

Desjardins

Floating Rate Income Fund



QUARTERLY COMMENTARY AS OF JUNE 30, 2021

PIMCO

PORTFOLIO MANAGER:
Pimco Canada

INCEPTION DATE:
May 12, 2014

CIFSC CATEGORY*:
High Yield Fixed Income

Contributors to performance

- Exposure to high yield, specifically within industrials
- Exposure to select equity positions that were recently restructured
- Exposure to securitized sectors
- Positioning within emerging markets

Detractors from performance

- USD duration positioning
- Underweight exposure to investment grade utilities

Major changes to portfolio in the period

- Reduced overall credit risk exposure relative to the benchmark, primarily through a decrease in investment grade as valuations have become more fair and we are avoiding generic corporate credit.
- Increased exposure to emerging markets as we are finding select opportunities that offer an attractive risk/reward balance in positioning for global market recovery.
- Decreased exposure to investment grade and high yield financials but remained constructive on bank capital securities given strong balance sheet fundamentals and regulatory support.

*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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