Marketing Communication

# Santander Multi Index Substance

3 / 2026

## Fund commentary

March was marked by the conflict in the Middle East. Tensions in the Strait of Hormuz pushed energy prices higher, with Brent reaching $118.4 per barrel. This led to broad declines across both equity and fixed income markets, intensifying throughout the month. The MSCI ACWI fell -7.4%, the Stoxx Europe 600 -8%, and the S&P 500 -5.09%. In fixed income, rising inflation expectations weighed on bond prices, pushing yields higher. This move was reinforced by messages from the Federal Reserve (Fed) and the ECB, both adopting a cautious tone in response to the energy shock. Market expectations adjusted accordingly: in the Eurozone, deposit rates are now priced at 2.50%–2.75%, while in the US, expectations of rate cuts have been removed. European IG credit spreads widened by +13 bps. In this environment, the US dollar acted as a safe-haven asset, appreciating to 1.1553 USD/EUR. In our view, the energy spike will have a temporary inflationary impact, without triggering second-round effects. We expect the global economy to remain in an expansion phase, albeit with slower growth than anticipated a month ago.

In equities, we closed the month with an exposure of 23.5%, representing a 0.8% decrease compared to the previous month-end. This reduction was mainly driven by market movements rather than active tactical decisions, in a context where volatility remained present. From a regional perspective, the portfolio continues to be primarily allocated to the United States, followed by Europe, with an additional allocation to Japan, maintaining a diversified geographic exposure aligned with our medium-term view.

In fixed income, the portfolio ended the month with a duration of 2.87 years, slightly lower than in the previous month. The allocation remains focused primarily on European government bonds, complemented by corporate credit exposure, while maintaining a more limited position in US sovereign debt. Overall, positioning remained broadly stable, with no significant tactical adjustments, prioritizing a balanced structure.

Regarding currencies, USD exposure stood at 12.3% at month-end, slightly below the previous level. This movement was mainly driven by the evolution of USD-denominated assets rather than active allocation decisions.