

## ***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 CANADIAN SHORT TERM INCOME FUND

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2018

FIXED INCOME FUND

## STATEMENTS OF FINANCIAL POSITION

*In thousands (except per security figures)  
As at*

	Sep. 30 2018	Mar. 31 2018 (Audited)		Sep. 30 2018	Mar. 31 2018 (Audited)
	\$	\$		\$	\$
<b>ASSETS</b>			<b>Net assets attributable to securityholders</b>		
<b>Current assets</b>			<b>per security (note 3)</b>		
Investments at fair value	313,878	287,550	Series A	1.98	2.00
Cash and cash equivalents	1,700	216	Series AR	9.96	–
Accrued interest receivable	1,653	1,448	Series D	9.74	9.80
Dividends receivable	11	5	Series F	5.29	5.33
Accounts receivable for investments sold	1,070	925	Series FB	9.81	9.88
Accounts receivable for securities issued	299	951	Series G	10.09	10.16
Due from manager	–	14	Series I	5.07	5.11
Margin on futures contracts	158	806	Series J	9.67	9.74
Unrealized gains on derivative contracts	1,128	203	Series M	10.06	10.13
<b>Total assets</b>	<b>319,897</b>	<b>292,118</b>	Series O	9.71	9.78
			Series PW	9.84	9.91
			Series PWF	–	9.80
			Series PWFB	9.70	9.77
			Series PWX	9.81	9.88
			Series PWX8	11.52	11.90
			Series R	9.99	–
			Series SC	9.66	9.73
			Series LB	9.67	9.74
			Series LW	9.82	9.89
<b>LIABILITIES</b>					
<b>Current liabilities</b>					
Accounts payable for investments purchased	3,309	3,371			
Accounts payable for securities redeemed	180	1,166			
Due to manager	–	18			
Unrealized losses on derivative contracts	37	1,222			
<b>Total liabilities</b>	<b>3,526</b>	<b>5,777</b>			
<b>Net assets attributable to securityholders</b>	<b>316,371</b>	<b>286,341</b>			
<b>Net assets attributable to securityholders</b>					
<b>per series (note 3)</b>					
Series A	18,418	22,560			
Series AR	1	–			
Series D	147	129			
Series F	33,928	21,681			
Series FB	31	272			
Series G	439	432			
Series I	941	947			
Series J	479	489			
Series M	386	400			
Series O	29,814	29,399			
Series PW	111,262	77,505			
Series PWF	–	19,279			
Series PWFB	562	330			
Series PWX	2,062	1,937			
Series PWX8	114	116			
Series R	49,954	–			
Series SC	65,518	107,840			
Series LB	1,419	1,823			
Series LW	896	1,202			

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



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Investments

# MACKENZIE CANADIAN SHORT TERM INCOME FUND

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2018

FIXED INCOME FUND

## STATEMENTS OF COMPREHENSIVE INCOME

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

	2018	2017		2018	2017
	\$	\$		\$	\$
<b>Income</b>			<b>Increase (decrease) in net assets attributable to securityholders from operations per security</b>		
Dividends	185	188	Series A	–	(0.02)
Interest income	4,316	4,512	Series AR	0.18	–
Other changes in fair value of investments and other net assets			Series D	0.03	(0.11)
Net realized gain (loss)	(1,669)	361	Series F	0.03	(0.02)
Net unrealized gain (loss)	(285)	(5,341)	Series FB	(0.01)	(0.04)
Securities lending income	11	10	Series G	0.02	(0.08)
Fee rebate income	7	–	Series I	0.01	(0.03)
<b>Total income (loss)</b>	<b>2,565</b>	<b>(270)</b>	Series J	0.04	(0.05)
			Series M	0.03	(0.07)
			Series O	0.09	(0.01)
<b>Expenses (note 6)</b>			Series PW	0.04	(0.09)
Management fees	1,270	1,533	Series PWF	(0.01)	(0.07)
Management fee rebates	(24)	(24)	Series PWFB	0.07	(0.14)
Administration fees	212	245	Series PWX	0.09	(0.02)
Interest charges	–	1	Series PWX8	0.10	(0.01)
Commissions and other portfolio transaction costs	14	23	Series R	0.04	–
Independent Review Committee fees	1	1	Series SC	0.01	(0.07)
Other	2	1	Series LB	0.01	(0.09)
<b>Expenses before amounts absorbed by Manager</b>	<b>1,475</b>	<b>1,780</b>	Series LW	0.01	–
Expenses absorbed by Manager	–	–			
<b>Net expenses</b>	<b>1,475</b>	<b>1,780</b>			
<b>Increase (decrease) in net assets attributable to securityholders from operations before tax</b>	<b>1,090</b>	<b>(2,050)</b>			
Foreign withholding taxes	–	–			
Foreign income taxes paid (recovered)	–	–			
<b>Increase (decrease) in net assets attributable to securityholders from operations</b>	<b>1,090</b>	<b>(2,050)</b>			
<b>Increase (decrease) in net assets attributable to securityholders from operations per series</b>					
Series A	7	(250)			
Series AR	–	–			
Series D	–	(1)			
Series F	185	(62)			
Series FB	(1)	–			
Series G	1	(4)			
Series I	3	(5)			
Series J	3	(3)			
Series M	1	(3)			
Series O	270	(37)			
Series PW	356	(715)			
Series PWF	(12)	(97)			
Series PWFB	4	(1)			
Series PWX	20	(3)			
Series PWX8	1	(1)			
Series R	202	–			
Series SC	48	(832)			
Series LB	2	(36)			
Series LW	–	–			

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



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# MACKENZIE CANADIAN SHORT TERM INCOME FUND

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2018

FIXED INCOME 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 D		Series F		Series FB	
	\$		\$		\$		\$		\$	
<b>NET ASSETS ATTRIBUTABLE TO SECURITYHOLDERS</b>										
<b>Beginning of period</b>	22,560	36,936	–	–	129	91	21,681	23,254	272	123
Increase (decrease) in net assets from operations	7	(250)	–	–	–	(1)	185	(62)	(1)	–
Distributions paid to securityholders:										
Investment income	(154)	(248)	–	–	(1)	(1)	(350)	(209)	(1)	(1)
Capital gains	–	–	–	–	–	–	–	–	–	–
Return of capital	–	–	–	–	–	–	–	–	–	–
Management fee rebates	–	–	–	–	–	–	–	–	–	–
Total distributions paid to securityholders	(154)	(248)	–	–	(1)	(1)	(350)	(209)	(1)	(1)
Security transactions:										
Proceeds from securities issued	1,718	2,007	1	–	47	79	22,603	8,580	45	83
Reinvested distributions	145	234	–	–	1	1	287	198	1	1
Payments on redemption of securities	(5,858)	(10,376)	–	–	(29)	(54)	(10,478)	(14,684)	(285)	(33)
Total security transactions	(3,995)	(8,135)	1	–	19	26	12,412	(5,906)	(239)	51
<b>Total increase (decrease) in net assets</b>	<b>(4,142)</b>	<b>(8,633)</b>	<b>1</b>	<b>–</b>	<b>18</b>	<b>24</b>	<b>12,247</b>	<b>(6,177)</b>	<b>(241)</b>	<b>50</b>
<b>End of period</b>	<b>18,418</b>	<b>28,303</b>	<b>1</b>	<b>–</b>	<b>147</b>	<b>115</b>	<b>33,928</b>	<b>17,077</b>	<b>31</b>	<b>173</b>
<b>Increase (decrease) in fund securities (note 7):</b>										
<b>Securities outstanding – beginning of period</b>	11,299	18,079	–	–	13	9	4,071	4,265	27	12
Issued	864	985	–	–	5	8	4,262	1,584	5	8
Reinvested distributions	73	115	–	–	–	–	54	36	–	–
Redeemed	(2,946)	(5,095)	–	–	(3)	(5)	(1,974)	(2,698)	(29)	(3)
<b>Securities outstanding – end of period</b>	<b>9,290</b>	<b>14,084</b>	<b>–</b>	<b>–</b>	<b>15</b>	<b>12</b>	<b>6,413</b>	<b>3,187</b>	<b>3</b>	<b>17</b>
	Series G		Series I		Series J		Series M		Series O	
	\$		\$		\$		\$		\$	
<b>NET ASSETS ATTRIBUTABLE TO SECURITYHOLDERS</b>										
<b>Beginning of period</b>	432	437	947	1,196	489	519	400	424	29,399	34,877
Increase (decrease) in net assets from operations	1	(4)	3	(5)	3	(3)	1	(3)	270	(37)
Distributions paid to securityholders:										
Investment income	(4)	(4)	(9)	(10)	(5)	(6)	(4)	(4)	(481)	(325)
Capital gains	–	–	–	–	–	–	–	–	–	–
Return of capital	–	–	–	–	–	–	–	–	–	–
Management fee rebates	–	–	–	–	–	–	–	–	–	–
Total distributions paid to securityholders	(4)	(4)	(9)	(10)	(5)	(6)	(4)	(4)	(481)	(325)
Security transactions:										
Proceeds from securities issued	13	21	1	–	–	–	–	–	3,858	1,190
Reinvested distributions	4	4	9	10	5	6	4	4	457	324
Payments on redemption of securities	(7)	(29)	(10)	(272)	(13)	(14)	(15)	(18)	(3,689)	(3,559)
Total security transactions	10	(4)	–	(262)	(8)	(8)	(11)	(14)	626	(2,045)
<b>Total increase (decrease) in net assets</b>	<b>7</b>	<b>(12)</b>	<b>(6)</b>	<b>(277)</b>	<b>(10)</b>	<b>(17)</b>	<b>(14)</b>	<b>(21)</b>	<b>415</b>	<b>(2,407)</b>
<b>End of period</b>	<b>439</b>	<b>425</b>	<b>941</b>	<b>919</b>	<b>479</b>	<b>502</b>	<b>386</b>	<b>403</b>	<b>29,814</b>	<b>32,470</b>
<b>Increase (decrease) in fund securities (note 7):</b>										
<b>Securities outstanding – beginning of period</b>	42	42	185	229	50	52	39	41	3,007	3,506
Issued	2	3	–	–	–	–	–	–	395	120
Reinvested distributions	–	–	2	2	1	1	–	–	47	33
Redeemed	(1)	(3)	(1)	(52)	(2)	(2)	(1)	(1)	(379)	(359)
<b>Securities outstanding – end of period</b>	<b>43</b>	<b>42</b>	<b>186</b>	<b>179</b>	<b>49</b>	<b>51</b>	<b>38</b>	<b>40</b>	<b>3,070</b>	<b>3,300</b>

