

# MACKENZIE BLUEWATER NORTH AMERICAN BALANCED FUND

(Formerly Mackenzie North American Balanced Fund)

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## **Interim Management Report of Fund Performance**

For the Six-Month Period Ended September 30, 2022

*This Interim Management Report of Fund Performance contains financial highlights but does not contain either the interim financial report or annual financial statements of the investment fund. You may obtain a copy of the interim financial report or annual financial statements, at no cost, by contacting us using one of the methods noted under Fund Formation and Series Information or by visiting the SEDAR website at [www.sedar.com](http://www.sedar.com).*

*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. For more information, please refer to the Fund's Simplified Prospectus and Fund Facts, which may also be obtained, at no cost, using any of the methods outlined above.*

*For the Fund's current net asset values per security and for more recent information on general market events, please visit our website.*

### **A NOTE ON FORWARD-LOOKING STATEMENTS**

*This report may contain forward-looking statements that reflect our current expectations or forecasts of future events. Forward-looking statements include statements that are predictive in nature, depend upon or refer to future events or conditions, or include words such as "expects", "anticipates", "intends", "plans", "believes", "estimates", "preliminary", "typical" and other similar expressions. In addition, these statements may relate to future corporate actions, future financial performance of a fund or a security and their future investment strategies and prospects. Forward-looking statements are inherently subject to, among other things, risks, uncertainties and assumptions that could cause actual events, results, performance or prospects to differ materially from those expressed in, or implied by, these forward-looking statements. These risks, uncertainties and assumptions include, without limitation, general economic, political and market factors in North America and internationally, interest and foreign exchange rates, the volatility of global equity and capital markets, business competition, technological change, changes in government regulations, changes in securities laws and regulations, changes in tax laws, unexpected judicial or regulatory proceedings, catastrophic events, outbreaks of disease or pandemics (such as COVID-19), and the ability of Mackenzie to attract or retain key employees. The foregoing list of important risks, uncertainties and assumptions is not exhaustive. Please consider these and other factors carefully and do not place undue reliance on forward-looking statements.*

*The forward-looking information contained in this report is current only as of the date of this report. There should not be an expectation that such information will in all circumstances be updated, supplemented or revised whether as a result of new information, changing circumstances, future events or otherwise.*



**MACKENZIE**  
Investments

# MACKENZIE BLUEWATER NORTH AMERICAN BALANCED FUND

(Formerly Mackenzie North American Balanced Fund)

INTERIM MANAGEMENT REPORT OF FUND PERFORMANCE | For the Period Ended September 30, 2022

## Management Discussion of Fund Performance

November 11, 2022

This Management Discussion of Fund Performance presents the portfolio management team's view on the significant factors and developments that have affected the Fund's performance and outlook in the six-month period ended September 30, 2022 (the "period"). If the Fund was established during the period, "period" represents the period since inception.

In this report, "Mackenzie" and "the Manager" refer to Mackenzie Financial Corporation, the manager of the Fund. In addition, net asset value ("NAV") refers to the value of the Fund as calculated for transaction purposes, on which the discussion of Fund performance is based.

Please read *A Note on Forward-Looking Statements* on the first page of this document.

### Results of Operations

#### Investment Performance

The performance of all series in the current and previous periods is shown in the *Past Performance* section of the report. Performance will vary by series primarily because fees and expenses differ between series, or because securities of a series were not issued and outstanding for the entire reporting period. Please refer to the *Fund Formation and Series Information* section of this report for the varying management and administration fees payable by each series. The following comparison to market indices is intended to help investors understand the Fund's performance relative to the general performance of the markets. However, the Fund's mandate may be different from that of the indices shown.

During the period, the Fund's Series A securities returned -8.8% (after deducting fees and expenses paid by the series). This compares with a return of -8.8% for a blended index composed of a 50% weighting in the Fund's broad-based index, the FTSE Canada Universe Bond Index (returned -5.2%), a 37.5% weighting in the S&P 500 Index (returned -11.7%) and a 12.5% weighting in the S&P/TSX Composite Index (returned -14.4%). All index and series returns are calculated on a total return basis in Canadian dollar terms. Investors cannot invest in an index without incurring fees, expenses and commissions, which are not reflected in the index returns.

Canadian equities fell over the period, driven by rising interest rates and volatile commodity prices. The U.S. equity market reached new lows in September in response to an aggressive policy outlook from the U.S. Federal Reserve, but a strong U.S. dollar mitigated losses in Canadian dollar terms. Both the Federal Reserve and the Bank of Canada increased their policy rates by 275 basis points, ending the period at 3.25%, and warned further increases might be needed to combat inflation. This unprecedented pace of policy action led to heightened volatility and uncertainty in fixed income markets. Bond yields continued to rise, most significantly among shorter-term bonds.

Within the S&P 500 Index, energy, utilities and health care were the strongest sectors in Canadian dollar terms, while communication services, information technology and real estate were the weakest.

Within the S&P/TSX Composite Index, consumer staples, consumer discretionary and energy were the strongest sectors, while health care, information technology and real estate were the weakest.

The Fund underperformed the broad-based index because of the Fund's allocation to equities, which underperformed fixed income assets in the period. Given the Fund's mandate, the return of the blended index is a more meaningful comparison.

The Fund performed in line with the blended index, with the equity portfolio outperforming the equity portion of the blended index. The fixed income portfolio underperformed the fixed income portion of the blended index.

Within the fixed income portion of the Fund, holdings in foreign government bonds with longer duration (higher sensitivity to interest rates) detracted from performance. Overweight exposure to corporate bonds and holdings in term loans contributed to performance.

Within the equity portion of the Fund, stock selection in the health care sector and underweight exposure to the energy sector detracted from performance. Conversely, stock selection in Canada contributed to performance, as did stock selection in the information technology and industrials sectors.

The Fund held futures to manage duration (sensitivity to interest rates), which contributed to performance.

Hedging of foreign currency exposure detracted from performance as a result of the overall appreciation of the hedged currencies relative to the Canadian dollar.

Over the period, the Fund's exposure to fixed income increased as the fixed income portfolio management team increased exposure to corporate bonds based on an assessment of relative valuations. Within the equity portion of the Fund, the equity portfolio management team reduced holdings in more cyclical businesses in anticipation of an eventual slowdown, while increasing holdings in high-quality companies in more defensive, less economically sensitive sectors.

#### Net Assets

The Fund's net assets increased by 81.2% during the period to \$2.7 million. This change was composed primarily of \$0.2 million in net losses (including any interest and/or dividend income) from investment performance, after deducting fees and expenses, and an increase of \$1.4 million due to net securityholder activity (including sales, redemptions and cash distributions).

#### Fees and Expenses

The annualized management expense ratio ("MER") for each series during the period ended September 30, 2022, was generally similar to the annualized MER for the period ended March 31, 2022. Total expenses paid vary from period to period mainly as a result of changes in average assets in each series. The MERs for all series are presented in the *Financial Highlights* section of this report.

#### Recent Developments

In the equity portfolio management team's view, housing prices, unemployment and inflation at late-economic cycle levels – combined with aggressive central bank policy actions – all suggest a recession is likely. The team views the global energy transition as a dominant theme of the 2020s that accelerated following Russia's invasion of Ukraine and may take decades to achieve. Against this backdrop, the team maintained a focus on businesses that lead in their respective niches, are more profitable than their competitors, are in a strong financial position and can generate substantial cash flow.

The fixed income portfolio management team expects elevated inflation to remain a dominant driver of market performance and central bank policy actions, although the team believes inflation may have peaked in the United States and Canada. In the team's view, aggressive policy rate increases by the U.S. Federal Reserve and the Bank of Canada to tame inflation will make it difficult to avoid a recession.

