Santander
Asset Management

# Santander GO North American Equity



7 / 2024

## Fund commentary

Market Overview:

U.S. equities advanced over the month ended 7/31/24, as measured by the S&P 500 Index. Information Technology, Consumer Discretionary, and Communication Services had positive performance and were the largest outperformers in the index. Utilities, Materials, and Energy declined and were the weakest performing sectors. Growth stocks underperformed the broad market in the month due to a sell-off in technology stocks on a weaker outlook for artificial intelligence.

Performance Commentary:

• The portfolio returned 0.89% (gross of fees), while the S&P 500 benchmark returned 1.22%. The portfolio underperformed the benchmark this month due to unfavourable sector allocation, which offset positive stock selection.

• Stock selection in Information Technology and Industrials were the largest detractors from relative performance. The underweight to Financials, overweight to Communication Services and no exposure to Utilities also hampered relative performance. Conversely, stock selection in Communication Services, Health Care, Consumer Discretionary, and Real Estate contributed positively to relative performance. Energy, Consumer Staples, and Materials – which the portfolio had no exposure to – had a negligible impact on relative performance.

• The top contributing holdings in the portfolio, relative to the benchmark, were Tesla, MicroStrategy, and Roblox. Conversely, Cloudflare, CrowdStrike, and The Trade Desk were the top relative detractors.

Strategy and Outlook:

Counterpoint Global believes having a market outlook can be an anchor. Our focus is on assessing company prospects over a five-year horizon, and owning a portfolio of unique companies with strong, sustainable competitive advantages whose market value we believe can increase significantly for underlying fundamental reasons.