

Newsletter February 2026

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▲ + 1,31 %

The trading portfolio of the Atlantis Private Algorithmic Hedge Fund is realized with a daily frequency of trading in high liquidity markets. The objective of the fund is to provide an absolute return with a moderate risk profile and low correlation of the underlying assets. The Fund seeks to achieve its objectives by developing, testing, and implementing a portfolio of systematic and algorithmic trading models. The trading portfolio includes several market assets in metals, currency instruments, indices, and energy assets. Execution of individual trades takes place in regulated, centralized, and derivative markets.

The strategy executes long and short positions to benefit from the identified short, medium, and seasonal trends and trends resulting from repetitive patterns, price formations. The system can apply a hedge trading approach in critical situations and high volatility. The goal of the portfolio, which is calibrated from ~ 50 logically different trading systems, is to provide profit each month. Our risk management is strictly based on clearly defined rules of a dynamically changing portfolio that constantly adapts to market conditions. We rely on an attractive return-to-risk ratio and stability.

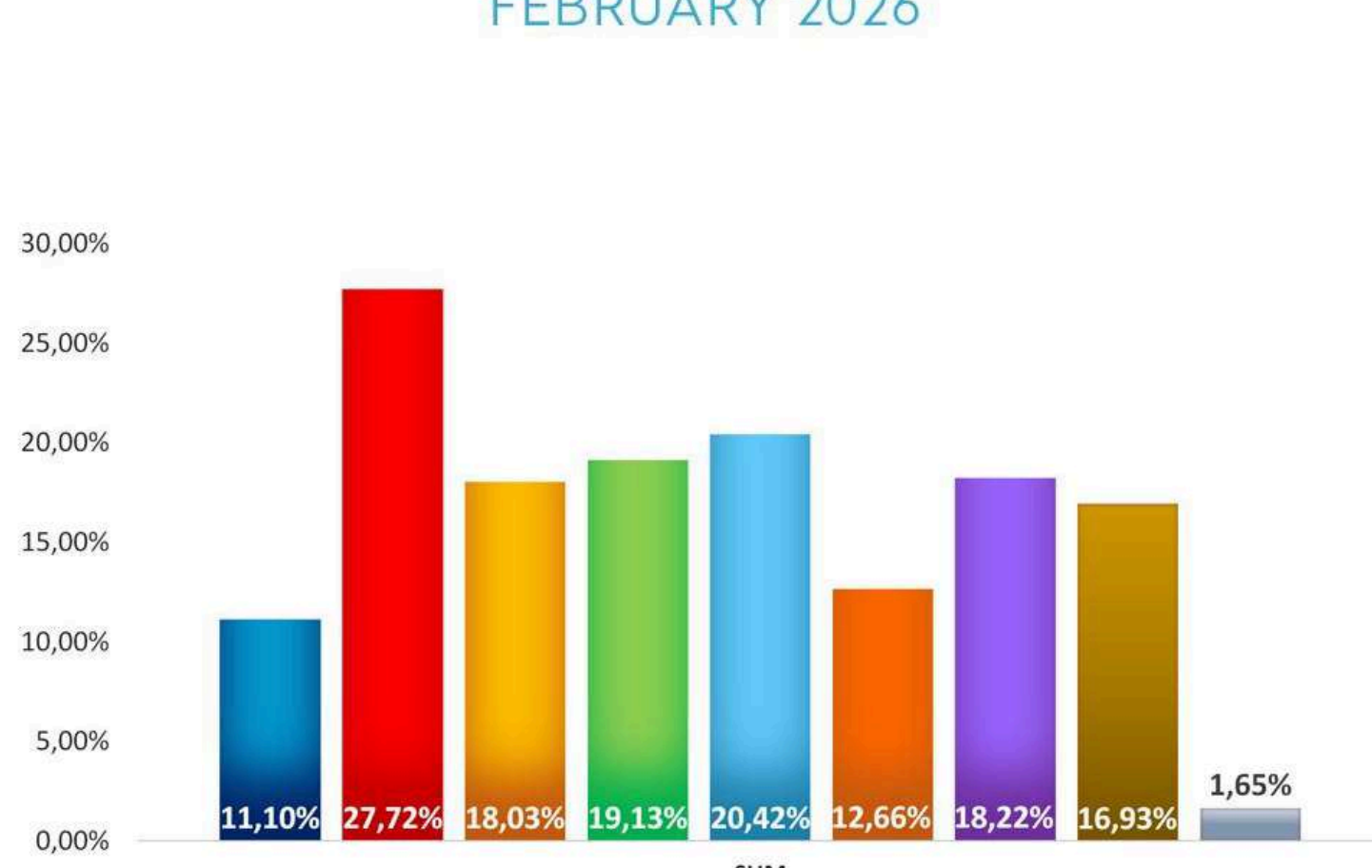
Hedge fund

FUND STATISTICS

Last month's result	Max. drawdown from peak
+ 1,31 %	3,74 %
Returns since model live trading	Sharpe ratio
▲ + 145,86%	0,49
Last 12 months return	Profit factor
▲ + 16,02 %	1,52
Number of trades during this month	Positive trades
108	73,4 %

HEDGE FUND

FEBRUARY 2026



Trading result

Year	1.	2.	3.	4.	5.	6.	7.	8.	9.	10.	11.	12.	SUM
2018								2,26 %	2,96 %	2,04 %	1,90 %	1,93 %	11,10 %
2019	2,61 %	1,61 %	5,63 %	3,57 %	1,20 %	2,69 %	2,74 %	2,33 %	0,87 %	3,23 %	1,85 %	-0,61 %	27,72 %
2020	0,89 %	-1,19 %	2,11 %	2,31 %	1,91 %	0,54 %	2,13 %	1,86 %	1,97 %	2,28 %	1,73 %	1,49 %	18,03 %
