

Santander Multi-Asset Low Volatility

1 / 2021

Fund commentary

Financial markets started the year with risk assets rallying, maintaining a good performance at the end of last year, boosted by the seasonal effect. The further progress of the pandemic and the restoration of lockdown measures taken by various countries affected the real economy more than the financial assets.

In this context, the asset allocation model has kept the portfolio of risk assets and the defensive portfolio stable. Within the former, equities lose proportion to high yield and emerging fixed income. Within the defensive, there were no major changes.

At the end of January, therefore, the portfolio structure would be as follows:

O Risk assets: 11.9%

- Equities: 1.0%

- High Yield: 5.9%

- Emerging debt : 5.0%

O Defensive assets: 88.5%

- Sovereign Debt : 19.1%

- IG credit: 12.7%

- Inflation-linked bonds: 4.3%

- Monetary market: 52.4%

Note: The sum of both baskets is > 100% because the equity position is implemented via futures.

The fund posted slightly negative returns in January. The contribution to profitability was negative in terms of both the defensive portfolio and the risk assets. Within the former, sovereign and corporate debt have been reduced by the increase in bond yields. As for risk assets, emerging debt was the main issue, for the same reason. Credit spreads remain stable in this environment.

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

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