On September 29, 2022, the Fund was renamed Mackenzie Bluewater North American Balanced Fund.

# MACKENZIE BLUEWATER NORTH AMERICAN BALANCED FUND

(Formerly Mackenzie North American Balanced Fund)

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## Related Party Transactions

### Management and Administration Services

For each applicable series, the Fund paid management fees and administration fees to the Manager at the annual rates specified under *Fund Formation and Series Information* in this report and as more fully described in the Prospectus. In return for the administration fees, the Manager pays all costs and expenses (other than certain specified fund costs) required to operate the Fund that are not included in management fees. See also *Management Fees*.

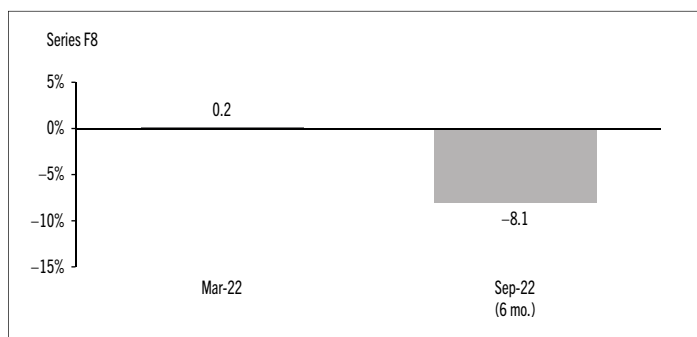
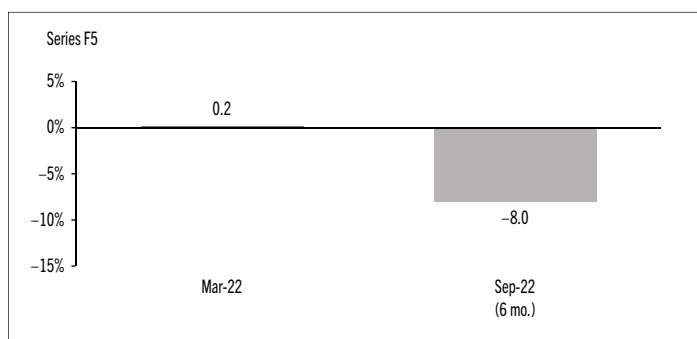
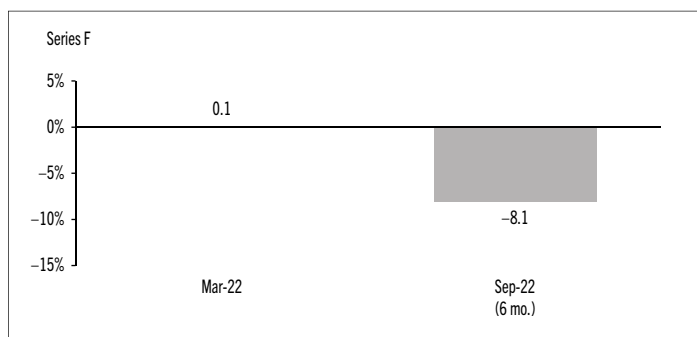
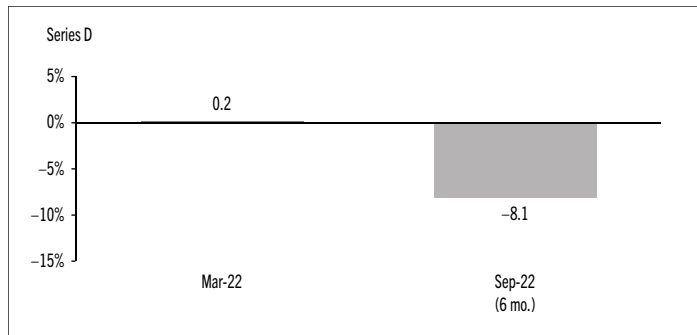
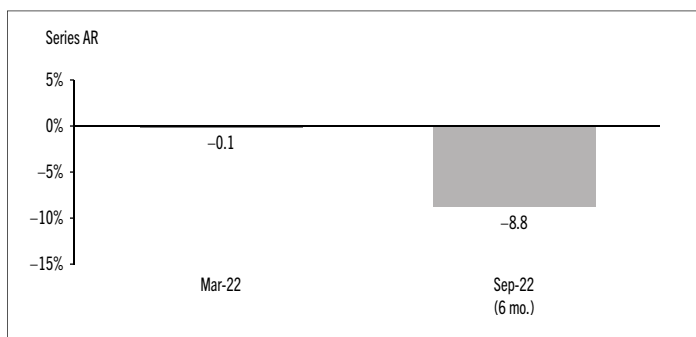
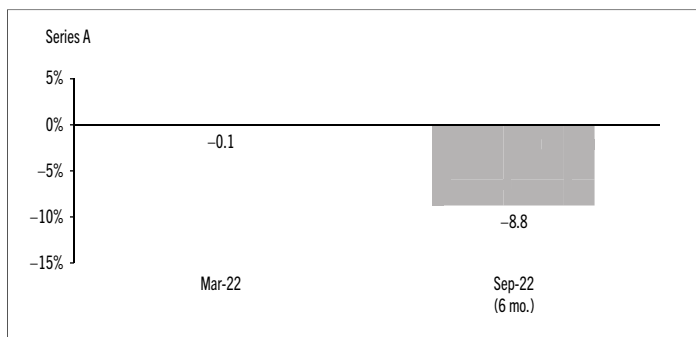
### Other Related Party Transactions

At September 30, 2022, Mackenzie had an investment of \$0.02 million in the Fund (0.6% of the Fund's NAV).

The Fund did not rely on an approval, positive recommendation or standing instruction from the Mackenzie Funds' Independent Review Committee with respect to any related party transactions in the period.

