

YEARN US FUND

Monthly Newsletter

October 2025

VAN DRUTEN | CAPITAL

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FUND MANAGER FOREWORD

Welcome to the October edition of the Yearn US Fund monthly newsletter. I am Jeroen van Druten, founder of Van Druten Capital and fund manager of the Yearn US Fund. I want to bring you along in the insights of the fund's performance, as well as the key developments that shaped the fund. We hope you find this edition insightful, and as always, feel free to reach out with any questions.

The Yearn US Fund is designed to generate strong returns with low correlation to the broader U.S. market. It does so by dynamically managing a long-bias strategy focused on U.S. equities, guided by custom-built algorithms that identify opportunities across all market conditions.

We started our second portfolio cycle on August 8. The automated investment management system has positioned the fund to benefit from the shift toward easing monetary policy, while maintaining a sharp focus on risk management in today's uncertain macro-economic environment.

In the month of October, the Yearn US Fund has generated a profit of 5.88%. This brings the total return, since our start on May 5th, 2025, to 32.79%. In this month, the U.S. large cap was on average profitable, while small- and mid-cap indices ended the month with a loss.



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1 FUND PERFORMANCE

1.1 Net Asset Value

(Results in this section are after deduction of fees and provided by AssetCare)

The total return since the start of the Yearn US Fund stands at 32.79%, reflecting a net monthly return of 5.88%. The table below outlines key performance metrics for the Yearn US Fund.

This month's performance was initially supported by strong single stock performance. Followed by some volatile trading days caused by trade tensions between the U.S. and China. In the middle of October, the Fed announced a second rate cut of 25 basis points, lifting the fund's performance further. The fund ended the month just below its highest point due to another volatile session in the closing days of the month, caused by AI spending concerns.

As it is the Yearn US Fund's first year, some metrics may differ significantly from the fund's project long-term averages due to the number of available data points.

Net Fund Performance Statistics

Metrics	Yearn US Fund (F-Class)
Returns	
Current Month	+5.88%
Year to Date*	+32.79%
Annualized Since Fund Launch*	+76.33%
Net Asset Value	\$ 132.79
Risks	
Sharpe Ratio**	5.16
Volatility	14.08%
Positive Months	100%
Maximum Drawdown	0%

*: The Yearn US Fund launched on May 5th, 2025

** : Using 1-year U.S. Treasury rate as the risk-free rate

1.2 Current Portfolio

The automated investment management system of Van Druten Capital has constructed a new portfolio for the current period, spanning from early August to early November 2025. Based on the system's factor-driven assessment, the portfolio is positioned long-biased but with selected short exposures to balance risk. The current allocation reflects both the opportunities in innovative growth segments and the system's caution around sectors facing structural or cyclical headwinds.

The system projects that, over this horizon, U.S. markets maintain upward potential despite moderating growth momentum and elevated valuations. The probability of a severe downturn is judged to be low, though the risk of higher volatility remains. Against this backdrop, the portfolio is designed to capture upside from niche growth opportunities in Technology, Industrials, and Healthcare, while hedging exposures in select large-cap names where earnings momentum or valuation risk appear less favorable.

Several key characteristics define the construction of this portfolio:

- High exposure to innovative mid- and small-cap growth stocks. These companies were selected for their strong growth prospects, improving fundamentals, and higher sensitivity to easing financial conditions.
- Diversification across sectors with long positions in Healthcare, Industrials, Energy, and Consumer Cyclical. Holdings in these sectors combine cyclical resilience with company-specific growth catalysts.
- Targeted short positions in select large-cap names, reflect the system's negative view on certain large-cap companies where valuation, earnings momentum, or sector headwinds suggest downside risk relative to the market. These positions provide balance against the portfolio's long-biased structure.
- Balanced sector allocation. This mix ensures participation in growth-sensitive areas while retaining diversification against sector-specific shocks.

Overall, the system expects that this portfolio will benefit from a supportive monetary backdrop, particularly if interest rates begin to move lower as anticipated later this year. By combining high-conviction long positions in innovative small- and mid-cap companies with selective short positions in challenged large caps, the portfolio aims to generate attractive risk-adjusted returns while mitigating downside risk.

1.3 Portfolio Allocation

(Results in this section are before deduction of fees & provided by Interactive Brokers)

The portfolio consists of 12 stocks, diversified across multiple sectors and market capitalizations in the U.S. market. Gross exposure is 81.28%, allocating 90.70% of the portfolio to long positions and 9.30% to four short positions, resulting in a net exposure of 81.41%.

