

# CI CANADIAN INVESTMENT FUND

## Q1-2021 Commentary



FUND	1 YEAR	3 YEAR	5 YEAR	10 YEAR	S.I.*
CI Canadian Investment Fund, Series F*	43.6%	10.7%	10.3%	7.0%	8.5%
Benchmark: S&P/TSX Composite Total Return Index	44.2%	10.2%	10.1%	6.0%	6.4%

\* Inception date of CI Canadian Investment Fund, Series F: November 17, 2000.

Source: CI Global Asset Management, as at March 31, 2021.

### PERFORMANCE SUMMARY

- Over the first quarter of 2021, CI Canadian Investment Fund, Series F (the Fund) returned 5.8% compared with the S&P/TSX Composite Total Return Index (C\$), which returned 8.1%.
- The Fund underperformed its benchmark primarily as a result of its underweight positions in the industrials and energy sectors.

### CONTRIBUTORS TO PERFORMANCE

Among the top contributors to performance were Alphabet Inc. and The Toronto-Dominion Bank. Alphabet's solid fourth-quarter earnings performance was driven in part by a strong digital advertising recovery as well as Search and YouTube growth. Toronto-Dominion Bank performed well as a result of the interest rate outlook.

### DETRACTORS FROM PERFORMANCE

Alimentation Couche-Tard Inc. pursued an acquisition of French grocery store chain Carrefour S.A., which raised concerns about the company's strategy. It led to a significant decline in its share price, which detracted from the Fund's performance. After a great run in its share price since March 2020 lows, Amazon.com Inc.'s stock weakness over the quarter was partly a result of the broader market shift out of growth stocks and into value stocks.

### PORTFOLIO ACTIVITY

Costco Wholesale Corp. was added to the Fund when its share price declined to an attractive entry point. Alimentation Couche-Tard Inc. was eliminated after it pursued an acquisition of a French grocery store chain, which raised concerns about the company's strategy.

### MARKET OVERVIEW

COVID-19 vaccinations continue with a wide diversity in procurement and deployment across different nations. The United Kingdom and the United States have been able to move aggressively. By the end of the period, all 50 U.S. states have indicated that anyone over age 16 will have access to a vaccine. Unfortunately, Canada has performed poorly, challenged in its procurement of sufficient quantities of vaccine. Regardless, we do anticipate that 2021 will be a year of exceptional economic growth. Pent-up demand and high savings rates are expected to lead to strong consumer spending, which is typically followed by higher corporate investment and improving employment. We have positioned the Fund toward pro-growth companies, including those in travel, dining and retail.

Valuations will always be a critical consideration and therefore, calibrating on growth and rotating to the highest return opportunities will continue to be our cornerstone.

Source: CI Global Asset Management, Bloomberg Finance L.P, FactSet Research Systems Inc.

[For more information, please visit ci.com.](https://www.ci.com)

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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. There are various important differences that may exist between the Mutual Fund and the stated indexes 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. 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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