

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. 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 CORPORATE 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)
	\$	\$		\$	\$
ASSETS			Net assets attributable to securityholders		
Current assets			per security (note 3)		
Investments at fair value	451,109	476,752	Series A	4.29	4.26
Cash and cash equivalents	6,364	11,809	Series AR	9.19	9.13
Accrued interest receivable	6,777	7,646	Series D	9.10	9.03
Accounts receivable for investments sold	3,615	645	Series F	4.52	4.49
Accounts receivable for securities issued	92	13	Series FB	9.89	9.82
Unrealized gains on derivative contracts	554	8,972	Series G	8.45	8.39
Total assets	468,511	505,837	Series I	4.18	4.15
			Series J	10.69	10.62
			Series O	8.69	8.63
			Series PW	9.30	9.23
			Series PWFB	9.60	9.54
			Series PWR	10.04	–
			Series PWT8	10.93	11.02
			Series PWX	9.19	9.12
			Series PWX8	11.78	11.80
			Series R	8.77	8.70
			Series S	8.52	8.45
			Series LB	9.60	9.53
			Series LW	9.66	9.59
LIABILITIES					
Current liabilities					
Accounts payable for investments purchased	5,792	288			
Accounts payable for securities redeemed	612	539			
Distribution payable	1	–			
Unrealized losses on derivative contracts	–	1,144			
Total liabilities	6,405	1,971			
Net assets attributable to securityholders	462,106	503,866			
Net assets attributable to securityholders					
per series (note 3)					
Series A	213,413	236,418			
Series AR	1,857	1,759			
Series D	490	455			
Series F	58,149	67,426			
Series FB	247	249			
Series G	304	334			
Series I	276	303			
Series J	209	203			
Series O	12,986	20,915			
Series PW	138,062	138,779			
Series PWFB	1,108	1,104			
Series PWR	246	–			
Series PWT8	50	51			
Series PWX	1,995	1,951			
Series PWX8	44	44			
Series R	1,876	1,995			
Series S	19,885	19,285			
Series LB	3,096	3,699			
Series LW	7,813	8,896			

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



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MACKENZIE CORPORATE 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
	\$	\$		\$	\$
Income			Increase (decrease) in net assets attributable to securityholders from operations per security		
Dividends	49	142	Series A	0.12	0.05
Interest income	13,793	21,393	Series AR	0.26	0.12
Other changes in fair value of investments and other net assets			Series D	0.28	0.13
Net realized gain (loss)	13,127	(36,546)	Series E	–	0.03
Net unrealized gain (loss)	(9,159)	31,302	Series F	0.15	0.08
Securities lending income	37	84	Series FB	0.32	0.14
Total income (loss)	17,847	16,375	Series G	0.26	0.12
			Series I	0.13	0.07
Expenses (note 6)			Series J	0.30	0.13
Management fees	2,791	3,540	Series O	0.34	0.19
Management fee rebates	(8)	(13)	Series PW	0.28	0.15
Administration fees	410	513	Series PWF	–	0.03
Interest charges	35	14	Series PWFB	0.32	0.18
Commissions and other portfolio transaction costs	24	16	Series PWR	0.24	–
Independent Review Committee fees	1	1	Series PWT8	0.34	0.17
Other	–	1	Series PWX	0.34	0.20
Expenses before amounts absorbed by Manager	3,253	4,072	Series PWX8	0.44	0.26
Expenses absorbed by Manager	–	–	Series R	0.33	0.18
Net expenses	3,253	4,072	Series S	0.31	0.18
Increase (decrease) in net assets attributable to securityholders from operations before tax	14,594	12,303	Series LB	0.27	0.12
Foreign withholding taxes	7	13	Series LW	0.29	0.14
Foreign income taxes paid (recovered)	–	–			
Increase (decrease) in net assets attributable to securityholders from operations	14,587	12,290			
Increase (decrease) in net assets attributable to securityholders from operations per series					
Series A	6,428	4,051			
Series AR	50	19			
Series D	15	7			
Series E	–	–			
Series F	2,037	1,299			
Series FB	8	7			
Series G	10	6			
Series I	10	5			
Series J	6	3			
Series O	538	580			
Series PW	4,215	2,052			
Series PWF	–	99			
Series PWFB	38	18			
Series PWR	6	–			
Series PWT8	1	–			
Series PWX	75	48			
Series PWX8	2	1			
Series R	72	3,481			
Series S	724	405			
Series LB	96	120			
Series LW	256	89			

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



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MACKENZIE CORPORATE 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	2019	2018	2019	2018
	Series A		Series AR		Series D		Series E		Series F	
	\$		\$		\$		\$		\$	
NET ASSETS ATTRIBUTABLE TO SECURITYHOLDERS										
Beginning of period	236,418	396,829	1,759	1,504	455	582	–	47	67,426	53,201
Increase (decrease) in net assets from operations	6,428	4,051	50	19	15	7	–	–	2,037	1,299
Distributions paid to securityholders:										
Investment income	(4,738)	(6,405)	(36)	(31)	(11)	(10)	–	–	(1,563)	(1,734)
Capital gains	–	–	–	–	–	–	–	–	–	–
Return of capital	–	–	–	–	–	–	–	–	–	–
Management fee rebates	–	–	–	–	–	–	–	–	(2)	(1)
Total distributions paid to securityholders	(4,738)	(6,405)	(36)	(31)	(11)	(10)	–	–	(1,565)	(1,735)
Security transactions:										
Proceeds from securities issued	13,477	13,556	334	149	23	42	–	–	3,826	35,361
Reinvested distributions	4,218	5,716	36	31	11	8	–	–	1,243	1,414
Payments on redemption of securities	(42,390)	(137,726)	(286)	(88)	(3)	(234)	–	(47)	(14,818)	(10,289)
Total security transactions	(24,695)	(118,454)	84	92	31	(184)	–	(47)	(9,749)	26,486
Total increase (decrease) in net assets	(23,005)	(120,808)	98	80	35	(187)	–	(47)	(9,277)	26,050
End of period	213,413	276,021	1,857	1,584	490	395	–	–	58,149	79,251

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

	Securities		Securities		Securities		Securities		Securities	
Securities outstanding – beginning of period	55,478	91,269	193	162	50	63	–	4	15,021	11,624
Issued	3,140	3,124	36	15	3	4	–	–	847	7,755
Reinvested distributions	985	1,321	4	3	1	1	–	–	276	311
Redeemed	(9,884)	(31,758)	(31)	(9)	–	(25)	–	(4)	(3,282)	(2,255)
Securities outstanding – end of period	49,719	63,956	202	171	54	43	–	–	12,862	17,435

	Series FB		Series G		Series I		Series J		Series O	
	\$		\$		\$		\$		\$	
NET ASSETS ATTRIBUTABLE TO SECURITYHOLDERS										
Beginning of period	249	851	334	513	303	306	203	427	20,915	28,251
Increase (decrease) in net assets from operations	8	7	10	6	10	5	6	3	538	580
Distributions paid to securityholders:										
Investment income	(6)	(10)	(7)	(9)	(7)	(7)	(4)	(6)	(410)	(778)
Capital gains	–	–	–	–	–	–	–	–	–	–
Return of capital	–	–	–	–	–	–	–	–	–	–
Management fee rebates	–	–	–	–	–	–	–	–	–	–
Total distributions paid to securityholders	(6)	(10)	(7)	(9)	(7)	(7)	(4)	(6)	(410)	(778)
Security transactions:										
Proceeds from securities issued	55	27	2	4	10	–	–	–	57	845
Reinvested distributions	6	10	6	9	7	7	4	6	391	763
Payments on redemption of securities	(65)	(651)	(41)	(152)	(47)	(14)	–	(211)	(8,505)	(3,997)
Total security transactions	(4)	(614)	(33)	(139)	(30)	(7)	4	(205)	(8,057)	(2,389)
Total increase (decrease) in net assets	(2)	(617)	(30)	(142)	(27)	(9)	6	(208)	(7,929)	(2,587)
End of period	247	234	304	371	276	297	209	219	12,986	25,664

