

PORTFOLIO MANAGERS



Robert Swanson, CFA*

Principal &
Chief Market
Strategist

Robert Swanson is the Lead Portfolio Manager of Cambridge High Income Fund and Cambridge Monthly Income Fund, and co-manager of Cambridge Asset Allocation Corporate Class. His 34-year career includes extensive experience managing equity, income and balanced portfolios. Prior to his current role, he was lead manager of several mutual funds at Fidelity Investments with combined assets under management exceeding \$20 billion.

Mr. Swanson holds a B.Sc. in finance from Northern Illinois University, an MBA from Northwestern University, and the Chartered Financial Analyst designation.



Brandon Snow

Principal & Chief
Investment Officer

Brandon Snow is the Lead Portfolio Manager of Cambridge Canadian Equity Corporate Class and Cambridge Global Equity Corporate Class and co-manager of Cambridge Asset Allocation Corporate Class. Mr. Snow was named a Top 10 Investment Mind in 2014 and in 2015 was named as one of Canada's TopGun Investment Minds by Brendan Wood International Canadian investment rankings. Prior to joining CI in 2011, he was portfolio manager of two Canadian-focused equity funds at Fidelity Investments.

Mr. Snow received a BA in economics and financial management from Wilfrid Laurier University.

PERFORMANCE

| Performance | 3 Month | 1 Year | 3 Year | 5 Year | 10 Year | Since inception |
|--|------------|-----------|-----------|-----------|------------|--------------------|
| Cambridge Asset Allocation Corporate Class F | -1.4% | 0.6% | 3.0% | 7.4% | 6.5% | 6.5% |

Inception Date: December 31, 2007

PORTFOLIO COMMENTARY

The first quarter ushered in a renewed period of volatility for financial markets. Investor sentiment grew cautious as the prospects for future interest rate hikes rose along with inflation expectations. Growing trade tensions between the U.S. and China also caused further angst among investors. Although the economic backdrop improved and corporate earnings continued to grow during the period, the combination of elevated expectations and high valuations left little margin for error as the market narrative shifted towards inflation and trade-related risks.

Against this backdrop, the fund returned -1.4% during the quarter, largely the result of its relatively conservative positioning. The volatility did create some opportunities and the fund shifted some weight into equities, from fixed income and cash. Within equities, we were able to establish new positions or add to existing holdings at attractive levels. On a sector basis, financials, consumer staples and utilities saw the largest increase in weight. The overall fixed-income allocation performed well as it delivered a positive absolute return and provided, as intended, diversification benefits within a volatile market.

The adjustments to the portfolio weights during the quarter were a result of our bottom-up investment research process and reflected the views of the Asset Allocation Committee. When evaluating the investment merits of a business, we look at a broad range of scenarios to determine the potential risk-reward of making an investment. This evaluation is part of our ongoing due diligence process and helps us prepare for potential volatility. We will be ready to act if a compelling risk-adjusted return opportunity presents itself.

Asset mix

| | Q1 2018 (%) | Q4 2017 (%) | Change (+/-) |
|--------------|-------------|-------------|--------------|
| Equity | 49% | 46% | 3% |
| Fixed Income | 45% | 44% | 1% |
| Cash | 2% | 6% | -4% |
| Alternatives | 4% | 4% | 0% |

Country weight

| | Q1 2018 (%) | Q4 2017 (%) | Change (+/-) |
|----------------|-------------|-------------|--------------|
| Canada | 65.0% | 63.2% | 1.8% |
| United States | 28.0% | 28.8% | -0.8% |
| United Kingdom | 3.5% | 2.3% | 1.2% |
| Germany | 0.5% | 0.5% | 0.0% |
| Switzerland | 0.2% | 0.0% | 0.2% |
| Monaco | 0.2% | 0.2% | 0.0% |
| Belgium | 0.1% | 0.0% | 0.1% |
| Cash | 2.5% | 5.0% | -2.5% |

Top 10 equity holdings

| | Country | Sector | Weight |
|--------------------------------------|---------------|------------------------|--------|
| Walgreens Boots Alliance Inc. | United States | Consumer staples | 2.29% |
| Athene Holding Ltd. | United States | Financials | 2.13% |
| Tourmaline Oil Corp. | Canada | Energy | 2.11% |
| Franco-Nevada Corp. | Canada | Materials | 2.08% |
| Symantec Corp. | United States | Information technology | 1.87% |
| George Weston Ltd. | Canada | Consumer staples | 1.86% |
| Canadian Pacific Railway Ltd. | Canada | Industrials | 1.76% |
| Restaurant Brands International Inc. | United States | Consumer discretionary | 1.74% |
| CSX Corp. | United States | Industrials | 1.71% |
| Keyera Corp. | Canada | Energy | 1.55% |

Contributors and detractors

| Contributors | Detractors |
|------------------------|---------------------------------|
| Melrose Industries PLC | Franco-Nevada Corp. |
| Gilead Sciences Inc. | Canadian Natural Resources Ltd. |
| Alphabet Inc. | Walgreens Boots Alliance Inc. |

*Mr. Swanson is associated with CI Global Investments Inc., a firm registered with the U.S. Securities and Exchange Commission and an affiliate of CI Investments Inc. Certain funds associated with Cambridge Global Asset Management are sub-advised by CI Global Investments Inc.

Unless otherwise noted, all information is provided as at March 31, 2018.

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