

# Santander European Dividend

6 / 2022

## Fund commentary

In June, the fund delivered a negative performance in absolute terms, slightly underperforming major European equity indexes. Year to date, the fund keeps managing to cushion much of the sharp declines and implied volatility seen in equity markets, thanks to its unique biases, although already in negative territory, but significantly above the acute selloff experienced by broad European equity indices.

The main positive relative contributors for June sector wise were Industrials (short largecap industrials such as Schneider Electric or ABB, which lag during the quarter on macro slowdown fears), Technology (short bet on ASML, burdened by negative comments from competitors/clients), and Real Estate. On the negative side, the main relative contributor was the stock selection in Energy (OW the sector, which gave up part of its YTD overperformance), Basic Materials (short names with a defensive tilt in chemicals such as Linde or Air Liquide) and Healthcare.

During the month the manager has implemented some changes seeking to adapt the portfolio to volatile markets and capture opportunities as they arise. In this sense, the underweight in Financials and Technology was further reduced by increasing the position in Intesa SanPaolo, STMicro and Infineon, while opening new positions in Teleperformance, within Industrials, and reducing the exposure to Carrefour, Unilever or Bunzl.

In terms of flows, this month the fund experienced €38.6mn of net inflows, representing a 5.9% of its NAV.

The fund has a 98.1% exposure to equities, at the high-to-midpoint of its investment range (90%-100%).

The manager currently holds overweight positions in Consumer Staples, Energy, Telecommunications and utilities, while remains underweight in Technology, Consumer Discretionary, Basic Materials, Financials, Industrials and Healthcare.

---

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](http://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](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).

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.