

# CI Money Market ETF

Management Report of Fund Performance for the period/year ended December 31, 2023

This annual management report of fund performance contains financial highlights but does not contain the complete annual financial statements of the investment fund. You can get a copy of the annual financial statements at your request, and at no cost, by calling 1-800-792-9355, by writing to us at CI Investments Inc., 15 York Street, Second Floor, Toronto, ON, M5J 0A3 or by visiting our website at [www.ci.com](http://www.ci.com) or SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca).

Securityholders may also contact us using one of these methods to request a copy of the investment fund's proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure.

## INVESTMENT OBJECTIVE AND STRATEGIES

The investment objective of the CI Money Market ETF (the Fund) is to earn income at the highest rate of return that is consistent with preserving capital and maintaining liquidity. The Fund invests primarily in money market instruments that mature in less than 365 days. The Fund includes short-term debt obligations issued or guaranteed by the Governments of Canada, any province or any agency of these government, and commercial paper and other high quality short-term debt obligations of Canadian corporations and Canadian chartered banks.

For a complete discussion of the Fund's investment objective and strategies, please refer to the Fund's most recently filed simplified prospectus.

## RISK

The risks of the Fund remain as discussed in the Fund's most recently filed simplified prospectus. The Manager reviews the risk rating for the Fund on an annual basis, at a minimum, based on the methodology mandated by the Canadian Securities Administrators to determine the risk level of the Fund.

## RESULTS OF OPERATIONS

As at December 31, 2023, the Fund's net assets were \$6.0 million. The Fund had net sales of \$6.0 million for the period.

The Bank of Canada (BoC) signalled that its overnight rate of 5.00% is likely at its peak. Money market interest rates declined into year-end because the market anticipated that the BoC was likely to cut interest rates in 2024.

No performance data is available for the Fund as it is less than one year old.

The Fund's yield curve positioning and longer duration (sensitivity to interest rates) than the benchmark contributed to its performance. We targeted the most attractive money market yields and took advantage of longer-duration money market instruments when longer duration yields were near peak levels for the year. A holding in Government of Canada Treasury 0.0% Nov. 23, 2023 bonds contributed to the Fund's performance. The security was bought when money market yields were near peak levels.

Increases and decreases to the Fund's positions are made primarily as a result of cash management activities to address flows into and out of the Fund when they occur. Money market positions are not actively traded as they are short term in nature, of high quality and are often held to maturity. This limits turnover and transaction costs. Due to the short-term nature of the securities, positions are often eliminated as a result of maturities as they arise.

## RECENT DEVELOPMENTS

Economic conditions continue to unfold as expected. While labour and spending are holding up fairly well, economic data continues to weaken as higher interest rates take hold. Economic growth in Canada is verging on recession, defined as two consecutive quarters of negative real gross domestic product growth. The BoC signalled in the fourth quarter of 2023 that its overnight rate of 5.00% is likely at its peak. Other central banks have indicated they are likewise at or near the peak for their policy interest rates, which drove a strong rebound in bonds over the quarter. Inflation is still elevated, and we expect central banks to be cautious on cutting interest rates too soon or too aggressively. We believe this poses a risk of recession in Canada in the first half of 2024, if it has not already started at the end of 2023.

Credit spreads (the yield differential between securities of similar maturity but different credit quality) may continue to see some tightening in the beginning of 2024 as the interest rate backdrop appears stable, but they will likely trend wider with slowing economic growth as the year unfolds. The Fund continues to be invested in high-quality, short-dated (less than one year) securities.

## RELATED PARTY TRANSACTIONS

### **Manager, Portfolio Manager and Trustee**

CI Investments Inc. is the Manager, Portfolio Manager and Trustee of the Fund. CI Investments Inc. is a subsidiary of CI Financial Corp. The Manager, in consideration of management fees, provided management services required in the day-to-day operations of the Fund.

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Management fee rate/rates as at December 31, 2023, for Series/Class or each of the Series/Classes, as applicable, is/are shown below:

	Annual management fee rate (%):
ETF CS Series	0.140

The Manager received a nominal amount in management fees for the period.

## **Management Fees**

100% of total management fees were used to pay for investment management and other general administration.

