

Mosaique Equity USD

Rothschild & Co WM Fund (SICAV UCITS)

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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 dollar, 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.

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.

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)

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.

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. Danaher was reduced to finance the trade. After observing Danaher move up following its lows in May, we trimmed the position to add Intuitive Surgical, which offers both a complement and diversification to the healthcare sector in the portfolio. The addition also capitalises 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 -3.8% QTD and 7.0% YTD.

PERFORMANCE SINCE INCEPTION (%)*



* Data represents total returns of the investment strategy over the period from 3 August 2020 to 31 March 2023. The launch date of the Fund which implements this strategy was 3 August 2020.

PERFORMANCE TABLE (%)

	QTD	YTD	1 YEAR	3 YEARS	5 YEARS	SINCE INCEPTION
MOSAIQUE EQUITY USD XI	-3.8	7.0	16.5	9.8		12.3

MONTHLY PERFORMANCE TABLE (%)

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	YTD
2023	6.5	-3.8	3.8	1.4	-1.8	5.1	3.0	-2.6	-4.1				7.0
2022	-4.8	-3.3	2.1	-7.9	-0.4	-7.2	7.0	-3.7	-8.6	4.9	8.1	-4.0	-18.0
2021	-0.4	1.7	0.9	4.8	0.9	2.1	1.6	2.4	-4.5	5.5	-3.0	2.6	15.0
2020								5.7	-3.2	-2.2	8.4	2.6	11.3

Portfolio holdings

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

EQUITIES	91.7%
North America	54.9%
Microsoft	5.2%
SPDR S&P U.S. Energy Select Sector UCITS ETF	4.5%
Apple	3.9%
Alphabet	3.6%
Amazon.com	2.8%
Visa	2.7%
Linde	2.7%
Costco Wholesale Corp	2.6%
United Health	2.0%
Canadian National Railway	2.0%
S&P Global	2.0%
Otis	1.9%
Adobe	1.9%
Johnson & Johnson	1.8%
JPMorgan Chase & Co	1.7%
American Express	1.5%
Nike	1.4%
iShares S&P 500 Information Technology Sector UCITS ETF	1.4%
Danaher	1.4%
Thermo Fisher	1.3%
Mastercard	1.3%
Intuitive Surgical	1.2%
Comcast	1.2%
SPDR S&P U.S. Industrials Select Sector UCITS ETF	1.1%
Morgan Stanley	1.1%
Estee Lauder	0.6%
Europe	12.3%
iShares MSCI EMU ESG Screened UCITS ETF	2.5%
ASML	1.9%
LVMH	1.7%
Diageo	1.7%
RELX plc	1.6%
London Stock Exchange	1.5%
Epiroc	1.3%
Emerging Markets	8.8%
JPM Global Emerging Markets UCITS ETF ESG Screened	6.1%
Veritas Asian Fund	2.2%
Tencent	0.5%
Global	15.5%
iShares MSCI ACWI UCITS ETF	5.0%
LongRun Equity Fund	5.0%
iShares MSCI World Health Care Sector ESG UCITS ETF	2.9%
iShares MSCI Global Semiconductors UCITS ETF	1.5%
SPDR MSCI World Materials UCITS ETF	1.0%
Japan	5.6%
SPDR MSCI Japan UCITS ETF	2.2%
MSCI Japan Socially Responsible UCITS ETF	3.4%

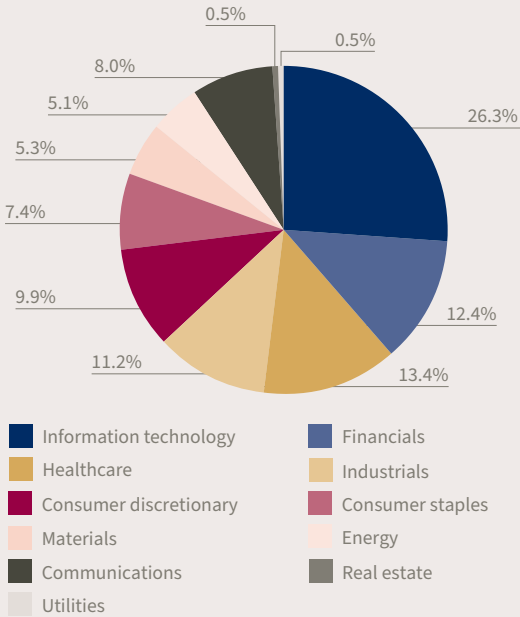
MULTI-ASSET & HYBRID INSTRUMENTS	1.8%
Structured Products (Yield)	1.8%
Cert BNP Paribas Iss 2023-02.06.25 on CSI300 Index, CSI500 Index	1.8%
Structured Products (Hedging)	<0.1%
Citigroup 15.12.2023 Put on MSCI World USD	<0.1%
MONEY MARKET	1.2%
Money Market	1.2%
USD Liquidity	1.2%

Percentages may not sum to 100% due to rounding.

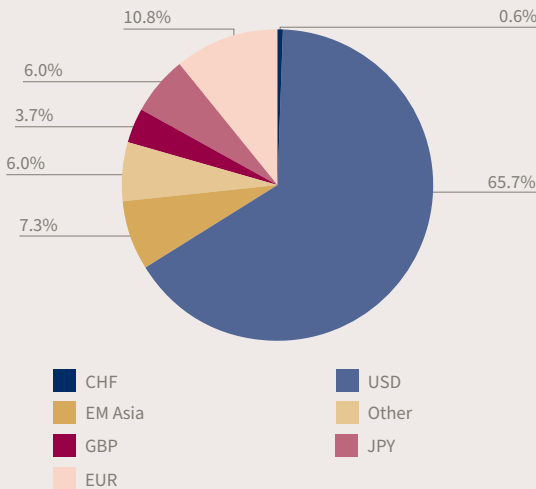
Fund allocation

The Fund invests in equities, equity-related securities and money market instruments.

EQUITY ALLOCATION BY SECTOR



FUND ALLOCATION BY CURRENCY



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 UCITS) – MOSAIQUE EQUITY USD

Legal structure	SICAV UCITS
Objective	Long-term return on invested capital by investing in a well-diversified equity portfolio.
Launch date	3 August 2020
Fiscal year end	31 December
Domicile	Luxembourg
Management company	Rothschild & Co Investment Managers
Fund administrator	CACEIS Bank, Luxembourg Branch
Depository bank	CACEIS Bank, Luxembourg Branch
Inception date	3 August 2020
Liquidity	Daily (trading cut-off 12:00 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 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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