ASR Pensioen Staatsobligatiefonds 10-15 Jaar

31-12-2025

Market analysis

The year 2025 was marked by an unusual combination of protectionism and technological progress. While protectionism typically restrains global growth, technology drives productivity gains. For a long time, the net effect remained uncertain, but ultimately the two forces largely seemed to offset each other. The IMF started the year with a growth forecast of 3.3%, revised this downward to 2.8% following U.S. import tariffs, and finally ended at 3.2%. Bloomberg surveys showed a similar pattern.

Remarkably, the U.S.—despite its aggressive trade policy—experienced the sharpest slowdown in growth, from 2.7% to around 2.0%. Even so, the economy appears resilient. Consumer spending remains solid, supported by rising real incomes and wealth effects, despite weak sentiment. This ‘K shaped’ pattern masks vulnerabilities: a sharp correction in financial markets could undermine consumption. Politics also plays a role: heading into the November midterms, fiscal stimulus is being deployed, while unemployment is gradually increasing.

Europe offers relative stability, albeit with low growth. Germany struggles with the slow impact of defence investments, while France faces political unrest. Peripheral countries such as Spain and Ireland, on the other hand, show strong growth. Outside Europe, India stands out with 8.2% growth, while China lags at 4.8%, relying heavily on exports and subsidies. Japan is dealing with rising interest rates and a high debt ratio.

Commodities showed notable trends: silver surged roughly 60% in Q4, benefiting producers such as Mexico and Peru.

Looking ahead to 2026, uncertainties remain substantial: U.S. political dynamics, fragile consumption patterns, and geopolitical tensions related to trade and technology. Regional divergence and volatility will remain key themes.

At the beginning of the quarter, yields on European government bonds were still declining, after members of the ECB Governing Council had suggested that a rate cut was more likely than a rate hike. From the second half of October onward, that picture reversed. The focus shifted to the announced fiscal stimulus in Germany, and in early December momentum increased further when the German government approved the 2026 budget.

The German 10-year yield rose from 2.7% to 2.9%. In the Netherlands, the 10-year yield increased from 2.9% to 3.0%. Yields also rose at the long end of the curve. For instance, the German 30-year yield climbed to around 3.5% from 3.3%, while the Dutch 30-year yield reached approximately 3.6%. Because Germany is taking the lead in higher defence spending, German bonds lagged relative to those of other eurozone countries. Italian, French and Spanish 10-year yields, for example, remained largely unchanged, whereas German yields moved higher.

It was also notable that European swap rates increased more rapidly than the corresponding government bond yields, causing swap spreads to narrow. Part of this can be explained by normalisation, as spreads had been historically wide. In addition, the Dutch Future of Pensions Act (Wet Toekomst Pensioenen, WTP) plays a role, since pension funds require fewer (ultra) long-dated swaps to hedge interest-rate risk. Hedge funds also participate, though in a speculative manner. It is unclear which party is leading the market. This may have contributed to the rise in (long-dated) swap rates even before the implementation date of 1 January 2026.

Outside the eurozone, the picture was mixed. The US 10-year yield moved sideways overall, remaining at 4.1%. Yields rose by around 10 basis points in Switzerland and roughly 20 basis points in New Zealand. Larger increases occurred in Australia, where the 10-year yield rose from 4.3% to 4.7%, and in Japan from 1.6% to 2.1%. The United Kingdom was the only exception, where the 10-year yield declined from 4.7% to 4.5%, after it became clear that earlier inflation figures had been overstated.

Fund strategy and results

The fourth quarter saw several notable market developments. Interest rates rose, with swap rates increasing more sharply than government bond yields and long term rates rising more than short term rates. Country spreads tightened both versus Germany and versus swaps, while inflation expectations fell in line with lower oil prices.

The rise in yields can be attributed to a combination of stronger than expected macroeconomic data and market participants anticipating the upcoming pension transition. Higher growth typically implies higher yields, but this dynamic may differ for the pension shift. Under the new WTP system, Dutch pension funds will need to hedge less interest rate risk, with the focus shifting toward shorter maturities. Related transactions are expected to push long term yields higher and steepen the curve. Key market participants include pension funds, investment banks, and speculative players such as hedge funds. Since the transition date and overall scale of the shift are widely known, a strategic cat and mouse game has emerged. Some transactions took place in Q4 — either directly by pension funds or indirectly by other parties — but the exact volumes remain unknown. The first quarter of 2026 promises to be equally eventful.

