

Asset Price Monitor

Local Equity Markets

- Most major equity markets declined in September 2026, reversing August's gains, as surging long-dated bond yields, elevated oil prices and fading AI sentiment weighed on risk appetite.
- The Euro Stoxx 50 fell 2.2%.
- The FTSE 100 was down 2.0%.

Global Equity Markets

- The S&P 500 and Japanese Topix were broadly flat, both down 0.3%.
- The MSCI emerging markets index finished 0.5% lower in September.

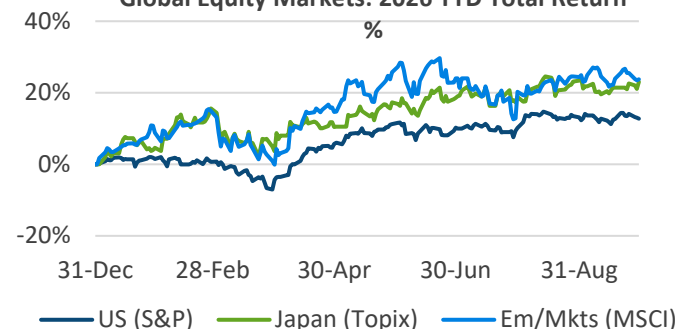
Bond/FX Markets

- Both the European government and the European corporate bond indices ended the month down by 2.1% and 1.3% respectively.
- The Euro had a weak performance in September, losing 4.0% against the Japanese Yen, 0.3% against the British Pound and 2.5% against the US Dollar.

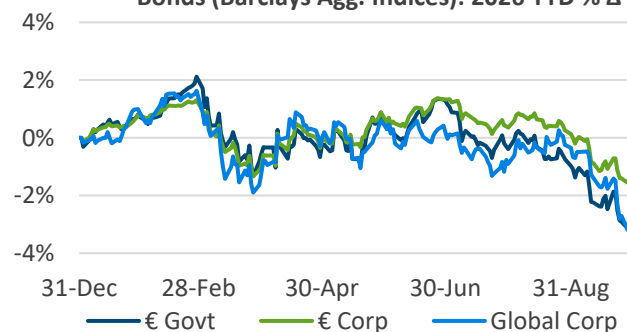
Local Equity Markets: 2026 YTD Total Return %



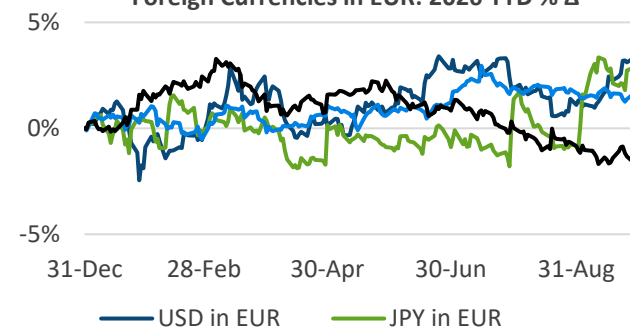
Global Equity Markets: 2026 YTD Total Return %