## Past Performance

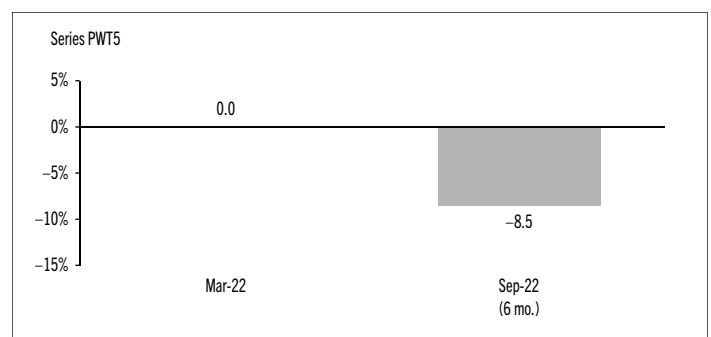
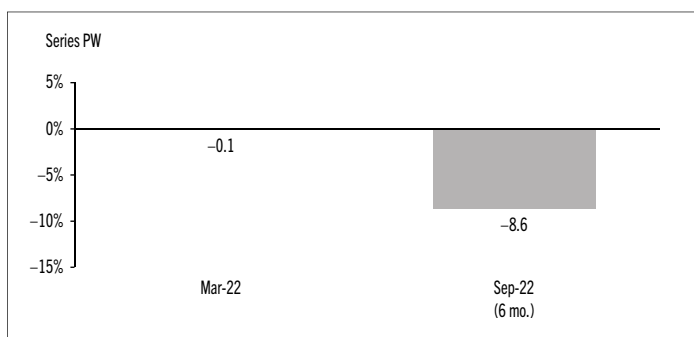
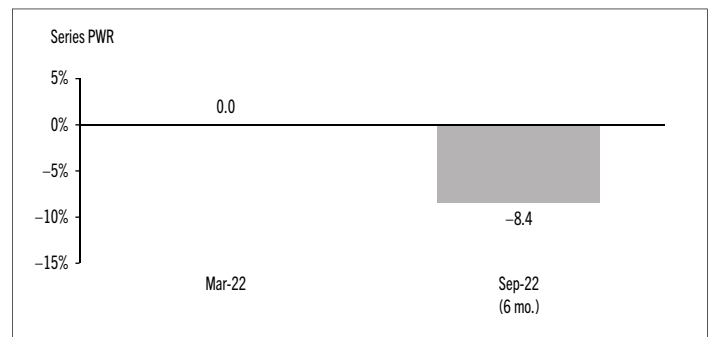
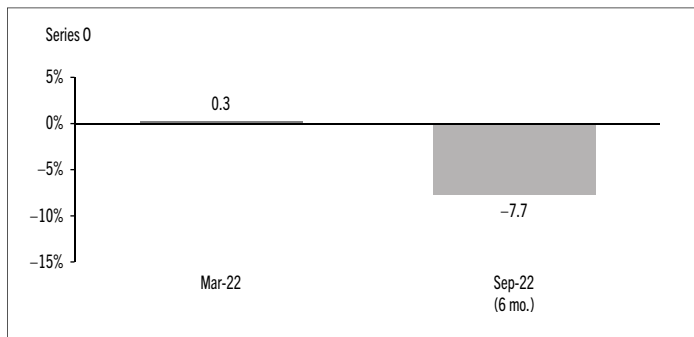
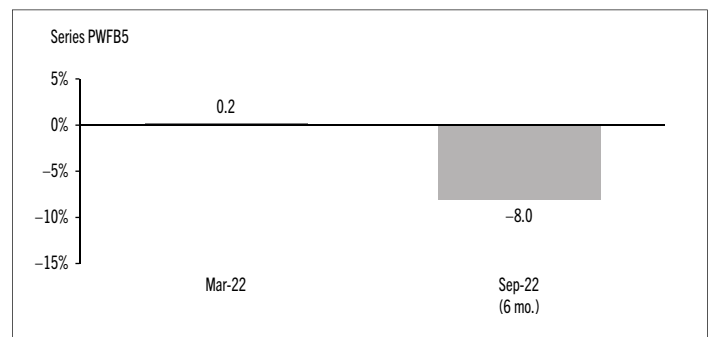
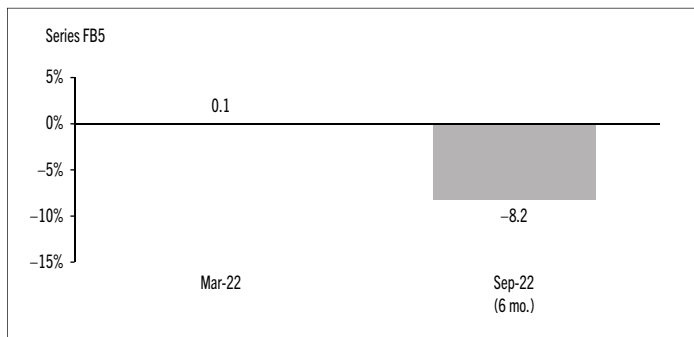
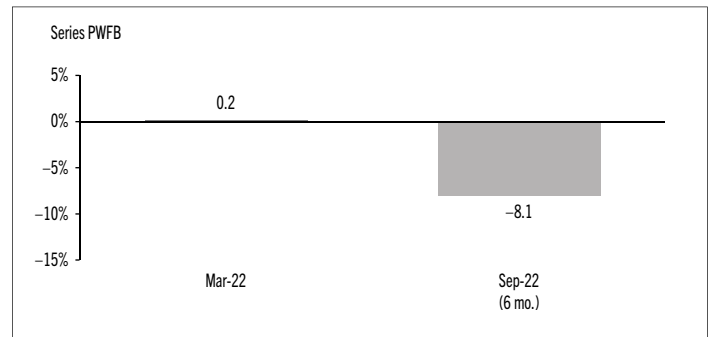
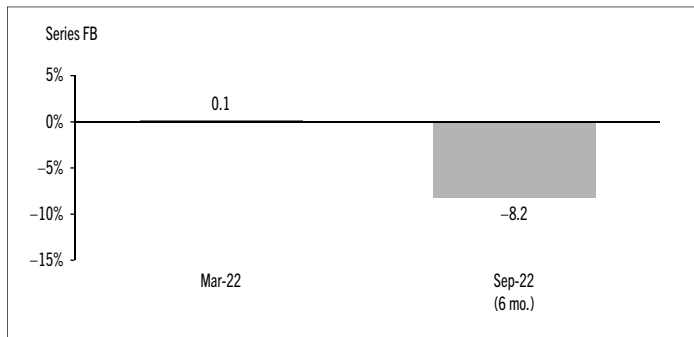
The following bar charts present the performance of each series of the Fund for each of the fiscal periods shown. The charts show, in percentage terms, how much an investment made on the first day of each fiscal period, or on the series inception or reinstatement date, as applicable, would have increased or decreased by the last day of the fiscal period presented. Series inception or reinstatement dates can be found under *Fund Formation and Series Information*.



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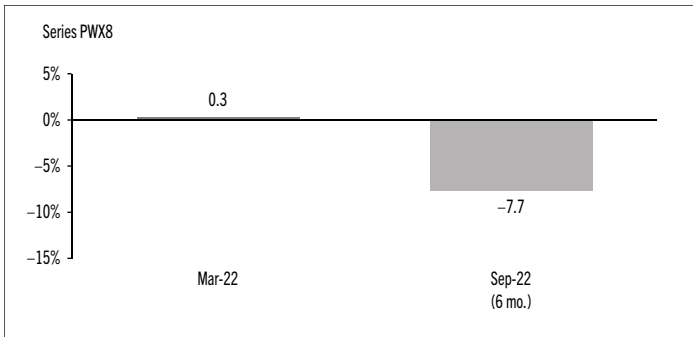
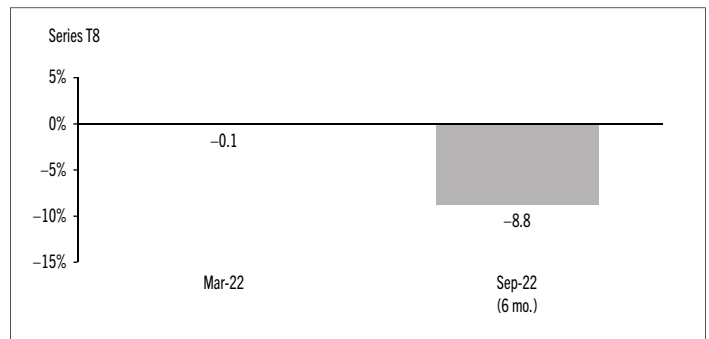
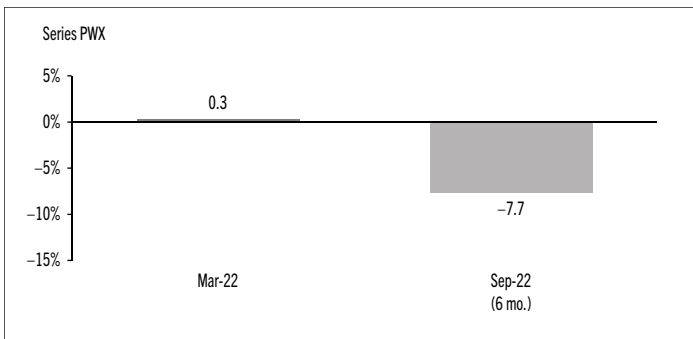
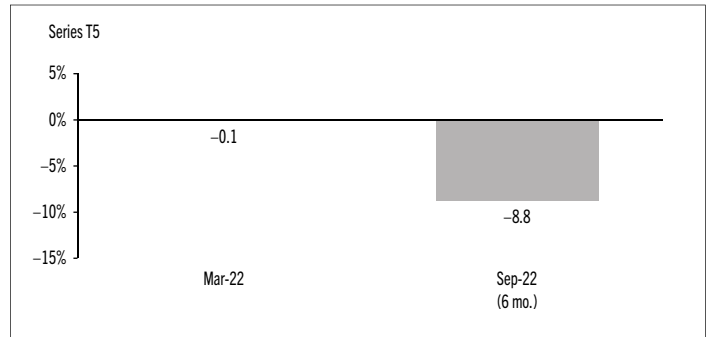
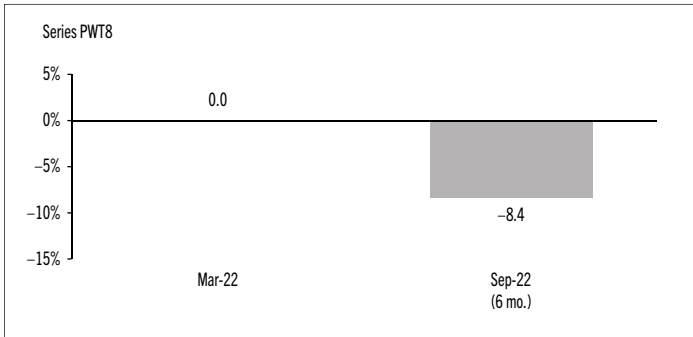
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## Summary of Investment Portfolio at September 30, 2022

