

Invest across the ETF spectrum

Mackenzie Investments
Exchange Traded Funds



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Comprehensive investment solutions for Canadian investors.

What are ETFs?

An ETF is a pooled investment vehicle that allows investors to buy and sell units in a single security that represents a fractional ownership of a portfolio of securities. ETFs can be bought and sold on a stock exchange like individual stocks. They can contain a diversified portfolio of securities designed to track specific indices or portfolios. This diversification means financial professionals and investors can use ETFs as another alternative to gain the exposure and diversification they want for their portfolios, quickly and simply.

As the popularity of ETFs has grown so has the diversity of offerings. The earliest, traditional index ETFs mirrored various passive equity and bond market indices weighted by market capitalization. More recently, ETFs using enhanced indexing strategies – referred to as strategic or smart beta indices – have experienced strong asset growth.

These strategies select and weight securities using fundamental or factor-driven methods other than the market-capitalization approach used in a traditional index. More recently available, actively managed ETFs allow investors to harness the investment expertise of professional money managers while aiming to provide outperformance and/or reduce risk much like active mutual funds.

Big and growing

ETFs continue to attract attention from investors with assets globally in excess of \$4.5 trillion (USD) and a 10-year compound annual growth rate of 21.5%¹. ETF assets are also growing in Canada with Canadian-listed ETFs now reaching in excess of \$140 billion (CAD) from \$15.22 billion (CAD)² in 2006.

As ETFs evolve they are an increasingly important component of financial plans and can provide investors and advisors with many benefits, including diversification, intraday liquidity and flexibility.

¹ ETF Global Investing (ETFGI), October 2017

² Investor Economics, October 2017

Features of ETFs

Mackenzie Exchange Traded Funds offer attractive features and potential benefits.

1. Diversification

By aiming to replicate a specific basket of securities, such as an index, an ETF aims to incorporate all, or a representative sample of, the securities that make up that basket. Similar to a mutual fund, this may reduce the impact that volatile markets may have on the portfolio from rising and falling prices, especially when compared to the group of individual securities.

2. Liquidity

Liquidity is a function of the ETFs creation/redemption process. The actual creation and redemption of ETF units takes place on the primary market between the ETF and a designated broker. By continuously creating and redeeming units of an ETF, the broker meets the supply-and-demand needs of investors on the secondary markets where the ETF actually trades. This allows for the ability to trade ETFs at a price that approximates the market value of their underlying assets.

3. Flexibility

Similar to stocks, ETFs can be bought and sold throughout the trading day on a stock exchange at market determined prices. This offers the ability to act on information quickly and efficiently.



ETFs global assets

**\$4.5+
trillion**

10-yr annual growth of 21.5%¹



Canadian-listed ETFs

**\$140+
billion**

up from \$15bi in 2006²



¹ ETF Global Investing (ETFGI), October 2017

² Investor Economics, October 2017



Anatomy of an ETF:

**Trades during market hours like a stock.
Offers diversification like a mutual fund.**

Portfolio uses for ETFs

1. Strategic asset allocation

Strategic asset allocation helps create an appropriate long-term risk/return profile. Whether looking to cover the broad global equity market, the total bond market, or take positions in specific countries, commodities or real estate, there's likely an ETF to help meet investor objectives.

2. Portfolio completion

Whether it's a missing asset class, sector, style, foreign market or commodity, an ETF can help complete a portfolio by providing exposure to many companies within that asset category – in just one trade.

3. Core and Satellite

The core-satellite approach to portfolio construction can be used to combine actively managed funds/ETFs with index funds/ETFs in a single portfolio. This methodology can complement active investment management in seeking to establish a risk-controlled portfolio while also securing prospects of outperformance.

4. Tactical Asset Allocation

Making tactical asset allocation decisions is a form of active management designed to add alpha. Tactical investing is a process that can analyze current market conditions and then position portfolios accordingly to potentially help investors enhance returns and/or reduce portfolio risk.

There are 3 main types of Exchange Traded Funds

Mackenzie Investments' comprehensive suite of ETFs help redefine investing by providing innovative and agile investment solutions for investors and advisors. Our cost-effective ETFs cover the full spectrum of investment types to meet the evolving needs of investors, helping Canadians build financial security.

Three different types are offered for your varying portfolio construction needs: Active, Strategic Beta and Traditional Index ETFs, offering investors access across the ETF spectrum.

