

Santander Multi-Asset Low Volatility

6 / 2022

Fund commentary

The downward revision of economic growth in different regions and the expected interest rate hikes by central banks have increased the probability of recession scenarios in the future. The still high inflation, both due to high demand and to the impact of the invasion of Ukraine, does not allow monetary policy to change course for the time being. In addition to the correction of world stock markets due to downward revisions in company earnings, commodity prices are also falling due to the slowdown in economic activity. Meanwhile, the dollar continues to appreciate against most currencies due to the geopolitical situation and the rate hike cycle.

In such a challenge environment, the fund declined -0.8 in the month, weighed down by both the basket of risky and defensive assets. Within the former due to emerging debt and high yield bonds and in the latter as a result of the widening of spreads on corporate debt. Sovereign bonds did not detract, even in the second half of the month they acted as a safe haven asset. Minor changes in portfolio composition, reducing high yield bonds and increasing inflation-linked bonds. Even so, the current portfolio yield increased to 1.47%, the highest since the fund's inception.

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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).

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