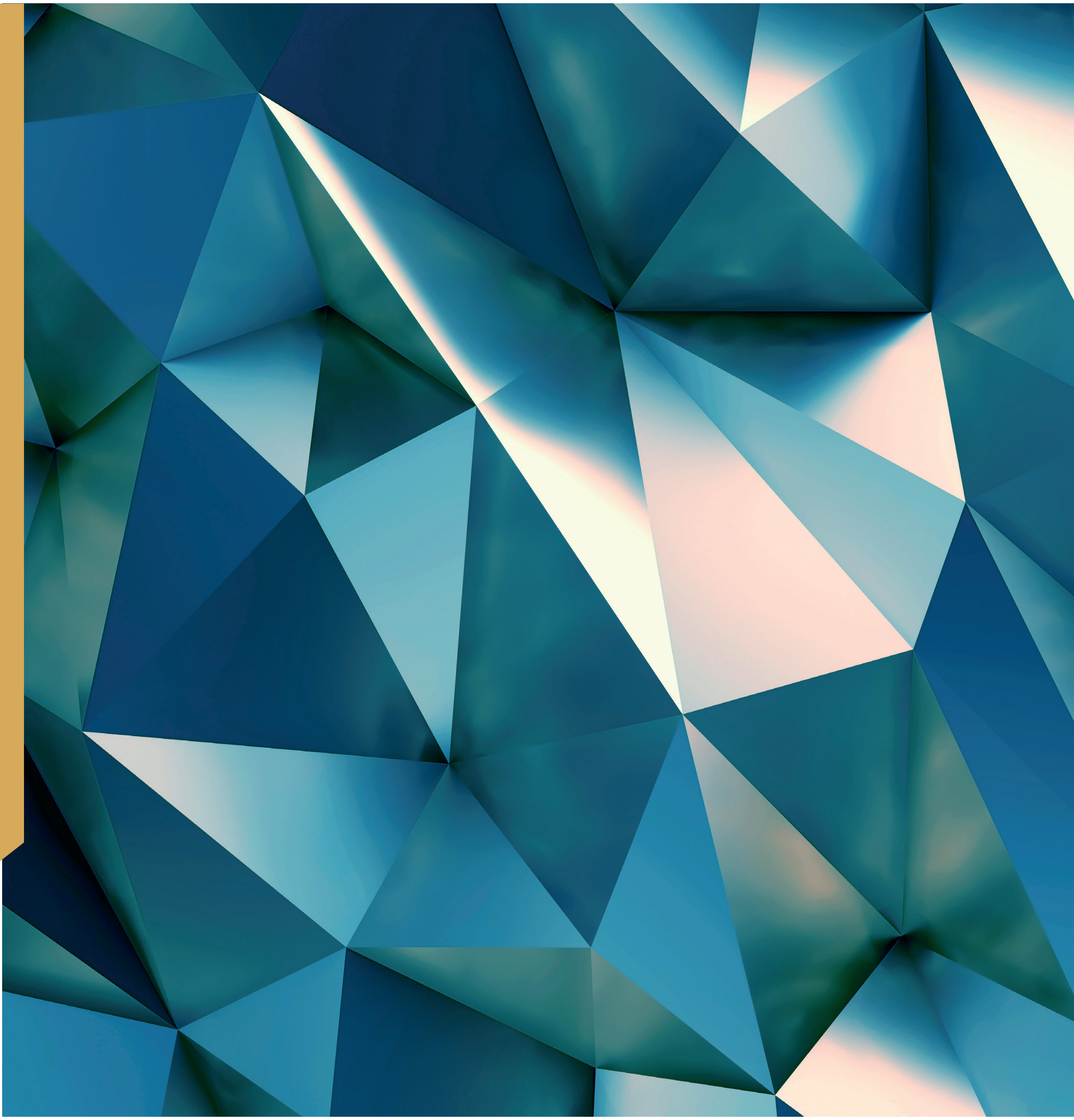
Rothschild & Co
Wealth Management

QUARTERLY REPORT | JULY 2024



Mosaique Balanced EUR

Rothschild & Co WM Fund (SICAV SIF)

This is not a promotion or solicitation of the Rothschild & Co WM SICAV SIF – Mosaique Balanced EUR, which is not usually available to execution only or advisory clients. When certain criteria are met discretionary portfolios may hold the Fund, but only at Rothschild & Co's discretion.

