

Mackenzie Emerging Markets Fund

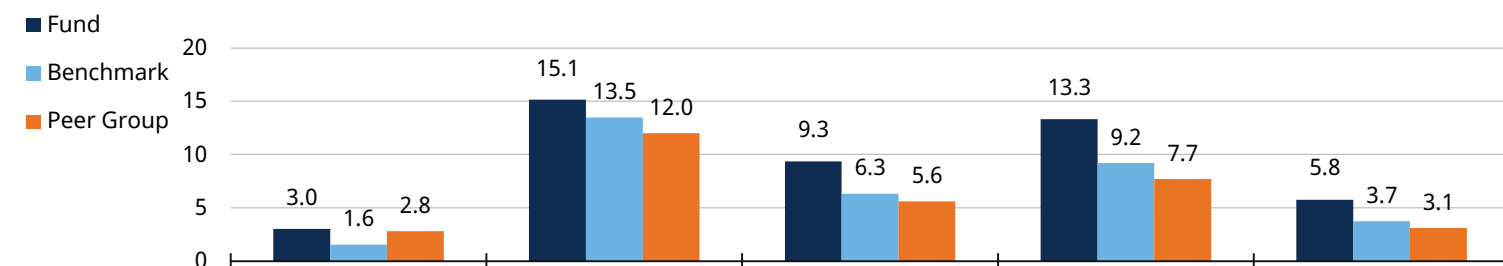
Fund snapshot

Inception date	06/05/2018
AUM (millions in CAD)	833.7
Management Fee	0.80%
MER	1.06%
Benchmark	MSCI Emerging Mkts IMI
CIFSC Category	Emerging Markets Equity
Risk Rating	Medium
Lead portfolio manager	Arup Datta
Investment exp. Since	1992
Target # of holdings	150

Strategy Overview

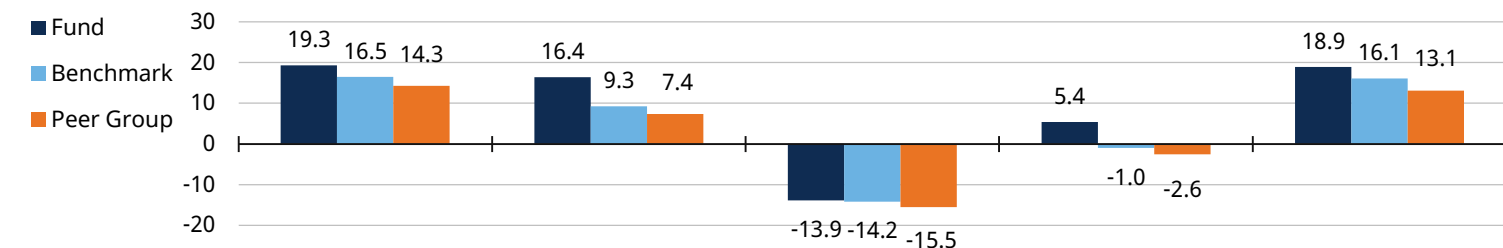
- The Fund seeks long-term capital growth by investing primarily in a portfolio of equity securities of companies in emerging markets.
- Employing a disciplined, risk-aware, systematic investment process, the Fund will focus its investments in those countries where the portfolio manager identifies strongly developing economies and in which the markets are becoming more sophisticated.
- The Fund seeks to outperform the MSCI Emerging Markets IMI Index by 3% over a full market cycle on an annualized basis (gross of fees), with a targeted tracking error of 4.5%

Trailing returns %



	3 Mth	1 Yr	3 Yr	5Yr	SI
Excess return	1.4	1.6	3.0	4.1	2.1
% of peers beaten	52	79	88	99	94

Calendar returns %



	2024	2023	2022	2021	2020
Excess return	2.8	7.1	0.3	6.4	2.8
% of peers beaten	91	94	66	91	79

