

Desjardins Global Infrastructure Fund



QUARTERLY COMMENTARY AS OF JUNE 30, 2020

First State
Investments

PORTFOLIO MANAGER:
First State Investments

INCEPTION DATE:
October 18, 2013

CIFSC CATEGORY*:
Global Infrastructure Equity

Contributors to performance

- Positioning within the Pipelines sector.
- Overweight exposure to the Toll Roads sector.

Detractors from performance

- Positioning within the Railroads sector.
- Underweight exposure to the Towers sector.

Major changes to portfolio in the period

- Adding 1% positions in ENN Energy and China Gas Holdings to the portfolio:
 - Two gas utilities involved in the roll-out and operation of natural gas infrastructure and supply of natural gas to residential, commercial and industrial customers across mainland China. The market appears to be under-estimating the strong growth trajectory of the country's gas distribution market, which is being driven by a national clean energy drive and growing market penetration. Domestic-focused Chinese companies such as these also appear relatively well placed to weather coronavirus impacts.
- Divesting a 1% position in Central Japan Railway from the portfolio
 - This passenger rail company derives a higher proportion of its earnings from longer range shinkansen routes than peers East Japan Railway and West Japan Railway, making Central more vulnerable to the sluggish pace to date of these assets' volume recovery.

*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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