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

# MACKENZIE CANADIAN SHORT TERM INCOME FUND

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2018

FIXED INCOME 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 PW		Series PWF		Series PWFB		Series PWX		Series PWX8	
	\$		\$		\$		\$		\$	
<b>NET ASSETS ATTRIBUTABLE TO SECURITYHOLDERS</b>										
Beginning of period	77,505	45,466	19,279	7,971	330	–	1,937	1,639	116	157
Increase (decrease) in net assets from operations	356	(715)	(12)	(97)	4	(1)	20	(3)	1	(1)
Distributions paid to securityholders:										
Investment income	(937)	(784)	(65)	(186)	(6)	–	(33)	(19)	(2)	(2)
Capital gains	–	–	–	–	–	–	–	–	–	–
Return of capital	–	–	–	–	–	–	–	–	(3)	(4)
Management fee rebates	(21)	(22)	(3)	(2)	–	–	–	–	–	–
Total distributions paid to securityholders	(958)	(806)	(68)	(188)	(6)	–	(33)	(19)	(5)	(6)
Security transactions:										
Proceeds from securities issued	46,952	45,859	1,448	15,142	280	25	417	783	–	–
Reinvested distributions	899	752	45	176	6	–	33	19	2	3
Payments on redemption of securities	(13,492)	(9,651)	(20,692)	(4,894)	(52)	–	(312)	(521)	–	(1)
Total security transactions	34,359	36,960	(19,199)	10,424	234	25	138	281	2	2
<b>Total increase (decrease) in net assets</b>	<b>33,757</b>	<b>35,439</b>	<b>(19,279)</b>	<b>10,139</b>	<b>232</b>	<b>24</b>	<b>125</b>	<b>259</b>	<b>(2)</b>	<b>(5)</b>
<b>End of period</b>	<b>111,262</b>	<b>80,905</b>	<b>–</b>	<b>18,110</b>	<b>562</b>	<b>24</b>	<b>2,062</b>	<b>1,898</b>	<b>114</b>	<b>152</b>

	Securities		Securities		Securities		Securities		Securities	
<b>Increase (decrease) in fund securities (note 7):</b>										
<b>Securities outstanding – beginning of period</b>	<b>7,822</b>	<b>4,479</b>	<b>1,967</b>	<b>794</b>	<b>34</b>	<b>–</b>	<b>196</b>	<b>163</b>	<b>10</b>	<b>12</b>
Issued	4,761	4,511	148	1,514	28	2	43	78	–	–
Reinvested distributions	91	75	5	18	1	–	3	2	–	–
Redeemed	(1,367)	(955)	(2,120)	(491)	(5)	–	(32)	(52)	–	–
<b>Securities outstanding – end of period</b>	<b>11,307</b>	<b>8,110</b>	<b>–</b>	<b>1,835</b>	<b>58</b>	<b>2</b>	<b>210</b>	<b>191</b>	<b>10</b>	<b>12</b>

	Series R		Series SC		Series LB		Series LW		Total	
	\$		\$		\$		\$		\$	
<b>NET ASSETS ATTRIBUTABLE TO SECURITYHOLDERS</b>										
Beginning of period	–	–	107,840	157,001	1,823	3,593	1,202	–	286,341	313,684
Increase (decrease) in net assets from operations	202	–	48	(832)	2	(36)	–	–	1,090	(2,050)
Distributions paid to securityholders:										
Investment income	(248)	–	(698)	(1,102)	(13)	(36)	(8)	–	(3,019)	(2,937)
Capital gains	–	–	–	–	–	–	–	–	–	–
Return of capital	–	–	–	–	–	–	–	–	(3)	(4)
Management fee rebates	–	–	–	–	–	–	–	–	(24)	(24)
Total distributions paid to securityholders	(248)	–	(698)	(1,102)	(13)	(36)	(8)	–	(3,046)	(2,965)
Security transactions:										
Proceeds from securities issued	50,000	–	11,373	18,420	23	1,479	–	–	138,779	93,668
Reinvested distributions	–	–	682	1,072	12	34	8	–	2,600	2,838
Payments on redemption of securities	–	–	(53,727)	(57,952)	(428)	(982)	(306)	–	(109,393)	(103,040)
Total security transactions	50,000	–	(41,672)	(38,460)	(393)	531	(298)	–	31,986	(6,534)
<b>Total increase (decrease) in net assets</b>	<b>49,954</b>	<b>–</b>	<b>(42,322)</b>	<b>(40,394)</b>	<b>(404)</b>	<b>459</b>	<b>(306)</b>	<b>–</b>	<b>30,030</b>	<b>(11,549)</b>
<b>End of period</b>	<b>49,954</b>	<b>–</b>	<b>65,518</b>	<b>116,607</b>	<b>1,419</b>	<b>4,052</b>	<b>896</b>	<b>–</b>	<b>316,371</b>	<b>302,135</b>

	Securities		Securities		Securities		Securities	
<b>Increase (decrease) in fund securities (note 7):</b>								
<b>Securities outstanding – beginning of period</b>	<b>–</b>	<b>–</b>	<b>11,089</b>	<b>15,772</b>	<b>187</b>	<b>361</b>	<b>121</b>	<b>–</b>
Issued	5,000	–	1,174	1,857	3	148	–	–
Reinvested distributions	–	–	70	108	1	3	1	–
Redeemed	–	–	(5,550)	(5,824)	(44)	(99)	(31)	–
<b>Securities outstanding – end of period</b>	<b>5,000</b>	<b>–</b>	<b>6,783</b>	<b>11,913</b>	<b>147</b>	<b>413</b>	<b>91</b>	<b>–</b>

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

# MACKENZIE CANADIAN SHORT TERM INCOME FUND

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2018

FIXED INCOME 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	1,090	(2,050)
Adjustments for:		
Net realized loss (gain) on investments	802	(361)
Change in net unrealized loss (gain) on investments	273	5,341
Purchase of investments	(133,555)	(266,425)
Proceeds from sale and maturity of investments	103,842	260,676
Change in accrued interest receivable	(205)	(76)
Change in dividends receivable	(6)	(6)
Change in due from manager	14	–
Change in due to manager	(18)	–
Change in margin on futures contracts	648	(379)
<b>Net cash from operating activities</b>	<b>(27,115)</b>	<b>(3,280)</b>
<b>Cash flows from financing activities</b>		
Proceeds from securities issued	95,169	42,294
Payments on redemption of securities	(66,117)	(51,783)
Distributions paid net of reinvestments	(446)	(127)
<b>Net cash from financing activities</b>	<b>28,606</b>	<b>(9,616)</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>1,491</b>	<b>(12,896)</b>
Cash and cash equivalents at beginning of period	216	20,642
Effect of exchange rate fluctuations on cash and cash equivalents	(7)	4
<b>Cash and cash equivalents at end of period</b>	<b>1,700</b>	<b>7,750</b>
Cash	251	1,080
Cash equivalents	1,449	6,670
<b>Cash and cash equivalents at end of period</b>	<b>1,700</b>	<b>7,750</b>
<b>Supplementary disclosures on cash flow from operating activities:</b>		
Dividends received	179	182
Foreign taxes paid	–	–
Interest received	4,111	4,436
Interest paid	–	1

