

Mosaique Conservative USD

Rothschild & Co WM Fund (SICAV SIF)

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Wealth Management

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Values: All data as at 30th September 2023. Sources of charts and tables: Rothschild & Co and Bloomberg, unless otherwise stated. Past performance is not indicative of future performance and investments and the income from them can fall as well as rise. Fund performance is shown in US dollars, after all fees, in total return, combining income and capital growth. Returns may increase or decrease as a result of currency fluctuations.

Please ensure you read the Important Information section at the end of this document.

Fund manager's review

With inflation fading around the world, central banks paused their interest rate hikes although suggested they would probably remain higher for longer. Financial markets continued to adjust to this new environment, and were optimistic that most major economies are likely to avoid recession or suffer only a mild contraction.

PORTFOLIO PERFORMANCE

Following the strong first half of 2023, where equities were rallying, chiefly due to the 'magnificent seven' largest US technology-related stocks, this quarter was volatile in comparison as markets digested central banks' 'higher for longer' interest rate rhetoric, surging oil prices and renewed stress in the Chinese property market. Furthermore, while the positive market sentiment demonstrated in the first half of the year continued in July, it reversed sharply through August and September.

Also, over the quarter the market responded more favourably to the pure cyclical sectors, Energy and Financials, whereas companies demonstrating high-quality characteristics underperformed. Nevertheless, our investment preference for companies with these high-quality characteristics has been the strongest performer over the year despite this recent setback.

Furthermore, having observed the stock market rally away from the October 2022 lows and with company valuations remaining inexpensive during the second quarter earnings output, we restored the Equity allocation from neutral to overweight by reducing liquidity.

Amidst the volatility, stock selection was the main performance driver for the portfolio. Among single stocks, Alphabet (+9.3%) announced that their strategic partnership with Salesforce will grow. The generative AI assistants from both companies – Google's Duet AI and Salesforce's Einstein Copilot – will allow users to collaborate across platforms in the future. This should help the Google Workspace software tools and the application opportunities, processes and productivity of Salesforce's CRM products.

Additionally, in Telecommunications, Comcast (+7.3%) grew by virtue of better-than-expected quarterly earnings and headlines surrounding their media and entertainment business. The company's theme park and studio divisions have been operating profitably and talks to sell their 33% share in Hulu to Disney, which controls 67% of the streaming service, are now in progress.

The detractors, all declining by double digits, contained the consumer discretionary names Nike and LVMH as well as ASML. Overall, the consumer discretionary sector was negative with worries over the impact rising interest rates will have on consumers' disposable income. In ASML's case, as it benefited from the semiconductor wave during the first half of the year, the industry seems to be in a corrective phase now with suspected profit taking by short-term investors.

In Fixed Income, we maintained a neutral positioning in the asset class and the portfolio benefited from this positioning. The Federal Reserve held rates steady in September and signaled that policy rates seem well priced for a 'higher-for-longer' approach with valuations appearing cheaper. Yet the large supply to US Treasuries and political risks given a possible government shutdown may cause some discomfort further down the track.

We continue to remain defensive in our investing strategy by searching for high quality, while we are slowly increasing our duration, to benefit from this higher rate environment.

Data sources: Rothschild & Co and Bloomberg

Holdings are subject to change without notice. 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. Past performance is not indicative of future performance and investments and the income from them can fall as well as rise.

Fund manager's review (continued)

PORTFOLIO ACTIVITY

Starting in July, we continued our transition to balance risk with opportunity by exiting the position in Alibaba in favour of the capital protected structured product on the CSI300 and CSI500 that was added last quarter. As this product allows us a risk-optimized and diversified exposure to China, we believe it no longer necessary to take single-line risk to gain exposure to the region. We also took profit by reducing London Stock Exchange following a good run up in the stock price. Additionally, we added the MSCI Global Semiconductors ETF to build out the wider exposure to the industry.

