

AUGUST 2021

EQUITY DIVIDEND EUR



Category **Portfolio**

Currency **EUR**

Risk Level **Aggressive**

Geography **Europe**

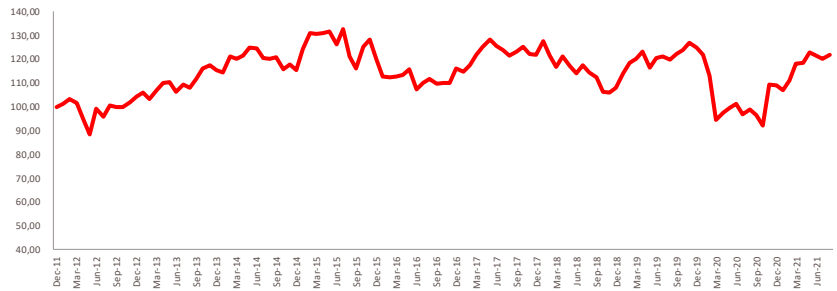
Investment Objective

The portfolio's investment objective is to seek out companies that are capable to pay a recurring dividend to which they have committed. The initial dividend yield of these portfolios exceeds their benchmark indices (MSCI Europe Net Total Return Index).

The stock selection philosophy is based on the search for large-cap companies with stable or positive earnings path, consistent dividend growth over the last five years, low debt ratios, solid free cash flow per share related to the dividend per share and a low pay-out ratio in order to avoid dividend cuts.

The portfolio will be composed by 30-35 companies. The diversification principle will be applied in the construction of the portfolio. The investments will be mainly in shares denominated in Euro.

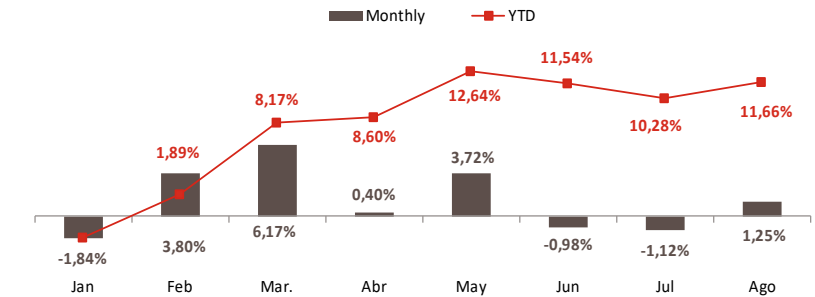
Performance Evolution



	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2021	-1,84	3,80	6,17	0,40	3,72	-0,98	-1,12	1,25					11,66
2020	-2,50	-7,28	-1,11	3,00	1,92	0,30	-4,74	1,87	-4,39	-4,91	1,97	-1,77	-11,66
2019	5,46	3,81	1,33	2,20	-5,85	3,14	0,01	-1,20	1,62	1,36	2,53	-1,76	15,37
2018	4,79	-4,67	-4,09	3,73	-3,15	-2,59	2,83	-2,56	-1,76	-5,53	-0,20	-6,83	-10,39
2017	-1,04	2,35	3,71	2,73	2,34	-2,13	-1,30	-1,81	1,37	1,53	-2,22	-0,46	4,95
2016	-6,10	-0,31	0,48	0,43	2,07	-7,35	2,63	1,42	-1,80	0,37	0,18	5,33	-3,31
2015	7,86	5,29	-0,35	0,26	0,52	-3,95	4,98	-8,56	-4,13	7,71	2,47	-6,46	4,09
2014	-0,66	5,85	-1,01	1,30	2,70	-0,24	-3,39	-0,05	0,39	-4,20	1,76	-2,06	-0,02
2013	1,56	-2,45	3,61	2,83	0,38	-3,73	2,64	-1,08	3,32	3,87	1,24	-1,75	10,57

