

## ***Interim Unaudited Financial Statements***

*For the Six-Month Period Ended September 30, 2018*

*These Interim Unaudited Financial Statements do not contain the Interim Management Report of Fund Performance (“MRFP”) of the investment fund. You may obtain a copy of the Interim MRFP, at no cost, by contacting us using one of the methods noted under Fund Formation and Series Information or by visiting the SEDAR website at [www.sedar.com](http://www.sedar.com). Copies of the Annual Financial Statements or Annual MRFP may also be obtained, at no cost, using any of the methods outlined above.*

*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.*

### **NOTICE OF NO AUDITOR REVIEW OF THE INTERIM FINANCIAL STATEMENTS**

*Mackenzie Financial Corporation, the Manager of the Fund, appoints independent auditors to audit the Fund’s Annual Financial Statements. Under Canadian securities laws (National Instrument 81-106), if an auditor has not reviewed the Interim Financial Statements, this must be disclosed in an accompanying notice.*

*The Fund’s independent auditors have not performed a review of these Interim Financial Statements in accordance with standards established by the Chartered Professional Accountants of Canada.*



# MACKENZIE STRATEGIC INCOME FUND

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2018

BALANCED FUND

## STATEMENTS OF FINANCIAL POSITION

In thousands (except per security figures)  
As at

	Sep. 30 2018	Mar. 31 2018 (Audited)
	\$	\$
<b>ASSETS</b>		
<b>Current assets</b>		
Investments at fair value	1,888,936	1,869,429
Cash and cash equivalents	14,198	25,622
Accrued interest receivable	8,020	8,352
Dividends receivable	2,185	2,087
Accounts receivable for investments sold	12,592	28,031
Accounts receivable for securities issued	721	1,776
Due from manager	2	43
Margin on futures contracts	212	491
Unrealized gains on derivative contracts	7,604	1,275
<b>Total assets</b>	<b>1,934,470</b>	<b>1,937,106</b>
<b>LIABILITIES</b>		
<b>Current liabilities</b>		
Accounts payable for investments purchased	46,416	52,706
Accounts payable for securities redeemed	1,202	1,449
Due to manager	–	181
Liability for options written	3	–
Unrealized losses on derivative contracts	115	10,862
<b>Total liabilities</b>	<b>47,736</b>	<b>65,198</b>
<b>Net assets attributable to securityholders</b>	<b>1,886,734</b>	<b>1,871,908</b>
<b>Net assets attributable to securityholders per series (note 3)</b>		
Series A	690,194	919,022
Series AR	19,978	17,547
Series B	3,232	3,735
Series D	1,494	1,087
Series F	187,630	100,225
Series F8	6,680	3,200
Series FB	1,384	1,535
Series FB5	–	106
Series J	1,952	2,128
Series O	16,499	13,601
Series PW	465,388	243,992
Series PWB	940	326
Series PWF	–	64,131
Series PWF8	–	2,785
Series PWF8	–	2,785
Series PWF8	3,673	1,274
Series PWF8	–	104
Series PWT8	7,955	6,291
Series PWX	8,128	7,186
Series PWX8	794	804
Series R	233,130	251,044
Series T8	10,975	14,754
Quadrus Series	121,577	116,773
H Series	6,597	7,848
H5 Series	304	98
HW Series	2,699	–
HW5 Series	3	–
L Series	38,301	35,333

	Sep. 30 2018	Mar. 31 2018 (Audited)
	\$	\$
L5 Series	1,952	1,831
N Series	24,148	23,584
N5 Series	1,281	1,081
D5 Series	1,079	1,124
QF Series	4,039	4,043
QF5 Series	230	191
QFW Series	446	–
QFW5 Series	1	–
Series LB	10,171	11,064
Series LW	5,519	5,351
Series LW6	3,747	3,548
Series LX	4,614	5,162
<b>Net assets attributable to securityholders per security (note 3)</b>		
Series A	8.80	8.85
Series AR	11.51	11.36
Series B	11.29	11.14
Series D	14.24	14.24
Series F	9.83	9.81
Series F8	13.09	13.21
Series FB	10.60	10.59
Series FB5	–	15.23
Series J	9.60	9.63
Series O	12.46	12.37
Series PW	14.22	14.27
Series PWB	10.04	9.90
Series PWF	–	14.96
Series PWF8	–	12.95
Series PWF8	9.74	9.72
Series PWF8	–	14.71
Series PWT8	12.53	12.72
Series PWX	15.36	15.26
Series PWX8	13.75	13.80
Series R	9.82	9.70
Series T8	12.18	12.37
Quadrus Series	11.74	11.53
H Series	11.57	11.34
H5 Series	15.13	15.04
HW Series	9.96	–
HW5 Series	14.87	–
L Series	11.75	11.53
L5 Series	15.35	15.32
N Series	11.78	11.52
N5 Series	15.92	15.74
D5 Series	14.85	14.85
QF Series	10.88	10.67
QF5 Series	15.37	15.28
QFW Series	9.96	–
QFW5 Series	14.87	–
Series LB	12.02	11.72
Series LW	9.98	9.73
Series LW6	14.23	14.30
Series LX	13.40	13.47

The accompanying notes are an integral part of these financial statements.



**MACKENZIE**  
Investments

# MACKENZIE STRATEGIC INCOME FUND

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2018

BALANCED FUND

## STATEMENTS OF COMPREHENSIVE INCOME

For the periods ended September 30 (note 1)  
In thousands (except per security figures)

	2018	2017
	\$	\$
<b>Income</b>		
Dividends	20,400	17,078
Interest income	22,634	20,600
Other changes in fair value of investments and other net assets		
Net realized gain (loss)	2,504	48,759
Net unrealized gain (loss)	25,159	(45,074)
Securities lending income	176	270
Fee rebate income	470	—
<b>Total income (loss)</b>	<b>71,343</b>	<b>41,633</b>
<b>Expenses (note 6)</b>		
Management fees	14,654	13,843
Management fee rebates	(81)	(56)
Administration fees	1,639	1,600
Interest charges	6	4
Commissions and other portfolio transaction costs	264	444
Independent Review Committee fees	3	4
Other	11	9
<b>Expenses before amounts absorbed by Manager</b>	<b>16,496</b>	<b>15,848</b>
Expenses absorbed by Manager	—	—
<b>Net expenses</b>	<b>16,496</b>	<b>15,848</b>
<b>Increase (decrease) in net assets attributable to securityholders from operations before tax</b>	<b>54,847</b>	<b>25,785</b>
Foreign withholding taxes	1,055	876
Income taxes (note 5)	—	—
Foreign income taxes paid (recovered)	—	159
<b>Increase (decrease) in net assets attributable to securityholders from operations</b>	<b>53,792</b>	<b>24,750</b>
<b>Increase (decrease) in net assets attributable to securityholders from operations per series</b>		
Series A	21,824	10,932
Series AR	466	135
Series B	95	43
Series D	35	12
Series F	4,636	1,271
Series F8	158	36
Series FB	45	17
Series FB5	1	2
Series I	—	3
Series J	59	27
Series O	521	336
Series PW	8,742	2,157
Series PWB	17	1
Series PWF	1,035	649
Series PWF8	42	34
Series PWFB	72	12
Series PWFB5	2	—
Series PWT8	184	60
Series PWX	294	122
Series PWX8	30	17
Series R	9,044	6,391
Series T8	345	180
Quadrus Series	3,084	1,035
H Series	273	100

	2018	2017
	\$	\$
H5 Series	3	2
HW Series	(8)	—
HW5 Series	—	—
L Series	999	395
L5 Series	52	6
N Series	888	453
N5 Series	48	19
D5 Series	28	9
QF Series	140	37
QF5 Series	6	1
QFW Series	(1)	—
QFW5 Series	—	—
Series LB	267	146
Series LW	147	—
Series LW6	94	—
Series LX	125	110
<b>Increase (decrease) in net assets attributable to securityholders from operations per security</b>		
Series A	0.25	0.11
Series AR	0.29	0.12
Series B	0.31	0.14
Series D	0.38	0.27
Series F	0.29	0.17
Series F8	0.39	0.21
Series FB	0.35	0.23
Series FB5	0.23	0.26
Series I	—	0.14
Series J	0.27	0.13
Series O	0.44	0.28
Series PW	0.33	0.17
Series PWB	0.22	0.06
Series PWF	0.23	0.25
Series PWF8	0.20	0.19
Series PWFB	0.27	0.23
Series PWFB5	0.23	0.23
Series PWT8	0.32	0.15
Series PWX	0.57	0.36
Series PWX8	0.51	0.34
Series R	0.37	0.22
Series T8	0.34	0.15
Quadrus Series	0.30	0.12
H Series	0.38	0.19
H5 Series	0.21	0.27
HW Series	(0.05)	—
HW5 Series	(0.05)	—
L Series	0.32	0.14
L5 Series	0.42	0.18
N Series	0.43	0.24
N5 Series	0.60	0.41
D5 Series	0.39	0.18
QF Series	0.35	0.17
QF5 Series	0.47	0.29
QFW Series	(0.01)	—
QFW5 Series	(0.01)	—
Series LB	0.30	0.12
Series LW	0.26	—
Series LW6	0.37	—
Series LX	0.35	0.15

The accompanying notes are an integral part of these financial statements.



**MACKENZIE**  
Investments

# MACKENZIE STRATEGIC INCOME FUND

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2018

BALANCED FUND

## STATEMENTS OF CHANGES IN FINANCIAL POSITION

For the periods ended September 30 (note 1)  
In thousands

	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017
	Series A		Series AR		Series B		Series D		Series F	
	\$		\$		\$		\$		\$	
<b>NET ASSETS ATTRIBUTABLE TO SECURITYHOLDERS</b>										
<b>Beginning of period</b>	919,022	1,070,643	17,547	11,969	3,735	3,719	1,087	699	100,225	81,581
Increase (decrease) in net assets from operations	21,824	10,932	466	135	95	43	35	12	4,636	1,271
Distributions paid to securityholders:										
Investment income	(9,086)	(9,119)	(221)	(109)	(41)	(32)	(22)	(9)	(3,003)	(1,057)
Capital gains	–	–	–	–	–	–	–	–	–	–
Return of capital	(14,683)	(18,974)	–	–	–	–	(18)	(12)	(1,780)	(1,182)
Management fee rebates	–	–	–	–	–	–	–	–	–	–
Total distributions paid to securityholders	(23,769)	(28,093)	(221)	(109)	(41)	(32)	(40)	(21)	(4,783)	(2,239)
Security transactions:										
Proceeds from securities issued	76,632	97,778	2,708	2,752	455	880	540	152	103,171	27,041
Reinvested distributions	21,873	25,731	221	109	37	28	37	18	3,172	1,551
Payments on redemption of securities	(325,388)	(239,796)	(743)	(204)	(1,049)	(993)	(165)	(148)	(18,791)	(24,871)
Total security transactions	(226,883)	(116,287)	2,186	2,657	(557)	(85)	412	22	87,552	3,721
<b>Total increase (decrease) in net assets</b>	<b>(228,828)</b>	<b>(133,448)</b>	<b>2,431</b>	<b>2,683</b>	<b>(503)</b>	<b>(74)</b>	<b>407</b>	<b>13</b>	<b>87,405</b>	<b>2,753</b>
<b>End of period</b>	<b>690,194</b>	<b>937,195</b>	<b>19,978</b>	<b>14,652</b>	<b>3,232</b>	<b>3,645</b>	<b>1,494</b>	<b>712</b>	<b>187,630</b>	<b>84,334</b>

	Securities		Securities		Securities		Securities		Securities	
<b>Increase (decrease) in fund securities (note 7):</b>										
<b>Securities outstanding – beginning of period</b>	103,866	114,898	1,545	1,046	335	331	76	47	10,212	7,979
Issued	8,628	10,548	236	239	41	79	38	11	10,454	2,654
Reinvested distributions	2,464	2,788	19	10	3	2	3	1	320	153
Redeemed	(36,565)	(25,768)	(65)	(18)	(93)	(88)	(12)	(10)	(1,900)	(2,432)
<b>Securities outstanding – end of period</b>	<b>78,393</b>	<b>102,466</b>	<b>1,735</b>	<b>1,277</b>	<b>286</b>	<b>324</b>	<b>105</b>	<b>49</b>	<b>19,086</b>	<b>8,354</b>

	Series F8		Series FB		Series FB5		Series I		Series J	
	\$		\$		\$		\$		\$	
<b>NET ASSETS ATTRIBUTABLE TO SECURITYHOLDERS</b>										
<b>Beginning of period</b>	3,200	2,419	1,535	914	106	88	–	83	2,128	2,205
Increase (decrease) in net assets from operations	158	36	45	17	1	2	–	3	59	27
Distributions paid to securityholders:										
Investment income	(105)	(35)	(24)	(11)	(1)	(1)	–	(1)	(29)	(22)
Capital gains	–	–	–	–	–	–	–	–	–	–
Return of capital	(120)	(63)	(17)	–	–	(1)	–	(2)	(35)	(42)
Management fee rebates	–	–	–	–	–	–	–	–	–	–
Total distributions paid to securityholders	(225)	(98)	(41)	(11)	(1)	(2)	–	(3)	(64)	(64)
Security transactions:										
Proceeds from securities issued	3,783	1,096	1,195	1,295	–	–	–	–	–	–
Reinvested distributions	40	17	41	11	1	2	–	2	64	64
Payments on redemption of securities	(276)	(802)	(1,391)	(908)	(107)	–	–	–	(235)	(85)
Total security transactions	3,547	311	(155)	398	(106)	2	–	2	(171)	(21)
<b>Total increase (decrease) in net assets</b>	<b>3,480</b>	<b>249</b>	<b>(151)</b>	<b>404</b>	<b>(106)</b>	<b>2</b>	<b>–</b>	<b>2</b>	<b>(176)</b>	<b>(58)</b>
<b>End of period</b>	<b>6,680</b>	<b>2,668</b>	<b>1,384</b>	<b>1,318</b>	<b>–</b>	<b>90</b>	<b>–</b>	<b>85</b>	<b>1,952</b>	<b>2,147</b>

	Securities		Securities		Securities		Securities		Securities	
<b>Increase (decrease) in fund securities (note 7):</b>										
<b>Securities outstanding – beginning of period</b>	242	172	145	84	7	6	–	9	221	218
Issued	286	78	112	120	–	–	–	–	–	–
Reinvested distributions	3	1	4	1	–	–	–	–	7	6
Redeemed	(21)	(57)	(130)	(84)	(7)	–	–	–	(25)	(8)
<b>Securities outstanding – end of period</b>	<b>510</b>	<b>194</b>	<b>131</b>	<b>121</b>	<b>–</b>	<b>6</b>	<b>–</b>	<b>9</b>	<b>203</b>	<b>216</b>

The accompanying notes are an integral part of these financial statements.

# MACKENZIE STRATEGIC INCOME FUND

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2018

BALANCED FUND

## STATEMENTS OF CHANGES IN FINANCIAL POSITION (cont'd)

For the periods ended September 30 (note 1)  
In thousands

	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017
	Series 0		Series PW		Series PWB		Series PWF		Series PWF8	
	\$		\$		\$		\$		\$	
<b>NET ASSETS ATTRIBUTABLE TO SECURITYHOLDERS</b>										
<b>Beginning of period</b>	13,601	15,539	243,992	87,675	326	–	64,131	19,907	2,785	1,698
Increase (decrease) in net assets from operations	521	336	8,742	2,157	17	1	1,035	649	42	34
Distributions paid to securityholders:										
Investment income	(390)	(296)	(5,262)	(1,937)	(11)	(2)	(365)	(774)	(16)	(48)
Capital gains	–	–	–	–	–	–	–	–	–	–
Return of capital	(59)	(145)	(6,694)	(4,096)	–	–	(319)	(431)	(23)	(55)
Management fee rebates	–	–	(37)	(27)	–	–	(9)	(4)	–	–
Total distributions paid to securityholders	(449)	(441)	(11,993)	(6,060)	(11)	(2)	(693)	(1,209)	(39)	(103)
Security transactions:										
Proceeds from securities issued	3,502	1,805	250,601	141,696	867	320	8,014	29,521	285	1,441
Reinvested distributions	406	430	11,220	5,687	11	2	461	844	9	30
Payments on redemption of securities	(1,082)	(2,946)	(37,174)	(16,981)	(270)	–	(72,948)	(2,054)	(3,082)	(332)
Total security transactions	2,826	(711)	224,647	130,402	608	322	(64,473)	28,311	(2,788)	1,139
<b>Total increase (decrease) in net assets</b>	<b>2,898</b>	<b>(816)</b>	<b>221,396</b>	<b>126,499</b>	<b>614</b>	<b>321</b>	<b>(64,131)</b>	<b>27,751</b>	<b>(2,785)</b>	<b>1,070</b>
<b>End of period</b>	<b>16,499</b>	<b>14,723</b>	<b>465,388</b>	<b>214,174</b>	<b>940</b>	<b>321</b>	<b>–</b>	<b>47,658</b>	<b>–</b>	<b>2,768</b>

Increase (decrease) in fund securities (note 7):	Securities		Securities		Securities		Securities		Securities	
<b>Securities outstanding – beginning of period</b>	1,099	1,218	17,093	5,841	33	–	4,288	1,279	215	123
Issued	280	142	17,441	9,436	87	32	535	1,897	22	105
Reinvested distributions	32	34	782	383	1	–	31	55	1	2
Redeemed	(87)	(232)	(2,588)	(1,136)	(27)	–	(4,854)	(132)	(238)	(24)
<b>Securities outstanding – end of period</b>	<b>1,324</b>	<b>1,162</b>	<b>32,728</b>	<b>14,524</b>	<b>94</b>	<b>32</b>	<b>–</b>	<b>3,099</b>	<b>–</b>	<b>206</b>

	Series PWF8		Series PWF85		Series PWT8		Series PWX		Series PWX8	
	\$		\$		\$		\$		\$	
<b>NET ASSETS ATTRIBUTABLE TO SECURITYHOLDERS</b>										
<b>Beginning of period</b>	1,274	–	104	–	6,291	2,842	7,186	4,853	804	639
Increase (decrease) in net assets from operations	72	12	2	–	184	60	294	122	30	17
Distributions paid to securityholders:										
Investment income	(54)	(7)	(1)	–	(97)	(52)	(211)	(102)	(20)	(14)
Capital gains	–	–	–	–	–	–	–	–	–	–
Return of capital	(29)	–	–	–	(208)	(171)	(32)	(57)	(13)	(15)
Management fee rebates	–	–	–	–	(1)	(1)	–	–	–	–
Total distributions paid to securityholders	(83)	(7)	(1)	–	(306)	(224)	(243)	(159)	(33)	(29)
Security transactions:										
Proceeds from securities issued	2,868	826	–	1	3,190	4,146	1,342	1,431	–	216
Reinvested distributions	82	7	–	–	109	82	233	149	13	13
Payments on redemption of securities	(540)	(7)	(105)	–	(1,513)	(936)	(684)	(168)	(20)	(32)
Total security transactions	2,410	826	(105)	1	1,786	3,292	891	1,412	(7)	197
<b>Total increase (decrease) in net assets</b>	<b>2,399</b>	<b>831</b>	<b>(104)</b>	<b>1</b>	<b>1,664</b>	<b>3,128</b>	<b>942</b>	<b>1,375</b>	<b>(10)</b>	<b>185</b>
<b>End of period</b>	<b>3,673</b>	<b>831</b>	<b>–</b>	<b>1</b>	<b>7,955</b>	<b>5,970</b>	<b>8,128</b>	<b>6,228</b>	<b>794</b>	<b>824</b>

Increase (decrease) in fund securities (note 7):	Securities		Securities		Securities		Securities		Securities	
<b>Securities outstanding – beginning of period</b>	131	–	7	–	495	208	471	308	58	44
Issued	293	83	–	–	250	305	87	92	–	15
Reinvested distributions	8	1	–	–	9	6	15	10	1	1
Redeemed	(55)	(1)	(7)	–	(119)	(69)	(44)	(11)	(1)	(2)
<b>Securities outstanding – end of period</b>	<b>377</b>	<b>83</b>	<b>–</b>	<b>–</b>	<b>635</b>	<b>450</b>	<b>529</b>	<b>399</b>	<b>58</b>	<b>58</b>

The accompanying notes are an integral part of these financial statements.

