

## ***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 ETF. You may obtain a copy of the Interim MRFP, at no cost, by calling the toll-free number 1-800-387-0614, by writing to us at Mackenzie Financial Corporation, 180 Queen Street West, Toronto, Ontario M5V 3K1, by visiting our website at [www.mackenzieinvestments.com](http://www.mackenzieinvestments.com) or by visiting the SEDAR website at [www.sedar.com](http://www.sedar.com). Copies of the Annual Financial Statements or Annual MRFP may also be obtained, at no cost, using any of the methods outlined above.*

*Unitholders may also contact us using one of these methods to request a copy of the ETF'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 ETF, appoints independent auditors to audit the ETF'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 ETF'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 US LARGE CAP EQUITY INDEX ETF

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2019

TRADITIONAL EQUITY INDEX ETF

## STATEMENTS OF FINANCIAL POSITION

In thousands (except per unit figures)  
As at

	Sep. 30 2019	Mar. 31 2019 (Audited)
	\$	\$
<b>ASSETS</b>		
<b>Current assets</b>		
Investments at fair value	191,486	183,388
Cash and cash equivalents	1,148	1,152
Dividends receivable	149	128
Accounts receivable for investments sold	–	–
Accounts receivable for units issued	–	–
Due from manager	52	27
<b>Total assets</b>	<b>192,835</b>	<b>184,695</b>
<b>LIABILITIES</b>		
<b>Current liabilities</b>		
Accounts payable for investments purchased	–	–
Accounts payable for units redeemed	–	–
Distribution payable	974	–
Due to manager	64	41
<b>Total liabilities</b>	<b>1,038</b>	<b>41</b>
<b>Net assets attributable to unitholders</b>	<b>191,797</b>	<b>184,654</b>
<b>Net assets attributable to unitholders per series (note 3)</b>		
Series E	191,797	184,654
<b>Net assets attributable to unitholders per unit (note 3)</b>		
Series E	112.82	108.62

## STATEMENTS OF COMPREHENSIVE INCOME

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

	2019 \$	2018 \$
<b>Income</b>		
Dividends	1,869	1,596
Interest income	3	1
Other changes in fair value of investments and other net assets		
Net realized gain (loss)	4,125	317
Net unrealized gain (loss)	2,816	14,690
Securities lending income	5	2
<b>Total income (loss)</b>	<b>8,818</b>	<b>16,606</b>
<b>Expenses (note 6)</b>		
Management fees	80	65
Management fee rebates	(73)	(53)
Commissions and other portfolio transaction costs	44	33
Independent Review Committee fees	–	–
Other	1	–
<b>Expenses before amounts absorbed by Manager</b>	<b>52</b>	<b>45</b>
Expenses absorbed by Manager	42	27
<b>Net expenses</b>	<b>10</b>	<b>18</b>
<b>Increase (decrease) in net assets attributable to unitholders from operations before tax</b>	<b>8,808</b>	<b>16,588</b>
Foreign withholding taxes	331	269
Foreign income taxes paid (recovered)	–	–
<b>Increase (decrease) in net assets attributable to unitholders from operations</b>	<b>8,477</b>	<b>16,319</b>
<b>Increase (decrease) in net assets attributable to unitholders from operations per series</b>		
Series E	8,477	16,319
<b>Increase (decrease) in net assets attributable to unitholders from operations per unit</b>		
Series E	5.04	11.65

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



**MACKENZIE**  
Investments

# MACKENZIE US LARGE CAP EQUITY INDEX ETF

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2019

TRADITIONAL EQUITY INDEX ETF

## STATEMENTS OF CHANGES IN FINANCIAL POSITION

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

	2019	2018
	<b>Series E</b>	
<b>NET ASSETS ATTRIBUTABLE TO UNITHOLDERS</b>	<b>\$</b>	
<b>Beginning of period</b>	<b>184,654</b>	<b>43,886</b>
Increase (decrease) in net assets from operations	8,477	16,319
Distributions paid to unitholders:		
Investment income	(1,780)	(1,386)
Capital gains	–	–
Management fee rebates	(73)	(53)
Total distributions paid to unitholders	(1,853)	(1,439)
Unit transactions:		
Proceeds from units issued	50,601	127,703
Reinvested distributions	–	–
Payments on redemption of units	(50,082)	(24,911)
Total unit transactions	519	102,792
<b>Total increase (decrease) in net assets</b>	<b>7,143</b>	<b>117,672</b>
<b>End of period</b>	<b>191,797</b>	<b>161,558</b>
	<b>Units</b>	
<b>Increase (decrease) in units (note 7):</b>		
<b>Units outstanding – beginning of period</b>	<b>1,700</b>	<b>450</b>
Issued	450	1,300
Reinvested distributions	–	–
Redeemed	(450)	(250)
<b>Units outstanding – end of period</b>	<b>1,700</b>	<b>1,500</b>

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



**MACKENZIE**  
Investments

# MACKENZIE US LARGE CAP EQUITY INDEX ETF

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2019

TRADITIONAL EQUITY INDEX ETF

## STATEMENTS OF CASH FLOWS

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

	2019	2018
	\$	\$
<b>Cash flows from operating activities</b>		
Net increase (decrease) in net assets attributable to unitholders from operations	8,477	16,319
Adjustments for:		
Net realized loss (gain) on investments	(4,129)	(315)
Change in net unrealized loss (gain) on investments	(2,816)	(14,690)
Purchase of investments	(7,788)	(6,101)
Proceeds from sale and maturity of investments	7,163	5,642
Change in dividends receivable	(21)	(94)
Change in due from manager	(25)	9
Change in due to manager	23	(1)
<b>Net cash from operating activities</b>	<b>884</b>	<b>769</b>
<b>Cash flows from financing activities</b>		
Proceeds from units issued	119	913
Payments on redemption of units	(118)	(260)
Distributions paid net of reinvestments	(879)	(645)
<b>Net cash from financing activities</b>	<b>(878)</b>	<b>8</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>6</b>	<b>777</b>
Cash and cash equivalents at beginning of period	1,152	19
Effect of exchange rate fluctuations on cash and cash equivalents	(10)	9
<b>Cash and cash equivalents at end of period</b>	<b>1,148</b>	<b>805</b>
Cash	1,148	805
Cash equivalents	–	–
<b>Cash and cash equivalents at end of period</b>	<b>1,148</b>	<b>805</b>
<b>Supplementary disclosures on cash flow from operating activities:</b>		
Dividends received	1,848	1,502
Foreign taxes paid	331	269
Interest received	3	1
Interest paid	–	–

