Market Commentary
Fourth Quarter 2019

CI American Value Fund

William W. Priest, Chief Executive Officer, Co-Chief Investment Officer and Portfolio Manager
Michael Welhoelter, Managing Director, Co-CIO, Portfolio Manager, Head of Risk Management
David Pearl, Executive Vice President, Co-Chief Investment Officer and Portfolio Manager

Class F returns (in %) as at December 31, 2019	Year-to-date	1 year	3 year	5 year	10 year	Since inception (11/17/2000)
CI American Value Fund	24.7	24.7	10.7	10.3	12.8	4.6

Sources: Bloomberg Finance L.P.; Morningstar Direct; and Epoch Investment Partners, Inc., as at December 31, 2019.

Market Overview

- Stocks rose to new highs on optimism over a U.S.-China trade deal, easier monetary policy, earnings that exceeded consensus expectations and hopes that the worst of the global economic slowdown was over. Health care and information technology stocks achieved double-digit gains, while large-cap financials also outperformed. Defensive sectors were weak, including real estate, utilities and consumer staples. Bond yields crept higher.

- Markets were sensitive to news on trade developments, most of which was positive. The United States and China closed in on a "phase one" deal despite missing the mid-November deadline for doing so. The U.S. Federal Reserve delivered its third interest-rate cut since July, but signalled it was done lowering rates unless it saw signs of material weakness in the economy. Corporate earnings were on track to decline for a third consecutive quarter, but most were able to beat expectations. Wall Street analysts projected earnings growth to accelerate in 2020, easing recession fears. Purchasing managers' indexes in the manufacturing sector for November improved for most countries, including the United States and Germany, although they remained below 50, the threshold for expansion. Better-than-expected data on Chinese economic activity led some economists to raise their 2020 growth estimates.

Performance Summary

- Over the fourth quarter of 2019, Class F of CI American Value Fund (the "Fund") returned 6.6%, compared with 6.8% for its benchmark, the S&P 500 Total Return Index.

2 Queen Street East, Twentieth Floor, Toronto, Ontario M5C 3G7 I **www.ci.com**

Head Office / Toronto	Calgary	Montreal	Vancouver	Client Services
416-364-1145	403-205-4396	514-875-0090	604-681-3346	English: 1-800-563-5181
1-800-268-9374	1-800-776-9027	1-800-268-1602	1-800-665-6994	French: 1-800-668-3528

Market Commentary
Fourth Quarter 2019

- The Fund’s security selection produced positive results, particularly in the communication services, financials and health care sectors.

- Nine of the 11 market sectors posted positive returns for the quarter. Against this backdrop, the Fund's below benchmark weight in information technology (which rose 12%) detracted from relative results, as did its modest allocation to cash in a strong market environment.

Contributors to Performance

- Earlier this year, health care services companies’ shares came under significant selling pressure despite their overall growth in profits. We suspect these declines were due to the political and media focus on government-controlled health care solutions proposed by some of the U.S. presidential candidates. These fears have subsided and the stocks of profitable health care companies recently surged, including our holdings Centene Corp. and UnitedHealth Group Inc.

- Centene was a top contributor to relative performance. The company offers health care plans to corporations and U.S. government sponsored programs. Centene primarily focuses on uninsured individuals and helps them access care facilities and social services through government subsidized programs. The company’s third quarter revenue was up 17% from a year earlier. The number of managed care memberships rose 6% to 15.3 million, year-over-year. Centene generates a higher return on equity than its peers through efficient program management and greater business diversification. State government outsourcing initiatives provide the company with strong long-term growth prospects.

- UnitedHealth Group is the largest private health insurance provider in the United States, offering medical benefits to nearly 50 million members across its U.S. and international businesses. The company reported third-quarter revenue growth of 7% from a year earlier, while profit rose 14%, both of which exceeded consensus estimates. The company also increased its profit estimates for the 2019 fiscal year. Due to its size and scale, UnitedHealth possesses a strong competitive advantage that enables it to negotiate larger discounts with health care providers, while simultaneously leveraging its fixed cost operations over a large membership base. In addition, its Optum Health unit has unregulated and fast-growing businesses that provide diversification benefits relative to the heavily regulated insurance industry.

Detractors from Performance

- Among the Fund’s biggest detractors was Ventas Inc., whose shares declined after the company issued a disappointing report on its senior housing portfolio, which represents 54% of its total net operating income. This segment experienced a 5% decline in operating profit, partially due to a 70-basis-point occupancy decline year-over-year. We expect that this business’s supply dynamics will improve in 2020, resulting in an improvement in top line same facility trends. In the meantime, Ventas’s underlying management companies are focused on better management revenue capabilities and reducing expenses, which should result in an increase in cash flow to the parent company. In its other business segments, Ventas sees opportunities for continued external growth. The company is mostly focused on development of research properties at leading universities through its partnership with Wexford Science & Technology LLC. In addition, Ventas should grow its medical office, senior housing and other businesses through acquisition over time as its cost of capital has improved, making for more attractive accretive opportunities. The company also continues to re-develop properties at attractive yields.

