Goldman Sachs Asset Management

Goldman Sachs

Absolute Return Multi-Asset Fund Quarterly Update

Q1 2019 Class A: GARDX | Class C: GAREX | Class I: GARFX | Class IR: GARMX | Class R: GARRX | Class R6: GARNX

Fund Overview

The Goldman Sachs Absolute Return Multi-Asset Fund seeks to deliver long-term absolute return (positive return) across all market environments with less dependence on the direction of stocks and bonds.

The Fund invests across asset classes using traditional and alternative[1] strategies and is tactically adjusted to navigate the economic cycle and changing market conditions. The Fund is managed by a global multi-asset class investment team that has over two decades of experience providing solutions to clients.

Summary Statistics (as of 03/31/2019)

AUM ($MM, All Share Classes)	$4.8
Morningstar Category[2]	Multi-Alternative
NAV (Class A/I)	9.49 / 9.56
Net Expense Ratio (Class A/I)[3]	1.43% / 1.04%
Gross Expense Ratio (Class A/I)[3]	4.32% / 3.93%

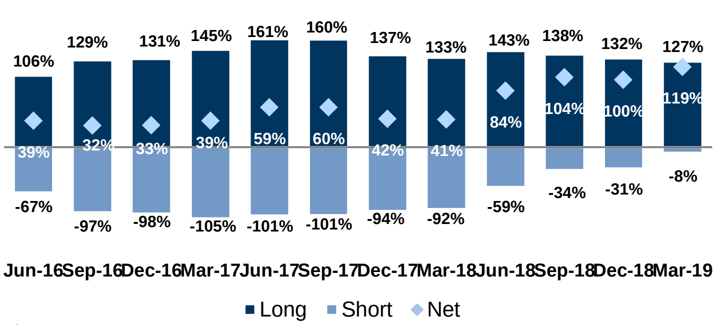
Market Context[4]

Q1 2019 was a quarter characterized by a rebound in risk assets after the sell-off in Q4 2018 and continued weak economic growth. Investor sentiment turned positive on the combination of dovish central banks, supportive monetary policy, signs of tentative stabilization in Chinese growth, and positive developments in U.S.–China trade talks. While global growth continued to decelerate in Q1 2019 a few nascent signs of green shoots began to emerge. Signs of bottoming in Chinese credit growth, modest pick-up in fixed asset investments, and an uptick in March manufacturing PMIs made investors hopeful of a recovery in Chinese and global growth. In equities, global equities (ACWI IMI) were up 12.8%, led by a rally in U.S. equities. While emerging markets equities underperformed relative to developed markets, Chinese equities (MSCI China) were up over 17%. In fixed income, the U.S. 10 year yield declined over the quarter. With inflationary pressures remaining muted across developed markets, the U.S. Federal Reserve and European Central Bank continued to keep monetary policy supportive of growth. The U.S. Fed signaled no further hikes in 2019 and the ECB also indicated their reluctance to hike in 2019.

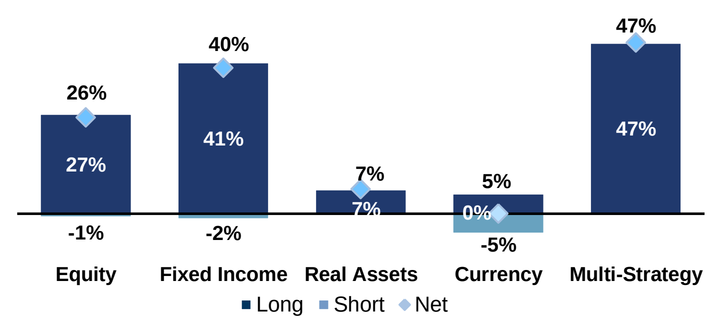
Outlook and Positioning Summary[5]

Portfolio Manager Views	Expressed in the Portfolio
Economic Expansion	U.S. equity volatility strategy, short German bunds (30y), long/short equity countries, long/short currency basket
Tightening Monetary Policy	U.S. interest rate curve strategy
Emerging Markets Expansion	Long emerging markets equity, emerging markets equity country relative value
Path Forward Remains Volatile	Dynamic approach to asset allocation

Total Market Exposure (Last Twelve Quarters) [6,7]



Market Exposure by Asset Class (as of 03/31/2019)[6,7]



