

## ***Interim Unaudited Financial Statements***

*For the Six-Month Period Ended September 30, 2019*

*These Interim Unaudited Financial Statements do not contain the Interim Management Report of Fund Performance (“MRFP”) of the investment fund. You may obtain a copy of the Interim MRFP, at no cost, by contacting us using one of the methods noted under Fund Formation and Series Information or by visiting the SEDAR website at [www.sedar.com](http://www.sedar.com). Copies of the Annual Financial Statements or Annual MRFP may also be obtained, at no cost, using any of the methods outlined above.*

*Securityholders may also contact us using one of these methods to request a copy of the investment fund’s proxy voting policies and procedures, proxy voting disclosure record or quarterly portfolio disclosure.*

### **NOTICE OF NO AUDITOR REVIEW OF THE INTERIM FINANCIAL STATEMENTS**

*Mackenzie Financial Corporation, the Manager of the Fund, appoints independent auditors to audit the Fund’s Annual Financial Statements. Under Canadian securities laws (National Instrument 81-106), if an auditor has not reviewed the Interim Financial Statements, this must be disclosed in an accompanying notice.*

*The Fund’s independent auditors have not performed a review of these Interim Financial Statements in accordance with standards established by the Chartered Professional Accountants of Canada.*



# MACKENZIE CANADIAN BOND FUND

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2019

FIXED INCOME FUND

## STATEMENTS OF FINANCIAL POSITION

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

	Sep. 30 2019	Mar. 31 2019 (Audited)		Sep. 30 2019	Mar. 31 2019 (Audited)
	\$	\$		\$	\$
<b>ASSETS</b>			<b>Advisor Series</b>	47	47
<b>Current assets</b>			<b>Series LB</b>	2,700	2,990
Investments at fair value	1,435,029	1,280,650	<b>Series LW</b>	6,667	7,255
Cash and cash equivalents	18,850	144,340	<b>Net assets attributable to securityholders</b>		
Accrued interest receivable	9,054	8,650	<b>per security (note 3)</b>		
Accounts receivable for investments sold	840	4,708	<b>Series A</b>	14.31	13.98
Accounts receivable for securities issued	356	119	<b>Series AR</b>	10.54	10.30
Due from manager	4	4	<b>Series B</b>	10.40	10.16
Margin on derivatives	849	4,564	<b>Series C</b>	10.39	10.15
Unrealized gains on derivative contracts	1,883	158	<b>Series D</b>	10.37	10.13
<b>Total assets</b>	<b>1,466,865</b>	<b>1,443,193</b>	<b>Series F</b>	12.17	11.90
			<b>Series FB</b>	10.44	10.20
<b>LIABILITIES</b>			<b>Series G</b>	11.18	10.92
<b>Current liabilities</b>			<b>Series I</b>	6.12	5.98
Accounts payable for investments purchased	1,747	56,925	<b>Series IG</b>	10.45	10.21
Accounts payable for securities redeemed	278	824	<b>Series J</b>	11.31	11.06
Unrealized losses on derivative contracts	536	2,604	<b>Series M</b>	11.70	11.43
<b>Total liabilities</b>	<b>2,561</b>	<b>60,353</b>	<b>Series O</b>	12.10	11.82
<b>Net assets attributable to securityholders</b>	<b>1,464,304</b>	<b>1,382,840</b>	<b>Series PW</b>	10.81	10.57
<b>Net assets attributable to securityholders</b>			<b>Series PWFB</b>	10.33	10.10
<b>per series (note 3)</b>			<b>Series PWR</b>	10.28	–
<b>Series A</b>	41,502	44,947	<b>Series PWT8</b>	11.42	11.51
<b>Series AR</b>	11,904	11,549	<b>Series PWX</b>	10.44	10.20
<b>Series B</b>	4,363	5,425	<b>Series R</b>	11.36	11.10
<b>Series C</b>	310	347	<b>Series S</b>	11.00	10.75
<b>Series D</b>	296	195	<b>Series SC</b>	10.63	10.39
<b>Series F</b>	43,646	33,066	<b>Series U</b>	10.39	10.15
<b>Series FB</b>	816	735	<b>Investor Series</b>	10.98	10.73
<b>Series G</b>	486	549	<b>B-Series</b>	10.86	10.61
<b>Series I</b>	5,147	5,061	<b>Advisor Series</b>	10.94	10.70
<b>Series IG</b>	345,238	354,304	<b>Series LB</b>	10.40	10.16
<b>Series J</b>	1,322	1,322	<b>Series LW</b>	10.41	10.17
<b>Series M</b>	932	938			
<b>Series O</b>	14,832	16,867			
<b>Series PW</b>	88,235	78,339			
<b>Series PWFB</b>	9,366	7,077			
<b>Series PWR</b>	418	–			
<b>Series PWT8</b>	288	283			
<b>Series PWX</b>	5,466	1,065			
<b>Series R</b>	436,378	365,740			
<b>Series S</b>	313,064	313,625			
<b>Series SC</b>	123,430	122,877			
<b>Series U</b>	5,555	6,203			
<b>Investor Series</b>	1,794	1,931			
<b>B-Series</b>	102	103			

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

# MACKENZIE CANADIAN BOND FUND

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2019

FIXED INCOME FUND

## STATEMENTS OF COMPREHENSIVE INCOME

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

	2019	2018		2019	2018
	\$	\$		\$	\$
<b>Income</b>			<b>Series PWX</b>	107	1
Dividends	268	45	<b>Series R</b>	14,856	(19)
Interest income	20,120	20,149	<b>Series S</b>	11,795	105
Other changes in fair value of investments and other net assets			<b>Series SC</b>	3,743	(1,099)
Net realized gain (loss)	4,258	(725)	<b>Series U</b>	181	(60)
Net unrealized gain (loss)	28,524	(17,909)	<b>Investor Series</b>	60	(11)
Securities lending income	93	87	<b>B-Series</b>	3	1
Fee rebate income	26	26	<b>Advisor Series</b>	1	(1)
<b>Total Income (loss)</b>	<b>53,289</b>	<b>1,673</b>	<b>Series LB</b>	84	(56)
			<b>Series LW</b>	218	(30)
<b>Expenses (note 6)</b>			<b>Increase (decrease) in net assets attributable to securityholders from operations per security</b>		
Management fees	1,877	2,099	<b>Series A</b>	0.40	(0.11)
Management fee rebates	–	(7)	<b>Series AR</b>	0.30	(0.08)
Administration fees	346	362	<b>Series B</b>	0.31	(0.08)
Interest charges	2	–	<b>Series C</b>	0.32	(0.06)
Commissions and other portfolio transaction costs	23	27	<b>Series D</b>	0.37	(0.04)
Independent Review Committee fees	2	2	<b>Series F</b>	0.41	(0.04)
Other	–	1	<b>Series FB</b>	0.36	(0.11)
<b>Expenses before amounts absorbed by Manager</b>	<b>2,250</b>	<b>2,484</b>	<b>Series G</b>	0.33	(0.08)
Expenses absorbed by Manager	–	–	<b>Series I</b>	0.19	(0.03)
<b>Net Expenses</b>	<b>2,250</b>	<b>2,484</b>	<b>Series IG</b>	0.39	0.04
<b>Increase (decrease) in net assets attributable to securityholders from operations before tax</b>	<b>51,039</b>	<b>(811)</b>	<b>Series J</b>	0.35	(0.07)
Foreign withholding taxes	–	–	<b>Series M</b>	0.37	(0.05)
Foreign income taxes paid (recovered)	–	–	<b>Series O</b>	0.44	0.01
<b>Increase (decrease) in net assets attributable to securityholders from operations</b>	<b>51,039</b>	<b>(811)</b>	<b>Series PW</b>	0.33	(0.04)
<b>Increase (decrease) in net assets attributable to securityholders from operations per series</b>			<b>Series PWF</b>	–	(0.01)
Series A	1,205	(500)	<b>Series PWF8</b>	0.35	(0.03)
Series AR	331	(85)	<b>Series PWR</b>	0.41	–
Series B	146	(74)	<b>Series PWT8</b>	0.36	(0.07)
Series C	10	(2)	<b>Series PWX</b>	0.34	0.02
Series D	12	(1)	<b>Series R</b>	0.42	–
Series F	1,318	(77)	<b>Series S</b>	0.41	–
Series FB	29	(10)	<b>Series SC</b>	0.32	(0.08)
Series G	16	(5)	<b>Series U</b>	0.32	(0.06)
Series I	165	(23)	<b>Investor Series</b>	0.34	(0.05)
Series IG	13,203	1,404	<b>B-Series</b>	0.41	0.01
Series J	41	(9)	<b>Advisor Series</b>	0.31	(0.08)
Series M	31	(5)	<b>Series LB</b>	0.31	(0.07)
Series O	569	21	<b>Series LW</b>	0.32	(0.06)
Series PW	2,614	(259)			
Series PWF	–	(7)			
Series PWF8	279	(7)			
Series PWR	14	–			
Series PWT8	8	(3)			

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

# MACKENZIE CANADIAN BOND FUND

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2019

FIXED INCOME FUND

## STATEMENTS OF CHANGES IN FINANCIAL POSITION

For the periods ended September 30 (note 1)  
In thousands

	2019		2018		2019		2018		2019		2018	
	Series A		Series AR		Series B		Series C		Series D			
	\$		\$		\$		\$		\$			
<b>NET ASSETS ATTRIBUTABLE TO SECURITYHOLDERS</b>												
<b>Beginning of period</b>	44,947	67,887	11,549	10,603	5,425	10,816	347	397	195	83		
Increase (decrease) in net assets from operations	1,205	(500)	331	(85)	146	(74)	10	(2)	12	(1)		
Distributions paid to securityholders:												
Investment income	(249)	(354)	(66)	(59)	(32)	(56)	(3)	(3)	(3)	(1)		
Capital gains	-	-	-	-	-	-	-	-	-	-		
Return of capital	-	-	-	-	-	-	-	-	-	-		
Management fee rebates	-	-	-	-	-	-	-	-	-	-		
Total distributions paid to securityholders	(249)	(354)	(66)	(59)	(32)	(56)	(3)	(3)	(3)	(1)		
Security transactions:												
Proceeds from securities issued	5,487	2,128	826	809	-	-	-	-	251	13		
Reinvested distributions	239	339	66	59	30	53	3	3	3	1		
Payments on redemption of securities	(10,127)	(14,260)	(802)	(833)	(1,206)	(3,375)	(47)	(51)	(162)	-		
Total security transactions	(4,401)	(11,793)	90	35	(1,176)	(3,322)	(44)	(48)	92	14		
<b>Total increase (decrease) in net assets</b>	<b>(3,445)</b>	<b>(12,647)</b>	<b>355</b>	<b>(109)</b>	<b>(1,062)</b>	<b>(3,452)</b>	<b>(37)</b>	<b>(53)</b>	<b>101</b>	<b>12</b>		
<b>End of period</b>	<b>41,502</b>	<b>55,240</b>	<b>11,904</b>	<b>10,494</b>	<b>4,363</b>	<b>7,364</b>	<b>310</b>	<b>344</b>	<b>296</b>	<b>95</b>		

Increase (decrease) in fund securities (note 7):

	Securities		Securities		Securities		Securities		Securities	
<b>Securities outstanding – beginning of period</b>	3,214	4,954	1,121	1,050	534	1,086	34	40	19	8
Issued	387	157	79	81	-	-	-	-	26	2
Reinvested distributions	17	25	6	6	3	5	-	-	-	-
Redeemed	(717)	(1,048)	(77)	(83)	(118)	(341)	(4)	(5)	(16)	-
<b>Securities outstanding – end of period</b>	<b>2,901</b>	<b>4,088</b>	<b>1,129</b>	<b>1,054</b>	<b>419</b>	<b>750</b>	<b>30</b>	<b>35</b>	<b>29</b>	<b>10</b>

	Series F		Series FB		Series G		Series I		Series IG	
	\$		\$		\$		\$		\$	
<b>NET ASSETS ATTRIBUTABLE TO SECURITYHOLDERS</b>										
<b>Beginning of period</b>	33,066	15,165	735	1,734	549	718	5,061	4,990	354,304	226,500
Increase (decrease) in net assets from operations	1,318	(77)	29	(10)	16	(5)	165	(23)	13,203	1,404
Distributions paid to securityholders:										
Investment income	(432)	(231)	(9)	(9)	(4)	(4)	(47)	(57)	(4,979)	(5,167)
Capital gains	-	-	-	-	-	-	-	-	-	-
Return of capital	-	-	-	-	-	-	-	-	-	-
Management fee rebates	-	-	-	-	-	-	-	-	-	-
Total distributions paid to securityholders	(432)	(231)	(9)	(9)	(4)	(4)	(47)	(57)	(4,979)	(5,167)
Security transactions:										
Proceeds from securities issued	12,500	13,095	992	1,963	2	4	51	86	3,230	154,384
Reinvested distributions	269	203	9	9	4	4	45	55	4,979	5,167
Payments on redemption of securities	(3,075)	(3,884)	(940)	(2,923)	(81)	(160)	(128)	(313)	(25,499)	(12,914)
Total security transactions	9,694	9,414	61	(951)	(75)	(152)	(32)	(172)	(17,290)	146,637
<b>Total increase (decrease) in net assets</b>	<b>10,580</b>	<b>9,106</b>	<b>81</b>	<b>(970)</b>	<b>(63)</b>	<b>(161)</b>	<b>86</b>	<b>(252)</b>	<b>(9,066)</b>	<b>142,874</b>
<b>End of period</b>	<b>43,646</b>	<b>24,271</b>	<b>816</b>	<b>764</b>	<b>486</b>	<b>557</b>	<b>5,147</b>	<b>4,738</b>	<b>345,238</b>	<b>369,374</b>

