



CI First Asset Active Canadian Dividend ETF (TSX:FDV) Manager Commentary April 2019

Portfolio Activity and Market Commentary

For the month ended April 30, 2019, CI First Asset Active Canadian Dividend ETF (the “Fund”) returned -0.1%, underperforming its benchmark, the S&P/TSX Composite Total Return Index, which was up 3.2% over the same period.

For the month, some of the top contributors to the Fund’s return were Fund holdings in Waste Connections, Inc. (TSX/NYSE:WCN), up 25 basis points (bps); TransCanada Corp. (TSX:TRP), up 20 bps; and Royal Bank of Canada (TSX:RY), up 15 bps. Some of the detractors from the Fund’s performance were Fund holdings in Newmont Mining Corp. (NYSE:NEM), -26 bps; Tricon Capital Group Inc. (TSX:TCN), -23 bps; and Pure Multi-Family REIT LP (TSX:RUF.UN), -17 bps.

During the month, the Canadian government 10-year bond yield was up 10 bps to 1.71%.

In April, we saw the continuation of weaker economic trends during the first quarter of the year. We continue to see downside risk in both global growth estimates and corporate results.

With close to 80% of companies that are constituents of the S&P 500 Total Return Index and a little under half of those listed on the Toronto Stock Exchange (TSX) having reported their first-quarter 2019 results, we continue to see positive growth trends, in aggregate, in top-line revenue and bottom-line earnings. The caveat is that growth rates are materially lower than what we have seen recently.

Market Outlook

We believe the majority of the market rally this year has been due to a dovish shift by central banks globally in monetary policy and outlook/commentary, and not due to fundamental factors. Thus, First Asset Investment Management remains cautious about investing in this economic environment, and we will continue to focus on more defensive sectors, including utilities and real estate companies.

Sources: Bloomberg L.P. and First Asset Investment Management, as at April 30, 2019.



Performance (%)	1 mo.	3 mo.	6 mo.	Year-to-date	1 year	2 year	3 year	4 year	Since inception*
CI First Asset Active Canadian Dividend ETF	-0.1	3.9	8.7	9.0	8.7	4.9	6.1	4.4	3.6
S&P/TSX Composite Total Return Index	3.2	7.6	12.2	16.9	9.6	6.3	9.1	5.3	4.3

Sources: Morningstar Direct and First Asset, as at April 30, 2019.

* Since-inception date: September 3, 2014.

The indicated rates of return are the historical annual compounded total returns, including changes in unit value, and do not take into account sales, redemption or optional charges or income taxes payable by a securityholder that would have reduced returns. Performance is calculated net of fees.

Use of Benchmark:

There are various important differences that may exist between the ETF and the stated index that may affect the performance of each. The objectives and strategies of the ETF result in holdings that do not necessarily reflect the constituents of, and their weights within, the comparable index. Indices are unmanaged and their returns do not include any sales charges or fees. It is not possible to invest directly in an index.

The S&P/TSX Composite Total Return Index is a capitalization-weighted index designed to measure market activity of stocks listed on the Toronto Stock Exchange. This index is used as a benchmark to help you understand the Funds performance relative to the general performance of broader Canadian equity market.

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