

# Santander AM Euro Equity

10 / 2023

## Fund commentary

Global equity markets recorded their third consecutive month in the red due to the increased likelihood of "high for longer" interest rates. The strength of US economic data impacted global equity markets falling around 3%. In this environment, European indices recorded negative returns with the Stoxx 600 down -3.62%, the EuroStoxx 50 down -2.65% and the MSCI Euro down -3.26%. On an annual basis, main indices still generate positive returns, with the EuroStoxx 50 and Stoxx 600 up 9.62% and 4.60% YTD respectively and the MSCI Euro up 6.63%.

Regarding sectors in Europe (Stoxx 600), Media (+0.85%), Utilities (+0.62%), Insurance (-0.03%) and Energy (-1.12%) lead the pack. Autos & Parts (-8.16%), Retail (-7.13%), Industrials (-6.13%) and Travel & Leisure (-6.10%) were the worst performers.

During the month of October Santander Euro Equity had a negative absolute return similar to its benchmark MSCI EMU Net Total Return.

Sector allocation was slightly positive being long Media, Utilities and Energy as well as being short Travel and Leisure, Retail and Real Estate.

On the stock selection side, main contributors included being short Mittal, Siemens Energy, Schneider, Fresenius, Fluter, BMW and Vow, as well as overweight positions in Linde, Enel, Deutsche Telekom, Sodexo, Danone, Unicredito and Munich Re. Main detractors were Saint Gobain, Siemens, Sanofi, Cellnex, LVMH and Inditex.

During the month of October, we sold Anheuser Busch and Siemens and bought

Heineken and Schneider.

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