

Santander Prosperity

5 / 2025

Fund commentary

The fund delivered a very positive performance in absolute terms for the month, underperforming global markets.

May was a month of clear recovery for financial markets, following the sharp declines in March and the volatility seen in April. The rebound was driven by easing trade tensions between the U.S. and its strategic partners, strong macroeconomic data in both Europe and the U.S., and Q1 earnings season better than expected.

In absolute terms, sector wise, Technology, Educational Services, Industrials and Energy were the most positive contributors for the month, while Consumer Non-Cyclicals and Real Estate were the main draggers in terms of performance. Regarding single names, the main positive contributors were Nvidia (+25%, with earnings and outlook better than expected), Dexcom (+20%, after published largest gain since October 2022), Gentera (+14% after guidance higher than expected), First Solar (+25%, biggest gain in two years), American Public Education (+25%) and Stride (+6%).

While Vertex (-13%, falling sharply after reported earnings than missed analysts' expectations, Lion Corp (-10%), Chugai Pharmaceutical (-7%), Regeneron Pharmaceutical (-18%) and Ventas Reit (-8%) 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 managers implement some relevant changes in the portfolio during the month: Position is built in Duolingo (a popular, gamified language learning app and website that offers courses in numerous languages), Intel (a major global technology company that primarily designs and manufactures computer processors (CPUs), but also produces a range of other hardware and software components) and two companies in the Consumer Goods Sector: P&G and Reckitt Benckiser. We undid Danaher, Glanbia, Kikkoman, First Solar and Sherwin Williams.

The fund currently has an equity exposure of around 98%, 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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