

A resilient cycle under energy-driven uncertainty

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GLOBAL CHIEF INVESTMENT OFFICE

2026 begins with a **macro environment** that remains resilient, but increasingly **shaped by two simultaneous forces: a geopolitical-driven energy shock and an accelerated wave of AI-led disruption**. While growth continues to hold, the balance of risks has shifted, with inflation proving more persistent and the outlook becoming gradually less positive.

The **current shock in the Middle East** is primarily transmitting through energy markets rather than through a broad deterioration in demand. As long as disruptions remain contained, **its impact should be inflationary rather than recessionary, introducing pressure on prices and expectations, but not derailing the cycle**.

At the same time, the rapid expansion of **AI investment is reinforcing activity and productivity, while driving a structural increase in capital expenditure**, particularly in digital and computing infrastructure. This combination supports earnings and valuations, which remain reasonable, but leaves risk premia compressed, pointing to a **more complex market environment where selectivity becomes critical**.

Constructive, but tested: Investing through energy and AI disruption

Our central thesis remains intact: growth is holding, earnings continue to deliver, and the macroeconomic backdrop remains broadly supportive.

What has changed is not the direction of the cycle, but its dynamics, shaped increasingly by the speed at which energy-driven shocks and technological disruption are feeding into the outlook.

We entered 2026 with a constructive view of the global cycle. Disinflation trends, a gradual move toward more neutral monetary policy, and strong corporate fundamentals provided a solid starting point. Importantly, the cycle was already being supported by a new investment impulse, particularly in AI and digital infrastructure, which is increasingly becoming a structural driver of growth.

At the same time, we recognized that the cycle would operate under tighter constraints. Fiscal imbalances remain elevated, geopolitical fragmentation has increased, and valuations, while not extreme, leave less room for disappointment. The first quarter did not invalidate this framework; rather, it made these constraints more visible.

As illustrated in our scenario framework, our central case remains a steady expansion supported by productivity gains and continued AI-driven investment. The downside is increasingly defined by geopolitical risk and energy dynamics, while the upside depends on a faster and broader diffusion of productivity gains across sectors.

In other words, the balance of probabilities still favours a constructive expansion, but dispersion across outcomes has widened meaningfully. The cycle is not breaking; it is being tested. The key shift is not weaker growth, but a repricing of risk and competitive advantage, both at the macro level and within markets. The task for investors is not to retreat, but to navigate this transition with discipline, selectivity, and conviction.

Markets are reassessing risk premia and competitive positioning, not because the expansion has broken, but because it is being tested.

Economic scenario framework: steady growth with rising uncertainty and tail risks

Growth remains intact, with the shock expected to be inflationary rather than recessionary.

Although the upside potential from productivity gains remains, downside growth risks are increasing

Source: Own elaboration

Negative 30%



A sustained escalation in Middle East tensions, particularly involving Iran, Israel and broader regional actors, would disrupt energy markets, supply chains, and inflation dynamics.

A sharper and more persistent energy shock could lead to higher inflation and tighter financial conditions, increasing the risk of policy missteps.

Rising fiscal deficits, elevated debt levels, and higher interest rates could tighten global financial conditions, weighing on growth and increasing market volatility.

Central 60%



Inflation is likely to stay persistent as growth moderates.

Global GDP is expected to grow around 3.0% in 2026, slightly lower due to higher energy prices and geopolitical uncertainty.

Inflation is easing more slowly and remains above target.

Capital expenditure in AI, digital infrastructure and energy, together with solid private sector balance sheets, continues to support activity.

Positive 10%



The upside scenario centres on stronger-than-expected productivity gains driven by faster and broader AI adoption.

Accelerated diffusion of AI into the real economy enhances efficiency, margins and growth potential across sectors.

Lower policy uncertainty would support business confidence and unlock higher levels of corporate investment.

Pro-growth fiscal policies, combined with resilient consumption and accumulated savings, could push global growth above 3.5%.

A cycle under geopolitical strain: Energy, security and market pricing

If last quarter was defined by a repricing of risk, the clearest signal came from energy. Recent events are highlighting how sensitive growth, inflation and policy expectations are to disruptions in oil flows and prices.

Recent geopolitical developments should be read through their economic transmission channels. **The key variable is not the geopolitical event itself, but its impact on energy flows and prices.** As illustrated by the sharp disruption in transit through the Strait of Hormuz, even temporary constraints in critical corridors can have immediate implications for global oil supply and pricing.

The market reaction, reflected in the rise in oil prices, shows how even moderate increases can generate a clear trade-off between inflation and growth. As the chart illustrates, higher oil prices translate into higher inflation across economies, while exerting a modest but visible drag on GDP. **As long as flows are ultimately maintained, the impact should be inflationary rather than recessionary.**

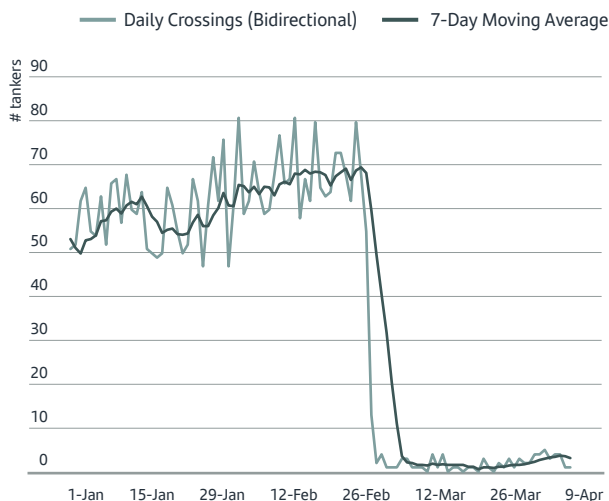
In this context, **the macro implications remain contained, but not negligible.** The shock is contributing to a mild stagflationary tilt, with higher inflation and a modest drag on growth, while also nudging monetary policy expectations slightly higher. Financial conditions have tightened modestly, but remain broadly supportive, consistent with adjustment rather than dislocation.

More broadly, this episode highlights how energy exposure and external balances are becoming increasingly relevant in explaining cross-country and cross-asset performance. **The impact of the shock is therefore better understood as asymmetric rather than systemic, reinforcing the importance of selectivity in allocation decisions.**

Energy shocks drive asymmetric outcomes, making diversification increasingly important.

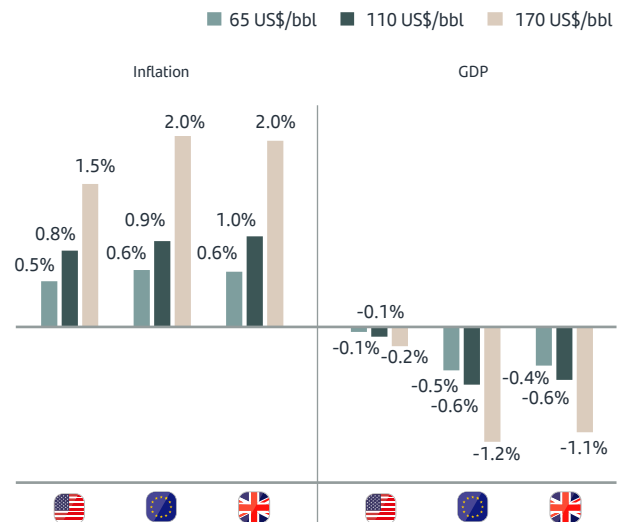
Disruption to oil transit through the Strait of Hormuz A sharp but likely temporary disruption to a critical global energy corridor

Source: Bloomberg. Data as of 04/09/2026



Oil price shocks: Impact on inflation and GDP in 2026 Oil price increases generate a stagflationary trade-off across economies

Source: Bloomberg SHOK. Data as of 04/09/2026



The AI Stress Test: Capital intensity, competition and market leadership

The corporate backdrop entered 2026 from a position of strength: earnings remain resilient, balance sheets are healthy and credit markets are functioning. As AI investment accelerates, markets are beginning to reprice the durability of business models. The cycle still holds, but the corporate landscape is being tested across three dimensions: capital intensity, competition and market leadership.

The first test is financial: can markets fund the AI infrastructure surge? Hyperscalers have sharply increased capex to expand data centers, secure chips and lock in long-term energy capacity, raising questions around funding sustainability and potential bottlenecks in power supply. So far, however, the picture remains reassuring: these companies are well capitalised, with strong cash generation and access to deep funding markets, while credit conditions remain stable.

The second test is economic: can AI disrupt existing business models faster than expected? Parts of the software and business services ecosystem have already underperformed, reflecting concerns around margin pressure, lower switching costs and reduced pricing power. This does not imply a structural decline in software, but rather a redistribution of profit pools. Disruption is real, and markets are beginning to price that reality more aggressively.

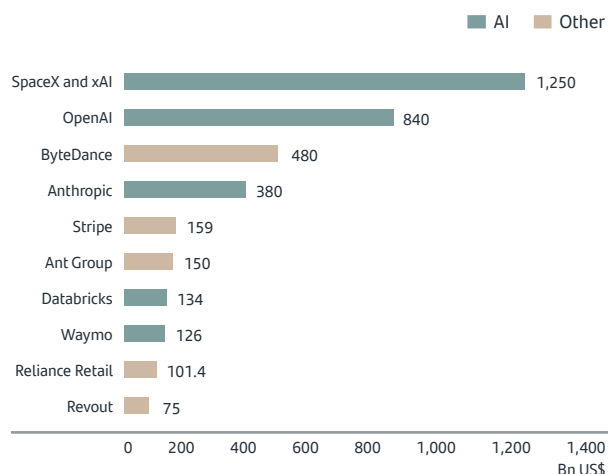
The third test is structural: how should investors interpret the rise of new AI leaders? The scale of private capital flowing into AI platforms, illustrated in the chart, highlights the emergence of a new generation of players with the financial strength to invest aggressively in talent, compute and distribution. This shift is making disruption increasingly credible and raising questions around market concentration, capital allocation and long-term competitive dynamics.

Taken together, these three forces are driving a repricing in markets. The durability of established business models is being reassessed, while new platforms are being rewarded for their ability to deploy capital at scale. The result is a **more selective market environment, with increasing dispersion between winners and losers.** The AI cycle is not just an opportunity, it is a selection mechanism.

Markets will reward AI companies that can deploy capital efficiently and scale infrastructure effectively.

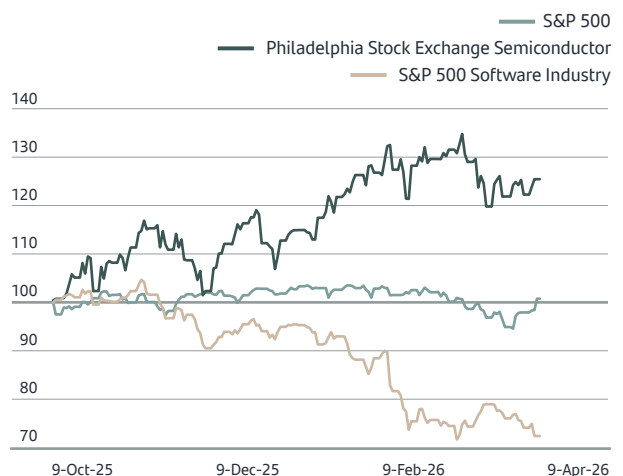
Estimated value of leading private start-ups (Bn USD) AI leaders are driving Pre-IPO valuation expansion

Source: Bloomberg, Reuters, Fintech Weekly, Tech Funding News. Data as of 04/09/2026



Differences within AI-related sectors performance AI is driving disruption across business models, creating winners and losers

Source: Bloomberg. Data as of 04/09/2026. (10/9/2025=100)



A resilient cycle under geopolitical and energy constraints

The global economy entered 2026 from a position of relative balance, with growth holding up, inflation gradually easing and financial conditions still broadly supportive. That starting point remains intact, helped by resilient demand, sound private-sector balance sheets and a continued wave of investment linked to AI, digital infrastructure and industrial upgrading.

What has changed is that this equilibrium has become more conditional. The geopolitical shock in the Middle East is transmitting mainly through the energy channel, putting upward pressure on oil prices, inflation expectations and rate pricing, while only modestly affecting growth so far. The result is not a systemic macro break, but a more constrained environment in which policy flexibility narrows and the margin for error becomes smaller.