# MACKENZIE STRATEGIC INCOME FUND

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2018

BALANCED FUND

## STATEMENTS OF CHANGES IN FINANCIAL POSITION (cont'd)

For the periods ended September 30 (note 1)  
In thousands

	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017
	Series R		Series T8		Quadrus Series		H Series		H5 Series	
	\$		\$		\$		\$		\$	
<b>NET ASSETS ATTRIBUTABLE TO SECURITYHOLDERS</b>										
<b>Beginning of period</b>	251,044	292,712	14,754	18,057	116,773	93,223	7,848	5,804	98	104
Increase (decrease) in net assets from operations	9,044	6,391	345	180	3,084	1,035	273	100	3	2
Distributions paid to securityholders:										
Investment income	(5,932)	(5,586)	(143)	(133)	(895)	(726)	(93)	(77)	(4)	(2)
Capital gains	–	–	–	–	–	–	–	–	–	–
Return of capital	–	–	(369)	(488)	–	–	–	–	(1)	(1)
Management fee rebates	–	–	–	–	(25)	(20)	(5)	(3)	–	–
Total distributions paid to securityholders	(5,932)	(5,586)	(512)	(621)	(920)	(746)	(98)	(80)	(5)	(3)
Security transactions:										
Proceeds from securities issued	3,935	2,690	1,973	3,670	15,683	17,659	1,853	1,151	208	–
Reinvested distributions	–	–	165	174	908	746	95	80	3	3
Payments on redemption of securities	(24,961)	(23,605)	(5,750)	(5,920)	(13,951)	(11,550)	(3,374)	(677)	(3)	–
Total security transactions	(21,026)	(20,915)	(3,612)	(2,076)	2,640	6,855	(1,426)	554	208	3
<b>Total increase (decrease) in net assets</b>	<b>(17,914)</b>	<b>(20,110)</b>	<b>(3,779)</b>	<b>(2,517)</b>	<b>4,804</b>	<b>7,144</b>	<b>(1,251)</b>	<b>574</b>	<b>206</b>	<b>2</b>
<b>End of period</b>	<b>233,130</b>	<b>272,602</b>	<b>10,975</b>	<b>15,540</b>	<b>121,577</b>	<b>100,367</b>	<b>6,597</b>	<b>6,378</b>	<b>304</b>	<b>106</b>

Increase (decrease) in fund securities (note 7):	Securities		Securities		Securities		Securities		Securities	
<b>Securities outstanding – beginning of period</b>	25,879	29,937	1,193	1,357	10,130	8,031	692	508	7	7
Issued	400	274	159	279	1,342	1,510	160	100	13	–
Reinvested distributions	–	–	13	13	77	64	8	7	–	–
Redeemed	(2,543)	(2,401)	(464)	(447)	(1,192)	(990)	(290)	(59)	–	–
<b>Securities outstanding – end of period</b>	<b>23,736</b>	<b>27,810</b>	<b>901</b>	<b>27,810</b>	<b>10,357</b>	<b>1,202</b>	<b>570</b>	<b>8,615</b>	<b>20</b>	<b>7</b>

	HW Series		HW5 Series		L Series		L5 Series		N Series	
	\$		\$		\$		\$		\$	
<b>NET ASSETS ATTRIBUTABLE TO SECURITYHOLDERS</b>										
<b>Beginning of period</b>	–	–	–	–	35,333	30,074	1,831	493	23,584	19,989
Increase (decrease) in net assets from operations	(8)	–	–	–	999	395	52	6	888	453
Distributions paid to securityholders:										
Investment income	(9)	–	–	–	(317)	(289)	(27)	(6)	(349)	(376)
Capital gains	–	–	–	–	–	–	–	–	–	–
Return of capital	–	–	–	–	–	–	(21)	(8)	–	–
Management fee rebates	–	–	–	–	–	–	–	–	–	–
Total distributions paid to securityholders	(9)	–	–	–	(317)	(289)	(48)	(14)	(349)	(376)
Security transactions:										
Proceeds from securities issued	2,773	–	3	–	6,557	6,215	152	138	5,176	5,485
Reinvested distributions	9	–	–	–	316	289	14	13	348	376
Payments on redemption of securities	(66)	–	–	–	(4,587)	(3,861)	(49)	(6)	(5,499)	(2,926)
Total security transactions	2,716	–	3	–	2,286	2,643	117	145	25	2,935
<b>Total increase (decrease) in net assets</b>	<b>2,699</b>	<b>–</b>	<b>3</b>	<b>–</b>	<b>2,968</b>	<b>2,749</b>	<b>121</b>	<b>137</b>	<b>564</b>	<b>3,012</b>
<b>End of period</b>	<b>2,699</b>	<b>–</b>	<b>3</b>	<b>–</b>	<b>38,301</b>	<b>32,823</b>	<b>1,952</b>	<b>630</b>	<b>24,148</b>	<b>23,001</b>

Increase (decrease) in fund securities (note 7):	Securities		Securities		Securities		Securities		Securities	
<b>Securities outstanding – beginning of period</b>	–	–	–	–	3,064	2,592	120	31	2,048	1,727
Issued	277	–	–	–	558	530	9	8	443	468
Reinvested distributions	1	–	–	–	27	25	1	1	30	32
Redeemed	(7)	–	–	–	(391)	(330)	(3)	–	(470)	(251)
<b>Securities outstanding – end of period</b>	<b>271</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>3,258</b>	<b>2,817</b>	<b>127</b>	<b>40</b>	<b>2,051</b>	<b>1,976</b>

The accompanying notes are an integral part of these financial statements.

# MACKENZIE STRATEGIC INCOME FUND

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2018

BALANCED FUND

## STATEMENTS OF CHANGES IN FINANCIAL POSITION (cont'd)

For the periods ended September 30 (note 1)  
In thousands

	2018	2017	2018	2017	2018	2017	2018	2017
	N5 Series		D5 Series		QF Series		QF5 Series	
	\$		\$		\$		\$	
<b>NET ASSETS ATTRIBUTABLE TO SECURITYHOLDERS</b>								
<b>Beginning of period</b>	1,081	715	1,124	949	4,043	1,658	191	100
Increase (decrease) in net assets from operations	48	19	28	9	140	37	6	1
Distributions paid to securityholders:								
Investment income	(31)	(15)	(14)	(8)	(48)	(25)	(4)	(1)
Capital gains	–	–	–	–	–	–	–	–
Return of capital	(1)	(4)	(14)	(14)	–	–	(1)	(1)
Management fee rebates	–	–	–	–	(2)	(1)	–	–
Total distributions paid to securityholders	(32)	(19)	(28)	(22)	(50)	(26)	(5)	(2)
Security transactions:								
Proceeds from securities issued	175	267	106	76	1,070	2,221	48	16
Reinvested distributions	17	11	18	17	49	26	5	2
Payments on redemption of securities	(8)	(9)	(169)	(138)	(1,213)	(1,369)	(15)	(15)
Total security transactions	184	269	(45)	(45)	(94)	878	38	3
<b>Total increase (decrease) in net assets</b>	<b>200</b>	<b>269</b>	<b>(45)</b>	<b>(58)</b>	<b>(4)</b>	<b>889</b>	<b>39</b>	<b>2</b>
<b>End of period</b>	<b>1,281</b>	<b>984</b>	<b>1,079</b>	<b>891</b>	<b>4,039</b>	<b>2,547</b>	<b>230</b>	<b>102</b>

Increase (decrease) in fund securities (note 7):	Securities		Securities		Securities		Securities	
<b>Securities outstanding – beginning of period</b>	<b>69</b>	<b>44</b>	<b>76</b>	<b>61</b>	<b>379</b>	<b>154</b>	<b>13</b>	<b>6</b>
Issued	10	17	7	5	98	208	3	2
Reinvested distributions	1	1	1	1	5	2	–	–
Redeemed	–	(1)	(11)	(9)	(111)	(128)	(1)	(1)
<b>Securities outstanding – end of period</b>	<b>80</b>	<b>61</b>	<b>73</b>	<b>58</b>	<b>371</b>	<b>236</b>	<b>15</b>	<b>7</b>

	QFW Series		QFW5 Series		Series LB		Series LW	
	\$		\$		\$		\$	
<b>NET ASSETS ATTRIBUTABLE TO SECURITYHOLDERS</b>								
<b>Beginning of period</b>	–	–	–	–	11,064	12,189	5,351	–
Increase (decrease) in net assets from operations	(1)	–	–	–	267	146	147	–
Distributions paid to securityholders:								
Investment income	(1)	–	–	–	–	–	–	–
Capital gains	–	–	–	–	–	–	–	–
Return of capital	–	–	–	–	–	–	–	–
Management fee rebates	–	–	–	–	–	–	(1)	–
Total distributions paid to securityholders	(1)	–	–	–	–	–	(1)	–
Security transactions:								
Proceeds from securities issued	447	–	1	–	128	3,821	434	–
Reinvested distributions	1	–	–	–	–	–	1	–
Payments on redemption of securities	–	–	–	–	(1,288)	(1,448)	(413)	–
Total security transactions	448	–	1	–	(1,160)	2,373	22	–
<b>Total increase (decrease) in net assets</b>	<b>446</b>	<b>–</b>	<b>1</b>	<b>–</b>	<b>(893)</b>	<b>2,519</b>	<b>168</b>	<b>–</b>
<b>End of period</b>	<b>446</b>	<b>–</b>	<b>1</b>	<b>–</b>	<b>10,171</b>	<b>14,708</b>	<b>5,519</b>	<b>–</b>

Increase (decrease) in fund securities (note 7):	Securities		Securities		Securities		Securities	
<b>Securities outstanding – beginning of period</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>944</b>	<b>1,041</b>	<b>550</b>	<b>–</b>
Issued	45	–	–	–	10	324	44	–
Reinvested distributions	–	–	–	–	–	–	–	–
Redeemed	–	–	–	–	(108)	(122)	(41)	–
<b>Securities outstanding – end of period</b>	<b>45</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>846</b>	<b>1,243</b>	<b>553</b>	<b>–</b>

The accompanying notes are an integral part of these financial statements.

# MACKENZIE STRATEGIC INCOME FUND

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2018

BALANCED FUND

## STATEMENTS OF CHANGES IN FINANCIAL POSITION (cont'd)

For the periods ended September 30 (note 1)  
In thousands

	2018	2017	2018	2017	2018	2017
	Series LW6		Series LX		Total	
	\$		\$		\$	
<b>NET ASSETS ATTRIBUTABLE TO SECURITYHOLDERS</b>						
<b>Beginning of period</b>	<b>3,548</b>	<b>–</b>	<b>5,162</b>	<b>10,243</b>	<b>1,871,908</b>	<b>1,793,783</b>
Increase (decrease) in net assets from operations	94	–	125	110	53,792	24,750
Distributions paid to securityholders:						
Investment income	(45)	–	(55)	(83)	(26,926)	(20,955)
Capital gains	–	–	–	–	–	–
Return of capital	(66)	–	(95)	(216)	(24,598)	(25,978)
Management fee rebates	(1)	–	–	–	(81)	(56)
Total distributions paid to securityholders	(112)	–	(150)	(299)	(51,605)	(46,989)
Security transactions:						
Proceeds from securities issued	338	–	123	739	500,336	356,545
Reinvested distributions	112	–	147	294	40,238	36,808
Payments on redemption of securities	(233)	–	(793)	(1,361)	(527,935)	(344,148)
Total security transactions	217	–	(523)	(328)	12,639	49,205
<b>Total increase (decrease) in net assets</b>	<b>199</b>	<b>–</b>	<b>(548)</b>	<b>(517)</b>	<b>14,826</b>	<b>26,966</b>
<b>End of period</b>	<b>3,747</b>	<b>–</b>	<b>4,614</b>	<b>9,726</b>	<b>1,886,734</b>	<b>1,820,749</b>
<b>Increase (decrease) in fund securities (note 7):</b>	<b>Securities</b>		<b>Securities</b>			
<b>Securities outstanding – beginning of period</b>	<b>248</b>	<b>–</b>	<b>383</b>	<b>721</b>		
Issued	23	–	9	–		
Reinvested distributions	8	–	11	21		
Redeemed	(16)	–	(59)	(96)		
<b>Securities outstanding – end of period</b>	<b>263</b>	<b>–</b>	<b>344</b>	<b>698</b>		

The accompanying notes are an integral part of these financial statements.



**MACKENZIE**  
Investments



# MACKENZIE STRATEGIC INCOME FUND

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2018

BALANCED FUND

## STATEMENTS OF CASH FLOWS

For the periods ended September 30 (note 1)  
In thousands

	2018	2017
	\$	\$
<b>Cash flows from operating activities</b>		
Net increase (decrease) in net assets attributable to securityholders from operations	53,792	24,750
Adjustments for:		
Net realized loss (gain) on investments	(21,510)	(48,759)
Change in net unrealized loss (gain) on investments	(25,215)	45,074
Purchase of investments	(559,549)	(579,733)
Proceeds from sale and maturity of investments	579,331	557,404
Change in accrued interest receivable	332	1,128
Change in dividends receivable	(98)	(60)
Change in due from manager	41	–
Change in due to manager	(181)	–
Change in margin on futures contracts	279	1,679
<b>Net cash from operating activities</b>	<b>27,222</b>	<b>1,483</b>
<b>Cash flows from financing activities</b>		
Proceeds from securities issued	238,463	172,688
Payments on redemption of securities	(265,732)	(159,052)
Distributions paid net of reinvestments	(11,367)	(10,181)
<b>Net cash from financing activities</b>	<b>(38,636)</b>	<b>3,455</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(11,414)</b>	<b>4,938</b>
Cash and cash equivalents at beginning of period	25,622	34,262
Effect of exchange rate fluctuations on cash and cash equivalents	(10)	20
<b>Cash and cash equivalents at end of period</b>	<b>14,198</b>	<b>39,220</b>
Cash	1,812	6,022
Cash equivalents	12,386	33,198
<b>Cash and cash equivalents at end of period</b>	<b>14,198</b>	<b>39,220</b>
<b>Supplementary disclosures on cash flow from operating activities:</b>		
Dividends received	20,302	17,018
Foreign taxes paid	1,055	1,035
Interest received	22,966	21,728
Interest paid	6	4

The accompanying notes are an integral part of these financial statements.



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# MACKENZIE STRATEGIC INCOME FUND

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2018

BALANCED FUND

## SCHEDULE OF INVESTMENTS

As at September 30, 2018

	Country	Sector	Par Value/ No. of Shares/Units	Average Cost (\$ 000s)	Fair Value (\$ 000s)
<b>BONDS</b>					
407 International Inc. 3.72% 05-11-2048 Callable 2047	Canada	Corporate - Non Convertible	1,150,000	1,150	1,146
AAC holdings Inc. Term Loan 1st Lien F/R 06-30-2023	United States	Term Loans	USD 1,641,847	2,057	2,154
AbbVie Inc. 3.75% 11-14-2023 Callable 2023	United States	Corporate - Non Convertible	USD 170,000	221	219
Adtalem Global Education Inc. Term Loan B 1st Lien F/R 04-09-2025	United States	Term Loans	USD 2,084,775	2,636	2,718
Advanced Micro Devices Inc. 7.50% 08-15-2022	United States	Corporate - Non Convertible	USD 1,700,000	2,492	2,476
Advisor Group Inc. Term Loan 1st Lien F/R 08-09-2025	United States	Term Loans	USD 1,050,000	1,375	1,369
Aegis Sciences Corp. Term Loan B 1st Lien F/R 05-09-2025	United States	Term Loans	USD 440,000	557	555
Al Ladder Luxembourg Term Loan B 1st Lien F/R 05-04-2025	United States	Term Loans	USD 2,190,000	2,725	2,847
AIMCo Realty Investors LP 3.04% 06-01-2028 Callable 2028	Canada	Corporate - Non Convertible	510,000	510	493
AL Midcoast Holdings LLC B Term Loan 1st Lien F/R 06-28-2025	United States	Term Loans	USD 670,000	880	869
Alcami Carolinas Corp. Term Loan 1st Lien F/R 07-06-2025	United States	Term Loans	USD 1,360,000	1,781	1,771
Alera Group Intermediate Holdings Inc. Term Loan B 1st Lien F/R 07-27-2025	United States	Term Loans	USD 498,750	650	654
Algonquin Power & Utilities Corp. 4.09% 02-17-2027 Callable	Canada	Corporate - Non Convertible	960,000	959	957
Alibaba Group Holding Ltd. 3.40% 12-06-2027 Callable 2027	China	Corporate - Non Convertible	USD 460,000	588	556
Allied Properties Real Estate Investment Trust 3.75% 03-13-2020	Canada	Corporate - Non Convertible	520,000	526	525
Allied Properties Real Estate Investment Trust 3.93% 11-14-2022	Canada	Corporate - Non Convertible	391,000	392	395
Allied Properties Real Estate Investment Trust 3.64% 04-21-2025 Callable 2025	Canada	Corporate - Non Convertible	870,000	871	846
AltaGas Ltd. 3.98% 10-04-2027 Callable 2027	Canada	Corporate - Non Convertible	510,000	510	503
AltaLink LP 3.72% 12-03-2046 Callable MTN	Canada	Corporate - Non Convertible	427,000	427	427
Altice France SA Term Loan B13 1st Lien F/R 01-31-2026	France	Term Loans	USD 2,080,000	2,668	2,673
Altice SA 7.75% 05-15-2022 Callable 144A	Luxembourg	Corporate - Non Convertible	USD 730,000	968	918
AMC Entertainment Holdings Inc. 5.88% 11-15-2026 Callable	United States	Corporate - Non Convertible	USD 1,330,000	1,604	1,648
American Teleconferencing Services Ltd. Term Loan 1st Lien F/R 12-08-2021	United States	Term Loans	USD 1,270,765	1,684	1,590
Amneal Pharmaceuticals LLC Term loan B 1st Lien F/R 03-23-2025	United States	Term Loans	USD 2,233,882	2,860	2,918
Anheuser-Busch InBev Finance Inc. 2.60% 05-15-2024 Callable 2024	Belgium	Corporate - Non Convertible	1,880,000	1,865	1,796
Antero Resources Corp. 5.00% 03-01-2025	United States	Corporate - Non Convertible	USD 770,000	991	1,003
Arch Merger Sub Inc. 8.50% 09-15-2025 Callable 2020 144A	United States	Corporate - Non Convertible	USD 2,230,000	2,837	2,721
Aroundtown SA 4.63% 09-18-2025 Callable 2025	Germany	Corporate - Non Convertible	690,000	687	686
ASP AMC Merger Sub Inc. 8.00% 05-15-2025 Callable 2020 144A	United States	Corporate - Non Convertible	USD 2,880,000	3,840	2,838
AT&T Inc. 4.00% 11-25-2025 Callable 2025	United States	Corporate - Non Convertible	1,270,000	1,272	1,268
Atlantic Power Corp. 5.95% 06-23-2036	United States	Corporate - Non Convertible	2,825,000	1,901	2,311
ATS Consolidated Inc. Term Loan B 1st Lien F/R 02-23-2025	United States	Term Loans	USD 1,203,950	1,516	1,566
Aviva PLC 4.50% 05-10-2021	United Kingdom	Corporate - Non Convertible	1,210,000	1,206	1,244
Avolon Holdings Funding Ltd. 5.50% 01-15-2023 144A Callable 2022	Ireland	Corporate - Non Convertible	USD 430,000	551	568
Avolon Holdings Funding Ltd. 5.13% 10-01-2023 Callable 2023 144A	Ireland	Corporate - Non Convertible	USD 1,270,000	1,669	1,655
Ball Metalpack Finco LLC Term Loan B 1st Lien F/R 07-26-2025	United States	Term Loans	USD 1,057,350	1,375	1,383
Bank of America Corp. 3.228% 06-22-2022	United States	Corporate - Non Convertible	510,000	517	510
Bank of America Corp. 3.30% 04-24-2024 Callable 2023	United States	Corporate - Non Convertible	770,000	770	765
Bank of America Corp. F/R 09-20-2025 Callable 2024	United States	Corporate - Non Convertible	2,200,000	2,200	2,173
Bank of Montreal 2.27% 07-11-2022	Canada	Corporate - Non Convertible	1,800,000	1,792	1,755
Bank of Montreal 2.89% 06-20-2023	Canada	Corporate - Non Convertible	1,020,000	1,020	1,012
Bank of Montreal 2.70% 09-11-2024 DPNT	Canada	Corporate - Non Convertible	3,570,000	3,567	3,482
Bank of Montreal 3.32% 06-01-2026	Canada	Corporate - Non Convertible	710,000	716	712
Bank of Montreal 3.19% 03-01-2028	Canada	Corporate - Non Convertible	920,000	913	910
Bank of Montreal F/R 12-15-2032 Callable 2027	Canada	Corporate - Non Convertible	USD 780,000	1,002	942



