

Santander AM Euro Equity

10 / 2022

Fund commentary

Developed equity markets closed October with significant gains. Despite global recession fears and hawkish central banks, hopes over a Fed dovish pivot in the coming months and political stability in the UK ending the month drove a strong rebound in equity markets.

The Stoxx 600 index ended the month up by 6,28% (net total return), the Euro Stoxx 50 by 9.09% and the MSCI Euro by 7.87%.

Regarding sectors, cyclical ones outperformed defensives. On the positive side Travel & Leisure (16,32%), Energy (10,88%) Industrials (10,63%) and Autos (9,06%) lead the pack while on the negative side Food, Beverage & Tobacco (1,15%), Consumer Product & Services (2,11%) and Personal Care & Grocery (3,79%) underperformed the market.

During the month of October Santander Euro Equity had a strong positive return and outperformed its benchmark MSCI EMU Net Total Return.

Sector allocation in October was positive, being long Oil and Banks and short Consumer Products and Real Estate. Negative contribution being long Basic Materials and Utilities.

On the stock picking side, positive performance versus the benchmark in October. Positive contributions included stock picking in Industrials (Airbus, D Post) and Autos (Michelin, Mercedes, short VOW), shorts in Consumer (l Oreal, Kering, Pernod) and bets on Unicredito, Publicis and Sodexo. On the other side, main detractors were Utilities (EDP, RWE), Deutsche Boerse, UMG and UPM.

During the month of October, we sold Signify.

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

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