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



**MACKENZIE**  
Investments

# MACKENZIE US LARGE CAP EQUITY INDEX ETF

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2019

TRADITIONAL EQUITY INDEX ETF

## SCHEDULE OF INVESTMENTS

As at September 30, 2019

	Country	Sector	Par Value/ No. of Shares/Units	Average Cost (\$ 000s)	Fair Value (\$ 000s)
<b>EQUITIES</b>					
3M Co.	United States	Industrials	3,385	907	737
Abbott Laboratories	United States	Health Care	10,322	940	1,144
AbbVie Inc.	United States	Health Care	8,707	999	873
ABIOMED Inc.	United States	Health Care	253	99	60
Accenture PLC Class A	United States	Information Technology	3,955	857	1,008
Activision Blizzard Inc.	United States	Communication Services	4,466	339	313
Adobe Systems Inc.	United States	Information Technology	2,853	926	1,044
Advance Auto Parts Inc.	United States	Consumer Discretionary	402	88	88
Advanced Micro Devices Inc.	United States	Information Technology	5,886	173	226
The AES Corp.	United States	Utilities	3,873	83	84
Aflac Inc.	United States	Financials	4,350	270	302
Agilent Technologies Inc.	United States	Health Care	1,854	170	188
Air Products and Chemicals Inc.	United States	Materials	1,294	307	380
Akamai Technologies Inc.	United States	Information Technology	942	91	114
Albemarle Corp.	United States	Materials	622	71	57
Alexandria Real Estate Equities Inc.	United States	Real Estate	686	120	140
Alexion Pharmaceuticals Inc.	United States	Health Care	1,267	197	164
Align Technology Inc.	United States	Health Care	431	150	103
Alleghany Corp.	United States	Financials	82	67	87
Allergan PLC	United States	Health Care	1,927	393	430
Alliant Energy Corp.	United States	Utilities	1,397	84	100
The Allstate Corp.	United States	Financials	1,915	243	276
Ally Financial Inc.	United States	Financials	2,301	84	101
Alphabet Inc. Class A	United States	Communication Services	1,763	2,565	2,853
Alphabet Inc. Class C	United States	Communication Services	1,789	2,591	2,890
Altria Group Inc.	United States	Consumer Staples	11,013	828	597
Amazon.com Inc.	United States	Consumer Discretionary	2,425	5,250	5,578
Ameren Corp.	United States	Utilities	1,439	122	153
American Airlines Group Inc.	United States	Industrials	2,333	126	83
American Electric Power Co. Inc.	United States	Utilities	2,906	290	361
American Express Co.	United States	Financials	3,678	502	576
American International Group Inc.	United States	Financials	5,124	347	378
American Tower Corp. Class A	United States	Real Estate	2,598	570	761
American Water Works Co. Inc.	United States	Utilities	1,006	125	166
Ameriprise Financial Inc.	United States	Financials	702	131	137
AmerisourceBergen Corp.	United States	Health Care	902	102	98
Ametek Inc.	United States	Industrials	1,337	139	163
Amgen Inc.	United States	Health Care	3,586	842	919
Amphenol Corp. Class A	United States	Information Technology	1,752	206	224
Analog Devices Inc.	United States	Information Technology	2,173	284	322
Annaly Capital Management Inc.	United States	Financials	8,557	112	100
ANSYS Inc.	United States	Information Technology	489	112	143
Anthem Inc.	United States	Health Care	1,506	509	479
Aon PLC	United States	Financials	1,404	291	360
Apache Corp.	United States	Energy	2,210	102	75
Apple Inc.	United States	Information Technology	23,934	5,779	7,103
Applied Materials Inc.	United States	Information Technology	5,483	357	362
Arch Capital Group Ltd.	United States	Financials	2,296	93	128



**MACKENZIE**  
Investments

# MACKENZIE US LARGE CAP EQUITY INDEX ETF

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2019

TRADITIONAL EQUITY INDEX ETF

## SCHEDULE OF INVESTMENTS (cont'd)

As at September 30, 2019

	Country	Sector	Par Value/ No. of Shares/Units	Average Cost (\$ 000s)	Fair Value (\$ 000s)
<b>EQUITIES (cont'd)</b>					
Archer-Daniels-Midland Co.	United States	Consumer Staples	3,289	185	179
Arista Networks Inc.	United States	Information Technology	320	112	101
Arthur J. Gallagher & Co.	United States	Financials	1,080	107	128
AT&T Inc.	United States	Communication Services	42,747	1,877	2,143
Atmos Energy Corp.	United States	Utilities	682	85	103
Autodesk Inc.	United States	Information Technology	1,291	242	253
Automatic Data Processing Inc.	United States	Information Technology	2,381	425	509
AutoZone Inc.	United States	Consumer Discretionary	144	152	207
AvalonBay Communities Inc.	United States	Real Estate	819	195	234
Baker Hughes a GE Co.	United States	Energy	3,032	110	93
Ball Corp.	United States	Materials	1,951	129	188
Bank of America Corp.	United States	Financials	49,740	1,915	1,922
The Bank of New York Mellon Corp.	United States	Financials	4,989	329	299
Baxter International Inc.	United States	Health Care	2,872	271	333
BB&T Corp.	United States	Financials	4,476	296	316
Becton, Dickinson and Co.	United States	Health Care	1,585	485	531
Berkshire Hathaway Inc. Class B	United States	Financials	7,744	2,049	2,134
Best Buy Co. Inc.	United States	Consumer Discretionary	1,374	127	126
Biogen Inc.	United States	Health Care	1,082	368	334
BioMarin Pharmaceutical Inc.	United States	Health Care	1,155	126	103
BlackRock Inc.	United States	Financials	649	416	383
The Boeing Co.	United States	Industrials	3,114	1,417	1,570
Booking Holdings Inc.	United States	Consumer Discretionary	254	654	660
Boston Properties Inc.	United States	Real Estate	909	150	156
Boston Scientific Corp.	United States	Health Care	8,176	359	441
Bristol-Myers Squibb Co.	United States	Health Care	9,632	675	647
Broadcom Inc.	United States	Information Technology	2,284	758	835
Broadridge Financial Solutions Inc.	United States	Information Technology	592	87	98
Brown-Forman Corp. Class B non-voting	United States	Consumer Staples	1,768	125	147
Burlington Stores Inc.	United States	Consumer Discretionary	388	87	103
C.H. Robinson Worldwide Inc.	United States	Industrials	796	93	89
Cabot Oil & Gas Corp.	United States	Energy	2,449	76	57
Cadence Design Systems Inc.	United States	Information Technology	1,624	107	142
Capital One Financial Corp.	United States	Financials	2,748	331	331
Cardinal Health Inc.	United States	Health Care	1,748	128	109
CarMax Inc.	United States	Consumer Discretionary	927	82	108
Carnival Corp.	United States	Consumer Discretionary	2,362	183	137
Caterpillar Inc.	United States	Industrials	3,367	623	563
Cboe Global Markets Inc.	United States	Financials	653	92	99
CBRE Group Inc. Class A	United States	Real Estate	1,819	115	128
CBS Corp. Class B non-voting	United States	Communication Services	1,936	127	104
CDW Corp. of Delaware	United States	Information Technology	851	96	139
Celanese Corp. Series A	United States	Materials	618	85	100
Celgene Corp.	United States	Health Care	4,153	489	546
Centene Corp.	United States	Health Care	2,366	175	136
CenterPoint Energy Inc.	United States	Utilities	2,947	110	118
CenturyLink Inc.	United States	Communication Services	6,377	125	105
Cerner Corp.	United States	Health Care	1,852	149	167