EFFECTIVE PORTFOLIO ALLOCATION	% OF NAV
Bonds	46.0
Equities	40.2
Cash and short-term investments	7.6
Other assets (liabilities)	5.7
Mutual funds	0.5

EFFECTIVE REGIONAL ALLOCATION	% OF NAV
United States	40.8
Canada	30.6
Cash and short-term investments	7.6
Other assets (liabilities)	5.7
Ireland	2.8
Other	2.7
Mexico	2.3
Israel	1.3
France	1.2
Germany	1.1
Switzerland	0.9
Brazil	0.8
United Kingdom	0.8
China	0.6
Chile	0.4
Australia	0.4

EFFECTIVE SECTOR ALLOCATION	% OF NAV
Corporate bonds	20.6
Foreign government bonds	15.4
Information technology	10.9
Industrials	8.3
Cash and short-term investments	7.6
Health care	6.9
Other assets (liabilities)	5.7
Federal bonds	5.1
Financials	4.5
Consumer staples	4.0
Provincial bonds	2.9
Consumer discretionary	2.2
Communication services	2.0
Term loans	1.6
Materials	1.4
Mutual funds	0.5
Other	0.4

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

TOP 25 POSITIONS	% OF NAV
<b>Issuer/Underlying Fund</b>	
Mackenzie Bluewater North American Equity Fund Series R	48.2
Mackenzie Global Tactical Bond Fund Series R	33.7
Mackenzie Strategic Bond Fund Series R	14.5
<b>Top long positions as a percentage of total net asset value</b>	<b>96.4</b>

The Fund held no direct short positions at the end of the period.

For the prospectus and other information about the underlying fund(s) held in the portfolio, visit [www.mackenzieinvestments.com](http://www.mackenzieinvestments.com) or [www.sedar.com](http://www.sedar.com).

The investments and percentages may have changed since September 30, 2022, due to the ongoing portfolio transactions of the Fund. Quarterly updates of holdings are available within 60 days of the end of each quarter except for March 31, the Fund's fiscal year-end, when they are available within 90 days.

# MACKENZIE BLUEWATER NORTH AMERICAN BALANCED FUND

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## Financial Highlights

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for each of the fiscal periods presented below. If during the period a fund or series was established or reinstated, "period" represents the period from inception or reinstatement to the end of that fiscal period. Series inception or reinstatement dates can be found under *Fund Formation and Series Information*.

### THE FUND'S NET ASSETS PER SECURITY (\$)¹

Series A	Sep. 30 2022	Mar. 31 2022
<b>Net assets, beginning of period</b>	<b>9.99</b>	<b>10.00</b>
<b>Increase (decrease) from operations:</b>		
Total revenue	0.11	0.04
Total expenses	(0.11)	(0.04)
Realized gains (losses) for the period	(0.24)	0.01
Unrealized gains (losses) for the period	(0.85)	(0.04)
<b>Total increase (decrease) from operations²</b>	<b>(1.09)</b>	<b>(0.03)</b>
<b>Distributions:</b>		
From net investment income (excluding Canadian dividends)	–	–
From Canadian dividends	–	–
From capital gains	–	–
Return of capital	–	–
<b>Total annual distributions³</b>	<b>–</b>	<b>–</b>
<b>Net assets, end of period</b>	<b>9.11</b>	<b>9.99</b>

Series AR	Sep. 30 2022	Mar. 31 2022
<b>Net assets, beginning of period</b>	<b>9.99</b>	<b>10</b>
<b>Increase (decrease) from operations:</b>		
Total revenue	0.1	0.04
Total expenses	(0.11)	(0.04)
Realized gains (losses) for the period	0.7	0.04
Unrealized gains (losses) for the period	(0.77)	(0.05)
<b>Total increase (decrease) from operations²</b>	<b>(0.08)</b>	<b>(0.01)</b>
<b>Distributions:</b>		
From net investment income (excluding Canadian dividends)	–	–
From Canadian dividends	–	–
From capital gains	–	–
Return of capital	–	–
<b>Total annual distributions³</b>	<b>–</b>	<b>–</b>
<b>Net assets, end of period</b>	<b>9.11</b>	<b>9.99</b>

Series D	Sep. 30 2022	Mar. 31 2022
<b>Net assets, beginning of period</b>	<b>10.02</b>	<b>10.00</b>
<b>Increase (decrease) from operations:</b>		
Total revenue	0.11	0.04
Total expenses	(0.04)	(0.01)
Realized gains (losses) for the period	(0.71)	0.04
Unrealized gains (losses) for the period	(0.80)	(0.05)
<b>Total increase (decrease) from operations²</b>	<b>(1.44)</b>	<b>0.02</b>
<b>Distributions:</b>		
From net investment income (excluding Canadian dividends)	–	–
From Canadian dividends	–	–
From capital gains	–	–
Return of capital	–	–
<b>Total annual distributions³</b>	<b>–</b>	<b>–</b>
<b>Net assets, end of period</b>	<b>9.21</b>	<b>10.02</b>

Series F	Sep. 30 2022	Mar. 31 2022
<b>Net assets, beginning of period</b>	<b>10.01</b>	<b>10.00</b>
<b>Increase (decrease) from operations:</b>		
Total revenue	0.11	0.02
Total expenses	(0.04)	(0.02)
Realized gains (losses) for the period	0.13	0.10
Unrealized gains (losses) for the period	(0.83)	(0.03)
<b>Total increase (decrease) from operations²</b>	<b>(0.63)</b>	<b>0.07</b>
<b>Distributions:</b>		
From net investment income (excluding Canadian dividends)	–	–
From Canadian dividends	–	–
From capital gains	–	–
Return of capital	–	–
<b>Total annual distributions³</b>	<b>–</b>	<b>–</b>
<b>Net assets, end of period</b>	<b>9.20</b>	<b>10.01</b>

(1) These calculations are prescribed by securities regulations and are not intended to be a reconciliation between opening and closing net assets per security. This information is derived from the Fund's unaudited interim financial statements and audited annual financial statements. The net assets per security presented in the financial statements may differ from the net asset value per security calculated for fund pricing purposes. An explanation of these differences, if any, can be found in the *Notes to Financial Statements*.

