

# MACKENZIE UNCONSTRAINED FIXED INCOME FUND

ANNUAL AUDITED FINANCIAL STATEMENTS | March 31, 2020

FIXED INCOME FUND

## MANAGEMENT REPORT

### Management's Responsibility for Financial Reporting

The accompanying financial statements have been prepared by Mackenzie Financial Corporation, as Manager of Mackenzie Unconstrained Fixed Income Fund (the "Fund"). The Manager is responsible for the integrity, objectivity and reliability of the data presented. This responsibility includes selecting appropriate accounting principles and making judgments and estimates consistent with International Financial Reporting Standards. The Manager is also responsible for the development of internal controls over the financial reporting process, which are designed to provide reasonable assurance that relevant and reliable financial information is produced.

The Board of Directors (the "Board") of Mackenzie Financial Corporation is responsible for reviewing and approving the financial statements and overseeing the Manager's performance of its financial reporting responsibilities. The Board is assisted in discharging this responsibility by an Audit Committee, which reviews the financial statements and recommends them for approval by the Board. The Audit Committee also meets regularly with the Manager, internal auditors and external auditors to discuss internal controls over the financial reporting process, auditing matters and financial reporting issues.

Deloitte LLP is the external auditor of the Fund. It is appointed by the Board. The external auditor has audited the financial statements in accordance with Canadian generally accepted auditing standards to enable it to express to the securityholders its opinion on the financial statements. Its report is set out below.

On behalf of Mackenzie Financial Corporation,  
Manager of the Fund



Barry McNerney  
President and Chief Executive Officer



Terry Rountes  
Chief Financial Officer, Funds

July 13, 2020

## INDEPENDENT AUDITOR'S REPORT

To the Securityholders of Mackenzie Unconstrained Fixed Income Fund (the "Fund")

### Opinion

We have audited the financial statements of the Fund, which comprise the statements of financial position as at March 31, 2020 and 2019, and the statements of comprehensive income, changes in financial position and cash flows for the periods then ended, as indicated in Note 1, and notes to the financial statements, including a summary of significant accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Fund as at March 31, 2020 and 2019, and its financial performance and its cash flows for the periods then ended, as indicated in Note 1, in accordance with International Financial Reporting Standards ("IFRS").

### Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Fund in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Other Information

Management is responsible for the other information which comprises the Management Report of Fund Performance.

Our opinion on the financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We obtained the Management Report of Fund Performance prior to the date of this auditor's report. If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact in this auditor's report. We have nothing to report in this regard.

### Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.



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## INDEPENDENT AUDITOR'S REPORT (cont'd)

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Fund's financial reporting process.

### Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

*Deloitte LLP*

Chartered Professional Accountants  
Licensed Public Accountants  
Toronto, Ontario  
July 13, 2020



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ANNUAL AUDITED FINANCIAL STATEMENTS | March 31, 2020

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## STATEMENTS OF FINANCIAL POSITION

*In thousands (except per security figures)  
As at March 31*

	2020	2019		2020	2019
	\$	\$		\$	\$
<b>ASSETS</b>			<b>Net assets attributable to securityholders</b>		
<b>Current assets</b>			<b>per security (note 3)</b>		
Investments at fair value	2,361,777	1,826,856	Series A	9.48	9.76
Cash and cash equivalents	37,814	217,153	Series AR	9.52	9.79
Accrued interest receivable	19,181	16,355	Series D	9.64	9.92
Dividends receivable	10	126	Series F	9.56	9.83
Accounts receivable for investments sold	49,798	35,132	Series F8	12.58	13.54
Accounts receivable for securities issued	1,904	3,061	Series FB	9.87	10.16
Due from manager	46	5	Series FB5	13.84	14.46
Margin on derivatives	2,575	2,083	Series IG	9.59	9.87
Unrealized gains on derivative contracts	10,393	1,338	Series O	9.47	9.74
<b>Total assets</b>	<b>2,483,498</b>	<b>2,102,109</b>	Series PW	9.60	9.88
			Series PWFB	9.31	9.58
			Series PWFB5	13.42	13.99
			Series PWR	9.73	–
			Series PWT8	12.01	12.99
			Series PWX	10.29	10.58
			Series PWX8	12.82	13.70
			Series R	9.63	9.90
			Series S	9.68	9.96
			Series SC	9.72	10.00
			Series S8	10.95	11.86
			Series T8	10.92	11.86
			Series LB	9.77	–
			Series LF	9.77	–
			Series LW	9.76	–
<b>LIABILITIES</b>					
<b>Current liabilities</b>					
Accounts payable for investments purchased	52,880	175,363			
Accounts payable for securities redeemed	1,781	1,816			
Due to manager	19	–			
Liability for options written	129	–			
Unrealized losses on derivative contracts	87,157	9,043			
<b>Total liabilities</b>	<b>141,966</b>	<b>186,222</b>			
<b>Net assets attributable to securityholders</b>	<b>2,341,532</b>	<b>1,915,887</b>			
<b>Net assets attributable to securityholders</b>					
<b>per series (note 3)</b>					
Series A	33,217	19,668			
Series AR	2,361	1,728			
Series D	371	258			
Series F	389,399	212,505			
Series F8	3,188	3,692			
Series FB	711	449			
Series FB5	1	1			
Series IG	551,140	589,887			
Series O	22,551	12,205			
Series PW	140,766	73,546			
Series PWFB	2,322	1,920			
Series PWFB5	1	1			
Series PWR	728	–			
Series PWT8	2,467	1,779			
Series PWX	4,336	3,396			
Series PWX8	1	1			
Series R	398,882	286,810			
Series S	700,007	653,711			
Series SC	86,349	52,182			
Series S8	1,642	1,344			
Series T8	643	804			
Series LB	51	–			
Series LF	1	–			
Series LW	397	–			

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



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# MACKENZIE UNCONSTRAINED FIXED INCOME FUND

ANNUAL AUDITED FINANCIAL STATEMENTS | March 31, 2020

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## STATEMENTS OF COMPREHENSIVE INCOME

For the periods ended March 31 (note 1)  
In thousands (except per security figures)

	2020	2019		2020	2019
	\$	\$		\$	\$
<b>Income</b>			<b>Series R</b>	3,518	9,324
Dividends	4,458	2,557	<b>Series S</b>	10,076	22,570
Interest Income	99,177	83,732	<b>Series SC</b>	(448)	991
Other changes in fair value of investments and other net assets			<b>Series S8</b>	(4)	26
Net realized gain (loss)	26,789	(40,654)	<b>Series T8</b>	2	13
Net unrealized gain (loss)	(103,036)	18,734	<b>Series LB</b>	(1)	–
Securities lending income	517	131	<b>Series LF</b>	–	–
Fee rebate income	262	59	<b>Series LW</b>	(13)	–
<b>Total income (loss)</b>	<b>28,167</b>	<b>64,559</b>	<b>Increase (decrease) in net assets attributable to securityholders from operations per security</b>		
<b>Expenses (note 6)</b>			<b>Series A</b>	(0.09)	0.25
Management fees	4,724	1,903	<b>Series AR</b>	(0.12)	0.26
Management fee rebates	(5)	(7)	<b>Series D</b>	0.09	0.25
Administration fees	1,099	502	<b>Series F</b>	(0.00)	0.38
Interest charges	23	7	<b>Series F8</b>	0.16	0.58
Commissions and other portfolio transaction costs	633	689	<b>Series FB</b>	0.03	0.27
Independent Review Committee fees	7	6	<b>Series FB5</b>	0.08	0.39
Other	1	3	<b>Series IG</b>	0.16	0.36
<b>Expenses before amounts absorbed by Manager</b>	<b>6,482</b>	<b>3,103</b>	<b>Series O</b>	0.10	0.37
Expenses absorbed by Manager	–	–	<b>Series PW</b>	(0.08)	0.34
<b>Net expenses</b>	<b>6,482</b>	<b>3,103</b>	<b>Series PWF</b>	–	0.01
<b>Increase (decrease) in net assets attributable to securityholders from operations before tax</b>	<b>21,685</b>	<b>61,456</b>	<b>Series PWF8</b>	–	0.01
Foreign withholding taxes	89	96	<b>Series PWFB</b>	0.05	0.33
Foreign income taxes paid (recovered)	–	–	<b>Series PWFB5</b>	0.11	0.41
<b>Increase (decrease) in net assets attributable to securityholders from operations</b>	<b>21,596</b>	<b>61,360</b>	<b>Series PWR</b>	(0.09)	–
<b>Increase (decrease) in net assets attributable to securityholders from operations per series</b>			<b>Series PWT8</b>	(0.05)	0.34
Series A	(268)	334	<b>Series PWX</b>	0.14	0.40
Series AR	(23)	30	<b>Series PWX8</b>	0.20	0.51
Series D	4	7	<b>Series R</b>	0.10	0.38
Series F	(160)	4,600	<b>Series S</b>	0.14	0.36
Series F8	46	79	<b>Series SC</b>	(0.06)	0.29
Series FB	2	12	<b>Series S8</b>	(0.03)	0.27
Series FB5	–	–	<b>Series T8</b>	0.02	0.22
Series IG	9,494	21,295	<b>Series LB</b>	(0.07)	–
Series O	220	430	<b>Series LF</b>	(0.14)	–
Series PW	(897)	1,421	<b>Series LW</b>	(0.62)	–
Series PWF	–	35			
Series PWF8	–	1			
Series PWFB	11	46			
Series PWFB5	–	–			
Series PWR	(5)	–			
Series PWT8	(10)	40			
Series PWX	52	106			
Series PWX8	–	–			

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



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# MACKENZIE UNCONSTRAINED FIXED INCOME FUND

ANNUAL AUDITED FINANCIAL STATEMENTS | March 31, 2020

FIXED INCOME FUND

## STATEMENTS OF CHANGES IN FINANCIAL POSITION

For the periods ended March 31 (note 1)  
In thousands

	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
	Series A		Series AR		Series D		Series F		Series F8	
	\$		\$		\$		\$		\$	
<b>NET ASSETS ATTRIBUTABLE TO SECURITYHOLDERS</b>										
<b>Beginning of period</b>	19,668	9,145	1,728	837	258	200	212,505	43,922	3,692	92
Increase (decrease) in net assets from operations	(268)	334	(23)	30	4	7	(160)	4,600	46	79
Distributions paid to securityholders:										
Investment income	(719)	(465)	(45)	(38)	(13)	(11)	(11,839)	(5,337)	(139)	(86)
Capital gains	-	-	-	-	-	-	-	-	-	-
Return of capital	-	-	-	-	-	-	-	-	(174)	(82)
Management fee rebates	-	-	-	-	-	-	(3)	(2)	-	(1)
Total distributions paid to securityholders	(719)	(465)	(45)	(38)	(13)	(11)	(11,842)	(5,339)	(313)	(169)
Security transactions:										
Proceeds from securities issued	23,423	13,885	1,693	1,009	633	182	302,796	203,294	1,661	4,327
Reinvested distributions	622	419	45	38	13	11	8,164	3,161	60	48
Payments on redemption of securities	(9,509)	(3,650)	(1,037)	(148)	(524)	(131)	(122,064)	(37,133)	(1,958)	(685)
Total security transactions	14,536	10,654	701	899	122	62	188,896	169,322	(237)	3,690
<b>Total increase (decrease) in net assets</b>	<b>13,549</b>	<b>10,523</b>	<b>633</b>	<b>891</b>	<b>113</b>	<b>58</b>	<b>176,894</b>	<b>168,583</b>	<b>(504)</b>	<b>3,600</b>
<b>End of period</b>	<b>33,217</b>	<b>19,668</b>	<b>2,361</b>	<b>1,728</b>	<b>371</b>	<b>258</b>	<b>389,399</b>	<b>212,505</b>	<b>3,188</b>	<b>3,692</b>

	Securities		Securities		Securities		Securities		Securities	
<b>Increase (decrease) in fund securities (note 7):</b>										
<b>Securities outstanding – beginning of period</b>	2,016	923	176	84	26	20	21,609	4,400	273	6
Issued	2,397	1,425	172	103	64	18	30,722	20,664	124	313
Reinvested distributions	64	43	5	4	1	1	831	322	5	4
Redeemed	(973)	(375)	(105)	(15)	(53)	(13)	(12,433)	(3,777)	(149)	(50)
<b>Securities outstanding – end of period</b>	<b>3,504</b>	<b>2,016</b>	<b>248</b>	<b>176</b>	<b>38</b>	<b>26</b>	<b>40,729</b>	<b>21,609</b>	<b>253</b>	<b>273</b>

	Series FB		Series FB5		Series IG		Series O		Series PW	
	\$		\$		\$		\$		\$	
<b>NET ASSETS ATTRIBUTABLE TO SECURITYHOLDERS</b>										
<b>Beginning of period</b>	449	630	1	1	589,887	368,650	12,205	9,994	73,546	16,556
Increase (decrease) in net assets from operations	2	12	-	-	9,494	21,295	220	430	(897)	1,421
Distributions paid to securityholders:										
Investment income	(21)	(18)	-	-	(24,979)	(29,654)	(888)	(574)	(3,272)	(1,642)
Capital gains	-	-	-	-	-	-	-	-	-	-
Return of capital	-	-	-	-	-	-	-	-	-	-
Management fee rebates	-	-	-	-	-	-	-	-	(2)	(2)
Total distributions paid to securityholders	(21)	(18)	-	-	(24,979)	(29,654)	(888)	(574)	(3,274)	(1,644)
Security transactions:										
Proceeds from securities issued	693	548	-	-	11,055	271,016	15,442	4,358	95,704	63,412
Reinvested distributions	21	18	-	-	24,979	29,654	882	566	2,933	1,512
Payments on redemption of securities	(433)	(741)	-	-	(59,296)	(71,074)	(5,310)	(2,569)	(27,246)	(7,711)
Total security transactions	281	(175)	-	-	(23,262)	229,596	11,014	2,355	71,391	57,213
<b>Total increase (decrease) in net assets</b>	<b>262</b>	<b>(181)</b>	<b>-</b>	<b>-</b>	<b>(38,747)</b>	<b>221,237</b>	<b>10,346</b>	<b>2,211</b>	<b>67,220</b>	<b>56,990</b>
<b>End of period</b>	<b>711</b>	<b>449</b>	<b>1</b>	<b>1</b>	<b>551,140</b>	<b>589,887</b>	<b>22,551</b>	<b>12,205</b>	<b>140,766</b>	<b>73,546</b>

	Securities		Securities		Securities		Securities		Securities	
<b>Increase (decrease) in fund securities (note 7):</b>										
<b>Securities outstanding – beginning of period</b>	44	61	-	-	59,795	36,823	1,253	1,011	7,446	1,650
Issued	68	53	-	-	1,117	27,169	1,582	448	9,677	6,424
Reinvested distributions	2	2	-	-	2,533	3,011	91	58	297	154
Redeemed	(42)	(72)	-	-	(5,999)	(7,208)	(545)	(264)	(2,758)	(782)
<b>Securities outstanding – end of period</b>	<b>72</b>	<b>44</b>	<b>-</b>	<b>-</b>	<b>57,446</b>	<b>59,795</b>	<b>2,381</b>	<b>1,253</b>	<b>14,662</b>	<b>7,446</b>

