

# Lakeview Disciplined Leadership U.S. Equity Fund



Management Report of Fund Performance | *as at June 30, 2008*

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 1-800-563-5181, by writing to us at CI Investments Inc., 2 Queen Street East, Twentieth Floor, Toronto, ON M5C 3G7 or by visiting our website at [www.ci.com](http://www.ci.com) or SEDAR at [www.sedar.com](http://www.sedar.com).

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.



**LAKEVIEW**

ASSET MANAGEMENT™

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## RESULTS OF OPERATIONS

The value of the Fund increased by \$13.7 million to \$52.7 million from December 31, 2007 to June 30, 2008. The Fund had net sales of \$9.6 million during the period, while the portfolio's performance increased net assets by \$4.1 million. The Fund's six-month return for Class A, F and I units were 8.1%, 7.8% and 12.5%, respectively, as compared to the benchmark's return of -9.5% for the same period. The benchmark is the S&P 500 - C\$.

The fund has focused on energy, fertilizers, metals, transports, infrastructure and technology during the past six months and continued to avoid financials, consumer discretionary, housing and other domestically-focused industries. As a result, it benefited from the strong market rally off the March lows and avoided many of the market's problems.

Global equity markets remained highly correlated and showed narrow leadership in energy and energy service, infrastructure, transports, steel and agriculture. The two common characteristics that these sectors had were earnings visibility and pricing power.

During the second quarter, the fund focused on oil and gas (drilling, equipment and services) – the best performing U.S. sector. We owned two of the best performing stocks in the S&P 500 Index, and none of the worst performing stocks.

## RECENT DEVELOPMENTS

At present, our financial models continue to highlight risks in many market sectors, such as financials, consumer discretionary, retail and energy-dependent transportation stocks (cars, trucks and airlines). Poor liquidity conditions, a lack of future earnings and contracting earnings multiples make for poor risk/reward opportunities – ones we choose to avoid. Our strategy is to buy strength, not weakness, and we prefer to remain defensive and await indication that the current re-pricing of securities in the market is complete.

### *Adoption of New Accounting Standards*

The Canadian Institute of Chartered Accountants ("CICA") issued Section 3862 "Financial Instruments – Disclosures" and Section 3863 "Financial Instruments – Presentation" in place of Section 3861 "Financial Instruments – Disclosure and Presentation", Section 3862 and 3863 become effective for interim and annual financial statements relating to fiscal years beginning on or after October 1, 2007. These sections establish standards for disclosure of financial instruments and the nature and extent of risks arising from financial instruments to which the Fund is exposed to during the reporting period. Adoption of the new accounting standards has no impact on valuation policies, nor the way the Fund's Net Assets are calculated.

### *Amalgamation*

Effective January 1, 2008 CI Investments Inc., Rockwater Asset Management Ltd. and Lakeview Asset Management amalgamated. The amalgamated company continues under the name "CI Investments Inc."

## RELATED PARTY TRANSACTIONS

### *Manager*

CI Investments Inc. is the manager of the Fund and in consideration of management fees provided management services required in the day-to-day operations of the Fund for the period. The manager bears all of the operating expenses of the Fund (other than taxes, borrowing costs and new governmental fees) in return for a fixed administration fee.

	Class A	Class F	Class I
Annual management fee rate (%)	2.05	1.05	Paid directly by investor
Annual fixed administration fee (%)	0.21	0.21	0.21

The manager received a \$0.4 million in management fees and \$0.05 million in fixed administration fees for the period.

### *Management Fees*

Approximately 44% of total management fees were used to pay for sales and trailing commissions and other services required. The remaining 56% of management fees were used to pay for investment management and other general administration.

### *Broker commissions*

During the period, the Fund paid \$840 in brokerage commissions to Blackmont Capital Inc., an affiliated company of CI Investments Inc.

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## FINANCIAL HIGHLIGHTS

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the periods indicated.

The Ratios & Supplemental Data shown below are based on Net Asset Values.

