

Wise ETF Portfolios

Quarterly commentary as of March 31, 2023



Market overview

Market performance as of March 31, 2023 (%)

	3 months	1 year	3 years	5 years	10 years
Fixed income					
FTSE Canada Universe Bond Index	3.22	-2.01	-1.67	0.89	1.88
Bloomberg Barclays Multiverse Bond Index (CAD-hedged)	2.75	-4.30	-2.04	0.60	1.95
Growth					
MSCI Canada Index (total return)	4.19	-5.83	16.53	7.60	7.05
MSCI USA Index (CAD) (total return)	7.47	-1.32	15.99	11.60	14.77
MSCI EAFE Index (CAD) (total return)	8.34	6.86	11.10	4.53	8.05
MSCI Emerging Markets Index (CAD) (total return)	3.83	-3.25	6.03	0.06	4.96
MSCI ACWI ex CANADA IMI Index (CAD) (total return)	6.90	0.22	13.59	7.61	11.24

Sources: Desjardins Investments Inc., Morningstar Inc.

Comments on market performance

- Inflation continued its downward trend in the first quarter of 2023. This decrease is mainly attributable to the repeated key interest rate hikes by the Bank of Canada.
- The Canadian stock market posted returns of 4.2%, according to the MSCI Canada Index (total return). This was largely due to strong performance in the materials, industrial goods and technology sectors. The energy sector declined slightly after a remarkable rise in the fourth quarter of 2022.
- With respect to bonds, the FTSE Canada Universe Bond Index posted a positive return of 3.2%, driven by strong performance from government bonds.
- In the US equity market, the MSCI USA Index (CAD) (total return) posted a return of 7.5% for the first quarter of 2023. This increase was primarily driven by the technology, consumer discretionary and telecommunication services sectors.
- With respect to emerging markets, the MSCI Emerging Markets Index (CAD) (total return) performed well, ending the quarter with a return of 3.8%. This increase is mainly due to the good performance of the Chinese market. The technology and consumer discretionary sectors also had a positive impact on the performance of the MSCI Emerging Markets Index (CAD) (total return) with their strong quarterly returns.

Portfolio performance (C-Class) as of March 31, 2023 (%)

	3 months	1 year	3 years	5 years	10 years	Since start of operations	Start date of operations
Wise Fixed Income ETF Portfolio	2.79	-4.42	-2.95	N/A	N/A	-2.38	2019/07/08
Wise Conservative ETF Portfolio	3.09	-4.45	-0.86	N/A	N/A	-1.48	2019/07/08
Wise Balanced ETF Portfolio	3.71	-3.75	2.35	N/A	N/A	0.53	2019/07/08
Wise Growth ETF Portfolio	4.29	-3.22	5.27	N/A	N/A	1.81	2019/07/08
Wise Maximum Growth ETF Portfolio	4.79	-2.79	8.41	N/A	N/A	3.42	2019/07/08
Wise 100% Equity ETF Portfolio	5.27	-2.17	11.69	N/A	N/A	5.75	2019/07/08

Unlike the benchmarks, the portfolios' performance is net of fees and expenses.
Source: Desjardins Investments Inc.

Comments on portfolio performance as of March 31, 2023

Fixed income (Canadian dollar and A-Class returns for Desjardins Funds)

- During the first quarter of 2023, all ETFs and Desjardins fixed income funds posted returns ranging from +1.8% (Desjardins Canadian Short Term Bond Index ETF) to +4.3% (iShares U.S. IG Corporate Bond Index ETF (CAD-hedged)).
- As a result of their strong returns during the first quarter of 2023, the iShares U.S. IG Corporate Bond Index ETF (CAD-hedged) (+4.3%), the Desjardins Canadian Universe Bond Index ETF (+3.2%) and the Vanguard Global ex-U.S. Aggregate Bond Index ETF (CAD-hedged) (+3.1%) were the largest contributors to the fixed income component of the portfolios.
- The Desjardins Canadian Short Term Bond Index ETF (+1.8%) was the smallest contributor to the overall return of the fixed income component of the equity portfolios.

Equities (Canadian dollar and A-Class returns for Desjardins Funds)

- Over the past 3 months, all of the equity ETFs and Desjardins Funds generated positive returns ranging from 2.6% (iShares Core S&P Small-Cap ETF) to 7.8% (iShares Core MSCI EAFE IMI Index ETF).
- Due to their high weighting and performance, the iShares Core MSCI EAFE IMI Index ETF (+7.8%), Vanguard S&P 500 Index Fund ETF (+7.5%) and Vanguard FTSE Canada All Cap Index ETF (+4.7%) were the largest contributors to the equity component of the portfolios.
- The iShares Core S&P Small-Cap ETF (+2.6%) was the weakest contributor to the overall performance of the fixed income component of the portfolios.

Contribution to portfolio performance (C-Class) as of March 31, 2023

	Fixed Income	Equity
Wise Fixed Income ETF Portfolio	+++	+
Wise Conservative ETF Portfolio	++	++
Wise Balanced ETF Portfolio	++	+++
Wise Growth ETF Portfolio	++	+++
Wise Maximum Growth ETF Portfolio	+	+++
Wise 100% Equity ETF Portfolio	N/A	+++

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