

# MACKENZIE GLOBAL RESOURCE FUND

*(Formerly Mackenzie Canadian Resource Fund)*

SECTOR FUND

## ***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**  
Investments

# MACKENZIE GLOBAL RESOURCE FUND

(Formerly Mackenzie Canadian Resource Fund)

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2019

SECTOR 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>Net assets attributable to securityholders per security (note 3)</b>		
<b>Current assets</b>			<b>Series A</b>	17.27	18.45
Investments at fair value	485,746	540,347	<b>Series D</b>	7.35	7.82
Cash and cash equivalents	3,077	6,472	<b>Series F</b>	11.56	12.26
Dividends receivable	855	947	<b>Series FB</b>	10.07	10.69
Accounts receivable for investments sold	8,153	10,869	<b>Series G</b>	7.83	8.34
Accounts receivable for securities issued	4	4	<b>Series I</b>	10.70	11.39
Margin on derivatives	–	11	<b>Series J</b>	–	6.81
<b>Total assets</b>	<b>497,835</b>	<b>558,650</b>	<b>Series O</b>	22.94	24.19
<b>LIABILITIES</b>			<b>Series PW</b>	7.04	7.51
<b>Current liabilities</b>			<b>Series PWFB</b>	7.91	8.39
Accounts payable for investments purchased	2,819	339	<b>Series PWX</b>	7.82	8.25
Accounts payable for securities redeemed	415	735	<b>Series R</b>	6.76	7.12
<b>Total liabilities</b>	<b>3,234</b>	<b>1,074</b>	<b>Series S</b>	16.94	17.86
<b>Net assets attributable to securityholders</b>	<b>494,601</b>	<b>557,576</b>	<b>Quadrus Series</b>	12.65	13.51
<b>Net assets attributable to securityholders per series (note 3)</b>			<b>H Series</b>	15.23	16.17
<b>Series A</b>	52,750	63,427	<b>HW Series</b>	7.91	8.39
<b>Series D</b>	670	708	<b>L Series</b>	7.00	7.46
<b>Series F</b>	4,927	5,725	<b>N Series</b>	7.71	8.13
<b>Series FB</b>	10	17	<b>QF Series</b>	8.02	8.51
<b>Series G</b>	93	109	<b>QFW Series</b>	7.92	8.39
<b>Series I</b>	303	323	<b>Series LB</b>	6.24	6.67
<b>Series J</b>	–	33	<b>Series LW</b>	8.27	8.82
<b>Series O</b>	5,148	6,085			
<b>Series PW</b>	21,782	24,265			
<b>Series PWFB</b>	79	87			
<b>Series PWX</b>	795	768			
<b>Series R</b>	36,051	36,829			
<b>Series S</b>	330,252	369,279			
<b>Quadrus Series</b>	29,248	34,714			
<b>H Series</b>	1,683	1,896			
<b>HW Series</b>	63	67			
<b>L Series</b>	7,508	9,142			
<b>N Series</b>	2,134	2,879			
<b>QF Series</b>	416	477			
<b>QFW Series</b>	116	50			
<b>Series LB</b>	285	319			
<b>Series LW</b>	288	377			

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



**MACKENZIE**  
Investments

# MACKENZIE GLOBAL RESOURCE FUND

(Formerly Mackenzie Canadian Resource Fund)

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2019

SECTOR 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>N Series</b>	(151)	318
Dividends	4,974	5,725	<b>QF Series</b>	(27)	54
Interest income	1,022	1,111	<b>QFW Series</b>	(7)	1
Other changes in fair value of investments and other net assets			<b>Series LB</b>	(19)	42
Net realized gain (loss)	(25,577)	30,373	<b>Series LW</b>	(20)	15
Net unrealized gain (loss)	(7,401)	11,336	<b>Increase (decrease) in net assets attributable to securityholders from operations per security</b>		
Securities lending income	47	–	<b>Series A</b>	(1.20)	1.62
<b>Total income (loss)</b>	<b>(26,935)</b>	<b>48,545</b>	<b>Series D</b>	(0.44)	0.65
<b>Expenses (note 6)</b>			<b>Series F</b>	(0.72)	0.42
Management fees	1,348	2,010	<b>Series FB</b>	(0.98)	2.53
Management fee rebates	(7)	(13)	<b>Series G</b>	(0.54)	0.55
Administration fees	229	336	<b>Series I</b>	(0.69)	0.73
Interest charges	19	14	<b>Series J</b>	(0.31)	0.48
Commissions and other portfolio transaction costs	887	662	<b>Series O</b>	(1.22)	1.77
Independent Review Committee fees	1	1	<b>Series PW</b>	(0.47)	(0.10)
Other	3	3	<b>Series PWF</b>	–	0.94
<b>Expenses before amounts absorbed by Manager</b>	<b>2,480</b>	<b>3,013</b>	<b>Series PWFB</b>	(0.48)	0.21
Expenses absorbed by Manager	–	–	<b>Series PWX</b>	(0.43)	0.63
<b>Net expenses</b>	<b>2,480</b>	<b>3,013</b>	<b>Series R</b>	(0.35)	0.60
<b>Increase (decrease) in net assets attributable to securityholders from operations before tax</b>	<b>(29,415)</b>	<b>45,532</b>	<b>Series S</b>	(0.94)	1.41
Foreign withholding taxes	457	229	<b>Quadrus Series</b>	(0.88)	0.89
Foreign income taxes paid (recovered)	–	–	<b>H Series</b>	(0.94)	1.11
<b>Increase (decrease) in net assets attributable to securityholders from operations</b>	<b>(29,872)</b>	<b>45,303</b>	<b>HW Series</b>	(0.48)	(0.10)
<b>Increase (decrease) in net assets attributable to securityholders from operations per series</b>			<b>L Series</b>	(0.48)	0.48
<b>Series A</b>	<b>(3,884)</b>	<b>7,024</b>	<b>N Series</b>	(0.50)	0.63
<b>Series D</b>	<b>(40)</b>	<b>56</b>	<b>QF Series</b>	(0.50)	0.67
<b>Series F</b>	<b>(317)</b>	<b>205</b>	<b>QFW Series</b>	(0.50)	0.18
<b>Series FB</b>	<b>(1)</b>	<b>6</b>	<b>Series LB</b>	(0.42)	0.43
<b>Series G</b>	<b>(7)</b>	<b>10</b>	<b>Series LW</b>	(0.54)	0.62
<b>Series I</b>	<b>(20)</b>	<b>20</b>			
<b>Series J</b>	<b>(1)</b>	<b>3</b>			
<b>Series O</b>	<b>(302)</b>	<b>522</b>			
<b>Series PW</b>	<b>(1,492)</b>	<b>(268)</b>			
<b>Series PWF</b>	<b>–</b>	<b>254</b>			
<b>Series PWFB</b>	<b>(5)</b>	<b>2</b>			
<b>Series PWX</b>	<b>(43)</b>	<b>63</b>			
<b>Series R</b>	<b>(1,874)</b>	<b>2,804</b>			
<b>Series S</b>	<b>(18,875)</b>	<b>30,733</b>			
<b>Quadrus Series</b>	<b>(2,135)</b>	<b>2,661</b>			
<b>H Series</b>	<b>(107)</b>	<b>142</b>			
<b>HW Series</b>	<b>(4)</b>	<b>(1)</b>			
<b>L Series</b>	<b>(541)</b>	<b>637</b>			