Bonds (Barclays Agg. Indices): 2026 YTD % Δ



Foreign Currencies in EUR: 2026 YTD % Δ

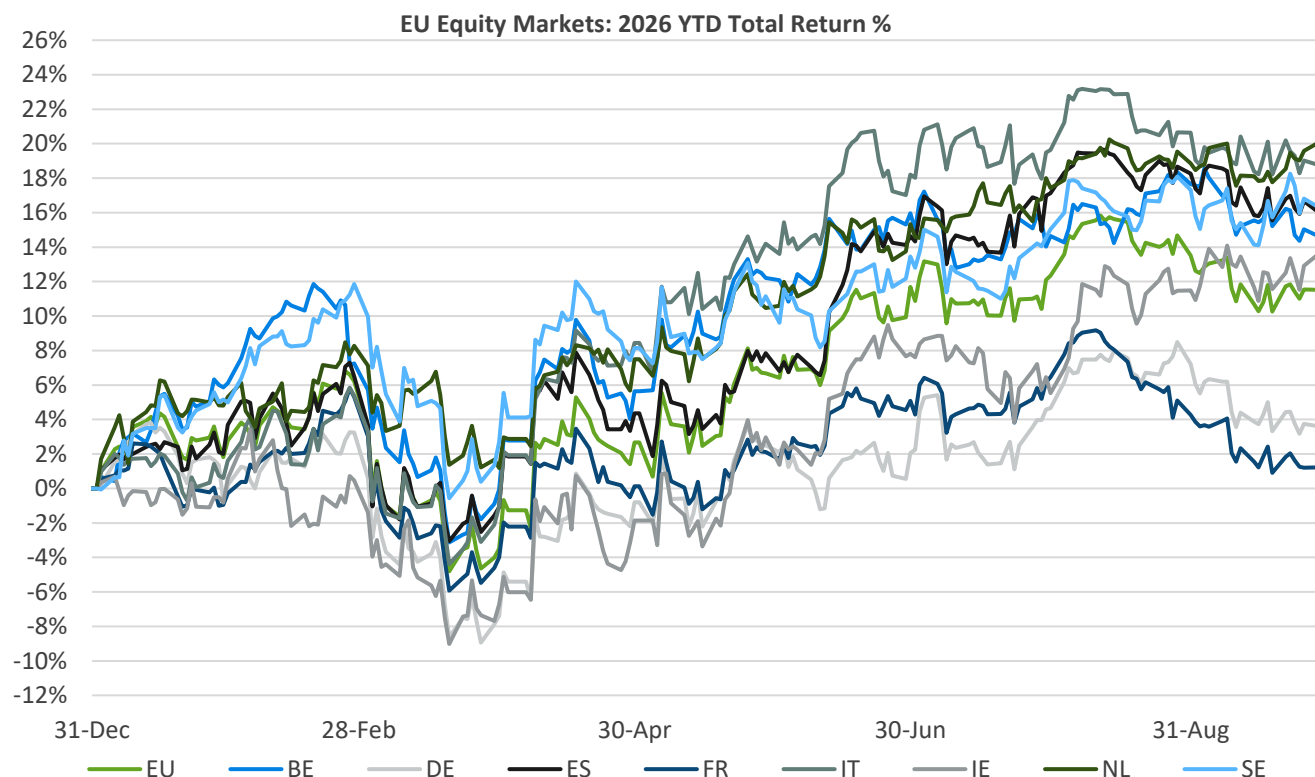


Total Returns as of September 30, 2026

	Euro Stoxx 50	FTSE 100	SMI	US (S&P)	Japan (Topix)	Em/Mkts (MSCI)	€ Govt	€ Corp	CHF in EUR	USD in EUR	JPY in EUR	GBP in EUR
1 Month	-2.2%	-2.0%	-3.1%	-0.3%	-0.3%	-0.5%	-2.1%	-1.3%	-0.9%	2.5%	4.0%	0.3%
3 Month	-0.6%	1.8%	-2.4%	2.3%	3.8%	-0.2%	-4.3%	-2.5%	-2.5%	0.7%	4.1%	0.8%
1 Year	16.7%	17.1%	17.7%	15.7%	33.9%	29.6%	-2.8%	-0.9%	-1.3%	3.7%	-2.6%	2.2%
YTD	11.0%	9.6%	7.5%	12.7%	23.1%	23.7%	-3.1%	-1.2%	-1.7%	3.5%	3.2%	2.1%

Eurozone Equity

- Major European equity markets generally posted negative returns in September, with the exceptions of Ireland and the Netherlands, which gained 1.9% and 0.9%, respectively.
- The Irish market was the outperformer of the month, gaining 1.9%.
- The French market was the largest laggard, declining by 4.2%. It also remained the weakest performer year-to-date, having lost 0.1% in 2026 so far.
- The Dutch equity index has overtaken the Italian index as the best performer year-to-date, having returned 19.9% during this period.