The portfolio spans eight sectors and 11, with the largest weights allocated to the Industrials (17.17%), Technology (17.00%), and Energy (10.96%) sector.

The funds position in Ameresco Inc. (AMRC) has been closed on the 14th of October due to risk levels exceeding the maximum threshold of the risk management. More information regarding the position in AMRC can be found in section 1.5 Position Performance.

Markt Exposure

Exposure	Total Weight (%)	Portfolio Weight (%)
Gross	81.28	100.00
Net	66.17	81.41

Exposure	Long Weight (%)	Short Weight (%)
Total Exposure	73.72	-7.56
Portfolio Exposure	90.70	-9.30

Holdings

Symbol	Description	Sector	Industry	Market Capitalization	Net Weight (%)
CASH	Cash	-	-	-	33.83
XPRO	EXPRO GROUP HOLDINGS NV	Energy	Oil & Gas Equipment & Services	Small	10.96
SBH	SALLY BEAUTY HOLDINGS INC	Consumer Cyclical	Specialty Retail	Small	10.40
LMND	LEMONADE INC	Financial Services	Insurance - Property & Casualty	Mid	9.82
DOCN	DIGITALOCEAN HOLDINGS INC	Technology	Software - Infrastructure	Mid	9.63
XMTR	XOMETRY INC-A	Industrials	Industrial - Machinery	Mid	9.60
ALNY	ALNYLAM PHARMACEUTICALS INC	Healthcare	Biotechnology	Large	8.62
HLMN	HILLMAN SOLUTIONS CORP	Industrials	Manufacturing - Tools & Accessories	Small	7.57
CHTR	CHARTER COMMUNICATIONS INC-A	Communication Services	Telecommunications Services	Large	-7.23
PAYO	PAYONEER GLOBAL INC	Technology	Software - Infrastructure	Mid	7.14
IT	GARTNER INC	Technology	Information Technology Services	Large	-0.14
DOW	DOW INC	Basic Materials	Chemicals	Large	-0.10
ALKT	ALKAMI TECHNOLOGY INC	Technology	Software - Application	Mid	-0.09

1.4 Benchmark Comparison

(Results in this section are before deduction of fees & provided by Interactive Brokers)

The Yearn US Fund is benchmarked against the S&P 1500 Index, which is a combination of three major S&P indices:

- **S&P 500**, representing large-cap companies;
- **S&P 400**, representing mid-cap companies;
- **S&P 600**, representing small-cap companies.

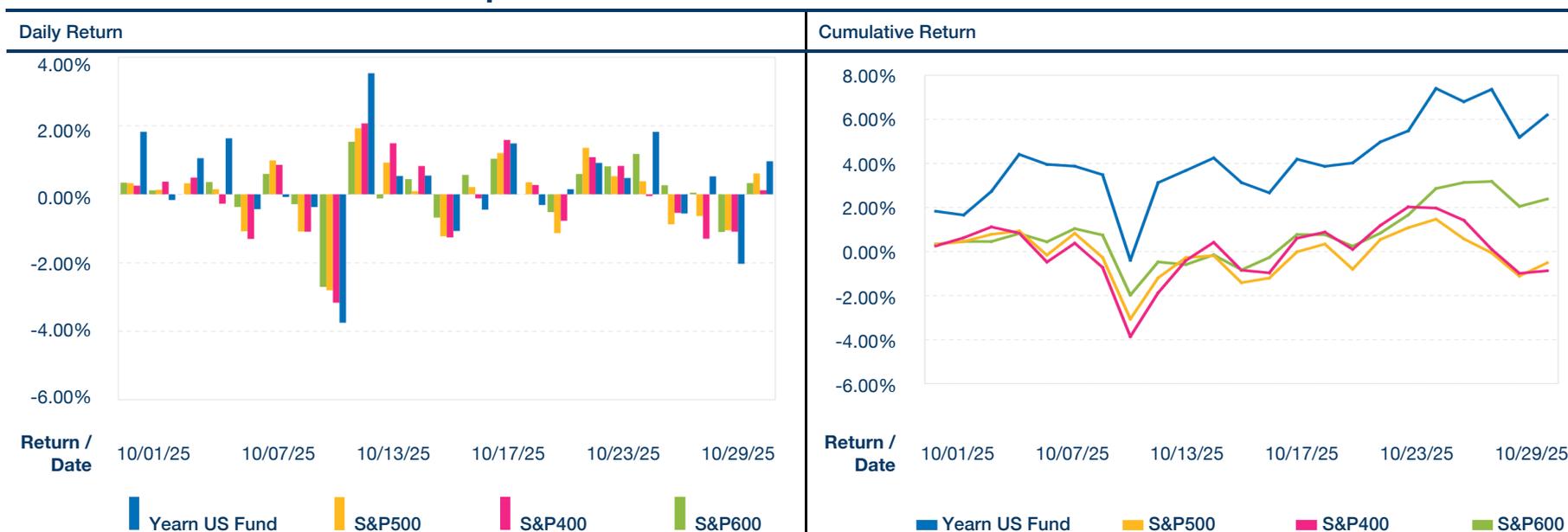
These benchmarks are included to provide context for the fund’s performance across different market capitalizations.

