

## Market analysis

The economic landscape of 2025 was characterised by a fragile balance between protectionism and technological progress. In 2026, this dynamic has shifted, with geopolitics becoming increasingly dominant. The United States' National Security Strategy (NSS) has emerged as the central anchor in this regard. The US has explicitly opted for unilateral action to safeguard its global leadership position, replacing international cooperation with power politics. This shift became rapidly apparent through intervention in Venezuela, rising tensions surrounding Greenland, and an escalating conflict with Iran, culminating in the blockade of the Strait of Hormuz and structurally higher energy prices.

These developments increase the risk of stagflation: economic growth comes under pressure while inflation accelerates. The eurozone is particularly vulnerable due to its dependence on energy imports. As a result, the ECB has been forced to revise growth expectations downward and inflation expectations upward. While even extreme scenarios do not necessarily imply a recession, they do point to substantial losses in welfare.

The US economy itself is increasingly feeling the negative consequences of its policies. Import tariffs have proven to be of limited economic effectiveness and have partly been rolled back through legal channels. In addition, the US foreign policy agenda remains a key source of uncertainty for 2026.

Outside the US and Europe, Asian economies present a mixed picture. China continues to structurally temper its growth ambitions, Japan struggles with debt sustainability, while India positions itself as a relatively stable growth engine and a geopolitical alternative.

At the beginning of the quarter, European government bonds benefited from their safe-haven status and from confidence that the ECB had inflation under control. Following the attack by Israel and the US on Iran, this picture shifted abruptly. Rising energy prices fuelled inflation expectations, replacing anticipated rate cuts with the prospect of rate hikes, most notably at the short end of the yield curve. Core countries such as Germany and the Netherlands remained relatively stable, while yields in higher credit risk countries rose more sharply. Outside the eurozone, the picture was mixed, with the United Kingdom standing out negatively due to persistent inflation and energy dependency.

## Fund strategy and results

If, at the end of 2025, a survey had been conducted asking: "What will be the market-moving theme in Q1 2026?", the answer would undoubtedly have been the introduction of the WTP, and to a lesser extent the large supply of new issuance. In the final quarter of 2025, WTP analyses were ubiquitous, and market participants were focused on forecasting the impact of adjustments to interest rate hedges. The consensus was that long-term rates would come under pressure as long-dated interest rate swaps would need to be unwound and replaced by shorter-dated swaps. A shift in asset allocation was also anticipated, away from liquid government bonds towards less liquid but higher-yielding fixed-income investments.

In the first weeks of the year, it became clear that many market participants had positioned themselves similarly for these "consensus trades". Instead of steeper yield curves and higher long-term rates, we observed flatter curves and lower long-term yields, as investors with limited risk budgets quickly closed positions when the expected market moves failed to materialise. Country spreads also remained well contained, despite the large volume of new issuance, and in many cases even narrowed as the quarter progressed. Another notable development was the renewed widening of the spread between government bond yields and swap rates. Whereas government bonds significantly outperformed swaps in the final quarter of 2025, this relationship reversed in the early weeks of 2026. A plausible explanation once again lies in the WTP dynamic. Many participants had already implemented the logical trade of reducing long swap positions in Q4 2025, while mitigating risk by taking the opposite position in long bond futures. When markets failed to move in line with consensus expectations, these positions became loss-making and were subsequently unwound.

In February, market sentiment began to shift as the United States deployed increasing amounts of military equipment to the Middle East. While there was widespread hope that this was merely a pressure tactic to extract concessions from Iran, bond markets started to react. Initially, yields declined, consistent with textbook reasoning that panic leads to lower rates. However, once the US/Israeli attack on Iran actually commenced at the end of February and concerns arose about disruptions in energy markets, yields rose sharply, particularly at shorter maturities, resulting in significant curve flattening. Country spreads also widened, though this move was modest compared to the interest rate and curve dynamics.

Within the fund, the strategy for the first quarter was to overweight countries with limited issuance and to favour "swap-like" bonds in order to benefit from what we considered an excessively small spread between government bond and swap rates. In addition, we shared the prevailing consensus that yield curves would normally steepen and that the mid-segment of the curve would perform particularly well. Up to the end of February, most of these expectations were realised and the fund delivered a modest positive excess return. By late February, we were confident that an attack on Iran would take place and decided in a timely manner to reduce spread risk and move the interest rate position closer to neutral. This secured the gains achieved in the first months and allowed us to benefit further as country spreads widened in March. Looking ahead, we do not foresee a swift end to the war, although its precise course remains highly uncertain.

