

Monthly Report as of 31.03.2026

March once again lived up to its reputation, exhibiting historically high volatility across equity markets.

Current assessment

Recent geopolitical escalations in the Middle East have had significant global repercussions. The immediate surge in oil prices – impacting inflation and interest rate expectations as well as consumer sentiment – left a clear mark on global equity markets in March. Although markets have recovered somewhat by mid-April, they remain in a state of uncertainty. It is still unclear whether, when, and how a sustainable resolution can be achieved.

Europe as a resource-import-dependent region, faces headwinds from this situation, which simultaneously increases political pressure to act – both regarding energy security and defence. Current developments further underscore that dependence on fossil fuels entails not only ecological but also economic risks.

(No) Deal

Our assessment from the previous monthly report remains largely unchanged, even following the anticipated TACO-style reactions of the US President. Unlike prior negotiations with predictably rational actors

from Western governments, we are now confronted with a range of dogmatic, religious fundamentalists whose decisions do not follow a conventional “deal-making” logic.

With the ever-present threat of a blockade of the Strait of Hormuz and the potential destruction of regional energy infrastructure, the situation involves an unprecedented degree of leverage. Pandora’s box has been opened carelessly.

We therefore remain cautiously positioned and continue to maintain a more defensive fund allocation, as implemented in recent weeks. As of mid-April, the implicit cash ratio in the **GS&P Fonds – Family Business**, including takeover situations, remains above 10% of fund assets. This provides flexibility to capitalise on potential market weakness and other attractive entry opportunities.

Winners vs. Losers

The fund is broadly diversified, holding more than 50 positions, with underweight exposure to structurally weaker sectors. In the current environment, we believe it is prudent to adhere to a straightforward “winners vs. losers” framework.

Markets are increasingly driven by thema-

tic and often passive investors. The proportion of market participants conducting in-depth fundamental analysis prior to investment decisions is declining, along with their influence on price discovery. As a result, contrarian investing currently functions only to a limited extent, as there is insufficient capital willing to position against dominant market trends. Momentum, by contrast, is highly pronounced in both directions.

Stocks lacking a clear positive trend are being abandoned, while companies benefiting from strong thematic tailwinds are trading at premium valuations. The trend is your friend.

Accordingly, we regularly review our portfolio and watchlist through the lens of this “momentum question,” assessing which companies are currently and prospectively perceived as winners or losers in the prevailing market environment.

We therefore focus primarily on companies with structurally positive drivers, invest selectively in higher-quality players within each sector and prioritise those capable of gaining market share even during periods of stress. Following market corrections, these stocks should rebound like “rubber balls” – ideally with even greater strength.

Developments in March

European markets turned sharply negative in March, undergoing a pronounced correction. Large caps proved more resilient

than mid and small caps. The STOXX Europe 600 TR declined by 7.7%, the DAX by 10.3%, and the MDAX by 10.8%. A similar pattern was observed globally, with broad-based declines across nearly all regions.

Beneath the surface, sector rotation intensified significantly. Almost all sectors posted losses, with consumer-related industries like autos & suppliers (-13%) and retail (-12%) particularly affected, as well as industrials (-12%) and construction & materials (-12%) under pressure.

The clear exception was the energy sector: oil & gas rose sharply (+15%), benefiting from surging energy prices amid geopolitical tensions. At the same time, the macroeconomic backdrop became increasingly dominant: rising crude oil (+51%) and gas prices (+59%) fuelled inflation concerns and pushed interest rates higher, placing even traditionally defensive assets under pressure.

Fund Developments

The **GS&P Fonds – Family Business** (G) also recorded a decline in March, though significantly less pronounced than the broader indices, with a **decrease of 5.6%**.

For the first quarter, this resulted in a **stable performance of 0.0%** despite a Germany allocation exceeding 50%, compared to -1.0% for the STOXX Europe 600 TR and markedly weaker performances for the DAX (-7.4%) and MDAX (-8.1%).

YTD (as of 17 April), the fund is up +8.3%, marking a new all-time high.

Top contributors in March included **Zalaris** (+31%), **United Internet** (+10%), **Evonik** (+12%), **Rocket Internet** (+2%) and our latest addition, **General Oceans** (+15%).

Zalaris, temporarily our largest position, rose significantly due to the takeover discussed in detail in the previous report.

United Internet benefited from solid earnings, expectations of improved results and free cash flow, a positive sentiment shift at subsidiary **Ionos** and ongoing takeover speculation surrounding **1&1**.

Evonik gained on the back of a rally in chemical stocks, driven by production outages in the Middle East and reduced competition from Asia, potentially leading to supply shortages and higher prices for certain (specialty) chemicals.

Rocket Internet was up on news regarding the anticipated IPO of **SpaceX**, scheduled for June.

General Oceans, a new addition in March (see below), delivered strong initial performance following its successful IPO at NOK 21.

On the downside, **KSB Pref.** (-18%) were negatively impacted by a weak outlook linked to developments in the Middle East and a disappointing (flat) dividend. **Credito Emiliano** (-10%), **SGL Carbon** (-17%) and

consumer-oriented names such as **Jumbo** (-14%) and **JET2** (-13%) also underperformed.

Portfolio Changes in March

As previously outlined, the cash position was increased ahead of the Iran conflict by trimming positions that had experienced the strongest price appreciation.

Following the exceptional performance of **Elmos**, partial profit-taking was executed in March. In hindsight, this proved somewhat premature, as the stock subsequently reached new all-time highs of up to €179 (compared to an April 2025 low of €47.10). Nevertheless, **Elmos** was deliberately retained as the fund's largest position.

The **Zalaris** position, which had temporarily grown to nearly 8% of the portfolio, was reduced by more than half following the takeover announcement. In parallel, **Vienna Insurance Group** – discussed in detail in the previous report – was increased to nearly a 4% weighting. The combination of organic and inorganic growth, positive earnings revisions and an attractive valuation is considered highly compelling.

New addition: General Oceans

General Oceans is a founder-led Norwegian small cap company focused on underwater technology. Its subsidiaries' products serve applications including the protection of critical infrastructure (such as subsea cables and pipelines), hazard prevention,

border security, maritime surveillance and autonomous underwater navigation.

The strong alignment of the major shareholder, the attractive niche positioning and the structural growth in underwater autonomy and surveillance underpin the investment case. In addition, the fragmented market structure offers consolidation potential through acquisitions, for which a sizeable portion of IPO proceeds is intended.

Owing to a favourable allocation, the initial portfolio weighting was just under 2%. The timing of the IPO also proved advantageous, as the importance of maritime surveillance increased significantly considering the developments in the Middle East. As of 16 April, the shares had risen by more than 36% relative to the issue price of NOK 21. Partial profits were realised upon reaching our target price of approximately NOK 28.



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