

Desjardins

Enhanced Bond Fund



QUARTERLY COMMENTARY AS OF MARCH 31, 2020



PORTFOLIO MANAGER:
AllianceBernstein

INCEPTION DATE:
January 12, 2004

CIFSC CATEGORY*:
Canadian Fixed Income

Contributors to performance

- Overall longer than benchmark duration position helped as yields moved lower across the curve.
- Security selection within Canadian investment grade corporates was positive.
- Sector underweights to Canadian provincials and Canadian investment-grade corporates which underperformed for the quarter.

Detractors from performance

- Security selection within US securitized assets including CMBS where CMBX significantly underperformed and ABS also underperformed.
- Underweight to Canadian Federals as risk assets underperformed during Q1.
- Allocations to emerging markets sovereign and emerging markets corporates as these sectors significantly underperformed.

Major changes to portfolio in the period

- Increased allocation to Canadian Federals.
- Reduced allocation to Canadian provincials specifically British Columbia and Alberta.
- Eliminated positions in South African treasuries.
- Reduced allocation to Italian government bonds

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