

YEARN US FUND

Monthly Newsletter

March 2026

VAN DRUTEN | CAPITAL

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FUND MANAGER FOREWORD

Welcome to the March 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. I 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.

Our automated investment management system constructed and deployed a new portfolio on March 2nd. The system positioned the fund to capitalize on stock-specific characteristics across multiple industries, adopting a lower net market exposure to partially mitigate systemic risk.

In March, the Yearn US Fund recorded a loss of 3.1%, bringing the total return since our inception on May 5, 2025, to 15.5%. During the same period, major U.S. indices posted a negative result of approximately 5%.



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TABLE OF CONTENTS

FUND MANAGER FOREWORD	2
1 FUND PERFORMANCE	4
1.1 NET ASSET VALUE	4
1.2 CURRENT PORTFOLIO ALLOCATION	6
1.3 CURRENT PORTFOLIO ALLOCATION REASONING	6
1.4 BENCHMARK COMPARISON	8
1.5 POSITION PERFORMANCE	9
2 U.S. MARKET ANALYSIS	10
2.1 MARKET RECAP MARCH	10
2.2 MARKET PROJECTION	10
3 FUND CHARACTERISTICS	11
3.1 FUND INFORMATION	11
3.2 FUND STRATEGY	11
3.3 FUND MANAGER	12
3.4 FUND PARTNERS	12
4 FUND MANAGER	13
4.1 NEWS	13
4.2 UPCOMING EVENTS	14
5 DISCLAIMER	16

1 FUND PERFORMANCE

1.1 Net Asset Value

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

The net monthly return of March is -3.1%, representing a total return since the inception of the Yearn US Fund of 15.5%. The table below details the key performance indicators for the Yearn US Fund.

As previously noted, the fund executed its scheduled rebalancing on March 2nd. This newly constructed portfolio represents a fresh start, incorporating an updated market perspective and a selection of high-potential companies for the period spanning early March to early May.

The weekend preceding the portfolio launch was marked by the start of U.S. operations against Iran, triggering a significant geopolitical conflict. This set the tone for March, a month dominated by geopolitical tensions and heightened market volatility, as focus shifted toward the impact of rising oil prices on the broader economy. Throughout the month, the portfolio partially mitigated market risk fueled by geopolitical uncertainty through a balanced allocation across industries and the use of short positions. Nevertheless, the portfolio experienced the impact of the conflict due to its moderate, yet positive, market exposure.

This dynamic was evidenced by increasing fluctuations as the conflict persisted. During the final week, sharp price movements, driven by conflicting news reports, led to a wave of profit-taking followed by opportunistic buying entries. Ultimately, this resulted in a negative performance for the month. However, the fund achieved meaningful outperformance relative to major market indices within this challenging environment.

Given that the Yearn US Fund is currently in its first year of operation, certain indicators may deviate from long-term averages due to the limited historical data set.

