

FACT SHEET / JUNE 30, 2025

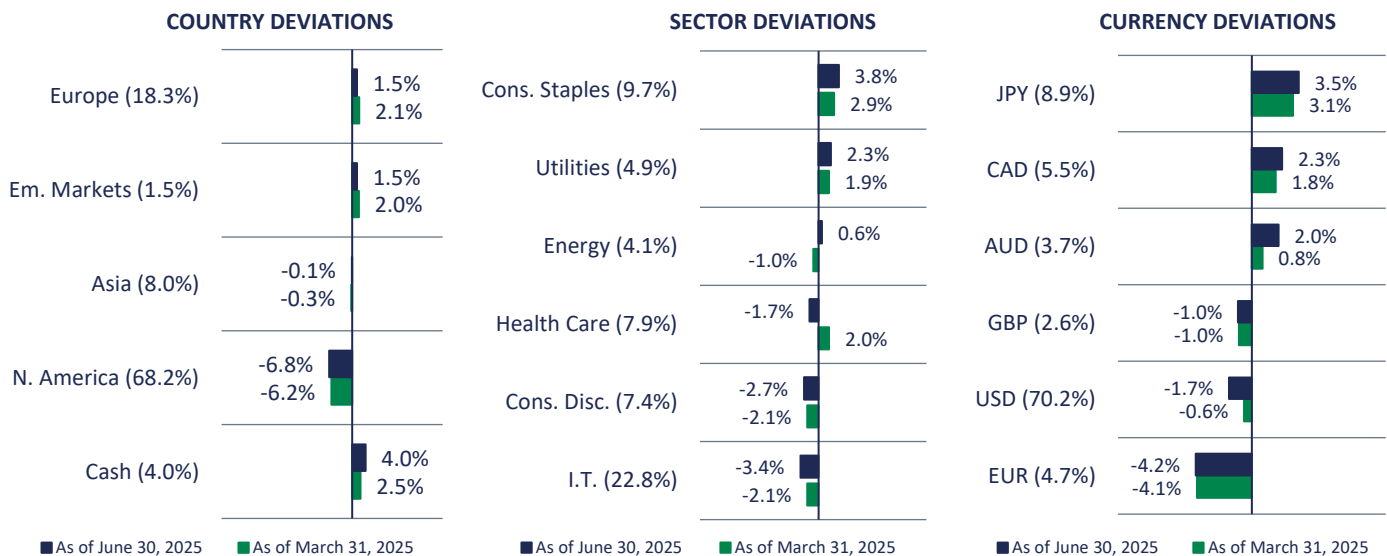
## Global Equities

## Performance (CAD)

Annualized (%)	3 months	YTD	1 year	3 years	5 years	10 years	Since inception
Hexavest Global Composite	5.24	5.60	17.11	22.73	15.71	10.75	7.92
MSCI World (net)	5.68	3.86	15.93	20.55	14.59	11.65	6.24
VALUE ADDED	-0.44	1.74	1.18	2.18	1.12	-0.90	1.68

Ten last years (%)	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Hexavest Global Composite	20.20	8.81	7.72	1.16	14.51	-1.45	17.15	-3.52	22.62	29.03
MSCI World (net)	18.89	3.79	14.36	-0.49	21.22	13.87	20.78	-12.19	20.47	29.43
VALUE ADDED	1.31	5.02	-6.64	1.65	-6.71	-15.32	-3.63	8.67	2.15	-0.40

## Positioning (vs MSCI World)



## Market Outlook

MACROECONOMIC ENVIRONMENT	VALUATION	SENTIMENT
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The deceleration of global growth will continue in the coming quarters but very unevenly across regions. Expansionary monetary and fiscal policies in Europe and Asia will be growth-friendly, but in North America uncertainty caused by the Trump administration will undermine economic activity. Moreover, with inflation still an issue in the United States, the Federal Reserve's monetary policy will stay restrictive for several more months. Trade tensions peaked in April but eased somewhat in May and June, so much so that the consensus was that the worst had been avoided. But Trump's strategy is one of destabilization, so the reprieve may be short-lived. More attacks on institutions, including the Federal Reserve, are to be expected, as well as further trade friction. Even so, we have revised the macroeconomic environment up from double-negative to single-negative owing to the reprieve and the policies adopted in Europe and Asia.

Stock market valuations quickly returned to the extreme levels seen at the start of the year. For the MSCI World, our aggregate metric based on the most commonly used valuation ratios was at the 93<sup>rd</sup> percentile of its historical distribution as at June 30. The S&P 500 was at the 99<sup>th</sup> percentile, far above what its fundamentals justify. In fact, all episodes of such a disconnect between stock prices and corporate earnings have ended in the same way: Prices adjust up or down to corporate realities. That said, even in such an expensive market, opportunities could still be found. Risk premiums in the European and Japanese markets were attractive, as was the valuation of mid caps, even in the United States. Thus, although the aggregate global market valuation warrants a triple-negative rating, we are keeping our valuation vector at double-negative because of continued opportunities in some market segments.

