

CAMBRIDGE GLOBAL DIVIDEND FUND

FIRST-QUARTER 2019



PORTFOLIO MANAGER



Stephen Groff

Principal &
Portfolio Manager

Stephen Groff serves as a Principal and Portfolio Manager at Cambridge Global Asset Management. He is responsible for managing the Cambridge dividend equity mandates as well as co-managing Cambridge Canadian Equity Fund and Cambridge Pure Canadian Equity Fund.

Stephen's career in the investment industry began in 2007 and he joined Cambridge in 2011. He was co-winner of the Morningstar Breakout Fund Manager of the Year award and a TopGun Investment Mind in the Brendan Wood International Canadian investment rankings from 2015 to 2019.

Prior to joining Cambridge, Stephen served as a Research Analyst at Fidelity Investments where he also managed a portion of Fidelity Canadian Disciplined Equity Fund.

Stephen holds a Bachelor of Business Administration from Wilfrid Laurier University and the Chartered Financial Analyst designation.

PERFORMANCE

Performance (%)	3 Month	1 Year	3 Year	5 Year	Since inception*
Cambridge Global Dividend Fund (Class F)	10.3	12.1	10.9	10.1	11.8

* Since-inception date: July 31, 2013.

PORTFOLIO COMMENTARY

The year began with a strong rally in equity markets, reversing much of the damage suffered in the fourth quarter of 2018. Equities took their cue from a dovish pivot by central banks, especially the U.S. Federal Reserve, on monetary policy, leaving investors to believe the soft patch in economic data will pass. The strong rally in equities over the first quarter of 2019 has led to a more balanced risk/reward environment overall; however, we are uncovering attractive opportunities at the company level through our bottom-up investment process.

The portfolio of Cambridge Global Dividend Fund (the "Fund") had a strong quarter in terms of absolute performance (see performance table above).

Top contributors to performance over the quarter included Fund holdings in Crown Holdings, Inc. and Black Stone Minerals, L.P. Crown Holdings is a leading company in the metal and transit packaging industry. The company delivered on its free cash-flow targets following the acquisition of Signode Packaging Systems Ltd., which was used to repay related debt. Black Stone Minerals is an oil and gas royalty company that owns and manages millions of acres across U.S. resource plays. The company generated strong production and cash-flow growth supported by increased activity and acquisitions.

Top detractors from performance were Fund holdings in Cboe Global Markets, Inc. and Walgreens Boots Alliance, Inc. Cboe Global Markets is the owner of the Chicago Board Options Exchange and the stock exchange operator BATS Global Markets, Inc. The company is in the final stages of integrating BATS Global Markets and could possibly pursue larger mergers and acquisitions going forward. Walgreens Boots Alliance is a pharmacy chain in the U.S. and European Union member countries. During the quarter, the company attempted to counteract the weak outlook for reimbursement in the generic drugs market and tax reinvestment challenges.

Over the quarter, we sold a Fund position in the real estate sector (STORE Capital Corp.) and decreased Fund holdings in the consumer staples sector (e.g., Alimentation Couche-Tarde Inc. was sold). The Fund's health care sector holdings grew as we added to existing Fund positions in Gilead Sciences, Inc. and McKesson Corp.

Equity sector weight

	Q1 2019 (%)	Q4 2018 (%)	Change (+/-)
Communication services	7.6	7.4	0.2
Consumer discretionary	3.5	3.3	0.2
Consumer staples	11.7	15.2	-3.5
Energy	14.2	13.8	0.4
Financials	9.6	9.8	-0.2
Health care	15.2	12.5	2.7
Industrials	14.3	13.2	1.1
Information technology	9.5	7.6	1.9
Materials	8.0	8.7	-0.7
Real estate	0.0	2.1	-2.1
Utilities	1.7	2.3	-0.6
Cash	4.7	4.1	0.6

Country weight

	Q1 2019 (%)	Q4 2018 (%)	Change (+/-)
United States	65.7	65.5	0.2
United Kingdom	11.7	11.3	0.4
France	4.9	0.0	4.9
Canada	3.7	6.2	-2.5
Germany	3.3	3.1	0.2
Austria	2.3	2.2	0.1
Australia	1.6	1.7	-0.1
Denmark	1.1	2.2	-1.1
Switzerland	1.0	2.0	-1.0
Brazil	0.0	1.7	-1.7
Cash	4.7	4.1	0.6

Top 10 holdings

	Country	Sector	Weight (%)
Black Stone Minerals, L.P.	United States	Energy	5.59
Verizon Communications Inc.	United States	Communication services	5.18
Imperial Brands PLC	United Kingdom	Consumer staples	4.45
McKesson Corp.	United States	Health care	4.00
Philip Morris International Inc.	United States	Consumer staples	3.65
Walgreens Boots Alliance, Inc.	United States	Consumer staples	3.58
Crown Holdings, Inc.	United States	Materials	3.52
Brenntag AG	Germany	Industrials	3.26
Verizon Communications Inc.	United States	Communication services	3.25
Broadcom Inc.	United States	Information technology	3.15

Contributors and detractors

Contributors	Detractors
Crown Holdings, Inc.	Walgreens Boots Alliance, Inc.
Philip Morris International Inc.	Cboe Global Markets, Inc.
Black Stone Minerals, L.P.	Activision Blizzard, Inc.

We expect the global slowdown in economic growth to continue amid uncertainties around the trade dispute between the United States and China, China's economic growth and unstable European politics. We also expect global earnings growth to moderate in 2019, tracking the more subdued growth outlook.

In Canada, we continue to monitor several factors, including consumer debt, job growth, export numbers, and key leading and lagging indicators in the United States, and their impact on investments.

Abroad, we continue to monitor the United Kingdom's exit from the European Union as well as China's fiscal and monetary stimulus and the challenges China faces from high indebtedness, slowing property construction and poor demographics.

Given this backdrop, it is more challenging to find attractively valued investment opportunities. We are reviewing economic data for signs of stabilization or changes in trends that would impact economic prospects. We continue to focus on finding investments in durable, compounding businesses through a disciplined investment process and on building a resilient portfolio in areas that offer attractive compensation for the risk.

Note: Unless otherwise noted, all information provided is as at March 31, 2019.

Important Disclaimers

Commissions, trailing commissions, management fees and expenses all may be associated with mutual fund investments. Please read the prospectus before investing. Unless otherwise indicated and except for returns for periods less than one year, the indicated rates of return are the historical annual compounded total returns, including changes in security value. All performance data assume reinvestment of all distributions or dividends 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.

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