CI LIQUID ALTERNATIVE INVESTMENT STRATEGIES

CI Lawrence Park Alternative Investment Grade Credit Fund

NOVEMBER 2020

CI Lawrence Park Alternative Investment Grade Credit Fund (the Fund) is an active credit-focused mandate designed to address the challenges of traditional fixed-income investing. Hedging the majority of interest rate risk and currency risk, the Fund aims to generate fixed-income alpha by capitalizing on inefficiencies and short-term dislocations in the investment-grade corporate credit markets. With an emphasis on capital preservation, the Fund seeks to provide consistent positive returns over the market cycle, with a low correlation to equity and fixed-income markets.

PERFORMANCE SUMMARY (as at November 30, 2020)

	YTD	1 MONTH	3 MONTHS	6 MONTHS	1 YEAR	2 YEAR	SINCE INCEPTION
CI LAWRENCE PARK ALTERNATIVE INVESTMENT GRADE CREDIT FUND CLASS F	3.81	1.71	2.84	10.01	4.43	4.80	4.43
FTSE CANADA ALL CORPORATE BOND INDEX	7.95	1.68	1.06	5.05	7.35	8.56	8.50

Source: CI Global Asset Management & Morningstar Research Inc. as at November 30, 2020. Inception date: November 7, 2018.

MONTHLY SUMMARY

November was a risk-on month for most asset classes including credit, as excess returns finally moved into positive territory for the first time since February. A contested, but ultimately definitive U.S. election and the emergence of high-efficacy COVID-19 vaccines, were all the headlines required to send credit spreads back toward the tights of the year. Similar to equities, it was the sectors hardest hit by COVID-19 that enjoyed the strongest performance for the month, led by energy and REITs. We expect the credit rally to continue in 2021 amid the vaccine rollout, although the tightening we've seen in recent weeks may lead to a period of consolidation into year-end.

CREDIT

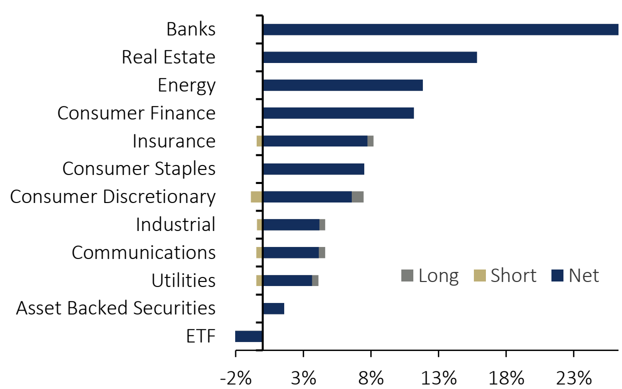
Global credit has been in a strong recovery phase since April, and the momentum showed no signs of slowing in November. Through September and October investment grade credit managed to outperform equities, buoyed by strong inflows from investors looking to de-risk ahead of the U.S. election. As the election results became more transparent and successive positive vaccine headlines broke, some assets inevitably flowed back into equities. However, institutional money such as pensions and insurance, which tend to allocate based on valuation rather than momentum, were actively rebalancing out of equities into fixed income. We believe a significant portion of those asset flows went to high-grade credit.

FUND SUMMARY

KEY FACTS

NAV/UNIT (CLASS F)	$10.50
STRATEGY AUM	$409 million
MANAGEMENT FEE (CLASS F)	0.80%
PERFORMANCE FEE	10% of any returns (net of MER) above the Hurdle Rate, subject to a high-water mark
HURDLE RATE	FTSE Canada All Corporate Bond Index
INTEREST RATE DURATION	0-3 years
LEVERAGE	1-3x
INVESTMENT-GRADE EXPOSURE	99%
CLASS F FUND CODE	CIG 4190 (C$) CIG 4194 (US$)
CLASS A FUND CODE	CIG 2190 (C$) CIG 2194 (US$)
ETF TICKER	TSX: CRED (C$ hedged) CRED.U (US$ hedged)

SECTOR BREAKDOWN



Canadian credit enjoyed a similarly positive month generating solid returns despite marginally lagging global markets. Surprisingly, it was the lightest month of the year for new issuance activity, which aided performance as those looking to add credit were forced to buy secondary paper. Highlights include Ford Credit Canada Company, which brought its first deal of 2020 and first since being downgraded to BB+, and mortgage financier, MCAP Service Corp. Both deals performed very well as investors were enticed by the 3%+ yields on offer, and secondary spreads moved tighter in the wake of their success.

