

Mosaique Equity USD

Rothschild & Co WM Fund (SICAV UCITS)

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Wealth Management

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Values: All data as at 31st March 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

Central banks increased interest rates further during the first quarter as they continued to tame inflation. Concern about the economic outlook and the possibility of recession was compounded by turmoil in the banking sector. Yet stock markets showed resilience by shrugging off much of the uncertainty and climbing higher over the period.

MARKET OVERVIEW

After a strong January, stock markets pared some of their gains as the prospect of higher interest rates and, more recently, concerns over the health of the banking system moved into focus. The collapse of Silicon Valley Bank and, in turn, the enforced acquisition of Credit Suisse by UBS, ignited concerns over financial contagion, with bank stock prices falling sharply. Whilst financials came under pressure, the global growth backdrop continued to look resilient and technology rebounded following a tough 2022, with the Nasdaq Composite posting its best start to the year since 2001.

PORTFOLIO PERFORMANCE

The first quarter of 2023 was a tale of reversal but ultimately ending in positive portfolio investment performance. Maintaining the positive trend from Q4 2022, the portfolio roared into the new year, built up by effervescent market sentiment. In February, there was a pullback in performance with sentiment swinging back, following a mixed set of earnings results. Inflation continued to see companies grow cautious with their profit margin forecasts. Nevertheless, a resilient March restored the positive performance, and we march on.

Stock picking was the main performance driver, where the financial exposed names contributed positively, undeterred by the collapse of SVB and near-death of CS. On the other hand, it was a difficult quarter for our healthcare names.

Our preference for companies that demonstrate high quality characteristics such as strong profitability and large size were a net positive. Also, in contrast to last year where the market preferred cheaply valued companies, this year the market pivoted and consequently the abovementioned quality characteristics and elements of growth within the portfolio were a boon to performance. We maintain our philosophy towards good quality business that have pricing power and can improve their competitive position within their industries during times of economic stress.

Among single stocks the financial names in the portfolio: American Express, Visa, and Morgan Stanley were good examples of winners this quarter with increases in the share price relative to their respective peers. Following the exogenous shocks to the financial sector, with SVB and CS, investors sought safety in more quality and consequently, these quality financial names prospered. LVMH (>20%) and Alibaba (>10%) both performed well on the back of strong consumer demand, chiefly boosted from a gradual improvement in China. Finally, ASML – a timely introduction in January – rose above 15% versus the market, reporting excellent results and an upbeat outlook for the current year.

The laggards were United Health, Danaher, and Roche. The latter continued its decline from the previous quarter, falling a further c.10% due to mixed 2022 results and a rather soft outlook. Despite reporting pleasing fourth quarter earnings, both United Health and Danaher declined. We attribute this more to profit taking, as both remain on track for resilient organic growth and rising margins.

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

Several changes were made to the portfolio this quarter.

Starting with Equities, in January we introduced ASML to the portfolio to add some semiconductor exposure. The leading provider of semiconductor manufacturing equipment bounced back in from the wider semi-conductor sell off in the second half of 2022. Here, we saw an attractive entry point, with the stock at a reasonable valuation and a record backlog of new business. To balance the trade, we sold the Invesco S&P500 Equal Weight Tech ETF and trimmed Apple.

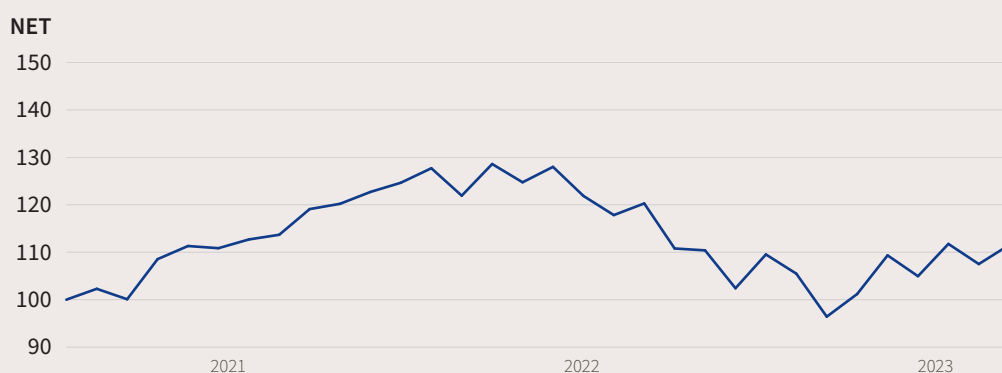
Then in February, we took advantage of a strong market run to prune some Microsoft and Alphabet. Along with the reduction of Apple, we managed to reduce our investment bias toward mega-caps in the portfolio.