**MACKENZIE**  
Investments

# MACKENZIE US LARGE CAP EQUITY INDEX ETF

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2019

TRADITIONAL EQUITY INDEX ETF

## SCHEDULE OF INVESTMENTS (cont'd)

As at September 30, 2019

	Country	Sector	Par Value/ No. of Shares/Units	Average Cost (\$ 000s)	Fair Value (\$ 000s)
<b>EQUITIES (cont'd)</b>					
CF Industries Holdings Inc.	United States	Materials	1,167	76	76
The Charles Schwab Corp.	United States	Financials	7,098	449	393
Charter Communications Inc. Class A	United States	Communication Services	927	415	506
Chenerie Energy Inc.	United States	Energy	1,375	110	115
Chevron Corp.	United States	Energy	11,227	1,760	1,764
Chipotle Mexican Grill Inc.	United States	Consumer Discretionary	161	123	179
Chubb Ltd.	United States	Financials	2,320	423	496
Church & Dwight Co. Inc.	United States	Consumer Staples	1,448	113	144
Cigna Corp.	United States	Health Care	2,232	509	449
Cincinnati Financial Corp.	United States	Financials	911	100	141
Cintas Corp.	United States	Industrials	513	132	182
Cisco Systems Inc.	United States	Information Technology	25,440	1,585	1,665
Citigroup Inc.	United States	Financials	13,287	1,186	1,216
Citizens Financial Group Inc.	United States	Financials	2,693	137	126
Citrix Systems Inc.	United States	Information Technology	733	93	94
The Clorox Co.	United States	Consumer Staples	749	138	151
CME Group Inc.	United States	Financials	2,041	464	571
CMS Energy Corp.	United States	Utilities	1,664	109	141
The Coca-Cola Co.	United States	Consumer Staples	22,515	1,369	1,624
Cognizant Technology Solutions Corp.	United States	Information Technology	3,345	326	267
Colgate Palmolive Co.	United States	Consumer Staples	5,038	459	491
Comcast Corp. Class A	United States	Communication Services	26,845	1,319	1,603
Comerica Inc.	United States	Financials	875	98	76
ConAgra Brands Inc.	United States	Consumer Staples	2,855	117	116
Concho Resources Inc.	United States	Energy	1,088	181	98
ConocoPhillips	United States	Energy	6,657	542	503
Consolidated Edison Inc.	United States	Utilities	1,958	210	245
Constellation Brands Inc. Class A	United States	Consumer Staples	893	242	245
The Cooper Companies Inc.	United States	Health Care	290	100	114
Copart Inc.	United States	Industrials	1,176	91	125
Corning Inc.	United States	Information Technology	4,612	182	174
Corteva Inc.	United States	Materials	4,411	164	164
CoStar Group Inc.	United States	Industrials	212	120	167
Costco Wholesale Corp.	United States	Consumer Staples	2,553	744	974
Crown Castle International Corp.	United States	Real Estate	2,442	372	450
CSX Corp.	United States	Industrials	4,472	377	410
Cummins Inc.	United States	Industrials	913	192	197
CVS Health Corp.	United States	Health Care	7,639	643	638
D.R. Horton Inc.	United States	Consumer Discretionary	2,056	118	144
Danaher Corp.	United States	Health Care	3,753	565	718
Darden Restaurants Inc.	United States	Consumer Discretionary	724	98	113
Deere & Co.	United States	Industrials	1,864	375	417
Dell Technologies Inc. Class C	United States	Information Technology	907	80	62
Delta Air Lines Inc.	United States	Industrials	3,249	232	248
Dentsply Sirona Inc.	United States	Health Care	1,373	92	97
Devon Energy Corp.	United States	Energy	2,364	97	75
DexCom Inc.	United States	Health Care	519	98	103
Diamondback Energy Inc.	United States	Energy	966	138	115



**MACKENZIE**  
Investments

# MACKENZIE US LARGE CAP EQUITY INDEX ETF

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2019

TRADITIONAL EQUITY INDEX ETF

## SCHEDULE OF INVESTMENTS (cont'd)

As at September 30, 2019

	Country	Sector	Par Value/ No. of Shares/Units	Average Cost (\$ 000s)	Fair Value (\$ 000s)
<b>EQUITIES (cont'd)</b>					
Digital Realty Trust Inc.	United States	Real Estate	1,190	173	205
Discover Financial Services	United States	Financials	1,757	171	189
Dollar General Corp.	United States	Consumer Discretionary	1,520	220	320
Dollar Tree Inc.	United States	Consumer Discretionary	1,366	178	207
Dominion Resources Inc.	United States	Utilities	4,715	445	506
Domino's Pizza Inc.	United States	Consumer Discretionary	235	75	76
Dover Corp.	United States	Industrials	851	105	112
Dow Inc.	United States	Materials	4,410	327	278
DowDuPont Inc.	United States	Materials	4,405	435	416
DTE Energy Co.	United States	Utilities	1,073	161	189
Duke Energy Corp.	United States	Utilities	4,288	470	545
Duke Realty Corp.	United States	Real Estate	2,114	79	95
DXC Technology Co.	United States	Information Technology	1,562	168	61
E*TRADE Financial Corp.	United States	Financials	1,409	96	82
Eastman Chemical Co.	United States	Materials	941	107	92
Eaton Corp. PLC	United States	Industrials	2,488	257	274
eBay Inc.	United States	Consumer Discretionary	4,661	238	241
Ecolab Inc.	United States	Materials	1,423	299	373
Edison International	United States	Utilities	1,920	160	192
Edwards Lifesciences Corp.	United States	Health Care	1,220	258	355
Elanco Animal Health Inc.	United States	Health Care	2,194	93	77
Electronic Arts Inc.	United States	Communication Services	1,716	249	222
Eli Lilly and Co.	United States	Health Care	5,025	637	744
Emerson Electric Co.	United States	Industrials	3,601	319	319
Entergy Corp.	United States	Utilities	1,116	130	174
EOG Resources Inc.	United States	Energy	3,405	445	335
Equifax Inc.	United States	Industrials	706	112	132
Equinix Inc.	United States	Real Estate	491	283	375
Equity Residential	United States	Real Estate	2,151	192	246
Essex Property Trust Inc.	United States	Real Estate	381	131	165
The Estée Lauder Companies Inc. Class A	United States	Consumer Staples	1,274	264	336
Everest Re Group Ltd.	United States	Financials	236	74	83
Evergy Inc.	United States	Utilities	1,435	110	127
Eversource Energy	United States	Utilities	1,901	164	215
Exact Sciences Corp.	United States	Health Care	747	101	89
Exelon Corp.	United States	Utilities	5,707	324	365
Expedia Group Inc.	United States	Consumer Discretionary	647	101	115
Expeditors International of Washington Inc.	United States	Industrials	1,007	91	99
Extra Space Storage Inc.	United States	Real Estate	728	91	113
Exxon Mobil Corp.	United States	Energy	25,040	2,513	2,343
F5 Networks Inc.	United States	Information Technology	351	73	65
Facebook Inc.	United States	Communication Services	13,890	3,121	3,278
FactSet Research Systems Inc.	United States	Financials	222	82	71
Fastenal Co.	United States	Industrials	3,367	127	146
Federal Realty Investment Trust	United States	Real Estate	438	71	79
FedEx Corp.	United States	Industrials	1,418	395	273
Fidelity National Information Services Inc.	United States	Information Technology	3,558	562	626
Fifth Third Bancorp	United States	Financials	4,290	165	156



**MACKENZIE**  
Investments

# MACKENZIE US LARGE CAP EQUITY INDEX ETF

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2019

TRADITIONAL EQUITY INDEX ETF

## SCHEDULE OF INVESTMENTS (cont'd)

As at September 30, 2019

	Country	Sector	Par Value/ No. of Shares/Units	Average Cost (\$ 000s)	Fair Value (\$ 000s)
<b>EQUITIES (cont'd)</b>					
First Republic Bank	United States	Financials	972	120	125
FirstEnergy Corp.	United States	Utilities	3,128	157	200
Fiserv Inc.	United States	Information Technology	3,294	375	452
FleetCor Technologies Inc.	United States	Information Technology	500	149	190
FMC Corp.	United States	Materials	769	81	89
FNF Group	United States	Financials	1,546	83	91
Ford Motor Co.	United States	Consumer Discretionary	22,940	308	278
Fortinet Inc.	United States	Information Technology	796	85	81
Fortive Corp.	United States	Industrials	1,728	176	157
Fox Corp. Class A	United States	Communication Services	2,064	110	86
Franklin Resources Inc.	United States	Financials	1,699	75	65
Freeport-McMoRan Inc.	United States	Materials	8,212	160	104
Garmin Ltd.	United States	Consumer Discretionary	780	84	88
Gartner Inc.	United States	Information Technology	515	90	98
General Dynamics Corp.	United States	Industrials	1,480	383	358
General Electric Co.	United States	Industrials	50,553	792	599
General Mills Inc.	United States	Consumer Staples	3,531	223	258
General Motors Co.	United States	Consumer Discretionary	7,555	374	375
Genuine Parts Co.	United States	Consumer Discretionary	837	105	110
Gilead Sciences Inc.	United States	Health Care	7,702	713	647
Global Payments Inc.	United States	Information Technology	1,692	322	356
GoDaddy Inc.	United States	Information Technology	1,031	95	90
The Goldman Sachs Group Inc.	United States	Financials	2,017	600	554
Halliburton Co.	United States	Energy	4,788	236	120
The Hartford Financial Services Group Inc.	United States	Financials	2,121	145	170
Hasbro Inc.	United States	Consumer Discretionary	688	84	108
HCA Holdings Inc.	United States	Health Care	1,585	238	253
HCP Inc.	United States	Real Estate	2,809	99	133
Henry Schein Inc.	United States	Health Care	866	77	73
The Hershey Co.	United States	Consumer Staples	868	129	178
Hess Corp.	United States	Energy	1,623	120	130
Hewlett Packard Enterprise Co.	United States	Information Technology	7,883	168	158
Hilton Inc.	United States	Consumer Discretionary	1,664	182	205
Hologic Inc.	United States	Health Care	1,567	87	105
The Home Depot Inc.	United States	Consumer Discretionary	6,480	1,595	1,992
Honeywell International Inc.	United States	Industrials	4,227	857	948
Hormel Foods Corp.	United States	Consumer Staples	1,623	81	94
Host Hotels & Resorts Inc.	United States	Real Estate	4,319	106	99
HP Inc.	United States	Information Technology	8,862	248	222
Humana Inc.	United States	Health Care	794	292	269
Huntington Bancshares Inc.	United States	Financials	6,095	113	115
Huntington Ingalls Industries Inc.	United States	Industrials	239	74	67
IAC/InterActiveCorp	United States	Communication Services	456	112	132
IDEX Corp.	United States	Industrials	444	86	96
IDEXX Laboratories Inc.	United States	Health Care	499	144	180
IHS Markit Ltd.	United States	Industrials	2,197	154	195
Illinois Tool Works Inc.	United States	Industrials	1,694	338	351
Illumina Inc.	United States	Health Care	863	313	348