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

	Securities		Securities		Securities		Securities		Securities	
Securities outstanding – beginning of period	25	85	40	60	73	72	19	39	2,424	3,208
Issued	6	3	–	–	2	–	–	–	6	97
Reinvested distributions	1	1	1	1	2	2	1	1	45	87
Redeemed	(7)	(65)	(5)	(17)	(11)	(3)	–	(20)	(981)	(456)
Securities outstanding – end of period	25	24	36	44	66	71	20	20	1,494	2,936

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



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MACKENZIE CORPORATE 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	2019	2018
	Series PW		Series PWF		Series PWFB		Series PWR	
	\$		\$		\$		\$	
NET ASSETS ATTRIBUTABLE TO SECURITYHOLDERS								
Beginning of period	138,779	89,397	–	29,614	1,104	593	–	–
Increase (decrease) in net assets from operations	4,215	2,052	–	99	38	18	6	–
Distributions paid to securityholders:								
Investment income	(3,219)	(3,059)	–	(211)	(30)	(26)	(5)	–
Capital gains	–	–	–	–	–	–	–	–
Return of capital	–	–	–	–	–	–	–	–
Management fee rebates	(5)	(8)	–	(3)	–	–	–	–
Total distributions paid to securityholders	(3,224)	(3,067)	–	(214)	(30)	(26)	(5)	–
Security transactions:								
Proceeds from securities issued	12,036	81,770	–	986	108	820	240	–
Reinvested distributions	2,928	2,801	–	188	30	26	5	–
Payments on redemption of securities	(16,672)	(20,297)	–	(30,673)	(142)	(71)	–	–
Total security transactions	(1,708)	64,274	–	(29,499)	(4)	775	245	–
Total increase (decrease) in net assets	(717)	63,259	–	(29,614)	4	767	246	–
End of period	138,062	152,656	–	–	1,108	1,360	246	–

	Securities		Securities		Securities		Securities	
Increase (decrease) in fund securities: (note 7)								
Securities outstanding – beginning of period	15,033	9,490	–	3,139	116	61	–	–
Issued	1,295	8,702	–	104	11	84	23	–
Reinvested distributions	316	299	–	20	3	3	1	–
Redeemed	(1,795)	(2,164)	–	(3,263)	(15)	(7)	–	–
Securities outstanding – end of period	14,849	16,327	–	–	115	141	24	–

	Series PWT8		Series PWX		Series PWX8		Series R	
	\$		\$		\$		\$	
NET ASSETS ATTRIBUTABLE TO SECURITYHOLDERS								
Beginning of period	51	54	1,951	2,314	44	46	1,995	175,996
Increase (decrease) in net assets from operations	1	–	75	48	2	1	72	3,481
Distributions paid to securityholders:								
Investment income	(1)	(1)	(60)	(64)	(1)	(1)	(58)	(4,796)
Capital gains	–	–	–	–	–	–	–	–
Return of capital	(1)	(1)	–	–	–	(1)	–	–
Management fee rebates	–	–	–	–	–	–	–	–
Total distributions paid to securityholders	(2)	(2)	(60)	(64)	(1)	(2)	(58)	(4,796)
Security transactions:								
Proceeds from securities issued	–	–	47	28	–	–	88	9,946
Reinvested distributions	1	1	60	64	–	–	–	–
Payments on redemption of securities	(1)	(1)	(78)	(229)	(1)	–	(221)	(30,771)
Total security transactions	–	–	29	(137)	(1)	–	(133)	(20,825)
Total increase (decrease) in net assets	(1)	(2)	44	(153)	–	(1)	(119)	(22,140)
End of period	50	52	1,995	2,161	44	45	1,876	153,856

	Securities		Securities		Securities		Securities	
Increase (decrease) in fund securities: (note 7)								
Securities outstanding – beginning of period	5	5	214	249	4	4	229	19,818
Issued	–	–	4	3	–	–	10	1,123
Reinvested distributions	–	–	7	7	–	–	–	–
Redeemed	–	–	(8)	(25)	–	–	(25)	(3,488)
Securities outstanding – end of period	5	5	217	234	4	4	214	17,453

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

MACKENZIE CORPORATE 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	2019	2018
	Series S		Series LB		Series LW		Total	
	\$		\$		\$		\$	
NET ASSETS ATTRIBUTABLE TO SECURITYHOLDERS								
Beginning of period	19,285	19,037	3,699	10,550	8,896	6,567	503,866	816,679
Increase (decrease) in net assets from operations	724	405	96	120	256	89	14,587	12,290
Distributions paid to securityholders:								
Investment income	(585)	(544)	(70)	(188)	(193)	(134)	(11,004)	(18,014)
Capital gains	–	–	–	–	–	–	–	–
Return of capital	–	–	–	–	–	–	(1)	(2)
Management fee rebates	–	–	–	–	(1)	(1)	(8)	(13)
Total distributions paid to securityholders	(585)	(544)	(70)	(188)	(194)	(135)	(11,013)	(18,029)
Security transactions:								
Proceeds from securities issued	246	246	14	55	149	226	30,712	144,061
Reinvested distributions	585	544	70	187	194	135	9,795	11,910
Payments on redemption of securities	(370)	(424)	(713)	(2,121)	(1,488)	(971)	(85,841)	(238,967)
Total security transactions	461	366	(629)	(1,879)	(1,145)	(610)	(45,334)	(82,996)
Total increase (decrease) in net assets	600	227	(603)	(1,947)	(1,083)	(656)	(41,760)	(88,735)
End of period	19,885	19,264	3,096	8,603	7,813	5,911	462,106	727,944
Increase (decrease) in fund securities: (note 7)								
Securities outstanding – beginning of period	2,281	2,207	388	1,082	928	672		
Issued	29	28	1	5	15	23		
Reinvested distributions	69	63	7	19	20	14		
Redeemed	(44)	(49)	(74)	(218)	(154)	(100)		
Securities outstanding – end of period	2,335	2,249	322	888	809	609		

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

MACKENZIE CORPORATE 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
	\$	\$
Cash flows from operating activities		
Net increase (decrease) in net assets attributable to securityholders from operations	14,587	12,290
Adjustments for:		
Net realized loss (gain) on investments	(4,330)	(241)
Change in net unrealized loss (gain) on investments	9,155	(31,450)
Purchase of investments	(121,511)	(50,776)
Proceeds from sale and maturity of investments	152,096	144,482
Change in accrued interest receivable	869	2,522
Change in due from manager	–	7
Change in due to manager	–	(49)
Net cash from operating activities	50,866	76,785
Cash flows from financing activities		
Proceeds from securities issued	14,807	55,658
Payments on redemption of securities	(69,942)	(152,208)
Distributions paid net of reinvestments	(1,217)	(6,119)
Net cash from financing activities	(56,352)	(102,669)
Net increase (decrease) in cash and cash equivalents	(5,486)	(25,884)
Cash and cash equivalents at beginning of period	11,809	47,130
Effect of exchange rate fluctuations on cash and cash equivalents	41	(37)
Cash and cash equivalents at end of period	6,364	21,209
Cash	429	19,094
Cash equivalents	5,935	2,115
Cash and cash equivalents at end of period	6,364	21,209
Supplementary disclosures on cash flow from operating activities:		
Dividends received	49	142
Foreign taxes paid	7	13
Interest received	14,662	23,915
Interest paid	35	14

