



Rothschild & Co WM SICAV SIF

Mosaïque Balanced CHF

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 the risks of the portfolio, by reducing Morgan Stanley and Partners Group, which are more cyclical and volatile in the current environment, and reallocated the proceeds to defensive names like Zurich Insurance Group and Novartis in the healthcare sector.

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 SIF

Domicile

Luxembourg

Portfolio manager

Rothschild & Co Bank AG,
Zurich

Management company

Rothschild & Co
Investment Managers,
Luxembourg

Fund administrator

Northern Trust,
Luxembourg

Depository bank

Northern Trust,
Luxembourg

Inception date

14 October 2013

Fiscal year end

31 December

Liquidity

Daily (trading cut-off
15:00 CET)

Fund performance



Performance table

	MTD	YTD	1 year	3 years	5 years
Mosaique Balanced CHF	-3.33%	-15.30%	-15.30%	-2.71%	5.38%

Monthly Performance table

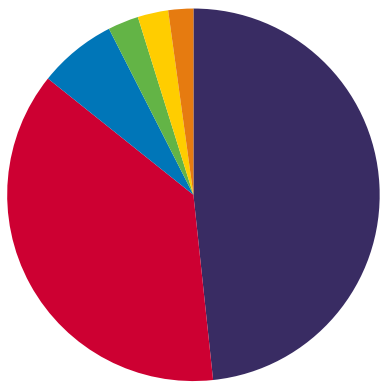
	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.	YTD
2022	-3.72%	-2.94%	0.75%	-2.55%	-1.80%	-4.92%	3.95%	-2.16%	-5.13%	3.01%	2.91%	-3.33%	-15.30%
2021	-0.44%	1.01%	2.48%	1.27%	0.57%	2.56%	0.37%	2.04%	-2.91%	1.65%	-0.82%	0.85%	8.84%
2020	0.73%	-3.90%	-8.46%	5.58%	2.34%	1.94%	1.55%	2.97%	-0.24%	-1.72%	4.39%	1.04%	5.53%
2019	3.77%	2.29%	1.09%	2.85%	-2.24%	1.46%	0.99%	-0.32%	0.08%	0.81%	1.94%	0.19%	13.56%
2018	0.59%	-1.61%	-1.03%	1.64%	-0.11%	0.27%	1.80%	-0.15%	0.28%	-2.68%	0.41%	-3.97%	-4.62%

Portfolio holdings

Money Market & Short Term Bonds	2.65%
Money Market	2.65%
Fixed Income	37.41%
Single Bonds	27.78%
Vontobel Emerging Markets Debt Fund	2.01%
Schroder Euro Credit Conviction	1.63%
Vontobel Emerging Markets Corporate Bonds	1.39%
iShares USD High Yield Corp Bond UCITS ETF Hedged CHF	1.37%
Muzinich Europeyield Fund	1.33%
R-co Conviction Credit Euro Fund	0.96%
Muzinich Global Short Duration Investment Grade Fund Hedged CHF	0.95%
Hybrid Instruments	6.78%
6.59% UBS Jersey (Exp.17.05.23) on FESX/Nikkei225/S&P500/SMI	1.70%
Cert Morgan Stanley (Exp.02.08.23) on Nikkei225/SMI/S&P500/ESTX50	1.66%
Cert Raiffeis Switzerland (Exp.02.10.23) on MSCI ESG Basket	1.66%
Dispersion Cert BNP Paribas Iss (Exp.14.04.23) on Equities	1.65%
Wts Goldman Sachs 16.06.2023 Put on MSCI World USD	0.10%
Commodities	2.17%
Rothschild & Co Gold Fund	2.17%
Alternative Strategies	2.67%
Atropos CatBond	1.70%
One River Dynamic Convexity Fund	0.97%