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



**MACKENZIE**  
Investments

# MACKENZIE GLOBAL RESOURCE FUND

(Formerly Mackenzie Canadian Resource Fund)

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2019

SECTOR FUND

## STATEMENTS OF CHANGES IN FINANCIAL POSITION

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

	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018
	Series A		Series D		Series F		Series FB		Series G	
	\$		\$		\$		\$		\$	
<b>NET ASSETS ATTRIBUTABLE TO SECURITYHOLDERS</b>										
<b>Beginning of period</b>	63,427	102,893	708	865	5,725	5,210	17	68	109	166
Increase (decrease) in net assets from operations	(3,884)	7,024	(40)	56	(317)	205	(1)	6	(7)	10
Distributions paid to securityholders:										
Investment income	—	—	—	—	—	—	—	—	—	—
Capital gains	—	—	—	—	—	—	—	—	—	—
Management fee rebates	—	—	—	—	—	—	—	—	—	—
Total distributions paid to securityholders	—	—	—	—	—	—	—	—	—	—
Security transactions:										
Proceeds from securities issued	1,740	2,729	55	67	337	2,906	7	9	—	—
Reinvested distributions	—	—	—	—	—	—	—	—	—	—
Payments on redemption of securities	(8,533)	(31,036)	(53)	(277)	(818)	(722)	(13)	(67)	(9)	(19)
Total security transactions	(6,793)	(28,307)	2	(210)	(481)	2,184	(6)	(58)	(9)	(19)
<b>Total increase (decrease) in net assets</b>	<b>(10,677)</b>	<b>(21,283)</b>	<b>(38)</b>	<b>(154)</b>	<b>(798)</b>	<b>2,389</b>	<b>(7)</b>	<b>(52)</b>	<b>(16)</b>	<b>(9)</b>
<b>End of period</b>	<b>52,750</b>	<b>81,610</b>	<b>670</b>	<b>711</b>	<b>4,927</b>	<b>7,599</b>	<b>10</b>	<b>16</b>	<b>93</b>	<b>157</b>

	Securities		Securities		Securities		Securities		Securities	
<b>Increase (decrease) in fund securities (note 7):</b>										
<b>Securities outstanding – beginning of period</b>	3,438	5,080	91	102	467	392	2	6	13	18
Issued	99	123	7	7	29	196	—	—	—	—
Reinvested distributions	—	—	—	—	—	—	—	—	—	—
Redeemed	(483)	(1,383)	(7)	(30)	(70)	(49)	(1)	(5)	(1)	(2)
<b>Securities outstanding – end of period</b>	<b>3,054</b>	<b>3,820</b>	<b>91</b>	<b>79</b>	<b>426</b>	<b>539</b>	<b>1</b>	<b>1</b>	<b>12</b>	<b>16</b>

	Series I		Series J		Series O		Series PW		Series PWF	
	\$		\$		\$		\$		\$	
<b>NET ASSETS ATTRIBUTABLE TO SECURITYHOLDERS</b>										
<b>Beginning of period</b>	323	352	33	42	6,085	7,668	24,265	13,426	—	2,078
Increase (decrease) in net assets from operations	(20)	20	(1)	3	(302)	522	(1,492)	(268)	—	254
Distributions paid to securityholders:										
Investment income	—	—	—	—	—	—	—	—	—	—
Capital gains	—	—	—	—	—	—	—	—	—	—
Management fee rebates	—	—	—	—	—	—	(1)	(3)	—	—
Total distributions paid to securityholders	—	—	—	—	—	—	(1)	(3)	—	—
Security transactions:										
Proceeds from securities issued	—	—	—	—	204	471	1,497	18,781	—	43
Reinvested distributions	—	—	—	—	—	—	1	1	—	—
Payments on redemption of securities	—	—	(32)	(4)	(839)	(638)	(2,488)	(2,233)	—	(2,375)
Total security transactions	—	—	(32)	(4)	(635)	(167)	(990)	16,549	—	(2,332)
<b>Total increase (decrease) in net assets</b>	<b>(20)</b>	<b>20</b>	<b>(33)</b>	<b>(1)</b>	<b>(937)</b>	<b>355</b>	<b>(2,483)</b>	<b>16,278</b>	<b>—</b>	<b>(2,078)</b>
<b>End of period</b>	<b>303</b>	<b>372</b>	<b>—</b>	<b>41</b>	<b>5,148</b>	<b>8,023</b>	<b>21,782</b>	<b>29,704</b>	<b>—</b>	<b>—</b>