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





# MACKENZIE UNCONSTRAINED FIXED INCOME FUND

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

For the periods ended March 31 (note 1)  
In thousands

	2020	2019	2020	2019	2020	2019	2020	2019
	Series SC		Series S8		Series T8		Series LB	
	\$		\$		\$		\$	
<b>NET ASSETS ATTRIBUTABLE TO SECURITYHOLDERS</b>								
<b>Beginning of period</b>	52,182	28,793	1,344	1,523	804	1,319	-	-
Increase (decrease) in net assets from operations	(448)	991	(4)	26	2	13	(1)	-
Distributions paid to securityholders:								
Investment income	(2,147)	(1,315)	(48)	(44)	(21)	(25)	-	-
Capital gains	-	-	-	-	-	-	-	-
Return of capital	-	-	(82)	(58)	(41)	(38)	-	-
Management fee rebates	-	-	-	-	-	-	-	-
Total distributions paid to securityholders	(2,147)	(1,315)	(130)	(102)	(62)	(63)	-	-
Security transactions:								
Proceeds from securities issued	92,495	62,878	1,464	933	271	317	441	-
Reinvested distributions	1,907	1,156	114	84	2	5	-	-
Payments on redemption of securities	(57,640)	(40,321)	(1,146)	(1,120)	(374)	(787)	(389)	-
Total security transactions	36,762	23,713	432	(103)	(101)	(465)	52	-
<b>Total increase (decrease) in net assets</b>	<b>34,167</b>	<b>23,389</b>	<b>298</b>	<b>(179)</b>	<b>(161)</b>	<b>(515)</b>	<b>51</b>	<b>-</b>
<b>End of period</b>	<b>86,349</b>	<b>52,182</b>	<b>1,642</b>	<b>1,344</b>	<b>643</b>	<b>804</b>	<b>51</b>	<b>-</b>

	Securities		Securities		Securities		Securities	
<b>Increase (decrease) in fund securities (note 7):</b>								
<b>Securities outstanding – beginning of period</b>	5,218	2,835	113	120	68	104	-	-
Issued	9,232	6,297	126	77	24	27	43	-
Reinvested distributions	191	116	10	7	-	-	-	-
Redeemed	(5,759)	(4,030)	(99)	(91)	(33)	(63)	(38)	-
<b>Securities outstanding – end of period</b>	<b>8,882</b>	<b>5,218</b>	<b>150</b>	<b>113</b>	<b>59</b>	<b>68</b>	<b>5</b>	<b>-</b>

	Series LF		Series LW		Total	
	\$		\$		\$	
<b>NET ASSETS ATTRIBUTABLE TO SECURITYHOLDERS</b>						
<b>Beginning of period</b>	-	-	-	-	1,915,887	1,357,826
Increase (decrease) in net assets from operations	-	-	(13)	-	21,596	61,360
Distributions paid to securityholders:						
Investment income	-	-	(2)	-	(89,621)	(83,522)
Capital gains	-	-	-	-	-	-
Return of capital	-	-	-	-	(409)	(256)
Management fee rebates	-	-	-	-	(5)	(7)
Total distributions paid to securityholders	-	-	(2)	-	(90,035)	(83,785)
Security transactions:						
Proceeds from securities issued	1	-	410	-	816,960	774,870
Reinvested distributions	-	-	2	-	70,539	69,573
Payments on redemption of securities	-	-	-	-	(393,415)	(263,957)
Total security transactions	1	-	412	-	494,084	580,486
<b>Total increase (decrease) in net assets</b>	<b>1</b>	<b>-</b>	<b>397</b>	<b>-</b>	<b>425,645</b>	<b>558,061</b>
<b>End of period</b>	<b>1</b>	<b>-</b>	<b>397</b>	<b>-</b>	<b>2,341,532</b>	<b>1,915,887</b>

	Securities		Securities	
<b>Increase (decrease) in fund securities (note 7):</b>				
<b>Securities outstanding – beginning of period</b>	-	-	-	-
Issued	-	-	41	-
Reinvested distributions	-	-	-	-
Redeemed	-	-	-	-
<b>Securities outstanding – end of period</b>	<b>-</b>	<b>-</b>	<b>41</b>	<b>-</b>

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



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# MACKENZIE UNCONSTRAINED FIXED INCOME FUND

ANNUAL AUDITED FINANCIAL STATEMENTS | March 31, 2020

FIXED INCOME FUND

## STATEMENTS OF CASH FLOWS

For the periods ended March 31 (note 1)  
In thousands

	2020	2019
	\$	\$
<b>Cash flows from operating activities</b>		
Net increase (decrease) in net assets attributable to securityholders from operations	21,596	61,360
Adjustments for:		
Net realized loss (gain) on investments	(24,318)	(3,980)
Change in net unrealized loss (gain) on investments	103,221	(18,809)
Distributions received in-kind from underlying funds	(1,592)	–
Purchase of investments	(2,340,079)	(1,860,219)
Proceeds from sale and maturity of investments	1,660,673	1,410,035
Change in accrued interest receivable	(2,826)	(4,904)
Change in dividends receivable	116	(11)
Change in due from manager	(41)	(3)
Change in margin on derivatives	(492)	(1,371)
Change in due to manager	19	(9)
<b>Net cash from operating activities</b>	<b>(583,723)</b>	<b>(417,911)</b>
<b>Cash flows from financing activities</b>		
Proceeds from securities issued	766,528	661,291
Payments on redemption of securities	(341,861)	(221,073)
Distributions paid net of reinvestments	(19,496)	(14,212)
<b>Net cash from financing activities</b>	<b>405,171</b>	<b>426,006</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(178,552)</b>	<b>8,095</b>
Cash and cash equivalents at beginning of period	217,153	209,056
Effect of exchange rate fluctuations on cash and cash equivalents	(787)	2
<b>Cash and cash equivalents at end of period</b>	<b>37,814</b>	<b>217,153</b>
Cash	36,823	6,720
Cash equivalents	991	210,433
<b>Cash and cash equivalents at end of period</b>	<b>37,814</b>	<b>217,153</b>
<b>Supplementary disclosures on cash flow from operating activities:</b>		
Dividends received	4,574	2,546
Foreign taxes paid	89	96
Interest received	96,351	78,828
Interest paid	23	7

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



# MACKENZIE UNCONSTRAINED FIXED INCOME FUND

ANNUAL AUDITED FINANCIAL STATEMENTS | March 31, 2020

FIXED INCOME FUND

## SCHEDULE OF INVESTMENTS

As at March 31, 2020

	Country	Sector	Par Value/ No. of Shares/Units	Average Cost (\$ 000s)	Fair Value (\$ 000s)
<b>BONDS</b>					
407 International Inc. 3.14% 03-06-2030 Callable 2029	Canada	Corporate - Non Convertible	310,000	313	324
407 International Inc. 3.65% 09-08-2044 Callable MTN	Canada	Corporate - Non Convertible	380,000	382	396
407 International Inc. 3.72% 05-11-2048 Callable 2047	Canada	Corporate - Non Convertible	1,230,000	1,230	1,305
407 International Inc. 3.67% 03-08-2049 Callable 2048	Canada	Corporate - Non Convertible	370,000	370	389
407 International Inc. 2.84% 03-07-2050	Canada	Corporate - Non Convertible	1,130,000	1,128	1,011
AAC holdings Inc. Term Loan 1st Lien F/R 06-30-2023	United States	Term Loans	USD 1,914,816	2,406	1,181
Adtalem Global Education Inc. Term Loan B 1st Lien F/R 04-09-2025	United States	Term Loans	USD 1,809,993	2,289	2,314
Advanced Micro Devices Inc. 7.50% 08-15-2022	United States	Corporate - Non Convertible	USD 1,420,000	2,085	2,149
Aegis Toxicology Sciences Corp. Term Loan B 1st Lien F/R 05-09-2025	United States	Term Loans	USD 719,050	911	848
AerCap Holdings NV F/R 10-10-2079 Callable 2024	Ireland	Corporate - Non Convertible	USD 2,680,000	3,574	2,361
AerCap Ireland Capital Designated Activity Co. 4.88% 01-16-2024 Callable 2023	Ireland	Corporate - Non Convertible	USD 3,500,000	4,738	4,259
AerCap Ireland Capital Designated Activity Co. 4.45% 10-01-2025 Callable 2025	Ireland	Corporate - Non Convertible	USD 2,130,000	2,736	2,627
AG Merger Sub II Inc. Term Loan B 1st Lien F/R 08-01-2026	United States	Term Loans	USD 870,550	1,140	934
AIMCo Realty Investors LP 3.04% 06-01-2028 Callable 2028	Canada	Corporate - Non Convertible	432,000	429	452
AIMCo Realty Investors LP 2.71% 06-01-2029 Callable 2029	Canada	Corporate - Non Convertible	1,390,000	1,411	1,381
Air Lease Corp. 2.63% 12-05-2024 Callable 2024	United States	Corporate - Non Convertible	560,000	555	455
Albertsons Cos. Inc. 4.63% 01-15-2027 Callable 2023 144A	United States	Corporate - Non Convertible	USD 320,000	419	445
Albertsons Cos. Inc. 5.88% 02-15-2028 Callable 2022 144A	United States	Corporate - Non Convertible	USD 1,240,000	1,735	1,788
Alcami Carolinas Corp. Term Loan 1st Lien F/R 07-06-2025	United States	Term Loans	USD 2,344,300	3,070	3,041
Alchemy US Holdco LLC Term Loan B 1st Lien F/R 10-01-2025	United States	Term Loans	USD 3,143,750	4,016	3,922
Algonquin Power & Utilities Corp. 4.65% 02-15-2022	Canada	Corporate - Non Convertible	4,190,000	4,537	4,308
Alimentation Couche-Tard Inc. 2.95% 01-25-2030 Callable 2029 144A	Canada	Corporate - Non Convertible	USD 700,000	920	920
Altice France SA 2.13% 02-15-2025 Callable 2022	France	Corporate - Non Convertible	EUR 3,160,000	4,559	4,527
Altice France 5.50% 01-15-2028 Callable 2022 144A	France	Corporate - Non Convertible	USD 670,000	890	908
American Teleconferencing Services Ltd. Term Loan 1st Lien F/R 06-08-2023	United States	Term Loans	USD 4,018,527	4,072	3,201
Anheuser-Busch InBev Finance Inc. 2.60% 05-15-2024 Callable 2024	Belgium	Corporate - Non Convertible	820,000	785	805
APFS Staffing Holdings Inc. Term Loan 1st Lien F/R 04-10-2026	United States	Term Loans	USD 2,213,275	2,898	2,574
ARD Finance SA 6.50% 06-30-2027 Callable 2022 144A	Luxembourg	Corporate - Non Convertible	USD 2,300,000	3,054	2,894
Ardonagh Midco 3 PLC 8.63% 07-15-2023 Callable 2020	United Kingdom	Corporate - Non Convertible	USD 2,770,000	3,266	3,551
Aroundtown SA 4.63% 09-18-2025 Callable 2025	Germany	Corporate - Non Convertible	810,000	807	831
Ascend Performance Materials Operations LLC Term Loan B 1st Lien F/R 08-16-2026	United States	Term Loans	USD 3,741,200	4,865	4,694
Ashtead US Holdings Inc. 4.00% 05-01-2028	United Kingdom	Corporate - Non Convertible	USD 1,910,000	2,493	2,335
AT&T Inc. 4.10% 02-15-2028 Callable 2027	United States	Corporate - Non Convertible	USD 2,130,000	2,779	3,159
AT&T Inc. 4.35% 03-01-2029 Callable 2028	United States	Corporate - Non Convertible	USD 370,000	488	561
Atlantic Power Corp. 5.95% 06-23-2036	United States	Corporate - Non Convertible	857,000	668	705
Ball Metalpack Finco LLC Term Loan B 1st Lien F/R 07-26-2025	United States	Term Loans	USD 1,837,275	2,390	1,997
Bank of America Corp. 3.30% 04-24-2024 Callable 2023	United States	Corporate - Non Convertible	5,760,000	5,918	5,823
Bank of America Corp. F/R 04-25-2025 Callable 2024	United States	Corporate - Non Convertible	1,260,000	1,267	1,254
Bank of America Corp. F/R 09-20-2025 Callable 2024	United States	Corporate - Non Convertible	123,000	122	126
Bank of America Corp. F/R 03-24-2026 Callable 2025	United States	Corporate - Non Convertible	1,070,000	1,070	1,074
Bank of Montreal 2.27% 07-11-2022	Canada	Corporate - Non Convertible	204,000	199	205



