



Rothschild & Co WM SICAV SIF

# Mosaïque Conservative USD

## Monthly factsheet

June 2022

### Portfolio manager's commentary

#### Portfolio trimmed losses despite volatile month

Following a tough start to the year, capital markets continued to struggle in June and over the quarter. Over the month, volatility remained elevated across stocks and bonds as global growth concerns mounted, alongside ongoing inflation risks. Policymakers turned more hawkish as inflation rates continued to climb. Also, rising prices and borrowing costs have started to squeeze consumers, raising recessionary fears. Nevertheless, consensus analyst forecasts surmise growth in company profits for this year.

The portfolio pared back losses to end the month flat in relative terms.

In Equities, we added the S&P 500 Equal Weight Technology ETF to the portfolio. The broader technology sector has sold off heavily recently and this rotation has not been homogenous. The S&P 500 Information Technology Index has outperformed the S&P 500 Equal Weighted Information Technology Index by 30% since May 2019, up to which point the two indices had moved very much in lockstep. As the gap has started to close, we sought an interesting opportunity to be exposed to the smaller capped companies as they catch up on a relative basis. We financed this purchase through the sale of Salesforce.com.

Finally, we decided to take profits on half of our equity hedge. We took 85% profit on the position and decided to crystallise some of these gains in the current environment.

For more on our latest views, please visit our **Wealth Insights** page and our Notes from the Manager update in the latest Mosaïque Insights publication which is available upon request.

#### Fund details

##### Legal structure

SICAV SIF

##### Domicile

Luxembourg

##### Portfolio manager

Rothschild & Co Bank AG,  
Zurich

##### Management company

Rothschild & Co  
Investment Managers,  
Luxembourg

##### Fund administrator

Northern Trust,  
Luxembourg

##### Depository bank

Northern Trust,  
Luxembourg

##### Inception date

07 April 2017

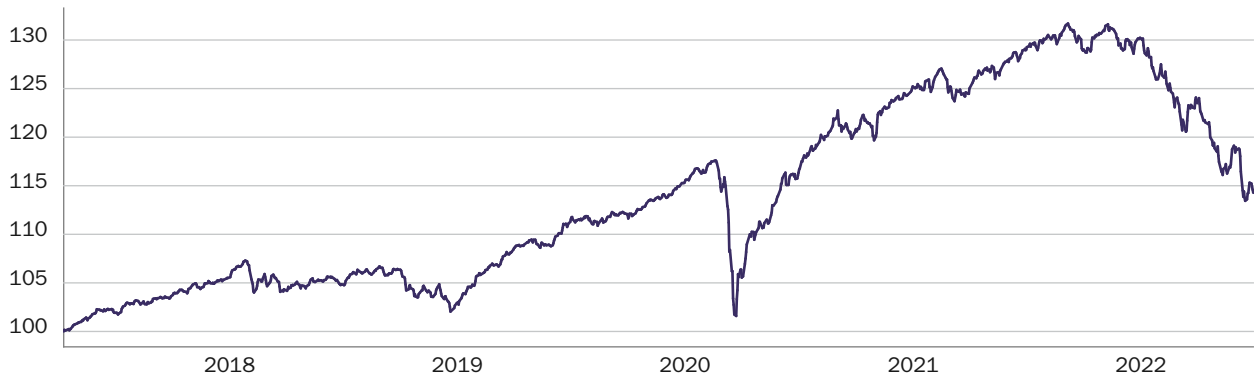
##### Fiscal year end

31 December

##### Liquidity

Daily (trading cut-off  
15:00 CET)

## Fund performance



## Performance table

	MTD	YTD	1 year	3 years	5 years
Mosaique Conservative USD X	-3.90%	-12.24%	-11.38%	2.86%	12.12%

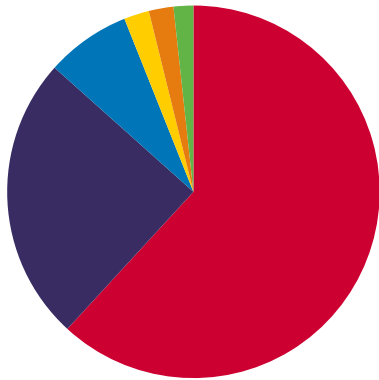
## Monthly Performance table

	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.	YTD
2022	-2.79%	-1.98%	-0.25%	-3.96%	0.04%	-3.90%							-12.24%
2021	-0.45%	-0.04%	-0.12%	1.92%	0.74%	0.91%	0.83%	0.87%	-1.71%	1.37%	-1.17%	0.82%	3.98%
2020	0.89%	-1.66%	-7.03%	4.62%	2.41%	1.84%	2.69%	2.34%	-1.07%	-0.82%	3.35%	1.25%	8.60%
2019	2.64%	1.12%	1.29%	1.18%	-0.63%	2.15%	0.33%	0.30%	0.26%	0.97%	0.74%	1.13%	12.05%
2018	1.27%	-1.47%	-0.88%	0.34%	0.44%	-0.29%	1.16%	0.46%	-0.18%	-2.37%	0.66%	-1.54%	-2.46%

