

Asset Price Monitor

Local Equity Markets

- Most major equity markets had a positive performance in February 2026, led by strong gains in Japan and Europe on improving growth sentiment and currency support, while U.S. markets lagged amid renewed interest-rate uncertainty and profit-taking after earlier rallies.
- The Euro Stoxx 50 gained 3.3%.
- The FTSE 100 was up 7.0%.

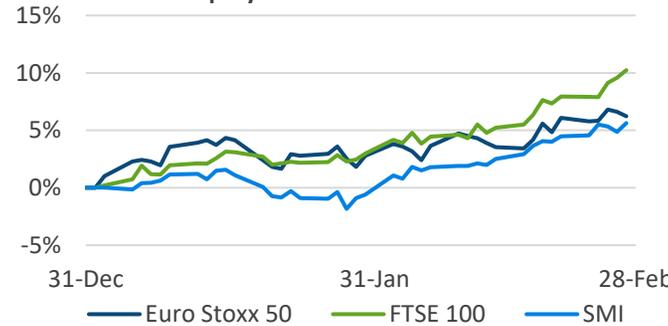
Global Equity Markets

- The S&P 500 was down 0.8% and the Japanese Topix returned 10.5%.
- The MSCI emerging markets index gained 5.5%.

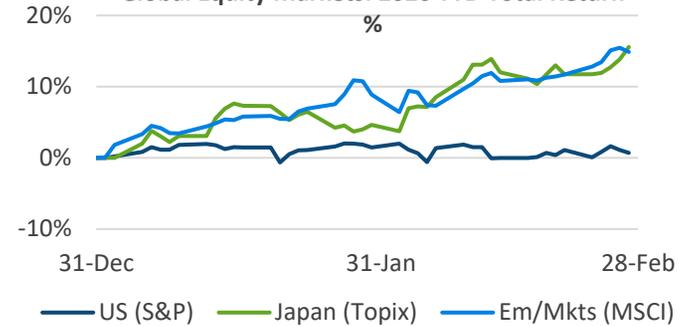
Bond/FX Markets

- The European government bond index rose 1.4% in February, while the European corporate bond index was up 0.5%.
- The Euro had a mixed performance in February, gaining 0.5% against the Japanese Yen and 1.2% against the British Pound, but weakening by 0.3% against the US Dollar.

Local Equity Markets: 2026 YTD Total Return %



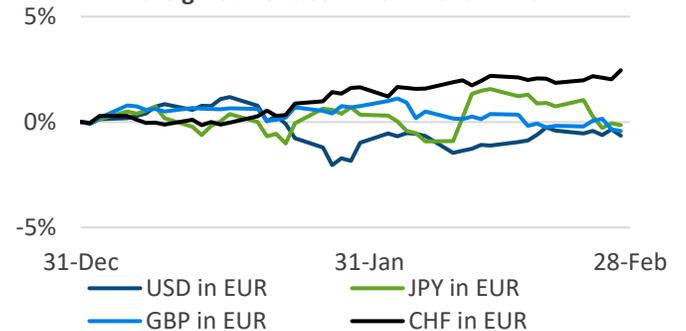
Global Equity Markets: 2026 YTD Total Return %



