

# CI NORTH AMERICAN DIVIDEND FUND

## Q1-2025 Commentary



FUND	1 YEAR	3 YEAR	5 YEAR	10 YEAR	S.I.
CI North American Dividend Fund, Series F*	8.9%	10.3%	15.8%	8.8%	9.8%
Benchmark: 25% S&P/TSX Composite Index & 75% S&P 500 Index	15.6%	11.1%	17.9%	11.3%	10.4%

\* Inception date: August 21, 2008. First Asset Canadian Dividend Opportunity Fund merged into CI North American Dividend Fund effective April 16, 2021, and this change may impact performance. Had these changes been in effect prior to this date, the performance of the Fund could have been different. Please refer to the disclosure documents of CI North American Dividend Fund for more information on ci.com.

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

### PERFORMANCE SUMMARY

- Over the first quarter of 2025, CI North American Dividend Fund, Series F (the Fund) returned -6.0% compared with its benchmark, the 25% S&P/TSX Composite Index & 75% S&P 500 Index, which returned -1.4%.
- The Fund underperformed its benchmark as a result of allocation to the information technology sector and security selection within the health care and financials sectors.

### CONTRIBUTORS TO PERFORMANCE

Health care holdings in AstraZeneca PLC and Cigna Corp. contributed to the Fund's performance. Business uncertainty, created by the Trump administration's tariff policy, induced risk-off positioning in the equity markets. This benefited the health care sector, which is generally more defensive given its less economically sensitive characteristics.

### DETRACTORS FROM PERFORMANCE

A holding in Broadcom Inc. detracted from the Fund's performance. Business uncertainty, created by the Trump administration's tariffs, induced risk-off positioning in the equity markets. The company's stock declined with the broader information technology sector.

A holding in NVIDIA Corp. was another notable detractor from the Fund's performance. Similar to Broadcom, NVIDIA's stock was affected by tariff uncertainty. In addition, a seemingly highly efficient artificial intelligence model was released by Chinese firm DeepSeek, causing concern over future demand for the processing units NVIDIA produces.

### PORTFOLIO ACTIVITY

We added to the Fund a new position in Colgate-Palmolive Co. to increase the Fund's defensive positioning.

We eliminated the Fund's position in Adobe Inc. as the inflection from Firefly is taking longer than anticipated. We used the proceeds from the sale of the Fund's holding in Adobe to fund better opportunities elsewhere.

## **MARKET OVERVIEW**

The Trump administration has created significant global economic uncertainty by threatening and applying tariffs to most countries in the world. The uncertainty regarding trade rules and relationships has made business operations challenging in many sectors. There is potential for constructive resolution that reduces trade frictions and supports capital investment into the United States, there is also the potential that prolonging trade disputes with major partners could create a stagflation environment.

We have a cautiously optimistic outlook, focusing on businesses that can navigate a multitude of trade environments and that have the balance sheet and revenue resilience to survive a challenging spending environment.

Sources: CI Global Asset Management, Bloomberg Finance L.P. and FactSet Research Systems Inc.

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

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Commissions, trailing commissions, management fees and expenses all may be associated with mutual fund investments. Please read the prospectus before investing. The indicated rates of return are the historical annual compounded total returns net of fees and expenses payable by the fund (except for figures of one year or less, which are simple total returns) including changes in security value and reinvestment of all dividends/distributions and do not take into account sales, redemption, distribution or optional charges or income taxes payable by any securityholder that would have reduced returns. Mutual funds are not guaranteed, their values change frequently and past performance may not be repeated.

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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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