**MACKENZIE**  
Investments

# MACKENZIE US LARGE CAP EQUITY INDEX ETF

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2019

TRADITIONAL EQUITY INDEX ETF

## SCHEDULE OF INVESTMENTS (cont'd)

As at September 30, 2019

	Country	Sector	Par Value/ No. of Shares/Units	Average Cost (\$ 000s)	Fair Value (\$ 000s)
<b>EQUITIES (cont'd)</b>					
Incyte Corp.	United States	Health Care	1,063	111	105
Ingersoll-Rand PLC	United States	Industrials	1,415	184	231
Intel Corp.	United States	Information Technology	26,551	1,761	1,813
Intercontinental Exchange Inc.	United States	Financials	3,255	325	398
International Business Machines Corp.	United States	Information Technology	5,223	1,007	1,006
International Flavors & Fragrances Inc.	United States	Materials	628	114	102
International Paper Co.	United States	Materials	2,336	150	129
The Interpublic Group of Companies Inc.	United States	Communication Services	2,266	67	65
Intuit Inc.	United States	Information Technology	1,471	411	518
Intuitive Surgical Inc.	United States	Health Care	673	419	481
Invesco Ltd.	United States	Financials	2,768	87	62
Ionis Pharmaceuticals Inc.	United States	Health Care	752	72	60
IQVIA Holdings Inc.	United States	Health Care	940	150	186
Iron Mountain Inc.	United States	Real Estate	1,675	73	72
J.B. Hunt Transport Services Inc.	United States	Industrials	509	73	75
J.M. Smucker Co.	United States	Consumer Staples	604	93	88
Jack Henry & Associates Inc.	United States	Information Technology	452	85	87
Jacobs Engineering Group Inc.	United States	Industrials	800	84	97
Johnson & Johnson	United States	Health Care	15,642	2,710	2,682
Johnson Controls International PLC	United States	Industrials	5,272	251	307
JPMorgan Chase & Co.	United States	Financials	18,637	2,669	2,907
Juniper Networks Inc.	United States	Information Technology	2,008	75	66
Kansas City Southern	United States	Industrials	586	86	103
Kellogg Co.	United States	Consumer Staples	1,469	118	125
KeyCorp	United States	Financials	5,884	141	139
Keysight Technologies Inc.	United States	Information Technology	1,102	97	142
Kimberly-Clark Corp.	United States	Consumer Staples	2,021	308	380
Kinder Morgan Inc.	United States	Energy	11,470	268	313
KKR & Co. LP	United States	Financials	3,053	99	109
KLA-Tencor Corp.	United States	Information Technology	948	144	200
Kohl's Corp.	United States	Consumer Discretionary	948	76	62
Kontoor Brands Inc.	United States	Consumer Discretionary	334	15	16
The Kraft Heinz Co.	United States	Consumer Staples	3,663	234	136
The Kroger Co.	United States	Consumer Staples	4,672	150	160
L3Harris Technologies Inc.	United States	Industrials	1,298	287	359
Laboratory Corp. of America Holdings	United States	Health Care	578	124	129
Lam Research Corp.	United States	Information Technology	879	225	269
Lamb Weston Holdings Inc.	United States	Consumer Staples	856	74	82
Las Vegas Sands Corp.	United States	Consumer Discretionary	2,013	175	154
Lear Corp.	United States	Consumer Discretionary	366	79	57
Leidos Holdings Inc.	United States	Information Technology	766	69	87
Lennar Corp. Class A	United States	Consumer Discretionary	1,645	115	122
Lennox International Inc.	United States	Industrials	222	79	71
Liberty Broadband Corp.	United States	Communication Services	873	106	121
Lincoln National Corp.	United States	Financials	1,183	103	95
LKQ Corp.	United States	Consumer Discretionary	1,539	65	64
Lockheed Martin Corp.	United States	Industrials	1,400	613	723
Loews Corp.	United States	Financials	1,555	102	106



**MACKENZIE**  
Investments

# MACKENZIE US LARGE CAP EQUITY INDEX ETF

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2019

TRADITIONAL EQUITY INDEX ETF

## SCHEDULE OF INVESTMENTS (cont'd)

As at September 30, 2019

	Country	Sector	Par Value/ No. of Shares/Units	Average Cost (\$ 000s)	Fair Value (\$ 000s)
<b>EQUITIES (cont'd)</b>					
Lowe's Companies Inc.	United States	Consumer Discretionary	4,606	576	671
LyondellBasell Industries NV Class A	United States	Materials	1,520	193	180
M&T Bank Corp.	United States	Financials	755	170	158
Marathon Oil Corp.	United States	Energy	4,807	102	78
Marathon Petroleum Corp.	United States	Energy	3,887	350	313
Markel Corp.	United States	Financials	79	114	124
MarketAxess Holdings Inc.	United States	Financials	214	85	93
Marriott International Inc. Class A	United States	Consumer Discretionary	1,567	274	258
Marsh & McLennan Companies Inc.	United States	Financials	3,008	348	399
Martin Marietta Materials Inc.	United States	Materials	366	99	133
Marvell Technology Group Ltd.	Bermuda	Information Technology	3,726	97	123
Masco Corp.	United States	Industrials	1,719	89	95
MasterCard Inc. Class A	United States	Information Technology	5,215	1,444	1,876
Maxim Integrated Products Inc.	United States	Information Technology	1,594	121	122
McCormick & Co. Inc. non-voting	United States	Consumer Staples	717	118	148
McDonald's Corp.	United States	Consumer Discretionary	4,499	1,041	1,280
McKesson Corp.	United States	Health Care	1,096	198	198
Medtronic PLC	United States	Health Care	7,891	902	1,136
Merck & Co. Inc.	United States	Health Care	15,169	1,350	1,692
MetLife Inc.	United States	Financials	4,315	260	270
Mettler-Toledo International Inc.	United States	Health Care	144	122	134
MGM Resorts International	United States	Consumer Discretionary	2,739	112	101
Microchip Technology Inc.	United States	Information Technology	1,373	160	169
Micron Technology Inc.	United States	Information Technology	6,495	402	369
Microsoft Corp.	United States	Information Technology	44,661	6,340	8,227
Mid-America Apartment Communities Inc.	United States	Real Estate	668	88	115
Molson Coors Brewing Co. Class B	United States	Consumer Staples	1,067	92	81
Mondelez International Inc.	United States	Consumer Staples	8,348	505	612
Monster Beverage Corp.	United States	Consumer Staples	2,315	176	178
Moody's Corp.	United States	Financials	967	220	262
Morgan Stanley	United States	Financials	7,402	474	418
The Mosaic Co.	United States	Materials	1,729	71	47
Motorola Solutions Inc.	United States	Information Technology	971	163	219
MSCI Inc. Class A	United States	Financials	480	111	138
Mylan NV	United States	Health Care	3,022	129	79
Nasdaq Inc.	United States	Financials	682	81	90
National Oilwell Varco Inc.	United States	Energy	2,267	94	64
NetApp Inc.	United States	Information Technology	1,494	125	104
Netflix Inc.	United States	Communication Services	2,527	1,078	896
Newmont Goldcorp Corp. (USD Shares)	United States	Materials	4,816	241	242
NextEra Energy Inc.	United States	Utilities	2,706	640	835
Nielsen Holdings PLC	United States	Industrials	2,083	78	59
Nike Inc. Class B	United States	Consumer Discretionary	7,290	715	907
NiSource Inc.	United States	Utilities	2,190	79	87
Noble Energy Inc.	United States	Energy	2,784	99	83
Norfolk Southern Corp.	United States	Industrials	1,551	323	369
Northern Trust Corp.	United States	Financials	1,222	158	151
Northrop Grumman Corp.	United States	Industrials	883	375	438