Adding to uncertainty was a decline in market liquidity during the quarter. Although the issuance season only truly slowed in December, October and November also saw limited new issuance. Dwindling supply, stronger macro data, and the absence (so far) of major geopolitical shocks contributed to a positive quarter for spreads. Even France’s budget standoff and corresponding rating downgrade had little impact, with French spreads tightening. The key question is how long this positive sentiment will last. It seems increasingly likely that only a crisis could force French policymakers into necessary budget adjustments. Issuance is also expected to be substantial in 2026, and geopolitical risks may re emerge. In combating inflation, the U.S. president has been attempting to push oil prices down at all costs — effective so far, but creating tensions with oil producing nations. A positive factor is that global inflation appears mostly under control, making central bank policy more predictable.

The fund performed in line with the benchmark this quarter. Some basis points were lost due to the interest rate positioning, which anticipated declining yields based on low issuance and oil prices. However, anticipation of the pension transition was stronger and earlier than expected. Curve positioning (steeper) partially offset this, and the remaining basis points were recovered thanks to favourable spread sentiment. As spreads tightened, the overweight spread position was reduced. Curve positioning remains intact, and the overweight rate position has been implemented in mid range maturities.

After fees, the fund returned –0.24% versus –0.25% for the benchmark, resulting in a relative return of +0.01%. It should be noted that limited liquidity on the final trading day caused a small pricing effect in the fund’s favour.

Outlook

Yields on European government bonds have risen in recent months. This was driven primarily by Germany, while many other countries saw little net movement. Notably, this increase is not primarily related to inflation or inflation expectations, which in the eurozone remain neatly around the target. The key factor is the growing realization that European governments will need to borrow more in order to become more strategically and defensively autonomous, now that financial and political support from the United States is becoming less self-evident.

As a result of these developments, a large volume of new government bond issuance is expected in 2026 (for the third consecutive year). Traditionally, the year starts with a wave of large new issues, which can put upward pressure on yields in the first quarter and negatively affect bond returns. In addition, on 1 January 2026, twenty-four Dutch pension funds will transfer to the new system under the WTP. This could lead them to scale back their positions in receiver swaps during the course of 2026. Although this does not translate one-to-one into changes in government bond yields, it can indirectly influence the yield curve of sovereign bonds. The combination of heavy issuance and these technical factors is reason for us to remain slightly underweight in government bonds.

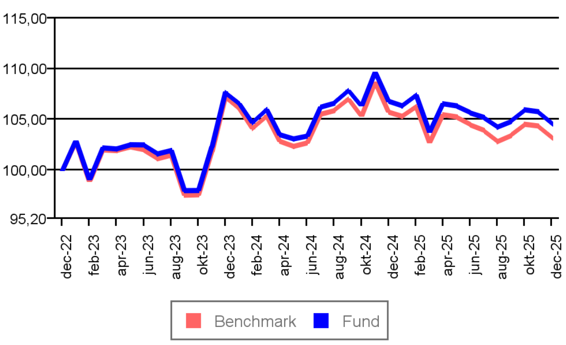
In theory, strong growth, persistent inflation, a weaker dollar (via the trade balance), import tariffs, and a large budget deficit should all contribute to higher long-term interest rates in the United States. Yet this did not happen over the past year. This is partly because import tariffs generated more revenue than initially expected, dampening some of the budgetary impact of the “One Big Beautiful Bill Act.” Another contributing factor was the Federal Reserve’s decision to halt quantitative tightening. Policy choices were also made to ease pressure on long-term yields. For example, since December, the Fed has been fully reinvesting maturing MBS into U.S. Treasuries. In addition, the U.S. Treasury has shifted its funding to shorter maturities, limiting the issuance of long-dated bonds. Finally, legislation has been introduced requiring rapidly growing stablecoins to hold U.S. Treasuries on a one-to-one basis. For comparison, Tether—the largest stablecoin issuer—holds $135 billion in U.S. Treasuries, making it the 17th-largest holder of U.S. government debt after South Korea.