**MACKENZIE**  
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# MACKENZIE STRATEGIC INCOME FUND

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2018

BALANCED FUND

## SCHEDULE OF INVESTMENTS (cont'd)

As at September 30, 2018

	Country	Sector	Par Value/ No. of Shares/Units	Average Cost (\$ 000s)	Fair Value (\$ 000s)
<b>BONDS (cont'd)</b>					
The Bank of Nova Scotia 2.36% 11-08-2022	Canada	Corporate - Non Convertible	1,460,000	1,460	1,422
The Bank of Nova Scotia 2.98% 04-17-2023	Canada	Corporate - Non Convertible	540,000	543	538
The Bank of Nova Scotia 2.29% 06-28-2024	Canada	Corporate - Non Convertible	580,000	567	554
The Bank of Nova Scotia F/R 04-12-2066 Callable 2022	Canada	Corporate - Non Convertible	USD 1,060,000	1,323	1,286
Bausch Health Cos Inc. Term Loan B 1st Lien F/R 05-28-2025	United States	Term Loans	USD 887,250	1,137	1,154
Bausch Health Cos Inc. 5.63% 12-01-2021 Callable 144A	United States	Corporate - Non Convertible	USD 2,550,000	2,904	3,292
Baytex Energy Corp. 5.625% 06-01-2024 Callable 2019 144A	Canada	Corporate - Non Convertible	USD 1,150,000	1,360	1,423
bcIMC Realty Corp. 3.00% 03-31-2027 Callable 2026	Canada	Corporate - Non Convertible	710,000	710	690
Beacon Escrow Corp. 4.88% 11-01-2025 Callable 2020 144A	United States	Corporate - Non Convertible	USD 480,000	574	574
Bell Canada 2.70% 02-27-2024 Callable	Canada	Corporate - Non Convertible	4,540,000	4,524	4,376
Bell Canada 3.60% 09-29-2027 Callable	Canada	Corporate - Non Convertible	1,160,000	1,173	1,140
Bell Canada 3.80% 08-21-2028 Callable 2028	Canada	Corporate - Non Convertible	710,000	709	703
Bellatrix Exploration Ltd. 8.50% 05-15-2020 Callable 144A	Canada	Corporate - Non Convertible	USD 1,400,000	1,588	1,158
BMC Acquisition Inc. Term Loan 1st Lien F/R 12-15-2024	United States	Term Loans	USD 1,042,125	1,327	1,357
Boardriders Inc. Term Loan B 1st Lien F/R 03-21-2024	United States	Term Loans	USD 1,658,842	2,090	2,172
BP Capital Markets PLC 3.47% 05-15-2025	United Kingdom	Corporate - Non Convertible	940,000	940	937
Bright Bidco BV Term Loan B 1st Lien F/R 06-30-2024	Netherlands	Term Loans	USD 2,337,827	3,050	2,991
Brookfield Infrastructure Finance ULC 4.20% 09-11-2028 Callable 2018	Canada	Corporate - Non Convertible	840,000	840	829
Brookfield Renewable Energy Partners ULC 3.63% 01-15-2027 Callable 2026	Canada	Corporate - Non Convertible	1,890,000	1,889	1,834
Brookfield Renewable Partners ULC 4.25% 01-15-2029 Callable 2028	Canada	Corporate - Non Convertible	790,000	790	789
Bruce Power LP 2.84% 06-23-2021	Canada	Corporate - Non Convertible	2,490,000	2,504	2,471
Bruce Power LP 3.00% 06-21-2024 Callable 2024	Canada	Corporate - Non Convertible	1,350,000	1,348	1,313
Bruce Power LP 3.97% 06-23-2026	Canada	Corporate - Non Convertible	790,000	813	800
Bulldog Purchaser Inc. Delayed Draw Term Loan 1st Lien F/R 08-31-2025	United States	Term Loans	USD 465,143	598	599
Bulldog Purchaser Inc. Term Loan B 1st Lien F/R 08-31-2025	United States	Term Loans	USD 854,857	1,100	1,104
Calfrac Holdings LP 8.50% 06-15-2026 Callable 2021 144A	Canada	Corporate - Non Convertible	USD 190,000	235	230
California Resources Corp. 8.00% 12-15-2022 Callable 2018 144A	United States	Corporate - Non Convertible	USD 1,480,000	1,502	1,829
Calpine Corp. 5.25% 06-01-2026 Callable 2021 144A	United States	Corporate - Non Convertible	USD 1,930,000	2,439	2,316
Camelot Finance LP Term Loan 1st Lien F/R 10-03-2023	United States	Term Loans	USD 1,389,337	1,826	1,799
Camelot Finance SA 7.88% 10-15-2024 Callable 2019 144A	United States	Corporate - Non Convertible	USD 1,600,000	2,137	2,062
Can Am Construction Inc./Canada Term Loan B 1st Lien F/R 07-01-2024	Canada	Term Loans	USD 3,916,086	5,019	5,111
Canada Goose Inc. Term Loan 1st Lien F/R 12-22-2021	Canada	Term Loans	USD 2,050,000	2,568	2,649
Canadian Imperial Bank of Commerce 2.47% 12-05-2022	Canada	Corporate - Non Convertible	840,000	841	822
Canadian Imperial Bank of Commerce 2.97% 07-11-2023	Canada	Corporate - Non Convertible	980,000	980	975
Canadian Imperial Bank of Commerce 3.30% 05-26-2025	Canada	Corporate - Non Convertible	940,000	941	944
Canadian Imperial Bank of Commerce F/R 04-04-2028 Callable 2023	Canada	Corporate - Non Convertible	780,000	780	773
Canadian National Railway Co. 3.60% 07-31-2048 Callable 2048	Canada	Corporate - Non Convertible	610,000	601	593
Canadian Natural Resources Ltd. 3.55% 06-03-2024	Canada	Corporate - Non Convertible	360,000	362	360
Canadian Western Bank 2.751% 06-29-2020	Canada	Corporate - Non Convertible	510,000	510	508
Canadian Western Bank 2.74% 06-16-2022 DPNT	Canada	Corporate - Non Convertible	460,000	460	451
Canadian Western Bank 2.92% 12-15-2022	Canada	Corporate - Non Convertible	1,080,000	1,078	1,062
Capital Power Corp. 4.28% 09-18-2024 Callable 2024	Canada	Corporate - Non Convertible	1,580,000	1,583	1,580
CareCentrix Inc. Term Loan 1st Lien F/R 03-22-2025	United States	Term Loans	USD 1,607,327	2,068	2,072
Careerbuilder LLC Term Loan 1st Lien F/R 07-31-2023	United States	Term Loans	USD 1,106,661	1,349	1,433
Casablanca US Holdings Inc. Term Loan 1st Lien F/R 03-31-2024	United States	Term Loans	USD 2,126,931	2,732	2,718
CCL Industries Inc. 3.86% 04-13-2028 Callable 2028	Canada	Corporate - Non Convertible	560,000	560	557
CCO Holdings LLC 4.00% 03-01-2023 Callable 2019 144A	United States	Corporate - Non Convertible	USD 200,000	252	248



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<b>BONDS (cont'd)</b>					
CCO Holdings LLC 5.13% 05-01-2027 Callable 2022 144A	United States	Corporate - Non Convertible	USD 140,000	174	172
CCS-CMGC Holdings Inc. Term Loan 1st Lien F/R 09-25-2025	United States	Term Loans	USD 910,000	1,166	1,161
Centennial Resource Production LLC 5.38% 01-15-2026 Callable 2021 144A	United States	Corporate - Non Convertible	USD 880,000	1,123	1,135
CenturyLink Inc. Term Loan B 1st Lien F/R 01-31-2025	United States	Term Loans	USD 2,153,725	2,855	2,767
CEVA Logistics Finance BV Term Loan B 1st Lien F/R 07-25-2025	United States	Term Loans	USD 940,000	1,223	1,223
CEVA Logistics Finance BV 5.25% 08-01-2025 Callable 2021	United States	Corporate - Non Convertible	EUR 800,000	1,219	1,181
Charter Communications Operating LLC 4.50% 02-01-2024 Callable 2024	United States	Corporate - Non Convertible	USD 600,000	795	780
Chartwell Retirement Residences 3.79% 12-11-2023 Callable 2023	Canada	Corporate - Non Convertible	1,000,000	997	995
Chartwell Retirement Residences 4.21% 04-28-2025 Callable 2025	Canada	Corporate - Non Convertible	280,000	280	281
Chemtrade Logistics Income Fund 4.75% 05-31-2024 Conv. Callable 2022	Canada	Corporate - Convertible	1,690,000	1,690	1,631
CHIP Mortgage Trust 2.98% 11-15-2021	Canada	Corporate - Non Convertible	880,000	880	864
Chloe Ox Parent LLC Term Loan 1st Lien F/R 12-19-2024	United States	Term Loans	USD 437,800	558	568
Choice Properties Real Estate Investment Trust 4.18% 03-08-2028 Callable 2027	Canada	Corporate - Non Convertible	1,090,000	1,090	1,085
CI Financial Corp. 3.52% 07-20-2023 Callable 2023	Canada	Corporate - Non Convertible	500,000	500	495
Coeur Mining Inc. 5.88% 06-01-2024 Callable 2020	United States	Corporate - Non Convertible	USD 1,650,000	2,231	2,048
Comber Wind Financial Corp. 5.132% 11-15-2030	Canada	Corporate - Non Convertible	4,057,386	4,057	4,270
Comfort Holding LLC Term Loan 1st Lien F/R 02-05-2024	United States	Term Loans	USD 2,255,650	2,907	2,823
Comfort Holding LLC Term Loan 2nd Lien F/R 02-03-2025	United States	Term Loans	USD 640,000	800	800
Commercial Vehicle Group Inc. Term Loan B 1st Lien F/R 03-30-2023	United States	Term Loans	USD 1,646,875	2,151	2,142
Commonwealth of Bahamas 6.00% 11-21-2028 Callable 2028	Bahamas	Foreign Governments	USD 2,900,000	3,692	3,820
Communications Sales & Leasing Inc. Term Loan B 1st Lien F/R 10-24-2022	United States	Term Loans	USD 1,168,606	1,409	1,447
Conn's Inc. 7.25% 07-15-2022 Callable	United States	Corporate - Non Convertible	USD 90,000	93	116
Constellium NV 6.63% 03-01-2025 Callable 2020 144A	Netherlands	Corporate - Non Convertible	USD 280,000	375	369
Constellium NV 4.25% 02-15-2026 Callable 2020	Netherlands	Corporate - Non Convertible	EUR 510,000	762	780
Constellium NV 5.88% 02-15-2026 Callable 2020 144A	Netherlands	Corporate - Non Convertible	USD 1,310,000	1,675	1,663
Corel Corp. Term Loan 1st Lien F/R 05-11-2024	Canada	Term Loans	USD 1,350,000	1,728	1,756
Coronado Australian Holdings Pty Ltd. Term Loan B 1st Lien F/R 03-21-2025	United States	Term Loans	USD 1,028,365	1,286	1,346
Coronado Australian Holdings Pty Ltd. Term Loan C 1st Lien F/R 03-21-2025	United States	Term Loans	USD 281,166	352	368
Crew Energy Inc. 6.50% 03-14-2024 Callable	Canada	Corporate - Non Convertible	2,440,000	2,442	2,218
CSC Holdings LLC Term Loan B 1st Lien F/R 01-12-2026	United States	Term Loans	USD 1,436,400	1,782	1,866
CSM Bakery Solutions LLC Term Loan 2nd Lien F/R 07-05-2021	United States	Term Loans	USD 1,490,000	1,591	1,858
CSM NV Term Loan B F/R 07-03-2020	United States	Term Loans	USD 1,116,475	1,428	1,400
CU Inc. 3.964% 07-27-2045 Callable	Canada	Corporate - Non Convertible	100,000	107	103
CVR Partners LP 9.25% 06-15-2023 Callable 2019 144A	United States	Corporate - Non Convertible	USD 813,000	1,048	1,120
Daseke Inc. Term Loan 1st Lien F/R 02-27-2024	United States	Term Loans	USD 1,627,573	2,091	2,122
DaVita Healthcare Partners Inc. 5.00% 05-01-2025 Callable 2020	United States	Corporate - Non Convertible	USD 1,230,000	1,507	1,528
Deerfield Holdings Corp. Term Loan B 1st Lien F/R 12-06-2024	United States	Term Loans	USD 1,064,650	1,359	1,379
DHX Media Ltd. 5.88% 09-30-2024 Conv.	Canada	Corporate - Convertible	260,000	243	208
Diamond (BC) BV Term Loan 1st Lien F/R 09-06-2024	United States	Term Loans	USD 1,310,100	1,634	1,666
Digicert Holdings Inc. Term Loan 1st Lien F/R 09-20-2024	United States	Term Loans	USD 375,700	466	487
Digicert Holdings Inc. Term Loan 2nd Lien F/R 10-31-2025	United States	Term Loans	USD 430,000	528	555



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<b>BONDS (cont'd)</b>					
DISH DBS Corp. 5.875% 11-15-2024	United States	Corporate - Non Convertible	USD 2,020,000	2,568	2,346
DMT Solutions Global Corp. Term Loan 1st Lien F/R 06-25-2024	United States	Term Loans	USD 483,875	624	621
Drax Group PLC 6.63% 11-01-2025 Callable 2021 144A	United Kingdom	Corporate - Non Convertible	USD 1,170,000	1,473	1,544
Eagle Credit Card Trust 2.63% 10-17-2022	Canada	Corporate - Non Convertible	340,000	340	334
EagleTree-Carbide Acquisition Corp. Term Loan 1st Lien F/R 08-28-2024	United States	Term Loans	USD 2,231,345	2,778	2,891
Eastern Power LLC Term Loan B 1st Lien F/R 10-02-2023	United States	Term Loans	USD 780,000	1,021	1,008
Electrical Components International Inc. Term Loan 1st Lien F/R 06-22-2025	United States	Term Loans	USD 1,655,850	2,176	2,159
Electrical Components International Inc. Term Loan 2nd Lien F/R 06-22-2026	United States	Term Loans	USD 300,000	374	366
Elo Touch Solutions Inc. Term Loan B 1st Lien F/R 10-25-2023	United States	Term Loans	USD 630,201	800	823
EmployBridge LLC Term Loan B 1st Lien F/R 04-10-2025	United States	Term Loans	USD 967,750	1,211	1,264
Enbridge Inc. 4.57% 03-11-2044	Canada	Corporate - Non Convertible	880,000	915	877
Enbridge Inc. 5.37% 09-27-2077 Callable 2027	Canada	Corporate - Non Convertible	12,000,000	11,871	11,441
Enbridge Inc. F/R 04-12-2078 Callable 2028	Canada	Corporate - Non Convertible	2,690,000	2,690	2,779
ENC Holding Corp. Delayed Draw Term Loan 1st Lien F/R 05-30-2025	United States	Term Loans	USD 35,429	46	46
ENC Holding Corp. Term Loan 1st Lien F/R 05-30-2025	United States	Term Loans	USD 584,571	752	757
EnerCare Solutions Inc. 3.38% 02-21-2022 Callable 2022	Canada	Corporate - Non Convertible	980,000	980	976
Ensono LP Term Loan 1st Lien F/R 04-30-2025	United States	Term Loans	USD 1,326,675	1,687	1,734
Enterprise Merger Sub Inc. Term Loan 1st Lien F/R 09-28-2025	United States	Term Loans	USD 4,460,000	5,749	5,749
Enterprise Merger Sub Inc. 8.75% 10-15-2026 Callable 2021	United States	Corporate - Non Convertible	USD 350,000	446	446
EPCOR Utilities Inc. 3.55% 11-27-2047 Callable 2047	Canada	Corporate - Non Convertible	650,000	650	624
EPR Properties 4.95% 04-15-2028 Callable 2028	United States	Corporate - Non Convertible	USD 500,000	627	636
Exela Intermediate LLC Term Loan B 1st Lien F/R 07-12-2023	United States	Term Loans	USD 731,126	942	959
Exela Intermediate LLC 10.00% 07-15-2023 Callable 2020 144A	United States	Corporate - Non Convertible	USD 1,290,000	1,680	1,778
FAGE International SA/FAGE USA Dairy Industry Inc. 5.625% 08-15-2026 Callable 2021 144A	Luxembourg	Corporate - Non Convertible	USD 1,010,000	1,202	1,203
Fairfax Financial Holdings Ltd. 5.84% 10-14-2022	Canada	Corporate - Non Convertible	22,900,000	23,840	24,895
Fairfax Financial Holdings Ltd. 4.50% 03-22-2023	Canada	Corporate - Non Convertible	1,000,000	994	1,036
Fairfax Financial Holdings Ltd. 8.30% 04-15-2026	Canada	Corporate - Non Convertible	USD 900,000	1,360	1,394
Federation des Caisses Desjardins du Quebec 2.09% 01-17-2022	Canada	Corporate - Non Convertible	650,000	649	632
Federation des Caisses Desjardins du Quebec 3.06% 09-11-2023	Canada	Corporate - Non Convertible	1,580,000	1,579	1,573
Financial & Risk US Holdings Inc. Term Loan B 1st Lien F/R 10-01-2025	United States	Term Loans	USD 4,570,000	5,918	5,906
Financial & Risk US Holdings Inc. 6.25% 05-15-2026 Callable 2021 144A	United States	Corporate - Non Convertible	USD 500,000	652	649
Financial & Risk US Holdings Inc. 8.25% 11-15-2026 Callable 2021 144A	United States	Corporate - Non Convertible	USD 1,430,000	1,856	1,838
First Quantum Minerals Ltd. 7.25% 04-01-2023 Callable 2019 144A	Zambia	Corporate - Non Convertible	USD 1,590,000	2,110	1,968
First Quantum Minerals Ltd. 6.88% 03-01-2026 Callable 2021 144A	Zambia	Corporate - Non Convertible	USD 480,000	607	566
Fortified Trust 1.67% 07-23-2021	Canada	Corporate - Non Convertible	1,240,000	1,240	1,197
Fortress Transportation and Infrastructure Investors LLC 6.75% 03-15-2022 Callable 2020 144A	United States	Corporate - Non Convertible	USD 950,000	1,253	1,262
Fortress Transportation and Infrastructure Investors LLC 6.50% 10-01-2025 Callable 2021 144A	United States	Corporate - Non Convertible	USD 2,150,000	2,761	2,766
Foundation Building Materials LLC Term Loan B 1st Lien F/R 05-11-2025	United States	Term Loans	USD 780,000	992	1,014



