

CI LIQUID ALTERNATIVE INVESTMENT STRATEGIES

CI Marret Alternative Absolute Return Bond Fund



MAY 2021

CI Marret Alternative Absolute Return Bond Fund (the Fund) seeks to provide absolute returns with low volatility regardless of market conditions. The Fund invests primarily in fixed income across the credit spectrum. This includes government, investment-grade corporate and high-yield debt as well as credit derivatives, other income-producing securities and cash.

PERFORMANCE SUMMARY (as of May 31, 2021)

	1 MONTH	3 MONTH	6 MONTH	YTD	1 YEAR	2 YEAR	SINCE INCEPTION
CI MARRET ALTERNATIVE ABSOLUTE RETURN BOND FUND SERIES F	0.24	0.56	-0.29	-0.62	1.92	4.83	5.36
FTSE CANADA UNIVERSE BOND INDEX	0.62	-0.81	-4.03	-4.38	-1.72	2.57	5.14

Source: Morningstar Research Inc. Inception date: November 7, 2018.

GLOBAL MACRO UPDATE

Risk markets finished modestly higher in May despite significant volatility as investors grappled with swings in economic data versus expectations. Jobs data reported in early May showed employment gains well below forecasts, causing consternation over the strength of the economic recovery. Inflation data, on the other hand, surprised to the upside with CPI registering above 4% for the first time since 2008. This sparked a brief sell off in most assets on the belief that the U.S Federal Reserve would need to move closer towards a path of policy normalization. Both risk and rates stabilized shortly thereafter as central bank committee members reaffirmed their views of inflation being transitory, content with patiently remaining accommodative given the weaker than expected employment picture. Many economists and market participants, however, believed that positive reopening trends may have been masked by seasonal adjustments. Nonetheless, the continuation of the easy policy narrative allowed most risk assets to recover back towards their highs. As a result, fixed income generated positive returns for the month across all sub asset classes including government bonds, investment grade credit, and high yield credit.

POSITIONING UPDATE

The Fund generated positive returns in May with balanced contributions coming from investment grade, high yield and government bonds. The Fund slightly trailed its benchmark given its lower duration in a period where interest rates fell alongside credit spreads remaining firm. Year to date, the fund continues to

FUND SUMMARY

KEY FACTS

NAV/UNIT (SERIES F)	\$10.42
MANAGEMENT FEE (SERIES F)	0.80%
PERFORMANCE FEE	10% of returns (net of MER) above the hurdle rate subject to a high-water mark
HURDLE RATE	10-year Canadian government bond yield +1%
CURRENT YIELD	2.65%
AVERAGE DURATION	4.26 years
LIQUIDITY	Daily
SERIES F FUND CODE	CIG 4191 (C\$) CIG 4193 (US\$)
SERIES A FUND CODE	CIG 2191 (C\$) CIG 2193 (US\$)
ETF TICKER	TSX: CMAR (C\$ hedged) CMAR.U (US\$ hedged)

USE OF LEVERAGE

GROSS EXPOSURE	90.9%
NET EXPOSURE	81.2%

Source: Marret Asset Management Inc., as of May 31, 2021.

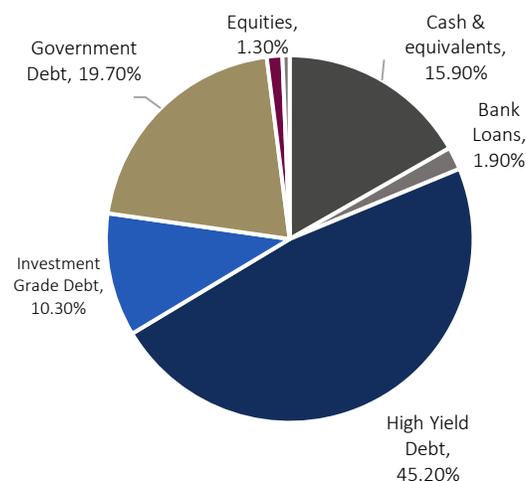
meaningfully outperform its benchmark largely as a result of its tactical decision to overweight high yield corporate debt given our view of an improving economic backdrop as a result of high levels of fiscal spending and increased vaccinations leading to a gradual reopening of the global economy.

OUTLOOK

While credit spreads remain relatively tight, we favour higher quality high yield credit over investment grade and governments for the time being given improving credit fundamentals, higher carry and greater spread cushion to absorb any further increase in interest rates. We are closely watching inflation data to assess the risks of any further moves higher in rates, which may present a headwind to fixed income as a whole. We are also watching for opportunities to shift our credit exposure back towards government exposure if interest rates rise materially and credit spreads further compress. At this time, we are comfortable maintaining our core exposure in high yield credit alongside more modest exposures to investment grade and government debt, but are prepared to appropriately shift our exposures as we move through the economic cycle.

Sources: Marret Asset Management, Bloomberg Finance L.P. as of May 31, 2021.

ASSET CLASS BREAKDOWN



FUND EXPOSURE

ISSUER COUNTRY	GROSS EXPOSURE*
CANADA	34.9%
UNITED STATES	62.6%
OTHER	2.5%

TOP FIVE HOLDINGS

HOLDING	WEIGHT
TENET HEALTHCARE CORP. 4 5/8 07/15/24	4.6%
CANADIAN GOVERNMENT BOND 0 1/2 09/01/25	4.0%
U.S. TREASURY 1 1/8 02/15/31	3.9%
CANADIAN GOVERNMENT BOND 0 1/2 12/01/30	3.7%
CANADIAN GOVERNMENT BOND 2 12/01/51	2.8%

YEARS TO MATURITY	GOVERNMENT BONDS	CORPORATE BONDS
0 to 3	1.0%	7.8%
3 to 5	5.6%	11.4%
5 to 10	7.1%	29.7%
10+	3.9%	5.8%

Source: Marret Asset Management Inc. As of May 31, 2021.
*Ex-cash

GLOSSARY OF TERMS

Duration: A measure of the sensitivity of the price of a fixed income investment to a change in interest rates. Duration is expressed in number of years. The price of a bond with a longer duration would be expected to rise (fall) more than the price of a bond with lower duration when interest rates fall (rise).

Derivatives: 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.

Liquidity: The degree to which an asset or security can be quickly bought or sold in the market without affecting the asset's price. Cash is considered to be the most liquid asset, while things like fine art or rare books would be relatively illiquid.

Volatility: Measures how much the price of a security, derivative, or index fluctuates. The most commonly used measure of volatility when it comes to investment funds is standard deviation.

IMPORTANT DISCLAIMERS

Commissions, trailing commissions, management fees and expenses all may be associated with mutual fund investments. Please read the prospectus before investing. The indicated rates of return are the historical annual compounded 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 dividends/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 are not guaranteed, their values change frequently, and past performance may not be repeated.

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.

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The comparison presented is intended to illustrate the historical performance of the Fund 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 Fund and the stated indexes 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 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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CI Global Asset Management ("CI GAM") is the portfolio manager of CI Marret Alternative Absolute Return Bond Fund and Marret Asset Management Inc. is the portfolio sub-advisor to the Fund. CI GAM is responsible for the investment advice provided by the portfolio sub-advisors.

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