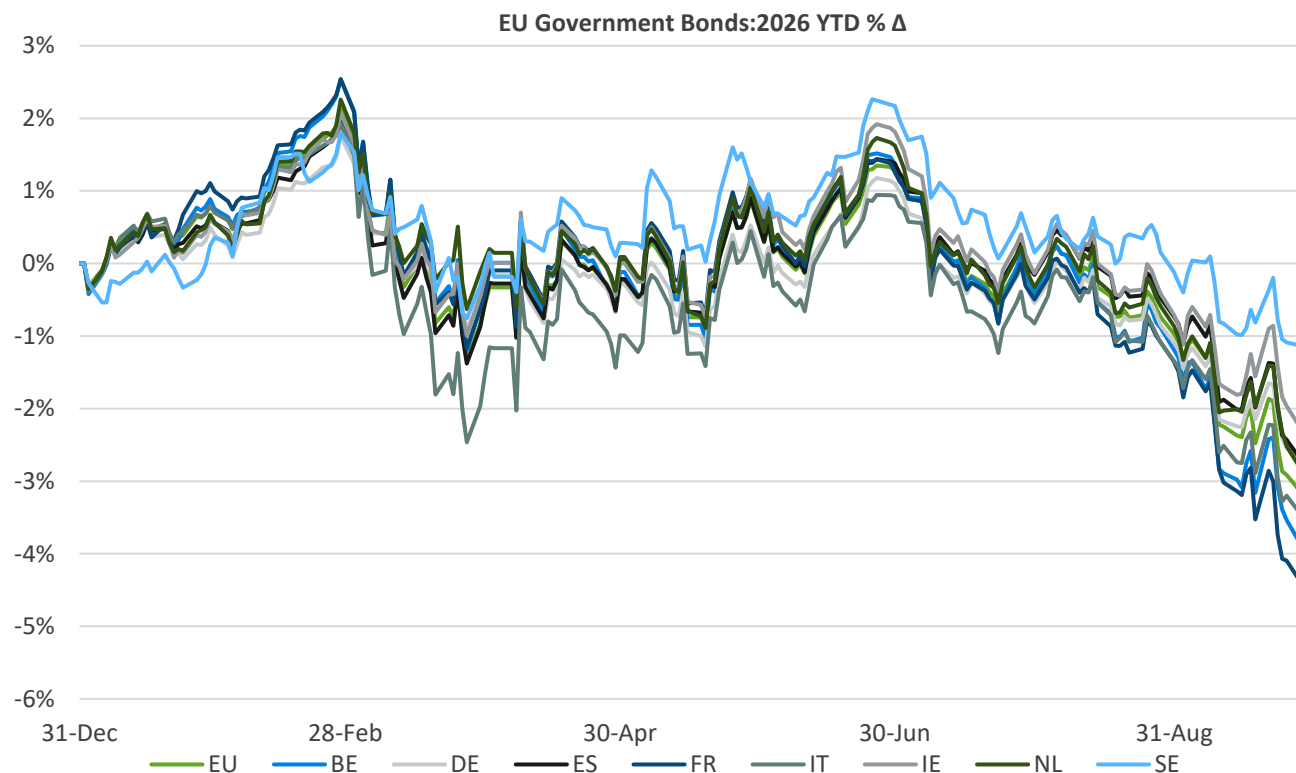


Equity Returns as of September 30, 2026

	EU	Belgium	Germany	Spain	France	Italy	Ireland	Netherlands	Sweden
1 Month	-2.2%	-3.9%	-4.0%	-2.7%	-4.2%	-2.3%	1.9%	0.9%	-1.2%
3 Month	-0.6%	-2.5%	0.8%	0.3%	-5.0%	-0.3%	5.4%	4.0%	2.2%
QTD	-0.6%	-2.5%	0.8%	0.3%	-5.0%	-0.3%	5.4%	4.0%	2.2%
YTD	11.0%	13.1%	2.9%	15.0%	-0.1%	17.9%	13.6%	19.9%	16.0%

Eurozone Government Bonds

- All European government bond indices continued to fall in September.
- The French government bond index was the largest laggard, finishing September down 3.4%. It also remained the worst performing government bond index year-to-date, down 4.7% in 2026 so far.
- The Swedish government bond index recorded the smallest decline during the month, falling by 0.7%. It remained the best-performing government bond market in the region on a year-to-date basis, with a cumulative loss of 0.8%.