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<b>BONDS (cont'd)</b>					
Frontera Generation Holdings LLC.					
Term Loan B 1st Lien F/R 04-25-2025	United States	Term Loans	USD 1,336,650	1,708	1,741
Fusion Connect Inc. Term Loan B 1st Lien F/R 05-03-2023	United States	Term Loans	USD 568,125	701	699
FXI Holdings Inc. 7.88% 11-01-2024 Callable 2020 144A	United States	Corporate - Non Convertible	USD 1,320,000	1,693	1,629
Garda World Security Corp. Term Loan B 1st Lien F/R 05-26-2024	Canada	Term Loans	3,564,875	3,529	3,578
Garda World Security Corp. 7.25% 11-15-2021 Callable 144A	Canada	Corporate - Non Convertible	USD 2,708,000	3,008	3,494
Gateway Casinos & Entertainment Ltd.					
Term Loan B 1st Lien F/R 03-13-2025	Canada	Term Loans	USD 1,366,575	1,761	1,778
Gateway Casinos & Entertainment Ltd. 8.25% 03-01-2024 Callable 2020 144A					
	Canada	Corporate - Non Convertible	USD 1,110,000	1,463	1,528
Gentiva Health Services Inc. Term Loan 1st Lien F/R 06-21-2025	United States	Term Loans	USD 1,211,946	1,596	1,587
Genworth Holdings Inc. Term Loan 1st Lien F/R 02-28-2023	United States	Term Loans	USD 1,366,575	1,745	1,810
GFL Environmental Inc. 5.38% 03-01-2023 Callable 2020 144A	Canada	Corporate - Non Convertible	USD 2,660,000	3,324	3,246
GFL Environmental Inc. 7.00% 06-01-2026 Callable 2021 144A	Canada	Corporate - Non Convertible	USD 2,130,000	2,698	2,664
Gibson Energy Inc. 5.25% 07-15-2021 Conv. Callable 2020	Canada	Corporate - Convertible	1,370,000	1,394	1,528
Gibson Energy Inc. 5.25% 07-15-2024 Callable 2020 REGS	Canada	Corporate - Non Convertible	5,120,000	5,120	5,133
Glacier Credit Card Trust 3.14% 09-20-2023	Canada	Corporate - Non Convertible	580,000	580	576
The Goldman Sachs Group Inc. 2.43% 04-26-2023 Callable	United States	Corporate - Non Convertible	1,700,000	1,700	1,645
Government of Canada 2.00% 06-01-2028	Canada	Federal Government	32,740,000	31,796	31,563
Government of Canada 2.75% 12-01-2048	Canada	Federal Government	10,000	11	11
Great Canadian Gaming Corp. 6.625% 07-25-2022 Callable 144A	Canada	Corporate - Non Convertible	1,680,000	1,729	1,724
Green Plains Inc. Term Loan B 1st Lien F/R 08-29-2023	United States	Term Loans	USD 1,346,400	1,676	1,764
Greenhill & Co. Inc. Term Loan B 1st Lien F/R 10-12-2022	United States	Term Loans	USD 1,357,125	1,693	1,772
H&R Real Estate Investment Trust 2.92% 05-06-2022	Canada	Corporate - Non Convertible	2,360,000	2,348	2,311
H&R Real Estate Investment Trust 3.42% 01-23-2023 Callable 2022	Canada	Corporate - Non Convertible	420,000	420	415
H&R Real Estate Investment Trust 3.37% 01-30-2024 Callable 2023	Canada	Corporate - Non Convertible	1,140,000	1,122	1,111
Hadrian Merger Sub Inc. 8.50% 05-01-2026 Callable 2021 144A	United States	Corporate - Non Convertible	USD 3,193,000	4,099	3,946
Halo Buyer Inc. Delayed Draw Term Loan 1st Lien F/R 06-28-2025	United States	Term Loans	USD 216,296	284	277
Halo Buyer Inc. Term Loan 1st Lien F/R 06-28-2025	United States	Term Loans	USD 513,704	668	659
Hearthside Group Holdings LLC 1st Lien F/R 05-17-2025	United States	Term Loans	USD 658,350	841	849
Heartland Dental LLC Delay Draw Term Loan 1st Lien F/R 04-17-2025					
	United States	Term Loans	USD 185,490	234	240
Heartland Dental LLC Term Loan 1st Lien F/R 04/17/2025	United States	Term Loans	USD 1,232,258	1,552	1,595
Heathrow Funding Ltd. 3.25% 05-21-2025	United Kingdom	Corporate - Non Convertible	3,690,000	3,855	3,654
Heathrow Funding Ltd. 3.40% 03-08-2028	United Kingdom	Corporate - Non Convertible	1,000,000	999	980
Heathrow Funding Ltd. 3.79% 09-04-2030 Callable 2030	United Kingdom	Corporate - Non Convertible	770,000	770	761
Hillman Group Inc. Term Loan B 1st Lien F/R 05-21-2025	United States	Term Loans	USD 927,675	1,180	1,187
Hornblower Sub LLC Term Loan 1st Lien F/R 04-28-2025	United States	Term Loans	USD 1,380,731	1,775	1,791
HSBC Bank Canada 3.25% 09-15-2023	Canada	Corporate - Non Convertible	830,000	830	829
HSBC Holdings PLC 3.20% 12-05-2023	United Kingdom	Corporate - Non Convertible	1,410,000	1,410	1,389
Hub International Ltd. Term Loan B 1st Lien F/R 04-25-2025	United States	Term Loans	USD 1,017,450	1,285	1,319
Hub International Ltd. 7.00% 05-01-2026 Callable 2021 144A	United States	Corporate - Non Convertible	USD 310,000	391	402
Hudson River Trading LLC Term Loan 1st Lien F/R 03-20-2025	United States	Term Loans	USD 1,960,150	2,539	2,555
Hydro One Inc. 2.97% 06-26-2025 Callable 2025	Canada	Corporate - Non Convertible	350,000	350	343
Hydro One Inc. 3.72% 11-18-2047	Canada	Corporate - Non Convertible	760,000	760	740
Hyster-Yale Group Inc. Term Loan B 1st Lien F/R 05-30-2023	United States	Term Loans	USD 2,146,875	2,895	2,783
I-Logic Technologies Bidco Ltd. Term Loan B 1st Lien F/R 12-20-2024					
	United States	Term Loans	USD 1,734,648	2,214	2,237
Impala Private Holdings II LLC Term Loan 1st Lien F/R 11-10-2024					
	United States	Term Loans	USD 2,158,063	2,726	2,800



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<b>BONDS (cont'd)</b>					
Indivior Finance SARL Term Loan B 1st Lien F/R 12-14-2022	United Kingdom	Term Loans	USD 839,302	1,065	1,081
Integro Ltd. United States Term Loan B1 1st Lien F/R 10-31-2022	United States	Term Loans	USD 539,591	671	699
Inter Pipeline Ltd. 2.73% 04-18-2024 Callable 2024	Canada	Corporate - Non Convertible	1,500,000	1,511	1,434
Inter Pipeline Ltd. 3.48% 12-16-2026 Callable 2026	Canada	Corporate - Non Convertible	370,000	370	358
Interior Logic Group Holdings IV LLC Term Loan B 1st Lien F/R 05-21-2025	United States	Term Loans	USD 790,000	1,012	1,023
Intermedia Holdings Inc. Term Loan B 1st Lien F/R 07-13-2025	United States	Term Loans	USD 610,000	795	792
Invenergy Thermal Operating I LLC Term Loan 1st Lien F/R 06-25-2025	United States	Term Loans	USD 710,000	942	928
iQor US Inc. Term Loan 2nd Lien F/R 04-01-2022	United States	Term Loans	USD 1,870,000	2,023	1,936
iQor US Inc. Term Loan B 1st Lien F/R 04-01-2021	United States	Term Loans	USD 1,604,290	1,755	1,949
Iron Mountain Canada Operations ULC 5.38% 09-15-2023 Callable 2019	United States	Corporate - Non Convertible	830,000	870	844
Isagenix International LLC Term Loan 1st Lien F/R 04-26-2025	United States	Term Loans	USD 2,310,750	2,946	2,994
Itron Inc. 5.00% 01-15-2026 Callable 2021 144A	United States	Corporate - Non Convertible	USD 1,320,000	1,683	1,641
Ivanhoe Cambridge II Inc. 2.91% 06-27-2023 Callable 2023	Canada	Corporate - Non Convertible	410,000	410	406
JBS USA Lux SA Term Loan B 1st Lien F/R 10-30-2022	Brazil	Term Loans	USD 1,603,560	2,091	2,080
Keane Group Holdings LLC Term Loan B 1st Lien F/R 05-18-2025	United States	Term Loans	USD 1,210,000	1,550	1,554
KEMET Corp. Term Loan B 1st Lien F/R 04-26-2024	United States	Term Loans	USD 1,214,192	1,590	1,600
Kestrel Acquisition LLC Term Loan B 1st Lien F/R 05-02-2025	United States	Term Loans	USD 1,097,250	1,406	1,438
Keystone Peer Review Organization Holdings Inc. Term Loan 1st Lien F/R 05-01-2024	United States	Term Loans	USD 821,947	1,100	1,070
The KeyW Holding Corp/The Term Loan 1st Lien F/R 05-04-2024	United States	Term Loans	USD 1,201,395	1,537	1,563
Kindred Healthcare Inc. Term Loan B 1st Lien F/R 06-21-2025	United States	Term Loans	USD 1,100,000	1,449	1,430
Kronos Acquisition Holdings Inc. 9.00% 08-15-2023 144A	Canada	Corporate - Non Convertible	USD 380,000	459	463
Kruger Products LP 6.00% 04-24-2025 Callable 2021	Canada	Corporate - Non Convertible	1,900,000	1,900	1,913
L&W Inc. Term Loan 1st Lien F/R 05-17-2025	United States	Term Loans	USD 1,580,000	2,024	2,065
Lamb Weston Holdings Inc. 4.63% 11-01-2024 Callable 2021 144A	United States	Corporate - Non Convertible	USD 1,450,000	1,864	1,836
Lamb Weston Holdings Inc. 4.88% 11-01-2026 Callable 2021 144A	United States	Corporate - Non Convertible	USD 1,610,000	2,055	2,044
Lannett Co. Inc. Term Loan B 1st Lien F/R 11-25-2022	United States	Term Loans	USD 955,296	1,147	1,089
Laurentian Bank of Canada F/R 10-22-2019	Canada	Corporate - Non Convertible	850,000	850	851
Laurentian Bank of Canada 3.00% 09-12-2022	Canada	Corporate - Non Convertible	1,380,000	1,378	1,352
Laurentian Bank of Canada 3.45% 06-27-2023	Canada	Corporate - Non Convertible	410,000	410	406
LBM Borrower LLC Term Loan 1st Lien F/R 08-20-2022	United States	Term Loans	USD 1,876,615	2,417	2,444
LD Intermediate Holdings Inc. Term Loan B 1st Lien F/R 12-09-2022	United States	Term Loans	USD 721,787	848	905
Lee Enterprises Inc. 9.50% 03-15-2022 Callable 2018 144A	United States	Corporate - Non Convertible	USD 1,180,000	1,346	1,588
LifeMiles Ltd. Term Loan B 1st Lien F/R 08-18-2022	Colombia	Term Loans	USD 1,532,538	1,947	2,015
LifeScan Global Corp. Term Loan 1L F/R 06-19-2024	United States	Term Loans	USD 2,860,000	3,684	3,665
LifeScan Global Corp. Term Loan 2nd Lien F/R 06-19-2025	United States	Term Loans	USD 750,000	956	930
Livingston International Inc. Term Loan 1st Lien F/R 03-18-2020	Canada	Term Loans	2,830,149	2,802	2,689
Livingston International Inc. Term Loan 2nd Lien F/R 04-17-2020	Canada	Term Loans	USD 1,689,522	1,695	2,074
Logibec Groupe Informatique Ltd. Term Loan 1st Lien F/R 12-31-2018	Canada	Term Loans	1,040,599	988	988
Manulife Bank of Canada 2.84% 01-12-2023	Canada	Corporate - Non Convertible	1,930,000	1,912	1,905
Manulife Financial Corp. F/R 05-09-2028 Callable 2023	Canada	Corporate - Non Convertible	440,000	440	437
Manulife Financial Corp. F/R 08-20-2029 Callable 2024	Canada	Corporate - Non Convertible	1,390,000	1,390	1,350
Mastronardi Produce Ltd. Term Loan B 1st Lien F/R 04-18-2025	Canada	Term Loans	USD 1,014,900	1,281	1,323



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	Country	Sector	Par Value/ No. of Shares/Units	Average Cost (\$ 000s)	Fair Value (\$ 000s)
<b>BONDS (cont'd)</b>					
Mattamy Group Corp. 6.50% 10-01-2025 Callable 2020	Canada	Corporate - Non Convertible	5,060,000	5,105	5,027
Mattamy Group Corp. 6.50% 10-01-2025 Callable 2020 144A	Canada	Corporate - Non Convertible	USD 1,260,000	1,571	1,585
Matterhorn Merger Sub LLC 8.50% 06-01-2026 Callable 2021 144A	United States	Corporate - Non Convertible	USD 3,046,000	3,899	3,850
McAfee LLC Term Loan B 1st Lien F/R 09-30-2024	United States	Term Loans	USD 875,918	1,082	1,143
McDermott Technology Americas Inc. Term Loan B 1st Lien F/R 04-05-2025	United States	Term Loans	USD 1,261,356	1,574	1,654
McDonald's Corp. 3.13% 03-04-2025 Callable 2025	United States	Corporate - Non Convertible	1,640,000	1,636	1,606
MEG Energy Corp. Term Loan B 1st Lien F/R 12-31-2023	Canada	Term Loans	USD 414,400	548	538
MEG Energy Corp. 7.00% 03-31-2024 Callable 2018 144A	Canada	Corporate - Non Convertible	USD 1,880,000	2,104	2,219
Meredith Corp. Term Loan B 1st Lien F/R 01-18-2025	United States	Term Loans	USD 1,148,396	1,423	1,495
Meredith Corp. 6.88% 02-01-2026 Callable 2021 144A	United States	Corporate - Non Convertible	USD 2,480,000	3,200	3,287
Metro Inc. 3.39% 12-06-2027 Callable 2027	Canada	Corporate - Non Convertible	670,000	670	645
Milk Specialties Co. Term Loan 1st Lien F/R 08-16-2023	United States	Term Loans	USD 1,082,029	1,395	1,404
Millar Western Forest Products Ltd. 9.50% 06-20-2023 Callable 2020	Canada	Corporate - Non Convertible	990,000	990	1,010
Mondelez International Inc. 3.25% 03-07-2025 Callable 2025	United States	Corporate - Non Convertible	880,000	876	856
Mondelez International Inc. 4.13% 05-07-2028 Callable 2028	United States	Corporate - Non Convertible	USD 250,000	318	320
Morgan Stanley 3.00% 02-07-2024	United States	Corporate - Non Convertible	1,730,000	1,730	1,689
Mountain Province Diamonds Inc. 8.00% 12-15-2022 Callable 2019 144A	Canada	Corporate - Non Convertible	USD 490,000	609	648
National Bank of Canada 1.96% 06-30-2022	Canada	Corporate - Non Convertible	1,440,000	1,440	1,388
Neenah Foundry Co. Term Loan B 1st Lien F/R 12-08-2022	United States	Term Loans	USD 953,972	1,215	1,227
New Arclin US Holding Corp. Term Loan 1st Lien F/R 02-14-2024	United States	Term Loans	USD 574,166	744	750
New Red Finance Inc. 5.00% 10-15-2025 Callable 2020 144A	Canada	Corporate - Non Convertible	USD 1,550,000	1,903	1,920
Newell Brands Inc. 4.20% 04-01-2026 Callable 2026	United States	Corporate - Non Convertible	USD 360,000	457	443
North Battleford Power LP 4.958% 12-31-2032	Canada	Corporate - Non Convertible	1,540,150	1,540	1,645
North West Redwater Partnership 2.80% 06-01-2027 Callable 2027	Canada	Corporate - Non Convertible	640,000	625	603
Nouvelle Autoroute 30 Financement Inc. 4.11% 03-31-2042	Canada	Corporate - Non Convertible	580,000	580	581
Numericable-SFR 7.38% 05-01-2026 Callable 2021 144A	France	Corporate - Non Convertible	USD 1,060,000	1,380	1,371
NuVista Energy Ltd. 6.50% 03-02-2023 Callable 2020	Canada	Corporate - Non Convertible	1,410,000	1,412	1,425
NWH Escrow Corp. 7.50% 08-01-2021 Callable 144A	United States	Corporate - Non Convertible	USD 3,460,000	4,111	4,102
OCI Beaumont LLC Term Loan B 1st Lien F/R 02-16-2025	United States	Term Loans	USD 1,641,750	2,058	2,156
Office Depot Inc. Term Loan B 1st Lien F/R 11-08-2022	United States	Term Loans	USD 2,654,750	3,286	3,525
OMERS Realty Corp. 3.24% 10-04-2027 Callable 2027	Canada	Corporate - Non Convertible	1,640,000	1,640	1,617
OMERS Realty Corp. 3.63% 06-05-2030 Callabe 2030	Canada	Corporate - Non Convertible	1,020,000	1,020	1,025
Ontario Power Generation Inc. 3.32% 10-04-2027 Callable 2027	Canada	Corporate - Non Convertible	830,000	830	818
OPB Finance Trust 2.98% 01-25-2027	Canada	Provincial Governments	910,000	912	895
OpenLink International Inc. Term Loan B 1st Lien F/R 03-21-2025	United States	Term Loans	USD 706,520	907	917
Osteon Merger Sub Inc. Term Loan B 1st Lien F/R 02-06-2025	United States	Term Loans	USD 1,064,650	1,326	1,383
Owens & Minor Inc. Term Loan B 1st Lien F/R 05-01-2025	United States	Term Loans	USD 1,910,000	2,407	2,339
OZ Management LP Term Loan 1st Lien F/R 04-04-2023	United States	Term Loans	USD 1,370,000	1,736	1,784
Paradigm Acquisition Corp. Term Loan 1st Lien F/R 10-11-2024	United States	Term Loans	USD 620,103	776	803
Parkland Fuel Corp. 5.75% 09-16-2024 Callable 2019	Canada	Corporate - Non Convertible	1,755,000	1,755	1,798
Parkland Fuel Corp. 6.00% 04-01-2026 Callable 2021 144A	Canada	Corporate - Non Convertible	USD 2,500,000	3,273	3,247
The Pasha Group Term Loan B 1st Lien F/R 12-13-2022	United States	Term Loans	USD 1,405,857	1,756	1,843
Pembina Pipeline Corp. 3.54% 02-03-2025 Callable	Canada	Corporate - Non Convertible	160,000	160	158
Petroleos De Venezuela SA 6.00% 05-16-2024	Venezuela	Corporate - Non Convertible	USD 4,168,000	1,331	1,183
PetSmart Inc. Term Loan B2 1st Lien F/R 03-10-2022	United States	Term Loans	USD 4,442,623	4,839	5,026
PLH Group Inc. Term Loan 1st Lien F/R 08-06-2023	United States	Term Loans	USD 1,590,000	2,004	2,024



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<b>BONDS (cont'd)</b>					
PNI Canada Acquireco Corp. Term Loan B 1st Lien F/R 08-23-2022	Canada	Term Loans	USD 313,566	370	407
Polar US Borrower LLC Term Loan 1st Lien F/R 08-21-2025	United States	Term Loans	USD 1,700,000	2,129	2,211
Prospect Medical Holdings Inc. Term Loan B 1st Lien F/R 02-15-2024	United States	Term Loans	USD 1,530,854	1,883	2,010
Province of Alberta 3.05% 12-01-2048	Canada	Provincial Governments	1,810,000	1,770	1,765
Province of Alberta 3.10% 06-01-2050	Canada	Provincial Governments	1,180,000	1,177	1,164
Province of Newfoundland 3.00% 06-02-2026	Canada	Provincial Governments	3,810,000	3,801	3,787
Province of Newfoundland 3.70% 10-17-2048	Canada	Provincial Governments	2,910,000	3,217	3,069
Province of Ontario Canada 2.90% 06-02-2028	Canada	Provincial Governments	2,250,000	2,233	2,217
Province of Ontario 2.90% 06-02-2049	Canada	Provincial Governments	1,960,000	1,884	1,844
Province of Saskatchewan 3.30% 06-02-2048	Canada	Provincial Governments	410,000	429	419
PS HoldCo LLC Term Loan 1st Lien F/R 03-02-2025	United States	Term Loans	USD 847,875	1,088	1,100
PSC Industrial Outsourcing LP Term Loan 2nd Lien F/R 10-05-2025	United States	Term Loans	USD 650,000	801	840
PSC Industrial Outsourcing LP Term Loan B 1st Lien F/R 10-05-2024	United States	Term Loans	USD 2,342,300	2,915	3,053
Quad Graphics Inc. 7.00% 05-01-2022	United States	Corporate - Non Convertible	USD 1,250,000	1,372	1,643
Quebecor Media Inc. 6.625% 01-15-2023 144A	Canada	Corporate - Non Convertible	1,728,000	1,737	1,858
R1 RCM Inc. Term Loan B 1st Lien F/R 05-02-2025	United States	Term Loans	USD 1,310,000	1,637	1,697
Rackspace Hosting Inc. 8.63% 11-15-2024 Callable 2019 144A	United States	Corporate - Non Convertible	USD 3,120,000	4,085	3,929
Red Ventures LLC Term Loan B 1st Lien F/R 11-08-2024	United States	Term Loans	USD 955,106	1,178	1,250
Reliance Intermediate Holdings LP 6.50% 04-01-2023 Callable 2018 144A	Canada	Corporate - Non Convertible	USD 1,590,000	2,133	2,138
Reliance LP 3.84% 03-15-2025 Callable 2025	Canada	Corporate - Non Convertible	740,000	740	727
Renfro Corp. Term Loan B 1st Lien F/R 03-31-2021	United States	Term Loans	USD 1,835,135	2,029	2,373
Research Now Group Inc. Term Loan 1st Lien F/R 12-20-2024	United States	Term Loans	USD 1,780,306	2,176	2,315
Research Now Group Inc. Term Loan 2nd Lien F/R 12-20-2025	United States	Term Loans	USD 710,000	849	891
Resolute Forest Products Inc. 5.875% 05-15-2023	United States	Corporate - Non Convertible	USD 271,000	269	359
Resolute Investment Managers Inc. Term Loan 2nd Lien F/R 04-30-2023	United States	Term Loans	USD 560,000	701	735
Rite Aid Corp. 6.125% 04-01-2023 Callable 2018 144A	United States	Corporate - Non Convertible	USD 400,000	476	465
Rite Aid Corp. 7.70% 02-15-2027	United States	Corporate - Non Convertible	USD 1,950,000	2,295	1,970
Royal Bank of Canada 3.30% 09-26-2023	Canada	Corporate - Non Convertible	2,260,000	2,260	2,263
Russel Metals Inc. 6.00% 03-16-2026 Callable 2021	Canada	Corporate - Non Convertible	1,430,000	1,430	1,443
Russell Investments US Institutional Holdings Term Loan B 1st Lien F/R 06-01-2023	United States	Term Loans	USD 855,623	1,096	1,113
Saputo Inc. 3.61% 08-14-2025 Callable 2025	Canada	Corporate - Non Convertible	620,000	620	617
Savage Enterprises LLC Term Loan B 1st Lien F/R 07-02-2025	United States	Term Loans	USD 1,606,250	2,070	2,107
Sea to Sky Highway Investment LP 2.63% 08-31-2030	Canada	Corporate - Non Convertible	635,457	635	605
Sequel Merger Sub II LLC B Term Loan 1st Lien F/R 07-02-2025	United States	Term Loans	USD 730,000	958	953
Sigma Bidco BV Term Loan B 1st Lien F/R 03-07-2025	Netherlands	Term Loans	EUR 1,590,000	2,521	2,383
Sigma US Corp. Term Loan B 1st Lien F/R 03-06-2025	Netherlands	Term Loans	USD 1,040,000	1,335	1,347
SIRVA Worldwide Inc. Term Loan 1st Lien F/R 07-31-2025	United States	Term Loans	USD 1,523,000	1,950	1,976
SIWF Holdings Inc. Term Loan 1st Lien F/R 05-25-2025	United States	Term Loans	USD 927,675	1,191	1,211
SMI Acquisition Inc. Term Loan 1st Lien F/R 10-27-2024	United States	Term Loans	USD 843,625	1,079	1,045
SNC-Lavalin Group Inc. 3.24% 03-02-2023 Callable 2023	Canada	Corporate - Non Convertible	420,000	420	415
SoftBank Group Corp. 6.13% 04-20-2025 Callable 2025	Japan	Corporate - Non Convertible	USD 1,260,000	1,581	1,659
Solenis International LP Term Loan 1st Lien F/R 12-18-2023	United States	Term Loans	USD 448,875	587	586
Source Energy Services Canada LP 10.50% 12-15-2021 Callable 2018 144A	Canada	Corporate - Non Convertible	2,793,000	2,874	2,975