### The Fund's Net Assets per Unit (\$) <sup>(1)\*</sup>

	Six months ended June 30, 2008	Year ended December 31, 2007	Year ended December 31, 2006	Year ended December 31, 2005	Period from Inception to December 31, 2004
CLASS A (Commencement of operations July 5, 2004)	\$	\$	\$	\$	\$
<b>Net assets, beginning of period <sup>(2,7)</sup></b>	14.90	14.02	14.17	13.49	13.26
<b>Increase (decrease) from operations:</b>					
Total revenue	0.16	0.17	0.25	0.07	0.02
Total expenses	(0.67)	(0.36)	(0.41)	(0.57)	(0.29)
Realized gains (losses) for the period	1.47	1.05	(1.34)	1.14	(0.68)
Unrealized gains (losses) for the period	0.36	0.01	0.94	(0.10)	1.18
<b>Total increase (decrease) from operations <sup>(2)</sup></b>	1.32	0.87	(0.56)	0.54	0.23
<b>Distributions</b>					
From income (excluding dividends)	-	-	-	-	-
From dividends	-	-	-	-	-
From capital gains	-	-	-	-	-
Return of capital	-	-	-	-	-
<b>Total distributions <sup>(2,3)</sup></b>	-	-	-	-	-
<b>Net assets, end of period shown <sup>(2,7)</sup></b>	16.12	14.90	14.18	14.17	13.49
<b>Ratios &amp; Supplemental Data</b>					
Total net asset value (\$000's)	44,530	34,711	46,792	23,435	9,168
Number of units outstanding (000's)	2,760	2,326	3,299	1,654	680
Management expense ratio (%) <sup>(4)</sup>	2.37	2.60	3.08	4.85	5.23
Management expense ratio before waivers or absorptions (%)	2.37	2.60	3.19	5.74	6.10
Portfolio turnover rate (%) <sup>(5)</sup>	541.26	779.33	852.57	759.14	157.63
Trading expense ratio (%) <sup>(6)</sup>	1.80	1.48	0.86	0.64	0.28
Net asset value per unit <sup>(7)</sup>	16.13	14.92	14.18	14.17	13.49

\*Footnotes for the tables are found at the end of the Financial Highlights section.

# Lakeview Disciplined Leadership U.S. Equity Fund

Management Report of Fund Performance as at June 30, 2008

## FINANCIAL HIGHLIGHTS (cont'd)

### The Fund's Net Assets per Unit (\$) <sup>(1)\*</sup>

	Six months ended June 30, 2008	Year ended December 31, 2007	Year ended December 31, 2006	Year ended December 31, 2005	Period from Inception to December 31, 2004
CLASS F (Commencement of operations October 19, 2004)	\$	\$	\$	\$	\$
<b>Net assets, beginning of period <sup>(2,7)</sup></b>	15.44	14.29	14.30	13.39	13.38
<b>Increase (decrease) from operations:</b>					
Total revenue	0.18	0.17	0.30	0.12	0.01
Total expenses	(0.93)	(0.23)	(0.28)	(0.93)	(0.16)
Realized gains (losses) for the period	1.98	1.06	(1.89)	1.87	(0.38)
Unrealized gains (losses) for the period	0.57	0.01	0.83	(0.17)	0.66
<b>Total increase (decrease) from operations <sup>(2)</sup></b>	1.80	1.01	(1.04)	0.89	0.13
<b>Distributions</b>					
From income (excluding dividends)	-	-	-	-	-
From dividends	-	-	-	-	-
From capital gains	-	-	-	-	-
Return of capital	-	-	-	-	-
<b>Total distributions <sup>(2,3)</sup></b>	-	-	-	-	-
<b>Net assets, end of period shown <sup>(2,7)</sup></b>	16.66	15.44	14.46	14.30	13.39
<b>Ratios &amp; Supplemental Data</b>					
Total net asset value (\$000's)	4,234	1,370	1,155	319	68
Number of units outstanding (000's)	254	89	80	22	5
Management expense ratio (%) <sup>(4)</sup>	1.32	1.54	1.98	3.41	1.60
Management expense ratio before waivers or absorptions (%)	1.32	1.54	2.10	4.24	5.07
Portfolio turnover rate (%) <sup>(5)</sup>	541.28	779.33	852.57	759.14	157.63
Trading expense ratio (%) <sup>(6)</sup>	1.80	1.48	0.86	0.64	0.28
Net asset value per unit <sup>(7)</sup>	16.67	15.46	14.46	14.30	13.39

\*Footnotes for the tables are found at the end of the Financial Highlights section.

