

Desjardins

Enhanced Bond Fund



QUARTERLY COMMENTARY AS OF SEPTEMBER 30, 2021



PORTFOLIO MANAGER:
AllianceBernstein

INCEPTION DATE:
January 12, 2004

CIFSC CATEGORY*:
Canadian Fixed Income

Contributors to performance

- In Canada our significant underweight to Canadian Federals, along with our allocation to Canadian Real Return Bonds both contributed.
- Our shorter than benchmark duration position was positive on relative returns, as yields moved higher across the yield curve.
- Selections within Canadian IG Corporates and US HY corporates, and CRTs contributed.

Detractors from performance

- Our off-benchmark allocation to hard currency EM sovereigns detracted, as a risk off sentiment throughout the quarter put pressure on the EM markets.
- Country selection detracted specifically our exposure to US duration.

Major changes to portfolio in the period

- Reduced exposure to US high yield corporates, we took profits as spreads compressed.
- Added to our Canadian Federals position as yields moved higher and reducing our duration underweight.
- Reduced exposure to European High Yield corporates in the UK and France.

*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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