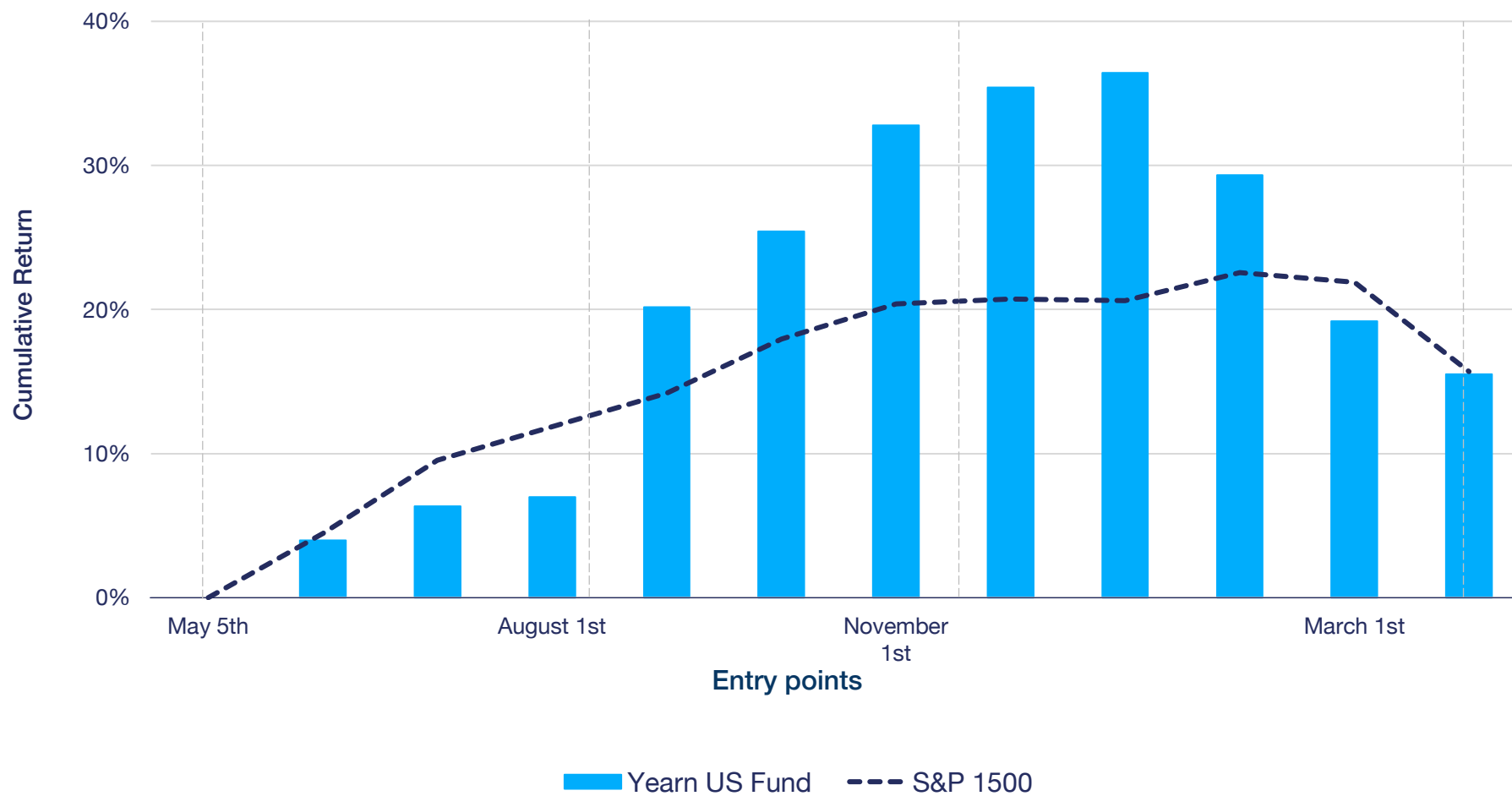
Net Fund Performance Statistics

Metrics	Yearn US Fund (F-Class)
Returns	
Current Month	-3.1%
Year to Date	-15.4%
Trailing One-Year*	+15.5%
Annualized Since Fund Launch	+17.0%
Net Asset Value	\$ 115.45
Risks	
Sharpe Ratio**	0.7
Volatility	19.2%
Positive Months	73%
Maximum Drawdown	-15.4%

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

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

Net Fund Performance Graph



1.2 Current Portfolio Allocation

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

The portfolio consists of 10 stocks, diversified across multiple sectors and market capitalizations in the U.S. market. Gross exposure is 97.5%, allocating 78.4% of the portfolio to long positions and 19.1% to four short positions, resulting in a net exposure of 59.3%.

The portfolio spans five sectors, with the largest weights allocated to the Consumer Discretionary (30.2%), Industrials (27.5%), and Technology (21.2%) sectors. Short positions are maintained within the Consumer Defensive and Cyclical sectors.

Markt Exposure

Exposure	Total Weight (%)	Portfolio Weight (%)
Gross	97.5	100.0
Net	59.3	60.8

Exposure	Long Weight (%)	Short Weight (%)
Total Exposure	78.4	19.1
Portfolio Exposure	80.4	19.6

Sector Exposure

Sector	Gross Exposure (%)	Net Exposure (%)
Cash	40.7	100.0
Consumer Cyclical	30.2	39.1
Industrials	27.5	100.0
Technology	21.2	100.0
Consumer Defensive	9.9	-100.0
Healthcare	8.6	100.0

1.3 Current Portfolio Allocation Reasoning

The automated investment management system of Van Druten Capital has constructed a new portfolio for the period spanning from March to May. The system projects that U.S. markets will experience heightened volatility during this horizon due to geopolitical tensions and uncertainties within the domestic economy. The probability of a significant market correction is assessed as above average.

