

Manager Comment and Outlook

Market Review

August was characterized by renewed concerns over fiscal sustainability and long-term currency purchasing power, supporting the return of the debasement trade and driving gold 9% higher in euro terms (10% in U.S. dollars). In the United States, a weaker July employment report initially strengthened expectations for eventual monetary accommodation, although bond markets remained under pressure. The 10-year Treasury yield approached 4.80%, reaching levels last seen in 2007, while the 30-year yield rose to a 19-year high of 5.31%. The move reflected persistent inflation concerns, elevated term premia, and continued uncertainty surrounding the fiscal outlook. The U.S. Treasury's decision to double long-duration bond buybacks helped stabilize the long end of the curve, but hawkish FOMC minutes and Fed Chair Kevin Warsh's Jackson Hole address, where he emphasized persistent underlying inflation and left the door open to further tightening, reinforced the higher-for-longer rates narrative. The sell-off extended across global sovereign bond markets as yields reacted to renewed energy pressures and geopolitical developments surrounding Iran.

In Europe, 10-year German Bund yields climbed to around 3.32%, their highest level since 2011, marking a 15-year high in German government borrowing costs. The move reflected a more hawkish reassessment of the monetary policy outlook, with markets beginning to price the possibility of a second ECB rate increase. Brent crude remained above \$90 per barrel, while European natural gas prices reached their highest levels since 2022, reinforcing concerns that persistent energy pressures could delay disinflation and keep longer-dated yields elevated. The repricing was global, with the 10-year Japanese government bond yield reaching 3% for the first time since 1996. Despite the challenging rates backdrop, corporate credit remained comparatively resilient, with spreads relatively contained, suggesting that weakness in fixed income continued to originate primarily from higher underlying sovereign yields rather than a deterioration in corporate fundamentals.

Fund Performance

The Atlantic Bond Fund delivered a return of +0.34% in August, with performance primarily driven by the Fund's gold allocation, while the fixed-income portfolio also generated a modest 5 bps positive contribution despite continued pressure from rising global sovereign yields:

- **Portuguese Corporate Debt:** Domestic corporate bonds remained broadly resilient despite the increase in European government yields. Fidelidade was the strongest contributor (+11 bps), more than offsetting weakness in REN (-4 bps), which remained comparatively more sensitive to movements in longer-term rates. The remaining fixed-income holdings had a broadly neutral impact, with individual contributions ranging between +1 bp and -1 bp, consistent with relatively contained credit spreads and stable underlying issuer fundamentals.
- **International Debt:** International fixed-income exposures provided a modest positive contribution. The iShares J.P. Morgan USD Emerging Markets Bond ETF was broadly unchanged, while its EUR-hedged counterpart contributed +3 bps. The Fund's AT1 bond ETFs allocation added a further +2 bps, as subordinated financial credit continued to benefit from solid banking-sector fundamentals and attractive carry.
- **Alternative Assets:** Gold was the principal driver of Fund performance, contributing +34 bps as the metal gained 9% in euro terms (10% in U.S. dollars). Gold's strong performance provided an effective counterbalance to the challenging environment for longer-duration fixed income and reinforced its role as a strategic diversifier within the portfolio.

Portfolio Activity

There were no material adjustments to the portfolio in August, with the Fund maintaining its current allocations and positioning. At month-end, the portfolio exhibited a weighted average yield to maturity of 4.72% and an effective duration of 2.98 years, providing an attractive level of carry while maintaining moderate sensitivity to interest-rate movements. The current positioning remains consistent with the Fund's capital preservation mandate, balancing income generation with prudent credit risk management.

Market Outlook

The near-term fixed-income outlook remains closely tied to the evolution of U.S. core inflation following Chair Warsh's hawkish Jackson Hole message. The unusually wide divergence between CPI and PCE suggests that underlying inflation dynamics remain difficult to interpret, although historically such divergences have tended to narrow through PCE converging towards CPI rather than through a renewed acceleration in CPI. Should this pattern persist, the recent hawkish repricing of monetary policy expectations may ultimately prove excessive, creating scope for sovereign yields to moderate and providing a more supportive environment for fixed income. Conversely, renewed strength in core inflation would reinforce the case for further monetary tightening and maintain pressure on duration-sensitive assets. Against this backdrop, we remain constructive on the medium-term opportunity in fixed income, where elevated yields continue to provide attractive carry, while resilient corporate fundamentals and relatively contained credit spreads support selective credit exposure.

