

Desjardins

Overseas Equity Growth Fund



QUARTERLY COMMENTARY AS OF JUNE 30, 2023



PORTFOLIO MANAGER:
Baillie Gifford

INCEPTION DATE:
March 23, 2010

CIFSC CATEGORY*:
International Equity

Contributors to relative performance

As active growth managers, portfolio performance is predominantly driven by stock-specific factors:

- In April, Swedish music streaming company **Spotify** reported first-quarter results that demonstrated continued growth for monthly active users and premium subscribers, allowing Spotify to be one of the top contributors for the second quarter in a row in your portfolio.
- **Nubank**, Latin American neobank, added 4.5 million customers in the first-quarter results (reaching a total of 79.1 million customers), and grew 33% year-over-year, underscoring its position as one of the largest and fastest-growing digital financial services platforms worldwide.

Detractors from relative performance

- Sentiment towards rapid growth companies continues to be fickle, therefore affecting the share price of **MercadoLibre** despite the company producing record Earnings Before Interest and Tax of US\$ 340 million on strong revenue of US\$ 3 billion.
- **Zalando**, the leading online fashion retailer in Europe, was a negative contributor as growth in demand for their product offering remains muted, explained partially by European consumers reducing their discretionary spending.

Desjardins

Overseas Equity Growth Fund



QUARTERLY COMMENTARY AS OF JUNE 30, 2023



PORTFOLIO MANAGER:

Baillie Gifford

INCEPTION DATE:

March 23, 2010

CIFSC CATEGORY*:

International Equity

Major changes to portfolio in the period

- Completed Sales
 - **Novozymes** — Novozymes is the world's largest provider of enzyme and microbial technologies. The proposed merger with Chr. Hansen will create a leading global BioSolutions provider with an increasingly diversified portfolio. While we acknowledge the strong competitive advantage and dominant market position of the combined group, we see greater potential for outsized returns elsewhere and have therefore sold your holding.

*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/>.

The information provided in this document is presented for illustration and discussion purposes only. It should not be considered as investment advice or securities transaction recommendations or recommendations on specific investment strategies. This document should in no case be considered or used for the purpose of buying units in a fund or any other offer of securities, regardless of jurisdiction. Said information is intended to be general and intended to illustrate and present examples relating to management of the portfolio manager cited in this document. All views, comments and opinions are subject to change without notice. The information presented on the market context and strategy represents a summary of the cited portfolio manager's observations with regards to the markets as a whole and its strategy as of the stated date. Different perspectives can be expressed based on different management styles, objectives, opinions or philosophies. Under no circumstances may this document be reproduced, in whole or in part, without obtaining written permission from the cited portfolio manager.

The Desjardins Funds are not guaranteed, their value fluctuates frequently, and their past performance is not indicative of their future returns. Commissions, trailing commissions, management fees and expenses all may be associated with mutual fund investments. Please read the prospectus before investing. The Desjardins Funds are offered by such registered dealers.

Desjardins®, all trademarks containing the word Desjardins, as well as related logos are trademarks of the Fédération des caisses Desjardins du Québec, used under licence.