The figures below illustrate that the Yearn US Fund outperformed the benchmarks throughout the month, overcoming the trade tension between the U.S. and China and AI spending concerns at the end of the month.

Key takeaways:

- In the beginning of October, the portfolio benefited from strong single stock performance of DigitalOcean Holdings Inc. (DOCN), Lemonade Inc. (LMND), and Expro Group Holdings N.V. (XPRO).
- The portfolio felt the trade tension between the U.S. and China with a quick but substantial up and down movement of the portfolio.
- The Fed announcement regarding a second rate cut of 25 basis points and the supporting inflation data, drove the return of long positions in the portfolio further during middle of the month.
- On the 29th of October, earnings of big tech firms were released, raising AI spending concerns which caused a chain reaction on the U.S. market by the cautions look towards negative AI news. This impacted the portfolio as well, due to profit taking in several positions.

Benchmark Performance Comparisons



1.5 Position Performance

(Results in this section are before deduction of fees & provided by Interactive Brokers)

In October, several positions stood out due to company-specific developments, both on the long and short side. The top contributors and detractors are highlighted below.

Ameresco Inc. (AMRC) delivered strong gains during the month, supported by the securing of large government infrastructure contracts and analyst upgrades. The position was liquidated by the Van Druten Capital system to secure returns. The stock had rallied nearly 400% since April, significantly increasing its risk profile ahead of the earnings announcement, particularly in the context of heightened sector volatility.

The other energy stock in the portfolio, Expro Group Holdings N.V. (XPRO), also performed well this month. The share price rose steadily in anticipation of the company's quarterly earnings release, which ultimately met investor expectations.

Lemonade Inc. (LMND) saw limited company-specific developments. However, the announcement of the appointment of Prashant Ratanchandani, Meta's Vice President of Engineering for AI Products, to its Board of Directors contributed to improved sentiment.

In the technology sector, DigitalOcean Holdings Inc. (DOCN) contributed positively, buoyed by renewed investor optimism following an announced AI partnership with Fal. Sentiment improved further on speculation of renewed takeover interest from Cloudflare (NET).

The short position in Charter Communications Inc. (CHTR) added to portfolio performance, as the stock steadily declined throughout the month. This was largely driven by company announcements of workforce reductions and ongoing industry-wide challenges.

On the negative side, Xometry Inc. (XMTR) and Sally Beauty Holdings Inc. (SBH) both gave back part of their strong September performance while investors awaited earnings updates. No significant company-specific events drove the price movements.

A similar trend occurred with Payoneer Global Inc. (PAYO), which saw a modest decline in October despite delivering consistent revenue gains and continuing its share buyback program.

Top Performers

Symbol	Return (%)	Contribution (%)
AMRC	19.95	2.93
DOCN	19.03	1.63
XPRO	14.31	1.44
CHTR	-15.00	1.29
LMND	12.24	1.09

Bottom Performers

Symbol	Return (%)	Contribution (%)
XMTR	-10.61	-1.16
SBH	-7.19	-0.80
PAYO	-4.30	-0.31

Contribution by Sector

Sector	Contribution (%)
Energy	4.39
Telecommunication	1.29
Financials	1.09
Technology	0.48
Cash	0.05
Healthcare	0.02
Basic Materials	0.00
Industrial	-0.28
Consumer Cyclical	-0.80



2 U.S. MARKET ANALYSIS

2.1 Market Recap October

October was characterized by a mix of renewed caution and relief with persistent uncertainty around AI investments, an escalation and de-escalation in U.S.-China trade tensions, and the Fed's rate cut signaled support for the economy.

