

Mosaique Balanced CHF

Rothschild & Co WM Fund (SICAV SIF)

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Wealth Management

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Values: All data as at 30th September 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 Swiss franc, 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

Global stock markets reached new highs in the third quarter, with broader participation across industry sectors compared with the tech-driven rally seen earlier in the year. Overall sentiment remained positive with central banks reducing interest rates, despite some mixed messages about the economic outlook.

PORTFOLIO PERFORMANCE

Despite ending the third quarter flat, 2024 has been a positive year overall for the portfolio. Our asset allocation strategy, including an overweight position in equities and underweight in money markets, has proven effective. Additionally, our decision to lengthen duration in fixed income since last year has yielded favourable results. However, Q3 presented significant challenges, particularly in terms of security selection while the sector and regional calls in equities produced mixed results.

The stock selection was especially challenging due to some of our high conviction stocks facing some headwinds from either politics (such as Alphabet or ASML) or from general market skepticism (for example, Adobe). The difficult environment for our active selection was most pronounced in the Technology, Consumer Discretionary, and Communication Services. While our stock picks had previously offset the absence of high-performers (Nvidia) up until the end of Q2, this was no longer the case in Q3. The broadening of the market affected our portfolio, as previous drivers of performance like ASML and Alphabet became drags. Despite these challenges, we remain committed to our investment philosophy towards good quality business that have pricing power and can improve their competitive position within their industries during times of economic stress.

Turning to single stock performance, Veralto's (18%) financial performance results, released in Q2, set a positive tone for stock performance this quarter with the market adjusting their expectations favourably to the company's strategic initiatives and forward-looking guidance. Furthermore, the company benefited from the market broadening trend.

UnitedHealth's (16%) stock performance

in Q3 2023 was driven by a combination of strong financial results, robust growth across its business segments, and increased membership. This solid performance led to an upward revision of the company's full-year earnings outlook. Both the UnitedHealthcare insurance business and Optum health services division experienced significant growth, while the company also benefited from increased membership numbers. UnitedHealth's consistent dividend growth and the resilient demand for its services, particularly in the OptumHealth business, also contributed to its strong stock performance in Q3.

On the other hand, some of our high conviction names found themselves at the end of the detractors, ASML (-20%) and Alphabet (-21%). Several factors influenced ASML's volatile performance, quarterly guidance came in below consensus estimates which spooked investors; concerns were raised surrounding geopolitical risks, particularly related to China sales and the stock suffered from the market's uncertainties on the semiconductor industry's cyclicity. Nevertheless, in broader context, the stock has demonstrated strong performance over a longer timeframe, year to date the stock is up almost 40%.

Alphabet also experienced downward revisions to its earnings estimates. Additionally, YouTube's ad revenue growth slowed down, partly due to increased competition in the Connected TV ad market. The company's core search business, while still robust, faced challenges from emerging AI technologies. Despite strong overall financial performance and AI-driven innovations, investor concerns about stretched valuations and market concentration in tech stocks led to a sell-off.

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)

Meanwhile, the fixed income market delivered another strong quarter: with inflation pressure reducing the Swiss National Bank delivered another 25bps cut in September. The credit spreads, particularly on the shorter end of the curve have further tightened, creating an opportunity for companies to increase issuance. This dual dynamic of tightening credit spreads and rate cuts has strengthened our portfolio positioning. Additionally, the portfolio benefitted from its selective exposure to emerging market which has rallied this past quarter. We continue to favor a barbell approach, owning high-quality paper combined with an element of a higher yielder on the shorter end of the curve.

purchase was partially financed by increasing the underweight position in Nestlé, which continues to face challenges.

PORTFOLIO ACTIVITY

In July, we adjusted the portfolio with the addition of the iShares MSCI Global Semiconductors ETF, reflecting the semiconductor industry's significant market presence. This move was funded by taking profits from Costco and selling Canadian Pacific Kansas City.

August saw the addition of a new equity hedging product to the portfolios, replacing the previous hedge that expired in June 2024. This decision was made due to attractive volatility levels, mixed inflation across regions, and market expectations of future interest rate cuts.