**MACKENZIE**  
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# MACKENZIE UNCONSTRAINED FIXED INCOME FUND

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FIXED INCOME FUND

## SCHEDULE OF INVESTMENTS (cont'd)

As at March 31, 2020

	Country	Sector	Par Value/ No. of Shares/Units	Average Cost (\$ 000s)	Fair Value (\$ 000s)
<b>BONDS (cont'd)</b>					
Bank of Montreal 2.89% 06-20-2023	Canada	Corporate - Non Convertible	1,490,000	1,496	1,524
Bank of Montreal 2.28% 07-29-2024	Canada	Corporate - Non Convertible	1,010,000	1,010	992
Bank of Montreal 2.70% 09-11-2024 DPNT	Canada	Corporate - Non Convertible	1,951,000	1,923	1,989
Bank of Montreal 2.37% 02-03-2025 Callable 2025	Canada	Corporate - Non Convertible	1,020,000	1,020	1,004
Bank of Montreal 3.32% 06-01-2026	Canada	Corporate - Non Convertible	1,390,000	1,436	1,390
Bank of Montreal 3.19% 03-01-2028	Canada	Corporate - Non Convertible	1,070,000	1,062	1,129
Bank of Montreal F/R 09-17-2029 Callable 2024	Canada	Corporate - Non Convertible	150,000	150	146
The Bank of Nova Scotia 2.36% 11-08-2022	Canada	Corporate - Non Convertible	1,489,000	1,481	1,499
The Bank of Nova Scotia 2.38% 05-01-2023	Canada	Corporate - Non Convertible	2,260,000	2,259	2,246
The Bank of Nova Scotia 2.49% 09-23-2024	Canada	Corporate - Non Convertible	1,200,000	1,200	1,187
The Bank of Nova Scotia 2.16% 02-03-2025	Canada	Corporate - Non Convertible	1,920,000	1,919	1,871
The Bank of Nova Scotia F/R 07-03-2029 Callable 2024	Canada	Corporate - Non Convertible	700,000	700	679
Bausch Health Cos Inc. 5.50% 11-01-2025 Callable 144A	United States	Corporate - Non Convertible	USD 1,670,000	2,306	2,385
Bausch Health Cos Inc. 8.50% 01-31-2027 Callable 2022 144A	United States	Corporate - Non Convertible	USD 3,320,000	4,661	4,903
Bausch Health Cos. Inc. 5.88% 05-15-2023 Callable 2020 144A	United States	Corporate - Non Convertible	USD 752,000	995	1,049
Baytex Energy Corp. 5.63% 06-01-2024 Callable 2020 144A	Canada	Corporate - Non Convertible	USD 3,080,000	3,642	1,698
bclMC Realty Corp. 3.00% 03-31-2027 Callable 2026	Canada	Corporate - Non Convertible	65,000	64	67
BCPE Cycle Merger Sub II Inc. 10.63% 07-15-2027 Callable 2022 144A	United States	Corporate - Non Convertible	USD 5,560,000	7,434	6,625
Bell Canada Inc. 2.70% 02-27-2024 Callable 2023	Canada	Corporate - Non Convertible	11,400,000	11,403	11,356
Bell Canada Inc. 3.80% 08-21-2028 Callable 2028	Canada	Corporate - Non Convertible	390,000	390	408
Bell Canada Inc. 2.90% 09-10-2029 Callable 2029	Canada	Corporate - Non Convertible	1,680,000	1,674	1,636
Berry Global Escrow Corp. 4.88% 07-15-2026 Callable 2022 144A	United States	Corporate - Non Convertible	USD 1,520,000	2,046	2,169
BMC Acquisition Inc. Term Loan 1st Lien F/R 12-15-2024	United States	Term Loans	USD 707,221	901	985
The Boeing Co. 2.95% 02-01-2030 Callable 2029	United States	Corporate - Non Convertible	USD 390,000	438	509
Bombardier Inc. 6.00% 10-15-2022 Callable 2020 144A	Canada	Corporate - Non Convertible	USD 2,445,000	2,948	2,591
BP Capital Markets PLC 3.47% 05-15-2025	United Kingdom	Corporate - Non Convertible	1,410,000	1,427	1,421
Bright Bidco BV Term Loan B 1st Lien F/R 06-30-2024	Netherlands	Term Loans	USD 281,528	367	150
Brookfield Infrastructure Finance ULC 4.20% 09-11-2028 Callable 2028	Canada	Corporate - Non Convertible	990,000	990	1,005
Brookfield Infrastructure Finance ULC 3.41% 10-09-2029 Callable 2029	Canada	Corporate - Non Convertible	1,310,000	1,310	1,243
Brookfield Renewable Partners ULC 4.25% 01-15-2029 Callable 2028	Canada	Corporate - Non Convertible	930,000	929	981
Brookfield Renewable Partners ULC 3.38% 01-15-2030 Callable 2029	Canada	Corporate - Non Convertible	460,000	460	449
Brookfield Renewable Partners ULC 4.29% 11-05-2049 Callable 2049	Canada	Corporate - Non Convertible	730,000	729	629
Brookfield Residential Properties Inc. 6.25% 09-15-2027 Callable 2022 144A	Canada	Corporate - Non Convertible	USD 1,550,000	2,047	1,902
Bulldog Purchaser Inc. Term Loan B 1st Lien F/R 08-31-2025	United States	Term Loans	USD 2,301,985	3,015	2,683
BWAY Corp. Term Loan B 1st Lien F/R 04-03-2024	United States	Term Loans	USD 864,000	1,026	1,007
BWAY Holding Co. 7.25% 04-15-2025 144A	United States	Corporate - Non Convertible	USD 3,518,000	4,435	3,893
C&D Technologies Inc. Term Loan B 1st Lien F/R 12-13-2025	United States	Term Loans	USD 2,161,236	2,540	2,757
Calfrac Holdings LP 8.50% 06-15-2026 Callable 2021 144A	Canada	Corporate - Non Convertible	USD 1,260,000	1,464	144
California Resources Corp. 8.00% 12-15-2022 Callable 2020 144A	United States	Corporate - Non Convertible	USD 5,220,000	5,155	149
Canada Housing Trust F/R 03-15-2024	Canada	Federal Government	24,000,000	23,975	23,774



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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>					
Canadian Imperial Bank of Commerce 2.43% 06-09-2023	Canada	Corporate - Non Convertible	1,120,000	1,120	1,115
Canadian Imperial Bank of Commerce 2.97% 07-11-2023	Canada	Corporate - Non Convertible	570,000	582	584
Canadian Imperial Bank of Commerce 2.35% 08-28-2024	Canada	Corporate - Non Convertible	950,000	950	935
Canadian Imperial Bank of Commerce F/R 06-19-2029 Callable 2024	Canada	Corporate - Non Convertible	900,000	900	879
Canadian National Railway Co. 3.00% 02-08-2029 Callable 2028	Canada	Corporate - Non Convertible	1,410,000	1,420	1,454
Canadian National Railway Co. 3.60% 07-31-2048 Callable 2048	Canada	Corporate - Non Convertible	720,000	709	727
Canadian National Railway Co. 3.05% 02-08-2050 Callable 2049	Canada	Corporate - Non Convertible	740,000	734	675
Canadian Pacific Railway Ltd. 3.15% 03-13-2029 Callable 2028	Canada	Corporate - Non Convertible	670,000	669	691
Capital Power Corp. 4.42% 02-08-2030 Callable 2029	Canada	Corporate - Non Convertible	540,000	541	550
CARDS II Trust 2.43% 11-15-2024	Canada	Corporate - Non Convertible	1,110,000	1,110	1,104
CareCentrix Inc. Term Loan 1st Lien F/R 03-22-2025	United States	Term Loans	USD 4,341,729	5,586	4,315
Casablanca US Holdings Inc. Term Loan 1st Lien F/R 03-31-2024	United States	Term Loans	USD 3,553,421	4,564	4,108
Cascades Inc. 5.13% 01-15-2025 Callable 2022	Canada	Corporate - Non Convertible	2,150,000	2,150	2,104
Cascades Inc. 5.13% 01-15-2026 Callable 2023 144A	Canada	Corporate - Non Convertible	USD 4,700,000	6,230	6,424
CBS Corp. 2.90% 01-15-2027 Callable 2026	United States	Corporate - Non Convertible	USD 2,130,000	2,543	2,714
CCL Industries Inc. 3.86% 04-13-2028 Callable 2028	Canada	Corporate - Non Convertible	680,000	680	699
CCO Holdings LLC 4.00% 03-01-2023 Callable 2020 144A	United States	Corporate - Non Convertible	USD 800,000	1,007	1,128
CCO Holdings LLC 5.88% 04-01-2024 Callable 2020 144A	United States	Corporate - Non Convertible	USD 1,150,000	1,543	1,664
CCO Holdings LLC 5.38% 06-01-2029 Callable 2024 144A	United States	Corporate - Non Convertible	USD 2,350,000	3,319	3,416
CCS-CMGC Holdings Inc. Term Loan 1st Lien F/R 09-25-2025	United States	Term Loans	USD 1,599,750	2,051	1,810
Centene Corp. 4.25% 12-15-2027 Callable 2022 144A	United States	Corporate - Non Convertible	USD 1,130,000	1,488	1,555
Centene Corp. 4.63% 12-15-2029 Callable 2024 144A	United States	Corporate - Non Convertible	USD 850,000	1,129	1,204
Centene Corp. 3.38% 02-15-2030 Callable 2028 144A	United States	Corporate - Non Convertible	USD 1,860,000	2,472	2,409
Centrais Eletricas Brasileiras SA 3.63% 02-04-2025	Brazil	Corporate - Non Convertible	USD 500,000	660	619
Centrais Eletricas Brasileiras SA 4.63% 02-04-2030	Brazil	Corporate - Non Convertible	USD 500,000	660	598
CenturyLink Inc. Term Loan B 1st Lien F/R 03-15-2027	United States	Term Loans	USD 1,755,600	2,309	2,325
CenturyLink Inc. 4.00% 02-15-2027 Callable 2023 144A	United States	Corporate - Non Convertible	USD 1,320,000	1,722	1,795
CEVA Logistics Finance BV Term Loan B 1st Lien F/R 08-03-2025	United States	Term Loans	USD 2,898,100	3,696	2,288
Charter Communications Operating LLC 4.50% 02-01-2024 Callable 2024	United States	Corporate - Non Convertible	USD 2,830,000	3,779	4,126
Charter Communications Operating LLC 5.05% 03-30-2029 Callable 2028	United States	Corporate - Non Convertible	USD 1,330,000	1,817	2,027
Chartwell Retirement Residences 4.21% 04-28-2025 Callable 2025	Canada	Corporate - Non Convertible	350,000	350	365
Chemtrade Logistics Income Fund 4.75% 05-31-2024 Conv. Callable 2022	Canada	Corporate - Convertible	2,150,000	2,153	1,247
Chloe Ox Parent LLC Term Loan 1st Lien F/R 12-19-2024	United States	Term Loans	USD 490,000	625	580
Choice Properties Real Estate Investment Trust 3.55% 01-10-2025 Callable 2024	Canada	Corporate - Non Convertible	400,000	410	402
Choice Properties Real Estate Investment Trust 4.18% 03-08-2028 Callable 2027	Canada	Corporate - Non Convertible	1,280,000	1,280	1,333
Choice Properties Real Estate Investment Trust 3.53% 06-11-2029 Callable 2029	Canada	Corporate - Non Convertible	1,090,000	1,090	1,101
Choice Properties Real Estate Investment Trust 2.98% 03-04-2030 Callable 2029	Canada	Corporate - Non Convertible	780,000	781	725
Citadel Securities LP Term Loan B 1st Lien F/R 02-27-2026	United States	Term Loans	USD 4,662,245	6,113	5,981
Civitas Solutions Inc. Term Loan 1st Lien F/R 02-05-2026	United States	Term Loans	USD 1,467,314	1,915	1,881
Clarity Telecom LLC Term Loan 1st Lien F/R 06-27-2026	United States	Term Loans	USD 2,164,575	2,804	2,594
Coca-Cola Femsa SAB de CV 2.75% 01-22-2030 Callable 2029	Mexico	Corporate - Non Convertible	USD 3,180,000	4,101	4,372



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## SCHEDULE OF INVESTMENTS (cont'd)

As at March 31, 2020

	Country	Sector	Par Value/ No. of Shares/Units	Average Cost (\$ 000s)	Fair Value (\$ 000s)
<b>BONDS (cont'd)</b>					
Comber Wind Financial Corp. 5.13% 11-15-2030	Canada	Corporate - Non Convertible	644,683	685	723
Commercial Vehicle Group Inc. Term Loan B 1st Lien F/R 03-30-2023	United States	Term Loans	USD 1,052,060	1,373	1,298
Commonwealth of Bahamas 5.75% 01-16-2024	Bahamas	Foreign Governments	USD 3,993,000	5,289	5,243
Commonwealth of Bahamas 6.00% 11-21-2028 Callable 2028	Bahamas	Foreign Governments	USD 2,991,000	3,869	3,765
Commonwealth of Bahamas 6.95% 11-20-2029	Bahamas	Foreign Governments	USD 150,000	222	199
CommScope Technologies Finance LLC 8.25% 03-01-2027 Callable 2022 144A	United States	Corporate - Non Convertible	USD 5,220,000	7,006	7,166
CommScope Technologies LLC 5.00% 03-15-2027 Callable 2022 144A	United States	Corporate - Non Convertible	USD 2,050,000	2,362	2,508
Concho Resources Inc. 3.75% 10-01-2027 Callable 2027	United States	Corporate - Non Convertible	USD 2,800,000	3,511	3,339
Concrete Pumping Merger Sub Inc. Term Loan 1st Lien F/R 11-14-2025	United States	Term Loans	USD 2,032,183	2,613	2,521
Connect Finco SARL Term Loan B 1st Lien F/R 09-23-2026	United Kingdom	Term Loans	USD 1,203,000	1,576	1,367
Connect Finco SARL 6.75% 10-01-2026	United Kingdom	Corporate - Non Convertible	USD 3,570,000	4,733	4,240
Constellium NV 6.63% 03-01-2025 Callable 2020 144A	Netherlands	Corporate - Non Convertible	USD 2,300,000	3,064	2,926
Constellium NV 4.25% 02-15-2026 Callable 2020	Netherlands	Corporate - Non Convertible	EUR 800,000	1,195	941
Constellium NV 5.88% 02-15-2026 Callable 2020 144A	Netherlands	Corporate - Non Convertible	USD 3,940,000	5,042	4,878
Cook & Boardman Group LLC Term Loan 1st Lien F/R 10-12-2025	United States	Term Loans	USD 651,750	841	772
CoolSys Inc. Delayed Draw Term Loan 1st Lien F/R 12-31-2049	United States	Term Loans	USD 446,545	582	614
CoolSys Inc. Term Loan 1st Lien 12-31-2049	United States	Term Loans	USD 2,616,896	3,404	3,597
Cordelio Amalco GP I 4.09% 06-30-2034	Canada	Corporate - Non Convertible	589,980	590	643
Cordelio Amalco GP I 4.09% 09-30-2034	Canada	Corporate - Non Convertible	563,680	564	622
CPPIB Capital Inc. 1.95% 09-30-2029	Canada	Corporate - Non Convertible	2,680,000	2,670	2,704
Crew Energy Inc. 6.50% 03-14-2024 Callable	Canada	Corporate - Non Convertible	1,620,000	1,612	979
Crown Subsea Communications Holding Inc. Term Loan 1st Lien F/R 11-02-2025	United States	Term Loans	USD 1,420,402	1,826	1,762
CVR Partners LP 9.25% 06-15-2023 Callable 2020 144A	United States	Corporate - Non Convertible	USD 3,560,000	4,620	4,268
CVS Health Corp. 3.70% 03-09-2023 Callable 2023	United States	Corporate - Non Convertible	USD 2,040,000	2,977	2,972
DaVita Healthcare Partners Inc. 5.00% 05-01-2025 Callable 2020	United States	Corporate - Non Convertible	USD 5,272,000	6,602	7,435
Dawn Acquisition LLC Term Loan 1st Lien F/R 10-25-2025	United States	Term Loans	USD 2,061,573	2,678	2,243
Diamond (BC) BV Term Loan 1st Lien F/R 09-06-2024	United States	Term Loans	USD 1,848,749	2,310	1,990
Diamond Sports Group LLC 6.63% 08-15-2027 Callable 2022 144A	United States	Corporate - Non Convertible	USD 1,820,000	2,372	1,720
Diamondback Energy Inc. 3.25% 12-01-2026 Callable 2026	United States	Corporate - Non Convertible	USD 1,077,000	1,117	1,063
Diamondback Energy Inc. 3.50% 12-01-2029 Callable 2029	United States	Corporate - Non Convertible	USD 4,220,000	4,340	4,131
DMT Solutions Global Corp. Term Loan 1st Lien F/R 06-25-2024	United States	Term Loans	USD 766,500	989	948
Dollar General Corp. 4.13% 05-01-2028 Callable 2028	United States	Corporate - Non Convertible	USD 2,090,000	3,134	3,134
Drax Group PLC 6.63% 11-01-2025 Callable 2021 144A	United Kingdom	Corporate - Non Convertible	USD 4,390,000	5,730	6,205
Drive Chassis Holdco LLC Term Loan 2nd Lien F/R 04-12-2026	United States	Term Loans	USD 1,310,000	1,659	1,339
DRW Holdings LLC Term Loan 1st Lien F/R 11-26-2026	United States	Term Loans	USD 1,655,850	2,176	2,113
DynCorp International Inc. Term Loan B 1st Lien F/R 08-15-2025	United States	Term Loans	USD 5,723,250	7,391	6,939
Eagle Credit Card Trust 3.04% 07-17-2023	Canada	Corporate - Non Convertible	400,000	400	406
EagleTree-Carbide Acquisition Corp. Term Loan 1st Lien F/R 08-28-2024	United States	Term Loans	USD 3,918,719	5,051	4,613
Eastern Power LLC Term Loan B 1st Lien F/R 10-02-2023	United States	Term Loans	USD 1,319,781	1,728	1,632



**MACKENZIE**  
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# MACKENZIE UNCONSTRAINED FIXED INCOME FUND

ANNUAL AUDITED FINANCIAL STATEMENTS | March 31, 2020

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## SCHEDULE OF INVESTMENTS (cont'd)