Portfolio Activity

- During the period, we purchased several new companies that fit well with our emphasis on cash generation and optimal capital deployment. For example, Liberty Media Corp., through its subsidiary holdings, is engaged in providing a subscription-based satellite radio service. It transmits music, sports, entertainment, comedy, talk, news, traffic and weather channels, as well as infotainment services. The company distributes its satellite radios through automakers and rental car companies, as well as through its retail locations and website. Geographically, it offers services in the United States and Canada. Going forward, it's highly likely that Liberty will use its 35% stake in publicly traded iHeart Media to close a 35% valuation gap with the underlying shares of SiriusXM, in which Liberty owns 71%. The combination would give the company a top-two competitive position across the satellite, terrestrial and streaming music markets. It would also create the third largest player in podcasting, an area of media that is significantly underpenetrated by advertising dollars and is expected to see rapid growth over the next five to 10 years.

Outlook

- We expect three themes to be key influences in 2020 and beyond: elevated trade tensions, lower-for-longer interest rates and an earnings-driven equity market. Additionally, we expect the current record-long U.S. economic expansion to continue through 2020.

- In light of these themes, we expect equity returns in the high single digits in 2020. A possible recession could jeopardize this outlook, although we don't view this as imminent. Expansions don't just die of old age; they either get killed off by the Fed when it tightens its policy to head off inflation (as occurred in the 1980s) or they end because there has been some huge misallocation of capital leading to an unsustainable investment bubble that eventually collapses (as happened with technology/telecom in the late 1990s and housing in the mid-2000s). Today, the Fed is not tightening and there does not appear to be any obvious bubble.

- We believe our investment approach is well suited to this environment, in which investment returns are more closely linked to company fundamentals. As always, we seek companies that can generate a growing stream of free cash flow and can allocate that cash effectively to the benefit of shareholders.

IMPORTANT DISCLAIMERS

Commissions, trailing commissions, management fees and expenses all may be associated with mutual fund investments. Please read the prospectus before investing. The indicated rates of return are the historical annual compound total returns net of fees (except for figures of one year or less, which are simple total returns), including changes in security value and reinvestment of all distributions, and do not take into account sales, redemption, distribution or optional charges or income taxes payable by any securityholder that would have reduced returns. Mutual funds are not guaranteed, their values change frequently and past performance may not be repeated.

Certain statements contained in this communication are based in whole or in part on information provided by third parties and CI Investments Inc. has taken reasonable steps to ensure their accuracy. Market conditions may change which may impact the information contained in this document.

The contents of this piece are intended for informational purposes only and not to be used or construed as an endorsement or recommendation of any entity or security discussed. The information should not be construed as investment, tax, legal or accounting advice, and should not be relied upon in that regard. Individuals should seek the advice of professionals, as appropriate, regarding any particular investment. Investors should consult their professional advisors prior to implementing any changes to their investment strategies. These investments may not be suitable to the circumstances of an investor. Some conditions apply.

Certain statements in this document are forward-looking. Forward-looking statements ("FLS") are statements that are predictive in nature, depend upon or refer to future events or conditions, or that include words such as "may," "will," "should," "could," "expect," "anticipate," "intend," "plan," "believe," or "estimate," or other similar expressions. Statements that look forward in time or include anything other than historical information are subject to risks and uncertainties, and actual results, actions or events could differ materially from those set forth in the FLS. FLS are not guarantees of future performance and are

by their nature based on numerous assumptions. Although the FLS contained herein are based upon what CI Investments Inc. and the portfolio manager believe to be reasonable assumptions, neither CI Investments Inc. nor the portfolio manager can assure that actual results will be consistent with these FLS. The reader is cautioned to consider the FLS carefully and not to place undue reliance on FLS. Unless required by applicable law, it is not undertaken, and specifically disclaimed that there is any intention or obligation to update or revise FLS, whether as a result of new information, future events or otherwise.

The comparison presented is intended to illustrate the mutual fund's historical performance as compared with the historical performance of widely quoted market indexes or a weighted blend of widely quoted market indexes or another investment fund. There are various important differences that may exist between the mutual fund and the stated indexes or investment fund, that may affect the performance of each. The objectives and strategies of the mutual fund result in holdings that do not necessarily reflect the constituents of and their weights within the comparable indexes or investment fund. Indexes are unmanaged and their returns do not include any sales charges or fees. It is not possible to invest directly in market indexes.

Epoch Investment Partners, Inc. is a portfolio sub-advisor to certain funds offered and managed by CI Investments Inc.

Published January 29, 2020.