

Santander AM Euro Equity

3 / 2024

Fund commentary

March was a very positive month for equity markets with several indices reaching all-time highs. Global stocks had the best first quarter in five years, enjoying continuous gains. That was driven by growing hopes for a soft economic landing, thanks to continuing positive data surprises, along with ongoing optimism around Artificial Intelligence, particularly after Nvidia released its earnings report.

Developed markets outperformed emerging (3.0% vs 2.2%) in March, as confidence in China remained fragile. Within developed, the Stoxx 600 was up by 4.04%, EuroStoxx 50 by 4.33% and MSCI Euro by 4,45%.

Regarding sectors in Europe, Retail (14.17%), Banks (10.60%), Real Estate (7.99%) and Basic Resources (7.36%) were the best performers. Travel & Leisure (-1.03%), Personal Care, Drug & Grocery Stores (-0.39%), Consumer Prod & Serv (0%) and Technology (+0.64%) were the worst performers.

During the month of March Santander Euro Equity had a positive absolute return and outperformed its benchmark MSCI EMU Net Total Return.

Sector allocation was neutral, positive contribution being short Consumer and long Financials, negative contribution being long Industrials.

On the stock selection side, main contributors included being short Siemens, Pernod and Kering, and long Airbus, Axa, Munich Re, ING, Intesa, Inditex, Stellantis and DSM.

Main detractors were Teleperformance and DHL as well as short position in Prosus, Safran, BNP and Basf.

During the month of March, we sold Puma and bought Accor.

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