

# CI MARRET ALTERNATIVE ENHANCED YIELD STRATEGY

CI Liquid Alternative Investment Strategies



GLOBAL ASSET MANAGEMENT

## QUICK FACTS

Fund codes (CIG)	A: 2195   AH*: 2196   F: 4195   FH*: 4196
ETF tickers	TSX: CMEY (CAD hedged), CMEY.U (USD hedged)
Management fee (Series F & ETF)	0.80%
Performance fee	10% of gains that exceed high-water-mark plus hurdle rate
Hurdle rate	Yield on FTSE Canada Short Term Government Bond Index plus 1.0%
Distribution frequency	Monthly
Inception date	May 2020

\*USD hedged classes

## THE OBJECTIVE

The fund seeks to provide income with low volatility over a market cycle regardless of market conditions or general market direction, while targeting low correlation to equity and traditional income.

## THE STRATEGY

- Primarily composed of short-dated investment-grade and high-yield credit with the ability to hold government bonds and cash during vulnerable periods of the economic cycle
- Aims to have lower volatility and correlation to equities than traditional fixed income
- Utilizes active interest rate and credit hedges
- Leverage will be tactically deployed when the risk-reward opportunity in credit is high and borrowing costs are low
- Duration will remain under four years
- Highlights Marret's experience in running alternative fixed-income strategies across the credit spectrum

## THE FIT

- Replace existing satellite fixed income
- Add yield to the portfolio while maintaining a strong focus on risk management and downside protection



- Equity
- Satellite fixed income
- Core fixed income
- Marret

# The Firm



Marret Asset Management Inc. is a Toronto-based alternative asset manager specializing in global and Canadian income investing. Marret is backed by a highly experienced team of portfolio managers and research analysts. Marret has established particular expertise in investing in investment-grade and high-yield corporate debt, and alternative strategies on behalf of institutional, high net worth and retail clients. The team aims to add value through market inefficiencies, including short-term trading opportunities and new issues. Using a blend of top-down analysis, bottom-up research and a robust risk management strategy, Marret aims to produce consistent risk-adjusted returns in each phase of the credit cycle.



**Adam Tuer**

Co-Chief Investment Officer,  
Head of Research,  
Marret Asset Management



**Adrian Prenc**

Co-Chief Investment Officer,  
Chief Risk Officer,  
Marret Asset Management

**For more information, speak to your financial advisor  
or visit: [ci.com/liquidalts](https://ci.com/liquidalts)**



## GLOSSARY OF TERMS

**Correlation:** A statistical measure of how two securities move in relation to one another. Positive correlation indicates similar movements, up or down, while negative correlation indicates opposite movements (when one rises, the other falls).

**Duration:** A measure of the sensitivity of the price of a fixed income investment to a change in interest rates. Duration is expressed as number of years. The price of a bond with a longer duration would be expected to rise (fall) more than the price of a bond with lower duration when interest rates fall (rise).

**Leverage:** An investment strategy of using borrowed money - specifically, the use of various financial instruments or borrowed capital - to increase the potential return of an investment.

**Volatility:** Measures how much the price of a security, derivative, or index fluctuates. The most commonly used measure of volatility when it comes to investment funds is standard deviation.

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