APF Quarterly update DC Plan Q4 2024

Stichting Pensioenfonds APF

Pensioenfonds APF provides a quarterly report on the developments of your investments in the DC scheme. An important event this quarter was the presidential election in the US. US companies make up the largest share of the global stock market, just think of giant companies like Apple, Tesla and Amazon. Tax rates and rules on imports and exports are very important for how well these companies do. Global equities did well this quarter, partly due to the outcome of the elections. Emerging market shares and bonds performed somewhat less well.

The DC scheme invests in equity funds that track the Index, with low costs and a broad diversification. This follows the market and will achieve a return in the long term. It remains important not to be influenced by short-term price developments and to stick to the long-term investment policy of the chosen Lifecycle.

From the beginning of October, the Matching module has been organized differently with the Achmea IM Duration Matching Fund. This replaces the previously used Module Matching DC. No benchmark applies here, the only objective is to pursue interest rate coverage of the long maturities. As the age increases in the run-up to retirement, the weight of this module in the life cycle increases.

Module Rendement (Return)
This module invests in shares worldwide. Share prices did well. At least in America; Europe and Asia responded less enthusiastically to Trump's win. Trump's election plans showed that he wants to make it more expensive for companies from other countries to export products to the US, and that he wants to reduce energy costs and taxes in the US. Positive news for American companies, but the picture is less optimistic for world trade.

Module Rente (Interest)
Persistent inflation and low expected growth in Europe reduce the chance that bond yields will fall sharply, which offers a less rosy outlook for existing bonds with higher interest rates. The returns on the bonds in Module Rente were approximately stable this quarter.

Module Matching (Achmea IM Matching Duration Fund)
This fund invests in derivatives that are highly interest rate sensitive in combination with liquid assets. The purpose of this fund is to cover the risk of interest rate shocks at the time of pension purchase. This can provide sufficient protection for the very long terms up to the pension commencement date. The interest rates on bonds with long maturities fell, which led to higher prices and therefore a positive return from this Fund.

Overview of yields in the 4th quarter and year-to-date 2024

	Return (net[1]) Q4 2024	Return benchmark Q4 2024	Return (net[1]) Year-to-date 2024	Return benchmark Year-to-date 2024
Module Return	1,5%	1,2%	19,3%	18,9%
Module Interest	0,3%	0,1%	2,9%	2,3%
Module Matching	1,5%	n/a	5,7[2]%	n/a

Your realized return depends on the selected risk profile and your age. You will find this in our regular reports indicating the returns of the different Lifecycles. The returns of the Lifecycles for recent years are shown on the website.

[1] These are yields, corrected for all investment expenses. The return of the benchmark is always shown gross (without correction for costs). The return in de module is, therefore, not exactly comparable to the benchmark but it provides a good indication.
[2] Investments will be made in this Fund from October 1, 2024. This return is a combination of the Module Matching return until Q3 2024 and the Duration fund Q4 2024.