## **Independent Review Committee**

The Manager, in respect of the Fund, received the following standing instructions from the Independent Review Committee (IRC) with respect to related party transactions:

The applicable standing instructions require, amongst others, that related party transactions be conducted in accordance with the Manager's policies and procedures and applicable law and that the Manager reports related party transactions periodically to the IRC and advise the IRC of any material breach of such policies. The Manager's policies and procedures require that investment decisions in respect of related party transactions (a) are free from any influence by an entity related to the Manager and without taking into account any consideration relevant to an entity related to the Manager; (b) represent the business judgment of the Manager, uninfluenced by considerations other than the best interests of the Fund; (c) do not exceed the limitations of the applicable legislation; and (d) achieve a fair and reasonable result for the Fund.

Except as otherwise noted above under Related Party Transactions section, the Fund was not a party to any related party transactions during the period/year ended December 31, 2023. If the Fund invested in related party transactions, it relied on the IRC's standing instructions regarding related party transactions during this reporting period/year.

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## FINANCIAL HIGHLIGHTS

The following table/tables shows/show selected key financial information about the Fund and is/are intended to help you understand the Fund's financial performance for the past five period(s)/year(s), as applicable.

Net Assets per Unit (\$)	Increase (decrease) from operations:					Distributions:					Net assets at the end of the period/year shown	
	Net assets at the beginning of period/year	Total revenue	Total expenses (excluding distributions)	Realized gains (losses) for the period/year	Unrealized gains (losses) for the period/year	Total increase (decrease) from operations	From net investment income (excluding dividends)	From dividends	From capital gains	Return of capital		Total distributions
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>ETF C\$ Series</b> <sup>(1)(2)(3)(4)</sup>												
Commencement of operations July 21, 2023												
Listed TSX: CMNY												
Dec. 31, 2023	50.00	1.08	(0.03)	-	-	1.05	(0.95)	-	-	(0.06)	(1.01)	50.05

(1) This information is derived from the Fund's audited annual financial statements.

(2) Net assets per unit and distributions per unit are based on the actual number of units outstanding for the relevant Series/Class at the relevant time. The increase (decrease) in net assets from operations per unit is based on the weighted average number of units outstanding for the relevant Series/Class over the fiscal period/year.

(3) Distributions are automatically reinvested in additional units of the Fund.

(4) This information is provided for the period ended December 31, 2023.

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## FINANCIAL HIGHLIGHTS (cont'd)

### Ratios and Supplemental Data

	Total net assets \$000's	Number of units outstanding 000's	Management expense ratio before taxes %	Harmonized sales tax %	Management expense ratio after taxes %	Effective HST rate for the period/ year %	Trading expense ratio %	Portfolio turnover rate %	Closing market price \$
<b>ETF CS Series</b> <small>(1)(2)(3)(4)(5)(6)</small>									
Commencement of operations July 21, 2023									
Listed TSX: CMNY									
Dec. 31, 2023	6,007	120	0.14	0.01	0.15	9.84	-	-	50.07

(1) This information is derived from the Fund's audited annual financial statements.

(2) Management expense ratio is calculated based on expenses charged to the Fund (excluding commissions and other portfolio transaction costs) and is expressed as an annualized percentage of daily average net assets for the period/year, including the Fund's proportionate share of any underlying fund(s) expenses, if applicable. The Effective HST tax rate is calculated using the attribution percentage for each province based on unitholder residency and can be different from 13%.

(3) The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net assets during the period/year, including the Fund's proportionate share of such expenses of any underlying fund(s), if applicable.

(4) The Fund's portfolio turnover rate indicates how actively the Fund's portfolio advisor manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the fiscal period/year. The higher a Fund's portfolio turnover rate in a period/year, the greater the trading costs payable by the Fund in the period/year, and the greater the chance of an investor receiving taxable capital gains in the period/year. There is not necessarily a relationship between a higher turnover rate and the performance of a Fund. Portfolio turnover rate is calculated by dividing the lesser of the cost of purchases and the proceeds of sales of portfolio securities for the period/year, and excluding cash and short-term investments maturing in less than one year, and before assets acquired from a merger, if applicable, by the average of the monthly fair value of investments during the period/year.

