

Market analysis

After the global economy started strongly against expectations in 2024, driven mainly by the US economy, this positive trend has now softened to some extent. The US economy has been growing at 1.4% annualised since the first quarter, but is still nevertheless a long way from a possible recession despite this cooling. The eurozone, which was still close to a recession in the two quarters before the turn of the year, seems to be gradually emerging from a period of economic stagnation. A slight increase in economic growth is visible, with the southern eurozone countries being the main driving force. In China, expectations were low, leaving room for positive surprises. In the first quarter, the Chinese economy managed to grow faster than the 5% target, thanks in part to an accommodative fiscal government policy.

For the time to come, the most plausible scenario appears to be that the US economy will continue to outperform the European economy in absolute terms. For example, the IMF expects economic growth of around 0.9% for the eurozone and 2.1% for the US for the whole of 2024. However, the IMF expects a further convergence of both regions towards economic growth of 1.7% in 2025. This therefore suggests that the US will see slower growth compared to 2023. So far, the US economy has proved to be more robust than expected, but the lagged effects of tighter monetary policy, the gradual weakening of fiscal policy, and a weakening of the labour market are still expected to weigh on overall demand.

This last development has been visible in the US for some time. Since the low of 3.4% in April 2023, the unemployment rate has already risen to 4.0%. As a result, the labour market is under somewhat less pressure, although even by US standards, it remains very tight. The Congressional Budget Office (CBO) and Federal Reserve Bank of St. Louis estimates the current natural unemployment rate (the level at which inflation remains stable) at 4.2%. As a result, we can expect some upward pressure on wages and prices in the period ahead, but the difference has since been fairly normalised.

This normalisation is also visible in what are known as the sentiment indicators, all of which are now around an average level. This does not unequivocally indicate an expected expansion or contraction of the US economy and is therefore in line with the expectations outlined by the IMF.

Finally, Americans will go to the polls in November for the presidential election. Without anticipating the outcome, political elections can lead to short-sighted and inefficient public investment to bind voters, and the run-up to the election may impact consumer and business confidence in the US.

After a strong start for global equities in the first quarter, the second quarter was less convincing. While global equities posted positive figures, there were also regions that ended the quarter with a loss. European bonds underperformed in the second quarter, and investment-grade corporate bonds performed slightly better during the quarter. European listed real estate proved volatile and ended the quarter with a loss, although this was smaller than that of European equities.

Fund strategy and results

After a strong first quarter of 2024, the second quarter also ended with positive figures for the ASR Pensioen Mixfondsen. The slight net increase in economic growth figures confirms the moderate macro expectations of investors, with a bright spot here and there. We see this reflected on the global stock exchanges with a new 'all time high' for several stock market indices, although we note differences per region and per sector. Inflation has clearly decreased and is still persistent, so that the bond markets have once again revised downwards their expectations for the pace of possible interest rate cuts by central banks. As a result, the interest rate on the capital market rose slightly, which is reflected in price pressure for fixed-income securities, especially for government bonds. European listed real estate naturally suffered from this interest rate increase and lagged slightly behind the average return on the European stock exchanges.

The slight increase in interest rates on the capital market is reflected in price pressure for fixed-income securities, for example the return on Euro government bonds in this period came to more than 1% negative. The Euro corporate bonds Investment Grade just managed to keep their heads above water thanks to the interest payments, on balance this category recorded a minimal plus over the second quarter. In line with this, the Euro corporate bonds in the High Yield category (with higher interest payments) recorded a slightly better return, which was over 1%. Corporate bonds in USD High Yield performed slightly better with a return of around 1.8%, partly due to the increase in value of the US Dollar against the Euro. The bonds of Emerging countries also benefited from the slightly higher USD rate but were also affected by the increase in interest rates, so that on balance this category recorded a higher return of over 1%. The mortgage loans recorded a small plus in this quarter despite the increase in interest rates on the capital market, which was only partly passed on in the mortgage rates. Once again, US shares performed better than European shares measured in euros, partly helped by the stronger US Dollar, here we recorded returns of 4.7% and 1.3% respectively in this period. The Asia/Pacific region disappointed with a decline of 1.1%, emerging markets recorded the best result with a price increase of over 6%, mainly due to positive figures from China. European listed real estate continued the upward trend in April and May, in line with the European stock exchanges. However, sentiment turned in June, so that the second quarter ended with a loss of over 0.5% for this category.