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<b>BONDS (cont'd)</b>					
Spirit AeroSystems Inc. 3.95% 06-15-2023 Callable 2023	United States	Corporate - Non Convertible	USD 380,000	487	490
Sprint Capital Corp. 6.875% 11-15-2028	United States	Corporate - Non Convertible	USD 1,910,000	2,589	2,482
Sprint Corp. 7.875% 09-15-2023	United States	Corporate - Non Convertible	USD 630,000	864	878
Sprint Corp. 7.125% 06-15-2024	United States	Corporate - Non Convertible	USD 560,000	742	752
SRS Distribution Inc. Term Loan B 1st Lien F/R 05-17-2025	United States	Term Loans	USD 1,580,000	2,029	2,031
SRS Distribution Inc. 8.25% 07-01-2026 Callable 2021 144A	United States	Corporate - Non Convertible	USD 3,038,000	3,889	3,840
St. Joseph Energy Center LLC Term Loan 1st Lien F/R 04-06-2025	United States	Term Loans	USD 1,349,409	1,718	1,760
Staples Inc. Term Loan 1st Lien F/R 08-15-2024	United States	Term Loans	USD 1,246,660	1,586	1,614
Star West Generation LLC Term Loan B 1st Lien F/R 03-13-2020	United States	Term Loans	USD 2,786,517	3,093	3,536
Starfruit US Holdco LLC Term Loan B 1st Lien F/R 09-2025	United States	Term Loans	USD 1,770,000	2,273	2,297
Stars Group Holdings BV 7.00% 07-15-2026 Callable 2021 144A	Canada	Corporate - Non Convertible	USD 1,580,000	2,095	2,112
Stepstone Group LP Term Loan B 1st Lien F/R 03-19-2025	United States	Term Loans	USD 1,067,325	1,375	1,391
Sun Life Financial Inc. F/R 11-23-2027 Callable 2022	Canada	Corporate - Non Convertible	630,000	630	617
Sun Life Financial Inc. F/R 09-19-2028 Callable 2023	Canada	Corporate - Non Convertible	1,140,000	1,138	1,124
Superior Plus LP 5.25% 02-27-2024 Callable 2020	Canada	Corporate - Non Convertible	4,040,000	4,071	3,955
Superior Plus LP 7.00% 07-15-2026 Callable 2021 144A	Canada	Corporate - Non Convertible	USD 2,670,000	3,541	3,481
Syniverse Holdings Inc. Term Loan 1st Lien F/R 02-09-2023	United States	Term Loans	USD 915,400	1,140	1,189
Sysco Canada Inc. 3.65% 04-25-2025 Callable 2025	United States	Corporate - Non Convertible	810,000	811	812
Talen Energy Supply LLC 9.50% 07-15-2022 Callable 2020 144A	United States	Corporate - Non Convertible	USD 2,450,000	3,139	3,174
Talen Energy Supply LLC 10.50% 01-15-2026 Callable 2022 144A	United States	Corporate - Non Convertible	USD 540,000	674	634
Team Health Holdings Inc. 6.38% 02-01-2025 Callable 2020 144A	United States	Corporate - Non Convertible	USD 2,180,000	2,710	2,477
Telenet Finance Luxembourg Notes Sarl 5.50% 03-01-2028 Callable 2022 144A	Belgium	Corporate - Non Convertible	USD 600,000	772	736
TELUS Corp. 3.63% 03-01-2028 Callable 2027	Canada	Corporate - Non Convertible	520,000	516	511
Tenet Healthcare Corp. 6.75% 06-15-2023	United States	Corporate - Non Convertible	USD 3,230,000	4,050	4,168
Tensar International Corp. Term Loan 2nd Lien F/R 07-09-2022	United States	Term Loans	USD 927,866	981	1,115
TerraForm Power Operating LLC 5.00% 01-31-2028 Callable 2027 144A	United States	Corporate - Non Convertible	USD 3,310,000	4,249	3,993
Teva Pharmaceutical Finance Netherlands III BV 3.15% 10-01-2026 Callable	Israel	Corporate - Non Convertible	USD 620,000	644	668
Teva Pharmaceutical Industries Ltd. 2.80% 07-21-2023	Israel	Corporate - Non Convertible	USD 1,950,000	2,285	2,246
Titan Acquisition Ltd. Term Loan 1st Lien F/R 03-16-2025	United Kingdom	Term Loans	USD 2,109,799	2,666	2,655
Titan Acquisition Ltd. 7.75% 04-15-2026 Callable 2021 144A	United Kingdom	Corporate - Non Convertible	USD 3,130,000	4,098	3,531
TMX Group Ltd. 2.30% 12-11-2024 Callable 2024	Canada	Corporate - Non Convertible	350,000	351	343
TMX Group Ltd. 3.78% 06-05-2028 Callable 2028	Canada	Corporate - Non Convertible	380,000	382	382
The Toronto-Dominion Bank 3.01% 05-30-2023	Canada	Corporate - Non Convertible	690,000	690	689
The Toronto-Dominion Bank 1.91% 07-18-2023 DPNT	Canada	Corporate - Non Convertible	3,330,000	3,330	3,161
The Toronto-Dominion Bank F/R 09-14-2028 Callable 2023	Canada	Corporate - Non Convertible	1,070,000	1,070	1,067
The Toronto-Dominion Bank F/R 07-25-2029 Callable 2024	Canada	Corporate - Non Convertible	280,000	280	273
Tortoise Borrower LLC Term Loan 1st Lien F/R 11-20-2024	United States	Term Loans	USD 985,050	1,255	1,289
Tortoise Borrower LLC Term Loan 1st Lien F/R 01-31-2025	United States	Term Loans	USD 250,000	326	323
TransCanada Pipelines Ltd. 3.39% 03-15-2028 Callable 2027	Canada	Corporate - Non Convertible	1,550,000	1,549	1,519
TransCanada Trust F/R 05-18-2077 Callable 2027	Canada	Corporate - Non Convertible	1,380,000	1,380	1,308
Traverse Midstream Partners LLC Term Loan B 1st Lien F/R 09-21-2024	United States	Term Loans	USD 650,000	798	847
Trico Products Corp. Term Loan 1st Lien F/R 02-02-2024	United States	Term Loans	USD 448,350	539	583
Uber Technologies Inc. Term Loan 1st Lien F/R 03-21-2025	United States	Term Loans	USD 3,182,025	4,090	4,145
Uber Technologies Inc. Term Loan B 1st Lien F/R 07-13-2023	United States	Term Loans	USD 2,788,148	3,695	3,621
Ultra Clean Holdings Inc. Term Loan B 1st Lien F/R 08-27-2025	United States	Term Loans	USD 2,520,000	3,237	3,232



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<b>BONDS (cont'd)</b>					
Unimin Corp. Term Loan 1st Lien F/R 05-21-2025	United States	Term Loans	USD 674,310	868	826
Union Gas Ltd. 3.59% 11-22-2047 Callable 2047	Canada	Corporate - Non Convertible	720,000	719	693
United States Treasury 2.25% 11-15-2027	United States	Foreign Governments	USD 1,420,000	1,792	1,718
United States Treasury 3.00% 02-15-2048	United States	Foreign Governments	USD 7,360,000	9,227	9,175
Ventas Canada Finance Ltd. 2.55% 03-15-2023 Callable 2023	United States	Corporate - Non Convertible	1,310,000	1,307	1,264
VeriFone Systems Inc. Term Loan 1st Lien F/R 08-09-2025	United States	Term Loans	USD 1,050,000	1,362	1,367
Verizon Communications Inc. 2.63% 08-15-2026 Callable 2026	United States	Corporate - Non Convertible	USD 5,490,000	7,222	6,438
Verra Mobility Corp. Term Loan B 1st Lien F/R 03-01-2025	United States	Term Loans	USD 120,000	159	156
Vertex Aerospace Services Corp. Term Loan B 1st Lien F/R 06-14-2025	United States	Term Loans	USD 887,775	1,157	1,160
Vesta Energy Corp. 8.13% 07-24-2023 Callable 2020 144A	Canada	Corporate - Non Convertible	1,470,000	1,466	1,458
Videotron Ltee 5.625% 06-15-2025 Callable 2025	Canada	Corporate - Non Convertible	5,997,000	6,008	6,232
Videotron Ltee 5.75% 01-15-2026 Callable 2020	Canada	Corporate - Non Convertible	1,100,000	1,100	1,137
Vistage Worldwide Inc. Term Loan 1st Lien F/R 02-01-2025	United States	Term Loans	USD 564,307	705	734
Vodafone Group PLC 3.75% 01-16-2024	United Kingdom	Corporate - Non Convertible	USD 310,000	394	397
VVC Holding Corp. Term Loan 1st Lien F/R 07-03-2025	United States	Term Loans	USD 1,900,000	2,446	2,428
Vyair Medical Inc. Term Loan B 1st Lien F/R 04-06-2025	United States	Term Loans	USD 778,050	939	990
W/S Packaging Holdings Inc. 9.00% 04-15-2023 Callable 2020 144A	United States	Corporate - Non Convertible	USD 3,190,000	4,122	4,267
WellDyneDx Inc. Term Loan 1st Lien F/R 08-16-2022	United States	Term Loans	USD 1,713,925	2,139	2,198
Wells Fargo & Co. 2.98% 05-19-2026	United States	Corporate - Non Convertible	3,790,000	3,790	3,593
Welltower Inc. 4.25% 04-15-2028 Callable 2028	United States	Corporate - Non Convertible	USD 380,000	486	484
Werner FinCo LP Term Loan 1st Lien F/R 06-23-2024	United States	Term Loans	USD 1,652,641	2,119	2,137
Western Dental Services Inc. Term Loan B 1st Lien F/R 06-23-2023	United States	Term Loans	USD 1,303,500	1,712	1,693
WeWork Companies Inc. 7.88% 05-01-2025 144A	United States	Corporate - Non Convertible	USD 1,120,000	1,432	1,407
Williams Scotsman International Inc. 7.88% 12-15-2022 Callable 2019 144A	United States	Corporate - Non Convertible	USD 1,415,000	1,815	1,892
Wind Tre SPA 5.00% 01-20-2026 Callable 2020	Italy	Corporate - Non Convertible	USD 780,000	882	868
Windstream Services LLC Term Loan B6 1st Lien F/R 03-16-2021	United States	Term Loans	USD 1,182,796	1,447	1,465
Yak Access LLC Term Loan B 1st Lien F/R 06-26-2025	United States	Term Loans	USD 2,340,000	2,985	2,926
YRC Worldwide Inc. Term Loan 1st Lien F/R 07-21-2022	United States	Term Loans	USD 813,899	1,010	1,072
Zotec Partners LLC Term Loan 1st Lien F/R 02-09-2024	United States	Term Loans	USD 1,743,465	2,172	2,259
<b>Total bonds</b>				<b>729,673</b>	<b>730,964</b>
<b>EQUITIES</b>					
Aena SA	Spain	Industrials	27,300	6,932	6,123
Air Liquide SA	France	Materials	54,785	7,232	9,312
Alibaba Group Holding Ltd. ADR	China	Information Technology	14,600	3,604	3,109
Alimentation Couche-Tard Inc. Class B Sub. voting	Canada	Consumer Staples	187,700	6,705	12,127
Allergan PLC	United States	Health Care	39,000	9,988	9,600
Allied Properties Real Estate Investment Trust	Canada	Real Estate	121,514	4,030	5,237
Alphabet Inc. Class A	United States	Information Technology	2,900	1,727	4,524
AltaGas Ltd. Pfd. Series K	Canada	Energy	103,533	2,591	2,519
Altria Group Inc.	United States	Consumer Staples	75,406	3,939	5,877
Amazon.com Inc.	United States	Consumer Discretionary	3,200	3,471	8,283
Apple Inc.	United States	Information Technology	23,900	1,976	6,972
ARC Resources Ltd.	Canada	Energy	500,912	10,079	7,213
Atlantia SPA	Italy	Industrials	164,000	4,854	4,397
Atlas Copco AB A	Sweden	Industrials	107,200	3,110	3,992



**MACKENZIE**  
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# MACKENZIE STRATEGIC INCOME FUND

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BALANCED FUND

## SCHEDULE OF INVESTMENTS (cont'd)

As at September 30, 2018

	Country	Sector	Par Value/ No. of Shares/Units	Average Cost (\$ 000s)	Fair Value (\$ 000s)
<b>EQUITIES (cont'd)</b>					
B3 SA- Brasil Bolsa Balcao	Brazil	Financials	436,031	3,569	3,261
Bank of Montreal	Canada	Financials	69,400	7,060	7,394
The Bank of Nova Scotia	Canada	Financials	488,761	32,224	37,630
Bayer AG	Germany	Health Care	71,456	9,631	8,202
Becton, Dickinson and Co.	United States	Health Care	35,153	4,787	11,857
Brenntag AG	Germany	Industrials	59,043	4,009	4,709
British American Tobacco PLC	United Kingdom	Consumer Staples	116,800	7,178	7,050
Broadcom Inc.	United States	Information Technology	26,600	8,067	8,481
Brookfield Asset Management Inc. Class A limited voting	Canada	Financials	158,347	5,109	9,103
Brookfield Asset Management Inc. Pfd. Series 46	Canada	Real Estate	81,354	2,049	2,109
Brookfield Asset Management Inc. Pfd. Series 48	Canada	Real Estate	56,216	1,407	1,440
Brookfield Renewable Partners LP Pfd. Series 11	Canada	Utilities	156,954	3,931	3,916
Canadian Imperial Bank of Commerce	Canada	Financials	40,119	3,351	4,856
Canadian National Railway Co.	Canada	Industrials	80,953	8,097	9,382
Canadian Natural Resources Ltd.	Canada	Energy	428,152	16,150	18,068
Canadian Pacific Railway Ltd.	Canada	Industrials	62,000	11,893	16,940
Chemtrade Logistics Income Fund	Canada	Materials	383,163	6,948	5,928
China Mobile Ltd.	China	Telecommunication Services	284,100	3,845	3,618
Cielo SA	Brazil	Information Technology	206,735	2,257	809
Cisco Systems Inc.	United States	Information Technology	43,200	2,052	2,716
CME Group Inc.	United States	Financials	37,400	3,755	8,227
Compagnie Financiere Richemont SA	Switzerland	Consumer Discretionary	47,400	4,924	4,994
Crescent Point Energy Corp.	Canada	Energy	619,200	12,581	5,090
Dentsply Sirona Inc.	United States	Health Care	138,000	8,573	6,730
Deutsche Boerse AG	Germany	Financials	57,400	5,111	9,938
Diageo PLC	United Kingdom	Consumer Staples	80,300	2,880	3,677
Emera Inc.	Canada	Utilities	305,863	14,046	12,283
Enbridge Inc.	Canada	Energy	428,459	21,135	17,858
EnCana Corp.	Canada	Energy	211,300	3,573	3,577
Equifax Inc.	United States	Industrials	37,900	4,616	6,395
Facebook Inc.	United States	Information Technology	18,500	4,154	3,932
Fanuc Corp.	Japan	Industrials	13,200	2,788	3,217
Fortis Inc.	Canada	Utilities	260,504	9,559	10,910
Goldcorp Inc.	Canada	Materials	332,148	8,090	4,371
Great-West Lifeco Inc.*	Canada	Financials	101,000	3,081	3,165
H&R Real Estate Investment Trust	Canada	Real Estate	208,831	4,565	4,149
Harley-Davidson Inc.	United States	Consumer Discretionary	85,300	5,373	4,994
Heineken Holding NV A	Netherlands	Consumer Staples	53,100	5,561	6,214
Honeywell International Inc.	United States	Industrials	27,200	2,878	5,849
HSBC Holdings PLC	United Kingdom	Financials	576,300	6,538	6,500
Industrial Alliance Insurance and Financial Services Inc.	Canada	Financials	127,348	6,759	6,578
Intact Financial Corp.	Canada	Financials	74,495	5,952	8,001
Japan Exchange Group Inc.	Japan	Financials	253,200	4,947	5,703
Johnson & Johnson	United States	Health Care	43,700	4,468	7,803
Johnson Controls International PLC	United States	Industrials	52,500	2,945	2,375
JPMorgan Chase & Co.	United States	Financials	65,800	5,980	9,595
Kao Corp.	Japan	Consumer Staples	46,100	3,513	4,811
Keyera Corp.	Canada	Energy	127,743	4,808	4,421
Killam Apartment Real Estate Investment Trust	Canada	Real Estate	281,491	3,427	4,540



**MACKENZIE**  
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# MACKENZIE STRATEGIC INCOME FUND

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## SCHEDULE OF INVESTMENTS (cont'd)