As at March 31, 2020

	Country	Sector	Par Value/ No. of Shares/Units	Average Cost (\$ 000s)	Fair Value (\$ 000s)
<b>BONDS (cont'd)</b>					
Edgewell Personal Care Co. Term Loan B 1st Lien F/R 09-20-2026	United States	Term Loans	USD 1,100,000	1,446	1,543
eG Global Finance PLC 6.75% 02-07-2025 Callable 2021 144A	United Kingdom	Corporate - Non Convertible	USD 9,940,000	13,211	11,674
Electrical Components International Inc. Term Loan 1st Lien F/R 06-22-2025	United States	Term Loans	USD 2,819,775	3,705	3,041
Electrical Components International Inc. Term Loan 2nd Lien F/R 06-22-2026	United States	Term Loans	USD 520,000	649	627
Emera Inc. 2.90% 06-16-2023	Canada	Corporate - Non Convertible	900,000	873	906
Enbridge Gas Inc. 2.37% 08-09-2029 Callable 2029	Canada	Corporate - Non Convertible	420,000	420	414
Enbridge Gas Inc. 2.90% 04-01-2030 Callable 2030	Canada	Corporate - Non Convertible	320,000	320	325
Enbridge Gas Inc. 3.01% 08-09-2049 Callable 2049	Canada	Corporate - Non Convertible	390,000	390	362
Enbridge Inc. 5.37% 09-27-2077 Callable 2027	Canada	Corporate - Non Convertible	31,340,000	30,812	25,911
Enbridge Inc. F/R 04-12-2078 Callable 2028	Canada	Corporate - Non Convertible	2,970,000	2,970	2,894
ENC Holding Corp. Term Loan 1st Lien F/R 05-30-2025	United States	Term Loans	USD 1,032,675	1,328	1,216
ENMAX Corp. 3.33% 06-02-2025	Canada	Corporate - Non Convertible	330,000	330	337
Ensono LP Term Loan 1st Lien F/R 04-30-2025	United States	Term Loans	USD 1,088,491	1,384	1,302
EnTrans International LLC Term Loan 1st Lien F/R 10-29-2025	United States	Term Loans	USD 2,399,875	3,117	2,910
EPCOR Utilities Inc. 3.55% 11-27-2047 Callable 2047	Canada	Corporate - Non Convertible	548,000	545	560
EPCOR Utilities Inc. 3.11% 07-08-2049 Callable 2049	Canada	Corporate - Non Convertible	1,050,000	1,050	989
EPR Properties 4.95% 04-15-2028 Callable 2028	United States	Corporate - Non Convertible	USD 600,000	753	787
EPR Properties 3.75% 08-15-2029 Callable 2029	United States	Corporate - Non Convertible	USD 620,000	814	624
Exela Intermediate LLC Term Loan B 1st Lien F/R 07-12-2023	United States	Term Loans	USD 841,860	1,094	326
Exela Intermediate LLC 10.00% 07-15-2023 Callable 2020 144A	United States	Corporate - Non Convertible	USD 1,960,000	2,390	770
FAGE International SA/FAGE USA Dairy Industry Inc. 5.63% 08-15-2026 Callable 2021 144A	Luxembourg	Corporate - Non Convertible	USD 3,760,000	4,499	4,397
Fair Isaac Corp. 4.00% 06-15-2028 Callable 2022 144A	United States	Corporate - Non Convertible	USD 2,011,000	2,687	2,757
Fairfax Financial Holdings Ltd. 5.84% 10-14-2022	Canada	Corporate - Non Convertible	1,755,000	1,925	1,870
Fairfax Financial Holdings Ltd. 4.50% 03-22-2023	Canada	Corporate - Non Convertible	5,139,000	5,302	5,272
Fairfax Financial Holdings Ltd. 4.95% 03-03-2025	Canada	Corporate - Non Convertible	2,290,000	2,496	2,391
Fairfax Financial Holdings Ltd. 8.30% 04-15-2026	Canada	Corporate - Non Convertible	USD 588,000	893	995
Fairfax Financial Holdings Ltd. 4.23% 06-14-2029 Callable 2029	Canada	Corporate - Non Convertible	390,000	390	373
Fédération des Caisses Desjardins du Québec 3.06% 09-11-2023	Canada	Corporate - Non Convertible	1,520,000	1,520	1,561
Fédération des Caisses Desjardins du Québec 2.42% 10-04-2024	Canada	Corporate - Non Convertible	120,000	120	118
First American Payment Systems LP Term Loan B 1st Lien F/R 02-21-2027	United States	Term Loans	USD 3,810,000	5,013	4,740
First Eagle Holdings Inc. Term Loan B 1st lien F/R 02-17-2027	United States	Term Loans	USD 3,986,612	5,206	4,791
First Quantum Minerals Ltd. 7.25% 04-01-2023 Callable 2020 144A	Zambia	Corporate - Non Convertible	USD 6,030,000	7,855	7,183
Forming Machining Industries Holdings LLC Term Loan 1st Lien F/R 10-03-2025	United States	Term Loans	USD 2,017,250	2,599	2,247
Fortified Trust 2.56% 03-23-2024	Canada	Corporate - Non Convertible	800,000	800	802
Foundation Building Materials LLC Term Loan B 1st Lien F/R 05-11-2025	United States	Term Loans	USD 1,313,375	1,671	1,634
Foxtrot Escrow Issuer LLC 12.25% 11-15-2026 Callable 2022 144A	United States	Corporate - Non Convertible	USD 5,805,000	7,457	6,418
Frontera Generation Holdings LLC Term Loan B 1st Lien F/R 04-25-2025	United States	Term Loans	USD 2,455,850	3,138	2,579
Fusion Connect Inc. Term Loan B 1st Lien F/R 05-03-2023	United States	Term Loans	USD 1,167,614	1,454	626
FXI Holdings Inc. 7.88% 11-01-2024 Callable 2020 144A	United States	Corporate - Non Convertible	USD 4,245,000	5,437	4,126



**MACKENZIE**  
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	Country	Sector	Par Value/ No. of Shares/Units	Average Cost (\$ 000s)	Fair Value (\$ 000s)
<b>BONDS (cont'd)</b>					
GBT III BV Term Loan 1st Lien F/R 02-27-2027	Netherlands	Term Loans	USD 2,977,035	3,901	3,672
GBT US III LLC Term Loan Delayed Draw 1st Lien F/R 02-27-2027	United States	Term Loans	USD 2,492,965	3,267	3,075
GEMS MENASA (Cayman) Ltd. Term Loan B 1st Lien F/R 07-30-2026	United Arab Emirates	Term Loans	USD 758,660	988	893
GFL Environmental Inc. Term Loan B 1st Lien F/R 05-31-2025	Canada	Term Loans	USD 2,866,276	3,731	3,938
GFL Environmental Inc. 5.63% 05-01-2022 Callable 2020 144A	Canada	Corporate - Non Convertible	USD 1,555,000	2,053	2,217
GFL Environmental Inc. 7.00% 06-01-2026 Callable 2021 144A	Canada	Corporate - Non Convertible	USD 4,764,000	6,120	6,609
GFL Environmental Inc. 5.13% 12-15-2026 Callable 2022 144A	Canada	Corporate - Non Convertible	USD 1,630,000	2,156	2,234
Gibson Energy Inc. 5.25% 07-15-2024 Callable 2020 REGS	Canada	Corporate - Non Convertible	17,519,000	17,525	17,665
Gibson Energy Inc. 3.60% 09-17-2029 Callable 2029	Canada	Corporate - Non Convertible	760,000	758	673
GLOBALFOUNDRIES Inc. Term Loan B 1st Lien F/R 05-24-2026	United States	Term Loans	USD 6,749,000	8,978	8,183
The Goldman Sachs Group Inc. 2.43% 04-26-2023 Callable	United States	Corporate - Non Convertible	10,459,000	10,152	10,332
Government of Bermuda 4.85% 02-06-2024	Bermuda	Foreign Governments	USD 310,000	447	487
Government of Brazil 10.00% 01-01-2029	Brazil	Foreign Governments	BRL 240,000	941	746
Government of Canada 1.50% 09-01-2024	Canada	Federal Government	205,890,000	207,907	213,929
Government of Canada 1.25% 03-01-2025	Canada	Federal Government	48,240,000	49,410	49,746
Government of Canada 1.25% 06-01-2030	Canada	Federal Government	45,110,000	44,909	47,188
Government of Canada 2.75% 12-01-2048	Canada	Federal Government	21,880,000	27,181	29,339
Government of China 3.13% 11-21-2029	China	Foreign Governments	CNY 252,000,000	49,951	52,506
Government of Israel 2.75% 07-03-2030	Israel	Foreign Governments	USD 2,380,000	3,355	3,355
Government of Japan 0.10% 06-01-2020	Japan	Foreign Governments	JPY 7,294,000,000	95,802	95,617
Government of Mexico 7.50% 06-03-2027	Mexico	Foreign Governments	MXN 58,750,000	3,996	3,603
Government of Mexico 8.50% 05-31-2029	Mexico	Foreign Governments	MXN 10,200,000	759	657
Gray Escrow Inc. 7.00% 05-15-2027 Callable 2022 144A	United States	Corporate - Non Convertible	USD 500,000	656	702
Greater Toronto Airports Authority 2.73% 04-03-2029 Callable 2029	Canada	Corporate - Non Convertible	610,000	625	620
Greater Toronto Airports Authority 2.75% 10-17-2039	Canada	Corporate - Non Convertible	650,000	649	581
Greenhill & Co. Inc. Term Loan B 1st Lien F/R 04-05-2024	United States	Term Loans	USD 1,222,667	1,629	1,525
H&R Real Estate Investment Trust 2.92% 05-06-2022	Canada	Corporate - Non Convertible	290,000	284	290
H&R Real Estate Investment Trust 3.42% 01-23-2023 Callable 2022	Canada	Corporate - Non Convertible	710,000	714	717
Hadrian Merger Sub Inc. 8.50% 05-01-2026 Callable 2021 144A	United States	Corporate - Non Convertible	USD 7,557,000	9,696	7,978
Halo Buyer Inc. Term Loan 1st Lien F/R 06-28-2025	United States	Term Loans	USD 1,257,631	1,641	1,454
HCA Healthcare Inc. 3.50% 09-01-2030 Callable 2030	United States	Corporate - Non Convertible	USD 10,100,000	13,427	13,041
HCA Holdings Inc. 5.25% 06-15-2026 Callable 2025	United States	Corporate - Non Convertible	USD 3,010,000	3,869	4,462
HCA Inc. 5.88% 02-01-2029 Callable 2028	United States	Corporate - Non Convertible	USD 710,000	1,061	1,059
Heathrow Funding Ltd. 3.25% 05-21-2025	United Kingdom	Corporate - Non Convertible	654,000	679	670
Heathrow Funding Ltd. 3.40% 03-08-2028	United Kingdom	Corporate - Non Convertible	1,032,000	1,030	1,040
Heathrow Funding Ltd. 3.79% 09-04-2030 Callable 2030	United Kingdom	Corporate - Non Convertible	900,000	900	925
Heritage Power LLC Term Loan B 1st Lien F/R 07-08-2026	United States	Term Loans	USD 4,019,800	5,107	4,675
Horizon Therapeutics PLC 5.50% 08-01-2027 Callable 2022 144A	United States	Corporate - Non Convertible	USD 4,200,000	5,514	5,943
HSBC Bank Canada 2.25% 09-15-2022	Canada	Corporate - Non Convertible	540,000	540	537
Hydro One Inc. 2.54% 04-05-2024 Callable 2024	Canada	Corporate - Non Convertible	790,000	790	800
Hydro One Inc. 2.16% 02-28-2030	Canada	Corporate - Non Convertible	610,000	610	588
Hydro One Inc. 3.63% 06-25-2049 Callable 2048	Canada	Corporate - Non Convertible	80,000	93	83
Hyster-Yale Group Inc. Term Loan B 1st Lien F/R 05-30-2023	United States	Term Loans	USD 407,279	549	482
II-VI Inc. Term Loan B 1st Lien F/R 05-08-2026	United States	Term Loans	USD 4,706,350	6,205	5,562



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	Country	Sector	Par Value/ No. of Shares/Units	Average Cost (\$ 000s)	Fair Value (\$ 000s)
<b>BONDS (cont'd)</b>					
INEOS Enterprises Holdings US Finco LLC Term Loan B 1st Lien F/R 09-03-2026	United States	Term Loans	USD 3,302,770	4,302	4,183
Innovative Water Care Global Corp. Term Loan 1st Lien F/R 02-27-2026	United States	Term Loans	USD 3,385,800	4,229	2,625
Institutional Shareholder Services Inc. Term Loan 1st Lien F/R 02-26-2026	United States	Term Loans	USD 2,900,700	3,821	3,415
Integro Ltd. United States Term Loan B1 1st Lien F/R 10-31-2022	United States	Term Loans	USD 154,363	195	214
Intel Corp. 2.45% 11-15-2029 Callable 2029	United States	Corporate - Non Convertible	USD 1,158,000	1,570	1,670
Intelsat Jackson Holdings SA 8.50% 10-15-2024 Callable 2020 144A	Luxembourg	Corporate - Non Convertible	USD 740,000	981	660
Inter Pipeline Ltd. F/R 03-26-2079 Callable 2029	Canada	Corporate - Non Convertible	16,248,000	16,586	14,470
Inter Pipeline Ltd. F/R 11-19-2079 Callable 2029	Canada	Corporate - Non Convertible	4,620,000	4,621	3,881
Interior Logic Group Holdings IV LLC Term Loan B 1st Lien F/R 05-21-2025	United States	Term Loans	USD 1,310,050	1,678	1,607
iQor US Inc. Term Loan 2nd Lien F/R 04-01-2022	United States	Term Loans	USD 1,507,000	1,751	598
Iris Merger Sub 2019 Inc. 9.38% 02-15-2028 Callable 2023 144A	United States	Corporate - Non Convertible	USD 1,710,000	2,271	2,357
Iron Mountain Canada Operations ULC 5.38% 09-15-2023 Callable 2020	United States	Corporate - Non Convertible	870,000	912	854
Isagenix International LLC Term Loan 1st Lien F/R 04-26-2025	United States	Term Loans	USD 3,956,124	5,044	2,078
Ivanhoe Cambridge II Inc. 2.91% 06-27-2023 Callable 2023	Canada	Corporate - Non Convertible	470,000	470	481
Ivanhoe Cambridge II Inc. 2.30% 12-12-2024 Callable 2024	Canada	Corporate - Non Convertible	80,000	80	80
Jane Street Group LLC Term Loan B 1st Lien F/R 01-31-2025	United States	Term Loans	USD 4,591,148	6,082	5,874
JBS Investments II GmbH 5.75% 01-15-2028 Callable 2022	United States	Corporate - Non Convertible	USD 250,000	302	342
Jefferies Finance LLC Term Loan 1st Lien F/R 05-21-2026	United States	Term Loans	USD 1,379,575	1,848	1,632
JPMorgan Chase & Co. 3.19% 03-05-2021	United States	Corporate - Non Convertible	340,000	344	343
Keane Group Holdings LLC Term Loan B 1st Lien F/R 05-18-2025	United States	Term Loans	USD 2,509,087	3,239	2,370
Kestrel Acquisition LLC Term Loan B 1st Lien F/R 05-02-2025	United States	Term Loans	USD 3,530,967	4,580	2,993
Kestrel Bidco Inc. Term Loan 1st Lien F/R 08-07-2026	Canada	Term Loans	USD 5,104,208	6,675	5,661
Keyera Corp. F/R 06-13-2079 Callable 2029	Canada	Corporate - Non Convertible	11,290,000	11,323	10,043
Keystone Peer Review Organization Holdings Inc. Term Loan 1st Lien F/R 05-01-2024	United States	Term Loans	USD 1,053,343	1,406	1,225
Korn Ferry 4.63% 12-15-2027 Callable 2022 144A	United States	Corporate - Non Convertible	USD 1,340,000	1,766	1,656
The Kroger Co. 3.95% 01-15-2050 Callable 2049	United States	Corporate - Non Convertible	USD 1,020,000	1,453	1,495
Kruger Products LP 6.00% 04-24-2025 Callable 2021	Canada	Corporate - Non Convertible	4,898,000	4,867	4,543
L&W Inc. Term Loan 1st Lien F/R 05-17-2025	United States	Term Loans	USD 1,489,808	1,909	1,722
LABL Escrow Issuer LLC 6.75% 07-15-2026 Callable 2022 144A	United States	Corporate - Non Convertible	USD 2,990,000	4,001	3,977
LABL Escrow Issuer LLC 10.50% 07-15-2027 Callable 2022 144A	United States	Corporate - Non Convertible	USD 7,403,000	9,899	9,748
Lamb Weston Holdings Inc. 4.63% 11-01-2024 Callable 2021 144A	United States	Corporate - Non Convertible	USD 4,300,000	5,616	5,998
Lamb Weston Holdings Inc. 4.88% 11-01-2026 Callable 2021 144A	United States	Corporate - Non Convertible	USD 2,300,000	2,956	3,307
Liberty Utilities (Canada) LP 3.32% 02-14-2050 Callable 2049	Canada	Corporate - Non Convertible	410,000	410	367
LifeMiles Ltd. Term Loan B 1st Lien F/R 08-18-2022	Colombia	Term Loans	USD 1,985,910	2,549	2,277
LifeScan Global Corp. Term Loan 1st Lien F/R 06-19-2024	United States	Term Loans	USD 3,253,209	4,133	3,686
LifeScan Global Corp. Term Loan 2nd Lien F/R 06-19-2025	United States	Term Loans	USD 1,290,000	1,610	1,223
Lions Gate Capital Holdings LLC 6.38% 02-01-2024 Callable 2021 144A	United States	Corporate - Non Convertible	USD 350,000	467	435



