

# Desjardins Overseas Equity Fund



QUARTERLY COMMENTARY AS OF JUNE 30, 2021



PORTFOLIO MANAGER:  
Fiera Capital

INCEPTION DATE:  
October 26, 1998

CIFSC CATEGORY\*:  
International Equity

## Contributors to performance

- Security selection in Industrials
- Security selection in Consumer Discretionary
- Security selection in Health Care

## Detractors from performance

- Underweight in Industrials
- Security selection in Information Technology
- Underweight in Health Care

## Major changes to portfolio in the period

- During the quarter we exited our position in Fuchs Petrolub and initiated a position in Air Liquide. We exited our position in the engine oil and specialty lubricants manufacturer, Fuchs Petrolub, as long-term structural trends in the automobile market, such as the shift to EV and increased taxation on carbon-emitting motor vehicles, represent new long-term risks which could potentially negatively impact the attractiveness of the business going forward. We redeployed the proceeds into French-based industry and healthcare gas supplier, Air Liquide, which we believe to be a higher quality company due to the nature of its business model. Gases constitute a mission critical staple for a majority of industrial processes and their demand is expected to be further supported by energy transition projects over the long-term such as hydrogen which offers many applications in decarbonizing key sectors of the economy including transportation, industrial processes, feedstock and building heating.

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