



CHORUS II

BULLETIN

| Volume 4, Number 2 | Spring 2015 |

QUARTERLY
FINANCIAL
INFORMATION
BULLETIN

Summary

Lower oil prices
How that affects
your finances 1

So you can plan ahead
for your life's big days! 2

Reach even greater
heights with your
investments
With the new Desjardins
IBrix Funds 2

So you can make
informed decisions
It's important to have
a financial plan...
and keep it up to date! 3

2015 targets for the
progress your investment
makes possible!
Desjardins
Environment Fund 4

LOWER OIL PRICES

How that affects your finances

You've surely noticed... that the price of gas is down! That's good news for drivers and for an industry like transportation. Generally speaking, lower prices are good for the global economy, particularly for oil importing countries.

Lower revenues for oil producing countries

But the lower price for a barrel of crude also means lower revenues for oil producing countries, including Canada. In November 2014, Canadian oil companies were hit by the decision of the Organization of the Petroleum Exporting Countries (OPEC) to keep production high, in spite of relatively soft demand and considerable oil inventories worldwide.

OPEC's decision drove down the price of a barrel of crude oil. As illustrated by the chart below, the price has dropped from US\$101.74 in mid-May 2014 to US\$44.88 in mid-March 2015. The changes in turn caused ups and downs in Canadian stock market prices, as shown by the movements of the S&P/TSX Composite Index.

Good for Canadian exports and mortgage financing

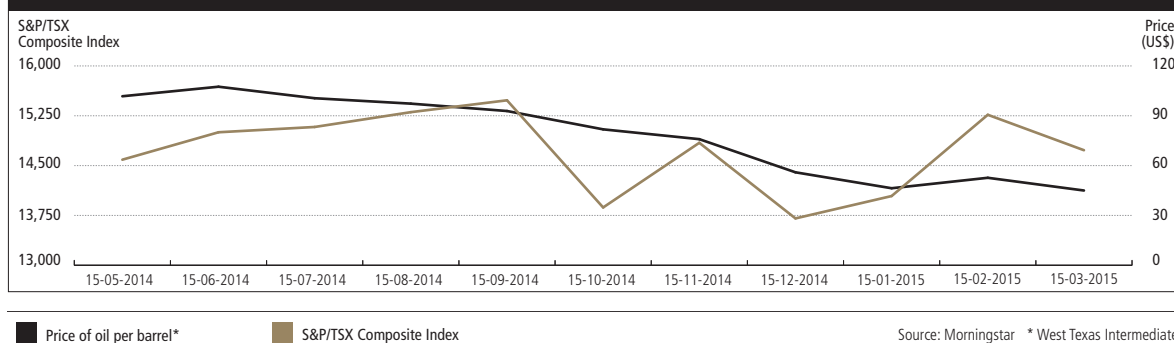
Against this backdrop, in order to stimulate the Canadian economy, the Bank of Canada opted to lower its key rate last December. That decision contributed to further depressing the Canadian dollar, which was hit by dropping oil prices.

But the situation has the effect of improving the competitiveness of Canadian exporters, as their products become more affordable, particularly in the United States. Property owners seeking mortgage financing also benefited, as mortgage rates moved lower, too, following the Bank of Canada's key rate.

A positive impact on the economies of the United States, Québec and Ontario

The U.S. has continued to grow, because every US\$10 drop in the price of a barrel of oil drives consumption and means an annual 0.3% increase in U.S. gross domestic product. Lower oil prices are also positive for consumers and businesses in Québec and Ontario because the dollars they were paying out on petroleum can now go to consumer spending or investing.

COMPARISON OF OIL AND CANADIAN STOCK MARKET PRICE TRENDS, REFERENCED TO THE S&P/TSX COMPOSITE INDEX



(Continued on page 2)

If you have any questions about your investments or any feature article in this newsletter, consult your representative and visit desjardinsfunds.com at any time.

 **Desjardins**
Wealth Management
INVESTMENTS

Cooperating in building the future

(Continued from page 1)

Investors are still wise to diversify

According to Desjardins Group's economists, prices for a barrel of oil should continue to ebb and flow in 2015 and then begin a gradual rise in 2016¹. While fluctuations are expected for this year, the experts at Desjardins remain watchful in order to protect your investment against market risks and allow you to take advantage of market opportunities.

A long-term investment plan, based on a strategy of geographic and sectoral diversification such as that used for your Chorus II Portfolio remains essential for achieving your financial objectives.

To learn more about financial markets and your investment performance, don't hesitate to talk to your representative.

