

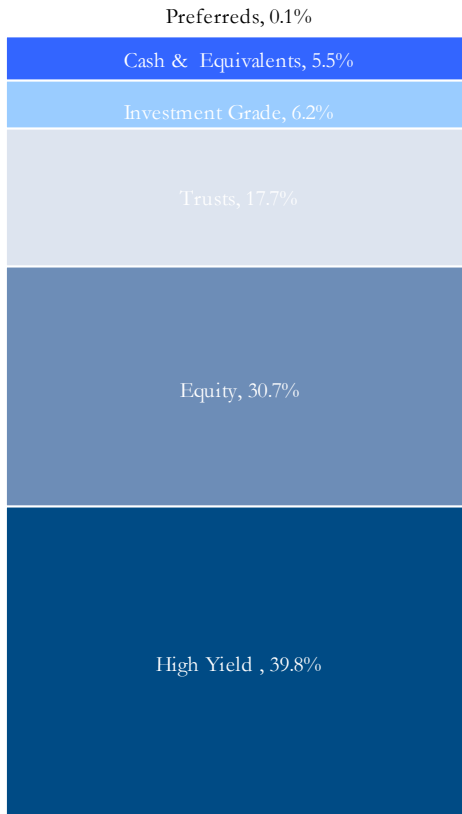


Portfolio data as of June 30, 2010

Mandate Characteristics

Inception Date:	December 1996
Asset Class:	Canadian Balanced Income
Total Assets:	\$3.6 billion
Portfolio Manager:	Signature Global Advisors
Benchmark:	40% Merrill Lynch HY Master II, 40% S&P/TSX Composite, 10% DEX Corporate Bond & 10% S&P Global Equity (CAD\$)

Asset Allocation Breakdown



CI Signature High Income Portfolio

(Available on a pooled or segregated basis)

Investment Objective

The objective of this product is to generate a high level of income and long-term capital growth. The portfolio invests primarily in high-yielding equity securities as well as Canadian and U.S. corporate bonds.

Commentary as at June 30, 2010

The global economic recovery has clearly hit a soft patch. Sovereign debt problems in Europe, slowing Chinese growth, and disappointing U.S. jobs and housing data all contributed to a decline in capital markets during the second quarter. Canadian markets, including the income trust market, outperformed most global indexes, but posted negative results for the period.

REITs, income trusts and other high yielding equities sold off in line with broader indexes during the second quarter. We do not, however, expect this to be the start of a downtrend in these markets. Inflation is likely to stay low for the time-being allowing central banks the freedom to keep policy loose. In addition, low growth expectations, and general aversion to equity markets, should keep investor demand for yield very high. We therefore believe that the recovery in property and infrastructure markets will continue. With only six months to go before income trusts become taxable, the pace of conversion announcements has picked up.

The high-yield bond market actually generated positive returns two of the three months in the quarter, only giving up ground in May when the sovereign debt crisis in Greece was at its peak. As a result, with a 4.74% return year-to-date, high-yield bonds have outperformed all other major asset classes save U.S. Treasuries. This could be a reflection of the U.S.-centric nature of the typical high-yield bond issuer, attractive valuations and possibly even the inherent illiquidity of the asset class. We are inclined to believe it has more to do with equity market fatigue and the significantly higher volatility-adjusted returns the high yield bond market has generated over the past 17 years.

Relative value, and as a result, portfolio activity shifted away from the new issue market to the secondary market in the second quarter. The general theme was an emphasis on adding greater exposure to names we feel are more leveraged to economic recovery and a rebound in valuations. This was funded with the sale of fully-valued, short-maturity bonds we hold for such rainy days. At a sector level, we added to industrials and media and new names in the portfolio include The Manitowoc Company, Case New Holland and Patheon. There was little change to the credit quality or duration of the portfolio during the quarter.

Top 5 Equity Holdings

Inter Pipeline Fund	2.4%
Westfield Group	1.9%
BCE Inc.	1.8%
Canadian Real Estate Investment Trust	1.7%
H&R Real Estate Investment Trust	1.6%

Bond Characteristics

Duration	3.4 yrs
Current Yield	7.5%
Average Credit Quality (Moody's credit rating)	BB

Top 5 Fixed Income Holdings

JP Morgan Chase & Co. NTS Floating Perp/Call	1.3%
Wells Fargo Capital XIII Perp., 7.7%	1.1%
Wells Fargo & Co., 7.98% BDS, Feb 28, 2049	0.9%
Intelsat Bermuda, 11.25%, June 15, 2016	0.7%
Sherritt International Corp., 8.25%, Oct 24, 2014	0.6%

Sector Distribution

Asset Backed Securities	0.2%
Investment Grade	13.5%
High Yield	82.2%
Loans	4.1%

As of June 30, 2010 (CAD\$)	Trailing Periods								Calendar Years				
	MRQ	YTD	1 Year	3 Years	5 Years	7 Years	10 Years	Since Incep	2009	2008	2007	2006	2005
Gross Returns	-0.6	2.6	20.5	1.7	5.6	10.2	11.8	11.1	32.6	-20.3	1.7	8.4	18.4
Benchmark	-1.7	0.4	12.2	0.9	4.6	6.8	3.5	6.0	32.2	-20.3	-1.7	14.3	10.6
Excess Returns	1.1	2.2	8.3	0.8	1.0	3.4	8.3	5.1	0.4	0.0	3.4	-5.9	7.8
Standard Deviation	---	---	6.6	12.2	10.7	9.8	8.9	---	7.5	16.5	5.4	6.0	9.7
Annualized Alpha	---	---	7.8	0.9	1.5	4.1	9.3	---	10.5	0.1	4.5	4.3	3.3
Tracking Error	---	---	2.7	4.6	5.5	5.5	6.8	---	5.4	5.2	3.5	7.5	5.5
Information Ratio	---	---	3.1	0.2	0.2	0.6	1.2	---	0.1	0.0	1.0	-0.8	1.4
Sharpe Ratio	---	---	3.1	0.0	0.3	0.8	1.0	---	4.3	-1.4	-0.5	0.7	1.6

The indicated rates of return are historical simple total returns (1 year) or average annual compound total returns (3, 5, 7 and 10 years and SI). All performance returns are gross of fees and based on the corresponding prospectus I-Class mutual fund strategy. Investment returns will fluctuate. The benchmark for the institutional strategy may differ from the mutual fund strategy. Past performance is not a reliable indicator of future performance. CI Institutional Asset Management and the CI Institutional Asset Management logo are trademarks of CI Investments Inc.™ Signature Global Advisors is a trademark of CI Investments Inc.