(2) Net assets and distributions are based on the actual number of securities outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of securities outstanding over the fiscal period.

(3) Distributions were paid in cash/reinvested in additional securities of the Fund, or both.

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## THE FUND'S NET ASSETS PER SECURITY (\$)¹ (cont'd)

	Sep. 30 2022	Mar. 31 2022
<b>Series F5</b>		
<b>Net assets, beginning of period</b>	<b>14.90</b>	<b>15.00</b>
<b>Increase (decrease) from operations:</b>		
Total revenue	0.17	0.06
Total expenses	(0.05)	(0.02)
Realized gains (losses) for the period	(0.03)	0.05
Unrealized gains (losses) for the period	(1.27)	(0.07)
<b>Total increase (decrease) from operations²</b>	<b>(1.18)</b>	<b>0.02</b>
<b>Distributions:</b>		
From net investment income (excluding Canadian dividends)	–	–
From Canadian dividends	–	–
From capital gains	–	–
Return of capital	(0.38)	(0.13)
<b>Total annual distributions³</b>	<b>(0.38)</b>	<b>(0.13)</b>
<b>Net assets, end of period</b>	<b>13.33</b>	<b>14.90</b>
<b>Series F8</b>		
<b>Net assets, beginning of period</b>	<b>14.82</b>	<b>15.00</b>
<b>Increase (decrease) from operations:</b>		
Total revenue	0.17	0.06
Total expenses	(0.05)	(0.02)
Realized gains (losses) for the period	(0.04)	0.05
Unrealized gains (losses) for the period	(1.25)	(0.07)
<b>Total increase (decrease) from operations²</b>	<b>(1.17)</b>	<b>0.02</b>
<b>Distributions:</b>		
From net investment income (excluding Canadian dividends)	–	–
From Canadian dividends	–	–
From capital gains	–	–
Return of capital	(0.60)	(0.20)
<b>Total annual distributions³</b>	<b>(0.60)</b>	<b>(0.20)</b>
<b>Net assets, end of period</b>	<b>13.04</b>	<b>14.82</b>
<b>Series FB</b>		
<b>Net assets, beginning of period</b>	<b>10.01</b>	<b>10.00</b>
<b>Increase (decrease) from operations:</b>		
Total revenue	0.11	0.04
Total expenses	(0.05)	(0.02)
Realized gains (losses) for the period	(0.02)	0.04
Unrealized gains (losses) for the period	(0.86)	(0.05)
<b>Total increase (decrease) from operations²</b>	<b>(0.82)</b>	<b>0.01</b>
<b>Distributions:</b>		
From net investment income (excluding Canadian dividends)	–	–
From Canadian dividends	–	–
From capital gains	–	–
Return of capital	–	–
<b>Total annual distributions³</b>	<b>–</b>	<b>–</b>
<b>Net assets, end of period</b>	<b>9.19</b>	<b>10.01</b>

	Sep. 30 2022	Mar. 31 2022
<b>Series FB5</b>		
<b>Net assets, beginning of period</b>	<b>14.89</b>	<b>15.00</b>
<b>Increase (decrease) from operations:</b>		
Total revenue	0.17	0.06
Total expenses	(0.08)	(0.03)
Realized gains (losses) for the period	(0.03)	0.05
Unrealized gains (losses) for the period	(1.27)	(0.07)
<b>Total increase (decrease) from operations²</b>	<b>(1.21)</b>	<b>0.01</b>
<b>Distributions:</b>		
From net investment income (excluding Canadian dividends)	–	–
From Canadian dividends	–	–
From capital gains	–	–
Return of capital	(0.38)	(0.13)
<b>Total annual distributions³</b>	<b>(0.38)</b>	<b>(0.13)</b>
<b>Net assets, end of period</b>	<b>13.30</b>	<b>14.89</b>
<b>Series O</b>		
<b>Net assets, beginning of period</b>	<b>10.03</b>	<b>10.00</b>
<b>Increase (decrease) from operations:</b>		
Total revenue	0.11	0.04
Total expenses	–	–
Realized gains (losses) for the period	(0.01)	0.04
Unrealized gains (losses) for the period	(0.87)	(0.05)
<b>Total increase (decrease) from operations²</b>	<b>(0.77)</b>	<b>0.03</b>
<b>Distributions:</b>		
From net investment income (excluding Canadian dividends)	–	–
From Canadian dividends	–	–
From capital gains	–	–
Return of capital	–	–
<b>Total annual distributions³</b>	<b>–</b>	<b>–</b>
<b>Net assets, end of period</b>	<b>9.26</b>	<b>10.03</b>
<b>Series PW</b>		
<b>Net assets, beginning of period</b>	<b>9.99</b>	<b>10.00</b>
<b>Increase (decrease) from operations:</b>		
Total revenue	0.11	0.03
Total expenses	(0.10)	(0.04)
Realized gains (losses) for the period	(0.10)	(0.04)
Unrealized gains (losses) for the period	(0.84)	(0.04)
<b>Total increase (decrease) from operations²</b>	<b>(0.93)</b>	<b>(0.09)</b>
<b>Distributions:</b>		
From net investment income (excluding Canadian dividends)	–	–
From Canadian dividends	–	–
From capital gains	–	–
Return of capital	–	–
<b>Total annual distributions³</b>	<b>–</b>	<b>–</b>
<b>Net assets, end of period</b>	<b>9.13</b>	<b>9.99</b>



# MACKENZIE BLUEWATER NORTH AMERICAN BALANCED FUND

(Formerly Mackenzie North American Balanced Fund)

INTERIM MANAGEMENT REPORT OF FUND PERFORMANCE | For the Period Ended September 30, 2022

## THE FUND'S NET ASSETS PER SECURITY (\$)¹ (cont'd)

	Sep. 30 2022	Mar. 31 2022
<b>Series PWF<sup>B</sup></b>		
<b>Net assets, beginning of period</b>	<b>10.02</b>	<b>10.00</b>
<b>Increase (decrease) from operations:</b>		
Total revenue	0.11	0.04
Total expenses	(0.04)	(0.01)
Realized gains (losses) for the period	(0.02)	0.04
Unrealized gains (losses) for the period	(0.86)	(0.05)
<b>Total increase (decrease) from operations<sup>2</sup></b>	<b>(0.81)</b>	<b>0.02</b>
<b>Distributions:</b>		
From net investment income (excluding Canadian dividends)	–	–
From Canadian dividends	–	–
From capital gains	–	–
Return of capital	–	–
<b>Total annual distributions<sup>3</sup></b>	<b>–</b>	<b>–</b>
<b>Net assets, end of period</b>	<b>9.21</b>	<b>10.02</b>
	Sep. 30 2022	Mar. 31 2022
<b>Series PWF<sup>B5</sup></b>		
<b>Net assets, beginning of period</b>	<b>14.90</b>	<b>15.00</b>
<b>Increase (decrease) from operations:</b>		
Total revenue	0.17	0.06
Total expenses	(0.05)	(0.02)
Realized gains (losses) for the period	(0.03)	0.05
Unrealized gains (losses) for the period	(1.27)	(0.07)
<b>Total increase (decrease) from operations<sup>2</sup></b>	<b>(1.18)</b>	<b>0.02</b>
<b>Distributions:</b>		
From net investment income (excluding Canadian dividends)	–	–
From Canadian dividends	–	–
From capital gains	–	–
Return of capital	(0.38)	(0.13)
<b>Total annual distributions<sup>3</sup></b>	<b>(0.38)</b>	<b>(0.13)</b>
<b>Net assets, end of period</b>	<b>13.33</b>	<b>14.90</b>
	Sep. 30 2022	Mar. 31 2022
<b>Series PWR</b>		
<b>Net assets, beginning of period</b>	<b>10.00</b>	<b>10.00</b>
<b>Increase (decrease) from operations:</b>		
Total revenue	0.11	0.04
Total expenses	(0.08)	(0.03)
Realized gains (losses) for the period	(0.01)	0.04
Unrealized gains (losses) for the period	(0.86)	(0.05)
<b>Total increase (decrease) from operations<sup>2</sup></b>	<b>(0.84)</b>	<b>–</b>
<b>Distributions:</b>		
From net investment income (excluding Canadian dividends)	–	–
From Canadian dividends	–	–
From capital gains	–	–
Return of capital	–	–
<b>Total annual distributions<sup>3</sup></b>	<b>–</b>	<b>–</b>
<b>Net assets, end of period</b>	<b>9.15</b>	<b>10.00</b>