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	Country	Sector	Par Value/ No. of Shares/Units	Average Cost (\$ 000s)	Fair Value (\$ 000s)
<b>BONDS (cont'd)</b>					
Live Nation Entertainment Inc. 4.75% 10-15-2027 Callable 2022 144A	United States	Corporate - Non Convertible	USD 830,000	1,108	1,066
Loblaw Companies Ltd. 4.49% 12-11-2028 Callable 2028	Canada	Corporate - Non Convertible	830,000	911	903
Manulife Bank of Canada 2.84% 01-12-2023	Canada	Corporate - Non Convertible	425,000	424	430
Manulife Bank of Canada 2.38% 11-19-2024	Canada	Corporate - Non Convertible	240,000	242	238
Manulife Financial Corp. F/R 05-09-2028 Callable 2023	Canada	Corporate - Non Convertible	470,000	470	472
Manulife Financial Corp. F/R 08-20-2029 Callable 2024	Canada	Corporate - Non Convertible	132,000	129	131
Mattel Inc. 3.15% 03-15-2023 Callable 2022	United States	Corporate - Non Convertible	USD 3,353,000	4,363	4,413
Matterhorn Merger Sub LLC 8.50% 06-01-2026 Callable 2021 144A	United States	Corporate - Non Convertible	USD 6,211,000	7,951	7,086
McDonald's Corp. 3.13% 03-04-2025 Callable 2025	United States	Corporate - Non Convertible	1,230,000	1,227	1,248
MEG Energy Corp. 7.00% 03-31-2024 Callable 2020 144A	Canada	Corporate - Non Convertible	USD 1,392,000	1,600	908
MEG Energy Corp. 7.13% 02-01-2027 Callable 2023 144A	Canada	Corporate - Non Convertible	USD 5,860,000	7,686	4,133
Meredith Corp. Term Loan B 1st Lien F/R 01-31-2025	United States	Term Loans	USD 3,570,616	4,604	4,505
Meredith Corp. 6.88% 02-01-2026 Callable 2021	United States	Corporate - Non Convertible	USD 3,400,000	4,413	4,217
Metronet Systems Holding LLC Term Loan 1st Lien F/R 12-31-2049	United States	Term Loans	USD 2,397,950	3,152	3,229
Millar Western Forest Products Ltd. 9.50% 06-20-2023 Callable 2020	Canada	Corporate - Non Convertible	1,960,000	1,960	1,397
Minotaur Acquisition Inc. Term Loan 1st Lien F/R 02-27-2026	United States	Term Loans	USD 3,265,735	4,208	3,906
Morgan Stanley 3.00% 02-07-2024	United States	Corporate - Non Convertible	11,140,000	10,927	11,170
MSCI Inc. 3.63% 09-01-2030 Callable 2025 144A	United States	Corporate - Non Convertible	USD 607,000	836	816
Multi-Color Corp. Term Loan B 1st Lien F/R 06-17-2026	United States	Term Loans	USD 2,985,000	3,954	3,570
MyNEXUS Inc. Term Loan 1st Lien F/R 06-19-2024	United States	Term Loans	USD 2,562,250	3,304	3,450
Natel Engineering Co. Inc. Term Loan B 1st Lien F/R 04-29-2026	United States	Term Loans	USD 2,034,625	2,717	2,194
National Australia Bank Ltd. F/R 06-12-2030 Callable 2025	Australia	Corporate - Non Convertible	2,140,000	2,140	2,068
National Bank of Canada 2.58% 02-03-2025	Canada	Corporate - Non Convertible	1,580,000	1,580	1,567
Neenah Foundry Co. Term Loan B 1st Lien F/R 12-08-2022	United States	Term Loans	USD 906,688	1,155	1,118
New Red Finance Inc. 5.00% 10-15-2025 Callable 2020 144A	Canada	Corporate - Non Convertible	USD 6,180,000	7,664	8,417
Nexstar Escrow Inc. 5.63% 07-15-2027 Callable 2022 144A	United States	Corporate - Non Convertible	USD 5,222,000	6,942	7,215
Nine Energy Service Inc. 8.75% 11-01-2023 Callable 2020 144A	United States	Corporate - Non Convertible	USD 1,680,000	2,180	595
Norbord Inc. 5.75% 07-15-2027 Callable 2022 144A	Canada	Corporate - Non Convertible	USD 2,244,000	2,983	2,937
Nouvelle Autoroute 30 Financement Inc. 4.11% 03-31-2042	Canada	Corporate - Non Convertible	659,583	660	722
Nova Scotia Power Inc. 3.57% 04-05-2049 Callable 2048	Canada	Corporate - Non Convertible	490,000	491	486
Nufarm Australia Ltd. 5.75% 04-30-2026 Callable 2021 144A	Australia	Corporate - Non Convertible	USD 4,298,000	5,413	5,249
Numericable-SFR 7.38% 05-01-2026 Callable 2021 144A	France	Corporate - Non Convertible	USD 3,250,000	4,183	4,591
NuVista Energy Ltd. 6.50% 03-02-2023 Callable 2020	Canada	Corporate - Non Convertible	2,860,000	2,817	1,847
Occidental Petroleum Corp. 4.10% 02-01-2021 Callable 2020	United States	Corporate - Non Convertible	USD 1,400,000	1,884	1,678
Occidental Petroleum Corp. 4.40% 04-15-2046 Callable 2045	United States	Corporate - Non Convertible	USD 4,310,000	4,976	2,722
Office Depot Inc. Term Loan B 1st Lien F/R 11-08-2022	United States	Term Loans	USD 1,464,112	1,863	2,005
OMERS Finance Trust 2.60% 05-14-2029	Canada	Corporate - Non Convertible	1,160,000	1,159	1,218
OMERS Realty Corp. 3.63% 06-05-2030 Callable 2030	Canada	Corporate - Non Convertible	1,150,000	1,150	1,244
Ontario Power Generation Inc. 3.32% 10-04-2027 Callable 2027	Canada	Corporate - Non Convertible	750,000	751	777
Ontario Power Generation Inc. 2.98% 09-13-2029	Canada	Corporate - Non Convertible	650,000	650	651
Ontario Power Generation Inc. 3.84% 06-22-2048 Callable 2047	Canada	Corporate - Non Convertible	480,000	559	476
Ontario Power Generation Inc. 4.25% 01-18-2049 Callable 2048	Canada	Corporate - Non Convertible	550,000	590	585
Outfront Media Capital LLC 4.63% 03-15-2030 Callable 2025 144A	United States	Corporate - Non Convertible	USD 1,750,000	2,317	2,210
Owens & Minor Inc. Term Loan B 1st Lien F/R 05-01-2025	United States	Term Loans	USD 1,346,450	1,697	1,557



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<b>BONDS (cont'd)</b>					
Panther BF Aggregator 2 LP 6.25% 05-15-2026 144A	United States	Corporate - Non Convertible	USD 910,000	1,226	1,209
Panther BF Aggregator 2 LP 8.50% 05-15-2027 Callable 2022 144A	United States	Corporate - Non Convertible	USD 8,790,000	11,843	10,834
Parkland Fuel Corp. 5.75% 09-16-2024 Callable 2020	Canada	Corporate - Non Convertible	4,940,000	4,988	4,714
Parkland Fuel Corp. 6.00% 04-01-2026 Callable 2021 144A	Canada	Corporate - Non Convertible	USD 7,780,000	10,169	10,225
Parkland Fuel Corp. 5.88% 07-15-2027 Callable 2022 144A	Canada	Corporate - Non Convertible	USD 750,000	988	994
Parsley Energy LLC/Parsley Finance Corp. 5.38% 01-15-2025 Callable 2020 144A	United States	Corporate - Non Convertible	USD 1,920,000	2,167	2,098
Parsley Energy LLC 4.13% 02-15-2028 Callable 2023 144A	United States	Corporate - Non Convertible	USD 960,000	1,156	927
The Pasha Group Term Loan B 1st Lien F/R 12-13-2022	United States	Term Loans	USD 1,169,720	1,466	1,402
Paypal Holdings Inc. 2.40% 10-01-2024 Callable 2024	United States	Corporate - Non Convertible	USD 660,000	875	923
PayPal Holdings Inc. 2.65% 10-01-2026	United States	Corporate - Non Convertible	USD 690,000	913	955
Pembina Pipeline Corp. 4.02% 03-27-2028 Callable 2027	Canada	Corporate - Non Convertible	550,000	584	537
Pembina Pipeline Corp. 3.62% 04-03-2029 Callable 2029	Canada	Corporate - Non Convertible	1,030,000	1,045	944
Pembina Pipeline Corp. 3.31% 02-01-2030 Callable 2029	Canada	Corporate - Non Convertible	410,000	410	366
Petroleos De Venezuela SA 6.00% 05-16-2024	Venezuela	Corporate - Non Convertible	USD 2,303,000	732	260
Petroleos Mexicanos 6.50% 03-13-2027	Mexico	Corporate - Non Convertible	USD 3,250,000	4,540	3,407
Pisces Midco Inc. 8.00% 04-15-2026 Callable 2021 144A	United States	Corporate - Non Convertible	USD 3,090,000	3,926	3,775
PLH Group Inc. Term Loan 1st Lien F/R 08-06-2023	United States	Term Loans	USD 1,404,809	1,771	1,634
Pluto Acquisition I Inc. Term Loan 1st Lien F/R 06-18-2026	United States	Term Loans	USD 3,037,050	4,023	3,661
Polymer Process Holdings Inc. Term Loan 1st Lien F/R 04-29-2026	United States	Term Loans	USD 3,116,450	4,092	3,990
Premier Dental Services Inc. Term Loan B 1st Lien F/R 06-30-2023	United States	Term Loans	USD 1,434,319	1,882	2,002
Project Leopard Holdings Inc. Term Loan 1st Lien F/R 07-07-2023	United States	Term Loans	USD 2,104,270	2,711	2,616
Province of Newfoundland 3.70% 10-17-2048	Canada	Provincial Governments	765,000	839	837
Province of Ontario 1.75% 09-08-2025	Canada	Provincial Governments	8,300,000	8,395	8,395
Province of Ontario 2.05% 06-02-2030	Canada	Provincial Governments	7,900,000	7,988	7,981
Province of Ontario 2.90% 06-02-2049	Canada	Provincial Governments	3,620,000	3,483	3,873
Province of Ontario 2.65% 12-02-2050	Canada	Provincial Governments	3,850,000	3,940	3,947
Province of Quebec 2.30% 09-01-2029	Canada	Provincial Governments	1,370,000	1,412	1,425
Province of Quebec 1.90% 09-01-2030	Canada	Provincial Governments	810,000	811	808
Province of Quebec 3.50% 12-01-2048	Canada	Provincial Governments	5,050,000	6,108	6,031
PS HoldCo LLC Term Loan 1st Lien F/R 03-02-2025	United States	Term Loans	USD 1,487,350	1,908	1,940
PSC Industrial Outsourcing LP Term Loan 2nd Lien F/R 10-05-2025	United States	Term Loans	USD 598,000	740	809
PSC Industrial Outsourcing LP Term Loan B 1st Lien F/R 10-05-2024	United States	Term Loans	USD 2,114,854	2,642	2,837
PSP Capital Inc. 2.05% 01-15-2030	Canada	Federal Government	3,330,000	3,340	3,376
Quad/Graphics Inc. 7.00% 05-01-2022	United States	Corporate - Non Convertible	USD 1,315,000	1,486	1,559
Quebecor Media Inc. 6.63% 01-15-2023 144A	Canada	Corporate - Non Convertible	1,422,000	1,483	1,453
R.R. Donnelley & Sons Co. Term Loan B 1st Lien F/R 01-04-2024	United States	Term Loans	USD 2,173,078	2,873	2,734
Rackspace Hosting Inc. 8.63% 11-15-2024 Callable 2020 144A	United States	Corporate - Non Convertible	USD 8,530,000	11,181	10,823
Rayonier AM Products Inc. 5.50% 06-01-2024 Callable 2020 144A	United States	Corporate - Non Convertible	USD 3,195,000	3,473	2,055
Reliance Intermediate Holdings LP 6.50% 04-01-2023 Callable 2020 144A	Canada	Corporate - Non Convertible	USD 3,910,000	5,302	5,593
Renfro Corp. Term Loan B 1st Lien F/R 03-31-2021	United States	Term Loans	USD 583,874	732	391



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## SCHEDULE OF INVESTMENTS (cont'd)