	Securities		Securities		Securities		Securities		Securities	
<b>Increase (decrease) in fund securities (note 7):</b>										
<b>Securities outstanding – beginning of period</b>	28	28	5	6	252	296	3,232	1,634	—	276
Issued	—	—	—	—	8	17	207	2,038	—	5
Reinvested distributions	—	—	—	—	—	—	—	—	—	—
Redeemed	—	—	(5)	(1)	(36)	(23)	(346)	(250)	—	(281)
<b>Securities outstanding – end of period</b>	<b>28</b>	<b>28</b>	<b>—</b>	<b>5</b>	<b>224</b>	<b>290</b>	<b>3,093</b>	<b>3,422</b>	<b>—</b>	<b>—</b>

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

# MACKENZIE GLOBAL RESOURCE FUND

(Formerly Mackenzie Canadian Resource Fund)

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2019

SECTOR 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	2019	2018	2019	2018
	Series PWF		Series PWX		Series R		Series S		Quadrus Series	
NET ASSETS ATTRIBUTABLE TO SECURITYHOLDERS	\$		\$		\$		\$		\$	
Beginning of period	87	93	768	894	36,829	39,922	369,279	435,619	34,714	46,301
Increase (decrease) in net assets from operations	(5)	2	(43)	63	(1,874)	2,804	(18,875)	30,733	(2,135)	2,661
Distributions paid to securityholders:										
Investment income	-	-	-	-	-	-	-	-	-	-
Capital gains	-	-	-	-	-	-	-	-	-	-
Management fee rebates	-	-	-	-	-	-	-	-	(5)	(9)
Total distributions paid to securityholders	-	-	-	-	-	-	-	-	(5)	(9)
Security transactions:										
Proceeds from securities issued	1	77	163	2	2,495	1,647	3,699	13,191	609	1,218
Reinvested distributions	-	-	-	-	-	-	-	-	5	5
Payments on redemption of securities	(4)	(2)	(93)	(53)	(1,399)	(6,155)	(23,851)	(45,995)	(3,940)	(5,639)
Total security transactions	(3)	75	70	(51)	1,096	(4,508)	(20,152)	(32,804)	(3,326)	(4,416)
Total increase (decrease) in net assets	(8)	77	27	12	(778)	(1,704)	(39,027)	(2,071)	(5,466)	(1,764)
End of period	79	170	795	906	36,051	38,218	330,252	433,548	29,248	44,537

Increase (decrease) in fund securities (note 7):	Securities		Securities		Securities		Securities		Securities	
Securities outstanding – beginning of period	10	10	93	101	5,170	5,231	20,672	22,757	2,569	3,118
Issued	-	8	21	-	368	200	215	638	47	75
Reinvested distributions	-	-	-	-	-	-	-	-	-	-
Redeemed	-	-	(12)	(5)	(201)	(741)	(1,387)	(2,181)	(304)	(348)
Securities outstanding – end of period	10	18	102	96	5,337	4,690	19,500	21,214	2,312	2,845

	H Series		HW Series		L Series		N Series		QF Series	
NET ASSETS ATTRIBUTABLE TO SECURITYHOLDERS	\$		\$		\$		\$		\$	
Beginning of period	1,896	2,275	67	-	9,142	11,248	2,879	4,174	477	804
Increase (decrease) in net assets from operations	(107)	142	(4)	(1)	(541)	637	(151)	318	(27)	54
Distributions paid to securityholders:										
Investment income	-	-	-	-	-	-	-	-	-	-
Capital gains	-	-	-	-	-	-	-	-	-	-
Management fee rebates	(1)	(1)	-	-	-	-	-	-	-	-
Total distributions paid to securityholders	(1)	(1)	-	-	-	-	-	-	-	-
Security transactions:										
Proceeds from securities issued	12	29	-	65	236	638	242	942	8	60
Reinvested distributions	1	1	-	-	-	-	-	-	-	-
Payments on redemption of securities	(118)	(146)	-	-	(1,329)	(1,529)	(836)	(551)	(42)	(178)
Total security transactions	(105)	(116)	-	65	(1,093)	(891)	(594)	391	(34)	(118)
Total increase (decrease) in net assets	(213)	25	(4)	64	(1,634)	(254)	(745)	709	(61)	(64)
End of period	1,683	2,300	63	64	7,508	10,994	2,134	4,883	416	740

Increase (decrease) in fund securities (note 7):	Securities		Securities		Securities		Securities		Securities	
Securities outstanding – beginning of period	117	130	8	-	1,225	1,377	354	479	56	87
Issued	1	2	-	7	32	71	31	104	1	5
Reinvested distributions	-	-	-	-	-	-	-	-	-	-
Redeemed	(8)	(8)	-	-	(185)	(174)	(108)	(58)	(5)	(17)
Securities outstanding – end of period	110	124	8	7	1,072	1,274	277	525	52	75

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

# MACKENZIE GLOBAL RESOURCE FUND

(Formerly Mackenzie Canadian Resource Fund)