2021	1,57 %	2,14 %	2,05 %	1,91 %	2,43 %	-0,42 %	3,04 %	1,13 %	-0,83 %	2,15 %	2,33 %	1,63 %	19,13 %
2022	2,17 %	3,06 %	3,14 %	3,40 %	1,76 %	2,07 %	-1,14 %	1,43 %	3,42 %	1,14 %	0,64 %	-0,67 %	20,42 %
2023	0,96 %	1,25 %	2,81 %	0,56 %	-1,18 %	2,14 %	1,15 %	2,38 %	-0,70 %	3,11 %	-0,36 %	0,54 %	12,66 %
2024	1,21 %	1,39 %	3,08 %	2,10 %	1,27 %	0,38 %	3,02 %	1,08 %	4,07 %	0,43 %	1,15 %	-0,96 %	18,22 %
2025	1,10 %	1,28 %	0,41 %	2,32 %	2,85 %	0,63 %	-0,81 %	0,80 %	3,12 %	2,38 %	2,14 %	0,71 %	16,93 %
2026	0,34 %	1,31 %											1,65 %

Speech by our colleague Mgr. Marek Kunošik:

Is a global recession caused by an oil crisis looming? Should we be worried?

Today's situation in the global economy is filling newspaper and magazine headlines. There are always people who, in times like these, enjoy predicting exactly what will happen, and when they happen to be right, the media label them as experts whose "bet paid off." The truth, however, is that there are only scenarios with certain probabilities—some more likely, others less.

At the moment, the probability that the world is heading into a recession is higher than the probability that we are moving directly toward an economic upswing. The reasons are visible to all of us: geopolitical tensions, which recently escalated with the conflict in the Middle East. If the price of oil and fuel continues to rise and remains high for a long time, another wave of inflation will be unavoidable—both in Slovakia and globally.

The first effect is the immediate increase in transportation costs, both road and air. The second effect is the gradual transmission of higher prices into all industries, because almost every company has transportation expenses. This will then raise the prices of goods and services. However, households facing inflation will not have enough resources to purchase them, weakening demand (and investment), which is a basic precondition for recession. At the very least, this will manifest in the bankruptcies of weaker "zombie" companies.