Trade tension between the U.S. and China

In October, tensions between the United States and China resurfaced as a material risk for global growth. China announced new export restrictions on critical minerals and rare earths, which the U.S. viewed as a threat to supply chains and high-tech manufacturing. Simultaneously, the U.S. threatened steep tariffs, most notably a potential 100 % tariff on Chinese imports if China did not reverse its restrictions.

By late October, signs of de-escalation emerged: both sides appeared to agree to pause major new tariff actions ahead of the upcoming APEC Summit, with China reportedly deferring planned export controls and the U.S. offering to drop some threatened tariffs.

The Federal Reserve's Second Rate Cut and Forward Guidance

At its October meeting, the Federal Open Market Committee (FOMC) cut the federal funds target range by 25 basis points, lowering it to 3.75 %–4.00 %. The cut was widely expected and followed a prior reduction in September. In its assessment, the Fed cited a weakening labor market, elevated uncertainty about the economic outlook, and inflation that had remained above target but with less upside risk than earlier.

During the post-meeting press conference, Chair Jerome Powell emphasized that the pathway for further cuts is not pre-set: a December cut remains possible but is by no means guaranteed.

AI spending concerns in Big Tech stocks

October also saw heightened focus on the major technology companies' spending on artificial intelligence. Big tech firms announced massive increases in capital expenditure for AI infrastructure: for example, Alphabet Inc. projected 2025 capex of \$91–93 billion, up significantly year-on-year.

But despite revenue strength, investor skepticism grew around whether such heavy spending will generate commensurate returns. The market's mood shifted from enthusiasm for the AI theme to caution about execution risk and valuation.

2.2 Market Projection

As we move deeper into Q4, three major themes will like shape the market's direction: the closing leg of earnings season, the lingering risk of a U.S. government shutdown, and the uncertainty surrounding the next move by the Federal Reserve in December against the backdrop of constrained economic data.

Earnings Season ending

The bulk of the Q3 earnings season is now behind us, yet the coming week will prove especially important as several major companies, particularly from the industrials, technology and consumer discretionary sectors, report results and forward guidance. Investors will gauge the health of profit margins, supply-chain pressures, and whether companies continue to pass on input costs or face margin compression. Given the stretched valuations of many growth stocks, upside surprises could fuel further gains, while disappointing guidance may trigger swift re-pricing. As earnings wrap up, the focus will increasingly shift to macro-drivers rather than individual company stories.

U.S. Government Shutdown Risk

The U.S. government has now been in a partial shutdown since October 1st, with no clear path to resolution. Congressional gridlock over spending levels and policy provisions has stalled negotiations, leaving hundreds of thousands of federal workers furloughed and key agencies functioning at limited capacity. The longer the shutdown persists, the greater the near-term economic and market risks. Delayed payments to federal contractors, suspended services, and reduced government spending are already weighing on growth prospects. More critically for markets, the shutdown is disrupting the flow of official economic data. This data blackout limits visibility not only for policymakers at the Federal Reserve but also for investors trying to gauge the economic outlook.

Unclear December Rate Cut and Data Scarcity

Heading into December, the expectation for a rate cut by the Federal Reserve remains alive, but far from assured. The Fed has emphasized that the path is dependent on incoming data, yet with a government shutdown disrupting data flow, the timetable becomes murkier. Without fresh or complete employment, inflation or manufacturing numbers, the Fed may delay any action or signal a "wait-and-see" posture.

3 FUND CHARACTERISTICS

3.1 Fund Information

The Yearn US Fund is a long-bias equity hedge fund with a focus on stocks listed on the New York Stock Exchange and Nasdaq. The fund is structured as a Fonds voor Gemene Rekening (“FGR”) and governed by Dutch law under the AIFMD Registration Regime as outlined under Article 2:66a of the Wet financieel toezicht (“Wft”). The fund is managed by Van Druten Capital together with its partners (moreover in 3.3 Fund Manager and 3.4 Fund Partners) following the strategy stated below in section 3.1 Fund Strategy.

The key information of the fund is displayed on the right-hand side of this page.

