

## SSQ CI Global Income and Growth GIF

# Who is the fund manager?

**CI Global Asset Management**, is a Toronto-based investment team. CI's competitive advantage is its approach in which portfolio managers and analysts specializing in each asset class and sector combine their research to develop a comprehensive picture of a company and its securities.

# A fund that covers all winning asset categories

## Investment philosophy and approach

The SSQ CI Global Income and Growth Guaranteed Investment Fund (GIF) is a **global asset allocation fund that aims to generate a relatively high level of income** from interest and dividends as well as to generate long-term capital growth. This strategy is managed by CI Global Asset Management, which has adapted and aligned its investment philosophy with today's capital market environment.

The team members share the following core values:

- Globalization has increased complexity, requiring specialization.
- Increased interconnectivity in capital markets demands collaboration.
- Flexibility in portfolio construction.

The team is noted for its global and comprehensive theme-based approach, which combines macroeconomic research with bottom-up, fundamental analysis in its portfolio construction.

## Portfolio management team

The portfolio management team is made up of 52 investment professionals, including **21 global equity sector specialists, 19 fixed income asset class specialists and a team of 4 macroeconomic strategists.**

## Why invest in this fund?

**There are many advantages to investing in a global asset allocation fund.** For Canadian investors, investing in foreign markets ensures better portfolio diversification and provides access to a universe of securities that is nearly 20 times larger than the domestic market. The flexibility provided by the fund's asset management mandate is used to capitalize on **four sources of value added**: asset allocation, sector allocation, security selection and currency management.

### Asset allocation

The asset allocation committee made up of eight experienced members adjusts its macroeconomic outlook based on many factors, including economic growth, interest rates, capital market conditions and geopolitical climate.

**The team uses the mandate's asset class guidelines, in combination with active management of asset allocation, in order to reap the benefits of market opportunities.** The portfolio's cash position provides further evidence of its freedom of action: the team is willing to hold a significant cash position whenever it regards certain asset classes as overvalued and/or too risky.

### Sector allocation

**Macroeconomic analysis is used to determine the sector allocation for the equity and bond portions.** The team analyzes the opportunities that arise in sectors and in the securities that are currently held in order to determine the weighting assigned to each sector portfolio manager. Once again, the team puts its freedom of action to good use: the portfolio sector weight can vary significantly relative to the weighting of each sector in the equity benchmark (MSCI ACWI).

### Security selection

The portfolio's equity portion is made up of large-cap securities issued by high-quality companies that are strong global franchises. Emphasis is placed on firms that pay growing and sustainable dividends, rather than focusing exclusively on those that offer a high dividend yield. A fundamental approach is adopted and the sector portfolio managers use a set of evaluation criteria that are specifically aligned with their sector.

With regard to the bond portion, a tactical approach (3 months) and a strategic approach (12 months) are both used, in part to capitalize on market anomalies. Special attention is paid to controlling risk and capital preservation. The overall portfolio also contains high-yield bonds. Adding high-yield bonds to a diversified portfolio has a number of advantages:

- Better diversification
- The yield to maturity is usually higher than that of investment-grade bonds
- In a rising rate environment, price sensitivity is lower than other bonds, thanks to the duration, which is shorter on average than that of investment-grade bonds

In addition, because CI is one of the most important owners of high-yield bonds in Canada, the **team has very good access to most high-yield bond issues offered in the bond market.**

### Currency management

At times, the value of the Canadian dollar is strongly influenced by commodity prices, which can be volatile. This may have a significant impact on the total return of Canadian investors holding foreign investments. For that reason, it is essential for Canadian investors to be able to rely on currency management experts, such as CI's team, which has the flexibility to hedge its foreign currency positions from 0% to 100%.

### Performance

The three P's (philosophy, process and personnel) are often used to evaluate the reasons why an investment manager is able to deliver strong long-term returns. **Thanks to the management team's unique philosophy, solid team structure and well developed processes designed to achieve its full potential, its strong past performance comes as no surprise.**

# The advantages of the SSQ CI Global Income and Growth GIF

## A philosophy aligned with today's markets

The fund provides access to a specialized, collaborative team that enjoys plenty of flexibility in its asset management mandate.

## Experienced and specialized team

The fund benefits from the expertise of asset class specialists working together within a major renowned firm.

## Four sources of value added

The fund benefits from an active team and an active management style. Value added is generated by asset allocation, sector allocation, security selection and currency management.

## Access to high-yield bonds

The fund capitalizes on the advantages of high-yield bonds, including better diversification, enhanced current yield and a shorter duration on average than that of investment grade bonds.

## Global diversification

The fund invests in global bonds and equities. In addition to offering excellent diversification, this strategy provides access to a much wider array of securities than that available in Canada.

## Preferred access to high-yield bond issues

Due to the magnitude of the assets managed by the team, it is called on by virtually all issuers of high-yield bonds.



**For further details, please refer to the  
"Fund Facts" available on [ssq.ca](https://ssq.ca)**