

## ***Interim Unaudited Financial Statements***

*For the Six-Month Period Ended September 30, 2018*

*These Interim Unaudited Financial Statements do not contain the Interim Management Report of Fund Performance (“MRFP”) of the investment fund. You may obtain a copy of the Interim MRFP, at no cost, by contacting us using one of the methods noted under Fund Formation and Series Information or by visiting the SEDAR website at [www.sedar.com](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.*

*Securityholders may also contact us using one of these methods to request a copy of the investment fund’s proxy voting policies and procedures, proxy voting disclosure record or quarterly portfolio disclosure.*

### **NOTICE OF NO AUDITOR REVIEW OF THE INTERIM FINANCIAL STATEMENTS**

*Mackenzie Financial Corporation, the Manager of the Fund, appoints independent auditors to audit the Fund’s Annual Financial Statements. Under Canadian securities laws (National Instrument 81-106), if an auditor has not reviewed the Interim Financial Statements, this must be disclosed in an accompanying notice.*

*The Fund’s independent auditors have not performed a review of these Interim Financial Statements in accordance with standards established by the Chartered Professional Accountants of Canada.*



# MACKENZIE INCOME FUND

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2018

BALANCED FUND

## STATEMENTS OF FINANCIAL POSITION

*In thousands (except per security figures)  
As at*

	Sep. 30 2018	Mar. 31 2018 (Audited)		Sep. 30 2018	Mar. 31 2018 (Audited)
	\$	\$		\$	\$
<b>ASSETS</b>			<b>Net assets attributable to securityholders</b>		
<b>Current assets</b>			<b>per security (note 3)</b>		
Investments at fair value	1,087,822	1,158,375	Series A	1.89	1.92
Cash and cash equivalents	21,575	11,897	Series AR	10.68	10.69
Accrued interest receivable	5,208	5,438	Series D	13.91	14.10
Dividends receivable	596	759	Series F	9.77	9.89
Accounts receivable for investments sold	4,825	3,104	Series F8	14.69	–
Accounts receivable for securities issued	731	284	Series FB	9.85	9.98
Due from manager	–	8	Series G	7.38	7.49
Margin on futures contracts	287	3,012	Series I	2.93	2.97
Unrealized gains on derivative contracts	4,266	960	Series J	8.51	8.64
<b>Total assets</b>	<b>1,125,310</b>	<b>1,183,837</b>	Series O	10.06	10.14
			Series PW	13.57	13.77
<b>LIABILITIES</b>			Series PWF	–	14.10
<b>Current liabilities</b>			Series PWF8	–	12.69
Accounts payable for investments purchased	12,258	13,497	Series PWF8	9.65	9.77
Accounts payable for securities redeemed	719	2,077	Series PWX	13.96	14.06
Distribution payable	2	2	Series R	9.59	9.60
Due to manager	–	105	Series S	9.06	9.13
Liability for options written	2	–	Series LB	8.06	8.20
Unrealized losses on derivative contracts	–	3,518	Series LW	14.18	14.49
<b>Total liabilities</b>	<b>12,981</b>	<b>19,199</b>			
<b>Net assets attributable to securityholders</b>	<b>1,112,329</b>	<b>1,164,638</b>			
<b>Net assets attributable to securityholders</b>					
<b>per series (note 3)</b>					
Series A	598,494	796,828			
Series AR	14,123	12,877			
Series D	866	889			
Series F	62,448	36,075			
Series F8	469	–			
Series FB	542	1,132			
Series G	1,221	1,996			
Series I	544	641			
Series J	1,298	1,337			
Series O	35,684	33,256			
Series PW	328,981	185,097			
Series PWF	–	23,560			
Series PWF8	–	503			
Series PWF8	1,682	676			
Series PWX	2,404	2,366			
Series R	12,290	13,514			
Series S	41,849	43,378			
Series LB	6,445	7,210			
Series LW	2,989	3,303			

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



**MACKENZIE**  
Investments

# MACKENZIE INCOME FUND

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2018

BALANCED FUND

## STATEMENTS OF COMPREHENSIVE INCOME

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

	2018	2017		2018	2017
	\$	\$		\$	\$
<b>Income</b>			<b>Series PWX</b>	41	14
Dividends	6,712	5,905	<b>Series R</b>	229	95
Interest income	13,844	14,166	<b>Series S</b>	744	129
Other changes in fair value of investments and other net assets			<b>Series LB</b>	53	(57)
Net realized gain (loss)	5,009	16,086	<b>Series LW</b>	32	–
Net unrealized gain (loss)	(4,833)	(28,933)	<b>Increase (decrease) in net assets attributable to securityholders from operations per security</b>		
Securities lending income	69	38	<b>Series A</b>	0.02	(0.01)
Fee rebate income	20	–	<b>Series AR</b>	0.08	(0.06)
<b>Total income (loss)</b>	<b>20,821</b>	<b>7,262</b>	<b>Series B</b>	–	(0.02)
			<b>Series C</b>	–	(0.01)
<b>Expenses (note 6)</b>			<b>Series D</b>	0.14	(0.09)
Management fees	7,848	8,798	<b>Series F</b>	0.12	–
Management fee rebates	(13)	(10)	<b>Series F8</b>	0.09	–
Administration fees	1,106	1,232	<b>Series FB</b>	0.14	(0.05)
Interest charges	1	3	<b>Series G</b>	0.08	–
Commissions and other portfolio transaction costs	112	208	<b>Series I</b>	0.04	–
Independent Review Committee fees	2	2	<b>Series J</b>	0.09	(0.01)
Other	2	1	<b>Series O</b>	0.17	0.06
<b>Expenses before amounts absorbed by Manager</b>	<b>9,058</b>	<b>10,234</b>	<b>Series PW</b>	0.13	(0.11)
Expenses absorbed by Manager	–	–	<b>Series PWF</b>	0.10	(0.07)
<b>Net expenses</b>	<b>9,058</b>	<b>10,234</b>	<b>Series PWF8</b>	0.09	0.04
<b>Increase (decrease) in net assets attributable to securityholders from operations before tax</b>	<b>11,763</b>	<b>(2,972)</b>	<b>Series PWFB</b>	0.12	0.08
Foreign withholding taxes	394	349	<b>Series PWX</b>	0.25	0.09
Foreign income taxes paid (recovered)	–	67	<b>Series R</b>	0.17	0.06
<b>Increase (decrease) in net assets attributable to securityholders from operations</b>	<b>11,369</b>	<b>(3,388)</b>	<b>Series S</b>	0.16	0.04
<b>Increase (decrease) in net assets attributable to securityholders from operations per series</b>			<b>Series LB</b>	0.06	(0.04)
<b>Series A</b>	<b>6,078</b>	<b>(1,028)</b>	<b>Series LW</b>	0.15	–
<b>Series AR</b>	<b>106</b>	<b>(52)</b>			
<b>Series B</b>	<b>–</b>	<b>(1,176)</b>			
<b>Series C</b>	<b>–</b>	<b>(104)</b>			
<b>Series D</b>	<b>9</b>	<b>(3)</b>			
<b>Series F</b>	<b>613</b>	<b>(2)</b>			
<b>Series F8</b>	<b>3</b>	<b>–</b>			
<b>Series FB</b>	<b>11</b>	<b>(3)</b>			
<b>Series G</b>	<b>16</b>	<b>(3)</b>			
<b>Series I</b>	<b>8</b>	<b>–</b>			
<b>Series J</b>	<b>15</b>	<b>(3)</b>			
<b>Series O</b>	<b>585</b>	<b>177</b>			
<b>Series PW</b>	<b>2,640</b>	<b>(1,275)</b>			
<b>Series PWF</b>	<b>166</b>	<b>(99)</b>			
<b>Series PWF8</b>	<b>4</b>	<b>1</b>			
<b>Series PWFB</b>	<b>16</b>	<b>1</b>			

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



**MACKENZIE**  
Investments

# MACKENZIE INCOME FUND

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2018

BALANCED FUND

## STATEMENTS OF CHANGES IN FINANCIAL POSITION

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

	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017
	Series A		Series AR		Series B		Series C		Series D	
	\$		\$		\$		\$		\$	
<b>NET ASSETS ATTRIBUTABLE TO SECURITYHOLDERS</b>										
<b>Beginning of period</b>	<b>796,828</b>	<b>417,880</b>	<b>12,877</b>	<b>9,218</b>	<b>–</b>	<b>524,596</b>	<b>–</b>	<b>48,811</b>	<b>889</b>	<b>592</b>
Increase (decrease) in net assets from operations	6,078	(1,028)	106	(52)	–	(1,176)	–	(104)	9	(3)
Distributions paid to securityholders:										
Investment income	(5,693)	(2,634)	(113)	(70)	–	(3,280)	–	(299)	(10)	(8)
Capital gains	–	–	–	–	–	–	–	–	–	–
Return of capital	(11,570)	(6,537)	–	–	–	(8,051)	–	(754)	(12)	(11)
Management fee rebates	–	–	–	–	–	–	–	–	–	–
Total distributions paid to securityholders	(17,263)	(9,171)	(113)	(70)	–	(11,331)	–	(1,053)	(22)	(19)
Security transactions:										
Proceeds from securities issued	44,106	42,600	1,704	2,154	–	36,354	–	3,759	158	254
Reinvested distributions	15,868	8,512	113	70	–	10,382	–	925	17	15
Payments on redemption of securities	(247,123)	(100,932)	(564)	(227)	–	(121,147)	–	(11,707)	(185)	(123)
Total security transactions	(187,149)	(49,820)	1,253	1,997	–	(74,411)	–	(7,023)	(10)	146
<b>Total increase (decrease) in net assets</b>	<b>(198,334)</b>	<b>(60,019)</b>	<b>1,246</b>	<b>1,875</b>	<b>–</b>	<b>(86,918)</b>	<b>–</b>	<b>(8,180)</b>	<b>(23)</b>	<b>124</b>
<b>End of period</b>	<b>598,494</b>	<b>357,861</b>	<b>14,123</b>	<b>11,093</b>	<b>–</b>	<b>437,678</b>	<b>–</b>	<b>40,631</b>	<b>866</b>	<b>716</b>

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

	Securities		Securities		Securities		Securities		Securities	
<b>Securities outstanding – beginning of period</b>	<b>414,677</b>	<b>208,350</b>	<b>1,205</b>	<b>858</b>	<b>–</b>	<b>75,449</b>	<b>–</b>	<b>12,248</b>	<b>63</b>	<b>41</b>
Issued	23,061	21,308	159	201	–	5,246	–	948	11	17
Reinvested distributions	8,314	4,281	11	6	–	1,506	–	234	1	1
Redeemed	(129,121)	(50,299)	(53)	(21)	–	(17,415)	–	(2,935)	(13)	(9)
<b>Securities outstanding – end of period</b>	<b>316,931</b>	<b>183,640</b>	<b>1,322</b>	<b>1,044</b>	<b>–</b>	<b>64,786</b>	<b>–</b>	<b>10,495</b>	<b>62</b>	<b>50</b>

	Series F		Series F8		Series FB		Series G		Series I	
	\$		\$		\$		\$		\$	
<b>NET ASSETS ATTRIBUTABLE TO SECURITYHOLDERS</b>										
<b>Beginning of period</b>	<b>36,075</b>	<b>35,143</b>	<b>–</b>	<b>–</b>	<b>1,132</b>	<b>333</b>	<b>1,996</b>	<b>2,690</b>	<b>641</b>	<b>692</b>
Increase (decrease) in net assets from operations	613	(2)	3	–	11	(3)	16	(3)	8	–
Distributions paid to securityholders:										
Investment income	(711)	(377)	(5)	–	(9)	(7)	(15)	(19)	(7)	(8)
Capital gains	–	–	–	–	–	–	–	–	–	–
Return of capital	(638)	(438)	(8)	–	(10)	–	(23)	(36)	(8)	(10)
Management fee rebates	–	–	–	–	–	–	–	–	–	–
Total distributions paid to securityholders	(1,349)	(815)	(13)	–	(19)	(7)	(38)	(55)	(15)	(18)
Security transactions:										
Proceeds from securities issued	33,354	13,989	487	–	307	1,020	2	29	–	–
Reinvested distributions	944	569	4	–	19	7	30	45	5	8
Payments on redemption of securities	(7,189)	(14,187)	(12)	–	(908)	(416)	(785)	(581)	(95)	(22)
Total security transactions	27,109	371	479	–	(582)	611	(753)	(507)	(90)	(14)
<b>Total increase (decrease) in net assets</b>	<b>26,373</b>	<b>(446)</b>	<b>469</b>	<b>–</b>	<b>(590)</b>	<b>601</b>	<b>(775)</b>	<b>(565)</b>	<b>(97)</b>	<b>(32)</b>
<b>End of period</b>	<b>62,448</b>	<b>34,697</b>	<b>469</b>	<b>–</b>	<b>542</b>	<b>934</b>	<b>1,221</b>	<b>2,125</b>	<b>544</b>	<b>660</b>

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

	Securities		Securities		Securities		Securities		Securities	
<b>Securities outstanding – beginning of period</b>	<b>3,647</b>	<b>3,432</b>	<b>–</b>	<b>–</b>	<b>114</b>	<b>33</b>	<b>266</b>	<b>345</b>	<b>216</b>	<b>224</b>
Issued	3,376	1,367	33	–	30	100	–	3	–	–
Reinvested distributions	96	56	–	–	2	1	4	6	2	3
Redeemed	(728)	(1,383)	(1)	–	(91)	(41)	(104)	(74)	(32)	(7)
<b>Securities outstanding – end of period</b>	<b>6,391</b>	<b>3,472</b>	<b>32</b>	<b>–</b>	<b>55</b>	<b>93</b>	<b>166</b>	<b>280</b>	<b>186</b>	<b>220</b>

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

# MACKENZIE INCOME FUND

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2018

BALANCED FUND

## STATEMENTS OF CHANGES IN FINANCIAL POSITION (cont'd)

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

	2018	2017	2018	2017	2018	2017	2018	2017
	Series J		Series O		Series PW		Series PWF	
	\$		\$		\$		\$	
<b>NET ASSETS ATTRIBUTABLE TO SECURITYHOLDERS</b>								
<b>Beginning of period</b>	1,337	1,341	33,256	31,498	185,097	44,249	23,560	11,061
Increase (decrease) in net assets from operations	15	(3)	585	177	2,640	(1,275)	166	(99)
Distributions paid to securityholders:								
Investment income	(14)	(12)	(637)	(540)	(3,034)	(1,508)	(93)	(248)
Capital gains	–	–	–	–	–	–	–	–
Return of capital	(19)	(21)	(247)	(258)	(4,179)	(2,687)	(107)	(268)
Management fee rebates	–	–	–	–	(11)	(7)	(2)	(3)
Total distributions paid to securityholders	(33)	(33)	(884)	(798)	(7,224)	(4,202)	(202)	(519)
Security transactions:								
Proceeds from securities issued	–	–	5,006	2,799	171,570	144,907	2,392	14,675
Reinvested distributions	33	33	867	787	6,595	3,795	145	355
Payments on redemption of securities	(54)	(20)	(3,146)	(1,725)	(29,697)	(14,014)	(26,061)	(4,977)
Total security transactions	(21)	13	2,727	1,861	148,468	134,688	(23,524)	10,053
<b>Total increase (decrease) in net assets</b>	<b>(39)</b>	<b>(23)</b>	<b>2,428</b>	<b>1,240</b>	<b>143,884</b>	<b>129,211</b>	<b>(23,560)</b>	<b>9,435</b>
<b>End of period</b>	<b>1,298</b>	<b>1,318</b>	<b>35,684</b>	<b>32,738</b>	<b>328,981</b>	<b>173,460</b>	<b>–</b>	<b>20,496</b>

