



# Dollar-cost Averaging

## A Strategy for Volatile Markets

The only certainty in securities markets is that they fluctuate. A rising market may create a euphoric mood; a falling market can lead to gloomy headlines that discourage investors. With dollar-cost averaging, you can take advantage of the very moves that freeze others with indecision.

It's an investment strategy that's made for uncertain markets.



### ONE SIMPLE CONCEPT, ONE DISCIPLINED STRATEGY

Dollar-cost averaging works as well for beginners as it does for experienced investors. It is a simple concept that's summed up in a few words: *Invest the same amount of money at regular intervals, regardless of market moves.*

This strategy has many benefits:

#### ***It tends to lower the average cost of your investments***

By investing a fixed amount, you buy more units when prices fall and fewer units when prices are rising. The result is a lower average cost than the average price, assuming the market is moving in both directions.

### DOLLAR-COST AVERAGING AT WORK

Investment Amount	Unit Price	Units Purchased	Total Units
\$100.00	\$10.00	10.0	10.0
\$100.00	\$6.00	16.7	26.7
\$100.00	\$8.00	12.5	39.2
\$100.00	\$11.00	9.1	48.3
\$100.00	\$7.00	14.3	62.6
\$100.00	\$10.00	10.0	72.6
<b>Totals: \$600.00</b>		<b>72.6</b>	

Average of share prices: \$9.67

Your average cost per share: \$8.28 (\$600/72.5)

*Examples are for illustration only and are not intended to represent the performance of any CI fund.*

Take a look at the chart to see how it works. We're using a hypothetical example of just six deposits to keep things simple. In reality, this is a long-term investment strategy used over a period of many years.

It's important to remember that no strategy is perfect. Dollar-cost averaging will not guarantee you a profit or protect you against a loss if you have to sell your investment when prices are down.

#### ***It's a disciplined strategy***

Dollar-cost averaging imposes discipline because you keep investing the same dollar amount every month or every quarter, no matter what happens in the market. It removes the temptation to stay out of the market when conditions are uncertain or volatile. In fact, dollar-cost averaging works best in volatile markets.



### ***It eliminates the temptation to try market timing***

Market timing, which is selling when the market reaches a peak and buying back in when it hits bottom, is impossible to execute successfully on a consistent basis. With dollar-cost averaging, your investments are made every quarter or every month like clockwork.

### ***It overcomes investment inertia***

By investing smaller amounts on a regular basis, it's easy to start an investment plan and stay with it, even when markets are unpredictable. With the long-term growth of the markets, even small investments made regularly will pay off.

## **DOLLAR-COST AVERAGING AND CI INVESTMENTS**

Starting a regular investment plan is easy with CI Investments. We offer two dollar-cost averaging programs:

### ***CI Automatic Investment Plan***

- ***Automatic withdrawals*** – from your bank account to a CI fund.
- ***Low minimum initial investment*** – \$50 or more.
- ***Minimum additional investments*** – \$50 or more.
- ***Investment schedule*** – monthly, twice monthly, or quarterly.
- ***Flexible schedule*** – easily change the frequency and/or dollar amount.

### ***CI Systematic Transfer Plan***

- ***Automatic transfers*** – from one CI fund to another.
- ***Low minimum transfer*** – \$50 or more.
- ***Transfer schedule*** – monthly, quarterly, semi-annually or annually.
- ***Flexible schedule*** – change the frequency and/or dollar amount.



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