**MACKENZIE**  
Investments

# MACKENZIE US LARGE CAP EQUITY INDEX ETF

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2019

TRADITIONAL EQUITY INDEX ETF

## SCHEDULE OF INVESTMENTS (cont'd)

As at September 30, 2019

	Country	Sector	Par Value/ No. of Shares/Units	Average Cost (\$ 000s)	Fair Value (\$ 000s)
<b>EQUITIES (cont'd)</b>					
Norwegian Cruise Line Holdings Ltd.	United States	Consumer Discretionary	1,256	87	86
NRG Energy Inc.	United States	Utilities	1,408	63	74
Nucor Corp.	United States	Materials	1,783	140	120
NVIDIA Corp.	United States	Information Technology	3,434	915	792
NVR Inc.	United States	Consumer Discretionary	20	88	98
Occidental Petroleum Corp.	United States	Energy	5,269	428	310
Old Dominion Freight Line Inc.	United States	Industrials	423	78	95
Omnicom Group Inc.	United States	Communication Services	1,272	124	132
ONEOK Inc.	United States	Energy	2,417	199	236
Oracle Corp.	United States	Information Technology	12,857	839	937
O'Reilly Automotive Inc.	United States	Consumer Discretionary	452	179	239
PACCAR Inc.	United States	Industrials	2,004	178	186
Packaging Corp. of America	United States	Materials	549	76	77
Palo Alto Networks Inc.	United States	Information Technology	549	148	148
Parker Hannifin Corp.	United States	Industrials	751	168	180
Paychex Inc.	United States	Information Technology	1,890	176	207
PayPal Holdings Inc.	United States	Information Technology	6,574	787	902
PepsiCo Inc.	United States	Consumer Staples	8,219	1,252	1,493
PerkinElmer Inc.	United States	Health Care	648	81	73
Pfizer Inc.	United States	Health Care	32,758	1,655	1,559
PG&E Corp.	United States	Utilities	3,114	131	41
Philip Morris International Inc.	United States	Consumer Staples	9,037	1,087	909
Phillips 66	United States	Energy	2,634	341	357
Pinnacle West Capital Corp.	United States	Utilities	659	74	85
Pioneer Natural Resources Co.	United States	Energy	983	209	164
PNC Financial Services Group Inc.	United States	Financials	2,405	440	447
PPG Industries Inc.	United States	Materials	1,391	203	218
PPL Corp.	United States	Utilities	4,251	164	177
Principal Financial Group Inc.	United States	Financials	1,633	123	124
The Procter & Gamble Co.	United States	Consumer Staples	14,381	1,728	2,371
The Progressive Corp.	United States	Financials	3,420	303	350
ProLogis Inc.	United States	Real Estate	3,696	336	417
Prudential Financial Inc.	United States	Financials	2,388	312	285
PTC Inc.	United States	Information Technology	610	68	55
Public Service Enterprise Group Inc.	United States	Utilities	2,973	210	245
Public Storage	United States	Real Estate	880	246	286
PVH Corp.	United States	Consumer Discretionary	437	74	51
Qorvo Inc.	United States	Information Technology	692	65	68
Qualcomm Inc.	United States	Information Technology	7,203	575	728
Quest Diagnostics Inc.	United States	Health Care	790	102	112
Raymond James Financial Inc.	United States	Financials	741	83	81
Raytheon Co.	United States	Industrials	1,638	429	426
Realty Income Corp.	United States	Real Estate	1,861	150	189
Regency Centers Corp.	United States	Real Estate	975	80	90
Regeneron Pharmaceuticals Inc.	United States	Health Care	479	211	176
Regions Financial Corp.	United States	Financials	5,210	115	109
Reinsurance Group of America Inc.	United States	Financials	367	72	78
Republic Services Inc.	United States	Industrials	1,252	121	144



**MACKENZIE**  
Investments

# MACKENZIE US LARGE CAP EQUITY INDEX ETF

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2019

TRADITIONAL EQUITY INDEX ETF

## SCHEDULE OF INVESTMENTS (cont'd)

As at September 30, 2019

	Country	Sector	Par Value/ No. of Shares/Units	Average Cost (\$ 000s)	Fair Value (\$ 000s)
<b>EQUITIES (cont'd)</b>					
ResMed Inc.	United States	Health Care	838	114	150
Rockwell Automation Inc.	United States	Industrials	693	155	151
Roper Technologies Inc.	United States	Industrials	601	242	284
Ross Stores Inc.	United States	Consumer Discretionary	2,104	240	306
Royal Caribbean Cruises Ltd.	United States	Consumer Discretionary	1,006	155	144
S&P Global Inc.	United States	Financials	1,449	386	470
Salesforce.com Inc.	United States	Information Technology	4,361	791	858
SBA Communications Corp. Class A	United States	Real Estate	660	162	211
Schlumberger Ltd.	United States	Energy	7,735	549	350
Seagate Technology	United States	Information Technology	1,266	88	90
Sempra Energy	United States	Utilities	1,614	254	316
ServiceNow Inc.	United States	Information Technology	1,085	301	365
The Sherwin-Williams Co.	United States	Materials	482	266	351
Simon Property Group Inc.	United States	Real Estate	1,761	372	363
Skyworks Solutions Inc.	United States	Information Technology	1,014	121	106
Southern Co.	United States	Utilities	6,129	394	502
Southwest Airlines Co.	United States	Industrials	2,874	204	206
Spirit Aerosystems Holdings Inc. Class A	United States	Industrials	542	59	59
Splunk Inc.	United States	Information Technology	876	131	137
Square Inc. Class A	United States	Information Technology	1,949	162	160
SS&C Technologies Holdings Inc.	United States	Information Technology	1,134	79	77
Stanley Black & Decker Inc.	United States	Industrials	891	170	170
Starbucks Corp.	United States	Consumer Discretionary	6,902	613	809
State Street Corp.	United States	Financials	2,076	223	163
Steris PLC	United States	Health Care	495	89	95
Stryker Corp.	United States	Health Care	1,904	448	546
Sun Communities Inc.	United States	Real Estate	520	88	102
SunTrust Banks Inc.	United States	Financials	2,587	221	236
SVB Financial Group	United States	Financials	305	95	84
Symantec Corp.	United States	Information Technology	3,374	107	106
Synchrony Financial	United States	Financials	3,811	168	172
Synopsys Inc.	United States	Information Technology	878	116	160
Sysco Corp.	United States	Consumer Staples	2,887	245	304
T. Rowe Price Group Inc.	United States	Financials	1,350	189	204
Take-Two Interactive Software Inc.	United States	Communication Services	653	89	108
Tapestry Inc.	United States	Consumer Discretionary	1,705	95	59
Targa Resources Corp.	United States	Energy	1,337	76	71
Target Corp.	United States	Consumer Discretionary	3,013	304	427
TD Ameritrade Holding Corp.	United States	Financials	1,595	116	99
TE Connectivity Ltd.	United States	Information Technology	1,676	205	207
Teleflex Inc.	United States	Health Care	271	101	122
Tesla Inc.	United States	Consumer Discretionary	755	274	241
Texas Instruments Inc.	United States	Information Technology	5,588	792	957
Textron Inc.	United States	Industrials	1,566	111	102
Thermo Fisher Scientific Inc.	United States	Health Care	2,353	741	908
Tiffany & Co.	United States	Consumer Discretionary	688	89	84
The TJX Companies Inc.	United States	Consumer Discretionary	6,630	407	490
T-Mobile USA Inc.	United States	Communication Services	1,791	158	187