1 Source: <http://www.desjardins.com/ressources/pdf/tmp1502-e.pdf>

MAKE A DATE FOR THEBIGDAYS.COM

So you can plan ahead for your life's big days!

Life is made up of a series of big days.

What are they for you?

Everyone's situation is different. When you believe in your dreams and want to be sure you have the means to make them come true, whatever your age, family situation or career stage, you can count on Desjardins experts for advice.

Listen to the stories of people like you as they talk about their own big days... building a financial plan, feeling free to travel the world, enjoying the sense of freedom when there's no more mortgage to pay or when your time is finally your own!



Find out how they planned step by step to reach informed decisions and start making the most of their life's big days.

Visit thebigdays.com

REACH EVEN GREATER HEIGHTS WITH YOUR INVESTMENTS

With the new Desjardins IBrix Funds

The Desjardins IBrix Funds have been created to bring you the best of both worlds! Driven by financial innovation, the IBrix Funds are a finely tuned combination of the benefits of active and passive management. Their "hybrid" approach to management aims to:

- Enhance your current investment portfolio
- Optimize your return potential
- Provide easy access to a sophisticated investment

IBRIX
FUNDS



To find out more, contact your representative.

SO YOU CAN GET IN ON GLOBAL EQUITY GROWTH

The Desjardins Global Equity Growth Fund has been added to your Chorus II Portfolio

Launched in January 2015, the new Desjardins Global Equity Growth Fund is intended to position you to reap greater rewards from the growth potential of international stock market equities. The Fund is managed by renowned Scottish firm Baillie Gifford Overseas Limited, which boasts over 100 years of international equity expertise.



A CHANGE OF NAME FOR THE DESJARDINS GLOBAL ALL CAP EQUITY FUND



As of April 6, 2015, the Desjardins Global All Cap Equity Fund takes the name Desjardins Global Equity Value Fund to more accurately reflect its investment strategy. Note that only the name of the Fund has changed, and that its investment strategy, management style and the securities it invests in remain the same.

SO YOU CAN OPTIMIZE YOUR TAX SETUP

New Desjardins Corporate Class Funds



If you've been looking for enhanced tax efficiency for your non-registered plan investments, these new Desjardins Corporate Class Funds could be a worthwhile complement to your Chorus II Portfolio:

- Desjardins IBrix Canadian Equity Focus Corporate Class
- Desjardins IBrix Canadian High Dividend Equity Corporate Class
- Desjardins Global Equity Growth Corporate Class
- Desjardins Money Market Corporate Class

These new funds offer you a broader range of options for switching your assets from one corporate class fund to another without triggering a taxable capital gain. So you have the freedom to adjust your investment strategy as your needs change.

To find out how to take advantage of the tax-sheltered solutions available, talk to your representative!

CASE STUDY BY ANGELA IERMIERI*

Desjardins Group Financial Planner



SO YOU CAN MAKE INFORMED DECISIONS

It's important to have a financial plan...
and keep it up to date!

Things are going really well for Christine. At 47, she's just had a promotion that will mean a big raise in pay. She dreams of the day when she won't have a mortgage to pay anymore, but she also wants to prepare for retirement and help with her 12-year-old daughter's postsecondary education. She knows she'll be changing tax brackets and wants to hold onto as much money as she can.



CHRISTINE, 47:

Christine wants to make informed financial decisions because she has more cash flow now either for beefing up her investments or paying off her mortgage.

WHAT SHOULD HER PRIORITIES BE?

Adapting her financial plan to her new financial situation

Because her financial situation is changing in a big way, Christine should update her financial plan to clearly identify her new leeway for investing or paying things off, factor in her new tax situation and, perhaps, her new asset protection needs.

The best way for Christine to update her financial plan is to meet with her Desjardins advisor to talk over her priorities.

She'll have the benefit of being able to go over the different options available:¹



1. By comparing the mortgage rates and the expected return on her investments, Christine will know how to set her priorities.



2. By putting money into tax-sheltered investments like the Chorus II Corporate Class Portfolios and Desjardins Corporate Class Funds, she'll also be able to maximize her RRSP contributions in her Chorus II Portfolio.



3. If she opts to invest in a registered education savings plan (RESP),² – also available through the Chorus II Portfolios – to finance her daughter's postsecondary education, attractive government grants representing a 30% enhancement will be invested in it until her daughter reaches the age of 17.

A personalized financial plan, tailored to her new financial situation!

To feel free to reach her goals, Christine must make sure that her financial plan will stay in step with her. It's a guide that will accompany her all through life.

Desjardins Wealth Management can offer guidance throughout your financial life to help you carry through on all those special plans. Talk it over with your Desjardins advisor.