Values: All data as at 28th June 2024. 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 Euros, 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

Market performance was driven by a handful of businesses in the second quarter, causing volatility in portfolios and affecting relative returns. Against a backdrop of political and economic uncertainty, interest rates remained high by recent standards, although cuts appear to be on the horizon.

PORTFOLIO PERFORMANCE

The portfolio surged in May and June, following a retracement in April, to end the second quarter on a positive note. April was a challenging month, as the portfolio gave back some of the gains from the first quarter. This was largely attributed to broad-based sector weakness and stock selection. However, the stock selection downtrend was brief, serving as a catalyst for the strong performance in May and June.

Within equities, we maintained an overweight allocation that worked well over the quarter. Our preference for companies exhibiting high quality characteristics, in particular large cap companies and companies with high profitability, performed well in the last two months.

Against this backdrop, the single stock performance driver was momentum once again as the winners continued to win and losers continued to lose. The exception was top performer, Apple (+23%), which bounced back from its recent malaise, first with a set of quarterly figures that were slightly above expectations on both the top and bottom line, and later by unveiling its artificial intelligence offering at its annual developer conference. Apple Intelligence will be powered by Apple's on-device Large Language Models (also integrating ChatGPT) and will be exclusive to newer devices. This should accelerate a replacement cycle and, once launched, can further strengthen its ecosystem. Alphabet (+21%) reported a fantastic set of quarterly results that beat expectations. The company's revenue growth continued to improve and it implemented measures to further increase margins. Novo Nordisk (+14%) was once again among the winners, with the company announcing an expansion of its production capacity in North America to meet growing demand for its obesity drug and other treatments.

On the other hand, LVMH (-14%), already hit by lower consumer spending and weaker consumption in China, fell further with sentiment increasing in volatility as political events in France took centre stage. Vinci (-15%) also reacted negatively to the political situation, pricing in a potential risk of higher cost of capital, driven by higher spreads. However, the concessions and construction company has been actively investing internationally to reduce its exposure to France, which may reduce its political risks, as around half of the group's revenues are now generated outside France. Concerns over consumer spending also led to a modest decline in Visa (-6%).

In fixed income, performance was driven by portfolio construction in anticipation of the first interest rate cut by the European Central Bank (ECB) in June. Further cuts would require assurances on wage/productivity and services inflation. Markets expect this to gradually materialise, keeping the ECB on track for two more cuts by the end of the year. On the other hand, credit spread volatility has increased slightly due to the snap election in France. We continue to favour a barbell approach, owning high-quality paper combined with a higher-yielding element at the shorter end of the curve.

Data sources: Rothschild & Co and Bloomberg

Fund manager's review (continued)

PORTFOLIO ACTIVITY

We made several adjustments to the portfolio this quarter. Starting in April, we decided to add some protection to the portfolio as the market had one of the best starts to the year historically. The Goldman Sachs Participation Certificate on the MSCI ACWI offers a hedging component compared to simply owning the MSCI ACWI ETF and therefore, we decided to configure this certificate and reduced the ETF to finance the trade. The certificate protects the portfolio by limiting downside risk of the index and the upside performance is capped as a trade-off. To partially reduce the duration of the portfolio, we increased the allocation to fixed income.

In May, we found an attractive entry point to buy SAP as we saw the stock at a reasonable valuation with the prospect of profitability and free cash flow to sustain double-digit growth over the next few years. We sold the Invesco S&P 500 Equal Weight Technology ETF to fund the trade. Next, we sold Comcast and bought the Amundi S&P Global Communication Services ESG UCITS ETF given the ongoing challenges in the broadband segment, coupled with the stock's underperformance relative to the sector. Later, we replaced the UBS MSCI Japan Socially Responsible UCITS ETF with the JPMorgan Japan Research Enhanced Index Equity (ESG) UCITS ETF. While both ETFs incorporate ESG factors in their investment approaches, the latter pursues an actively managed investment strategy rather than a passive one. This allows the manager to flexibly adapt and optimise the ETF according to changing market conditions. Furthermore, the JPMorgan ETF displays a lower tracking error compared with the UBS equivalent.

Finally, in June we added to Alphabet and Amazon as our confidence in both companies remained high. We financed both purchases by selling the MSCI World Healthcare ETF in line with the asset allocation decision to reduce the sector back to neutral.

Fund performance

At the end of the second quarter 2024, the performance stood at 1.1% QTD and 6.6% YTD.