Bond Returns as of September 30, 2026

	EU	Belgium	Germany	Spain	France	Italy	Ireland	Netherlands	Sweden
1 Month	-2.1%	-2.9%	-1.2%	-1.8%	-3.4%	-2.1%	-1.3%	-1.5%	-0.7%
3 Month	-4.3%	-5.3%	-3.4%	-3.8%	-5.9%	-4.3%	-3.7%	-3.9%	-2.9%
QTD	-4.3%	-5.3%	-3.4%	-3.8%	-5.9%	-4.3%	-3.7%	-3.9%	-2.9%
YTD	-3.1%	-4.0%	-2.3%	-2.5%	-4.7%	-3.4%	-2.0%	-2.3%	-0.8%

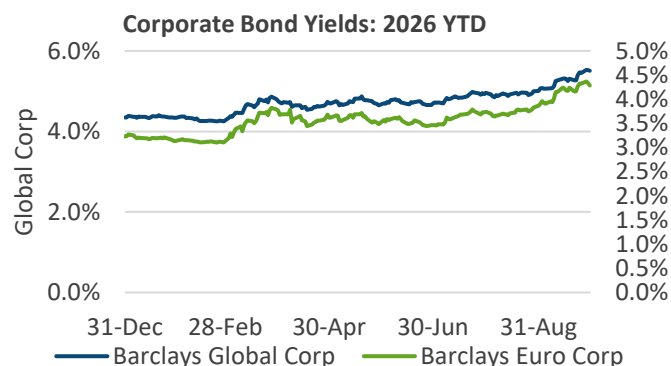
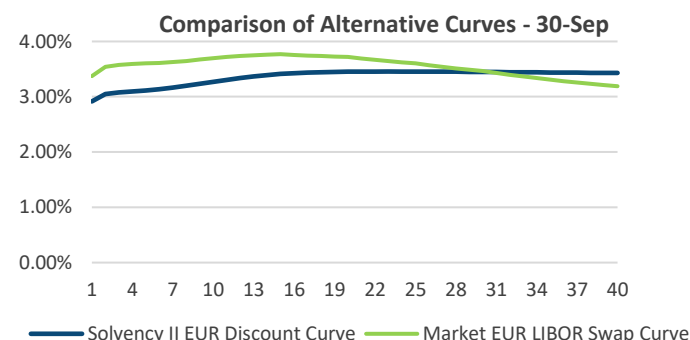
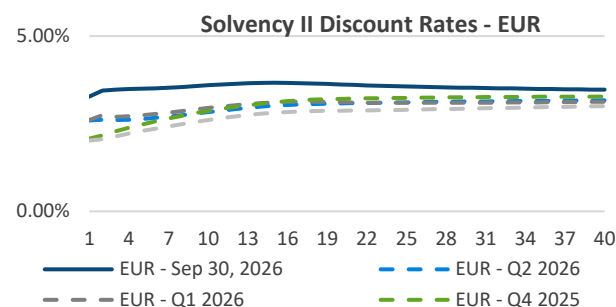
Liability Valuation Monitor

Risk Free Rates

- EUR risk-free rates rose at all terms in September.
- The 1 and 10-year risk-free rates rose by 36 and 39 basis points, respectively.

Corporate Bonds

- Global and European corporate bond yields rose by 50 and 42 basis points respectively.
- Global and European corporate bond spread widened by 5 and 12 basis points respectively in September.
- The rise in risk-free rates, combined with the widening in European corporate bond spreads, resulted in losses for the European corporate bond index.