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MACKENZIE CORPORATE 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)
BONDS					
The AES Corp. 4.88% 05-15-2023 Callable 2019	United States	Corporate - Non Convertible	USD 70,000	71	94
The AES Corp. 5.50% 04-15-2025 Callable 2020	United States	Corporate - Non Convertible	USD 1,520,000	1,896	2,093
The AES Corp. 5.13% 09-01-2027 Callable 2022	United States	Corporate - Non Convertible	USD 590,000	751	832
Alimentation Couche-Tard Inc. 3.899% 11-01-2022 Callable	Canada	Corporate - Non Convertible	4,500,000	4,500	4,705
Allison Transmission Inc. 4.75% 10-01-2027 Callable 2022 144A	United States	Corporate - Non Convertible	USD 160,000	197	218
Ally Financial Inc. 5.75% 11-20-2025 Callable 2025	United States	Corporate - Non Convertible	USD 500,000	659	742
Ally Financial Inc. 8.00% 11-01-2031	United States	Corporate - Non Convertible	USD 2,090,000	3,136	3,832
Altice SA 7.75% 05-15-2022 Callable 144A	Luxembourg	Corporate - Non Convertible	USD 200,000	224	270
American International Group Inc. 8.18% 05-15-2058 (F/R @ 05-15-2038) Callable 2038	United States	Corporate - Non Convertible	USD 1,925,000	1,931	3,379
Antero Resources Corp. 5.13% 12-01-2022 Callable	United States	Corporate - Non Convertible	USD 1,410,000	1,556	1,642
ARD Securities Finance SARL 8.75% 01-31-2023 Callable 2019 144A	Luxembourg	Corporate - Non Convertible	USD 490,991	619	674
Ardagh Packaging Finance PLC 4.13% 08-15-2026 Callable 2022 144A	Ireland	Corporate - Non Convertible	USD 630,000	829	841
Ardagh Packaging Finance PLC 5.25% 08-15-2027 Callable 2022 144A	Ireland	Corporate - Non Convertible	USD 630,000	829	846
Arterra Wines Canada Inc. Term Loan B1 1st Lien F/R 12-15-2023	Canada	Term Loans	USD 972,500	1,302	1,287
Ashtead Capital Inc. 4.38% 08-15-2027 Callable 2022 144A	United Kingdom	Corporate - Non Convertible	USD 25,000	31	34
Atlantic Power Corp. 5.95% 06-23-2036	United States	Corporate - Non Convertible	3,200,000	2,880	2,792
ATS Automation Tooling Systems Inc. 6.50% 06-15-2023 Callable 2019 144A	Canada	Corporate - Non Convertible	USD 2,343,000	3,019	3,210
Baffinland Iron Mines Corp. 8.75% 07-15-2026 Callable 2021 144A	Canada	Corporate - Non Convertible	USD 1,575,000	2,075	2,145
Bank of America Corp. 6.50% 12-31-2049 Callable 2024	United States	Corporate - Non Convertible	USD 610,000	688	901
The Bank of Nova Scotia 4.50% 12-16-2025	Canada	Corporate - Non Convertible	USD 4,500,000	5,938	6,492
Bausch Health Cos Inc. 7.00% 03-15-2024 Callable 2020 144A	United States	Corporate - Non Convertible	USD 375,000	504	522
Bausch Health Cos Inc. 5.50% 11-01-2025 Callable 144A	United States	Corporate - Non Convertible	USD 375,000	474	520
Bausch Health Cos Inc. 9.00% 12-15-2025 Callable 2021	United States	Corporate - Non Convertible	USD 1,000,000	1,253	1,488
Bausch Health Cos Inc. 9.25% 04-01-2026 Callable 2022 144A	United States	Corporate - Non Convertible	USD 1,135,000	1,457	1,708
Bausch Health Cos Inc. 8.50% 01-31-2027 Callable 2022 144A	United States	Corporate - Non Convertible	USD 170,000	231	253
Bausch Health Cos Inc. 5.75% 08-15-2027 Callable 2022 144A	United States	Corporate - Non Convertible	USD 275,000	362	394
Bausch Health Cos Inc. 7.00% 01-15-2028 Callable 2023 144A	United States	Corporate - Non Convertible	USD 285,000	384	407
Bausch Health Cos Inc. 7.25% 05-30-2029 Callable 2024 144A	United States	Corporate - Non Convertible	USD 570,000	767	826
Baytex Energy Corp. 5.13% 06-01-2021 Callable 2021 144A	Canada	Corporate - Non Convertible	USD 1,260,000	1,417	1,651
Baytex Energy Corp. 6.625% 07-19-2022 Callable 2019	Canada	Corporate - Non Convertible	3,250,000	3,265	3,215
Baytex Energy Corp. 5.63% 06-01-2024 Callable 2019 144A	Canada	Corporate - Non Convertible	USD 1,402,000	1,514	1,737
BCPE Cycle Merger Sub II Inc. 10.63% 07-15-2027 Callable 2022 144A	United States	Corporate - Non Convertible	USD 1,160,000	1,496	1,493
Bell Canada Inc. 7.30% 02-23-2032	Canada	Corporate - Non Convertible	4,000,000	5,273	5,532
Bell Canada 3.35% 03-22-2023	Canada	Corporate - Non Convertible	5,000,000	4,992	5,153
Berry Global Inc. 4.50% 02-15-2026 Callable 2021 144A	United States	Corporate - Non Convertible	USD 340,000	425	445
Bombardier Inc. 8.75% 12-01-2021 144A	Canada	Corporate - Non Convertible	USD 7,442,000	10,375	10,738
Bombardier Inc. 6.00% 10-15-2022 Callable 2020 144A	Canada	Corporate - Non Convertible	USD 1,600,000	2,085	2,111
Brand Energy & Infrastructure Services Inc. Term Loan 1st Lien F/R 06-21-2024	United States	Term Loans	USD 1,342,274	1,757	1,741
Brookfield Asset Management Inc. 4.54% 03-31-2023	Canada	Corporate - Non Convertible	6,000,000	6,028	6,408
Brookfield Residential Properties Inc. 6.25% 09-15-2027 Callable 2022 144A	Canada	Corporate - Non Convertible	USD 280,000	368	373
BWAY Holding Co. 7.25% 04-15-2025 144A	United States	Corporate - Non Convertible	USD 1,160,000	1,552	1,469