As at March 31, 2020

	Country	Sector	Par Value/ No. of Shares/Units	Average Cost (\$ 000s)	Fair Value (\$ 000s)
<b>BONDS (cont'd)</b>					
Research Now Group Inc. Term Loan 1st Lien F/R 12-20-2024	United States	Term Loans	USD 2,593,785	3,176	3,291
Research Now Group Inc. Term Loan 2nd Lien F/R 12-20-2025	United States	Term Loans	USD 772,000	921	846
Resolute Investment Managers Inc. Term Loan 2nd Lien F/R 04-30-2023	United States	Term Loans	USD 97,000	124	120
Rite Aid Corp. 6.13% 04-01-2023 Callable 2020 144A	United States	Corporate - Non Convertible	USD 4,988,000	5,752	6,133
Rite Aid Corp. 7.50% 07-01-2025 Callable 2022	United States	Corporate - Non Convertible	USD 2,897,000	3,341	3,968
Rite Aid Corp. 7.70% 02-15-2027	United States	Corporate - Non Convertible	USD 4,400,000	4,926	4,828
Rogers Communications Inc. 3.65% 03-31-2027	Canada	Corporate - Non Convertible	720,000	716	746
Rogers Communications Inc. 3.25% 05-01-2029 Callable 2029	Canada	Corporate - Non Convertible	1,140,000	1,148	1,134
Royal Bank of Canada 3.30% 09-26-2023	Canada	Corporate - Non Convertible	170,000	170	174
Royal Bank of Canada 2.35% 07-02-2024	Canada	Corporate - Non Convertible	1,050,000	1,050	1,036
Royal Bank of Canada 2.61% 11-01-2024	Canada	Corporate - Non Convertible	480,000	481	478
Royal Bank of Canada F/R 07-25-2029	Canada	Corporate - Non Convertible	390,000	390	379
Royal Bank of Canada F/R 12-23-2029 Callable 2024	Canada	Corporate - Non Convertible	510,000	510	493
Russel Metals Inc. 6.00% 03-16-2026 Callable 2021	Canada	Corporate - Non Convertible	2,540,000	2,540	2,359
Russian Federal Loan Bond - OFZ 7.05% 01-19-2028	Russia	Foreign Governments	RUB 274,790,000	5,379	5,066
Sabre Industries Inc. Term Loan B 1st Lien F/R 04-09-2026	United States	Term Loans	USD 913,100	1,208	1,179
Saputo Inc. 2.88% 11-19-2024 Callable 2024	Canada	Corporate - Non Convertible	430,000	430	423
Scientific Games International Inc. 6.63% 05-15-2021 Callable 2020	United States	Corporate - Non Convertible	USD 3,615,000	4,903	4,140
Scotts Miracle-Gro Co. 4.50% 10-15-2029	United States	Corporate - Non Convertible	USD 1,950,000	2,597	2,607
Shaw Communications Inc. 4.40% 11-02-2028 Callable 2028	Canada	Corporate - Non Convertible	1,690,000	1,712	1,794
Shields Health Solutions Holdings LLC Term Loan 1st Lien F/R 08-13-2026	United States	Term Loans	USD 2,567,100	3,382	3,167
Sienna Senior Living Inc. 3.11% 11-04-2024	Canada	Corporate - Non Convertible	310,000	310	309
Sigma Bidco BV Term Loan B 1st Lien F/R 03-07-2025	Netherlands	Term Loans	EUR 2,820,000	4,471	4,034
Silgan Holdings Inc. 4.13% 02-01-2028 Callable 2022 144A	United States	Corporate - Non Convertible	USD 2,500,000	3,288	3,313
Sinclair Television Group Inc. Term Loan B2 1st Lien F/R 07-18-2026	United States	Term Loans	USD 2,189,000	2,839	2,947
Sinclair Television Group Inc. 5.50% 03-01-2030 Callable 2024 144A	United States	Corporate - Non Convertible	USD 2,580,000	3,423	3,036
SIRVA Worldwide Inc. Term Loan 1st Lien F/R 07-31-2025	United States	Term Loans	USD 6,604	8	7
SmartCentres Real Estate Investment Trust 3.53% 12-20-2029 Callable 2029	Canada	Corporate - Non Convertible	2,050,000	2,089	1,992
SMI Acquisition Inc. Term Loan 1st Lien F/R 10-27-2024	United States	Term Loans	USD 820,316	1,051	723
Source Energy Services Canada LP 10.50% 12-15-2021 Callable 2020 144A	Canada	Corporate - Non Convertible	7,841,000	7,844	3,008
Sprint Capital Corp. 6.88% 11-15-2028	United States	Corporate - Non Convertible	USD 1,380,000	1,982	2,228
Sprint Corp. 7.875% 09-15-2023 144A	United States	Corporate - Non Convertible	USD 900,000	1,352	1,339
Sprint Corp. 7.88% 09-15-2023	United States	Corporate - Non Convertible	USD 1,160,000	1,602	1,803
Sprint Corp. 7.13% 06-15-2024	United States	Corporate - Non Convertible	USD 4,385,000	5,808	6,792
SRS Distribution Inc. Term Loan B 1st Lien F/R 05-24-2025	United States	Term Loans	USD 2,174,550	2,835	2,698
SS&C Technologies Inc. Term Loan B5 1st Lien F/R 04-16-2025	United States	Term Loans	USD 1,703,779	2,225	2,272
St. Joseph Energy Center LLC Term Loan 1st Lien F/R 04-06-2025	United States	Term Loans	USD 2,282,708	2,907	2,848
Star West Generation LLC Term Loan B 1st Lien F/R 03-13-2020	United States	Term Loans	USD 714,128	804	972
Starfruit US Holdco LLC 8.00% 10-01-2026 Callable 2021 144A	Netherlands	Corporate - Non Convertible	USD 1,120,000	1,411	1,499
Stars Group Holdings BV Term Loan B 1st Lien F/R 07-10-2025	Canada	Term Loans	USD 1,080,000	1,256	1,233
Sun Life Financial Inc. F/R 11-23-2027 Callable 2022	Canada	Corporate - Non Convertible	545,000	543	544
Sun Life Financial Inc. F/R 09-19-2028 Callable 2023	Canada	Corporate - Non Convertible	82,000	81	82



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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>					
Sun Life Financial Inc. F/R 08-13-2029 Callable 2024	Canada	Corporate - Non Convertible	230,000	230	221
Suncor Energy Inc. 3.10% 05-24-2029 Callable 2029	Canada	Corporate - Non Convertible	820,000	819	713
Superior Plus LP 5.25% 02-27-2024 Callable 2020	Canada	Corporate - Non Convertible	6,750,000	6,803	6,356
Superior Plus LP 5.13% 08-27-2025 Callable 2021	Canada	Corporate - Non Convertible	1,780,000	1,691	1,628
Superior Plus LP 7.00% 07-15-2026 Callable 2021 144A	Canada	Corporate - Non Convertible	USD 5,440,000	7,214	7,530
Sysco Canada Inc. 3.65% 04-25-2025 Callable 2025	United States	Corporate - Non Convertible	1,010,000	1,019	922
Talen Energy Supply LLC 7.25% 05-15-2027 Callable 2022 144A	United States	Corporate - Non Convertible	USD 1,393,000	1,781	1,755
Talen Energy Supply LLC 6.63% 01-15-2028 Callable 2023 144A	United States	Corporate - Non Convertible	USD 1,680,000	2,195	2,023
Target Corp. 2.25% 04-15-2025 Callable 2025	United States	Corporate - Non Convertible	USD 480,000	673	680
TEGNA Inc. 4.63% 03-15-2028 Callable 2023 144A	United States	Corporate - Non Convertible	USD 2,380,000	3,096	2,986
Telenet Finance Luxembourg Notes Sarl 5.50% 03-01-2028 Callable 2022 144A	Belgium	Corporate - Non Convertible	USD 800,000	1,029	1,120
TELUS Corp. 3.35% 04-01-2024 Callable	Canada	Corporate - Non Convertible	180,000	186	182
TELUS Corp. 2.75% 07-08-2026	Canada	Corporate - Non Convertible	910,000	907	894
TELUS Corp. 3.30% 05-02-2029 Callable 2029	Canada	Corporate - Non Convertible	980,000	984	968
TELUS Corp. 3.15% 02-19-2030 Callable 2029	Canada	Corporate - Non Convertible	1,780,000	1,797	1,733
TELUS Corp. 4.70% 03-06-2048 Callable 2047	Canada	Corporate - Non Convertible	660,000	647	681
Teneo Holdings LLC Term Loan B 1st Lien F/R 07-12-2025	United States	Term Loans	USD 4,019,800	5,036	4,647
Tenet Healthcare Corp. 6.75% 06-15-2023	United States	Corporate - Non Convertible	USD 4,010,000	4,968	5,231
Tenet Healthcare Corp. 4.88% 01-01-2026 Callable 2022 144A	United States	Corporate - Non Convertible	USD 2,560,000	3,510	3,464
Tensar International Corp. Term Loan 2nd Lien F/R 07-09-2022	United States	Term Loans	USD 112,000	115	135
TerraForm Power Operating LLC 5.00% 01-31-2028 Callable 2027 144A	United States	Corporate - Non Convertible	USD 6,122,000	7,633	9,065
TerraForm Power Operating LLC 4.75% 01-15-2030 Callable 2025 144A	United States	Corporate - Non Convertible	USD 1,060,000	1,409	1,453
Terrier Media Buyer Inc. Term Loan B 1st Lien F/R 12-12-2026	United States	Term Loans	USD 4,069,800	5,337	5,207
Terrier Media Buyer Inc. 8.88% 12-15-2027 Callable 2022 144A	United States	Corporate - Non Convertible	USD 820,000	1,081	983
Teva Pharmaceutical Industries Ltd. 2.80% 07-21-2023	Israel	Corporate - Non Convertible	USD 5,540,000	6,360	7,211
Titan Sub LLC Term Loan B 1st Lien F/R 09-19-2026	United States	Term Loans	USD 2,334,150	3,065	2,805
TMX Group Ltd. 2.30% 12-11-2024 Callable 2024	Canada	Corporate - Non Convertible	299,000	298	297
TMX Group Ltd. 3.78% 06-05-2028 Callable 2028	Canada	Corporate - Non Convertible	390,000	392	393
The Toronto-Dominion Bank 3.01% 05-30-2023	Canada	Corporate - Non Convertible	760,000	760	780
The Toronto-Dominion Bank 1.91% 07-18-2023 DPNT	Canada	Corporate - Non Convertible	5,865,000	5,630	5,821
The Toronto-Dominion Bank 2.85% 03-08-2024	Canada	Corporate - Non Convertible	1,060,000	1,065	1,068
The Toronto-Dominion Bank 1.94% 03-13-2025	Canada	Corporate - Non Convertible	1,260,000	1,260	1,216
The Toronto-Dominion Bank F/R 07-25-2029 Callable 2024	Canada	Corporate - Non Convertible	560,000	575	553
Toyota Credit Canada Inc. 2.11% 02-26-2025	Canada	Corporate - Non Convertible	40,000	40	38
TransCanada PipeLines Ltd. 3.69% 07-19-2023	Canada	Corporate - Non Convertible	80,000	82	82
TransCanada Pipelines Ltd. 3.00% 09-18-2029 Callable 2029	Canada	Corporate - Non Convertible	860,000	861	817
TransCanada Trust F/R 05-18-2077 Callable 2027	Canada	Corporate - Non Convertible	12,102,000	11,618	9,636
Transurban Finance Co. Pty. Ltd. 4.56% 11-14-2028 Callable 2028	Australia	Corporate - Non Convertible	1,600,000	1,601	1,765
Trulieve Cannabis Corp. 9.75% 06-18-2024	United States	Corporate - Non Convertible	USD 6,530,000	8,534	6,799
Uber Technologies Inc. 8.00% 11-01-2026 Callable 2021 144A	United States	Corporate - Non Convertible	USD 12,400,000	16,091	17,494
Ultra Clean Holdings Inc. Term Loan B 1st Lien F/R 08-27-2025	United States	Term Loans	USD 1,501,825	1,929	1,826
Union Gas Ltd. 3.59% 11-22-2047 Callable 2047	Canada	Corporate - Non Convertible	603,000	600	630
United States Treasury 0.50% 04-15-2024 Inflation Indexed	United States	Foreign Governments	USD 29,420,000	40,407	43,036
United States Treasury 1.75% 06-30-2024	United States	Foreign Governments	USD 143,240,000	186,139	213,874
United States Treasury 1.38% 08-31-2026	United States	Foreign Governments	USD 2,700,000	3,582	4,014



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	Country	Sector	Par Value/ No. of Shares/Units	Average Cost (\$ 000s)	Fair Value (\$ 000s)
<b>BONDS (cont'd)</b>					
United States Treasury 0.75% 07-15-2028 Inflation Indexed	United States	Foreign Governments	USD 28,750,000	40,670	44,550
United States Treasury 2.38% 05-15-2029	United States	Foreign Governments	USD 22,280,000	30,221	36,110
United States Treasury 1.00% 02-15-2049 Inflation Indexed	United States	Foreign Governments	USD 14,930,000	24,192	26,778
US Silica Holdings Inc. Term Loan B 1ST Lien F/R 05-01-2025	United States	Term Loans	USD 3,453,359	4,384	2,507
Vancouver Airport Authority 3.66% 11-23-2048 Callable 2048	Canada	Corporate - Non Convertible	850,000	850	874
Vancouver Airport Authority 2.87% 10-18-2049	Canada	Corporate - Non Convertible	650,000	650	576
Ventas Canada Finance Ltd. 2.55% 03-15-2023 Callable 2023	United States	Corporate - Non Convertible	5,290,000	5,246	5,176
Ventas Inc. 2.80% 04-12-2024 Callable 2024	United States	Corporate - Non Convertible	730,000	732	735
VeriFone Systems Inc. Term Loan 1st Lien F/R 08-09-2025	United States	Term Loans	USD 2,608,092	3,410	2,408
Vertex Aerospace Services Corp. Term Loan B 1st Lien F/R 06-14-2025	United States	Term Loans	USD 1,040,656	1,356	1,275
Vesta Energy Corp. 8.13% 07-24-2023 Callable 2020 144A	Canada	Corporate - Non Convertible	2,730,000	2,724	1,102
VFH Parent LLC Term Loan 1st Lien F/R 03-01-2026	United States	Term Loans	USD 1,821,266	2,412	2,373
Videotron Ltd. 4.50% 01-15-2030 Callable 2024	Canada	Corporate - Non Convertible	6,050,000	6,050	5,375
Vidéotron Ltée 5.63% 06-15-2025 Callable 2025	Canada	Corporate - Non Convertible	470,000	486	453
Vidéotron Ltée 5.75% 01-15-2026 Callable 2020	Canada	Corporate - Non Convertible	4,990,000	5,246	4,809
Vidéotron Ltée 5.13% 04-15-2027 Callable 2022 144A	Canada	Corporate - Non Convertible	USD 3,967,000	5,423	5,686
Vodafone Group PLC 3.75% 01-16-2024	United Kingdom	Corporate - Non Convertible	USD 350,000	445	514
VRX Escrow Corp. 6.13% 04-15-2025 Callable 2020 144A	United States	Corporate - Non Convertible	USD 2,490,000	3,199	3,484
Vungle Inc. Term Loan B 1st Lien F/R 09-30-2026	United States	Term Loans	USD 3,502,400	4,574	4,407
VVC Holding Corp. Term Loan B 1st Lien F/R 02-07-2026	United States	Term Loans	USD 1,613,256	2,102	2,138
Vyair Medical Inc. Term Loan B 1st Lien F/R 04-06-2025	United States	Term Loans	USD 1,404,975	1,696	1,431
W&T Offshore Inc. 9.75% 11-01-2023 Callable 2020 144A	United States	Corporate - Non Convertible	USD 1,427,000	1,747	458
Walgreen Co. 4.40% 09-15-2042	United States	Corporate - Non Convertible	USD 1,640,000	1,993	2,291
Walgreens Boots Alliance Inc. 4.80% 11-18-2044 Callable 2044	United States	Corporate - Non Convertible	USD 612,000	786	870
Walmart Inc. 3.70% 06-26-2028 Callable 2028	United States	Corporate - Non Convertible	USD 1,630,000	2,522	2,570
Walmart Inc. 2.38% 09-24-2029 Callable 2029	United States	Corporate - Non Convertible	USD 3,060,000	4,416	4,490
Walmart Inc. 3.63% 12-15-2047 Callable 2047	United States	Corporate - Non Convertible	USD 1,020,000	1,658	1,681
Waste Management of Canada Corp. 2.60% 09-23-2026 Callable 2026	Canada	Corporate - Non Convertible	1,310,000	1,307	1,306
Wells Fargo & Co. 3.19% 02-08-2024 Callable 2024	United States	Corporate - Non Convertible	1,280,000	1,282	1,291
Wells Fargo & Co. 2.49% 02-18-2027	United States	Corporate - Non Convertible	1,930,000	1,930	1,812
Welltower Inc. 4.25% 04-15-2028 Callable 2028	United States	Corporate - Non Convertible	USD 570,000	743	844
Welltower Inc. 4.13% 03-15-2029 Callable 2028	United States	Corporate - Non Convertible	USD 650,000	859	959
Wildbrain Ltd. 5.88% 09-30-2024 Conv.	Canada	Corporate - Convertible	2,460,000	2,431	1,599
Williams Scotsman International Inc. 7.88% 12-15-2022 Callable 2020 144A	United States	Corporate - Non Convertible	USD 3,212,000	4,143	4,415
Wolverine World Wide Inc. 8.50% 11-15-2024 Callable 2021 144A	United States	Corporate - Non Convertible	USD 2,684,000	3,522	3,074
WPX Energy Inc. 5.75% 06-01-2026 Callable 2021	United States	Corporate - Non Convertible	USD 1,365,000	1,667	1,113
WPX Energy Inc. 4.50% 01-15-2030 Callable 2025	United States	Corporate - Non Convertible	USD 3,149,000	3,652	2,376
Xplornet Communications Inc. 9.63% 06-01-2022 Callable 2020 144A	Canada	Corporate - Non Convertible	USD 1,263,700	1,704	1,696
Yak Access LLC Term Loan B 1st Lien F/R 06-26-2025	United States	Term Loans	USD 2,637,346	3,365	2,751
YPF SA 6.95% 07-21-2027	Argentina	Corporate - Non Convertible	USD 1,380,000	1,446	1,012
Ziggo BV 4.88% 01-15-2030 Callable 2024 144A	Netherlands	Corporate - Non Convertible	USD 1,900,000	2,497	2,573
Zotec Partners LLC Term Loan Term B 1st Lien F/R 02-14-2024	United States	Term Loans	USD 2,110,829	2,634	2,708
<b>Total bonds</b>				<b>2,119,679</b>	<b>2,086,904</b>