(5) This information is provided for the period ended December 31, 2023.

(6) Closing market price.

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*Management Report of Fund Performance for the period/year ended December 31, 2023*

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## **PAST PERFORMANCE**

In accordance with National Instrument 81-106, Investment Fund Continuous Disclosure, "PAST PERFORMANCE" disclosure consisting of "Year-by-Year Returns" and "Annual Compound Returns" is not required if a Fund has been a reporting issuer for less than a year.

The Fund has been in existence for less than a year thus the "PAST PERFORMANCE" disclosure is not presented.

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## SUMMARY OF INVESTMENT PORTFOLIO as at December 31, 2023

Category	% of Net Assets	Category	% of Net Assets	Top Holdings	% of Net Assets
<b>Country allocation</b>		<b>Sector allocation</b>			
Short-Term Investment(s)	99.8	Short-Term Investment(s)	99.8	Royal Bank of Canada Banker's Acceptance, 4.715%, January 31, 2024	5.6
Cash & Cash Equivalents	0.2	Cash & Cash Equivalents	0.2	Province of Quebec, 4.679%, February 09, 2024	5.6
Other Net Assets (Liabilities)	0.0	Other Net Assets (Liabilities)	0.0	Toronto Dominion Banker's Acceptance, 4.816%, February 08, 2024	5.5
				Province of Ontario, 4.890%, March 27, 2024	5.5
				Province of Alberta, 4.838%, March 05, 2024	5.5
				Bank Nova Scotia Banker's Acceptance, 4.907%, February 20, 2024	5.5
				Government of Canada, 4.882%, February 29, 2024	5.1
				Government of Canada, 4.771%, June 06, 2024	5.0
				Government of Canada, 4.663%, February 15, 2024	4.6
				Government of Canada, 4.899%, May 23, 2024	4.5
				Province of Quebec, 4.966%, July 26, 2024	4.4
				Government of Canada, 4.895%, February 01, 2024	4.3
				Province of Ontario, 4.943%, March 13, 2024	4.3
				Province of Ontario, 4.965%, April 03, 2024	4.2
				Government of Canada, 4.962%, June 20, 2024	4.2
				Province of Alberta, 4.986%, February 06, 2024	4.1
				Province of Ontario, 5.064%, August 21, 2024	4.1
				Province of Ontario, 4.989%, April 10, 2024	4.1
				Government of Canada, 4.786%, January 18, 2024	4.0
				Government of Canada, 4.798%, May 09, 2024	2.9
				Government of Canada, 4.985%, March 14, 2024	2.6
				Government of Canada, 5.032%, September 12, 2024	2.2
				Government of Canada, 4.813%, April 11, 2024	2.0
				Cash & Cash Equivalents	0.2
				<b>Total Net Assets (in \$000's)</b>	<b>\$6,007</b>

The summary of investment portfolio may change due to ongoing portfolio transactions of the Fund and updates will be available on a quarterly basis.

### A NOTE ON FORWARD-LOOKING STATEMENTS

This report may contain forward-looking statements about the Fund, its future performance, strategies or prospects, and possible future Fund action. The words "may," "could," "should," "would," "suspect," "outlook," "believe," "plan," "anticipate," "estimate," "expect," "intend," "forecast," "objective," and similar expressions are intended to identify forward-looking statements.

Forward-looking statements are not guarantees of future performance. Forward-looking statements involve inherent risks and uncertainties, both about the Fund and general economic factors, so it is possible that predictions, forecasts, projections and other forward-looking statements will not be achieved. We caution you not to place undue reliance on these statements as a number of important factors could cause actual events or results to differ materially from those expressed or implied in any forward-looking statement made by the Fund. These factors include, but are not limited to, general economic, political and market factors in Canada, the United States and internationally, interest and foreign exchanges rates, global equity and capital markets, business competition, technological changes, changes in laws and regulations, judicial or regulatory judgments, legal proceedings and catastrophic events.

The above list of important factors that may affect future results is not exhaustive. Before making any investment decisions, we encourage you to consider these and other factors carefully. All opinions contained in forward-looking statements are subject to change without notice and are provided in good faith but without legal responsibility.