At the same time, the impact of this shock is increasingly asymmetric across countries and sectors. Energy exposure, external balances and structural differences in efficiency are becoming more relevant in explaining relative performance, while AI-driven capex continues to create pockets of resilience and productivity support. Together, these forces are pushing the macro regime away from broad synchronisation and toward greater dispersion and selectivity

1. Macro equilibrium under pressure: The energy shock and its implications

The global economy entered 2026 in a position of balance, with growth and inflation converging toward ~3%, consistent with a soft-landing scenario. The post-pandemic adjustment had largely been absorbed, and the macro environment was transitioning toward expansion, supported by resilient labour markets, solid private demand and continued AI-driven investment. At the same time, this balance was increasingly dependent on stable external conditions, leaving the cycle more exposed to potential shocks.

This improving backdrop was also reflected in forward-looking indicators. As shown in the left chart the PMI data, business confidence had been recovering across developed economies, supporting investment and pointing to a more synchronised, albeit still moderate, global expansion. **The cycle was not only stable, but beginning to show early signs of re-acceleration**, particularly in manufacturing and investment-related activity, reinforcing the underlying momentum entering the year.

At the same time, disinflation was progressing, allowing central banks to adopt a more cautious easing bias. Financial conditions remained supportive, reflecting easing expectations, contained volatility and ample liquidity across major economies.

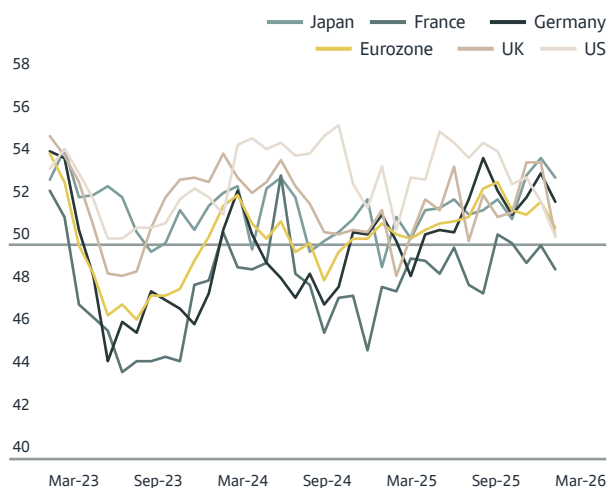
This **combination of moderating inflation and still-accommodative financial conditions provided a solid backdrop** for both consumption and investment, although the room for further policy support was gradually narrowing. However, this balanced environment is now being tested. The escalation of geopolitical tensions in the Strait of Hormuz introduces a negative supply shock through the energy channel, with potential spillovers to supply chains and financial markets.

While the impact on financial conditions has so far been limited, the shock is already introducing upward pressure on inflation expectations, creating a more complex macro trade-off. **The key question is whether the cycle can absorb higher inflation without triggering a more material slowdown in growth.**

The cycle holds, supported by AI and resilient demand. Energy disruption is now testing its ability to absorb higher inflation without a material slowdown.

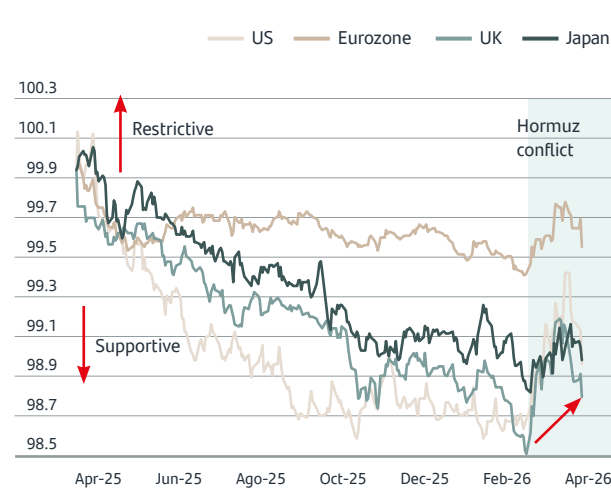
Business activity (PMIs) in developed economies Confidence was improving pre-shock, supporting a gradual re-acceleration in growth and investment dynamics

Source: Composite PMIs. Bloomberg. Data as of 04/09/2026



Financial conditions of major economies The geopolitical shock has had a limited impact so far, with financial conditions remaining broadly supportive despite rising uncertainty

Source: GS Financial Conditions index. Data as of 04/09/2026



1.1 From disruption to transmission: assessing macro impact

To assess the implications of the current geopolitical shock, we use a structured framework that focuses on how energy disruptions are transmitted into macroeconomic and market outcomes. The key is not the event itself, but the speed, duration and breadth of its transmission across the economy.

As illustrated in the table below, historical experience shows that the impact of energy shocks depends less on the initial event and more on their duration and the breadth of transmission. Short-lived disruptions tend to remain contained, while more persistent shocks propagate across inflation, financial conditions and growth.

In the early phase, markets react primarily to geopolitical uncertainty and supply risk, with energy prices acting as the first transmission channel. At this stage, the macro impact remains limited, as financial conditions tend to stay supportive and inflation expectations adjust only gradually. Higher energy prices are visible, but have not yet fully fed into real activity.

As disruptions persist, the transmission mechanism broadens. Higher input costs begin to feed into inflation, central banks adjust expectations for policy, and financial conditions start to tighten. This transition, from uncertainty to more persistent inflation pressure, marks the shift toward a more complex macro environment, where growth, inflation and policy dynamics become increasingly interlinked.

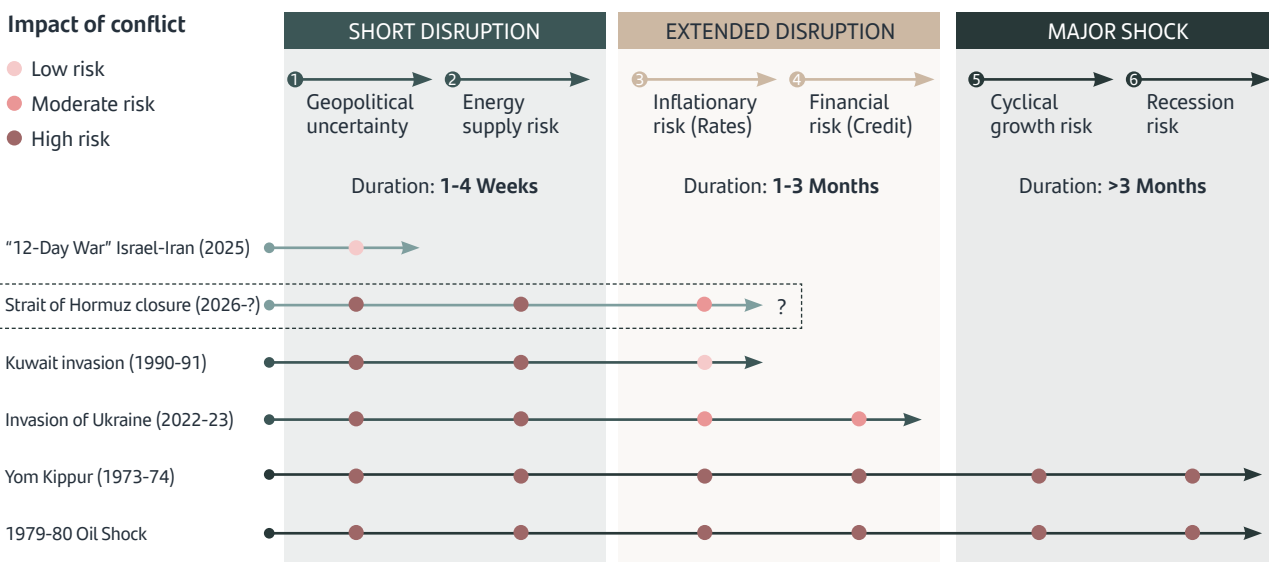
Only in more severe scenarios does the shock evolve into a broader macro dislocation, characterised by sustained inflation, tighter financial conditions and a more material slowdown in activity. The table highlights how this progression, from short disruption to persistent shock and, in extreme cases, to a major shock, depends critically on both duration and transmission.

The current episode, when compared with past shocks, suggests that while the energy disruption is significant, its transmission into financial conditions and real activity remains, for now, relatively contained.

Energy shocks are defined by transmission and persistence, with macro impact building over time.

From disruption to shock: how geopolitical risk transmits into the economy Energy shocks do not impact the economy immediately; their effect depends on duration and how they transmit into inflation, financial conditions and growth

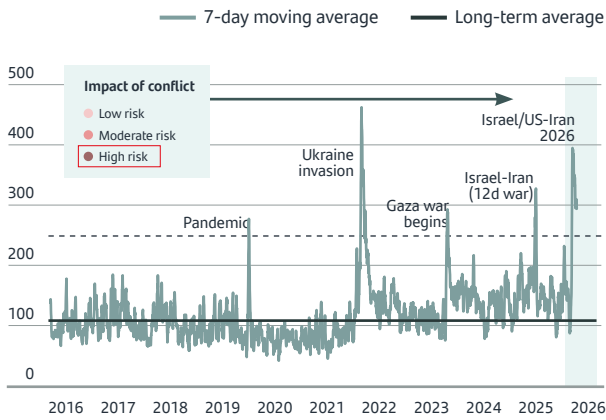
Source: Own elaboration



1. Geopolitical risk intensity

Geopolitical uncertainty remains elevated, reinforcing a fragile backdrop

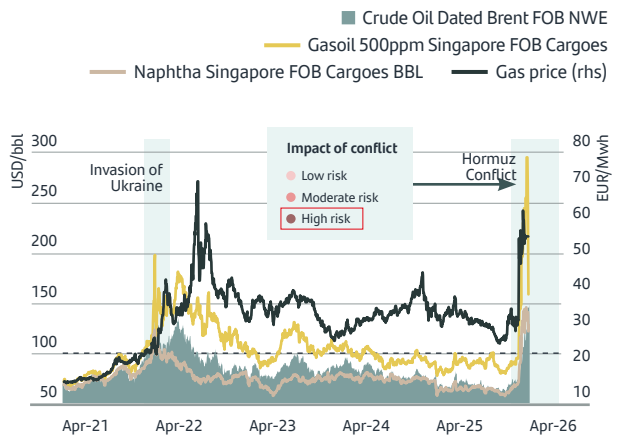
Source: Bloomberg (Caldara & Iacovello Geopolitical Risk Index). Data as of 04/09/2026



2. Energy supply shock through prices

Energy markets are pricing a meaningful supply disruption through higher prices

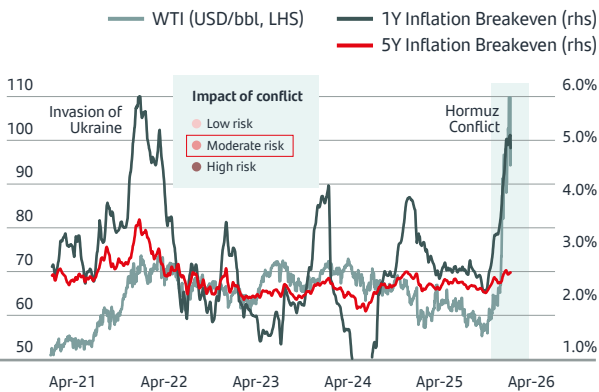
Source: Bloomberg . Data as of 04/09/2026



3. Transmission to inflation expectations

Short-term inflation pressures are rising, while long-term expectations remain anchored

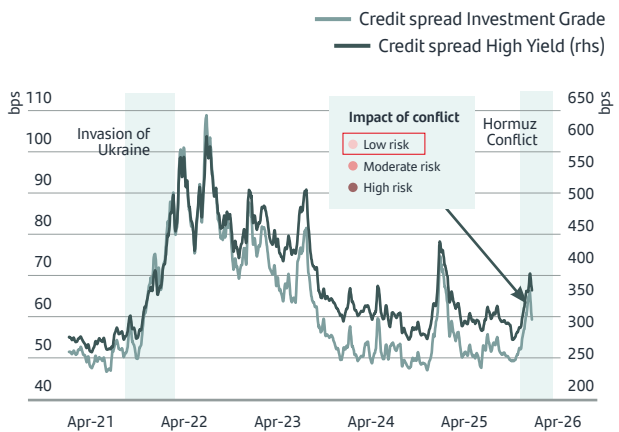
Source: Bloomberg. Data as of 04/09/2026



4. Impact on credit sentiment in the U.S.

Financial conditions remain supportive, with only modest repricing in credit risk

Source: Bloomberg (Markit) Data as of 04/09/2026



5. Equity market risk

Equity corrections remain contained, with no signs of market dislocation

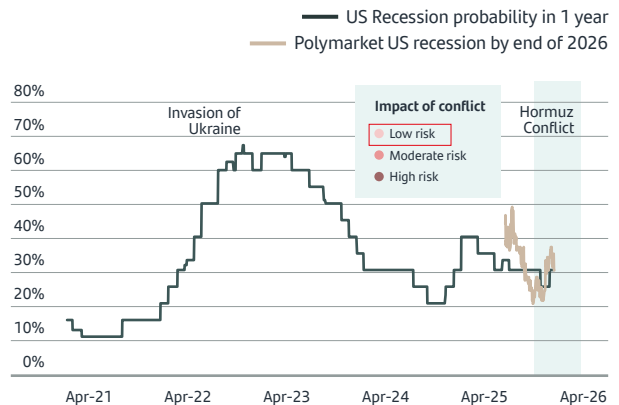
Source: Data as of 04/09/2026. Maximum Drawdown (MDD) measures the largest percentage drop from a portfolio's highest peak to its lowest trough before a new high is achieved



6. Economic shock likelihood

Recession risks remain moderate despite elevated uncertainty

Source: Bloomberg and Polymarket. Data as of 04/09/2026



1.2 From shock to persistence: how disruptive is this energy shock?

So far, this energy shock appears disruptive in an inflationary sense, but only moderately disruptive for growth: it is testing the economy's ability to absorb higher prices without yet pointing to a broader macro breakdown.