[1]Alternative strategies use non-traditional or alternative investment techniques such as shorting or the use of derivatives to obtain leverage. [2]In an effort to distinguish funds by what they own, as well as by their prospectus objectives and styles, Morningstar developed the Morningstar Categories. While the prospectus objective identifies a fund's investment goals based on the wording in the fund prospectus, the Morningstar Category identifies funds based on their actual investment styles as measured by their underlying portfolio holdings (portfolio and other statistics over the past three years). [3] **The expense ratios of the Fund, both current (net of any fee waivers or expense limitations) and before waivers (gross of any fee waivers or expense limitations) are as set forth above. Pursuant to a contractual arrangement, the expense limitation arrangement and total operating expense limitation arrangement will remain in effect through at least February 28, 2020, and prior to such date the Investment Adviser may not terminate the arrangements without the approval of the Board of Trustees.** [4]Source: Global Portfolio Solutions. [5] Source: Global Portfolio Solutions. Fund holdings and allocations shown are unaudited, and may not be representative of current or future investments. Fund holdings and allocations may not include the Fund's entire investment portfolio, which may change at any time. Fund holdings should not be relied on in making investment decisions and should not be construed as research or investment advice regarding particular securities. Current and future holdings are subject to risk. [6]Exposure is shown as a percentage of Fund Net Asset Value. [7]The totals for gross and net exposure may not sum due to rounding. Gross exposure and net exposure are one of the many indicators used to gauge leverage and market directionality (i.e., whether the Fund is positioned long or short the market) respectively. Exposure is calculated using different metrics depending on the underlying instrument type. See disclosures for additional details on exposure definitions and calculations. **The Fund was incepted on September 2, 2015.**

Fund Performance

Overview

During the first quarter of 2019, the Fund returned 4.48% (Class I, net). Over the same period, index performance for fixed income and equities[8] was 2.94% and 12.86%, respectively, and the HFRX Global Hedge Fund Index returned 2.60%.

Top Contributors

- Long Emerging Markets Equity
- High Yield Exposure
- GS Tactical Exposure Fund

Top Detractors

- Short Long - Dated German Bunds
- U.S. Interest Rate Curve Positioning
- U.S. Equity Volatility Strategy

Performance Commentary

At the asset class level, all the categories contributed to performance with equities, fixed income and real assets being the major contributors followed by multi-strategy and currency. Short-term tactical tilts contributed to performance at the total return level, however it was offset by medium-term dynamic views. The Fund gains access to tactical views through the GS Tactical Exposure Fund.

Within equities, allocations to emerging markets equity contributed to performance. Investor sentiment was buoyed by a combination of constructive U.S. - China trade talks, a considerably more dovish stance from the U.S. Federal Reserve and expectations of better Chinese data due to stimulus from policymakers. A dynamic reduction in the magnitude of strategic short positioning within U.S. and international developed equities, which are used to hedge out market beta, contributed to returns riding on the rally in the global equity market through the quarter.

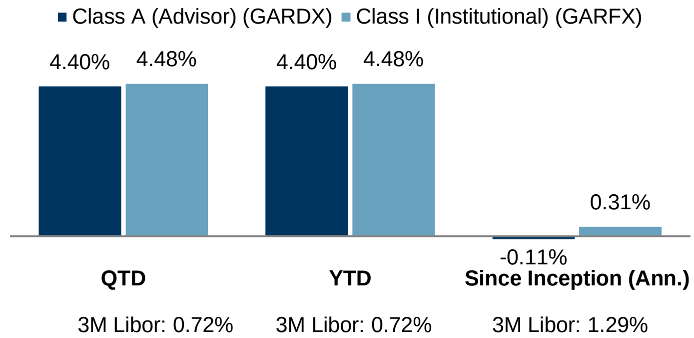
Within fixed income, allocations to high yield and emerging market debt posted strong positive performance benefiting from declining interest rates over the quarter and the risk-on sentiment. The macroeconomic hedge, which uses interest rate options to profit if interest rates fall, remain constant or rise less than anticipated, was another primary contributor to performance on the back of declining U.S. interest rates. However, this was partially offset by a short position in long-dated German bunds and explicit positioning on the U.S. interest rate curve.

Allocations to global real estate securities and the GS Global Infrastructure Fund, which primarily invests in the common stock of infrastructure companies, posted positive returns.

Within multi-strategy, an allocation to the GS Alternative Premia Fund, which provides exposure to a diversified range of alternative investment strategies, was the major contributor to performance. Additionally, our exposure to the GS Managed Futures Fund marginally added to total returns. This was partially offset by our short U.S. equity volatility strategy, which detracted from returns over the quarter.

Within currency, our decision to hedge foreign currency exposure back to the U.S. dollar, accomplished through foreign exchange currency forward contracts, contributed to performance as the dollar broadly strengthened.