	Securities		Securities		Securities		Securities	
<b>Increase (decrease) in fund securities (note 7):</b>								
<b>Securities outstanding – beginning of period</b>	155	149	3,281	3,030	13,438	3,088	1,671	758
Issued	–	–	492	270	12,491	10,067	171	1,003
Reinvested distributions	4	4	86	76	481	267	10	24
Redeemed	(6)	(2)	(312)	(166)	(2,164)	(985)	(1,852)	(346)
<b>Securities outstanding – end of period</b>	<b>153</b>	<b>151</b>	<b>3,547</b>	<b>3,210</b>	<b>24,246</b>	<b>12,437</b>	<b>–</b>	<b>1,439</b>

	Series PWF8		Series PWF8		Series PWX		Series R	
	\$		\$		\$		\$	
<b>NET ASSETS ATTRIBUTABLE TO SECURITYHOLDERS</b>								
<b>Beginning of period</b>	503	111	676	–	2,366	2,435	13,514	15,070
Increase (decrease) in net assets from operations	4	1	16	1	41	14	229	95
Distributions paid to securityholders:								
Investment income	(2)	(2)	(18)	(1)	(44)	(38)	(235)	(96)
Capital gains	–	–	–	–	–	–	–	–
Return of capital	(5)	(7)	(16)	–	(17)	(20)	–	–
Management fee rebates	–	–	–	–	–	–	–	–
Total distributions paid to securityholders	(7)	(9)	(34)	(1)	(61)	(58)	(235)	(96)
Security transactions:								
Proceeds from securities issued	–	328	1,083	396	154	209	336	642
Reinvested distributions	2	1	34	1	61	58	–	–
Payments on redemption of securities	(502)	(74)	(93)	–	(157)	(431)	(1,554)	(1,656)
Total security transactions	(500)	255	1,024	397	58	(164)	(1,218)	(1,014)
<b>Total increase (decrease) in net assets</b>	<b>(503)</b>	<b>247</b>	<b>1,006</b>	<b>397</b>	<b>38</b>	<b>(208)</b>	<b>(1,224)</b>	<b>(1,015)</b>
<b>End of period</b>	<b>–</b>	<b>358</b>	<b>1,682</b>	<b>397</b>	<b>2,404</b>	<b>2,227</b>	<b>12,290</b>	<b>14,055</b>

	Securities		Securities		Securities		Securities	
<b>Increase (decrease) in fund securities (note 7):</b>								
<b>Securities outstanding – beginning of period</b>	40	8	69	–	168	169	1,408	1,578
Issued	–	25	112	40	11	14	35	67
Reinvested distributions	–	–	3	–	4	4	–	–
Redeemed	(40)	(6)	(10)	–	(11)	(30)	(162)	(172)
<b>Securities outstanding – end of period</b>	<b>–</b>	<b>27</b>	<b>174</b>	<b>40</b>	<b>172</b>	<b>157</b>	<b>1,281</b>	<b>1,473</b>

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

# MACKENZIE INCOME FUND

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2018

BALANCED FUND

## STATEMENTS OF CHANGES IN FINANCIAL POSITION (cont'd)

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

	2018	2017	2018	2017	2018	2017	2018	2017
	Series S		Series LB		Series LW		Total	
	\$		\$		\$		\$	
<b>NET ASSETS ATTRIBUTABLE TO SECURITYHOLDERS</b>								
<b>Beginning of period</b>	<b>43,378</b>	<b>28,677</b>	<b>7,210</b>	<b>10,899</b>	<b>3,303</b>	<b>–</b>	<b>1,164,638</b>	<b>1,185,296</b>
Increase (decrease) in net assets from operations	744	129	53	(57)	32	–	11,369	(3,388)
Distributions paid to securityholders:								
Investment income	(760)	(550)	(54)	(77)	(32)	–	(11,486)	(9,774)
Capital gains	–	–	–	–	–	–	–	–
Return of capital	(304)	(277)	(119)	(213)	(64)	–	(17,346)	(19,588)
Management fee rebates	–	–	–	–	–	–	(13)	(10)
Total distributions paid to securityholders	(1,064)	(827)	(173)	(290)	(96)	–	(28,845)	(29,372)
Security transactions:								
Proceeds from securities issued	4,267	10,333	48	2,133	92	–	265,066	276,581
Reinvested distributions	1,064	827	171	285	92	–	26,064	26,675
Payments on redemption of securities	(6,540)	(1,543)	(864)	(1,138)	(434)	–	(325,963)	(274,920)
Total security transactions	(1,209)	9,617	(645)	1,280	(250)	–	(34,833)	28,336
<b>Total increase (decrease) in net assets</b>	<b>(1,529)</b>	<b>8,919</b>	<b>(765)</b>	<b>933</b>	<b>(314)</b>	<b>–</b>	<b>(52,309)</b>	<b>(4,424)</b>
<b>End of period</b>	<b>41,849</b>	<b>37,596</b>	<b>6,445</b>	<b>11,832</b>	<b>2,989</b>	<b>–</b>	<b>1,112,329</b>	<b>1,180,872</b>
<b>Increase (decrease) in fund securities (note 7):</b>								
<b>Securities outstanding – beginning of period</b>	<b>4,749</b>	<b>3,061</b>	<b>879</b>	<b>1,272</b>	<b>228</b>	<b>–</b>		
Issued	468	1,105	6	249	7	–		
Reinvested distributions	117	89	21	34	6	–		
Redeemed	(716)	(164)	(106)	(133)	(30)	–		
<b>Securities outstanding – end of period</b>	<b>4,618</b>	<b>4,091</b>	<b>800</b>	<b>1,422</b>	<b>211</b>	<b>–</b>		

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

# MACKENZIE INCOME FUND

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2018

BALANCED FUND

## STATEMENTS OF CASH FLOWS

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

	2018	2017
	\$	\$
<b>Cash flows from operating activities</b>		
Net increase (decrease) in net assets attributable to securityholders from operations	11,369	(3,388)
Adjustments for:		
Net realized loss (gain) on investments	(8,388)	(16,086)
Change in net unrealized loss (gain) on investments	4,646	28,933
Purchase of investments	(355,973)	(543,419)
Proceeds from sale and maturity of investments	420,509	520,177
Change in accrued interest receivable	230	(32)
Change in dividends receivable	163	241
Change in due from manager	8	(1)
Change in due to manager	(105)	–
Change in margin on futures contracts	2,725	696
<b>Net cash from operating activities</b>	<b>75,184</b>	<b>(12,879)</b>
<b>Cash flows from financing activities</b>		
Proceeds from securities issued	84,529	107,691
Payments on redemption of securities	(147,231)	(105,071)
Distributions paid net of reinvestments	(2,781)	(2,697)
<b>Net cash from financing activities</b>	<b>(65,483)</b>	<b>(77)</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>9,701</b>	<b>(12,956)</b>
Cash and cash equivalents at beginning of period	11,897	21,484
Effect of exchange rate fluctuations on cash and cash equivalents	(23)	10
<b>Cash and cash equivalents at end of period</b>	<b>21,575</b>	<b>8,538</b>
Cash	443	1,259
Cash equivalents	21,132	7,279
<b>Cash and cash equivalents at end of period</b>	<b>21,575</b>	<b>8,538</b>
<b>Supplementary disclosures on cash flow from operating activities:</b>		
Dividends received	6,875	6,146
Foreign taxes paid	394	416
Interest received	14,074	14,134
Interest paid	1	3

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

# MACKENZIE INCOME FUND

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## SCHEDULE OF INVESTMENTS

As at September 30, 2018

	Country	Sector	Par Value/ No. of Shares/Units	Average Cost (\$ 000s)	Fair Value (\$ 000s)
<b>BONDS</b>					
407 International Inc. 3.43% 06-01-2033 MTN	Canada	Corporate - Non Convertible	3,180,000	3,235	3,155
407 International Inc. 3.60% 05-21-2047 Callable	Canada	Corporate - Non Convertible	1,590,000	1,592	1,550
407 International Inc. 3.72% 05-11-2048 Callable 2047	Canada	Corporate - Non Convertible	1,960,000	1,960	1,954
AbbVie Inc. 3.75% 11-14-2023 Callable 2023	United States	Corporate - Non Convertible	USD 280,000	364	361
Access Justice Durham 5.015% 08-31-2039	Canada	Asset Backed	3,455,828	3,472	3,744
Adtalem Global Education Inc. Term Loan B 1st Lien F/R 04-09-2025	United States	Term Loans	USD 548,625	694	715
Aegis Sciences Corp. Term Loan B 1st Lien F/R 05-09-2025	United States	Term Loans	USD 160,000	203	202
AerCap Ireland Capital Designated Activity Co. 3.30% 01-23-2023 Callable 2022	Netherlands	Corporate - Non Convertible	USD 1,050,000	1,303	1,308
AerCap Ireland Capital Designated Activity Co. 4.45% 10-01-2025 Callable 2025	Ireland	Corporate - Non Convertible	USD 570,000	744	731
Al Ladder Luxembourg Term Loan B 1st Lien F/R 05-04-2025	United States	Term Loans	USD 560,000	697	728
AIMCo Realty Investors LP 2.27% 06-26-2024 Callable 2024	Canada	Corporate - Non Convertible	1,570,000	1,574	1,491
AIMCo Realty Investors LP 3.04% 06-01-2028 Callable 2028	Canada	Corporate - Non Convertible	910,000	910	880
AL Midcoast Holdings LLC B Term Loan 1st Lien F/R 06-28-2025	United States	Term Loans	USD 410,000	538	532
Alcami Carolinas Corp. Term Loan 1st Lien F/R 07-06-2025	United States	Term Loans	USD 340,000	445	443
Alera Group Intermediate Holdings Inc. Term Loan B 1st Lien F/R 07-27-2025	United States	Term Loans	USD 129,675	169	170
Algonquin Power & Utilities Corp. 4.65% 02-15-2022	Canada	Corporate - Non Convertible	570,000	622	592
Algonquin Power & Utilities Corp. 4.09% 02-17-2027 Callable	Canada	Corporate - Non Convertible	1,810,000	1,809	1,805
Allied Properties Real Estate Investment Trust 3.75% 03-13-2020	Canada	Corporate - Non Convertible	1,310,000	1,319	1,324
Allied Properties Real Estate Investment Trust 3.93% 11-14-2022	Canada	Corporate - Non Convertible	1,179,000	1,184	1,191
Allied Properties Real Estate Investment Trust 3.64% 04-21-2025 Callable 2025	Canada	Corporate - Non Convertible	1,620,000	1,622	1,575
AltaGas Ltd. 3.98% 10-04-2027 Callable 2027	Canada	Corporate - Non Convertible	920,000	920	908
AltaLink LP 3.72% 12-03-2046 Callable MTN	Canada	Corporate - Non Convertible	1,665,000	1,658	1,663
Altice France SA Term Loan B13 1st Lien F/R 01-31-2026	France	Term Loans	USD 520,000	667	668
Amneal Pharmaceuticals LLC Term loan B 1st Lien F/R 03-23-2025	United States	Term Loans	USD 179,508	230	234
Anheuser-Busch InBev Finance Inc. 3.30% 02-01-2023 Callable 2022	Belgium	Corporate - Non Convertible	USD 2,010,000	2,872	2,565
Anheuser-Busch InBev Finance Inc. 2.60% 05-15-2024 Callable 2024	Belgium	Corporate - Non Convertible	3,470,000	3,441	3,315
APT Pipelines Ltd. 4.20% 03-23-2025 Callable 2024 144A	Australia	Corporate - Non Convertible	USD 1,990,000	2,541	2,547
Arch Merger Sub Inc. 8.50% 09-15-2025 Callable 2020 144A	United States	Corporate - Non Convertible	USD 148,000	188	181
Aroundtown SA 4.63% 09-18-2025 Callable 2025	Germany	Corporate - Non Convertible	1,140,000	1,135	1,133
ASP AMC Merger Sub Inc. 8.00% 05-15-2025 Callable 2020 144A	United States	Corporate - Non Convertible	USD 160,000	213	158
AT&T Inc. 4.00% 11-25-2025 Callable 2025	United States	Corporate - Non Convertible	2,050,000	2,052	2,047
ATS Consolidated Inc. Term Loan B 1st Lien F/R 02-23-2025	United States	Term Loans	USD 179,100	226	233
Aviva PLC 4.50% 05-10-2021	United Kingdom	Corporate - Non Convertible	1,860,000	1,901	1,912
Avolon Holdings Funding Ltd. 5.13% 10-01-2023 Callable 2023 144A	Ireland	Corporate - Non Convertible	USD 180,000	237	235
Ball Metalpack Finco LLC Term Loan B 1st Lien F/R 07-26-2025	United States	Term Loans	USD 269,325	350	352
Bank of America Corp. 3.228% 06-22-2022	United States	Corporate - Non Convertible	1,430,000	1,447	1,430
Bank of America Corp. 3.30% 04-24-2024 Callable 2023	United States	Corporate - Non Convertible	1,340,000	1,340	1,331
Bank of America Corp. 3.95% 04-21-2025	United States	Corporate - Non Convertible	USD 390,000	474	494
Bank of America Corp. F/R 09-20-2025 Callable 2024	United States	Corporate - Non Convertible	2,090,000	2,090	2,064
Bank of Montreal 2.27% 07-11-2022	Canada	Corporate - Non Convertible	3,370,000	3,355	3,286