Portfolio Strategy

The Fund continues to maintain a selective and diversified positioning, while remaining cautious toward long-duration fixed income. In addition to inflation and fiscal pressures, we are increasingly monitoring the impact of the AI investment cycle on bond markets. U.S. corporate issuance has approached \$1.5 trillion in 2026, 36% above last year, with technology companies accounting for a growing share as hyperscalers finance capital-intensive AI and data-center infrastructure. This represents an additional source of competition for long-term capital with Bank of America estimating that increased corporate and mortgage supply has added approximately 30 basis points to the U.S. 10-year Treasury yield this year. The Fund continues to maintain disciplined duration exposure, balancing attractive fixed-income yields against the risk of further pressure at the long end of the curve.

Overview

Fund Strategy and Objective

The Atlantic Bond Fund is an Open-ended Alternative Investment Fund designed and managed by 3 Comma Capital. The main objective of the Fund is to provide participants with exposure predominantly to the bond asset class, with a regional focus on commercial companies headquartered in Portuguese territory, which must represent a minimum allocation of 60% of its assets under management. Remainder allocated to Eurozone issuers and international debt ETFs.

Investor Profile

A fund accessible to any retail investor, although specifically designed to mitigate the concerns of investors seeking the safest 5-year journey along the Golden Visa path.

Risk Factor



Fund Detail

Investment Manager 3 Comma Capital SCR, S.A.

Inception Date June 18th, 2025

Domicile Portugal

Fund Custodian Bison Bank, S.A.

Fund Base Currency EUR

Unit Pricing Daily

Asset Class Fixed Income

Fund Size 30M

Number of Holdings 21

Unit Price Share Class ED: 982.70 EUR
Share Class EA: 983.62 EUR

Yield to Maturity 4.72%

Effective Duration 2.98 years

Fees & Expenses

Management Fee Share Class ED: 1.65% p.a.
Share Class EA: 1.50% p.a.

Performance Fee 10% above a 4% hurdle (high-water mark)

Custodian Fee 0.09% p.a.

Supervisory Fee 0.0026% monthly

Purchase Details

Min. Initial Subscription Share Class ED: 150,000.00 EUR
Share Class EA: 100,000.00 EUR

Entry Costs 1.50%

Subscriptions Daily | Cut off time: 11 a.m. London time

Redemptions Daily | Cut off time: 11 a.m. London time

For all withdrawals initiated within the first five years following the initial subscription, a 2.5% exit fee will be incurred

Codes

ISIN Share Class ED: PT3CMOHM0000
Share Class EA: PT3CMUHM0002

Bloomberg 3CCABFD PL
3CCABFEA PL

Lipper ID 37196426

Fund Performance

	1 Month	3 Months	6 Months	Since Inception*
Performance	0.34%	-0.65%	-1.89%	0.61%
Risk (Volatility)	-	-	3.89%	2.75%
Sharpe Ratio	-	-	-	0.19
Max. Gain Monthly	-	-	-	0.88%
Max. Loss Monthly	-	-	-	-2.48%