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



Foreign Currencies in EUR: 2026 YTD % Δ



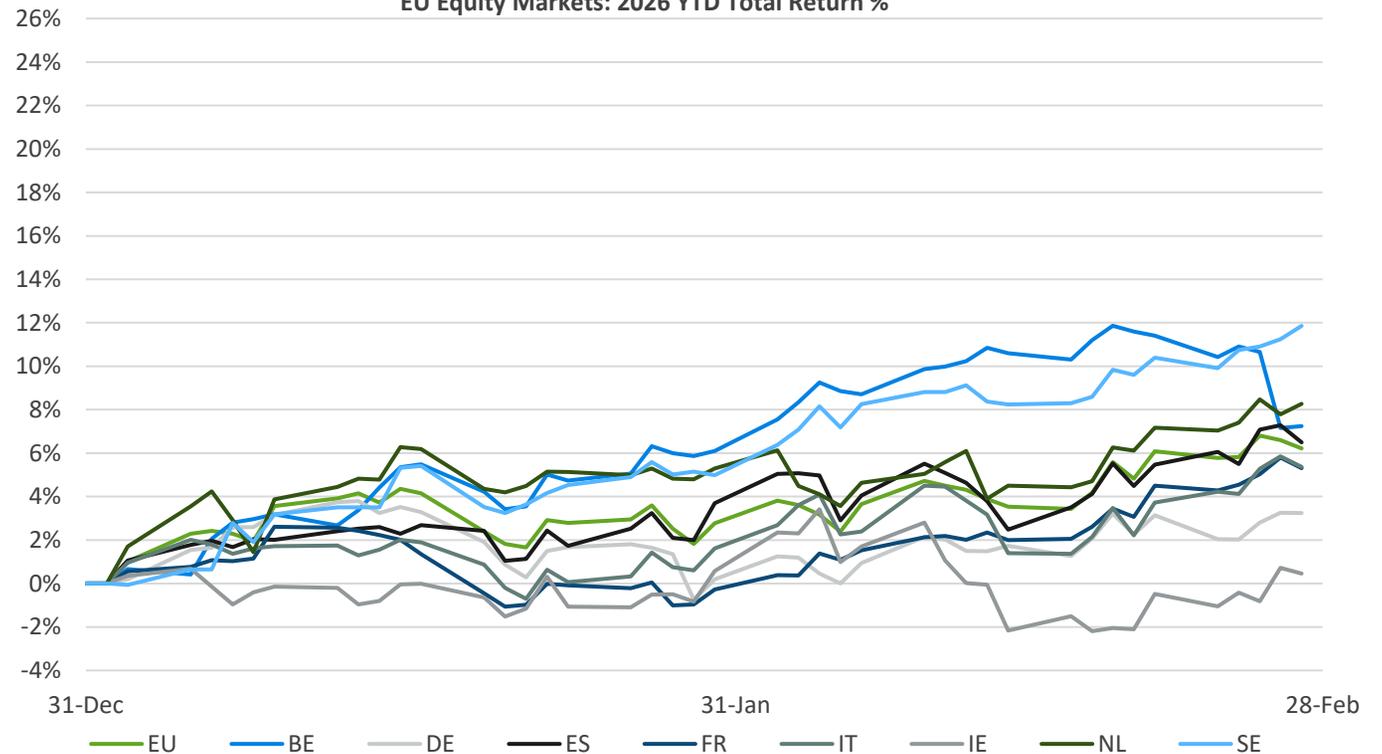
Total Returns as of February 27, 2026

	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	3.3%	7.0%	6.3%	-0.8%	10.5%	5.5%	1.4%	0.5%	0.8%	0.3%	-0.5%	-1.2%
3 Month	8.6%	12.7%	9.2%	0.7%	16.8%	18.3%	1.5%	1.1%	2.6%	-1.8%	-1.7%	0.0%
1 Year	15.9%	28.1%	11.2%	17.0%	50.5%	50.8%	2.2%	3.3%	3.1%	-12.2%	-15.2%	-5.9%
YTD	6.2%	10.2%	5.6%	0.7%	15.6%	14.9%	2.1%	1.3%	2.5%	-0.6%	-0.2%	-0.4%

Eurozone Equity

- Major European equity markets were up in February, except for the Irish equity market which was little changed over the month. The Irish equity market is also the laggard performer year-to-date, up 0.5% over the year so far.
- The Swedish equity market outperformed in February, returning 6.6% over the month. The index has returned 11.9% over the first two months of the year, making it the best performer in the region year-to-date.

EU Equity Markets: 2026 YTD Total Return %



Equity Returns as of February 27, 2026

	EU	Belgium	Germany	Spain	France	Italy	Ireland	Netherlands	Sweden
1 Month	3.3%	1.1%	3.0%	2.7%	5.6%	3.7%	-0.1%	2.8%	6.6%
3 Month	8.6%	8.3%	6.1%	12.8%	5.8%	9.2%	2.5%	9.2%	15.7%
QTD	6.2%	7.3%	3.2%	6.5%	5.3%	5.4%	0.5%	8.3%	11.9%
YTD	6.2%	7.3%	3.2%	6.5%	5.3%	5.4%	0.5%	8.3%	11.9%