Overall, the fund clearly outperformed its benchmark in the first quarter of 2026. Value was added across all risk factors—rates, curve and spreads. After costs, the fund posted a quarterly return of -0.16%, compared with -0.28% for the benchmark. The slight price distortion at the end of 2025, which had resulted in an overly positive outcome at the time, was corrected on the first trading day of the year, marginally weighing on the quarterly result.

## Outlook

European government bond yields have been particularly volatile over the past quarter. Initially, yields declined during the first two months of the year, driven by lower (expected) inflation and a moderate risk-off move amid rising geopolitical risks. This dynamic reversed sharply following the outbreak of the war in Iran, after which European government bond yields rose rapidly. On balance, yields have therefore increased further over the course of this calendar year.

The upward pressure on European yields may persist for some time. The key structural factor is the growing awareness that European governments will need to borrow more in order to become strategically and defensively more self-reliant, as financial and political support from the US can no longer be taken for granted. Recent developments in the Middle East have once again underscored this reality. As a result, European countries are expected to increase government bond issuance.

Conversely, slower economic growth due to reduced oil and gas supply should, over time, lead to a flatter or even inverted yield curve. In such a scenario, downward pressure could emerge on long-dated government bond yields. Given this combination of forces, we maintain a neutral stance on European government bonds, while noting that, following the rapid rise in yields, government bonds could benefit from a short-term technical correction.

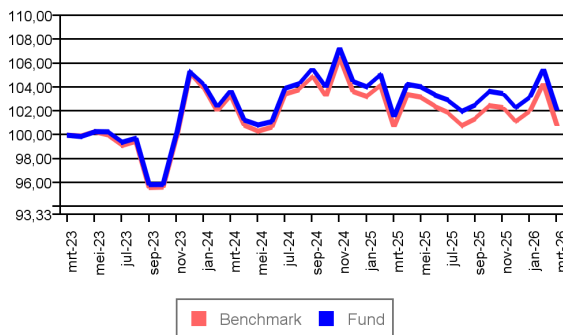
In theory, US yields should be driven higher by strong economic growth, persistent inflation, a weaker dollar (via the trade balance), import tariffs and a large fiscal deficit. However, this did not materialise during the first two months of the year. US Treasury yields did rise in March, but this was primarily a function of the war in Iran and rising gas and oil prices. Given the enormous public debt, the structural fiscal deficit and the loss of import tariffs as a major source of fiscal revenue, an exogenous shock could act as a catalyst for significantly higher yields. The war in Iran has clearly not served as such a catalyst, suggesting that, for now, the US Treasury market continues to attract sufficient investor demand.

## 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	-3,20 %	-3,30 %
3 months	-0,16 %	-0,28 %
6 months	-0,40 %	-0,53 %
1 year	0,58 %	0,12 %
3 year	0,71 %	0,29 %
5 year	-4,79 %	-5,19 %
YTD	-0,16 %	-0,28 %
Since start	-1,51 %	-1,80 %

(\*) 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

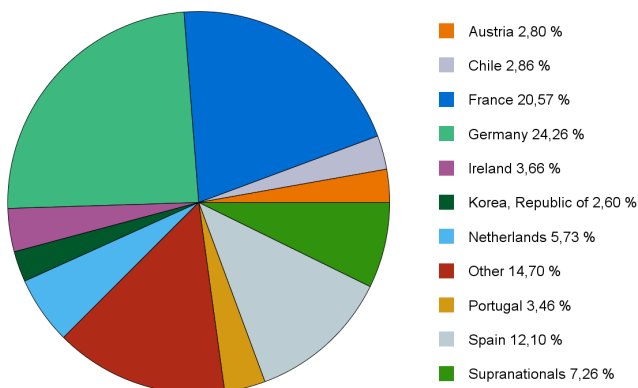
(\*) The Ongoing Charges Ratio (OCR) consists of the management fee (0,10%) and the service fee (0,10%) (excluding costs which can be allocated directly to transactions) and the costs of the underlying investments.

