

# Desjardins Sustainable Environmental Bond Fund



QUARTERLY COMMENTARY AS OF DECEMBER 31, 2024



PORTFOLIO MANAGER:

Mirova

INCEPTION DATE:

June 14, 2016

CIFSC CATEGORY\*:

Global Fixed Income

## Contributors to relative performance

- Asset allocation was positive as corporates outperformed government bonds: the fund had a long position on corporates versus a short position on government bonds and on government-related bonds. 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. During the quarter, we had a short position on French issuers as we were negative on France. This position delivered value.
- Issues selection delivered value. Top contributors were Ontario Power, EDP (Portuguese utility).
- Curve and duration strategy. The fund took advantage from the long exposure in duration to the Euro yield curve as rates decreased during the period, specifically the 2 years on which we were exposed.

## Major changes to portfolio in the period

- Active management of the long exposure on Italian government green bonds.

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