Finally, September brought further changes in line with the Asset Allocation Committee's decision to reduce exposure to Consumer Discretionary and increase Consumer Staples. LVMH was replaced with Procter & Gamble, maintaining luxury exposure through Richemont while adding P&G's more defensive consumer products. The

Fund performance

At the end of the third quarter 2024, the performance stood at 0.0% QTD and 7.9% YTD.

CUMULATIVE PERFORMANCE SINCE INCEPTION (BASE 100)*



*Data represents total returns of the investment strategy over the period from 14 October 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 CHF X	0.0	7.9	11.4	0.1	16.4	37.2

MONTHLY PERFORMANCE TABLE (%)

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	YTD
2024	1.4	2.1	2.2	-1.2	1.4	1.9	-0.2	0.1	0.1				7.9
2023	3.9	-2.1	1.3	0.7	0.5	0.5	0.8	-0.3	-1.1	-1.6	3.3	1.7	7.7
2022	-3.7	-2.9	0.8	-2.6	-1.8	-4.9	4.0	-2.2	-5.1	3.0	2.9	-3.3	-15.3
2021	-0.4	1.0	2.5	1.3	0.6	2.6	0.4	2.0	-2.9	1.7	-0.8	0.9	8.8
2020	0.7	-3.9	-8.5	5.6	2.3	1.9	1.6	3.0	-0.2	-1.7	4.4	1.0	5.5

Portfolio holdings

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

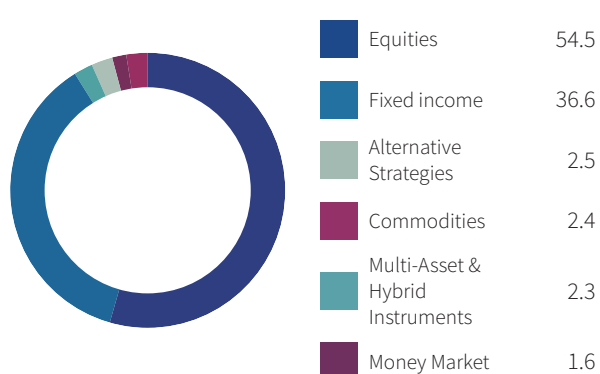
EQUITIES	54.5%	FIXED INCOME	36.6%
North America	19.7%	Investment Grade	30.7%
Microsoft	2.3%	Diversified CHF Investment Grade Single Bonds	28.0%
Amazon.com	1.7%	R-co Conviction Credit Euro Fund	1.9%
Alphabet	1.7%	High Yield	5.9%
SPDR S&P U.S. Energy Select Sector UCITS ETF	1.4%	Vanguard Emerging Markets Bond Fund CHF hedged	2.1%
Costco Wholesale Corp	1.3%	iShares USD High Yield Corp Bond UCITS ETF Hedged CHF	1.3%
Visa	1.3%	Muzinich Europeyield Fund	1.3%
S&P Global	1.3%	Vontobel Emerging Markets Corporate Bonds	1.2%
Apple	1.2%		
Intuitive Surgical	1.1%	MULTI-ASSET & HYBRID INSTRUMENTS	2.3%
JPMorgan Chase & Co	1.1%	Structured Products (Yield)	1.3%
Linde	1.1%	Cert GS QSP Dynamic Hedging Strategy	1.3%
Procter & Gamble	1.0%	Structured Products (Participation Certificate)	0.9%
Veralto Corp	0.9%	Cert BNP Paribas Iss 2023-02.06.25 on CSI300 Index, CSI500 Index	0.9%
Danaher	0.8%	Structured Products (Hedging)	0.1%
United Health	0.8%	Wts Goldman Sachs 20.06.2025 put on MSCI World	0.1%
Adobe	0.7%		
Switzerland	17.5%	ALTERNATIVE STRATEGIES	2.5%
Novartis	3.0%	Alternative Strategies	2.5%
LongRun Swiss Small & Mid Cap Fund	2.6%	Atropos CatBond	1.8%
Nestle	2.0%	One River Dynamic Convexity Fund	0.7%
Roche	1.8%		
iShares Core SPI ETF	1.7%	MONEY MARKET	1.6%
Zurich Insurance	1.5%	Money Market	1.6%
Partners Group	1.2%	CHF Liquidity	1.6%
Galderma Group	1.1%		
Sika	0.9%	COMMODITIES	2.4%
Richemont	0.9%	Gold	2.4%
VAT Group	0.8%	Swiss Physical Gold Plus Fund	2.4%
Global	8.7%		
LongRun Equity Fund	5.2%		
GS Participation Tracker on MSCI ACWI	2.0%		
Amundi S&P Global Communication Services ESG UCITS ETF	0.6%		
iShares MSCI Global Semiconductors UCITS ETF	0.9%		
Europe	4.1%		
Safran	1.1%		
RELX plc	1.0%		
ASML	0.9%		
London Stock Exchange	0.6%		
Novo Nordisk	0.5%		
Emerging Markets	3.2%		
Veritas Asian Fund	2.3%		
JPM Global Emerging Markets UCITS ETF ESG Screened	0.9%		
Japan	1.3%		
JPMorgan Japan REI Equity (ESG) UCITS ETF	1.3%		