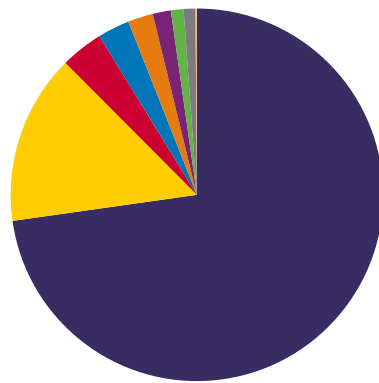
Equities	48.31%
Blended	
LongRun Equity Fund	4.26%
iShares MSCI World Health Care Sector ESG UCITS ETF	1.43%
CH	
Nestle	3.62%
Novartis	3.01%
Roche	2.94%
Cert ZKB on Rothschild & Co Swiss Small and Mid Cap Conviction	1.56%
Zurich Insurance	1.53%
iShares Core SPI ETF	1.10%
Partners Group	0.90%
Sika	0.81%
Geberit	0.61%
Sonova	0.45%
EM Asia	
Veritas Asian Fund	3.08%
JPM Global Emerging Markets UCITS ETF ESG Screened	0.92%
Alibaba	0.46%
North America	
Microsoft	1.87%
SPDR S&P U.S. Energy Select Sector UCITS ETF	1.53%
Visa	1.25%
Alphabet	1.23%
Costco Wholesale Corp	1.09%
S&P Global	1.06%
Canadian National Railway	1.02%
Danaher	0.99%
Linde	0.96%
JPMorgan Chase & Co	0.91%
United Health	0.89%
Apple	0.87%
Adobe	0.82%
Invesco S&P 500 Equal Weight Technology ETF	0.77%
Nike	0.70%
Comcast	0.63%
Morgan Stanley	0.60%
Amazon.com	0.53%
Japan	
MSCI Japan Socially Responsible UCITS ETF	1.43%
UK	
London Stock Exchange	1.03%
Euro Area and Nordics	
ASML	0.77%
LVMH	0.71%

Asset allocation



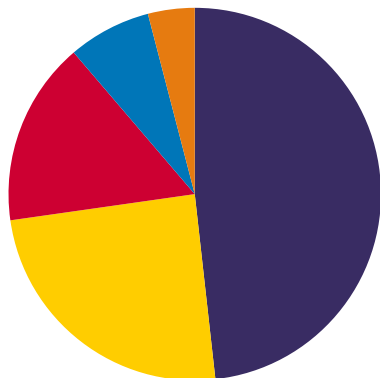
Equities	48.31 %
Fixed Income	37.41 %
Hybrid Instruments	6.78 %
Alternative Strategies	2.67 %
Money Market	2.65 %
Commodities	2.17 %

Currency allocation



CHF	72.76 %
USD	14.77 %
EM Asia	3.70 %
Other	2.77 %
EUR	2.18 %
JPY	1.58 %
GBP	1.10 %
CAD	1.02 %
HKD	0.12 %

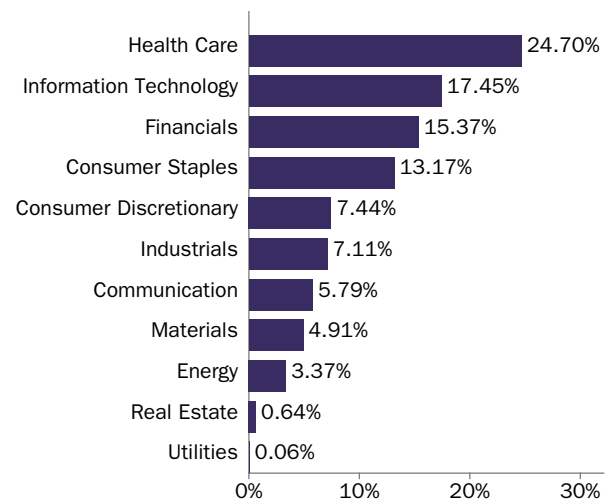
Fixed income ratings



A+ to BBB-	48.23 %
AAA to AA-	24.52 %
Blended	15.99 %
High Yield Bonds	7.21 %
Other fixed-income	4.05 %

Percentages may not sum to 100% due to rounding

Equity sectors



Risk profile

Main investment objectives

Long-term return on invested capital by investing in a roughly equal combination of bonds mainly denominated in CHF and a well-diversified equity portfolio.