Portfolio characteristics

	Portfolio	Benchmark
# of holdings	179	3,146
% top 10 holdings	26.1	23.3
Weighted average market cap	177,900.9	196,313.9
EPS growth (FY E)	11.9	15.5
Dividend yield	2.7	2.7
FCF margin	16.9	17.9
P/E Trailing 12M	10.5	13.9
P/E (forecast)	10.8	12.6
Net debt/EBITDA	0.5	0.3
ROE (latest FY)	16.9	16.2

Performance metrics (3 year trailing)

Metrics	Portfolio	Benchmark
Standard Dev.	13.4	13.5
Sharpe Ratio	0.4	0.2
Tracking Error	4.1	-
Information Ratio	0.7	-
Alpha	3.1	-
Beta	1.0	-
Upside Capture (%)	94.7	-
Downside Capture (%)	73.8	-

Regional breakdown

Region	Portfolio	Benchmark	Relative Weight
Emerging Markets	92.6	100.0	-7.4
International	1.2	-	1.2
United States	-	-	-
Other	6.2	-	6.2

Sector allocation

Sector	Portfolio	Benchmark	Relative Weight
Financials	20.0	22.6	-2.6
Energy	2.4	4.2	-1.8
Materials	7.5	6.8	0.7
Industrials	9.0	7.9	1.1
Information Technology	21.4	20.8	0.6
Communication Services	10.3	9.3	1.0
Utilities	1.5	2.7	-1.2
Consumer Staples	3.5	5.0	-1.5
Consumer Discretionary	13.0	14.1	-1.1
Real Estate	0.7	2.4	-1.7
Health Care	4.8	4.3	0.5
Other	5.9	-0.1	6.0

Country allocation

Country	Portfolio	Benchmark	Relative Weight
China	28.4	28.5	-0.1
Taiwan	16.3	17.1	-0.8
India	15.7	19.7	-4.0
Korea	11.1	9.3	1.8
South Africa	3.9	3.3	0.5
Saudi Arabia	3.4	4.1	-0.7
Other	21.2	18.0	3.2

Currency exposure

Region	Gross	Benchmark
CAD	5.8	-
USD	4.4	2.7
Other	89.9	97.3

Top 10 holdings

Security name	Country	Sector	Weight
Taiwan Semiconductor Manufacturing Co., Ltd.	Taiwan	Information Technology	8.0
Tencent Holdings Ltd.	China	Communication Services	5.0
Alibaba Group Holding Limited	China	Consumer Discretionary	2.3
China Construction Bank Corporation Class H	China	Financials	1.7
Samsung Electronics Co., Ltd.	Korea	Information Technology	1.5
MediaTek Inc	Taiwan	Information Technology	1.5
Larsen & Toubro Limited	India	Industrials	1.2
Qatar National Bank QPSC	Qatar	Financials	1.2
Geely Automobile Holdings Limited	China	Consumer Discretionary	1.1
Saudi Awwal Bank	Saudi Arabia	Financials	1.1

Security level contributors and detractors

	Security	Average Relative weight (%)	Total Effect (%)
Contributors	Pop Mart International Group Limited	1.2	0.6
	Zhejiang Leapmotor Technology Co., Ltd	0.7	0.4
	Hanwha Corp	0.9	0.3
Detractors	Oberoi Realty Limited	0.9	-0.5
	Dixon Technologies (India) Ltd	1.3	-0.5
	Motilal Oswal Financial Services Limited	0.4	-0.4

Sector attribution relative to the benchmark

	Sector	Average Relative weight (%)	Total Effect (%)
Contributors	Industrials	1.6	0.7
	Information Technology	1.3	0.5
	Financials	-1.6	0.3
Detractors	Real Estate	-1.1	-0.5
	Energy	-1.6	-0.1

Commentary

1) QFR Highlights

The Fund outperformed its benchmark, MSCI EM (Emerging Markets) IMI Index in the first quarter of 2025. The MSCI EM IMI index surpassed the performance of both the S&P 500 and MSCI World Index. Within the EM index, China led the gains, followed by South Korea, Taiwan and India lagged.

2) Market Overview

Emerging market equities delivered a return of 1.8% in the first quarter, demonstrating resilience while navigating a complex landscape of trade tensions, policy shifts, and domestic economic challenges. This resilience was particularly evident in the face of fluctuating global trade dynamics and varying economic policies across different regions.

