Mackenzie US All Cap Growth Fund

Fund snapshot

Inception date	07/15/2004
AUM (millions in CAD)	1967.4
Management Fee	0.80%
MER	1.05%
Benchmark	Russell 3000 Growth
CIFSC Category	US Equity
Risk Rating	Medium
Lead portfolio manager	Richard Bodzy
Investment exp. Since	2004
Target # of holdings	60-90

Strategy Overview

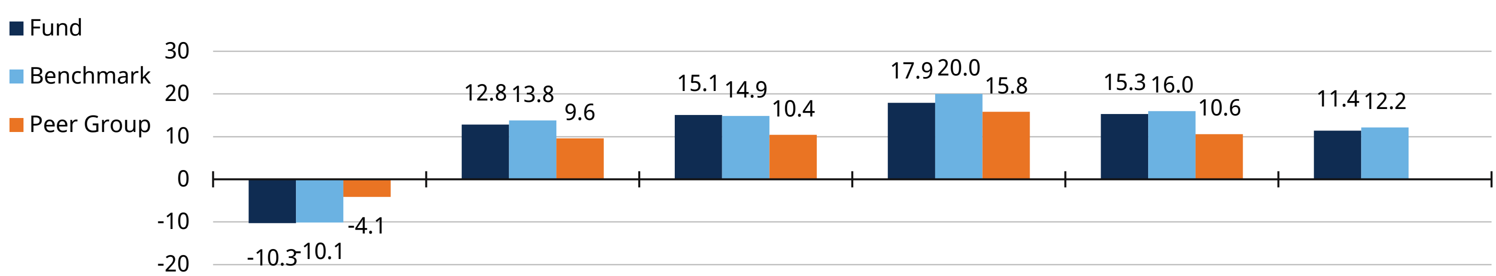
• The Fund seeks to achieve long-term growth of capital by investing primarily in common shares of U.S. companies of any size, from larger, well-established companies to smaller, emerging growth companies.

• The investment approach follows a growth investment style, by investing mainly in common stocks of U.S. companies of any size, with a focus on growth stocks.

• Growth stocks are issued by companies whose earnings are expected to grow faster than those of similar firms, and whose business growth and other characteristics may lead to an increase in stock price.

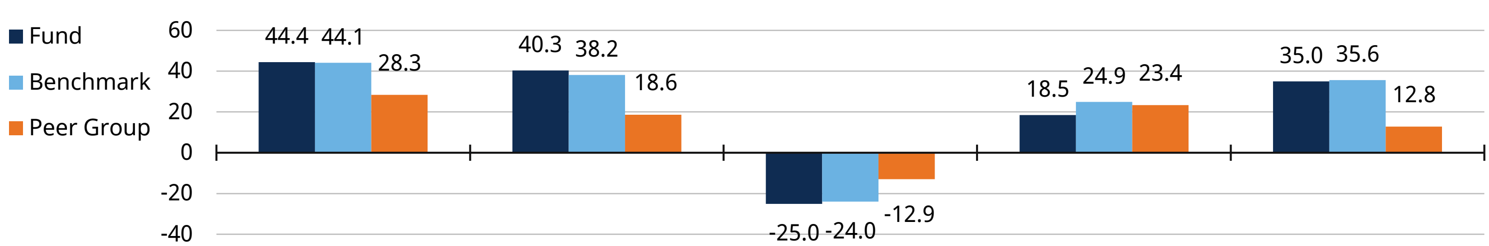
• Among other factors, a company's valuation, financial strength, growth potential, competitive position in its industry, projected future earnings, cash flows and dividends are considered when deciding whether to buy or sell investments.

Trailing returns %



	3 Mth	1 Yr	3 Yr	5Yr	10Yr	SI
Excess return	-0.2	-1.0	0.2	-2.1	-0.7	-0.8
% of peers beaten	5	69	94	74	96	NA

Calendar returns %



	2024	2023	2022	2021	2020
Excess return	0.3	2.2	-1.0	-6.5	-0.6
% of peers beaten	96	95	11	13	91

Portfolio characteristics

	Portfolio	Benchmark
# of holdings	59	1,510
% top 10 holdings	55.1	52.6
Weighted average market cap	1,754,205.1	1,833,480.0
EPS growth (FY E)	20.6	18.6
Dividend yield	0.5	0.7
FCF margin	24.3	-23.4
P/E Trailing 12M	38.7	31.9
P/E (forecast)	30.1	25.9
Net debt/EBITDA	-0.5	-0.2
ROE (latest FY)	23.8	29.5