We see these developments on the financial markets reflected in the realised returns of the ASR Pensioen Mixfondsen over the second quarter of 2024, where we note increases of 1.80% for the defensive profile, 2.09% in the neutral profile and 2.34% in the offensive profile respectively. The implementation of the tactical vision has contributed a few basis points negatively to the achieved fund result this quarter, in particular this concerns the underweighting in US shares and in shares of Emerging countries versus the overweighting in European shares. In addition, we saw a clear negative contribution to the result of the ASR Pension Mix Funds compared to the benchmark due to the selection of companies in the ASR Worldwide Impact Shares Fund. The largest negative contributions in this fund were due to price declines of Alfen (energy storage and charging stations) and SolarEdge (energy systems). This impact strategy was added to the ASR Pension Mix Funds in the course of the second quarter with a focus on sustainable business models, which we expect to perform above average in the longer term. On balance, we note an underperformance for the Mix Funds of the a.s.r. Employee Pension this quarter. After deduction of fund costs, a relative performance compared to the associated benchmarks of -0.57% remains for the Defensive mix fund, -0.61% for Neutral and -0.66% for Offensive.

Outlook

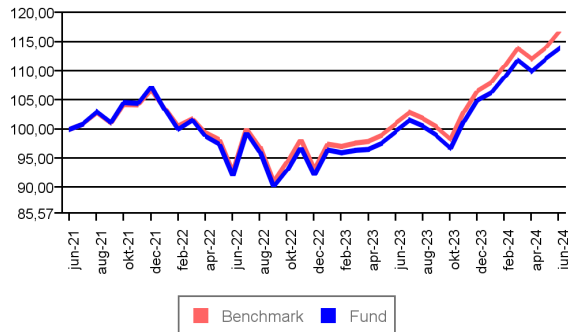
For the second quarter of 2024, we opted for a slightly overweight position in listed real estate versus a slightly underweight position in corporate bonds. During the quarter, we took our overweight position in listed real estate and our underweight position in corporate bonds to neutral. This was mainly due to the fact that listed real estate had caught up, as a result of which we had already used most of the potential. For the third quarter of 2024, we choose to keep the tactical vision neutral.

Investment strategy

ASR Pensioen Mixfonds Defensief aims to offer Participants the opportunity to invest in an actively managed portfolio that, mainly as a result of participations in other investment institutions, consists of a combination of shares, government bonds, corporate bonds, property and money market instruments. The aim is to invest the fund's net assets in full. Loans are permitted up to 5% of the fund capital.

Historical indexed return

Indexation based on returns of not more than 3 years



Return *)

	Fund	Benchmark
1 month	1,68 %	2,29 %
3 months	1,80 %	2,37 %
6 months	8,54 %	9,47 %
1 year	14,31 %	15,45 %
3 year	4,44 %	5,27 %
5 year	7,21 %	7,39 %
YTD	8,54 %	9,47 %
Since start (*)	7,15 %	7,14 %

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

Essential fund information

NAV calculation	Daily
Date of incorporation	29-09-2017
Performance calculation started on	29-09-2017
Fund administrator	ASR Vermogensbeheer N.V.
Fund manager	Jos Gijbers
Entry charge (maximum)	0,00 %
Exit charge (maximum)	0,00 %
Ongoing Charges Ratio (OCR)(*)	0,28 %
Country of domicile	NL
Currency(**)	EUR
Benchmark	ComPOSITE
ISIN	NL0012375158

(*) The Ongoing Charges Ratio (OCR) consists of the management fee (0,20%) and the service fee (0,08%) (excluding costs which can be allocated directly to transactions) and the costs of the underlying investments.

