV of the Fund was A\$13.2m.

The Class commenced operations on 8 June 2021. The Morningstar® Global Markets Index™ traded in a very narrow range of 2.51% during May (high 93.11 on 22 May, low 90.77 on 4 May). Our investment strategy is designed to outperform our benchmark the larger the market range (in either trending, falling, or rising markets).

Market volatility rose in May by 11.56% (as measured by the VIX) and traded in a narrow band. Month open VIX 1 May 16.08, high 20.09 on 4 May, month end 17.94 on 31 May. Volatility has trended down significant since October 2022 (high 33.57 on 12 Oct). 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 "International equities" portfolio allocation.

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

For the 12 months to 31 May 2023, Class E outperformed the benchmark index by +1.82%.

### FUND OVERVIEW

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

**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 Risk Managed Global Equities ETF, holding iShares ACWI ETF or component SP500 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 or component SP500 ETF 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        | -1.73 |
|           |  |            |       |
|           |  |            |       |

### Team Members Experience

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

### Top Holdings

| HOLDING | %     |
|---------|-------|
| SPX     | 100.0 |
|         |       |
|         |       |
|         |       |
|         |       |
|         |       |
|         |       |
|         |       |

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### Enquiries

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

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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 31 MAY 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).