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BONDS (cont'd)					
Calfrac Holdings LP 8.50% 06-15-2026 Callable 2021 144A	Canada	Corporate - Non Convertible	USD 1,750,000	2,221	1,039
California Resources Corp. 8.00% 12-15-2022 Callable 2019 144A	United States	Corporate - Non Convertible	USD 2,359,000	1,928	1,567
Cascades Inc. 5.50% 07-15-2021 Callable 2019 144A	Canada	Corporate - Non Convertible	2,500,000	2,500	2,544
Cascades Inc. 5.50% 07-15-2022 Callable 144A	Canada	Corporate - Non Convertible	USD 2,000,000	2,523	2,679
CBS Radio Inc. 7.25% 11-01-2024 Callable 2019 144A	United States	Corporate - Non Convertible	USD 485,000	644	668
CCO Holdings LLC 5.88% 04-01-2024 Callable 2019 144A	United States	Corporate - Non Convertible	USD 135,000	189	187
CCO Holdings LLC 5.75% 02-15-2026	United States	Corporate - Non Convertible	USD 1,165,000	1,511	1,630
CCO Holdings LLC 5.50% 05-01-2026 Callable 2021 144A	United States	Corporate - Non Convertible	USD 855,000	1,126	1,188
CCO Holdings LLC 5.88% 05-01-2027 Callable 2021 144A	United States	Corporate - Non Convertible	USD 705,000	959	989
CCO Holdings LLC 5.00% 02-01-2028 Callable 2022 144A	United States	Corporate - Non Convertible	USD 735,000	1,018	1,008
CCO Holdings LLC 5.38% 06-01-2029 Callable 2024 144A	United States	Corporate - Non Convertible	USD 2,960,000	4,079	4,175
Celestica Inc. Term Loan B 1st Lien F/R 06-27-2025	Canada	Term Loans	USD 368,150	482	482
Cemex Finance LLC 6.00% 04-01-2024 Callable 2019 144A	Mexico	Corporate - Non Convertible	USD 675,000	744	920
Centene Corp. 4.75% 05-22-2021 Callable	United States	Corporate - Non Convertible	USD 960,000	1,083	1,300
Centene Escrow Corp. 6.13% 02-15-2024 Callable 2019	United States	Corporate - Non Convertible	USD 710,000	997	980
CES Energy Solutions Corp. 6.38% 10-21-2024 Callable 2020	Canada	Corporate - Non Convertible	2,500,000	2,500	2,416
CHC Group LLC 0% 10-01-2020 Conv.	Cayman Islands	Corporate - Convertible	USD 2,911,887	3,489	1,156
Cheniere Corpus Christi Holdings LLC 5.88% 03-31-2025	United States	Corporate - Non Convertible	USD 1,325,000	1,844	1,954
Cheniere Corpus Christi Holdings LLC 5.13% 06-30-2027	United States	Corporate - Non Convertible	USD 1,140,000	1,556	1,653
Choice Properties Real Estate Investment Trust 3.498% 02-08-2021	Canada	Corporate - Non Convertible	2,250,000	2,250	2,284
Cinemark USA Inc. 5.13% 12-15-2022 Callable	United States	Corporate - Non Convertible	USD 540,000	536	728
CIT Group Inc. 5.00% 08-01-2023	United States	Corporate - Non Convertible	USD 1,350,000	1,616	1,908
CIT Group Inc. 5.25% 03-07-2025 Callable 2024	United States	Corporate - Non Convertible	USD 115,000	148	166
Cogeco Communications Inc. 4.175% 05-26-2023 Callable	Canada	Corporate - Non Convertible	3,425,000	3,455	3,575
CommScope Technologies Finance LLC 8.25% 03-01-2027 Callable 2022 144A	United States	Corporate - Non Convertible	USD 1,140,000	1,489	1,473
Connect Finco SARL Term Loan B 1st Lien F/R 09-23-2026	United Kingdom	Term Loans	USD 720,000	935	940
Connect Finco SARL 6.75% 10-01-2026	United Kingdom	Corporate - Non Convertible	USD 1,070,000	1,418	1,446
Constellium NV 5.88% 02-15-2026 Callable 2020 144A	Netherlands	Corporate - Non Convertible	USD 1,080,000	1,494	1,496
CPG Merger Sub LLC 8.00% 10-01-2021 Callable 144A	United States	Corporate - Non Convertible	USD 215,000	221	285
Crew Energy Inc. 6.50% 03-14-2024 Callable	Canada	Corporate - Non Convertible	1,340,000	1,132	1,130
Crown Americas LLC 4.75% 02-01-2026 Callable 2021	United States	Corporate - Non Convertible	USD 455,000	565	632
CSC Holdings LLC 6.75% 11-15-2021 Callable	United States	Corporate - Non Convertible	USD 2,010,000	2,105	2,877
CSC Holdings LLC 5.25% 06-01-2024	United States	Corporate - Non Convertible	USD 740,000	964	1,054
CSC Holdings LLC 7.75% 07-15-2025 Callable 2020 144A	United States	Corporate - Non Convertible	USD 235,000	330	335
Denbury Resources Inc. 9.00% 05-15-2021 Callable 144A	United States	Corporate - Non Convertible	USD 214,000	258	267
Diamond 1 Finance Corp. 6.02% 06-15-2026 Callable 2026 144A	United States	Corporate - Non Convertible	USD 1,985,000	2,721	2,958
Diamond Sports Group LLC 5.38% 08-15-2026 Callable 2022 144A	United States	Corporate - Non Convertible	USD 720,000	991	990
Diamond Sports Group LLC 6.63% 08-15-2027 Callable 2022 144A	United States	Corporate - Non Convertible	USD 360,000	496	495
Drax Group PLC 6.63% 11-01-2025 Callable 2021 144A	United Kingdom	Corporate - Non Convertible	USD 720,000	998	996
Dynegy Inc. 8.13% 01-30-2026 Callable 2020 144A	United States	Corporate - Non Convertible	USD 735,000	923	1,044
Edgewell Personal Care Co. Term Loan B 1st Lien F/R 09-20-2026	United States	Term Loans	USD 370,000	486	491
eG Global Finance PLC 6.75% 02-07-2025 Callable 2021 144A	United Kingdom	Corporate - Non Convertible	USD 1,150,000	1,496	1,491
Enbridge Inc. 3.94% 01-13-2023	Canada	Corporate - Non Convertible	7,500,000	7,499	7,846



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BONDS (cont'd)					
Enbridge Inc. 5.37% 09-27-2077 Callable 2027	Canada	Corporate - Non Convertible	2,010,000	2,009	2,009
Enbridge Inc. F/R 04-12-2078 Callable 2028	Canada	Corporate - Non Convertible	1,860,000	2,013	2,012
Energy Transfer LP 5.88% 01-15-2024	United States	Corporate - Non Convertible	USD 355,000	482	523
Energy Transfer Partners LP F/R 02-15-2166 Perpetual Callable 2028	United States	Corporate - Non Convertible	USD 1,490,000	1,897	1,870
Equinix Inc. 5.88% 01-15-2026 Callable 2021	United States	Corporate - Non Convertible	USD 555,000	735	783
ESH Hospitality Inc. 5.25% 05-01-2025 144A Callable 2020	United States	Corporate - Non Convertible	USD 525,000	684	719
FAGE International SA/FAGE USA Dairy Industry Inc. 5.63% 08-15-2026 Callable 2021 144A	Luxembourg	Corporate - Non Convertible	USD 1,260,000	1,495	1,498
Fairfax Financial Holdings Ltd. 4.50% 03-22-2023	Canada	Corporate - Non Convertible	1,375,000	1,460	1,459
Fairfax Financial Holdings Ltd. 4.95% 03-03-2025	Canada	Corporate - Non Convertible	460,000	501	501
Fairfax Financial Holdings Ltd. 4.85% 04-17-2028 Callable 2028	Canada	Corporate - Non Convertible	USD 640,000	804	918
First Quantum Minerals Ltd. 7.25% 04-01-2023 Callable 2019 144A	Zambia	Corporate - Non Convertible	USD 1,140,000	1,506	1,496
Ford Credit Canada Co. 2.58% 05-10-2021	United States	Corporate - Non Convertible	2,000,000	2,000	1,985
Fortress Transportation and Infrastructure Investors LLC 6.75% 03-15-2022 Callable 2020 144A	United States	Corporate - Non Convertible	USD 1,080,000	1,498	1,496
Fortress Transportation and Infrastructure Investors LLC 6.50% 10-01-2025 Callable 2021 144A	United States	Corporate - Non Convertible	USD 730,000	996	995
FTS International Inc. Term Loan 1st Lien F/R 04-16-2021	United States	Term Loans	USD 329,978	408	432
GFL Environmental Inc. Term Loan B 1st Lien F/R 05-31-2025	Canada	Term Loans	USD 2,666,988	3,395	3,506
GFL Environmental Inc. 5.38% 03-01-2023 Callable 2020 144A	Canada	Corporate - Non Convertible	USD 2,045,000	2,570	2,744
GFL Environmental Inc. 7.00% 06-01-2026 Callable 2021 144A	Canada	Corporate - Non Convertible	USD 2,585,000	3,410	3,614
Gibson Energy Inc. 5.38% 07-15-2022 Callable	Canada	Corporate - Non Convertible	565,000	565	573
Gibson Energy Inc. 5.25% 07-15-2024 Callable 2020 REGS	Canada	Corporate - Non Convertible	6,090,000	6,265	6,460
GLP Capital LP/GLP Financing II Inc. 5.25% 06-01-2025	United States	Corporate - Non Convertible	USD 900,000	1,160	1,316
Greater Toronto Airports Authority 2.75% 10-17-2039	Canada	Corporate - Non Convertible	70,000	70	71
Hadrian Merger Sub Inc. 8.50% 05-01-2026 Callable 2021 144A	United States	Corporate - Non Convertible	USD 1,170,000	1,507	1,503
HCA Holdings Inc. 5.25% 06-15-2026 Callable 2025	United States	Corporate - Non Convertible	USD 1,535,000	2,057	2,274
Howard Hughes Corp. 5.38% 03-15-2025 Callable 2020 144A	United States	Corporate - Non Convertible	USD 820,000	1,104	1,134
Hudbay Minerals Inc. 7.25% 01-15-2023 Callable 2019 144A	Canada	Corporate - Non Convertible	USD 2,960,000	4,016	4,062
HudBay Minerals Inc. 7.63% 01-15-2025 Callable 2020 144A	Canada	Corporate - Non Convertible	USD 1,545,000	2,091	2,080
Husky Energy Inc. 7.25% 12-15-2019	Canada	Corporate - Non Convertible	USD 1,375,000	1,737	1,837
IHS Markit Ltd. 4.00% 03-01-2026 Callable 2025 144A	United States	Corporate - Non Convertible	USD 295,000	378	414
Infor (US) Inc. 6.50% 05-15-2022 Callable 2019	United States	Corporate - Non Convertible	USD 675,000	849	910
Intelsat Jackson Holdings SA 9.75% 07-15-2025 Callable 2021 144A	Luxembourg	Corporate - Non Convertible	USD 1,258,000	1,661	1,747
Inter Pipeline Ltd. 3.776% 05-30-2022	Canada	Corporate - Non Convertible	5,000,000	5,000	5,169
Inter Pipeline Ltd. F/R 03-26-2079 Callable 2029	Canada	Corporate - Non Convertible	1,930,000	2,014	2,015
Intertape Polymer Group Inc. 7.00% 10-15-2026 Callable 2021 144A	Canada	Corporate - Non Convertible	USD 3,000,000	3,878	4,158
Iron Mountain Canada Operations ULC 5.38% 09-15-2023 Callable 2019	United States	Corporate - Non Convertible	3,160,000	3,160	3,273
Itron Inc. 5.00% 01-15-2026 Callable 2021 144A	United States	Corporate - Non Convertible	USD 400,000	508	546
Jeld-Wen Inc. 4.63% 12-15-2025 Callable 2020 144A	United States	Corporate - Non Convertible	USD 190,000	244	253
Jeld-Wen Inc. 4.88% 12-15-2027 Callable 2022 144A	United States	Corporate - Non Convertible	USD 680,000	874	897
Keyera Corp. F/R 06-13-2079 Callable 2029	Canada	Corporate - Non Convertible	2,950,000	3,026	3,027
KFC Holding Co. 5.00% 06-01-2024 Callable 2019 144A	United States	Corporate - Non Convertible	USD 805,000	1,055	1,107
KFC Holding Co. 5.25% 06-01-2026 Callable 2021 144A	United States	Corporate - Non Convertible	USD 970,000	1,271	1,360
Kruger Products LP 6.00% 04-24-2025 Callable 2021	Canada	Corporate - Non Convertible	1,540,000	1,505	1,504
LABL Escrow Issuer LLC 6.75% 07-15-2026 Callable 2022 144A	United States	Corporate - Non Convertible	USD 725,000	1,003	1,001