Increase (decrease) in fund securities (note 7):

	Securities		Securities		Securities		Securities		Securities	
<b>Securities outstanding – beginning of period</b>	2,780	1,301	72	173	50	67	846	849	34,701	22,626
Issued	1,038	1,129	96	198	-	-	9	15	312	15,588
Reinvested distributions	22	18	1	1	-	-	7	9	481	520
Redeemed	(255)	(336)	(91)	(295)	(6)	(14)	(21)	(54)	(2,455)	(1,298)
<b>Securities outstanding – end of period</b>	<b>3,585</b>	<b>2,112</b>	<b>78</b>	<b>77</b>	<b>44</b>	<b>53</b>	<b>841</b>	<b>819</b>	<b>33,039</b>	<b>37,436</b>

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



**MACKENZIE**  
Investments

# MACKENZIE CANADIAN BOND FUND

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2019

FIXED INCOME FUND

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

For the periods ended September 30 (note 1)  
In thousands

	2019		2018		2019		2018		2019		2018	
	Series J		Series M		Series O		Series PW		Series PWF			
	\$		\$		\$		\$		\$			
<b>NET ASSETS ATTRIBUTABLE TO SECURITYHOLDERS</b>												
<b>Beginning of period</b>	1,322	1,416	938	1,078	16,867	31,601	78,339	49,418	–	–	–	7,255
Increase (decrease) in net assets from operations	41	(9)	31	(5)	569	21	2,614	(259)	–	–	–	(7)
Distributions paid to securityholders:												
Investment income	(10)	(11)	(8)	(9)	(222)	(418)	(690)	(628)	–	–	–	(22)
Capital gains	–	–	–	–	–	–	–	–	–	–	–	–
Return of capital	–	–	–	–	–	–	–	–	–	–	–	–
Management fee rebates	–	–	–	–	–	–	–	(5)	–	–	–	(1)
Total distributions paid to securityholders	(10)	(11)	(8)	(9)	(222)	(418)	(690)	(633)	–	–	–	(23)
Security transactions:												
Proceeds from securities issued	–	–	–	–	939	839	16,707	50,975	–	–	–	323
Reinvested distributions	10	11	8	9	218	415	671	617	–	–	–	21
Payments on redemption of securities	(41)	(85)	(37)	(160)	(3,539)	(8,444)	(9,406)	(14,237)	–	–	–	(7,569)
Total security transactions	(31)	(74)	(29)	(151)	(2,382)	(7,190)	7,972	37,355	–	–	–	(7,225)
<b>Total increase (decrease) in net assets</b>	–	(94)	(6)	(165)	(2,035)	(7,587)	9,896	36,463	–	–	–	(7,255)
<b>End of period</b>	1,322	1,322	932	913	14,832	24,014	88,235	85,881	–	–	–	–

	Securities		Securities		Securities		Securities		Securities			
<b>Increase (decrease) in fund securities (note 7):</b>												
<b>Securities outstanding – beginning of period</b>	120	131	82	96	1,427	2,726	7,414	4,773	–	–	–	715
Issued	–	–	–	–	77	72	1,562	4,963	–	–	–	33
Reinvested distributions	1	1	1	1	18	36	63	60	–	–	–	2
Redeemed	(4)	(8)	(3)	(14)	(296)	(733)	(879)	(1,384)	–	–	–	(750)
<b>Securities outstanding – end of period</b>	117	124	80	83	1,226	2,101	8,160	8,412	–	–	–	–

	Series PWF8		Series PWR		Series PWT8		Series PWX		Series R	
	\$		\$		\$		\$		\$	
<b>NET ASSETS ATTRIBUTABLE TO SECURITYHOLDERS</b>										
<b>Beginning of period</b>	7,077	1,362	–	–	283	280	1,065	1,786	365,740	316,542
Increase (decrease) in net assets from operations	279	(7)	14	–	8	(3)	107	1	14,856	(19)
Distributions paid to securityholders:										
Investment income	(91)	(31)	(3)	–	(2)	(2)	(47)	(23)	(5,696)	(4,890)
Capital gains	–	–	–	–	–	–	–	–	–	–
Return of capital	–	–	–	–	(9)	(9)	–	–	–	–
Management fee rebates	–	–	–	–	–	–	–	–	–	–
Total distributions paid to securityholders	(91)	(31)	(3)	–	(11)	(11)	(47)	(23)	(5,696)	(4,890)
Security transactions:										
Proceeds from securities issued	2,258	3,644	406	–	–	–	4,704	12	72,616	57,622
Reinvested distributions	91	30	3	–	8	8	47	23	–	–
Payments on redemption of securities	(248)	(408)	(2)	–	–	–	(410)	(701)	(11,138)	(34,079)
Total security transactions	2,101	3,266	407	–	8	8	4,341	(666)	61,478	23,543
<b>Total increase (decrease) in net assets</b>	2,289	3,228	418	–	5	(6)	4,401	(688)	70,638	18,634
<b>End of period</b>	9,366	4,590	418	–	288	274	5,466	1,098	436,378	335,176

	Securities		Securities		Securities		Securities		Securities	
<b>Increase (decrease) in fund securities (note 7):</b>										
<b>Securities outstanding – beginning of period</b>	701	138	–	–	25	23	104	179	32,954	29,090
Issued	220	372	41	–	–	–	455	–	6,452	5,318
Reinvested distributions	9	3	–	–	1	1	5	2	–	–
Redeemed	(24)	(42)	–	–	(1)	–	(40)	(70)	(987)	(3,156)
<b>Securities outstanding – end of period</b>	906	471	41	–	25	24	524	111	38,419	31,252

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



**MACKENZIE**  
Investments

# MACKENZIE CANADIAN BOND FUND

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2019

FIXED INCOME FUND

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

For the periods ended September 30 (note 1)  
In thousands

	2019		2018		2019		2018		2019		2018	
	Series S		Series SC		Series U		Investor Series		B-Series			
	\$		\$		\$		\$		\$			
<b>NET ASSETS ATTRIBUTABLE TO SECURITYHOLDERS</b>												
<b>Beginning of period</b>	313,625	322,827	122,877	179,377	6,203	10,867	1,931	2,419	103	1,348		
Increase (decrease) in net assets from operations	11,795	105	3,743	(1,099)	181	(60)	60	(11)	3	1		
Distributions paid to securityholders:												
Investment income	(4,442)	(4,696)	(925)	(1,083)	(46)	(71)	(16)	(19)	(1)	(20)		
Capital gains	-	-	-	-	-	-	-	-	-	-		
Return of capital	-	-	-	-	-	-	-	-	-	-		
Management fee rebates	-	-	-	-	-	-	-	-	-	-		
Total distributions paid to securityholders	(4,442)	(4,696)	(925)	(1,083)	(46)	(71)	(16)	(19)	(1)	(20)		
Security transactions:												
Proceeds from securities issued	3,716	7,998	19,582	11,097	-	-	15	8	-	-		
Reinvested distributions	4,442	4,696	895	1,046	45	71	16	19	1	20		
Payments on redemption of securities	(16,072)	(14,240)	(22,742)	(64,539)	(828)	(2,993)	(212)	(426)	(4)	(60)		
Total security transactions	(7,914)	(1,546)	(2,265)	(52,396)	(783)	(2,922)	(181)	(399)	(3)	(40)		
<b>Total increase (decrease) in net assets</b>	<b>(561)</b>	<b>(6,137)</b>	<b>553</b>	<b>(54,578)</b>	<b>(648)</b>	<b>(3,053)</b>	<b>(137)</b>	<b>(429)</b>	<b>(1)</b>	<b>(59)</b>		
<b>End of period</b>	<b>313,064</b>	<b>316,690</b>	<b>123,430</b>	<b>124,799</b>	<b>5,555</b>	<b>7,814</b>	<b>1,794</b>	<b>1,990</b>	<b>102</b>	<b>1,289</b>		

### Increase (decrease) in fund securities (note 7):

	Securities		Securities		Securities		Securities		Securities	
<b>Securities outstanding – beginning of period</b>	29,170	30,624	11,826	17,617	611	1,092	180	230	10	130
Issued	343	763	1,860	1,097	-	-	1	1	-	-
Reinvested distributions	408	449	85	104	4	7	1	2	-	2
Redeemed	(1,469)	(1,356)	(2,162)	(6,388)	(80)	(303)	(19)	(41)	(1)	(6)
<b>Securities outstanding – end of period</b>	<b>28,452</b>	<b>30,480</b>	<b>11,609</b>	<b>12,430</b>	<b>535</b>	<b>796</b>	<b>163</b>	<b>192</b>	<b>9</b>	<b>126</b>

### NET ASSETS ATTRIBUTABLE TO SECURITYHOLDERS

	Advisor Series		Series LB		Series LW		Total	
	\$		\$		\$		\$	
<b>Beginning of period</b>	47	46	2,990	8,737	7,255	4,869	1,382,840	1,280,121
Increase (decrease) in net assets from operations	1	(1)	84	(56)	218	(30)	51,039	(811)
Distributions paid to securityholders:								
Investment income	-	-	(20)	(56)	(55)	(35)	(18,098)	(17,955)
Capital gains	-	-	-	-	-	-	-	-
Return of capital	-	-	-	-	-	-	(9)	(9)
Management fee rebates	-	-	-	-	-	(1)	-	(7)
Total distributions paid to securityholders	-	-	(20)	(56)	(55)	(36)	(18,107)	(17,971)
Security transactions:								
Proceeds from securities issued	-	-	14	53	82	184	144,378	305,237
Reinvested distributions	-	-	20	55	54	35	12,176	12,969
Payments on redemption of securities	(1)	-	(388)	(1,852)	(887)	(552)	(108,022)	(189,058)
Total security transactions	(1)	-	(354)	(1,744)	(751)	(333)	48,532	129,148
<b>Total increase (decrease) in net assets</b>	<b>-</b>	<b>(1)</b>	<b>(290)</b>	<b>(1,856)</b>	<b>(588)</b>	<b>(399)</b>	<b>81,464</b>	<b>110,366</b>
<b>End of period</b>	<b>47</b>	<b>45</b>	<b>2,700</b>	<b>6,881</b>	<b>6,667</b>	<b>4,470</b>	<b>1,464,304</b>	<b>1,390,487</b>

### Increase (decrease) in fund securities (note 7):

	Securities		Securities		Securities	
<b>Securities outstanding – beginning of period</b>	4	4	294	876	713	489
Issued	-	-	2	4	9	18
Reinvested distributions	-	-	2	6	5	4
Redeemed	-	-	(38)	(187)	(86)	(56)
<b>Securities outstanding – end of period</b>	<b>4</b>	<b>4</b>	<b>260</b>	<b>699</b>	<b>641</b>	<b>455</b>

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



**MACKENZIE**  
Investments

# MACKENZIE CANADIAN BOND FUND

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2019

FIXED INCOME FUND

## STATEMENTS OF CASH FLOWS

For the periods ended September 30 (note 1)  
In thousands

	2019	2018
	\$	\$
<b>Cash flows from operating activities</b>		
Net increase (decrease) in net assets attributable to securityholders from operations	51,039	(811)
Adjustments for:		
Net realized loss (gain) on investments	(10,041)	(1,250)
Change in net unrealized loss (gain) on investments	(28,472)	17,915
Purchase of investments	(594,635)	(567,416)
Proceeds from sale and maturity of investments	423,666	541,913
Change in accrued interest receivable	(404)	(1,558)
Change in dividends receivable	–	(8)
Change in due from manager	–	4
Change in margin on derivatives	3,715	4,039
Change in due to manager	–	(29)
<b>Net cash from operating activities</b>	<b>(155,132)</b>	<b>(7,201)</b>
<b>Cash flows from financing activities</b>		
Proceeds from securities issued	126,680	145,994
Payments on redemption of securities	(91,107)	(131,975)
Distributions paid net of reinvestments	(5,931)	(5,002)
<b>Net cash from financing activities</b>	<b>29,642</b>	<b>9,017</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(125,490)</b>	<b>1,816</b>
Cash and cash equivalents at beginning of period	144,340	54,502
Effect of exchange rate fluctuations on cash and cash equivalents	–	(42)
<b>Cash and cash equivalents at end of period</b>	<b>18,850</b>	<b>56,276</b>
Cash	688	1,271
Cash equivalents	18,162	55,005
<b>Cash and cash equivalents at end of period</b>	<b>18,850</b>	<b>56,276</b>
<b>Supplementary disclosures on cash flow from operating activities:</b>		
Dividends received	268	37
Foreign taxes paid	–	–
Interest received	19,716	18,591
Interest paid	2	–