RATES

Government bond yields in North America remained range bound through November although the longer-term trend continues to point towards higher yields and steeper curves. The U.S. inflation outlook continues to rise, and although the U.S. Federal Reserve (Fed) publicly discussed extending the duration of its government bond purchase program, it has stopped short of proposing outright yield curve control.

PORTFOLIO THEMES

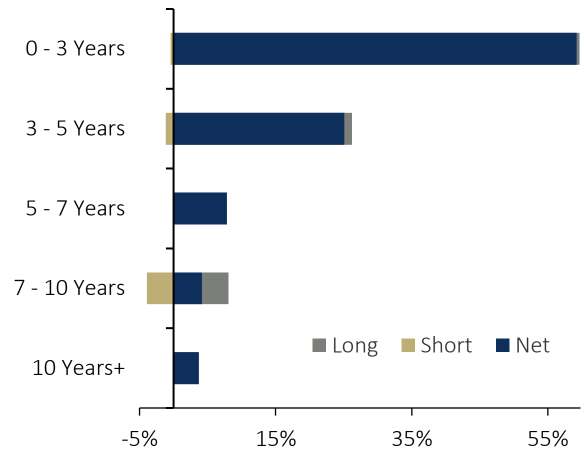
Our portfolio benefited from the overall tightening of credit spreads, and in particular from special situation bonds which outperformed the broad market. As described above, new bonds issued by Ford and MCAP performed particularly well, and existing bonds moved tighter. Particularly, in recent weeks we had built a position in 2022 MCAP paper, which was subsequently announced for early tender. The tender offer caused the bonds to tighten 130 basis points (bps) on the day of the announcement. Other holdings which contributed significantly to November performance include the recent Tier 1 LRCN notes from RBC and BMO, and Chartwell Retirement Residences.

We marginally rotated from short-term debt to intermediate and long-term debt during the month to take advantage of expected credit curve flattening. With spreads on 1-5-year corporate bonds trading near the February tights, we anticipate more upside in 10-30-year bonds should credit spreads continue to tighten. The overall duration of the portfolio increased marginally, however, to offset the rotation to longer debt, we reduced leverage.

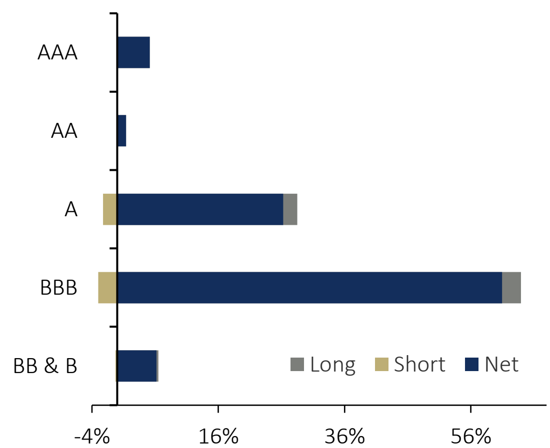
Outlook

Despite credit markets recouping virtually all the losses associated with the spring lockdown, we still see further room for spread compression in the first half of 2021. Central banks remain accommodative, and as the COVID-19 vaccine rolls out across the globe, we expect economic activity to normalize and fixed-income investors to maintain a “reach for yield” mentality; preferring corporate debt over government. Inflation expectations continue to creep higher, which should lead to additional steepening of interest rate curves. With government yields still below 1%