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BONDS (cont'd)					
LABL Escrow Issuer LLC 10.50% 07-15-2027 Callable 2022 144A	United States	Corporate - Non Convertible	USD 1,850,000	2,511	2,496
Lamb Weston Holdings Inc. 4.63% 11-01-2024 Callable 2021 144A	United States	Corporate - Non Convertible	USD 380,000	509	531
Lamb Weston Holdings Inc. 4.88% 11-01-2026 Callable 2021 144A	United States	Corporate - Non Convertible	USD 2,290,000	3,095	3,194
LG FinanceCo Corp. 5.88% 11-01-2024 Callable 2019 144A	United States	Corporate - Non Convertible	USD 890,000	1,183	1,228
Louisiana-Pacific Corp. 4.88% 09-15-2024 Callable 2019	United States	Corporate - Non Convertible	USD 530,000	688	716
MasTec Inc. 4.88% 03-15-2023 Callable 2019	United States	Corporate - Non Convertible	USD 195,000	201	263
Mattamy Group Corp. 6.50% 10-01-2025 Callable 2020	Canada	Corporate - Non Convertible	3,000,000	3,000	3,150
Mattel Inc. 2.35% 08-15-2021 Callable 2021	United States	Corporate - Non Convertible	USD 770,000	996	995
Mattel Inc. 3.15% 03-15-2023 Callable 2022	United States	Corporate - Non Convertible	USD 400,000	500	503
MEG Energy Corp. 6.38% 01-30-2023 Callable 144A	Canada	Corporate - Non Convertible	USD 3,276,000	3,675	4,228
MEG Energy Corp. 7.00% 03-31-2024 Callable 2019 144A	Canada	Corporate - Non Convertible	USD 1,144,000	1,185	1,464
MEG Energy Corp. 6.50% 01-15-2025 Callable 2020 144A	Canada	Corporate - Non Convertible	USD 4,248,000	5,455	5,820
Mercer International Inc. 7.75% 12-01-2022 Callable	Canada	Corporate - Non Convertible	USD 1,394,000	1,603	1,922
Mercer International Inc. 7.38% 01-15-2025 Callable 2021	United States	Corporate - Non Convertible	USD 1,870,000	2,493	2,537
Mercer International Inc. 5.50% 01-15-2026 Callable 2021	Canada	Corporate - Non Convertible	USD 780,000	998	1,001
Meredith Corp. 6.88% 02-01-2026 Callable 2021	United States	Corporate - Non Convertible	USD 1,910,000	2,511	2,580
Millar Western Forest Products Ltd. 9.50% 06-20-2023 Callable 2020	Canada	Corporate - Non Convertible	960,000	982	980
Molina Healthcare Inc. 5.38% 11-15-2022 Callable 2022	United States	Corporate - Non Convertible	USD 865,000	1,139	1,216
Molina Healthcare Inc. 4.88% 06-15-2025 Callable 2020 144A	United States	Corporate - Non Convertible	USD 285,000	385	382
Navistar Inc. Term Loan B 1st Lien F/R 11-06-2024	United States	Term Loans	USD 1,883,937	2,401	2,487
Neptune Finco Corp. 10.88% 10-15-2025 Callable 2020 144A	United States	Corporate - Non Convertible	USD 545,000	727	818
Nefflix Inc. 4.88% 04-15-2028	United States	Corporate - Non Convertible	USD 1,065,000	1,346	1,435
New Red Finance Inc. 4.63% 01-15-2022	Canada	Corporate - Non Convertible	USD 4,401,000	5,801	5,826
New Red Finance Inc. 4.25% 05-15-2024 Callable 2020 144A	Canada	Corporate - Non Convertible	USD 2,645,000	3,469	3,605
New Red Finance Inc. 5.00% 10-15-2025 Callable 2020 144A	Canada	Corporate - Non Convertible	USD 3,655,000	4,581	5,014
New Red Finance Inc. 3.88% 01-15-2028 Callable 2022 144A	Canada	Corporate - Non Convertible	USD 110,000	145	147
Norbord Inc. 5.75% 07-15-2027 Callable 2022 144A	Canada	Corporate - Non Convertible	USD 1,100,000	1,499	1,497
NOVA Chemicals Corp. 5.25% 08-01-2023 Callable 2019 144A	Canada	Corporate - Non Convertible	USD 3,040,000	3,526	4,076
NOVA Chemicals Corp. 4.88% 06-01-2024 Callable 144A	Canada	Corporate - Non Convertible	USD 863,000	1,166	1,175
NOVA Chemicals Corp. 5.25% 06-01-2027 Callable 2027 144A	Canada	Corporate - Non Convertible	USD 2,367,000	3,119	3,269
NRG Energy Inc. 3.75% 06-15-2024 Callable 2024 144A	United States	Corporate - Non Convertible	USD 265,000	357	361
NRG Energy Inc. 7.25% 05-15-2026 Callable 2021	United States	Corporate - Non Convertible	USD 1,042,000	1,367	1,515
NRG Energy Inc. 5.75% 01-15-2028 Callable 2023	United States	Corporate - Non Convertible	USD 50,000	65	71
NRG Energy Inc. 4.45% 06-15-2029 Callable 2029 144A	United States	Corporate - Non Convertible	USD 410,000	551	567
NRG Energy Inc. 5.25% 06-15-2029 Callable 2024 144A	United States	Corporate - Non Convertible	USD 635,000	860	905
Nufarm Australia Ltd. 5.75% 04-30-2026 Callable 2021 144A	Australia	Corporate - Non Convertible	USD 800,000	1,001	1,047
Numericable-SFR 7.38% 05-01-2026 Callable 2021 144A	France	Corporate - Non Convertible	USD 1,850,000	2,633	2,631
NuVista Energy Ltd. 6.50% 03-02-2023 Callable 2020	Canada	Corporate - Non Convertible	2,570,000	2,493	2,501
Outdoor Americas Capital LLC/Outfront Media Capital Corp. 5.625% 02-15-2024	United States	Corporate - Non Convertible	USD 115,000	126	157
Panther BF Aggregator 2 LP 6.25% 05-15-2026 144A	United States	Corporate - Non Convertible	USD 2,150,000	3,005	2,998
Panther BF Aggregator 2 LP 8.50% 05-15-2027 Callable 2022 144A	United States	Corporate - Non Convertible	USD 1,100,000	1,486	1,478
Paramount Resources Ltd. 6.875% 06-30-2023 Callable 2019 144A	Canada	Corporate - Non Convertible	USD 3,000,000	3,646	4,065