The key issue is how the shock transmits through the economy. **Its impact depends not only on the initial increase in energy prices, but on its persistence and the extent of pass-through** to input costs, inflation expectations and pricing behaviour.

This transmission is shaped by the current macro environment. Recent data had pointed to improving investment and manufacturing activity, alongside a disinflation process that allowed central banks to move gradually toward a less restrictive stance. Financial conditions remained broadly supportive, providing a relatively strong starting point.

However, this also creates a more delicate balance. With policy becoming less restrictive and margins still solid, firms retain some capacity to absorb higher costs, but also greater scope to pass them through. **The risk therefore shifts from immediate disruption to more persistent inflation dynamics.**

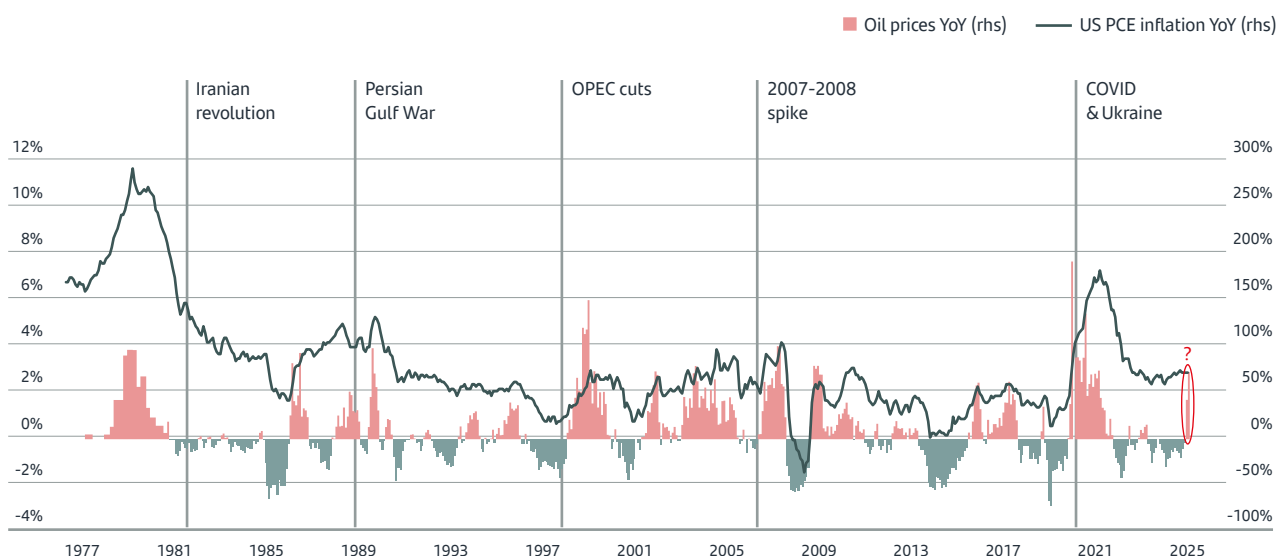
Against this backdrop, the escalation of tensions in the Strait of Hormuz represents a negative supply shock through the energy channel, with potential spillovers to supply chains and financial markets. **The key question is whether the cycle can absorb higher, energy-driven inflation without triggering a sharper slowdown in growth or tighter financial conditions.**

As the chart below shows, the transmission from energy shocks to inflation has historically depended not only on the initial magnitude of the price increase, but also on its persistence. Episodes such as the 1970s oil shocks and, more recently, the 2022 energy spike were marked by sustained and broad-based price increases, which fed strongly into inflation expectations and core inflation. By contrast, current developments appear more contained. While energy prices have risen and short-term inflation pressures are becoming visible, the pass-through to underlying inflation remains limited so far.

The shock is already lifting inflation; its duration will determine how sticky it becomes and whether growth takes a hit.

Inflation transmission (from a historical perspective): Not 2022, not the 70s Current inflation dynamics remain moderate relative to past energy shocks

Source: Bloomberg. Data as of 04/09/2026



1.3 Asymmetric impact: geographies and sectors under a prolonged energy shock

Although the global economy entered 2026 from a position of relative balance, the current environment is increasingly shaped by asymmetry rather than synchronisation. Growth and inflation still broadly support a soft-landing scenario, but external shocks are no longer affecting economies evenly. Beyond the immediate macro backdrop, two forces are driving this shift: the energy shock and accelerating AI-driven investment, both of which are creating greater divergence across economies and sectors.

On the one hand, investment is accelerating structurally. Corporate capex is being redirected toward digital infrastructure, data centers and AI-related capabilities, reflecting a broader industrial reconfiguration. This **investment cycle is increasingly contributing to economic growth**, reinforcing productivity and supporting a subset of sectors and regions with stronger exposure to technology and capital formation.

On the other hand, the **energy shock introduces a clear source of asymmetry across regions**. As illustrated in the chart on the left, market performance is increasingly driven by energy exposure, with net importers facing greater pressure as higher prices weigh on growth, margins and external balances. In contrast, exporters or less energy-dependent economies show greater resilience, highlighting how energy positioning is becoming a key driver of relative performance.

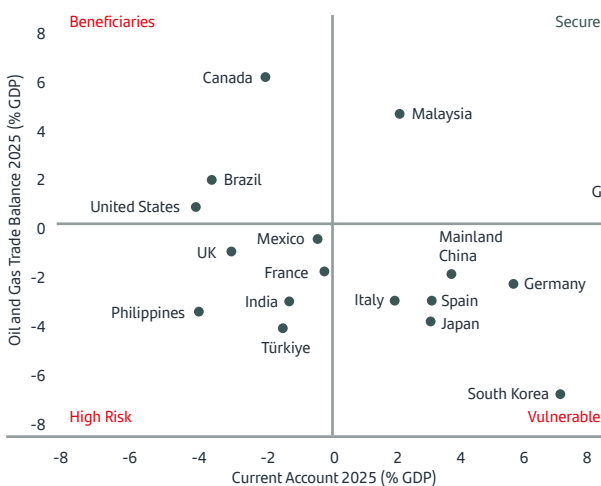
At the same time, structural differences in energy intensity also play a key role. Economies with lower energy dependence or greater diversification are better positioned to absorb the shock, as reflected in the chart on the right. This highlights how long-term improvements in energy efficiency are acting as a buffer, reducing the macro sensitivity to oil price shocks relative to past cycles.

In this context, the current environment is less about a broad-based deterioration in growth and more about increasing dispersion. The interaction between energy disruption and AI-driven investment is creating a more complex macro landscape, where outcomes diverge across countries and sectors. This shift reinforces the need to move beyond aggregate views of the cycle and focus on relative positioning and allocation.

In a scenario of persistent energy disruption, effects are expected to be uneven rather than systemic, amplifying cross-country and cross-sector divergence.

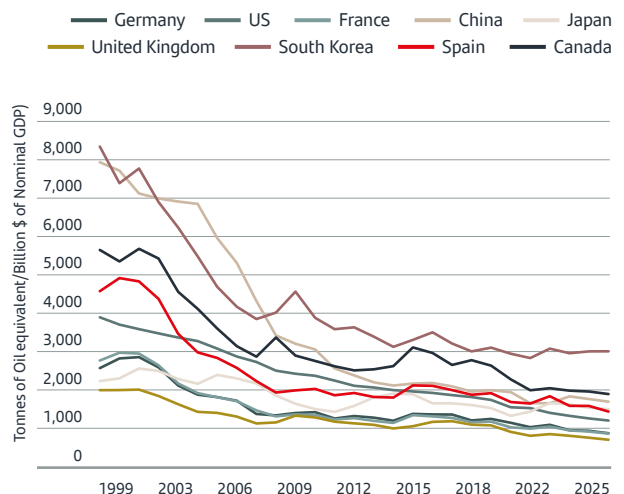
Current account position vs. oil and gas trade balance Each country's vulnerability to an energy shock varies depending on its dependence

Source: Bloomberg. Data as of 04/09/2026



Declining oil intensity across major economies Structural improvements in energy efficiency are cushioning the macro impact of oil shocks

Source: Bloomberg. Data as of 04/09/2026



1.4 A changing balance: Growth, inflation and monetary policy repricing

The geopolitical shock is no longer just a source of volatility, it is beginning to leave a visible imprint on the macro cycle. While the expansion remains intact, recent developments point to a shift in the balance between growth, inflation and policy. Growth is moderating, inflation pressures are re-emerging, and policy flexibility is becoming more constrained.

The first signs are visible in expectations. Growth projections are being modestly revised down, reflecting the impact of higher energy prices on real incomes and business confidence. At the same time, inflation expectations are edging higher, driven by oil prices and early pass-through effects. The result is a **mild but clear stagflationary shift in the outlook**.

This shift is most evident in monetary policy expectations. **Markets have moved from pricing a clear easing cycle to a more cautious stance**, with rate cuts being delayed, reduced, or in some cases reassessed entirely. In Europe, where sensitivity to energy shocks is higher, the adjustment is more pronounced. In the United States, the shift is more gradual, but the direction is the same: less easing, more optionality.

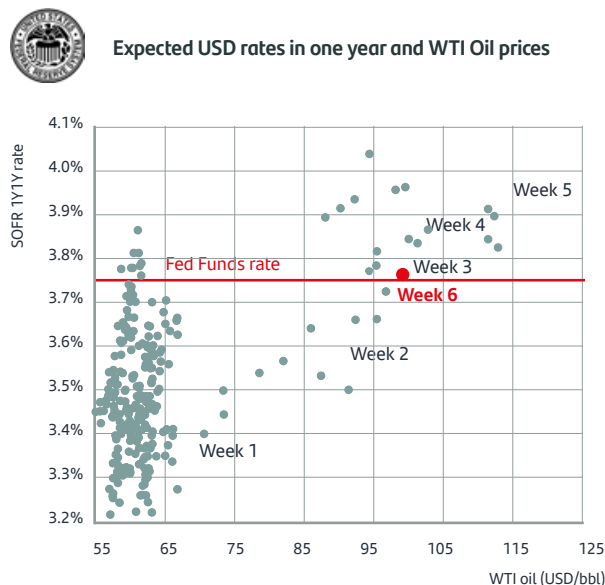
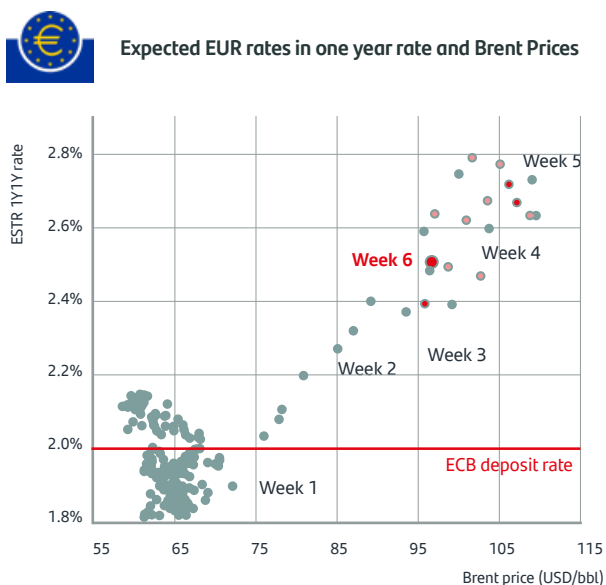
The charts below illustrate this repricing. As energy prices move higher, short-term rate expectations in both the Eurozone and the US have shifted upward, signalling a change in the policy reaction function. Markets are no longer assuming that central banks will fully look through the shock, but are **increasingly pricing the risk that inflation persistence limits the scope for easing**.

