Atlantic Bond Fund ED, EA

Fund Report | March 31st, 2026

Manager Comment and Outlook

Market Review

March unfolded against a challenging macroeconomic backdrop, characterised by resilient economic activity alongside a sharp escalation in geopolitical risk, as the conflict involving Iran entered its second month without a clear resolution. Both the Federal Reserve and the ECB kept policy rates unchanged, adopting a cautious stance as policymakers assessed the inflationary implications of rising tensions in the Middle East. Chair Powell reiterated that future rate cuts remain dependent on further progress in inflation and acknowledged that a rate hike had been discussed, triggering a sharp repricing of policy expectations. The conflict introduced a renewed inflationary impulse, most notably through energy and input costs. Brent and WTI crude prices rose above $100 per barrel, with WTI recording a 36% weekly increase (the largest since the inception of oil futures in 1983) while fertilizer prices climbed 35% YoY to their highest levels since October 2022. With a significant share of global fertilizer supply transiting through the Strait of Hormuz, concerns around supply disruptions intensified, further complicating the outlook for monetary easing. In the Eurozone, this energy-driven shock became the dominant macro theme. Growth remained subdued, close to stagnation, while rising input costs pushed inflation expectations higher, reviving stagflation concerns and placing the ECB in a difficult policy position. Fixed-income markets reacted negatively, with a broad-based repricing of inflation expectations across both sovereign and corporate bonds. Higher term premia and a shift toward a "higher-for-longer" policy outlook drove yields higher across the curve, reversing earlier expectations of rate cuts. Corporate credit also faced pressure due to tighter financial conditions and margin compression. Although some stabilisation emerged toward month-end as growth concerns resurfaced, the overall impact remained negative for fixed-income assets, particularly for longer-duration exposures.

Fund Performance

The Atlantic Bond Fund recorded a negative return of –2.48% in March, reflecting a broad repricing across fixed-income markets. Rising yields, widening credit spreads, and heightened geopolitical uncertainty weighed on both rate-sensitive and spread-sensitive assets, as markets adjusted to a more persistent inflation outlook and tighter financial conditions.

- **Portuguese Corporate Debt**: The domestic corporate bond allocation was the primary detractor (–118 bps), as higher yields and spread widening impacted valuations across the portfolio. REN was the largest detractor, subtracting –24 bps, reflecting its higher duration sensitivity in a rising rate environment. Financial issuers also faced pressure, with Novo Banco and Fidelidade detracting –17 bps and –16 bps respectively, as credit spreads widened amid deteriorating risk sentiment.
- **Euro-Denominated Debt**: Euro credit detracted modestly, with both high-yield and short-duration investment-grade exposures contributing negatively (approximately –4 to –5 bps each), reflecting a broad widening in credit spreads during risk-off conditions.
- **International Debt**: International exposures were a key source of weakness during the month. The iShares J.P. Morgan USD EM Bond EUR-Hedged ETF was the largest detractor (–20 bps), as emerging market debt was negatively affected by higher U.S. yields, tighter financial conditions, and increased sensitivity to energy-driven inflation dynamics. Subordinated financial debt also contributed negatively, with the Invesco AT1 Capital Bond UCITS ETF and the iShares AT1 Bond ETF detracting –13 bps and –10 bps, respectively, reflecting spread widening in higher-beta credit segments.
- **Alternative Assets**: The Fund's gold allocation detracted –55 basis points, as rising real yields and broad market repositioning weighed on precious metals. Gold prices declined –9.4% in euros (–11.8% in USD), marking a consolidation phase following the strong gains accumulated over the previous eight consecutive months.

Portfolio Activity

During March, the Investment Committee made no material adjustments to the portfolio, maintaining the existing strategic allocation. The Fund remains positioned to generate stable income while carefully managing interest rate risk, in line with its capital preservation objective.

Market Outlook

The broader macroeconomic significance of the recent energy shock is not confined to energy alone. It is now feeding into inflation expectations, sovereign and corporate bond yields, and the policy calculus of the world's major central banks. What makes the current episode particularly consequential is that it follows a succession of systemic disruptions (from the pandemic to geopolitical conflicts and trade shocks), each exposing vulnerabilities in global supply chains while also demonstrating the economy's capacity to adapt. At its core, until now, these events represent a meaningful global supply shock rather than a full-scale macroeconomic crisis. While the global economy is more resilient than in past energy shocks, it remains vulnerable. The duration of the disruption will be critical: a short-lived episode may leave only a temporary mark, whereas a prolonged one could reshape inflation, policy expectations, and growth dynamics well into 2026. We are still on a short-lived episode, for now.

