

CI DIVIDEND INCOME & GROWTH FUND

Q3-2024 Commentary



FUND	1 YEAR	3 YEAR	5 YEAR	10 YEAR	S.I.
CI Dividend Income & Growth Fund, Series F*	28.4%	10.6%	11.6%	8.1%	7.4%
Benchmark: 40% MSCI ACWI Global High Dividend Yield Total Return Index/35% S&P/TSX Preferred Share Total Return Index/25% S&P/TSX Composite Total Return Index	26.4%	7.0%	8.7%	6.8%	N/A

* Inception date: September 28, 2001. Formerly Signature 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 Dividend Income & Growth Fund, Series F (the Fund) returned 8.1% compared with its blended benchmark (40% MSCI ACWI Global High Dividend Yield Total Return Index, 35% S&P/TSX Preferred Share Total Return Index and 25% S&P/TSX Composite Total Return Index), which returned 8.3%.
- The Fund underperformed its benchmark during the period.

CONTRIBUTORS TO PERFORMANCE

A holding in The Bank of Nova Scotia contributed to the Fund's performance. The stock exhibited strong performance given the company's good financial results for its third quarter of 2024, and with increasing conviction that interest rate cuts in Canada would moderate credit losses, particularly from the bank's housing book. The stock entered the period at a discount to its peers, providing flows from value investors over the period.

A position in Agnico Eagle Mines Ltd. also contributed to the Fund's performance given the significantly rising price of gold.

DETRACTORS FROM PERFORMANCE

A holding in Cenovus Energy Inc. detracted from the Fund's performance as the company continued to struggle with its downstream operations against a backdrop of generalized weakness in global energy prices.

A holding in Samsung Electronics Co. Ltd. also detracted from the Fund's performance. The company's stock lagged given disappointing financial results and concerns that the company's competitive position in microchips was eroding.

PORTFOLIO ACTIVITY

We added a Fund position in Nestlé SA based on its reasonable valuation and an expectation that the company's new management was likely to turn around the company's recent weak performance.

A position in UnitedHealth Group Inc. was sold from the Fund due to regulatory concerns in the U.S. reimbursement market, and given its high valuation at the time of sale.

MARKET OVERVIEW

We remain positive on global equity markets, believing that economies are likely to experience an economic soft landing and avoid recession. While recent shifts around inflation and interest rates have challenged economies, fiscal, economic and monetary supports are likely to continue.

Challenges remain for the Canadian economy, with mortgage renewals continuing to occur at higher interest rates than existing loans, stressing many indebted consumers. However, we believe that lower interest rates should be adequate to allow a reasonable level of Canadian economic growth at moderate inflation levels, which should be supportive of Canadian equities.

In the United States, while we expect continued monetary easing, it is unfolding in an environment of high valuations, and we are more selective toward high-valuation industries.

The backdrop for the Canadian preferred share market remains solid, although much of the price appreciation within this sector has occurred, leaving attractive yields as the primary means of returns.

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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