

Desjardins

American Equity Value Fund



QUARTERLY COMMENTARY AS OF MARCH 31, 2021

WELLINGTON
MANAGEMENT®

PORTFOLIO MANAGER:
Wellington Management Company

INCEPTION DATE:
January 12, 2004

CIFSC CATEGORY*:
U.S. Equity

Contributors to performance

- Sector allocation contributed to returns due to overweights in energy and financials and underweights to consumer staples and health care.
- Strong security selection in industrials, financials, and information technology also contributed to returns.
- Our overweights to both Bank of America (financials) and EOG Resources (energy) were the top contributors to performance.

Detractors from performance

- Weak security selection in consumer discretionary, health care, and communication services detracted from returns.
- Our overweight to Verizon Communication (communication services) and our out of benchmark allocation to TJX Companies (consumer discretionary) were the top detractors from performance.

Major changes to portfolio in the period

- During the quarter, we increased our overweights to financials and industrials. We also reduced our exposure to materials, moving to underweight.
- During the period, we initiated a position in Diageo, the global leader in alcoholic beverages.
- We eliminated our position in Celanese, a global technology and specialty materials company.

*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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