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



**MACKENZIE**  
Investments

# MACKENZIE CANADIAN BOND FUND

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2019

FIXED INCOME FUND

## SCHEDULE OF INVESTMENTS

As at September 30, 2019

	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	680,000	687	725
407 International Inc. 3.43% 06-01-2033 MTN	Canada	Corporate - Non Convertible	5,356,000	5,413	5,828
407 International Inc. 3.65% 09-08-2044 Callable MTN	Canada	Corporate - Non Convertible	830,000	835	936
407 International Inc. 3.60% 05-21-2047 Callable	Canada	Corporate - Non Convertible	1,981,000	1,986	2,230
407 International Inc. 3.72% 05-11-2048 Callable 2047	Canada	Corporate - Non Convertible	3,310,000	3,310	3,811
407 International Inc. 3.67% 03-08-2049 Callable 2048	Canada	Corporate - Non Convertible	1,350,000	1,400	1,546
Access Justice Durham 5.02% 08-31-2039	Canada	Asset Backed	2,883,776	2,964	3,444
AerCap Ireland Capital Designated Activity Co. 3.30% 01-23-2023 Callable 2022	Ireland	Corporate - Non Convertible	USD 1,740,000	2,164	2,347
AerCap Ireland Capital Designated Activity Co. 4.45% 10-01-2025 Callable 2025	Ireland	Corporate - Non Convertible	USD 1,020,000	1,332	1,439
AIMCo Realty Investors LP 2.27% 06-26-2024 Callable 2024	Canada	Corporate - Non Convertible	2,006,000	2,011	2,009
AIMCo Realty Investors LP 3.04% 06-01-2028 Callable 2028	Canada	Corporate - Non Convertible	1,180,000	1,180	1,238
Aimco Realty Investors LP 2.712% 06-01-2029 Callable 2029	Canada	Corporate - Non Convertible	2,940,000	2,982	3,004
Algonquin Power & Utilities Corp. 4.65% 02-15-2022	Canada	Corporate - Non Convertible	3,800,000	3,950	3,995
Algonquin Power & Utilities Corp. 4.09% 02-17-2027 Callable	Canada	Corporate - Non Convertible	2,610,000	2,611	2,788
AltaLink LP 3.72% 12-03-2046 Callable MTN	Canada	Corporate - Non Convertible	2,659,000	2,763	3,067
Anheuser-Busch InBev Finance Inc. 2.60% 05-15-2024 Callable 2024	Belgium	Corporate - Non Convertible	2,140,000	2,048	2,149
Anheuser-Busch InBev Worldwide Inc. 4.75% 01-23-2029 Callable 2028	Belgium	Corporate - Non Convertible	USD 360,000	475	555
Aroundtown SA 4.63% 09-18-2025 Callable 2025	Germany	Corporate - Non Convertible	2,040,000	2,032	2,139
AT&T Inc. 2.85% 05-25-2024	United States	Corporate - Non Convertible	1,830,000	1,828	1,841
AT&T Inc. 4.00% 11-25-2025 Callable 2025	United States	Corporate - Non Convertible	3,880,000	3,893	4,112
AT&T Inc. 4.35% 03-01-2029 Callable 2028	United States	Corporate - Non Convertible	USD 840,000	1,108	1,230
Bank of America Corp. 3.30% 04-24-2024 Callable 2023	United States	Corporate - Non Convertible	1,640,000	1,640	1,684
Bank of America Corp. F/R 04-25-2025 Callable 2024	United States	Corporate - Non Convertible	2,570,000	2,581	2,607
Bank of America Corp. F/R 09-20-2025 Callable 2024	United States	Corporate - Non Convertible	3,380,000	3,390	3,500
Bank of Montreal 2.27% 07-11-2022	Canada	Corporate - Non Convertible	4,968,000	4,944	4,987
Bank of Montreal 2.89% 06-20-2023	Canada	Corporate - Non Convertible	3,030,000	3,029	3,110
Bank of Montreal 2.28% 07-29-2024	Canada	Corporate - Non Convertible	2,050,000	2,049	2,040
Bank of Montreal 2.70% 09-11-2024 DPNT	Canada	Corporate - Non Convertible	8,685,000	8,620	8,900
Bank of Montreal 3.32% 06-01-2026	Canada	Corporate - Non Convertible	3,680,000	3,719	3,738
Bank of Montreal 3.19% 03-01-2028	Canada	Corporate - Non Convertible	2,710,000	2,688	2,908
Bank of Montreal F/R 09-17-2029 Callable 2024	Canada	Corporate - Non Convertible	960,000	960	961
The Bank of Nova Scotia 1.90% 12-02-2021 DPNT	Canada	Corporate - Non Convertible	6,900,000	6,855	6,870
The Bank of Nova Scotia 2.36% 11-08-2022	Canada	Corporate - Non Convertible	3,410,000	3,410	3,431
The Bank of Nova Scotia 2.98% 04-17-2023	Canada	Corporate - Non Convertible	3,870,000	3,875	3,980
The Bank of Nova Scotia 2.29% 06-28-2024	Canada	Corporate - Non Convertible	6,670,000	6,572	6,713
The Bank of Nova Scotia 2.49% 09-23-2024	Canada	Corporate - Non Convertible	2,420,000	2,420	2,429
The Bank of Nova Scotia 6.45% 01-01-2025	Canada	Mortgage Backed	2,465,196	2,590	2,890
The Bank of Nova Scotia F/R 07-03-2029 Callable 2024	Canada	Corporate - Non Convertible	1,900,000	1,900	1,897
bclMC Realty Corp. 3.00% 03-31-2027 Callable 2026	Canada	Corporate - Non Convertible	2,570,000	2,610	2,698
Bell Canada Inc. 2.70% 02-27-2024 Callable 2023	Canada	Corporate - Non Convertible	3,250,000	3,282	3,277
Bell Canada Inc. 2.90% 09-10-2029 Callable 2029	Canada	Corporate - Non Convertible	2,650,000	2,642	2,636
Bell Canada Inc. 4.45% 02-27-2047 Callable 2046	Canada	Corporate - Non Convertible	4,365,000	4,365	4,884
Bell Canada 3.80% 08-21-2028 Callable 2028	Canada	Corporate - Non Convertible	4,170,000	4,144	4,470
BP Capital Markets PLC 3.47% 05-15-2025	United Kingdom	Corporate - Non Convertible	2,810,000	2,832	2,960
Brookfield Infrastructure Finance ULC 4.20% 09-11-2028 Callable 2028	Canada	Corporate - Non Convertible	4,210,000	4,207	4,473
Brookfield Renewable Energy Partners ULC 3.75% 06-02-2025 Callable 2025	Canada	Corporate - Non Convertible	3,719,000	3,736	3,910



**MACKENZIE**  
Investments



# MACKENZIE CANADIAN BOND FUND

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2019

FIXED INCOME FUND

## SCHEDULE OF INVESTMENTS (cont'd)

As at September 30, 2019

	Country	Sector	Par Value/ No. of Shares/Units	Average Cost (\$ 000s)	Fair Value (\$ 000s)
<b>BONDS (cont'd)</b>					
Brookfield Renewable Energy Partners ULC 3.63% 01-15-2027 Callable 2026	Canada	Corporate - Non Convertible	4,210,000	4,144	4,400
Brookfield Renewable Partners ULC 4.25% 01-15-2029 Callable 2028	Canada	Corporate - Non Convertible	2,320,000	2,319	2,518
Brookfield Renewable Partners ULC 3.38% 01-15-2030 Callable 2029	Canada	Corporate - Non Convertible	950,000	950	960
Brookfield Renewable Partners ULC 4.29% 11-05-2049 Callable 2049	Canada	Corporate - Non Convertible	1,470,000	1,468	1,502
Bruce Power LP 2.84% 06-23-2021	Canada	Corporate - Non Convertible	4,800,000	4,869	4,842
Bruce Power LP 3.00% 06-21-2024 Callable 2024	Canada	Corporate - Non Convertible	4,631,000	4,675	4,725
Bruce Power LP 3.97% 06-23-2026	Canada	Corporate - Non Convertible	1,579,000	1,619	1,688
Canada Housing Trust 2.35% 06-15-2023	Canada	Federal Government	37,600,000	37,571	38,479
Canada Housing Trust 2.90% 06-15-2024	Canada	Federal Government	4,420,000	4,669	4,658
Canada Housing Trust 1.80% 12-15-2024	Canada	Federal Government	11,200,000	11,190	11,253
Canadian Imperial Bank of Commerce 2.47% 12-05-2022	Canada	Corporate - Non Convertible	4,370,000	4,348	4,411
Canadian Imperial Bank of Commerce 2.97% 07-11-2023	Canada	Corporate - Non Convertible	10,330,000	10,330	10,629
Canadian Imperial Bank of Commerce 2.35% 08-28-2024	Canada	Corporate - Non Convertible	1,950,000	1,950	1,943
Canadian Imperial Bank of Commerce 3.30% 05-26-2025	Canada	Corporate - Non Convertible	7,590,000	7,598	8,040
Canadian Imperial Bank of Commerce 3.42% 01-26-2026 Callable 2021	Canada	Corporate - Non Convertible	8,804,000	8,988	8,927
Canadian Imperial Bank of Commerce F/R 06-19-2029 Callable 2024	Canada	Corporate - Non Convertible	1,900,000	1,900	1,906
Canadian Mortgage Pools 1.75% 06-01-2024	Canada	Mortgage Backed	1,797,338	1,789	1,787
Canadian National Railway Co. 3.00% 02-08-2029 Callable 2028	Canada	Corporate - Non Convertible	1,940,000	1,940	2,043
Canadian National Railway Co. 3.60% 07-31-2048 Callable 2048	Canada	Corporate - Non Convertible	3,070,000	3,024	3,455
Canadian Natural Resources Ltd. 3.55% 06-03-2024	Canada	Corporate - Non Convertible	2,206,000	2,220	2,288
Canadian Pacific Railway Ltd. 3.15% 03-13-2029 Callable 2028	Canada	Corporate - Non Convertible	1,490,000	1,487	1,552
Capital Power Corp. 4.28% 09-18-2024 Callable 2024	Canada	Corporate - Non Convertible	3,759,000	3,780	3,923
Capital Power Corp. 4.99% 01-23-2026 Callable 2025	Canada	Corporate - Non Convertible	1,286,000	1,287	1,382
Cards II Trust 2.16% 10-15-2020	Canada	Corporate - Non Convertible	4,610,000	4,610	4,614
CBS Corp. 4.20% 06-01-2029 Callable 2029	United States	Corporate - Non Convertible	USD 2,520,000	3,287	3,629
CCL Industries Inc. 3.86% 04-13-2028 Callable 2028	Canada	Corporate - Non Convertible	1,520,000	1,520	1,625
Central 1 Credit Union F/R 02-05-2021	Canada	Corporate - Non Convertible	5,000	5	5
Charter Communications Operating LLC 4.50% 02-01-2024 Callable 2024	United States	Corporate - Non Convertible	USD 1,830,000	2,424	2,601
Charter Communications Operating LLC 5.05% 03-30-2029 Callable 2028	United States	Corporate - Non Convertible	USD 2,300,000	3,051	3,406
Chartwell Retirement Residences 3.79% 12-11-2023 Callable 2023	Canada	Corporate - Non Convertible	2,795,000	2,786	2,893
Chartwell Retirement Residences 4.21% 04-28-2025 Callable 2025	Canada	Corporate - Non Convertible	1,010,000	1,010	1,068
Choice Properties Real Estate Investment Trust 3.56% 09-09-2024 Callable 2024	Canada	Corporate - Non Convertible	4,000	4	4
Choice Properties Real Estate Investment Trust 3.55% 01-10-2025 Callable 2024	Canada	Corporate - Non Convertible	1,210,000	1,218	1,253
Choice Properties Real Estate Investment Trust 4.06% 11-24-2025 Callable	Canada	Corporate - Non Convertible	2,580,000	2,775	2,745
Choice Properties Real Estate Investment Trust 4.18% 03-08-2028 Callable 2027	Canada	Corporate - Non Convertible	2,950,000	2,950	3,175
Choice Properties Real Estate Investment Trust 3.54% 06-11-2029 Callable 2029	Canada	Corporate - Non Convertible	2,300,000	2,300	2,358
City of Toronto 2.60% 09-24-2039	Canada	Municipal Governments	1,400,000	1,390	1,397
Cordelio Amalco GP I 4.09% 06-30-2034	Canada	Corporate - Non Convertible	1,414,158	1,414	1,511
Cordelio Amalco GP I 4.09% 09-30-2034	Canada	Corporate - Non Convertible	1,419,628	1,420	1,512
CPPIB Capital Inc. 1.95% 09-30-2029	Canada	Corporate - Non Convertible	5,290,000	5,270	5,255
Crosslinx Transit Solutions General Partnership 4.65% 09-30-2046	Canada	Corporate - Non Convertible	1,230,000	1,227	1,362
CU Inc. 3.96% 07-27-2045 Callable	Canada	Corporate - Non Convertible	1,480,000	1,565	1,741



