Santander Asset Management

Marketing Communication

Santander Future Wealth

10 / 2023

Fund commentary

Geopolitical concerns have been less and less as the days went by to the point that at the end of October investors' attention was once again focused on central banks' decisions, inflation and the situation of the economy in general. On the yield curves side, for some months now, the yields of the longer-term tranches have been rising at a faster rate than the short-term ones as a result of the increase in expected issues as well as the expected end to the central banks' rate hikes. October ended with declines in both equity and fixed-income indices despite the rebound of the markets in the last days of the month. The US stock market declined -2% while the EuroStoxx50 fell by almost -3%. Gold acted as a safe haven, rising +7% in the month.

The performance of the fund was negative for the month, with all value levers contributing negatively in line with the negative performance we have seen in the markets, particularly the S&P and Nasdaq. The main downside contribution came from the energy transition trend and health technologies with Asian consumer and circular economy making the smallest negative contribution. On the positioning side, the top megatrend in terms of exposure is the future of society followed by future technology and lastly future planet. Within the main changes in the month in the different subtrends, the main changes were the reduction in health technologies and energy transition.