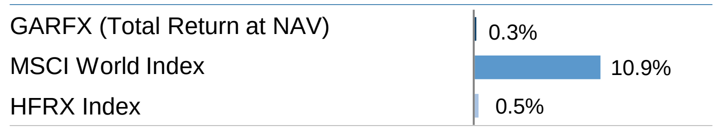
Fund Performance (Total Return at NAV, as of 03/31/2019)



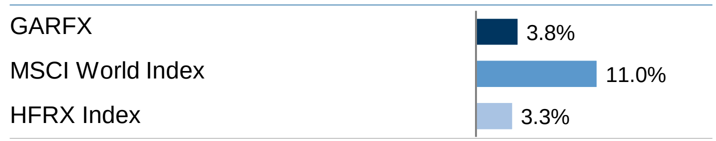
Returns less than 12 months are cumulative, not annualized. The Fund's benchmark is the BofA ML US 3 Month Libor. The Fund was incepted on September 2, 2015.

Since Inception Fund Characteristics (9/2/2015 – 03/31/2019)

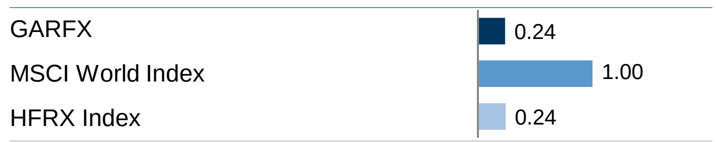
Total Return (Annualized, Institutional Shares)



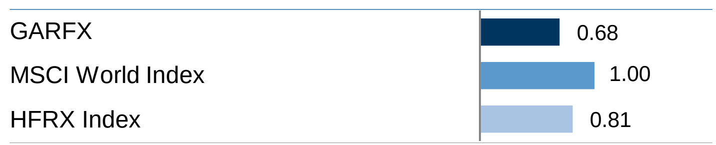
Standard Deviation (Ann.)



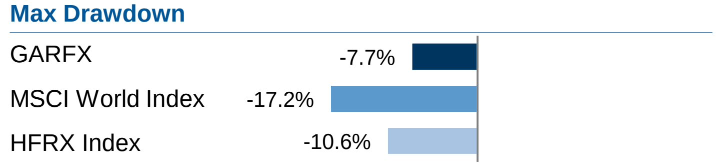
Beta to MSCI World Index



Correlation to MSCI World Index



Max Drawdown



Index returns shown above do not represent performance of the Fund. Past correlations are not indicative of future correlations, which may vary.
Sources: © 2019 MSCI Inc., https://www.msci.com; HFR Database © HFR, Inc. 2019, www.hedgefundresearch.com.

Quarterly Standardized Total Returns as of 03/31/2019

	Institutional Shares	Advisor Shares	Bank of America Merrill Lynch US 3M LIBOR Index
Since Inception (Annualized)	0.31%	-1.67%	1.29%
1 Year	0.11%	-5.88%	2.48%

Standardized Total Returns are average annual total returns or cumulative total returns (only if the performance period is one year or less) as of the most recent calendar quarter-end. They assume reinvestment of all distributions at net asset value. The Fund was incepted on September 2, 2015. These returns reflect the maximum initial sales charge of 5.5% for Class A Shares (You may qualify for sales charge discounts on purchases of Class A Shares if you invest at least $50,000 in Goldman Sachs Funds). Because Institutional Shares do not involve a sales charge, such a charge is not applied to their Standardized Total Returns. The returns represent past performance. Past performance does not guarantee future results. The Fund's investment return and principal value will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than the performance quoted above. Please visit our Web site at: www.GSAMFUNDS.com to obtain the most recent month-end returns. [8]Bloomberg Barclays US Aggregate Bond Index and MSCI World Index (Net Total Return, USD hedged), respectively.

Goldman Sachs Absolute Return Multi-Asset Fund

The Goldman Sachs Absolute Return Multi-Asset Fund seeks to achieve long-term absolute return through investments in different asset classes, geographic regions, and security selection strategies. The Fund invests in a portfolio of equity, fixed income, commodities, and currency asset classes, including derivatives that provide exposure to those asset classes. The Fund currently intends to gain exposure to the asset classes principally through investments in underlying funds (including exchange-traded funds ("ETFs")), futures, forwards, options and other instruments with similar economic exposures. The Investment Adviser employs global macro investment views in order to dynamically reallocate across asset classes, regions and strategies in response to changing market conditions. The percentage of the Fund's portfolio exposed to any asset class or geographic region will vary from time to time, and the Fund may not be invested in each asset class at all times. At times the Fund may be heavily invested in certain asset classes or geographic regions, depending on the **asset allocation** of the strategy. **Different investment styles** (*e.g.*, "quantitative") tend to shift in and out of favor, and at times the Fund may underperform other funds that invest in similar asset classes.