**MACKENZIE**  
Investments

# MACKENZIE CANADIAN BOND FUND

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2019

FIXED INCOME FUND

## SCHEDULE OF INVESTMENTS (cont'd)

As at September 30, 2019

	Country	Sector	Par Value/ No. of Shares/Units	Average Cost (\$ 000s)	Fair Value (\$ 000s)
<b>BONDS (cont'd)</b>					
CU Inc. 3.76% 11-19-2046 Callable 2046	Canada	Corporate - Non Convertible	1,411,000	1,413	1,616
CU Inc. 3.95% 11-23-2048 Callable 2048	Canada	Corporate - Non Convertible	2,204,000	2,207	2,621
Diamond 1 Finance Corp. 4.42% 06-15-2021 Callable 2021 144A	United States	Corporate - Non Convertible	USD 3,000	4	4
Eagle Credit Card Trust 2.63% 10-17-2022	Canada	Corporate - Non Convertible	800,000	800	810
Eagle Credit Card Trust 3.04% 07-17-2023	Canada	Corporate - Non Convertible	1,057,000	1,058	1,089
Eagle Credit Card Trust 2.22% 07-17-2024	Canada	Corporate - Non Convertible	3,060,000	3,061	3,058
Emera Inc. 2.90% 06-16-2023	Canada	Corporate - Non Convertible	2,440,000	2,367	2,481
Enbridge Gas Inc. 2.37% 08-09-2029 Callable 2029	Canada	Corporate - Non Convertible	860,000	860	855
Enbridge Gas Inc. 3.51% 11-29-2047 Callable 2047	Canada	Corporate - Non Convertible	2,238,000	2,240	2,469
Enbridge Gas Inc. 3.01% 08-09-2049 Callable 2049	Canada	Corporate - Non Convertible	780,000	780	787
Enbridge Inc. 3.20% 06-08-2027 Callable 2027	Canada	Corporate - Non Convertible	1,491,000	1,491	1,539
Enbridge Inc. 4.57% 03-11-2044	Canada	Corporate - Non Convertible	9,070,000	9,126	10,027
Enbridge Inc. 5.37% 09-27-2077 Callable 2027	Canada	Corporate - Non Convertible	11,460,000	11,326	11,454
Enbridge Inc. F/R 04-12-2078 Callable 2028	Canada	Corporate - Non Convertible	3,850,000	3,865	4,165
EnerCare Solutions Inc. 3.38% 02-21-2022 Callable 2022	Canada	Corporate - Non Convertible	3,510,000	3,512	3,563
EnerCare Solutions Inc. 3.99% 02-21-2024 Callable 2023	Canada	Corporate - Non Convertible	945,000	945	978
EPCOR Utilities Inc. 3.55% 11-27-2047 Callable 2047	Canada	Corporate - Non Convertible	1,840,000	1,821	2,041
EPCOR Utilities Inc. 3.11% 07-08-2049 Callable 2049	Canada	Corporate - Non Convertible	2,170,000	2,170	2,224
EPR Properties 4.95% 04-15-2028 Callable 2028	United States	Corporate - Non Convertible	USD 1,360,000	1,706	1,961
EPR Properties 3.75% 08-15-2029 Callable 2029	United States	Corporate - Non Convertible	USD 1,270,000	1,666	1,684
Fairfax Financial Holdings Ltd. 5.84% 10-14-2022	Canada	Corporate - Non Convertible	1,920,000	1,946	2,101
Fairfax Financial Holdings Ltd. 4.50% 03-22-2023	Canada	Corporate - Non Convertible	2,490,000	2,549	2,641
Fairfax Financial Holdings Ltd. 4.95% 03-03-2025	Canada	Corporate - Non Convertible	1,110,000	1,210	1,209
Fairfax Financial Holdings Ltd. 8.30% 04-15-2026	Canada	Corporate - Non Convertible	USD 2,180,000	3,294	3,585
Fairfax Financial Holdings Ltd. 4.25% 12-06-2027 Callable 2027	Canada	Corporate - Non Convertible	134,000	134	139
Fairfax Financial Holdings Ltd. 4.23% 06-14-2029 Callable 2029	Canada	Corporate - Non Convertible	840,000	840	856
Fédération des Caisses Desjardins du Québec 2.09% 01-17-2022	Canada	Corporate - Non Convertible	4,390,000	4,396	4,386
Fédération des Caisses Desjardins du Québec 2.39% 08-25-2022	Canada	Corporate - Non Convertible	6,468,000	6,426	6,511
Fédération des Caisses Desjardins du Québec 3.06% 09-11-2023	Canada	Corporate - Non Convertible	5,846,000	5,841	6,042
Fortified Trust 1.67% 07-23-2021	Canada	Corporate - Non Convertible	5,970,000	5,881	5,919
Fortified Trust 2.56% 03-23-2024	Canada	Corporate - Non Convertible	2,160,000	2,160	2,189
FortisAlberta Inc. 3.67% 09-09-2047 Callable 2047	Canada	Corporate - Non Convertible	480,000	470	543
FortisAlberta Inc. 3.74% 09-18-2048 Callable 2048	Canada	Corporate - Non Convertible	554,000	554	635
Gaz Metro Inc. 1.52% 05-25-2020	Canada	Corporate - Non Convertible	1,010,000	1,010	1,007
Genesis Trust II 1.70% 04-15-2020	Canada	Corporate - Non Convertible	6,380,000	6,330	6,371
Gibson Energy Inc. 3.60% 09-17-2029 Callable 2029	Canada	Corporate - Non Convertible	1,130,000	1,128	1,148
The Goldman Sachs Group Inc. 2.43% 04-26-2023 Callable	United States	Corporate - Non Convertible	4,040,000	4,040	4,033
Government of Canada 1.75% 05-01-2021	Canada	Federal Government	19,500,000	19,568	19,541
Government of Canada 1.50% 09-01-2024	Canada	Federal Government	56,490,000	56,391	56,762
Government of Canada 2.25% 06-01-2029	Canada	Federal Government	5,247,000	5,676	5,665
Government of Canada 2.00% 12-01-2041 Real Return	Canada	Federal Government	1,450,000	2,452	2,446
Government of Canada 1.25% 12-01-2047 Real Return	Canada	Federal Government	29,097,000	37,567	41,110
Government of Canada 2.75% 12-01-2048	Canada	Federal Government	37,040,000	43,754	47,631
Greater Toronto Airports Authority 2.73% 04-03-2029 Callable 2029	Canada	Corporate - Non Convertible	1,300,000	1,331	1,354
Greater Toronto Airports Authority 2.75% 10-17-2039	Canada	Corporate - Non Convertible	1,300,000	1,298	1,318
H&R Real Estate Investment Trust 2.92% 05-06-2022	Canada	Corporate - Non Convertible	1,520,000	1,521	1,532
H&R Real Estate Investment Trust 3.42% 01-23-2023 Callable 2022	Canada	Corporate - Non Convertible	2,360,000	2,371	2,407
H&R Real Estate Investment Trust 3.37% 01-30-2024 Callable 2023	Canada	Corporate - Non Convertible	4,328,000	4,297	4,401
Heathrow Funding Ltd. 3.25% 05-21-2025	United Kingdom	Corporate - Non Convertible	5,120,000	5,229	5,306
Heathrow Funding Ltd. 3.40% 03-08-2028	United Kingdom	Corporate - Non Convertible	2,600,000	2,596	2,712



**MACKENZIE**  
Investments

# MACKENZIE CANADIAN BOND FUND

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2019

FIXED INCOME FUND

## SCHEDULE OF INVESTMENTS (cont'd)

As at September 30, 2019

	Country	Sector	Par Value/ No. of Shares/Units	Average Cost (\$ 000s)	Fair Value (\$ 000s)
<b>BONDS (cont'd)</b>					
Heathrow Funding Ltd. 3.79% 09-04-2030 Callable 2030	United Kingdom	Corporate - Non Convertible	2,270,000	2,270	2,422
Hollis Receivables Term Trust II 1.79% 02-26-2020	Canada	Corporate - Non Convertible	7,270,000	7,249	7,261
HSBC Bank Canada 2.17% 06-29-2022	Canada	Corporate - Non Convertible	7,338,000	7,288	7,314
HSBC Bank Canada 2.25% 09-15-2022	Canada	Corporate - Non Convertible	1,150,000	1,150	1,148
HSBC Bank Canada 2.54% 01-31-2023	Canada	Corporate - Non Convertible	6,420,000	6,359	6,461
HSBC Bank Canada 3.25% 09-15-2023	Canada	Corporate - Non Convertible	2,470,000	2,470	2,554
HSBC Holdings PLC 3.20% 12-05-2023	United Kingdom	Corporate - Non Convertible	3,460,000	3,460	3,539
Hydro One Inc. 2.54% 04-05-2024 Callable 2024	Canada	Corporate - Non Convertible	1,720,000	1,720	1,749
Hydro One Inc. 3.72% 11-18-2047	Canada	Corporate - Non Convertible	5,550,000	5,591	6,226
Hydro One Inc. 3.63% 06-25-2049 Callable 2048	Canada	Corporate - Non Convertible	1,269,000	1,270	1,408
Hydro-Quebec Interest Strip 0% 02-15-2025	Canada	Provincial Governments	2,880,000	2,489	2,596
Inter Pipeline Ltd. 2.73% 04-18-2024 Callable 2024	Canada	Corporate - Non Convertible	4,723,000	4,769	4,735
Inter Pipeline Ltd. 3.17% 03-24-2025 Callable 2024 MTN	Canada	Corporate - Non Convertible	3,630,000	3,671	3,696
Inter Pipeline Ltd. 3.48% 12-16-2026 Callable 2026	Canada	Corporate - Non Convertible	2,638,000	2,676	2,721
The International Bank for Reconstruction and Development 3.50% 01-22-2021	Supra - National	n/a	NZD 9,268,000	8,569	7,918
International Finance Corp. 3.63% 05-20-2020	Supra - National	n/a	NZD 2,979,000	2,749	2,508
Ivanhoe Cambridge II Inc. 2.91% 06-27-2023 Callable 2023	Canada	Corporate - Non Convertible	1,230,000	1,231	1,263
JPMorgan Chase & Co. 3.19% 03-05-2021	United States	Corporate - Non Convertible	4,100,000	4,183	4,158
The Manufacturers Life Insurance Co. 2.39% 01-05-2026 Callable 2021	Canada	Corporate - Non Convertible	3,239,000	3,245	3,241
Manulife Bank of Canada 1.92% 09-01-2021	Canada	Corporate - Non Convertible	4,170,000	4,126	4,152
Manulife Bank of Canada 2.08% 05-26-2022	Canada	Corporate - Non Convertible	2,800,000	2,800	2,794
Manulife Bank of Canada 2.84% 01-12-2023	Canada	Corporate - Non Convertible	5,840,000	5,840	5,952
Manulife Financial Corp. F/R 05-09-2028 Callable 2023	Canada	Corporate - Non Convertible	1,260,000	1,260	1,294
Manulife Financial Corp. F/R 08-20-2029 Callable 2024	Canada	Corporate - Non Convertible	3,310,000	3,310	3,386
McDonald's Corp. 3.13% 03-04-2025 Callable 2025	United States	Corporate - Non Convertible	4,890,000	4,884	5,057
Morgan Stanley 3.00% 02-07-2024	United States	Corporate - Non Convertible	5,620,000	5,603	5,727
National Bank of Canada 1.96% 06-30-2022	Canada	Corporate - Non Convertible	12,272,000	12,054	12,217
National Bank of Canada 2.98% 03-04-2024	Canada	Corporate - Non Convertible	3,465,000	3,521	3,549
National Bank of Canada 2.55% 07-12-2024	Canada	Corporate - Non Convertible	2,264,000	2,264	2,276
NAV Canada 3.29% 03-30-2048 Callable 2047	Canada	Corporate - Non Convertible	1,530,000	1,534	1,728
NAV Canada 3.21% 09-29-2050 Callable 2050	Canada	Corporate - Non Convertible	171,000	171	192
North Battleford Power LP 4.96% 12-31-2032	Canada	Corporate - Non Convertible	1,622,972	1,623	1,841
North West Redwater Partnership 2.80% 06-01-2027 Callable 2027	Canada	Corporate - Non Convertible	2,760,000	2,665	2,801
North West Redwater Partnership 3.65% 06-01-2035 Callable 2034	Canada	Corporate - Non Convertible	1,480,000	1,479	1,578
Nouvelle Autoroute 30 Financement Inc. 4.11% 03-31-2042	Canada	Corporate - Non Convertible	1,739,603	1,740	1,969
Nova Scotia Power Inc. 3.57% 04-05-2049 Callable 2048	Canada	Corporate - Non Convertible	1,080,000	1,082	1,175
OMERS Finance Trust 2.60% 05-14-2029	Canada	Corporate - Non Convertible	2,470,000	2,467	2,560
OMERS Realty Corp. 3.24% 10-04-2027 Callable 2027	Canada	Corporate - Non Convertible	10,409,000	10,404	11,079
OMERS Realty Corp. 3.63% 06-05-2030 Callable 2030	Canada	Corporate - Non Convertible	3,020,000	3,020	3,345
Ontario Electricity Financial Corp. 0% 11-27-2020	Canada	Provincial Governments	4,910,000	4,826	4,805
Ontario Hydro 0% 05-26-2025	Canada	Provincial Governments	2,580,000	2,205	2,297
Ontario Power Generation Inc. 3.32% 10-04-2027 Callable 2027	Canada	Corporate - Non Convertible	2,800,000	2,800	2,933
Ontario Power Generation Inc. 2.98% 09-13-2029	Canada	Corporate - Non Convertible	1,310,000	1,310	1,331
Ontario Power Generation Inc. 3.84% 06-22-2048 Callable 2047	Canada	Corporate - Non Convertible	1,661,000	1,662	1,776
Ontario Power Generation Inc. 4.25% 01-18-2049 Callable 2048	Canada	Corporate - Non Convertible	1,455,000	1,528	1,672
OPB Finance Trust 2.98% 01-25-2027	Canada	Provincial Governments	6,208,000	6,217	6,536
Paypal Holdings Inc. 2.40% 10-01-2024 Callable 2024	United States	Corporate - Non Convertible	USD 1,320,000	1,750	1,761
PayPal Holdings Inc. 2.65% 10-01-2026	United States	Corporate - Non Convertible	USD 1,390,000	1,839	1,857



