

Santander AM Latin American Equity Opportunities

1 / 2021

Fund commentary

Latin American Equities corrected during the first month of 2021, after stellar end of 2020 in terms of performance. The asset class underperformed the world equities (-1.05% in USD) and emerging markets (2.97% in USD), delivering negative returns of 6.80% in USD. Flows improved in the previous months into the region, helping the positive sentiment on expectations of economic recovery. Chilean market proved to be most resilient during the month of January, maintaining on the same level as previous period in USD terms, despite the depreciation of the local currency in the magnitude of close to 3% against the USD. Brazilian market corrected 7.9% in USD terms, explained in great part by the weakness of the local currency (5.1% against the USD). Capital markets had been active in Brazil in most part of the year, which helped companies to use extra equity to cover for the future business plans, giving a positive sign to the market participants.

Mexican market outperformed the regional index delivering negative returns on 4.2%, again mostly explained by the weakness of the currency during the period, a trend registered across Latin America in January.

Colombian market delivered strong negative returns of 14% in USD, despite positive move in the oil prices, which revalued close to 8%. COP was also on the weaker side, depreciating 4% against the USD.

The fund outperformed the index during the month. In Brazil avoiding stocks with lower earnings momentum helped, despite some of the detractor from higher conviction companies. Contribution from stock picking in Mexico was also positive, as well as not holding any positions in Colombia. The fund had an underweight position in Peru, which proved positive on back of local market's correction. The fund increased cash position during the month.

This document is intended to provide information that summarizes the main characteristics of the product and under no circumstances constitutes a contractual agreement, a recommendation, personalized advice, an offer or solicitation. It is recommended that the KIID (Key Investor Information Document) is consulted before taking any investment decision, subscribing or purchasing shares or redeeming investments and the countries where the product is registered for sale: www.santanderassetmanagement.com or via authorised intermediaries in your country of residence. It has not been proven that the data contained in this document meet marketing requirements of all countries of sale as it is an information and not a marketing document. This shares of this product may not be directly or indirectly offered or sold in the United States of America or to or for the benefit of a United States Person.

This fund has a prospectus which is drafted in English and can be obtained from www.santanderassetmanagement.com

For product information, please contact SANTANDER ASSET MANAGEMENT LUXEMBOURG S.A. (6, route de Treves, L-2633 Senningerberg - Grand Duchy of Luxembourg) Management Company under the supervision of Commission de Surveillance du Secteur Financier (CSSF). The Depositary entity and administrator of the funds is JP Morgan Bank Luxembourg S.A. (6, route de Treves, L-2633 Senningerberg - Grand Duchy of Luxembourg).

Investment in mutual funds or other financial products mentioned herein may be subject to investment risks: market risk, credit risk, issuer and counterparty risk, liquidity risk, foreign currency risk and, where applicable, risks pertaining to emerging markets. Additionally, if funds hold their investments in hedge funds, assets, real estate funds, commodities and private equity, it should be noted that these can be subject to valuation and operational risks inherent in these type of assets and markets as well as the risk of fraud or risk derived from investing in unregulated or unsupervised markets or unlisted assets.

Past performance is not indicative of future results. Returns are calculated on a net asset value basis, net of fees and are annualized for periods longer than one year.

It should be clearly understood that any mention of tax depends on the individual circumstances of each investor and may change in the future. It is advisable to seek personalized advice regarding this. The distributor and other financial intermediaries may receive up to 85% of the fund management fee without incurring any additional cost to the customer.

Accounting or market information included in this document has been compiled from sources which SANTANDER ASSET MANAGEMENT LUXEMBOURG S.A. considers reliable but has not confirmed or checked for accuracy or completeness. SANTANDER ASSET MANAGEMENT LUXEMBOURG S.A. assumes no responsibility for any use of the information contained herein.

© Santander Asset Management Luxembourg S.A., All Rights Reserved.