	Sep. 30 2022	Mar. 31 2022
<b>Series PWT<sup>5</sup></b>		
<b>Net assets, beginning of period</b>	<b>14.87</b>	<b>15.00</b>
<b>Increase (decrease) from operations:</b>		
Total revenue	0.15	0.06
Total expenses	(0.13)	(0.05)
Realized gains (losses) for the period	0.14	0.05
Unrealized gains (losses) for the period	(1.12)	(0.07)
<b>Total increase (decrease) from operations<sup>2</sup></b>	<b>(0.96)</b>	<b>(0.01)</b>
<b>Distributions:</b>		
From net investment income (excluding Canadian dividends)	–	–
From Canadian dividends	–	–
From capital gains	–	–
Return of capital	(0.38)	(0.13)
<b>Total annual distributions<sup>3</sup></b>	<b>(0.38)</b>	<b>(0.13)</b>
<b>Net assets, end of period</b>	<b>13.24</b>	<b>14.87</b>
	Sep. 30 2022	Mar. 31 2022
<b>Series PWT<sup>8</sup></b>		
<b>Net assets, beginning of period</b>	<b>14.80</b>	<b>15.00</b>
<b>Increase (decrease) from operations:</b>		
Total revenue	0.16	0.06
Total expenses	(0.11)	(0.05)
Realized gains (losses) for the period	(0.02)	0.06
Unrealized gains (losses) for the period	(1.25)	(0.07)
<b>Total increase (decrease) from operations<sup>2</sup></b>	<b>(1.22)</b>	<b>–</b>
<b>Distributions:</b>		
From net investment income (excluding Canadian dividends)	–	–
From Canadian dividends	–	–
From capital gains	–	–
Return of capital	(0.60)	(0.20)
<b>Total annual distributions<sup>3</sup></b>	<b>(0.60)</b>	<b>(0.20)</b>
<b>Net assets, end of period</b>	<b>12.96</b>	<b>14.80</b>
	Sep. 30 2022	Mar. 31 2022
<b>Series PWX</b>		
<b>Net assets, beginning of period</b>	<b>10.03</b>	<b>10.00</b>
<b>Increase (decrease) from operations:</b>		
Total revenue	0.11	0.04
Total expenses	–	–
Realized gains (losses) for the period	0.30	0.04
Unrealized gains (losses) for the period	(0.85)	(0.05)
<b>Total increase (decrease) from operations<sup>2</sup></b>	<b>(0.44)</b>	<b>0.03</b>
<b>Distributions:</b>		
From net investment income (excluding Canadian dividends)	–	–
From Canadian dividends	–	–
From capital gains	–	–
Return of capital	–	–
<b>Total annual distributions<sup>3</sup></b>	<b>–</b>	<b>–</b>
<b>Net assets, end of period</b>	<b>9.26</b>	<b>10.03</b>

# MACKENZIE BLUEWATER NORTH AMERICAN BALANCED FUND

(Formerly Mackenzie North American Balanced Fund)

INTERIM MANAGEMENT REPORT OF FUND PERFORMANCE | For the Period Ended September 30, 2022

## THE FUND'S NET ASSETS PER SECURITY (\$)¹ (cont'd)

	Sep. 30 2022	Mar. 31 2022
<b>Series PWX8</b>		
Net assets, beginning of period	14.84	15.00
Increase (decrease) from operations:		
Total revenue	0.17	0.06
Total expenses	–	–
Realized gains (losses) for the period	(0.05)	0.05
Unrealized gains (losses) for the period	(1.26)	(0.07)
<b>Total increase (decrease) from operations²</b>	<b>(1.14)</b>	<b>0.04</b>
Distributions:		
From net investment income (excluding Canadian dividends)	–	–
From Canadian dividends	–	–
From capital gains	–	–
Return of capital	(0.60)	(0.20)
<b>Total annual distributions³</b>	<b>(0.60)</b>	<b>(0.20)</b>
<b>Net assets, end of period</b>	<b>13.11</b>	<b>14.84</b>
<b>Series T5</b>		
Net assets, beginning of period	14.86	15.00
Increase (decrease) from operations:		
Total revenue	0.17	0.04
Total expenses	(0.16)	(0.06)
Realized gains (losses) for the period	0.16	0.38
Unrealized gains (losses) for the period	(1.26)	(0.05)
<b>Total increase (decrease) from operations²</b>	<b>(1.09)</b>	<b>0.31</b>
Distributions:		
From net investment income (excluding Canadian dividends)	–	–
From Canadian dividends	–	–
From capital gains	–	–
Return of capital	(0.38)	(0.13)
<b>Total annual distributions³</b>	<b>(0.38)</b>	<b>(0.13)</b>
<b>Net assets, end of period</b>	<b>13.19</b>	<b>14.86</b>
<b>Series T8</b>		
Net assets, beginning of period	14.78	15.00
Increase (decrease) from operations:		
Total revenue	0.16	0.06
Total expenses	(0.16)	(0.06)
Realized gains (losses) for the period	(0.03)	0.05
Unrealized gains (losses) for the period	(1.24)	(0.07)
<b>Total increase (decrease) from operations²</b>	<b>(1.27)</b>	<b>(0.02)</b>
Distributions:		
From net investment income (excluding Canadian dividends)	–	–
From Canadian dividends	–	–
From capital gains	–	–
Return of capital	(0.60)	(0.20)
<b>Total annual distributions³</b>	<b>(0.60)</b>	<b>(0.20)</b>
<b>Net assets, end of period</b>	<b>12.90</b>	<b>14.78</b>

## RATIOS AND SUPPLEMENTAL DATA

	Sep. 30 2022	Mar. 31 2022
<b>Series A</b>		
Total net asset value (\$000)¹	403	344
Securities outstanding (000)¹	44	34
Management expense ratio (%)²	2.32	2.32
Management expense ratio before waivers or absorptions (%)²	2.32	2.32
Trading expense ratio (%)³	0.03	0.10
Portfolio turnover rate (%)⁴	3.35	n/a
Net asset value per security (\$)	9.11	9.99
<b>Series AR</b>		
Total net asset value (\$000)¹	45	1
Securities outstanding (000)¹	5	–
Management expense ratio (%)²	2.35	2.35
Management expense ratio before waivers or absorptions (%)²	2.35	2.35
Trading expense ratio (%)³	0.03	0.10
Portfolio turnover rate (%)⁴	3.35	n/a
Net asset value per security (\$)	9.11	9.99
<b>Series D</b>		
Total net asset value (\$000)¹	3	1
Securities outstanding (000)¹	–	–
Management expense ratio (%)²	1.12	1.12
Management expense ratio before waivers or absorptions (%)²	1.12	1.12
Trading expense ratio (%)³	0.03	0.10
Portfolio turnover rate (%)⁴	3.35	n/a
Net asset value per security (\$)	9.21	10.02