**MACKENZIE**  
Investments

# MACKENZIE CANADIAN BOND FUND

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2019

FIXED INCOME FUND

## SCHEDULE OF INVESTMENTS (cont'd)

As at September 30, 2019

	Country	Sector	Par Value/ No. of Shares/Units	Average Cost (\$ 000s)	Fair Value (\$ 000s)
<b>BONDS (cont'd)</b>					
Pembina Pipeline Corp. 3.54% 02-03-2025 Callable	Canada	Corporate - Non Convertible	1,445,000	1,441	1,501
Pembina Pipeline Corp. 4.02% 03-27-2028 Callable 2027	Canada	Corporate - Non Convertible	2,031,000	2,033	2,178
Pembina Pipeline Corp. 3.62% 04-03-2029 Callable 2029	Canada	Corporate - Non Convertible	1,340,000	1,344	1,391
Pembina Pipeline Corp. 3.31% 02-01-2030 Callable 2029	Canada	Corporate - Non Convertible	820,000	819	824
Province of Newfoundland 3.00% 06-02-2026	Canada	Provincial Governments	7,900,000	7,932	8,335
Province of Newfoundland 3.70% 10-17-2048	Canada	Provincial Governments	7,160,000	7,813	8,601
Province of Ontario Generic Coupon Strip 0% 12-02-2023	Canada	Provincial Governments	7,050,000	6,141	6,513
Province of Ontario 0% 07-13-2022	Canada	Provincial Governments	5,870,000	5,371	5,575
Province of Ontario 0% 06-02-2024	Canada	Provincial Governments	14,560,000	13,016	13,322
Province of Ontario 2.30% 09-08-2024	Canada	Provincial Governments	10,130,000	10,265	10,350
Province of Ontario 2.65% 02-05-2025	Canada	Provincial Governments	4,156,000	4,212	4,324
Province of Ontario 0% 06-02-2026	Canada	Provincial Governments	3,170,000	2,703	2,768
Province of Ontario 2.90% 06-02-2028	Canada	Provincial Governments	48,648,000	48,837	51,980
Province of Ontario 2.70% 06-02-2029	Canada	Provincial Governments	53,880,000	55,646	56,867
Province of Ontario 2.90% 06-02-2049	Canada	Provincial Governments	53,450,000	51,213	59,676
Province of Ontario 2.65% 12-02-2050	Canada	Provincial Governments	29,380,000	30,458	31,386
Province of Quebec 0% 04-01-2026 Generic Strip	Canada	Provincial Governments	3,418,000	2,909	2,994
Province of Quebec 2.75% 09-01-2028	Canada	Provincial Governments	10,776,000	10,678	11,430
Province of Quebec 2.30% 09-01-2029	Canada	Provincial Governments	2,960,000	3,055	3,032
Province of Quebec 3.50% 12-01-2048	Canada	Provincial Governments	47,120,000	53,236	58,786
Province of Saskatchewan 3.30% 06-02-2048	Canada	Provincial Governments	3,339,000	3,498	3,930
Rogers Communications Inc. 3.25% 05-01-2029 Callable 2029	Canada	Corporate - Non Convertible	2,430,000	2,439	2,506
Royal Bank of Canada 2.36% 12-05-2022	Canada	Corporate - Non Convertible	1,590,000	1,590	1,601
Royal Bank of Canada 2.95% 05-01-2023	Canada	Corporate - Non Convertible	20,353,000	20,359	20,912
Royal Bank of Canada 3.30% 09-26-2023	Canada	Corporate - Non Convertible	1,390,000	1,390	1,440
Royal Bank of Canada 2.35% 07-02-2024	Canada	Corporate - Non Convertible	2,150,000	2,150	2,147
Royal Bank of Canada F/R 07-25-2029	Canada	Corporate - Non Convertible	1,910,000	1,912	1,904
Sea to Sky Highway Investment LP 2.63% 08-31-2030	Canada	Corporate - Non Convertible	2,287,228	2,287	2,286
Shaw Communications Inc. 3.80% 03-01-2027 Callable	Canada	Corporate - Non Convertible	1,659,000	1,742	1,750
Shaw Communications Inc. 4.40% 11-02-2028 Callable 2028	Canada	Corporate - Non Convertible	3,850,000	3,890	4,236
Sprint Spectrum Co. LLC 4.74% 03-20-2025 144A	United States	Corporate - Non Convertible	USD 1,140,000	1,476	1,605
Spy Hill Power LP 4.14% 03-31-2036	Canada	Corporate - Non Convertible	1,627,508	1,623	1,767
Sun Life Financial Inc. F/R 02-19-2026 Callable 2021	Canada	Corporate - Non Convertible	3,343,000	3,384	3,378
Sun Life Financial Inc. F/R 11-23-2027 Callable 2022	Canada	Corporate - Non Convertible	1,450,000	1,449	1,465
Sun Life Financial Inc. F/R 09-19-2028 Callable 2023	Canada	Corporate - Non Convertible	5,590,000	5,583	5,716
Sun Life Financial Inc. F/R 08-13-2029 Callable 2024	Canada	Corporate - Non Convertible	3,020,000	3,020	3,001
Suncor Energy Inc. 3.10% 05-24-2029 Callable 2029	Canada	Corporate - Non Convertible	1,760,000	1,758	1,806
Sydney Airport Finance Co. Pty. Ltd. 3.63% 04-28-2026 Callable 2026 144A	Australia	Corporate - Non Convertible	USD 2,984,000	3,800	4,127
Sysco Canada Inc. 3.65% 04-25-2025 Callable 2025	United States	Corporate - Non Convertible	2,380,000	2,382	2,498
TELUS Corp. 3.35% 04-01-2024 Callable	Canada	Corporate - Non Convertible	1,845,000	1,905	1,911
Telus Corp. 2.75% 07-08-2026	Canada	Corporate - Non Convertible	1,470,000	1,469	1,474
TELUS Corp. 3.30% 05-02-2029 Callable 2029	Canada	Corporate - Non Convertible	1,030,000	1,022	1,059
TELUS Corp. 4.70% 03-06-2048 Callable 2047	Canada	Corporate - Non Convertible	795,000	791	906
TMX Group Ltd. 4.46% 10-03-2023 Callable 2023	Canada	Corporate - Non Convertible	2,269,000	2,522	2,444
TMX Group Ltd. 2.30% 12-11-2024 Callable 2024	Canada	Corporate - Non Convertible	3,160,000	3,210	3,248
TMX Group Ltd. 3.78% 06-05-2028 Callable 2028	Canada	Corporate - Non Convertible	1,040,000	1,044	1,124
The Toronto-Dominion Bank 2.05% 12-01-2022	Canada	Mortgage Backed	2,955,233	2,891	2,966
The Toronto-Dominion Bank 3.01% 05-30-2023	Canada	Corporate - Non Convertible	2,020,000	2,021	2,083
The Toronto-Dominion Bank 1.91% 07-18-2023 DPNT	Canada	Corporate - Non Convertible	16,020,000	15,655	15,888



**MACKENZIE**  
Investments

# MACKENZIE CANADIAN BOND FUND

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2019

FIXED INCOME FUND

## SCHEDULE OF INVESTMENTS (cont'd)

As at September 30, 2019

	Country	Sector	Par Value/ No. of Shares/Units	Average Cost (\$ 000s)	Fair Value (\$ 000s)
<b>BONDS (cont'd)</b>					
The Toronto-Dominion Bank 2.85% 03-08-2024	Canada	Corporate - Non Convertible	3,070,000	3,087	3,133
The Toronto-Dominion Bank 5.50% 04-01-2024	Canada	Mortgage Backed	847,818	804	951
The Toronto-Dominion Bank 6.13% 12-01-2024	Canada	Mortgage Backed	4,406,954	4,785	5,108
The Toronto-Dominion Bank 2.50% 12-02-2024	Canada	Corporate - Non Convertible	3,500,000	3,500	3,519
The Toronto-Dominion Bank 5.38% 07-01-2028	Canada	Mortgage Backed	5,724,502	6,082	6,590
The Toronto-Dominion Bank F/R 07-25-2029 Callable 2024	Canada	Corporate - Non Convertible	1,190,000	1,221	1,214
TransCanada PipeLines Ltd. 3.69% 07-19-2023	Canada	Corporate - Non Convertible	660,000	674	692
TransCanada Pipelines Ltd. 3.39% 03-15-2028 Callable 2027	Canada	Corporate - Non Convertible	2,710,000	2,665	2,850
TransCanada Pipelines Ltd. 3.00% 09-18-2029 Callable 2029	Canada	Corporate - Non Convertible	1,890,000	1,886	1,914
TransCanada Trust F/R 05-18-2077 Callable 2027	Canada	Corporate - Non Convertible	3,230,000	3,154	3,121
Transurban Finance Co. Pty. Ltd. 4.56% 11-14-2028 Callable 2028	Australia	Corporate - Non Convertible	3,900,000	3,901	4,351
Trillium Windpower LP 5.80% 02-15-2033	United States	Corporate - Non Convertible	1,539,028	1,541	1,814
Union Gas Ltd. 3.59% 11-22-2047 Callable 2047	Canada	Corporate - Non Convertible	1,650,000	1,647	1,843
United States Treasury 0.50% 04-15-2024 Inflation Indexed	United States	Foreign Governments	USD 15,690,000	21,406	21,394
United States Treasury 1.75% 06-30-2024	United States	Foreign Governments	USD 25,420,000	33,102	33,937
United States Treasury 0.75% 07-15-2028 Inflation Indexed	United States	Foreign Governments	USD 15,170,000	21,422	21,548
United States Treasury 2.38% 05-15-2029	United States	Foreign Governments	USD 25,431,000	35,453	35,756
United States Treasury 1.00% 02-15-2049 Inflation Indexed	United States	Foreign Governments	USD 10,000,000	16,091	15,178
Vancouver Airport Authority 3.66% 11-23-2048 Callable 2048	Canada	Corporate - Non Convertible	2,050,000	2,050	2,462
Ventas Canada Finance Ltd. 2.55% 03-15-2023 Callable 2023	United States	Corporate - Non Convertible	4,260,000	4,214	4,259
Ventas Realty LP 4.00% 03-01-2028 Callable 2027	United States	Corporate - Non Convertible	USD 1,330,000	1,692	1,890
Vodafone Group PLC 3.75% 01-16-2024	United Kingdom	Corporate - Non Convertible	USD 910,000	1,158	1,269
Waste Management of Canada Corp. 2.60% 09-23-2026 Callable 2026	Canada	Corporate - Non Convertible	2,650,000	2,644	2,671
Wells Fargo & Co. 3.19% 02-08-2024 Callable 2024	United States	Corporate - Non Convertible	5,850,000	5,866	6,008
Wells Fargo & Co. 2.98% 05-19-2026	United States	Corporate - Non Convertible	2,263,000	2,263	2,301
Welltower Inc. 4.25% 04-15-2028 Callable 2028	United States	Corporate - Non Convertible	USD 1,940,000	2,526	2,830
Welltower Inc. 4.13% 03-15-2029 Callable 2028	United States	Corporate - Non Convertible	USD 1,470,000	1,942	2,123
<b>Total bonds</b>				<b>1,357,604</b>	<b>1,415,072</b>
<b>OPTIONS</b>					
Options purchased (see schedule of options purchased)				440	66
<b>Total options</b>				<b>440</b>	<b>66</b>
<b>EXCHANGE-TRADED FUNDS/NOTES</b>					
Mackenzie US Investment Grade Corporate Bond Index ETF (CAD-Hedged) Canada		Exchange-Traded Funds/Notes	190,898	18,990	19,891
<b>Total exchange-traded funds/notes</b>				<b>18,990</b>	<b>19,891</b>
Transaction costs				(169)	—
<b>Total investments</b>				<b>1,376,865</b>	<b>1,435,029</b>
Derivative instruments (see schedule of derivative instruments)					1,347
Cash and cash equivalents					18,850
Other assets less liabilities					9,078
<b>Total net assets</b>					<b>1,464,304</b>