As at September 30, 2018

	Country	Sector	Par Value/ No. of Shares/Units	Average Cost (\$ 000s)	Fair Value (\$ 000s)
<b>EQUITIES (cont'd)</b>					
Kinder Morgan Inc.	United States	Energy	317,200	8,100	7,268
Koninklijke Philips NV	Netherlands	Health Care	143,101	5,882	8,423
The Kraft Heinz Co.	United States	Consumer Staples	41,600	3,710	2,963
Kweichow Moutai Co. Ltd.	China	Consumer Staples	31,962	1,072	4,390
Loblaw Companies Ltd.	Canada	Consumer Staples	170,843	9,419	11,337
Lockheed Martin Corp.	United States	Industrials	15,400	2,422	6,885
LogMeIn Inc.	United States	Information Technology	6,300	972	725
London Stock Exchange Group PLC	United Kingdom	Financials	61,300	4,624	4,734
Magna International Inc.	Canada	Consumer Discretionary	68,839	3,630	4,671
Manulife Financial Corp.	Canada	Financials	909,484	20,186	21,000
Marine Harvest ASA	Norway	Consumer Staples	147,600	3,416	4,418
McDonald's Corp.	United States	Consumer Discretionary	22,436	2,169	4,850
Micro Focus International PLC	United Kingdom	Information Technology	282,592	8,816	6,803
Microsoft Corp.	United States	Information Technology	88,898	3,838	13,139
Moody's Corp.	United States	Financials	30,100	3,724	6,504
Nasdaq Inc.	United States	Financials	38,600	3,623	4,280
Nestlé SA Reg.	Switzerland	Consumer Staples	90,400	7,561	9,741
New Oriental Education & Technology Group Inc. ADR	China	Consumer Discretionary	32,000	3,419	3,061
Nidec Corp.	Japan	Industrials	18,900	2,768	3,514
Nike Inc. Class B	United States	Consumer Discretionary	26,425	1,803	2,893
Nokia OYJ	Finland	Information Technology	600,600	4,830	4,304
Northern Trust Corp.	United States	Financials	34,300	4,859	4,527
Northland Power Inc.	Canada	Utilities	171,575	3,362	3,723
Novo Nordisk AS B	Denmark	Health Care	103,600	4,835	6,302
Nutrien Ltd.	Canada	Materials	100,127	5,126	7,467
Oaktree Capital Group LLC	United States	Financials	116,005	7,205	6,206
Occidental Petroleum Corp.	United States	Energy	65,500	5,886	6,955
Open Text Corp.	Canada	Information Technology	135,563	5,740	6,663
Oracle Corp.	United States	Information Technology	69,440	2,860	4,627
Pembina Pipeline Corp.	Canada	Energy	283,391	9,537	12,438
Pernod Ricard SA*	France	Consumer Staples	16,100	2,184	3,413
Philip Morris International Inc.	United States	Consumer Staples	79,700	7,695	8,398
Pure Multi-Family REIT LP	Canada	Real Estate	332,566	2,934	2,860
Quebecor Inc. Class B Sub. voting	Canada	Consumer Discretionary	123,168	3,170	3,190
RioCan Real Estate Investment Trust	Canada	Real Estate	173,855	4,334	4,291
Roche Holding AG Genusscheine	Switzerland	Health Care	18,700	5,771	5,855
Rogers Communications Inc. Class B non-voting	Canada	Telecommunication Services	135,092	5,767	8,974
Royal Bank of Canada	Canada	Financials	370,105	24,889	38,321
Sabre Corp.	United States	Information Technology	213,357	5,789	7,191
Safran SA	France	Industrials	68,600	6,182	12,422
Sands China Ltd.	Hong Kong	Consumer Discretionary	836,073	6,225	4,893
SAP AG	Germany	Information Technology	41,500	3,417	6,600
Schlumberger Ltd.	United States	Energy	53,700	4,886	4,228
Shaw Communications Inc. Class B non-voting	Canada	Consumer Discretionary	747,534	19,383	18,815
The Sherwin-Williams Co.	United States	Materials	14,100	5,365	8,295
Sika AG	Switzerland	Materials	24,200	4,355	4,554
SNC-Lavalin Group Inc.	Canada	Industrials	157,343	7,701	8,287
Sony Corp.	Japan	Consumer Discretionary	43,300	2,884	3,431
Starbucks Corp.	United States	Consumer Discretionary	107,200	7,538	7,874



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## SCHEDULE OF INVESTMENTS (cont'd)

As at September 30, 2018

	Country	Sector	Par Value/ No. of Shares/Units	Average Cost (\$ 000s)	Fair Value (\$ 000s)
<b>EQUITIES (cont'd)</b>					
Stella-Jones Inc.	Canada	Materials	21,300	865	921
Suncor Energy Inc.	Canada	Energy	141,059	4,884	7,050
Taiwan Semiconductor Manufacturing Co. Ltd.	Taiwan	Information Technology	530,600	4,869	5,908
TELUS Corp.	Canada	Telecommunication Services	247,669	11,398	11,792
Tencent Holdings Ltd.	China	Information Technology	78,600	2,925	4,194
Texas Instruments Inc.	United States	Information Technology	38,900	4,849	5,394
Thomson Reuters Corp.	Canada	Financials	82,816	4,617	4,881
The Toronto-Dominion Bank	Canada	Financials	535,457	24,288	42,028
TransAlta Corp. Pfd. Series A	Canada	Utilities	152,894	2,064	2,394
TransCanada Corp. Pfd. Series 15	Canada	Energy	217,280	5,481	5,667
TransCanada Corp.	Canada	Energy	313,882	17,203	16,403
Unilever NV CVA	United Kingdom	Consumer Staples	73,400	3,271	5,282
United Technologies Corp.	United States	Industrials	45,300	7,353	8,185
Visa Inc. Class A	United States	Information Technology	36,400	2,743	7,060
Walgreens Boots Alliance Inc.	United States	Consumer Staples	39,000	3,334	3,674
Wells Fargo & Co.	United States	Financials	111,324	5,944	7,562
Westcoast Energy Inc. 5.20% Cum. Red. First Pfd. Series 12	Canada	Utilities	38,220	961	980
<b>Total equities</b>				<b>783,344</b>	<b>938,729</b>
<b>OPTIONS</b>					
Options purchased (see schedule of options purchased)			86,027,349	968	231
<b>Total options</b>				<b>968</b>	<b>231</b>
<b>EXCHANGE-TRADED FUNDS/NOTES</b>					
iShares S&P/TSX 60 Index ETF	Canada	Exchange-Traded Funds/Notes	548,000	13,388	13,119
Mackenzie Global High Yield Fixed Income ETF	Canada	Exchange-Traded Funds/Notes	6,342,884	130,081	123,814
Mackenzie US Investment Grade Corporate Bond Index ETF (CAD-Hedged)	Canada	Exchange-Traded Funds/Notes	163,457	16,257	15,966
<b>Total exchange-traded funds/notes</b>				<b>159,726</b>	<b>152,899</b>
<b>MUTUAL FUNDS</b>					
Mackenzie Canadian Short Term Income Fund Series R	Canada	Mutual Funds	5,000,000	50,000	49,955
Mackenzie Global Tactical Bond Fund Series R	Canada	Mutual Funds	1,166,293	11,649	10,895
Mackenzie International Dividend Fund Series R	Canada	Mutual Funds	454,723	4,560	5,263
<b>Total mutual funds</b>				<b>66,209</b>	<b>66,113</b>
Transaction costs				(764)	—
<b>Total investments</b>				<b>1,739,156</b>	<b>1,888,936</b>
Derivative instruments (see schedule of derivative instruments)					7,489
Liability for options written (see schedule of options written)					(3)
Cash and cash equivalents					14,198
Other assets less liabilities					(23,886)
<b>Total net assets</b>					<b>1,886,734</b>

\* Related to Mackenzie. See Note 1.



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# MACKENZIE STRATEGIC INCOME FUND

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## SUMMARY OF INVESTMENT PORTFOLIO

September 30, 2018		March 31, 2018	
Effective Portfolio Allocation	% of NAV	Effective Portfolio Allocation	% of NAV
Equities	50.6	Equities	49.7
Bonds	45.5	Bonds	48.9
<i>Bonds</i>	45.5	<i>Bonds</i>	48.9
<i>Short futures</i>	0.0	<i>Purchased options</i>	0.0
<i>Purchased options</i>	0.0	<i>Short futures</i>	(0.0)
Mutual funds	3.5	Cash and short-term investments	1.8
Cash and short-term investments	1.3	Exchange-traded funds/notes	0.9
Purchased currency options	0.0	Other assets (liabilities)	(1.3)
Written currency options	(0.0)		
Other assets (liabilities)	(0.9)		
Effective Regional Allocation	% of NAV	Effective Regional Allocation	% of NAV
Canada	46.0	Canada	44.7
United States	37.4	United States	37.6
Other	3.8	Other	4.3
United Kingdom	3.1	United Kingdom	3.4
France	1.7	Cash and short-term investments	1.8
Germany	1.6	Netherlands	1.8
Netherlands	1.5	France	1.6
Switzerland	1.4	Germany	1.6
Japan	1.3	Switzerland	1.4
Cash and short-term investments	1.3	Japan	1.1
China	1.0	China	0.9
Brazil	0.4	Brazil	0.6
Italy	0.4	Hong Kong	0.5
Other assets (liabilities)	(0.9)	Other assets (liabilities)	(1.3)
Effective Sector Allocation	% of NAV	Effective Sector Allocation	% of NAV
Corporate bonds	25.8	Corporate bonds	26.8
Term loans	16.2	Term loans	16.0
Financials	14.3	Financials	14.8
Energy	6.6	Energy	6.2
Other	5.9	Industrials	6.0
Industrials	5.5	Other	5.7
Information technology	5.5	Information technology	5.3
Consumer staples	5.0	Consumer staples	4.7
Consumer discretionary	3.9	Federal bonds	3.6
Mutual funds	3.5	Consumer discretionary	3.5
Health care	3.4	Health care	3.2
Materials	2.2	Utilities	1.9
Utilities	1.8	Materials	1.8
Cash and short-term investments	1.3	Cash and short-term investments	1.8
Other assets (liabilities)	(0.9)	Other assets (liabilities)	(1.3)

The effective allocation shows the portfolio, regional or sector exposure of the Fund calculated by combining its direct and indirect investments.

# MACKENZIE STRATEGIC INCOME FUND

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## SCHEDULE OF OPTIONS PURCHASED

As at September 30, 2018

Underlying Interest	Number of Contracts	Option Type	Expiration Date	Strike Price \$	Premium Paid (\$ 000s)	Fair Value (\$ 000s)
Currency Call Option AUD/USD	24,853,000	Call	Oct. 02, 2018	USD 0.73	33	1
Currency Call Option AUD/USD	18,640,000	Call	Oct. 02, 2018	USD 0.74	19	–
Currency Call Option USD/CAD	25,820,000	Call	Oct. 05, 2018	CAD 1.33	74	1
Currency Call Option USD/CAD	8,610,000	Call	Oct. 05, 2018	CAD 1.33	24	–
iShares iBoxx \$ High Yield Corporate Bond ETF	2,473	Put	Nov. 16, 2018	USD 84.00	455	53
Currency Call Option EUR/NOK	8,100,000	Call	Dec. 14, 2018	NOK 9.30	112	52
iShares iBoxx \$ High Yield Corporate Bond ETF	1,876	Put	Jan. 18, 2019	USD 84.00	251	124
<b>Total options</b>					<b>968</b>	<b>231</b>

## SCHEDULE OF OPTIONS WRITTEN

As at September 30, 2018

Underlying Interest	Number of Contracts	Option Type	Expiration Date	Strike Price \$	Premium Received (\$ 000s)	Fair Value (\$ 000s)
Currency Written Call Option EUR/NOK	(8,100,000)	Written Call	Dec. 14, 2018	NOK 8.90	(16)	(3)
<b>Total options</b>					<b>(16)</b>	<b>(3)</b>



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# MACKENZIE STRATEGIC INCOME FUND

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## SCHEDULE OF DERIVATIVE INSTRUMENTS

As at September 30, 2018

### Schedule of Futures Contracts

Number of Contracts	Type of Contract	Expiration Date	Average Rate of Contracts (\$)	Notional Value* (\$ 000s)	Unrealized Gains (\$ 000s)	
(18)	10 Year Japanese Government Bond (OSE) Futures	December 2018	Dec. 13, 2018	150.24 JPY	(30,735)	31
(267)	10 Year United States Treasury Note Futures	December 2018	Dec. 19, 2018	119.99 USD	(40,985)	418
Unrealized Gains				(71,720)	449	
<b>Total futures contracts</b>				<b>(71,720)</b>	<b>449</b>	

\*Notional value represents the exposure to the underlying instruments as at September 30, 2018

### Schedule of Forward Currency Contracts

Counterparty Credit Rating	Bought (\$ 000s)	Sold (\$ 000s)	Settlement Date	Contract Cost (\$ 000s)	Current Fair Value (\$ 000s)	Unrealized Gains (Losses) (\$ 000s)		
AA	30,718	Canadian dollar	(23,500)	U.S. dollar	Oct. 5, 2018	(30,718)	(30,360)	358
A	35,652	Canadian dollar	(27,328)	U.S. dollar	Oct. 19, 2018	(35,652)	(35,285)	367
AA	44,087	Canadian dollar	(33,200)	U.S. dollar	Oct. 19, 2018	(44,087)	(42,867)	1,220
AA	71,453	Canadian dollar	(54,050)	U.S. dollar	Oct. 26, 2018	(71,453)	(69,767)	1,686
A	3,281	Canadian dollar	(2,119)	Euro	Nov. 2, 2018	(3,281)	(3,184)	97
AA	3,573	Canadian dollar	(2,740)	U.S. dollar	Nov. 9, 2018	(3,573)	(3,536)	37
AA	1,199	Canadian dollar	(784)	Euro	Nov. 9, 2018	(1,199)	(1,178)	21
AA	801	Canadian dollar	(520)	Euro	Nov. 9, 2018	(801)	(782)	19
AA	28,018	Canadian dollar	(21,330)	U.S. dollar	Nov. 9, 2018	(28,018)	(27,524)	494
AA	53,218	Canadian dollar	(40,485)	U.S. dollar	Nov. 30, 2018	(53,218)	(52,221)	997
AA	54,428	Canadian dollar	(42,000)	U.S. dollar	Nov. 30, 2018	(54,428)	(54,175)	253
AA	5,976	Canadian dollar	(4,555)	U.S. dollar	Nov. 30, 2018	(5,976)	(5,875)	101
AA	3,570	Canadian dollar	(2,740)	U.S. dollar	Dec. 7, 2018	(3,570)	(3,534)	36
AA	91,505	Canadian dollar	(70,178)	U.S. dollar	Dec. 14, 2018	(91,505)	(90,485)	1,020
AA	24,521	Canadian dollar	(18,670)	U.S. dollar	Dec. 14, 2018	(24,521)	(24,072)	449
Unrealized Gains						7,155		
AA	8,000	U.S. dollar	(10,428)	Canadian dollar	Oct. 26, 2018	10,428	10,327	(101)
AA	930	U.S. dollar	(1,206)	Canadian dollar	Nov. 30, 2018	1,206	1,199	(7)
AA	930	U.S. dollar	(1,206)	Canadian dollar	Dec. 7, 2018	1,206	1,199	(7)
Unrealized (Losses)						(115)		
<b>Total forward currency contracts</b>						<b>7,040</b>		
<b>Total derivative instruments at fair value</b>						<b>7,489</b>		



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## NOTES TO FINANCIAL STATEMENTS

### 1. Fiscal Periods and General Information

The information provided in these financial statements and notes thereto is for the six-month periods ended or as at September 30, 2018 and 2017, except for the comparative information presented in the Statements of Financial Position and notes thereto, which is as at March 31, 2018, as applicable. In the year a Fund or series is established or reinstated, 'period' represents the period from inception or reinstatement. Refer to Note 9 for the formation date of the Fund and the inception date of each series.

The Fund is organized as an open-ended mutual fund trust established under the laws of the Province of Ontario pursuant to a Declaration of Trust as amended and restated from time to time. The address of the Fund's registered office is 180 Queen Street West, Toronto, Ontario, Canada. The Fund is authorized to issue an unlimited number of units (referred to as "security" or "securities") of multiple series. Series of the Fund are available for sale under Simplified Prospectus or exempt distribution options.

Mackenzie Financial Corporation ("Mackenzie") is the manager of the Fund and is wholly owned by IGM Financial Inc., a subsidiary of Power Financial Corporation, which itself is a subsidiary of Power Corporation of Canada. The Great-West Life Assurance Company, London Life Insurance Company and The Canada Life Assurance Company (collectively, the "Related Insurance Companies") are wholly owned by Great-West Lifeco Inc., which is also a subsidiary of Power Financial Corporation. Investments in companies within the Power Group of companies held by the Fund are identified in the Schedule of Investments.

### 2. Basis of Preparation and Presentation

These unaudited interim financial statements ("financial statements") have been prepared in accordance with International Financial Reporting Standards ("IFRS"), including international Accounting Standard ("IAS") 34, *Interim Financial Reporting*, as issued by the International Accounting Standards Board ("IASB"). These financial statements were prepared using the same accounting policies, critical accounting judgements and estimates as applied in the Fund's most recent audited annual financial statements for the year ended March 31, 2018. A summary of the Fund's significant accounting policies under IFRS is presented in Note 3.

These financial statements are presented in Canadian dollars, which is the Fund's functional and presentation currency, and rounded to the nearest thousand unless otherwise indicated. These financial statements are prepared on a going concern basis using the historical cost basis, except for financial assets and liabilities that have been measured at fair value.

These financial statements were authorized for issue by the Board of Directors of Mackenzie Financial Corporation on November 13, 2018.

Standards issued but not yet effective for the current accounting year, as applicable, are described in Note 3.

### 3. Significant Accounting Policies

#### (a) Financial instruments

Financial instruments include financial assets and liabilities such as debt and equity securities, open-ended investment funds and derivatives. The Fund classifies and measures financial instruments in accordance with IFRS 9, *Financial Instruments* ("IFRS 9"). Upon initial recognition, financial instruments are classified as fair value through profit or loss ("FVTPL"). All financial instruments are recognized in the Statement of Financial Position when the Fund becomes a party to the contractual requirements of the instrument. Financial assets are derecognized when the right to receive cash flows from the instrument has expired or the Fund has transferred substantially all risks and rewards of ownership. Financial liabilities are derecognized when the obligation is discharged, cancelled and expires. As such, investment purchase and sale transactions are recorded as of the trade date.

Financial instruments are subsequently measured at FVTPL with changes in fair value recognized in the Statement of Comprehensive Income – Other changes in fair value of investments and other net assets – Net unrealized gain (loss).

The Fund's redeemable securities contain multiple dissimilar contractual obligations and therefore meet the criteria for classification as financial liabilities under IAS 32, *Financial Instruments: Presentation*. The Fund's obligation for net assets attributable to securityholders is presented at the redemption amount.

IAS 7, *Statement of Cash Flows*, requires disclosures related to changes in liabilities and assets, such as the securities of the Fund, arising from financing activities. Changes in securities of the Fund, including both changes from cash flows and non-cash changes, are included in the Statement of Changes in Financial Position. Any changes in the securities not settled in cash as at the end of the period are presented as either Accounts receivable for securities issued or Accounts payable for securities redeemed in the Statement of Financial Position. These accounts receivable and accounts payable amounts typically settle shortly after year-end.

Realized and unrealized gains and losses on investments are calculated based on the weighted average cost of investments and exclude commissions and other portfolio transaction costs, which are separately reported in the Statement of Comprehensive Income – Commissions and other portfolio transaction costs.

## NOTES TO FINANCIAL STATEMENTS

### 3. Significant Accounting Policies (cont'd)

#### (a) Financial instruments (cont'd)

Gains and losses arising from changes in the fair value of the investments are included in the Statement of Comprehensive Income for the period in which they arise.

The Fund accounts for its holdings in unlisted open-ended investment funds and exchange-traded funds, if any, at FVTPL. Mackenzie has concluded that any unlisted open-ended investment fund and exchange-traded funds in which the Fund invests, do not meet either the definition of a structured entity or the definition of an associate.

#### (b) Fair value measurement

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Investments listed on a public securities exchange or traded on an over-the-counter market are valued on the basis of the last traded market price or close price recorded by the security exchange on which the security is principally traded, where this price falls within the quoted bid-ask spread for the investment. In circumstances where this price is not within the bid-ask spread, Mackenzie determines the point within the bid-ask spread that is most representative of fair value based on the specific facts and circumstances. Mutual fund securities of an underlying fund are valued on a business day at the price calculated by the manager of such underlying fund in accordance with the constating documents of such underlying fund. Unlisted or non-exchange traded investments, or investments where a last sale or close price is unavailable or investments for which market quotations are, in Mackenzie's opinion, inaccurate, unreliable, or not reflective of all available material information, are valued at their fair value as determined by Mackenzie using appropriate and accepted industry valuation techniques including valuation models. The fair value determined using valuation models requires the use of inputs and assumptions based on observable market data including volatility and other applicable rates or prices. In limited circumstances, the fair value may be determined using valuation techniques that are not supported by observable market data.

The cost of investments is determined on a weighted average cost basis.

Cash and cash equivalents which includes cash on deposit with financial institutions and short-term investments that are readily convertible to cash, are subject to an insignificant risk of changes in value, and are used by the Fund in the management of short-term commitments. Cash and cash equivalents are reported at fair value which closely approximates their amortized cost due to their nature of being highly liquid and having short terms to maturity. Bank overdraft positions are presented under current liabilities as bank indebtedness in the Statement of Financial Position.

