



# Rothschild & Co WM Fund (UCITS)

## Mosaïque Equity USD

### Monthly factsheet

December 2022

#### Portfolio manager's commentary

##### Portfolio ends an eventful year on a weak note

Risk appetite abated and markets fell in December despite a better-than-expected US inflation print and easing inflation across Europe. Monetary policymakers continued to raise their respective interest rates and reiterated their hawkish policy stance.

Over the month the portfolio continued to benefit from the resurgence in Emerging Markets Asia, but detracted as exposure to high-quality names suffered, such as Apple and Alphabet. Yet, we maintain that investment in high quality businesses can navigate difficult waters and have the potential to take further market share.

Furthermore, 2022 has been a very difficult year, where there were few hiding places. The major asset classes - stocks and bonds – were down by double digits, while gold delivered some comfort. Equity asset allocation effect was mixed for the year, but equity selection (stock picking) was positive. However, the equity-style exposure of the portfolio was a drag. We prefer quality and growth styles over value and whilst exposure to 'quality' was slightly positive this year, exposure to 'growth' and under-exposure to 'value' were negative attribution factors. It remains to be seen whether the more cyclical and 'value' orientated names can continue to outpace those 'growth' names in 2023.

In portfolio activity, with the macro and geopolitical picture remaining uncertain, we decided to hedge the equivalent of 10% of our equity exposure by adding a put warrant on the MSCI World index.

Among Equities, we reduced our cyclical exposure to US banks, namely Morgan Stanley and Bank of America, in the light of a slowing economy and recession fears.

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 UCITS

##### Domicile

Luxembourg

##### Portfolio manager

Rothschild & Co Bank AG,  
Zurich

##### Management company

Rothschild & Co  
Investment Managers

##### Fund administrator

CACEIS Bank, Luxembourg  
Branch

##### Depository bank

CACEIS Bank, Luxembourg  
Branch

##### Inception date

03 August 2020

##### Fiscal year end

31 December

##### Liquidity

Daily (trading cut-off  
12:00 CET)

## Fund performance



## Performance table

	MTD	YTD	1 year	3 years	5 years
Mosaique Equity USD Acc XI	-4.01%	-18.00%	-18.00%	-	-

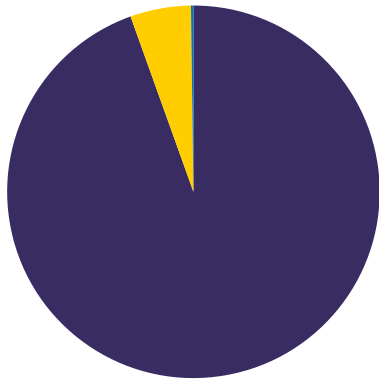
## Monthly Performance table

	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.	YTD
2022	-4.78%	-3.31%	2.08%	-7.89%	-0.35%	-7.23%	6.95%	-3.69%	-8.60%	4.95%	8.05%	-4.01%	-18.00%
2021	-0.42%	1.66%	0.88%	4.77%	0.94%	2.08%	1.58%	2.44%	-4.52%	5.46%	-2.99%	2.60%	14.99%
2020								5.67%	-3.21%	-2.14%	8.44%	2.56%	11.31%

## Portfolio holdings

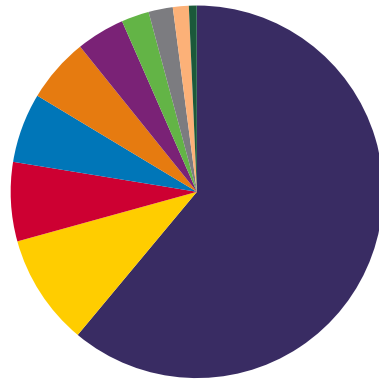
<b>Money Market &amp; Short Term Bonds</b>	<b>5.27%</b>	<b>Equities</b>	<b>94.52%</b>
Money Market	5.27%	<b>EM Asia</b>	
		JPM Global Emerging Markets UCITS ETF ESG Screened	6.37%
		Veritas Asian Fund	4.52%
		Alibaba	0.78%
		Tencent	0.56%
<b>Hybrid Instruments</b>	<b>0.21%</b>	<b>North America</b>	
Wts Goldman Sachs 16.06.2023 Put on MSCI World USD	0.21%	SPDR S&P U.S. Energy Select Sector UCITS ETF	4.98%
		Microsoft	4.45%
		Apple	3.89%
		Alphabet	2.88%
		Visa	2.56%
		Danaher	2.42%
		Linde	2.40%
		Canadian National Railway	2.31%
		Costco Wholesale Corp	2.29%
		United Health	2.27%
		Johnson & Johnson	2.20%
		Otis	2.01%
		S&P Global	1.91%
		Nike	1.84%
		JPMorgan Chase & Co	1.68%
		American Express	1.62%
		Adobe	1.34%
		iShares S&P 500 Information Technology Sector UCITS ETF	1.27%
		Amazon.com	1.27%
		Bank of America	1.21%
		Mastercard	1.21%
		Morgan Stanley	1.18%
		SPDR S&P U.S. Industrials Select Sector UCITS ETF	1.11%
		Estee Lauder	1.07%
		Comcast	1.00%
		<b>Blended</b>	
		LongRun Equity Fund	3.87%
		iShares MSCI ACWI UCITS ETF	3.76%
		iShares MSCI World Health Care Sector ESG UCITS ETF	3.22%
		SPDR MSCI World Materials UCITS ETF	1.08%
		<b>Japan</b>	
		MSCI Japan Socially Responsible UCITS ETF	3.60%
		SPDR MSCI Japan UCITS ETF	2.05%
		<b>Euro Area and Nordics</b>	
		iShares MSCI EMU ESG Screened UCITS ETF	2.44%
		LVMH	1.74%
		ASML	1.43%
		Epiroc	1.37%
		<b>UK</b>	
		Diageo	2.15%
		London Stock Exchange	1.80%
		<b>CH</b>	
		Roche	1.43%