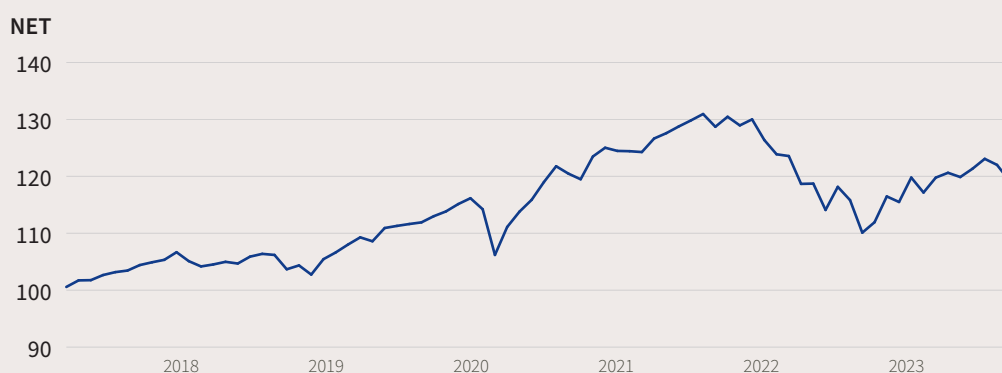
In August, as the Equity allocation was increased to overweight, we started by using liquidity to purchase the MSCI ACWI ETF. Next, we added to our Amazon position, as they reported better-than-expected quarterly profits, with earnings nearly doubling analysts' projections. In fixed income, the heightened level of macro risks confronting global bond markets prompted us to diversify our exposure to Emerging Market sovereign debt. We switched half of our investment in the Vontobel Emerging Markets Debt Fund into the Vanguard Emerging Markets Bond Fund. The Vanguard fund has a lower tracking error in its investment approach due to fewer off-benchmark positions, as well as a good risk management procedure, which is consistent with our evaluation of EM bond markets.

Finally in September, we added to the existing suite of healthcare names by introducing Intuitive Surgical to the portfolio. The company sells surgical robots, instruments and service plans, with a 98% market share for the former. The addition allows for capitalising on the growing demand for advanced medical technology and positions the portfolio well for potential future growth opportunities in the sector.

Fund performance

At the end of the third quarter 2023, the performance stood at -1.7% QTD and 3.3% YTD.

PERFORMANCE SINCE INCEPTION (%)*



* Data represents total returns of the investment strategy over the period from 7 April 2017 to 31 March 2023. The launch date of the Fund which implements this strategy was 7 April 2017.

PERFORMANCE TABLE (%)

	QTD	YTD	1 YEAR	3 YEARS	5 YEARS	SINCE INCEPTION
MOSAIQUE CONSERVATIVE USD X	-1.7	3.3	8.3	-1.0	12.3	19.5

MONTHLY PERFORMANCE TABLE (%)

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	YTD
2023	3.7	-2.2	2.2	0.7	-0.6	1.2	1.4	-0.9	-2.3				3.3
2022	-2.8	-2.0	-0.3	-4.0	0.0	-3.9	3.6	-2.0	-4.9	1.7	4.1	-0.8	-11.2
2021	-0.4	0.0	-0.1	1.9	0.7	0.9	0.8	0.9	-1.7	1.4	-1.2	0.8	4.0
2020	0.9	-1.7	-7.0	4.6	2.4	1.8	2.7	2.3	-1.1	-0.8	3.3	1.2	8.6
2019	2.6	1.1	1.3	1.2	-0.6	2.1	0.3	0.3	0.3	1.0	0.7	1.1	12.1

Portfolio holdings

The objective of the fund is to generate capital growth over time, while maintaining a broad diversification through liquid securities.