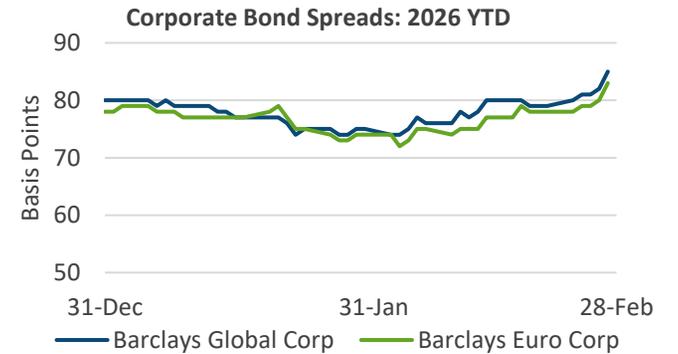
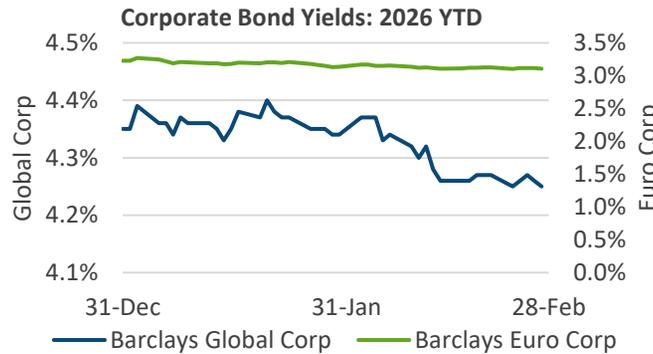
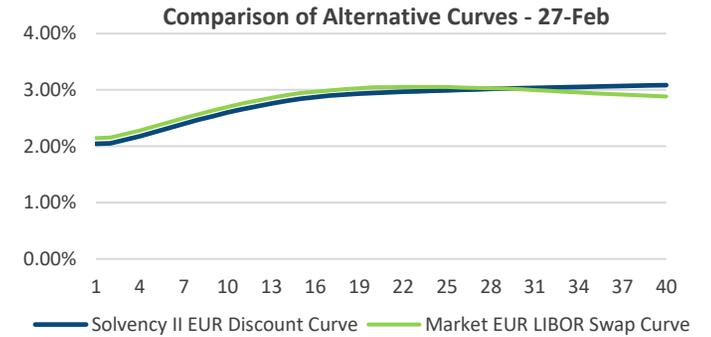
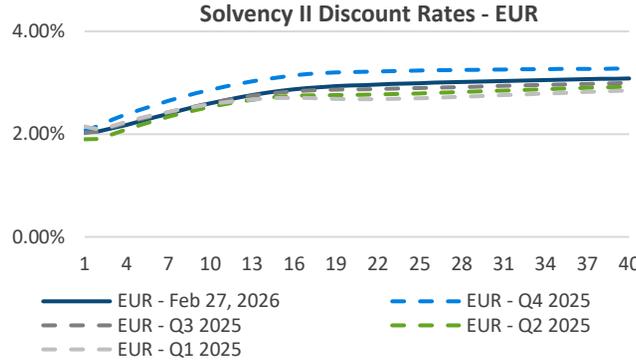
Liability Valuation Monitor

Risk Free Rates

- EUR risk-free rates declined at all tenors in February.
- The 10 and 20-year EUR risk-free rates fell by 19 and 20 basis points, respectively.

Corporate Bonds

- Global and European corporate bond yields fell by 9 and 4 basis points, respectively in February.
- Both global and European corporate bond spreads widened in February, with the former widening by 10 basis points and the latter by 9 basis points
- The fall in risk-free rates, partially offset by the widening in European corporate bond spreads, resulted in small gains 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 Q4 2025	-3	-23	-26	-26	-23	-19	-10	-13	5	5
Since Q3 2025	2	-4	-1	7	10	8	-6	1	7	4
Since Q2 2025	14	7	6	18	19	16	-19	1	-4	-9
Since Q1 2025	-10	-6	2	26	28	23	-39	-20	-12	-15