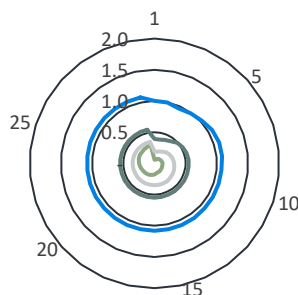
	Change in Solvency II Discount (bps)						Change in Corporate Bond Yields (bps)		Change in Corporate Bond Spreads (bps)	
	1Y	Y5	Y10	Y20	Y30	Y40	Global Corp	Euro Corp	Global Corp	Euro Corp
Since Q2 2026	68	87	77	54	39	30	81	82	7	11
Since Q1 2026	67	76	65	50	43	35	76	52	-8	-6
Since Q4 2025	120	102	73	41	27	20	116	105	5	13
Since Q3 2025	125	121	99	75	59	47	120	119	7	12

Solvency II Monitor – Spreads Fundamental Spreads

- The fundamental spread data shown is for the end of August.
- There were no material changes since the last report.

Fundamental Spreads %

EUR: Financial



— AAA — AA — A — BBB

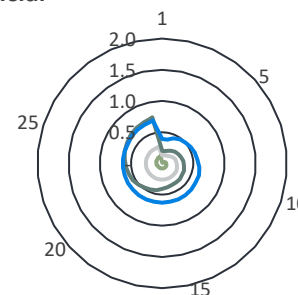
EUR Financial Fundamental Spread %

	1Y	Y5	Y10	Y20	Y30
AAA	0.06	0.10	0.13	0.21	0.30
AA	0.19	0.26	0.33	0.35	0.35
A	0.39	0.49	0.55	0.55	0.55
BBB	1.00	1.02	1.08	1.08	1.08

EUR Financial 'Before Floor' %

	1Y	Y5	Y10	Y20	Y30
AAA	0.00	0.05	0.11	0.21	0.30
AA	0.04	0.07	0.11	0.18	0.25
A	0.05	0.11	0.17	0.27	0.38
BBB	0.10	0.19	0.27	0.40	0.50

EUR: Non-Financial



— AAA — AA — A — BBB

EUR Non-Financial Fundamental Spread %

	1Y	Y5	Y10	Y20	Y30
AAA	0.01	0.03	0.07	0.08	0.12
AA	0.13	0.17	0.25	0.26	0.27
A	0.20	0.28	0.37	0.51	0.75
BBB	0.39	0.50	0.62	0.63	0.70

EUR Non-Financial 'Before Floor' %

	1Y	Y5	Y10	Y20	Y30
AAA	0.00	0.02	0.04	0.08	0.12
AA	0.00	0.04	0.09	0.18	0.27
A	0.04	0.14	0.26	0.51	0.75
BBB	0.10	0.20	0.32	0.52	0.70

