

The inter-holiday, **final week of 2021** (27-31.12.2021) was, as usual, a period of **lower investor activity on many markets**. On most western stock markets we could observe a kind of realization of the "Santa Claus rally", which **allowed equity investors to end the year in good mood**. The key indices in Germany and France, DAX and CAC40, ended the week with increases of less than one percent. Across the ocean, the S&P500 index showed a similar rate of return. **Weaker results were observed among technology companies** represented in the NASDAQ index, where the value remained basically unchanged on a weekly basis.

Against this background, **the Polish equity market performed very well**. Both the index of the largest Polish companies WIG20, as well as the index of broad market increased by nearly 2% in weekly terms.

There were no major macroeconomic data releases, except for the **Chinese PMI** which **rose in December** to 50.3 points in manufacturing and to 52.7 points in services, slightly above the November readings.

Commodities also gained. The price of WTI crude oil rose by nearly 2% on a weekly basis, while copper prices increased by 1.6% during this period.

Last week, the **yields of 10-year government bonds in the core markets rose moderately** (prices fell). However, **Polish 10-year government bonds stood out "in the red"**, their yield rose (price fell) by 15 basis points, ending the year with a yield of 3.64%. Locally, investors may have been alarmed by **the MPC announcement to bring forward the first 2022 meeting** from the 12th to the 4th of January. This means that the meeting will be held even before the publication of the inflation figures for December, which are to be announced by the Central Statistical Office on 8th of January. This rush may suggest that another interest rate hike is on its way, and by more than the 50 points expected by the market. **The zloty in the last week of the year strengthened against the dollar and the euro by 3-4 grosze to the level of respectively: 4.05 and 4.59.**

The information presented herein does not constitute an offer within the meaning of the Civil Code and is for informational purposes only. The net asset value of some sub-funds is characterized by high volatility due to the composition of the investment portfolio. Some sub-funds may invest more than 35% of their assets in securities issued, guaranteed or underwritten by the State Treasury or the National Bank of Poland. The sub-funds cannot guarantee achievement of the investment objective or of the expected return on investment. Prior to making an investment decision, the Participant should review the fees charged by the sub-fund and take into account the potential tax imposed on the gains. The Participant should take into consideration the possibility of losing at least some of the invested capital. The sub-funds' financial data, description of risk factors, key investor information document and information on fees related to participation in sub-fund can be found in the prospectuses and tables of fees available in Polish on [Santander.pl/TFI/documents](https://www.santander.pl/TFI/documents) and from the distributors of sub-funds. A summary of investors' rights can be found in the prospectus (Chapter III, point 4). Santander Towarzystwo Funduszy Inwestycyjnych S.A. seated in Poznań at Władysława Andersa Square 5, 61-894 Poznań, registered in the District Court Poznań - Nowe Miasto and Wilda in Poznań, VIII Commercial Division of the National Court Register, under KRS number: 0000001132, Tax Identification Number (NIP): 778 13 14 701, fully paid-up share capital amounting to PLN 13.500.000,00. The information included in this presentation is protected by copyright on the basis of the provisions of the Act of 4 February 1994 on copyright and related rights (i.e. Journal of Laws of 2018, item 1191, 1293, 1669, 2245, 2339). All copyrights to the information contained in this material are owned exclusively by Santander TFI S.A. Santander TFI S.A. operates on the basis of a license issued by the Polish Financial Supervision Authority (KNF) and is subject to its supervision. This document may not be reproduced or published, in part or in whole, without a prior written consent of Santander TFI S.A. The information contained in the document is selected

according to the best knowledge of its authors and comes from sources believed to be reliable, although the authors do not guarantee its accuracy and completeness. No reliance should be placed on it and no liability is accepted for any loss arising from reliance on it.

2022 © Santander Towarzystwo Funduszy Inwestycyjnych Spółka Akcyjna. All rights reserved. Santander name and flame logo are registered trademarks.

