

## Manager Comment and Outlook

## Market Review

December closed on a subdued note, reflecting a late-cycle macroeconomic environment, range-bound price action, and cautious central bank communication. The Federal Reserve delivered a widely anticipated 25-basis-point rate cut, but Chair Powell adopted a restrained tone on further easing, pointing to cooling labour market conditions and still-persistent inflation. Market reaction reflected this caution: U.S. equities lost momentum, with the S&P 500 recording its first negative month since April, while U.S. 10-year Treasury yields edged higher to 4.16% despite softer inflation data and the formal end of quantitative tightening. The U.S. dollar weakened over the month, precious metals reached new highs, and markets now price roughly 50 basis points of additional Fed easing in 2026. In Europe, the ECB kept its key interest rates unchanged at its December meeting, citing confidence that inflation is on track to converge toward the 2% target. This anchoring of inflation expectations was reflected in the muted performance of short-term bonds. The ECB also revised its 2025 growth forecast upward to 1.4%, from 1.2%, signaling a modest but meaningful improvement in the region's economic outlook.

Viewed through a broader 2025 lens, powerful crosscurrents shaped markets: commodities delivered one of their strongest years in decades, with both industrial and precious metals reaching record highs. The simultaneous advance of gold, silver, and copper signals a breakdown in traditional asset correlations, suggesting a structural shift toward tangible assets amid rising concerns over fiscal dominance and longer-term financial stability.

## Fund Performance

The Atlantic Bond Fund recorded a modest positive return of 0.01% in December, navigating a subdued year-end environment marked by cautious risk sentiment and limited follow-through across markets:

- **Portuguese Corporate Debt:** The domestic corporate bond portfolio was the primary contributor, adding 7 basis points to the overall performance. Fidelidade was the strongest performer, contributing +5 bps. Crédito Agrícola and REN each added +2 bps.
- **Euro-Denominated Debt:** Within euro credit, the iShares EUR High Yield Corporate Bond ETF contributed +3 bps, as spreads remained well anchored despite limited year-end liquidity. Investor preference for carry and income supported performance.
- **International Debt:** Performance across international exposures was mixed. The Invesco AT1 Capital Bond UCITS ETF EUR Hedged added +3 bps, benefiting from stable fundamentals in subordinated financial debt. The iShares J.P. Morgan USD Emerging Markets Bond ETF detracted -3 bps, primarily due to adverse Fx movements as the U.S. dollar weakened 1.3% against the euro. By contrast, the EUR-hedged counterpart contributed +1 bp, as currency hedging effectively mitigated FX headwinds and preserved the underlying carry from the asset class. The recently added iShares Core GBP Corporate Bond UCITS ETF contributed +3 bps, supported by investment-grade carry as easing expectations around Bank of England policy stabilized sterling corporate bond valuations.
- **Alternative Assets:** Gold provided a modest positive contribution of +1 bp, with prices rising 1.2% in euros (2.8% in USD) to new record highs.

At the portfolio level, overall metrics improved during the month, with the yield to maturity increasing from 3.47% to 3.55%, while effective duration declined from 3.15 years to 2.95 years. This reflects the Investment Committee's focus on enhancing income generation while reducing interest rate sensitivity, strengthening the Fund's risk-adjusted profile and reinforcing its capital preservation objective.

## Portfolio Activity

During December, the Investment Committee added a position in the Janus Henderson EUR AAA CLO Active Core ETF, an actively managed strategy providing exposure to high-quality collateralized loan obligations (CLOs). The ETF invests primarily in AAA-rated tranches of European CLOs, with up to 30% allocated to non-European issuers, providing diversified exposure to senior secured loan structures with substantial credit enhancement and strong structural protections. This allocation enhances the Fund's income profile while maintaining a conservative risk posture, given the seniority and robust structural protections of AAA CLO tranches.

## Market Outlook

Looking ahead, the outlook for fixed-income markets remains cautiously constructive. Central banks are adopting monetary policy stances oriented toward gradual easing, helping to anchor short-term yields and reduce interest-rate volatility. At the same time, inflation expectations in developed markets are better contained, supporting investment-grade credit and reinforcing confidence in corporate balance sheets. While elevated fiscal issuance may keep long-term yields structurally higher, credit spreads remain relatively well supported by solid fundamentals and continued demand for high-quality carry. Emerging market debt may benefit from improving global liquidity conditions, though selectivity will remain essential. Overall, the environment favors a disciplined fixed-income approach focused on income generation, controlled duration, and capital preservation - principles that remain central to the Atlantic Bond Fund's positioning as it navigates the year ahead.

## Portfolio Strategy

Markets enter 2026 with improving liquidity conditions but limited visibility on growth, inflation, and financial stability. While fiscal support and easing monetary policy provide a constructive backdrop for fixed income, structural challenges, including inflation risks, elevated debt levels, and geopolitical uncertainty, are likely to generate intermittent volatility across bond markets. In this environment, the Atlantic Bond Fund remains focused on capital preservation, disciplined credit selection, and controlled duration exposure. The portfolio is designed to generate stable carry while maintaining resilience across market cycles, allowing the Fund to navigate periods of volatility without compromising its long-term risk-adjusted return objectives.