The Fund may use derivatives (such as written options, futures, forward contracts, swaps or customized derivatives) to hedge against losses caused by changes in securities prices, interest rates or exchange rates. The Fund may also use derivatives for non-hedging purposes in order to invest indirectly in securities or financial markets, to gain exposure to other currencies, to seek to generate additional income, and/or for any other purpose considered appropriate by the Fund's portfolio manager(s), provided that the use of the derivative is consistent with the Fund's investment objectives. Any use of derivatives will comply with Canadian mutual fund laws, subject to the regulatory exemptions granted to the Fund, as applicable. Refer to "Exemptions from National Instrument 81-102" in the Annual Information Form of the Fund for further details, including the complete conditions of these exemptions, as applicable.

Valuations of derivative instruments are carried out daily, using normal exchange reporting sources for exchange-traded derivatives and specific broker enquiry for over-the-counter derivatives.

The value of forward contracts is the gain or loss that would be realized if, on the valuation date, the positions were to be closed out. The change in value of forward contracts is included in the Statement of Comprehensive Income – Other changes in fair value of investments and other net assets – Net unrealized gain (loss).

The value of futures contracts or swaps fluctuates daily, and cash settlements made daily, where applicable, by the Fund are equal to the unrealized gains or losses on a "mark to market" basis. These unrealized gains or losses are recorded and reported as such until the Fund closes out the contract or the contract expires. Margin paid or deposited in respect of futures contracts or swaps is reflected as a receivable in the Statement of Financial Position – Margin on futures contracts or swaps. Any change in the variation margin requirement is settled daily.

Premiums received from writing options are included in the Statement of Financial Position as a liability and subsequently adjusted daily to fair value. If a written option expires unexercised, the premium received is recognized as a realized gain. If a written call option is exercised, the difference between the proceeds of the sale plus the value of the premium, and the cost of the security is recognized as a realized gain or loss. If a written put option is exercised, the cost of the security acquired is the exercise price of the option less the premium received.

Refer to the Schedule of Derivative Instruments and Schedule of Options Purchased/Written, as applicable, included in the Schedule of Investments for a listing of derivative and options positions as at September 30, 2018.

## NOTES TO FINANCIAL STATEMENTS

### 3. Significant Accounting Policies (cont'd)

(c) Income recognition

Interest income from interest bearing investments is recognized using the effective interest method. Dividends are accrued as of the ex-dividend date. Realized gains or losses on the sale of investments, including foreign exchange gains or losses on such investments, are calculated on an average cost basis. Distributions received from an underlying fund are included in interest income, dividend income, realized gains (losses) on sale of investments or fee rebate income, as appropriate.

Income, realized gains (losses) and unrealized gains (losses) are allocated daily among the series on a pro-rata basis.

(d) Commissions and other portfolio transaction costs

Commissions and other portfolio transaction costs are costs incurred to acquire, issue or dispose of financial assets or liabilities. They include fees and commissions paid to agents, advisers, brokers and dealers. Commissions may be paid to brokerage firms which provide (or pay for) certain services, other than order execution, which may include investment research, analysis and reports, and databases or software in support of these services. Where applicable and ascertainable, the value of third-party services that were paid for by brokers during the periods is disclosed in Note 9. The value of certain proprietary services provided by brokers cannot be reasonably estimated.

(e) Securities lending, repurchase and reverse repurchase transactions

The Fund is permitted to enter into securities lending, repurchase and reverse repurchase transactions as set out in the Fund's Simplified Prospectus. These transactions involve the temporary exchange of securities for collateral with a commitment to redeliver the same securities on a future date.

Securities lending transactions are administered by Canadian Imperial Bank of Commerce (the "Securities Lending Agent"). The value of cash or securities held as collateral must be at least 102% of the fair value of the securities loaned, sold or purchased. Income is earned from these transactions in the form of fees paid by the counterparty and, in certain circumstances, interest paid on cash or securities held as collateral. Income earned from these transactions is included in the Statement of Comprehensive Income – Securities lending income and recognized when earned.

Note 9 summarizes the details of securities loaned and collateral received, as well as a reconciliation of securities lending income, if applicable.

(f) Offsetting

Financial assets and liabilities are offset and the net amount reported in the Statement of Financial Position only when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously. In the normal course of business, the Fund enters into various master netting agreements or similar agreements that do not meet the criteria for offsetting in the Statement of Financial Position but still allow for the related amounts to be set off in certain circumstances, such as bankruptcy or termination of the contracts. Note 9 summarizes the details of such offsetting, if applicable.

Income and expenses are not offset in the Statement of Comprehensive Income unless required or permitted to by an accounting standard, as specifically disclosed in the IFRS policies of the Fund.

(g) Foreign currency

The functional and presentation currency of the Fund is Canadian dollars. Foreign currency purchases and sales of investments and foreign currency dividend and interest income and expenses are translated to Canadian dollars at the rate of exchange prevailing at the time of the transactions.

Foreign exchange gains (losses) on purchases and sales of foreign currencies are included in the Statement of Comprehensive Income – Other changes in fair value of investments and other net assets – Net realized gain (loss).

The fair value of investments and other assets and liabilities, denominated in foreign currencies, are translated to Canadian dollars at the rate of exchange prevailing on each business day.

(h) Net assets attributable to securityholders per security

Net assets attributable to securityholders per security is computed by dividing the net assets attributable to securityholders of a series of securities on a business day by the total number of securities of the series outstanding on that day.

(i) Net asset value per security

The daily Net Asset Value ("NAV") of an investment fund may be calculated without reference to IFRS as per the Canadian Securities Administrators' ("CSA") regulations. The difference between NAV and Net assets attributable to securityholders (as reported in the financial statements), if any, is mainly due to differences in fair value of investments and other financial assets and liabilities. Refer to Note 9 for the Fund's NAV per security.

## NOTES TO FINANCIAL STATEMENTS

### 3. Significant Accounting Policies (cont'd)

(j) Increase (decrease) in net assets attributable to securityholders from operations per security

Increase (decrease) in net assets attributable to securityholders from operations per security in the Statement of Comprehensive Income represents the increase (decrease) in net assets attributable to securityholders from operations for the period, divided by the weighted average number of securities outstanding during the period.

(k) Mergers

The Fund applies the acquisition method of accounting for Fund mergers. Under this method, one of the Funds in each merger is identified as the acquiring Fund, and is referred to as the Continuing Fund, and the other Fund involved in the merger is referred to as the Terminated Fund. This identification is based on the comparison of the relative net asset values of the Funds as well as consideration of the continuation of such aspects of the Continuing Fund as: investment advisors; investment objectives and practices; type of portfolio securities; and management fees and expenses.

### 4. Critical Accounting Estimates and Judgments

The preparation of these financial statements requires management to make estimates and assumptions that primarily affect the valuation of investments. Estimates and assumptions are reviewed on an ongoing basis. Actual results may differ from these estimates.

#### Use of Estimates

##### *Fair value of securities not quoted in an active market*

The Fund may hold financial instruments that are not quoted in active markets and are valued using valuation techniques that make use of observable data, to the extent practicable. Various valuation techniques are utilized, depending on a number of factors, including comparison with similar instruments for which observable market prices exist and recent arm's length market transactions. Key inputs and assumptions used are company specific and may include estimated discount rates and expected price volatilities. Changes in key inputs, could affect the reported fair value of these financial instruments held by the Fund.

#### Use of Judgments

##### *Classification and measurement of investments and application of the fair value option*

In classifying and measuring financial instruments held by the Fund, Mackenzie is required to make significant judgments in order to determine the most appropriate classification in accordance with IFRS 9. Mackenzie has assessed the Fund's business model, the manner in which all financial instruments are managed and performance evaluated as a group on a fair value basis, and concluded that FVTPL in accordance with IFRS 9 provides the most appropriate measurement and presentation of the Fund's financial instruments.

##### *Functional currency*

The Fund's functional and presentation currency is the Canadian dollar, which is the currency considered to best represent the economic effects of the Fund's underlying transactions, events and conditions taking into consideration the manner in which securities are issued and redeemed and how returns and performance by the Fund are measured.

##### *Structured entities and associates*

In determining whether an unlisted open-ended investment fund or an exchange-traded fund in which the Fund invests, but that it does not consolidate, meets the definitions of either a structured entity or of an associate, Mackenzie is required to make significant judgments about whether these underlying funds have the typical characteristics of a structured entity or of an associate. Mackenzie has assessed the characteristics of these underlying funds and has concluded that they do not meet the definition of either a structured entity or of an associate because the Fund does not have contracts or financing arrangements with these underlying funds and the Fund does not have an ability to influence the activities of these underlying funds or the returns it receives from investing in these underlying funds.

### 5. Income Taxes

The Fund qualifies as a mutual fund trust under the provisions of the Income Tax Act (Canada) and, accordingly, is subject to tax on its income including net realized capital gains in the taxation year, which is not paid or payable to its securityholders as at the end of the taxation year. It is the intention of the Fund to distribute all of its net income and sufficient net realized capital gains so that the Fund will not be subject to income taxes other than foreign withholding taxes, if applicable.

Losses of the Fund cannot be allocated to investors and are retained in the Fund for use in future years. Non-capital losses may be carried forward up to 20 years to reduce taxable income and realized capital gains of future years. Capital losses may be carried forward indefinitely to reduce future realized capital gains. Refer to Note 9 for the Fund's loss carryforwards.

## NOTES TO FINANCIAL STATEMENTS

### 6. Management Fees and Operating Expenses

Mackenzie is paid a management fee for managing the investment portfolio, providing investment analysis and recommendations, making investment decisions, making brokerage arrangements relating to the purchase and sale of the investment portfolio and making arrangements with registered dealers for the purchase and sale of securities of the Fund by investors. The management fee is calculated on each series of securities of the Fund as a fixed annual percentage of the daily net asset value of the series.

Each series of the Fund, except B-Series, is charged a fixed rate annual administration fee ("Administration Fee") and in return, Mackenzie bears all of the operating expenses of the Fund, other than certain specified fund costs. The Administration Fee is calculated on each series of securities of the Fund as a fixed annual percentage of the daily net asset value of the series.

Other fund costs include taxes (including, but not limited to GST/HST and income tax), interest and borrowing costs, all fees and expenses of the Mackenzie Funds' Independent Review Committee (IRC), costs of complying with the regulatory requirement to produce Fund Facts, fees paid to external service providers associated with tax reclaims, refunds or the preparation of foreign tax reports on behalf of the Funds, new fees related to external services that were not commonly charged in the Canadian mutual fund industry and introduced after the date of the most recently filed simplified prospectus, and the costs of complying with any new regulatory requirements, including, without limitation, any new fees introduced after the date of the most recently filed simplified prospectus.

All expenses relating to the operation of the Fund attributable to B-Series securities will be charged to that particular series. Operating expenses include legal, audit, transfer agent, custodian, administration and trustee services, cost of financial reporting and Simplified Prospectus printing, regulatory filing fees and other miscellaneous expenses specifically attributable to the B-Series securities and any applicable taxes.

Mackenzie may waive or absorb management fees and/or Administration Fees at its discretion and stop waiving or absorbing such fees at any time without notice. Refer to Note 9 for the management fee and Administration Fee rates charged to each series of securities.

### 7. Fund's Capital

The capital of the Fund, which is comprised of the net assets attributable to securityholders, is divided into different series with each series having an unlimited number of securities. The securities outstanding for the Fund as at September 30, 2018 and 2017 and securities issued, reinvested and redeemed for the periods are presented in the Statement of Changes in Financial Position. Mackenzie manages the capital of the Fund in accordance with the investment objectives as discussed in Note 9.

### 8. Financial Instruments Risk

#### i. Risk exposure and management

The Fund's investment activities expose it to a variety of financial risks, as defined in IFRS 7 *Financial Instruments: Disclosures* ("IFRS 7"). The Fund's exposure to financial risks is concentrated in its investments, which are presented in the Schedule of Investments, as at September 30, 2018, grouped by asset type, with geographic and sector information.

Mackenzie seeks to minimize potential adverse effects of financial risks on the Fund's performance by employing professional, experienced portfolio advisors, by monitoring the Fund's positions and market events daily, by diversifying the investment portfolio within the constraints of the Fund's investment objectives, and where applicable, by using derivatives to hedge certain risk exposures. To assist in managing risks, Mackenzie also maintains a governance structure that oversees the Fund's investment activities and monitors compliance with the Fund's stated investment strategy, internal guidelines, and securities regulations.

#### ii. Liquidity risk

Liquidity risk arises when the Fund encounters difficulty in meeting its financial obligations as they come due. The Fund is exposed to liquidity risk due to potential daily cash redemptions of redeemable securities. In accordance with securities regulations, the Fund must maintain at least 90% of its assets in liquid investments (i.e., investments that can be readily sold). In addition, the Fund retains sufficient cash and short-term investment positions to maintain adequate liquidity. The Fund also has the ability to borrow up to 5% of its net assets for the purposes of funding redemptions.

#### iii. Currency risk

Currency risk arises when the fair value of financial instruments that are denominated in a currency other than the Canadian dollar, which is the Fund's reporting currency, fluctuates due to changes in exchange rates. Note 9 summarizes the Fund's exposure, if applicable and significant, to currency risk.

## NOTES TO FINANCIAL STATEMENTS

### 8. Financial Instruments Risk (cont'd)

#### iv. Interest rate risk

Interest rate risk arises when the fair value of interest-bearing financial instruments fluctuates due to changes in the prevailing levels of market interest rates. Cash and cash equivalents do not expose the Fund to significant amounts of interest rate risk. Note 9 summarizes the Fund's exposure, if applicable and significant, to interest rate risk.

#### v. Other price risk

Other price risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk), whether caused by factors specific to an individual investment, its issuer, or all factors affecting all instruments traded in a market or market segment. All investments present a risk of loss of capital. This risk is managed through a careful selection of investments and other financial instruments within the parameters of the investment strategies. Except for certain derivative contracts, the maximum risk resulting from financial instruments is equivalent to their fair value. The maximum risk of loss on certain derivative contracts such as forwards, swaps, and futures contracts is equal to their notional values. In the case of written call (put) options and short futures contracts, the loss to the Fund continues to increase, without limit, as the fair value of the underlying interest increases (decreases). However, these instruments are generally used within the overall investment management process to manage the risk from the underlying investments and do not typically increase the overall risk of loss to the Fund. This risk is mitigated by ensuring that the Fund holds a combination of the underlying interest, cash cover and/or margin that is equal to or greater than the value of the derivative contract. Note 9 summarizes the Fund's exposure, if applicable and significant, to other price risk.

#### vi. Credit risk

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Fund. Note 9 summarizes the Fund's exposure, if applicable and significant, to credit risk.

All transactions in listed securities are executed with approved brokers. To minimize the possibility of settlement default, securities are exchanged for payment simultaneously, where market practices permit, through the facilities of a central depository and/or clearing agency where customary.

The carrying amount of investments and other assets represents the maximum credit risk exposure as at the date of the Statement of Financial Position.

The Fund may enter into securities lending transactions with counterparties and it may also be exposed to credit risk from the counterparties to the derivative instruments it may use. Credit risk associated with these transactions is considered minimal as all counterparties have a rating equivalent to a designated rating organization's credit rating of not less than A-1 (low) on their short-term debt and of A on their long-term debt, as applicable.

#### vii. Underlying funds

The Fund may invest in underlying funds and may be indirectly exposed to currency risk, interest rate risk, other price risk and credit risk from fluctuations in the value of financial instruments held by the underlying funds. Note 9 summarizes the Fund's exposure, if applicable and significant, to these risks from underlying funds.

# MACKENZIE STRATEGIC INCOME FUND

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2018

BALANCED FUND

## NOTES TO FINANCIAL STATEMENTS

### 9. Fund Specific Information *(in '000s, except for (a))*

#### (a) Fund Formation and Series Information

Date of Formation            November 30, 2005

The Fund may issue an unlimited number of securities of each series. The number of issued and outstanding securities of each series is disclosed in the Statements of Changes in Financial Position.

**Series Offered by Mackenzie Financial Corporation** *(180 Queen Street West, Toronto, Ontario, M5V 3K1; 1-800-387-0614; www.mackenzieinvestments.com)*

Series A, Series B and Series T8 securities are offered to retail investors investing a minimum of \$500 (\$5,000 for Series T8). Investors in Series A and Series T8 securities also want to receive a regular monthly cash flow of 6% and 8% per year, respectively.

Series AR securities are offered to retail investors in a Registered Disability Savings Plan offered by Mackenzie.

Series D securities are offered to retail investors investing a minimum of \$500 through a discount brokerage or other account approved by Mackenzie. Investors in Series D securities also want to receive a regular monthly cash flow of 6% per year.

Series F and Series F8 securities are offered to investors who are enrolled in a dealer-sponsored fee-for-service or wrap program, who are subject to an asset-based fee rather than commissions on each transaction and who invest at least \$500 (\$5,000 for Series F8); they are also available to employees of Mackenzie and its subsidiaries, and directors of Mackenzie. Investors in Series F and Series F8 securities also want to receive a regular monthly cash flow of 6% and 8% per year, respectively.

Series FB securities are offered to retail investors investing a minimum of \$500. Investors are required to negotiate their advisor service fee, which cannot exceed 1.50%, with their financial advisor. Investors in Series FB securities also want to receive a monthly cash flow of 6% per year.

Series O securities are offered only to investors investing a minimum of \$500,000 who are enrolled in Mackenzie Portfolio Architecture Service or Open Architecture Service; certain institutional investors; and certain qualifying employees of Mackenzie and its subsidiaries. Investors in Series O also want to receive a monthly cash flow of 6% per year.

Series PW, Series PWB and Series PWT8 securities are offered through our Private Wealth Solutions to certain high net worth investors who invest a minimum of \$100,000. Investors in Series PW and Series PWT8 securities also want to receive a monthly cash flow of 6% and 8% per year, respectively.

Series PWFB securities are offered through our Private Wealth Solutions to certain high net worth investors who invest a minimum of \$100,000. Investors are required to negotiate their advisor service fee, which cannot exceed 1.50%, with their financial advisor. Investors in Series PWFB securities also want to receive a monthly cash flow of 6% per year.

Series PWX and Series PWX8 securities are offered through our Private Wealth Solutions to certain high net worth investors who invest a minimum of \$100,000. Investors are required to negotiate their advisor service fee, which cannot exceed 1.50%, with their financial advisor. Investors in Series PWX and Series PWX8 securities also want to receive a monthly cash flow of 6% and 8% per year, respectively.

Series R securities are offered only to other affiliated funds and certain institutional investors in connection with fund-of-fund arrangements.

Series I and Series J securities are no longer available for sale.

Series FB5, Series PWF, Series PWF8 and Series PWFB5 securities are no longer available for sale. Effective June 1, 2018, Series FB5, Series PWF, Series PWF8 and Series PWFB5 securities were consolidated into Series FB, Series F, Series F8 and Series PWFB securities, respectively.



**MACKENZIE**  
Investments



# MACKENZIE STRATEGIC INCOME FUND

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## NOTES TO FINANCIAL STATEMENTS

### 9. Fund Specific Information (in '000s, except for (a)) (cont'd)

#### (a) Fund Formation and Series Information (cont'd)

**Series Distributed by Quadrus Investment Services Ltd.** (255 Dufferin Ave., London, Ontario, N6A 4K1; 1-888-532-3322; [www.quadrusgroupoffunds.com](http://www.quadrusgroupoffunds.com))

Quadrus Investment Services Ltd. ("Quadrus") is the principal distributor of the series of securities listed below:

Quadrus Series and D5 Series securities are offered to investors investing a minimum of \$500. Investors in D5 Series securities also want to receive a regular monthly cash flow of 5% per year.

H Series and H5 Series securities are offered to investors investing a minimum of \$500, who are enrolled in a Quadrus-sponsored fee-for-service or wrap program and who are subject to an asset-based fee. Investors in H5 Series securities also want to receive a monthly cash flow of 5% per year.

HW Series and HW5 Series securities are offered to high net worth investors investing a minimum of \$100,000 and who have eligible minimum total holdings of \$500,000, who are enrolled in a Quadrus-sponsored fee-for-service or wrap program and who are subject to an asset-based fee. Investors in HW5 Series securities also want to receive a monthly cash flow of 5% per year.

L Series and L5 Series securities are offered to investors investing a minimum of \$100,000 and who have eligible minimum total holdings of \$500,000. Investors in L5 Series securities also want to receive a regular monthly cash flow of 5% per year.

N Series and N5 Series securities are offered to investors investing a minimum of \$100,000, who have eligible minimum total holdings of \$500,000, and who have entered into an N type series account agreement with Mackenzie and Quadrus. Investors in N5 Series securities also want to receive a regular monthly cash flow of 5% per year.

