



Mosaique Balanced USD

Rothschild & Co WM Fund (SICAV SIF)

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Wealth Management

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Values: All data as at 30th September 2022. 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

Despite the risks to growth, central banks remained committed to bringing inflation under control with increases in interest rates, which weighed on equities and fixed income over the quarter. After rebounding in July, global markets came under downward pressure in August and September, with European shares among the hardest hit.

MARKET OVERVIEW

The third quarter was another bruising period for financial markets. Against a backdrop of high inflation and slowing economic growth, both equities and bonds declined.

The US entered a technical recession with Europe expected to follow suit over the coming quarters. Central banks continued to increase interest rates given ongoing inflationary pressures. Although headline measures have decelerated in line with easing oil and food prices.

There were significant rate hikes over the quarter from the Federal Reserve, the Bank of England, and the European Central Bank. The messaging from the Federal Reserve following August's Jackson Hole summit put the expected "pivot" narrative to bed and led markets to price in a steeper path for future interest rates. The US 2-year yield moved from 2.93% to 4.23%, whilst the 10-year went from 2.97% to 3.83%.

PORTFOLIO PERFORMANCE

The portfolio performance was mixed for the quarter – July garnered rare positive performance in an otherwise troublesome year and was offset in August, suffering further in September. That said, the portfolio performed better than its respective underlying indices.

At the top level, our underweight Fixed Income and short duration within the asset class proved to be the right positioning in the face of the abovementioned rising rates. This positioning has been in place long before inflation was the topic is it today on the basis that interest rate normalisation was always a possibility. That said, our preference for credits over government issues on the back of a robust economy has worked against us. Our equity positioning was neutral, however, the portfolio benefitted well from options hedges built into the portfolio during the quarter.

In Equities, our preference for companies that demonstrate high quality characteristics such as strong profitability and lower debt was a headwind: The market gravitated towards cheaply valued companies to avoid multiple compression driven by rising rates, despite the fact their earnings are much more exposed to weakening global growth. We maintain our tilt towards good quality businesses that have pricing power and can improve their competitive position within their industries during times of economic stress.

On the single stock level, Danaher was a helpful contributor to performance on the back of continued excellent operational execution. We also benefited from defensive stocks like Roche and Diageo. At the other end of the spectrum, Adobe experienced a setback following the announcement of the acquisition of rival firm Figma, while Comcast suffered from increased competition.

PORTFOLIO ACTIVITY

In Equities, we took some profits on our longer standing names: Alphabet and Linde. We proceeded to another defensive move, by increasing the World Healthcare ETF, financed by a reduction of the European Monetary Union ESG ETF. In Fixed Income, first we lengthened our duration in the portfolio, then took advantage of the higher yields in the market by deploying capital in high quality names.

Elsewhere, to add a further element of protection to the portfolio we decided to add the One River Dynamic Convexity Fund. This fund is long volatility and aims at protecting the portfolio in case of extreme market events characterised by spikes in long term volatility, while being able to limit the costs of this positioning.

Furthermore, we decided to add another hedge to protect the equivalent of 10% of our equity exposure. We took the opportunity of the market rebound to strike this protection at attractive levels at the beginning of August.

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 performance

At the end of the third quarter 2022, the performance stood at -4.5% QTD and -18.9% YTD.

PERFORMANCE SINCE INCEPTION (%)*



* Data represents total returns of the investment strategy over the period from 7 April 2017 to 30 September 2022. 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 BALANCED USD X	-4.5	-18.9	-16.7	4.7	16.3	20.9

MONTHLY PERFORMANCE TABLE (%)

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	YTD
2022	-3.6	-2.4	0.7	-5.6	0.0	-5.0	4.8	-2.8	-6.2				-18.9
2021	-0.4	0.5	0.1	3.2	0.8	1.5	1.1	1.6	-2.7	3.0	-1.7	1.3	8.6
2020	0.6	-3.6	-8.9	6.8	3.1	2.6	4.2	4.4	-1.9	-1.2	5.7	1.9	13.2
2019	4.0	1.9	1.7	2.2	-2.1	3.2	0.5	-0.3	0.5	1.7	1.5	1.7	17.6
2018	2.6	-1.9	-1.5	0.9	0.6	-0.4	1.9	0.7	-0.1	-4.0	1.0	-3.5	-3.9