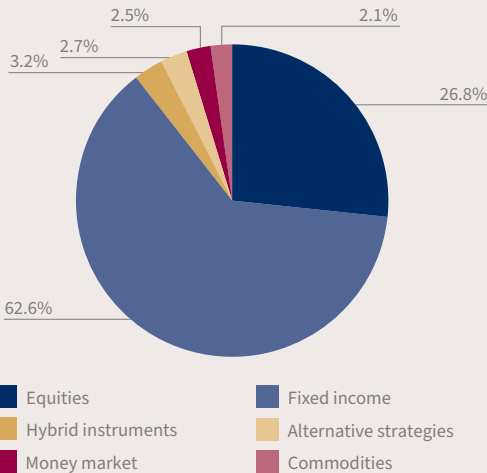
EQUITIES		26.8%	FIXED INCOME		62.6%
North America		14.5%	Investment Grade		51.8%
SPDR S&P U.S. Energy Select Sector UCITS ETF		1.3%	Diversified USD Investment Grade Single Bonds*		48.2%
Linde		0.8%	R-co Conviction Credit Euro Fund		3.7%
Adobe		0.7%	High Yield		10.8%
Alphabet		1.0%	Muzinich Europeyield Fund USD-h		2.4%
Amazon.com		0.8%	Vontobel Emerging Markets Corporate Bonds		1.8%
American Express		0.4%	Schroders Global Convertible Bond Fund		1.8%
Apple		1.3%	Vanguard Emerging Markets Bond Fund USD Hedged		1.7%
Canadian National Railway		0.6%	Vontobel Emerging Markets Debt Fund		1.7%
Comcast		0.4%	iShares USD High Yield Corp Bond UCITS ETF		1.4%
Costco Wholesale Corp		0.8%	MULTI-ASSET & HYBRID INSTRUMENTS		
Danaher		0.4%	Structured Products (Yield)		3.2%
Intuitive Surgical		0.3%	Cert Raiffeis Switzerland (Exp.02.10.23) on MSCI ESG Basket		1.7%
JPMorgan Chase & Co		0.5%	Cert GS QSP Dynamic Hedging Strategy		1.0%
Microsoft		1.3%	Cert BNP Paribas Iss 2023-02.06.25 on CSI300 Index, CSI500 Index		0.5%
Morgan Stanley		0.3%	Structured Products (Hedging)		<0.1%
Nike		0.4%	Citigroup put on MSCI World 15.12.2023		<0.1%
Otis		0.7%	ALTERNATIVE STRATEGIES		
S&P Global		0.6%	Alternative Strategies		2.7%
Thermo Fisher		0.4%	Atropos CatBond		1.8%
United Health		0.6%	One River Dynamic Convexity Fund		0.9%
Visa		0.9%	MONEY MARKET		
Europe		3.1%	Money Market		2.5%
ASML		0.6%	USD Liquidity		2.5%
LVMH		0.5%	COMMODITIES		
Epiroc		0.4%	Gold		2.1%
iShares MSCI EMU ESG Screened UCITS ETF		0.7%	Rothschild & Co Gold Fund		2.1%
London Stock Exchange		0.4%	Other Commodities		
RELX PLC		0.5%			
Emerging Markets		2.2%			
Veritas Asian Fund		1.3%			
JPM Global Emerging Markets UCITS ETF ESG Screened		1.0%			
Global		5.9%			
LongRun Equity Fund		3.1%			
iShares MSCI Global Semiconductors UCITS ETF		0.4%			
iShares MSCI ACWI UCITS ETF		1.5%			
iShares MSCI World Health Care Sector ESG UCITS ETF		0.9%			
Japan		1.1%			
MSCI Japan Socially Responsible UCITS ETF		1.1%			

Percentages may not sum to 100% due to rounding.

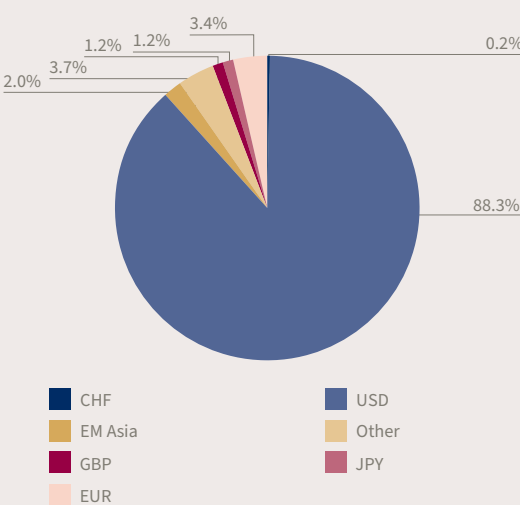
Fund allocation

The Fund invests in equities, equity-related securities, fixed income securities, alternative strategies, commodities and money market instruments.