Sector allocation

Sector	Portfolio	Benchmark	Relative Weight
Financials	9.6	8.0	1.6
Energy	-	0.7	-0.7
Materials	0.8	0.8	0.0
Industrials	6.5	5.8	0.7
Information Technology	41.6	43.5	-1.9
Communication Services	13.4	12.6	0.8
Utilities	-	0.3	-0.3
Consumer Staples	1.0	4.0	-3.0
Consumer Discretionary	14.7	14.7	0.0
Real Estate	2.3	0.6	1.7
Health Care	7.7	9.0	-1.3
Other	2.4	-	2.4

Performance metrics (3 year trailing)

Metrics	Portfolio	Benchmark
Standard Dev.	18.1	17.5
Sharpe Ratio	0.6	0.6
Tracking Error	2.2	-
Information Ratio	0.1	-
Alpha	-0.1	-
Beta	1.0	-
Upside Capture (%)	102.4	-
Downside Capture (%)	103.2	-

Country allocation

Country	Portfolio	Benchmark	RelativeWeight
United States	93.8	99.5	-5.7
Canada	1.8	-	1.8
Sweden	1.2	0.3	0.9
Switzerland	0.8	-	0.8
United Kingdom	-	-	-
Argentina	-	-	-
Other	2.4	0.2	2.2

Regional breakdown

Region	Portfolio	Benchmark	Relative Weight
United States	93.8	99.5	-5.7
International	2.1	0.3	1.8
Canada	1.8	-	1.8
Other	2.3	0.2	2.1

Currency exposure

Region	Gross	Benchmark
CAD	-	-
USD	99.2	100.0
Other	0.8	-

Top 10 holdings

Security name	Country	Sector	Weight
Apple Inc.	United States	Information Technology	9.2
NVIDIA Corporation	United States	Information Technology	8.3
Microsoft Corporation	United States	Information Technology	7.8
Amazon.com, Inc.	United States	Consumer Discretionary	7.7
Broadcom Inc.	United States	Information Technology	4.0
Meta Platforms Inc Class A	United States	Communication Services	3.8
Alphabet Inc. Class C	United States	Communication Services	3.8
Mastercard Incorporated Class A	United States	Financials	3.4
Eli Lilly and Company	United States	Health Care	3.2
Visa Inc. Class A	United States	Financials	2.6

Security level contributors and detractors

	Security	Average Relative weight (%)	% Contribution to return
Contributors	Spotify Technology SA	1.1	0.2
	Howmet Aerospace Inc.	1.1	0.2
	Visa Inc. Class A	0.2	0.2
Detractors	Tesla, Inc.	0.0	-1.2
	Broadcom Inc.	1.4	-1.3
	NVIDIA Corporation	-0.3	-1.8

Sector attribution relative to the benchmark

	Sector	Average Relative weight (%)	Allocation Effect (%)	Selection Effect (%)	Total Effect (%)
Contributors	Communication Services	1.3	0.0	0.8	0.8
	Financials	0.5	0.1	0.4	0.5
	Industrials	1.4	0.1	0.2	0.3
Detractors	Health Care	-0.9	-0.1	-0.1	-0.2
	Consumer Staples	-3.0	-0.4	0.0	-0.4
	Information Technology	-3.3	0.1	-1.3	-1.2

Commentary

1) QFR Highlights

US stocks posted a loss in the first quarter. The S&P 500 Index and the Nasdaq Composite delivered their worst quarterly performance since 2022. Although the S&P 500 reached three all-time closing highs in the quarter, it dipped briefly into correction territory in March.

2) Market Overview

In January, stocks advanced modestly in an eventful month for equity markets. Stocks were boosted by muted inflation data, positive US growth projections, relatively strong earnings results, and solid consumer spending. However, markets encountered considerable volatility late in the month after the release of artificial intelligence models developed by Chinese company DeepSeek. The models performed exceptionally well, and their development was achieved on a limited budget. With the news, the Nasdaq declined sharply and investors questioned the outlook for AI spending and the potential impact on chip makers, infrastructure suppliers, and power stocks. Also in January, the Federal Reserve left interest rates unchanged in its first policy decision of the year. The decision came after three consecutive rate cuts that began in September.

In February, US equities declined amid geopolitical and macroeconomic concerns. These included the possible escalation of a global trade war, declining consumer sentiment, and discouraging economic reports, such as a jump in weekly jobless claims, marking their highest level since October 2024. Also, the Conference Board said its Leading Economic Index unexpectedly contracted in January. Declines were sharpest for technology stocks in February, due in part to uncertainty about AI spending and potentially weaker economic growth.

March was a turbulent month for US equity markets. It included a multi-week rout triggered largely by President Trump's chaotic tariff policy rollout and falling consumer confidence. Both the S&P 500 Index and the Nasdaq fell into correction territory as trade tensions escalated and investors grew increasingly concerned that the administration's policy volatility will significantly hamper US economic growth and potentially tip the economy into recession. Late in the month, the Conference Board reported consumer confidence slid in March, reaching its lowest level since January 2021 and extending a decline that began in December. Stocks recovered sporadically throughout the month on hopes that US tariffs may be narrower in scope, but investors remained nervous ahead of Trump's potential April 2 start date for reciprocal tariffs. Also in March, the Federal Reserve left interest rates unchanged, in a range of 4.25%-4.5%, where they have been since December. The Fed also downgraded its outlook for economic growth.