**MACKENZIE**  
Investments

# MACKENZIE US LARGE CAP EQUITY INDEX ETF

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2019

TRADITIONAL EQUITY INDEX ETF

## SCHEDULE OF INVESTMENTS (cont'd)

As at September 30, 2019

	Country	Sector	Par Value/ No. of Shares/Units	Average Cost (\$ 000s)	Fair Value (\$ 000s)
<b>EQUITIES (cont'd)</b>					
Tractor Supply Co.	United States	Consumer Discretionary	706	91	85
TransDigm Group Inc.	United States	Industrials	283	142	195
TransUnion	United States	Industrials	1,097	98	118
The Travelers Companies Inc.	United States	Financials	1,493	271	294
Trimble Inc.	United States	Information Technology	1,476	74	76
Twilio Inc. Class A	United States	Information Technology	673	117	98
Twitter Inc.	United States	Communication Services	4,311	189	235
Tyson Foods Inc. Class A	United States	Consumer Staples	1,713	161	195
U.S. Bancorp	United States	Financials	8,597	579	630
UDR Inc.	United States	Real Estate	1,641	87	105
UGI Corp.	United States	Utilities	1,019	73	68
Ulta Beauty Inc.	United States	Consumer Discretionary	329	116	109
Union Pacific Corp.	United States	Industrials	4,143	809	889
United Continental Holdings Inc.	United States	Industrials	1,232	124	144
United Parcel Service Inc. (UPS) Class B	United States	Industrials	4,111	583	653
United Rentals Inc.	United States	Industrials	517	98	85
United Technologies Corp.	United States	Industrials	4,915	823	889
UnitedHealth Group Inc.	United States	Health Care	5,628	1,769	1,620
Universal Health Services Inc. Class B	United States	Health Care	472	78	93
Vail Resorts Inc.	United States	Consumer Discretionary	234	76	71
Valero Energy Corp.	United States	Energy	2,452	297	277
Varian Medical Systems Inc.	United States	Health Care	535	88	84
Veeva Systems Inc. Class A	United States	Health Care	763	120	154
Ventas Inc.	United States	Real Estate	2,168	164	210
VeriSign Inc.	United States	Information Technology	617	128	154
Verisk Analytics Inc.	United States	Industrials	876	138	184
Verizon Communications Inc.	United States	Communication Services	24,377	1,677	1,949
Vertex Pharmaceuticals Inc.	United States	Health Care	1,507	334	338
VF Corp.	United States	Consumer Discretionary	1,923	212	227
Viacom Inc. Class B	United States	Communication Services	1,849	72	59
Visa Inc. Class A	United States	Information Technology	9,991	1,841	2,277
Vistra Energy Corp.	United States	Utilities	2,301	75	81
VMware Inc. Class A	United States	Information Technology	432	87	86
Vornado Realty Trust	United States	Real Estate	1,019	89	86
Vulcan Materials Co.	United States	Materials	776	122	155
W. P. Carey Inc.	United States	Real Estate	993	107	118
W.W. Grainger Inc.	United States	Industrials	269	101	106
Wabtec Corp.	United States	Industrials	934	93	89
Walgreens Boots Alliance Inc.	United States	Consumer Staples	4,450	366	326
Wal-Mart Stores Inc.	United States	Consumer Staples	8,427	1,055	1,325
The Walt Disney Co.	United States	Communication Services	10,599	1,593	1,830
Waste Management Inc.	United States	Industrials	2,473	307	377
Waters Corp.	United States	Health Care	390	108	115
WEC Energy Group Inc.	United States	Utilities	1,856	173	234
WellCare Health Plans Inc.	United States	Health Care	252	91	87
Wells Fargo & Co.	United States	Financials	23,604	1,567	1,577
Welltower Inc.	United States	Real Estate	2,382	209	286
Western Digital Corp.	United States	Information Technology	1,718	158	136
Westrock Co.	United States	Materials	1,495	101	72



**MACKENZIE**  
Investments

# MACKENZIE US LARGE CAP EQUITY INDEX ETF

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2019

TRADITIONAL EQUITY INDEX ETF

## SCHEDULE OF INVESTMENTS (cont'd)

As at September 30, 2019

	Country	Sector	Par Value/ No. of Shares/Units	Average Cost (\$ 000s)	Fair Value (\$ 000s)
<b>EQUITIES (cont'd)</b>					
Weyerhaeuser Co.	United States	Real Estate	4,378	178	161
The Williams Companies Inc.	United States	Energy	7,135	249	227
Willis Towers Watson PLC	United States	Financials	757	164	194
Workday Inc. Class A	United States	Information Technology	924	199	208
Wynn Resorts Ltd.	United States	Consumer Discretionary	514	104	74
Xcel Energy Inc.	United States	Utilities	3,025	202	260
Xilinx Inc.	United States	Information Technology	1,477	177	188
Xylem Inc.	United States	Industrials	1,056	107	111
Yum! Brands Inc.	United States	Consumer Discretionary	1,801	220	271
Zebra Technologies Corp. Class A	United States	Information Technology	315	86	86
Zimmer Biomet Holdings Inc.	United States	Health Care	1,206	185	219
Zions Bancorp	United States	Financials	1,029	66	61
Zoetis Inc.	United States	Health Care	2,820	346	465
<b>Total equities</b>				<b>175,862</b>	<b>191,486</b>
Transaction costs				(3)	—
<b>Total investments</b>				<b>175,859</b>	<b>191,486</b>
Cash and cash equivalents					1,148
Other assets less liabilities					(837)
<b>Total net assets</b>					<b>191,797</b>



**MACKENZIE**  
Investments

# MACKENZIE US LARGE CAP EQUITY INDEX ETF

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2019

TRADITIONAL EQUITY INDEX ETF

## SUMMARY OF INVESTMENT PORTFOLIO

September 30, 2019	
Portfolio Allocation	% of NAV
Equities	99.8
Cash and short-term investments	0.6
Other assets (liabilities)	(0.4)

Regional Allocation	
Regional Allocation	% of NAV
United States	99.7
Cash and short-term investments	0.6
Bermuda	0.1
Other assets (liabilities)	(0.4)

Sector Allocation	
Sector Allocation	% of NAV
Information technology	22.5
Health care	14.0
Financials	12.7
Communication services	10.3
Consumer discretionary	10.0
Industrials	9.3
Consumer staples	7.5
Energy	4.5
Utilities	3.6
Real estate	3.2
Materials	2.2
Cash and short-term investments	0.6
Other assets (liabilities)	(0.4)

March 31, 2019	
Portfolio Allocation	% of NAV
Equities	99.3
Cash and short-term investments	0.6
Other assets (liabilities)	0.1

Regional Allocation	
Regional Allocation	% of NAV
United States	98.8
Cash and short-term investments	0.6
Ireland	0.4
Other assets (liabilities)	0.1
Bermuda	0.1

Sector Allocation	
Sector Allocation	% of NAV
Information technology	21.8
Health care	14.8
Financials	12.2
Communication services	10.0
Consumer discretionary	9.9
Industrials	9.4
Consumer staples	7.3
Energy	5.5
Utilities	3.3
Real estate	3.0
Materials	2.1
Cash and short-term investments	0.6
Other assets (liabilities)	0.1



**MACKENZIE**  
Investments

## NOTES TO FINANCIAL STATEMENTS

### 1. Fiscal Periods and General Information

The information provided in these financial statements and notes thereto is for the six-month periods ended or as at September 30, 2019 and 2018, except for the comparative information presented in the Statements of Financial Position and notes thereto, which is as at March 31, 2019, as applicable. In the year an exchange-traded fund (“the ETF”) is established, ‘period’ represents the period from inception to the period end of that fiscal year. Refer to Note 10 for the formation date of the ETF.

