

Santander Prosperity

3 / 2024

Fund commentary

In March the fund delivered a very positive performance in absolute terms, leveraging on the once again upbeat tone seen in global equity markets during the month.

Global stocks had the best first quarter in five years, enjoying continuous gains throughout January, February and March. That was driven by growing hopes for a soft economic landing, thanks to continuing positive data surprises, along with ongoing optimism around Artificial Intelligence. This month., Developed markets outperformed Emerging ones, as confidence in China remained fragile.

In absolute terms, sector wise, Technology, Health Care, Real Estate and Basic Materials were the largest positive contributors for the month. Utilities, Telecommunications and Consumer Discretionary being the ones with less positive performance. Regarding single names, the main positive contributors were Nvidia (14%, the company keeps benefiting from the artificial intelligence tailwind as it revealed new "super chips" at a products conference), Genentech (15%), Dexcom (21%, a court found that the company did not infringe 2 patents of Abbott Laboratories), Leg Immobilien (17%) and Edwards Lifesciences (13%), while Chegg (-15%; announced some management changes), Reckitt Benckiser (-10%, stock plunged on its infant formula products compensation worries), Chugai Pharmaceutical (-5%), Daiichi Sankyo (-4%) and Dassault Systemes (-5%) 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. Considering these trends, the manager did not implement relevant changes in the portfolio during the month and just increased the allocation to names already in the portfolio such as Waste Management, Danone, Dassault Systemes or Colgate.

The fund currently has a 97% exposure to equities, 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.

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For product information, please contact Santander Asset Management Luxembourg S.A. (43, Avenue John F. Kennedy L-1855 Luxembourg - Grand Duchy of Luxembourg), management company of the UCITS under the supervision of the Commission de Surveillance du Secteur Financier (CSSF). The depositary and administrator of the UCITS is JP Morgan SE, Luxembourg Branch (6, route de Treves, L-2633 Senningerberg - Grand Duchy of Luxembourg).

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