

Desjardins

Emerging Markets Bond Fund



QUARTERLY COMMENTARY AS OF MARCH 31, 2020



PORTFOLIO MANAGER:
Aberdeen Standard Investments

INCEPTION DATE:
October 18, 2013

CIFSC CATEGORY*:
Emerging Markets Fixed Income

Contributors to performance

- Local currency bond allocation and security selection effects
- Underweight allocations (versus the benchmark) to Lebanon, Sri Lanka and Angola
- Off-benchmark positions in the Bahamas and Indian local bonds

Detractors from performance

- Allocation to emerging-market currencies and corporate bonds
- Underweight exposure to China, the Philippines, Peru and Poland
- Overweight position in Ecuador

Major changes to portfolio in the period

Purchases

- Participated in new issues from Morocco and Romania – both borrowing in euros
- Initiated a hard-currency position in restructured bonds in Barbados after it exited default and secured an IMF programme
- Increased holdings in Ghana, purchasing bonds in the primary market
- Topped up Russia in local-currency space

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Sales

- Reduced positioning in Jamaica, the Dominican Republic and Tunisia
- Cut United Arab Emirates position and sold down Bahrain exposure
- Reduced hard-currency sovereign holdings in Angola
- Decreased local-currency holdings in Mexico and Uruguay

*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/>.

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