

# Santander European Dividend

1 / 2021

## Fund commentary

In January, the fund delivered a small negative performance in absolute term, and it marginally outperformed the European equity market.

Going deeper into the monthly analysis, the main positive relative contributors were our positioning in industrials (underweight, with top pick Siemens outperforming after releasing very strong results), in oils (overweight, with top pick Royal Dutch Shell outperforming) and in chemicals (underweight, no holdings in underperformer Linde), together with our holdings in Saint Gobain (strong 4Q20 pre-announcement), Publicis (M&A talk and better 4Q20 momentum expected) and Tesco (good trading update and releasing details of its jumbo special dividend after the sale of Asia). On the negative side, the main relative contributors were our underweight positions in technology (no holdings due to its ultra-low dividend yields) and in healthcare (no holdings in outperformer Astra Zeneca and in the low-yielding medical equipment & services subsector), our overweight position in insurance (top underperforming sector in the month), together with our holdings in Imperial Brands (profit-taking after releasing new CEO's strategy at its CMD), Carlsberg (concerns about impact of new restrictions on trading), Adecco (some broker downgrades) and Polymetal (weak gold price).

In terms of flows, this month the fund experienced €-1.3mn of net outflows, while over the last 12 months the fund had cumulative net outflows of €-14mn.

Regarding positioning, the fund has a 91% exposure to equities, unchanged from the previous month and close to the low part of its investment range (90%-100%). We have overweight positions in telecoms, insurance, retail, oil & gas, construction and basic resources, while we remain underweight chiefly in technology, chemicals, industrials, healthcare, food & beverages, financial services and utilities.

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This fund has a prospectus which is drafted in English and can be obtained from [www.santanderassetmanagement.com](http://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).

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