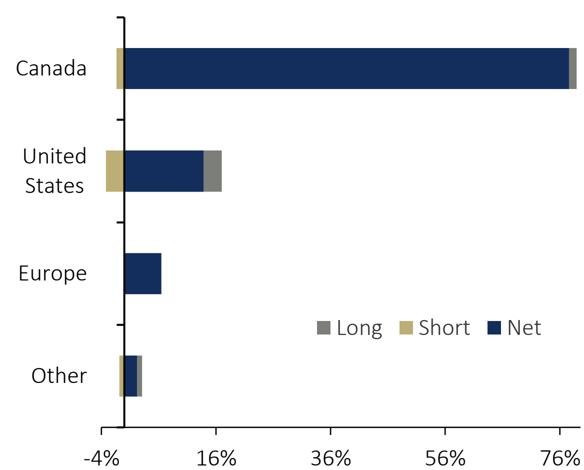
MATURITY BREAKDOWN



CREDIT QUALITY



GEOGRAPHIC BREAKDOWN



Sources: CI Global Asset Management and Lawrence Park Asset Management. Data as at November 30, 2020.

the upside from duration-based fixed income appears limited, particularly if economic expansion and/or inflation gathers pace.

As we round out 2020, it’s worth re-iterating the case for an alternative investment grade credit strategy in a fixed-income portfolio. We construct our portfolios first and foremost to generate yield using short-term high-grade bonds. We augment with active trading in intermediate and long-term debt, with interest rate hedges in place. And finally, we endeavour to mitigate credit spread downside volatility with ETF and option overlays. As the economy rebuilds in 2021, risk assets should continue to perform. An investment grade credit strategy can, and should, participate in the recovery, but with the lower volatility investors look for in fixed income.

Source: Lawrence Park Asset Management, Bloomberg Finance L.P. as at November 30, 2020.

For more information, please visit ci.com.

LAWRENCE PARK
ASSET MANAGEMENT

DEFINITIONS

Duration: A derivative is a financial security with a value that is reliant upon, or derived from, an underlying asset or group of assets. The derivative itself is a contract between two or more parties based upon the asset or assets. Its price is determined by fluctuations in the underlying asset

Alpha: A measure of performance. Alpha, often considered the active return on an investment, gauges the performance of an investment against a market index or benchmark which is considered to represent the market's movement as a whole. The excess return of an investment relative to the return of a benchmark index is the investment's alpha

DISCLAIMERS

Commissions, trailing commissions, management fees and expenses all may be associated with mutual fund and exchange-traded fund (ETF) investments. Please read the prospectus before investing. The indicated rates of return are the historical annual compound total returns net of fees and expenses payable by the fund (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 and ETFs are not guaranteed, their values change frequently and past performance may not be repeated. You will usually pay brokerage fees to your dealer if you purchase or sell units of an ETF on recognized Canadian exchanges. If the units are purchased or sold on these Canadian exchanges, investors may pay more than the current net asset value when buying units of the ETF and may receive less than the current net asset value when selling them.

CI Liquid Alternative investment funds have the ability to invest in asset classes or use investment strategies that are not permitted for conventional mutual funds. The specific strategies that differentiate these investment funds from conventional fund structure include: increased use of derivatives for hedging and non-hedging purposes; increased ability to sell securities short; and the ability to borrow cash to use for investment purposes. While these strategies will be used in accordance with the investments funds' investment objectives and strategies, during certain market conditions they may accelerate the pace at which your investment decreases in value.

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 Global Asset Management and the portfolio manager believe to be reasonable assumptions, neither CI Global Asset Management 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 historical performance of CI Lawrence Park Alternative Investment Grade Credit Fund (the "Fund") as compared with the historical performance of a widely quoted market indices or a weighted blend of widely quoted market indices. There are various important differences that may exist between the Fund and the stated indices that may affect the performance of each. The objectives and strategies of the Fund result in holdings that do not necessarily reflect the constituents of and their weights within the comparable indices. Indexes are unmanaged and their returns do not include any sales charges or fees. It is not possible to invest directly in market indices.

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CI is the portfolio manager of the Fund and Lawrence Park Asset Management is the portfolio sub-advisor to the Fund. CI is responsible for the investment advice provided by the portfolio sub-advisors.

CI Financial Corp. holds a minority interest in Lawrence Park Asset Management.

CI Global Asset Management is a registered business name of CI Investments Inc.

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