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BONDS (cont'd)					
Parkland Fuel Corp. 5.75% 09-16-2024 Callable 2019	Canada	Corporate - Non Convertible	7,450,000	7,594	7,715
Parkland Fuel Corp. 5.63% 05-09-2025 Callable 2020	Canada	Corporate - Non Convertible	2,150,000	2,150	2,231
Parkland Fuel Corp. 6.00% 04-01-2026 Callable 2021 144A	Canada	Corporate - Non Convertible	USD 2,128,000	2,984	2,985
Parkland Fuel Corp. 6.50% 01-21-2027 Callable 2022	Canada	Corporate - Non Convertible	1,000,000	1,000	1,058
Penske Automotive Group Inc. 5.38% 12-01-2024 Callable 2019	United States	Corporate - Non Convertible	USD 1,550,000	1,751	2,113
Penske Automotive Group Inc. 5.50% 05-15-2026 Callable 2021	United States	Corporate - Non Convertible	USD 595,000	765	824
Precision Drilling Corp. 6.50% 12-15-2021 Callable 2019	Canada	Corporate - Non Convertible	USD 1,439,707	1,423	1,912
Precision Drilling Corp. 7.75% 12-15-2023 Callable 2019	Canada	Corporate - Non Convertible	USD 3,085,000	4,074	3,977
Quebecor Media Inc. 6.63% 01-15-2023 144A	Canada	Corporate - Non Convertible	5,725,000	5,781	6,241
Rackspace Hosting Inc. 8.63% 11-15-2024 Callable 2019 144A	United States	Corporate - Non Convertible	USD 1,610,000	1,999	1,967
Reliance Intermediate Holdings LP 6.50% 04-01-2023 Callable 2020 144A	Canada	Corporate - Non Convertible	USD 1,100,000	1,509	1,505
Rite Aid Corp. 6.13% 04-01-2023 Callable 2020 144A	United States	Corporate - Non Convertible	USD 1,540,000	1,707	1,623
Robertshaw US Holding Corp. Term Loan 1st Lien F/R 02-15-2025	United States	Term Loans	USD 581,894	725	707
Robertshaw US Holding Corp. Term Loan 2nd Lien F/R 02-15-2026	United States	Term Loans	USD 840,000	1,038	973
Rogers Communications Inc. 4.00% 06-06-2022	Canada	Corporate - Non Convertible	6,785,000	6,938	7,086
Russel Metals Inc. 6.00% 03-16-2026 Callable 2021	Canada	Corporate - Non Convertible	2,000,000	2,000	2,071
Scientific Games International Inc. 10.00% 12-01-2022 Callable 2019	United States	Corporate - Non Convertible	USD 530,000	537	730
Service Corp. International 5.38% 05-15-2024 Callable 2019	United States	Corporate - Non Convertible	USD 1,635,000	1,802	2,235
Service Corp. International 5.13% 06-01-2029 Callable 2024	United States	Corporate - Non Convertible	USD 850,000	1,145	1,205
Sirius XM Radio Inc. 5.00% 08-01-2027 Callable 2022 144A	United States	Corporate - Non Convertible	USD 1,110,000	1,460	1,523
Six Flags Entertainment Corp. 5.50% 04-15-2027 Callable 2022 144A	United States	Corporate - Non Convertible	USD 1,540,000	2,053	2,178
Source Energy Services Canada LP 10.50% 12-15-2021 Callable 2019 144A	Canada	Corporate - Non Convertible	3,420,000	2,497	2,497
Sprint Capital Corp. 6.88% 11-15-2028	United States	Corporate - Non Convertible	USD 1,915,000	2,171	2,767
Sprint Corp. 7.25% 09-15-2021	United States	Corporate - Non Convertible	USD 1,000,000	1,058	1,415
Sprint Corp. 7.88% 09-15-2023	United States	Corporate - Non Convertible	USD 1,736,000	2,037	2,526
Sprint Spectrum Co. LLC 3.36% 03-20-2023	United States	Corporate - Non Convertible	USD 477,500	631	637
Steel Dynamics Inc. 4.13% 09-15-2025 Callable 2020	United States	Corporate - Non Convertible	USD 195,000	238	261
Steel Dynamics Inc. 5.00% 12-15-2026 Callable 2021	United States	Corporate - Non Convertible	USD 1,565,000	2,094	2,173
Superior Plus LP 5.25% 02-27-2024 Callable 2020	Canada	Corporate - Non Convertible	5,000,000	5,050	5,052
Superior Plus LP 5.13% 08-27-2025 Callable 2021	Canada	Corporate - Non Convertible	1,000,000	1,005	1,004
Superior Plus LP 7.00% 07-15-2026 Callable 2021 144A	Canada	Corporate - Non Convertible	USD 1,425,000	2,007	1,992
Tallgrass Energy Partners LP 5.50% 01-15-2028 Callable 2023 144A	United States	Corporate - Non Convertible	USD 515,000	672	669
Targa Resources Partners LP 5.00% 01-15-2028	United States	Corporate - Non Convertible	USD 280,000	350	376
Teine Energy Ltd. 6.88% 09-30-2022 Callable 2019 144A	Canada	Corporate - Non Convertible	USD 1,500,000	2,058	1,992
Telesat Canada 6.50% 10-15-2027	Canada	Corporate - Non Convertible	USD 480,000	636	635
TELUS Corp. 3.35% 03-15-2023 Callable 2022	Canada	Corporate - Non Convertible	5,000,000	5,026	5,152
TerraForm Power Operating LLC 5.00% 01-31-2028 Callable 2027 144A	United States	Corporate - Non Convertible	USD 1,080,000	1,495	1,497
Tervita Escrow Corp. 7.63% 12-01-2021 Callable 2019 144A	Canada	Corporate - Non Convertible	USD 2,535,000	3,356	3,420
Teva Pharmaceutical Finance Netherlands III BV 6.00% 04-15-2024	Israel	Corporate - Non Convertible	USD 920,000	1,187	1,057
Teva Pharmaceutical Finance Netherlands III BV 6.75% 03-01-2028 Callable 2027	Israel	Corporate - Non Convertible	USD 1,390,000	1,793	1,505
Teva Pharmaceutical Industries Ltd. 2.80% 07-21-2023	Israel	Corporate - Non Convertible	USD 1,350,000	1,450	1,447
T-Mobile USA Inc. 4.50% 02-01-2026 Callable 2021	United States	Corporate - Non Convertible	USD 135,000	168	184



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MACKENZIE CORPORATE BOND FUND

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2019

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SCHEDULE OF INVESTMENTS (cont'd)