1 Active

Overview

Active ETFs have an investment team making decisions on the underlying portfolio allocation. They attempt to outperform a benchmark and generate alpha.

Mackenzie ETFs

Mackenzie Active ETFs are agile solutions that place asset management decisions in the hands of experienced portfolio managers. These ETFs are designed to seek better risk-adjusted returns, improve risk management and provide diversification.

[Access portfolio manager expertise with Mackenzie's Actively Managed ETFs.](#)

Equity	Allocation	Fixed Income
<p>MWMN Mackenzie Global Leadership Impact ETF</p> <p>MIVG Mackenzie Ivy Global Equity ETF</p>	<p>MPCF Mackenzie Portfolio Completion ETF</p>	<p>MCSB Mackenzie Canadian Short Term Fixed Income ETF</p> <p>MKB Mackenzie Core Plus Canadian Fixed Income ETF</p> <p>MGB Mackenzie Core Plus Global Fixed Income ETF</p> <p>MFT Mackenzie Floating Rate Income ETF</p> <p>MHYB Mackenzie Global High Yield Fixed Income ETF</p> <p>MUB Mackenzie Unconstrained Bond ETF</p>

2 Strategic beta

Overview

Strategic beta ETFs emphasize the use of alternative index construction rules capturing perceived investment factors or market inefficiencies.

Mackenzie ETFs

Mackenzie Maximum Diversification ETFs are diversification solutions based on underlying indexes provided by TOBAM, a Paris-based index provider. These equity ETFs were created to help protect the core of an investor's portfolio from equity market biases and unmanaged risks.

[Discover the benefits of maximum diversification with Mackenzie's Strategic Beta ETFs.](#)

Equity

MXU	Mackenzie Maximum Diversification All World Developed ex North America Index ETF
MWD	Mackenzie Maximum Diversification All World Developed Index ETF
MKC	Mackenzie Maximum Diversification Canada Index ETF

MEU	Mackenzie Maximum Diversification Developed Europe Index ETF
MEE	Mackenzie Maximum Diversification Emerging Markets Index ETF
MUS	Mackenzie Maximum Diversification UD Index ETF

3 Traditional index

Overview

Passive ETFs track a corresponding market index and provide exposure to market beta. They are designed to replicate the index's performance.

Mackenzie ETFs

Mackenzie Traditional Index ETFs provide pure market exposure to a range of asset classes as a complement to active and strategic beta strategies. They are based on underlying indexes provided by Solactive and China Securities Index Co., Ltd. They can be used as building blocks for asset allocation, portfolio construction and investment planning.

[Expand your investment toolbox with Mackenzie's Traditional Index ETFs](#)

Equity

QCN	Mackenzie Canadian Equity Index ETF
QCE	Mackenzie Canadian Large Cap Equity Index ETF
QCH	Mackenzie China A-Shares CSI 300 Index ETF
QDX	Mackenzie International Equity Index ETF
QDXH	Mackenzie International Equity Index ETF (CAD-Hedged)
QUU	Mackenzie US Large Cap Equity Index ETF
QAH	Mackenzie US Large Cap Equity Index ETF (CAD-Hedged)

Fixed Income

QBB	Mackenzie Canadian Aggregate Bond Index ETF
QCB	Mackenzie Canadian All Corporate Bond Index ETF
QSB	Mackenzie Canadian Short-Term Bond Index ETF
QEBH	Mackenzie Emerging Markets Bond Index ETF (CAD-Hedged)
QEBL	Mackenzie Emerging Markets Local Currency Bond Index ETF
QHY	Mackenzie US High Yield Bond Index ETF (CAD-Hedged)
QUIG	Mackenzie US Investment Grade Corporate Bond Index ETF (CAD-Hedged)
QTIP	Mackenzie US TIPS Index ETF (CAD-Hedged)



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Why invest with Mackenzie

Mackenzie has been Canadian owned and operated for over 50 years. Our journey as a global asset manager began with one client and one advisor, working together. Today, the Mackenzie team delivers innovation and strategic insight across multiple investment solutions, from RESPs to RRSPs to Estate Planning. Our global expertise helps investors like you navigate new and emerging market realities to achieve better outcomes for your investments.

For more information about Mackenzie ETFs, please talk to your financial advisor.

Commissions, management fees, brokerage fees and expenses all may be associated with Exchange Traded Funds. Please read the prospectus before investing. Exchange Traded Funds are not guaranteed, their values change frequently and past performance may not be repeated.

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ETFs



That's better together