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



**MACKENZIE**  
Investments

# MACKENZIE CANADIAN SHORT TERM INCOME FUND

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2018

FIXED INCOME 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. 3.43% 06-01-2033 MTN	Canada	Corporate – Non Convertible	240,000	254	238
AbbVie Inc. 3.75% 11-14-2023 Callable 2023	United States	Corporate – Non Convertible	USD 110,000	143	142
Adtalem Global Education Inc. Term Loan B 1st Lien F/R 04-09-2025	United States	Term Loans	USD 129,675	164	169
Aegis Sciences Corp. Term Loan B 1st Lien F/R 05-09-2025	United States	Term Loans	USD 40,000	51	50
AerCap Ireland Capital Designated Activity Co. 3.30% 01-23-2023 Callable 2022	Netherlands	Corporate – Non Convertible	USD 1,110,000	1,395	1,383
Al Ladder Luxembourg Term Loan B 1st Lien F/R 05-04-2025	United States	Term Loans	USD 130,000	162	169
AIMCo Realty Investors LP 2.27% 06-26-2024 Callable 2024	Canada	Corporate – Non Convertible	1,630,000	1,581	1,548
AIMCo Realty Investors LP 3.04% 06-01-2028 Callable 2028	Canada	Corporate – Non Convertible	30,000	30	29
AL Midcoast Holdings LLC B Term Loan 1st Lien F/R 06-28-2025	United States	Term Loans	USD 90,000	118	117
Alcami Carolinas Corp. Term Loan 1st Lien F/R 07-06-2025	United States	Term Loans	USD 80,000	105	104
Alera Group Intermediate Holdings Inc. Term Loan B 1st Lien F/R 07-27-2025	United States	Term Loans	USD 29,925	39	39
Algonquin Power & Utilities Corp. 4.65% 02-15-2022	Canada	Corporate – Non Convertible	2,000,000	2,072	2,077
Allied Properties Real Estate Investment Trust 3.75% 03-13-2020	Canada	Corporate – Non Convertible	550,000	554	556
Allied Properties Real Estate Investment Trust 3.93% 11-14-2022	Canada	Corporate – Non Convertible	505,000	508	510
Allied Properties Real Estate Investment Trust 3.64% 04-21-2025 Callable 2025	Canada	Corporate – Non Convertible	620,000	621	603
AltaGas Ltd. 3.72% 09-28-2021 Callable	Canada	Corporate – Non Convertible	900,000	913	910
AltaGas Ltd. 3.98% 10-04-2027 Callable 2027	Canada	Corporate – Non Convertible	340,000	340	335
AltaLink LP 3.399% 06-06-2024 Callable 2024	Canada	Corporate – Non Convertible	1,270,000	1,307	1,290
Altice France SA Term Loan B13 1st Lien F/R 01-31-2026	France	Term Loans	USD 120,000	154	154
Anheuser-Busch InBev Finance Inc. 3.30% 02-01-2023 Callable 2022	Belgium	Corporate – Non Convertible	USD 860,000	1,229	1,098
Anheuser-Busch InBev Finance Inc. 2.60% 05-15-2024 Callable 2024	Belgium	Corporate – Non Convertible	1,290,000	1,279	1,232
Arch Merger Sub Inc. 8.50% 09-15-2025 Callable 2020 144A	United States	Corporate – Non Convertible	USD 59,000	75	72
Aroundtown SA 4.63% 09-18-2025 Callable 2025	Germany	Corporate – Non Convertible	120,000	120	119
Artis Real Estate Investment Trust 3.753% 03-27-2019	Canada	Corporate – Non Convertible	800,000	804	804
Artis Real Estate Investment Trust F/R 02-07-2020	Canada	Corporate – Non Convertible	960,000	960	962
ASP AMC Merger Sub Inc. 8.00% 05-15-2025 Callable 2020 144A	United States	Corporate – Non Convertible	USD 66,000	88	65
AT&T Inc. 4.00% 11-25-2025 Callable 2025	United States	Corporate – Non Convertible	160,000	160	160
ATS Consolidated Inc. Term Loan B 1st Lien F/R 02-23-2025	United States	Term Loans	USD 29,800	38	39
Aviva PLC 4.50% 05-10-2021	United Kingdom	Corporate – Non Convertible	680,000	691	699
Avolon Holdings Funding Ltd. 5.13% 10-01-2023 Callable 2023 144A	Ireland	Corporate – Non Convertible	USD 40,000	53	52
Ball Metalpack Finco LLC Term Loan B 1st Lien F/R 07-26-2025	United States	Term Loans	USD 59,850	78	78
Bank of America Corp. F/R 04-24-2022 Callable 2021	United States	Corporate – Non Convertible	1,160,000	1,160	1,161
Bank of America Corp. 3.228% 06-22-2022	United States	Corporate – Non Convertible	660,000	668	660
Bank of America Corp. 3.30% 04-24-2024 Callable 2023	United States	Corporate – Non Convertible	1,470,000	1,465	1,460
Bank of America Corp. F/R 09-20-2025 Callable 2024	United States	Corporate – Non Convertible	750,000	750	741
Bank of Montreal 2.27% 07-11-2022	Canada	Corporate – Non Convertible	1,340,000	1,334	1,307
Bank of Montreal 2.89% 06-20-2023	Canada	Corporate – Non Convertible	590,000	590	585
Bank of Montreal 2.70% 09-11-2024 DPNT	Canada	Corporate – Non Convertible	230,000	228	224
Bank of Montreal 3.32% 06-01-2026	Canada	Corporate – Non Convertible	1,730,000	1,742	1,734



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# MACKENZIE CANADIAN SHORT TERM INCOME FUND

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FIXED INCOME 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>					
Bank of Montreal F/R 12-15-2032 Callable 2027	Canada	Corporate – Non Convertible	USD 50,000	64	60
The Bank of Nova Scotia 1.90% 12-02-2021 DPNT	Canada	Corporate – Non Convertible	2,250,000	2,233	2,181
The Bank of Nova Scotia 1.83% 04-27-2022	Canada	Corporate – Non Convertible	780,000	771	750
The Bank of Nova Scotia 2.36% 11-08-2022	Canada	Corporate – Non Convertible	990,000	990	965
The Bank of Nova Scotia 2.98% 04-17-2023	Canada	Corporate – Non Convertible	1,840,000	1,841	1,832
The Bank of Nova Scotia 2.29% 06-28-2024	Canada	Corporate – Non Convertible	2,180,000	2,154	2,081
The Bank of Nova Scotia F/R 04-12-2066 Callable 2022	Canada	Corporate – Non Convertible	USD 720,000	899	874
Bausch Health Cos Inc. Term Loan B 1st Lien F/R 05-28-2025	United States	Term Loans	USD 48,750	62	63
bclMC Realty Corp. 3.00% 03-31-2027 Callable 2026	Canada	Corporate – Non Convertible	1,510,000	1,487	1,467
Beacon Escrow Corp. 4.88% 11-01-2025 Callable 2020 144A	United States	Corporate – Non Convertible	USD 10,000	12	12
Bell Canada 3.00% 10-03-2022 Callable	Canada	Corporate – Non Convertible	7,000,000	7,065	6,938
BMW Canada Inc. F/R 06-14-2019	Germany	Corporate – Non Convertible	900,000	900	904
BP Capital Markets PLC 3.47% 05-15-2025	United Kingdom	Corporate – Non Convertible	1,130,000	1,129	1,127
Brookfield Infrastructure Finance ULC 4.20% 09-11-2028 Callable 2018	Canada	Corporate – Non Convertible	140,000	140	138
Brookfield Renewable Partners ULC 4.25% 01-15-2029 Callable 2028	Canada	Corporate – Non Convertible	50,000	50	50
Bruce Power LP 2.84% 06-23-2021	Canada	Corporate – Non Convertible	1,520,000	1,541	1,508
Bruce Power LP 3.00% 06-21-2024 Callable 2024	Canada	Corporate – Non Convertible	960,000	971	934
Bruce Power LP 3.97% 06-23-2026	Canada	Corporate – Non Convertible	120,000	123	122
Cameco Corp. 5.67% 09-02-2019	Canada	Corporate – Non Convertible	1,615,000	1,659	1,655
Camelot Finance LP Term Loan 1st Lien F/R 10-03-2023	United States	Term Loans	USD 325,073	427	421
Canada Goose Inc. Term Loan 1st Lien F/R 12-22-2021	Canada	Term Loans	USD 350,000	438	452
Canada Housing Trust No 1 F/R 09-15-2023	Canada	Federal Government	13,350,000	13,334	13,353
Canada Housing Trust No. 1 2.35% 06-15-2023	Canada	Federal Government	12,870,000	12,862	12,722
Canadian Commercial Mortgage Origination Trust 1 2.768% 11-12-2018	Canada	Mortgage Backed	238,112	238	237
Canadian Credit Card Trust II 1.829% 03-24-2020	Canada	Corporate – Non Convertible	2,460,000	2,447	2,428
Canadian Imperial Bank of Commerce F/R 01-17-2019	Canada	Corporate – Non Convertible	950,000	950	951
Canadian Imperial Bank of Commerce 2.90% 09-14-2021	Canada	Corporate – Non Convertible	1,500,000	1,500	1,500
Canadian Imperial Bank of Commerce 2.47% 12-05-2022	Canada	Corporate – Non Convertible	1,530,000	1,534	1,497
Canadian Imperial Bank of Commerce 2.97% 07-11-2023	Canada	Corporate – Non Convertible	2,340,000	2,340	2,327
Canadian Imperial Bank of Commerce 3.00% 10-28-2024 Callable 2019	Canada	Corporate – Non Convertible	960,000	974	962
Canadian Imperial Bank of Commerce 3.30% 05-26-2025	Canada	Corporate – Non Convertible	3,060,000	3,063	3,073
Canadian Imperial Bank of Commerce 3.42% 01-26-2026 Callable 2021	Canada	Corporate – Non Convertible	1,840,000	1,889	1,849
Canadian Imperial Bank of Commerce F/R 04-04-2028 Callable 2023	Canada	Corporate – Non Convertible	480,000	480	476
Canadian Natural Resources Ltd. 3.55% 06-03-2024	Canada	Corporate – Non Convertible	910,000	913	909
Canadian Western Bank 2.12% 07-29-2019	Canada	Corporate – Non Convertible	1,020,000	1,022	1,021
Canadian Western Bank 2.751% 06-29-2020	Canada	Corporate – Non Convertible	300,000	300	299
Canadian Western Bank 2.74% 06-16-2022 DPNT	Canada	Corporate – Non Convertible	320,000	320	314
Canadian Western Bank 2.92% 12-15-2022	Canada	Corporate – Non Convertible	1,550,000	1,532	1,524
Capital Power Corp. 4.28% 09-18-2024 Callable 2024	Canada	Corporate – Non Convertible	1,560,000	1,563	1,560
Cards II Trust 2.155% 10-15-2020	Canada	Corporate – Non Convertible	2,700,000	2,687	2,661
CareCentrix Inc. Term Loan 1st Lien F/R 03-22-2025	United States	Term Loans	USD 217,250	280	280