The ETF 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 ETF’s registered office is 180 Queen Street West, Toronto, Ontario, Canada. The ETF is authorized to issue an unlimited number of units for sale under a Prospectus. The units of the ETF are listed on the Toronto Stock Exchange/Aequitas NEO Exchange (“the Exchange”).

Mackenzie Financial Corporation (“Mackenzie”) is the manager of the ETF and is wholly owned by IGM Financial Inc., a subsidiary of Power Financial Corporation, which itself is a subsidiary of Power Corporation of Canada. Investments in companies within the Power Group of companies held by the ETF 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 ETF’s significant accounting policies under IFRS is presented in Note 3.

These financial statements are presented in Canadian dollars, which is the ETF’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 ETF 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 ETF 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 ETF has transferred substantially all risks and rewards of ownership. Financial liabilities are derecognized when the obligation is discharged, cancelled or expires. As such, investment purchase and sale transactions are recorded as of the trade date.

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

The ETF’s redeemable units are held by different types of unitholders that are entitled to different redemption rights. Unitholders may redeem units of the ETF at a redemption price per unit equal to 95% of the closing price of the units on the Exchange on the effective day of the redemption, subject to a maximum redemption price of the applicable NAV per unit. These different redemption features create equally subordinate but not identical units of the ETF which therefore meet the criteria for classification as financial liabilities under IAS 32, *Financial Instruments: Presentation*. The ETF’s obligation for net assets attributable to unitholders is presented at the redemption amount. Refer to Note 7 for details of subscriptions and redemptions of the ETF’s units.

IAS 7, *Statement of Cash Flows*, requires disclosures related to changes in liabilities and assets, such as the units of the ETF, arising from financing activities. Changes in units of the ETF, including both changes from cash flows and non-cash changes, are included in the Statement of Changes in Financial Position. Any changes in the units not settled in cash as at the end of the period are presented as either Accounts receivable for units issued or Accounts payable for units 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 ETF 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 ETF invests, does 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 ETF 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 ETF 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 ETF 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 ETF's portfolio manager(s), provided that the use of the derivative is consistent with the ETF's investment objectives. Any use of derivatives will comply with Canadian mutual fund laws, subject to the regulatory exemptions granted to the ETF, 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 ETF 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 ETF 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 or realized gains (losses) on sale of investments, as appropriate.

(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 10. The value of certain proprietary services provided by brokers cannot be reasonably estimated. Mackenzie may reimburse the ETF for certain commissions and other portfolio transaction costs. Mackenzie may make these reimbursements at its discretion and stop these reimbursements at any time without notice. Any such reimbursements are included in the Statement of Comprehensive Income – expenses absorbed by Manager.

(e) Securities lending, repurchase and reverse repurchase transactions

The ETF is permitted to enter into securities lending, repurchase and reverse repurchase transactions as set out in the ETF's 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 10 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 ETF 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 10 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 ETF.

(g) Foreign currency

The functional and presentation currency of the ETF 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 unitholders per unit

Net assets attributable to unitholders per unit is computed by dividing the net assets attributable to unitholders on a business day by the total number of units outstanding on that day.

(i) Net asset value per unit

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 unitholders (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 10 for the ETF's NAV per unit.

(j) Increase (decrease) in net assets attributable to unitholders from operations per unit

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

## NOTES TO FINANCIAL STATEMENTS

### 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 ETF 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 ETF.

#### Use of Judgments

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

In classifying and measuring financial instruments held by the ETF, Mackenzie is required to make significant judgments in order to determine the most appropriate classification in accordance with IFRS 9. Mackenzie has assessed the ETF'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 ETF's financial instruments.

##### *Functional currency*

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

##### *Structured entities and associates*

In determining whether an unlisted open-ended investment fund or an exchange-traded fund in which the ETF 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 ETF does not have contracts or financing arrangements with these underlying funds and the ETF 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 ETF 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 unitholders as at the end of the taxation year. It is the intention of the ETF to distribute all of its net income and sufficient net realized capital gains so that the ETF will not be subject to income taxes other than foreign withholding taxes, if applicable.

Losses of the ETF cannot be allocated to investors and are retained in the ETF 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 10 for the ETF's loss carryforwards.

### 6. Management Fees and Operating Expenses

Mackenzie is paid a management fee for managing the investment portfolio, providing investment analysis and recommendations, making investment decisions and making brokerage arrangements relating to the purchase and sale of the investment portfolio. The management fee is calculated as a fixed annual percentage of the daily net asset value of the units of the ETF.

In addition to the applicable management fee, the operating expenses payable by the ETF include interest and borrowing costs, brokerage expenses and related transaction fees, fees and expenses relating to the operation of the Mackenzie ETFs' Independent Review Committee (IRC), fees under any derivative instrument used by the ETF, cost of complying with the regulatory requirement to produce summary documents, ETF facts or other similar disclosure documents, the costs of complying with governmental or regulatory requirements introduced after the date of the most recently filed prospectus, including, without limitation, any new fees or increases in fees, the fees related to external services that are not commonly charged in the Canadian exchange-traded fund industry after the date of the most recently filed prospectus, fees paid to external service providers associated with tax reclaims, refunds or the preparation of foreign tax reports on behalf of the ETFs, fees paid to external legal counsel and/or others in connection with corporate or other actions affecting the portfolio holdings of the ETF, and any applicable taxes, including income, withholding or other taxes and also including G.S.T. or H.S.T. on expenses.



## NOTES TO FINANCIAL STATEMENTS

### 6. Management Fees and Operating Expenses (cont'd)

Mackenzie may waive or absorb management fees and operating expenses at its discretion and stop waiving or absorbing such fees at any time without notice. Mackenzie may charge a reduced management fee rate with respect to investments in the ETF by large investors, including other funds managed by Mackenzie or affiliates of Mackenzie. An amount equal to the difference between the fee otherwise chargeable and the reduced fee will be distributed in cash to those unitholders by the ETF as a management fee distribution. Refer to Note 10 for the management fee rates charged to units of the ETF.

### 7. Units and Unit Transactions

Mackenzie, on behalf of the ETF, has entered into a designated broker agreement with one or more designated brokers pursuant to which the designated broker has agreed to perform certain duties relating to the ETF including, without limitation: (i) to subscribe for a sufficient number of units to satisfy the Exchange's original listing requirements; (ii) to subscribe for units on an ongoing basis in connection with any rebalancing event, as applicable, and when cash redemptions of units occur; and (iii) to post a liquid two-way market for the trading of units on the Exchange. In accordance with the designated broker agreement, Mackenzie may from time to time require the designated broker to subscribe for units of the ETF for cash.

The number of units issued/redeemed for subscription/redemption orders (the "Prescribed Number of Units") is determined by Mackenzie. On any trading day, a designated broker may place a subscription or redemption order for any multiple of the Prescribed Number of Units of the ETF based on the NAV per unit determined on the applicable trading day. A trading day is each day on which the Exchange is opened for business.

Generally, all orders to purchase units directly from an ETF must be placed by a designated broker or a dealer. The ETF reserves the absolute right to reject any subscription order placed by a designated broker or a dealer. No fees will be payable by the ETF to a designated broker or a dealer in connection with the issuance of units. On the issuance of units, an amount may be charged to a designated broker or a dealer to offset the expenses incurred in issuing the units.