Portfolio holdings

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

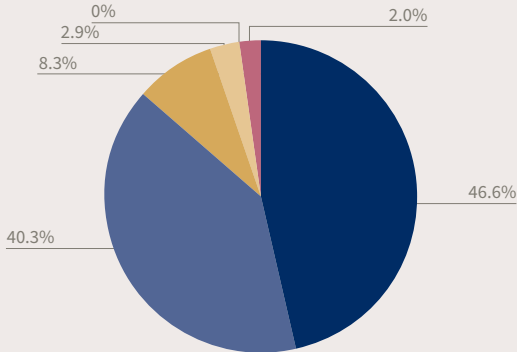
EQUITIES		46.6%	FIXED INCOME		40.3%
North America		25.8%	Investment Grade		34.0%
Microsoft		2.6%	Diversified USD Investment Grade Single Bonds		31.5%
Apple		2.5%	Muzinich Global Short Duration Investment Grade Fund Hedged USD		2.5%
SPDR S&P U.S. Energy Select Sector UCITS ETF		2.3%	High Yield		6.3%
Alphabet		1.7%	Vontobel Emerging Markets Debt Fund		2.0%
Visa		1.3%	iShares USD High Yield Corp Bond UCITS ETF		1.5%
Costco Wholesale Corp		1.3%	Muzinich Europeyield Fund USD-h		1.5%
Canadian National Railway		1.2%	Vontobel Emerging Markets Corporate Bonds		1.4%
Otis		1.2%	MULTI-ASSET & HYBRID INSTRUMENTS		
Danaher		1.2%	Structured Products (Yield)		7.1%
United Health		1.1%	Dispersion Cert BNP Paribas Iss (Exp.14.04.23) on Equities		1.7%
Morgan Stanley		1.1%	Cert Raiffeis Switzerland (Exp.02.10.23) on MSCI ESG Basket		1.6%
Linde		1.1%	Cert Morgan Stanley (Exp.02.08.23) on Nikkei225/SMI/S&P500/ESTX50		1.6%
S&P Global		1.0%	7.81% UBS Jersey (Exp.17.05.23) on FESX/Nikkei225/S&P500/SMI		1.6%
Bank of America		1.0%	1.07% RBC London 2020-28.12.22 (Exp.19.12.22)		0.6%
Amazon.com		1.0%	Structured Products (Hedging)		1.2%
Invesco S&P 500 Equal Weight Technology ETF		0.8%	Wts Goldman Sachs 16.12.2022 S&P 500 Put/Call Spread		0.8%
American Express		0.8%	Wts Morgan Stanley 13.10.2022 S&P 500 Put		0.3%
Nike		0.7%	ALTERNATIVE STRATEGIES		
JPMorgan Chase & Co		0.7%	Alternative Strategies		2.9%
Adobe		0.7%	Atropos CatBond		1.9%
Comcast		0.5%	One River Dynamic Convexity Fund		1.1%
Europe		5.6%	MONEY MARKET		
Diageo		1.2%	Money Market		0.0%
iShares MSCI EMU ESG Screened UCITS ETF		1.1%	USD Liquidity		0.0%
London Stock Exchange		1.1%	COMMODITIES		
iShares STOXX Europe 600 Basic Resources UCITS ETF		0.9%	Gold		2.0%
LVMH		0.8%	Rothschild & Co Gold Fund		2.0%
Epiroc		0.6%			
Global		5.5%			
LongRun Equity Fund		4.0%			
iShares MSCI World Health Care Sector ESG UCITS ETF		1.5%			
Emerging Markets		6.1%			
Veritas Asian Fund		4.0%			
JPM Global Emerging Markets UCITS ETF ESG Screened		1.7%			
Alibaba		0.4%			
Switzerland		1.0%			
Roche		1.0%			
Japan		2.5%			
MSCI Japan Socially Responsible UCITS ETF		1.9%			
SPDR MSCI Japan UCITS ETF		0.6%			

Percentages may not sum to 100% due to rounding.