Despite this adjustment, the broader macro framework remains constructive, but more constrained than before. The cycle continues to be supported by resilient demand, ongoing investment, particularly linked to AI, and broadly stable financial conditions. However, the margin for error has narrowed, and the trajectory of **growth will increasingly depend on how the energy shock evolves and how persistent its inflationary impact proves to be**.

Markets are repricing the macro outlook: an energy-driven inflation shock that would make the policy path more constrained and potentially more hawkish.

Higher oil prices are pushing rate expectations higher Markets are repricing rates as energy-driven inflation risks increase

Source: Bloomberg. Data as of 04/09/2026. Each point represents one day since the start of the conflict. The points marked as "week" represent the end of each week



1.5 Beyond the shock: How AI is reshaping the macro landscape

While the energy shock dominates the short-term narrative, it is not the only force shaping the macro environment. A second, equally important dynamic is gaining traction: the early macroeconomic impact of the AI-driven investment cycle. This shift is already visible and is beginning to reshape both the drivers and the composition of growth across economies.

First, **investment is accelerating structurally**. Corporate capex is being increasingly directed toward digital infrastructure, data centers and AI-related capabilities, reflecting a broader industrial reconfiguration. This is not a cyclical rebound, but a structural shift: economies are investing simultaneously in digital infrastructure, energy systems and supply chain resilience. Even outside AI, investment is recovering from low levels, reinforcing the idea that capital formation is becoming a key driver of growth.

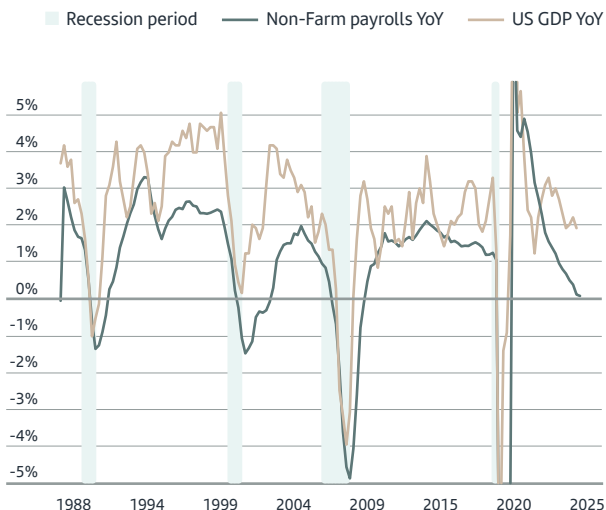
Second, the **labor market is beginning to adjust, albeit in a non-traditional way**. While employment data in the US remains resilient, underlying dynamics point to a more cautious hiring environment. Payroll growth is stabilizing and job creation is moderating, consistent with a “low hiring, low firing” regime. Companies are not aggressively reducing headcount, but they are increasingly delaying new hiring decisions as they reassess future labor needs in a more automated, AI-enabled operating model.

This combination is producing an important macro shift: activity remains stable, but its composition is changing. Employment intensity is declining, while capital intensity is increasing. In other words, **economies can sustain growth without requiring the same pace of job creation, as productivity gains begin to offset labour demand**. This transition is consistent with recent data showing consumption growth moderating but remaining positive, supported by still-healthy household balance sheets. This dynamic is most visible in the United States, where AI investment is already contributing meaningfully to growth and helping offset cyclical headwinds. In Europe, the picture is more mixed, with investment improving but still constrained by weaker momentum and higher sensitivity to energy prices.

Beyond energy, AI is redefining the economic cycle: it drives investment and productivity while changing the composition of growth.

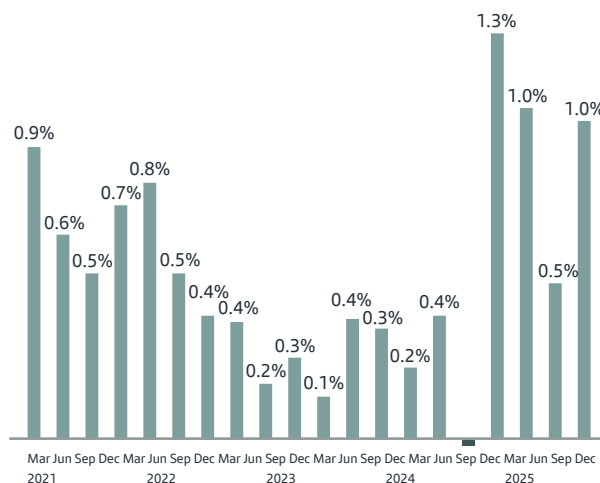
Resilient growth despite slower job creation in the US Activity remains stable, supported by productivity gains despite slower hiring

Source: Bloomberg. Data as of 04/09/2026



Tech investment is boosting economic growth in the US (% contribution to GDP) AI is emerging as a key offset to cyclical and macro headwinds, supporting growth

Source: Bloomberg. Data as of 04/09/2026



1.6 Macroeconomic forecasts

Data as of 04/09/2026

Economic Growth

Global economic growth is expected to be around 3.1% in 2026, marking a more balanced phase of the cycle. Policy support and productivity gains are offsetting trade frictions and structural challenges, although the conflict with Iran introduces an additional source of risk through the energy channel. Advanced economies are consolidating soft landings, with solid growth in the United States (around 2.6%) and more moderate expansion in Europe (Eurozone 0.8%, United Kingdom 0.7%), where higher energy costs could act as an additional drag. Meanwhile, emerging economies continue to expand at a moderate pace, albeit somewhat more subdued than in previous years, supported by investment and domestic demand.

GDP (YoY%)	2025	2026e	2026	2027e	2027
			Consensus		Consensus
World	3.2	3.1	3.0	3.0	3.1
United States	2.1	2.6	2.2	1.8	2.0
Eurozone	1.4	0.8	1.1	0.9	1.4
United Kingdom	1.3	0.7	0.8	1.2	1.2
Germany	0.4	0.6	0.8	1.1	1.4
France	0.8	0.9	0.9	0.8	1.0
Italy	0.5	0.5	0.6	0.5	0.8
Spain	2.8	2.0	2.2	1.5	1.9
Brazil	2.3	2.0	1.8	1.4	1.8
Mexico	0.6	1.7	1.5	2.3	1.9
Chile	2.4	2.2	2.2	3.0	2.5

Price Stability

Headline inflation is expected to remain relatively stable in 2026, with some regional divergence (US ~3.1%, Eurozone ~2.9%, UK ~3.0%). Cooling labor markets should ease services pressures, though US tariffs and Iran-related energy risks could add upward pressure, especially in Europe. Inflation expectations remain anchored, supporting global price stability, albeit with upside risks.

Inflation (YoY%)	2025	2026e	2026	2027e	2027
			Consensus		Consensus
United States	2.7	3.1	3.1	2.1	2.5
Eurozone	2.1	2.9	2.3	2.2	2.0
United Kingdom	3.4	3.0	2.9	2.4	2.4
Germany	2.2	3.1	2.5	2.3	2.1
France	0.9	2.1	1.8	1.6	1.7
Italy	1.7	2.7	2.1	2.1	1.8
Spain	2.7	3.2	2.7	2.5	2.0
Brazil	5.0	4.1	4.1	4.1	3.9
Mexico	3.8	4.0	4.0	4.0	3.8
Chile	4.2	3.4	3.2	3.0	3.0

Monetary policy

Our central-bank outlook remains consistent with a constructive macro backdrop, but the conflict has made the path of easing more cautious, gradual and regionally uneven. Compared with the original 2026 outlook, policy rates are still expected to move lower overall, yet central banks now have less room to cut quickly as geopolitical tensions raise the risk of renewed inflation pressure. We do not expect the rate hikes that the market is now pricing in for the euro area. The U.S. and the Eurozone still broadly fit the soft-landing narrative, while the UK looks more constrained and Latin America, especially Brazil, remains on a more prudent path. In short, the war has not changed the direction of travel, but it has reduced policy flexibility and increased divergence across central banks.

Official CB Rates (%)	2025	2026e	2026	2027e	2027
			Consensus		Consensus
United States	3.75	3.50	3.50	3.25	3.25
Eurozone	2.15	2.00	2.03	2.50	2.11
United Kingdom	3.75	3.75	3.42	3.25	3.25
Brazil	15.00	12.50	12.67	12.00	10.89
Mexico	7.00	6.50	6.48	6.50	6.50
Chile	4.50	4.25	4.39	4.25	4.28

Foreign Exchange Markets

Geopolitical and financial factors could put pressure on the USD in 2026, which could support gradual depreciation over the medium term. In the short term, however, it may remain supported as a safe haven amid risks around the Strait of Hormuz, despite a weaker structural backdrop. Emerging market currencies with strong fundamentals should stay resilient, though volatility may rise due to trade and tariff shifts.

FX vs. USD	2025	2026e	2026	2027e	2027
			Consensus		Consensus
EUR	1.17	1.19	1.19	1.21	1.20
GBP	1.33	1.30	1.35	1.34	1.38
BRL	5.40	5.60	5.40	5.70	5.40
MXN	18.50	18.00	17.84	18.75	18.20
CLP	940	880	886	850	883

Source: Santander Private Banking, Bloomberg.

Technological disruption and market transition: From direction to dispersion

Markets remain supported by solid fundamentals: earnings are resilient, balance sheets are healthy and the macro backdrop is still constructive. But the nature of market leadership is changing. What was initially a broad rally driven by liquidity and confidence in the cycle is evolving into a more selective phase, where investors are differentiating more sharply across sectors, business models and capital structures.

Artificial intelligence sits at the centre of this transition. Markets are no longer simply rewarding exposure to AI; they are reassessing who can capture its benefits, who can fund the required infrastructure and which incumbents may be disrupted by it. This is driving a repricing across software, and hyperscalers, while elevating the importance of capital intensity, execution capability and business-model resilience.

As a result, the market environment is becoming more fragmented and more demanding. Valuations still rest on credible earnings and investment support, but compressed risk premia leave less room for disappointment. In this setting, returns depend less on broad market direction and more on selectivity across geographies, sectors and securities, reinforcing the case for active allocation and diversified sources of exposure.

2. Markets: strong fundamentals, but a more demanding environment

The acceleration of artificial intelligence is reshaping markets beyond a simple growth narrative. What was a cycle driven by liquidity and multiple expansion is becoming one defined by dispersion, capital intensity and a more selective repricing of risk. Market leadership is narrowing and financing dynamics are gaining importance.

At the index level, fundamentals still provide support. As the chart on the left shows, equity markets remain anchored by earnings growth, while the chart on the right highlights that profit resilience is broadening beyond technology. **This suggests the cycle remains intact, even as markets become more selective in pricing future winners.**

Beneath the surface, however, the environment is shifting. The first phase of the AI rally rewarded exposure broadly; it is now giving way to a more selective market, where investors are reassessing value capture, disruption risk and the ability of incumbents to adapt.

At the same time, AI is increasingly a story about scale, infrastructure and financing. New players are emerging rapidly, while hyperscalers are committing record capital to data centres, compute and energy. This is reshaping the financial profile of market leaders and making **capital allocation and balance-sheet strength more relevant.**

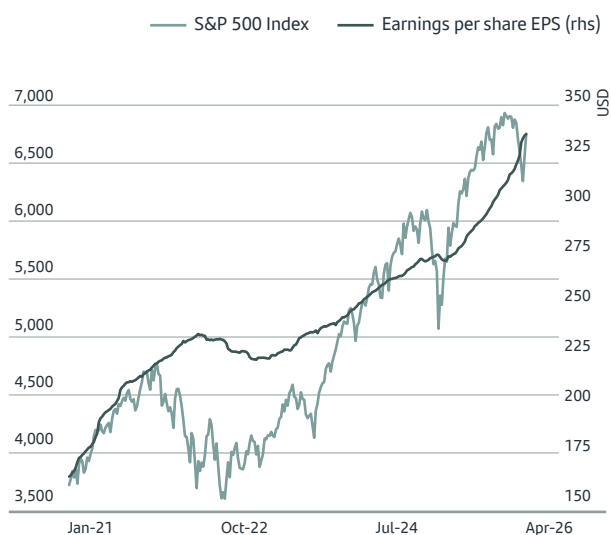
As a result, scrutiny is extending into credit and private markets, with investors differentiating more clearly between balance-sheet strength and business-model resilience. **This reflects a repricing process rather than systemic stress.**

Overall, the cycle is still supported by earnings and investment, but the market is becoming more disciplined and selective.