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	Country	Sector	Par Value/ No. of Shares/Units	Average Cost (\$ 000s)	Fair Value (\$ 000s)
<b>EQUITIES</b>					
AltaGas Ltd. Pfd. Series K	Canada	Energy	147,400	3,696	2,456
BCE Inc. Pfd. Series AL	Canada	Telecommunication Services	108,370	1,550	1,178
Brookfield Asset Management Inc. Pfd. Series 46	Canada	Real Estate	20,106	507	407
Brookfield Asset Management Inc. Pfd. Series 48	Canada	Real Estate	87,989	2,247	1,742
Brookfield Renewable Partners LP Pfd. Series 11	Canada	Utilities	88,040	2,214	1,583
Brookfield Renewable Partners LP Pfd. Series 13	Canada	Utilities	131,200	3,280	2,347
Fairfax Financial Holdings Ltd. Pfd. Series E	Canada	Financials	53,560	784	536
Fairfax Financial Holdings Ltd. Pfd. Series F	Canada	Financials	38,690	569	337
Husky Energy Inc. Pfd. Series 3	Canada	Energy	28,040	518	280
Husky Energy Inc. 4.45% 12-31-2049 Pfd. Series 1	Canada	Energy	337,880	5,411	1,896
Manulife Financial Corp. Pfd. Series 13	Canada	Financials	126,540	2,553	1,572
Shaw Communications Inc. Pfd Series A	Canada	Consumer Discretionary	631,612	9,601	6,695
Source Energy Services Ltd.	Canada	Energy	24,759	233	3
TC Energy Corp. Pfd. Series 15	Canada	Energy	57,197	1,457	1,150
TransAlta Corp. Pfd. Series A	Canada	Utilities	222,915	2,901	1,789
Trulieve Cannabis Corp. Purchase Warrants Exp. 06-18-2022	United States	Health Care	141,430	–	322
Westcoast Energy Inc. 5.20% Cum. Red. First Pfd. Series 12	Canada	Utilities	31,657	798	655
<b>Total equities</b>				<b>38,319</b>	<b>24,948</b>
<b>OPTIONS</b>					
Options purchased (see schedule of options purchased)				6,418	46,184
<b>Total options</b>				<b>6,418</b>	<b>46,184</b>
<b>EXCHANGE-TRADED FUNDS/NOTES</b>					
Mackenzie Canadian Short-Term Bond Index ETF	Canada	Exchange-Traded Funds/Notes	400,000	40,483	40,736
Mackenzie Emerging Markets Bond Index ETF (CAD-Hedged)	Canada	Exchange-Traded Funds/Notes	488,463	48,967	41,554
Mackenzie Emerging Markets Local Currency Bond Index ETF	United States	Exchange-Traded Funds/Notes	478,658	48,445	44,204
Mackenzie US Investment Grade Corporate Bond Index ETF (CAD-Hedged)	Canada	Exchange-Traded Funds/Notes	343,874	35,052	34,582
<b>Total exchange-traded funds/notes</b>				<b>172,947</b>	<b>161,076</b>
<b>MUTUAL FUNDS</b>					
Mackenzie Credit Absolute Return Fund Series R	Canada	Mutual Funds	4,344,075	43,468	42,665
<b>Total mutual funds</b>				<b>43,468</b>	<b>42,665</b>
Transaction costs				(599)	–
<b>Total investments</b>				<b>2,380,232</b>	<b>2,361,777</b>
Derivative instruments (see schedule of derivative instruments)					(76,764)
Liability for options written (see schedule of options written)					(129)
Cash and cash equivalents					37,814
Other assets less liabilities					18,834
<b>Total net assets</b>					<b>2,341,532</b>



**MACKENZIE**  
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# MACKENZIE UNCONSTRAINED FIXED INCOME FUND

ANNUAL AUDITED FINANCIAL STATEMENTS | March 31, 2020

FIXED INCOME FUND

## SUMMARY OF INVESTMENT PORTFOLIO

March 31, 2020		March 31, 2019	
Effective Portfolio Allocation	% of NAV	Effective Portfolio Allocation	% of NAV
Bonds	99.5	Bonds	89.2
<i>Bonds</i>	97.5	<i>Bonds</i>	88.9
<i>Purchased options</i>	2.0	<i>Purchased options</i>	0.3
<i>Short futures</i>	0.0	<i>Short futures</i>	(0.0)
<i>Written options</i>	(0.0)	Cash and short-term investments	11.3
Cash and short-term investments	2.0	Exchange-traded funds/notes	3.0
Equities	1.1	Mutual funds	1.9
Other assets (liabilities)	(2.6)	Equities	1.3
		Other assets (liabilities)	(6.7)
Effective Regional Allocation	% of NAV	Effective Regional Allocation	% of NAV
United States	48.4	Canada	45.4
Canada	35.5	United States	39.9
Japan	4.1	Cash and short-term investments	11.3
Other	4.0	Other	2.4
China	2.4	United Kingdom	1.5
Cash and short-term investments	2.0	Australia	1.2
United Kingdom	1.6	Netherlands	1.2
Netherlands	0.9	Luxembourg	0.9
Mexico	0.8	Ireland	0.7
France	0.5	Bahamas	0.6
Israel	0.5	Russia	0.5
Russia	0.4	France	0.4
Australia	0.4	Zambia	0.3
Ireland	0.4	Israel	0.2
Bahamas	0.4	Japan	0.2
Luxembourg	0.3	Other assets (liabilities)	(6.7)
Other assets (liabilities)	(2.6)		
Effective Sector Allocation	% of NAV	Effective Sector Allocation	% of NAV
Corporate bonds	39.7	Corporate bonds	40.3
Foreign government bonds	26.2	Federal bonds	22.4
Federal bonds	16.6	Term loans	22.0
Term loans	13.2	Cash and short-term investments	11.3
Cash and short-term investments	2.0	Foreign government bonds	3.4
Other	2.0	Exchange-traded funds/notes	3.0
Provincial bonds	1.8	Mutual funds	1.9
Consumer discretionary	0.3	Energy	0.6
Energy	0.3	Provincial bonds	0.5
Utilities	0.2	Utilities	0.5
Financials	0.2	Other	0.3
Communication services	0.1	Supra-national bonds	0.3
Other assets (liabilities)	(2.6)	Financials	0.2
		Other assets (liabilities)	(6.7)

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

# MACKENZIE UNCONSTRAINED FIXED INCOME FUND

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## SCHEDULE OF OPTIONS PURCHASED

As at March 31, 2020

Underlying Interest	Number of Contracts	Option Type	Expiration Date	Strike Price \$	Premium Paid (\$ 000s)	Fair Value (\$ 000s)
Invesco Senior Loan ETF	13,700	Put	Apr. 17, 2020	USD 22.00	529	3,495
iShares iBoxx \$ High Yield Corporate Bond ETF	3,600	Put	Apr. 17, 2020	USD 70.00	641	411
iShares iBoxx \$ High Yield Corporate Bond ETF	5,435	Put	May 15, 2020	USD 85.00	1,108	6,538
iShares iBoxx \$ High Yield Corporate Bond ETF	11,945	Put	Jun. 19, 2020	USD 86.00	1,798	16,970
iShares iBoxx \$ High Yield Corporate Bond ETF	12,150	Put	Jun. 19, 2020	USD 87.00	2,335	18,765
Invesco Senior Loan ETF	29	Put	Jul. 17, 2020	USD 17.00	7	5
<b>Total options</b>					<b>6,418</b>	<b>46,184</b>

## SCHEDULE OF OPTIONS WRITTEN

As at March 31, 2020

Underlying Interest	Number of Contracts	Option Type	Expiration Date	Strike Price \$	Premium Received (\$ 000s)	Fair Value (\$ 000s)
iShares iBoxx \$ High Yield Corporate Bond ETF	(3,600)	Written Put	Apr. 17, 2020	USD 60.00	(197)	(129)
<b>Total options</b>					<b>(197)</b>	<b>(129)</b>



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# MACKENZIE UNCONSTRAINED FIXED INCOME FUND

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## SCHEDULE OF DERIVATIVE INSTRUMENTS

As at March 31, 2020

### Schedule of Futures Contracts

Number of Contracts	Type of Contract	Expiration Date	Average Rate of Contracts (\$)	Notional Value* (\$ 000s)	Unrealized Gains (\$ 000s)
(257)	Euro-BTP Futures June 2020	Jun. 8, 2020	141.98 EUR	(56,442)	224
Unrealized Gains				(56,442)	224
<b>Total futures contracts</b>				<b>(56,442)</b>	<b>224</b>

\*Notional value represents the exposure to the underlying instruments as at March 31, 2020

### 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	39,433 U.S. dollar	(55,317) Canadian dollar	Apr. 3, 2020	55,317	55,581	264
A	138,397 U.S. dollar	(194,575) Canadian dollar	Apr. 3, 2020	194,575	195,069	494
AA	2,271 Canadian dollar	(33,160) Mexican peso	Apr. 17, 2020	(2,271)	(1,963)	308
A	630 Euro	(977) Canadian dollar	Apr. 20, 2020	977	979	2
A	5,644 Canadian dollar	(82,000) Mexican peso	Apr. 24, 2020	(5,644)	(4,853)	791
A	8,550 U.S. dollar	(11,363) Canadian dollar	Apr. 24, 2020	11,363	12,033	670
A	6,000 U.S. dollar	(7,953) Canadian dollar	Apr. 24, 2020	7,953	8,444	491
A	6,000 U.S. dollar	(8,042) Canadian dollar	Apr. 24, 2020	8,042	8,444	402
A	25,580 U.S. dollar	(34,355) Canadian dollar	Apr. 24, 2020	34,355	35,998	1,643
AA	25,580 U.S. dollar	(34,351) Canadian dollar	Apr. 24, 2020	34,351	35,998	1,647
AA	26,000 U.S. dollar	(35,762) Canadian dollar	Apr. 24, 2020	35,762	36,590	828
A	25,580 U.S. dollar	(34,354) Canadian dollar	May 8, 2020	34,354	35,980	1,626
A	15,990 U.S. dollar	(21,482) Canadian dollar	Jun. 12, 2020	21,482	22,485	1,003
Unrealized Gains						10,169
A	180,857 Canadian dollar	(138,397) U.S. dollar	Apr. 3, 2020	(180,857)	(195,069)	(14,212)
AA	51,524 Canadian dollar	(39,433) U.S. dollar	Apr. 3, 2020	(51,524)	(55,581)	(4,057)
AA	3,971 Canadian dollar	(2,723) Euro	Apr. 17, 2020	(3,971)	(4,229)	(258)
AA	4,645 Canadian dollar	(3,190) Euro	Apr. 17, 2020	(4,645)	(4,954)	(309)
AA	480 Euro	(750) Canadian dollar	Apr. 17, 2020	750	745	(5)
AA	130 Euro	(204) Canadian dollar	Apr. 17, 2020	204	202	(2)
AA	150 Euro	(234) Canadian dollar	Apr. 17, 2020	234	233	(1)
AA	15,870 Mexican peso	(1,065) Canadian dollar	Apr. 17, 2020	1,065	940	(125)
AA	4,810 Mexican peso	(288) Canadian dollar	Apr. 17, 2020	288	285	(3)
AA	89,759 Canadian dollar	(68,960) U.S. dollar	Apr. 17, 2020	(89,759)	(97,098)	(7,339)
A	43,730 Canadian dollar	(33,607) U.S. dollar	Apr. 17, 2020	(43,730)	(47,320)	(3,590)
AA	25,000 U.S. dollar	(36,248) Canadian dollar	Apr. 17, 2020	36,248	35,201	(1,047)
A	1,291 Canadian dollar	(883) Euro	Apr. 22, 2020	(1,291)	(1,372)	(81)
A	568 Canadian dollar	(366) Euro	Apr. 22, 2020	(568)	(568)	-
A	341 Canadian dollar	(220) Euro	Apr. 22, 2020	(341)	(341)	-
A	24,240 Mexican peso	(1,651) Canadian dollar	Apr. 24, 2020	1,651	1,434	(217)
A	26,007 Canadian dollar	(20,000) U.S. dollar	Apr. 24, 2020	(26,007)	(28,146)	(2,139)
A	46,887 Canadian dollar	(35,957) U.S. dollar	Apr. 24, 2020	(46,887)	(50,603)	(3,716)
AA	67,548 Canadian dollar	(51,770) U.S. dollar	Apr. 24, 2020	(67,548)	(72,856)	(5,308)
A	9,827 U.S. dollar	(13,893) Canadian dollar	Apr. 24, 2020	13,893	13,829	(64)