3.2 Fund Strategy

The Yearn US Fund is designed to generate strong returns with low correlation to the broader U.S. market. It does so by dynamically managing a long-bias strategy focused on U.S. small-, mid- and large-cap equities, guided by custom-built algorithms that identify opportunities across all market conditions.

Our dynamic multi-factor framework combines five factor domains: profitability, valuation, momentum, sentiment, and quality, to provide a broad range of perspectives for generating meaningful predictions through market and economic cycles.

Using AI technologies, the system adapts to different market conditions by adjusting model weights based on the characteristics of the market, sector, industry, and individual stocks as well as our models, to maximize performance across varying scenarios.

While the fund embraces the long-term bullish outlook of the U.S. market and maintains strong exposure accordingly, it also adapts when conditions shift. In bearish or fragmented markets, our system transitions into a concentrated long/short portfolio targeting high-potential stocks.

The portfolio allocation is optimized in such a way that it maximizes potential in favorable scenarios while keeping strategic diversification and specific holdings to minimize drawdowns in unfavorable scenarios, which is key in an ever-changing market.

This flexible, data-driven approach positions the fund to outperform over the long term, while minimizing reliance on overall market direction.

Fund Information – Yearn US Fund

Characteristics

Structure	Fonds voor Gemene Rekening (FGR)
Style	Long-bias equities No leverage
Approach	Systematic multi-factor
Geography	United States
Base Currency	USD
Inception	05/05/2025
Bloomberg name / ISIN-code	YEARNUSNA / NL0015002JL3

Investments

Minimum Investment	\$ 150,000	R-Class
	\$ 500,000	L-Class
	\$ 1,000,000	F-Class
Deposit Currency	USD or EUR	
Liquidity	1 st of March, May, August & November	
Minimum Additions & Withdrawals	\$ 25,000	
Notice Period	5 trading days	
Lock-Up	1 Year	

Fees

Management fee	2%	
Performance fee	20% (8% Hurdle rate)	R-Class
	10% (9% Hurdle rate)	L-Class
	0%	F-Class
Fund fee	±0.5% (Depending on AuM)	
Subscription fee	0%	
Withdraw fee	0.25%	

3.3 Fund Manager

The Yearn US Fund is managed by Van Druten Capital B.V (“Van Druten Capital”). Van Druten Capital leverages advanced technology to automate the entire investment process, from in-depth research and trade execution to risk management. This enables Van Druten Capital to provide investors with investments that deliver above-market returns, backed by data-driven insights. To accomplish this, Van Druten Capital builds the company from a unique blend of innovation, expertise and ambition.

Our team consists of three passionate and hardworking people focused on getting the most out of the company every day, guided by two experts in the financial and investment fund industry (see overview below). More information on our team as a whole and team members can be found on our website.

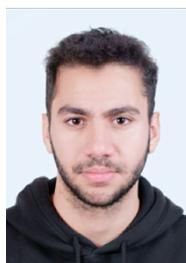
Van Druten Capital is registered as a 'light' manager under the AIFMD Registration Regime as outlined under Article 2:66a of the Wet financieel toezicht (“Wft”), and duly acknowledged by the Netherlands Authority for the Financial Markets (“AFM”).



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Founder & Fund Manager



Laurens Boissevain
Communication Strategist



Yassir Laaouach
Principle Engineer



Huib Boissevain
Advisor & Founder of
Annexum



Richard Frehé
Advisor & Managing
Director at DM Financial

3.4 Fund Partners

At Van Druten Capital, we believe that strong investment performance requires more than a robust investment strategy. It starts with a solid operational foundation. To ensure the Yearn US Fund is managed efficiently, securely, and transparently, we have partnered with trusted and experienced organizations across every critical area of our business.

AssetCare provides independent administration, reporting, and investor servicing, while Rabobank safeguards capital and ensures compliance as the fund bank. Interactive Brokers delivers global market access and reliable trade execution for our U.S. equity strategy. To strengthen governance and compliance, we work with DM Financial, and for technology, Amazon Web Services powers our secure and scalable automated investment management system, supported by Automat-IT as our DevOps and FinOps partner. More information on our partners can be found on our website.



Our fund administrator



Our fund bank



Our prime broker



Our fund consultancy partner



Our cloud service provider



Our DevOps & FinOps partner

4 FUND MANAGER

4.1 [News](#)

Assets under Management milestone achieved

We're proud to announce that the Yearn US Fund has surpassed \$3 million in Assets under Management (AuM) within its first six months.