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	Country	Sector	Par Value/ No. of Shares/Units	Average Cost (\$ 000s)	Fair Value (\$ 000s)
<b>BONDS (cont'd)</b>					
CCS-CMGC Holdings Inc. Term Loan 1st Lien F/R 09-25-2025	United States	Term Loans	USD 60,000	77	77
Central 1 Credit Union F/R 02-05-2021	Canada	Corporate – Non Convertible	900,000	900	898
Central 1 Credit Union 2.60% 11-07-2022	Canada	Corporate – Non Convertible	650,000	646	633
CEVA Logistics Finance BV Term Loan B 1st Lien F/R 07-25-2025	United States	Term Loans	USD 50,000	65	65
Chartwell Retirement Residences 3.79% 12-11-2023 Callable 2023	Canada	Corporate – Non Convertible	810,000	807	806
Chartwell Retirement Residences 4.21% 04-28-2025 Callable 2025	Canada	Corporate – Non Convertible	40,000	40	40
CHIP Mortgage Trust 2.98% 11-15-2021	Canada	Corporate – Non Convertible	330,000	330	324
CI Financial Corp. 3.52% 07-20-2023 Callable 2023	Canada	Corporate – Non Convertible	290,000	290	287
Comfort Holding LLC Term Loan 1st Lien F/R 02-05-2024	United States	Term Loans	USD 413,700	533	518
Commonwealth of Bahamas 5.75% 01-16-2024	Bahamas	Foreign Governments	USD 25,000	30	33
Commonwealth of Bahamas 6.00% 11-21-2028 Callable 2028	Bahamas	Foreign Governments	USD 28,000	36	37
Commonwealth of Bahamas 6.95% 11-20-2029	Bahamas	Foreign Governments	USD 36,000	54	50
Communications Sales & Leasing Inc. Term Loan B 1st Lien F/R 10-24-2022	United States	Term Loans	USD 278,577	336	345
Corel Corp. Term Loan 1st Lien F/R 05-11-2024	Canada	Term Loans	USD 80,000	102	104
Coronado Australian Holdings Pty Ltd. Term Loan B 1st Lien F/R 03-21-2025	United States	Term Loans	USD 62,764	78	82
Coronado Australian Holdings Pty Ltd. Term Loan C 1st Lien F/R 03-21-2025	United States	Term Loans	USD 17,160	21	22
Crombie Real Estate Investment Trust 3.97% 06-01-2021	Canada	Corporate – Non Convertible	130,000	130	130
CVS Health Corp. F/R 03-09-2020	United States	Corporate – Non Convertible	USD 920,000	1,205	1,190
Daimler Canada Finance Inc. F/R 02-24-2020	Germany	Corporate – Non Convertible	670,000	670	670
Danske Bank AS 2.80% 03-10-2021 144A	Denmark	Corporate – Non Convertible	USD 640,000	850	808
Daseke Inc. Term Loan 1st Lien F/R 02-27-2024	United States	Term Loans	USD 254,719	327	332
Diamond 1 Finance Corp. 4.42% 06-15-2021 Callable 2021 144A	United States	Corporate – Non Convertible	USD 90,000	116	118
Diamond 1 Finance Corp. 5.45% 06-15-2023 Callable 2023 144A	United States	Corporate – Non Convertible	USD 180,000	232	245
Diamond 1 Finance Corp. 6.02% 06-15-2026 Callable 2026 144A	United States	Corporate – Non Convertible	USD 180,000	232	249
Digicert Holdings Inc. Term Loan 1st Lien F/R 09-20-2024	United States	Term Loans	USD 129,675	159	168
Dollarama Inc. F/R 03-16-2020	Canada	Corporate – Non Convertible	6,600,000	6,602	6,623
Eagle Credit Card Trust 2.147% 09-17-2020	Canada	Corporate – Non Convertible	650,000	650	641
Eagle Credit Card Trust 2.63% 10-17-2022	Canada	Corporate – Non Convertible	230,000	230	226
Eagle Credit Card Trust 3.04% 07-17-2023	Canada	Corporate – Non Convertible	1,200,000	1,194	1,189
EagleTree-Carbide Acquisition Corp. Term Loan 1st Lien F/R 08-28-2024	United States	Term Loans	USD 167,406	208	217
Eastern Power LLC Term Loan B 1st Lien F/R 10-02-2023	United States	Term Loans	USD 50,000	65	65
Electrical Components International Inc. Term Loan 1st Lien F/R 06-22-2025	United States	Term Loans	USD 99,750	131	130
Enbridge Inc. 3.19% 12-05-2022	Canada	Corporate – Non Convertible	3,320,000	3,463	3,301
Enbridge Inc. 5.37% 09-27-2077 Callable 2027	Canada	Corporate – Non Convertible	2,390,000	2,394	2,279
Enbridge Inc. F/R 04-12-2078 Callable 2028	Canada	Corporate – Non Convertible	550,000	564	568
EnerCare Solutions Inc. 3.99% 02-21-2024 Callable 2023	Canada	Corporate – Non Convertible	1,070,000	1,081	1,073



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## SCHEDULE OF INVESTMENTS (cont'd)

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	Country	Sector	Par Value/ No. of Shares/Units	Average Cost (\$ 000s)	Fair Value (\$ 000s)
<b>BONDS (cont'd)</b>					
Ensono LP Term Loan 1st Lien F/R 04-30-2025	United States	Term Loans	USD 79,800	101	104
Enterprise Merger Sub Inc. Term Loan 1st Lien F/R 09-28-2025	United States	Term Loans	USD 490,000	632	632
Enterprise Merger Sub Inc. 8.75% 10-15-2026 Callable 2021	United States	Corporate – Non Convertible	USD 40,000	51	51
Exela Intermediate LLC 10.00% 07-15-2023 Callable 2020 144A	United States	Corporate – Non Convertible	USD 60,000	78	83
Fairfax Financial Holdings Ltd. 5.84% 10-14-2022	Canada	Corporate – Non Convertible	90,000	99	98
Fairfax Financial Holdings Ltd. 4.50% 03-22-2023	Canada	Corporate – Non Convertible	480,000	477	497
Fairfax Financial Holdings Ltd. 8.30% 04-15-2026	Canada	Corporate – Non Convertible	USD 450,000	680	697
Federation des Caisses Desjardins du Quebec F/R 08-22-2019	Canada	Corporate – Non Convertible	2,140,000	2,140	2,147
Federation des Caisses Desjardins du Quebec 2.09% 01-17-2022	Canada	Corporate – Non Convertible	1,570,000	1,573	1,527
The Fédération des Caisses Desjardins du Québec 2.39% 08-25-2022	Canada	Corporate – Non Convertible	2,350,000	2,320	2,294
Federation des Caisses Desjardins du Quebec 3.06% 09-11-2023	Canada	Corporate – Non Convertible	1,580,000	1,578	1,573
Financial & Risk US Holdings Inc. Term Loan B 1st Lien F/R 10-01-2025	United States	Term Loans	USD 460,000	596	594
Financial & Risk US Holdings Inc. 6.25% 05-15-2026 Callable 2021 144A	United States	Corporate – Non Convertible	USD 50,000	65	65
Financial & Risk US Holdings Inc. 8.25% 11-15-2026 Callable 2021 144A	United States	Corporate – Non Convertible	USD 150,000	195	193
Ford Auto Securitization Trust 1.42% 04-15-2021 17-R2	Canada	Corporate – Non Convertible	3,214,074	3,214	3,195
Ford Credit Canada Co. F/R 12-01-2020	United States	Corporate – Non Convertible	950,000	950	944
Ford Credit Canada Ltd. 2.94% 02-19-2019	United States	Corporate – Non Convertible	1,290,000	1,296	1,291
Fortified Trust 2.16% 10-23-2020	Canada	Corporate – Non Convertible	1,760,000	1,757	1,735
Fortified Trust 1.67% 07-23-2021	Canada	Corporate – Non Convertible	940,000	940	908
Fortress Transportation and Infrastructure Investors LLC 6.50% 10-01-2025 Callable 2021 144A	United States	Corporate – Non Convertible	USD 60,000	77	77
Foundation Building Materials LLC Term Loan B 1st Lien F/R 05-11-2025	United States	Term Loans	USD 50,000	64	65
Frontera Generation Holdings LLC. Term Loan B 1st Lien F/R 04-25-2025	United States	Term Loans	USD 79,800	102	104
FXI Holdings Inc. 7.88% 11-01-2024 Callable 2020 144A	United States	Corporate – Non Convertible	USD 27,000	35	33
Gaz Metro Inc. 1.52% 05-25-2020	Canada	Corporate – Non Convertible	340,000	340	334
Genesis Trust II 1.699% 04-15-2020	Canada	Corporate – Non Convertible	2,360,000	2,339	2,324
Gentiva Health Services Inc. Term Loan 1st Lien F/R 06-21-2025	United States	Term Loans	USD 68,416	90	90
GFL Environmental Inc. 5.38% 03-01-2023 Callable 2020 144A	Canada	Corporate – Non Convertible	USD 10,000	12	12
GFL Environmental Inc. 7.00% 06-01-2026 Callable 2021 144A	Canada	Corporate – Non Convertible	USD 10,000	13	13
Gibson Energy Inc. 5.25% 07-15-2024 Callable 2020 REGS	Canada	Corporate – Non Convertible	60,000	60	60
Glacier Credit Card Trust 2.05% 09-20-2022	Canada	Corporate – Non Convertible	1,010,000	1,010	970
Glacier Credit Card Trust 3.14% 09-20-2023	Canada	Corporate – Non Convertible	390,000	390	388
The Goldman Sachs Group Inc. F/R 07-27-2022 Callable 2021	United States	Corporate – Non Convertible	520,000	517	518
The Goldman Sachs Group Inc. 2.43% 04-26-2023 Callable	United States	Corporate – Non Convertible	1,190,000	1,190	1,151
The Goldman Sachs Group Inc. 3.31% F/R 10-31-2025 Callable 2024	United States	Corporate – Non Convertible	1,900,000	1,901	1,853
Government of Bermuda 4.138% 01-03-2023	Bermuda	Foreign Governments	USD 170,000	224	223
Government of Bermuda 4.854% 02-06-2024	Bermuda	Foreign Governments	USD 270,000	361	364
Government of Canada 2.00% 06-01-2028	Canada	Federal Government	110,000	106	106
Green Plains Inc. Term Loan B 1st Lien F/R 08-29-2023	United States	Term Loans	USD 88,404	110	116
Greenhill & Co. Inc. Term Loan B 1st Lien F/R 10-12-2022	United States	Term Loans	USD 134,750	168	176