(**) This fund also invests in foreign currency. Due to price fluctuations there is a currency risk.

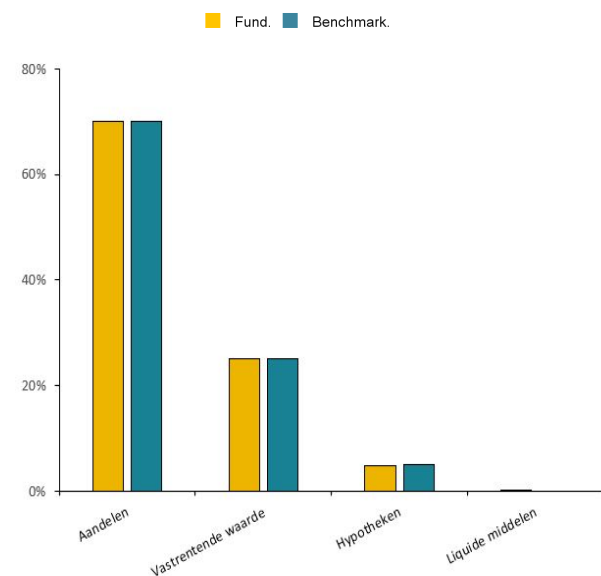
Fund facts and prices

Total assets (x 1,000)	€ 380.565,42
Number of outstanding units (x1,000)	3.854,86
Net asset value per unit	98,72
Highest price in period under review	99,27
Lowest price in period under review	97,17
Dividend	None

10 largest holdings

	ISIN	Country	%
ASR Duurzaam Amerikaanse Aandelen class A	NL0015000A12	Netherlands	32,28 %
ASR ESG IP Inst. Europa Aandelen Fonds KI C	NL0012294151	Netherlands	19,25 %
ASR ESG IP Inst. Euro Bedrijfsobligatie Fonds KI	NL0012294110	Netherlands	15,03 %
ASR Duurzaam Azie Aandelen fonds C	NL00150010V0	Netherlands	7,02 %
Northern Trust - Emerging Markets Custom ESG	NL0011515424	Netherlands	6,44 %
ASR Wereldwijd Impact Aandelen Fonds class C	NL0015001FE8	Netherlands	4,96 %
IShares JP Morgan ESG USD EM B	IE00BF553838	Global	3,98 %
ASR Hypotheekfonds Zonder Hypotheek Garantie	NL0012375208	Netherlands	3,20 %
IShares USD High Yield Corp Bo	IE00BJK55B31	United States	2,40 %
ASR ESG IP Inst. Euro Staatsobligatie Fonds KI C	NL0012375190	Netherlands	2,12 %

Position per asset class



Asset class Fund	%	%	Benchmark
Aandelen	69,95%	70,00%	
United States	32,28 %	33,00 %	MSCI UNITED STATES
Europe	19,25 %	18,00 %	MSCI EUROPE
Asia Pacific	7,02 %	7,00 %	MSCI PACIFIC
Opkomende Landen (Aandelen)	6,44 %	7,00 %	MSCI Emerging Markets Index
World	4,96 %	5,00 %	MSCI WORLD
Vastrentende waarden	25,13%	25,00%	
Bedrijfsobligaties	15,03 %	15,00 %	iBoxx EUR Corporates
Opkomende Landen (Bond)	3,98 %	4,00 %	J.P. Morgan ESG EMBI Global Diversified TR
USA High Yield	2,40 %	2,40 %	Bloomberg Barclays MSCI US Corp HY Sust BB+ SRI
Staatsobligaties	2,12 %	2,00 %	The BofA Merrill Lynch Custom Index Q960
EUR High Yield	1,60 %	1,60 %	Bloomberg Barclays MSCI EURO Corp HY Sust BB+ SRI
Hypotheken	4,91%	5,00%	
Hypotheken	4,91 %	5,00 %	The BofA Merrill Lynch Custom Index Q960
Cash	0,01 %		
Totaal	100,00%	100,00%	

