

Desjardins Sustainable Environmental Bond Fund



Quarterly commentary as of June 30, 2024

PORTFOLIO MANAGER

Mirova

INCEPTION DATE

6/14/2016

CIFSC CATEGORY*

Global Fixed Income

Contributors to relative performance

- Asset allocation as corporates outperformed government bonds. We had a long position on corporates, the sub-sector allocation also delivered value. Within sovereigns, the long position on the Italian BTP was positive due to the narrowing of Italian debt versus German debt. We had no position on French government green bonds at the end of June. During the quarter we had a short position on French issuers.
- Issues selection delivered value. Best contributors were ESB (Italian utility), Iberdrola, Acciona Energia (Spanish utility), Johnson Controls.

Detractors from performance

- Curve and duration strategy was negative. The fund suffered from the long exposure in duration to the UK and the Euro yield curve as rates increased during the period, specifically the 2 years during which we were exposed.

Major changes to portfolio in the period

- Decrease the modified duration
- Took profits on our long exposure on Italian government green bonds

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