**MACKENZIE**  
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## SCHEDULE OF INVESTMENTS (cont'd)

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	Country	Sector	Par Value/ No. of Shares/Units	Average Cost (\$ 000s)	Fair Value (\$ 000s)
<b>BONDS (cont'd)</b>					
Bank of Montreal 2.89% 06-20-2023	Canada	Corporate - Non Convertible	1,720,000	1,720	1,706
Bank of Montreal 2.70% 09-11-2024 DPNT	Canada	Corporate - Non Convertible	4,110,000	4,104	4,009
Bank of Montreal 3.32% 06-01-2026	Canada	Corporate - Non Convertible	1,650,000	1,674	1,654
Bank of Montreal 3.19% 03-01-2028	Canada	Corporate - Non Convertible	1,520,000	1,508	1,503
Bank of Montreal F/R 12-15-2032 Callable 2027	Canada	Corporate - Non Convertible	USD 1,390,000	1,786	1,679
The Bank of Nova Scotia 2.36% 11-08-2022	Canada	Corporate - Non Convertible	2,620,000	2,620	2,553
The Bank of Nova Scotia 2.98% 04-17-2023	Canada	Corporate - Non Convertible	960,000	965	956
The Bank of Nova Scotia 2.29% 06-28-2024	Canada	Corporate - Non Convertible	5,710,000	5,675	5,451
The Bank of Nova Scotia 6.45% 01-01-2025	Canada	Mortgage Backed	5,949,380	5,725	6,835
The Bank of Nova Scotia F/R 04-12-2066 Callable 2022	Canada	Corporate - Non Convertible	USD 1,910,000	2,384	2,317
Bausch Health Cos Inc. Term Loan B 1st Lien F/R 05-28-2025	United States	Term Loans	USD 224,250	287	292
bcIMC Realty Corp. 3.00% 03-31-2027 Callable 2026	Canada	Corporate - Non Convertible	2,040,000	2,073	1,982
Beacon Escrow Corp. 4.88% 11-01-2025 Callable 2020 144A	United States	Corporate - Non Convertible	USD 70,000	84	84
Bell Canada 2.70% 02-27-2024 Callable	Canada	Corporate - Non Convertible	2,890,000	2,922	2,785
Bell Canada 3.60% 09-29-2027 Callable	Canada	Corporate - Non Convertible	1,600,000	1,611	1,572
Bell Canada 3.80% 08-21-2028 Callable 2028	Canada	Corporate - Non Convertible	2,600,000	2,584	2,574
Bell Canada 4.45% 02-27-2047 Callable	Canada	Corporate - Non Convertible	2,460,000	2,449	2,427
Boardriders Inc. Term Loan B 1st Lien F/R 03-21-2024	United States	Term Loans	USD 229,425	289	300
BP Capital Markets PLC 3.47% 05-15-2025	United Kingdom	Corporate - Non Convertible	1,560,000	1,560	1,556
Brookfield Infrastructure Finance ULC 4.20% 09-11-2028 Callable 2018	Canada	Corporate - Non Convertible	1,400,000	1,400	1,382
Brookfield Renewable Energy Partners ULC 3.752% 06-02-2025 Callable 2025	Canada	Corporate - Non Convertible	750,000	750	746
Brookfield Renewable Energy Partners ULC 3.63% 01-15-2027 Callable 2026	Canada	Corporate - Non Convertible	1,780,000	1,779	1,728
Brookfield Renewable Partners ULC 4.25% 01-15-2029 Callable 2028	Canada	Corporate - Non Convertible	1,300,000	1,299	1,299
Bruce Power LP 3.00% 06-21-2024 Callable 2024	Canada	Corporate - Non Convertible	3,790,000	3,827	3,687
Bruce Power LP 3.97% 06-23-2026	Canada	Corporate - Non Convertible	1,370,000	1,409	1,387
Bulldog Purchaser Inc. Delayed Draw Term Loan 1st Lien F/R 08-31-2025	United States	Term Loans	USD 116,286	150	150
Bulldog Purchaser Inc. Term Loan B 1st Lien F/R 08-31-2025	United States	Term Loans	USD 213,714	275	276
Calpine Corp. 5.25% 06-01-2026 Callable 2021 144A	United States	Corporate - Non Convertible	USD 4,000	5	5
Cameco Corp. 5.67% 09-02-2019	Canada	Corporate - Non Convertible	2,600,000	2,611	2,664
Camelot Finance LP Term Loan 1st Lien F/R 10-03-2023	United States	Term Loans	USD 815,114	1,071	1,056
Can Am Construction Inc./Canada Term Loan B 1st Lien F/R 07-01-2024	Canada	Term Loans	USD 330,480	424	431
Canada Goose Inc. Term Loan 1st Lien F/R 12-22-2021	Canada	Term Loans	USD 950,000	1,190	1,228
Canadian Commercial Mortgage Origination Trust 1 2.768% 11-12-2018	Canada	Mortgage Backed	419,897	420	418
Canadian Imperial Bank of Commerce 2.47% 12-05-2022	Canada	Corporate - Non Convertible	1,520,000	1,522	1,487
Canadian Imperial Bank of Commerce 2.97% 07-11-2023	Canada	Corporate - Non Convertible	3,360,000	3,360	3,342
Canadian Imperial Bank of Commerce 3.00% 10-28-2024 Callable 2019	Canada	Corporate - Non Convertible	750,000	761	751
Canadian Imperial Bank of Commerce 3.30% 05-26-2025	Canada	Corporate - Non Convertible	1,720,000	1,722	1,727
Canadian Imperial Bank of Commerce 3.42% 01-26-2026 Callable 2021	Canada	Corporate - Non Convertible	2,840,000	2,912	2,853
Canadian Imperial Bank of Commerce F/R 04-04-2028 Callable 2023	Canada	Corporate - Non Convertible	1,360,000	1,360	1,348
Canadian National Railway Co. 3.60% 07-31-2048 Callable 2048	Canada	Corporate - Non Convertible	2,010,000	1,980	1,955
Canadian Natural Resources Ltd. 3.55% 06-03-2024	Canada	Corporate - Non Convertible	1,800,000	1,812	1,798



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## SCHEDULE OF INVESTMENTS (cont'd)

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	Country	Sector	Par Value/ No. of Shares/Units	Average Cost (\$ 000s)	Fair Value (\$ 000s)
<b>BONDS (cont'd)</b>					
Canadian Western Bank 2.751% 06-29-2020	Canada	Corporate - Non Convertible	850,000	849	847
Canadian Western Bank 2.74% 06-16-2022 DPNT	Canada	Corporate - Non Convertible	860,000	860	844
Canadian Western Bank 2.92% 12-15-2022	Canada	Corporate - Non Convertible	1,490,000	1,490	1,465
Capital Power Corp. 4.28% 09-18-2024 Callable 2024	Canada	Corporate - Non Convertible	2,910,000	2,916	2,910
CareCentrix Inc. Term Loan 1st Lien F/R 03-22-2025	United States	Term Loans	USD 908,500	1,169	1,171
Careerbuilder LLC Term Loan 1st Lien F/R 07-31-2023	United States	Term Loans	USD 126,375	154	164
Casablanca US Holdings Inc. Term Loan 1st Lien F/R 03-31-2024	United States	Term Loans	USD 776,100	997	992
CCL Industries Inc. 3.86% 04-13-2028 Callable 2028	Canada	Corporate - Non Convertible	970,000	970	965
CCS-CMGC Holdings Inc. Term Loan 1st Lien F/R 09-25-2025	United States	Term Loans	USD 230,000	295	294
Central 1 Credit Union F/R 02-05-2021	Canada	Corporate - Non Convertible	630,000	630	629
CEVA Logistics Finance BV Term Loan B 1st Lien F/R 07-25-2025	United States	Term Loans	USD 240,000	312	312
CEVA Logistics Finance BV 5.25% 08-01-2025 Callable 2021	United States	Corporate - Non Convertible	EUR 100,000	152	148
Charter Communications Operating LLC 4.50% 02-01-2024 Callable 2024	United States	Corporate - Non Convertible	USD 1,020,000	1,351	1,327
Chartwell Retirement Residences 3.79% 12-11-2023 Callable 2023	Canada	Corporate - Non Convertible	1,440,000	1,438	1,433
Chartwell Retirement Residences 4.21% 04-28-2025 Callable 2025	Canada	Corporate - Non Convertible	480,000	480	482
CHIP Mortgage Trust 2.98% 11-15-2021	Canada	Corporate - Non Convertible	840,000	840	824
Choice Properties Real Estate Investment Trust 4.055% 11-24-2025 Callable	Canada	Corporate - Non Convertible	2,280,000	2,452	2,295
Choice Properties Real Estate Investment Trust 4.18% 03-08-2028 Callable 2027	Canada	Corporate - Non Convertible	1,910,000	1,910	1,901
CI Financial Corp. 3.52% 07-20-2023 Callable 2023	Canada	Corporate - Non Convertible	840,000	840	831
Comber Wind Financial Corp. 5.132% 11-15-2030	Canada	Corporate - Non Convertible	3,251,537	3,251	3,422
Comfort Holding LLC Term Loan 1st Lien F/R 02-05-2024	United States	Term Loans	USD 1,053,950	1,358	1,319
Commonwealth of Bahamas 5.75% 01-16-2024	Bahamas	Foreign Governments	USD 56,000	68	74
Commonwealth of Bahamas 6.00% 11-21-2028 Callable 2028	Bahamas	Foreign Governments	USD 143,000	182	188
Commonwealth of Bahamas 6.95% 11-20-2029	Bahamas	Foreign Governments	USD 64,000	96	89
Communications Sales & Leasing Inc. Term Loan B 1st Lien F/R 10-24-2022	United States	Term Loans	USD 883,754	1,065	1,095
Corel Corp. Term Loan 1st Lien F/R 05-11-2024	Canada	Term Loans	USD 340,000	435	442
Coronado Australian Holdings Pty Ltd. Term Loan B 1st Lien F/R 03-21-2025	United States	Term Loans	USD 265,540	332	347
Coronado Australian Holdings Pty Ltd. Term Loan C 1st Lien F/R 03-21-2025	United States	Term Loans	USD 72,602	91	95
Crosslinx Transit Solutions General Partnership 4.651% 09-30-2046	Canada	Corporate - Non Convertible	2,230,000	2,224	2,275
CSC Holdings LLC Term Loan B 1st Lien F/R 01-12-2026	United States	Term Loans	USD 379,050	470	492
CU Inc. 3.964% 07-27-2045 Callable	Canada	Corporate - Non Convertible	490,000	527	504
CU Inc. 3.76% 11-19-2046 Callable 2046	Canada	Corporate - Non Convertible	1,130,000	1,130	1,125
Danske Bank AS 2.80% 03-10-2021 144A	Denmark	Corporate - Non Convertible	USD 1,540,000	2,044	1,944
Daseke Inc. Term Loan 1st Lien F/R 02-27-2024	United States	Term Loans	USD 925,173	1,189	1,206
Diamond 1 Finance Corp. 4.42% 06-15-2021 Callable 2021 144A	United States	Corporate - Non Convertible	USD 220,000	284	289
Diamond 1 Finance Corp. 5.45% 06-15-2023 Callable 2023 144A	United States	Corporate - Non Convertible	USD 440,000	568	598
Diamond 1 Finance Corp. 6.02% 06-15-2026 Callable 2026 144A	United States	Corporate - Non Convertible	USD 440,000	568	608
Digicert Holdings Inc. Term Loan 1st Lien F/R 09-20-2024	United States	Term Loans	USD 349,125	428	453
Eagle Credit Card Trust 2.63% 10-17-2022	Canada	Corporate - Non Convertible	620,000	620	609
Eagle Credit Card Trust 3.04% 07-17-2023	Canada	Corporate - Non Convertible	580,000	580	575
EagleTree-Carbide Acquisition Corp. Term Loan 1st Lien F/R 08-28-2024	United States	Term Loans	USD 651,962	812	845
Eastern Power LLC Term Loan B 1st Lien F/R 10-02-2023	United States	Term Loans	USD 190,000	249	245



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## SCHEDULE OF INVESTMENTS (cont'd)

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	Country	Sector	Par Value/ No. of Shares/Units	Average Cost (\$ 000s)	Fair Value (\$ 000s)
<b>BONDS (cont'd)</b>					
Electrical Components International Inc. Term Loan 1st Lien F/R 06-22-2025	United States	Term Loans	USD 418,950	550	546
EmployBridge LLC Term Loan B 1st Lien F/R 04-10-2025	United States	Term Loans	USD 98,750	124	129
Enbridge Gas Distribution Inc. 3.51% 11-29-2047 Callable 2047	Canada	Corporate - Non Convertible	1,720,000	1,720	1,631
Enbridge Inc. 3.20% 06-08-2027 Callable 2027	Canada	Corporate - Non Convertible	1,160,000	1,160	1,102
Enbridge Inc. 4.57% 03-11-2044	Canada	Corporate - Non Convertible	5,920,000	6,025	5,902
Enbridge Inc. 5.37% 09-27-2077 Callable 2027	Canada	Corporate - Non Convertible	6,510,000	6,520	6,207
Enbridge Inc. F/R 04-12-2078 Callable 2028	Canada	Corporate - Non Convertible	1,850,000	1,850	1,911
ENC Holding Corp. Delayed Draw Term Loan 1st Lien F/R 05-30-2025	United States	Term Loans	USD 9,143	12	12
ENC Holding Corp. Term Loan 1st Lien F/R 05-30-2025	United States	Term Loans	USD 150,857	194	195
EnerCare Solutions Inc. 3.38% 02-21-2022 Callable 2022	Canada	Corporate - Non Convertible	1,820,000	1,820	1,813
EnerCare Solutions Inc. 3.99% 02-21-2024 Callable 2023	Canada	Corporate - Non Convertible	1,370,000	1,370	1,373
Ensono LP Term Loan 1st Lien F/R 04-30-2025	United States	Term Loans	USD 339,150	431	443
Enterprise Merger Sub Inc. Term Loan 1st Lien F/R 09-28-2025	United States	Term Loans	USD 1,220,000	1,573	1,573
Enterprise Merger Sub Inc. 8.75% 10-15-2026 Callable 2021	United States	Corporate - Non Convertible	USD 90,000	115	115
EPCOR Utilities Inc. 3.55% 11-27-2047 Callable 2047	Canada	Corporate - Non Convertible	1,170,000	1,170	1,123
EPR Properties 4.95% 04-15-2028 Callable 2028	United States	Corporate - Non Convertible	USD 870,000	1,091	1,107
Exela Intermediate LLC 10.00% 07-15-2023 Callable 2020 144A	United States	Corporate - Non Convertible	USD 146,000	190	201
Fairfax Financial Holdings Ltd. 4.50% 03-22-2023	Canada	Corporate - Non Convertible	1,140,000	1,134	1,181
Fairfax Financial Holdings Ltd. 8.30% 04-15-2026	Canada	Corporate - Non Convertible	USD 1,900,000	2,871	2,943
Fairfax Financial Holdings Ltd. 4.25% 12-06-2027 Callable 2027	Canada	Corporate - Non Convertible	520,000	520	509
Federation des Caisses Desjardins du Quebec 2.09% 01-17-2022	Canada	Corporate - Non Convertible	2,060,000	2,060	2,004
Federation des Caisses Desjardins du Quebec 3.06% 09-11-2023	Canada	Corporate - Non Convertible	3,100,000	3,097	3,086
Financial & Risk US Holdings Inc. Term Loan B 1st Lien F/R 10-01-2025	United States	Term Loans	USD 1,310,000	1,696	1,693
Financial & Risk US Holdings Inc. 6.25% 05-15-2026 Callable 2021 144A	United States	Corporate - Non Convertible	USD 140,000	183	182
Financial & Risk US Holdings Inc. 8.25% 11-15-2026 Callable 2021 144A	United States	Corporate - Non Convertible	USD 410,000	532	527
FortisAlberta Inc. 3.67% 09-09-2047 Callable 2047	Canada	Corporate - Non Convertible	380,000	372	374
FortisAlberta Inc. 3.74% 09-18-2048 Callable 2048	Canada	Corporate - Non Convertible	340,000	339	338
Fortress Transportation and Infrastructure Investors LLC 6.50% 10-01-2025 Callable 2021 144A	United States	Corporate - Non Convertible	USD 300,000	385	386
Foundation Building Materials LLC Term Loan B 1st Lien F/R 05-11-2025	United States	Term Loans	USD 200,000	254	260
Frontera Generation Holdings LLC. Term Loan B 1st Lien F/R 04-25-2025	United States	Term Loans	USD 349,125	446	455
Fusion Connect Inc. Term Loan B 1st Lien F/R 05-03-2023	United States	Term Loans	USD 88,875	110	109
FXI Holdings Inc. 7.88% 11-01-2024 Callable 2020 144A	United States	Corporate - Non Convertible	USD 65,000	83	80
Gentiva Health Services Inc. Term Loan 1st Lien F/R 06-21-2025	United States	Term Loans	USD 302,986	399	397
GFL Environmental Inc. 5.38% 03-01-2023 Callable 2020 144A	Canada	Corporate - Non Convertible	USD 80,000	98	98
GFL Environmental Inc. 7.00% 06-01-2026 Callable 2021 144A	Canada	Corporate - Non Convertible	USD 80,000	100	100
Gibson Energy Inc. 5.25% 07-15-2024 Callable 2020 REGS	Canada	Corporate - Non Convertible	151,000	151	151
Glacier Credit Card Trust 2.05% 09-20-2022	Canada	Corporate - Non Convertible	2,710,000	2,710	2,602
Glacier Credit Card Trust 3.14% 09-20-2023	Canada	Corporate - Non Convertible	960,000	960	954
The Goldman Sachs Group Inc. 2.43% 04-26-2023 Callable	United States	Corporate - Non Convertible	3,170,000	3,170	3,067
The Goldman Sachs Group Inc. 3.31% F/R 10-31-2025 Callable 2024	United States	Corporate - Non Convertible	4,530,000	4,531	4,417