Portfolio Strategy

The rise in bond yields during the month reflects not only slightly higher inflation expectations - measured by the breakevens implicit in the US TIPs - but also an increase in term and geopolitical risk premia, contributing to tighter financial conditions and weighing on fixed-income valuations. This environment proved particularly challenging for duration-sensitive assets, helping explain the Fund's negative performance over the period. Despite this, the broader economic backdrop remains relatively resilient. Strong corporate fundamentals, supported in part by continued investment in sectors such as semiconductors and AI, are sustaining capital expenditure and underpinning economic activity. Within this context, the Fund remains focused on disciplined duration management and high-quality credit selection, maintaining its core objective of capital preservation.

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

1 | **2** | 3 | 4 | 5 | 6 | 7

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	21M
Number of Holdings	19
Unit Price	Share Class ED: 995.96 EUR Share Class EA: 978.51 EUR
Yield to Maturity	4.40%
Effective Duration	3.46 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	3CCABFED PL 3CCABFEA PL

Fund Performance

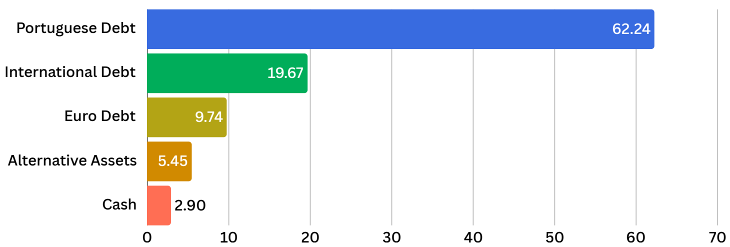
	1 Month	3 Months	6 Months	Since Inception*
Performance	-2.48%	-1.23%	-0.55%	0.01%
Risk (Volatility)	-	-	-	2.19%
Sharpe Ratio	-	-	-	-
Max. Gain Monthly	-	-	-	-
Max. Loss Monthly	-	-	-	-

*Fund Inception: June 18th, 2025

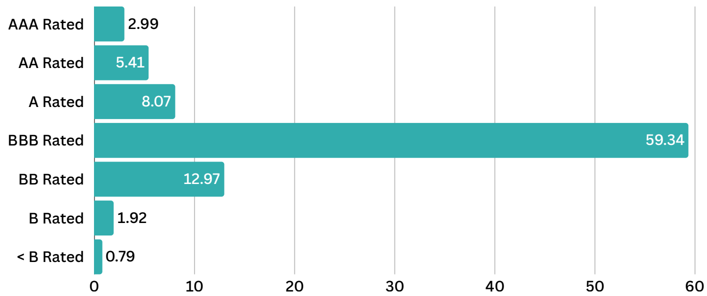
Monthly Returns

	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%	-	-	-	-	-	-	-	-	-

Asset Allocation (%)



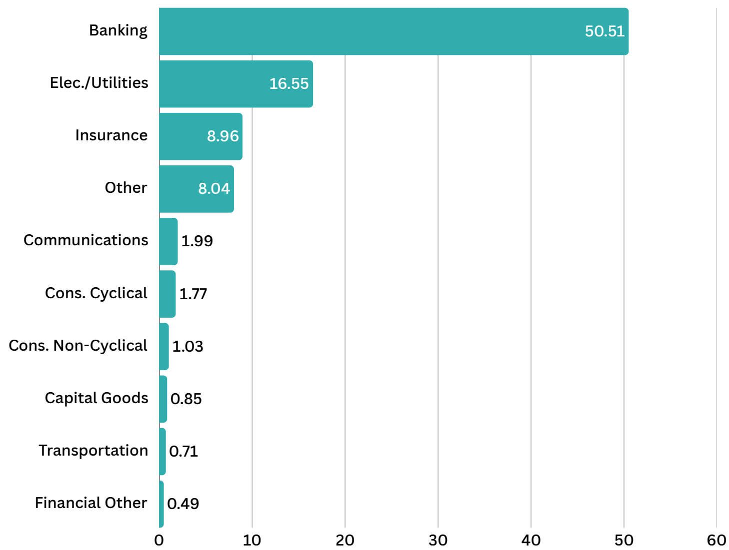
Credit Ratings (%)



Top 10 Holdings

BANCO MONTEPIO | 3 ½ 06/25/29	9.72%
REN | RENEPL 3 ½ 02/27/32	8.97%
NOVO BANCO	8.96%
COMPANHIA SEGUROS FIDELIDADE | FIDELI 7 ¾ PERP	8.39%
AT1 BOND UCITS ETFs	7.32%
ISHARES EUR HY CORP ESG EURD ETF	7.18%
ISHARES JPM USD EMERGING MARKETS ETFs	6.85%
FLOENE | FLOEPT 4 ⅞ 07/03/28	6.54%
AMUNDI PHYSICAL GOLD ETC	5.45%
CAIXA AGRICOLA | CRLPL 8 ⅜ 07/04/27	5.14%

Sector Breakdown (%)



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