

Desjardins

American Equity Value Fund



QUARTERLY COMMENTARY AS OF MARCH 31, 2020

WELLINGTON
MANAGEMENT®

PORTFOLIO MANAGER:
Wellington Management Company

INCEPTION DATE:
January 12, 2004

CIFSC CATEGORY*:
U.S. Equity

Contributors to performance

- Overall security selection effects contributed to relative performance, primarily due to consumer discretionary, information technology, and communication services.
- With regard to sector allocation, an overweight to consumer discretionary and information technology contributed to performance.
- An overweight to Kroger (consumer staples), a lack of allocation to Wells Fargo (financials), and an out of benchmark allocation to AstraZeneca (health care) were the top contributors to performance.

Detractors from performance

- Security selection contributed to relative performance overall, however, selection within financials, health care, and utilities detracted.
- Sector allocation detracted overall, primarily due to an overweight to energy and an underweight to consumer staples.
- A lack of allocation to Johnson & Johnson (health care) and an out of benchmark allocation Suncor Energy (energy) were the top detractors to performance.

Major changes to portfolio in the period

- During the quarter, increased our overweight to information technology and decreased our overweight to industrials. We also decreased our underweight to consumer discretionary.
- During the period, we initiated positions in TJX Companies, a multinational off-price department store corporation, and American Express, a multinational financial services corporation.

Desjardins

American Equity Value Fund



QUARTERLY COMMENTARY AS OF MARCH 31, 2020

WELLINGTON
MANAGEMENT®

PORTFOLIO MANAGER:
Wellington Management Company

INCEPTION DATE:
January 12, 2004

CIFSC CATEGORY*:
U.S. Equity

→ Within energy, we eliminated our positions in Halliburton and Marathon Petroleum. We also eliminated positions in Delta Air Lines and Expedia, as COVID-19 continues to create uncertainty for the travel industry.

*CIFSC refers to Canadian Investment Funds Standards Committee. The CIFSC has the mandate to standardize the classification of mutual funds in Canada. <http://www.cifsc.org/>.

The information provided in this document is presented for illustration and discussion purposes only. It should not be considered as investment advice or securities transaction recommendations or recommendations on specific investment strategies. This document should in no case be considered or used for the purpose of buying units in a fund or any other offer of securities, regardless of jurisdiction. Said information is intended to be general and intended to illustrate and present examples relating to management of the portfolio manager cited in this document. All views, comments and opinions are subject to change without notice. The information presented on the market context and strategy represents a summary of the cited portfolio manager's observations with regards to the markets as a whole and its strategy as of the stated date. Different perspectives can be expressed based on different management styles, objectives, opinions or philosophies. Under no circumstances may this document be reproduced, in whole or in part, without obtaining written permission from the cited portfolio manager.

The Desjardins Funds are not guaranteed, their value fluctuates frequently, and their past performance is not indicative of their future returns. Commissions, trailing commissions, management fees and expenses all may be associated with mutual fund investments. Please read the prospectus before investing. The Desjardins Funds are offered by such registered dealers.