Santander Asset Management

Marketing Communication

Santander Prosperity

3 / 2026

Fund commentary

The fund delivered a negative performance in absolute terms for the month.

March marked a sharp shift in the tone of global equity markets, with a strong correction following the positive start to the year and a clear increase in risk aversion. The deterioration in sentiment was mainly driven by the geopolitical escalation in the Middle East, the sharp rise in oil prices, and the resulting concerns over a more challenging outlook for growth and inflation. This was compounded by increased volatility in the technology sector, where the market continued to question both the sustainability of AI-related capex and the visibility of returns in certain areas of software and semiconductors.

In absolute terms, sector-wise, Educational Services was the only positive contributors for the month, while Consumer Non-Cyclicals, Healthcare and Real Estate were the main draggers in terms of performance. Regarding single names, the main positive contributors were American Public Education (the company reported EPS and sales above estimates), Laureate Education, SLC Agricola (4Q results better than expected), Stride and Pearson. While Kion Group (the group said it expects a slowdown in first-quarter revenue, as it prepares to raise prices in response to war in the Middle East), Vonovia, Unilever (McCormick just announced terms of its combination with Unilever's Foods business (ex-India), Chugai Pharmaceutical and Leg Inmobilien were the biggest detractors.

The fund has a clear social objective, investing in companies that generate a minimum of 30% of their revenues in activities linked to the United Nations' Sustainable Development Goals, with a special focus on three long-term growth megatrends: Health & Well-Being; Food & Nutrition; Education & Financial Inclusion.

The manager didn't implement any relevant change in the portfolio during the month.

The fund currently has an equity exposure of around 98%, with a diversified footprint throughout Europe, US, Japan and Latam.

In terms of sector position, due to the fund's intrinsic thematic biases the manager holds a majority allocation to the Health Care, Consumer Staples, and Real Estate sectors.