

Brandaris Capital Absolute Return Fund

January ♦ MTD 5.23% ♦ YTD 5.23%



Strategy

The Brandaris Capital Absolute Return Fund (BCARF) is a solid alternative for equity and bond investments as well as a diversifier in a classic portfolio. BCARF aims to achieve a consistently superior, risk-adjusted long-term absolute return at below-market volatility. The BCARF strategy targets long-term, moderate-risk, diversified investments in various asset classes, such as high dividend stocks and bonds combined with a tailored derivatives strategy.

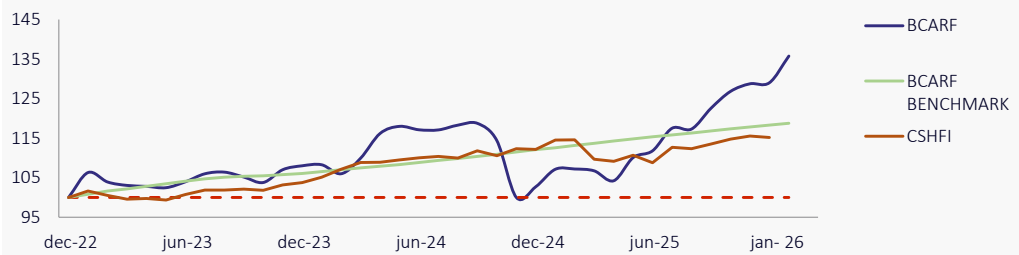
Market Comments

The start of 2026 is a solid one. In January BCARF realized a net return of +5.23% outperforming most indices (AEX: +5,29%, Eurostoxx50: +2,61%, S&P500: +0,47%, Nasdaq: +0,30%). Obviously, Europe has outperformed US markets. It seems to us that the limits of policy were at work. The threat of 'Greenland tariffs' towards Europe drove up interest rates worldwide hurting countries with a high debt burden, such as Japan and the US. As in April last year the sore spot is being exposed. The political room for maneuver (in the US) is limited. The US structurally needs foreign capital to finance their budget deficit. This causes problems immediately. In a world with more bond issuance, every sudden interest rate hike acts as a brake on policy ambitions. It is precisely here that an important contrast with Europe arises. The dependence on foreign financing is smaller and the budgetary discipline is on average better than in the US. This translates into less extreme movements in the bond market as well as the equity markets.

We managed to limit volatility in our portfolio supported by diversification and our dynamic hedge. The gains in portfolio were broad based. Our winners were ASML, Fugro, TSMC and ThyssenKrupp. The laggards were Microsoft, Prosus and Broadcom. We trimmed our profitable positions in ASML and Umicore. We added as a special situation OCI. The Enterprise Chamber has ruled to protect minority shareholders for an unattractive merger proposal, which should revalue OCI's market capitalization.

We believe the world is a risky environment nowadays. Geopolitical uncertainties and high debt levels could cause significant volatility. The US national debt is growing rapidly with ca \$2 trillion a year, currently at more than \$38 trillion in total, and the interest costs alone will exceed the \$1 trillion mark in 2026, leaving almost no room in the federal budget. We strongly believe in a portfolio that is well-diversified with solid companies in combination with a dynamic hedge. Our portfolio is now partly hedged protecting downside as we see general market risks as high. All in all, we remain confident in reaping attractive returns with below average market risk.

Performance (new policy date as from 1 January 2023)



* We have modified our benchmark as we have created a new benchmark which better reflects our target. The new benchmark is constructed by using two variables being inflation + wealth tax (box 3) as we would at least realise capital preservation in real terms. We will show the Credit Suisse Hedge Fund Index as well. However, this benchmark is delayed (available after every 15th of the month) as we will publish our factsheet sooner.

Fund Information

ISIN	NL0011495221
Launch Date	1 November 2015
New Policy Date	1 January 2023
NAV	€ 142.26
Benchmark	CSHFI * + BCARF benchmark

Investment Information

Minimal Investment	€ 100.000
Subscr/Redemptions	Monthly
Management Fee	1.2% (0.3% quarterly)
Performance Fee	20% (above HWM)
High Watermark	142.26 (lead series)

Risk Analysis

Sharpe ratio 2025	2.21
Max drawdown (since policy update)	-12.57%
Standard deviation	0.61
Downside deviation	0.27
Positive months since 1 Jan. 2023	63.89%

* CSHFI = Credit Suisse Hedge Fund Index ** Max drawdown -12,57% including extremes (and -3,67% excluding extremes), however, these risks are mitigated now by an additional introduced risk limit

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2023	6.30%	-2.24%	-0.84%	-0.23%	-0.33%	1.45%	1.96%	0.40%	-1.17%	-1.32%	3.12%	0.93%	8.01%
2024	0.24%	-2.10%	3.70%	5.71%	1.55%	-0.73%	-0.02%	1.03%	0.39%	-3.67%	-12.57%	2.70%	-4.89%
2025	4.29%	0.07%	-0.44%	-2.35%	5.62%	1.57%	5.09%	-0.17%	4.48%	3.47%	1.52%	0.21%	25.61%
2026	5.23%												5.23%

Sources: Brandaris Capital. From this point onwards we are only showing the results since our strategic approach change, as it better reflects our objective.

Let op! U belegt buiten AFM-toezicht. Geen prospectusplicht voor deze activiteit.