# Lakeview Disciplined Leadership U.S. Equity Fund

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## FINANCIAL HIGHLIGHTS (cont'd)

### The Fund's Net Assets per Unit (\$) <sup>(1)</sup>

	Six months ended June 30, 2008	Year ended December 31, 2007	Year ended December 31, 2006	Year ended December 31, 2005	Period from Inception to December 31, 2004
	\$	\$	\$	\$	\$
<b>CLASS I (Commencement of operations September 17, 2004)</b>					
<b>Net assets, beginning of period</b> <sup>(2,7)</sup>	16.56	15.27	15.00	13.69	13.10
<b>Increase (decrease) from operations:</b>					
Total revenue	0.18	0.18	0.26	0.14	0.05
Total expenses	(0.02)	(0.07)	(0.08)	(1.10)	(0.66)
Realized gains (losses) for the period	1.73	1.12	(1.67)	2.21	(1.53)
Unrealized gains (losses) for the period	0.22	0.01	0.58	(0.20)	2.66
<b>Total increase (decrease) from operations</b> <sup>(2)</sup>	2.11	1.24	(0.91)	1.05	0.52
<b>Distributions</b>					
From income (excluding dividends)	-	-	-	-	-
From dividends	-	-	-	-	-
From capital gains	-	-	-	-	-
Return of capital	-	-	-	-	-
<b>Total distributions</b> <sup>(2,3)</sup>	-	-	-	-	-
<b>Net assets, end of period shown</b> <sup>(2,7)</sup>	18.64	16.56	15.44	15.00	13.69
<b>Ratios &amp; Supplemental Data</b>					
Total net asset value (\$000's)	3,971	2,983	5,524	2,654	755
Number of units outstanding (000's)	213	180	358	177	55
Management expense ratio (%) <sup>(4,8)</sup>	0.22	0.41	0.50	0.49	0.40
Management expense ratio before waivers or absorptions (%)	0.22	0.41	0.63	1.27	3.36
Portfolio turnover rate (%) <sup>(5)</sup>	514.28	779.33	852.57	759.14	157.63
Trading expense ratio (%) <sup>(6)</sup>	1.80	1.48	0.86	0.64	0.28
Net asset value per unit <sup>(7)</sup>	18.65	16.58	15.44	15.00	13.69

(1) This Information is derived from the Fund's unaudited semi-annual and audited annual financial statements. The net assets per unit presented in the financial statements differs from the net asset value calculated for fund pricing purposes. An explanation of these differences can be found in the notes to the financial statements.

(2) Net assets per unit and distributions per unit are based on the actual number of units outstanding for the relevant 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 class over the fiscal period.

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

(4) Management expense ratio is calculated based on expenses charged to the Fund, and is expressed as an annualized percentage of daily average net assets for the period. Prior year's information has been reclassified to conform with the current year's presentation.

(5) 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. The higher a Fund's portfolio turnover rate in a period, the greater the trading costs payable by the Fund in the period, and the greater the chance of an investor receiving taxable capital gains in the 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, and excluding cash and short term investments maturing in less than one year, and before assets acquired from a merger by the average of the monthly market value of investments during the period.

(6) The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net assets of the Fund during the period.

(7) The Canadian Securities Administrators ("CSA") issued National Instrument 81-106, section 14.2 in 2005 which requires net asset value of an investment fund be calculated in accordance with Canadian Generally Accepted Accounting Principles ("GAAP"). The Canadian Institute of Chartered Accountants ("CICA") issued Section 3855, Financial Instruments: Recognition and Measurement, effective for interim and annual financial statements relating to fiscal years beginning on or after October 1, 2006. This section establishes standards for the fair valuation of investments and the way transaction costs are recorded for financial reporting purposes. The adoption of Section 3855 results in a different valuation method for calculating net asset value. GAAP requires the net asset calculation be based on bid price (for long securities) or ask price (for securities held short) to be used in the fair valuation of investments, whereas, the net asset value used for sales and redemptions is calculated based on closing sale prices. The provisions of Section 3855 have been applied on a retrospective basis without restatement of prior periods. Accordingly, the December 31, 2007 beginning of the period net assets per unit have been adjusted as follows:

Class A	0.16
Class F	0.17
Class I	0.17

(8) The total expenses and the management expense ratio for Class I exclude management fees and performance fees as these are negotiated between the Manager and individual investors.

