

ACTIVE INSIGHT

Our investment process focuses on identifying value-creating businesses with durable competitive advantages. These advantages allow the companies to generate excess returns within their industries, in turn allowing them to reinvest in their business or distribute capital to shareholders above and beyond their peers. After identifying a value-creating business, the weight we hold in the fund is driven by the risk/reward that we see, because a great company can be a bad stock if purchased at the wrong price.

Over the last year, four new companies have entered the top 10 holdings within the portfolio. These holdings have made it into the top 10 through our disciplined fundamental investment process and by re-balancing the portfolio into the most attractive risk/reward opportunities.

FUND COMMENTARY

Global financial markets extended their rally during the fourth quarter, capping a strong year. The synchronized global economic expansion gained momentum as the economic outlook improved throughout the year. In this healthy environment, the portfolio was up about 4% during the quarter.

Performance was driven by strong contribution from companies in the industrials and financials sectors. Industrials holding Envirostar rose about 45% in the quarter as sales momentum improved and its backlog of customer orders grew. The distributor of industrial laundry and dry-cleaning equipment also made an acquisition during the quarter as it continued to execute on its consolidation strategy. U.K.-based Numis also had a strong quarter. The investment banking and securities research firm advanced over 20% which supported gains in the financials sector.

Although a strong quarter in absolute terms, we did own some companies that finished lower, including our consumer sector holding Byggmax and energy holding Tourmaline Oil. Byggmax, the Scandinavian retailer of building materials, announced a company-wide restructuring during the quarter. Its new CEO, who joined the company in early 2017, is taking action to simplify the business and implement a turnaround plan. Shares of Tourmaline Oil were impacted by weak natural gas prices and deteriorating sentiment toward Canadian producers. Shares of Byggmax and Tourmaline were down about 20% and 10% respectively during the quarter. We continue to hold both companies and believe these short-term headwinds will subside and the market will realize the value in these businesses.

New holdings were also added to the portfolio during the quarter. We initiated a position in Maisons du Monde, an online retailer of home decor with the majority of its revenue based in France. The portfolio also added BK Brasil, the Burger King master franchisee in Brazil. Both companies were attractively priced relative to their strong fundamental outlooks.

The cash position declined to about 10% at the end of the year, from nearly 15% at the start of the quarter. The portfolio's weight in the consumer sector increased by about 6%, while the portfolio finished the year with about 36% exposure to North America, 34% exposure to Europe and 13% exposure to Asia-Pacific. This positioning and the cash levels are an outcome of changes to the risk/reward ratios in the underlying companies that we cover.

FUND COMMENTARY (CONTINUED)

As we look forward, we remain focused on identifying attractive risk/reward opportunities in value-creating businesses. Market sentiment has improved significantly over the last year and valuations have expanded accordingly. We are comfortable taking on less risk than the market when risk appetite is high and opportunities are harder to find – a description that fits today's environment.

PERFORMANCE

Returns as of December 31, 2017 (in %)	YTD	1 Year	3 Year	5 Year	Since Inception (7/29/2014)
Cambridge Growth Companies Corp Class (Class F)	14.7	14.7	14.4	N/A	15.2

This commentary is published by CI Investments Inc. It is provided as a general source of information and should not be considered personal investment advice or an offer or solicitation to buy or sell securities. Every effort has been made to ensure that the material contained in this commentary is accurate at the time of publication. However, CI Investments Inc. cannot guarantee its accuracy or completeness and accepts no responsibility for any loss arising from any use of or reliance on the information contained herein. This commentary may contain forward-looking statements about the fund, its future performance, strategies or prospects, and possible future fund action. These statements reflect the portfolio managers' current beliefs and are based on information currently available to them. Forward-looking statements are not guarantees of future performance. We caution you not to place undue reliance on these statements as a number of factors could cause actual events or results to differ materially from those expressed in any forward-looking statement, including economic, political and market changes and other developments. 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. ©CI Investments, the CI Investments design and logo and Cambridge are registered trademarks of CI Investments Inc. Cambridge Global Asset Management is a division of CI Investments Inc. Certain funds associated with Cambridge Global Asset Management are sub-advised by CI Global Investments Inc., a firm registered with the U.S. Securities and Exchange Commission and an affiliate of CI Investments Inc. Published January 2018.



2 Queen Street East, Twentieth Floor, Toronto, Ontario M5C 3G7 | www.ci.com

Head Office / Toronto
416-364-1145
1-800-268-9374

Calgary
403-205-4396
1-800-776-9027

Montreal
514-875-0090
1-800-268-1602

Vancouver
604-681-3346
1-800-665-6994

Client Services
English: 1-800-563-5181
French: 1-800-668-3528