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	Country	Sector	Par Value/ No. of Shares/Units	Average Cost (\$ 000s)	Fair Value (\$ 000s)
<b>BONDS (cont'd)</b>					
H&R Real Estate Investment Trust 2.92% 05-06-2022	Canada	Corporate – Non Convertible	420,000	420	411
H&R Real Estate Investment Trust 3.42% 01-23-2023 Callable 2022	Canada	Corporate – Non Convertible	270,000	270	267
H&R Real Estate Investment Trust 3.37% 01-30-2024 Callable 2023	Canada	Corporate – Non Convertible	980,000	977	955
Hadrian Merger Sub Inc. 8.50% 05-01-2026 Callable 2021 144A	United States	Corporate – Non Convertible	USD 49,000	63	61
Halo Buyer Inc. Delayed Draw Term Loan 1st Lien F/R 06-28-2025	United States	Term Loans	USD 11,852	16	15
Halo Buyer Inc. Term Loan 1st Lien F/R 06-28-2025	United States	Term Loans	USD 28,148	37	36
HCN Canadian Holdings-1 LP 3.35% 11-25-2020	United States	Corporate – Non Convertible	590,000	588	594
Heathrow Funding Ltd. 3.00% 06-17-2023	United Kingdom	Corporate – Non Convertible	1,220,000	1,225	1,221
Hillman Group Inc. Term Loan B 1st Lien F/R 05-21-2025	United States	Term Loans	USD 49,875	63	64
Hollis Receivables Term Trust II 1.788% 02-26-2020	Canada	Corporate – Non Convertible	2,120,000	2,110	2,094
Hornblower Sub LLC Term Loan 1st Lien F/R 04-28-2025	United States	Term Loans	USD 139,300	179	181
HSBC Bank Canada 2.17% 06-29-2022	Canada	Corporate – Non Convertible	3,950,000	3,922	3,820
HSBC Bank Canada 3.25% 09-15-2023	Canada	Corporate – Non Convertible	490,000	490	489
HSBC Holdings PLC 3.20% 12-05-2023	United Kingdom	Corporate – Non Convertible	1,060,000	1,060	1,045
Hub International Ltd. Term Loan B 1st Lien F/R 04-25-2025	United States	Term Loans	USD 59,850	76	78
Hudson River Trading LLC Term Loan 1st Lien F/R 03-20-2025	United States	Term Loans	USD 119,400	155	156
Hydro One Inc. 2.57% 06-25-2021	Canada	Corporate – Non Convertible	2,380,000	2,367	2,360
Hydro One Inc. 2.97% 06-26-2025 Callable 2025	Canada	Corporate – Non Convertible	50,000	50	49
Hyster-Yale Group Inc. Term Loan B 1st Lien F/R 05-30-2023	United States	Term Loans	USD 262,500	354	340
Industrial Alliance Insurance and Financial Services Inc. 2.80% 05-16-2024 Callable 2019	Canada	Corporate – Non Convertible	460,000	464	460
Inter Pipeline Ltd. 2.73% 04-18-2024 Callable 2024	Canada	Corporate – Non Convertible	610,000	615	583
Inter Pipeline Ltd. 3.173% 03-24-2025 Callable 2024 MTN	Canada	Corporate – Non Convertible	1,140,000	1,153	1,102
Inter Pipeline Ltd. 3.48% 12-16-2026 Callable 2026	Canada	Corporate – Non Convertible	270,000	270	262
Intermedia Holdings Inc. Term Loan B 1st Lien F/R 07-13-2025	United States	Term Loans	USD 80,000	104	104
The International Bank for Reconstruction and Development 3.50% 01-22-2021	Supra – National	n/a	NZD 3,670,000	3,394	3,230
International Finance Corp. 3.625% 05-20-2020	Supra – National	n/a	NZD 1,190,000	1,099	1,043
Isagenix International LLC Term Loan 1st Lien F/R 04-26-2025	United States	Term Loans	USD 138,250	176	179
Itron Inc. 5.00% 01-15-2026 Callable 2021 144A	United States	Corporate – Non Convertible	USD 10,000	13	12
Ivanhoe Cambridge II Inc. 2.91% 06-27-2023 Callable 2023	Canada	Corporate – Non Convertible	1,240,000	1,232	1,227
JPMorgan Chase & Co. 3.19% 03-05-2021	United States	Corporate – Non Convertible	2,760,000	2,791	2,777
Keane Group Holdings LLC Term Loan B 1st Lien F/R 05-18-2025	United States	Term Loans	USD 70,000	90	90
Kestrel Acquisition LLC Term Loan B 1st Lien F/R 05-02-2025	United States	Term Loans	USD 29,925	38	39
The KeyW Holding Corp/The Term Loan 1st Lien F/R 05-04-2024	United States	Term Loans	USD 76,279	98	99
Kindred Healthcare Inc. Term Loan B 1st Lien F/R 06-21-2025	United States	Term Loans	USD 60,000	79	78
Kruger Products LP 6.00% 04-24-2025 Callable 2021	Canada	Corporate – Non Convertible	7,000	7	7
Lantheus Medical Imaging Inc. Term Loan B 1st Lien F/R 06-30-2022	United States	Term Loans	USD 112,138	149	145
Laurentian Bank of Canada F/R 04-24-2019	Canada	Corporate – Non Convertible	USD 3,100,000	4,177	4,014
Laurentian Bank of Canada F/R 10-22-2019	Canada	Corporate – Non Convertible	530,000	530	531
Laurentian Bank of Canada 3.00% 09-12-2022	Canada	Corporate – Non Convertible	940,000	938	921
Laurentian Bank of Canada 3.45% 06-27-2023	Canada	Corporate – Non Convertible	240,000	240	238



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<b>BONDS (cont'd)</b>					
LBM Borrower LLC Term Loan 1st Lien F/R 08-20-2022	United States	Term Loans	USD 589,259	755	767
LifeScan Global Corp. Term Loan 1L F/R 06-19-2024	United States	Term Loans	USD 240,000	309	308
The Manufacturers Life Insurance Co. 2.389% 01-05-2026 Callable 2021	Canada	Corporate – Non Convertible	1,190,000	1,192	1,175
Manulife Bank of Canada F/R 01-27-2020 Callable 2019	Canada	Corporate – Non Convertible	690,000	690	690
Manulife Bank of Canada 1.92% 09-01-2021	Canada	Corporate – Non Convertible	1,170,000	1,162	1,135
Manulife Bank of Canada 2.84% 01-12-2023	Canada	Corporate – Non Convertible	1,310,000	1,298	1,293
Manulife Financial Corp. F/R 05-09-2028 Callable 2023	Canada	Corporate – Non Convertible	260,000	260	259
Manulife Financial Corp. F/R 08-20-2029 Callable 2024	Canada	Corporate – Non Convertible	950,000	950	923
Mastronardi Produce Ltd. Term Loan B 1st Lien F/R 04-18-2025	Canada	Term Loans	USD 59,700	75	78
Mattamy Group Corp. 6.50% 10-01-2025 Callable 2020	Canada	Corporate – Non Convertible	24,000	24	24
Mattamy Group Corp. 6.50% 10-01-2025 Callable 2020 144A	Canada	Corporate – Non Convertible	USD 110,000	137	138
Matterhorn Merger Sub LLC 8.50% 06-01-2026 Callable 2021 144A	United States	Corporate – Non Convertible	USD 8,000	10	10
McDonald's Corp. 3.13% 03-04-2025 Callable 2025	United States	Corporate – Non Convertible	1,600,000	1,589	1,567
Meredith Corp. Term Loan B 1st Lien F/R 01-18-2025	United States	Term Loans	USD 230,461	286	300
Metro Inc. 2.68% 12-05-2022 Callable 2022	Canada	Corporate – Non Convertible	600,000	599	586
Molson Coors International LP 2.84% 07-15-2023 Callable 2023	United States	Corporate – Non Convertible	1,760,000	1,722	1,695
Morgan Stanley 3.00% 02-07-2024	United States	Corporate – Non Convertible	1,170,000	1,170	1,143
National Bank of Canada 1.96% 06-30-2022	Canada	Corporate – Non Convertible	3,820,000	3,751	3,681
NBC Asset Trust 7.447% Perpetual (F/R @ 06-30-2020) Callable 2020	Canada	Corporate – Non Convertible	2,330,000	2,490	2,478
New Red Finance Inc. 5.00% 10-15-2025 Callable 2020 144A	Canada	Corporate – Non Convertible	USD 8,000	10	10
Newell Brands Inc. 4.20% 04-01-2026 Callable 2026	United States	Corporate – Non Convertible	USD 450,000	569	554
North Battleford Power LP 4.958% 12-31-2032	Canada	Corporate – Non Convertible	252,340	252	270
North West Redwater Partnership 2.80% 06-01-2027 Callable 2027	Canada	Corporate – Non Convertible	760,000	733	716
OCI Beaumont LLC Term Loan B 1st Lien F/R 02-16-2025	United States	Term Loans	USD 39,800	50	52
Office Depot Inc. Term Loan B 1st Lien F/R 11-08-2022	United States	Term Loans	USD 2,609	3	3
Omega Healthcare Investors Inc. 4.50% 01-15-2025 Callable 2024	United States	Corporate – Non Convertible	USD 200,000	216	253
OMERS Realty Corp. 2.473% 11-12-2019 Callable	Canada	Corporate – Non Convertible	1,970,000	1,970	1,969
OMERS Realty Corp. 3.24% 10-04-2027 Callable 2027	Canada	Corporate – Non Convertible	2,090,000	2,082	2,060
OMERS Realty Corp. 3.63% 06-05-2030 Callabe 2030	Canada	Corporate – Non Convertible	60,000	60	60
Ontario Electricity Financial Corp. 0% 11-27-2020	Canada	Provincial Governments	1,740,000	1,687	1,647
OpenLink International Inc. Term Loan B 1st Lien F/R 03-21-2025	United States	Term Loans	USD 68,950	89	90
Osteon Merger Sub Inc. Term Loan B 1st Lien F/R 02-06-2025	United States	Term Loans	USD 69,650	87	90
Parkland Fuel Corp. 6.00% 04-01-2026 Callable 2021 144A	Canada	Corporate – Non Convertible	USD 13,000	17	17
Pembina Pipeline Corp. 3.54% 02-03-2025 Callable	Canada	Corporate – Non Convertible	700,000	696	693
Petroleos De Venezuela SA 6.00% 05-16-2024	Venezuela	Corporate – Non Convertible	USD 568,000	181	161
PetSmart Inc. Term Loan B2 1st Lien F/R 03-10-2022	United States	Term Loans	USD 158,774	172	180
PLH Group Inc. Term Loan 1st Lien F/R 08-06-2023	United States	Term Loans	USD 90,000	113	115
Prospect Medical Holdings Inc. Term Loan B 1st Lien F/R 02-15-2024	United States	Term Loans	USD 248,750	306	327
Province of Newfoundland 3.00% 06-02-2026	Canada	Provincial Governments	3,340,000	3,360	3,320
Province of Ontario Generic Coupon Strip 0% 12-02-2023	Canada	Provincial Governments	210,000	178	181