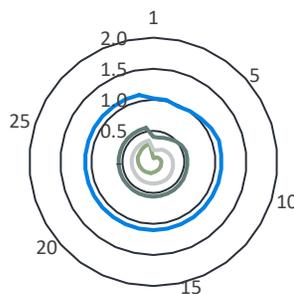
Solvency II Monitor - Spreads

Fundamental Spreads

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

Fundamental Spreads %

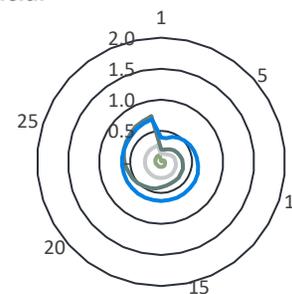
EUR: Financial



— 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	0.40	0.49	0.55	0.56	0.56
BBB	1.02	1.04	1.10	1.10	1.10
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	0.26	0.39	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	0.11
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	0.51	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	0.11
AA	0.00	0.04	0.09	0.18	0.27
A	0.04	0.14	0.26	0.51	0.75
BBB	0.09	0.20	0.31	0.52	0.70

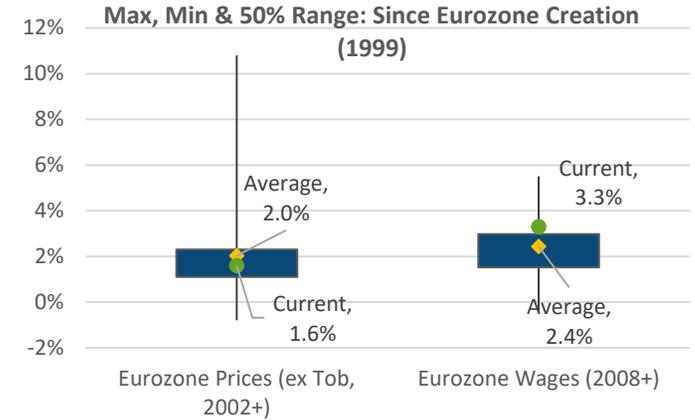
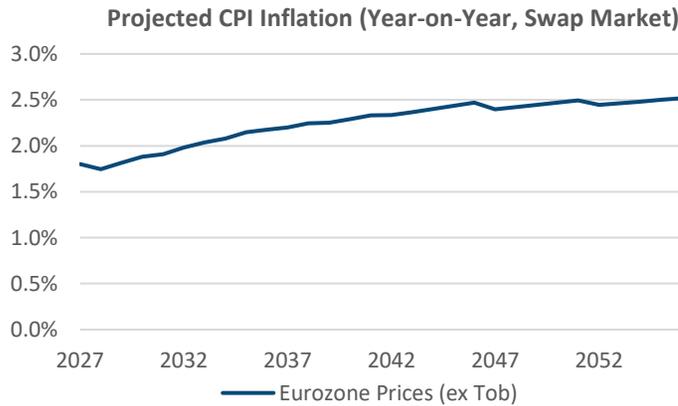
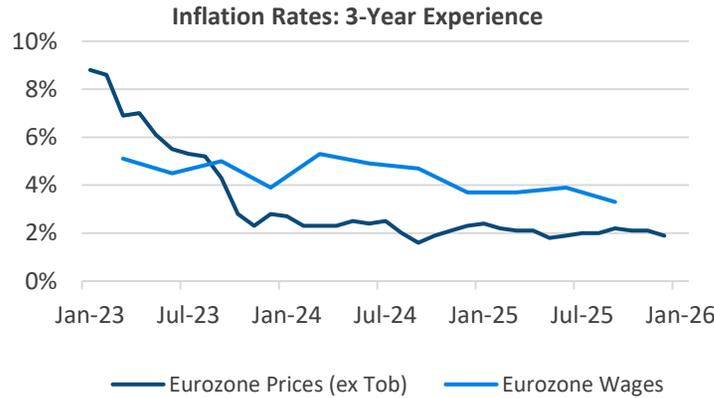
The **Solvency II risk-free discount rates** are based on applying the Smith-Wilson Extrapolation to LIBOR swap rates sourced from Bloomberg (current curve is for 28/02/26) and applying the Credit Risk Adjustment as defined in the Technical Specs. For the official published curves please refer to the [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 31/01/26. **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

- Eurozone price inflation fell by 30 basis points to 1.6% in January.
- The Eurozone projected CPI curve shifted lower in comparison to the previous month.
- There were no updates to the GDP and wage inflation figures this month.



