



Multi-Asset Class Investing with the Mosaic Global Fund

The Mosaic Global Fund is a boutique multi-asset fund of funds that targets long-term capital growth through active and flexible asset allocation to minimize market volatility. The fund invests using advanced techniques for allocating capital and selecting targeted investments. This document will explain the way Multi-Asset Class investing works and how the Mosaic Global Fund can be of benefit to you.

What is an Asset Class?

Assets can be divided into many different types. The most known asset classes are stocks (equities), bonds and cash. Other types of asset classes are commodities, properties and currencies. Also, hedge funds and private equity funds, as well as physical investments such as infrastructure projects could be seen as different asset classes. Each asset class can be further divided into sub-classes. For example bonds could be divided into government bonds and corporate bonds and stocks could be divided into developed markets and emerging markets.

What is Multi-Asset Class Investing?

Multi-Asset Class investing blends together a large number of different investments and investment styles in one place. This is done to reduce the volatility of your portfolio without giving up upside return and growth potential.

How is Multi-Asset investing different to how I normally invest?

The world is changing rapidly and so are the economic conditions that are so important for our investments to grow. Investors need to be able to actively re-balance their portfolios between asset classes regularly and the holdings in each asset class need constant reviewing. This takes a lot of time and experience, which makes this a daunting and practically impossible task for a private investor.

- Most investors invest in funds with one or two, maybe three asset classes, the Mosaic Global Fund will give you access to up to 10 different asset classes
- Accessing more asset classes makes your portfolio return smoother and returns higher
- Multi-Asset Class investing is a new fresh way for clients to participate in a way of investing that was only available to large institutions and the wealthiest investors



What type of investor is Multi-Asset investing for?

Someone who wants to:

- outperform a typical equity and bond portfolio with lower risk
- reduce volatility and control downside risk in their portfolios
- access to a wider range of investments globally
- have an active management with constant re-balancing
- protect your capital against volatile markets

I am investing in stocks and bonds today. Isn't that enough?

Asset classes have different characteristics, some move up and down together some move opposite and some will not change that much under normal circumstances. The way that these assets move together or not is often referred to as their correlation.

Blending different assets together that are not correlated will smoothen the ups and downs and give your portfolio a more steady development. In addition in modern portfolio theory this way of blending assets that are not correlated is proven to improve your returns but with less volatility -- giving us the best of both worlds.

A good real life example of this phenomenon was during the crisis of 2000-2003 where pure stock portfolios lost a lot but had you included other assets like gold, property, bonds and cash in your portfolio you would have been much better off.

How does the Mosaic Global Fund access the different assets we invest in?

The most common way to access different asset classes is through expert fund managers in the areas we want to invest. These independent managers will go through a thorough screening to make sure that they qualify as one of the best performing funds in their niche. Mosaic Global Fund can also use exchange traded funds for a more passive exposure to certain investments as well as structured products.

Who else is investing like this?

The best known Multi-Asset class investor is probably David Swensen at Yale University in the US. He has invested in this way for over 20 years and has achieved a return of around 17% annually during this period. Also many wealthy families and individuals are using this way of investing because of the low volatility with the possibility to achieve very good returns with limited downside risk.

What will we achieve by using the Mosaic Global Fund:

- Get access to all global investment markets and asset classes in one fund
- Structured way of selecting the best underlying investments for your portfolio
- An experienced investment team looking after your money at all times