Chinese equities led the gains with a return of 15%, driven by robust rebound in manufacturing activity, which lifted corporation earnings expectations in industrial and export sectors. The PMI uptick reflected strong growth in new orders and production, indicating that domestic demand was firming and export demand (helped by some front-loading of orders ahead of US tariffs) remained resilient. While government's policy support also played a crucial role in buttressing the manufacturing sector and broader market sentiment.

Conversely, Taiwan was the biggest detractor within the emerging markets landscape, was down 12.6%. This was dominated by a sharp selloff in the semiconductor and electronics industry. Financials and communication services were most resilient given that their losses were much smaller, providing a modest cushion. However, given their relatively low weights, their steadier performance could not offset the tech slump, while most sectors in Taiwan declined to some extent alongside technology.

3) Fund Performance

During Q1 2025, Mackenzie Emerging Markets Fund returned 3.4% (gross of fees), outperformed the MSCI Emerging Markets Investable Market index, which returned 1.7%.

From a geographic perspective, China was the primary contributor to relative performance, while India was the largest detractor. At sector level, industrials, information technology and financials and were the strongest contributors to relative performance, while real estate was the primary detractor.

4) Security Contributors

At security level, overweight positions in Pop Mart International Group Limited, Zhejiang Leapmotor Technology Co., Ltd. and Hanwha Corp were the key contributors to relative performance.

5) Security Detractors

At security level, overweight positions in Oberoi Realty Limited, Dixon Technologies (India) Ltd. and Motilal Oswal Financial Services Limited were the key detractors from relative performance.

6) Portfolio Activities

For this period, our overall alpha and stock selection model were positive. Value and Growth led, Informed Investor was flat, while Quality was slightly negative. Stock specific risk (Idiosyncratic risk) detracted.

7) Outlook, Positioning

Overall, emerging markets are trading at significant valuation discounts compared to developed markets. This valuation gap offers potential for mean reversion, especially as global investors seek diversification and growth potential amid uncertainties in the US market. In addition, expected US rate cuts in 2025 would have important implications for EM equities. Historically, Fed easing cycles have been supportive for EM assets, especially when those rate cuts are not accompanied by a US recession. If the economy follows a trajectory of modest slowdown or achieves a soft landing, the Fed's rate cuts in 2025 would likely act as a tailwind for EM equity performance.

In terms of our portfolio position, we continue to adopt a core, all weather approach that aims to well balance exposures to three investment themes - value, growth and quality at the portfolio level, and seek to deliver consistent alpha across various market environments. Using our proprietary stock selection model, we analyze and rank individual stocks within four regions (China, Asian ex China, Latin America and EMEA) and 11 GICS sectors versus their peer, utilizing over 25 alpha factors that combine a mix of traditional and non-traditional investment signals to predict stock performance.

Commissions, trailing commissions, management fees, and expenses all may be associated with mutual fund investments. Please read the prospectus before investing. The indicated rates of return are the historical annual compounded total returns as of March 31, 2025 including changes in share value and reinvestment of all distributions and does not take into account sales, redemption, distribution, or optional charges or income taxes payable by any security holder that would have reduced returns. Mutual funds are not guaranteed, their values change frequently and past performance may not be repeated. Index performance does not include the impact of fees, commissions, and expenses that would be payable by investors in the investment products that seek to track an index.

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Standard deviation provides a measure of the variability of returns that have occurred relative to the average return. The higher the standard deviation, the greater is the range of returns that has been experienced. Standard deviation is commonly used as a measure of risk.

Percentile rankings are from Morningstar Research Inc., an independent research firm, based on the Canada Fund Emerging Markets Equity category and reflect the performance of the Mackenzie Emerging Markets Fund for the 3-month, 1-, 3-, 5- and 10-year periods as of March 31, 2025. The percentile rankings compare how a fund has performed relative to other funds in a particular category and are subject to change monthly. The number of Canada Fund Emerging Markets Equity category funds for Mackenzie Emerging Markets Fund for each period are as follows: one year - 277 ; three years - 254 ; five years - 215 ; ten years - 117.

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