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2019

SECTOR 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	2019	2018
	QFW Series		Series LB		Series LW		Total	
	\$		\$		\$		\$	
<b>NET ASSETS ATTRIBUTABLE TO SECURITYHOLDERS</b>								
<b>Beginning of period</b>	50	–	319	724	377	248	557,576	675,070
Increase (decrease) in net assets from operations	(7)	1	(19)	42	(20)	15	(29,872)	45,303
Distributions paid to securityholders:								
Investment income	–	–	–	–	–	–	–	–
Capital gains	–	–	–	–	–	–	–	–
Management fee rebates	–	–	–	–	–	–	(7)	(13)
Total distributions paid to securityholders	–	–	–	–	–	–	(7)	(13)
Security transactions:								
Proceeds from securities issued	74	23	1	1	–	5	11,380	42,904
Reinvested distributions	–	–	–	–	–	–	7	7
Payments on redemption of securities	(1)	(10)	(16)	(68)	(69)	(28)	(44,483)	(97,725)
Total security transactions	73	13	(15)	(67)	(69)	(23)	(33,096)	(54,814)
<b>Total increase (decrease) in net assets</b>	<b>66</b>	<b>14</b>	<b>(34)</b>	<b>(25)</b>	<b>(89)</b>	<b>(8)</b>	<b>(62,975)</b>	<b>(9,524)</b>
<b>End of period</b>	<b>116</b>	<b>14</b>	<b>285</b>	<b>699</b>	<b>288</b>	<b>240</b>	<b>494,601</b>	<b>665,546</b>
<b>Increase (decrease) in fund securities (note 7):</b>								
<b>Securities outstanding – beginning of period</b>	<b>6</b>	<b>–</b>	<b>48</b>	<b>99</b>	<b>43</b>	<b>26</b>		
Issued	9	2	–	–	–	–		
Reinvested distributions	–	–	–	–	–	–		
Redeemed	–	(1)	(2)	(9)	(8)	(3)		
<b>Securities outstanding – end of period</b>	<b>15</b>	<b>1</b>	<b>46</b>	<b>90</b>	<b>35</b>	<b>23</b>		

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



**MACKENZIE**  
Investments

# MACKENZIE GLOBAL RESOURCE FUND

(Formerly Mackenzie Canadian Resource Fund)

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2019

SECTOR 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	(29,872)	45,303
Adjustments for:		
Net realized loss (gain) on investments	25,359	(21,160)
Change in net unrealized loss (gain) on investments	7,401	(11,336)
Purchase of investments	(187,489)	(118,085)
Proceeds from sale and maturity of investments	214,531	170,283
Change in accrued interest receivable	–	59
Change in dividends receivable	92	(497)
Change in due from manager	–	6
Change in margin on derivatives	11	–
Change in due to manager	–	(25)
<b>Net cash from operating activities</b>	<b>30,033</b>	<b>64,548</b>
<b>Cash flows from financing activities</b>		
Proceeds from securities issued	9,301	22,732
Payments on redemption of securities	(42,724)	(77,884)
Distributions paid net of reinvestments	–	(6)
<b>Net cash from financing activities</b>	<b>(33,423)</b>	<b>(55,158)</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(3,390)</b>	<b>9,390</b>
Cash and cash equivalents at beginning of period	6,472	5,367
Effect of exchange rate fluctuations on cash and cash equivalents	(5)	(4)
<b>Cash and cash equivalents at end of period</b>	<b>3,077</b>	<b>14,753</b>
Cash	537	499
Cash equivalents	2,540	14,254
<b>Cash and cash equivalents at end of period</b>	<b>3,077</b>	<b>14,753</b>
<b>Supplementary disclosures on cash flow from operating activities:</b>		
Dividends received	5,066	5,228
Foreign taxes paid	457	229
Interest received	1,022	1,170
Interest paid	19	14

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



**MACKENZIE**  
Investments

# MACKENZIE GLOBAL RESOURCE FUND

(Formerly Mackenzie Canadian Resource Fund)

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2019

SECTOR FUND

## SCHEDULE OF INVESTMENTS

As at September 30, 2019

	Country	Sector	Par Value/ No. of Shares/Units	Average Cost (\$ 000s)	Fair Value (\$ 000s)
<b>EQUITIES</b>					
Advantage Oil & Gas Ltd.	Canada	Energy	4,745,400	22,871	10,203
Agnico-Eagle Mines Ltd.	Canada	Materials	200,000	9,705	14,200
AngloGold Ashanti Ltd. ADR	South Africa	Materials	550,000	9,277	13,300
ARC Resources Ltd.	Canada	Energy	1,107,222	10,895	6,987
Aston Bay Holdings Ltd.	Canada	Materials	3,100,000	1,072	217
Barrick Gold Corp.	Canada	Materials	326,300	5,689	7,479
Belgravia Capital International Inc.	Canada	Materials	16,641,000	5,179	250
Bernum Petroleum Ltd. Private Placement	Canada	Energy	220,000	286	4
BP PLC ADR	United Kingdom	Energy	100,000	4,981	5,028
Brazil Potash Corp. Private Placement	Canada	Materials	2,255,000	2,262	8,954
Buried Hill Energy (Cyprus) Public Co. Ltd. Private Placement	Cyprus	Energy	8,931,333	18,466	17,496
California Resources Corp.	United States	Energy	100,000	2,116	1,350
Canadian Natural Resources Ltd.	Canada	Energy	303,100	11,570	10,684
Carrizo Oil & Gas Inc.	United States	Energy	730,000	20,139	8,295
China Metal Recycling (Holdings) Ltd.	Hong Kong	Materials	15,000,000	17,903	–
Conifex Timber Inc.	Canada	Materials	900,000	5,350	612
Copper Mountain Mining Corp.	Canada	Materials	5,700,000	6,804	3,819
Coro Mining Corp.	Canada	Materials	36,761,055	3,069	3,125
Cuda Oil and Gas Inc. Warrant Exp. 08-14-2020	Canada	Energy	49,612	–	4
Cuda Oil and Gas Inc.	Canada	Energy	197,703	887	79
Detour Gold Corp.	Canada	Materials	600,200	9,243	11,674
DowDuPont Inc.	United States	Materials	90,000	8,032	8,495
Eastman Chemical Co.	United States	Materials	126,200	13,423	12,332
EastSiberian PLC	Canada	Energy	246,083	12	–
Enerplus Corp.	Canada	Energy	63,919	699	631
Eni SPA ADR	Italy	Energy	318,782	13,587	12,865
Essential Energy Services Ltd.	Canada	Energy	4,000,000	8,700	1,160
First Quantum Minerals Ltd.	Zambia	Materials	1,549,541	18,238	17,246
Fox River Resources Corp.	Canada	Materials	2,793,600	84	210
Global Energy Ventures Ltd.	Australia	Energy	109,758	46	14
Gold Fields Ltd. ADR	South Africa	Materials	1,678,627	10,327	10,931
Handa Mining Corp.	Canada	Materials	368,000	31	11
Hochschild Mining PLC	Peru	Materials	1,268,100	4,639	4,233
Hornbeck Offshore Services Inc.	United States	Energy	1,044,672	20,800	1,051
IAMGOLD Corp.	Canada	Materials	512,800	2,670	2,318
Interfor Corp.	Canada	Materials	289,300	4,641	4,050
Jupiter Resources Inc.	Canada	Energy	1,280,213	7,464	5,274
Kelt Exploration Ltd.	Canada	Energy	608,095	2,915	2,116
Kosmos Energy Ltd.	Ghana	Energy	60,000	529	496
Lundin Gold Inc.	Canada	Materials	705,713	3,952	5,399
Marathon Petroleum Corp.	United States	Energy	130,000	9,828	10,453
Mountain Province Diamonds Inc.	Canada	Materials	900,000	4,453	1,116
MRC Global Inc.	United States	Industrials	593,100	11,588	9,522
Neo Lithium Corp.	Canada	Materials	2,183,333	2,620	1,201
Newmont Goldcorp Corp. (USD Shares)	United States	Materials	29,200	1,561	1,466
Noble Energy Inc.	United States	Energy	495,400	19,013	14,727
Norbord Inc.	Canada	Materials	205,967	6,764	6,542
NuLegacy Gold Corp.	Canada	Materials	4,900,000	368	369