Investment strategy

The objective of the ASR Pensioen Staatsobligatiefonds 10-15 Jaar is to offer an investment in a diversified portfolio of Investment Grade fixed-interest securities and long-dated instruments, primarily issued by governments and denominated in euros. The benchmark is the ICE 5+ Year AAA-A Euro Government + European Union Index. The investment policy aims to generate a target return over a three-year period that at least equals the return on the established representative benchmark, after deduction of all costs applicable to this mandate. The fund is managed in compliance with the ESG policy drafted by the Manager.

Historical indexed return

Indexation based on returns of not more than 3 years



Return *)	Fund	Benchmark
1 month	-1,13 %	-1,13 %
3 months	-0,24 %	-0,25 %
6 months	-1,03 %	-1,25 %
1 year	-2,11 %	-2,43 %
3 year	1,50 %	1,05 %
5 year	-5,57 %	-5,94 %
YTD	-2,11 %	-2,43 %
Since start	-1,53 %	-1,82 %

(*) period exceeding 1 year is annualised and is net based

Essential fund information

NAV calculation	Daily
Date of incorporation	31-10-2017
Performance calculation started on	31-10-2017
Fund administrator	ASR Vermogensbeheer N.V.
Fund manager	Marèn Klap
Entry charge (maximum)	0,10 %
Exit charge (maximum)	0,10 %
Ongoing Charges Ratio (OCR)(*)	0,20 %
Country of domicile	NL
Currency	EUR
Benchmark	ICE 5+ Year AAA-A Euro Government + European Union Index
ISIN	NL0012375182

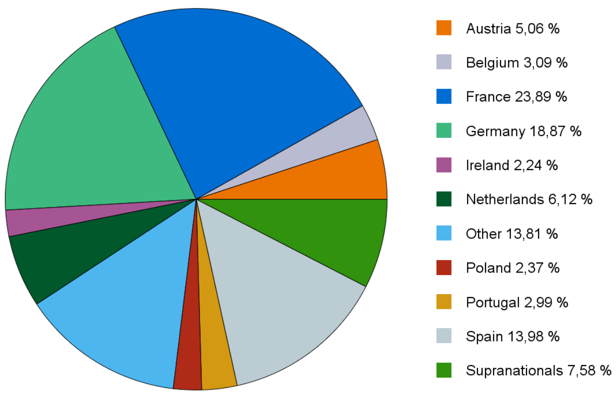
(*) The Ongoing Charges Ratio (OCR) consists of the management fee (0,10%) and the service fee (0,10%) (excluding costs which can be allocated directly to transactions) and the costs of the underlying investments.

Fund facts and prices

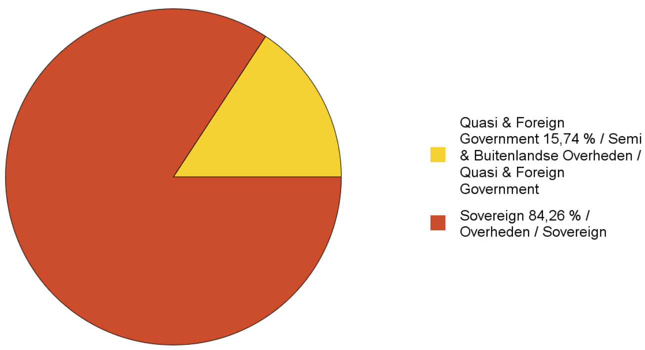
Total assets (x 1,000)	€ 755.434,96
Number of outstanding units (x1,000)	13.140,29
Net asset value per unit	57,49
Highest price in period under review	57,81
Lowest price in period under review	57,10
Dividend	None

10 largest holdings	ISIN	Country	%
DUITSLAND 2.3% 15/02/2033	DE000BU3Z005	Germany	5,20 %
SPANJE 3.55% 31/10/2033	ES0000012L78	Spain	3,79 %
DUITSLAND 0% 15/08/2031	DE0001030732	Germany	3,40 %
FRANKRIJK 4% 25/10/2038	FR0010371401	France	3,23 %
FRANKRIJK 2% 25/11/2032	FR001400BKZ3	France	3,18 %
FRANKRIJK 3.5% 25/11/2033	FR001400L834	France	2,96 %
NEDERLAND 0.5% 15/01/2040	NL0013552060	Netherlands	2,61 %
EU 2.75% 04/02/2033	EU000A3K4DW8	Supranationals	2,48 %
SPANJE 1% 30/07/2042	ES0000012J07	Spain	2,48 %
DUITSLAND 1% 15/05/2038	DE0001102598	Germany	2,46 %