Investors are now placing greater emphasis on the execution, discipline, and resilience of business models.

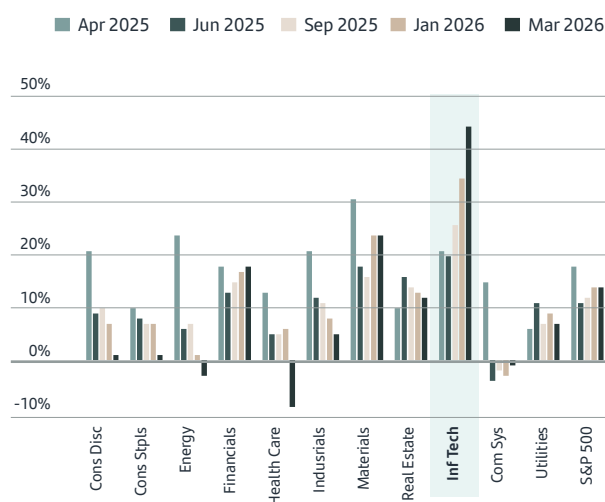
Performance remains anchored in fundamentals Strong earnings trends continue to support equity markets

Source: Bloomberg. Data as of 04/09/2026



Earnings growth (YoY) remains resilient with increasing dispersion Earnings momentum is led by technology, supporting overall growth

Source: ASR Ltd. and Santander. Revisions to Q1 2026 earnings growth in different periods



2.1 AI disruption: from momentum to selective repricing

The first weeks of 2026 have marked a shift in market dynamics. Although indices are back in positive territory after the decline caused by the Strait of Hormuz conflict, the reality is more complex: dispersion across sectors and business models has increased, suggesting that markets are beginning to reassess the implications of the AI cycle.

This repricing has been most visible in technology, particularly within software. Several high-profile names have seen sharp corrections, with declines of 20–30%. In many cases, valuations had been stretched (Adobe, Intuit, ServiceNow), while others, such as Salesforce, have corrected more due to a reassessment of future competitive positioning. **The market is no longer questioning growth itself, but who will ultimately capture it.**

The driver of this shift is a **change in perception around the speed and breadth of AI adoption**. Implementation is advancing faster than expected, particularly in enterprise environments. **New players such as Anthropic are gaining traction** in areas like workflow automation, coding and decision support, reducing entry barriers and challenging the traditional advantages of incumbents.

As a result, **markets are beginning to price a more disruptive scenario**. AI agents, automation and robotics are expanding the scope of disruption beyond technology into services, industry and business models.

Companies reliant on scale, distribution or incremental innovation are increasingly being **challenged by platforms capable of delivering step-change productivity gains**.

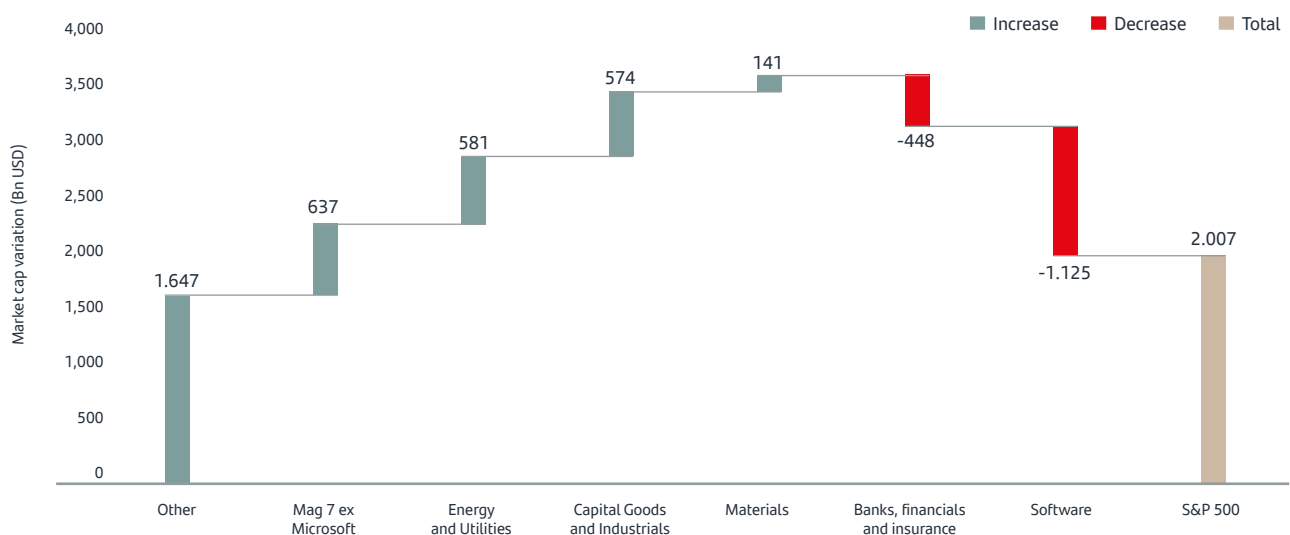
Markets are transitioning from broad optimism to differentiation, moving from rewarding exposure to rewarding execution. The key question is no longer whether AI will transform the economy, but how quickly, and who will be left behind.

Markets are moving from pricing AI growth to pricing its disruption: who benefits, who adapts and who is displaced.

The performance of the S&P 500 masks a strong sectoral divergence

The physical infrastructure needs of AI and its disruptive potential are redefining valuations

Source: Bloomberg Data as of 16/09/2026. Market cap variation YTD



2.2 The AI disruptors: speed, scale and systemic impact

The current wave of artificial intelligence is not simply being led by new companies; it is being defined by them.

OpenAI, Anthropic and xAI represent a new category of firms: not incremental innovators, but systemic disruptors capable of reshaping industries at unprecedented speed. What defines them is the velocity of scaling. OpenAI, for example, is on track to become one of the fastest companies to reach \$100 billion in revenues according to analysts' and the company's own estimates, outpacing previous leaders such as Google, Amazon or Meta. This is not a traditional adoption curve, but a step change driven by simultaneous penetration of consumer and enterprise use cases.

This acceleration is supported by an unprecedented ability to attract capital. These firms operate at a scale typically reserved for public markets, yet remain private. OpenAI's latest funding round has pushed its valuation above \$800 billion, while Anthropic and xAI continue to raise capital at rising valuations. The result is a new dynamic: **private companies with public-market scale and systemic relevance.** Profitability is not the immediate objective; these firms prioritise speed, scale and ecosystem dominance, investing heavily in compute, data infrastructure and model development.

The strategic logic is clear. **Artificial intelligence is not a single market, but a horizontal technology layer.** These companies are positioning themselves not only as products, but as infrastructure, able to disrupt multiple industries simultaneously, from search and advertising to software, consulting and core business.

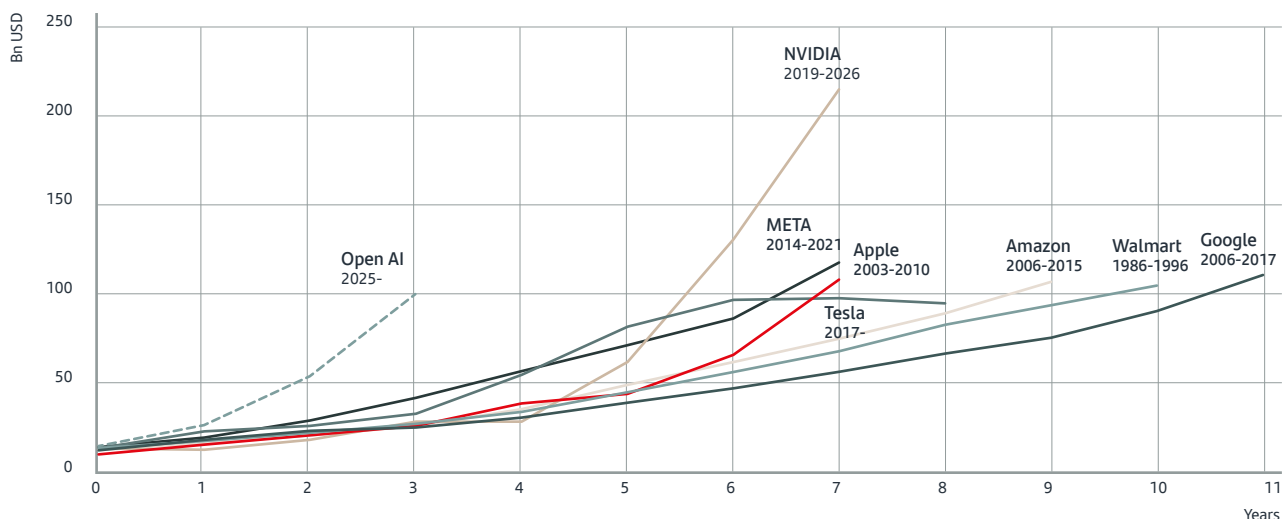
The next phase of disruption is likely to move into public markets. **A pipeline of IPOs is building, with OpenAI, Anthropic and xAI expected to list at some of the largest valuations in history.** These listings will redefine global capital allocation, introducing a new class of "must-own" assets and reinforcing artificial intelligence as a central driver of growth. The result is a structural shift led by a small group of companies combining technological leadership, capital intensity and speed of execution.

AI isn't just a sector, it's a disruptive force. A new generation of companies is scaling up at an unprecedented pace, redefining industries and the global allocation of capital.

Years from 10Bn USD to 100Bn USD in revenues

The AI cycle is driving the fastest revenue scaling in tech history, with adoption and monetisation accelerating beyond previous innovation waves

Source: Bloomberg. Data as of 04/09/2026. Data from <https://epoch.ai/gradient-updates/openai-is-projecting-unprecedented-revenue-growth>. OpenAI is projecting unprecedented revenue growth. No company has gone from \$10B to \$100B as fast as OpenAI projects to do.



2.3 AI acceleration demands unprecedented investment

Artificial intelligence is driving a structural shift in the business model of hyperscalers.

Companies that historically operated with asset-light models and strong free cash flow generation are now entering a phase of significantly higher capital intensity. The need to build and scale data centres, secure compute capacity and expand energy infrastructure is **transforming the economics of the sector, from flexible, high-margin models to more fixed and investment-heavy structures.**

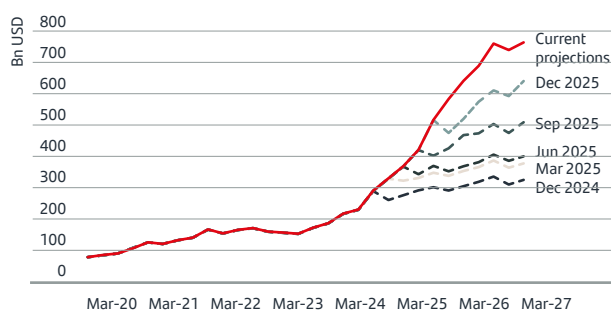
This investment cycle is reshaping financial dynamics. A growing share of operating cash flow is being reinvested into capex, reducing the capacity for shareholder returns and, in some cases, increasing leverage. As a result, traditional drivers of value, such as margin expansion and capital efficiency, are being complemented, and in some cases replaced, by the ability to deploy capital at scale and sustain long-term investment cycles.

Markets are beginning to reflect this transition. While financing conditions remain broadly stable, **investor behaviour is becoming more selective**, with increasing differentiation across companies based on investment intensity, execution capabilities and balance sheet strength. Hyperscalers are no longer perceived as a homogeneous group, but as companies entering a new competitive phase where capital allocation and strategic positioning will be critical.

AI is driving a structural shift in hyperscalers: from asset-light models to capital-intensive, scale-driven competition.

