Performance Summary

- During Q1 2016 the Fund returned 0.6% 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 -0.7%.

Contributors to Performance

- The Fund benefited from its fixed income holdings.
- Investment grade holdings in the fixed income portion were a benefit over the quarter. Hedges against high yield volatility reduced the downside volatility of its high yield holdings.
- The top relative contributor to performance was Government Of The United States Of America 2.0% 15-feb-2025 (0.67).

Detractors from Performance

- Stock selection in the U.S. detracted from performance over the period, as did Japan.
- At a sector level, underweight positions in utilities, consumer staples and telecom detracted most from performance.
- The largest individual detractor was Chesapeake Energy Corporation 6.5% 15-Aug-2017.

Portfolio Activity

- The allocation to equity is currently 34.2%, with 23.2% invested in the SPDR S&P 500 ETF. The remainder of the equity is made up of 88 individual stocks and REITs. The equity portion of the Fund is invested in 6 countries across 10 sectors.
- The allocation to fixed income is currently 55.7% with 415 holdings across 20 countries.
- Within the underlying Mackenzie Unconstrained Fixed Income Fund, there is 16.3% in cash, 13.5% in bank loans, 44.1% in high yield bonds and 25.7% exposure to investment grade bonds. Weighted average credit quality BBB and a yield of 6.3%. The Fund selectively deployed some cash holdings into higher quality high yield credits. 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 put options have been purchased on 45% and call options on 54%. This will change over time as equity market and volatility surface conditions evolve.

Outlook

- Three key macroeconomic factors contributed to the market volatility during the year. First, markets were worried about an economic slowdown centered in China and emerging markets. Second, markets questioned the effectiveness of central banks in shoring up sagging economies and asset prices. Finally, markets focused on the spillover effects of an oil supply glut on commodity exporters and credit markets.
- Looking ahead, markets are increasingly caught between the push and pull of central bank stimulus versus a weaker global growth outlook. Global central bank activities will continue to affect the market. The high debt level across the border, especially with the uncertainties in China and the emerging market will continue to remain important in shaping market opportunities and risks.
- Central bankers in Japan and the Euro Zone are likely to use their remaining room to cut interest rates while the Federal Reserve remains in a wait-and-see mode before hiking U.S. rates. The team worries that we are approaching the limits of what central banks can do to boost growth and asset prices further. They believe a more sustainable policy solution would require government structural reforms to enhance innovation, competitiveness and strengthen institutions, as well as more growth-friendly tax policies and productive infrastructure spending, laying the foundation for sustainable growth and stable markets.
• In today’s environment of relatively rich asset valuations, already low interest rates and slower trend growth, investors face a challenging market landscape. Building better portfolios will be increasingly important with deliberate management of asset mix, currency and equity factor exposures and active risk to enhance expected returns for a given level of portfolio risk.

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 March 31, 2016 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 March 31, 2016. 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: March 31, 2016</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>-0.5%</td>
<td>-</td>
<td>-</td>
<td>2.7%</td>
</tr>
<tr>
<td>46% FTSE TMX Canada 91-Day T-Bill Index + 30% FTSE</td>
<td>1.7%</td>
<td>-</td>
<td>-</td>
<td>5.0%</td>
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<td>TMX Canada All Government Bond Index + 24% S&amp;P 500 CDN</td>
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