The S&P 500 recovered from its March and April decline at record speed and went on to hit new highs in June. The 33% rise in the NASDAQ from April to June also reflects the significant recovery in risk appetite, as well as the extreme outperformance of cyclical sectors versus defensives. But, on the basis of all our sentiment indicators, we can't conclude that all categories of investors we monitor were euphoric. The very rapid rebound in the stock market was fuelled mainly by a sense of invincibility on the part of small investors and corporate share buybacks. Insiders, professional managers and institutional investors were more restrained. But, as with valuation, the biggest surprise was the hostile and unpredictable environment in which optimism manifested itself, particularly in the U.S. market. We are therefore going against the grain of investor sentiment and lowering our vector from single-positive to single-negative.

**Our analysis of the three vectors has prompted us to maintain a defensive bias. The stark contrast between macroeconomic risks and valuation and sentiment drivers call for caution. We are confident that volatility will return, creating attractive opportunities.**

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# Global Equities

## Summary

<b>Benchmark</b>	MSCI World (net)
<b>Value added objective</b>	2% (4-year rolling periods)
<b>Active risk</b>	3% to 5%
<b>Number of holdings</b>	275 to 350 (higher if exposure to EM)
<b>Currency management</b>	Active
<b>Maximum cash exposure</b>	10%

## DEVIATIONS VS. BENCHMARK

Regions:	+/- 15%
Countries:	+/- 15%
Currencies:	+/- 15%
Sectors:	+/- 10%

## Investment Approach

- Clearly defined process, applied for nearly 30 years
- Top-down and contrarian approach
- Diversified sources of alpha: regions, countries, currencies, sectors, industries, stocks
- Strong focus on downside protection
- Systematic integration of ESG factors
- Experienced and nimble investment team

## Investment Team

**Marc C. Lavoie, CPA, CFA**  
Manager, Global Top-down Strategy  
Experience: 24 years  
Joined team: 2003

**Christian Crête, CFA**  
Senior Portfolio Manager  
Experience: 25 years  
Joined team: 2012

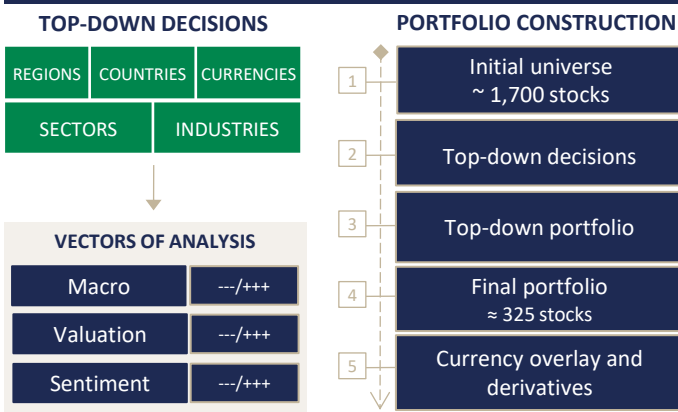
**Frédéric-Bouchard Labonté, M.Sc., CFA**  
Senior Analyst  
Experience: 11 years  
Joined team: 2024

**Jean-Pierre Couture, M.Sc.**  
Economist and Senior Portfolio Manager  
Experience: 29 years  
Joined team: 2010

**Aïcha Traoré, M.Fin., M.Sc.**  
Analyst  
Experience: 5 years  
Joined team: 2022

**Irina Prokopyeva, M.Sc., CFA**  
Senior Analyst  
Experience: 9 years  
Joined team: 2024

## Investment Process



## Responsible Investment

We have a team of specialists dedicated exclusively to responsible investment.

- Combine investments and RI expertise to offer high-performance strategies.
- Develop a simple RI process that can be easily integrated into any mandate.
- Increase the efficiency of the investment process thanks to ongoing exchanges between portfolio managers and the RI team.

## Contact Us

[clientexperience.dgia@desjardins.com](mailto:clientexperience.dgia@desjardins.com)

Sources: MSCI, DGAM, as of June 30, 2025

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The performance shown is that of a composite of global equity mandates managed by DGAM (since September 2021). Accounts in the composite may have investment guidelines that differ from those of the representative account. The inception date of the composite is January 1, 1999. Performance results are presented gross of management and custodial fees but net of all trading commissions. Returns for periods greater than 12 months are annualized. Past performance is not necessarily indicative of future performance.

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