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	Country	Sector	Par Value/ No. of Shares/Units	Average Cost (\$ 000s)	Fair Value (\$ 000s)
<b>BONDS (cont'd)</b>					
Government of Bermuda 4.138% 01-03-2023	Bermuda	Foreign Governments	USD 980,000	1,289	1,288
Government of Bermuda 4.854% 02-06-2024	Bermuda	Foreign Governments	USD 1,540,000	2,059	2,079
Government of Bermuda 3.72% 01-25-2027 Callable 2026	Bermuda	Foreign Governments	USD 6,175,000	7,582	7,627
Government of Canada 1.50% 06-01-2023	Canada	Federal Government	810,000	787	781
Government of Canada 2.50% 06-01-2024	Canada	Federal Government	1,240,000	1,249	1,249
Government of Canada 2.00% 06-01-2028	Canada	Federal Government	76,970,000	74,865	74,204
Government of Canada 1.25% 12-01-2047 Real Return	Canada	Federal Government	16,400,000	20,529	20,682
Government of Canada 2.75% 12-01-2048	Canada	Federal Government	5,540,000	6,074	5,936
Green Plains Inc. Term Loan B 1st Lien F/R 08-29-2023	United States	Term Loans	USD 345,107	430	452
Greenhill & Co. Inc. Term Loan B 1st Lien F/R 10-12-2022	United States	Term Loans	USD 365,750	456	478
H&R Real Estate Investment Trust 2.92% 05-06-2022	Canada	Corporate - Non Convertible	1,070,000	1,071	1,048
H&R Real Estate Investment Trust 3.42% 01-23-2023 Callable 2022	Canada	Corporate - Non Convertible	740,000	740	732
H&R Real Estate Investment Trust 3.37% 01-30-2024 Callable 2023	Canada	Corporate - Non Convertible	2,510,000	2,503	2,447
Hadrian Merger Sub Inc. 8.50% 05-01-2026 Callable 2021 144A	United States	Corporate - Non Convertible	USD 301,000	386	372
Halo Buyer Inc. Delayed Draw Term Loan 1st Lien F/R 06-28-2025	United States	Term Loans	USD 53,333	70	68
Halo Buyer Inc. Term Loan 1st Lien F/R 06-28-2025	United States	Term Loans	USD 126,667	165	162
HCN Canadian Holdings-1 LP 3.35% 11-25-2020	United States	Corporate - Non Convertible	1,390,000	1,386	1,399
Hearthside Group Holdings LLC 1st Lien F/R 05-17-2025	United States	Term Loans	USD 79,800	102	103
Heartland Dental LLC Delay Draw Term Loan 1st Lien F/R 04-17-2025	United States	Term Loans	USD 32,022	40	41
Heartland Dental LLC Term Loan 1st Lien F/R 04/17/2025	United States	Term Loans	USD 212,945	268	276
Heathrow Funding Ltd. 3.25% 05-21-2025	United Kingdom	Corporate - Non Convertible	2,190,000	2,242	2,169
Heathrow Funding Ltd. 3.40% 03-08-2028	United Kingdom	Corporate - Non Convertible	1,740,000	1,738	1,705
Heathrow Funding Ltd. 3.79% 09-04-2030 Callable 2030	United Kingdom	Corporate - Non Convertible	1,280,000	1,280	1,265
Hillman Group Inc. Term Loan B 1st Lien F/R 05-21-2025	United States	Term Loans	USD 229,425	292	294
Hornblower Sub LLC Term Loan 1st Lien F/R 04-28-2025	United States	Term Loans	USD 606,950	780	787
HSBC Bank Canada 2.17% 06-29-2022	Canada	Corporate - Non Convertible	1,380,000	1,364	1,335
HSBC Bank Canada 3.25% 09-15-2023	Canada	Corporate - Non Convertible	1,410,000	1,410	1,408
HSBC Holdings PLC 3.20% 12-05-2023	United Kingdom	Corporate - Non Convertible	2,680,000	2,680	2,641
Hub International Ltd. Term Loan B 1st Lien F/R 04-25-2025	United States	Term Loans	USD 259,350	327	336
Hub International Ltd. 7.00% 05-01-2026 Callable 2021 144A	United States	Corporate - Non Convertible	USD 3,000	4	4
Hudson River Trading LLC Term Loan 1st Lien F/R 03-20-2025	United States	Term Loans	USD 507,450	657	662
Hydro One Inc. 2.97% 06-26-2025 Callable 2025	Canada	Corporate - Non Convertible	590,000	590	578
Hydro One Inc. 3.72% 11-18-2047	Canada	Corporate - Non Convertible	3,730,000	3,770	3,630
Hydro One Inc. 3.63% 06-25-2049 Callable 2048	Canada	Corporate - Non Convertible	710,000	710	678
Hydro-Quebec Interest Strip 0% 02-15-2025	Canada	Provincial Governments	2,300,000	1,934	1,903
Hyster-Yale Group Inc. Term Loan B 1st Lien F/R 05-30-2023	United States	Term Loans	USD 702,188	947	910
Industrial Alliance Insurance and Financial Services Inc. 2.80% 05-16-2024 Callable 2019	Canada	Corporate - Non Convertible	940,000	950	941
Inter Pipeline Ltd. 2.73% 04-18-2024 Callable 2024	Canada	Corporate - Non Convertible	3,870,000	3,908	3,701
Inter Pipeline Ltd. 3.173% 03-24-2025 Callable 2024 MTN	Canada	Corporate - Non Convertible	2,860,000	2,892	2,764
Inter Pipeline Ltd. 3.48% 12-16-2026 Callable 2026	Canada	Corporate - Non Convertible	2,090,000	2,119	2,024
Intermedia Holdings Inc. Term Loan B 1st Lien F/R 07-13-2025	United States	Term Loans	USD 340,000	443	441
The International Bank for Reconstruction and Development 3.50% 01-22-2021	Supra - National	n/a	NZD 6,460,000	5,975	5,686
International Finance Corp. 3.625% 05-20-2020	Supra - National	n/a	NZD 2,100,000	1,939	1,841
International Textile Group Inc. Term Loan 1st Lien F/R 04-19-2024	United States	Term Loans	USD 168,938	214	219
iQor US Inc. Term Loan B 1st Lien F/R 04-01-2021	United States	Term Loans	USD 1,561,808	1,720	1,897



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<b>BONDS (cont'd)</b>					
Isagenix International LLC Term Loan 1st Lien F/R 04-26-2025	United States	Term Loans	USD 592,500	755	768
Itron Inc. 5.00% 01-15-2026 Callable 2021 144A	United States	Corporate - Non Convertible	USD 26,000	33	32
Ivanhoe Cambridge II Inc. 2.91% 06-27-2023 Callable 2023	Canada	Corporate - Non Convertible	700,000	701	693
JBS USA Lux SA Term Loan B 1st Lien F/R 10-30-2022	Brazil	Term Loans	USD 198,990	254	258
JPMorgan Chase & Co. 3.19% 03-05-2021	United States	Corporate - Non Convertible	2,050,000	2,097	2,063
Keane Group Holdings LLC Term Loan B 1st Lien F/R 05-18-2025	United States	Term Loans	USD 310,000	397	398
KEMET Corp. Term Loan B 1st Lien F/R 04-26-2024	United States	Term Loans	USD 337,013	441	444
Kestrel Acquisition LLC Term Loan B 1st Lien F/R 05-02-2025	United States	Term Loans	USD 149,625	192	196
The KeyW Holding Corp/The Term Loan 1st Lien F/R 05-04-2024	United States	Term Loans	USD 305,116	390	397
Kindred Healthcare Inc. Term Loan B 1st Lien F/R 06-21-2025	United States	Term Loans	USD 280,000	369	364
Kruger Products LP 6.00% 04-24-2025 Callable 2021	Canada	Corporate - Non Convertible	35,000	35	35
L&W Inc. Term Loan 1st Lien F/R 05-17-2025	United States	Term Loans	USD 129,675	166	170
Lantheus Medical Imaging Inc. Term Loan B 1st Lien F/R 06-30-2022	United States	Term Loans	USD 420,883	560	544
Laurentian Bank of Canada F/R 10-22-2019	Canada	Corporate - Non Convertible	1,490,000	1,490	1,492
Laurentian Bank of Canada 3.45% 06-27-2023	Canada	Corporate - Non Convertible	700,000	700	693
LBM Borrower LLC Term Loan 1st Lien F/R 08-20-2022	United States	Term Loans	USD 1,547,648	1,988	2,016
LifeMiles Ltd. Term Loan B 1st Lien F/R 08-18-2022	Colombia	Term Loans	USD 176,781	225	232
LifeScan Global Corp. Term Loan 1L F/R 06-19-2024	United States	Term Loans	USD 1,050,000	1,352	1,345
The Manufacturers Life Insurance Co. 2.389% 01-05-2026 Callable 2021	Canada	Corporate - Non Convertible	2,700,000	2,705	2,665
Manulife Bank of Canada 2.08% 05-26-2022	Canada	Corporate - Non Convertible	2,220,000	2,220	2,144
Manulife Bank of Canada 2.84% 01-12-2023	Canada	Corporate - Non Convertible	1,310,000	1,307	1,293
Manulife Financial Corp. F/R 05-09-2028 Callable 2023	Canada	Corporate - Non Convertible	740,000	740	736
Manulife Financial Corp. F/R 08-20-2029 Callable 2024	Canada	Corporate - Non Convertible	2,590,000	2,590	2,516
Mastronardi Produce Ltd. Term Loan B 1st Lien F/R 04-18-2025	Canada	Term Loans	USD 258,700	327	337
Mattamy Group Corp. 6.50% 10-01-2025 Callable 2020	Canada	Corporate - Non Convertible	57,000	58	57
Mattamy Group Corp. 6.50% 10-01-2025 Callable 2020 144A	Canada	Corporate - Non Convertible	USD 310,000	387	390
Matterhorn Merger Sub LLC 8.50% 06-01-2026 Callable 2021 144A	United States	Corporate - Non Convertible	USD 42,000	54	53
McAfee LLC Term Loan B 1st Lien F/R 09-30-2024	United States	Term Loans	USD 273,071	337	356
McDermott Technology Americas Inc. Term Loan B 1st Lien F/R 04-05-2025	United States	Term Loans	USD 179,100	223	235
McDonald's Corp. 3.13% 03-04-2025 Callable 2025	United States	Corporate - Non Convertible	2,990,000	2,983	2,928
Meredith Corp. Term Loan B 1st Lien F/R 01-18-2025	United States	Term Loans	USD 948,436	1,175	1,235
Mondelez International Inc. 4.13% 05-07-2028 Callable 2028	United States	Corporate - Non Convertible	USD 420,000	535	538
Morgan Stanley 3.00% 02-07-2024	United States	Corporate - Non Convertible	3,000,000	2,999	2,930
National Bank of Canada 1.96% 06-30-2022	Canada	Corporate - Non Convertible	9,480,000	9,372	9,135
NAV Canada 3.29% 03-30-2048 Callable 2047	Canada	Corporate - Non Convertible	980,000	981	954
Neenah Foundry Co. Term Loan B 1st Lien F/R 12-08-2022	United States	Term Loans	USD 111,104	142	143
New Red Finance Inc. 5.00% 10-15-2025 Callable 2020 144A	Canada	Corporate - Non Convertible	USD 22,000	27	27
Newell Brands Inc. 4.20% 04-01-2026 Callable 2026	United States	Corporate - Non Convertible	USD 640,000	812	787
North Battleford Power LP 4.958% 12-31-2032	Canada	Corporate - Non Convertible	1,427,031	1,427	1,524
North West Redwater Partnership 2.80% 06-01-2027 Callable 2027	Canada	Corporate - Non Convertible	2,320,000	2,238	2,186
North West Redwater Partnership 3.65% 06-01-2035 Callable 2034	Canada	Corporate - Non Convertible	1,170,000	1,169	1,131
Nouvelle Autoroute 30 Financement Inc. 4.11% 03-31-2042	Canada	Corporate - Non Convertible	990,000	990	991
OCI Beaumont LLC Term Loan B 1st Lien F/R 02-16-2025	United States	Term Loans	USD 238,800	299	314
Office Depot Inc. Term Loan B 1st Lien F/R 11-08-2022	United States	Term Loans	USD 180,968	224	240



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<b>BONDS (cont'd)</b>					
Omega Healthcare Investors Inc. 4.50% 01-15-2025 Callable 2024	United States	Corporate - Non Convertible	USD 750,000	809	950
OMERS Realty Corp. 3.24% 10-04-2027 Callable 2027	Canada	Corporate - Non Convertible	4,120,000	4,116	4,061
OMERS Realty Corp. 3.63% 06-05-2030 Callabe 2030	Canada	Corporate - Non Convertible	1,730,000	1,730	1,738
Ontario Hydro 0% 05-26-2025	Canada	Provincial Governments	2,060,000	1,695	1,675
Ontario Power Generation Inc. 3.32% 10-04-2027 Callable 2027	Canada	Corporate - Non Convertible	1,520,000	1,520	1,499
Ontario Power Generation Inc. 3.84% 06-22-2048 Callable 2047	Canada	Corporate - Non Convertible	930,000	930	907
OPB Finance Trust 2.98% 01-25-2027	Canada	Provincial Governments	1,710,000	1,714	1,683
OpenLink International Inc. Term Loan B 1st Lien F/R 03-21-2025	United States	Term Loans	USD 275,800	354	358
Osteon Merger Sub Inc. Term Loan B 1st Lien F/R 02-06-2025	United States	Term Loans	USD 278,600	347	362
Owens & Minor Inc. Term Loan B 1st Lien F/R 05-01-2025	United States	Term Loans	USD 200,000	252	245
OZ Management LP Term Loan 1st Lien F/R 04-04-2023	United States	Term Loans	USD 124,000	157	161
Parkland Fuel Corp. 6.00% 04-01-2026 Callable 2021 144A	Canada	Corporate - Non Convertible	USD 65,000	85	84
Pembina Pipeline Corp. 3.54% 02-03-2025 Callable	Canada	Corporate - Non Convertible	830,000	828	822
Pembina Pipeline Corp. 4.02% 03-27-2028 Callable 2027	Canada	Corporate - Non Convertible	1,300,000	1,301	1,297
Petroleos De Venezuela SA 6.00% 05-16-2024	Venezuela	Corporate - Non Convertible	USD 1,495,000	478	424
PetSmart Inc. Term Loan B2 1st Lien F/R 03-10-2022	United States	Term Loans	USD 426,655	463	483
Pisces Midco Inc. Term Loan B 1st Lien F/R 03-29-2025	United States	Term Loans	USD 159,600	205	208
PLH Group Inc. Term Loan 1st Lien F/R 08-06-2023	United States	Term Loans	USD 405,000	510	516
PNI Canada Acquireco Corp. Term Loan B 1st Lien F/R 08-23-2022	Canada	Term Loans	USD 107,209	126	139
Polar US Borrower LLC Term Loan 1st Lien F/R 08-21-2025	United States	Term Loans	USD 430,000	539	559
Prospect Medical Holdings Inc. Term Loan B 1st Lien F/R 02-15-2024	United States	Term Loans	USD 1,064,650	1,310	1,398
Province of Alberta 3.05% 12-01-2048	Canada	Provincial Governments	9,450,000	9,528	9,214
Province of Alberta 3.10% 06-01-2050	Canada	Provincial Governments	1,970,000	1,965	1,943
Province of Newfoundland 3.00% 06-02-2026	Canada	Provincial Governments	1,280,000	1,272	1,272
Province of Newfoundland 3.70% 10-17-2048	Canada	Provincial Governments	6,130,000	6,765	6,466
Province of Ontario Canada 2.90% 06-02-2028	Canada	Provincial Governments	31,310,000	31,052	30,857
Province of Ontario 2.60% 09-08-2023	Canada	Provincial Governments	3,850,000	3,850	3,824
Province of Ontario 4.60% 06-02-2039	Canada	Provincial Governments	2,930,000	3,598	3,527
Province of Ontario 2.90% 06-02-2049	Canada	Provincial Governments	34,600,000	33,265	32,544
Province of Quebec 0% 04-01-2026 Generic Strip	Canada	Provincial Governments	2,720,000	2,253	2,156
Province Of Quebec 2.75% 09-01-2028	Canada	Provincial Governments	4,720,000	4,670	4,602
Province of Quebec 3.50% 12-01-2048	Canada	Provincial Governments	18,050,000	19,722	19,150
Province of Saskatchewan 3.30% 06-02-2048	Canada	Provincial Governments	2,240,000	2,344	2,292
PS HoldCo LLC Term Loan 1st Lien F/R 03-02-2025	United States	Term Loans	USD 219,450	282	285
PSC Industrial Outsourcing LP Term Loan B 1st Lien F/R 10-05-2024	United States	Term Loans	USD 635,200	791	828
R1 RCM Inc. Term Loan B 1st Lien F/R 05-02-2025	United States	Term Loans	USD 340,000	425	440
Rackspace Hosting Inc. 8.63% 11-15-2024 Callable 2019 144A	United States	Corporate - Non Convertible	USD 780,000	985	982
Red Ventures LLC Term Loan B 1st Lien F/R 11-08-2024	United States	Term Loans	USD 374,530	462	490
Reliance Intermediate Holdings LP 6.50% 04-01-2023 Callable 2018 144A	Canada	Corporate - Non Convertible	USD 50,000	67	67
Reliance LP 3.84% 03-15-2025 Callable 2025	Canada	Corporate - Non Convertible	1,310,000	1,310	1,287
Research Now Group Inc. Term Loan 1st Lien F/R 12-20-2024	United States	Term Loans	USD 285,711	349	372
Royal Bank of Canada 2.95% 05-01-2023	Canada	Corporate - Non Convertible	7,450,000	7,451	7,412
Royal Bank of Canada 3.30% 09-26-2023	Canada	Corporate - Non Convertible	5,330,000	5,331	5,337
Saputo Inc. 3.61% 08-14-2025 Callable 2025	Canada	Corporate - Non Convertible	1,020,000	1,020	1,015
Savage Enterprises LLC Term Loan B 1st Lien F/R 07-02-2025	United States	Term Loans	USD 404,000	521	530