Based on these assumptions within the factor-driven assessment process, the system has constructed the portfolio to capitalize on specific corporate factors across multiple sectors, market capitalizations, and both long and short positions. The objective is to capture returns from individual equities while partially mitigating market stress and geopolitical risks throughout the holding period.

Several key characteristics define the construction of this portfolio:

- **Reduced Market Exposure:** In addition to several defensive holdings, the portfolio includes short positions to dampen the impact of potential negative market movements. These short positions are expected to yield a negative result over the period, functioning as a strategic hedge.
- **Balanced Industry Allocation:** The portfolio comprises ten equities, each representing a unique industry. This diversification strategy was selected to limit concentration risk during periods of heightened tension and elevated correction risks.
- **Defensive vs. Offensive Balance:** The allocation maintains an equilibrium between offensive and defensive positions to balance potential and risk. The system selected positions that are poised to benefit from easing market tensions alongside those expected to remain less volatile, or even perform positively, during market corrections.
- **Factor-Based Selection:** Long positions were selected based on the strength of their corporate factors, where these companies achieved significantly higher factor scores than their peers. This provides them with a higher probability of realizing their return potential, particularly during times of stress. Conversely, short positions were selected based on significantly lower factor scores.

Overall, the system expects the portfolio to benefit from stock-specific characteristics across multiple industries, utilizing a lower net market exposure to partially mitigate systemic risk.

Portfolio Holdings

Symbol	Description	Sector	Industry	Market Capitalization	Net Weight (%)
CASH	Cash	-	-	-	40.7
GCT	GigaCloud Technology Inc.	Technology	Software - Infrastructure	Small	10.9
CAVA	CAVA Group, Inc	Consumer Cyclical	Restaurants	Large	10.5
PENN	PENN Entertainment, Inc.	Consumer Cyclical	Gambling, Resorts & Casinos	Mid	10.5
YOU	Clear Secure, Inc.	Technology	Software - Application	Mid	10.3
FA	First Advantage Corporation	Industrials	Specialty Business Services	Mid	10.2
MGPI	MGP Ingredients, Inc.	Consumer Defensive	Beverages - Wineries & Distilleries	Small	-9.9
ARLO	Arlo Technologies, Inc	Industrials	Security & Protection Services	Small	9.7
GPC	Genuine Parts Company	Consumer Cyclical	Specialty Retail	Large	-9.2
RXRX	Recursion Pharmaceuticals, Inc	Healthcare	Biotechnology	Mid	8.6
AXON	Axon Enterprise, Inc.	Industrials	Aerospace & Defense	Large	7.6

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.

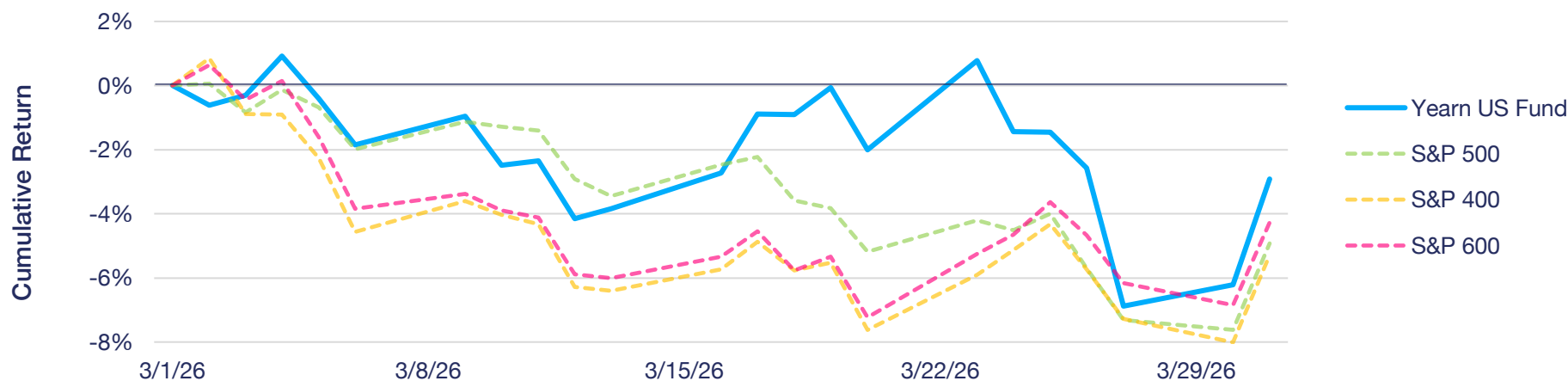
These benchmarks are included to provide context for the fund’s performance across different market capitalizations.