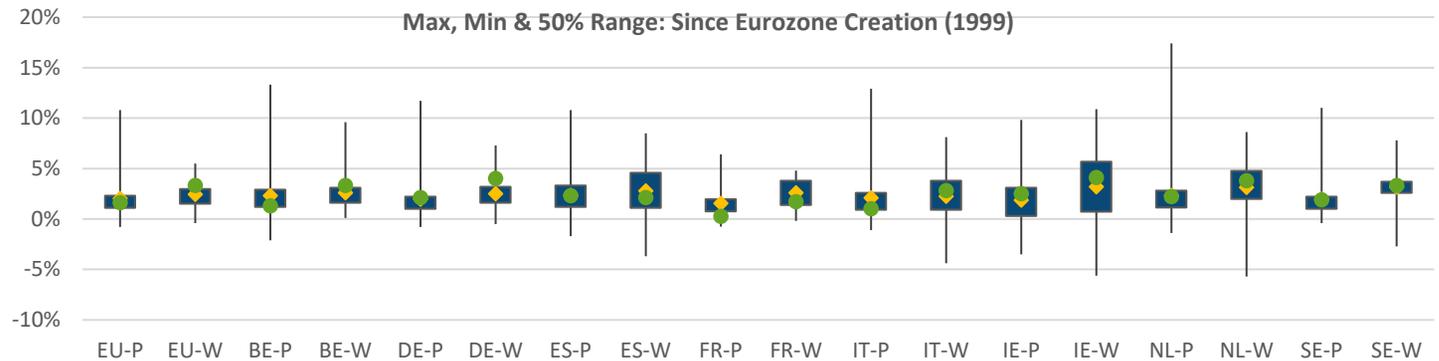
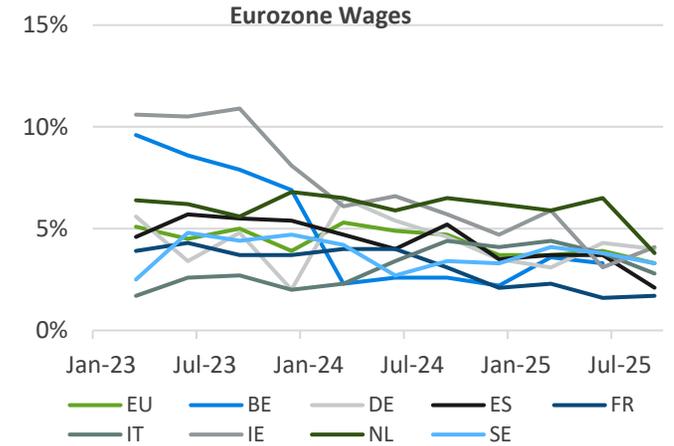
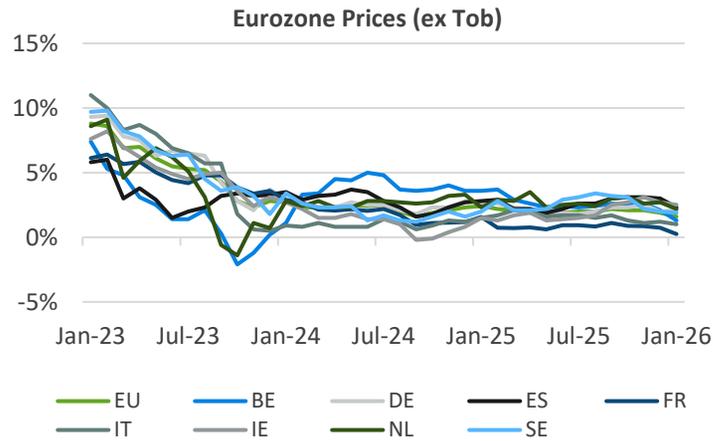
Milliman Financial Risk Management

EuroZone Market Monitor – 27 February 2026

Data sources: Bloomberg; Barclays; EuroStat; EIOPA; ONS; Milliman FRM

Inflation Monitor

- Price inflation declined across the major European economies in January, with the exception of Germany, where inflation increased by 10 basis points to 2.1%.
- Belgium's price inflation fell the most in January, falling by 80 basis points to 1.3%.
- Ireland posted the highest reading in the region at 2.5%.
- France's price inflation remained the lowest reading in the region at 0.3%.
- There were no updates to wage inflation figures this month.