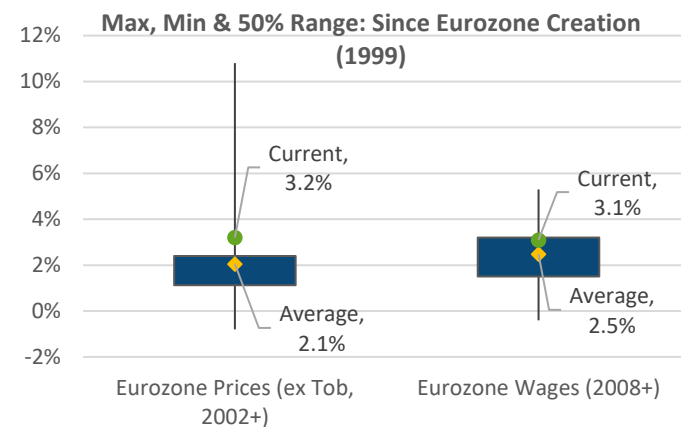
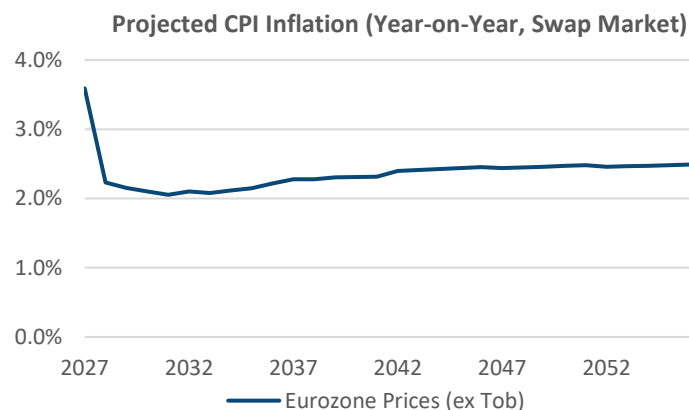
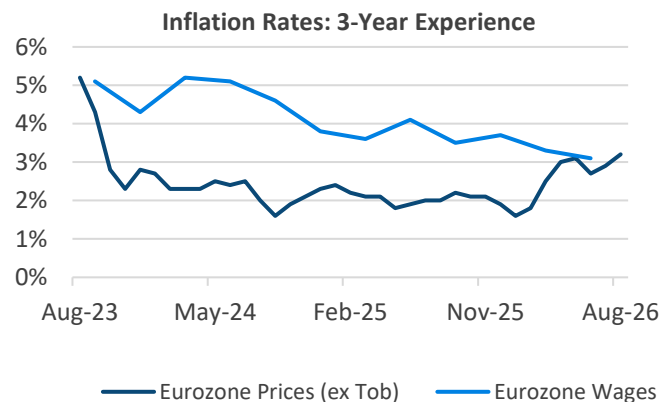
The **Solvency II risk-free discount rates** are based on applying the Smith-Wilson Extrapolation to LIBOR swap rates sourced from Bloomberg (current curve is for 30/09/26) and applying the Credit Risk Adjustment as defined in the Technical Specs. For the official published curves please refer to the [EIOPA](#) website.

The **Credit Risk Adjustment** is a component of the risk-free discount curve defined by EIOPA. It is calculated from actual experience in the 'LIBOR-OIS' spread (3 months for EUR), and is bounded between 0.10 and 0.35. We show actual LIBOR-OIS spread levels and the defined CRA, for EUR.

EIOPA fundamental spreads show the credit spread corresponding to the risk of default or downgrading of an asset. This is shown here across financial and non-financial assets, credit quality steps 0-3 and durations of 1-30 years. The data is provided by EIOPA and as of 31/08/26. **Fundamental spread** = maximum (probability of default + cost of downgrade; 35% of long-term average spread). In the tables we show the '**before floor**' measure = probability of default + cost of downgrade.