In March, we diversified our healthcare exposure by selling Roche and introducing Thermo Fisher to the portfolio. Thermo Fisher is one of the world's largest MedTech companies and a global leader in the life science segment. Over the last decade, the company grew significantly driven by a track record of M&A activity in accompaniment with a growing customer base (over 400'000 customers). We think Thermo Fisher has the potential to improve its business quality, end market exposure, pricing power and margins. Finally, we sold Bank of America. The bank benefitted strongly during early stages of the Fed's tightening cycle, but this effect typically dissipates towards the end of the cycle. We felt far enough through the tightening cycle to have reached the maximum benefit of holding the stock.

Fund performance

At the end of the first quarter 2023, the performance stood at 6.3% QTD and 6.3% 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	6.3	6.3	-7.3			11.5

MONTHLY PERFORMANCE TABLE (%)

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	YTD
2023	6.5	-3.8	3.8										6.3
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 93.6%

North America 52.0%

Microsoft	4.8%
SPDR S&P U.S. Energy Select Sector UCITS ETF	4.6%
Apple	3.9%
Alphabet	2.8%
Visa	2.6%
Linde	2.6%
Costco Wholesale Corp	2.4%
Danaher	2.2%
Canadian National Railway	2.2%
Otis	2.0%
United Health	1.9%
S&P Global	1.9%
Nike	1.8%
Johnson & Johnson	1.8%
American Express	1.7%
JPMorgan Chase & Co	1.5%
Thermo Fisher	1.5%
Amazon.com	1.5%
Adobe	1.5%
iShares S&P 500 Information Technology Sector UCITS ETF	1.4%
Mastercard	1.2%
Morgan Stanley	1.2%
SPDR S&P U.S. Industrials Select Sector UCITS ETF	1.1%
Comcast	1.0%
Estee Lauder	1.0%

Europe 12.1%

iShares MSCI EMU ESG Screened UCITS ETF	2.6%
ASML	2.1%
Diageo	2.1%
LVMH	2.0%
London Stock Exchange	1.9%
Epiroc	1.4%

Emerging Markets 12.1%

JPM Global Emerging Markets UCITS ETF ESG Screened	6.3%
Veritas Asian Fund	4.3%
Alibaba	0.9%
Tencent	0.6%

Global 11.8%

LongRun Equity Fund	4.0%
iShares MSCI ACWI UCITS ETF	3.8%
iShares MSCI World Health Care Sector ESG UCITS ETF	3.0%
SPDR MSCI World Materials UCITS ETF	1.1%

Japan 5.6%

MSCI Japan Socially Responsible UCITS ETF	3.5%
SPDR MSCI Japan UCITS ETF	2.1%

MULTI-ASSET & HYBRID INSTRUMENTS <0.1%

Structured Products (Hedging) <0.1%

Wts Goldman Sachs 16.06.2023 Put on MSCI World USD	<0.1%
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MONEY MARKET 6.3%

Money Market 6.3%

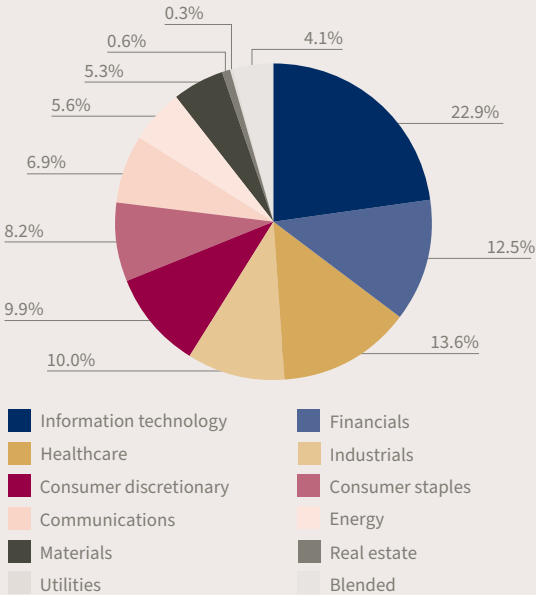
USD Liquidity	6.3%
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Percentages may not sum to 100% due to rounding.

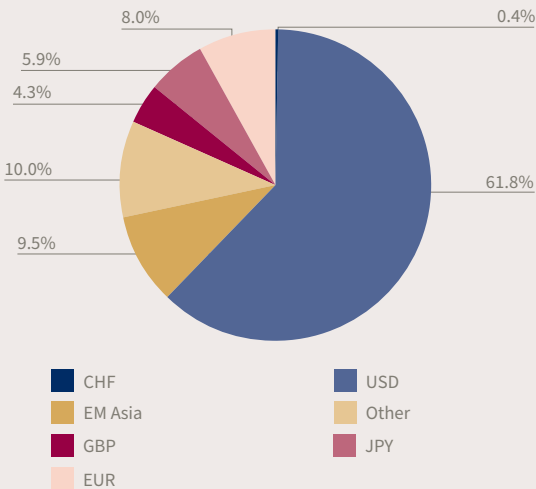
Fund allocation

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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