Marret Asset Management: Weekly Update
CI Investment Grade Bond Fund & CI First Asset Investment Grade Bond ETF

For the week ended October 16th, 2020.

The on-again, off-again dynamics of U.S. fiscal stimulus talks caused bumpy price action in stocks, bonds and corporate credit all week. Global stock markets and credit spreads ended the week close to unchanged. Government bond yields were modestly lower in North America while those in Europe/the U.K. moved to recent lows, the latter on the back of unproductive Brexit negotiations and rising coronavirus social distancing restrictions. Ten-year government bond yields in the U.S., Canada, Germany and the U.K. concluded the week -3, -5, -9 and -10 basis points (bps) respectively. Based on the Bloomberg Barclays Aggregate Corporate Average OAS Index, investment grade (IG) credit spreads in the U.S. were 1 bp tighter, unchanged in Canada and 1 bp wider in Europe and the U.K.

The key economic data point of the week was U.S. retail sales. The numbers were well above consensus, with September sales up 1.9% and ex-auto up 1.5%. Sales were boosted by car sales and back to school spending on clothing and books.

Investment grade corporate new issuance is likely to slow as we approach Canadian bank year end. A summary of this week's new issues is as follows:

- Cameco Corp. $400 million 2.95% 10/21/2027 +257.2 bps.
- Ontario Teachers Financing $1.25 billion 1.10% 10/19/2027 +75 bps.
- Ontario Power Generation $400 million 1.17% 04/22/2026 +82.1 bps.

The Funds participated in the Ontario Teachers new issue.

Portfolio Transactions

Duration of the Funds ranged from 6.75 to 6.99 years (benchmark 7.05) during the period. We reduced duration via U.S. Treasury 30-year futures as the market approached the recent range high in price. It was a quiet week for the credit portfolio. In addition to the new issue purchase noted above, we purchased 2031 and 2051 new issues for Bank of America in U.S. dollars.

Portfolio Statistics

	CI Investment Grade Bond Fund		CI First Asset Investment Grade Bond ETF	
	October 9	October 16	October 9	October 16
Current Yield[1]	2.48%	2.47%	2.56%	2.53%
Duration	6.90 years	6.79 years	6.99 years	6.75 years

Market Statistics

	October 9	October 16
Government of Canada 10-year yield	0.60%	0.55%
U.S. Treasury 10-year yield	0.78%	0.75%

Sources: Marret Asset Management Inc., Bloomberg Finance L.P.

Standard Performance

Performance in %	1 Year	3 Year	5 Year	10 Year	Since Inception	Inception Date
CI Investment Grade Bond Fund Class F	5.4	4.5	4.6	N/A	4.6	12/24/2014
CI First Asset Investment Grade Bond ETF[2]	5.9	5.0	4.6	3.7	4.5	10/23/2009
Benchmark[3]	6.9	5.9	4.7	4.8	5.2	N/A

Source: RBC Investor Services as at September 30, 2020.

[1] Current Yield represents the gross yield on the Fund's underlying portfolio of securities. It is not the yield or distribution that investors will receive by virtue of an investment in the Fund.

[2] The Fund was originally launched as a TSX-listed closed-end fund on October 23, 2009, and converted into an exchange-traded fund on August 22, 2016. Performance shown is since inception of the closed-end fund. In connection with the conversion, and pursuant to unitholder approval, the annual management fee payable by the Fund to CI First Asset, as manager, was increased to 0.65% (from 0.50%) of the NAV per unit and certain changes were made to the investment objectives, strategies and restrictions applicable to the Fund. Material among these changes is that the Fund is no longer able to utilize leverage in its portfolio. Had these changes been in effect prior to this date, the performance of the Fund could have been different.

[3] Use of Benchmark: The FTSE Canada All Corporate Bond Index is comprised primarily of investment-grade corporate bonds issued domestically and denominated in Canadian dollars. This index is used as a benchmark to help you understand the Fund's performance relative to the general performance of high-grade Canadian corporate bonds.

DEFINITIONS

Duration: A measure of the sensitivity of the price of a fixed income investment to a change in interest rates. Duration is expressed as 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).

IMPORTANT DISCLAIMERS

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 recognized Canadian exchanges. If the units are purchased or sold on these Canadian exchanges, 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.

The comparison presented is intended to illustrate the mutual fund's historical performance as compared with the historical performance of FTSE Canada All Corporate Bond index to show how the fund performs compared to what the index represents. There are various important differences that may exist between the mutual fund and the stated (index) indices 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 index. Indices are unmanaged and their returns do not include any sales charges or fees. It is not possible to invest directly in market indices.

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CI Investments Inc. ("CI") is the portfolio manager to the CI Investment Grade Bond Fund and Marret Asset Management Inc. is the portfolio sub-adviser to the fund. CI is responsible for the investment advice provided by the portfolio sub-advisers.

The CI First Asset Exchange Traded Funds (ETFs) are managed by CI Investments Inc., a subsidiary of CI Financial Corp., which is listed on the Toronto Stock Exchange under the symbol "CIX".

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