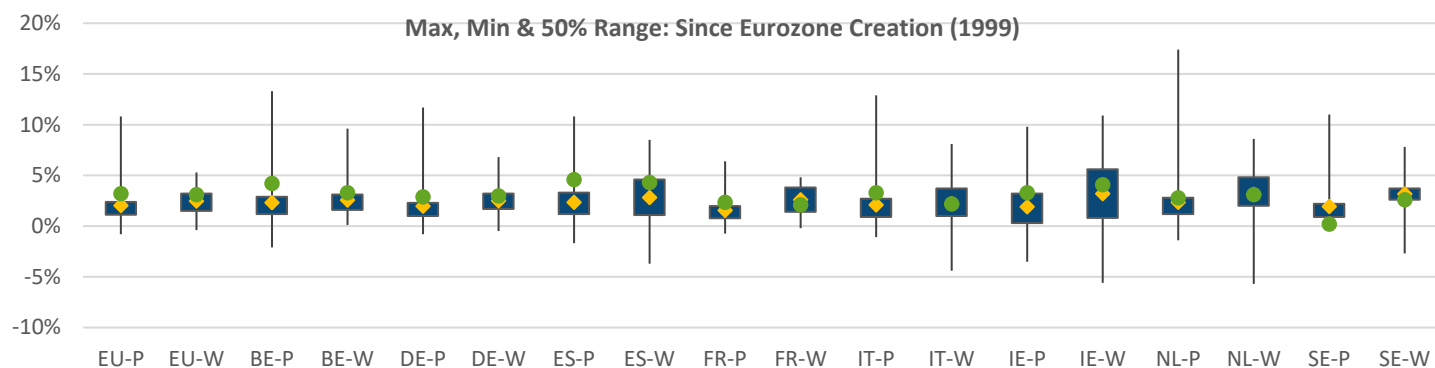
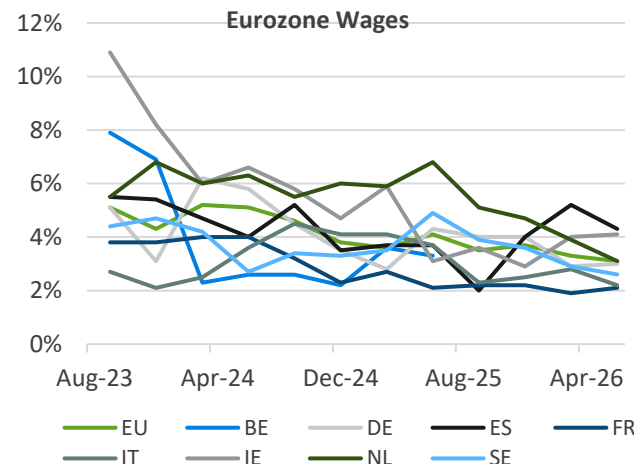
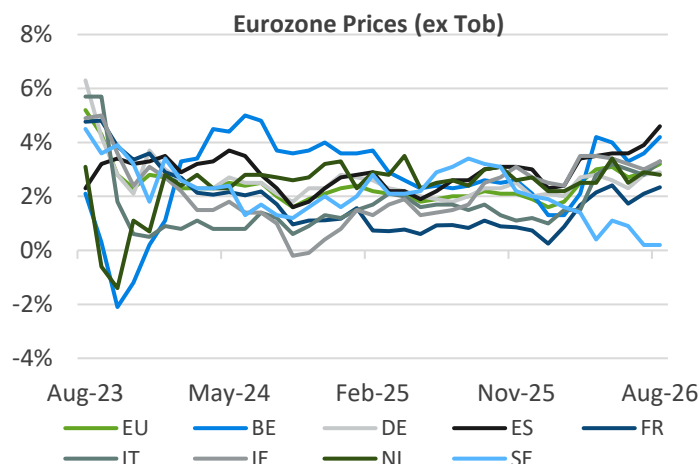
Inflation Monitor

- The Eurozone price inflation rate rose by 30 basis points to 3.2% in August 2026.
- The Eurozone projected CPI curve increased at the short end, but the rest of the curve was relatively unchanged from the previous month.
- Eurozone Q2 2026 wage inflation fell by 20 basis points to 3.1%, after the Q1 reading was revised upwards by 20 basis points.



Inflation Monitor

- Movements in price inflation were mixed for major European economies in August.
- Spain remained the highest reading in the region at 4.6%, while also posting the largest increase, up 70 basis points
- Sweden recorded the lowest inflation rate in the region at 0.2%.
- Q2 2026 wage inflation rates were generally mixed for major European economies.
- Spain posted the highest wage inflation reading in the region at 4.3% despite posting the largest decline of 90 basis points in Q2 2026, after the previous quarter's reading was revised higher by 10 basis points
- France saw the lowest reading at 2.1% despite increasing by 20 basis points, after the previous quarterly's reading was revised higher by 10 basis points

