

CI CORPORATE BOND FUND

Q3-2024 Commentary



FUND	1 YEAR	3 YEAR	5 YEAR	10 YEAR	S.I.
CI Corporate Bond Fund, Series F*	14.7%	2.3%	3.5%	4.1%	5.1%
Benchmark: 70.0% FTSE Canada Universe + Maple Corporate Bond Index, 30.0% ICE BOA/ML US High Yield (CAD Hedged)	14.1%	1.8%	2.9%	4.7%	N/A

* Inception date: July 15, 2003. Formerly Signature Corporate Bond 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 Corporate Bond Fund, Series F (the Fund) returned 4.4% compared with its benchmark, a 70/30 combination of FTSE Canada Universe + Maple Corporate Bond Index and ICE BOA/ML US High Yield (CAD Hedged), which was up 4.8% over the same period.
- The Fund underperformed its benchmark as a result of defensive positioning within investment-grade and high-yield securities, particularly in the telecommunications and cable industries and lower-rated securities.

CONTRIBUTORS TO PERFORMANCE

A long-term holding in Highland Therapeutics Inc. shares contributed to the Fund's performance following a sale of the company to competitor Collegium Pharmaceutical Inc.

A position in Fairfax India Holdings Corp. 5.0% Feb. 26, 2028 bonds was another contributor to the Fund's performance. The company's shares rose, driven by firm economic performance in India generally and more specifically within its main asset, Bangalore airport.

DETRACTORS FROM PERFORMANCE

A holding of New Fortress Energy Inc. 8.75% Feb. 15, 2029 bonds detracted from the Fund's performance amid concerns over the company's liquidity, potential challenges in refinancing near-term maturities and delays in fast liquefied natural gas projects.

A position in Calfrac Well Services Ltd. was another detractor from the Fund's performance amid weakness in crude oil and natural gas prices. The decrease in commodity prices weakened the demand outlook for the company's well completion services for 2025.

PORTFOLIO ACTIVITY

We added new Fund holdings in preferred notes (7.2% Oct. 15, 2054) issued by AltaGas Ltd. and a term loan (Sept. 10, 2031) issued by Formula One.

Long-term holdings in Ironshore Therapeutics Inc. 10.0% Sept. 30, 2026 and Global Aircraft Leasing Co. Ltd. 6.5% Sept. 15, 2024 bonds were liquidated in connection with refinancing activities undertaken by the companies.

MARKET OVERVIEW

The U.S. and Canadian economies continue to slow but neither appears headed for recession at this time. U.S. Federal Reserve Board (Fed) Chair Jerome Powell had a thin corridor to navigate in order to cut interest rates and be constructive for riskier assets. In our

view, he largely succeeded with relatively calm markets in September. We continue to believe that monetary policy works with long and variable lags and that the Fed will need to feel its way through incoming economic data and the changed administrative leadership in the United States, given President Joe Biden's exit from the presidential race.

Fundamental and technical factors remain supportive as evidenced by resilient earnings and robust market performance. We also realize that challenges for riskier assets persist, with geopolitics, deglobalization and elevated information technology valuations being some of our chief concerns. This is a backdrop that rewards active management, and so we view the current investment environment as favourable.

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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