Percentages may not sum to 100% due to rounding.

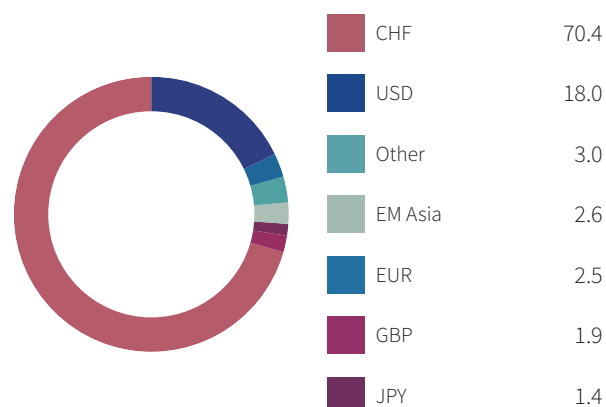
Fund allocation

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

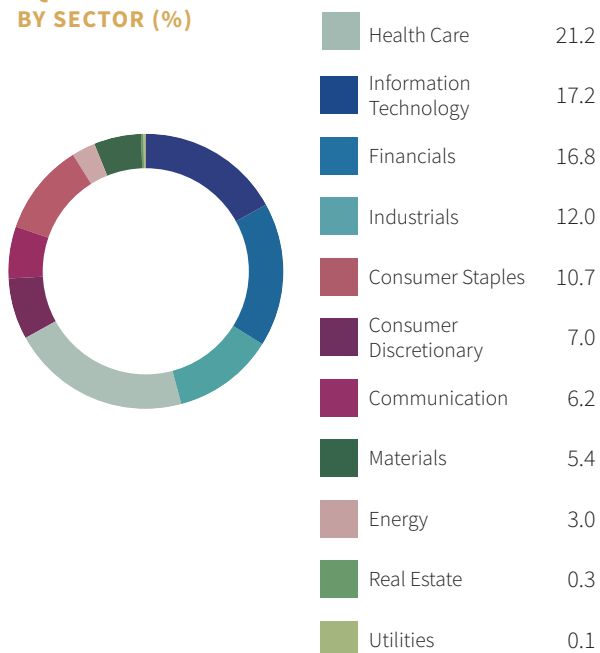
**FUND HOLDINGS
BY ASSET CLASSES (%)**



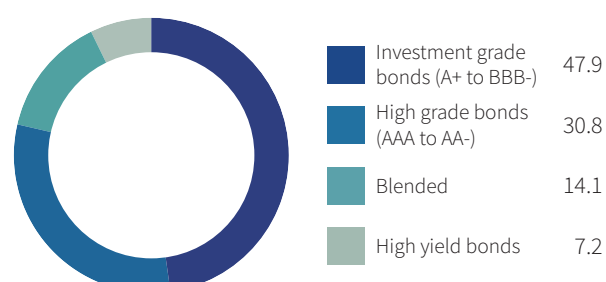
**FUND ALLOCATION
BY CURRENCY (%)**



**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 CHF

Legal structure	SICAV SIF
Objective	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.
Launch date	1 January 2017
Fiscal year end	31 December
Domicile	Luxembourg
Management company	Rothschild & Co Investment Managers, Luxembourg
Fund administrator	Northern Trust, Luxembourg
Depository bank	Northern Trust, Luxembourg
Inception date	14 October 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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