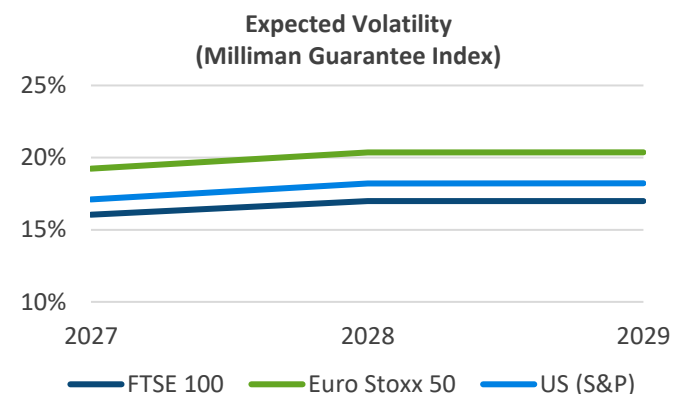
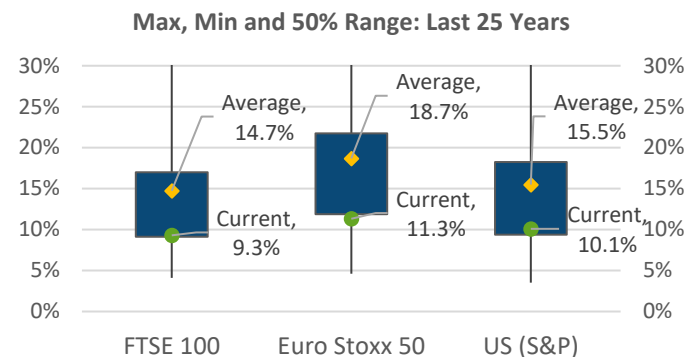
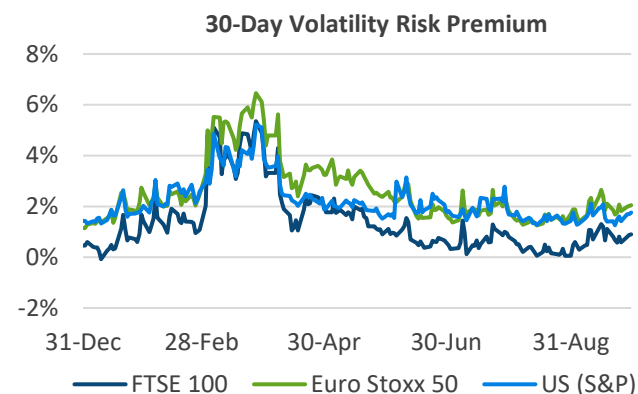
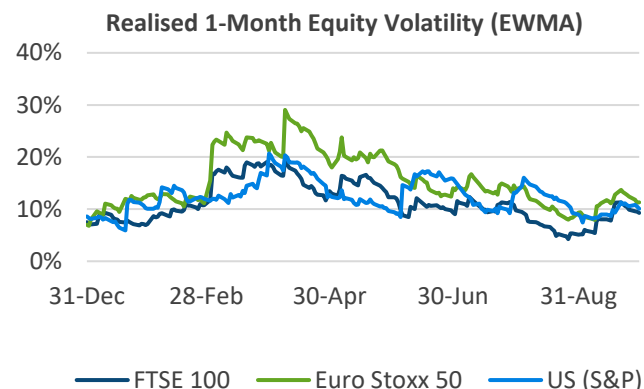


	EU-P	EU-W	BE-P	BE-W	DE-P	DE-W	ES-P	ES-W	FR-P	FR-W	IT-P	IT-W	IE-P	IE-W	NL-P	NL-W	SE-P	SE-W
Avg.	2.1%	2.5%	2.3%	2.6%	2.0%	2.5%	2.4%	2.8%	1.6%	2.6%	2.1%	2.2%	1.9%	3.2%	2.3%	3.2%	1.9%	3.2%
Cur	3.2%	3.1%	4.2%	3.3%	2.9%	3.0%	4.6%	4.3%	2.3%	2.1%	3.3%	2.2%	3.3%	4.1%	2.8%	3.1%	0.2%	2.6%

Volatility and Hedging Cost Monitor

- Realised volatilities on major indices increased in September.
- The FTSE 100 ended the month with a realised volatility of 9.3%. The same measure stood at 11.3% and 10.1% on the Euro Stoxx 50 and the S&P 500, respectively.
- Volatility risk premiums on major indices increased. The FTSE 100 had a volatility risk premium of 0.9% at month-end. The volatility risk premium on the Euro Stoxx 50 and S&P 500 was 2.0% and 1.8%, respectively.

Please contact Milliman for more information on the basis and methodology used for these results.





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