The figures below illustrate that the Yearn US Fund experienced significant volatility throughout the month. The fund was able to partially mitigate the impact of tensions surrounding the conflict between Iran and the United States through the utilization of short positions and several long positions that outperformed the broader indices.

Key takeaways:

- The system deployed the portfolio positions on Monday, March 2, following the escalation of the conflict between the United States, Israel, and Iran. Despite limited data availability over the weekend, the system constructed a portfolio with a reduced correlation to the immediate geopolitical shocks.
- Throughout the month, the fund successfully contained volatility surrounding the various escalations and de-escalations of the conflict and associated news cycles, ultimately achieving meaningful outperformance relative to the broader market.
- Given the conflict’s pronounced influence on oil prices and its subsequent impact on inflation data, purchasing power, corporate margins, and interest rate policy, market effects were broadly distributed across almost all sectors.
- As the conflict persisted, market fluctuations intensified in response to shifting headlines. This was particularly evident during the final week, which featured a period of strategic profit-taking followed by robust opportunistic buying.

Benchmark Performance Comparisons | 1 March - 31 March 2026



1.5 Position Performance

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

In March, results were driven by the geopolitical conflict between Iran and the United States, alongside company-specific developments. Below, the best- and worst-performing positions of the month are highlighted.

Specific positions within the Consumer Discretionary sector delivered a positive contribution in March. The short position in Genuine Parts Company (GPC) performed well as the share price declined due to heightened risks regarding high dividend outlays and softening free cash flow. Conversely, CAVA Group, Inc. (CAVA) contributed positively throughout March based on the company's long-term growth potential. While CAVA experienced a significant price surge early in the month, this momentum moderated due to persistent uncertainty regarding higher costs stemming from the ongoing conflict.

The short position in MGP Ingredients, Inc. (MGPI), within the Consumer Staples sector, provided a positive contribution during the period, fueled by expectations of rising input costs caused by the geopolitical situation. Additionally, GigaCloud Technology Inc. (GCT) was a positive contributor, bolstered by strong momentum from its recent quarterly earnings despite the backdrop of increasing geopolitical uncertainty.

The Industrials sector faced the most significant challenges in March. Axon Enterprise, Inc. (AXON) declined amid uncertainty surrounding its valuation and potential delays in government procurement due to shifting budgetary priorities. Similarly, Arlo Technologies, Inc. (ARLO) was impacted by weaker sentiment and concerns that rising logistical costs would exert downward pressure on margins.

Meanwhile, Recursion Pharmaceuticals, Inc. (RXRX) saw a further decline in its share price despite reporting better-than-expected quarterly results. This was primarily the result of broad profit-taking across the biotechnology industry, as investors rotated capital out of the outperforming sector to secure realized gains.

Top Performers of the Month

Symbol	Return (%)	Contribution (%)
GPC	-9.2	0.9
GCT	5.3	0.6
CAVA	2.2	0.3
MGPI	-2.7	0.3

Bottom Performers of the Month

Symbol	Return (%)	Contribution (%)
AXON	-25.9	-2.6
RXRX	-16.0	-1.6
ARLO	-6.2	-0.6

Contribution by Sector

Sector	Contribution (%)
Consumer Cyclical	1.4
Technology	0.7
Consumer Non-Cyclical	0.3
Cash	-0.1
Healthcare	-1.6
Industrials	-3.4

2 U.S. MARKET ANALYSIS

2.1 Market Recap March

In March, the market narrative pivoted toward an escalating international conflict as investors navigated shifting news cycles, renewed inflation fears, rising commodity prices, and the Federal Reserve's latest interest rate decision.

Conflict between the United States and Iran

The geopolitical landscape in early March was dominated by a sharp escalation in tensions between the United States and Iran. Following a series of incidents in the Strait of Hormuz during the first week of the month, the threat of direct military confrontation and large-scale disruptions to global oil supplies intensified. This uncertainty triggered an immediate shock across energy markets, with oil prices surging within a short timeframe. For investors, this conflict served as a stark reminder of the vulnerability of strategic chokepoints in the Middle East, resulting in a flight to quality and a significant spike in market volatility.