Slovakia, however, has one advantage: the euro. We are part of the eurozone, which keeps us afloat during crises. In neighboring Czechia, banks have already had to react and are gradually increasing mortgage rates. Why? Because when inflation rises, interest rates must rise as well. We experienced this too—when inflation was around 15%, mortgages were above 5%. But thanks to the euro, we avoided rates above 7%, which Czechia faced. The Czech koruna is backed by a weaker economy than the entire eurozone combined, so it must react more aggressively.

Another factor is the risk premium. If the risk increases that people will not be able to repay loans, banks raise rates to cover potential losses. In the event of a recession, we can expect worse credit availability and higher rates in Slovakia as well.

According to Yahoo Finance, average mortgage rates in the U.S. have again risen above 6%. They were above 7% for a long time, then fell below 6%, but after a few months they are back up. We benefit from longer fixed-rate periods, so a large portion of Slovaks are not paying—and will not pay—such expensive loans. Banks here protect themselves differently: by lowering property valuations and offering lower LTV (loan-to-value; the percentage of a property's value the bank is willing to lend). Instead of 80% of the property's value, they may offer, for example, 70%, and that's from an already reduced valuation.

The real estate market is also specific in that investors in Canada and Germany have begun to realize that property prices are at their peak and have started withdrawing money. Some funds even had to temporarily halt withdrawals. This indicates emerging problems in the Western real estate sector. This happened even before the March escalation of the Middle East conflict, so that was not the cause. The turmoil on the Arabian Peninsula mainly affects property prices in that region. If someone diversified their assets from Slovakia into real estate there, they are likely not happy today. The Dubai property price index fell by 33% from its peak by mid-March.

The state of the Slovak economy, however, is not good. A recession may hit the entire world, but at least the world tried to prepare for worse times during the good ones. The European Union, however, created a problem for itself: excessive focus on environmental policies, which harmed some industrial sectors and reduced their competitiveness globally. It's not that we shouldn't care about the environment. But if the European economy does not grow and people become poorer, ecology will stop being a priority for them. And conversely—when a country reaches a higher standard of living, people naturally begin to prioritize their environment.

A symbolic example is the German chancellor's admission that shutting down nuclear power plants was a mistake, and now they must be replaced with coal. Europe has thus fallen to the back of the global pack in economic growth. Slovakia is additionally rated as the worst in the EU in terms of long-term sustainability of public finances (S1 index). Greece and Cyprus, which had serious problems in the past, are now in better shape thanks to concrete reforms.

If these expectations materialize, it won't be positive. But people can always do something about it. For example, sensible diversification of assets outside Slovakia and into assets that may be less affected by recession.

This is also why the strategy of Atlantis Capital—to invest through its Czech subsidiary, which allocates resources mainly with brokers in the United Kingdom—is being confirmed. This is a significant form of diversification. Moreover, given the nature of the fund, we can generate profit even during downturns. Volatility is an advantage for our trading. The more that happens in the world, the better for the capital invested in Atlantis Capital Group.

In conclusion: the entire situation resembles the 1970s and early 1980s in the U.S. Oil crises, inflation, a second wave of inflation. We have just gone through the first wave, caused by cheap money pumped into the economy during the pandemic. Now we are likely on the threshold of the second wave—an oil shock. The inflation curve may therefore look like a "double-humped camel" (just like 45 years ago).

How was it resolved back then? The central bank sharply raised interest rates. Unemployment spiked. A recession followed, and inflation fell. Ronald Reagan implemented reforms and cut taxes and government spending. And people remembered Kennedy's quote: "Ask not what your country can do for you—ask what you can do for your country." Ordinary Americans understood. They stopped making excuses, stopped waiting for handouts from the state, rolled up their sleeves, worked harder, and rebuilt the economy.

And we should approach this in a similar spirit. Not asking who will take care of us. Not complaining about politics or things we cannot influence. But thinking about what we can do ourselves. How to protect our capital, how to allocate it wisely. While many will be paralyzed by fear, we can take advantage of the opportunities that this period will undoubtedly bring.

Mgr. Marek Kunošik
 Business development