**MACKENZIE**  
Investments

# MACKENZIE CANADIAN BOND FUND

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2019

FIXED INCOME FUND

## SUMMARY OF INVESTMENT PORTFOLIO

September 30, 2019	
Portfolio Allocation	% of NAV
Bonds	96.7
<i>Bonds</i>	96.6
<i>Short futures</i>	0.1
<i>Purchased options</i>	0.0
Exchange-traded funds/notes	1.4
Cash and short-term investments	1.3
Other assets (liabilities)	0.6

Regional Allocation	
	% of NAV
Canada	81.0
United States	14.1
Cash and short-term investments	1.3
United Kingdom	1.2
Australia	0.6
Other assets (liabilities)	0.6
New Zealand	0.5
Belgium	0.2
Ireland	0.2
Germany	0.1
Netherlands	0.1
Other	0.1

Sector Allocation	
	% of NAV
Corporate bonds	45.7
Provincial bonds	24.3
Federal bonds	15.5
Foreign government bonds	8.7
Mortgage backed	1.4
Exchange-traded funds/notes	1.4
Cash and short-term investments	1.3
Supra-national bonds	0.7
Other assets (liabilities)	0.6
Asset backed	0.2
Municipal bonds	0.1
Other	0.1

March 31, 2019	
Portfolio Allocation	% of NAV
Bonds	91.1
<i>Bonds</i>	91.2
<i>Purchased options</i>	0.0
<i>Short futures</i>	(0.1)
Cash and short-term investments	10.4
Exchange-traded funds/notes	1.4
Other assets (liabilities)	(2.9)

Regional Allocation	
	% of NAV
Canada	82.1
Cash and short-term investments	10.4
United States	7.2
United Kingdom	1.3
New Zealand	0.6
Australia	0.6
Belgium	0.2
Ireland	0.2
Germany	0.2
Netherlands	0.1
Other assets (liabilities)	(2.9)

Sector Allocation	
	% of NAV
Corporate bonds	45.3
Federal bonds	22.2
Provincial bonds	20.1
Cash and short-term investments	10.4
Mortgage backed	1.4
Exchange-traded funds/notes	1.4
Foreign government bonds	1.2
Supra-national bonds	0.8
Asset backed	0.2
Other	(0.1)
Other assets (liabilities)	(2.9)



**MACKENZIE**  
Investments

# MACKENZIE CANADIAN BOND FUND

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2019

FIXED INCOME FUND

## SCHEDULE OF OPTIONS PURCHASED

*As at September 30, 2019*

<b>Underlying Interest</b>	<b>Number of Contracts</b>	<b>Option Type</b>	<b>Expiration Date</b>	<b>Strike Price \$</b>	<b>Premium Paid (\$ 000s)</b>	<b>Fair Value (\$ 000s)</b>
iShares iBoxx \$ High Yield Corporate Bond ETF	1,830	Put	Nov. 15, 2019	USD 84.00	440	66
<b>Total options</b>					<b>440</b>	<b>66</b>



**MACKENZIE**  
Investments

# MACKENZIE CANADIAN BOND FUND

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2019

FIXED INCOME FUND

## SCHEDULE OF DERIVATIVE INSTRUMENTS

As at September 30, 2019

### Schedule of Futures Contracts

Number of Contracts	Type of Contract	Expiration Date	Average Rate of Contracts (\$)	Notional Value* (\$ 000s)	Unrealized Gains (\$ 000s)
(485)	10 Year Canadian Government Bond Futures December 2019	Dec. 18, 2019	143.81 CAD	(69,161)	588
(94)	Ultra United States Treasury Bond Futures December 2019	Dec. 19, 2019	196.69 USD	(23,877)	595
Unrealized Gains				(93,038)	1,183
<b>Total futures contracts</b>				<b>(93,038)</b>	<b>1,183</b>

\*Notional value represents the exposure to the underlying instruments as at September 30, 2019

### 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)
A	13,853 Canadian dollar	(10,420) U.S. dollar	Oct. 11, 2019	(13,853)	(13,795)	58
A	5,475 U.S. dollar	(7,205) Canadian dollar	Oct. 11, 2019	7,205	7,248	43
AA	13,876 Canadian dollar	(10,425) U.S. dollar	Oct. 25, 2019	(13,876)	(13,805)	71
A	10,687 Canadian dollar	(12,500) New Zealand dollar	Nov. 6, 2019	(10,687)	(10,373)	314
A	27,603 Canadian dollar	(20,734) U.S. dollar	Nov. 8, 2019	(27,603)	(27,454)	149
A	554 Canadian dollar	(418) U.S. dollar	Nov. 15, 2019	(554)	(553)	1
AA	14,113 Canadian dollar	(10,649) U.S. dollar	Nov. 15, 2019	(14,113)	(14,099)	14
A	7,671 Canadian dollar	(5,790) U.S. dollar	Nov. 22, 2019	(7,671)	(7,665)	6
AA	15,275 Canadian dollar	(11,515) U.S. dollar	Dec. 13, 2019	(15,275)	(15,238)	37
A	3,896 Canadian dollar	(2,940) U.S. dollar	Jan. 10, 2020	(3,896)	(3,889)	7
Unrealized Gains						700
A	10,676 Canadian dollar	(8,100) U.S. dollar	Oct. 4, 2019	(10,676)	(10,722)	(46)
AA	10,673 Canadian dollar	(8,100) U.S. dollar	Oct. 4, 2019	(10,673)	(10,722)	(49)
AA	4,617 Canadian dollar	(3,547) U.S. dollar	Oct. 4, 2019	(4,617)	(4,695)	(78)
A	7,557 Canadian dollar	(5,790) U.S. dollar	Oct. 4, 2019	(7,557)	(7,664)	(107)
A	4,220 Canadian dollar	(3,240) U.S. dollar	Oct. 11, 2019	(4,220)	(4,289)	(69)
A	7,559 Canadian dollar	(5,790) U.S. dollar	Oct. 11, 2019	(7,559)	(7,665)	(106)
AA	4,616 Canadian dollar	(3,547) U.S. dollar	Oct. 25, 2019	(4,616)	(4,697)	(81)
Unrealized (Losses)						(536)
<b>Total forward currency contracts</b>						<b>164</b>
<b>Total derivative instruments at fair value</b>						<b>1,347</b>



**MACKENZIE**  
Investments



## NOTES TO FINANCIAL STATEMENTS

### 1. Fiscal Periods and General Information

The information provided in these financial statements and notes thereto is for the six-month periods ended or as at September 30, 2019 and 2018, except for the comparative information presented in the Statements of Financial Position and notes thereto, which is as at March 31, 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 Financial Corporation, which itself is a subsidiary of Power Corporation of Canada. The Great-West Life Assurance Company, London Life Insurance Company and The Canada Life Assurance Company (collectively, the "Related Insurance Companies") are wholly owned by Great-West Lifeco Inc., which is also a subsidiary of Power Financial Corporation. The Related Insurance Companies are moving to formally amalgamate into one company, The Canada Life Assurance Company, effective January 1, 2020. This amalgamation is subject to a policyholder vote and other regulatory approvals. Investments in companies within the Power Group of companies held by the Fund are identified in the Schedule of Investments.

### 2. Basis of Preparation and Presentation

These unaudited interim financial statements ("financial statements") have been prepared in accordance with International Financial Reporting Standards ("IFRS"), including international Accounting Standard ("IAS") 34, *Interim Financial Reporting*, as issued by the International Accounting Standards Board ("IASB"). These financial statements were prepared using the same accounting policies, critical accounting judgements and estimates as applied in the Fund's most recent audited annual financial statements for the year ended March 31, 2019. A summary of the Fund's significant accounting policies under IFRS is presented in Note 3.

These financial statements are presented in Canadian dollars, which is the Fund's functional and presentation currency, and rounded to the nearest thousand unless otherwise indicated. These financial statements are prepared on a going concern basis using the historical cost basis, except for financial assets and liabilities that have been measured at fair value.

These financial statements were authorized for issue by the Board of Directors of Mackenzie Financial Corporation on November 12, 2019.

### 3. Significant Accounting Policies

#### (a) Financial instruments

Financial instruments include financial assets and liabilities such as debt and equity securities, open-ended investment funds and derivatives. The Fund classifies and measures financial instruments in accordance with IFRS 9, *Financial Instruments* ("IFRS 9"). Upon initial recognition, financial instruments are classified as fair value through profit or loss ("FVTPL"). All financial instruments are recognized in the Statement of Financial Position when the Fund becomes a party to the contractual requirements of the instrument. Financial assets are derecognized when the right to receive cash flows from the instrument has expired or the Fund has transferred substantially all risks and rewards of ownership. Financial liabilities are derecognized when the obligation is discharged, cancelled and expires. As such, investment purchase and sale transactions are recorded as of the trade date.

Financial instruments are subsequently measured at FVTPL with changes in fair value recognized in the Statement of Comprehensive Income – Other changes in fair value of investments and other net assets – Net unrealized gain (loss).

The Fund's redeemable securities contain multiple dissimilar contractual obligations and therefore meet the criteria for classification as financial liabilities under IAS 32, *Financial Instruments: Presentation*. The Fund's obligation for net assets attributable to securityholders is presented at the redemption amount.

IAS 7, *Statement of Cash Flows*, requires disclosures related to changes in liabilities and assets, such as the securities of the Fund, arising from financing activities. Changes in securities of the Fund, including both changes from cash flows and non-cash changes, are included in the Statement of Changes in Financial Position. Any changes in the securities not settled in cash as at the end of the period are presented as either Accounts receivable for securities issued or Accounts payable for securities redeemed in the Statement of Financial Position. These accounts receivable and accounts payable amounts typically settle shortly after 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.

## NOTES TO FINANCIAL STATEMENTS

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

#### (a) Financial instruments (cont'd)

Gains and losses arising from changes in the fair value of the investments are included in the Statement of Comprehensive Income for the period in which they arise.

The Fund accounts for its holdings in unlisted open-ended investment funds and exchange-traded funds, if any, at FVTPL. Mackenzie has concluded that any unlisted open-ended investment fund and exchange-traded funds in which the Fund invests, do not meet either the definition of a structured entity or the definition of an associate.

#### (b) Fair value measurement

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Investments listed on a public securities exchange or traded on an over-the-counter market are valued on the basis of the last traded market price or close price recorded by the security exchange on which the security is principally traded, where this price falls within the quoted bid-ask spread for the investment. In circumstances where this price is not within the bid-ask spread, Mackenzie determines the point within the bid-ask spread that is most representative of fair value based on the specific facts and circumstances. Mutual fund securities of an underlying fund are valued on a business day at the price calculated by the manager of such underlying fund in accordance with the constating documents of such underlying fund. Unlisted or non-exchange traded investments, or investments where a last sale or close price is unavailable or investments for which market quotations are, in Mackenzie's opinion, inaccurate, unreliable, or not reflective of all available material information, are valued at their fair value as determined by Mackenzie using appropriate and accepted industry valuation techniques including valuation models. The fair value determined using valuation models requires the use of inputs and assumptions based on observable market data including volatility and other applicable rates or prices. In limited circumstances, the fair value may be determined using valuation techniques that are not supported by observable market data.

The cost of investments is determined on a weighted average cost basis.

Cash and cash equivalents which includes cash on deposit with financial institutions and short-term investments that are readily convertible to cash, are subject to an insignificant risk of changes in value, and are used by the Fund in the management of short-term commitments. Cash and cash equivalents are reported at fair value which closely approximates their amortized cost due to their nature of being highly liquid and having short terms to maturity. Bank overdraft positions are presented under current liabilities as bank indebtedness in the Statement of Financial Position.

