

# CI CANADIAN DIVIDEND FUND

## Q3-2024 Commentary



PORTFOLIO	1 YEAR	3 YEAR	5 YEAR	10 YEAR	S.I.
CI Canadian Dividend Fund, Series F*	22.8%	9.1%	10.5%	10.0%	8.8%
Benchmark: S&P/TSX Composite Total Return Index	26.1%	11.6%	11.2%	8.6%	7.7%

\* Inception date: June 12, 2006. Formerly Cambridge Canadian Dividend Fund, renamed effective July 29, 2021.

Source: CI Global Asset Management, as at September 30, 2024.

### PERFORMANCE SUMMARY

- Over the third quarter of 2024, CI Canadian Dividend Fund, Series F (the Fund) returned 10.3% compared with its benchmark, the S&P/TSX Composite Total Return Index, which returned 10.4%.
- The Fund underperformed its benchmark as a result of stock selection in the industrials sector.

### CONTRIBUTORS TO PERFORMANCE

A holding in Royal Bank of Canada contributed to the Fund's performance as the company benefited from its strong earnings growth across diversified business segments, the successful integration of a major acquisition and better-than-expected credit performance.

A holding in Brookfield Asset Management Inc. also contributed to the Fund's performance. The company continued to demonstrate strong capital raising and investment capabilities during the period, securing \$68 billion worth of inflows and expanding its credit platform.

### DETRACTORS FROM PERFORMANCE

Shares of Cenovus Energy Inc. moved lower because of the company's operational challenges with delayed refinery restarts and given weakening crude oil prices through the period. Crude oil was down over 15% during the period.

A holding in Canadian Natural Resources Ltd. was another detractor from the Fund's performance. The company underperformed amid weakening crude oil prices.

### PORTFOLIO ACTIVITY

We added to the Fund a new holding in Canadian Imperial Bank of Commerce, and we eliminated from the Fund a position in Open Text Corp.

### MARKET OVERVIEW

The Canadian equity landscape currently reflects a mix of optimism and caution, influenced by domestic economic trends, Bank of Canada (BoC) policies and global factors. The positive outlook is supported by the BoC's recent interest rate cuts, which have lowered the overnight lending rate to 4.25%, stimulating economic activity. Other positive indicators for Canadian equities include an easing of inflation, which has slowed to the BoC's 2% target range, and a resilient labour market. In addition, Canada's economy grew at an annualized pace of 2.1% in the second quarter of 2024, benefiting from increased government and business spending. However, challenges remain, including the impact of higher interest rates on consumer spending and business investment. The energy sector,

crucial to Canada's economy, faces pressure from fluctuating oil prices. We remain balanced between optimism and caution shaped by economic trends, interest rate expectations and geopolitical factors.

Source: CI Global Asset Management

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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