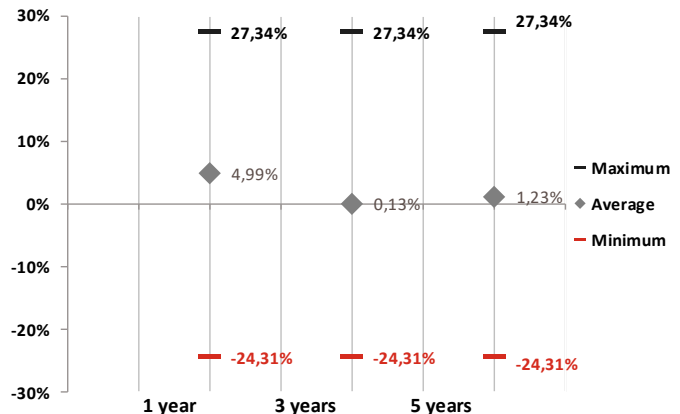
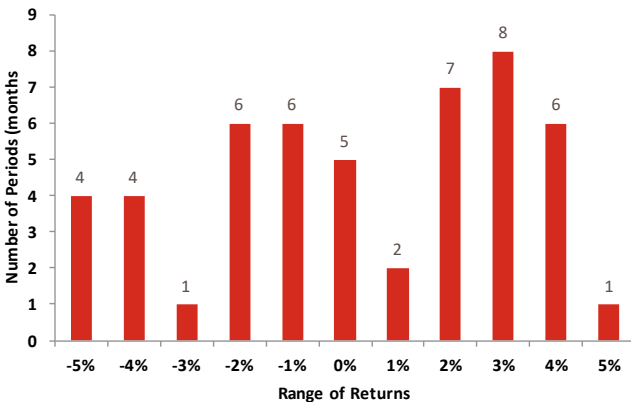
Risk Metrics

	YTD	1 year	3 years	5 years
Annualized Return	11,66%	25,64%	2,80%	3,19%
Volatility	9,92%	20,15%	18,03%	15,23%
Drawdown	-0,06%	-18,76%	-18,76%	-18,76%
Positive Months	62,50%	53,85%	54,05%	54,10%



*Past performance does not guarantee future performance

Distribution of Returns



EQUITY DIVIDEND EUR

Minimal initial investment	50.000 EUR
Management Fee	2,00%

Management Insight

The latest inflation data in the Eurozone showed an acceleration, standing at 3% year-on-year, marking a level not seen since 2011. On the other hand, business confidence, although at levels below the last reported data, remains at elevated levels and in line with strong economic growth, with the composite PMI at 59,5, the services PMI at 59,7 and the manufacturing PMI at 61,5.

In reference to the United States, inflation data remain in line with expectations, 5.4% year-on-year and 0.5% month-on-month. Confidence indexes also showed a slowdown in confidence but remained at levels of strong economic expansion, with the composite PMI at 55.4, manufacturing PMI at 61.2 and services PMI at 55.2.

In the United States, the expected Jackson Hole Fed meeting was held, at which Powell delivered an ambiguous speech. He indicated that the tapering phase of purchases could begin this year. However, this would not imply an immediate interest rate hike. Interest rate hikes could be seen later, but it will depend on macroeconomic variables at that time. As for the 10-year US Treasury yield, there has been little movement, moving from 1.22% to 1.31%.

In Europe, although during the month we have seen easing in government curves, the last days of the month have been marked by high inflation data and comments from several ECB members signaling that the discussion on when to start withdrawing the emergency mode of ECB stimulus should begin. The yield on the German 10-year government bond has risen from -0.46% to -0.38%, touching levels of -0.50%.

On the credit side, there have been no strong movements. Overall, with the support of Central Banks, credit seems to be sustained. In terms of markets, Wall Street indexes have been boosted at the end of the month due to the Fed Chairman's speech. This has led to rises in all indexes and record highs such as the S&P500, which has surpassed 4,500 points, with a monthly performance of 2.27% and a YTD of 20.41%.

Most European stock markets have also maintained an optimistic dynamic after Powell's speech. Thus, the Euro Stoxx 50 has a monthly performance of 2.62% and a YTD of 19.15%.

On the other hand, if we look at the performance of emerging markets, taking the MSCI Emerging Markets as a benchmark, with a monthly performance of 2.42% and a YTD of 1.35%, we see a great contrast with the benchmark indices of developed countries.

Top 10 Equity Holdings

SECURITIES	WEIGHT
1 BNP PARIBAS SA	5,55%
2 BANCO SANTANDER SA	5,53%
3 STELLANTIS NV PARIS EUR	5,39%
4 NOVO NORDISK A/S B	5,07%
5 ALLIANZ SE	4,75%
6 INDITEX SA	4,72%
7 DANONE SA	4,67%
8 TOTAL ENERGIES SE	4,57%
9 BRITISH AMERICAN TOBACCO PLC	4,31%
10 ACERINOX SA	4,28%

Performance Contributors

SECURITIES	YTD
ASML HOLDING NV	2,13%
NOVO NORDISK A/S B	1,77%
BANCO SANTANDER SA	1,58%
ACERINOX SA	1,34%
STELLANTIS NV PARIS EUR	1,21%
ACS SA	-0,13%
IBERDROLA SA	-0,14%
SAFRAN SA	-0,37%
AMADEUS IT GROUP SA	-0,52%
GRIFOLS ORD CL B	-0,64%

Andbank Asset Management

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