The Fund may use derivatives (such as written options, futures, forward contracts, swaps or customized derivatives) to hedge against losses caused by changes in securities prices, interest rates or exchange rates. The Fund may also use derivatives for non-hedging purposes in order to invest indirectly in securities or financial markets, to gain exposure to other currencies, to seek to generate additional income, and/or for any other purpose considered appropriate by the Fund's portfolio manager(s), provided that the use of the derivative is consistent with the Fund's investment objectives. Any use of derivatives will comply with Canadian mutual fund laws, subject to the regulatory exemptions granted to the Fund, as applicable. Refer to "Exemptions from National Instrument 81-102" in the Annual Information Form of the Fund for further details, including the complete conditions of these exemptions, as applicable.

Valuations of derivative instruments are carried out daily, using normal exchange reporting sources for exchange-traded derivatives and specific broker enquiry for over-the-counter derivatives.

The value of forward contracts is the gain or loss that would be realized if, on the valuation date, the positions were to be closed out. The change in value of forward contracts is included in the Statement of Comprehensive Income – Other changes in fair value of investments and other net assets – Net unrealized gain (loss).

The value of futures contracts or swaps fluctuates daily, and cash settlements made daily, where applicable, by the Fund are equal to the unrealized gains or losses on a "mark to market" basis. These unrealized gains or losses are recorded and reported as such until the Fund closes out the contract or the contract expires. Margin paid or deposited in respect of futures contracts or swaps is reflected as a receivable in the Statement of Financial Position – Margin on 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 September 30, 2019.

## NOTES TO FINANCIAL STATEMENTS

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

(c) Income recognition

Interest income from interest bearing investments is recognized using the effective interest method. Dividends are accrued as of the ex-dividend date. Realized gains or losses on the sale of investments, including foreign exchange gains or losses on such investments, are calculated on an average cost basis. Distributions received from an underlying fund are included in interest income, dividend income, realized gains (losses) on sale of investments or fee rebate income, as appropriate.

Income, realized gains (losses) and unrealized gains (losses) are allocated daily among the series on a pro-rata basis.

(d) Commissions and other portfolio transaction costs

Commissions and other portfolio transaction costs are costs incurred to acquire, issue or dispose of financial assets or liabilities. They include fees and commissions paid to agents, advisers, brokers and dealers. Commissions may be paid to brokerage firms which provide (or pay for) certain services, other than order execution, which may include investment research, analysis and reports, and databases or software in support of these services. Where applicable and ascertainable, the value of third-party services that were paid for by brokers during the periods is disclosed in Note 9. The value of certain proprietary services provided by brokers cannot be reasonably estimated.

(e) Securities lending, repurchase and reverse repurchase transactions

The Fund is permitted to enter into securities lending, repurchase and reverse repurchase transactions as set out in the Fund's Simplified Prospectus. These transactions involve the temporary exchange of securities for collateral with a commitment to redeliver the same securities on a future date.

Securities lending transactions are administered by Canadian Imperial Bank of Commerce (the "Securities Lending Agent"). The value of cash or securities held as collateral must be at least 102% of the fair value of the securities loaned, sold or purchased. Income is earned from these transactions in the form of fees paid by the counterparty and, in certain circumstances, interest paid on cash or securities held as collateral. Income earned from these transactions is included in the Statement of Comprehensive Income – Securities lending income and recognized when earned.

Note 9 summarizes the details of securities loaned and collateral received, as well as a reconciliation of securities lending income, if applicable.

(f) Offsetting

Financial assets and liabilities are offset and the net amount reported in the Statement of Financial Position only when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously. In the normal course of business, the Fund enters into various master netting agreements or similar agreements that do not meet the criteria for offsetting in the Statement of Financial Position but still allow for the related amounts to be set off in certain circumstances, such as bankruptcy or termination of the contracts. Note 9 summarizes the details of such offsetting, if applicable.

Income and expenses are not offset in the Statement of Comprehensive Income unless required or permitted to by an accounting standard, as specifically disclosed in the IFRS policies of the Fund.

(g) Foreign currency

The functional and presentation currency of the Fund is Canadian dollars. Foreign currency purchases and sales of investments and foreign currency dividend and interest income and expenses are translated to Canadian dollars at the rate of exchange prevailing at the time of the transactions.

Foreign exchange gains (losses) on purchases and sales of foreign currencies are included in the Statement of Comprehensive Income – Other changes in fair value of investments and other net assets – Net realized gain (loss).

The fair value of investments and other assets and liabilities, denominated in foreign currencies, are translated to Canadian dollars at the rate of exchange prevailing on each business day.

(h) Net assets attributable to securityholders per security

Net assets attributable to securityholders per security is computed by dividing the net assets attributable to securityholders of a series of securities on a business day by the total number of securities of the series outstanding on that day.

(i) Net asset value per security

The daily Net Asset Value ("NAV") of an investment fund may be calculated without reference to IFRS as per the Canadian Securities Administrators' ("CSA") regulations. The difference between NAV and Net assets attributable to securityholders (as reported in the financial statements), if any, is mainly due to differences in fair value of investments and other financial assets and liabilities. Refer to Note 9 for the Fund's NAV per security.

## NOTES TO FINANCIAL STATEMENTS

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

(j) Increase (decrease) in net assets attributable to securityholders from operations per security

Increase (decrease) in net assets attributable to securityholders from operations per security in the Statement of Comprehensive Income represents the increase (decrease) in net assets attributable to securityholders from operations for the period, divided by the weighted average number of securities outstanding during the period.

(k) Mergers

The Fund applies the acquisition method of accounting for Fund mergers. Under this method, one of the Funds in each merger is identified as the acquiring Fund, and is referred to as the Continuing Fund, and the other Fund involved in the merger is referred to as the Terminated Fund. This identification is based on the comparison of the relative net asset values of the Funds as well as consideration of the continuation of such aspects of the Continuing Fund as: investment advisors; investment objectives and practices; type of portfolio securities; and management fees and expenses.

### 4. Critical Accounting Estimates and Judgments

The preparation of these financial statements requires management to make estimates and assumptions that primarily affect the valuation of investments. Estimates and assumptions are reviewed on an ongoing basis. Actual results may differ from these estimates.

#### Use of Estimates

##### *Fair value of securities not quoted in an active market*

The Fund may hold financial instruments that are not quoted in active markets and are valued using valuation techniques that make use of observable data, to the extent practicable. Various valuation techniques are utilized, depending on a number of factors, including comparison with similar instruments for which observable market prices exist and recent arm's length market transactions. Key inputs and assumptions used are company specific and may include estimated discount rates and expected price volatilities. Changes in key inputs, could affect the reported fair value of these financial instruments held by the Fund.

#### Use of Judgments

##### *Classification and measurement of investments and application of the fair value option*

In classifying and measuring financial instruments held by the Fund, Mackenzie is required to make significant judgments in order to determine the most appropriate classification in accordance with IFRS 9. Mackenzie has assessed the Fund's business model, the manner in which all financial instruments are managed and performance evaluated as a group on a fair value basis, and concluded that FVTPL in accordance with IFRS 9 provides the most appropriate measurement and presentation of the Fund's financial instruments.

##### *Functional currency*

The Fund's functional and presentation currency is the Canadian dollar, which is the currency considered to best represent the economic effects of the Fund's underlying transactions, events and conditions taking into consideration the manner in which securities are issued and redeemed and how returns and performance by the Fund are measured.

##### *Structured entities and associates*

In determining whether an unlisted open-ended investment fund or an exchange-traded fund in which the Fund invests, but that it does not consolidate, meets the definitions of either a structured entity or of an associate, Mackenzie is required to make significant judgments about whether these underlying funds have the typical characteristics of a structured entity or of an associate. Mackenzie has assessed the characteristics of these underlying funds and has concluded that they do not meet the definition of either a structured entity or of an associate because the Fund does not have contracts or financing arrangements with these underlying funds and the Fund does not have an ability to influence the activities of these underlying funds or the returns it receives from investing in these underlying funds.

### 5. Income Taxes

The Fund qualifies as a mutual fund trust under the provisions of the Income Tax Act (Canada) and, accordingly, is subject to tax on its income including net realized capital gains in the taxation year, which is not paid or payable to its securityholders as at the end of the taxation year. It is the intention of the Fund to distribute all of its net income and sufficient net realized capital gains so that the Fund will not be subject to income taxes other than foreign withholding taxes, if applicable.

Losses of the Fund cannot be allocated to investors and are retained in the Fund for use in future years. Non-capital losses may be carried forward up to 20 years to reduce taxable income and realized capital gains of future years. Capital losses may be carried forward indefinitely to reduce future realized capital gains. Refer to Note 9 for the Fund's loss carryforwards.

## NOTES TO FINANCIAL STATEMENTS

### 6. Management Fees and Operating Expenses

Mackenzie is paid a management fee for managing the investment portfolio, providing investment analysis and recommendations, making investment decisions, making brokerage arrangements relating to the purchase and sale of the investment portfolio and making arrangements with registered dealers for the purchase and sale of securities of the Fund by investors. The management fee is calculated on each series of securities of the Fund as a fixed annual percentage of the daily net asset value of the series.

Each series of the Fund, except B-Series, is charged a fixed rate annual administration fee ("Administration Fee") and in return, Mackenzie bears all of the operating expenses of the Fund, other than certain specified fund costs. The Administration Fee is calculated on each series of securities of the Fund as a fixed annual percentage of the daily net asset value of the series.

Other fund costs include taxes (including, but not limited to GST/HST and income tax), interest and borrowing costs, all fees and expenses of the Mackenzie Funds' Independent Review Committee (IRC), costs of complying with the regulatory requirement to produce Fund Facts, fees paid to external service providers associated with tax reclaims, refunds or the preparation of foreign tax reports on behalf of the Funds, new fees related to external services that were not commonly charged in the Canadian mutual fund industry and introduced after the date of the most recently filed simplified prospectus, and the costs of complying with any new regulatory requirements, including, without limitation, any new fees introduced after the date of the most recently filed simplified prospectus.

All expenses relating to the operation of the Fund attributable to B-Series securities will be charged to that particular series. Operating expenses include legal, audit, transfer agent, custodian, administration and trustee services, cost of financial reporting and Simplified Prospectus printing, regulatory filing fees and other miscellaneous expenses specifically attributable to the B-Series securities and any applicable taxes.

Mackenzie may waive or absorb management fees and/or Administration Fees at its discretion and stop waiving or absorbing such fees at any time without notice. Refer to Note 9 for the management fee and Administration Fee rates charged to each series of securities.

### 7. Fund's Capital

The capital of the Fund, which is comprised of the net assets attributable to securityholders, is divided into different series with each series having an unlimited number of securities. The securities outstanding for the Fund as at September 30, 2019 and 2018 and securities issued, reinvested and redeemed for the periods are presented in the Statement of Changes in Financial Position. Mackenzie manages the capital of the Fund in accordance with the investment objectives as discussed in Note 9.

### 8. Financial Instruments Risk

#### i. Risk exposure and management

The Fund's investment activities expose it to a variety of financial risks, as defined in IFRS 7 *Financial Instruments: Disclosures* ("IFRS 7"). The Fund's exposure to financial risks is concentrated in its investments, which are presented in the Schedule of Investments, as at September 30, 2019, grouped by asset type, with geographic and sector information.

Mackenzie seeks to minimize potential adverse effects of financial risks on the Fund's performance by employing professional, experienced portfolio advisors, by monitoring the Fund's positions and market events daily, by diversifying the investment portfolio within the constraints of the Fund's investment objectives, and where applicable, by using derivatives to hedge certain risk exposures. To assist in managing risks, Mackenzie also maintains a governance structure that oversees the Fund's investment activities and monitors compliance with the Fund's stated investment strategy, internal guidelines, and securities regulations.

#### ii. Liquidity risk

Liquidity risk arises when the Fund encounters difficulty in meeting its financial obligations as they come due. The Fund is exposed to liquidity risk due to potential daily cash redemptions of redeemable securities. In 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.

## NOTES TO FINANCIAL STATEMENTS

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

#### iv. Interest rate risk

Interest rate risk arises when the fair value of interest-bearing financial instruments fluctuates due to changes in the prevailing levels of market interest rates. Cash and cash equivalents do not expose the Fund to significant amounts of interest rate risk. Note 9 summarizes the Fund's exposure, if applicable and significant, to interest rate risk.

#### v. Other price risk

Other price risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk), whether caused by factors specific to an individual investment, its issuer, or all factors affecting all instruments traded in a market or market segment. All investments present a risk of loss of capital. This risk is managed through a careful selection of investments and other financial instruments within the parameters of the investment strategies. Except for certain derivative contracts, the maximum risk resulting from financial instruments is equivalent to their fair value. The maximum risk of loss on certain derivative contracts such as forwards, swaps, and futures contracts is equal to their notional values. In the case of written call (put) options and short futures contracts, the loss to the Fund continues to increase, without limit, as the fair value of the underlying interest increases (decreases). However, these instruments are generally used within the overall investment management process to manage the risk from the underlying investments and do not typically increase the overall risk of loss to the Fund. This risk is mitigated by ensuring that the Fund holds a combination of the underlying interest, cash cover and/or margin that is equal to or greater than the value of the derivative contract. Note 9 summarizes the Fund's exposure, if applicable and significant, to other price risk.

