

Desjardins

Canadian Preferred Share Fund



QUARTERLY COMMENTARY AS OF MARCH 31, 2023

PORTFOLIO MANAGER:

Desjardins Global Asset Management

INCEPTION DATE:

April 11, 2016

CIFSC CATEGORY*:

Preferred Share Fixed Income

Contributors to relative performance

- An underweight position in the real estate sector was a positive factor. This segment, which is primarily comprised of Brookfield Office Properties, continued to experience a poor quarter.
- The fund's underweight exposure to rate resets with floors securities also contributed positively to performance. This type of structure was the worst performer in the quarter.

Detractors from relative performance

- The allocation to institutional preferred shares subtracted value. These companies underperformed the index and are not included in the index. Overall, the banking sector underperformed as it was affected by the turmoil caused by U.S. regional banks.
- The fund's underweight position in fixed-rate perpetuals securities also detracted from performance. This type of structure posted the best performance during the quarter.

Major changes to portfolio in the period

- There were no major changes over the period.

*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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