The Fund is subject to the **risk factors of the underlying funds** in direct proportion to its investments in those underlying funds, and the ability of the Fund to meet its investment objective is directly related to the ability of the underlying funds to meet their investment objectives, as well as the **allocation** among those underlying funds by the Investment Adviser. An underlying fund is subject to the risks associated with its investments, including (as applicable) **those associated with equity** (including real estate investment trusts and mid- and small-cap securities), **fixed income** (including non-investment grade securities, loans, sovereign debt, municipal securities and mortgage-backed and asset-backed securities), **foreign and emerging countries, commodity and derivative investments** generally. From time to time, the underlying funds (including ETFs) in which the Fund invests, and the size of the investments in the underlying funds, may change. Because the Fund is subject to the **underlying fund expenses** as well as its own expenses, the cost of investing in the Fund may be higher than investing in a mutual fund that only invests directly in stocks and bonds. At times, the Fund may be unable to sell **illiquid investments** without a substantial drop in price, if at all.

Derivative instruments may involve a high degree of financial risk, including the risk that a small movement in the price of the underlying security or benchmark may result in a disproportionately large movement, unfavorable or favorable, in the price of the derivative instrument; the risk of default by a counterparty; and liquidity risk. The Fund may invest in derivatives for hedging and non-hedging purposes. The Fund's borrowing and use of derivatives may result in **leverage**, which can make the Fund more volatile. When the Fund enters into an uncleared over-the-counter transaction, it is subject to the risk that the direct **counterparty** will not perform its obligations under the transaction. The Fund is also subject to the risks associated with **short selling** of securities, which involves **leverage** of the Fund's assets and presents various other risks. The Fund may be obligated to cover its short position at a higher price than the short price, resulting in a loss. Losses on short sales are potentially unlimited as a loss occurs when the value of a security sold short increases.

The investment program of the Fund is speculative, entails substantial risks and includes asset classes and investment techniques not employed by more traditional mutual funds. The Fund should not be relied upon as a complete investment program. There can be no assurance that the investment objective of the Fund will be achieved.

Hedge funds and other private investment funds (collectively, "Alternative Investments") are subject to less regulation than other types of pooled investment vehicles such as mutual funds. Alternative Investments may impose significant fees, including incentive fees that are based upon a percentage of the realized and unrealized gains and an individual's net returns may differ significantly from actual returns. Such fees may offset all or a significant portion of such Alternative Investment's trading profits. Alternative Investments are not required to provide periodic pricing or valuation information. Investors may have limited rights with respect to their investments, including limited voting rights and participation in the management of such Alternative Investments.

Alternative Investments often engage in leverage and other investment practices that are extremely speculative and involve a high degree of risk. Such practices may increase the volatility of performance and the risk of investment loss, **including the loss of the entire amount that is invested**. There may be conflicts of interest relating to the Alternative Investment and its service providers, including Goldman Sachs and its affiliates. Similarly, interests in an Alternative Investment are highly illiquid and generally are not transferable without the consent of the sponsor, and applicable securities and tax laws will limit transfers.

Conflicts of Interest

There may be conflicts of interest relating to the Alternative Investment and its service providers, including Goldman Sachs and its affiliates. These activities and interests include potential multiple advisory, transactional and other interests in securities and instruments that may be purchased or sold by the Alternative Investment. These are considerations of which investors should be aware and additional information relating to these conflicts is set forth in the offering materials for the Alternative Investment.

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Although certain information has been obtained from sources believed to be reliable, we do not guarantee its accuracy, completeness or fairness. We have relied upon and assumed without independent verification, the accuracy and completeness of all information available from public sources.

Exposure Definitions and Calculations

Long Exposure: Long investments, including exposure of derivatives, as a percentage of net assets. A long investment in a security, such as a stock or a bond, means the holder of the position will profit if the price of the security goes up.

Short Exposure: Short investments, including exposure of derivatives, as a percentage of net assets. A short investment in a security, such as a stock or a bond, means the holder of the position will profit if the price of the security goes down.

Net Exposure: Calculated as long exposure less absolute value of short exposure of the Fund's investments. For example, a strategy 30% long the S&P 500 and 25% short the Russell 2000 would have 5% net exposure. Net exposure is an indication of the Fund's directional exposure (i.e., whether the Fund is positioned long or short the market).