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<b>BONDS (cont'd)</b>					
Sea to Sky Highway Investment LP 2.63% 08-31-2030	Canada	Corporate - Non Convertible	1,984,715	1,985	1,890
Sigma Bidco BV Term Loan B 1st Lien F/R 03-07-2025	Netherlands	Term Loans	EUR 140,000	222	210
Sigma US Corp. Term Loan B 1st Lien F/R 03-06-2025	Netherlands	Term Loans	USD 140,000	180	181
SIRVA Worldwide Inc. Term Loan 1st Lien F/R 07-31-2025	United States	Term Loans	USD 358,000	458	464
SIWF Holdings Inc. Term Loan 1st Lien F/R 05-25-2025	United States	Term Loans	USD 239,400	307	312
SNC-Lavalin Group Inc. 3.24% 03-02-2023 Callable 2023	Canada	Corporate - Non Convertible	730,000	730	721
Solenis International LP Term Loan 1st Lien F/R 12-18-2023	United States	Term Loans	USD 349,125	456	455
Spirit AeroSystems Inc. 3.95% 06-15-2023 Callable 2023	United States	Corporate - Non Convertible	USD 650,000	833	837
Sprint Spectrum Co. LLC 4.74% 03-20-2025 144A	United States	Corporate - Non Convertible	USD 750,000	971	972
Spy Hill Power LP 4.14% 03-31-2036	Canada	Corporate - Non Convertible	1,145,973	1,142	1,149
SRS Distribution Inc. Term Loan B 1st Lien F/R 05-17-2025	United States	Term Loans	USD 130,000	167	167
SRS Distribution Inc. 8.25% 07-01-2026 Callable 2021 144A	United States	Corporate - Non Convertible	USD 433,000	554	547
St. Joseph Energy Center LLC Term Loan 1st Lien F/R 04-06-2025	United States	Term Loans	USD 196,994	251	257
Staples Inc. Term Loan 1st Lien F/R 08-15-2024	United States	Term Loans	USD 942,875	1,199	1,221
Starfruit US Holdco LLC Term Loan B 1st Lien F/R 09-2025	United States	Term Loans	USD 440,000	565	571
Stars Group Holdings BV 7.00% 07-15-2026 Callable 2021 144A	Canada	Corporate - Non Convertible	USD 230,000	305	307
Stepstone Group LP Term Loan B 1st Lien F/R 03-19-2025	United States	Term Loans	USD 279,300	360	364
Sun Life Financial Inc. F/R 02-19-2026 Callable 2021	Canada	Corporate - Non Convertible	2,770,000	2,803	2,771
Sun Life Financial Inc. F/R 11-23-2027 Callable 2022	Canada	Corporate - Non Convertible	1,120,000	1,120	1,097
Sun Life Financial Inc. F/R 09-19-2028 Callable 2023	Canada	Corporate - Non Convertible	3,210,000	3,221	3,165
Superior Plus LP 7.00% 07-15-2026 Callable 2021 144A	Canada	Corporate - Non Convertible	USD 370,000	491	482
Sydney Airport Finance Co. Pty. Ltd. 3.625% 04-28-2026 Callable 2026 144A	Australia	Corporate - Non Convertible	USD 2,400,000	3,053	2,968
Syniverse Holdings Inc. Term Loan 1st Lien F/R 02-09-2023	United States	Term Loans	USD 248,750	310	323
Sysco Canada Inc. 3.65% 04-25-2025 Callable 2025	United States	Corporate - Non Convertible	1,330,000	1,331	1,333
Talen Energy Supply LLC 10.50% 01-15-2026 Callable 2022 144A	United States	Corporate - Non Convertible	USD 70,000	87	82
TELUS Corp. 3.35% 04-01-2024 Callable	Canada	Corporate - Non Convertible	270,000	278	268
TELUS Corp. 3.63% 03-01-2028 Callable 2027	Canada	Corporate - Non Convertible	1,490,000	1,472	1,465
TELUS Corp. 4.70% 03-06-2048 Callable 2047	Canada	Corporate - Non Convertible	2,210,000	2,197	2,230
TerraForm Power Operating LLC 5.00% 01-31-2028 Callable 2027 144A	United States	Corporate - Non Convertible	USD 64,000	82	77
Teva Pharmaceutical Finance Netherlands III BV 3.15% 10-01-2026 Callable	Israel	Corporate - Non Convertible	USD 86,000	89	93
Teva Pharmaceutical Industries Ltd. 2.80% 07-21-2023	Israel	Corporate - Non Convertible	USD 290,000	340	334
Titan Acquisition Ltd. Term Loan 1st Lien F/R 03-16-2025	United Kingdom	Term Loans	USD 239,000	306	301
Titan Acquisition Ltd. 7.75% 04-15-2026 Callable 2021 144A	United Kingdom	Corporate - Non Convertible	USD 220,000	288	248
TMX Group Ltd. 4.46% 10-03-2023 Callable 2023	Canada	Corporate - Non Convertible	2,050,000	2,321	2,164
TMX Group Ltd. 2.30% 12-11-2024 Callable 2024	Canada	Corporate - Non Convertible	640,000	642	627
TMX Group Ltd. 3.78% 06-05-2028 Callable 2028	Canada	Corporate - Non Convertible	640,000	643	643
The Toronto-Dominion Bank 2.05% 12-01-2022	Canada	Mortgage Backed	1,114,105	1,080	1,086
The Toronto-Dominion Bank 3.01% 05-30-2023	Canada	Corporate - Non Convertible	1,170,000	1,171	1,168
The Toronto-Dominion Bank 6.125% 12-01-2024	Canada	Mortgage Backed	3,096,067	3,503	3,512
The Toronto-Dominion Bank 5.38% 07-01-2028	Canada	Mortgage Backed	1,692,804	1,790	1,885
The Toronto-Dominion Bank F/R 09-14-2028 Callable 2023	Canada	Corporate - Non Convertible	1,790,000	1,790	1,786
The Toronto-Dominion Bank F/R 07-25-2029 Callable 2024	Canada	Corporate - Non Convertible	1,610,000	1,615	1,569
TransCanada Pipelines Ltd. 3.39% 03-15-2028 Callable 2027	Canada	Corporate - Non Convertible	2,780,000	2,778	2,724
TransCanada PipeLines Ltd. 4.18% 07-03-2048 Callable 2048	Canada	Corporate - Non Convertible	850,000	850	827
TransCanada Trust F/R 05-18-2077 Callable 2027	Canada	Corporate - Non Convertible	2,550,000	2,550	2,418



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<b>BONDS (cont'd)</b>					
Traverse Midstream Partners LLC Term Loan B 1st Lien F/R 09-21-2024	United States	Term Loans	USD 300,000	368	391
Trico Products Corp. Term Loan 1st Lien F/R 02-02-2024	United States	Term Loans	USD 138,250	166	180
Trillium Windpower LP 5.80% 02-15-2033	United States	Corporate - Non Convertible	1,131,834	1,132	1,251
Uber Technologies Inc. Term Loan 1st Lien F/R 03-21-2025	United States	Term Loans	USD 827,925	1,064	1,078
Uber Technologies Inc. Term Loan B 1st Lien F/R 07-13-2023	United States	Term Loans	USD 1,193,706	1,576	1,550
Ultra Clean Holdings Inc. Term Loan B 1st Lien F/R 08-27-2025	United States	Term Loans	USD 620,000	796	795
Unimin Corp. Term Loan 1st Lien F/R 05-21-2025	United States	Term Loans	USD 458,850	591	562
Union Gas Ltd. 3.59% 11-22-2047 Callable 2047	Canada	Corporate - Non Convertible	1,280,000	1,278	1,232
United States Treasury 2.25% 11-15-2027	United States	Foreign Governments	USD 310,000	391	375
United States Treasury 2.75% 02-15-2028	United States	Foreign Governments	USD 2,230,000	2,831	2,814
United States Treasury 3.00% 02-15-2048	United States	Foreign Governments	USD 8,820,000	11,100	10,995
Ventas Canada Finance Ltd. 2.55% 03-15-2023 Callable 2023	United States	Corporate - Non Convertible	2,160,000	2,161	2,085
Ventas Realty LP 4.00% 03-01-2028 Callable 2027	United States	Corporate - Non Convertible	USD 850,000	1,054	1,062
VeriFone Systems Inc. Term Loan 1st Lien F/R 08-09-2025	United States	Term Loans	USD 260,000	337	339
Verizon Communications Inc. 2.63% 08-15-2026 Callable 2026	United States	Corporate - Non Convertible	USD 3,440,000	4,525	4,034
Verra Mobility Corp. Term Loan B 1st Lien F/R 03-01-2025	United States	Term Loans	USD 20,000	27	26
Vertex Aerospace Services Corp. Term Loan B 1st Lien F/R 06-14-2025	United States	Term Loans	USD 229,425	299	300
Vistage Worldwide Inc. Term Loan 1st Lien F/R 02-01-2025	United States	Term Loans	USD 447,750	559	582
Vodafone Group PLC 3.75% 01-16-2024	United Kingdom	Corporate - Non Convertible	USD 520,000	662	666
VVC Holding Corp. Term Loan 1st Lien F/R 07-03-2025	United States	Term Loans	USD 480,000	618	613
VW Credit Canada Inc. 3.25% 03-29-2023	Germany	Corporate - Non Convertible	800,000	799	794
Vyair Medical Inc. Term Loan B 1st Lien F/R 04-06-2025	United States	Term Loans	USD 438,900	530	559
W/S Packaging Holdings Inc. 9.00% 04-15-2023 Callable 2020 144A	United States	Corporate - Non Convertible	USD 310,000	401	415
Wells Fargo & Co. 2.51% 10-27-2023	United States	Corporate - Non Convertible	1,290,000	1,239	1,235
Wells Fargo & Co. 2.98% 05-19-2026	United States	Corporate - Non Convertible	1,823,000	1,823	1,728
Welltower Inc. 4.25% 04-15-2028 Callable 2028	United States	Corporate - Non Convertible	USD 660,000	845	840
Westcoast Energy Inc. 4.79% 10-28-2041	Canada	Corporate - Non Convertible	2,070,000	2,189	2,209
Williams Scotsman International Inc. 7.88% 12-15-2022 Callable 2019 144A	United States	Corporate - Non Convertible	USD 62,000	80	83
Yak Access LLC Term Loan B 1st Lien F/R 06-26-2025	United States	Term Loans	USD 680,000	868	850
YRC Worldwide Inc. Term Loan 1st Lien F/R 07-21-2022	United States	Term Loans	USD 176,290	219	232
Zotec Partners LLC Term Loan 1st Lien F/R 02-09-2024	United States	Term Loans	USD 650,313	810	843
<b>Total bonds</b>				<b>677,017</b>	<b>669,807</b>
<b>EQUITIES</b>					
Aena SA	Spain	Industrials	10,500	2,662	2,355
Air Liquide SA	France	Materials	20,299	2,641	3,450
Alimentation Couche-Tard Inc. Class B Sub. voting	Canada	Consumer Staples	74,000	2,979	4,781
Allergan PLC	United States	Health Care	13,800	3,536	3,397
Allied Properties Real Estate Investment Trust	Canada	Real Estate	49,014	1,626	2,113
AltaGas Ltd. Pfd. Series K	Canada	Energy	29,198	730	710
Altria Group Inc.	United States	Consumer Staples	28,129	1,499	2,192
Apple Inc.	United States	Information Technology	9,100	792	2,655
ARC Resources Ltd.	Canada	Energy	188,167	3,628	2,710
Atlantia SPA	Italy	Industrials	58,000	1,694	1,555
Atlas Copco AB A	Sweden	Industrials	39,900	1,183	1,486



**MACKENZIE**  
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# MACKENZIE INCOME FUND

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2018

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## SCHEDULE OF INVESTMENTS (cont'd)

As at September 30, 2018

	Country	Sector	Par Value/ No. of Shares/Units	Average Cost (\$ 000s)	Fair Value (\$ 000s)
<b>EQUITIES (cont'd)</b>					
B3 SA- Brasil Bolsa Balcao	Brazil	Financials	168,939	1,385	1,264
Bank of Montreal	Canada	Financials	67,022	4,367	7,141
The Bank of Nova Scotia	Canada	Financials	172,217	9,432	13,259
Bayer AG	Germany	Health Care	25,752	3,463	2,956
Becton, Dickinson and Co.	United States	Health Care	12,855	1,653	4,336
Brenntag AG	Germany	Industrials	21,800	1,470	1,739
British American Tobacco PLC	United Kingdom	Consumer Staples	41,700	2,543	2,517
Broadcom Inc.	United States	Information Technology	9,400	2,874	2,997
Brookfield Asset Management Inc. Class A limited voting	Canada	Financials	58,584	1,892	3,368
Brookfield Asset Management Inc. Pfd. Series 46	Canada	Real Estate	32,148	805	833
Brookfield Asset Management Inc. Pfd. Series 48	Canada	Real Estate	26,335	658	675
Brookfield Renewable Partners LP Pfd. Series 11	Canada	Utilities	53,799	1,345	1,342
Canadian National Railway Co.	Canada	Industrials	31,314	3,187	3,629
Canadian Natural Resources Ltd.	Canada	Energy	161,074	6,064	6,797
Canadian Pacific Railway Ltd.	Canada	Industrials	22,368	4,307	6,112
Chemtrade Logistics Income Fund	Canada	Materials	152,627	2,767	2,361
China Mobile Ltd.	China	Telecommunication Services	105,900	1,458	1,349
Cielo SA	Brazil	Information Technology	75,371	836	295
Cisco Systems Inc.	United States	Information Technology	16,800	800	1,056
CME Group Inc.	United States	Financials	13,300	1,360	2,926
Compagnie Financiere Richemont SA	Switzerland	Consumer Discretionary	17,600	1,809	1,854
Crescent Point Energy Corp.	Canada	Energy	232,594	4,522	1,912
Dentsply Sirona Inc.	United States	Health Care	50,200	3,124	2,448
Deutsche Boerse AG	Germany	Financials	21,400	1,949	3,705
Diageo PLC	United Kingdom	Consumer Staples	28,900	880	1,323
Emera Inc.	Canada	Utilities	107,231	4,933	4,306
Enbridge Inc.	Canada	Energy	164,153	8,111	6,842
EnCana Corp.	Canada	Energy	78,400	1,326	1,327
Equifax Inc.	United States	Industrials	13,400	1,621	2,261
Fanuc Corp.	Japan	Industrials	4,900	1,037	1,194
Fortis Inc.	Canada	Utilities	97,383	3,510	4,078
Goldcorp Inc.	Canada	Materials	131,076	3,172	1,725
H&R Real Estate Investment Trust	Canada	Real Estate	79,187	1,731	1,573
Harley-Davidson Inc.	United States	Consumer Discretionary	31,000	1,975	1,815
Heineken Holding NV A	Netherlands	Consumer Staples	19,600	2,050	2,294
Honeywell International Inc.	United States	Industrials	9,900	1,026	2,129
HSBC Holdings PLC	United Kingdom	Financials	222,500	2,471	2,510
Industrial Alliance Insurance and Financial Services Inc.	Canada	Financials	50,385	2,678	2,602
Intact Financial Corp.	Canada	Financials	25,521	2,105	2,741
Japan Exchange Group Inc.	Japan	Financials	95,200	1,865	2,144
Johnson & Johnson	United States	Health Care	16,200	1,690	2,893
Johnson Controls International PLC	United States	Industrials	18,500	1,043	837
JPMorgan Chase & Co.	United States	Financials	25,400	2,280	3,704
Kao Corp.	Japan	Consumer Staples	17,800	1,356	1,858
Keyera Corp.	Canada	Energy	37,785	1,439	1,308
Killam Apartment Real Estate Investment Trust	Canada	Real Estate	111,617	1,361	1,800
Kinder Morgan Inc.	United States	Energy	112,100	2,868	2,569
Koninklijke Philips NV	Netherlands	Health Care	52,294	2,139	3,078
The Kraft Heinz Co.	United States	Consumer Staples	15,000	1,349	1,068



