

Market overview

Market performance as of June 30, 2023 (%)

	3 months	1 year	3 years	5 years	10 years
Fixed income					
FTSE Canada Universe Bond Index	-0.69	3.15	-3.75	0.65	2.06
Bloomberg Barclays Multiverse Bond Index (CAD-hedged)	-0.05	0.27	-2.93	0.61	2.11
Growth					
MSCI Canada Index (total return)	1.38	9.71	11.73	6.49	7.63
MSCI USA Index (CAD) (total return)	6.18	22.05	12.51	11.74	14.73
MSCI EAFE Index (CAD) (total return)	0.66	21.84	7.89	4.51	7.82
MSCI Emerging Markets Index (CAD) (total return)	-1.35	4.38	1.34	1.05	5.31
MSCI ACWI ex CANADA IMI Index (CAD) (total return)	3.62	19.44	9.84	7.81	11.23

Sources: Desjardins Investments Inc., Morningstar Inc.

Comments on market performance

- In the second quarter of 2023, fears of a recession weighed heavily on the markets, which experienced high volatility. However, by the end of the quarter, most stock indexes managed to regain some stability.
- The Canadian stock market posted returns of 1.4%, according to the MSCI Canada Index (total return). This was largely due to strong performance in the industrial and tech sectors. The materials sector was down after strong performance in the first quarter of 2023.
- With respect to bonds, the FTSE Canada Universe Bond Index posted a slightly negative return of -0.7%, mainly due to lower government bond yields.
- In the US equity market, the MSCI USA Index (CAD) (total return) posted a return of 6.2% for the second quarter of 2023. This strong performance was primarily driven by the tech, consumer discretionary and telecommunication services sectors.
- Emerging market equities fell in the second quarter of 2023. They posted a negative return of -1.4%, according to the MSCI Emerging Markets Index (CAD). Economic growth in emerging economies slowed mainly due to higher interest rates.

Portfolio performance (A-Class) as of June 30, 2023 (%)

	3 months	1 year	3 years	5 years	10 years	Since start of operations	Start date of operations
SocieTerra Conservative Portfolio	-0.02	4.36	-2.10	0.77	2.23	3.38	2009/01/20
SocieTerra Moderate Portfolio	0.06	5.55	-1.22	N/A	N/A	0.60	2020/04/14
SocieTerra Balanced Portfolio	0.32	7.48	0.70	2.56	3.72	4.72	2009/01/20
SocieTerra Growth Portfolio	0.48	8.73	1.82	3.21	4.62	4.00	2000/01/10
SocieTerra Maximum Growth Portfolio	0.82	11.26	4.08	4.63	6.20	7.08	2009/01/20
SocieTerra 100% Equity Portfolio	1.12	13.82	6.30	N/A	N/A	6.27	2019/07/08

Unlike the benchmark, the portfolio's performance is net of fees and expenses
Source: Desjardins Investments Inc.

Comments on portfolio performance as of June 30, 2023

Fixed Income (A-Class return)

- Bond funds ended the second quarter of 2023 with returns ranging from -0.6% (SocieTerra Canadian Bond Fund) to +2.4%* (SocieTerra Emerging Markets Bond Fund).
- The SocieTerra Emerging Markets Bond Fund (+2.4%*), SocieTerra Global Bond Fund (+1.3%*) and SocieTerra Global Corporate Bond Fund (+0.3%) were the main contributors to the overall performance of fixed income funds.
- Due to its weighting and performance, the SocieTerra Canadian Bond Fund (-0.6%) was the weakest contributor to the fixed income component of the portfolios. The SocieTerra Short-Term Income Fund (-0.4%*) and the Desjardins Global Government Bond Index Fund (-0.5%*) also had a slight negative impact on the performance of the fixed income component of the portfolios.

Growth (A-Class return)

- With the exception of the SocieTerra Emerging Markets Bond Fund (-1.3%) and the SocieTerra Cleantech Fund (-1.0%), all of the equity funds in the portfolios posted positive returns ranging from +0.2% (SocieTerra Positive Change Fund) to +7.4% (SocieTerra American Small Cap Equity Fund).
- The SocieTerra American Small Cap Equity Fund (+7.4%), SocieTerra International Equity Fund (+3.1%) and SocieTerra American Equity Fund (+1.9%) contributed most to the strong performance of the equity component of the portfolios.
- The SocieTerra Emerging Markets Equity Fund (-1.3%) and SocieTerra Cleantech Fund (-1.0%) were the weakest contributors to overall performance of the equity component of the portfolios.
- Overall, equity funds with significant investments in high-growth or quality stocks generally performed better. Conversely, funds with a greater focus on value or lower volatility were generally the biggest detractors during the second quarter of 2023.

* Class I performance

Contribution to portfolio performance (A-Class) as of June 30, 2023

	Fixed income	Growth
SocieTerra Conservative Portfolio	-	+
SocieTerra Moderate Portfolio	-	+
SocieTerra Balanced Portfolio	-	+
SocieTerra Growth Portfolio	-	+
SocieTerra Maximum Growth Portfolio	-	++
SocieTerra 100% Equity Portfolio	Neutral	++

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