## Fund facts and prices

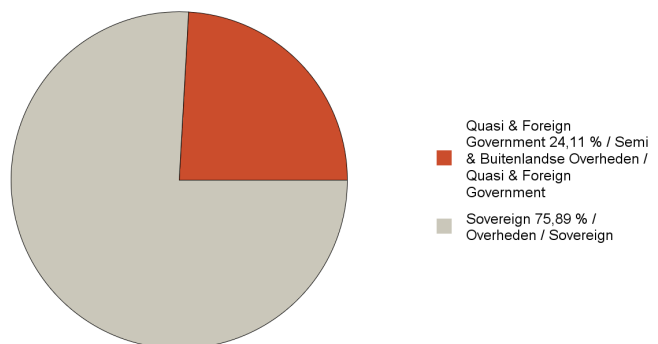
Total assets (x 1,000)	€ 799.481,04
Number of outstanding units (x1,000)	13.929,36
Net asset value per unit	57,40
Highest price in period under review	59,00
Lowest price in period under review	56,77
Dividend	None

10 largest holdings	ISIN	Country	%
DUITSLAND 2.3% 15/02/2033	DE000BU3Z005	Germany	6,84 %
DUITSLAND 2.2% 15/02/2034	DE000BU2Z023	Germany	4,51 %
SPANJE 3.55% 31/10/2033	ES0000012L78	Spain	4,00 %
DUITSLAND 0% 15/08/2050	DE0001030724	Germany	3,33 %
FRANKRIJK 3.5% 25/11/2033	FR001400L834	France	2,86 %
FRANKRIJK 1.75% 25/06/2039	FR0013234333	France	2,56 %
NEDERLAND 0.5% 15/01/2040	NL0013552060	Netherlands	2,38 %
SPANJE 3.95% 31/10/2056	ES0000012R56	Spain	2,24 %
SPANJE 3.5% 31/01/2041	ES0000012O75	Spain	2,11 %
NEDERLAND 3.25% 15/01/2044	NL0015001RG8	Netherlands	2,09 %

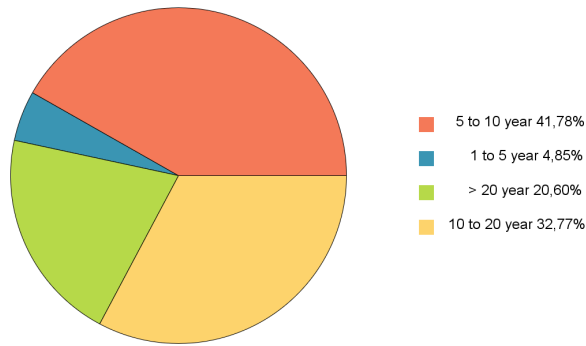
## Country concentration



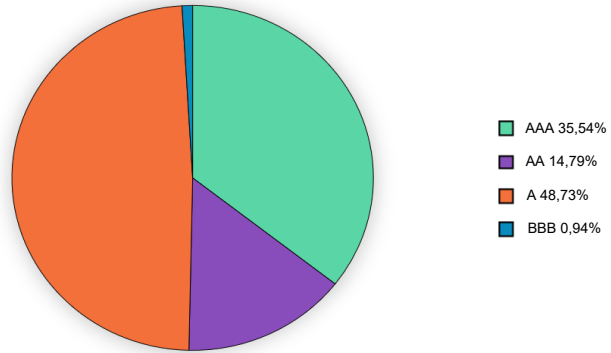
## Industry concentration



## 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.

An investment in the fund is subject to market fluctuations and to the risks inherent to investing in movable securities. The value of the investments and their revenue can increase as well as decrease. It is possible that investors will not get back the initially invested capital. The value of your investments may fluctuate and results achieved in the past offer no guarantee for the future. This publication in itself is not an offer to buy any security or an invitation to make a bid for this security. The decision to buy units in fund must be taken exclusively on the basis of the Information Memorandum. The Information Memorandum has information about the product, the investment policy, the costs and risks. Please read the Information Memorandum. The Information Memorandum and other information is available from a.s.r. or via [www.asr.nl](http://www.asr.nl).

This is a marketing communication. Please refer to Information Memorandum before making any final investment decisions. Past performance does not predict future returns.