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# MACKENZIE INCOME FUND

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## SCHEDULE OF INVESTMENTS (cont'd)

As at September 30, 2018

	Country	Sector	Par Value/ No. of Shares/Units	Average Cost (\$ 000s)	Fair Value (\$ 000s)
<b>EQUITIES (cont'd)</b>					
Kweichow Moutai Co. Ltd.	China	Consumer Staples	11,974	402	1,645
Loblaw Companies Ltd.	Canada	Consumer Staples	60,658	3,387	4,025
Lockheed Martin Corp.	United States	Industrials	5,500	876	2,459
LogMeIn Inc.	United States	Information Technology	2,200	333	253
London Stock Exchange Group PLC	United Kingdom	Financials	22,300	1,681	1,722
Magna International Inc.	Canada	Consumer Discretionary	24,906	1,294	1,690
Manulife Financial Corp.	Canada	Financials	344,462	7,385	7,954
Marine Harvest ASA	Norway	Consumer Staples	54,400	1,265	1,628
McDonald's Corp.	United States	Consumer Discretionary	7,960	791	1,721
Micro Focus International PLC	United Kingdom	Information Technology	102,506	3,205	2,468
Microsoft Corp.	United States	Information Technology	32,000	1,469	4,730
Moody's Corp.	United States	Financials	11,000	1,357	2,377
Nasdaq Inc.	United States	Financials	13,900	1,278	1,541
Nestlé SA Reg.	Switzerland	Consumer Staples	33,800	2,808	3,642
New Oriental Education & Technology Group Inc. ADR	China	Consumer Discretionary	12,100	1,294	1,157
Nidec Corp.	Japan	Industrials	7,300	1,063	1,357
Nike Inc. Class B	United States	Consumer Discretionary	9,404	642	1,030
Nokia OYJ	Finland	Information Technology	225,900	1,814	1,619
Northern Trust Corp.	United States	Financials	12,700	1,799	1,676
Northland Power Inc.	Canada	Utilities	64,008	1,269	1,389
Novo Nordisk AS B	Denmark	Health Care	38,800	1,812	2,360
Nutrien Ltd.	Canada	Materials	38,913	1,830	2,902
Oaktree Capital Group LLC	United States	Financials	45,591	2,809	2,439
Occidental Petroleum Corp.	United States	Energy	24,300	2,189	2,580
Open Text Corp.	Canada	Information Technology	46,400	1,950	2,281
Oracle Corp.	United States	Information Technology	25,800	1,059	1,719
Pembina Pipeline Corp.	Canada	Energy	103,323	3,552	4,535
Pernod Ricard SA*	France	Consumer Staples	5,700	730	1,208
Philip Morris International Inc.	United States	Consumer Staples	28,500	2,806	3,003
Pure Multi-Family REIT LP	Canada	Real Estate	132,647	1,168	1,141
Quebecor Inc. Class B Sub. voting	Canada	Consumer Discretionary	45,693	1,176	1,183
RioCan Real Estate Investment Trust	Canada	Real Estate	69,558	1,401	1,717
Roche Holding AG Genusscheine	Switzerland	Health Care	7,300	2,276	2,286
Rogers Communications Inc. Class B non-voting	Canada	Telecommunication Services	50,685	1,809	3,367
Royal Bank of Canada	Canada	Financials	138,618	8,968	14,353
Sabre Corp.	United States	Information Technology	76,691	2,090	2,585
Safran SA	France	Industrials	24,600	2,140	4,455
Sands China Ltd.	Hong Kong	Consumer Discretionary	307,900	2,177	1,802
SAP AG	Germany	Information Technology	15,100	1,299	2,401
Schlumberger Ltd.	United States	Energy	20,000	1,785	1,575
Shaw Communications Inc. Class B non-voting	Canada	Consumer Discretionary	277,515	7,171	6,985
The Sherwin-Williams Co.	United States	Materials	5,200	1,936	3,059
Sika AG	Switzerland	Materials	9,000	1,621	1,694
SNC-Lavalin Group Inc.	Canada	Industrials	55,945	2,720	2,947
Sony Corp.	Japan	Consumer Discretionary	15,600	1,039	1,236
Starbucks Corp.	United States	Consumer Discretionary	38,000	2,675	2,791
Stella-Jones Inc.	Canada	Materials	7,900	321	342
Suncor Energy Inc.	Canada	Energy	43,824	1,423	2,190
Taiwan Semiconductor Manufacturing Co. Ltd.	Taiwan	Information Technology	186,700	1,704	2,079



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# MACKENZIE INCOME FUND

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## SCHEDULE OF INVESTMENTS (cont'd)

As at September 30, 2018

	Country	Sector	Par Value/ No. of Shares/Units	Average Cost (\$ 000s)	Fair Value (\$ 000s)
<b>EQUITIES (cont'd)</b>					
TELUS Corp.	Canada	Telecommunication Services	92,919	4,265	4,424
Tencent Holdings Ltd.	China	Information Technology	30,500	1,152	1,627
Texas Instruments Inc.	United States	Information Technology	14,300	1,784	1,983
Thomson Reuters Corp.	Canada	Financials	30,631	1,710	1,805
The Toronto-Dominion Bank	Canada	Financials	179,508	6,660	14,090
TransAlta Corp. Pfd. Series A	Canada	Utilities	66,749	888	1,045
TransCanada Corp. Pfd. Series 15	Canada	Energy	68,697	1,720	1,792
TransCanada Corp.	Canada	Energy	117,049	6,343	6,117
Unilever NV CVA	United Kingdom	Consumer Staples	27,500	1,209	1,979
United Technologies Corp.	United States	Industrials	16,500	2,677	2,981
Visa Inc. Class A	United States	Information Technology	13,300	1,012	2,580
Walgreens Boots Alliance Inc.	United States	Consumer Staples	14,900	1,271	1,404
Wells Fargo & Co.	United States	Financials	39,800	2,160	2,703
<b>Total equities</b>				<b>276,955</b>	<b>338,082</b>
<b>OPTIONS</b>					
Options Purchased (see schedule of options purchased)				533	126
<b>Total Options</b>				<b>533</b>	<b>126</b>
<b>EXCHANGE-TRADED FUNDS/NOTES</b>					
Mackenzie US Investment Grade Corporate Bond Index ETF (CAD-Hedged) Canada		Exchange-Traded Funds/Notes	143,739	14,296	14,040
<b>Total exchange-traded funds/notes</b>				<b>14,296</b>	<b>14,040</b>
<b>MUTUAL FUNDS</b>					
Mackenzie Global Credit Opportunities Fund Series R	Canada	Mutual Funds	5,279,218	52,734	49,693
Mackenzie Global Tactical Bond Fund Series R	Canada	Mutual Funds	805,273	8,043	7,522
Mackenzie International Dividend Fund Series R	Canada	Mutual Funds	181,686	1,822	2,103
Mackenzie Unconstrained Fixed Income Fund Series R	Canada	Mutual Funds	650,190	6,434	6,449
<b>Total mutual funds</b>				<b>69,033</b>	<b>65,767</b>
Transaction costs				(308)	—
<b>Total investments</b>				<b>1,037,526</b>	<b>1,087,822</b>
Derivative instruments (see schedule of derivative instruments)					4,266
Liability of options written (see schedule of options written)					(2)
Cash and cash equivalents					21,575
Other assets less liabilities					(1,332)
<b>Total net assets</b>					<b>1,112,329</b>

\* Related to Mackenzie. See Note 1.

# MACKENZIE INCOME FUND

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## SUMMARY OF INVESTMENT PORTFOLIO

September 30, 2018		March 31, 2018	
Effective Portfolio Allocation	% of NAV	Effective Portfolio Allocation	% of NAV
Bonds	65.1	Bonds	67.8
<i>Bonds</i>	64.9	<i>Bonds</i>	68.0
<i>Short futures</i>	0.2	<i>Purchased options</i>	0.0
<i>Purchased options</i>	0.0	<i>Short futures</i>	(0.2)
Equities	30.7	Equities	29.8
Cash and short-term investments	2.9	Cash and short-term investments	1.4
Exchange-traded funds/notes	1.3	Exchange-traded funds/notes	1.3
Purchased currency options	0.0	Other assets (liabilities)	(0.3)
Written currency options	(0.0)		
Effective Regional Allocation	% of NAV	Effective Regional Allocation	% of NAV
Canada	62.9	Canada	65.2
United States	20.9	United States	20.3
Other	3.4	Other	4.4
Cash and short-term investments	2.9	United Kingdom	2.4
United Kingdom	2.5	Cash and short-term investments	1.4
Germany	1.2	Germany	1.1
Bermuda	1.0	Switzerland	0.9
France	1.0	France	0.9
Switzerland	0.9	Australia	0.9
Netherlands	0.8	Netherlands	0.8
Japan	0.8	Japan	0.7
Australia	0.6	Bermuda	0.7
Belgium	0.6	China	0.6
China	0.5	Other assets (liabilities)	(0.3)
Effective Sector Allocation	% of NAV	Effective Sector Allocation	% of NAV
Corporate bonds	32.8	Corporate bonds	32.7
Provincial bonds	11.1	Federal bonds	12.7
Federal bonds	9.3	Provincial bonds	11.2
Financials	8.8	Financials	9.0
Term loans	6.6	Term loans	5.8
Other	4.3	Other	4.4
Energy	3.9	Energy	3.7
Industrials	3.4	Industrials	3.7
Consumer staples	3.1	Foreign government bonds	3.3
Information technology	3.0	Information technology	3.1
Cash and short-term investments	2.9	Consumer staples	2.9
Foreign government bonds	2.7	Health care	1.9
Health care	2.1	Consumer discretionary	1.9
Consumer discretionary	2.1	Cash and short-term investments	1.4
Materials	1.4	Mortgage backed	1.3
Exchange-traded funds/notes	1.3	Exchange-traded funds/notes	1.3
Mortgage backed	1.2	Other assets (liabilities)	(0.3)

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

# MACKENZIE INCOME FUND

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## SCHEDULE OF OPTIONS PURCHASED

As at September 30, 2018

Underlying Interest	Number of Contracts	Option Type	Expiration Date	Strike Price \$	Premium Paid (\$ 000s)	Fair Value (\$ 000s)
Currency Call Option AUD/USD	20,547,000	Call	Oct. 02, 2018	USD 0.73	27	1
Currency Call Option AUD/USD	15,410,000	Call	Oct. 02, 2018	USD 0.74	15	–
Currency Call Option USD/CAD	21,430,000	Call	Oct. 05, 2018	CAD 1.33	62	1
Currency Call Option USD/CAD	7,140,000	Call	Oct. 05, 2018	CAD 1.33	20	–
iShares iBoxx \$ High Yield Corporate Bond ETF	1,156	Put	Nov. 16, 2018	USD 84.00	201	25
Currency Call Option EUR/NOK	6,790,000	Call	Dec. 14, 2018	NOK 9.30	94	43
iShares iBoxx \$ High Yield Corporate Bond ETF	852	Put	Jan. 18, 2019	USD 84.00	114	55
<b>Total options</b>					<b>533</b>	<b>125</b>

## SCHEDULE OF OPTIONS WRITTEN

As at September 30, 2018

Underlying Interest	Number of Contracts	Option Type	Expiration Date	Strike Price \$	Premium Received (\$ 000s)	Fair Value (\$ 000s)
Currency Written Call Option EUR/NOK	(6,790,000)	Written Call	Dec. 14, 2018	NOK 8.90	(14)	(2)
<b>Total options</b>					<b>(14)</b>	<b>(2)</b>



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# MACKENZIE INCOME FUND

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## SCHEDULE OF DERIVATIVE INSTRUMENTS

As at September 30, 2018

### Schedule of Futures Contracts

Number of Contracts	Type of Contract	Expiration Date	Average Rate of Contracts (\$)	Notional Value* (\$ 000s)	Unrealized Gains (\$ 000s)
(15)	10 Year Japanese Government Bond (OSE) Futures	December 2018	150.24 JPY	(25,612)	26
(1,059)	10 Year United States Treasury Note Futures	December 2018	119.99 USD	(162,558)	1,658
Unrealized Gains				(188,170)	1,684
<b>Total futures contracts</b>				<b>(188,170)</b>	<b>1,684</b>

\*Notional value represents the exposure to the underlying instruments as at September 30, 2018

### Schedule of Forward Currency Contracts

Counterparty Credit Rating	Bought (\$ 000s)		Sold (\$ 000s)		Settlement Date	Contract Cost (\$ 000s)	Current Fair Value (\$ 000s)	Unrealized Gains (\$ 000s)
AA	3,442	Canadian dollar	(2,590)	U.S. dollar	Oct. 5, 2018	(3,442)	(3,346)	96
A	12,704	Canadian dollar	(9,738)	U.S. dollar	Oct. 19, 2018	(12,704)	(12,573)	131
AA	2,762	Canadian dollar	(2,080)	U.S. dollar	Oct. 19, 2018	(2,762)	(2,686)	76
AA	4,279	Canadian dollar	(3,260)	U.S. dollar	Oct. 19, 2018	(4,279)	(4,209)	70
AA	37,554	Canadian dollar	(28,407)	U.S. dollar	Oct. 26, 2018	(37,554)	(36,668)	886
A	859	Canadian dollar	(555)	Euro	Nov. 2, 2018	(859)	(834)	25
A	3,053	Canadian dollar	(2,340)	U.S. dollar	Nov. 2, 2018	(3,053)	(3,020)	33
A	6,786	Canadian dollar	(5,190)	U.S. dollar	Nov. 2, 2018	(6,786)	(6,698)	88
AA	3,377	Canadian dollar	(2,590)	U.S. dollar	Nov. 9, 2018	(3,377)	(3,342)	35
AA	153	Canadian dollar	(100)	Euro	Nov. 9, 2018	(153)	(150)	3
AA	3,421	Canadian dollar	(2,590)	U.S. dollar	Nov. 9, 2018	(3,421)	(3,342)	79
AA	3,523	Canadian dollar	(2,682)	U.S. dollar	Nov. 9, 2018	(3,523)	(3,461)	62
AA	3,076	Canadian dollar	(2,340)	U.S. dollar	Nov. 30, 2018	(3,076)	(3,018)	58
AA	18,677	Canadian dollar	(14,412)	U.S. dollar	Nov. 30, 2018	(18,677)	(18,590)	87
AA	2,401	Canadian dollar	(1,830)	U.S. dollar	Nov. 30, 2018	(2,401)	(2,361)	40
AA	7,563	Canadian dollar	(8,693)	New Zealand dollar	Dec. 5, 2018	(7,563)	(7,435)	128
AA	2,715	Canadian dollar	(2,080)	U.S. dollar	Dec. 7, 2018	(2,715)	(2,682)	33
AA	9,884	Canadian dollar	(7,580)	U.S. dollar	Dec. 14, 2018	(9,884)	(9,774)	110
AA	29,630	Canadian dollar	(22,560)	U.S. dollar	Dec. 14, 2018	(29,630)	(29,088)	542
Unrealized Gains								2,582
<b>Total forward currency contracts</b>								<b>2,582</b>
<b>Total derivative instruments at fair value</b>								<b>4,266</b>



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## NOTES TO FINANCIAL STATEMENTS

### 1. Fiscal Periods and General Information

The information provided in these financial statements and notes thereto is for the six-month periods ended or as at September 30, 2018 and 2017, except for the comparative information presented in the Statements of Financial Position and notes thereto, which is as at March 31, 2018, as applicable. In the year a Fund or series is established or reinstated, 'period' represents the period from inception or reinstatement. Refer to Note 9 for the formation date of the Fund and the inception date of each series.

