Systematic Equity Markets Strategy

FACT SHEET/ JUNE 30, 2024

Desjardins
Global Asset Management

Strategy summary

The strategy applies a long/short approach to global equity markets, with the objective to maximize returns through controlled volatility, while maintaining a very low correlation to traditional asset classes.

With a variable market bias, it aims to leverage trading opportunities between equity indices by trading index future contracts, ETFs and baskets of individual stocks. This strategy uses complementary signals which have been consistent and robust in the past and whose prospects are rationalizable.

Characteristics

Beta	-0.3 to 0.3
Maximum exposure by index	15%
Short exposure to markets	100% (+/- 20%)
Long exposure to markets	100% (+/- 20%)
Volatility target	4.5% to 7.5%
Currency hedging	100% in USD

Performance and risk statistics (since inception)

Annualized return (USD)	5.93%
Annualized volatility	5.31%
Return/volatility	1.12
Sharpe ratio	0.69
Beta (predicted)	0.19
Beta (realized over last 12 months)	0.09
Skewness	0.37
Worst drawdown	-7.56%
Positive month ratio	0.64
Average of negative months	-1.06%
Average of positive months	1.36%
Correlation to MSCI World	0.12

Note: The inception date is January 1, 2018. All data are since inception except for the predicted beta, which is current.

Up and down-market performance (since inception)

	UP MARKETS	DOWN MARKETS	ALL MARKETS
MSCI WORLD (NET)			
Number of months	52	26	78
Avg. monthly return (USD)	3.09%	-3.23%	0.98%
SYSTEMATIC EQUITY MARKETS STRATEGY			
Positive months ratio	69%	54%	64%
Avg. monthly return (USD)	0.61%	0.26%	0.49%

Note: The average monthly return is calculated when the benchmark has a positive month or a negative month.

Investment team

Nelson Cabral, M.Sc., CFA
Portfolio Manager
Experience: 17 years
Team member since 2011

Gabriel Laprise, B.Eng., M.Sc.A., CFA
Senior Advisor, Quantitative Strategies
Experience: 5 years
Team member since 2018

IT development

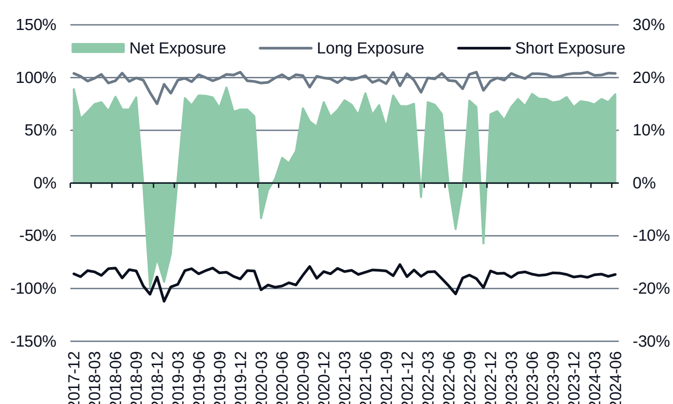
Eric Gagnon, B.Sc., BBA
Senior Software Developer
Experience: 22 years
Team member since 2023

Alexandre Bériault, B.Eng.
Software Architect
Experience: 13 years
Team member since 2012

Guillaume Paré, B.Eng.
Senior Software Developer
Experience: 8 years
Team member since 2016

