

PORTFOLIO MANAGER



Stephen Groff
Principal &
Portfolio Manager

Stephen Groff, Principal and Portfolio Manager, is Lead Portfolio Manager of the Cambridge dividend suite of funds, including Cambridge Canadian Dividend Fund, Cambridge U.S. Dividend Fund and Cambridge Global Dividend Fund. Mr. Groff has over 10 years of investment management experience and was award co-winner of the Morningstar Breakout Fund Manager of the Year in 2015 and a TopGun Investment Mind in the Brendan Wood International Canadian investment rankings for 2015, 2016, and 2017. Prior to joining CI Investments in 2011, he was a research analyst at Fidelity Investments, where he managed a portion of Fidelity Canadian Disciplined Equity Fund.

He 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	3.3%	9.6%	9.9%	11.3%	11.7%

Inception Date: July 31, 2013

PORTFOLIO COMMENTARY

Global financial markets were mixed during the quarter. Equity market leadership continued to narrow around the U.S., in contrast to international markets that broadly ended lower. Investors turned to rising trade tensions and concerns that global economic activity had peaked, which weighed on sentiment. The portfolio performed well in this environment, ending the quarter higher. Performance was driven by security selection overall and positive contributions from holdings in the consumer and materials sectors.

Within the consumer sector, the portfolio's holding in Walgreens performed well during the quarter as shares rose about 21%. The shares rebounded from a difficult second quarter as investors began to recognize the value in the business. Alimentation Couche-Tard also performed well as shares rose 13% during the quarter. The company recorded its best same store sales growth in at least seven years, attributed partially to a newly created Chief Marketing Officer position and a push into other fast-growing categories. The combination of successfully integrating recent acquisitions and stronger organic growth has supported fundamentals.

Materials holdings in Ball Corporation and Crown Holdings also performed well. Both companies generate strong cash flows while operating in the packaging industry, providing steel and aluminum cans for food, beverage and household products. Ball saw its shares rise as the integration of a recent transaction seems to be progressing well. Crown Holdings performed well after reporting strong results that demonstrated healthy volume growth and good cash flow generation. It did, however, reduce full year guidance as a result of the strong U.S. dollar as well as rising freight costs tied to tight transportation markets and higher fuel costs.

One of the largest detractors within the portfolio included materials holding Franco-Nevada. Franco-Nevada was negatively impacted by uncertainty around the continued development of its Cobre Panama project. If the project were to be suspended permanently it would be a blow to Franco-Nevada's future royalty stream earnings. The shares ended the quarter down about 16%.

Equity sector weight

	Q3 2018 (%)	Q2 2018 (%)	Change (+/-)
Communication services	5.5%	5.4%	0.1%
Consumer discretionary	4.9%	8.0%	-3.1%
Consumer staples	17.9%	16.6%	1.3%
Energy	11.6%	12.9%	-1.3%
Financials	6.4%	4.7%	1.7%
Health care	9.5%	9.4%	0.1%
Industrials	13.3%	12.7%	0.6%
Information technology	7.8%	8.5%	-0.7%
Materials	10.7%	10.6%	0.1%
Real estate	3.0%	3.5%	-0.5%
Utilities	2.3%	2.1%	0.2%
Cash	7.0%	5.6%	1.4%

Country weight

	Q3 2018 (%)	Q2 2018 (%)	Change (+/-)
United States	61.4%	59.3%	7.3%
United Kingdom	11.3%	14.3%	-3.5%
Canada	4.6%	4.3%	2.0%
Brazil	3.7%	0.7%	-0.3%
Switzerland	3.3%	3.2%	0.0%
Germany	2.7%	2.7%	0.6%
Austria	2.5%	2.5%	0.4%
Australia	2.0%	2.5%	-0.1%
Japan	1.4%	1.5%	0.1%
Belgium	0.0%	3.4%	0.8%
Cash	7.0%	5.6%	1.4%

Top 10 holdings

	Country	Sector	Weight
Walgreens Boots Alliance Inc.	United States	Consumer staples	6.49%
Verizon Communications Inc.	United States	Communication services	5.47%
Black Stone Minerals LP	United States	Energy	4.89%
Crown Holdings Inc.	United States	Materials	4.60%
Roche Holding AG	Switzerland	Health care	3.33%
Symantec Corp.	United States	Information technology	3.33%
Gilead Sciences Inc.	United States	Health care	3.16%
Philip Morris International Inc.	United States	Consumer discretionary	3.12%
Anthem Inc	United States	Health care	3.04%
Store Capital Corp.	United States	Real Estate	2.97%

Contributors and detractors

Contributors	Detractors
Walgreens Boots Alliance Inc.	Domino's Pizza Group PLC
Viper Energy Partners LP	Franco-Nevada Corp.
Anthem Inc.	Caltex Australia Ltd.

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Unless otherwise noted, all information is provided as at September 30, 2018.

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