Minimum recommended investment period

5 years

Low risk

Lower potential gain

High risk

Higher potential gain



Risk level

Moderate

Sharpe ratio

0.34

Maximum loss

-8.46%

Annualized volatility

7.38%

Share classes

ISIN	Currency	Distribution policy	Share class	Management fee (%)	TER* (%)	NAV as of 30/12/2022
LU0974742065	CHF	ACC	A	1.30	1.47	104.80
LU0974744780	CHF	ACC	X	0.00	0.16	118.02
LU0974747965	CHF	INC	A	1.30	1.47	104.87
LU0974753005	CHF	INC	X	0.00	0.16	112.56

*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

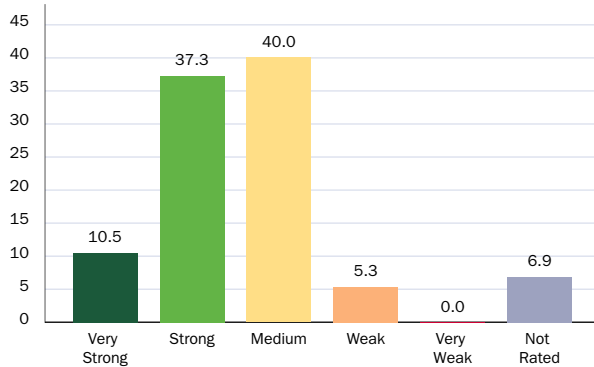
Portfolio ESG track record
MSCI average rating

Strong
AA

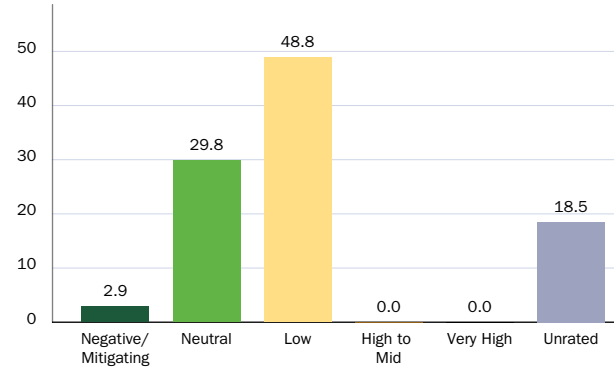
Portfolio carbon exposure
Average CO₂ sales intensity

Neutral
118.25

ESG - Position distribution



Carbon - Position distribution



Largest positions

Name	Product Type	Weight	ESG track record	MSCI ESG rating	Carbon exposure risk	CO ₂ sales intensity
Nestle	Stock	3.62	Strong	AA	Low	52.10
Veritas Asian Fund	Equity Fund	3.08	Medium	A	Neutral	60.69
Novartis	Stock	3.01	Strong	AA	Low	12.50
Roche	Stock	2.94	Medium	A	Low	5.90
Rothschild & Co Gold Fund	Phys	2.17	Unrated	Unrated	Unrated	0.00
Vontobel Emerging Markets Debt Fund	Fixed Income Fund	2.01	Weak	BB	Mid to high	912.26
Microsoft	Stock	1.87	Very Strong	AAA	Negative / mitigating	29.00
Atropos CatBond	Hedge Fund	1.70	Unrated	Unrated	Unrated	0.00
6.59% UBS Jersey (Exp.17.05.23) on FESX/Nikkei225/S&P500/SMI	Strutured Product	1.70	Strong	AA	Low	79.65
Cert Morgan Stanley (Exp.02.08.23) on Nikkei225/SMI/S&P500/ESTX50	Strutured Product	1.66	Strong	AA	Low	79.65

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 CO₂e Sales Intensity measures how much CO₂ 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 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 drawdown valley (lowest value).

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