Market Commentary

First Quarter 2020

ALTRINSIC

CI Global Value Balanced Fund

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Class F returns (in %) as at March 31, 2020	Year-to-date	1 year	3 year	5 year	10 year	Since inception (2013-06-07)
CI Global Value Balanced Fund	-12.0	-3.1	1.8	2.5	-	6.7

Source: Altrinsic Global Advisors, LLC as of March 31, 2020.

Market Overview

- The first quarter of 2020 was one of the worst on record, with prices collapsing in March. In a matter of weeks, the COVID-19 virus that likely emerged from a wet market in Wuhan, China, brought the global economy to a halt. A Saudi-Russian-induced oil-price war exacerbated the decline. Only cash, select government bonds and gold provided refuge from the carnage. There is tremendous uncertainty in the near term, as policymakers inject wartime-like stimulus into economies, creating a bridge until health risks subside and economic activity recovers. Opportunities are emerging amid the associated uncertainty, and we have been taking a disciplined, opportunistic and incremental approach to capitalizing on them.

Performance Summary

- Over the first quarter ended March 31, 2020, Class F of CI Global Value Balanced Fund (the Fund) returned -12.0%, compared with 2.0% (in Canadian-dollar terms) for its blended benchmark, comprising 50% MSCI World Total Return Index and 50% Bank of America-Merrill Lynch Global Broad Market Index.

- The Fund underperformed due to exposures in the information-technology, consumer-discretionary and communication-services industries. In IT, not owning highly valued U.S. technology companies weighed on performance.

Contributors to Performance

- During the quarter, the Fund's top contributing investments included Biogen, Inc. and Kroger, Co.

- Biogen's main drugs treat multiple sclerosis, which will be relatively unscathed by COVID-19. However, investors expect the company to file for approval for an Alzheimer's drug very shortly. This will meet a significant medical need that could double Biogen's revenue.

- Kroger, the United States' largest grocery retailer, is enjoying a major increase in traffic, as consumers' pantries are loaded ahead of and during government-imposed lockdowns. This is providing an opportunity to sell higher margin non-grocery items.

Detractors from Performance

- Our positions in Advance Auto Parts, Inc. and Hartford Financial Services Group, Inc. detracted from performance during the quarter.

- Consumers are not driving due to the lockdown. As a result, Advance Auto Parts' sales collapsed. However, we expect a robust rebound as we exit the COVID-19 downturn.

- Hartford's shares were weak due to concerns over business-interruption claims. Our due diligence shows that the majority of the company's clients did not have coverage and viruses are almost always excluded from policies. Some U.S. state legislators are considering ignoring contract law. We expect sanity to prevail. However, we could see the strongest insurance pricing cycle in history, as insurers will have to price policies for the risk that governments no longer adhere to the law.

Portfolio Activity

- The Fund initiated 12 new positions after the downturn began. Among these was Accor SA, an asset-light hotel network and beneficiary of increasing hotel consolidation under brands with a leading market share in less penetrated geographies. Accor sits at the epicenter of the COVID-19 impact, but it completed significant monetization of non-core assets that provide ample liquidity to weather the crisis.

- We exited six positions in the Fund during the quarter, including Swiss Re AG, which approached our intrinsic value. We sold Samsung Electronics Co. Ltd., as its share price did not reflect a protracted economic downturn. We put the resulting capital to work in other opportunities that were more deeply discounted and had a more compelling risk-reward.

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Outlook

- Just as in prior crises, human ingenuity and grit, aided by science and technology, will prevail over COVID-19. The lasting changes render so-called historical factors even less relevant. It will be paramount to understand business drivers, in order to determine growth rates, profitability levels and cash-flow generation. These same attributes and tools that will allow us to defeat the virus are common among companies and management teams that will do well as we cross the post-pandemic bridge. We believe the common equity of attractively priced businesses with these characteristics, are the best equipped among all asset classes to perform in the range of economic landscapes that may emerge.

Source: Morningstar Direct; FactSet; Intercontinental Exchange, Bank of America; Altrinsic Global Advisors, LLC.

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.

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