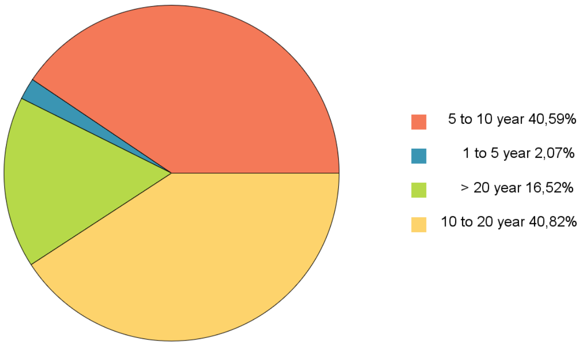
Country concentration



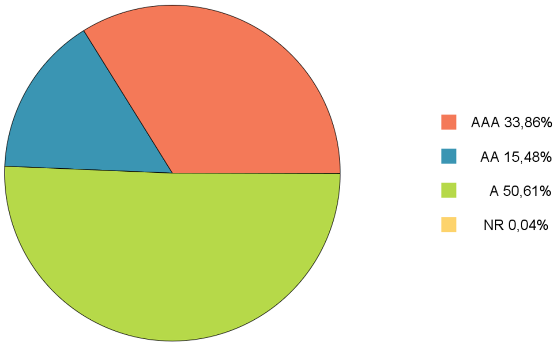
Industry concentration



Duration



Rating



Fund Governance

Als institutionele belegger toont a.s.r. vermogensbeheer haar maatschappelijke verantwoordelijkheid onder meer door toepassing van ethische en duurzaamheidscriteria in
haar beleggingsbeleid. Alle beleggingen beheerd door a.s.r. vermogensbeheer worden aan de hand van ons Policy on Responsible Investments (PRI) beleid gescreend op onder meer sociale en milieuaspecten en bestuurlijke criteria. Landen en bedrijven die niet aan de criteria voldoen, worden uitgesloten. Denk hierbij aan producenten van wapens en tabak, de gokindustrie en steenkool, (onconventionele) olie en gas productie en palmolie producenten. Daarnaast beoordeelt a.s.r. bedrijven op hun naleving van internationale afspraken als de OESO-richtlijnen en richtlijnen van de VN zoals de Global Compact. De screening van ondernemingen is gebaseerd op externe, onafhankelijke research van twee externe leveranciers (MSCI ESG en ISS).

Bij het beheer van vermogen selecteert a.s.r. vermogensbeheer op basis van best practices volgens de ESG-criteria (Environmental, Social en Governance). Dit betreft alle beleggingen in landen (staatsleningen) en in ondernemingen (aandelen en bedrijfsobligaties) die het best scoren en/of passend zijn binnen de beleggingsrichtlijnen. Daarnaast investeert a.s.r. vermogensbeheer in bedrijven die een concreet duurzame bijdrage leveren aan de maatschappij.

Sustainability Policy

As an institutional investor, a.s.r. Vermogensbeheer demonstrates its social responsibility by, among other things, applying ethical and sustainability criteria in its investment policy. All investments managed by a.s.r. Vermogensbeheer are screened on our Policy on Responsible Investments (PRI) for social and environmental aspects and governance criteria. Countries and companies that do not meet the criteria are excluded. Examples include producers of weapons and tobacco, the gambling industry and coal, (unconventional) oil and gas production and palm oil producers. In addition, a.s.r. Vermogensbeheer assesses companies on their compliance with international agreements such as the OECD guidelines and UN guidelines such as the Global Compact. The screening of companies is based on external, independent research by two external suppliers (MSCI ESG and ISS).

When managing assets, a.s.r. Vermogensbeheer selects on the basis of best practices according to the ESG criteria (Environmental, Social and Governance). This concerns all investments in countries (government bonds) and in companies (shares and corporate bonds) that score best and/or are appropriate within the investment guidelines. In addition, a.s.r. Vermogensbeheer invests in companies that make a concrete sustainable contribution to society.