## Portfolio holdings

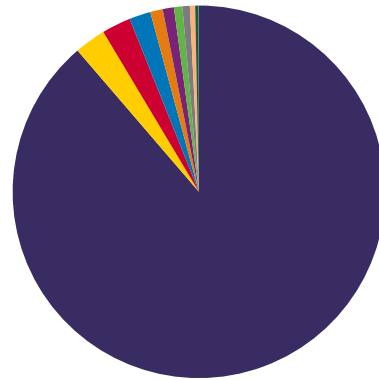
<b>Money Market &amp; Short Term Bonds</b>	<b>2.19%</b>	<b>Equities</b>	<b>24.77%</b>
Money Market	2.19%	<b>Blended</b>	
		LongRun Equity Fund	2.15%
		iShares MSCI World Health Care Sector ESG UCITS ETF	0.46%
<b>Fixed Income</b>	<b>61.83%</b>	<b>EM Asia</b>	
Single Bonds	46.80%	Veritas Asian Fund	2.10%
Muzinich Global Short Duration Investment Grade Fund Hedged USD	3.62%	JPM Global Emerging Markets UCITS ETF ESG Screened	1.01%
Vontobel Emerging Markets Debt Fund	3.29%	Alibaba	0.35%
iShares USD High Yield Corp Bond UCITS ETF	2.16%	<b>North America</b>	
Muzinich Europeyield Fund USD-h	2.15%	SPDR S&P U.S. Energy Select Sector UCITS ETF	1.25%
Vontobel Emerging Markets Corporate Bonds	2.00%	Apple	1.20%
Schroders Global Convertible Bond Fund	1.84%	Alphabet	1.14%
		Microsoft	1.07%
<b>Hybrid Instruments</b>	<b>7.35%</b>	Linde	0.80%
Dispersion Cert BNP Paribas Iss (Exp.14.04.23) on Equities	1.62%	Visa	0.77%
Cert Morgan Stanley (Exp.02.08.23) on Nikkei225/SMI/S&P500/ESTX50	1.56%	Otis	0.65%
Cert Raiffeis Switzerland (Exp.02.10.23) on MSCI ESG Basket	1.56%	Costco Wholesale Corp	0.65%
7.81% UBS Jersey (Exp.17.05.23) on FESX/Nikkei225/S&P500/SMI	1.52%	Canadian National Railway	0.64%
1.07% RBC London 2020-28.12.22 (Exp.19.12.22)	1.04%	United Health	0.60%
Wts Morgan Stanley 13.10.2022 S&P 500 Put	0.06%	Danaher	0.59%
		S&P Global	0.57%
		Morgan Stanley	0.56%
		Adobe	0.53%
<b>Commodities</b>	<b>2.14%</b>	Bank of America	0.51%
Rothschild & Co Gold Fund	2.14%	Amazon.com	0.51%
		Invesco S&P 500 Equal Weight Technology ETF	0.48%
		Nike	0.47%
		American Express	0.42%
		JPMorgan Chase & Co	0.41%
		Comcast	0.36%
<b>Alternative Strategies</b>	<b>1.71%</b>	<b>Japan</b>	
Atropos CatBond	1.71%	MSCI Japan Socially Responsible UCITS ETF	1.09%
		<b>Euro Area and Nordics</b>	
		iShares MSCI EMU ESG Screened UCITS ETF	0.99%
		iShares STOXX Europe 600 Basic Resources UCITS ETF	0.57%
		LVMH	0.41%
		Epiroc	0.39%
		<b>UK</b>	
		London Stock Exchange	0.57%
		<b>CH</b>	
		Roche	0.48%

## Asset allocation



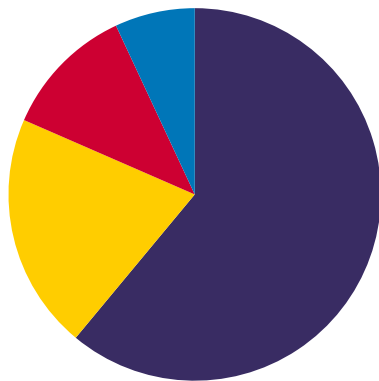
Fixed Income	61.83 %
Equities	24.77 %
Hybrid Instruments	7.35 %
Money Market	2.19 %
Commodities	2.14 %
Alternative Strategies	1.71 %

## Currency allocation



USD	88.72 %
EM Asia	2.72 %
Other	2.52 %
EUR	1.85 %
JPY	1.09 %
GBP	0.97 %
CHF	0.73 %
CAD	0.64 %
SEK	0.46 %
HKD	0.30 %
NOK	0.02 %

