

# CI Emerging Markets Alpha ETF

Management Report of Fund Performance for the period/year ended June 30, 2024

This semi-annual management report of fund performance contains financial highlights but does not contain the complete semi-annual or annual financial statements of the investment fund. You can get a copy of the semi-annual or 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.

## RESULTS OF OPERATIONS

The Fund's net assets increased by \$26.2 million to \$121.6 million from December 31, 2023 to June 30, 2024. The Fund had net sales of \$16.1 million for the period. The portfolio's performance increased assets by \$10.5 million. The Fund paid distributions totalling \$0.4 million. ETF C\$ Series units returned 9.8% after fees and expenses for the six-month period ended June 30, 2024. Over the same time period, the Fund's benchmark returned 11.0%. The benchmark is the MSCI Emerging Markets Total Return Index (the Benchmark or the Index).

Please refer to the "Past Performance" section which outlines the performance of the Fund's other units.

The downward trend in U.S. inflation slowed, especially core inflation, and subsequently, expectations of U.S. interest rate cuts were pushed out to the second half of 2024. Stimulus measures to support the Chinese economy were delayed to the second quarter of 2024 and fell short of what the market was expecting. The U.S. dollar was strong during the period. Surprise election outcomes in India, Mexico and South Africa led to increased uncertainty in those markets.

The Fund underperformed its benchmark for the period. Stock selection in the financials and industrials sectors detracted from the Fund's performance, as did the Fund's cash allocation in an upward-trending market. Overweight allocations to the consumer discretionary and consumer staples sectors, as well as to Mexico and Indonesia, detracted from the Fund's performance. A holding in Grupo Financiero Banorte SAB de CV detracted from the Fund's performance. The Mexican market came under pressure after the landslide victory by the left-leaning Morena party. As the biggest bank in Mexico and widely held by foreign investors, Grupo Financiero Banorte SAB de CV was negatively affected by the election result, with its share price losing approximately 20%. AIA Group Ltd. was another notable detractor from the Fund's performance, largely impacted by China's delay in enacting broader economic stimulus.

Stock selection in the information technology, health care and materials sectors contributed to the Fund's performance. An overweight allocation to the information technology sector and underweight allocations to the materials and health care sectors also contributed to the Fund's performance. An underweight position in the Middle East was another contributor to the Fund's performance. Holdings in Taiwan Semiconductor Manufacturing Co. Ltd. and SK Hynix Inc. contributed to the Fund's performance as both companies benefited from the global artificial intelligence investment excitement.

We added a new position in Hyundai Motor Co. Ltd. on expectations of strong hybrid car sales in North America over the next few years. A new holding in Ping An Insurance (Group) Co. of China Ltd. was also added. China's real estate market is stabilizing on government policies support, which has led to an easing of asset quality concerns at Ping An Insurance (Group) Co. of China Ltd. In addition, the selling guarantee rate of 3% savings products in 2024 has improved the margin from last year when the industry was selling 3.5% guarantee rate savings products.

We eliminated from the Fund position in AIA Group Ltd. as the company's share price came under pressure. On a company-specific basis, the biggest weakness in the operation is that AIA Group Ltd. had increased its China business through savings products instead of protection products post-COVID-19 pandemic, which put downward pressure on margins. We sold a holding in Li Auto Inc. after the company received only a 10,000-unit order on its much-anticipated L6 in the first 72 hours after launch.

## RECENT DEVELOPMENTS

All eyes are on the United States, both in terms of interest rates and the overall economy. As slower growth comes into focus, the quarterly earnings of companies will be even more closely scrutinized for signs of weakness. U.S. politics will also become a focus for investors as the November presidential election draws near.

Even in Europe, where growth is hovering just above zero, inflation remains stubborn. What initially looked like a series of interest rate cuts by the European Central Bank following its June 2024 interest rate cut, might now be spread out over a longer period. Elsewhere, the growth and fiscal data out of Germany and France are creating political tension as more fiscal discipline is needed at a time when growth is failing to gain momentum.

In Beijing, the government seems content to allow China's two-speed economy to continue, with exports and new energy sectors roaring ahead, offsetting challenging conditions in the consumer and real estate sectors. Granted, the Chinese government did implement several policies to contain the downside risks that could emerge from either the real estate or financials sector.

Elections also added their share to uncertainty and surprises, with India, Mexico and South Africa all delivering surprising results. All three countries were seen as negative surprises by investors as it increased the uncertainty of sensible policies and growth-enhancing reforms.

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Management Report of Fund Performance for the period/year ended June 30, 2024

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## 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. The Manager bears all of the operating expenses of the Fund (other than taxes, borrowing costs and new governmental fees) in return for an administration fee.