Exposure is shown as a percentage of Fund Net Asset Value. The totals for gross and net exposure may not sum due to rounding. Gross exposure and net exposure are one of the many indicators used to gauge leverage and market directionality (i.e., whether the Fund is positioned long or short the market) respectively. Exposure is calculated using different metrics depending on the underlying instrument type. For example, for corporate bonds, loans, and stocks, market value is used; for sovereign bonds, 10-year U.S. Treasury equivalent is used (i.e. duration adjusted); for equity and foreign exchange options, delta-adjusted notional value is used; for Credit Default Swaps, FX Forwards and Equity Futures, notional value is used; for options on bond futures, delta-adjusted 10-year U.S. Treasury equivalent is used. Exposure of all interest rate products is displayed in 10-year U.S. Treasury equivalents. This adjustment helps to standardize exposure for interest rate instruments that have different durations and is typically considered a better measure of economic exposure for interest rate instruments compared to notional exposure. All options positions are displayed on a delta adjusted notional value basis i.e., the exposure is option delta * underlying notional value. Delta adjustment is necessary to properly account for the sensitivity of options to changes in price of the underlying security as well as for making exposure comparisons to the underlying (measuring options exposure as premium will understate the economic exposure and risk, while measuring exposure as notional value will overstate the economic exposure).

Performance Definitions

Standard Deviation: A statistical measure of volatility indicates the "risk" associated with a return series.

Beta: A statistical measure of the risk of a security or portfolio relative to the risk of the market and indicates a security's or portfolio's volatility.

Correlation: A statistical measure that can show both if and how closely two sets of returns are related.

Maximum Drawdown: Greatest peak-to-trough decline over a specific time period.

Glossary

Dovish: Tends to suggest lower interest rates, the opposite of hawkish.

Index Benchmarks

Indices are unmanaged. The figures for the index reflect the reinvestment of all income or dividends, as applicable, but do not reflect the deduction of any fees or expenses which would reduce returns. Investors cannot invest directly in indices.

The indices referenced herein have been selected because they are well known, easily recognized by investors, and reflect those indices that the Investment Manager believes, in part based on industry practice, provide a suitable benchmark against which to evaluate the investment or broader market described herein.

The **HFRX Global Hedge Fund Index** is designed to be representative of the overall composition of the hedge fund universe. It is comprised of all eligible hedge fund strategies; including but not limited to convertible arbitrage, distressed securities, equity hedge, equity market neutral, event driven, macro, merger arbitrage, and relative value arbitrage. The strategies are asset weighted based on the distribution of assets in the hedge fund industry. Source: HFR Database © HFR, Inc. 2016, www.hedgefundresearch.com. Please note that HFRX performance indications are based on preliminary estimates. The **MSCI World Index** is a free float-adjusted market capitalization weighted index that is designed to measure the equity market performance of developed markets. The MSCI World Index consists of the following 23 developed market country indexes: Australia, Austria, Belgium, Canada, Denmark, Finland, France, Germany, Hong Kong, Ireland, Israel, Italy, Japan, Netherlands, New Zealand, Norway, Portugal, Singapore, Spain, Sweden, Switzerland, the United Kingdom, and the United States. The index is calculated without dividends, with net or with gross dividends reinvested, in both US dollars and local currencies. Source: © 2017 MSCI Inc., https://www.msci.com. The **Bloomberg Barclays US Aggregate Bond Index** is a broad-based benchmark that measures the investment grade, US dollar-denominated, fixed-rate taxable bond market. The index includes Treasuries, government-related and corporate securities, MBS (agency fixed-rate and hybrid ARM pass-throughs), ABS and CMBS (agency and non-agency). Source: © Barclays 2017, https://index.barcap.com**. It is not possible to invest directly in an unmanaged fund.** The **Bank of America Merrill Lynch USD LIBOR 3-Month Constant Maturity Index** is based on the assumed purchase of a synthetic instrument having 3 months to maturity and with a coupon equal to the closing quote for 3-Month LIBOR. That issue is sold the following day (priced at a yield equal to the current day closing 3-Month LIBOR rate) and is rolled into a new 3-Month instrument. The index, therefore, will always have a constant maturity equal to exactly 3 months.

It is not possible to invest in an unmanaged index.

A summary prospectus, if available, or a Prospectus for the Fund containing more information may be obtained from your authorized dealer or from Goldman Sachs & Co. LLC by calling 1-800-621-2550. Please consider a fund's objectives, risks, and charges and expenses, and read the summary prospectus, if available, and the Prospectus carefully before investing. The summary prospectus, if available, and the Prospectus contains this and other information about the Fund.

Please visit our Web site at: http://www.gsamfunds.com/

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