

CI CORPORATE BOND FUND

Q1-2025 Commentary



FUND	1 YEAR	3 YEAR	5 YEAR	10 YEAR	S.I.
CI Corporate Bond Fund, Series F*	9.2%	4.9%	6.2%	4.0%	5.1%
Benchmark: 70% FTSE Canada Universe + Maple Corporate Bond Index, 30% ICE BofAML US High Yield (CAD Hedged)	10.5%	6.1%	4.5%	3.9%	N/A

* Inception date: July 15, 2003. Formerly Signature Corporate Bond Fund, renamed effective July 29, 2021.

Source: CI Global Asset Management, as at March 31, 2025.

PERFORMANCE SUMMARY

- Over the first quarter of 2025, CI Corporate Bond Fund, Series F (the Fund) returned 1.3% compared with its benchmark, a 70/30 combination of FTSE Canada Universe + Maple Corporate Bond Index and ICE BofAML US High Yield (CAD Hedged), which was up 1.6% over the same period.
- The Fund underperformed its benchmark as a result of credit selection and currency exposures.

CONTRIBUTORS TO PERFORMANCE

A holding in Canadian Western Bank variable rate Apr. 30, 2081 (Series 1) contributed to the Fund's performance after the company was acquired by National Bank of Canada.

A holding in NOVA Chemicals Corp. 4.25% May 15, 2029 bonds was another notable contributor to the Fund's performance after the company's merger with OMV AG and Abu Dhabi National Oil Co. for Distribution PJSC was announced.

DETRACTORS FROM PERFORMANCE

A holding in Venture Global Inc. 9.0% perpetual preferred notes detracted from the Fund's performance owing to the company's poor initial public offering placement and the resulting impact on equity-linked instruments.

A holding in Northeast Grocery Inc. detracted from performance because of a more competitive grocery environment and softer demand trends in its regional market.

PORTFOLIO ACTIVITY

During the quarter, a new position in Quikrete Holdings Inc. 6.375% Mar. 1, 2032 bonds was added to the Fund after the company's merger with Summit Materials Inc. A new position in Snap Inc. 6.875% Mar. 1, 2033 bonds was added to the Fund, facilitating the laddering of maturities for the enterprise.

We exited Fund positions in Royal Caribbean Cruises Ltd. 5.625% Sep. 30, 2031 and Amer Sports Inc. 6.75% Feb. 16, 2031 bonds. Royal Caribbean was sold upon its achievement of investment-grade rating. Amer Sports was sold after a strong return to make way for an investment with higher return potential.

MARKET OVERVIEW

Markets generally, and fixed income markets in particular, favour moderation. From a policy standpoint, the current U.S. administration has started out as anything but that, with increased volatility the obvious result. The probability of recession in both the United States and Canada has risen, while the seemingly uncoordinated nature of announcements from the Trump administration has companies on hold as they await more certainty before committing to a capital allocation policy.

Central bankers are also in a difficult situation trying to balance the risk of slowing growth from a U.S. trade war against the inflationary effects of reciprocal tariffs in key industries, and supply shocks from shifting global supply chains. Fundamental and technical supports in both credit and equity markets are starting from a good place but continue to erode. Like the Bank of Canada, we see two very different potential scenarios playing out, one with a muted and fading tariff effect and the other more impactful.

As such, we have positioned the Fund more defensively and with relative liquidity to help offset further negative developments and to be able to react quickly should opportunity present itself. Caution and patience are what is needed for this current market environment.

Source: CI Global Asset Management

GLOSSARY OF TERMS

Liquidity: The degree to which an asset or security can be quickly bought or sold in the market without affecting the asset's price. Cash is considered to be the most liquid asset, while things like fine art or rare books would be relatively illiquid.

Volatility: Measures how much the price of a security, derivative, or index fluctuates. The most commonly used measure of volatility when it comes to investment funds is standard deviation.

For more information, please visit ci.com.

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