

# Wise ETF Portfolios

Quarterly commentary as of September 30, 2023



## Market overview

Market performance as of September 30, 2023 (%)

	3 months	1 year	3 years	5 years	10 years
<b>Fixed income</b>					
FTSE Canada Universe Bond Index	-3.87	-1.36	-5.14	0.05	1.64
Bloomberg Barclays Multiverse Bond Index (CAD-hedged)	-1.87	1.91	-3.80	0.25	1.81
<b>Growth</b>					
MSCI Canada Index (total return)	-1.96	9.70	9.52	6.27	6.79
MSCI USA Index (CAD) (total return)	-1.07	19.09	9.46	10.31	14.28
MSCI EAFE Index (CAD) (total return)	-2.03	23.63	6.18	4.17	6.71
MSCI Emerging Markets Index (CAD) (total return)	-0.82	9.91	-1.33	1.46	4.91
MSCI ACWI ex CANADA IMI Index (CAD) (total return)	-1.29	18.51	7.24	7.07	10.50

Sources: Desjardins Investments Inc., Morningstar Inc.

## Comments on market performance

- In the third quarter of 2023, strong market volatility negatively affected quarterly performance.
- The Canadian stock market posted returns of -2.0% according to the MSCI Canada Index (total return). This was largely due to a drop in performance in the telecommunications services and information technology sectors. The energy sector posted strong performance in the third quarter of 2023, helping to ease the downturn in the Canadian market.
- With respect to bonds, the FTSE Canada Universe Bond Index posted a negative return of -3.9%, mainly due to lower government bond yields.
- In the US stock market, the MSCI USA Index (CAD) (total return) posted a return of -1.1% for the third quarter of 2023. This drop in performance was primarily due to the information technology, consumer discretionary and real estate sectors.
- Emerging market equities posted a negative return of -0.8% in the third quarter of 2023 according to the MSCI Emerging Markets Index (CAD). Economic growth in emerging economies slowed mainly due to high interest rates.

## Portfolio performance (C-Class) as of September 30, 2023 (%)

	3 months	1 year	3 years	5 years	10 years	Since start of operations	Start date of operations
Wise Fixed Income ETF Portfolio	-3.22	-0.96	-5.76	N/A	N/A	-3.03	2019/07/08
Wise Conservative ETF Portfolio	-3.03	1.25	-4.24	N/A	N/A	-2.09	2019/07/08
Wise Balanced ETF Portfolio	-2.73	4.35	-1.67	N/A	N/A	-0.09	2019/07/08
Wise Growth ETF Portfolio	-2.59	7.22	0.67	N/A	N/A	1.23	2019/07/08
Wise Maximum Growth ETF Portfolio	-2.38	10.06	3.10	N/A	N/A	2.85	2019/07/08
Wise 100% Equity ETF Portfolio	-2.15	12.70	5.66	N/A	N/A	5.08	2019/07/08

Unlike the benchmarks, the portfolios' performance is net of fees and expenses.

Source: Desjardins Investments Inc.

## Comments on portfolio performance as of September 30, 2023

### Fixed income (Canadian dollar and I-Class returns for Desjardins Funds)

- During the third quarter of 2023, fixed income Desjardins Funds and ETFs posted returns ranging from -4.9% (iShares US IG Corporate Bond ETF (CAD-Hedged)) to 0.0% (Desjardins Canadian Short Term Bond Index ETF (DCS))
- The Desjardins Canadian Short Term Bond Index ETF (DCS) (0.0%) is the only ETF that had a neutral return and limited the decline of the fixed income component of the portfolios.
- Due to their returns during the third quarter of 2023, the iShares US IG Corporate Bond ETF (CAD-Hedged) (-4.9%), the Desjardins Canadian Universe Bond Index ETF (-3.8%) and the iShares J.P. Morgan USD Emerging Markets Bond Index ETF (CAD-Hedged) (-3.8%) detracted the most from the fixed income component of the portfolios.

### Equities (Canadian dollar and I-Class returns for Desjardins Funds)

- During the last 3 months, all of the equity ETFs and Desjardins Funds in the portfolios posted negative returns ranging from -5.7% (Desjardins Global Equity Growth Fund) to -0.2% (Desjardins Global Equity Dividend Fund).
- Due to their weightings and returns, the Desjardins Global Equity Growth Fund (-5.7%), the iShares Core S&P Small-Cap ETF (-4.9%) and the iShares MSCI EAFE Small-Cap ETF (-4.3%) detracted the most from returns on the equity component of the portfolios.
- The Desjardins Global Equity Dividend Fund (-0.2%) limited the decline of the overall performance of the fixed income component of the portfolios.

## Contribution to portfolio performance (C-Class) as of September 30, 2023

	Fixed Income	Equity
Wise Fixed Income ETF Portfolio	---	-
Wise Conservative ETF Portfolio	---	-
Wise Balanced ETF Portfolio	--	--
Wise Growth ETF Portfolio	--	--
Wise Maximum Growth ETF Portfolio	-	---
Wise 100% Equity ETF Portfolio	N/A	---

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