Management fee and administration fee rates as at June 30, 2024, for the Series/Class or for each of the Series/Classes, as applicable, is/are shown below:

	<b>Annual management fee rate (%):</b>	<b>Annual administration fee rate (%):</b>
<b>ETF C\$ Series</b>	0.850	0.17
<b>ETF US\$ Hedged Series</b>	0.850	0.17

The Manager received \$0.5 million in management fees and \$0.1 million in administration fees for the period.

### **Management Fees**

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

### **Inter Fund Trading**

Inter fund trading occurs when a Fund purchases or sells a security of any issuer from or to another Fund managed by the Manager. These transactions are executed through market intermediaries and under prevailing market terms and conditions. The Independent Review Committee (IRC) reviews such transactions during scheduled meetings. During the period/year ended June 30, 2024, the Fund executed inter fund trades.

### **Independent Review Committee**

The Manager, in respect of the Fund, received the following standing instructions from the 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 June 30, 2024. 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 six 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 August 26, 2021												
Listed TSX: CIEM												
Jun. 30, 2024	17.77	0.34	(0.16)	0.35	1.23	1.76	-	-	-	-	-	19.52
Dec. 31, 2023	16.17	0.72	(0.29)	(0.35)	1.86	1.94	(0.33)	-	-	(0.01)	(0.34)	17.77
Dec. 31, 2022	19.48	0.74	(0.33)	(2.92)	0.44	(2.07)	(0.27)	-	-	-	(0.27)	16.17
Dec. 31, 2021	20.00	0.31	(0.18)	0.21	(1.32)	(0.98)	(0.14)	-	(0.14)	-	(0.28)	19.48
<b>ETF US\$ Hedged Series</b> <sup>(1)(2)(3)(4)(5)</sup>												
Commencement of operations August 26, 2021												
Listed TSX: CIEM.U												
Jun. 30, 2024	17.93	0.30	(0.14)	0.82	0.96	1.94	-	-	-	-	-	19.74
Dec. 31, 2023	16.25	0.62	(0.31)	(0.26)	1.54	1.59	(0.33)	-	-	-	(0.33)	17.93
Dec. 31, 2022	19.49	0.53	(0.33)	(1.32)	(1.70)	(2.82)	(0.21)	-	-	-	(0.21)	16.25
Dec. 31, 2021	20.00	0.21	(0.18)	0.22	(0.82)	(0.57)	(0.12)	-	(0.24)	(0.09)	(0.45)	19.49

(1) This information is derived from the Fund's semi-annual and 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(s)/year(s) ended June 30, 2024 and December 31.

(5) Per units amounts are presented in U.S. dollars.

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Management Report of Fund Performance for the period/year ended June 30, 2024

## FINANCIAL HIGHLIGHTS (cont'd)

### Ratios and Supplemental Data

	Total net assets	Number of units outstanding	Management expense ratio before waivers or absorptions after taxes	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
	\$000's	000's	%	%	%	%	%	%	%	\$
<b>ETF C\$ Series</b> <sup>(1)(2)(3)(4)(5)(6)</sup>										
Commencement of operations August 26, 2021										
Listed TSX: CIEM										
Jun. 30, 2024	119,527	6,125	1.08	1.02	0.06	1.08	5.57	0.41	40.02	19.47
Dec. 31, 2023	94,189	5,300	1.12	1.03	0.09	1.12	9.01	0.37	85.68	17.76
Dec. 31, 2022	67,097	4,150	1.12	1.03	0.09	1.12	9.00	0.63	97.87	16.13
Dec. 31, 2021	40,908	2,100	1.20	1.07	0.13	1.20	9.00	1.19	44.76	19.70
<b>ETF US\$ Hedged Series</b> <sup>(1)(2)(3)(4)(5)(6)(7)</sup>										
Commencement of operations August 26, 2021										
Listed TSX: CIEM.U										
Jun. 30, 2024	2,025	75	1.07	1.02	0.05	1.07	5.00	0.41	40.02	19.67
Dec. 31, 2023	1,188	50	1.13	1.03	0.10	1.13	9.99	0.37	85.68	17.93
Dec. 31, 2022	1,100	50	1.08	1.03	0.05	1.08	5.00	0.63	97.87	16.20
Dec. 31, 2021	1,233	50	1.12	1.07	0.05	1.12	5.00	1.19	44.76	19.72

(1) This information is derived from the Fund's semi-annual and 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(s)/year(s) ended June 30, 2024 and December 31.

(6) Closing market price.

(7) Per units amounts are presented in U.S. dollars.

