CB Equity Arbitrage Portfolio (EUR)
Report Q2 2026

FALCOM | Crossbow Partners — Experience & Discipline

Target

Stable positive returns of EUR Money market + 3-4% with low correlation to equity and bond markets.

Concept

Allocations to specialised, highly experienced managers who exploit both behavioural and structural price inefficiencies. Focus on market neutral and liquid equity strategies that require little to no leverage.

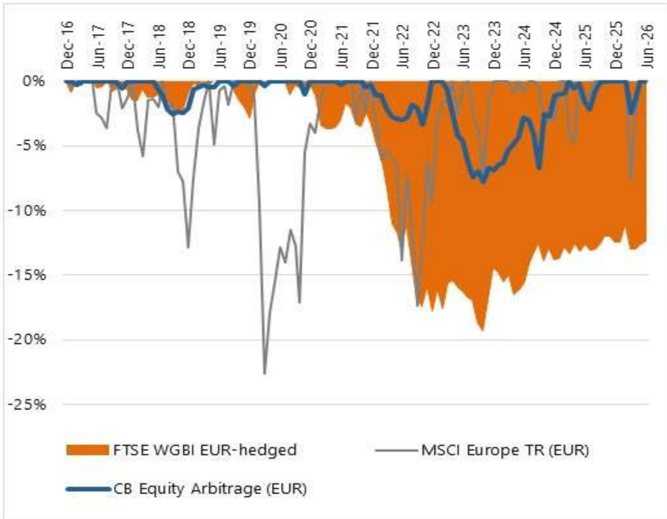
Mission

Diversified portfolio across sub-strategies, investment styles, asset classes, regions and time horizons. The very low correlation to traditional markets makes the portfolio suitable as a diversifier.

How this has worked so far

	Return				Risk: Volatility		Risk: Max. loss	
	Q2 2026	YTD 2026	3 Years	5 Years	3 Years	5 Years	3 Years	5 Years
CB Equity Arbitrage Portfolio (EUR)	**3.87%**	**3.35%**	**3.38%**	**2.55%**	**4.60%**	**4.67%**	**-3.99%**	**-7.76%**
BarclayHedge Equity Market Neutral Index	1.77%	2.03%	6.99%	5.39%	1.87%	1.83%	-0.91%	-0.96%
Bonds (FTSE World Government Bonds)	0.67%	0.06%	1.55%	-1.99%	4.08%	5.04%	-3.53%	-17.87%

Limitation of losses



Low correlation to equities, bonds and hedge funds

		1	2	3	4
1	CB Equity Arbitrage (EUR)	1.00	0.09	0.15	0.16
2	FTSE WGBI EUR-hedged	0.09	1.00	0.26	-0.05
3	MSCI Europe TR Index (EUR)	0.15	0.26	1.00	0.31
4	BarclayHedge Equity MN Index (EUR)	0.16	-0.05	0.31	1.00

The portfolio has a low correlation to equities, bonds and marketneutral hedge fund strategies. This means that the value of the portfolio develops relatively independently compared to the movements of

Comment second quarter 2026

Financial markets experienced a volatile second quarter, driven by geopolitical developments and central bank policy. The easing of tensions in the Middle East removed much of the energy risk premium, leading to a reversal in oil prices. At the same time, strong U.S. corporate earnings continued to underpin equity markets, while renewed inflation concerns and a more hawkish stance from central banks pushed government bond yields and the U.S. dollar higher. Higher real yields also weighed on precious metals.

The portfolio had a strong quarter, posting a positive performance in all three months. All three fund holdings generated positive returns during the quarter, with the discretionary Asia long/short equity allocation having the largest impact, followed by Systematic Asia equity market neutral and the Systematic European Equity funds.

The gains for the Asia long/short fund were driven by longs in North Asian semiconductor and AI leaders. Conversely, their returns were negatively impacted by the short book and sharp declines in long positions like defensive consumer names and Indian IT-services holdings. The systematic Asia fund had its strongest returns from Systematic Fundamental Strategies, whereas Adaptive strategies detracted.