Michael Laplante
Software Developer
Experience: 1 year
Team member since 2022

Net market exposure



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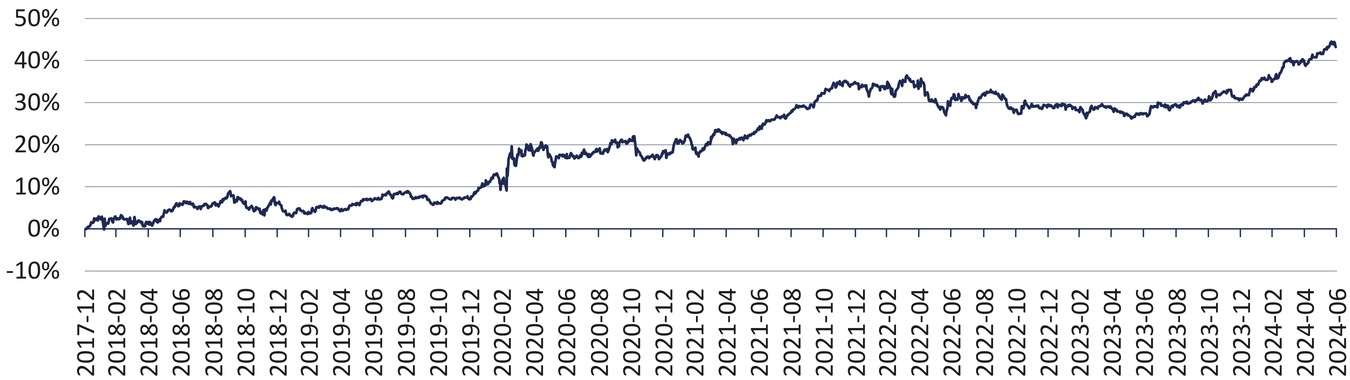
Returns (USD)

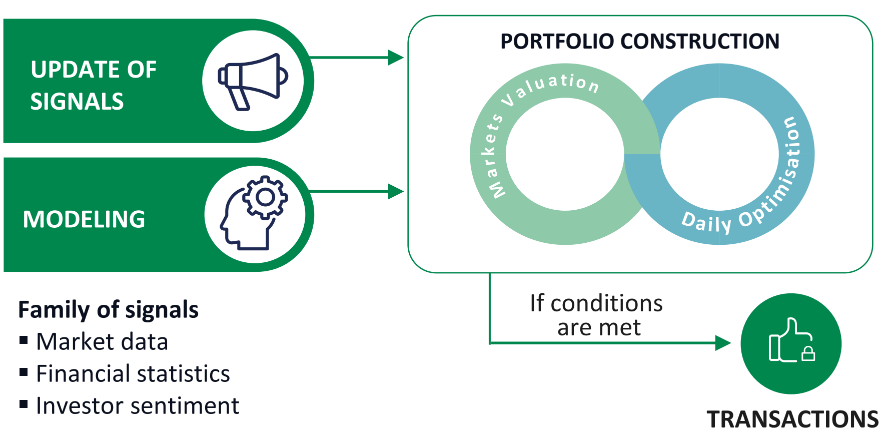
In %	Jan.	Feb.	March	April	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	YTD
2024	2.57	0.77	3.76	-0.52	1.83	1.21							9.95
2023	0.16	-1.30	0.83	0.43	-1.59	0.45	1.97	-0.16	0.76	0.63	1.27	-1.39	2.00
2022	-0.81	0.29	1.09	-1.54	-1.78	-0.07	0.42	0.43	-0.50	-2.22	1.09	-0.06	-3.66
2021	1.54	-1.21	1.70	1.21	-0.54	1.86	1.66	1.63	0.25	3.02	1.68	0.10	13.61
2020	3.17	0.24	5.92	0.69	-0.37	-0.57	0.56	0.95	1.47	0.28	-3.14	1.14	10.56
2019	-2.19	0.25	1.41	-0.87	1.50	0.44	1.66	0.19	-0.75	-1.55	1.21	-0.21	1.02
2018	2.62	-0.04	-0.82	-0.60	3.25	1.22	-0.54	0.88	2.10	-1.61	-2.70	2.32	6.06

Note: The inception date of the strategy is January 1, 2018.

Cumulative returns (USD)



Investment process



Family of signals
- Market data
- Financial statistics
- Investor sentiment

Contact information

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Sources: MSCI, DGAM, at June 30, 2024

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