**MACKENZIE**  
Investments



# MACKENZIE GLOBAL RESOURCE FUND

(Formerly Mackenzie Canadian Resource Fund)

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2019

SECTOR 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>EQUITIES (cont'd)</b>					
Nutrien Ltd.	Canada	Materials	256,700	16,822	16,942
Parex Resources Inc.	Canada	Energy	50,000	1,041	1,015
Petrowolf Resources LLC - Private Placement	United States	Energy	231	254	76
Petrus Resources Ltd.	Canada	Energy	257,624	1,164	50
Pieridae Energy Ltd.	Canada	Energy	2,034,666	3,204	1,933
Plains GP Holdings LP	United States	Energy	346,900	9,683	9,748
Pretium Resources Inc.	Canada	Materials	456,400	7,795	6,969
Range Energy Resources Inc. Purchase Warrants Exp. 01-18-2021	Canada	Energy	2,000,000	—	—
Range Energy Resources Inc. Purchase Warrants Exp. 11-06-2020	Canada	Energy	2,500,000	—	—
Range Energy Resources Inc. Purchase Warrants Exp. 12-30-2020	Canada	Energy	1,000,000	—	—
Range Energy Resources Inc.	Canada	Energy	33,045,000	1,046	165
Red Crescent Resources Ltd.	Turkey	Materials	6,718,671	—	—
Reunion Gold Corp. Purchase Warrants Exp. 09-19-2020	Canada	Materials	1,050,000	—	64
Rio Tinto PLC ADR	United Kingdom	Materials	40,000	2,755	2,758
Royal Dutch Shell PLC A ADR	Netherlands	Energy	239,000	20,137	18,617
Rubicon Minerals Corp.	Canada	Materials	1,741,657	2,151	1,672
Sabina Gold & Silver Corp.	Canada	Materials	244,713	397	421
Sandstorm Gold Ltd.	Canada	Materials	169,600	1,263	1,270
Secure Energy Services Inc.	Canada	Energy	1,490,700	14,593	8,348
Shear Diamonds Ltd.	Canada	Materials	38,500	—	—
Shield Energy Ltd. Private Placement	Canada	Energy	1,850,000	2,099	2,128
Solvay SA	Belgium	Materials	18,200	2,605	2,495
Steel Reef Infrastructure Corp. Private Placement	Canada	Energy	2,189,900	3,514	5,475
Storm Resources Ltd.	Canada	Energy	1,863,400	6,979	2,460
Superior Plus Corp.	Canada	Utilities	150,000	1,781	1,803
Ternium SA ADR	Luxembourg	Materials	150,000	5,775	3,810
Tidewater Midstream and Infrastructure Ltd.	Canada	Energy	1,842,900	2,488	2,082
Titan Mining Corp.	Canada	Materials	1,157,500	1,621	341
Tourmaline Oil Corp.	Canada	Energy	1,000,000	26,943	13,110
Trident Exploration Corp.	Canada	Energy	699,368	213	—
Venuturion Oil Ltd. Private Placement	Canada	Energy	3,976,601	4,120	6,641
West Fraser Timber Co. Ltd.	Canada	Materials	125,000	6,884	6,625
Western Energy Services Corp.	Canada	Energy	3,000,000	18,009	735
Western Forest Products Inc.	Canada	Materials	7,000,000	15,115	8,400
Westrock Co.	United States	Materials	250,700	15,172	12,095
Whitecap Resources Inc.	Canada	Energy	1,846,400	10,166	8,493
The Williams Companies Inc.	United States	Energy	350,000	9,541	11,146
WindRiver Power Corp. Private Placement	Canada	Utilities	851,600	1,277	1,277
Yamana Gold Inc.	Canada	Materials	612,800	2,984	2,574
<b>Total equities</b>				<b>564,339</b>	<b>419,726</b>



**MACKENZIE**  
Investments

# MACKENZIE GLOBAL RESOURCE FUND

(Formerly Mackenzie Canadian Resource Fund)

