

# CI LIQUID ALTERNATIVE INVESTMENT STRATEGIES

## CI Munro Alternative Global Growth Strategy | Monthly Update – September 2020

### MUNRO PARTNERS

CI Munro Alternative Global Growth Fund (the Fund) is an absolute return, global equities fund with a core focus on growth equities. The Fund is index-agnostic, aiming for meaningful absolute returns through the investment cycle while maintaining a capital-preservation mindset. The Fund's flexible mandate allows it to dynamically manage its market and currency exposure to protect clients' capital and to enhance the long-term returns of our investments.

#### PERFORMANCE SUMMARY (as at September 30, 2020)

	YTD	1 Month	3 Months	6 Months	1 Year	Since Inception (p.a.)
CI Munro Alternative Global Growth Fund Class F	31.5%	-1.0%	10.9%	25.7%	40.3%	19.4%
MSCI All Country World GR Index* (C\$)	4.8%	-0.8%	6.2%	21.3%	12.0%	10.4%
Scotiabank Alternative Mutual Fund Index*	0.5%	-1.0%	2.4%	9.7%	3.5%	N/A

Sources: CI Investments Inc., Munro Partners and Scotiabank as at September 30, 2020. Since inception date is the inception date of CI Munro Alternative Global Growth Fund: November 7, 2018. \* See description on page two.

#### MONTHLY SUMMARY

CI Munro Alternative Global Growth Fund Class F (the Fund) detracted 1.0% over the month of September, comprising a return of -2.0% from equities and 1.0% from currency exchange. Meanwhile, the Fund's benchmark, the MSCI All Country World Total Return Index, detracted 0.8% (in Canadian dollar terms), with a -2.7% move in equities and a 2.0% return from currency exchange. The Scotiabank Alternative Mutual Fund Index returned -1.0%.

The Fund's long investments detracted 1.8% to monthly performance while short positions and hedging detracted a further 0.2%. The Canadian dollar appreciated against the U.S. dollar during the month, which provided the Fund 1.0% due to the Fund's holding in U.S. dollars.

After a strong bounce from the March COVID-19 lows, there was some profit taking in September, with larger pullbacks occurring in some of the best year-to-date performers. Consequently, the Fund's major monthly detractors were Amazon.com, Inc., Facebook Inc., and Spotify. Pleasingly, positive contributions came from our other areas of interest including digital enterprise winner Freee KK, innovative health company, Danaher Corp. and climate stock, Vestas Wind Systems A/S.

While remaining positive on equities in a low interest rate world, we acknowledge the uncertainty leading into the U.S. election. However, it is the uncertainty around the spread of COVID-19 heading into the northern hemisphere winter that continues to be our bigger concern.

#### FUND SUMMARY

Key Facts	
NAV/unit (Class F)	\$13.8365
AUM	\$1.6 billion
Strategy AUM	\$2.3 billion
Number of stocks	30-50 stocks
Cash weighting	0-100%
Currency hedging	0-100%
Management fee (Class F)	0.90%
Performance fee	15%
Class F Fund Code	CIG 4192
Class A Fund Code	CIG 2192
ETF Ticker	TSX: CMAG

#### TOP FIVE HOLDINGS

Stock	Country	Industry	Weight
Amazon.com, Inc.	U.S.	Consumer discretionary	6.5%
Alibaba Group Holding Ltd.	China	Consumer discretionary	6.3%
Microsoft Corp.	U.S.	Information technology	4.9%
Danaher Corp.	U.S.	Health care	4.8%
Thermo Fisher Scientific Inc.	U.S.	Health care	4.6%

## NOTABLE STOCK CONTRIBUTORS

Top Five Contributors	Country	Bottom Five Contributors	Country
FREEE KK	JAPAN	AMAZON.COM INC	U.S.
VESTAS WIND SYSTEMS A/S	DENMARK	FACEBOOK INC-A	U.S.
DANAHER CORP	U.S.	SPOTIFY TECHNOLOGY SA	SWEDEN
HELLOFRESH SE	GERMANY	MICROSOFT CORP	U.S.
BROADCOM LTD	U.S.	ALPHABET INC-CL A	U.S.

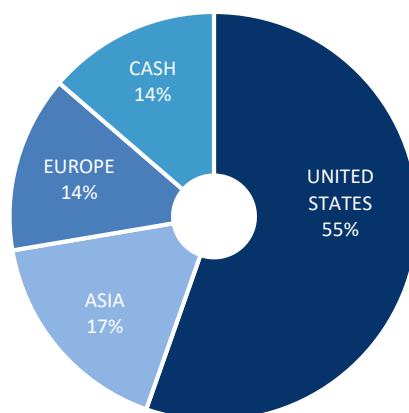
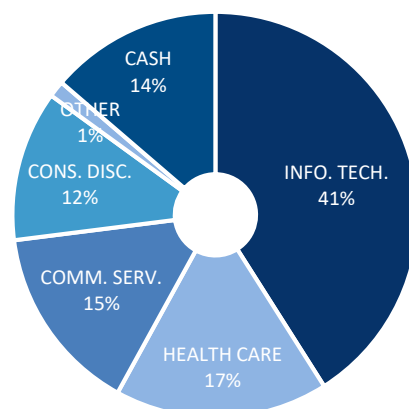
## LONG/SHORT EXPOSURE

	Number of Positions	Exposure
Gross	44	112%
Long	35	99%
Short	9	13%
Net		86%
Delta adj. net		81%
Currency hedge (C\$)		51%
Beta (vs. local MSCI)		0.5
Beta (vs. MSCI C\$)		0.5
Standard deviation		9.4%

## TOP FIVE AREAS OF INTEREST

Areas of Interest	Percent of Holdings
Innovative health	17.0%
Digital enterprise	14.7%
E-Commerce	11.9%
Digital payments	10.2%
High Performance Computing	10.0%

## NET FUND SECTOR, REGION AND CASH EXPOSURE



## CI Munro Alternative Global Growth Fund Class F: Monthly Performance by Calendar Year

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
<b>2018</b>											-1.9%	-1.7%	-3.6%
<b>2019</b>	1.8%	1.5%	2.0%	3.0%	-4.4%	1.7%	0.7%	-1.0%	-1.5%	0.7%	4.5%	1.5%	10.5%
<b>2020</b>	4.3%	-0.5%	0.8%	5.8%	3.9%	3.1%	6.8%	4.8%	-1.0%				31.5%

Sources: CI Investments Inc. and Munro Partners, as at September 30, 2020.

\* MSCI All Country World Total Return Index is a free-float-weighted equity index and includes both emerging and developed world markets. This is the Fund's reference index. The Scotiabank Alternative Mutual Fund Index has tracked the performance of the Canadian Alternative Mutual Fund universe since January 1, 2019.

## GLOSSARY OF TERMS

**Standard Deviation:** Standard deviation is widely used to measure risk in terms of the volatility of returns. It represents the historical level of volatility in returns over set periods. A lower standard deviation means the returns have historically been less volatile and vice versa. Historical volatility may not be indicative of future volatility.

**Beta:** A measure of the volatility, or systematic risk, of a security or a portfolio in comparison to the market as a whole.

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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 the TSX. If the units are purchased or sold on the TSX, 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.

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The comparison presented is intended to illustrate the historical performance of CI Munro Alternative Global Growth Fund (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 is the portfolio manager of the Fund and Munro Partners is the portfolio sub-advisor to the Fund. CI is responsible for the investment advice provided by the portfolio sub-advisors.

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