## Asset allocation



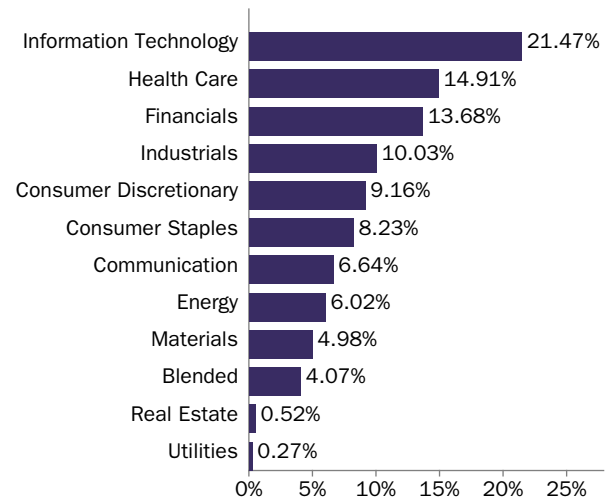
Equities	94.52 %
Money Market	5.27 %
Hybrid Instruments	0.21 %

## Currency allocation



USD	61.04 %
EM Asia	9.66 %
EUR	6.86 %
JPY	6.05 %
Other	5.59 %
GBP	4.20 %
CAD	2.40 %
CHF	2.11 %
SEK	1.38 %
HKD	0.68 %
NOK	0.01 %

## Equity sectors



## Risk profile

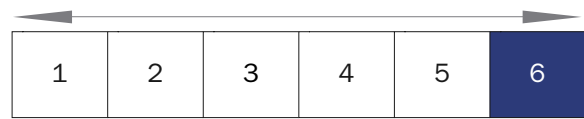
### Main investment objectives

Long-term return on invested capital by investing in a well-diversified equity portfolio

### Minimum recommended investment period

7 years and longer

Low risk High risk  
*Lower potential gain* *Higher potential gain*



### Risk level

High

### Sharpe ratio

0.12

### Maximum loss

-8.60%

### Annualized volatility

16.30%

## Share classes

ISIN	Currency	Distribution policy	Share class	Management fee (%)	TER* (%)	NAV as of 30/12/2022
LU2197679272	USD	ACC	AR ACC	1.30	1.43	100.72
LU2197680106	USD	ACC	AI ACC	1.30	1.43	101.72
LU2197680874	USD	ACC	XI ACC	0.00	0.14	104.95
LU2197682813	USD	INC	XI INC	0.00	0.14	104.95

\*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

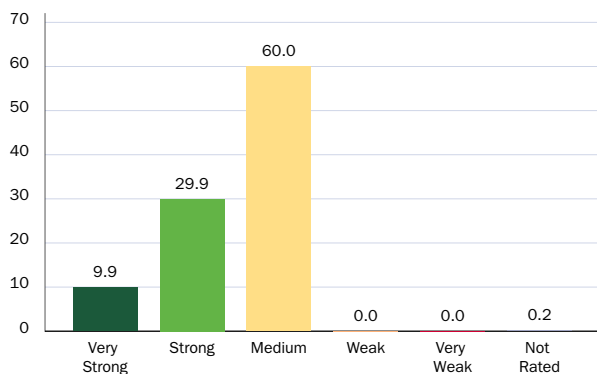
Portfolio ESG track record  
MSCI average rating

Medium  
A

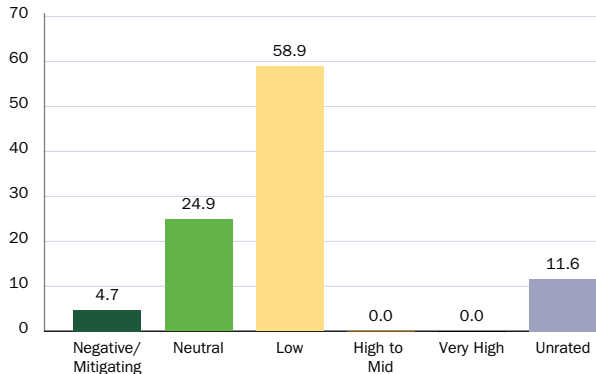
Portfolio carbon exposure  
Average CO<sub>2</sub> sales intensity

Neutral  
116.15

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
SPDR S&P U.S. Energy Select Sector UCITS ETF	ETF	4.98	Medium	A	Mid to high	475.10
Veritas Asian Fund	Equity Fund	4.52	Medium	A	Neutral	60.69
Microsoft	Stock	4.45	Very Strong	AAA	Negative / mitigating	29.00
Apple	Stock	3.89	Medium	BBB	Low	0.20
LongRun Equity Fund	Equity Fund	3.87	Medium	A	Low	14.84
iShares MSCI ACWI UCITS ETF	ETF	3.76	Medium	A	Low	162.79
MSCI Japan Socially Responsible UCITS ETF	ETF	3.60	Strong	AA	Low	35.87
iShares MSCI World Health Care Sector ESG UCITS ETF	ETF	3.22	Strong	AA	Low	12.77
Alphabet	Stock	2.88	Medium	BBB	Neutral	7.30
Visa	Stock	2.56	Medium	A	Low	2.60

## 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 XI ACC.

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).

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