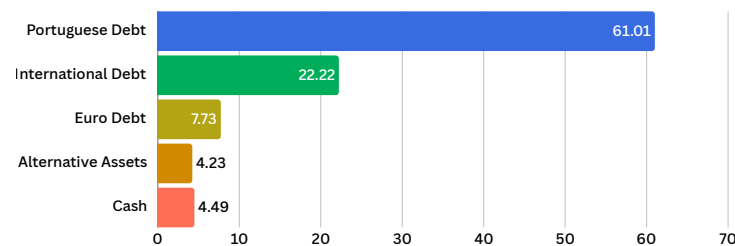
*Fund Inception: June 18th, 2025



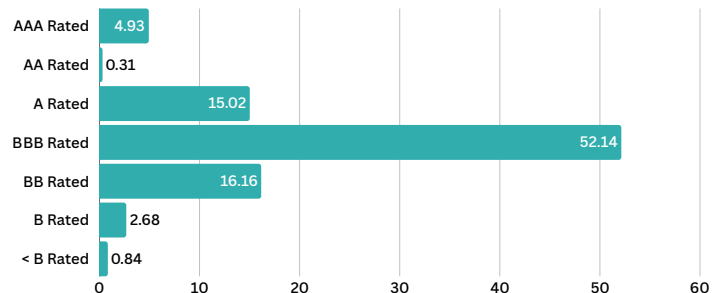
Monthly Returns

	January	February	March	April	May	June	July	August	September	October	November	December
2025	-	-	-	-	-	-	0.42%	-0.11%	0.46%	0.64%	0.03%	0.01%
2026	0.88%	0.39%	-2.48%	0.73%	0.53%	-0.22%	-0.77%	0.34%	-	-	-	-

Asset Allocation (%)



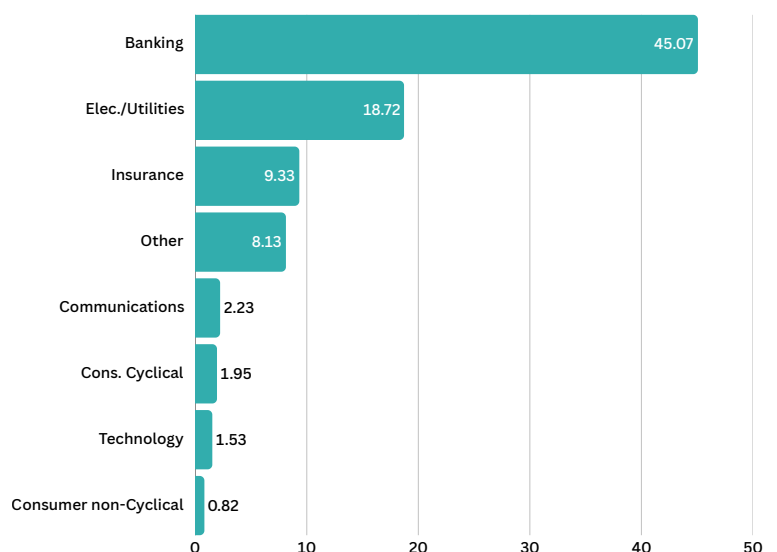
Credit Ratings (%)



Top 10 Holdings

COMPANHIA SEGUROS FIDELIDADE FIDELI 7 ¼ PERP	8.84%
BANCO MONTEPIO MONTPI 3 ½ 06/25/29	8.05%
FLOENE FLOEPT 4 ¼ 07/03/28	7.91%
ISHARES EUR HY CORP ESG EURD ETF	7.73%
AT1 BOND UCITS ETFs	7.41%
REN RENEPL 3 ½ 02/27/32	7.36%
NOVO BANCO 3 ¾ 01/22/31	6.42%
ISHARES JPM USD EMERGING MARKETS ETFs	5.84%
GLOBAL CONVERTIBLE BONDS ETFs	5.21%
CAIXA AGRICOLA CRLPL 3 ¼ 01/29/31	5.00%

Sector Breakdown (%)



Contact Information

Investment Manager: 3 Comma Capital SCR, S.A.

Headquarters: Avenida Duque de Loulé 106 - 6 piso, 1050-093 Lisboa

Tel: +351 213 622 464

Email: hello@3commafunds.com

Web: www.3commacapital.com

3 Comma Capital SCR, S.A. is a Portuguese regulated venture capital company, registered with CMVM authorization number 182126 and VAT number 516 965 476. Share Capital 125.000 Euros. 3 Comma Capital SCR, S.A. is the Investment Manager for the 3CC Atlantic Bond Fund (ABF) (CMVM Fund Authorization Number 2249). 3 Comma Capital SCR, S.A. is the Responsible Entity and the issuer of shares for the 3CC Atlantic Bond Fund. The KIID and the Fund's Prospectus are available at <https://3commacapital.com> and should be considered prior to investing. This information is general in nature and does not consider any person's individual objectives, financial situation, or needs. In deciding whether to invest in the 3CC Atlantic Bond Fund and before investing, investors should read the KIID and Prospectus, and with the assistance of a financial adviser, consider if the investment is appropriate for their circumstances. Past performance is not indicative of future returns.