As at September 30, 2019

	Country	Sector	Par Value/ No. of Shares/Units	Average Cost (\$ 000s)	Fair Value (\$ 000s)
BONDS (cont'd)					
T-Mobile USA Inc. 5.38% 04-15-2027 Callable 2022	United States	Corporate - Non Convertible	USD 410,000	558	586
T-Mobile USA Inc. 4.75% 02-01-2028 Callable 2023	United States	Corporate - Non Convertible	USD 1,460,000	1,862	2,028
TransCanada Trust F/R 05-18-2077 Callable 2027	Canada	Corporate - Non Convertible	2,600,000	2,518	2,513
TransDigm Group Inc. 6.25% 03-15-2026 Callable 2022 144A	United States	Corporate - Non Convertible	USD 645,000	894	918
TransDigm Inc. 6.50% 05-15-2025 Callable 2020	United States	Corporate - Non Convertible	USD 590,000	807	815
TRI Pointe Holdings Inc. 5.88% 06-15-2024	United States	Corporate - Non Convertible	USD 415,000	446	587
Trulieve Cannabis Corp. 9.75% 06-18-2024	United States	Corporate - Non Convertible	USD 1,305,000	1,661	1,656
Uber Technologies Inc. 8.00% 11-01-2026 Callable 2021 144A	United States	Corporate - Non Convertible	USD 1,825,000	2,456	2,451
Unimin Corp. Term Loan 1st Lien F/R 05-21-2025	United States	Term Loans	USD 450,000	487	489
Vermilion Energy Inc. 5.63% 03-15-2025 Callable 2020 144A	Canada	Corporate - Non Convertible	USD 1,445,000	1,938	1,834
Vidéotron Ltd./Vidéotron Ltée. 5.13% 04-15-2027 Callable 2022 144A	Canada	Corporate - Non Convertible	USD 1,865,000	2,497	2,618
Vidéotron Ltée 5.00% 07-15-2022	Canada	Corporate - Non Convertible	USD 1,750,000	1,773	2,454
Vidéotron Ltée 5.63% 06-15-2025 Callable 2025	Canada	Corporate - Non Convertible	8,105,000	8,158	8,747
Vistra Operations Co. LLC 5.50% 09-01-2026 Callable 2021 144A	United States	Corporate - Non Convertible	USD 395,000	516	548
Vistra Operations Co. LLC 5.00% 07-31-2027 Callable 2022 144A	United States	Corporate - Non Convertible	USD 395,000	528	539
VRX Escrow Corp. 6.13% 04-15-2025 Callable 2020 144A	United States	Corporate - Non Convertible	USD 2,880,000	3,361	3,960
Vungle Inc. Term Loan B 1st Lien F/R 09-30-2026	United States	Term Loans	USD 730,000	953	952
W.R. Grace & Co.-Conn. 5.125% 10-01-2021 144A	United States	Corporate - Non Convertible	USD 240,000	319	331
W.R. Grace & Co.-Conn. 5.63% 10-01-2024 144A	United States	Corporate - Non Convertible	USD 420,000	519	602
Western Digital Corp. 4.75% 02-15-2026 Callable 2025	United States	Corporate - Non Convertible	USD 595,000	733	812
WMG Acquisition Corp. 5.50% 04-15-2026 Callable 2021 144A	United States	Corporate - Non Convertible	USD 335,000	430	467
Wolverine World Wide Inc. 5.00% 09-01-2026 Callable 2021 144A	United States	Corporate - Non Convertible	USD 940,000	1,209	1,260
Wyndham Hotels and Resorts Inc. 5.38% 04-15-2021 Callable 2021 144A	United States	Corporate - Non Convertible	USD 905,000	1,166	1,261
Total bonds				421,572	440,302
EQUITIES					
Advanz Pharma Corp.	Canada	Health Care	13,855	264	220
AltaGas Ltd. Pfd. Series K	Canada	Energy	71,247	1,497	1,567
Brookfield Renewable Partners LP Pfd. Series 11	Canada	Utilities	42,279	994	1,002
CHC Group LLC	Cayman Islands	Energy	56,625	1,079	7
Crown Castle International Corp. Conv. Pfd. Series A	United States	Real Estate	617	817	1,031
Husky Energy Inc. 4.45% 12-31-2049 Pfd. Series 1	Canada	Energy	170,000	1,862	1,873
iHeartMedia Inc. Warrants Exp. 05-01-2039	United States	Communication Services	14,635	-	41
Manulife Financial Corp. Pfd. Series 13	Canada	Financials	60,000	1,066	1,058
Nine Point Energy Holdings Inc. Pfd.	United States	Energy	538	735	142
Nine Point Energy Holdings Inc.	United States	Energy	20,794	454	55
Shaw Communications Inc. Pfd Series A	Canada	Consumer Discretionary	99,020	1,287	1,286
TC Energy Corp. Pfd. Series 15	Canada	Energy	17,454	438	442
Tervita Corp. Class A Voting	Canada	Health Care	9,500	88	71
TransAlta Corp. Pfd. Series A	Canada	Utilities	159,981	1,672	1,718
Total equities				12,253	10,513



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MACKENZIE CORPORATE BOND FUND

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2019

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SCHEDULE OF INVESTMENTS (cont'd)

As at September 30, 2019

	Country	Sector	Par Value/ No. of Shares/Units	Average Cost (\$ 000s)	Fair Value (\$ 000s)
OPTIONS					
Options purchased (see schedule of options purchased)				309	294
Total options				309	294
Transaction costs				(13)	—
Total investments				434,121	451,109
Derivative instruments (see schedule of derivative instruments)					554
Cash and cash equivalents					6,364
Other assets less liabilities					4,079
Total net assets					462,106



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MACKENZIE CORPORATE BOND FUND

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SUMMARY OF INVESTMENT PORTFOLIO

September 30, 2019	
Portfolio Allocation	% of NAV
Bonds	95.4
<i>Bonds</i>	95.3
<i>Purchased options</i>	0.1
Equities	2.3
Cash and short-term investments	1.4
Other assets (liabilities)	0.9

Regional Allocation	% of NAV
Canada	56.6
United States	35.9
Cash and short-term investments	1.4
United Kingdom	1.1
Other assets (liabilities)	0.9
Luxembourg	0.9
Israel	0.9
France	0.6
Ireland	0.4
Netherlands	0.3
Zambia	0.3
Cayman Islands	0.3
Australia	0.2
Mexico	0.2

Sector Allocation	% of NAV
Corporate bonds – Energy	20.7
Corporate bonds – Basic industry	11.5
Corporate bonds – Media	10.3
Corporate bonds – Telecommunications	8.8
Corporate bonds – Retail	7.8
Other corporate bonds	7.1
Corporate bonds – Healthcare	6.1
Corporate bonds – Capital goods	5.8
Corporate bonds – Financial services	3.4
Term loans	3.2
Corporate bonds – Utility	3.0
Corporate bonds – Banking	2.8
Corporate bonds – Services	2.6
Equities	2.3
Corporate bonds – Technology and electronics	2.3
Cash and short-term investments	1.4
Other assets (liabilities)	0.9

March 31, 2019	
Portfolio Allocation	% of NAV
Bonds	93.5
Other assets (liabilities)	3.1
Cash and short-term investments	2.3
Equities	1.1

Regional Allocation	% of NAV
Canada	51.0
United States	40.9
Other assets (liabilities)	3.1
Cash and short-term investments	2.3
Luxembourg	0.8
Israel	0.6
Cayman Islands	0.3
Ireland	0.3
Mexico	0.2
Zambia	0.2
Switzerland	0.1
United Kingdom	0.1
France	0.1

Sector Allocation	% of NAV
Corporate bonds – Energy	18.8
Corporate bonds – Basic industry	13.7
Corporate bonds – Media	8.3
Corporate bonds – Telecommunications	7.3
Corporate bonds – Capital goods	7.2
Corporate bonds – Healthcare	6.4
Corporate bonds – Retail	5.6
Other	5.5
Corporate bonds – Leisure	5.4
Term loans	3.5
Corporate bonds – Services	3.3
Other assets (liabilities)	3.1
Corporate bonds – Financial services	2.7
Corporate bonds – Banking	2.6
Corporate bonds – Utility	2.6
Cash and short-term investments	2.3
Corporate bonds – Real estate	1.7



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MACKENZIE CORPORATE BOND FUND

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2019

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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)
iShares iBoxx \$ High Yield Corporate Bond ETF	600	Put	Jan. 17, 2020	USD 85.00	74	74
iShares iBoxx \$ High Yield Corporate Bond ETF	1,150	Put	Mar. 20, 2020	USD 85.00	235	220
Total options					309	294



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MACKENZIE CORPORATE BOND FUND

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2019

FIXED INCOME FUND

SCHEDULE OF DERIVATIVE 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 (\$ 000s)
A	87,741	Canadian dollar	(66,079)	U.S. dollar	Nov. 1, 2019	(87,741)	(87,505)	236
A	87,691	Canadian dollar	(66,079)	U.S. dollar	Nov. 8, 2019	(87,691)	(87,496)	195
A	87,569	Canadian dollar	(66,079)	U.S. dollar	Nov. 15, 2019	(87,569)	(87,488)	81
AA	19,981	Canadian dollar	(15,060)	U.S. dollar	Nov. 15, 2019	(19,981)	(19,939)	42
Unrealized Gains								554
Total forward currency contracts								554
Total derivative instruments at fair value								554



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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.