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FIXED INCOME 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>					
Province of Ontario F/R 06-27-2022	Canada	Provincial Governments	14,920,000	15,014	15,013
Province of Ontario 0% 07-13-2022	Canada	Provincial Governments	40,000	39	36
Province of Ontario 2.60% 09-08-2023	Canada	Provincial Governments	18,550,000	18,534	18,425
Province of Ontario 0% 06-02-2024	Canada	Provincial Governments	2,040,000	1,792	1,729
Province of Quebec 0% 04-01-2026 Generic Strip	Canada	Provincial Governments	1,220,000	1,017	967
PS HoldCo LLC Term Loan 1st Lien F/R 03-02-2025	United States	Term Loans	USD 49,875	64	65
PSC Industrial Outsourcing LP Term Loan B 1st Lien F/R 10-05-2024	United States	Term Loans	USD 238,200	296	311
R1 RCM Inc. Term Loan B 1st Lien F/R 05-02-2025	United States	Term Loans	USD 80,000	100	104
Rackspace Hosting Inc. 8.63% 11-15-2024 Callable 2019 144A	United States	Corporate – Non Convertible	USD 270,000	341	340
Red Ventures LLC Term Loan B 1st Lien F/R 11-08-2024	United States	Term Loans	USD 97,319	120	127
Reliance Intermediate Holdings LP 6.50% 04-01-2023 Callable 2018 144A	Canada	Corporate – Non Convertible	USD 10,000	13	13
Reliance LP 3.84% 03-15-2025 Callable 2025	Canada	Corporate – Non Convertible	120,000	120	118
Royal Bank of Canada 2.36% 12-05-2022	Canada	Corporate – Non Convertible	460,000	460	448
Royal Bank of Canada 2.95% 05-01-2023	Canada	Corporate – Non Convertible	4,590,000	4,590	4,566
Royal Bank of Canada 3.30% 09-26-2023	Canada	Corporate – Non Convertible	2,110,000	2,110	2,113
Saputo Inc. 3.61% 08-14-2025 Callable 2025	Canada	Corporate – Non Convertible	100,000	100	100
Savage Enterprises LLC Term Loan B 1st Lien F/R 07-02-2025	United States	Term Loans	USD 88,625	114	116
Sea to Sky Highway Investment LP 2.63% 08-31-2030	Canada	Corporate – Non Convertible	800,850	801	763
Sienna Senior Living Inc. 3.474% 02-03-2021	Canada	Corporate – Non Convertible	320,000	325	324
SIRVA Worldwide Inc. Term Loan 1st Lien F/R 07-31-2025	United States	Term Loans	USD 81,000	104	105
SmartCentres Real Estate Investment Trust F/R 12-21-2020	Canada	Corporate – Non Convertible	1,480,000	1,480	1,483
SNC-Lavalin Group Inc. F/R 03-02-2021	Canada	Corporate – Non Convertible	1,280,000	1,280	1,280
Solenis International LP Term Loan 1st Lien F/R 12-18-2023	United States	Term Loans	USD 79,600	104	104
Spirit AeroSystems Inc. 3.95% 06-15-2023 Callable 2023	United States	Corporate – Non Convertible	USD 230,000	295	296
SRS Distribution Inc. 8.25% 07-01-2026 Callable 2021 144A	United States	Corporate – Non Convertible	USD 77,000	99	97
St. Joseph Energy Center LLC Term Loan 1st Lien F/R 04-06-2025	United States	Term Loans	USD 29,549	38	39
Staples Inc. Term Loan 1st Lien F/R 08-15-2024	United States	Term Loans	USD 347,375	442	450
Starfruit US Holdco LLC Term Loan B 1st Lien F/R 09-2025	United States	Term Loans	USD 120,000	154	156
Stars Group Holdings BV 7.00% 07-15-2026 Callable 2021 144A	Canada	Corporate – Non Convertible	USD 40,000	53	53
Stepstone Group LP Term Loan B 1st Lien F/R 03-19-2025	United States	Term Loans	USD 59,850	77	78
Sun Life Financial Inc. F/R 02-19-2026 Callable 2021	Canada	Corporate – Non Convertible	1,200,000	1,215	1,200
Sun Life Financial Inc. F/R 11-23-2027 Callable 2022	Canada	Corporate – Non Convertible	420,000	420	411
Sun Life Financial Inc. F/R 09-19-2028 Callable 2023	Canada	Corporate – Non Convertible	1,350,000	1,355	1,331
Superior Plus LP 7.00% 07-15-2026 Callable 2021 144A	Canada	Corporate – Non Convertible	USD 60,000	80	78
Syniverse Holdings Inc. Term Loan 1st Lien F/R 02-09-2023	United States	Term Loans	USD 59,700	74	78
Sysco Canada Inc. 3.65% 04-25-2025 Callable 2025	United States	Corporate – Non Convertible	140,000	140	140
Talen Energy Supply LLC 10.50% 01-15-2026 Callable 2022 144A	United States	Corporate – Non Convertible	USD 15,000	19	18
TELUS Corp. 3.35% 04-01-2024 Callable	Canada	Corporate – Non Convertible	640,000	644	636
TerraForm Power Operating LLC 5.00% 01-31-2028 Callable 2027 144A	United States	Corporate – Non Convertible	USD 13,000	17	16
Teva Pharmaceutical Finance Netherlands III BV 3.15% 10-01-2026 Callable	Israel	Corporate – Non Convertible	USD 20,000	21	22
Teva Pharmaceutical Industries Ltd. 2.80% 07-21-2023	Israel	Corporate – Non Convertible	USD 40,000	47	46
Titan Acquisition Ltd. Term Loan 1st Lien F/R 03-16-2025	United Kingdom	Term Loans	USD 19,950	24	25
Titan Acquisition Ltd. 7.75% 04-15-2026 Callable 2021 144A	United Kingdom	Corporate – Non Convertible	USD 40,000	52	45



