

Santander US Equity Hedged

2 / 2026

Fund commentary

In February, the S&P 500 appeared stable, closing the month with a slight decline of -0.76% and trading within a very narrow range. However, beneath the surface, dispersion was high. The sectors with the greatest weight in the index (technology, financials, communications, and consumer discretionary) fell by around -5%, while sectors such as energy and utilities rose by close to +10%, and industrials and real estate by more than +7%.

This rotation is reflected in the S&P 500 equal weighted index, which rose +3.5% in the month and outperformed the traditional index by more than 6 points in the year.

Within technology, software has corrected amid doubts about the future impact of AI on its growth, while semiconductor manufacturers continue to benefit from the sharp increase in demand for computing power.

Regarding positioning, we have repurchased half of the CALL options, capturing virtually all of the premium generated and gaining flexibility to take advantage of potential rises in March or to monetize volatility again in the event of a rebound.

We expect the market to break out of its current range. The geopolitical situation could act as a catalyst. In any scenario, we maintain protection that would limit declines to -5% in the quarter and the possibility of generating additional income through additional sales of PUTs for 50%.

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