CB Global Trading Portfolio (USD)
Report Q2 2023

AHEAD

Crossbow Partners
Experience & Discipline

Target Stable returns of USD Libor + 3-5% with low correlation to the equity and bond market.

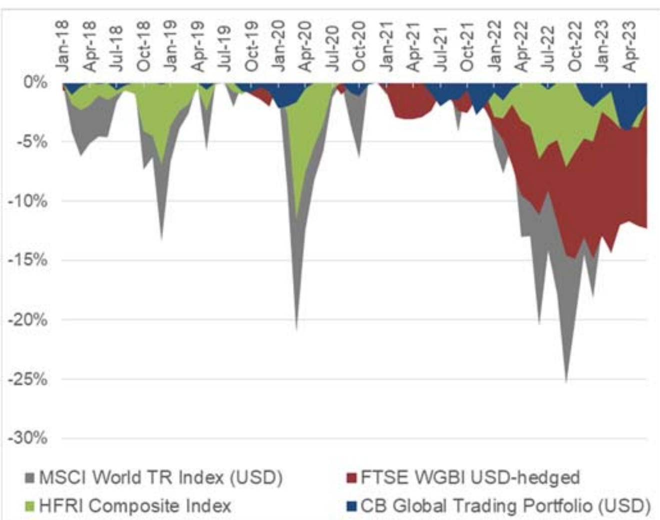
Concept The portfolio invests in selected Global Macro Managers that are very flexible and specialised. The managers can trade long and short and with different directionality.

Use For investors who are looking for a steady return over the long term, while avoiding large setbacks. For use as a stabilising strategy in an existing portfolio.

How this has worked so far

	Return				Risk: Volatility		Risk: Max. loss	
	Q2 2023	YTD 2023	3 years	5 years	3 years	5 years	3 years	5 years
CB Global Trading Portfolio (USD)	2.02%	0.26%	3.76%	4.12%	4.51%	3.87%	-4.12%	-4.12%
Bonds (FTSE World Gov)	-1.78%	1.68%	-6.49%	-2.03%	8.34%	7.12%	-27.15%	-27.15%
Equities (MSCI World)	6.83%	15.09%	12.17%	9.07%	17.86%	18.28%	-25.42%	-25.42%

Limitation of losses



Low correlations

	1	2	3	4
1 CB Global Trading Portfolio (USD)	1.00	0.17	-0.01	-0.35
2 HFRI Composite Index	0.17	1.00	0.87	0.02
3 MSCI World TR Index (USD)	-0.01	0.87	1.00	0.24
4 FTSE WGBI USD-hedged	-0.35	0.02	0.24	1.00

The portfolio shows virtually no or even negative correlation (dependence) to the performance of traditional markets. The zero correlation between the portfolio and the MSCI World TR Index (USD) means that the price movements of equities had no impact on the price movements of the portfolio. The realized loss was limited compared to the indices.

Comment second quarter 2023

In the second quarter, US inflation moderated and the US economy continued to prove resilient. The major central banks raised interest rates. After raising rates in May, the US Federal Reserve paused in June. While US equities were strong in the second quarter, Asian and EM equities were significantly weaker. Government bond yields rose, with the yield on 10-year US government bonds reaching 3.84% at the end of the quarter.

The portfolio was positive in the second quarter.

All Global Macro funds contributed positively during the quarter. The best performing manager was +6.4%, benefiting in particular from long positions in Japanese and EM equity indices and trading in some EM interest rates and currencies.

Other Global Macro managers' gains came mainly from trading Asian currencies, shorting government bonds and trading Japanese and US equity indices.

The portfolio's commodity funds also made a positive contribution overall, as one manager's gains in agricultural markets more than offset the other manager's losses in energy and metals.