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2019

SECTOR 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>OPTIONS</b>					
Options purchased (see schedule of options purchased)				15,666	25,192
<b>Total options</b>				<b>15,666</b>	<b>25,192</b>
<b>MUTUAL FUNDS</b>					
Mackenzie Global Energy Opportunities Long/Short Fund Series R	Canada	Mutual Funds	4,250,000	42,500	40,828
<b>Total mutual funds</b>				<b>42,500</b>	<b>40,828</b>
Transaction costs				(1,179)	–
<b>Total investments</b>				<b>621,326</b>	<b>485,746</b>
Cash and cash equivalents					3,077
Other assets less liabilities					5,778
<b>Total net assets</b>					<b>494,601</b>



**MACKENZIE**  
Investments

# MACKENZIE GLOBAL RESOURCE FUND

(Formerly Mackenzie Canadian Resource Fund)

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2019

SECTOR FUND

## SUMMARY OF INVESTMENT PORTFOLIO

September 30, 2019		March 31, 2019	
Effective Portfolio Allocation	% of NAV	Effective Portfolio Allocation	% of NAV
Equities	95.8	Equities	96.9
<i>Equities</i>	90.7	<i>Equities</i>	93.7
<i>Purchased options</i>	5.1	<i>Purchased options</i>	3.2
Cash and short-term investments	3.3	Other assets (liabilities)	1.9
Other assets (liabilities)	0.9	Cash and short-term investments	1.2
Effective Regional Allocation	% of NAV	Effective Regional Allocation	% of NAV
Canada	49.8	Canada	56.4
United States	25.2	United States	25.0
South Africa	4.9	Zambia	3.5
Netherlands	4.4	Italy	2.7
Zambia	3.5	South Africa	2.6
Cash and short-term investments	3.3	Netherlands	2.5
Italy	3.2	Other assets (liabilities)	1.9
United Kingdom	2.2	Cash and short-term investments	1.2
Other assets (liabilities)	0.9	Luxembourg	1.1
Peru	0.9	United Kingdom	0.9
Luxembourg	0.8	Peru	0.8
Belgium	0.5	Switzerland	0.7
Brazil	0.4	Australia	0.4
		Belgium	0.3
Effective Sector Allocation	% of NAV	Effective Sector Allocation	% of NAV
Oil, gas and consumable fuels	43.8	Oil, gas and consumable fuels	49.6
Metals and mining	23.8	Metals and mining	21.2
Chemicals	10.0	Chemicals	7.2
Paper and forest products	5.3	Paper and forest products	5.8
Other	5.1	Energy equipment and services	4.0
Cash and short-term investments	3.3	Other	3.2
Containers and packaging	2.4	Trading companies and distributors	2.6
Energy equipment and services	2.2	Containers and packaging	2.3
Trading companies and distributors	1.9	Other assets (liabilities)	1.9
Other assets (liabilities)	0.9	Cash and short-term investments	1.2
Gas utilities	0.8	Gas utilities	0.5
Independent power and renewable electricity producers	0.5	Independent power and renewable electricity producers	0.5

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



**MACKENZIE**  
Investments

# MACKENZIE GLOBAL RESOURCE FUND

(Formerly Mackenzie Canadian Resource Fund)

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2019

SECTOR FUND

## SCHEDULE OF OPTIONS PURCHASED

As at September 30, 2019

Underlying Interest	Number of Contracts	Option Type	Expiration Date	Strike Price \$	Premium Paid (\$ 000s)	Fair Value (\$ 000s)
Gold 100 oz Futures Option	400	Call	Nov. 25, 2019	USD 1,200.00	8,939	14,448
iShares S&P/TSX Global Gold Index Fund	16,000	Call	Dec. 20, 2019	CAD 8.00	6,727	10,744
<b>Total options</b>					<b>15,666</b>	<b>25,192</b>



**MACKENZIE**  
Investments

# MACKENZIE GLOBAL RESOURCE FUND

(Formerly Mackenzie Canadian Resource Fund)

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2019

SECTOR FUND

## 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.

# MACKENZIE GLOBAL RESOURCE FUND

(Formerly Mackenzie Canadian Resource Fund)

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2019

SECTOR FUND

## 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.

# MACKENZIE GLOBAL RESOURCE FUND

(Formerly Mackenzie Canadian Resource Fund)

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2019

SECTOR FUND

## 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.



**MACKENZIE**  
Investments

# MACKENZIE GLOBAL RESOURCE FUND

(Formerly Mackenzie Canadian Resource Fund)

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2019

SECTOR FUND

## 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.



# MACKENZIE GLOBAL RESOURCE FUND

(Formerly Mackenzie Canadian Resource Fund)

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2019

SECTOR FUND

## 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.

# MACKENZIE GLOBAL RESOURCE FUND

(Formerly Mackenzie Canadian Resource Fund)

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2019

SECTOR FUND

## 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**  
Investments

# MACKENZIE GLOBAL RESOURCE FUND

(Formerly Mackenzie Canadian Resource Fund)

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2019

SECTOR FUND

## NOTES TO FINANCIAL STATEMENTS

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

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

Date of Formation January 3, 1978

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](http://www.mackenzieinvestments.com))

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

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 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 PWFB securities are offered through our Private Wealth Solutions to certain high net worth investors who invest a minimum of \$100,000. Investors are required to negotiate their advisor service fee, which cannot exceed 1.50%, with their financial advisor.

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

Series I and Series J securities are no longer available for sale.

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 Quadrus Investment Services Ltd.** (255 Dufferin Ave., London, Ontario, N6A 4K1; 1-888-532-3322; [www.quadrusgroupoffunds.com](http://www.quadrusgroupoffunds.com))

Quadrus Investment Services Ltd. ("Quadrus") is the principal distributor of the series of securities listed below:

Quadrus Series, H Series, HW Series, L Series, N Series, QF Series and QFW Series securities are no longer available for sale, except for additional purchases by investors who have held these securities since October 1, 2018.

**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](http://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.

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.