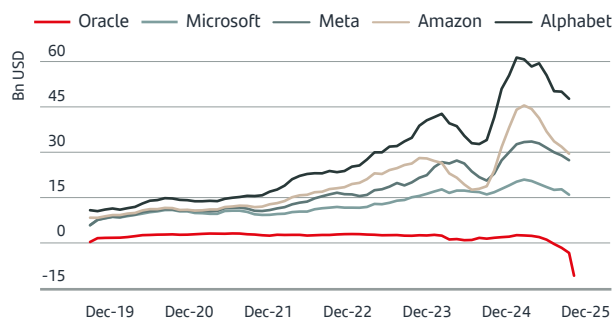
AI capex projections Hyperscalers are accelerating investment in AI infrastructure

Source: Bloomberg. Data as of 04/09/2026



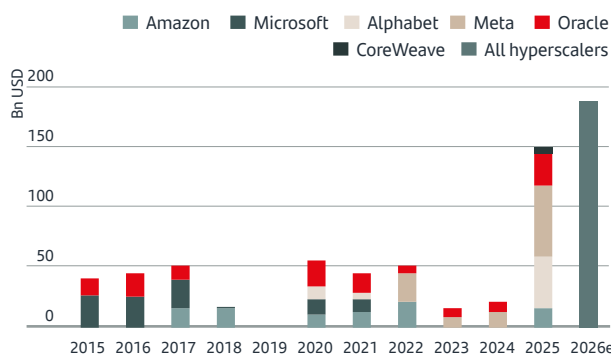
Cash flow generation of hyperscalers Rising investment is putting pressure on free cash flow generation

Source: Bloomberg. Data as of 04/09/2026



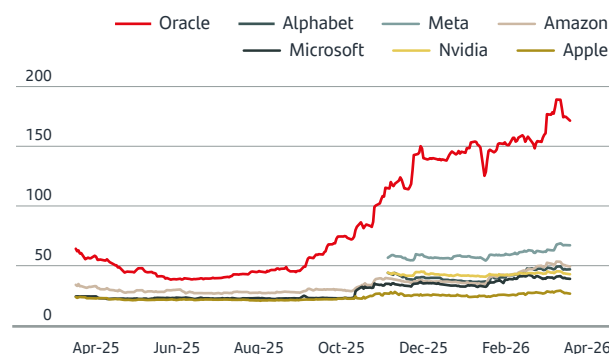
Hyperscalers' debt issuance Debt markets are playing a growing role in funding AI investment

Source: Bloomberg. Data as of 04/09/2026



Hyperscalers' debt issuance Credit spreads remain contained, with widening limited to specific issuers

Source: Bloomberg. Data as of 04/09/2026



2.4 Navigating dispersion in a more constrained environment

The macro environment remains supportive, but increasingly less forgiving.

The combination of geopolitical tensions, higher energy prices and a more constrained monetary backdrop is introducing a mild stagflationary bias, with lower growth, higher inflation and reduced policy flexibility. While this does not point to an imminent recession, it implies a more limited upside for risk assets and a greater need for active positioning.

In this context, geography is becoming a key driver of performance. Dispersion across markets reflects structural differences in energy exposure and external balances. Net importers of energy are under pressure as higher oil and gas prices weigh on growth, margins and consumption, while exporters and less exposed economies show greater resilience. This reinforces the importance of selective geographic allocation, particularly if energy disruption proves more persistent.

At the sector level, a similar pattern is emerging. Markets are increasingly differentiating between business models, with companies more exposed to input cost pressures and margin compression underperforming. At the same time, segments such as technology, especially software, are undergoing a reassessment as AI-driven disruption reshapes competitive dynamics. This is leading to a more balanced view of opportunities and risks across sectors.

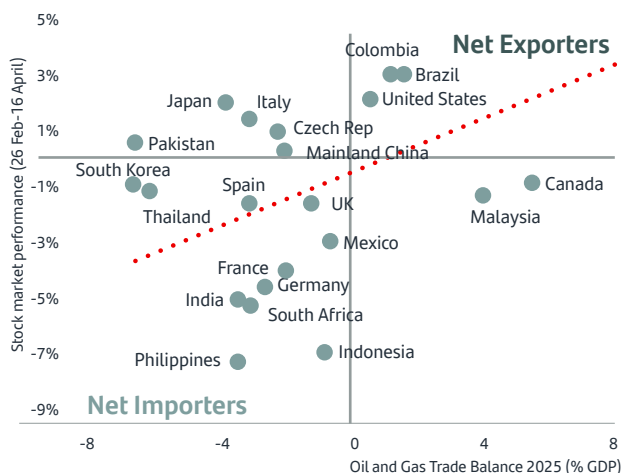
Valuations have adjusted meaningfully, moving away from previous levels of exuberance toward a more disciplined pricing of future growth. This adjustment is, in our view, a healthy development: risk premia have increased, and expected returns are now better aligned with underlying uncertainties. Importantly, fundamentals remain broadly stable, creating opportunities for selective exposure.

The key implication is clear: this is no longer a market driven by broad directional trends, but by increasing dispersion. Tactical allocation across geographies, sectors and individual securities becomes critical in navigating an environment shaped by cyclical pressures and structural transformation.

Markets are moving from directional trends to dispersion, making geography, sector and security selection the main drivers of returns.

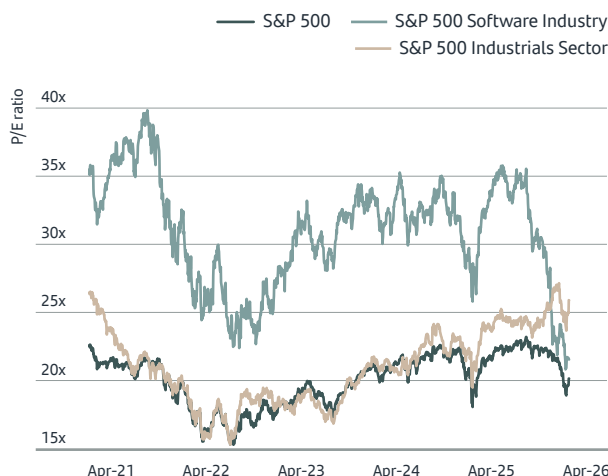
Oil and gas trade balance vs. equity performance since the start of the Hormuz conflict
Markets are rewarding energy exporters and penalising import-dependent economies

Source: Bloomberg. Data as of 04/16/2026



From premium to pressure: Software valuations (P/E ratio) reprice
Investors are reassessing valuations of business models exposed to AI disruption

Source: Bloomberg. Data as of 04/09/2026



2.5 Safe havens in a more uncertain world

Recent geopolitical escalation has reinforced the role of traditional safe-haven assets, while triggering a broader repositioning across currencies and commodities.

As shown in the chart, the **US dollar has strengthened in recent weeks**, reaffirming its role as a short-term safe haven during periods of acute stress. This reflects both its reserve currency status and the relative insulation of the US economy from energy shocks.

As a net energy exporter, **the US remains less exposed than many emerging and energy-importing economies**, which are more vulnerable to terms-of-trade deterioration.

At the same time, **gold has experienced a partial correction after a period of strong appreciation**, reflecting positioning adjustments rather than a structural shift in demand. The combination of a stronger dollar and profit-taking has driven this move, but **gold continues to play an important role as a strategic hedge in a fragmented geopolitical environment**.

From an allocation perspective, these dynamics reinforce the **importance of diversification over directional positioning**. While geopolitical risks can trigger episodic volatility, the primary drivers of market conditions remain interest rates and financial conditions. Recent tightening has been the main source of stress, even as overall conditions remain broadly supportive.

Portfolio construction should therefore remain balanced. Fixed income continues to regain its role as a stabiliser, providing both income and diversification.

At the same time, equities remain supported by resilient earnings and ongoing investment, particularly linked to AI, although returns are becoming increasingly dispersed across sectors and regions.

In a more uncertain world, safe-haven dynamics are evolving, with currencies and precious metals reacting differently to geopolitical risk.

Shifting but not broken: safe-haven dynamics in geopolitical stress

Gold reflects a structural shift toward real assets, while the USD remains a short-term safe haven

Source: Bloomberg. Data as of 04/09/2026



Investment ideas: Positioning for a world of dispersion

The first implication for portfolios is that value creation is shifting toward the enablers of structural growth. In the AI theme, the opportunity increasingly lies not only in platforms and applications, but in the infrastructure behind them: semiconductors, computing capacity, electrification, grid investment and industrial systems able to support a more capital-intensive digital economy.

The second implication is that the energy shock should be approached through asymmetry rather than through a single directional macro view. Higher energy prices are affecting regions and sectors unevenly, favouring exporters, businesses with pricing power and assets that can act as strategic hedges. This reinforces the importance of geographic selection and of maintaining exposure to areas that can better absorb inflation and external-balance pressure.

The third implication is that markets are increasingly driven by dispersion rather than beta. In this environment, quality within equities, the stabilising role of fixed income and a more active allocation framework become more important. As differences widen across sectors, regions and business models, portfolio construction needs to focus more clearly on resilience, relative value and the ability to adapt positioning as the cycle evolves.

3.1 Capturing the AI infrastructure buildout

The current phase of the AI revolution is no longer defined by expectations, but by execution. Investment is accelerating across digital infrastructure, energy systems and industrial capacity, transforming what was once a low-capex, high-margin technology model into a far more capital-intensive ecosystem.

From an investment perspective, this marks a shift in where value is created, shifting away from the most visible growth stories and toward the underlying enablers of that growth.

Companies best positioned are not only those that innovate, but those that can deploy capital at scale, secure access to critical inputs such as energy and computing power, and sustain long-term investment cycles.

As a result, the opportunity set is broadening beyond traditional technology exposure, requiring a more comprehensive and selective approach to capturing the AI theme.

The first key idea is centred on semiconductors and **computing infrastructure**, where demand continues to outpace supply. AI adoption is accelerating across both consumer and enterprise applications, while **investment in advanced chips, memory and processing capacity remains a structural bottleneck**. This dynamic supports strong revenue visibility and sustained pricing power for leading players.

The second idea focuses on **energy and electrification**, which are emerging as critical constraints in the development of AI infrastructure. The increasing power intensity of data centres and digital networks is driving **structural demand for electricity generation, grid expansion and energy efficiency solutions**. This positions utilities, energy infrastructure providers and industrial suppliers as key beneficiaries of the cycle.

The third idea lies in **industrial automation** and real-economy adoption, where the impact of AI is being translated into productivity gains. **Companies integrating AI into manufacturing, logistics and services** are likely to capture incremental margins and efficiency improvements, benefiting both from the investment cycle and the operational transformation it enables.



3.2 Positioning for an asymmetric energy shock

The current geopolitical environment is best understood through its economic transmission, with energy acting as the primary link between geopolitical events and macro outcomes. Higher energy prices are not triggering a systemic downturn, but they are reshaping the distribution of growth and inflation across economies.

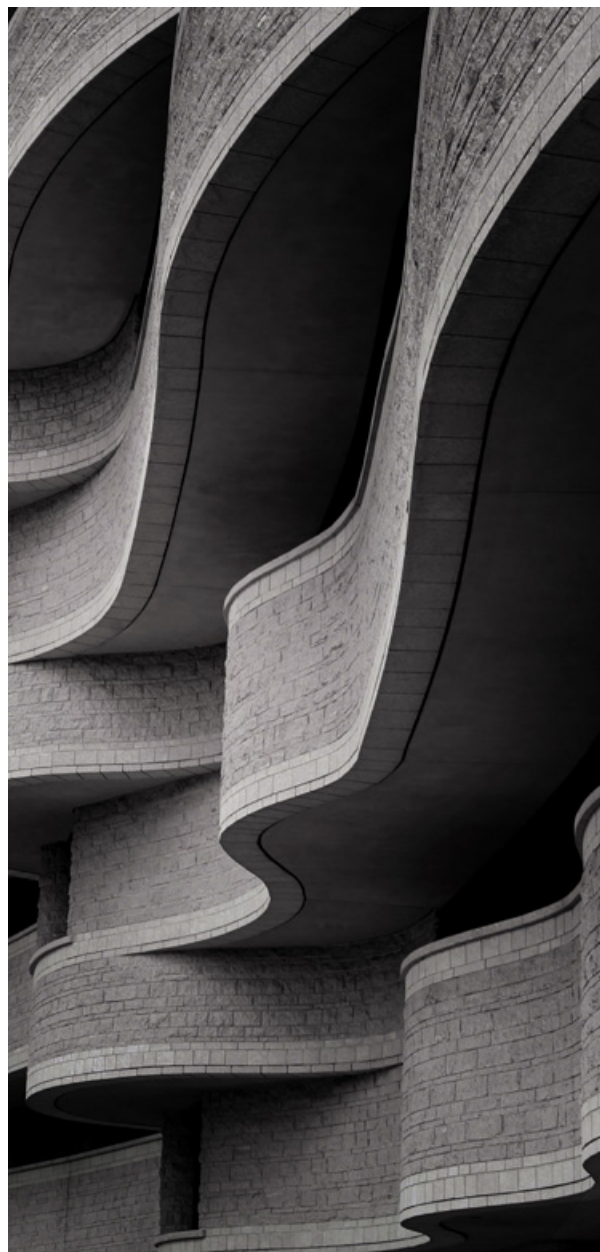
This creates a more asymmetric environment, where performance increasingly depends on energy exposure, external balances and sensitivity to input costs.