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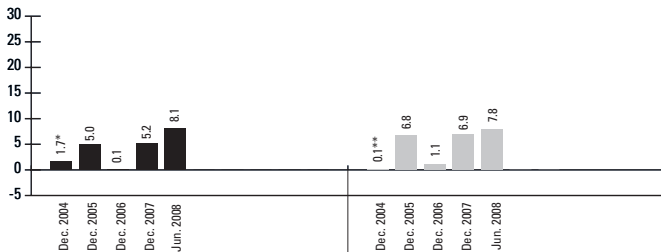
## PAST PERFORMANCE

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 periods shown were reinvested in additional units of the relevant classes of the Fund. In addition, the information does not take into account sales, redemption, distribution or other optional charges that would have reduced returns or performance.

All rates of return are calculated on the Net Asset Values.

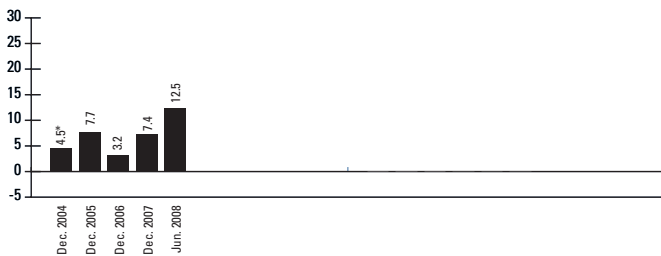
### Year-by-Year Returns

The following chart shows the Fund's six-month performance for the period ended June 30, 2008 and the annual performance for each of the years shown, and illustrates how the performance has changed from period to period. In percentage terms, the chart shows how much an investment made on the first day of each financial period would have grown or decreased by the last day of each financial period, except where noted.



\*This figure is for the period from July 5, 2004 to December 31, 2004.

\*\*This figure is for the period from October 19, 2004 to December 31, 2004.



\*This figure is for the period from September 17, 2004 to December 31, 2004.

# Lakeview Disciplined Leadership U.S. Equity Fund

Summary of Investment Portfolio as at June 30, 2008

## Portfolio Breakdown

Category	Percentage of Net Asset Value (%)
Energy	26.5
Other Assets	22.6
Materials	20.4
Cash & Equivalents	15.2
Industrials	5.5
Information Technology	4.5
Health Care	2.8
Future Contracts	2.5

## Top Holdings (excluding Cash & Equivalents)

Security Name	Percentage of Net Asset Value (%)
Goldcorp Inc.	6.1
Fording Canadian Coal Trust	3.9
Weatherford International Ltd.	3.8
Freeport-McMoRan Copper & Gold Inc., Class B (USD)	3.2
Petroleo Brasileiro SA, ADR	3.2
Duvernay Oil Corp.	3.1
Transocean Inc.	3.1
Frontline Ltd. (USD)	3.1
Monsanto Co.	3.1
Flour Corp.	2.9
Fairborne Energy Ltd.	2.9
Gilead Sciences Inc.	2.8
Gardner Denver Inc.	2.6
Marvell Technology Group Ltd.	2.6
Eldorado Gold Corp.	2.5
Trinidad Drilling Ltd.	2.3
T-3 Energy Services Inc.	2.2
International Business Machines Corp.	1.9
Detour Gold Corp.	1.8
Pioneer Natural Resources Co.	1.6
Apache Corp.	1.3
<b>Total Net Asset Value (thousands of dollars)</b>	<b>\$52,735</b>

The summary of investment portfolio may change due to ongoing portfolio transactions of the Fund and updates are 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.



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