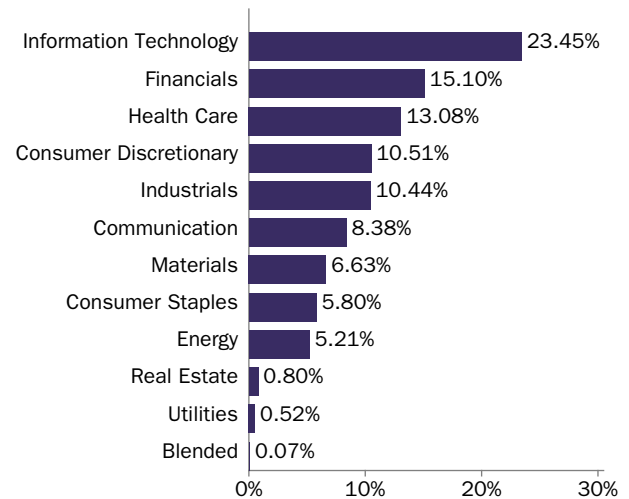
## Fixed income ratings



A+ to BBB-	61.03 %
AAA to AA-	20.51 %
Blended	11.51 %
High Yield Bonds	6.95 %

Percentages may not sum to 100% due to rounding

## Equity sectors



## Risk profile

### Main investment objectives

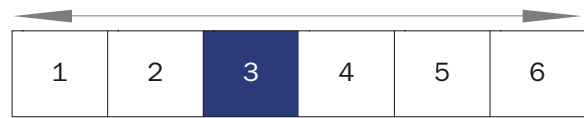
Long-term return on invested capital by investing in a combination of bonds mainly denominated in USD and a well-diversified equity portfolio, with a greater allocation to bonds.

### Minimum recommended investment period

3 years

Low risk  
*Lower potential gain*

High risk  
*Higher potential gain*



### Risk level

Low to Moderate

### Sharpe ratio

0.47

### Maximum loss

-7.03%

### Annualized volatility

6.30%

## Share classes

ISIN	Currency	Distribution policy	Share class	Management fee (%)	TER* (%)	NAV as of 30/06/2022
LU1545946805	USD	ACC	X	0.00	0.21	114.09
LU1545946987	USD	INC	X	0.00	0.20	105.30
LU1626202821	USD	ACC	B	1.20	1.41	104.64

\*The Total Expense Ratio (TER) is a measure of a portfolio's annual expenses, fees and charges. It does not include the transaction costs or the costs incurred in any underlying funds.

## ESG portfolio characteristics

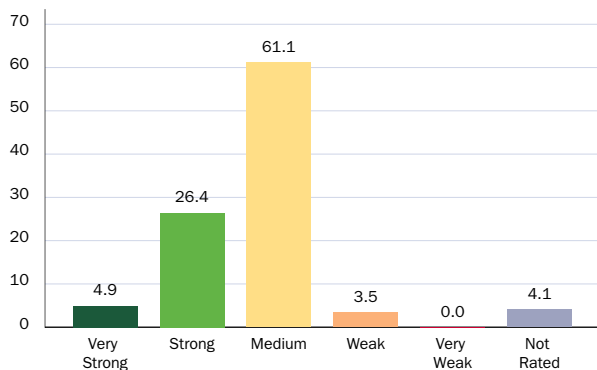
Portfolio ESG track record  
MSCI average rating

Medium  
A

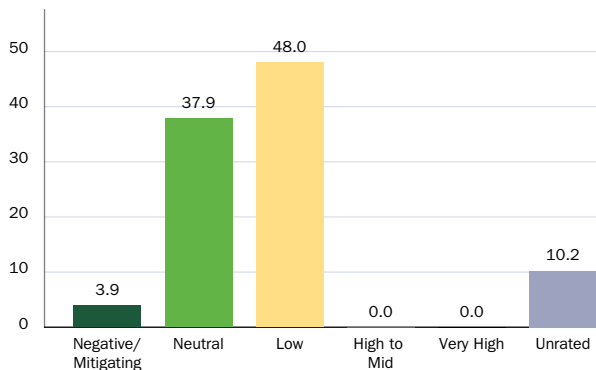
Portfolio carbon exposure  
Average CO<sub>2</sub> sales intensity

