

Santander Prosperity

2 / 2024

Fund commentary

In February the fund delivered slight positive performance in absolute terms, falling short once again of a more upbeat tone in global equity markets.

The rise in global equity markets was mainly driven by resilient macroeconomic data in the US and Europe, better-than-expected corporate earnings, especially in the US, and a recovery in China, where government measures started to have an effect. This month, emerging markets outperformed developed ones, thanks mainly to the good performance of the Chinese market.

In absolute terms, sector wise, Technology, Health Care, Industrials and Financials were the largest positive contributors for the month, while Real Estate, Consumer Staples and Consumer Discretionary being the main draggers. Regarding single names, the main positive contributors were Nvidia (29%, outstanding Q4 reporting and 2024 guidance upgrade on the back of the artificial intelligence strong tailwind), Genentech (10%, solid results and sell side analysts turning positive), Chugai Pharmaceutical (10%, 2024 operating guidance above expectation), Bakkafrost (11%) and Sherwin-Williams (9%), while Vonovia (-12%), Legg Immobilien (-13%, real estate sector dragged by the spike in yields), Airtel Africa (-16%), Amgen (-12%, early-stage trial of its obesity pipeline did not convince investors) and Dassault Systemes (-11%) were the biggest detractors.

The fund has a clear social objective, investing in companies that generate a minimum of 30% of their revenues in activities linked to the United Nations' Sustainable Development Goals, with a special focus on three long-term growth megatrends: Health & Well-Being; Food & Nutrition; Education & Financial Inclusion. Considering these trends, the manager did not implement relevant changes in the portfolio during the month and just sold the remaining allocation to the Spanish healthcare company Grifols, after it recovered half the value lost during the January sharp decline.

The fund currently has a 97% exposure to equities, with a diversified footprint throughout Europe, US, Japan and Latam.

In terms of sector position, due to the fund's intrinsic thematic biases the manager holds a majority allocation to the Health Care, Consumer Staples and Real Estate sectors.

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For product information, please contact Santander Asset Management Luxembourg S.A. (43, Avenue John F. Kennedy L-1855 Luxembourg - Grand Duchy of Luxembourg), management company of the UCITS under the supervision of the Commission de Surveillance du Secteur Financier (CSSF). The depositary and administrator of the UCITS is JP Morgan SE, Luxembourg Branch (6, route de Treves, L-2633 Senningerberg - Grand Duchy of Luxembourg).

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