

Santander Multi Asset Conservative Growth

1 / 2025

Fund commentary

The year has started with strong gains on European stock markets. The broad StoxxEurope600 index rose +6.3% and the German DAX +9.2%, both ending the month at record highs. In the US, the S&P500 rose 2.7% and the index was penalized in the last week of the month by episodes of volatility in the technology sector following the launch of the DeepSeek R1 AI tool. The 4Q24 earnings season started on a very positive note for US companies, which are the first to announce earnings. Positive earnings surprises were accompanied by strong forecasts for 2025.

In fixed-income markets, government bond prices continued to fall during the first half of the month, with yields rising, but the release of good inflation data in the US boosted investor sentiment and led to a decline in yields. The movement continued, supported by the meetings of the Central Banks, as decisions were as expected with the Fed keeping rates unchanged and the ECB cutting 25 bps, and the search for safe haven assets after the volatility generated by the launch of Deepseek R1 directed flows to government bonds. In the month, the main fixed-income indices posted gains, with private fixed-income indices standing out once again.

In the foreign exchange market, profit-taking on the dollar in the last part of the month placed it at 1.0362\$/€, with hardly any changes since the close of 2024.

As for the fund's positioning in equities, we have increased our exposure to close the month at a level of 11.5%, around 0.8% higher than the previous close. During this month, there were certain factors that negatively affected emerging equities, so we took advantage of these moments of weakness to increase our exposure to these countries through the purchase of futures. In addition, we have added a new position in commodities with the purchase of a Bloomberg Commodities Index ETF.

On the fixed income side, throughout January we increased the duration of the fund to 3.12 years, 0.54 years higher than last month. This increase was made by selling US government bonds from the short end of the curve to buy global credit and high yield funds.

Regarding currencies, we maintain an exposure of 92.6% of the fund to the US dollar, while the rest is in other currencies.

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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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