# MACKENZIE UNCONSTRAINED FIXED INCOME FUND

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## SCHEDULE OF DERIVATIVE INSTRUMENTS (cont'd)

As at March 31, 2020

### Schedule of Forward Currency Contracts (cont'd)

Counterparty Credit Rating	Bought (\$ 000s)		Sold (\$ 000s)		Settlement Date	Contract Cost (\$ 000s)	Current Fair Value (\$ 000s)	Unrealized (Losses) (\$ 000s)
A	106,180	Canadian dollar	(81,235)	U.S. dollar	May 8, 2020	(106,180)	(114,264)	(8,084)
A	143,935	Canadian dollar	(110,120)	U.S. dollar	May 8, 2020	(143,935)	(154,894)	(10,959)
AA	49,633	Canadian dollar	(37,470)	U.S. dollar	May 22, 2020	(49,633)	(52,699)	(3,066)
A	17,953	Canadian dollar	(13,548)	U.S. dollar	Jun. 12, 2020	(17,953)	(19,051)	(1,098)
A	181,668	Canadian dollar	(137,067)	U.S. dollar	Jun. 12, 2020	(181,668)	(192,742)	(11,074)
AA	88,832	Canadian dollar	(66,440)	U.S. dollar	Jun. 19, 2020	(88,832)	(93,422)	(4,590)
A	105,538	Canadian dollar	(78,990)	U.S. dollar	Jun. 19, 2020	(105,538)	(111,069)	(5,531)
AA	27,236	Canadian dollar	(19,433)	U.S. dollar	Jul. 10, 2020	(27,236)	(27,321)	(85)
A	194,381	Canadian dollar	(138,397)	U.S. dollar	Jul. 10, 2020	(194,381)	(194,578)	(197)
Unrealized (Losses)								(87,157)
<b>Total forward currency contracts</b>								<b>(76,988)</b>
<b>Total derivative instruments at fair value</b>								<b>(76,764)</b>



**MACKENZIE**  
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# MACKENZIE UNCONSTRAINED FIXED INCOME FUND

ANNUAL AUDITED FINANCIAL STATEMENTS | March 31, 2020

FIXED INCOME FUND

## NOTES TO FINANCIAL STATEMENTS

### 1. Fiscal Periods and General Information

The information provided in these financial statements and notes thereto is for the periods ended or as at March 31, 2020 and 2019, 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 Corporation of Canada. The Canada Life Assurance Company is also a subsidiary of Power Corporation of Canada. 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 audited annual financial statements ("financial statements") have been prepared in accordance with International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board ("IASB"). 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 July 13, 2020.

### 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 or 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 period-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.

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 funds 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.

# MACKENZIE UNCONSTRAINED FIXED INCOME FUND

ANNUAL AUDITED FINANCIAL STATEMENTS | March 31, 2020

FIXED INCOME FUND

## NOTES TO FINANCIAL STATEMENTS

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

#### (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 derivatives. 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 March 31, 2020.

#### (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.

## NOTES TO FINANCIAL STATEMENTS

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

(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.

(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.

## NOTES TO FINANCIAL STATEMENTS

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

#### (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.

The outbreak of the novel coronavirus (COVID-19) developed rapidly over the first three months of 2020, with the World Health Organization declaring it a pandemic on March 11, 2020, and governments around the world enacting emergency measures that resulted in business disruptions, volatility in markets and a global economic slowdown.

The Manager uses judgment in assessing the impact from such events on assumptions and estimates applied in reporting the assets and liabilities in the Fund's financial statements at March 31, 2020.

The duration and impact of the COVID-19 pandemic on businesses and markets, and the extent of economic relief measures provided by governments and central banks, are unknown at the reporting date and it is therefore not possible to reliably estimate the impact on the financial results and position of the Fund in future periods.

#### 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.

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## NOTES TO FINANCIAL STATEMENTS

### 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.

### 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 March 31, 2020 and 2019 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 March 31, 2020, 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.

## NOTES TO FINANCIAL STATEMENTS

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

#### 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 order to monitor the liquidity of its assets, the Fund utilizes a liquidity risk management program that calculates the number of days to convert the investments held by the Fund into cash using a multi-day liquidation approach. This liquidity risk analysis assesses the Fund's liquidity against predetermined minimum liquidity percentages established for different time periods and is monitored quarterly. In addition, the Fund has the ability to borrow up to 5% of its net assets for the purposes of funding redemptions.

In order to comply with securities regulations, the Fund must maintain at least 90% of its assets in liquid investments (i.e., investments that can be readily sold).

#### 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.

#### 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.

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

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

Date of Formation November 24, 2014

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

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

Series A and Series T8 securities are offered to retail investors investing a minimum of \$500 (\$5,000 for Series T8) under the redemption charge and low-load purchase options. Investors in Series T8 securities also want to receive a monthly cash flow of 8% per year.

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

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 IG securities are offered exclusively to mutual funds managed by I.G. Investment Management, Ltd.

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; investors in a qualified group plan, and certain qualifying employees of Mackenzie and its subsidiaries.

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

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 PWR securities are offered through our Private Wealth Solutions to certain high net worth investors who invest a minimum of \$100,000 in a Registered Disability Savings Plan offered by Mackenzie.

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

Series S securities are offered to The Canada Life Assurance Company and certain other mutual funds, but may be sold to other investors as determined by Mackenzie.

Series SC and Series S8 securities are offered to retail investors investing a minimum of \$500 (\$5,000 for Series S8) under the sales charge purchase option. Investors in Series S8 securities also want to receive a monthly cash flow of 8% per year.

Series FB5, Series PWFB5 and Series PWX8 securities are no longer available for sale.

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

**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)*

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

Series LF securities are offered to retail investors investing a minimum of \$500, who are enrolled in the LBC Private Banking sponsored fee-for-service program.

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



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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)

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 and various low-load purchase options. 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.

Series	Inception/ Reinstatement Date	Management Fees	Administration Fees	Net Asset Value per Security (\$)	
				Mar. 31, 2020	Mar. 31, 2019
Series A	December 1, 2014	1.40%	0.17%	9.48	9.75
Series AR	March 31, 2015	1.40%	0.20%	9.52	9.79
Series D	December 1, 2014	0.85%	0.15%	9.64	9.92
Series F	December 3, 2014	0.55% <sup>(6)</sup>	0.15%	9.56	9.83
Series F8	October 16, 2017	0.55% <sup>(6)</sup>	0.15%	12.58	13.54
Series FB	October 26, 2015	0.60%	0.17%	9.87	10.15
Series FB5	October 26, 2015	0.60%	0.17%	13.84	14.46
Series IG	January 2, 2018	— *	— *	9.59	9.86
Series O	May 11, 2015	— <sup>(1)</sup>	— *	9.47	9.74
Series PW	January 9, 2015	1.05%	0.15%	9.60	9.88
Series PWF	None issued <sup>(4)</sup>	0.55%	0.15%	—	—
Series PWF8	None issued <sup>(5)</sup>	0.55%	0.15%	—	—
Series PWFB	April 3, 2017	0.55%	0.15%	9.31	9.58
Series PWFB5	April 3, 2017	0.55%	0.15%	13.42	13.99
Series PWR	April 1, 2019	1.05%	0.15%	9.72	—
Series PWT8	April 3, 2017 <sup>(3)</sup>	1.05%	0.15%	12.00	12.99
Series PWX	January 12, 2016	— <sup>(2)</sup>	— <sup>(2)</sup>	10.29	10.58
Series PWX8	October 16, 2017	— <sup>(2)</sup>	— <sup>(2)</sup>	12.82	13.70
Series R	December 3, 2014	— *	— *	9.62	9.90
Series S	May 8, 2015	— <sup>(1)</sup>	0.02%	9.68	9.95
Series SC	December 11, 2014	1.10%	0.17%	9.72	10.00
Series S8	February 17, 2015	1.10%	0.17%	10.95	11.86
Series T8	December 29, 2014	1.40%	0.17%	10.92	11.86
Series LB	December 9, 2019	1.10%	0.17%	9.76	—
Series LF	December 9, 2019	0.55%	0.15%	9.76	—
Series LW	December 9, 2019	1.05%	0.15%	9.76	—

\* 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) The series' original start date was September 10, 2015. All securities in the series were redeemed on November 23, 2015. The series was reinstated at a price of \$15.00 per security on April 3, 2017.

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

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

(4) The series' original start date was December 11, 2014. All securities in the series were consolidated into Series F on June 1, 2018.

(5) The series' original start date was October 16, 2017. All securities in the series were consolidated into Series F8 on June 1, 2018.

(6) Prior to June 1, 2018, the management fee for this series was charged to the Fund at a rate of 0.60%.

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

As at March 31, 2020, Mackenzie, other funds managed by Mackenzie, The Canada Life Assurance Company and funds managed by I.G. Investment Management, Ltd. had an investment of \$2,573, \$398,882, \$700,007 and \$551,140 (2019 – \$2,067, \$286,810, \$653,711 and \$589,887), respectively, in the Fund.

#### (c) Loss Carryforwards

As at the last taxation year-end, the Fund has capital losses of \$32,178 which may be carried forward indefinitely to reduce future realized capital gains. There were no non-capital losses available to carry forward for tax purposes.

#### (d) Securities Lending

The value of securities loaned and collateral received from securities lending at March 31, 2020 and 2019, were as follows:

	March 31, 2020	March 31, 2019
	(\$)	(\$)
Value of securities loaned	604,771	176,400
Value of collateral received	641,906	185,427

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 March 31, 2020 and 2019 is as follows:

	2020		2019	
	(\$)	(%)	(\$)	(%)
Gross securities lending income	794	100.0	214	100.0
Tax withheld	(134)	(16.9)	(39)	(18.2)
	660	83.1	175	81.8
Payments to Securities Lending Agent	(143)	(18.0)	(44)	(20.6)
Securities lending income	517	65.1	131	61.2

#### (e) 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.

	March 31, 2020			
	Gross amount of assets/liabilities (\$)	Amount available for offset (\$)	Margin (\$)	Net amount (\$)
Unrealized gains on derivative contracts	5,905	(5,681)	–	224
Unrealized losses on derivative contracts	(26,967)	5,681	2,575	(18,711)
Liability for options written	(129)	–	–	(129)
Total	(21,191)	–	2,575	(18,616)



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

#### (e) Offsetting of Financial Assets and Liabilities (cont'd)

	March 31, 2019			
	Gross amount of assets/liabilities (\$)	Amount available for offset (\$)	Margin (\$)	Net amount (\$)
Unrealized gains on derivative contracts	400	–	–	400
Unrealized losses on derivative contracts	(1,489)	–	2,083	594
Liability for options written	–	–	–	–
<b>Total</b>	<b>(1,089)</b>	<b>–</b>	<b>2,083</b>	<b>994</b>

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

##### *i. Risk exposure and management*

The Fund seeks a positive total return, regardless of market conditions over a market cycle, by investing primarily in global fixed income and derivative instruments.

##### *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.

	March 31, 2020			
Currency	Investments (\$)	Cash and Short-Term Investments (\$)	Derivative Instruments (\$)	Net Exposure* (\$)
U.S. dollar	1,257,515	33,805	(1,011,190)	280,130
Japanese yen	95,617	–	–	95,617
Chinese yuan	52,506	–	–	52,506
Russian ruble	5,066	–	–	5,066
Brazilian real	746	–	–	746
Euro	9,502	(1)	(9,081)	420
Mexican peso	4,260	–	(4,157)	103
South African rand	–	(250)	–	(250)
<b>Total</b>	<b>1,425,212</b>	<b>33,554</b>	<b>(1,024,428)</b>	<b>434,338</b>
<b>% of Net Assets</b>	<b>60.9</b>	<b>1.4</b>	<b>(43.8)</b>	<b>18.5</b>



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## NOTES TO FINANCIAL STATEMENTS

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

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

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

Currency	March 31, 2019			
	Investments (\$)	Cash and Short-Term Investments (\$)	Derivative Instruments (\$)	Net Exposure* (\$)
U.S. dollar	954,045	33,641	(915,541)	72,145
Russian ruble	9,017	–	–	9,017
Australian dollar	20,510	–	(19,890)	620
Euro	10,737	–	(10,570)	167
Mexican peso	5,466	2	(5,304)	164
Indian rupee	2,436	–	(2,340)	96
British pound	3,984	–	(3,959)	25
Total	1,006,195	33,643	(957,604)	82,234
% of Net Assets	52.5	1.8	(50.0)	4.3

\* Includes both monetary and non-monetary financial instruments

As at March 31, 2020, had the Canadian dollar increased or decreased by 5% relative to all foreign currencies, with all other variables held constant, net assets would have decreased or increased by approximately \$23,709 or 1.0% of total net assets (2019 – \$4,112 or 0.2%). 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	March 31, 2020 (\$)		March 31, 2019 (\$)	
	Bonds	Derivative Instruments	Bonds	Derivative Instruments
Less than 1 year	98,610	(56,442)	63,253	(82,460)
1-5 years	924,197	–	678,849	–
5-10 years	814,049	–	796,325	–
Greater than 10 years	250,048	–	164,921	–
Total	2,086,904	(56,442)	1,703,348	(82,460)

As at March 31, 2020, 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 \$94,337 or 4.0% (2019 – \$22,328 or 1.2%) of total net assets. Similarly, had prevailing interest rates decreased by 1%, with all other variables held constant, net assets would have increased by approximately \$95,709 or 4.1% (2019 – \$46,752 or 2.4%) of total net assets. In practice, the actual trading results may differ and the difference could be material.

##### iv. Other price risk

As at March 31, 2020 and 2019, the Fund did not have a significant exposure to price risk.

##### 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 March 31, 2020, was 15.7% of the net assets of the Fund (2019 – 22.4%).

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## NOTES TO FINANCIAL STATEMENTS

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

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

##### v. Credit risk (cont'd)

As at March 31, 2020 and 2019, debt securities by credit rating are as follows:

Bond Rating*	March 31, 2020	March 31, 2019
	% of Net Assets	% of Net Assets
AAA	15.8	23.3
AA	16.9	5.5
A	8.9	2.4
BBB	10.2	9.9
BB	13.1	14.4
B	15.2	26.0
Less than B	5.0	4.7
Unrated	4.0	2.7
Total	89.1	88.9

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

#### (g) 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.

	March 31, 2020				March 31, 2019			
	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
Bonds	2,846	2,084,058	–	2,086,904	1,836	1,701,512	–	1,703,348
Equities	24,948	–	–	24,948	24,346	–	–	24,346
Options	–	46,184	–	46,184	3,967	873	–	4,840
Exchange-traded funds/notes	161,076	–	–	161,076	57,114	–	–	57,114
Mutual funds	42,665	–	–	42,665	37,208	–	–	37,208
Derivative assets	224	10,169	–	10,393	–	1,338	–	1,338
Derivative liabilities	–	(87,286)	–	(87,286)	(515)	(8,528)	–	(9,043)
Short-term investments	–	991	–	991	–	210,433	–	210,433
Total	231,759	2,054,116	–	2,285,875	123,956	1,905,628	–	2,029,584

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 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.