#### vi. Credit risk

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Fund. Note 9 summarizes the Fund's exposure, if applicable and significant, to credit risk.

All transactions in listed securities are executed with approved brokers. To minimize the possibility of settlement default, securities are exchanged for payment simultaneously, where market practices permit, through the facilities of a central depository and/or clearing agency where customary.

The carrying amount of investments and other assets represents the maximum credit risk exposure as at the date of the Statement of Financial Position.

The Fund may enter into securities lending transactions with counterparties and it may also be exposed to credit risk from the counterparties to the derivative instruments it may use. Credit risk associated with these transactions is considered minimal as all counterparties have a rating equivalent to a designated rating organization's credit rating of not less than A-1 (low) on their short-term debt and of A on their long-term debt, as applicable.

#### vii. Underlying funds

The Fund may invest in underlying funds and may be indirectly exposed to currency risk, interest rate risk, other price risk and credit risk from fluctuations in the value of financial instruments held by the underlying funds. Note 9 summarizes the Fund's exposure, if applicable and significant, to these risks from underlying funds.

# MACKENZIE CANADIAN BOND FUND

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2019

FIXED INCOME FUND

## NOTES TO FINANCIAL STATEMENTS

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

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

Date of Formation January 12, 1989

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

Series AR securities are offered to retail investors in a Registered Disability Savings Plan offered by Mackenzie.

Series D securities are offered to retail investors investing a minimum of \$500 through a discount brokerage or other account approved by Mackenzie.

Series F securities are offered to investors who are enrolled in a dealer-sponsored fee-for-service or wrap program, who are subject to an asset-based fee rather than commissions on each transaction and who invest at least \$500; they are also available to employees of Mackenzie and its subsidiaries, and directors of Mackenzie.

Series FB securities are offered to retail investors investing a minimum of \$500. Investors are required to negotiate their advisor service fee, which cannot exceed 1.50%, with their financial advisor.

Series I securities are offered to retail investors investing a minimum of \$500 in a qualified group plan with a minimum of \$10,000,000 in assets.

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

Series PWF 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 Related Insurance Companies and certain other mutual funds, but may be sold to other investors as determined by Mackenzie.

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

Series B, Series C and Advisor Series securities were created specifically for the purpose of implementing mergers affecting the Fund and are not available for sale.

Series J, Series M, Series PWT8, Series U and B-Series securities are no longer available for sale.

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

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

**Series Distributed by LBC Financial Services Inc.** *(1360 René-Lévesque Blvd. West, 13th Floor, Montréal, Québec H3G 0A9; 1-800-522-1846; www.laurentianbank.ca/mackenzie)*

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

# MACKENZIE CANADIAN BOND FUND

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2019

FIXED INCOME FUND

## 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, various low-load purchase options and a no-load purchase option. The charges under the sales charge purchase option are negotiated by investors with their dealers. The charges under the redemption charge and low-load purchase options are paid to Mackenzie if an investor redeems securities of the Fund during specific periods. Not all purchase options are available under each series of the Fund, and the charges for each purchase option may vary among the different series. For further details on these purchase options, please refer to the Fund's Simplified Prospectus and Fund Facts.

Series	Inception/ Reinstatement Date	Management Fees	Administration Fees	Net Asset Value per Security (\$)	
				Sep. 30, 2019	Mar. 31, 2019
Series A	February 10, 1989	1.35%	0.17%	14.31	13.98
Series AR	November 15, 2011	1.35%	0.20%	10.54	10.30
Series B	November 25, 2016	1.25%	0.17%	10.40	10.16
Series C	November 25, 2016	1.00%	0.17%	10.39	10.15
Series D	March 17, 2014	0.80%	0.15%	10.37	10.13
Series F	February 2, 2001	0.45% <sup>(3)</sup>	0.15%	12.17	11.90
Series FB	October 26, 2015	0.55%	0.17%	10.44	10.20
Series G	April 6, 2005	1.10%	0.17%	11.18	10.92
Series I	October 25, 1999	0.80%	0.17%	6.12	5.98
Series IG	January 2, 2018	— *	— *	10.45	10.21
Series J	December 22, 2008	1.00%	0.15%	11.31	11.06
Series M	August 9, 2002	Up to 0.85%	0.17%	11.70	11.43
Series O	January 26, 2001	— <sup>(1)</sup>	— *	12.10	11.82
Series PW	October 10, 2013	0.95% <sup>(4)</sup>	0.15%	10.81	10.57
Series PWF	None issued <sup>(5)</sup>	0.55%	0.15%	—	—
Series PWFB	April 3, 2017	0.45% <sup>(3)</sup>	0.15%	10.33	10.10
Series PWR	April 1, 2019	1.00%	0.15%	10.28	—
Series PWT8	June 8, 2015	0.95% <sup>(4)</sup>	0.15%	11.42	11.51
Series PWX	February 20, 2014	— <sup>(2)</sup>	— <sup>(2)</sup>	10.44	10.20
Series R	July 3, 2007	— *	— *	11.36	11.10
Series S	October 6, 2009	— <sup>(1)</sup>	0.02%	11.00	10.75
Series SC	November 10, 2010	1.05%	0.17%	10.63	10.39
Series U	November 25, 2016	1.00%	0.17%	10.39	10.15
Investor Series	September 25, 2009	0.89%	0.17%	10.98	10.73
B-Series	September 25, 2009	— <sup>(1)</sup>	— *	10.86	10.61
Advisor Series	September 25, 2009	1.35%	0.17%	10.94	10.70
Series LB	January 20, 2012	1.05%	0.17%	10.40	10.16
Series LW	December 1, 2017	0.95% <sup>(6)</sup>	0.15%	10.41	10.17

\* Not applicable.



# MACKENZIE CANADIAN BOND FUND

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2019

FIXED INCOME FUND

## NOTES TO FINANCIAL STATEMENTS

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

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

- (1) This fee is negotiable and payable directly to Mackenzie by investors in this series.
- (2) This fee is payable directly to Mackenzie by investors in this series through redemptions of their securities.
- (3) Prior to June 1, 2018, the management fee for this series was charged to the Fund at a rate of 0.55%. From June 1 through September 27, 2018, the management fee for this series was charged to the Fund at a rate of 0.50%.
- (4) Prior to June 1, 2018, the management fee for this series was charged to the Fund at a rate of 1.05%. From June 1 through September 27, 2018, the management fee for this series was charged to the Fund at a rate of 1.00%.
- (5) The series' original start date was March 21, 2014. All securities in the series were consolidated into Series F on June 1, 2018.
- (6) Prior to November 23, 2018, the management fee for Series LW was charged to the Fund at a rate of 1.05%.

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

As at September 30, 2019, Mackenzie, other funds managed by Mackenzie, Related Insurance Companies and funds managed by I.G. Investment Management, Ltd. had an investment of \$7, \$436,378, \$313,064 and \$345,238 (March 31, 2019 – \$5, \$365,740, \$313,625 and \$354,304), respectively, in the Fund.

#### (c) Loss Carryforwards

As at the last taxation year-end, the Fund has capital losses of \$11,587 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 September 30, 2019 and March 31, 2019, were as follows:

	September 30, 2019	March 31, 2019
	(\$)	(\$)
Value of securities loaned	249,161	230,484
Value of collateral received	262,744	242,395

Collateral received is comprised of debt obligations of the Government of Canada and other countries, Canadian provincial and municipal governments and financial institutions.

A reconciliation of the gross amount generated from the securities lending transactions to the security lending income to the Fund for the periods ended September 30, 2019 and 2018 is as follows:

	2019		2018	
	(\$)	(%)	(\$)	(%)
Gross securities lending income	124	100.0	117	100.0
Tax withheld	–	–	(1)	(0.9)
	124	100.0	116	99.1
Payments to Securities Lending Agent	(31)	(25.0)	(29)	(24.8)
Securities lending income	93	75.0	87	74.3



**MACKENZIE**  
Investments

# MACKENZIE CANADIAN BOND FUND

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2019

FIXED INCOME FUND

## NOTES TO FINANCIAL STATEMENTS

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

#### (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.

	September 30, 2019			
	Gross amount of assets/liabilities (\$)	Amount available for offset (\$)	Margin (\$)	Net amount (\$)
Unrealized gains on derivative contracts	626	(1)	–	625
Unrealized losses on derivative contracts	(361)	1	849	489
Liability for options written	–	–	–	–
Total	265	–	849	1,114

	March 31, 2019			
	Gross amount of assets/liabilities (\$)	Amount available for offset (\$)	Margin (\$)	Net amount (\$)
Unrealized gains on derivative contracts	41	–	–	41
Unrealized losses on derivative contracts	(1,976)	–	4,564	2,588
Liability for options written	–	–	–	–
Total	(1,935)	–	4,564	2,629

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

##### i. Risk exposure and management

The Fund seeks income and capital growth by investing mainly in Canadian government fixed income securities and high-quality, or investment grade, corporate fixed income securities and asset-backed securities. The Fund may hold up to 30% of its assets in foreign investments.

##### 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.

Currency	September 30, 2019			
	Investments (\$)	Cash and Short-Term Investments (\$)	Derivative Instruments (\$)	Net Exposure* (\$)
U.S. dollar	167,782	113	(139,109)	28,786
New Zealand dollar	10,426	–	(10,373)	53
Mexican peso	–	1	–	1
Total	178,208	114	(149,482)	28,840
% of Net Assets	12.2	–	(10.2)	2.0



**MACKENZIE**  
Investments

# MACKENZIE CANADIAN BOND FUND

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2019

FIXED INCOME FUND

## 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	52,340	4,753	(51,636)	5,457
Mexican peso	–	1	–	1
New Zealand dollar	11,368	–	(11,375)	(7)
Total	63,708	4,754	(63,011)	5,451
% of Net Assets	4.6	0.3	(4.6)	0.3

\* Includes both monetary and non-monetary financial instruments

As at September 30, 2019, 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 \$1,442 or 0.1% of total net assets (March 31, 2019 – decreased or increased by \$273 or 0.0%). In practice, the actual trading results may differ and the difference could be material.

iii. Interest rate risk

The table below summarizes the Fund's exposure to interest rate risks from its investments in bonds and derivative instruments by term to maturity.

Term to Maturity	September 30, 2019 (\$)		March 31, 2019 (\$)	
	Bonds	Derivative Instruments	Bonds	Derivative Instruments
Less than 1 year	17,147	(93,038)	12,873	(130,173)
1-5 years	519,118	–	444,398	–
5-10 years	484,642	–	401,604	–
Greater than 10 years	394,165	–	402,802	–
Total	1,415,072	(93,038)	1,261,677	(130,173)

As at September 30, 2019, 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 \$115,624 or 7.9% (March 31, 2019 – \$98,344 or 7.1%) 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 \$115,859 or 7.9% (March 31, 2019 – \$98,720 or 7.1%) of total net assets. In practice, the actual trading results may differ and the difference could be material.

iv. Other price risk

As at September 30, 2019 and March 31, 2019, the Fund did not have a significant exposure to price risk.

# MACKENZIE CANADIAN BOND FUND

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2019

FIXED INCOME FUND

## 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*

The Fund's greatest concentration of credit risk is in debt securities, such as bonds. The fair value of debt securities includes consideration of the creditworthiness of the debt issuer. The maximum exposure to any one debt issuer as at September 30, 2019, was 15.5% of the net assets of the Fund (March 31, 2019 – 22.2%).

As at September 30, 2019 and March 31, 2019, debt securities by credit rating are as follows:

Bond Rating*	September 30, 2019	March 31, 2019
	% of Net Assets	% of Net Assets
AAA	20.1	27.6
AA	26.1	17.3
A	30.9	27.3
BBB	19.5	18.9
Less than BBB	–	–
Unrated	–	0.1
Total	96.6	91.2

\* 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.

	September 30, 2019				March 31, 2019			
	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
Bonds	–	1,415,072	–	1,415,072	–	1,261,677	–	1,261,677
Options	–	66	–	66	–	177	–	177
Exchange-traded funds/notes	19,891	–	–	19,891	18,796	–	–	18,796
Derivative assets	1,183	700	–	1,883	–	158	–	158
Derivative liabilities	–	(536)	–	(536)	(1,863)	(741)	–	(2,604)
Short-term investments	–	18,162	–	18,162	–	89,649	–	89,649
Total	21,074	1,433,464	–	1,454,538	16,933	1,350,920	–	1,367,853

The Fund's policy is to recognize transfers into and transfers out of fair value hierarchy levels as of the date of the event or change in circumstances that caused the transfer.

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

Financial instruments classified as Level 2 investments are valued based on the prices provided by an independent reputable pricing services company who prices the securities based on recent transactions and quotes received from market participants and through incorporating observable market data and using standard market convention practices. Short-term investments classified as Level 2 investments are valued based on amortized cost plus accrued interest which closely approximates fair value.