Rather than adopting a directional macro view, portfolios should reflect these divergences, recognising that the same shock can produce very different outcomes depending on where and how capital is allocated.

The first idea is to **favour economies with more resilient energy profiles**, particularly net exporters or those less dependent on imported energy. These regions are better positioned to absorb higher prices without a material deterioration in growth or external balances, making them relatively more attractive in a prolonged disruption scenario.

The second idea focuses on **sectors with pricing power and margin resilience**, which are better able to pass through higher input costs. Energy, materials and selected industrial segments benefit directly or indirectly from higher commodity prices, while maintaining stronger earnings visibility in an environment where margins are under pressure elsewhere.

The third idea is to **maintain exposure to strategic hedges, particularly gold and selected commodities**, which provide protection against geopolitical risk and inflation uncertainty. These assets are not only defensive, but are increasingly embedded in the structural dynamics of energy transition and resource scarcity, reinforcing their role as core portfolio components.



3.3 From direction to dispersion

The most important structural change in markets is the transition from a regime driven by broad trends to one defined by increasing dispersion. As energy shocks and AI-driven disruption propagate through the system, differences across sectors, regions and business models are becoming more pronounced.

Performance is increasingly driven by relative positioning rather than absolute exposure. In this environment, the ability to distinguish between winners and losers becomes the primary source of alpha, requiring a more active and selective investment approach.

The first idea is to prioritise **quality within equities**, focusing on companies with strong balance sheets, resilient earnings and clear positioning within the AI ecosystem. As disruption accelerates, not all growth is equal; markets are increasingly rewarding companies with sustainable competitive advantages while repricing those at risk of displacement.

The second idea is to **reinforce the role of fixed income as a stabiliser within portfolios**, combining income generation with downside protection. In a more uncertain and asymmetric environment, duration and investment-grade credit can provide resilience, particularly as tighter financial conditions increase the risk of non-linear repricing in more leveraged segments.

The third idea is to **focus on active allocation and relative value strategies to capture dispersion** across markets. As differences widen across geographies, sectors and instruments, passive exposure becomes less effective, and the ability to dynamically adjust positioning becomes a critical driver of performance.



Annex

Main asset returns over the last 10 years

Source: Bloomberg and own elaboration

Data as of 04/12/2026	Returns						Annualized returns				
	2020	2021	2022	2023	2024	2025	YTD	1 Años	3 years	5 years	10 years
Liquidity (USD) ⁽¹⁾	0.4%	0.1%	1.7%	5.2%	5.4%	4.4%	1.0%	4.2%	4.9%	3.5%	2.3%
Liquidity (EUR) ⁽²⁾	-0.5%	-0.5%	0.1%	3.4%	3.9%	2.3%	0.6%	2.1%	3.2%	2.0%	0.8%
Global fixed income ⁽³⁾	9.2%	-4.7%	-16.2%	5.7%	-1.7%	8.2%	0.1%	4.3%	2.8%	-1.4%	0.6%
U.S Fixed Income ⁽⁴⁾	7.5%	-1.5%	-13.0%	5.5%	1.3%	7.3%	0.3%	6.5%	3.5%	0.3%	1.7%
U.S. Governments (USD) ⁽⁵⁾	5.8%	-1.7%	-7.8%	4.3%	2.4%	6.5%	0.2%	4.7%	3.5%	1.0%	1.5%
U.S. Corporate (USD) ⁽⁶⁾	9.9%	-1.0%	-15.8%	8.5%	2.1%	7.8%	0.1%	8.1%	4.7%	0.7%	2.8%
U.S. High Yield (USD) ⁽⁷⁾	7.1%	5.3%	-11.2%	13.4%	8.2%	8.6%	0.8%	11.1%	8.9%	4.4%	6.2%
Euro Fixed Income ⁽⁸⁾	4.0%	-2.9%	-17.2%	7.2%	2.6%	1.2%	-0.3%	1.0%	2.9%	-1.8%	0.0%
Euro Governments (EUR) ⁽⁹⁾	5.0%	-3.5%	-18.5%	7.1%	1.9%	0.6%	-0.5%	0.4%	2.3%	-2.5%	-0.2%
Euro Corporate (EUR) ⁽¹⁰⁾	2.8%	-1.0%	-13.6%	8.2%	4.7%	3.0%	-0.2%	2.8%	4.6%	0.0%	1.2%
Euro High Yield (EUR) ⁽¹¹⁾	1.8%	4.2%	-11.1%	12.8%	9.1%	4.9%	-0.1%	6.3%	7.7%	3.1%	4.0%
Global Emerging Fixed Income (USD) ⁽¹²⁾	6.5%	-1.7%	-15.3%	9.1%	6.6%	11.1%	0.3%	12.1%	8.1%	2.1%	3.7%
Latam Emerging Fixed Income (USD) ⁽¹³⁾	4.5%	-2.5%	-13.2%	11.1%	10.5%	13.2%	1.0%	15.9%	11.1%	4.5%	4.8%
MSCI World (USD)	15.9%	21.8%	-18.1%	23.8%	18.7%	21.1%	1.4%	30.6%	18.7%	10.6%	12.4%
S&P 500 (USD)	18.4%	28.7%	-18.1%	26.3%	25.0%	17.9%	-0.1%	28.7%	20.2%	12.2%	14.6%
MSCI Europe (EUR)	5.4%	16.3%	-15.1%	19.9%	1.8%	35.4%	4.4%	33.5%	15.1%	9.8%	9.3%
MSCI Emerging Markets (USD)	18.3%	-2.5%	-20.1%	9.8%	7.5%	33.6%	10.7%	51.1%	18.7%	5.7%	9.0%
MSCI Asia Pac. Ex Japan (USD)	22.4%	-2.9%	-17.5%	7.4%	10.2%	29.6%	10.1%	48.9%	17.4%	5.5%	9.5%
MSCI Latin America (USD)	-13.8%	-8.1%	8.9%	32.7%	-26.4%	54.8%	23.6%	76.9%	19.8%	14.2%	9.1%

(1) Barclays Benchmark Overnight USD Cash Index; 2) Barclays Benchmark 3mEUR Cash Index; 3) Bloomberg Barclays Global Aggregate Total Return Index Value Un; 4) Bloomberg Barclays U.S. Agg Total Return Value Unhedged USD; 5) Bloomberg Barclays U.S. Intermediate Treasury TR Index Value Unhedged U; 6) Bloomberg Barclays U.S. Corporate Total Return Value Unhedged USD; 7) Bloomberg Barclays U.S. Corporate High Yield Total Return Value Unhedged USD; 8) Bloomberg Barclays EuroAgg Total Return Index Value Unhedged EUR; 9) Bloomberg Barclays EuroAgg Treasury Total Return Index Value Unhedged EUR; 10) Bloomberg Barclays Euro Aggregate Corporate Total Return Index Value Unhedged EU; 11) Bloomberg Barclays Pan-European Aggregate High Yield TR Index Value Unhedged; 12) Bloomberg Barclays EM USD Aggregate Total Return Value Unhedged; 13) Bloomberg Barclays Emerging Markets Latam Total Return Value Unhedged USD. Equity indices include dividends (TR Index).

Equities

Source: Bloomberg and own elaboration

Data as of 04/12/2026

		Last Price	Change	Last 10 years			Return			Annualized return			
			12 months	Low	Range	High	2024	2025	YTD	1 year	3 years	5 years	10 years
U.S.	S&P 500	6,817		2,097		6,939	23.3%	16.4%	-0.4%	27.1%	18.5%	10.6%	12.7%
	DOW JONES IA	47,917		17,787		48,978	12.9%	13.0%	-0.3%	19.2%	12.5%	7.3%	10.5%
	NASDAQ 100	22,903		4,843		23,725	28.6%	20.4%	-1.5%	36.9%	24.3%	10.6%	16.7%
Europe	Stoxx 50	615		320		634	6.0%	16.7%	3.8%	26.3%	10.0%	7.2%	6.3%
	Eurozone (EuroStoxx)	5,926		2,787		6,138	8.3%	18.3%	2.3%	23.8%	11.0%	8.4%	7.3%
	Spain (IBEX 35)	18,204		6,452		18,361	14.8%	49.3%	5.2%	48.2%	25.2%	16.4%	7.9%
	France (CAC 40)	8,260		4,237		8,581	-2.2%	10.4%	1.4%	16.3%	3.7%	6.0%	6.6%
	Germany (DAX)	23,804		9,680		25,284	18.8%	23.0%	-2.8%	16.8%	14.9%	9.4%	9.3%
	United Kingdom (FTSE 100)	10,601		5,577		10,911	5.7%	21.5%	6.7%	33.1%	10.6%	9.0%	5.4%
	Italy (MIB)	47,609		16,198		47,214	12.6%	31.5%	5.9%	39.9%	19.9%	14.3%	10.6%
	Portugal (PSI 20)	9,458		3,945		9,417	-0.3%	29.6%	14.5%	45.1%	15.4%	13.6%	6.8%
	Switzerland (SMI)	13,183		7,828		14,014	4.2%	14.4%	-0.6%	17.3%	5.5%	3.3%	5.4%
LatAm	Mexico (MEXBOL)	70,023		34,555		71,406	-13.7%	29.9%	8.9%	36.0%	8.8%	8.1%	4.5%
	Brazil (IBOVESPA)	197,324		48,472		197,324	-10.4%	34.0%	22.5%	54.5%	22.7%	10.7%	14.3%
	Argentina (MERVAL)	2,998,770		12,682		3,199,554	172.5%	20.4%	-1.7%	33.3%	124.0%	128.5%	72.7%
	Chile (IPSA)	11,077		3,487		11,420	8.3%	56.2%	5.7%	49.1%	27.4%	17.5%	10.9%
Asia	Japan (NIKKEI)	56,924		15,576		58,850	19.2%	26.2%	13.1%	69.5%	26.6%	14.0%	13.6%
	Hong-Kong (HANG SENG)	25,894		14,687		32,887	17.7%	27.8%	1.0%	23.8%	8.4%	-1.9%	2.4%
	South Korea (KOSPI)	5,859		1,755		6,244	-9.6%	75.6%	39.0%	140.8%	31.9%	13.3%	11.5%
	India (Sensex)	77,550		26,626		85,707	8.2%	9.1%	-9.0%	3.2%	8.7%	10.1%	11.9%
	China (CSI)	4,637		3,011		5,352	14.7%	17.7%	0.1%	23.6%	4.2%	-1.3%	3.7%
World	MSCI WORLD	4,474		1,653		4,557	17.0%	19.5%	1.0%	28.9%	17.0%	9.0%	10.5%

Equities by Style and by Sectors

Source: Bloomberg and own elaboration

Data as of 04/12/2026

	Last Price	Change	Last 10 years			Return			Annualized return				Ratios	
		12 months	Low	Range	High	2023	2024	YTD	1 year	3 years	5 years	10 years	PE Ratio	Dividend Yield
MSCI World	14,399		4,535		14,630	18.7%	21.1%	1.4%	30.6%	18.7%	10.6%	12.4%	22.27	1.66
Style MSCI World High Dividend Yield	3,400		1,498		3,551	8.0%	18.6%	6.1%	25.2%	12.9%	8.7%	8.7%	16.00	3.18
MSCI World Momentum	6,023		1,587		6,023	30.2%	21.3%	6.1%	34.9%	22.6%	10.7%	14.6%	17.13	1.55
MSCI World Quality	5,858		1,575		6,030	18.4%	16.5%	1.5%	26.0%	18.9%	11.1%	14.0%	21.85	1.39
MSCI World Minimum Volatility	5,650		2,788		5,930	10.9%	10.5%	0.6%	5.8%	8.4%	5.8%	7.2%	20.21	2.16
MSCI World Value	17,480		6,967		17,888	11.5%	20.8%	5.3%	28.9%	15.6%	10.1%	9.8%	15.44	2.48
MSCI World Small Cap	909		353		931	8.2%	19.9%	7.2%	41.2%	15.7%	6.2%	10.1%	16.71	2.04
MSCI World Growth	13,951		3,639		14,539	25.9%	21.1%	-2.7%	31.3%	21.3%	10.6%	14.5%	24.66	0.74
Sector Energy	693		164		732	2.7%	-11.8%	29.5%	55.8%	15.1%	21.4%	9.6%	17.14	2.87
Materials	809		276		842	-5.5%	-20.5%	15.7%	45.6%	13.9%	8.6%	11.6%	17.01	2.02
Industrials	849		264		882	13.1%	-20.0%	10.3%	39.8%	21.8%	12.0%	12.5%	23.48	1.53
Consumer Discretionary	664		230		710	21.5%	-7.7%	-5.8%	17.6%	13.9%	4.0%	10.9%	21.76	1.16
Consumer Staples	541		287		585	5.7%	-8.0%	5.5%	8.0%	5.8%	5.3%	5.9%	19.87	2.73
Health Care	571		248		614	1.1%	-12.9%	-3.3%	12.6%	4.6%	5.3%	8.3%	17.61	1.92
Financials	429		132		439	26.7%	-22.3%	-2.0%	26.8%	23.0%	12.8%	12.4%	13.12	2.69
Information Technology	1,156		162		1,247	32.8%	-19.0%	-2.6%	40.9%	27.6%	15.4%	21.5%	21.91	0.59
Real Estate	2,287		1,389		2,450	2.1%	-3.3%	8.4%	16.2%	7.4%	3.1%	4.4%	30.72	3.73
Communication Services	329		113		346	33.8%	-24.3%	-0.6%	40.6%	29.1%	10.5%	10.6%	19.45	0.99
Utilities	497		192		499	13.0%	-19.8%	12.8%	33.2%	15.4%	10.3%	9.4%	18.08	3.04