## 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 18 <sup>th</sup> , 2025
Domicile	Portugal
Fund Custodian	Bison Bank, S.A.
Fund Base Currency	EUR
Unit Pricing	Daily
Asset Class	Fixed Income
Fund Size	12M
Number of Holdings	19
Unit Price	1,010.09 EUR
Yield to Maturity	3.55%
Effective Duration	2.95 years

## Fees &amp; Expenses

Management Fee	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	250,000.00 EUR
Entry Costs	5.00%
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	PT3CMNHM0001
Bloomberg	3CCABFCD PL
Lipper	68806268

## Fund Performance

	1 Month	3 Months	6 Months	Since Inception*
Performance	0.01%	0.69%	-	1.26%
Risk (Volatility)	-	-	-	1.30%
Sharpe Ratio	-	-	-	-
Max. Gain Monthly	-	-	-	-
Max. Loss Monthly	-	-	-	-

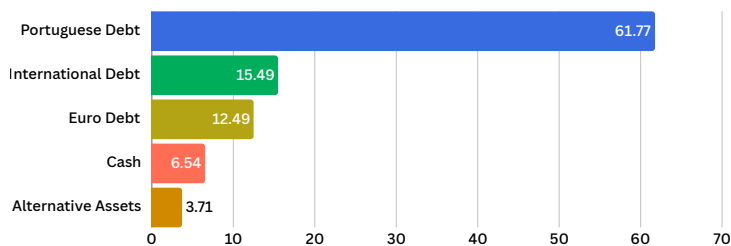
\*Fund Inception: June 18<sup>th</sup>, 2025



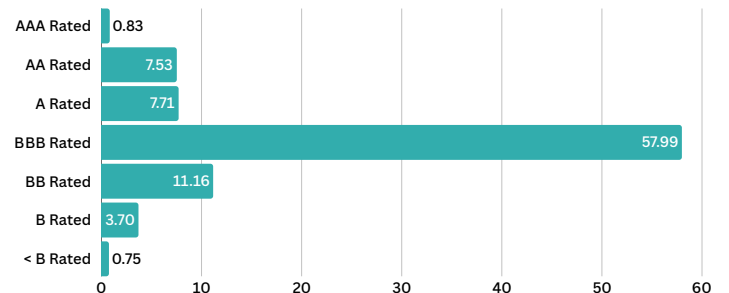
## Monthly Returns

	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%

## Asset Allocation (%)



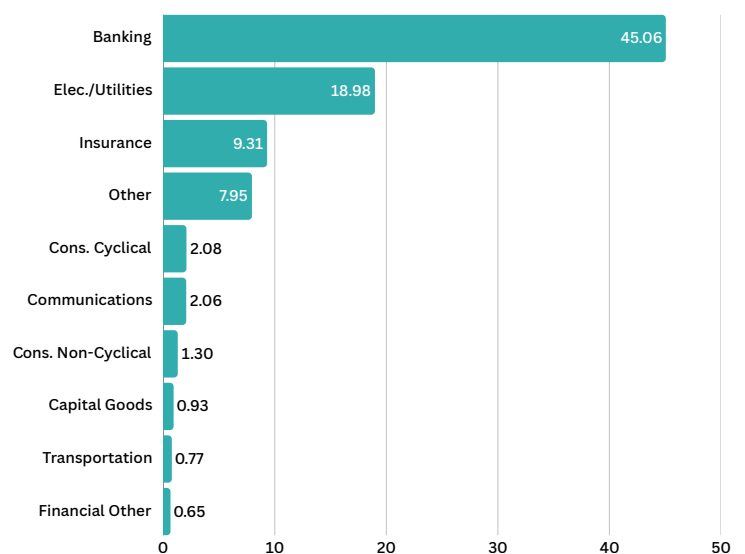
## Credit Ratings (%)



## Top 10 Holdings

REN   RENEPL 3 ½ 02/27/32	9.17%
COMPANHIA SEGUROS FIDELIDADE   FIDELI 7 ¼ PERP	8.81%
FLOENE   FLOEPT 4 ¼ 07/03/28	8.51%
BANCO MONTEPIO   3 ½ 06/25/29	8.21%
ISHARES EUR HY CORP ESG EURD ETF	7.27%
ISHARES JPM USD EMERGING MARKETS ETFs	6.57%
CAIXA AGRICOLA   CRLPL 8 ¾ 07/04/27	5.99%
NOVO BANCO	5.81%
INVESCO AT1 CAP BOND EUR HDG ETF	5.49%
BANCO COMERCIAL PORTUGUÊS	5.24%

## Sector Breakdown (%)



## Contact Information

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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.