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NOTES TO FINANCIAL STATEMENTS

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

(a) Fund Formation and Series Information

Date of Formation October 19, 1999

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.

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

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 J, Series PWT8 and Series PWX8 securities are no longer available for sale.

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.

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.

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NOTES TO FINANCIAL STATEMENTS

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

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

Series	Inception/ Reinstatement Date	Management Fees	Administration Fees	Net Asset Value per Security (\$)	
				Sep. 30, 2019	Mar. 31, 2019
Series A	November 3, 2000	1.35%	0.18%	4.29	4.27
Series AR	November 20, 2013	1.35%	0.23%	9.19	9.14
Series D	December 17, 2013	1.00%	0.15%	9.10	9.05
Series E	None issued ⁽⁴⁾	0.75%	0.15%	—	—
Series F	November 3, 2000	0.55% ⁽³⁾	0.15%	4.52	4.50
Series FB	October 26, 2015	0.75%	0.20%	9.89	9.84
Series G	April 1, 2005	1.10%	0.18%	8.45	8.41
Series I	November 3, 2000	0.80%	0.20%	4.18	4.16
Series J	October 10, 2008	1.35%	0.15%	10.69	10.64
Series O	July 13, 2004	— ⁽¹⁾	— *	8.69	8.65
Series PW	October 10, 2013	1.05%	0.15%	9.30	9.25
Series PWF	None issued ⁽⁵⁾	0.55%	0.15%	—	—
Series PWFB	April 3, 2017	0.55%	0.15%	9.60	9.56
Series PWR	April 1, 2019	1.05%	0.15%	10.04	—
Series PWT8	August 27, 2014	1.05%	0.15%	10.93	11.05
Series PWX	November 19, 2013	— ⁽²⁾	— ⁽²⁾	9.19	9.14
Series PWX8	December 20, 2013	— ⁽²⁾	— ⁽²⁾	11.78	11.82
Series R	July 3, 2007	— *	— *	8.77	8.72
Series S	February 28, 2005	— ⁽¹⁾	0.02%	8.52	8.47
Series LB	January 19, 2012	1.35%	0.18%	9.60	9.55
Series LW	December 1, 2017	1.05%	0.15%	9.66	9.61

* 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 0.75%.

(4) The series' original start date was December 2, 2008. All securities in the series were consolidated into Series F on June 1, 2018.

(5) The series' original start date was October 9, 2013. All securities in the series were consolidated into Series F on June 1, 2018.

(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 \$8, \$1,876 and \$19,885 (March 31, 2019 — \$6, \$1,995 and \$19,285), respectively, in the Fund.

(c) Loss Carryforwards

As at the last taxation year-end, the Fund has capital losses of \$56,671 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.

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

(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	9,091	13,006
Value of collateral received	9,608	13,922

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	56	100.0	154	100.0
Tax withheld	(6)	(10.7)	(42)	(27.3)
	50	89.3	112	72.7
Payments to Securities Lending Agent	(13)	(23.2)	(28)	(18.2)
Securities lending income	37	66.1	84	54.5

(e) Commissions

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

	(\$)
September 30, 2019	4
September 30, 2018	—

(f) Change in Sub-Advisor

Mackenzie relied on a recommendation issued by the Mackenzie Funds' Independent Review Committee to replace the Fund's sub-advisor, Putnam Advisory Co. LLC, with portfolio managers at Mackenzie, effective September 20, 2019.

(g) Investments Received as Collateral

As at September 30, 2019, \$Nil (March 31, 2019 – \$2,442) of cash have been received from Citibank and J.P. Morgan and United States Treasury Bills with a fair value of \$Nil (March 31, 2019 – \$297,169) have been received from State Street Bank and Bank of America as collateral against forward currency contracts.

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NOTES TO FINANCIAL STATEMENTS

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

(h) 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	81	–	–	81
Unrealized losses on derivative contracts	–	–	–	–
Liability for options written	–	–	–	–
Total	81	–	–	81

March 31, 2019				
	Gross amount of assets/liabilities (\$)	Amount available for offset (\$)	Margin (\$)	Net amount (\$)
Unrealized gains on derivative contracts	3,289	(359)	–	2,930
Unrealized losses on derivative contracts	(359)	359	–	–
Liability for options written	–	–	–	–
Total	2,930	–	–	2,930

(i) Risks Associated with Financial Instruments

i. Risk exposure and management

The Fund seeks above-average income with potential for long-term capital growth by investing primarily in higher-yielding Canadian fixed income securities and equities. It may hold up to 49% 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.

September 30, 2019				
Currency	Investments (\$)	Cash and Short-Term Investments (\$)	Derivative Instruments (\$)	Net Exposure* (\$)
U.S. dollar	306,287	5,823	(282,428)	29,682
Total	306,287	5,823	(282,428)	29,682
% of Net Assets	66.3	1.3	(61.1)	6.5

March 31, 2019				
Currency	Investments (\$)	Cash and Short-Term Investments (\$)	Derivative Instruments (\$)	Net Exposure* (\$)
U.S. dollar	364,643	6,720	(376,900)	(5,537)
Total	364,643	6,720	(376,900)	(5,537)
% of Net Assets	72.4	1.3	(74.8)	(1.1)

* Includes both monetary and non-monetary financial instruments



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NOTES TO FINANCIAL STATEMENTS

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

(i) Risks Associated with Financial Instruments (cont'd)

ii. Currency risk (cont'd)

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 increased or decreased by approximately \$1,484 or 0.3% of total net assets (March 31, 2019 – increased or decreased by \$277 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 by term to maturity.

	September 30, 2019	March 31, 2019
Bonds	(\$)	(\$)
Less than 1 year	1,837	6,393
1-5 years	207,434	196,225
5-10 years	201,078	246,030
Greater than 10 years	29,953	22,444
Total	440,302	471,092

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 \$14,503 or 3.1% (March 31, 2019 – \$18,385 or 3.6%) 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 \$14,584 or 3.2% (March 31, 2019 – \$18,385 or 3.6%) 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.

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 credit worthiness of the debt issuer. The maximum exposure to any one debt issuer as at September 30, 2019, was 2.3% of the net assets of the Fund (March 31, 2019 – 5.1%).

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

	September 30, 2019	March 31, 2019
Bond Rating*	% of Net Assets	% of Net Assets
AAA	–	–
AA	–	–
A	1.4	1.3
BBB	20.1	17.3
BB	42.8	41.0
B	26.3	27.5
Less than B	4.1	5.7
Unrated	0.6	0.7
Total	95.3	93.5

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

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

(j) 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	1,656	438,646	–	440,302	–	471,092	–	471,092
Equities	10,197	78	238	10,513	5,399	61	200	5,660
Options	–	294	–	294	–	–	–	–
Derivative assets	–	554	–	554	–	8,972	–	8,972
Derivative liabilities	–	–	–	–	–	(1,144)	–	(1,144)
Short-term investments	–	5,935	–	5,935	–	167	–	167
Total	11,853	445,507	238	457,598	5,399	479,148	200	484,747

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.

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.

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	200	1,134
Purchases	–	–
Sales	–	–
Transfers in	–	–
Transfers out	–	–
Gains (losses) during the period:		
Realized	–	–
Unrealized	38	(934)
Balance – end of period	238	200
Change in unrealized gains (losses) during the period attributable to securities held at end of period	38	(934)

Changing one or more of the inputs to reasonably possible alternative assumptions for valuing Level 3 financial instruments would not significantly affect the fair value of those instruments.



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