Fund Governance

Als institutionele belegger toont a.s.r. haar maatschappelijke verantwoordelijkheid onder meer door toepassing van ethische en duurzaamheidscriteria in haar beleggingsbeleid. Alle beleggingen die beheerd worden door ASR Vermogensbeheer N.V. worden gescreend op basis van het a.s.r. SRI-beleid (Socially Responsible Investment), zoals sociale en milieuaspecten. Landen en ondernemingen die niet hieraan voldoen worden uitgesloten. De screening van ondernemingen is gebaseerd op externe, onafhankelijke research van Vigeo Eiris (www.vigeoeiris.com/en/vigeo-eiris-rating/) conform Arista standaarden. Daarnaast is er een externe, onafhankelijke certificering door Forum Ethibel (forumethibel.org/content/home.html) via een halfjaarlijkse audit van de beleggingsportefeuille van ASR Vermogensbeheer N.V.

Bij het beheer van vermogen selecteert a.s.r. op basis van best practices en products 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 passend zijn binnen de beleggingsrichtlijnen. Daarnaast investeert a.s.r. in bedrijven die een duurzame bijdrage leveren aan de maatschappij.

Ook hanteert a.s.r. een strikt uitsluitingsbeleid ten aanzien van controversiële activiteiten van landen en ondernemingen. Dit betreft bijvoorbeeld producenten van controversiële of offensieve wapens, nucleaire energie, de gokindustrie, tabak en kolen. Tevens eist a.s.r. dat bedrijven voldoen aan internationale conventies op het gebied van milieu, mensen- en arbeidsrechten. Voor de beleggingen in staatsleningen sluit a.s.r. landen uit die slecht scoren in de Freedom in the World Annual Report en de Corruption Perception Index. ASR is ondertekenaar van UNPRI en UNGC. Tevens voldoet a.s.r. aan de Code Duurzaam Beleggen voor verzekeraars van het Verbond van Verzekeraars, die sinds 1 januari 2012 van kracht is.

Sustainability Policy

a.s.r. is an institutional investor that show its social responsibility, for instance by applying ethical and sustainability criteria to investment selection. All assets under management by ASR Vermogensbeheer N.V. are screened using the a.s.r. SRI (Social Responsible Investment) policy, such as social and environmental aspects. Countries and corporations that do not meet these requirements are excluded. The screening of corporations is based on external independent research by Vigeo Eiris (www.vigeoeiris.com/en/vigeo-eiris-rating/) certified to the independent ARISTA standard. Furthermore, the ASR Vermogensbeheer N.V.'s asset portfolio is externally and independently certified by Forum Ethibel (forumethibel.org/content/home.html) in semi-annual audits.

a.s.r.'s asset management selects investments based on best practices en products according to ESG-criteria (Environmental, Social and Governance). This applies to all investments in countries (sovereign debt) and in corporations (shares and corporate bonds) that score the best in and are appropriate to the policy guidelines. Furthermore, a.s.r invest in corporations that make sustainability contributions to society.

a.s.r. also have a strict policy excluding controversial activities of countries and corporations. This applies to producers if controversial or offensive weapons, nuclear energy, the gambling industry, tobacco and coal. Furthermore, a.s.r. require that corporations comply with international agreements concerning environment, human and labor rights. For sovereign debts investments a.s.r exclude countries that score low in the Freedom in the World Annual Report and the Corruption Perception Index. a.s.r have signed the UNPRI and UNGC. Furthermore, a.s.r. comply with the Code Duurzaam Beleggen (Code for Sustainable Investing) for the insurance industry issued by the Vereniging van Verzekeraars (Union of Insurers), that came into force January 1, 2002.

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.

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