

Santander AM Euro Equity

4 / 2023

Fund commentary

Equity markets ended April on a positive note again and rebounded further, led by global ex-US developed markets, along with commodities. Positive economic momentum supported risk assets despite further stress in the banking sector.

Markets have held up much stronger than expected in spite of the existing concerns around the banking sector, as First Republic has just been intervened and sold, and around the monetary tightening processes by central banks.

In this sense, the Stoxx Europe 600 index resumed its upward trend ending the month up by 2.45% (net total return) while the EuroStoxx 50 was up by 1.64% (net total return) and the MSCI Euro by 1.47%. This adds to an already solid return for the year, with the Stoxx Europe 600, Eurostoxx 50 and MSCI Euro indices up by 11.04%, 16.03% and 13.87% respectively.

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

Sector allocation was slightly positive being long Utilities and short Technology. Negative contribution this month being short Real Estate.

On the stock selection side, main contributors included overweight in Eni, Shell, Vinci, Airbus, CCE, Danone, DSM, Essilor, Cellnex, Sodexo and LVMH. Main detractors were long Teleperformance, Nokia, UMG, Wacker Chemie, Santander and short L Oreal, Hermes, Flutter, Schenider and BNP.

During the month of April, no changes in the portfolio composition.

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