# MACKENZIE GLOBAL RESOURCE FUND

(Formerly Mackenzie Canadian Resource Fund)

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2019

SECTOR FUND

## NOTES TO FINANCIAL STATEMENTS

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

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

Series	Inception/ Reinstatement Date	Management Fees	Administration Fees	Net Asset Value per Security (\$)	
				Sep. 30, 2019	Mar. 31, 2019
Series A	January 31, 1978	2.00%	0.26%	17.27	18.51
Series D	December 31, 2013	1.25%	0.20%	7.35	7.85
Series F	December 6, 1999	0.80% <sup>(3)</sup>	0.15% <sup>(6)</sup>	11.56	12.30
Series FB	October 26, 2015	1.00%	0.31%	10.07	10.73
Series G	April 1, 2005	1.50%	0.26%	7.83	8.37
Series I	October 25, 1999	1.35%	0.28%	10.70	11.43
Series J	None issued <sup>(10)</sup>	1.75%	0.30%	—	6.83
Series O	August 28, 2001	— <sup>(1)</sup>	— *	22.94	24.28
Series PW	October 22, 2013	1.80% <sup>(4)</sup>	0.15%	7.04	7.54
Series PWF	None issued <sup>(8)</sup>	0.85%	0.15%	—	—
Series PWFB	April 3, 2017	0.80% <sup>(5)</sup>	0.15%	7.91	8.42
Series PWX	January 3, 2014	— <sup>(2)</sup>	— <sup>(2)</sup>	7.82	8.28
Series R	July 3, 2007	— *	— *	6.76	7.15
Series S	August 9, 2002	— <sup>(1)</sup>	0.03%	16.94	17.93
Quadrus Series	August 9, 2002	2.00%	0.30%	12.65	13.56
H Series	August 9, 2002	1.00%	0.15% <sup>(7)</sup>	15.23	16.23
HW Series	August 7, 2018	0.80%	0.15%	7.91	8.42
L Series	November 24, 2011	1.80%	0.15%	7.00	7.49
N Series	October 24, 2011	— <sup>(1)</sup>	— <sup>(1)</sup>	7.71	8.16
QF Series	July 12, 2016	1.00%	0.31%	8.02	8.54
QFW Series	August 7, 2018	0.80%	0.15%	7.92	8.42
Series LB	January 26, 2012	2.00%	0.26%	6.24	6.70
Series LW	December 1, 2017	1.80% <sup>(9)</sup>	0.15%	8.27	8.86

\* Not applicable.

(1) This fee is negotiable and payable directly to Mackenzie by investors in this series.

(2) This fee is payable directly to Mackenzie by investors in this series through redemptions of their securities.

(3) Prior to June 1, 2018, the management fee for Series F was charged to the Fund at a rate of 1.00%.

(4) Prior to June 1, 2018, the management fee for Series PW was charged to the Fund at a rate of 1.85%.

(5) Prior to June 1, 2018, the management fee for Series PWFB was charged to the Fund at a rate of 0.85%.

(6) Prior to June 1, 2018, the administration fee for Series F was charged to the Fund at a rate of 0.20%.

(7) Prior to June 28, 2018, the administration fee for H Series was charged to the Fund at a rate of 0.20%.

(8) The series' original start date was May 14, 2014. All securities in the series were consolidated into Series F on June 1, 2018.

(9) Prior to November 23, 2018, the management fee for Series LW was charged to the Fund at a rate of 1.85%.

(10) The series' original start date was December 7, 2010. All securities in the series were redeemed on July 16, 2019.



**MACKENZIE**  
Investments

# MACKENZIE GLOBAL RESOURCE FUND

(Formerly Mackenzie Canadian Resource Fund)

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2019

SECTOR FUND

## NOTES TO FINANCIAL STATEMENTS

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

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

As at September 30, 2019, Mackenzie, other funds managed by Mackenzie and Related Insurance Companies had an investment of \$5, \$36,051 and \$330,252 (March 31, 2019 – \$5, \$36,829 and \$369,279), respectively, in the Fund.

#### (c) Loss Carryforwards

As at the last taxation year-end, the following losses were available for carryforward for tax purposes. Capital losses may be carried forward indefinitely to reduce future realized capital gains. Non-capital losses may be utilized to reduce future net income and realized capital gains and expire on December 15 of the years indicated.

Total Capital Loss \$	Total Non-Capital Loss \$	Expiration Date of Non-Capital Losses										
		2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038
64,261	91	–	–	–	–	91	–	–	–	–	–	–

#### (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	37,431	–
Value of collateral received	39,872	–

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	62	100.0	–	–
Tax withheld	–	–	–	–
	62	100.0	–	–
Payments to Securities Lending Agent	(15)	(24.2)	–	–
Securities lending income	47	75.8	–	–

#### (e) Commissions

The value of third-party services paid for by brokers during the period, is disclosed in the table below:

	(\$)
September 30, 2019	158
September 30, 2018	53

#### (f) Change in Investment Objective and Name Change

Following the approval of investors in the Fund, the investment objective of the Fund changed effective August 16, 2019. This change enables the Fund to invest up to 100% of its assets in shares of resource companies operating anywhere in the world. On the same date, the Fund was renamed Mackenzie Global Resource Fund.

#### (g) Offsetting of Financial Assets and Liabilities

As at September 30, 2019 and March 31, 2019, there were no amounts subject to offsetting.

# MACKENZIE GLOBAL RESOURCE FUND

(Formerly Mackenzie Canadian Resource Fund)

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2019

SECTOR FUND

## NOTES TO FINANCIAL STATEMENTS

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

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

##### i. Risk exposure and management

The Fund seeks long-term capital growth by investing primarily in equities of energy and natural resource companies operating anywhere in the world. At least three different countries will usually be represented in the Fund's portfolio.