PERFORMANCE SINCE INCEPTION (%)*

* Data represents total returns of the investment strategy over the period from 13 May 2013 to 28 June 2024. The launch date of the Fund which implements this strategy was 1 January 2017.

PERFORMANCE TABLE (%)

	QTD	YTD	1 YEAR	3 YEARS	5 YEARS	SINCE INCEPTION
MOSAIQUE BALANCED EUR X	1.1	6.6	12.5	8.2	27.4	65.1

MONTHLY PERFORMANCE TABLE (%)

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	YTD
2024	1.9	1.5	1.8	-1.5	1.0	1.6							6.6
2023	3.6	-0.8	1.0	1.0	0.5	1.0	1.6	-0.2	-1.5	-0.9	3.9	2.6	12.3
2022	-3.2	-3.2	1.2	-2.3	-1.5	-4.1	5.7	-2.8	-4.8	2.4	3.9	-3.5	-12.3
2021	-0.4	1.0	2.0	1.8	0.4	2.1	0.9	1.1	-2.1	2.6	-0.7	1.3	10.5
2020	1.1	-3.7	-10.5	6.4	2.3	2.4	0.8	3.0	-0.7	-1.3	5.4	0.7	4.9

Portfolio holdings

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

EQUITIES	55.1%
North America	**19.4%**
Adobe	1.1%
Alphabet	1.9%
Amazon.com	1.9%
Apple	1.2%
Danaher	0.8%
Intuitive Surgical	0.8%
JPMorgan Chase & Co	1.8%
Linde	1.4%
Microsoft	2.5%
S&P Global	1.2%
Thermo Fisher	1.0%
United Health	0.8%
Visa	1.3%
SPDR S&P U.S. Energy Select Sector UCITS ETF	0.6%
SPDR S&P U.S. Industrials Select Sector UCITS ETF	1.2%
Europe	**21.0%**
BlackRock Continental European Flexible Fund	3.0%
iShares MSCI EMU ESG Screened UCITS ETF	2.3%
ASML	1.7%
Allianz	1.6%
Novo Nordisk	1.6%
Safran	1.5%
LVMH	1.5%
Vinci	1.5%
TotalEnergies	1.5%
Vanguard FTSE Developed Europe ex UK UCITS ETF	1.3%
RELX plc	1.0%
L'Oreal	0.9%
SAP	0.9%
London Stock Exchange	0.8%
Switzerland	**1.0%**
Nestle	1.0%
Emerging Markets	**3.3%**
Veritas Asian Fund	2.3%
JPM Global Emerging Markets UCITS ETF ESG Screened	1.0%
Global	**9.1%**
LongRun Equity Fund	5.5%
GS Participation Tracker on MSCI ACWI	3.0%
Amundi S&P Global Communication Services ESG UCITS ETF	0.7%
Japan	**1.3%**
JPMorgan Japan REI Equity (ESG) UCITS ETF	1.3%

FIXED INCOME	36.9%
Investment Grade	**31.6%**
Diversified EUR Investment Grade Single Bonds	26.9%
R-co Conviction Credit Euro Fund	2.1%
Schroder Euro Credit Conviction	1.7%
Amundi Abs FCP Fund	0.9%
High Yield	**5.4%**
Vanguard Emerging Markets Bond Fund EUR Hedged	1.8%
Muzinich Europeyield Fund	1.3%
iShares USD High Yield Corp Bond UCITS ETF Hedged EUR	1.1%
Vontobel Emerging Markets Corporate Bonds	1.1%

MULTI-ASSET & HYBRID INSTRUMENTS	2.2%
Structured Products (Yield)	**1.4%**
Cert GS QSP Dynamic Hedging Strategy	1.4%
Structured Products (Participation Certificate)	**0.8%**
Cert BNP Paribas Iss 2023-02.06.25 on CSI300 Index, CSI500 Index	0.8%

ALTERNATIVE STRATEGIES	2.4%
Alternative Strategies	**2.4%**
Atropos CatBond	1.6%
One River Dynamic Convexity Fund	0.8%

