

CI GLOBAL VALUE FUND

Q2-2021 Commentary



FUND	1 YEAR	3 YEAR	5 YEAR	10 YEAR	S.I
CI Global Value Fund, Series F*	17.9%	6.5%	8.6%	9.8%	4.8%
Benchmark: MSCI World Total Return Index	27.0%	13.3%	14.4%	14.1%	5.4%

* Inception date August 8, 2000.

Source: Altrinsic Global Advisors LLC, as at June 30, 2021.

PERFORMANCE SUMMARY

- Over the second quarter of 2021, CI Global Value Fund Series F (the Fund) returned 3.5% compared with the MSCI World Total Return Index (in Canadian-dollar terms), which returned 6.3%.
- The Fund underperformed its benchmark during the period largely as a result of its lack of exposure to highly valued large-capitalization growth stocks.
- The Fund's positions in the financials, information technology and consumer discretionary sectors detracted from performance.

CONTRIBUTORS TO PERFORMANCE

A position in Heineken NV contributed to the Fund's performance as the company reported stronger-than-expected first-quarter results. The effect from lower on-trade volume in Europe was more than offset by the performance of other regions and the company's continued cost mitigation efforts. Another contributor to the Fund's performance was Diageo plc after its stock rebounded. The company made an unscheduled announcement that it would recommence its previously paused return of capital program. It updated its first-half 2021 organic earnings growth expectations to at least 14% ahead of consensus and slightly ahead of organic growth expectations.

DETRACTORS FROM PERFORMANCE

The Hartford Financial Services Group Inc. turned down The Chubb Corp.'s acquisition advances, which led its shares to decline in price, detracting from the Fund's performance. However, we see considerable profit growth ahead for the company through a combination of cost cutting, rising service demand and improving competition. Sumitomo Mitsui Trust Holdings Inc. was another detractor from performance. The company is seeing a pick-up in demand for many of its fee-related products, such as mutual funds and real estate brokering, but the rebound seemed to be too slow for investors, leading to a decline in its shares.

PORTFOLIO ACTIVITY

We added a new position in Everest Re Group Ltd., a global reinsurer, to the Fund. The company is in the process of transforming its business under a new management team, many of whom come from best-in-class insurer The Chubb Corp. Everest Re Group Ltd. is steadily reducing exposure to more volatile, commoditized lines of business while allocating capital far more effectively. Despite early success, the stock continued to trade at a sharp discount to its global peers. We sold the Fund's holding in ABN AMRO Bank NV as we were not seeing enough management execution on costs and lending profit control.

MARKET OVERVIEW

While the global economy has rebounded sharply from the depths of the pandemic, economic and earnings growth rates may peak this quarter, presenting a few uncertainties. Developments involving inflationary pressures, interest rates, China and cybersecurity risks are among the topics capturing headlines and are likely to have significant influence on financial markets in both the near and long term.

The Fund's holdings are well positioned for an uncertain macroeconomic environment given underlying valuations, a greater focus on higher-quality services companies, strong staples brands with pricing power, and an underweight exposure to lower-quality industrials and consumer discretionary companies. The Fund is attractively positioned, focusing on companies with underappreciated business models in which fundamentals are improving and where disciplined leaders are allocating capital in our long-term interest.

Source: Altrinsic Global Advisors, LLC, FactSet Research Systems Inc.

For more information, please visit [ci.com](https://www.ci.com).

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The comparison presented is intended to illustrate the Mutual Fund's historical performance as compared with the historical performance of widely quoted market indexes or a weighted blend of widely quoted market indexes. There are various important differences that may exist between the Mutual Fund and the stated indexes 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 indexes. Indexes are unmanaged and their returns do not include any sales charges or fees. It is not possible to invest directly in market indexes.

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Published July 20, 2021.