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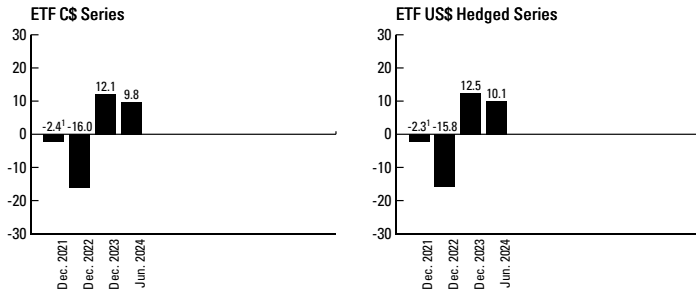
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## PAST PERFORMANCE

This section describes how the Fund has performed in the past. Remember, past returns do not indicate how the Fund will perform in the future. The information shown assumes that distributions made by the Fund in the period(s)/year(s) shown were reinvested in additional units of the Fund or relevant Series/Class of the Fund, as applicable. In addition, the information does not take into account sales, redemption, distribution or other optional charges that would have reduced returns or performance.

### Year-by-Year Returns

The following chart/charts shows/show the Fund's semi-annual and annual performance for each of the period(s)/year(s) shown and illustrates/illustrate how the Fund's performance has changed from period/year to period/year. In percentage terms, the chart/charts shows/show how much an investment made on the first day of each financial period/year would have grown or decreased by the last day of each financial period/year, except where noted.



<sup>1</sup> 2021 return is for the period from August 31, 2021 to December 31, 2021.

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# CI Emerging Markets Alpha ETF

Management Report of Fund Performance for the period/year ended June 30, 2024

## SUMMARY OF INVESTMENT PORTFOLIO as at June 30, 2024

Category	% of Net Assets	Category	% of Net Assets	Category	% of Net Assets
<b>Country allocation</b>		<b>Sector allocation</b>		<b>Asset allocation</b>	
China .....	22.5	Information Technology .....	28.5	Common Equities .....	100.8
India .....	17.8	Financials .....	19.0	Cash & Cash Equivalents .....	0.1
Taiwan .....	16.9	Consumer Discretionary .....	16.9	Foreign Currency Forward Contract(s) .....	0.0
South Korea .....	12.7	Consumer Staples .....	8.1	Other Net Assets (Liabilities) .....	(0.9)
Brazil .....	8.9	Industrials .....	7.5		
Mexico .....	7.0	Communication Services .....	6.7		
Indonesia .....	3.6	Energy .....	5.3		
Hong Kong .....	2.5	Materials .....	4.6		
Canada .....	2.1	Health Care .....	2.6		
Thailand .....	1.9	Utilities .....	1.6		
U.K. ....	1.2	Cash & Cash Equivalents .....	0.1		
Macau .....	1.2	Foreign Currency Forward Contract(s) .....	0.0		
U.S.A. ....	1.1	Other Net Assets (Liabilities) .....	(0.9)		
Philippines .....	0.9				
Italy .....	0.5				
Cash & Cash Equivalents .....	0.1				
Foreign Currency Forward Contract(s) .....	0.0				
Other Net Assets (Liabilities) .....	(0.9)				

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

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## SUMMARY OF INVESTMENT PORTFOLIO as at June 30, 2024 (cont'd)

Top 25 Holdings	% of Net Assets
Taiwan Semiconductor Manufacturing Co., Ltd., ADR .....	10.7
Tencent Holdings Ltd. ....	6.2
Samsung Electronics Co., Ltd. ....	5.5
SK Hynix Inc. ....	3.9
Larsen & Toubro Ltd. ....	3.3
Fomento Economico Mexicano SAB de CV .....	3.1
PT Bank Mandiri (Persero) TBK .....	2.6
Grupo Financiero Banorte SAB de CV .....	2.6
MercadoLibre Inc. ....	2.4
Reliance Industries Ltd. ....	2.4
MediaTek Inc. ....	1.8
BYD Co., Ltd., Class H .....	1.7
HDFC Bank Ltd. ....	1.7
Hyundai Motor Co., Ltd. ....	1.7
Industrial & Commercial Bank of China Ltd. ....	1.7
Kweichow Moutai Co., Ltd. ....	1.6
LOTES Co., Ltd. ....	1.5
Bumrungrad Hospital PCL .....	1.4
Hindustan Unilever Ltd. ....	1.4
Titan Co., Ltd. ....	1.4
Kinross Gold Corp. ....	1.4
Axis Bank Ltd. ....	1.4
Hon Hai Precision Industry Co., Ltd. ....	1.4
Infosys Ltd. ....	1.3
Wai-Mart de Mexico SAB de CV, Series V .....	1.3
<b>Total Net Assets (in \$000's)</b>	<b>\$121,552</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.