The Fund is organized as an open-ended mutual fund trust established under the laws of the Province of Ontario pursuant to a Declaration of Trust as amended and restated from time to time. The address of the Fund's registered office is 180 Queen Street West, Toronto, Ontario, Canada. The Fund is authorized to issue an unlimited number of units (referred to as "security" or "securities") of multiple series. Series of the Fund are available for sale under Simplified Prospectus or exempt distribution options.

Mackenzie Financial Corporation ("Mackenzie") is the manager of the Fund and is wholly owned by IGM Financial Inc., a subsidiary of Power Financial Corporation, which itself is a subsidiary of Power Corporation of Canada. The Great-West Life Assurance Company, London Life Insurance Company and The Canada Life Assurance Company (collectively, the "Related Insurance Companies") are wholly owned by Great-West Lifeco Inc., which is also a subsidiary of Power Financial Corporation. Investments in companies within the Power Group of companies held by the Fund are identified in the Schedule of Investments.

### 2. Basis of Preparation and Presentation

These unaudited interim financial statements ("financial statements") have been prepared in accordance with International Financial Reporting Standards ("IFRS"), including international Accounting Standard ("IAS") 34, *Interim Financial Reporting*, as issued by the International Accounting Standards Board ("IASB"). These financial statements were prepared using the same accounting policies, critical accounting judgements and estimates as applied in the Fund's most recent audited annual financial statements for the year ended March 31, 2018. A summary of the Fund's significant accounting policies under IFRS is presented in Note 3.

These financial statements are presented in Canadian dollars, which is the Fund's functional and presentation currency, and rounded to the nearest thousand unless otherwise indicated. These financial statements are prepared on a going concern basis using the historical cost basis, except for financial assets and liabilities that have been measured at fair value.

These financial statements were authorized for issue by the Board of Directors of Mackenzie Financial Corporation on November 13, 2018.

Standards issued but not yet effective for the current accounting year, as applicable, are described in Note 3.

### 3. Significant Accounting Policies

#### (a) Financial instruments

Financial instruments include financial assets and liabilities such as debt and equity securities, open-ended investment funds and derivatives. The Fund classifies and measures financial instruments in accordance with IFRS 9, *Financial Instruments* ("IFRS 9"). Upon initial recognition, financial instruments are classified as fair value through profit or loss ("FVTPL"). All financial instruments are recognized in the Statement of Financial Position when the Fund becomes a party to the contractual requirements of the instrument. Financial assets are derecognized when the right to receive cash flows from the instrument has expired or the Fund has transferred substantially all risks and rewards of ownership. Financial liabilities are derecognized when the obligation is discharged, cancelled and expires. As such, investment purchase and sale transactions are recorded as of the trade date.

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

The Fund's redeemable securities contain multiple dissimilar contractual obligations and therefore meet the criteria for classification as financial liabilities under IAS 32, *Financial Instruments: Presentation*. The Fund's obligation for net assets attributable to securityholders is presented at the redemption amount.

IAS 7, *Statement of Cash Flows*, requires disclosures related to changes in liabilities and assets, such as the securities of the Fund, arising from financing activities. Changes in securities of the Fund, including both changes from cash flows and non-cash changes, are included in the Statement of Changes in Financial Position. Any changes in the securities not settled in cash as at the end of the period are presented as either Accounts receivable for securities issued or Accounts payable for securities redeemed in the Statement of Financial Position. These accounts receivable and accounts payable amounts typically settle shortly after year-end.

Realized and unrealized gains and losses on investments are calculated based on the weighted average cost of investments and exclude commissions and other portfolio transaction costs, which are separately reported in the Statement of Comprehensive Income – Commissions and other portfolio transaction costs.

## NOTES TO FINANCIAL STATEMENTS

### 3. Significant Accounting Policies (cont'd)

#### (a) Financial instruments (cont'd)

Gains and losses arising from changes in the fair value of the investments are included in the Statement of Comprehensive Income for the period in which they arise.

The Fund accounts for its holdings in unlisted open-ended investment funds and exchange-traded funds, if any, at FVTPL. Mackenzie has concluded that any unlisted open-ended investment fund and exchange-traded funds in which the Fund invests, do not meet either the definition of a structured entity or the definition of an associate.

#### (b) Fair value measurement

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Investments listed on a public securities exchange or traded on an over-the-counter market are valued on the basis of the last traded market price or close price recorded by the security exchange on which the security is principally traded, where this price falls within the quoted bid-ask spread for the investment. In circumstances where this price is not within the bid-ask spread, Mackenzie determines the point within the bid-ask spread that is most representative of fair value based on the specific facts and circumstances. Mutual fund securities of an underlying fund are valued on a business day at the price calculated by the manager of such underlying fund in accordance with the constating documents of such underlying fund. Unlisted or non-exchange traded investments, or investments where a last sale or close price is unavailable or investments for which market quotations are, in Mackenzie's opinion, inaccurate, unreliable, or not reflective of all available material information, are valued at their fair value as determined by Mackenzie using appropriate and accepted industry valuation techniques including valuation models. The fair value determined using valuation models requires the use of inputs and assumptions based on observable market data including volatility and other applicable rates or prices. In limited circumstances, the fair value may be determined using valuation techniques that are not supported by observable market data.

The cost of investments is determined on a weighted average cost basis.

Cash and cash equivalents which includes cash on deposit with financial institutions and short-term investments that are readily convertible to cash, are subject to an insignificant risk of changes in value, and are used by the Fund in the management of short-term commitments. Cash and cash equivalents are reported at fair value which closely approximates their amortized cost due to their nature of being highly liquid and having short terms to maturity. Bank overdraft positions are presented under current liabilities as bank indebtedness in the Statement of Financial Position.

The Fund may use derivatives (such as written options, futures, forward contracts, swaps or customized derivatives) to hedge against losses caused by changes in securities prices, interest rates or exchange rates. The Fund may also use derivatives for non-hedging purposes in order to invest indirectly in securities or financial markets, to gain exposure to other currencies, to seek to generate additional income, and/or for any other purpose considered appropriate by the Fund's portfolio manager(s), provided that the use of the derivative is consistent with the Fund's investment objectives. Any use of derivatives will comply with Canadian mutual fund laws, subject to the regulatory exemptions granted to the Fund, as applicable. Refer to "Exemptions from National Instrument 81-102" in the Annual Information Form of the Fund for further details, including the complete conditions of these exemptions, as applicable.

Valuations of derivative instruments are carried out daily, using normal exchange reporting sources for exchange-traded derivatives and specific broker enquiry for over-the-counter derivatives.

The value of forward contracts is the gain or loss that would be realized if, on the valuation date, the positions were to be closed out. The change in value of forward contracts is included in the Statement of Comprehensive Income – Other changes in fair value of investments and other net assets – Net unrealized gain (loss).

The value of futures contracts or swaps fluctuates daily, and cash settlements made daily, where applicable, by the Fund are equal to the unrealized gains or losses on a "mark to market" basis. These unrealized gains or losses are recorded and reported as such until the Fund closes out the contract or the contract expires. Margin paid or deposited in respect of futures contracts or swaps is reflected as a receivable in the Statement of Financial Position – Margin on futures contracts or swaps. 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, 2018.



## NOTES TO FINANCIAL STATEMENTS

### 3. Significant Accounting Policies (cont'd)

(c) Income recognition

Interest income from interest bearing investments is recognized using the effective interest method. Dividends are accrued as of the ex-dividend date. Realized gains or losses on the sale of investments, including foreign exchange gains or losses on such investments, are calculated on an average cost basis. Distributions received from an underlying fund are included in interest income, dividend income, realized gains (losses) on sale of investments or fee rebate income, as appropriate.

Income, realized gains (losses) and unrealized gains (losses) are allocated daily among the series on a pro-rata basis.

(d) Commissions and other portfolio transaction costs

Commissions and other portfolio transaction costs are costs incurred to acquire, issue or dispose of financial assets or liabilities. They include fees and commissions paid to agents, advisers, brokers and dealers. Commissions may be paid to brokerage firms which provide (or pay for) certain services, other than order execution, which may include investment research, analysis and reports, and databases or software in support of these services. Where applicable and ascertainable, the value of third-party services that were paid for by brokers during the periods is disclosed in Note 9. The value of certain proprietary services provided by brokers cannot be reasonably estimated.

(e) Securities lending, repurchase and reverse repurchase transactions

The Fund is permitted to enter into securities lending, repurchase and reverse repurchase transactions as set out in the Fund's Simplified Prospectus. These transactions involve the temporary exchange of securities for collateral with a commitment to redeliver the same securities on a future date.

Securities lending transactions are administered by Canadian Imperial Bank of Commerce (the "Securities Lending Agent"). The value of cash or securities held as collateral must be at least 102% of the fair value of the securities loaned, sold or purchased. Income is earned from these transactions in the form of fees paid by the counterparty and, in certain circumstances, interest paid on cash or securities held as collateral. Income earned from these transactions is included in the Statement of Comprehensive Income – Securities lending income and recognized when earned.

Note 9 summarizes the details of securities loaned and collateral received, as well as a reconciliation of securities lending income, if applicable.

(f) Offsetting

Financial assets and liabilities are offset and the net amount reported in the Statement of Financial Position only when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously. In the normal course of business, the Fund enters into various master netting agreements or similar agreements that do not meet the criteria for offsetting in the Statement of Financial Position but still allow for the related amounts to be set off in certain circumstances, such as bankruptcy or termination of the contracts. Note 9 summarizes the details of such offsetting, if applicable.

Income and expenses are not offset in the Statement of Comprehensive Income unless required or permitted to by an accounting standard, as specifically disclosed in the IFRS policies of the Fund.

(g) Foreign currency

The functional and presentation currency of the Fund is Canadian dollars. Foreign currency purchases and sales of investments and foreign currency dividend and interest income and expenses are translated to Canadian dollars at the rate of exchange prevailing at the time of the transactions.

Foreign exchange gains (losses) on purchases and sales of foreign currencies are included in the Statement of Comprehensive Income – Other changes in fair value of investments and other net assets – Net realized gain (loss).

The fair value of investments and other assets and liabilities, denominated in foreign currencies, are translated to Canadian dollars at the rate of exchange prevailing on each business day.

(h) Net assets attributable to securityholders per security

Net assets attributable to securityholders per security is computed by dividing the net assets attributable to securityholders of a series of securities on a business day by the total number of securities of the series outstanding on that day.

(i) Net asset value per security

The daily Net Asset Value ("NAV") of an investment fund may be calculated without reference to IFRS as per the Canadian Securities Administrators' ("CSA") regulations. The difference between NAV and Net assets attributable to securityholders (as reported in the financial statements), if any, is mainly due to differences in fair value of investments and other financial assets and liabilities. Refer to Note 9 for the Fund's NAV per security.

## NOTES TO FINANCIAL STATEMENTS

### 3. Significant Accounting Policies (cont'd)

(j) Increase (decrease) in net assets attributable to securityholders from operations per security

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

(k) Mergers

The Fund applies the acquisition method of accounting for Fund mergers. Under this method, one of the Funds in each merger is identified as the acquiring Fund, and is referred to as the Continuing Fund, and the other Fund involved in the merger is referred to as the Terminated Fund. This identification is based on the comparison of the relative net asset values of the Funds as well as consideration of the continuation of such aspects of the Continuing Fund as: investment advisors; investment objectives and practices; type of portfolio securities; and management fees and expenses.

### 4. Critical Accounting Estimates and Judgments

The preparation of these financial statements requires management to make estimates and assumptions that primarily affect the valuation of investments. Estimates and assumptions are reviewed on an ongoing basis. Actual results may differ from these estimates.

#### Use of Estimates

##### *Fair value of securities not quoted in an active market*

The Fund may hold financial instruments that are not quoted in active markets and are valued using valuation techniques that make use of observable data, to the extent practicable. Various valuation techniques are utilized, depending on a number of factors, including comparison with similar instruments for which observable market prices exist and recent arm's length market transactions. Key inputs and assumptions used are company specific and may include estimated discount rates and expected price volatilities. Changes in key inputs, could affect the reported fair value of these financial instruments held by the Fund.

#### Use of Judgments

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

In classifying and measuring financial instruments held by the Fund, Mackenzie is required to make significant judgments in order to determine the most appropriate classification in accordance with IFRS 9. Mackenzie has assessed the Fund's business model, the manner in which all financial instruments are managed and performance evaluated as a group on a fair value basis, and concluded that FVTPL in accordance with IFRS 9 provides the most appropriate measurement and presentation of the Fund's financial instruments.

##### *Functional currency*

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

##### *Structured entities and associates*

In determining whether an unlisted open-ended investment fund or an exchange-traded fund in which the Fund invests, but that it does not consolidate, meets the definitions of either a structured entity or of an associate, Mackenzie is required to make significant judgments about whether these underlying funds have the typical characteristics of a structured entity or of an associate. Mackenzie has assessed the characteristics of these underlying funds and has concluded that they do not meet the definition of either a structured entity or of an associate because the Fund does not have contracts or financing arrangements with these underlying funds and the Fund does not have an ability to influence the activities of these underlying funds or the returns it receives from investing in these underlying funds.

### 5. Income Taxes

The Fund qualifies as a mutual fund trust under the provisions of the Income Tax Act (Canada) and, accordingly, is subject to tax on its income including net realized capital gains in the taxation year, which is not paid or payable to its securityholders as at the end of the taxation year. It is the intention of the Fund to distribute all of its net income and sufficient net realized capital gains so that the Fund will not be subject to income taxes other than foreign withholding taxes, if applicable.

Losses of the Fund cannot be allocated to investors and are retained in the Fund for use in future years. Non-capital losses may be carried forward up to 20 years to reduce taxable income and realized capital gains of future years. Capital losses may be carried forward indefinitely to reduce future realized capital gains. Refer to Note 9 for the Fund's loss carryforwards.

## NOTES TO FINANCIAL STATEMENTS

### 6. Management Fees and Operating Expenses

Mackenzie is paid a management fee for managing the investment portfolio, providing investment analysis and recommendations, making investment decisions, making brokerage arrangements relating to the purchase and sale of the investment portfolio and making arrangements with registered dealers for the purchase and sale of securities of the Fund by investors. The management fee is calculated on each series of securities of the Fund as a fixed annual percentage of the daily net asset value of the series.

Each series of the Fund, except B-Series, is charged a fixed rate annual administration fee ("Administration Fee") and in return, Mackenzie bears all of the operating expenses of the Fund, other than certain specified fund costs. The Administration Fee is calculated on each series of securities of the Fund as a fixed annual percentage of the daily net asset value of the series.