- This information is provided as at the end of the fiscal period shown.
- Management expense ratio ("MER") is based on total expenses, excluding commissions and other portfolio transaction costs, income taxes and withholding taxes, for the stated period and is expressed as an annualized percentage of daily average net assets during the period, except as noted. In the period a series is established, the MER is annualized from the date of inception to the end of the period. Where the Fund directly invests in securities of another fund (including exchange-traded funds or "ETFs"), the MERs presented for the Fund include the portion of MERs of the other fund(s) attributable to this investment. Any income distributions received from ETFs managed by the Manager, with the intention of offsetting fees paid within those ETFs but which are not considered to be duplicative fees under regulatory requirements, are treated as waived expenses for MER purposes. The Manager may waive or absorb operating expenses at its discretion and stop waiving or absorbing such expenses at any time without notice.
- The trading expense ratio ("TER") represents total commissions and other portfolio transaction costs incurred as an annualized percentage of daily average net assets during the period. Where the Fund invests in securities of another fund (including ETFs), the TERs presented for the Fund include the portion of TERs of the other fund(s) attributable to this investment.
- The Fund's portfolio turnover rate indicates how actively the Fund's portfolio advisor manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the period. The higher the Fund's portfolio turnover rate in a period, the greater the trading costs payable by the Fund in the period, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of a fund. The portfolio turnover rate is not provided when the Fund is less than one year old. The value of any trades to realign the Fund's portfolio after a fund merger, if any, is excluded from the portfolio turnover rate.

# MACKENZIE BLUEWATER NORTH AMERICAN BALANCED FUND

(Formerly Mackenzie North American Balanced Fund)

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## RATIOS AND SUPPLEMENTAL DATA (cont'd)

	Sep. 30 2022	Mar. 31 2022
<b>Series F</b>		
Total net asset value (\$000) <sup>1</sup>	1,057	439
Securities outstanding (000) <sup>1</sup>	115	44
Management expense ratio (%) <sup>2</sup>	0.94	0.94
Management expense ratio before waivers or absorptions (%) <sup>2</sup>	0.94	0.94
Trading expense ratio (%) <sup>3</sup>	0.03	0.10
Portfolio turnover rate (%) <sup>4</sup>	3.35	n/a
Net asset value per security (\$)	9.20	10.01
<b>Series F5</b>		
Total net asset value (\$000) <sup>1</sup>	1	1
Securities outstanding (000) <sup>1</sup>	–	–
Management expense ratio (%) <sup>2</sup>	0.94	0.93
Management expense ratio before waivers or absorptions (%) <sup>2</sup>	0.94	0.93
Trading expense ratio (%) <sup>3</sup>	0.03	0.10
Portfolio turnover rate (%) <sup>4</sup>	3.35	n/a
Net asset value per security (\$)	13.33	14.90
<b>Series F8</b>		
Total net asset value (\$000) <sup>1</sup>	1	1
Securities outstanding (000) <sup>1</sup>	–	–
Management expense ratio (%) <sup>2</sup>	0.93	0.93
Management expense ratio before waivers or absorptions (%) <sup>2</sup>	0.93	0.93
Trading expense ratio (%) <sup>3</sup>	0.03	0.10
Portfolio turnover rate (%) <sup>4</sup>	3.35	n/a
Net asset value per security (\$)	13.04	14.82
<b>Series FB</b>		
Total net asset value (\$000) <sup>1</sup>	1	1
Securities outstanding (000) <sup>1</sup>	–	–
Management expense ratio (%) <sup>2</sup>	1.21	1.20
Management expense ratio before waivers or absorptions (%) <sup>2</sup>	1.21	1.20
Trading expense ratio (%) <sup>3</sup>	0.03	0.10
Portfolio turnover rate (%) <sup>4</sup>	3.35	n/a
Net asset value per security (\$)	9.19	10.01
<b>Series FB5</b>		
Total net asset value (\$000) <sup>1</sup>	1	1
Securities outstanding (000) <sup>1</sup>	–	–
Management expense ratio (%) <sup>2</sup>	1.20	1.20
Management expense ratio before waivers or absorptions (%) <sup>2</sup>	1.20	1.20
Trading expense ratio (%) <sup>3</sup>	0.03	0.10
Portfolio turnover rate (%) <sup>4</sup>	3.35	n/a
Net asset value per security (\$)	13.30	14.89

	Sep. 30 2022	Mar. 31 2022
<b>Series O</b>		
Total net asset value (\$000) <sup>1</sup>	1	1
Securities outstanding (000) <sup>1</sup>	–	–
Management expense ratio (%) <sup>2</sup>	–	–
Management expense ratio before waivers or absorptions (%) <sup>2</sup>	–	–
Trading expense ratio (%) <sup>3</sup>	0.03	0.10
Portfolio turnover rate (%) <sup>4</sup>	3.35	n/a
Net asset value per security (\$)	9.26	10.03
<b>Series PW</b>		
Total net asset value (\$000) <sup>1</sup>	1,169	697
Securities outstanding (000) <sup>1</sup>	128	70
Management expense ratio (%) <sup>2</sup>	2.05	2.05
Management expense ratio before waivers or absorptions (%) <sup>2</sup>	2.05	2.05
Trading expense ratio (%) <sup>3</sup>	0.03	0.10
Portfolio turnover rate (%) <sup>4</sup>	3.35	n/a
Net asset value per security (\$)	9.13	9.99
<b>Series PWFB</b>		
Total net asset value (\$000) <sup>1</sup>	1	1
Securities outstanding (000) <sup>1</sup>	–	–
Management expense ratio (%) <sup>2</sup>	0.94	0.94
Management expense ratio before waivers or absorptions (%) <sup>2</sup>	0.94	0.94
Trading expense ratio (%) <sup>3</sup>	0.03	0.10
Portfolio turnover rate (%) <sup>4</sup>	3.35	n/a
Net asset value per security (\$)	9.21	10.02
<b>Series PWFB5</b>		
Total net asset value (\$000) <sup>1</sup>	1	1
Securities outstanding (000) <sup>1</sup>	–	–
Management expense ratio (%) <sup>2</sup>	0.95	0.93
Management expense ratio before waivers or absorptions (%) <sup>2</sup>	0.95	0.93
Trading expense ratio (%) <sup>3</sup>	0.03	0.10
Portfolio turnover rate (%) <sup>4</sup>	3.35	n/a
Net asset value per security (\$)	13.33	14.90
<b>Series PWR</b>		
Total net asset value (\$000) <sup>1</sup>	1	1
Securities outstanding (000) <sup>1</sup>	–	–
Management expense ratio (%) <sup>2</sup>	2.03	2.04
Management expense ratio before waivers or absorptions (%) <sup>2</sup>	2.03	2.04
Trading expense ratio (%) <sup>3</sup>	0.03	0.10
Portfolio turnover rate (%) <sup>4</sup>	3.35	n/a
Net asset value per security (\$)	9.15	10.00

# MACKENZIE BLUEWATER NORTH AMERICAN BALANCED FUND

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## RATIOS AND SUPPLEMENTAL DATA (cont'd)

	Sep. 30 2022	Mar. 31 2022
<b>Series PWT5</b>		
Total net asset value (\$000) <sup>1</sup>	6	1
Securities outstanding (000) <sup>1</sup>	–	–
Management expense ratio (%) <sup>2</sup>	2.05	2.05
Management expense ratio before waivers or absorptions (%) <sup>2</sup>	2.05	2.05
Trading expense ratio (%) <sup>3</sup>	0.03	0.10
Portfolio turnover rate (%) <sup>4</sup>	3.35	n/a
Net asset value per security (\$)	13.24	14.87

