

Santander Future Wealth

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Fund commentary

June turned out to be a very bearish month for equity assets as the Debt ceiling was reapproved in the US, along with the easing banking sector stress and inflation rates continuing a moderate path in most geographies. During this month, the ECB has raised interest rates by 25 basis points and has given strong hints of at least one more hike in July, while the Fed has reinforced its message by hinting at two additional hikes. However, we have macroeconomic indicators that point to an economic slowdown, such as the manufacturing PMIs. All in all, indices such as the S&P500, Nasdaq and Ibx35 stand out, with gains of around 6% in the month, while the Eurostoxx50 is up +4% and emerging stock markets are up slightly, weighed down by Chinese stocks after the new credit boost proved insufficient to stimulate the Chinese economy. The dollar and gold have depreciated, while defensive sectors and styles have lagged the broad indices.

The fund keeps accumulating monthly positive returns, benefiting mostly from sectors such as Fintech or Artificial Intelligence, which have been very in vogue during the last few months. Also, it benefits from some sectors that are recovering from a more difficult beginning of the year, such as health technology. Earlier this month, the fund made a notable rotation from the future society theme to the most profitable one, which was future technology, increasing its commitment to sub-themes that still have room to grow, such as cybersecurity or internet of things. The portfolio's most significant drop in weight was in the wellness sub-theme, as well as life sciences and ageing population.

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