Sovereign Bonds

Source: Bloomberg and own elaboration

Data as of 04/12/2026

	Rating (S&P)	Interest rate			Change 12 months	10 years			Variación en pb		Slope 10-2 years
		C. Banks*	2 years	10 years		Last 10 years	Range	Maximum	Month	Year	
Developed											
U.S.	AA+	3.75%	3.80%	4.32%		0.53%		4.93%	-25	16	0.52
Germany	AAA	2.00%	2.60%	3.06%		-0.70%		3.06%	69	61	0.46
France	A+	2.00%	2.77%	3.71%		-0.40%		3.72%	51	54	0.94
Italy	BBB+	2.00%	2.81%	3.84%		0.54%		4.78%	32	28	1.04
Spain	A+	2.00%	2.72%	3.52%		0.05%		3.93%	46	40	0.80
United Kingdom	AA	3.75%	4.26%	4.84%		0.10%		4.92%	27	39	0.57
Greece	BBB	2.00%	2.78%	3.81%		0.61%		8.29%	58	51	1.03
Portugal	A+	2.00%	2.67%	3.46%		0.03%		4.19%	61	46	0.79
Switzerland	AAA	0.00%	0.10%	0.41%		-1.05%		1.58%	14	14	0.31
Japan	A+	0.75%	1.41%	2.44%		-0.27%		2.47%	134	112	1.03
Emerging											
Brazil	BB	14.75%	13.45%	13.65%		6.49%		15.26%	-151	-42	0.20
Mexico	BBB	6.75%	7.60%	9.02%		5.55%		10.44%	-141	-33	1.43
Chile	A	4.50%	4.56%	5.45%		2.19%		6.79%	-28	-26	0.89
Argentina	CCC+	29.00%	n.d.	n.d.		0.00%		0.00%	n.d.	n.d.	n.d.
Colombia	BB	11.25%	13.59%	12.74%		5.39%		13.79%	88	40	-0.84
Turkey	BB-	37.00%	36.65%	29.67%		8.89%		32.35%	248	-268	-6.98
Poland	A-	3.75%	4.16%	5.51%		1.16%		8.37%	-38	30	1.35
China	A+	1.40%	1.31%	1.81%		1.63%		3.91%	14	18	0.49
India	BBB	5.25%	6.08%	6.93%		5.84%		8.02%	17	57	0.85

* Intervention rate, except in Euro Zone countries, where the marginal deposit facility is used.

Currencies

Source: Bloomberg and own elaboration

Data as of 04/12/2026

	Last Price	Change	Last 10 years			Return			Annualized return			
		12 months	Low	Range	High	YTD	1 year	3 years	5 years	10 years		
EUR/USD	1.1723		0.98		1.24	-0.2%	3.2%	2.2%	-0.3%	0.3%		
EUR/GBP	0.87		0.77		0.92	0.1%	0.3%	-0.4%	0.1%	0.9%		
EUR/CHF	0.92		0.91		1.20	0.7%	0.1%	2.1%	3.5%	1.6%		
EUR/JPY	187		114		187	1.5%	-12.7%	-7.8%	-6.9%	-4.0%		
EUR/PLN	4.25		4.15		4.86	-0.9%	0.8%	3.0%	1.3%	0.1%		
GBP/USD	1.35		1.12		1.45	-0.1%	2.9%	2.5%	-0.4%	-0.6%		
USD/CHF	0.79		0.77		1.02	0.5%	3.3%	4.3%	3.2%	1.9%		
USD/JPY	159		101		161	-1.6%	-9.9%	-5.8%	-7.2%	-3.8%		
USD/MXN	17.30		16.56		24.17	4.1%	17.5%	1.5%	3.1%	0.1%		
USD/ARS	1,371.18		13.99		1,451.62	5.9%	-21.6%	-46.1%	-41.7%	-36.6%		
USD/CLP	896		594		995	0.5%	8.4%	-3.6%	-4.5%	-2.8%		
USD/BRL	5.01		3.11		6.18	9.4%	17.2%	-0.6%	2.8%	-3.5%		
USD/COP	3,634		2,795		4,940	4.0%	17.7%	7.0%	0.1%	-1.8%		
USD/CNY	6.83		6.28		7.32	2.3%	6.8%	0.2%	-0.8%	-0.5%		
EUR/SEK	10.87		9.28		11.88	-0.5%	2.1%	1.5%	-1.2%	-1.7%		
EUR/NOK	11.17		8.88		11.97	6.0%	8.4%	0.9%	-2.0%	-1.8%		

Commodities

Source: Bloomberg and own elaboration

	Last Price	Change	Last 10 years			Return			Annualized return			
		12 months	Low	Range	High	2024	2025	YTD	1 year	3 years	5 years	10 years
Crude Oil (Brent)	95.2		23		123	-3.1%	-18.5%	56.5%	47.0%	2.9%	8.5%	8.0%
Crude Oil (W. Texas)	96.6		19		115	0.1%	-19.9%	68.2%	57.0%	5.1%	10.1%	8.6%
Gold	4,749.8		1,148		5,279	27.2%	64.6%	10.0%	46.7%	33.1%	22.3%	14.2%
Copper	12,845.5		4,617		13,344	2.4%	41.7%	3.4%	40.3%	12.9%	7.7%	10.4%
CRB Index	369.3		117		375	12.5%	0.7%	23.6%	27.2%	10.2%	14.7%	7.7%
Natural Gas (USA)	2.6		2		5	3.2%	-6.9%	-18.0%	-27.3%	-10.9%	1.3%	-3.5%
Natural Gas (Europe)	43.6		4		240	51.1%	-42.4%	55.0%	30.4%	0.6%	17.3%	14.5%

Periodic table of asset returns.

Type of Asset	Index	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026 YTD	
US Equities	S&P 500 TR	37.3% Emerging Markets Equities	1.9% USD Cash	31.5% US Equities	18.4% US Equities	38.5% Commodities	22.0% Commodities	28.3% Japan Equities	25.0% US Equities	55.3% Spain Equities	24.8% Commodities	+
Japan Equities	Topix TR	22.4% Global Equities	-0.4% Global Sovereign	28.2% Europe Equities	18.3% Emerging Markets Equities	28.7% US Equities	1.7% USD Cash	28.0% Spain Equities	20.5% Japan Equities	33.6% Emerging Markets Equities	10.8% Japan Equities	
Spain Equities	Ibex35 TR	22.2% Japan Equities	-3.2% Global IG	27.7% Global Equities	15.9% Global Equities	23.3% Europe Equities	-2.0% Spain Equities	26.3% US Equities	20.0% Spain Equities	25.5% Japan Equities	10.7% Emerging Markets Equities	
Emerging Markets Equities	MSCI EM TR	21.8% US Equities	-4.1% Global High Yield	19.6% Global 60:40	14.1% Global 60:40	21.8% Global Equities	-2.5% Japan Equities	23.8% Global Equities	18.7% Global Equities	21.2% Europe Equities	6.3% Spain Equities	
Europe Equities	Eurostoxx50 TR	16.6% Global 60:40	-4.4% US Equities	18.4% Emerging Markets Equities	10.0% Global IG	12.7% Japan Equities	-9.5% Europe Equities	22.2% Europe Equities	18.4% Commodities	21.1% Global Equities	2.8% Europe Equities	
Commodities	Commodity RB TR	11.3% Spain Equities	-5.3% Global 60:40	18.1% Japan Equities	9.5% Global Sovereign	10.8% Global 60:40	-12.7% Global High Yield	16.7% Global 60:40	11.0% Europe Equities	17.9% US Equities	1.4% Global Equities	
Global Equities	MSCI World TR	10.4% Global High Yield	-8.7% Global Equities	16.6% Spain Equities	7.4% Japan Equities	10.8% Spain Equities	-17.0% Global IG	13.4% Global High Yield	10.5% Global 60:40	16.1% Global 60:40	1.0% USD Cash	Returns
Global IG	EGDRTRUU Index	9.2% Europe Equities	-10.7% Commodities	12.6% Global High Yield	7.0% Global High Yield	1.0% Global High Yield	-17.0% Global 60:40	9.8% Emerging Markets Equities	9.2% Global High Yield	12.1% Global High Yield	0.8% Global 60:40	
USD Cash	BXIIBUS0 Index	8.9% Global IG	-11.5% Spain Equities	11.8% Commodities	-0.4% USD Cash	-0.1% USD Cash	-17.5% Global Sovereign	9.2% Global IG	7.5% Emerging Markets Equities	6.8% Global Sovereign	0.7% Global High Yield	
Global High Yield	LG30TRUU Index	7.3% Global Sovereign	-12.0% Europe Equities	10.7% Global IG	-3.2% Europe Equities	-2.5% Emerging Markets Equities	-18.1% US Equities	5.2% USD Cash	5.4% USD Cash	5.0% Commodities	-0.1% US Equities	
Global 60:40	BMADM64 Index	1.7% Commodities	-14.6% Emerging Markets Equities	5.6% Global Sovereign	-9.3% Commodities	-3.2% Global IG	-18.1% Global Equities	4.2% Global Sovereign	0.7% Global IG	4.4% USD Cash	-0.3% Global IG	
Global Sovereign	LGTRTRUU Index	1.0% USD Cash	-16.0% Japan Equities	2.2% USD Cash	-12.7% Spain Equities	-6.6% Global Sovereign	-20.1% Emerging Markets Equities	0.0% Commodities	-3.6% Global Sovereign	2.8% Global IG	-0.3% Global Sovereign	-

*Data as of 4/12/2026

Total return indices track both the capital gains as well as any cash distributions, such as dividends or interest, attributed to the components of the index.

Source: Bloomberg.

Investment Strategy Global Team

Santander Private Banking

**Kamran Butt**

Global Co-CIO at Santander Private Banking

**Juan de Dios Sánchez-Roselly, CFA**

Global Co-CIO at Santander Private Banking

**Cristina González Iregui**

Global Investment Strategy at Santander Private Banking

**Josep Prats Marin-Lozano**

Global Investment Strategy at Santander Private Banking

**Julio Zapata**

Head of Investment Strategy and AI Investment Applications. Santander Private Banking International

**Michelle Chan**

CIO at Santander Private Banking International

**María del Pilar Pulecio Pinzón**

Fixed Income Strategist at Santander Private Banking International

**Mary Park Durham**

Equity Strategist at Santander Private Banking International

**Miriam Thaler**

CIO | Head of Products & Investments
at Banco Santander International SA

**Alfonso García Yubero, CIIA, CESGA®, CEFA**

ED Director Estrategia de Inversión Santander Private Banking España

**Felipe Arrizubieta**

VP Análisis y Estrategia Santander Private Banking España

**Kevin Esteban Iglesias**

Research & Business Intelligence Analyst Santander Private Banking España

**Joseba Hidalgo Vilela**

Research & Business Intelligence Analyst Santander Private Banking España

**Bruno Almeida**

Oferta de Poupança e Investimento at Banco Santander Portugal

**Gustavo Schwartzmann**

MD of Discretionary Portfolio Management at Santander Private Banking Brazil

**Christiano Clemente**

CIO at Santander Private Banking Brazil

**Priscila Deliberalli**

Head of Economics at Santander Private Banking Brazil

**Fernando Buendía**

Head of Products & Investments UHNW at Banco Santander México

**Matías Señor Zapata**

Santander Private Banking Chile

**Antonio Uriel**

Santander Private Banking Argentina

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For more information contact: info-DIFC@pbs-santander.com