	Sep. 30 2022	Mar. 31 2022
<b>Series PWT8</b>		
Total net asset value (\$000) <sup>1</sup>	1	1
Securities outstanding (000) <sup>1</sup>	–	–
Management expense ratio (%) <sup>2</sup>	2.05	2.05
Management expense ratio before waivers or absorptions (%) <sup>2</sup>	2.05	2.05
Trading expense ratio (%) <sup>3</sup>	0.03	0.10
Portfolio turnover rate (%) <sup>4</sup>	3.35	n/a
Net asset value per security (\$)	12.96	14.80

	Sep. 30 2022	Mar. 31 2022
<b>Series PWX</b>		
Total net asset value (\$000) <sup>1</sup>	16	1
Securities outstanding (000) <sup>1</sup>	2	–
Management expense ratio (%) <sup>2</sup>	–	–
Management expense ratio before waivers or absorptions (%) <sup>2</sup>	–	–
Trading expense ratio (%) <sup>3</sup>	0.03	0.10
Portfolio turnover rate (%) <sup>4</sup>	3.35	n/a
Net asset value per security (\$)	9.26	10.03

	Sep. 30 2022	Mar. 31 2022
<b>Series PWX8</b>		
Total net asset value (\$000) <sup>1</sup>	1	1
Securities outstanding (000) <sup>1</sup>	–	–
Management expense ratio (%) <sup>2</sup>	–	–
Management expense ratio before waivers or absorptions (%) <sup>2</sup>	–	–
Trading expense ratio (%) <sup>3</sup>	0.03	0.10
Portfolio turnover rate (%) <sup>4</sup>	3.35	n/a
Net asset value per security (\$)	13.11	14.84

	Sep. 30 2022	Mar. 31 2022
<b>Series T5</b>		
Total net asset value (\$000) <sup>1</sup>	10	6
Securities outstanding (000) <sup>1</sup>	1	–
Management expense ratio (%) <sup>2</sup>	2.31	2.33
Management expense ratio before waivers or absorptions (%) <sup>2</sup>	2.31	2.33
Trading expense ratio (%) <sup>3</sup>	0.03	0.10
Portfolio turnover rate (%) <sup>4</sup>	3.35	n/a
Net asset value per security (\$)	13.19	14.86

	Sep. 30 2022	Mar. 31 2022
<b>Series T8</b>		
Total net asset value (\$000) <sup>1</sup>	1	1
Securities outstanding (000) <sup>1</sup>	–	–
Management expense ratio (%) <sup>2</sup>	2.33	2.32
Management expense ratio before waivers or absorptions (%) <sup>2</sup>	2.33	2.32
Trading expense ratio (%) <sup>3</sup>	0.03	0.10
Portfolio turnover rate (%) <sup>4</sup>	3.35	n/a
Net asset value per security (\$)	12.90	14.78

## Management Fees

The management fee for each applicable series is calculated and accrued daily as a percentage of its NAV. The Fund's management fees were used by the Manager to pay for the costs of managing the investment portfolio of the Fund and/or the underlying fund(s), as applicable, including providing investment analysis and recommendations, making investment decisions, making brokerage arrangements for the purchase and sale of the investment portfolio, and providing other services. The Manager also used the management fees to fund sales commissions, trailing commissions and any other compensation (collectively "distribution-related payments") to registered dealers and brokers whose clients invest in the Fund.

The following dealers affiliated with the Manager may be entitled to distribution-related payments from the Manager on the same basis as unrelated registered brokers and dealers: IPC Securities Corporation, Investors Group Securities Inc., IPC Investment Corporation and Investors Group Financial Services Inc.

The Manager used approximately 42% of the total management fee revenues received from all Mackenzie funds during the period to fund distribution-related payments to registered dealers and brokers. In comparison, such distribution-related payments for the Fund represented on average 41% of the management fees paid by all applicable series of the Fund during the period. The actual percentage for each series may be higher or lower than the average depending on the level of trailing commissions and sales commissions paid for that series.

# MACKENZIE BLUEWATER NORTH AMERICAN BALANCED FUND

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## Fund Formation and Series Information

The Fund may have undergone a number of changes, such as a reorganization or a change in manager, mandate or name. A history of the major changes affecting the Fund in the last 10 years can be found in the Fund's Simplified Prospectus.

Date of Formation: January 17, 2022

The Fund may issue an unlimited number of securities of each series. The number of issued and outstanding securities of each series is disclosed under *Financial Highlights*.

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

Series A, Series T5 and Series T8 securities are offered to retail investors investing a minimum of \$500 (\$5,000 for Series T5 and Series T8). Investors in Series T5 and Series T8 securities also want to receive a monthly cash flow of 5% or 8% per year, respectively.

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, Series F5 and Series F8 securities are offered to investors who are enrolled in a dealer-sponsored fee-for-service or wrap program, who are subject to an asset-based fee rather than commissions on each transaction and who invest at least \$500 (\$5,000 for Series F5 and Series F8); they are also available to employees of Mackenzie and its subsidiaries, and directors of Mackenzie. Investors in Series F5 and Series F8 securities also want to receive a monthly cash flow of 5% or 8% per year, respectively.

Series FB and Series FB5 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. Investors in Series FB5 securities also want to receive a monthly cash flow of 5% per year.

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, Series PWT5 and Series PWT8 securities are offered through our Private Wealth Solutions to certain high net worth investors who invest a minimum of \$100,000. Investors in Series PWT5 and Series PWT8 securities also want to receive a monthly cash flow of 5% or 8% per year, respectively.

Series PWFB and Series PWFB5 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. Investors in Series PWFB5 securities also want to receive a monthly cash flow of 5% per year.

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 and Series PWX8 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. Investors in Series PWX8 securities also want to receive a monthly cash flow of 8% per year.

Effective June 1, 2022, an investor may purchase the Fund only under a sales charge purchase option. The sales charge under the sales charge purchase option is negotiated by the investor with their dealer. Securities purchased before June 1, 2022, under the redemption charge purchase option, low-load 3 purchase option and low-load 2 purchase option (collectively the "deferred sales charge purchase options") may continue to be held in investor accounts. Investors may switch from securities of a Mackenzie fund previously purchased under these deferred sales charge purchase options to securities of other Mackenzie funds, under the same purchase option, until such time as the redemption schedule has expired. For further details, please refer to the Fund's Simplified Prospectus and Fund Facts.

# MACKENZIE BLUEWATER NORTH AMERICAN BALANCED FUND

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

Series	Inception/ Reinstatement Date	Management Fee	Administration Fee
Series A	January 24, 2022	1.85%	0.24%
Series AR	January 24, 2022	1.85%	0.27%
Series D	January 24, 2022	0.85%	0.16%
Series F	January 24, 2022	0.70%	0.15%
Series F5	January 24, 2022	0.70%	0.15%
Series F8	January 24, 2022	0.70%	0.15%
Series FB	January 24, 2022	0.85%	0.24%
Series FB5	January 24, 2022	0.85%	0.24%
Series O	January 24, 2022	— <sup>(1)</sup>	n/a
Series PW	January 24, 2022	1.70%	0.15%
Series PWFB	January 24, 2022	0.70%	0.15%
Series PWFB5	January 24, 2022	0.70%	0.15%
Series PWR	January 24, 2022	1.70%	0.15%
Series PWT5	January 24, 2022	1.70%	0.15%
Series PWT8	January 24, 2022	1.70%	0.15%
Series PWX	January 24, 2022	— <sup>(2)</sup>	— <sup>(2)</sup>
Series PWX8	January 24, 2022	— <sup>(2)</sup>	— <sup>(2)</sup>
Series T5	January 24, 2022	1.85%	0.24%
Series T8	January 24, 2022	1.85%	0.24%

(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.