

Desjardins

Enhanced Bond Fund



QUARTERLY COMMENTARY AS OF JUNE 30, 2020



PORTFOLIO MANAGER:
AllianceBernstein

INCEPTION DATE:
January 12, 2004

CIFSC CATEGORY*:
Canadian Fixed Income

Contributors to performance

- Allocation to US securitized assets including CRTs and ABS selections were the largest contributors as these securities significantly outperformed in Q2.
- Allocations to corporates in the US and Euro-area including both investment-grade and high-yield and selections in US IG.
- Sector underweight to Canadian Federals, which underperformed for the quarter, and security selection in Canadian Provincials were both positive.

Detractors from performance

- Security selection within US CMBS where CMBX underperformed.
- Our underweight to Canadian IG corporates along with security selection was negative for the quarter.
- A long position in the US Dollar was negative on relative performance.

Major changes to portfolio in the period

- Reduced allocation to US CMBS.
- Increased allocation to Canadian Provincials.
- Eliminated position in EM treasuries specifically Brazil.

*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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