QF Series and QF5 Series securities are offered to retail investors investing a minimum of \$500. Investors are required to negotiate their advisor service fee, which cannot exceed 1.25%, with their financial advisor. Investors in QF5 Series securities also want to receive a monthly cash flow of 5% per year.

QFW Series and QFW5 Series securities are offered to high net worth investors investing a minimum of \$100,000 and who have eligible minimum total holdings of \$500,000. Investors are required to negotiate their advisor service fee, which cannot exceed 1.25%, with their financial advisor. Investors in QFW5 Series securities also want to receive a monthly cash flow of 5% per year.

**Series Distributed by LBC Financial Services Inc.** (1360 René-Lévesque Blvd. West, 13th Floor, Montréal, Québec H3G 0A9; 1-800-522-1846; [www.laurentianbank.ca/mackenzie](http://www.laurentianbank.ca/mackenzie))

Series LB, Series LW, Series LW6 and Series LX securities are no longer available for sale, except for additional purchases by investors who have held these securities since December 11, 2017.

An investor in the Fund may choose among different purchase options that are available under each series. These purchase options are a sales charge purchase option, a redemption charge purchase option, various low-load purchase options and a no-load purchase option. The charges under the sales charge purchase option are negotiated by investors with their dealers. The charges under the redemption charge and low-load purchase options are paid to Mackenzie if an investor redeems securities of the Fund during specific periods. Not all purchase options are available under each series of the Fund, and the charges for each purchase option may vary among the different series. For further details on these purchase options, please refer to the Fund's Simplified Prospectus and Fund Facts.

# MACKENZIE STRATEGIC INCOME FUND

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BALANCED FUND

## NOTES TO FINANCIAL STATEMENTS

### 9. Fund Specific Information (in '000s, except for (a)) (cont'd)

#### (a) Fund Formation and Series Information (cont'd)

Series	Inception/ Reinstatement Date	Management Fees	Administration Fees	Net Asset Value per Security (\$)	
				Sep. 30, 2018	Mar. 31, 2018
Series A	December 19, 2005	1.85%	0.21%	8.80	8.85
Series AR	October 17, 2013	1.85%	0.24%	11.51	11.35
Series B	May 9, 2013	1.85%	0.21%	11.29	11.14
Series D	January 17, 2014	1.10%	0.16%	14.23	14.24
Series F	December 20, 2005	0.70% <sup>(3)</sup>	0.15% <sup>(6)</sup>	9.83	9.81
Series F8	July 18, 2013	0.70% <sup>(3)</sup>	0.15% <sup>(6)</sup>	13.09	13.20
Series FB	October 26, 2015	0.85%	0.21%	10.60	10.59
Series FB5	None issued <sup>(8)</sup>	0.85%	0.21%	—	15.22
Series I	None issued <sup>(9)</sup>	1.25%	0.21%	—	—
Series J	November 29, 2010	1.55%	0.20%	9.59	9.62
Series O	October 16, 2009	— <sup>(1)</sup>	— *	12.46	12.37
Series PW	October 9, 2013	1.70% <sup>(4)</sup>	0.15%	14.22	14.27
Series PWB	April 3, 2017	1.70% <sup>(4)</sup>	0.15%	10.04	9.90
Series PWF	None issued <sup>(10)</sup>	0.80%	0.15%	—	14.95
Series PWF8	None issued <sup>(11)</sup>	0.80%	0.15%	—	12.95
Series PWFB	April 3, 2017	0.70% <sup>(5)</sup>	0.15%	9.74	9.72
Series PWFB5	None issued <sup>(12)</sup>	0.70% <sup>(5)</sup>	0.15%	—	14.71
Series PWT8	November 4, 2013	1.70% <sup>(4)</sup>	0.15%	12.53	12.71
Series PWX	October 22, 2013	— <sup>(2)</sup>	— <sup>(2)</sup>	15.36	15.26
Series PWX8	November 4, 2013	— <sup>(2)</sup>	— <sup>(2)</sup>	13.75	13.80
Series R	July 3, 2007	— *	— *	9.82	9.70
Series T8	May 9, 2013	1.85%	0.21%	12.18	12.37
Quadrus Series	July 8, 2013	1.85%	0.21%	11.74	11.52
H Series	July 16, 2013	0.85%	0.15% <sup>(7)</sup>	11.57	11.34
H5 Series	October 17, 2014	0.85%	0.15% <sup>(7)</sup>	15.13	15.03
HW Series	August 7, 2018	0.55%	0.15%	9.96	—
HW5 Series	August 7, 2018	0.55%	0.15%	14.87	—
L Series	August 22, 2013	1.55%	0.15%	11.75	11.53
L5 Series	September 1, 2015	1.55%	0.15%	15.35	15.31
N Series	July 17, 2013	— <sup>(1)</sup>	— <sup>(1)</sup>	11.78	11.51
N5 Series	October 15, 2014	— <sup>(1)</sup>	— <sup>(1)</sup>	15.92	15.73
D5 Series	September 9, 2013	1.85%	0.21%	14.85	14.84
QF Series	July 12, 2016	0.85%	0.21%	10.88	10.67
QF5 Series	July 12, 2016	0.85%	0.21%	15.37	15.27
QFW Series	August 7, 2018	0.55%	0.15%	9.96	—
QFW5 Series	August 7, 2018	0.55%	0.15%	14.87	—
Series LB	December 12, 2012	1.85%	0.21%	12.02	11.72
Series LW	December 1, 2017	1.80%	0.15%	9.98	9.73
Series LW6	December 1, 2017	1.80%	0.15%	14.23	14.30
Series LX	February 3, 2012	1.85%	0.21%	13.40	13.47

\* Not applicable.

# MACKENZIE STRATEGIC INCOME FUND

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BALANCED FUND

## NOTES TO FINANCIAL STATEMENTS

### 9. Fund Specific Information (in '000s, except for (a)) (cont'd)

#### (a) Fund Formation and Series Information (cont'd)

- (1) This fee is negotiable and payable directly to Mackenzie by investors in this series.
- (2) This fee is payable directly to Mackenzie by investors in this series through redemptions of their securities.
- (3) Prior to June 1, 2018, the management fee for this series was charged to the Fund at a rate of 0.85%.
- (4) Prior to June 1, 2018, the management fee for this series was charged to the Fund at a rate of 1.80%.
- (5) Prior to June 1, 2018, the management fee for this series was charged to the Fund at a rate of 0.80%.
- (6) Prior to June 1, 2018, the administration fee for this series was charged to the Fund at a rate of 0.16%.
- (7) Prior to June 28, 2018, the administration fee for this series was charged to the Fund at a rate of 0.16%.
- (8) The series' original start date was October 26, 2015. All securities in the series were consolidated into Series FB on June 1, 2018.
- (9) The series' original start date was October 4, 2006. All securities in the series were redeemed on February 26, 2018.
- (10) The series' original start date was October 9, 2013. All securities in the series were consolidated into Series F on June 1, 2018.
- (11) The series' original start date was August 26, 2014. All securities in the series were consolidated into Series F8 on June 1, 2018.
- (12) The series' original start date was April 3, 2017. All securities in the series were consolidated into Series PWFB on June 1, 2018.

#### (b) Investments by Mackenzie and Affiliates

As at September 30, 2018, Mackenzie and other funds Managed by Mackenzie had an investment of \$88 and \$233,130 (March 31, 2018 – \$81 and \$251,044), respectively, in the Fund.

#### (c) Loss Carryforwards

As at the last taxation year-end, there were no capital and non-capital losses available to carry forward for tax purposes.

#### (d) Securities Lending

The value of securities loaned and collateral received from securities lending at September 30, 2018 and March 31, 2018 were as follows:

	September 30, 2018	March 31, 2018
	(\$)	(\$)
Value of securities loaned	101,081	127,549
Value of collateral received	106,755	134,579

Collateral received is comprised of debt obligations of the Government of Canada and other countries, Canadian provincial and municipal governments and financial institutions.

A reconciliation of the gross amount generated from the securities lending transactions to the security lending income to the Fund for the periods ended September 30, 2018 and 2017 is as follows:

	2018		2017	
	(\$)	(%)	(\$)	(%)
Gross securities lending income	296	100.0	483	100.0
Tax withheld	(61)	(20.6)	(123)	(25.5)
	235	79.4	360	74.5
Payments to Securities Lending Agent	(59)	(19.9)	(90)	(18.6)
Securities lending income	176	59.5	270	55.9

#### (e) Commissions

The value of third-party services paid for by brokers during the period, is disclosed in the table below:

	(\$)
September 30, 2018	15
September 30, 2017	19



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### 9. Fund Specific Information (in '000s, except for (a)) (cont'd)

#### (f) Fund Merger

At a meeting held on January 4, 2018, investors in Quadrus Trimark Balanced Fund (the "Terminating Fund") approved the merger of the Terminating Fund into the Fund. The merger was effective after the close of business on January 19, 2018. The merger was effected by transferring the net assets of the Terminating Fund in exchange for the securities of the Fund at fair market value. Quadrus Series of the Terminating Fund were issued 135 Quadrus Series securities of the Fund in exchange for net assets of \$1,598, which was the fair value on January 19, 2018. The merger has been accounted for as an acquisition of the Terminating Fund.

Following the merger, the Terminating Fund was terminated. Mackenzie paid the expenses incurred to the effect the merger.

#### (g) Unfunded Credit Agreements

The Fund has entered into credit agreements whereby the Fund commits to fund a participation in a senior unsecured credit facility ("Commitment Amount") during an agreed upon period of time ("Commitment Period"). In exchange for providing this potential funding the Fund is entitled to receive a commitment fee ("Commitment Fee") from the issuer equal to a certain percentage of the Commitment Amount at the end of the Commitment Period. The funding requirement and the Commitment Fee are both contingent on whether or not the issuer of the credit agreement completes a contemplated transaction by the end of the Commitment Period. As at September 30, 2018, none of the Commitment Amounts were funded (March 31, 2018 – \$Nil). The Unfunded Commitment Amounts, the Commitment Fee rates and Commitment Period end date are listed below.

	Total Unfunded Commitment Amount (US\$)	Total Number of Commitments	Range of Unfunded Commitment Amounts (US\$)	Range of Commitment Fee Rates (%)	Range of Commitment Period End Date
September 30, 2018	34,630	3	5,080 - 22,000	0.750	December 17, 2018 - May 18, 2019
March 31, 2018	17,970	3	4,393 - 7,587	0.750	June 18, 2018 - August 21, 2018

#### (h) Offsetting of Financial Assets and Liabilities

The table below presents financial assets and financial liabilities that are subject to master netting arrangements or other similar agreements and the net impact on the Fund's Statements of Financial Position if all set-off rights were exercised as part of future events such as bankruptcy or termination of contracts. No amounts were offset in the financial statements.

	September 30, 2018			
	Gross amount of assets/liabilities (\$)	Amount available for offset (\$)	Margin (\$)	Net amount (\$)
Unrealized gains on derivative contracts	3,645	(7)	–	3,638
Unrealized losses on derivative contracts	(7)	7	212	212
Liability for options written	–	–	–	–
Total	3,638	–	212	3,850

  

	March 31, 2018			
	Gross amount of assets/liabilities (\$)	Amount available for offset (\$)	Margin (\$)	Net amount (\$)
Unrealized gains on derivative contracts	49	(49)	–	–
Unrealized losses on derivative contracts	(3,591)	49	491	(3,051)
Liability for options written	–	–	–	–
Total	(3,542)	–	491	(3,051)

#### (i) Risks Associated with Financial Instruments

##### i. Risk exposure and management

The Fund seeks income and long-term capital growth by investing primarily in fixed income and/or income-oriented equities issued anywhere in the world, although it currently invests primarily in North America. Depending on economic conditions and relative valuations by the Fund's portfolio managers, the Fund will generally invest 30% to 70% of its assets in each of equity and fixed income securities, but may invest up to 100% of its assets in either asset class.

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### 9. Fund Specific Information (in '000s, except for (a)) (cont'd)

#### (i) Risks Associated with Financial Instruments (cont'd)

##### ii. Currency risk

The table below indicates currencies to which the Fund had significant exposure as at period end in Canadian dollar terms, including the underlying principal amount of any derivative instruments. Other financial assets and liabilities (including accrued interest and dividends receivable, and receivables/payables for investments sold/purchased) that are denominated in foreign currencies do not expose the Fund to significant currency risk.

September 30, 2018				
Currency	Investments (\$)	Cash and Short-Term Investments (\$)	Derivative Instruments (\$)	Net Exposure* (\$)
U.S. dollar	726,094	13,075	(422,690)	316,479
Euro	93,735	—	(5,147)	88,588
Australian dollar	—	—	40,626	40,626
British pound	28,764	74	—	28,838
Swiss franc	25,144	—	—	25,144
Japanese yen	20,676	32	31	20,739
Hong Kong dollar	12,705	—	—	12,705
Danish krone	6,302	—	—	6,302
Taiwanese dollar	5,908	—	—	5,908
Norwegian krone	4,418	—	—	4,418
Chinese yuan	4,390	—	—	4,390
Brazilian real	4,070	43	—	4,113
Swedish krona	3,992	—	—	3,992
Total	936,198	13,224	(387,180)	562,242
% of Net Assets	49.6	0.7	(20.5)	29.8

March 31, 2018				
Currency	Investments (\$)	Cash and Short-Term Investments (\$)	Derivative Instruments (\$)	Net Exposure* (\$)
U.S. dollar	729,651	18,394	(438,635)	309,410
Euro	92,038	36	(825)	91,249
British pound	29,844	—	—	29,844
Swiss franc	26,263	—	—	26,263
Japanese yen	19,787	—	—	19,787
Hong Kong dollar	14,700	—	—	14,700
Brazilian real	7,616	59	—	7,675
Taiwanese dollar	6,709	—	—	6,709
Danish krone	6,568	78	—	6,646
Swedish krona	5,750	—	—	5,750
Chinese yuan	5,035	—	—	5,035
Norwegian krone	4,941	—	—	4,941
Total	948,902	18,567	(439,460)	528,009
% of Net Assets	50.7	1.0	(23.5)	28.2

\* Includes both monetary and non-monetary financial instruments



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### 9. Fund Specific Information (in '000s, except for (a)) (cont'd)

#### (i) Risks Associated with Financial Instruments (cont'd)

##### ii. Currency risk (cont'd)

As at September 30, 2018, had the Canadian dollar increased by 5% relative to all foreign currencies, with all other variables held constant, net assets would have decreased by approximately \$26,537 or 1.4% of total net assets (March 31, 2018 – \$30,804 or 1.6%). Similarly, had the Canadian dollar decreased by 5% relative to all foreign currencies, with all other variables held constant, net assets would have increased by approximately \$27,495 or 1.5% of the total net assets (March 31, 2018 – \$30,804 or 1.6%). In practice, the actual trading results may differ and the difference could be material.

##### iii. Interest rate risk

The table below summarizes the Fund's exposure to interest rate risks from its investments in bonds and derivative instruments by term to maturity.

Term to Maturity	September 30, 2018 (\$)		March 31, 2018 (\$)	
	Bonds	Derivative Instruments	Bonds	Derivative Instruments
Less than 1 year	988	(71,720)	988	(10,146)
1-5 years	208,892	–	227,814	–
5-10 years	460,766	–	469,955	–
Greater than 10 years	60,318	–	87,354	–
Total	730,964	(71,720)	786,111	(10,146)

As at September 30, 2018, had prevailing interest rates increased by 1%, assuming a parallel shift in the yield curve, with all other variables held constant, net assets would have decreased by approximately \$30,520 or 1.6% (March 31, 2018 – \$40,273 or 2.2%) of total net assets. Similarly, had prevailing interest rates decreased by 1%, with all other variables held constant, net assets would have increased by approximately \$31,211 or 1.7% (March 31, 2018 – \$40,621 or 2.2%) of total net assets. In practice, the actual trading results may differ and the difference could be material.

##### iv. Other price risk

The Fund's most significant exposure to price risk arises from its investment in equity securities, mutual funds and exchange-traded funds/notes. As at September 30, 2018, had the prices on the respective stock exchanges for these securities increased or decreased by 10%, with all other variables held constant, net assets would have increased or decreased by approximately \$96,269 or 5.0% of total net assets (March 31, 2018 – \$93,175 or 5.0%). In practice, the actual trading results may differ and the difference could be material.

##### v. Credit risk

The Fund's greatest concentration of credit risk is in debt securities, such as bonds. The fair value of debt securities includes consideration of the creditworthiness of the debt issuer. The maximum exposure to any one debt issuer as at September 30, 2018, was 1.7% of the net assets of the Fund (March 31, 2018 – 3.6%).

As at September 30, 2018 and March 31, 2018, debt securities by credit rating are as follows:

Bond Rating*	September 30, 2018	March 31, 2018
	% of Net Assets	% of Net Assets
AAA	2.4	4.8
AA	2.1	2.3
A	2.6	2.2
BBB	5.4	6.0
BB	7.1	6.5
B	15.2	14.8
Less than B	3.0	3.7
Unrated	0.9	1.7
Total	38.7	42.0

\* Credit ratings and rating categories are based on ratings issued by a designated rating organization

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### 9. Fund Specific Information *(in '000s, except for (a)) (cont'd)*

#### (j) Fair Value Classification

The table below summarizes the fair value of the Fund's financial instruments using the following fair value hierarchy:

Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;

Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and

Level 3 – Inputs that are not based on observable market data.

The inputs are considered observable if they are developed using market data, such as publicly available information about actual events or transactions, and that reflect the assumption that market participants would use when pricing the asset or liability.

	September 30, 2018				March 31, 2018			
	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
Bonds	3,159	727,805	–	730,964	3,116	782,995	–	786,111
Equities	938,729	–	–	938,729	745,515	179,074	780	925,369
Options	–	231	–	231	–	751	–	751
Exchange-traded funds/notes	152,899	–	–	152,899	140,640	–	–	140,640
Mutual funds	66,113	–	–	66,113	16,558	–	–	16,558
Derivative assets	449	7,155	–	7,604	–	1,275	–	1,275
Derivative liabilities	–	(118)	–	(118)	(307)	(10,555)	–	(10,862)
Short-term investments	–	12,386	–	12,386	–	22,593	–	22,593
<b>Total</b>	<b>1,161,349</b>	<b>747,459</b>	<b>–</b>	<b>1,908,808</b>	<b>905,522</b>	<b>976,133</b>	<b>780</b>	<b>1,882,435</b>

The Fund's policy is to recognize transfers into and transfers out of fair value hierarchy levels as of the date of the event or change in circumstances that caused the transfer.

In accordance with the Fund's valuation policy, the Fund applies fair value adjustment factors to the quoted market prices for non-North American equities when North American intraday stock market movements exceed pre-determined tolerances. The adjustment factors are applied in order to estimate the impact on fair values of events occurring between the close of the non-North American stock markets and the close of business for the Fund. If fair value adjustment factors are applied, non-North American equities are classified as Level 2. Consequently, during the period ended September 30, 2018, non-North American equities frequently transferred between Level 1 (unadjusted quoted market prices) and Level 2 (adjusted market prices).

As at September 30, 2018, these securities were classified as Level 1. As at March 31, 2018, fair value adjustments were applied to the majority of securities in non-North American markets (Level 2) that were closed on the last business day. The remaining non-North American securities were classified as Level 1. Other than as described above, there were no significant transfers between Level 1 and Level 2.

Other financial instruments classified as Level 2 investments are valued based on the prices provided by an independent reputable pricing services company who prices the securities based on recent transactions and quotes received from market participants and through incorporating observable market data and using standard market convention practices. Short-term investments classified as Level 2 investments are valued based on amortized cost plus accrued interest which closely approximates fair value.



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### 9. Fund Specific Information *(in '000s, except for (a)) (cont'd)*

#### (j) Fair Value Classification (cont'd)

The table below presents a reconciliation of financial instruments measured at fair value using unobservable inputs (Level 3) for the periods ended September 30, 2018 and March 31, 2018:

	September 30, 2018	March 31, 2018
	Equities (\$)	Equities (\$)
Balance – beginning of period	780	814
Purchases	–	–
Sales	–	–
Transfers in	–	–
Transfers out	–	–
Gains (losses) during the period:		
Realized	–	–
Unrealized	(780)	(34)
Balance – end of period	–	780
Change in unrealized gains (losses) during the period attributable to securities held at end of period	–	(34)

Changing one or more of the inputs to reasonably possible alternative assumptions for valuing Level 3 financial instruments would not significantly affect the fair value of those instruments.



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