

# Desjardins

## SocieTerra Environmental Bond Fund



QUARTERLY COMMENTARY AS OF JUNE 30, 2021



PORTFOLIO MANAGER:  
**Mirova**

INCEPTION DATE:  
**June 14, 2016**

CIFSC CATEGORY\*:  
**Global Fixed Income**

### Contributors to performance

- Allocation as credit spreads narrowed versus government bonds
- Selection

### Detractors from performance

- Short duration (mainly in the north America zone) and steepening yield curve position as yields decreased during Q2 (We continue to believe that rates will increase before year end, as a result, Fund's global duration has been kept lower than the index during Q2 (5.6 versus 8.2 for the index as of end June 2021).

### Major changes to portfolio in the period

- Fund's credit exposure increased at 65% (+10%) vs 40% for the index. We remained bullish on this asset class as it will continue to benefit from central banks support.

\*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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