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# MACKENZIE CANADIAN SHORT TERM 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>BONDS (cont'd)</b>					
TMX Group Ltd. 4.46% 10-03-2023 Callable 2023	Canada	Corporate – Non Convertible	970,000	1,098	1,024
TMX Group Ltd. 2.30% 12-11-2024 Callable 2024	Canada	Corporate – Non Convertible	70,000	70	69
TMX Group Ltd. 3.78% 06-05-2028 Callable 2028	Canada	Corporate – Non Convertible	40,000	40	40
The Toronto-Dominion Bank 3.01% 05-30-2023	Canada	Corporate – Non Convertible	410,000	410	409
The Toronto-Dominion Bank 1.91% 07-18-2023 DPNT	Canada	Corporate – Non Convertible	3,120,000	3,090	2,961
The Toronto-Dominion Bank F/R 09-14-2028 Callable 2023	Canada	Corporate – Non Convertible	720,000	720	718
The Toronto-Dominion Bank F/R 07-25-2029 Callable 2024	Canada	Corporate – Non Convertible	1,430,000	1,409	1,393
Toyota Credit Cabada Inc. F/R 10-13-2020	Canada	Corporate – Non Convertible	2,800,000	2,800	2,802
TransCanada Pipelines Ltd. 3.39% 03-15-2028 Callable 2027	Canada	Corporate – Non Convertible	60,000	60	59
TransCanada Trust F/R 05-18-2077 Callable 2027	Canada	Corporate – Non Convertible	1,470,000	1,447	1,394
Transurban Finance Co. Pty Ltd. 3.368% 03-06-2019	Australia	Asset Backed	880,000	880	884
Traverse Midstream Partners LLC Term Loan B 1st Lien F/R 09-21-2024	United States	Term Loans	USD 110,000	135	143
Uber Technologies Inc. Term Loan 1st Lien F/R 03-21-2025	United States	Term Loans	USD 199,500	256	260
Uber Technologies Inc. Term Loan B 1st Lien F/R 07-13-2023	United States	Term Loans	USD 469,677	620	610
Ultra Clean Holdings Inc. Term Loan B 1st Lien F/R 08-27-2025	United States	Term Loans	USD 170,000	218	218
Unimin Corp. Term Loan 1st Lien F/R 05-21-2025	United States	Term Loans	USD 109,725	141	134
United States Treasury 2.25% 11-15-2027	United States	Foreign Governments	USD 60,000	76	73
United States Treasury 2.75% 02-15-2028	United States	Foreign Governments	USD 850,000	1,079	1,073
Ventas Canada Finance Ltd. 2.55% 03-15-2023 Callable 2023	United States	Corporate – Non Convertible	800,000	801	772
VeriFone Systems Inc. Term Loan 1st Lien F/R 08-09-2025	United States	Term Loans	USD 70,000	91	91
Vertex Aerospace Services Corp. Term Loan B 1st Lien F/R 06-14-2025	United States	Term Loans	USD 49,875	65	65
Vistage Worldwide Inc. Term Loan 1st Lien F/R 02-01-2025	United States	Term Loans	USD 109,450	137	142
Vodafone Group PLC 3.75% 01-16-2024	United Kingdom	Corporate – Non Convertible	USD 400,000	518	512
VVC Holding Corp. Term Loan 1st Lien F/R 07-03-2025	United States	Term Loans	USD 110,000	142	141
VW Credit Canada Inc. F/R 03-30-2020	Germany	Corporate – Non Convertible	1,080,000	1,080	1,081
VW Credit Canada Inc. 3.25% 03-29-2023	Germany	Corporate – Non Convertible	280,000	280	278
Vyair Medical Inc. Term Loan B 1st Lien F/R 04-06-2025	United States	Term Loans	USD 99,750	120	127
W/S Packaging Holdings Inc. 9.00% 04-15-2023 Callable 2020 144A	United States	Corporate – Non Convertible	USD 50,000	65	67
Williams Scotsman International Inc. 7.88% 12-15-2022 Callable 2019 144A	United States	Corporate – Non Convertible	USD 24,000	31	32
Yak Access LLC Term Loan B 1st Lien F/R 06-26-2025	United States	Term Loans	USD 160,000	204	200
Zotec Partners LLC Term Loan 1st Lien F/R 02-09-2024	United States	Term Loans	USD 158,000	197	205
<b>Total bonds</b>				<b>287,749</b>	<b>284,537</b>
<b>EQUITIES</b>					
AltaGas Ltd. Pfd. Series K	Canada	Energy	10,934	273	266
Brookfield Asset Management Inc. Pfd. Series 46	Canada	Real Estate	12,663	317	328
Brookfield Asset Management Inc. Pfd. Series 48	Canada	Real Estate	13,016	328	333
Brookfield Renewable Partners LP Pfd. Series 11	Canada	Utilities	20,372	509	508
Source Energy Services Ltd.	Canada	Energy	4,564	43	19
TransAlta Corp. Pfd. Series A	Canada	Utilities	25,258	336	396
TransCanada Corp. Pfd. Series 15	Canada	Energy	26,734	669	697
<b>Total equities</b>				<b>2,475</b>	<b>2,547</b>



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# MACKENZIE CANADIAN SHORT TERM 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>OPTIONS</b>					
Options Purchased (see schedule of options purchased)				148	35
<b>Total Options</b>				<b>148</b>	<b>35</b>
<b>EXCHANGE-TRADED FUNDS/NOTES</b>					
Mackenzie US Investment Grade Corporate Bond Index ETF (CAD-Hedged)	Canada	Exchange-Traded Funds/Notes	51,761	5,148	5,056
<b>Total exchange-traded funds/notes</b>				<b>5,148</b>	<b>5,056</b>
<b>MUTUAL FUNDS</b>					
Mackenzie Global Credit Opportunities Fund Series R	Canada	Mutual Funds	1,723,459	17,215	16,224
Mackenzie Global Tactical Bond Fund Series R	Canada	Mutual Funds	433,849	4,333	4,053
Mackenzie Unconstrained Fixed Income Fund Series R	Canada	Mutual Funds	143,732	1,422	1,426
<b>Total mutual funds</b>				<b>22,970</b>	<b>21,703</b>
Transaction costs				(24)	–
<b>Total investments</b>				<b>318,466</b>	<b>313,878</b>
Derivative instruments (see schedule of derivative instruments)					1,091
Liability for options written (see schedule of options written)					–
Cash and cash equivalents					1,700
Other assets less liabilities					(298)
<b>Total net assets</b>					<b>316,371</b>



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# MACKENZIE CANADIAN SHORT TERM 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
Bonds	95.7	Bonds	96.8
<i>Bonds</i>	95.6	<i>Bonds</i>	96.9
<i>Short futures</i>	0.1	<i>Purchased options</i>	0.0
<i>Purchased options</i>	0.0	<i>Short futures</i>	(0.1)
Exchange-traded funds/notes	1.8	Exchange-traded funds/notes	1.9
Cash and short-term investments	1.6	Equities	1.1
Equities	0.9	Cash and short-term investments	0.6
Purchased currency options	0.0	Other assets (liabilities)	(0.4)
Written currency options	(0.0)		
Effective Regional Allocation	% of NAV	Effective Regional Allocation	% of NAV
Canada	76.2	Canada	76.5
United States	14.6	United States	15.1
United Kingdom	1.8	United Kingdom	1.3
Cash and short-term investments	1.6	New Zealand	1.2
Other	1.1	Other	1.2
New Zealand	1.0	Australia	1.0
Germany	1.0	Belgium	0.9
Belgium	0.8	Germany	0.8
Netherlands	0.6	Cash and short-term investments	0.6
Australia	0.4	Bahamas	0.5
Denmark	0.3	Denmark	0.4
Bermuda	0.2	Netherlands	0.4
Luxembourg	0.1	Brazil	0.2
France	0.1	Colombia	0.1
Bahamas	0.1	France	0.1
Mexico	0.1	Argentina	0.1
		Other assets (liabilities)	(0.4)
Effective Sector Allocation	% of NAV	Effective Sector Allocation	% of NAV
Corporate bonds	65.4	Corporate bonds	63.7
Provincial bonds	13.1	Federal bonds	15.5
Federal bonds	8.3	Term loans	7.5
Term loans	5.7	Provincial bonds	5.8
Exchange-traded funds/notes	1.8	Supra-national bonds	2.0
Cash and short-term investments	1.6	Exchange-traded funds/notes	1.9
Supra-national bonds	1.5	Foreign government bonds	1.7
Foreign government bonds	1.2	Other	0.9
Energy	0.4	Cash and short-term investments	0.6
Other	0.4	Energy	0.4
Utilities	0.3	Asset backed	0.4
Asset backed	0.3	Other assets (liabilities)	(0.4)

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



# MACKENZIE CANADIAN SHORT TERM 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	4,147,000	Call	Oct. 02, 2018	USD 0.73	6	–
Currency Call Option AUD/USD	3,110,000	Call	Oct. 02, 2018	USD 0.74	3	–
Currency Call Option USD/CAD	4,330,000	Call	Oct. 05, 2018	CAD 1.33	12	–
Currency Call Option USD/CAD	1,440,000	Call	Oct. 05, 2018	CAD 1.33	4	–
iShares iBoxx \$ High Yield Corporate Bond ETF	364	Put	Nov. 16, 2018	USD 84.00	67	8
Currency Call Option EUR/NOK	1,340,000	Call	Dec. 14, 2018	NOK 9.30	19	9
iShares iBoxx \$ High Yield Corporate Bond ETF	276	Put	Jan. 18, 2019	USD 84.00	37	18
<b>Total options</b>					<b>148</b>	<b>35</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	(1,340,000)	Written Call	Dec. 14, 2018	NOK 8.90	(3)	–
<b>Total options</b>					<b>(3)</b>	<b>–</b>



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# MACKENZIE CANADIAN SHORT TERM 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)
(3)	10 Year Japanese Government Bond (OSE) Futures December 2018	Dec. 13, 2018	150.24 JPY	(5,122)	5
(402)	5 Year United States Treasury Note Futures December 2018	Dec. 31, 2018	113.24 USD	(58,432)	398
Unrealized Gains				(63,554)	403
<b>Total futures contracts</b>				<b>(63,554)</b>	<b>403</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	1,116 Canadian dollar	(840) U.S. dollar	Oct. 5, 2018	(1,116)	(1,085)	31
A	4,436 Canadian dollar	(3,400) U.S. dollar	Oct. 19, 2018	(4,436)	(4,389)	47
AA	3,714 Canadian dollar	(2,830) U.S. dollar	Oct. 19, 2018	(3,714)	(3,654)	60
AA	717 Canadian dollar	(540) U.S. dollar	Oct. 19, 2018	(717)	(697)	20
AA	780 Canadian dollar	(590) U.S. dollar	Oct. 26, 2018	(780)	(762)	18
A	200 Canadian dollar	(129) Euro	Nov. 2, 2018	(200)	(194)	6
A	274 Canadian dollar	(210) U.S. dollar	Nov. 2, 2018	(274)	(271)	3
A	2,720 Canadian dollar	(2,080) U.S. dollar	Nov. 2, 2018	(2,720)	(2,685)	35
AA	1,095 Canadian dollar	(840) U.S. dollar	Nov. 9, 2018	(1,095)	(1,084)	11
AA	1,109 Canadian dollar	(840) U.S. dollar	Nov. 9, 2018	(1,109)	(1,084)	25
AA	3,307 Canadian dollar	(2,518) U.S. dollar	Nov. 9, 2018	(3,307)	(3,249)	58
AA	7,388 Canadian dollar	(5,620) U.S. dollar	Nov. 30, 2018	(7,388)	(7,249)	139
AA	246 Canadian dollar	(190) U.S. dollar	Nov. 30, 2018	(246)	(245)	1
AA	4,332 Canadian dollar	(4,980) New Zealand dollar	Dec. 5, 2018	(4,332)	(4,259)	73
AA	705 Canadian dollar	(540) U.S. dollar	Dec. 7, 2018	(705)	(697)	8
AA	1,852 Canadian dollar	(1,420) U.S. dollar	Dec. 14, 2018	(1,852)	(1,831)	21
AA	9,193 Canadian dollar	(6,999) U.S. dollar	Dec. 14, 2018	(9,193)	(9,024)	169
Unrealized Gains						725
AA	710 U.S. dollar	(932) Canadian dollar	Oct. 5, 2018	932	917	(15)
AA	1,575 U.S. dollar	(2,045) Canadian dollar	Oct. 5, 2018	2,045	2,035	(10)
AA	1,575 U.S. dollar	(2,043) Canadian dollar	Dec. 7, 2018	2,043	2,031	(12)
Unrealized (Losses)						(37)
<b>Total forward currency contracts</b>						<b>688</b>
<b>Total derivative instruments at fair value</b>						<b>1,091</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.