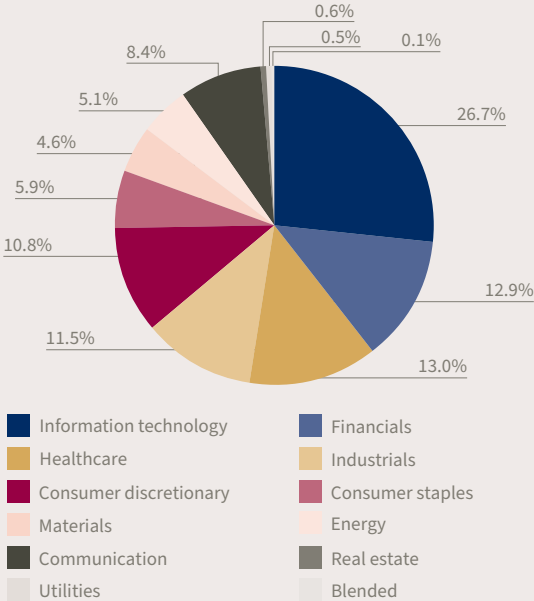
FUND HOLDINGS BY ASSET CLASSES



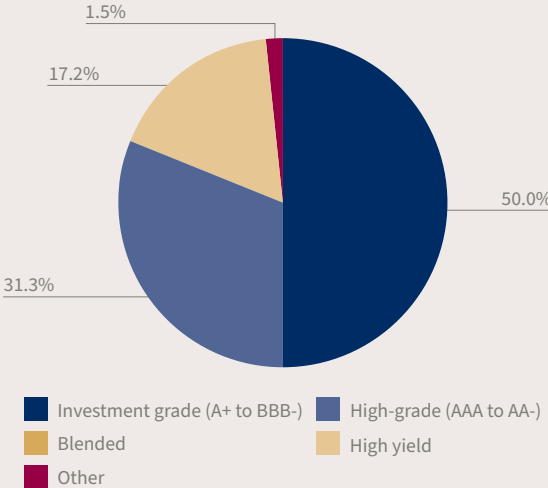
FUND ALLOCATION BY CURRENCY



EQUITY ALLOCATION BY SECTOR



FIXED INCOME ALLOCATION BY CREDIT RATING



Percentages may not sum to 100% due to rounding. The above currency exposure is net of foreign exchange hedges. For the purposes of more accurately managing currency risk, where appropriate, we reflect the currency exposure of certain funds based on the underlying securities held within the fund, rather than the denomination of the fund.

Supporting information

ROTHSCHILD & CO WM FUND (SICAV SIF) – MOSAIQUE CONSERVATIVE USD

Legal structure	SICAV SIF
Objective	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.
Launch date	7 April 2017
Fiscal year end	31 December
Domicile	Luxembourg
Management company	Rothschild & Co Investment Managers, Luxembourg
Fund administrator	Northern Trust, Luxembourg
Depository bank	Northern Trust, Luxembourg
Inception date	7 April 2017
Liquidity	Daily (trading cut-off 14:15 CET)

Notes

At Rothschild & Co Wealth Management we offer an objective long-term perspective on investing, structuring and safeguarding assets, to preserve and grow our clients' wealth.

We provide a comprehensive range of services to some of the world's wealthiest and most successful families, entrepreneurs, foundations and charities.

In an environment where short-term thinking often dominates, our long-term perspective sets us apart. We believe preservation first is the right approach to managing wealth.



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 draw down valley (lowest value).

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