Market Commentary
Fourth Quarter 2019

ALTRINSIC

CI Global Value Fund

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Class F returns (in %) as at December 31, 2019	Year-to-date	1 year	3 year	5 year	10 year	Since inception (08/08/2000)
CI Global Value Fund*	16.6	16.6	8.1	9.6	9.8	4.8

Sources: Morningstar Direct; FactSet; Intercontinental Exchange, Bank of America; Altrinsic Global Advisors, LLC as of December 31, 2019. *Harbour Global Equity Fund merged into CI Global Value Fund effective November 22, 2019. Please refer to the Fund's simplified prospectus and fund facts on ci.com.

Market Overview

- Markets continued to enjoy strong performance in the fourth quarter of 2019 as trade tensions eased and political turmoil abated in the United Kingdom and Italy. Central bankers have moved from interest rate policies of "lower for longer" to "lower forever," as their top priority is extending the economic cycle. However, the path forward is fragile, given significant global leverage and weak economic data. That said, investors have scaled the wall of worry, with equity portfolio manager bullishness at six-year highs and credit spreads back near cyclical lows. However, this has created a risk that asset values will extend well ahead of fundamental underpinnings. We believe it is essential to adhere to bottom-up analysis and margin of safety for navigating these unprecedented waters.

Performance Summary

- Over the fourth quarter, Class F of CI Global Value Fund (the Fund) returned 5.1%, compared with a 6.4% return for its benchmark, the MSCI World Total Return Index.

- The Fund underperformed due to our residual cash position and below-market risk strategy. From a sector perspective, information technology, financials and consumer staples were the key detractors from relative performance.

Contributors to Performance

- During the quarter, the Fund's top contributing investments included Z Holdings Corp. and Astellas Pharma Inc.

- Z Holdings announced plans to merge with its competitor Line Corp., which provides Japan's leading messaging application. Both companies have been competing aggressively in the mobile payments market, and we expect the combined entity to become the dominant player in this fast-growing space. Line is also a major player in Japanese online advertising, which will give Z Holdings a market share of nearly 25%.

- Astellas Pharma Inc. continues to diversify away from its prostate cancer drug Xtandi. Early approval of Padcev for bladder cancer and a move into gene therapy are solid signs of the company's diversification strategy.

Detractors from Performance

- Our positions in Danone SA and Liberty Global PLC detracted from the Fund's relative performance during the quarter.

- After rallying earlier in 2019, Danone shares declined due to financial results that fell short of expectations. The company is a leader in strong, health-centric markets. The performance of Danone's products in its top line markets (including plant, infant nutrition and water) is accelerating, with margin improvement potential, while its shares are trading at a discount to those of its peers in the consumer staples sector.

- Liberty Global's stock underperformed after the planned sale of its Swiss-based assets to Sunrise Communications Group AG fell through, and the release of disappointing revenue figures for the third quarter of 2019. Despite a strong track record of disposing assets at accumulative multiples, Liberty Global trades at a significant valuation discount to its competitors. The discount should narrow as its cash generation improves and through continuing portfolio optimization.

Portfolio Activity

- The Fund initiated two new positions during the fourth quarter. Of note is ABN Amro Bank NV, a well capitalized Dutch retail bank operating in a banking market dominated by oligopolies and thus has solid price discipline. In recent years, ABN has invested heavily in technology to improve its digital offerings and raise its customer satisfaction ratings. We expect this spending to slow and allow the bank to gradually catch up to its peers' cost-to-income levels. While ABN's revenue growth should remain anemic given weak loan demand and low interest rates, cash generation should be strong and contribute to return on equity in the low double digits, leading to significant dividends.

- We exited eight positions in the portfolio, including Adidas AG, the world's second-largest sporting-goods company. After a multi-year rally, Adidas shares have repriced to our intrinsic value and now discount future margin improvement potential.

Outlook

- We continue to focus on businesses with a greater degree of control over their cash flows and management teams that have incentive to work in the best interests of shareholders. Currently, this means the portfolio has below-market risk. This has not been an economy-based call, but a factor of sensible long-term analysis and conservative business cycle assumptions. The last five years have seen sharp bouts of volatility, and we expect the next five years to be no different. As always, we will remain nimble but disciplined when volatility once again presents opportunities, and we expect our positioning to lead to significant outperformance over the medium term.

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