# MACKENZIE CANADIAN SHORT TERM INCOME FUND

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2018

FIXED INCOME FUND

## 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.

# MACKENZIE CANADIAN SHORT TERM INCOME FUND

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2018

FIXED INCOME FUND

## 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.



**MACKENZIE**  
Investments

## 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.

# MACKENZIE CANADIAN SHORT TERM INCOME FUND

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2018

FIXED INCOME FUND

## 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 CANADIAN SHORT TERM INCOME FUND

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2018

FIXED INCOME FUND

## NOTES TO FINANCIAL STATEMENTS

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

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

Date of Formation January 7, 1994

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](http://www.mackenzieinvestments.com))

Series A securities are offered to retail investors investing a minimum of \$500 under the redemption charge and low-load purchase options.

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.

Series F 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; they are also available to employees of Mackenzie and its subsidiaries, and directors of Mackenzie.

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.

Series I securities are offered to retail investors investing a minimum of \$500 in a qualified group plan with a minimum of \$20,000,000 in assets.

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.

Series PW securities are offered through our Private Wealth Solutions to certain high net worth investors who invest a minimum of \$100,000.

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.

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 PWX8 securities also want to receive a monthly cash flow of 8% per year.

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

Series SC securities are offered to retail investors investing a minimum of \$500 under the sales charge purchase option.

Series G securities are no longer available for sale, except for additional purchases by investors who have held these securities since December 11, 2017.

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

Series PWF securities are no longer available for sale. Effective June 1, 2018, Series PWF securities were consolidated into Series F securities.

**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 securities are offered to retail investors investing a minimum of \$500.

Series LW securities are offered through our Preferred Pricing Program to certain high net worth investors who invest a minimum of \$100,000.

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 CANADIAN SHORT TERM 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	Inception/ Reinstatement Date	Management Fees	Administration Fees	Net Asset Value per Security (\$)	
				Sep. 30, 2018	Mar. 31, 2018
Series A	January 14, 1994	1.25%	0.17%	1.98	2.00
Series AR	May 9, 2018	1.25%	0.20%	9.96	–
Series D	March 19, 2014	0.80%	0.15%	9.74	9.80
Series F	December 6, 1999	0.40% <sup>(3)</sup>	0.15%	5.29	5.32
Series FB	October 26, 2015	0.55%	0.17%	9.81	9.87
Series G	November 24, 2006	1.00%	0.17%	10.09	10.16
Series I	October 25, 1999	0.85%	0.17%	5.07	5.10
Series J	November 29, 2011	0.65%	0.15%	9.67	9.74
Series M	November 24, 2006	Up to 0.85%	0.17%	10.06	10.13
Series O	October 30, 2002	– <sup>(1)</sup>	– *	9.71	9.78
Series PW	October 15, 2013	0.90% <sup>(4)</sup>	0.15%	9.84	9.91
Series PWF	None issued <sup>(5)</sup>	0.55%	0.15%	–	9.80
Series PWFB	April 3, 2017	0.40% <sup>(3)</sup>	0.15%	9.70	9.76
Series PWX	December 20, 2013	– <sup>(2)</sup>	– <sup>(2)</sup>	9.81	9.88
Series PWX8	July 28, 2014	– <sup>(2)</sup>	– <sup>(2)</sup>	11.52	11.90
Series R	August 3, 2018	– *	– *	9.99	–
Series SC	November 10, 2010	1.05%	0.17%	9.66	9.72
Series LB	January 25, 2012	1.05%	0.17%	9.67	9.73
Series LW	December 1, 2017	1.05%	0.15%	9.82	9.89

\* Not applicable.

(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 0.55%. From June 1 through September 27, 2018, the management fee for this series was charged to the Fund at a rate of 0.45%.

(4) Prior to June 1, 2018, the management fee for Series PW was charged to the Fund at a rate of 1.05%. From June 1 through September 27, 2018, the management fee for Series PW was charged to the Fund at a rate of 0.95%.

(5) The series' original start date was November 1, 2013. All securities in the series were consolidated into Series F 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 \$5 and \$49,954 (March 31, 2018 – \$Nil and \$Nil), 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.

# MACKENZIE CANADIAN SHORT TERM INCOME FUND

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2018

FIXED INCOME FUND

## NOTES TO FINANCIAL STATEMENTS

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

#### (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	8,232	19,160
Value of collateral received	8,659	20,245

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	15	100.0	14	100.0
Tax withheld	–	–	(1)	(7.1)
	15	100.0	13	92.9
Payments to Securities Lending Agent	(4)	(26.7)	(3)	(21.4)
Securities lending income	11	73.3	10	71.5

#### (e) 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	3,185	3	130– 2,225	0.750	December 17, 2018– May 18, 2019
March 31, 2018	220	3	55– 95	0.750	June 18, 2018– August 21, 2018

#### (f) Change in Investment Objective

Following the approval of investors in the Fund, the investment objective of the Fund changed effective July 6, 2018. These changes provide the Fund with additional flexibility to invest in foreign fixed income securities.

# MACKENZIE CANADIAN SHORT TERM INCOME FUND

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## NOTES TO FINANCIAL STATEMENTS

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

#### (g) 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	847	(12)	–	835
Unrealized losses on derivative contracts	(12)	12	158	158
Liability for options written	–	–	–	–
Total	835	–	158	993

March 31, 2018				
	Gross amount of assets/liabilities (\$)	Amount available for offset (\$)	Margin (\$)	Net amount (\$)
Unrealized gains on derivative contracts	22	(22)	–	–
Unrealized losses on derivative contracts	(809)	22	806	19
Liability for options written	–	–	–	–
Total	(787)	–	806	19

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

##### i. Risk exposure and management

Effective July 6, 2018, the Fund's investment objective and strategies were changed to seek short-term income by investing mainly in high quality, short-term fixed income securities issued by Canadian federal, provincial or municipal governments or by Canadian companies. The Fund may invest in residential first mortgages insured or guaranteed by Canadian or provincial governments or Crown corporations thereof, either directly or through pooled mortgage investments. It may hold up to 30% of its assets in foreign investments.

Under the prior investment objective, the residential first mortgages in which the Fund could invest were insured or guaranteed by Canadian or provincial governments.

##### 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* (\$)
Australian dollar	–	–	6,779	6,779
New Zealand dollar	4,273	–	(4,259)	14
U.S. dollar	30,485	1,584	(31,947)	122
Japanese yen	–	5	5	10
Euro	9	–	(194)	(185)
Total	34,767	1,589	(29,616)	6,740
% of Net Assets	11.0	0.5	(9.4)	2.1



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

(h) Risks Associated with Financial Instruments (cont'd)

ii. Currency risk (cont'd)

Currency	March 31, 2018			
	Investments (\$)	Cash and Short-Term Investments (\$)	Derivative Instruments (\$)	Net Exposure* (\$)
Euro	204	–	–	204
New Zealand dollar	4,638	–	(4,629)	9
Mexican peso	–	–	1	1
U.S. dollar	32,653	949	(90,604)	(57,002)
Total	37,495	949	(95,232)	(56,788)
% of Net Assets	13.1	0.3	(33.3)	(19.9)

\* Includes both monetary and non-monetary financial instruments

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 \$25 or 0.0% of total net assets (March 31, 2018 – increased by \$2,478 or 0.9%). 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 \$186 or 0.1% of the total net assets (March 31, 2018 – decreased by \$2,478 or 0.9%). 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	13,908	(63,554)	5,526	(59,838)
1-5 years	190,820	–	143,838	–
5-10 years	70,850	–	97,701	–
Greater than 10 years	8,959	–	9,356	–
Total	284,537	(63,554)	256,421	(59,838)

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 \$7,226 or 2.3% (March 31, 2018 – \$7,612 or 2.7%) 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 \$7,328 or 2.3% (March 31, 2018 – \$7,663 or 2.7%) of total net assets. In practice, the actual trading results may differ and the difference could be material.

iv. Other price risk

As at September 30, 2018 and March 31, 2018, the Fund did not have a significant exposure to price risk.



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

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

##### 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 11.2% of the net assets of the Fund (March 31, 2018 – 15.3%).

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	16.1	22.8
AA	29.3	21.5
A	18.8	15.7
BBB	20.6	21.5
Less than BBB	4.7	7.2
Unrated	0.4	0.8
Total	89.9	89.5

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

#### (i) 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	–	284,537	–	284,537	–	256,421	–	256,421
Equities	2,547	–	–	2,547	2,458	–	–	2,458
Options	–	35	–	35	–	111	–	111
Exchange-traded funds/notes	5,056	–	–	5,056	5,088	–	–	5,088
Mutual funds	21,703	–	–	21,703	23,472	–	–	23,472
Derivative assets	403	725	–	1,128	–	203	–	203
Derivative liabilities	–	(37)	–	(37)	(379)	(843)	–	(1,222)
Short-term investments	–	1,449	–	1,449	–	204	–	204
Total	29,709	286,709	–	316,418	30,639	256,096	–	286,735

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.

During the period, there were no significant transfers between Level 1 and Level 2.

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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