

# CAMBRIDGE GLOBAL EQUITY CORPORATE CLASS

## Q1-2021 Commentary



FUND	1 YEAR	3 YEAR	5 YEAR	10 YEAR	S.I.*
Cambridge Global Equity Corporate Class, Series F*	32.9%	9.4%	10.7%	10.0%	8.7%
Benchmark: MSCI World Total Return Index	36.7%	12.5%	13.3%	13.4%	9.2%

\* Inception date of Cambridge Global Equity Corporate Class, Series F: December 31, 2007.

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

### PERFORMANCE SUMMARY

- Over the first quarter of 2021, Cambridge Global Equity Corporate Class, Series F (the Fund) returned 5.0% compared with the MSCI World Total Return Index (C\$), which returned 3.6%.
- The Fund outperformed its benchmark primarily as a result of stock selection. The Fund's investments in high-quality businesses trading at attractive valuations led to strong performance across several sub-sectors.
- After a strong 2020, there was a reversal in the first quarter of 2021 where currency contributed to performance. The Fund has no currency hedges today and we believe it should not be a significant contributor to or detractor from performance over the long term.

### CONTRIBUTORS TO PERFORMANCE

Robust construction and specialty equipment demand led to successful operating performance at Ashtead Group PLC. As one of the two leaders in the equipment rental industry, it has maintained discipline during the tough 2020 environment to reap the rewards in early 2021 and beyond. The Fund's holding in LKQ Corp. also contributed to performance. During exceptionally challenging times, its business management made significant strides in improving execution at the company. Despite a significant decline in revenue, it made enhancements to operating efficiency to improve its position in the long term.

### DETRACTORS FROM PERFORMANCE

The transaction by London Stock Exchange Group PLC for Refinitiv hit some speed snags as its management is accelerating its investments to enhance future growth. We believe this is a short-term negative that should show benefits over the next few years. After a strong content cycle, Nintendo Co. Ltd., is taking a breather as the market awaits the release of the new Switch Pro console. Despite the holding detracting from the Fund's performance this quarter, we believe this is a high-quality global business.

### PORTFOLIO ACTIVITY

Uber Technologies Inc. was added to the Fund. The company's new CEO has significantly changed its corporate culture shifting from a growth-at-any-cost approach to a more balanced one. This newfound discipline, along with a robust core business, leads to an attractive risk-reward opportunity. Boston Scientific Corp. was eliminated from the Fund. After a prolonged period of improvement, there were several bumps along the road at Boston Scientific that led to lower cash flow generation.

## **MARKET OVERVIEW**

The economic recovery is expected to remain robust for the balance of this year and beyond. We believe this creates an opportunity for high-quality, cyclical businesses to perform well and we have retained the Fund's pro-growth positioning.

Source: CI Global Asset Management

**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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