

CI CANADIAN INVESTMENT FUND

Q2-2021 Commentary



| FUND | 1 YEAR | 3 YEAR | 5 YEAR | 10 YEAR | S.I. |
|---|--------|--------|--------|---------|------|
| CI Canadian Investment Fund, Series F* | 31.8% | 11.7% | 11.3% | 8.0% | 8.7% |
| Benchmark: S&P/TSX Composite Total Return Index | 33.9% | 10.8% | 10.8% | 7.4% | 6.8% |

* Inception date November 17, 2000.

Source: CI Global Asset Management, as at June 30, 2021.

PERFORMANCE SUMMARY

- Over the second quarter of 2021, CI Canadian Investment Fund, Series F (the Fund) returned 6.7% compared with the S&P/TSX Composite Total Return Index (C\$), which returned 8.5%.
- The Fund underperformed its benchmark primarily as a result of underweight positions in the materials and energy sectors and stock selection in the information technology sector.

CONTRIBUTORS TO PERFORMANCE

Among the top contributors to performance were Alphabet Inc. and Brookfield Asset Management Inc. Alphabet Inc. started the year strongly as digital advertising spending continued its recovery, which began in the fourth quarter of 2020. That momentum continued into 2021, along with record profitability as the company's operating margins expanded considerably. Brookfield Asset Management Inc. posted solid earnings in mid-May driven in part by record funds from operations, and impressive fundraising results. The company also benefited from the reopening of the economy.

DETRACTORS FROM PERFORMANCE

Booking Holdings Inc. stock, after two consecutive strong quarters of performance, weakened. The company posted quarterly revenue and earnings results that were slightly below consensus expectations, and investor enthusiasm for travel stocks waned more broadly. A holding in Algonquin Power & Utilities Corp. also detracted from the Fund's performance. After strong performance in 2020 and early 2021, the stock had its second consecutive quarter of negative performance as a result of the impact of the winter storm in Texas and a sharp increase in bond yields.

PORTFOLIO ACTIVITY

Facebook Inc. was added to the Fund during the period as, in our view, it offered a compelling risk-adjusted return with strong revenue growth opportunities across a number of different business segments. CME Group Inc. was eliminated in favour of better investment opportunities.

MARKET OVERVIEW

With almost 60% of the adult population in the United States fully vaccinated and most restrictions now eliminated, the United States is well on its way to putting the pandemic behind it. While vaccinations campaigns across the developed world started on an uneven footing, it is quickly catching up to the United States, including Canada. As a result, we have greater confidence in the economic growth that lies ahead and continue to tilt the Fund towards pro-growth companies, including in travel, dining and retail. There are risks on the horizon, the two most notable being the rise in inflation as supply chains struggle to cope with pent-up demand and the spread of the COVID-19 delta variant. We continue to watch both closely but believe they will prove to be manageable.

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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