The Economy Runs on Oil...

The sudden spike in energy prices during March fueled concerns of a new inflationary wave. Inflation data released in March for the preceding period already depicted a persistent trend. Rising costs at the pump and increased logistical burdens for businesses exerted downward pressure on both consumer spending and corporate margins. Consequently, investors revised their expectations for a swift decline in core inflation, reigniting fears of "stagflation," the combination of stagnant growth and high inflation, within market commentaries.

Market Volatility and Economic Impact

The interplay between the persistent and escalating military threat fostered a nervous atmosphere throughout the month. Sectors heavily dependent on fuel costs, such as aviation and transportation, underwent a significant sell-off, while defense and energy-related equities benefited from the shifting market climate. The month concluded with a market deeply divided between hopes for a swift diplomatic resolution and preparations for a prolonged period of elevated costs and political uncertainty.

2.2 Market Projection

In April, market attention remains fixed on the evolving conflict in the Middle East and the approaching leadership transition at the Federal Reserve. While recent diplomatic signals suggest a potential ceasefire, significant uncertainties persist regarding the reopening of the Strait of Hormuz, the conflict's impact on the Fed's policy path, and the economy's resilience in the face of the recent energy shock. These factors will determine whether the market can move past March's volatility or if inflationary and geopolitical uncertainty will continue to prevail.

The Three-Week Deadline and Energy Market Outlook

The pivotal question for the coming weeks is whether diplomatic efforts will lead to a definitive conclusion of the active military phase with Iran. Recent reports suggest a three-week window to reach an agreement; a breakthrough would provide much-needed relief for oil markets and inflation expectations. Conversely, investors are pricing in an escalatory scenario: a failure to achieve results within this timeframe could trigger renewed attacks on energy infrastructure, further driving up oil prices and confirming the specter of stagflation.

Even if a diplomatic resolution is reached, the market will closely scrutinize the speed at which supply chains recover. A sluggish reopening of strategic chokepoints could keep energy prices elevated for longer, tempering investor optimism for a swift decline in core inflation. On the other hand, a successful de-escalation could serve as a powerful catalyst for a broad-based market recovery.

Monetary Policy: The Fed's Wait-and-See Stance

In contrast to previous periods of monetary easing, the Federal Reserve has currently adopted a "wait-and-see" mode, holding interest rates steady. The Fed is confronted with a complex dilemma: combating the inflation fueled by oil prices versus shielding the economy from the shocks of the conflict. Ultimately, the Fed chose to hold rates constant in March. The decisions made by the Fed in the coming months will have significant implications for corporate America. Furthermore, market participants are eager to see how the incoming Chair, Kevin Warsh, will place his imprint on the Fed's policy direction.

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 (See section 3.3 and 3.4 for more information) following the strategy stated below in section 3.2 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.

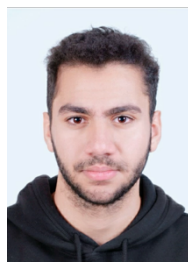
Van Druten Capital is registered as a 'light' manager under the AIFMD Registration Regime as outlined under Article 2:66a of the Wet financieel toezicht ("Wft"), and duly acknowledged by the Netherlands Authority for the Financial Markets ("AFM").



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Huib Boissevain
Advisor & Founder of
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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](#)

Rebalancing of the portfolio | 2nd of March

The investment management system of Van Druten Capital performed a rebalancing for the Yearn US Fund on the 2nd of March.

On this date, the fund transitioned to a newly constructed portfolio as stated in this newsletter (section 1.2), which incorporated the newly reported earnings reports along with technical, sentiment, and macroeconomic insights to optimally allocate the fund's capital.

This portfolio cycle will span from early March to early May.

4.2 Upcoming events

Coming Subscription Day | May 1st

The Yearn US Fund will open again for new investors from April 1st until April 20th. All approved subscriptions will enter the fund on April 1st. The April 20th 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 market conditions we are currently experiencing.
- A systematic long-bias strategy in high-potential U.S. equities.
- An adaptive system that knows when to differentiate and when to concentrate.
- 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 are 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.

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