Performance Summary

- During Q4 2015 the Fund returned 1.9% versus the blended benchmark (46% FTSE TMX Canada 91-Day T-Bill Index + 30% FTSE TMX Canada All Government Bond Index + 24% S&P 500 CDN) return of 2.9%.

Contributors to Performance

- On a regional level, the Fund benefited from an underweight position in Canada and the United Kingdom. Stock selection in the United Kingdom also added value.
- At the sector level, an underweight position in energy and stock selection health care were contributors to relative performance during the quarter.
- The top relative contributor to performance was FTSE TMX Canada 91-Day T-Bill.

Detractors from Performance

- Stock selection in the U.S. detracted from performance over the period, as did an underweight to Japan.
- At a sector level, stock selection in information technology and industrials detracted most from performance followed by an underweight position in information technology.
- The largest individual detractor was Chesapeake Energy Corporation 6.5% 15-Aug-2017.

Portfolio Activity

- The allocation to equity is currently 35.5%, with 21.9% invested in the SPDR S&P 500 ETF. The remainder of the equity is made up of 85 individual stocks and REITs. The equity portion of the Fund is invested in 4 countries across 10 sectors.
- The allocation to fixed income is currently 54.5% with 408 holdings across 20 countries.
- Within the underlying Mackenzie Unconstrained Fixed Income Fund, there is 21.9% in cash, 15.8% in bank loans, 34.9% in high yield bonds and 27.0% exposure to investment grade bonds. Weighted average credit quality BBB and a yield of 5.7%. The Fund tactically raised cash levels in anticipation of lower high yield / loan prices into year end. The Fund continues to maintain hedges against the high yield exposure which are designed to reduce downside risks in a market correction.
- Currently, in the equity portion of the fund puts have been purchased on 29% and calls on 57%. This will change over time as equity market and volatility surface conditions evolve.

Outlook

- In recent years, the global economy has been unable to sustain reasonable economic growth rates despite very low real interest rates and ultra-loose monetary policies. Neutral real interest rates consistent with full employment have declined globally owing to a glut of global savings, slower productivity and a rapidly aging population, and this has led to high asset valuations. However, low real rates are not leading to faster trend growth rates and could be contributing to excessive leverage and financial risk-taking, setting the stage for increased volatility as valuations become stretched. Recent stress in equities, US high yield and emerging markets may reflect financial excesses.
- From a cyclical perspective, divergent central banks will be an important theme in 2016. The lead-up to the recent Fed rate hike helped create the fastest pace of U.S. dollar strengthening in since the 1970s. If the Fed hikes rates by a further 1% this year—a pace consistent with its own projections—this may extend the current period of US dollar strength, causing a major headwind for U.S. corporate earnings and the trade balance. The Fed needs to raise rates carefully to avoid a policy accident in which it either triggers a slowdown that potentially spills over into vulnerable emerging markets or in which it falls behind the curve in containing inflation pressure. In this uncertain macro environment, the Fed will be highly sensitive to incoming macro developments, potentially adding to market volatility.
- The global economy will confront a number of key macro risks in 2016. While emerging markets and China have been the global growth leaders of the last 15 years, they now face growing structural challenges in maintaining the high growth rates that have
defined the asset class. Many emerging markets face a perfect storm of lower international prices for their exports, tighter financial conditions due to rising U.S. interest rates and capital outflows, and a sharp decline in trade due to slower growth of key trading partners.

- Another key macro risk in 2016 is a harder landing than expected in China. This could trigger further currency devaluation, deflationary pressure and wider equity risk premiums, especially in emerging Asia. High capital expenditures have been a critical driver of China’s growth model but are unsustainable and already declining. However, a rapid drop in capital spending could also trigger a harder landing before China completes the rebalancing process to a more consumer-driven economy.

- In Canada, a rebound in growth will depend on oil prices stabilizing and the weak loonie revitalizing non-energy exports. But a key risk in 2016 is downward pressure on jobs and the disposable income of overleveraged households resulting from low commodity prices and the process of restoring competitiveness after the hollowing out of the manufacturing base over the last decade.

PORTFOLIO MANAGEMENT TEAM:

Alain Bergeron, Senior Vice President, Investment Management, Mackenzie Investments
Siyan Tan, Vice President, Investment Management, Mackenzie Investments

Commissions, trailing commissions, management fees, and expenses all may be associated with mutual fund investments. Please read the prospectus before investing. The indicated rates of return are the historical annual compounded total returns as of December 31, 2015 including changes in unit value and reinvestment of all distributions and does not take into account sales, redemption, distribution, or optional charges or income taxes payable by any security holder that would have reduced returns. Mutual funds are not guaranteed, their values change frequently and past performance may not be repeated.

Index performance does not include the impact of fees, commissions, and expenses that would be payable by investors in the investment products that seek to track an index.

This document includes forward-looking information that is based on forecasts of future events as of December 31, 2015. We will not necessarily update the information to reflect changes after that date. Risks and uncertainties often cause actual results to differ materially from forward-looking information or expectations. Some of these risks are changes to or volatility in the economy, politics, securities markets, interest rates, currency exchange rates, business competition, capital markets, technology, laws, or when catastrophic events occur. Do not place undue reliance on forward-looking information. In addition, any statement about companies is not an endorsement or recommendation to buy or sell any security.

The Mackenzie Unconstrained Fixed Income Fund is used to fulfill the Absolute Return Strategy component of the Fund. Although the Mackenzie Unconstrained Fixed Income Fund’s objective is to seek a positive total return over a market cycle, you may lose money on your investment. There is no assurance or guarantee the fund will realize a positive return in any given year or over any time period.

The content of this commentary (including facts, views, opinions, recommendations, descriptions of or references to, products or securities) is not to be used or construed as investment advice, as an offer to sell or the solicitation of an offer to buy, or an endorsement, recommendation or sponsorship of any entity or security cited. Although we endeavour to ensure its accuracy and completeness, we assume no responsibility for any reliance upon it.

To the extent the Fund uses any currency hedges, share performance is referenced to the applicable foreign country terms and such hedges will provide the Fund with returns approximating the returns an investor in a foreign country would earn in their local currency.

<table>
<thead>
<tr>
<th>Fund and Benchmark Performance as at: December 31, 2015</th>
<th>1 year</th>
<th>3 years</th>
<th>5 years</th>
<th>Since Inception (Dec 1, 2014)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mackenzie Monthly Income Conservative Portfolio A</td>
<td>2.6%</td>
<td>-</td>
<td>-</td>
<td>2.7%</td>
</tr>
<tr>
<td>46% FTSE TMX Canada 91-Day T-Bill Index + 30% FTSE TMX Canada All Government Bond Index + 24% S&amp;P 500 CDN</td>
<td>6.3%</td>
<td>-</td>
<td>-</td>
<td>7.4%</td>
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