Fund allocation

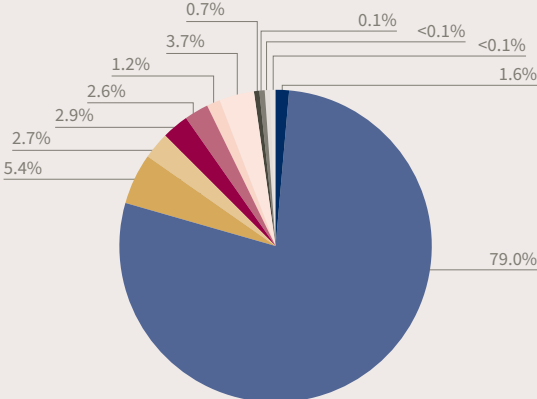
The Fund invests in equities, equity-related securities, fixed income securities, alternative strategies, commodities and money market instruments.

FUND HOLDINGS BY ASSET CLASSES



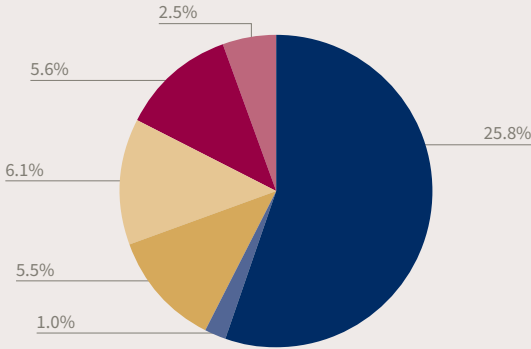
- Equities
- Fixed income
- Hybrid instruments
- Alternative strategies
- Money market
- Commodities

FUND ALLOCATION BY CURRENCY



- CHF
- USD
- EM Asia
- Other
- GBP
- JPY
- CAD
- EUR
- SEK
- HKD
- NOK
- SGD

EQUITY ALLOCATION BY GEOGRAPHY

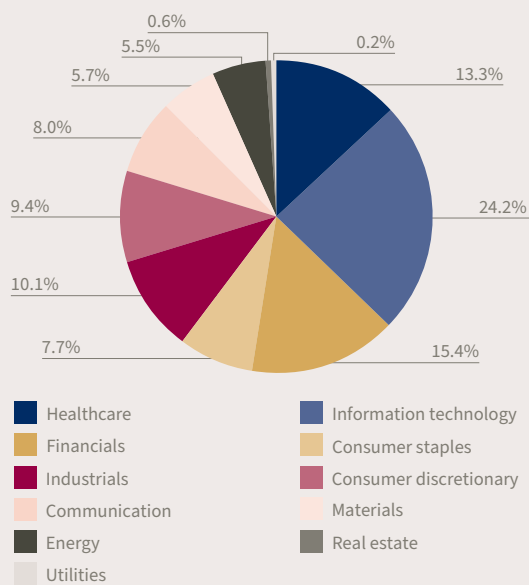


- North America
- Switzerland
- Global
- Emerging markets
- Europe
- Japan

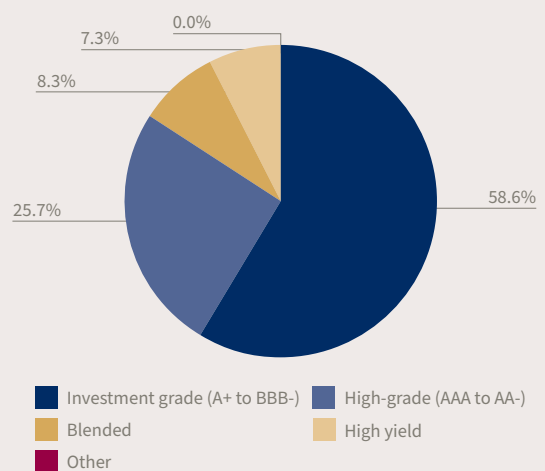
Percentages may not sum to 100% due to rounding. The above currency exposure is net of foreign exchange hedges. For the purposes of more accurately managing currency risk, where appropriate, we reflect the currency exposure of certain funds based on the underlying securities held within the fund, rather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

Fund allocation

EQUITY ALLOCATION BY SECTOR



FIXED INCOME ALLOCATION BY CREDIT RATING



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Supporting information

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

Legal structure	SICAV SIF
Objective	Long-term return on invested capital by investing in a roughly equal combination of bonds mainly denominated in USD and a well-diversified equity portfolio.
Launch date	7 April 2017
Fiscal year end	31 December
Domicile	Luxembourg
Management company	Rothschild & Co Investment Managers
Fund administrator	CACEIS Bank, Luxembourg
Depository bank	CACEIS Bank, Luxembourg
Inception date	7 April 2017
Liquidity	Daily (trading cut-off 15:00 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 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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