As an emerging manager, we have worked extremely hard since the start of the year to be able to launch the fund after three years of research and development.

And not only that, but we also worked around the clock to be able to accommodate our investor base and directly set the bar high, not only performance-wise but also with our interactions and communication towards our participants and interested investors.

Reaching this AuM milestone is a meaningful signal of the trust investors place in our investment model, as well as in the way we engage and communicate.

With this strong foundation in place, we're already looking ahead. Our new goal for our first year of \$5 million AuM.

A heartfelt thanks to our investors, partners, and team for making this progress possible. We're just getting started.

Laurens Boissevain transitions to Communication Strategist role

Over the past period, Laurens Boissevain has played an essential role in shaping Van Druten Capital's client experience. Together with Jeroen van Druten, he has worked on nurturing relationships and refining our communication processes.

As of November 1st, Laurens will transition from his position as Client Relations Manager to a more strategic role as Communication Specialist within Van Druten Capital. In this new capacity, Laurens will focus on the further development of our communication, positioning, and relationship strategy together with Jeroen. Jeroen will take over Laurens's active client relationships, ensuring continuity and a seamless transition for all investors and partners.

This change will also allow Laurens to dedicate time to a new initiative, Amora, a safety and awareness platform aimed at strengthening social safety in the Netherlands. While this marks the beginning of a new chapter, Laurens will remain closely involved with Van Druten Capital, combining both roles with full commitment.

We look forward to continuing our collaboration in this new structure and to further building on the strong foundation we've developed together.

4.2 [Upcoming events](#)

Portfolio rebalancing | 7th of November

As we end the fund's second quarter, the investment management system of Van Druten Capital will perform a rebalancing for the Yearn US Fund on the 7th of November.

On the 7th the fund will transition to a newly constructed portfolio, which will take the newly reported earnings reports along with technical, sentiment and macro-economic insights to optimally allocate the fund's capital.

In our November newsletter, we will share the newly constructed portfolio in a similar way as for the current portfolio.

Portfolio Recap

Following the portfolio rebalancing of the 7th of November, we will share the insights on the previous portfolio. In this portfolio recap, statistics, performance and detailed overviews are provided by Jeroen van Druten.

Coming Subscription Day | March 1st

The Yearn US Fund will open again for new investors from February 1st until February 20st. All approved subscriptions will enter the fund on March 1st. The February 20st onboarding deadline ensures sufficient time to complete the due diligence and processing of investments.

Why consider investing in the Yearn US Fund?

- The fund thrives in recovery phases and fragmented markets conditions we are currently experiencing.
- A systematic long-bias strategy in high-potential U.S. equities.
- An adaptive multi-factor framework that knows when to differentiate and when to consolidate.
- Lower dependency on major U.S. indices.
- Full transparency into our strategy and operations.
- Direct access to the fund team.

Early investor Advantage

To reward our early investors, we are offering exceptionally favorable terms:

- Only 10% performance fee on commitments above €500,000.
- 0% performance fee on commitments above €1 million.

The incentive is temporary and exclusively available for subscriptions in the coming period. This is therefore an opportunity to enter the Yearn US Fund on highly advantageous terms and to participate directly in the next portfolio cycle.

If you are interested in joining the Yearn US Fund or would like additional information about Van Druten Capital, please do not hesitate to contact us. We are happy to provide all the details needed to make an informed decision.

A personal or group demo can also be scheduled to discuss the fund's strategy, operations, and outlook in detail.



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5 DISCLAIMER

This document has been carefully prepared by Van Druten Capital B.V. ("Van Druten Capital").

This document presents results both before and after fees. The results disclosed in the NAV Change section are after fees and are provided by the fund administrator, AssetCare Fund Services B.V. In other sections, information and performance of the portfolio held by the fund is presented. These results are before fees and are based on data provided by the fund's broker, Interactive Brokers Ireland Limited. They are intended for informational purposes only, to illustrate (intra-)month performance of the fund's portfolio.

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The value of your investment may fluctuate. Past performance is not indicative of future results.

For additional information, please refer to the Information Memorandum and the Key Information Document of The Yearn US Fund, available upon request via email at info@vandrutencapital.com.

Van Druten Capital B.V. acts as the manager of The Yearn US Fund, registered with the Dutch Authority for the Financial Markets (AFM) under registration number 50036203.

VAN DRUTEN | CAPITAL

Data-driven. Transparent. Personal.