For the quarter, U.S. equities, as measured by the S&P 500 Index, returned –4.27%.

3) Fund Performance

The strategy performed in-line with its benchmark, the Russell 3000 Growth Index. Both stock selection and sector allocations were detracted from relative results during the period. Our small average cash position (less than 3%) proved slightly positive. Names held within communication services followed by financials and industrials were most additive, while companies within information technology, health care, and consumer discretionary weighed on results.

4) Security Contributors

Top contributors to relative performance included overweights to Howmet Aerospace (industrials) and Mastercard (financials), and underweight exposure to Alphabet (communication services).

5) Security Detractors

Elsewhere in the portfolio, overweights to Marvell Technology (information technology), Manhattan Associates (information technology), and Broadcom (information technology) were among the top relative detractors

Commentary

6) Portfolio Activities

New positions added during the quarter included Progressive (financials) and Roper Technologies (information technology). New eliminated positions included Booking Holdings (consumer discretionary) and Equifax (industrials).

The aim of the mandate is to minimize the impact of economic fluctuations by investing in secular growers with defensible moats and high, sustainable returns. We will continue to focus our investments in companies with 1.) high and long-duration growth, 2.) high and/or improving capital returns, and 3.) an ownership culture. The growth profiles for many of the companies held in the strategy are supported by long-tailed themes, and we explicitly take prior-cycle downside capture into account within our risk framework. Our desire to own high-quality businesses with a narrow range of outcomes has benefited relative returns. This framework has served the strategy well in the past, and we expect it to continue to do so into the future.

Given the current geopolitical and economic climate, we believe that it's reasonable to expect additional multiple contraction from some of the higher-multiple stocks in the growth universe as new tariff policies are rolled out. The magnitude of disruption will differ by sector, but some specific areas to highlight with the greatest potential negative impact are overall household consumption (Consumer discretionary) and enterprise spending (Information technology).

7) Outlook and Positioning

Our efforts, along with the help of the analyst team, have consistently focused on identifying companies and stocks that can succeed in a variety of economic backdrops that do not require an economic acceleration to succeed. Owned companies in the growth mandate are typically not the first ones displaced during periods of heightened economic uncertainty. We continue to monitor all information and will assess the impact to the fundamentals on a stock-by-stock basis. We believe it is important to remember that heightened volatility can bring ongoing risks but there can also be attractive opportunities for long-term, fundamental investors.

While we remain vigilant on macro-economic factors, our process is driven through a bottom-up stock selection process married with top-down growth themes. We are mindful of valuations but believe the companies we are invested in are quality growth companies where we have visibility into the duration of growth – and thus comfortable paying a modest premium (5-10%). We continue to see structural tailwinds and exciting multi-year trends that we believe can drive sustained growth for many businesses. More broadly, we believe that the innovation in the economy will come from traditional growth sectors in the next 5 years. These sectors include technology, health care, consumer discretionary, and industrials. These four sectors combined make up over 70% of the portfolio.

Changes in the relative positioning of the strategy are primarily a result of our fundamental, bottom-up process of evaluating the opportunity and risk of individual stocks. As always, sector active weights remain reasonably tight in order to reduce unintended factor risks and accentuate stock-specific risk. Currently, we remain within +/-5% of all sectors. Our largest absolute position is information technology, however we are underweight the sector. The strategy is also underweight consumer staples. We have no exposure to the energy or utilities sectors. For the strategy's geographic exposure, +95% remains in U.S.-listed securities. Additionally, though we have not made dramatic changes to the portfolio, we have pulled back slightly on more market sensitive (higher beta) stocks.

As of 3/31/2025, US all cap growth stocks, as represented by the Russell 3000 Growth Index, have returned approximately 20% annualized over the trailing 5 years.

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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 US Equity category and reflect the performance of the Mackenzie US All Cap Growth 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 US Equity category funds for Mackenzie US All Cap Growth Fund for each period are as follows: one year - 1168 ; three years - 1023 ; five years - 902 ; ten years - 556.

Morningstar data is shown as of the most recent reporting period by each fund family. Allocations may not equal 100% and will vary overtime. Assets contained within “Other” category are not classified by Morningstar. All information presented in this tool is for informational purposes only and is not intended to be investment advice. The information is not meant to be an offer to sell or a recommendation to buy any investment product. Unless otherwise noted, performance is shown before sales charge. For more fund information, click the POS Documents link.

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