Neutral  
143.74

ESG - Position distribution



Carbon - Position distribution



## Largest positions

Name	Product Type	Weight	ESG track record	MSCI ESG rating	Carbon exposure risk	CO <sub>2</sub> sales intensity
Vontobel Emerging Markets Debt Fund	Fixed Income Fund	3.29	Weak	BB	Mid to high	779.93
iShares USD High Yield Corp Bond UCITS ETF	ETF	2.16	Medium	BBB	Mid to high	284.07
LongRun Equity Fund	Equity Fund	2.15	Medium	A	Low	15.47
Muzinich Europeyield Fund USD-h	Fixed Income Fund	2.15	Medium	BBB	Low	172.66
Rothschild & Co Gold Fund	Phys	2.14	Unrated	Unrated	Unrated	0.00
Veritas Asian Fund	Equity Fund	2.10	Medium	A	Neutral	89.74
Vontobel Emerging Markets Corporate Bonds	Fixed Income Fund	2.00	Medium	BBB	Mid to high	1'039.66
Schroders Global Convertible Bond Fund	Fixed Income Fund	1.84	Medium	A	Low	135.09
0% MTN Asian Development Bank ADB 2021-16.06.26 Tranche 29 Variable Rate	Bond	1.78	Strong	AA	Neutral	0.50
Cert Goldman Sachs 2021-02.09.24 (Exp.26.08.24) on Goldman Sachs Gr	AMC	1.75	Medium	A	Neutral	2.80

## Remarks

- The ESG track record and the MSCI ESG Rating measure how well a company performs on environmental, social and governance issues compared to other companies (peers) in the same industry. The importance of the 3 different factors varies by industry. Companies with a below average ESG track record / MSCI ESG Rating are considered riskier since they are more likely to be impacted by factors such as controversies, new social and environmental regulations, bad reputation, litigation risk, poorly motivated work force and financial mis-management.
- The Carbon Exposure Risk measures the probability and severity that a company is negatively impacted by climate change. Climate change exposure can be physical, for example through extreme heat or flooding, policy related, for example through the introduction of a carbon tax, or technological, for example through competitors developing greener products. The risk is a function of the company's exposure to climate change and of how well the company is managing that exposure.
- The CO<sub>2</sub>e Sales Intensity measures how much CO<sub>2</sub> equivalents are emitted by a company per USD 1 million sales in the most recent reporting year as reported by MSCI ESG Research. The emissions are direct emissions generated by sources owned or controlled by the company and those from the generation of purchased energy.
- The ESG distributions in the charts exclude money market and derivative positions such as foreign currency forwards.

## Important information

All performance data refers to share class Acc X.

Source: Rothschild & Co and Bloomberg

**Sharpe ratio:** Sharpe Ratio is the statistical measure of excess portfolio return over the risk-free rate relative to its standard deviation.

**Annualized Volatility:** Annualized Volatility is the measure of return dispersion for an asset over twelve month since inception.

**Maximum Loss:** This is the largest monthly drop in the portfolio's value during a given period. It is expressed as a percentage and reflects the fall in value during the time between the draw down peak (highest value) and the drawdown valley (lowest value).

This document is issued by the Rothschild & Co WM SICAV SIF, a société anonyme incorporated under the laws of Luxembourg, on a strictly confidential basis to a limited number of potential investors, being "wellinformed investors" pursuant to the Luxembourg Law of February 13, 2007 relating to specialized investment funds, as amended (the "SIF Law"), who have indicated their potential interest for the Rothschild & Co WM

SICAV SIF. This document does not constitute a personal recommendation or an offer or invitation to buy or sell securities or any other banking or investment product.

Further information and risk warnings on this Fund or other share classes or sub-funds of the SICAV-SIF may be found in the issue document, in the articles of association, in the annual report of the SICAV-SIF. The SICAV-SIF is subject to Luxembourg tax law. This may affect your personal tax situation. The value of investments, and the income from them, can go down as well as up, and you may not recover the amount of your original investment. Past performance should not be taken as a guide to future performance. Where an investment involves exposure to a foreign currency, changes in rates of exchange may cause the value of the investment, and the income from it, to go up or down.

The Fund may not be available in all jurisdictions and in some jurisdictions it may be available on a limited basis only, due to local regulatory and legal requirements. This document is not directed to, nor intended for distribution or use by, any person or entity in any jurisdiction or country where the publication or availability of this document or such distribution or use would be contrary to local law or regulation.

© 2020 MSCI ESG Research LLC. Reproduced by Permission. Although Rothschild & Co. Bank AG's information providers, including without limitation, MSCI ESG Research LLC and its affiliates (the "ESG Parties"), obtain information (the "Information") from sources they consider reliable, none of the ESG Parties warrants or guarantees the originality, accuracy and/or completeness, of any data herein and expressly disclaim all express or implied warranties, including those of merchantability and fitness for a particular purpose. The Information may only be used for your internal use, may not be reproduced or disseminated in any form and may not be used as a basis for, or a component of, any financial instruments or products or indices. Further, none of the Information can in and of itself be used to determine which securities to buy or to sell or when to buy or to sell them. None of the ESG Parties shall have any liability for any errors or omissions in connection with the data herein, or any liability for any direct, indirect, special, punitive, consequential or any other damages (including lost profits) even if notified of the possibility of such damages.