For each Prescribed Number of Units issued, a dealer must deliver payment consisting of: (i) a basket of securities and cash equal to the aggregate NAV per unit of the Prescribed Number of Units next determined following the receipt of the subscription order; (ii) cash in an amount equal to the aggregate NAV per unit of the Prescribed Number of Units next determined following the receipt of the subscription order; or (iii) a combination of securities and cash, as determined by Mackenzie, in an amount sufficient so that the value of the securities and cash received is equal to the aggregate NAV per unit of the Prescribed Number of Units next determined following the receipt of the subscription order.

### 8. ETF's Capital

The capital of the ETF is comprised of the net assets attributable to unitholders. The units outstanding for the ETF as at September 30, 2019 and 2018 and units issued, reinvested and redeemed for the periods are presented in the Statement of Changes in Financial Position. Mackenzie manages the capital of the ETF in accordance with the investment objectives as discussed in Note 10.

### 9. Financial Instruments Risk

#### i. Risk exposure and management

The ETF's investment activities expose it to a variety of financial risks, as defined in IFRS 7 *Financial Instruments: Disclosures* ("IFRS 7"). The ETF'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 ETF's performance by employing professional, experienced portfolio advisors, by monitoring the ETF's positions and market events daily, by diversifying the investment portfolio within the constraints of the ETF'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 ETF's investment activities and monitors compliance with the ETF's stated investment strategy, internal guidelines, and securities regulations.

#### ii. Liquidity risk

Liquidity risk arises when the ETF encounters difficulty in meeting its financial obligations as they come due. The ETF is exposed to liquidity risk due to potential daily cash redemptions of redeemable units. In accordance with securities regulations, the ETF must maintain at least 90% of its assets in liquid investments (i.e., investments that can be readily sold). The ETF also has the ability to borrow up to 5% of its net assets for the purposes of funding redemptions and an additional 5% of its net assets for the purpose of funding distributions paid to its investors.

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

## NOTES TO FINANCIAL STATEMENTS

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

#### 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 ETF's reporting currency, fluctuates due to changes in exchange rates. Note 10 summarizes the ETF's exposure, if applicable and significant, to currency risk.

#### iv. Interest rate risk

Interest rate risk arises when the fair value of interest-bearing financial instruments fluctuates due to changes in the prevailing levels of market interest rates. Cash and cash equivalents do not expose the ETF to significant amounts of interest rate risk. Note 10 summarizes the ETF'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 ETF 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 ETF. This risk is mitigated by ensuring that the ETF 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 10 summarizes the ETF'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 ETF. Note 10 summarizes the ETF'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 ETF 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 ETFs

The ETF may invest in underlying ETFs 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 ETFs. Note 10 summarizes the ETF's exposure, if applicable and significant, to these risks from underlying ETF.



# MACKENZIE US LARGE CAP EQUITY INDEX ETF

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2019

TRADITIONAL EQUITY INDEX ETF

## NOTES TO FINANCIAL STATEMENTS

### 10. ETF Specific Information *(in '000s, except for (a))*

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

Date of Formation January 9, 2018

The ETF may issue an unlimited number of units. The number of issued and outstanding units is disclosed in the Statements of Changes in Financial Position.

Series E units were listed on the TSX under the symbol QUU on January 24, 2018. The closing market price, or the midpoint of the bid and ask prices in the absence of a closing market price, at September 30, 2019 was \$112.85 (March 31, 2019 – \$108.56).

The management fee rate for Series E units is 0.06%. Prior to September 20, 2019, the management fee rate for Series E units was 0.08%.

As at September 30, 2019, there were no differences between the ETF's NAV per unit (March 31, 2019 – \$108.62) and its Net Assets per unit calculated in accordance with IFRS (March 31, 2019 - \$108.62).

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

As at September 30, 2019, other funds managed by Mackenzie, I.G. Investment Management, Ltd. and Counsel Portfolio Services Inc., both of which are affiliates of Mackenzie, had an investment of \$142,206, \$35,505 and \$Nil (March 31, 2019 – \$132,782, \$34,183 and \$3,145), respectively, in the ETF.

#### (c) Loss Carryforwards

As at the last taxation year-end, there were no capital and non-capital losses available to carry forward for tax purposes.

#### (d) Securities Lending

The value of securities loaned and collateral received from securities lending at September 30, 2019 and March 31, 2019 were as follows:

	September 30, 2019	March 31, 2019
	(\$)	(\$)
Value of securities loaned	4,855	4,265
Value of collateral received	5,105	4,496

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 ETF for the periods ended September 30, 2019 and 2018 is as follows:

	2019		2018	
	(\$)	(%)	(\$)	(%)
Gross securities lending income	7	100.0	3	100.0
Tax withheld	–	–	–	–
	7	100.0	3	100.0
Payments to Securities Lending Agent	(2)	(28.6)	(1)	(33.3)
Securities lending income	5	71.4	2	66.7

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

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

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

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

The ETF seeks to replicate, to the extent reasonably possible and before fees and expenses, the performance of the Solactive US Large Cap Index, or any successor thereto. It invests primarily in U.S. equity securities. The Solactive US Large Cap Index is a market capitalization-weighted index of securities that represent the large capitalization segment of the U.S. stock market.

# MACKENZIE US LARGE CAP EQUITY INDEX ETF

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2019

TRADITIONAL EQUITY INDEX ETF

## NOTES TO FINANCIAL STATEMENTS

### 10. ETF Specific Information *(in '000s, except for (a)) (cont'd)*

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

##### *ii. Currency risk*

The table below indicates currencies to which the ETF 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 ETF to significant currency risk.

Currency	September 30, 2019			
	Investments (\$)	Cash and Short-Term Investments (\$)	Derivative Instruments (\$)	Net Exposure* (\$)
U.S. dollar	191,486	175	–	191,661
Total	191,486	175	–	191,661
% of Net Assets	99.8	0.1	–	99.9

Currency	March 31, 2019			
	Investments (\$)	Cash and Short-Term Investments (\$)	Derivative Instruments (\$)	Net Exposure* (\$)
U.S. dollar	183,388	1,041	–	184,429
Total	183,388	1,041	–	184,429
% of Net Assets	99.3	0.6	–	99.9

\* Includes both monetary and non-monetary financial instruments

As at September 30, 2019, had the Canadian dollar increased or decreased by 5% relative to all foreign currencies, with all other variables held constant, net assets would have decreased or increased by approximately \$9,583 or 5.0% (March 31, 2019 – \$9,221 or 5.0%) of total net assets. In practice, the actual trading results may differ and the difference could be material.

##### *iii. Interest rate risk*

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

##### *iv. Other price risk*

The ETF's most significant exposure to price risk arises from its investment in equity securities. As at September 30, 2019, had the prices on the respective stock exchanges for these securities increased or decreased by 10%, with all other variables held constant, net assets would have increased or decreased by approximately \$19,149 or 10.0% (March 31, 2019 – \$18,339 or 9.9%) of total net assets. In practice, the actual trading results may differ and the difference could be material.

##### *v. Credit risk*

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

# MACKENZIE US LARGE CAP EQUITY INDEX ETF

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2019

TRADITIONAL EQUITY INDEX ETF

## NOTES TO FINANCIAL STATEMENTS

### 10. ETF Specific Information *(in '000s, except for (a)) (cont'd)*

#### (g) Fair Value Classification

The table below summarizes the fair value of the ETF's financial instruments using the following fair value hierarchy:

Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;

Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and

Level 3 – Inputs that are not based on observable market data.

The inputs are considered observable if they are developed using market data, such as publicly available information about actual events or transactions, and that reflect the assumption that market participants would use when pricing the asset or liability.

	September 30, 2019				March 31, 2019			
	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
Equities	191,486	–	–	191,486	183,388	–	–	183,388
Total	191,486	–	–	191,486	183,388	–	–	183,388

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

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



**MACKENZIE**  
Investments