

Santander European Dividend

4 / 2022

Fund commentary

In April, the fund delivered a positive performance in absolute terms, comfortably outperforming major European equity indexes. Year to date, the fund keeps managing to cushion much of the sharp declines and implied volatility, thanks to its unique biases, delivering a positive absolute performance by the end of the month, significantly above the sharp selloff experienced by European equity markets.

The main positive relative contributors for April sector wise were Industrials (long Thales, Bunzl or Heidelbergcement, while short in expensive CapGoods names such as Schneider Electric or Atlas Copco), Technology (we are underweight in the worst performing sector of the month) and Healthcare. On the negative side, the main relative contributor was the stock selection in Basic Materials (underweight in the sector and short in defensive names such as Air Liquide or Linde and Angloamerican) and Financials.

During the month the manager has implemented some changes seeking to adapt the portfolio to volatile markets and capture opportunities as they arise. In this sense, the underweight in Basic Materials was reduced by opening a new position in Aperam and increasing the position in Covestro, while in Consumer Discretionary the weight in Inditex was raised.

In terms of flows, this month the fund experienced €16.3mn of net inflows, representing a 2.4% of its NAV.

The fund has a 96.9% exposure to equities, at the high-to-midpoint of its investment range (90%-100%).

The manager currently holds overweight positions in Consumer Services, Energy, Telecommunications and Utilities, while remains underweight in Technology, Basic Materials, Financials, Industrials and Healthcare.

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This fund has a prospectus which is drafted in English and can be obtained from www.santanderassetmanagement.com

For product information, please contact SANTANDER ASSET MANAGEMENT LUXEMBOURG S.A. (6, route de Treves, L-2633 Senningerberg - Grand Duchy of Luxembourg) Management Company under the supervision of Commission de Surveillance du Secteur Financier (CSSF). The Depositary entity and administrator of the funds is JP Morgan Bank Luxembourg S.A. (6, route de Treves, L-2633 Senningerberg - Grand Duchy of Luxembourg).

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