MONEY MARKET	1.1%
Money Market	**1.1%**
EUR Liquidity	1.1%

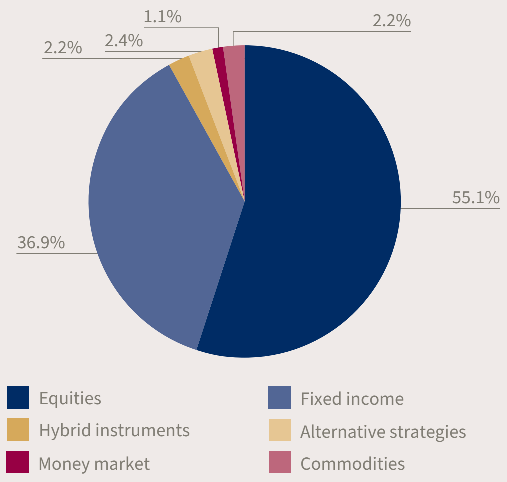
COMMODITIES	2.2%
Gold	**2.2%**
Swiss Physical Gold Plus Fund	2.2%

Percentages may not sum to 100% due to rounding.

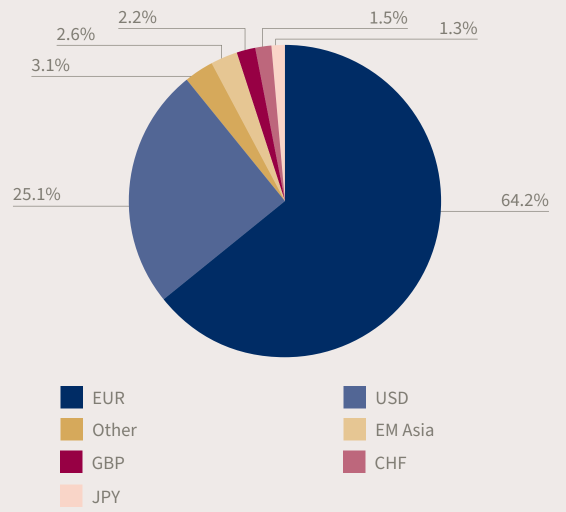
Fund allocation

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

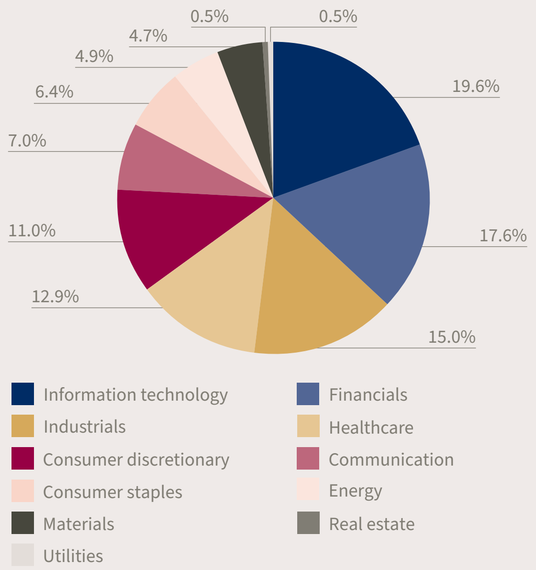
FUND HOLDINGS BY ASSET CLASSES



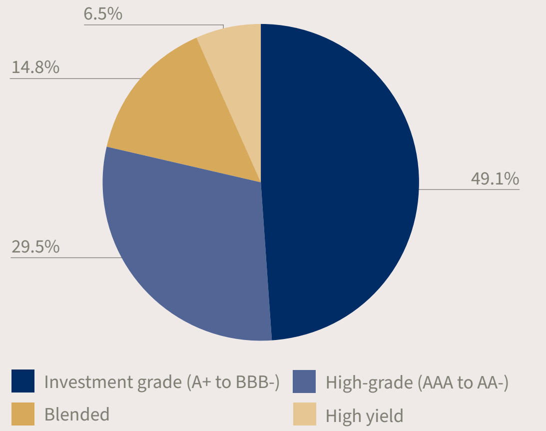
FUND ALLOCATION BY CURRENCY



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 BALANCED EUR

Legal structure	SICAV SIF
Objective	Long-term return on invested capital by investing in a roughly equal combination of bonds mainly denominated in EUR and a well-diversified equity portfolio.
Launch date	1 January 2017
Fiscal year end	31 December
Domicile	Luxembourg
Management company	Rothschild & Co Investment Managers
Fund administrator	CACEIS Bank, Luxembourg Branch
Depositary bank	CACEIS Bank, Luxembourg Branch
Inception date	13 May 2013
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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