

Portfolio data as of December 31, 2011

Mandate Characteristics

Inception Date:	January 2002
Asset Class:	Canadian Fixed Income
Total Assets:	\$1.4 Billion
Portfolio Manager:	Signature Global Advisors
Benchmark:	50% ML US High Yield Master II & 50% DEX Universe Corporate Bond (CAD\$)

Portfolio Characteristics

Current Yield:	7.3%
Duration:	4.3 yrs
Average Credit Rating:	BB+
(Moody's Credit Rating)	

Asset Allocation Breakdown



CI Signature Corporate Bond Portfolio

(Available on a pooled or segregated basis)

Investment Objective

The objective of this product is to achieve a yield advantage by using fundamental value analysis to evaluate investments. The portfolio will invest primarily in a combination of investment-graded and high-yield corporate bonds.

Commentary as at December 31, 2011

As we look forward, 2012 will likely be characterized by ongoing political realignment in Europe as the European Central Bank looks for clearer commitments from sovereign governments to restructure their fiscal situation before becoming more explicit in loosening policy. If the ECB stepped in and alleviated the current sovereign debt crisis, the political will to restructure would be lost and the problems deferred to another crisis in the future. More of a worry in Europe is the ongoing policy-induced recapitalization of the banking sector that is forcing a credit crunch and virtually guaranteeing a recession. It is also threatening a global contagion through interconnected global credit channels. This is our key worry, but we continue to believe that unlike 2008, policymakers are well aware of the risks and will act to mitigate any escalation.

The bifurcation in the income markets that developed in the second and third quarters continued into the fourth quarter. In a "flight to safety," securities deemed to be lower risk, such as the government bonds of certain countries and investment-grade corporate bonds, have become increasingly expensive and therefore offer reduced yields. Meanwhile, assets with only marginally higher risk, such as lower-rated high-yield corporate bonds, have become cheap and are offering attractive yields.

We forecast a continued low rate environment in Canada as the combination of strong credit fundamentals and soft growth appeals to both domestic and international investors. In this low growth, low interest rate environment that should continue into 2012, we see good value in high-yield bonds and are inclined to think high-yield bonds can generate a "coupon-like" or high single-digit-type return.

Top Ten Holdings

Harvest Operations Corp., 6.875%, 10/1/17	1.0%
International Lease Finance, 8.75%, 3/15/17	0.9%
Kinetic Concepts Inc., 10.5% 11/1/2018	0.9%
Calpine Corp., 7.5%, 2/15/21	0.9%
Lincoln National Corp., 7.0% 5/17/66	0.8%
National Money Mart Co., 10.375%, 12/15/16	0.8%
SunGard Data Systems Inc., 10.25% 8/15/15	0.8%
Multiplan Inc., 9.875%, 9/1/18	0.7%
Rogers Communications Inc., 6.11% 6/25/40	0.7%
CB Richard Ellis Services Inc. 11.625% 6/15/17	0.7%

Geographic Distribution

Canada	47.8%
US	38.3%
International	13.9%

Quality Distribution

AAA	7.0%
AA	1.2%
A	10.9%
BBB	21.5%
BB	24.6%
B	26.7%
CCC	3.0%
CC/C/D	0.2%
Not Rated	4.9%

As of December 31, 2011 (CAD\$)	Trailing Periods							Calendar Years					
	MRQ	YTD	1 Year	3 Years	5 Years	7 Years	Since Incp	2011	2010	2009	2008	2007	2006
Gross Returns	4.2	5.7	5.7	13.0	6.8	6.8	6.7	5.7	11.6	22.4	-5.2	1.6	7.4
Benchmark	2.4	7.4	7.4	12.4	6.4	6.1	6.2	7.4	8.3	22.1	-2.2	-2.0	6.3
Excess Returns	1.8	-1.7	-1.7	0.6	0.4	0.7	0.5	-1.7	3.3	0.3	-3.0	3.6	1.1
Standard Deviation	---	---	5.0	4.3	4.9	4.2	---	5.0	3.4	3.5	6.3	1.8	1.8
Annualized Alpha	---	---	2.7	6.5	2.2	2.6	---	2.7	8.1	10.9	-3.1	2.6	4.4
Tracking Error	---	---	5.2	4.2	3.7	3.3	---	5.2	4.1	3.5	3.2	1.8	2.0
Information Ratio	---	---	-0.3	0.1	0.1	0.2	---	-0.3	0.8	0.1	-0.9	2.0	0.5
Sharpe Ratio	---	---	0.9	2.9	1.0	1.0	---	0.9	3.2	6.2	-1.4	-1.6	1.9

The indicated rates of return are historical simple total returns (1 year) or average annual compound total returns (3, 5, and 7 Years and Since Inception). All performance returns are gross of fees and based on the corresponding prospectus I-Class mutual fund strategy. The benchmark for the institutional strategy may differ from the mutual fund strategy. Investment returns will fluctuate. 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.