¹ For information purposes only. Advice is given on a case-by-case basis. For advice based on your personal situation, contact your Desjardins advisor.

² For more information, visit <http://www.desjardins.com/ca/personal/savings-investment/tax-sheltered-plans/resp/index.jsp>

* Financial Planner and Group Savings Representative for Desjardins Financial Services Firm Inc.

KEEP UP WITH THE LATEST NEWS

Subscribe to the Desjardins Wealth Management's LinkedIn page

Looking to get to know our Wealth Management representatives, or simply get some tips and information? Subscribe to our new LinkedIn page, where you can comment on, share or like the posts that interest you.



Hop right in. The discussion's fine!



SRI Socially Responsible Investment

2015 TARGETS FOR THE PROGRESS YOUR INVESTMENT MAKES POSSIBLE!

Desjardins Environment Fund

In 2015, for the sixth year in a row, the Desjardins Environment Fund (DEF) will engage companies in dialogue to drive improvement in their environmental practices.

This year, nine Canadian companies have been selected based on the recommendations of our partner NEI Investments (NEI) and the Desjardins Funds Environmental Advisory Group.

Here are some examples of dialogues that will be opened in 2015:



With Goldcorp – Commodities	Climate change, water and human rights
With Canadian National – Transportation	Oil transport by rail and disclosure of information on the environmental, social and governance (ESG) issues
With Loblaws and Empire – Retail	Supply chain environmental and social risks

✓ A fruitful dialogue with CGI Group!

In 2014, CGI Group, which operates in the IT industry, agreed to the request of our partner NEI to set performance targets for its carbon footprint. The company's improvement was the most significant of Canada's 200 biggest companies.

The progress your investment makes possible helps to develop a better world.

For more information about the companies targeted for dialogue in 2015, as well as all the initiatives already underway, visit desjardins.com/sri.

1 Note that under the DEF Shareholder Action Program, we dialogue only with companies whose securities are held in the DEF portfolio. Furthermore, decisions to purchase or sell securities in the DEF are made independently of this Program, to optimize fund management.



CHORUS II PORTFOLIO DYNAMIC MANAGEMENT

The Desjardins Canadian Bond Fund turns in a strong performance in 2014!

Included in your Chorus II Portfolio, the Desjardins Canadian Bond Fund earned excellent returns in 2014, contributing to the strong performance of the fixed-income securities portion of your holdings. What's more, in the fourth quarter of 2014, its returns placed it in the first quartile of the funds in its category.

The Fund's performance is the result of the investment strategies implemented by the experts at Desjardins Global Asset Management focusing on:

- A preference for federal government agency issues
- Selecting less volatile securities issued mainly by companies in the financial sector

These choices contributed to reducing Fund volatility from the potential risks of a market downturn due to geopolitical tensions, challenges facing economic growth or even declining oil prices. A fund composed of less volatile Canadian bonds adds greater stability to a well-diversified portfolio.

Staying on top of Canadian bond market opportunities

In 2015, the Desjardins Global Asset Management team of portfolio managers remains on the lookout for Canadian bond market opportunities in order to maximize your Chorus II Portfolio return potential.

CHORUS II PORTFOLIO RESULTS AS AT MARCH 31, 2015

To learn more about the financial markets and your Chorus II Portfolio performance in the first quarter of 2015, please view the Chorus II Portfolio Review video for results as at March 31, 2015, available starting April 23, 2015 at:



desjardinsfunds.com/chorus
> Useful links > Videos

You'll also receive a message in your secure AccèsD Internet inbox when the video becomes available online.

UPDATES TO DESJARDINS FUNDS' LEGAL AND FINANCIAL PUBLICATIONS

The Fund Facts, the Simplified Prospectus and the Annual Information Form for March 2015, as well as the Quarterly Information on Investment Portfolio (unaudited) as at December 31, 2014 are now available in the Information Centre section at desjardinsfunds.com in the Legal and Financial Publications sub-section, and at sedar.com. The Desjardins Funds Policy on the Exercise of Proxy Voting Rights, for 2015, is available in the Socially Responsible Investing sub-section.

desjardinsfunds.com

The Desjardins Funds are not guaranteed, their value fluctuates frequently and their past performance is not indicative of their future returns. Commissions, trailing commissions, management fees and expenses all may be associated with investment fund investments. Please read the prospectus before investing. The Desjardins Funds are offered by such registered dealers as Desjardins Financial Services Firm Inc., a mutual fund dealer belonging to Desjardins Group that distributes the Funds in caisses throughout Québec and Ontario, as well as through the Centre financier Desjardins.



Desjardins
Wealth Management

INVESTMENTS

Cooperating in building the future