	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.	2.0%	2.4%	2.3%	2.6%	2.0%	2.5%	2.3%	2.8%	1.6%	2.6%	2.1%	2.2%	1.9%	3.2%	2.3%	3.1%	2.0%	3.2%
Cur	1.6%	3.3%	1.3%	3.3%	2.1%	4.0%	2.3%	2.1%	0.3%	1.7%	1.0%	2.8%	2.5%	4.1%	2.2%	3.8%	1.9%	3.3%

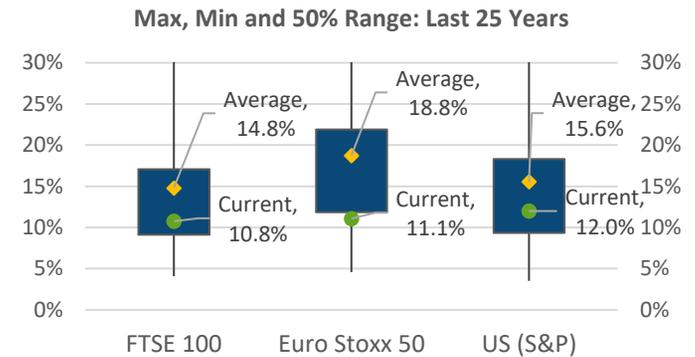
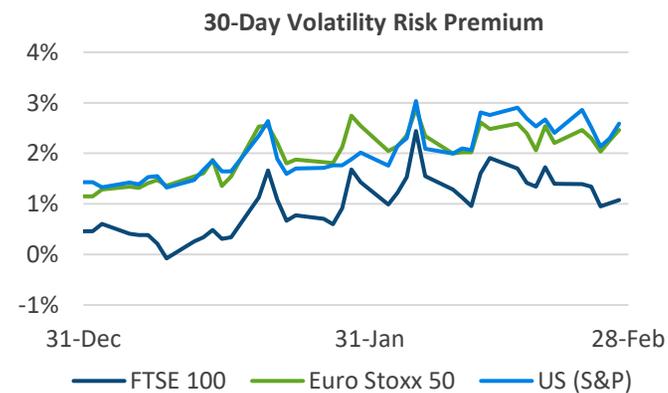
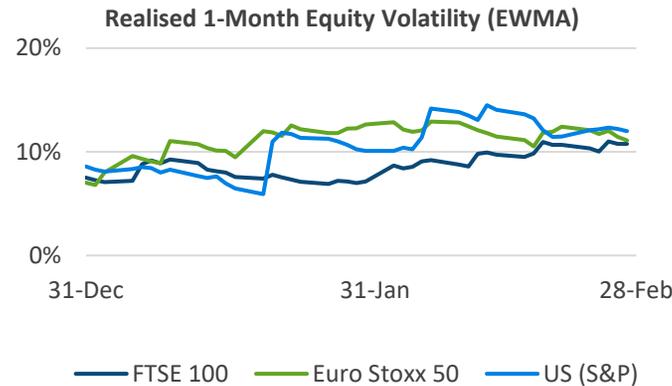


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Volatility and Hedging Cost Monitor

- Realised volatilities on major indices increased in February, with the exception of the Euro Stoxx 50, which saw its realised volatility decline over the month.
- The FTSE 100 ended the month with a realised volatility of 10.8%. The same measure stood at 11.1% and 12% on the Euro Stoxx 50 and the S&P 500, respectively.
- Similarly, volatility risk premiums on major indices increased. The FTSE 100 had a volatility risk premium of 1.1% at month-end. The volatility risk premiums on the Euro Stoxx 50 and S&P 500 were 2.5% and 2.6%, respectively.

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





Creating transformational improvement in the retirement savings industry.

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