##### 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	209,459	–	–	209,459
British pound	4,233	–	–	4,233
Euro	2,495	–	–	2,495
Australian dollar	14	–	–	14
Total	216,201	–	–	216,201
% of Net Assets	43.7	–	–	43.7

Currency	March 31, 2019			
	Investments (\$)	Cash and Short-Term Investments (\$)	Derivative Instruments (\$)	Net Exposure* (\$)
U.S. dollar	221,036	30	–	221,066
Swiss franc	3,674	1,135	–	4,809
British pound	4,313	–	–	4,313
Australian dollar	2,476	–	–	2,476
Euro	1,734	–	–	1,734
Total	233,233	1,165	–	234,398
% of Net Assets	41.8	0.2	–	42.0

\* 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 \$11,598 or 2.3% of total net assets (March 31, 2019 – \$11,720 or 2.1%). In practice, the actual trading results may differ and the difference could be material.

##### iii. Interest rate risk

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

##### iv. Other price risk

The Fund's most significant exposure to price risk arises from its investment in equity securities and options. As at September 30, 2019, had the prices on the respective stock exchanges for these securities increased by 10%, with all other variables held constant, net assets would have increased by approximately \$57,350 or 11.6% (March 31, 2019 – \$61,699 or 11.1%) of total net assets. Similarly, had the prices on the respective stock exchanges for these securities decreased by 10%, with all other variables held constant, net assets would have decreased by approximately \$57,318 or 11.6% (March 31, 2019 – \$61,580 or 11.0%) of total net assets. In practice, the actual trading results may differ and the difference could be material.

##### v. Credit risk

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



**MACKENZIE**  
Investments

# MACKENZIE GLOBAL RESOURCE FUND

(Formerly Mackenzie Canadian Resource Fund)

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2019

SECTOR FUND

## NOTES TO FINANCIAL STATEMENTS

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

#### (i) 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 (\$)
Equities	371,965	368	47,393	419,726	469,208	–	53,112	522,320
Options	25,192	–	–	25,192	5,731	12,296	–	18,027
Mutual funds	40,828	–	–	40,828	–	–	–	–
Short-term investments	–	2,540	–	2,540	–	4,836	–	4,836
Total	437,985	2,908	47,393	488,286	474,939	17,132	53,112	545,183

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.

In accordance with the Fund's valuation policy, the Fund applies fair value adjustment factors to the quoted market prices for non-North American equities when North American intraday stock market movements exceed pre-determined tolerances. The adjustment factors are applied in order to estimate the impact on fair values of events occurring between the close of the non-North American stock markets and the close of business for the Fund. If fair value adjustment factors are applied, non-North American equities are classified as Level 2. Consequently, during the period ended September 30, 2019, non-North American equities frequently transferred between Level 1 (unadjusted quoted market prices) and Level 2 (adjusted market prices). As at September 30, 2019, these securities were classified as Level 1 (March 31, 2019 – Level 1).

For the period ended September 30, 2019, equity positions with a fair value of \$Nil (March 31, 2019 – \$11,285) were transferred from Level 2 to Level 1 as a result of changes in the inputs used for valuation.

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.

For the period ended September 30, 2019, equity positions with a fair value of \$Nil (March 31, 2019 – \$Nil) were transferred from Level 3 to Level 2 as a result of changes in the inputs used for valuation.

For the period ended September 30, 2019, equity positions with a fair value of \$Nil (March 31, 2019 – \$1,916) were transferred from Level 3 to Level 1 and were primarily due to the conversion of holdings into actively-traded securities (Level 1).



**MACKENZIE**  
Investments

# MACKENZIE GLOBAL RESOURCE FUND

(Formerly Mackenzie Canadian Resource Fund)

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2019

SECTOR FUND

## NOTES TO FINANCIAL STATEMENTS

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

#### (i) Fair Value Classification (cont'd)

The table below presents a reconciliation of financial instruments measured at fair value using unobservable inputs (Level 3) for the periods ended September 30, 2019 and March 31, 2019:

	September 30, 2019	March 31, 2019
	Equities (\$)	Equities (\$)
Balance – beginning of period	53,112	45,565
Purchases	–	7,464
Sales	(2,974)	–
Transfers in	–	–
Transfers out	–	(1,916)
Gains (losses) during the period:		
Realized	524	–
Unrealized	(3,269)	1,999
Balance – end of period	47,393	53,112
Change in unrealized gains (losses) during the period attributable to securities held at end of period	(3,209)	1,893

Fair value of each Level 3 financial instrument is generally measured using unobservable market inputs with the best information available at the time. Various valuation techniques are utilized, depending on a number of factors including, key inputs and assumptions which are company specific and may include estimated discount rates and expected price volatilities.

The table below presents investments in the Fund whose fair values are determined based on valuation techniques that utilize unobservable market inputs. The effect of changing one or more of those inputs are indicated in the table below:

September 30, 2019				
Fair Value (\$)	Valuation Technique	Unobservable Input	Reasonable Possible Change in Input	Impact on Fair Value (\$)
8,954	Discount off financing	Financing discount	Zero discount	2,238
76	Discount off financing	Financing discount	+/-5%	+/- 15

The remaining Level 3 investments of \$38,363 have been valued based on recent financing transactions, values of comparable indices and through incorporating observable market data and using standard market convention practices. If the value of these investments were to increase or decrease by 10%, the value of the Fund would increase or decrease by \$3,836.

March 31, 2019				
Fair Value (\$)	Valuation Technique	Unobservable Input	Reasonable Possible Change in Input	Impact on Fair Value (\$)
9,039	Discount off financing	Financing discount	Zero discount	2,260
77	Discount off financing	Financing discount	+/-5%	+/-15

The remaining Level 3 investments of \$43,996 have been valued based on recent financing transactions, values of comparable indices and through incorporating observable market data and using standard market convention practices. If the value of these investments were to increase or decrease by 10%, the value of the Fund would increase or decrease by \$4,400.



**MACKENZIE**  
Investments