Other fund costs include taxes (including, but not limited to GST/HST and income tax), interest and borrowing costs, all fees and expenses of the Mackenzie Funds' Independent Review Committee (IRC), costs of complying with the regulatory requirement to produce Fund Facts, fees paid to external service providers associated with tax reclaims, refunds or the preparation of foreign tax reports on behalf of the Funds, new fees related to external services that were not commonly charged in the Canadian mutual fund industry and introduced after the date of the most recently filed simplified prospectus, and the costs of complying with any new regulatory requirements, including, without limitation, any new fees introduced after the date of the most recently filed simplified prospectus.

All expenses relating to the operation of the Fund attributable to B-Series securities will be charged to that particular series. Operating expenses include legal, audit, transfer agent, custodian, administration and trustee services, cost of financial reporting and Simplified Prospectus printing, regulatory filing fees and other miscellaneous expenses specifically attributable to the B-Series securities and any applicable taxes.

Mackenzie may waive or absorb management fees and/or Administration Fees at its discretion and stop waiving or absorbing such fees at any time without notice. Refer to Note 9 for the management fee and Administration Fee rates charged to each series of securities.

### 7. Fund's Capital

The capital of the Fund, which is comprised of the net assets attributable to securityholders, is divided into different series with each series having an unlimited number of securities. The securities outstanding for the Fund as at September 30, 2018 and 2017 and securities issued, reinvested and redeemed for the periods are presented in the Statement of Changes in Financial Position. Mackenzie manages the capital of the Fund in accordance with the investment objectives as discussed in Note 9.

### 8. Financial Instruments Risk

#### i. Risk exposure and management

The Fund's investment activities expose it to a variety of financial risks, as defined in IFRS 7 *Financial Instruments: Disclosures* ("IFRS 7"). The Fund's exposure to financial risks is concentrated in its investments, which are presented in the Schedule of Investments, as at September 30, 2018, grouped by asset type, with geographic and sector information.

Mackenzie seeks to minimize potential adverse effects of financial risks on the Fund's performance by employing professional, experienced portfolio advisors, by monitoring the Fund's positions and market events daily, by diversifying the investment portfolio within the constraints of the Fund's investment objectives, and where applicable, by using derivatives to hedge certain risk exposures. To assist in managing risks, Mackenzie also maintains a governance structure that oversees the Fund's investment activities and monitors compliance with the Fund's stated investment strategy, internal guidelines, and securities regulations.

#### ii. Liquidity risk

Liquidity risk arises when the Fund encounters difficulty in meeting its financial obligations as they come due. The Fund is exposed to liquidity risk due to potential daily cash redemptions of redeemable securities. In accordance with securities regulations, the Fund must maintain at least 90% of its assets in liquid investments (i.e., investments that can be readily sold). In addition, the Fund retains sufficient cash and short-term investment positions to maintain adequate liquidity. The Fund also has the ability to borrow up to 5% of its net assets for the purposes of funding redemptions.

#### iii. Currency risk

Currency risk arises when the fair value of financial instruments that are denominated in a currency other than the Canadian dollar, which is the Fund's reporting currency, fluctuates due to changes in exchange rates. Note 9 summarizes the Fund's exposure, if applicable and significant, to currency risk.

## NOTES TO FINANCIAL STATEMENTS

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

#### iv. Interest rate risk

Interest rate risk arises when the fair value of interest-bearing financial instruments fluctuates due to changes in the prevailing levels of market interest rates. Cash and cash equivalents do not expose the Fund to significant amounts of interest rate risk. Note 9 summarizes the Fund's exposure, if applicable and significant, to interest rate risk.

#### v. Other price risk

Other price risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk), whether caused by factors specific to an individual investment, its issuer, or all factors affecting all instruments traded in a market or market segment. All investments present a risk of loss of capital. This risk is managed through a careful selection of investments and other financial instruments within the parameters of the investment strategies. Except for certain derivative contracts, the maximum risk resulting from financial instruments is equivalent to their fair value. The maximum risk of loss on certain derivative contracts such as forwards, swaps, and futures contracts is equal to their notional values. In the case of written call (put) options and short futures contracts, the loss to the Fund continues to increase, without limit, as the fair value of the underlying interest increases (decreases). However, these instruments are generally used within the overall investment management process to manage the risk from the underlying investments and do not typically increase the overall risk of loss to the Fund. This risk is mitigated by ensuring that the Fund holds a combination of the underlying interest, cash cover and/or margin that is equal to or greater than the value of the derivative contract. Note 9 summarizes the Fund's exposure, if applicable and significant, to other price risk.

#### vi. Credit risk

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Fund. Note 9 summarizes the Fund's exposure, if applicable and significant, to credit risk.

All transactions in listed securities are executed with approved brokers. To minimize the possibility of settlement default, securities are exchanged for payment simultaneously, where market practices permit, through the facilities of a central depository and/or clearing agency where customary.

The carrying amount of investments and other assets represents the maximum credit risk exposure as at the date of the Statement of Financial Position.

The Fund may enter into securities lending transactions with counterparties and it may also be exposed to credit risk from the counterparties to the derivative instruments it may use. Credit risk associated with these transactions is considered minimal as all counterparties have a rating equivalent to a designated rating organization's credit rating of not less than A-1 (low) on their short-term debt and of A on their long-term debt, as applicable.

#### vii. Underlying funds

The Fund may invest in underlying funds and may be indirectly exposed to currency risk, interest rate risk, other price risk and credit risk from fluctuations in the value of financial instruments held by the underlying funds. Note 9 summarizes the Fund's exposure, if applicable and significant, to these risks from underlying funds.

## NOTES TO FINANCIAL STATEMENTS

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

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

Date of Formation July 12, 1974

The Fund may issue an unlimited number of securities of each series. The number of issued and outstanding securities of each series is disclosed in the Statements of Changes in Financial Position.

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

Series A, Series B and Series C securities are offered to retail investors investing a minimum of \$500. Investors in Series A, Series B and Series C securities also want to receive a regular monthly cash flow of 5% per year. Effective October 27, 2017, Series B and Series C securities were consolidated into Series A.

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. Investors in Series D securities also want to receive a regular monthly cash flow of 5% per year.

Series F 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 F8); they are also available to employees of Mackenzie and its subsidiaries, and directors of Mackenzie. Investors in Series F and Series F8 securities also want to receive a regular monthly cash flow of 5% and 8% per year, respectively.

Series FB securities are offered to retail investors investing a minimum of \$500. Investors are required to negotiate their advisor service fee, which cannot exceed 1.50%, with their financial advisor. Investors in Series FB securities also want to receive a regular 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; and certain qualifying employees of Mackenzie and its subsidiaries. Investors in Series O securities also want to receive a monthly cash flow of 5% per year.

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

Series PWFB securities are offered through our Private Wealth Solutions to certain high net worth investors who invest a minimum of \$100,000. Investors are required to negotiate their advisor service fee, which cannot exceed 1.50%, with their financial advisor. Investors in Series PWFB securities also want to receive a regular monthly cash flow of 5% per year.

Series PWX securities are offered through our Private Wealth Solutions to certain high net worth investors who invest a minimum of \$100,000. Investors are required to negotiate their advisor service fee, which cannot exceed 1.50%, with their financial advisor. Investors in Series PWX securities also want to receive a regular monthly cash flow of 5% per year.

Series R securities are offered only to other affiliated funds and certain institutional investors in connection with fund-of-fund arrangements.

Series S securities are offered to the Related Insurance Companies and certain other mutual funds, but may be sold to other investors as determined by Mackenzie.

Series G securities are no longer available for sale, except for additional purchases by investors who have held these securities since December 11, 2017. Investors in Series G securities also want to receive a regular monthly cash flow of 5% per year.

Series I and Series J securities are no longer available for sale.

Series PWF and Series PWF8 securities are no longer available for sale. Effective June 1, 2018, Series PWF and Series PWF8 securities were consolidated into Series F and Series F8 securities, respectively.



# MACKENZIE INCOME FUND

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2018

BALANCED FUND

## NOTES TO FINANCIAL STATEMENTS

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

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

**Series Distributed by LBC Financial Services Inc.** (1360 René-Lévesque Blvd. West, 13th Floor, Montréal, Québec H3G 0A9; 1-800-522-1846; [www.laurentianbank.ca/mackenzie](http://www.laurentianbank.ca/mackenzie))

Series LB and Series LW securities are no longer available for sale, except for additional purchases by investors who have held these securities since December 11, 2017.

An investor in the Fund may choose among different purchase options that are available under each series. These purchase options are a sales charge purchase option, a redemption charge purchase option, various low-load purchase options and a no-load purchase option. The charges under the sales charge purchase option are negotiated by investors with their dealers. The charges under the redemption charge and low-load purchase options are paid to Mackenzie if an investor redeems securities of the Fund during specific periods. Not all purchase options are available under each series of the Fund, and the charges for each purchase option may vary among the different series. For further details on these purchase options, please refer to the Fund's Simplified Prospectus and Fund Facts.

Series	Inception/ Reinstatement Date	Management Fees	Administration Fees	Net Asset Value per Security (\$)	
				Sep. 30, 2018	Mar. 31, 2018
Series A	July 12, 1974	1.50%	0.21%	1.89	1.92
Series AR	November 27, 2013	1.50%	0.24%	10.68	10.69
Series B	None issued <sup>(6)</sup>	1.50%	0.21%	—	—
Series C	None issued <sup>(7)</sup>	1.50%	0.21%	—	—
Series D	February 10, 2014	1.00%	0.16%	13.91	14.10
Series F	October 22, 2001	0.65% <sup>(3)</sup>	0.15% <sup>(5)</sup>	9.77	9.89
Series F8	June 1, 2018	0.65%	0.15%	14.69	—
Series FB	October 26, 2015	0.75%	0.21%	9.85	9.98
Series G	April 1, 2005	1.25%	0.21%	7.38	7.49
Series I	October 25, 1999	0.95%	0.21%	2.93	2.97
Series J	March 5, 2012	1.15%	0.20%	8.51	8.64
Series O	October 30, 2002	— <sup>(1)</sup>	— *	10.06	10.13
Series PW	October 11, 2013	1.15% <sup>(4)</sup>	0.15%	13.57	13.77
Series PWF	None issued <sup>(8)</sup>	0.75%	0.15%	—	14.10
Series PWF8	None issued <sup>(9)</sup>	0.75%	0.15%	—	12.69
Series PWFB	April 3, 2017	0.65% <sup>(3)</sup>	0.15%	9.65	9.77
Series PWX	January 3, 2014	— <sup>(2)</sup>	— <sup>(2)</sup>	13.96	14.06
Series R	December 8, 2008	— *	— *	9.59	9.59
Series S	January 7, 2011	— <sup>(1)</sup>	0.025%	9.06	9.13
Series LB	January 23, 2012	1.50%	0.21%	8.06	8.20
Series LW	December 1, 2017	1.25%	0.15%	14.18	14.49

\* Not applicable.

(1) This fee is negotiable and payable directly to Mackenzie by investors in this series.

(2) This fee is payable directly to Mackenzie by investors in this series through redemptions of their securities.

(3) Prior to June 1, 2018, the management fee for this series was charged to the Fund at a rate of 0.75%.

(4) Prior to June 1, 2018, the management fee for Series PW was charged to the Fund at a rate of 1.25%.

(5) Prior to June 1, 2018, the administration fee for Series F was charged to the Fund at a rate of 0.16%.

(6) The series' original start date was January 30, 1998. All securities in the series were consolidated into Series A on October 27, 2017.

(7) The series' original start date was July 20, 2004. All securities in the series were consolidated into Series A on October 27, 2017.

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

(9) The series' original start date was December 23, 2014. All securities in the series were consolidated into Series F8 on June 1, 2018.



**MACKENZIE**  
Investments

# MACKENZIE INCOME FUND

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2018

BALANCED FUND

## NOTES TO FINANCIAL STATEMENTS

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

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

As at September 30, 2018, other funds managed by Mackenzie and Related Insurance Companies had an investment of \$12,290 and \$41,849 (March 31, 2018 – \$13,514 and \$43,378), respectively, in the Fund.

#### (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, 2018 and March 31, 2018, were as follows:

	September 30, 2018	March 31, 2018
	(\$)	(\$)
Value of securities loaned	135,063	165,899
Value of collateral received	142,441	174,289

Collateral received is comprised of debt obligations of the Government of Canada and other countries, Canadian provincial and municipal governments and financial institutions.

A reconciliation of the gross amount generated from the securities lending transactions to the security lending income to the Fund for the periods ended September 30, 2018 and 2017 is as follows:

	2018		2017	
	(\$)	(%)	(\$)	(%)
Gross securities lending income	96	100.0	52	100.0
Tax withheld	(4)	(4.2)	(1)	(1.9)
	92	95.8	51	98.1
Payments to Securities Lending Agent	(23)	(24.0)	(13)	(25.0)
Securities lending income	69	71.8	38	73.1

#### (e) Commissions

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

	(\$)
September 30, 2018	7
September 30, 2017	8

#### (f) Unfunded Credit Agreements

The Fund has entered into credit agreements whereby the Fund commits to fund a participation in a senior unsecured credit facility ("Commitment Amount") during an agreed upon period of time ("Commitment Period"). In exchange for providing this potential funding the Fund is entitled to receive a commitment fee ("Commitment Fee") from the issuer equal to a certain percentage of the Commitment Amount at the end of the Commitment Period. The funding requirement and the Commitment Fee are both contingent on whether or not the issuer of the credit agreement completes a contemplated transaction by the end of the Commitment Period. As at September 30, 2018, none of the Commitment Amounts were funded (March 31, 2018 – \$Nil). The unfunded Commitment Amounts, the Commitment Fee rates and Commitment Period end date are listed below.

	Total Unfunded Commitment Amount (US\$)	Total Number of Commitments	Range of Unfunded Commitment Amounts (US\$)	Range of Commitment Fee Rates (%)	Range of Commitment Period End Date
September 30, 2018	9,090	3	720 - 6,300	0.750	December 17, 2018 - May 18, 2019
March 31, 2018	1,300	3	319 - 551	0.750	June 18, 2018 - August 21, 2018



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## NOTES TO FINANCIAL STATEMENTS

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

#### (g) Change in Investment Objective

Following the approval of investors in the Fund, the investment objective of the Fund changed effective July 6, 2018. These changes provide the Fund with additional flexibility to invest in foreign securities.

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

The table below presents financial assets and financial liabilities that are subject to master netting arrangements or other similar agreements and the net impact on the Fund's Statements of Financial Position if all set-off rights were exercised as part of future events such as bankruptcy or termination of contracts. No amounts were offset in the financial statements.

	September 30, 2018			
	Gross amount of assets/liabilities (\$)	Amount available for offset (\$)	Margin (\$)	Net amount (\$)
Unrealized gains on derivative contracts	2,492	–	–	2,492
Unrealized losses on derivative contracts	–	–	287	287
Liability for options written	–	–	–	–
Total	2,492	–	287	2,779

	March 31, 2018			
	Gross amount of assets/liabilities (\$)	Amount available for offset (\$)	Margin (\$)	Net amount (\$)
Unrealized gains on derivative contracts	81	(24)	–	57
Unrealized losses on derivative contracts	(2,049)	24	3,012	987
Liability for options written	–	–	–	–
Total	(1,968)	–	3,012	1,044

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

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

Effective July 6, 2018, the Fund's investment objective and strategies were changed to seek income while trying to preserve capital by investing primarily in a combination of fixed income and equity securities of issuers anywhere in the world. It may hold up to 40% of its assets in foreign investments.

Under the prior investment objective, the Fund invested primarily in Canadian fixed income securities. The Fund's asset mix generally ranged between 10%–40% equities and 60%–90% fixed income securities and cash and cash equivalents.



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## NOTES TO FINANCIAL STATEMENTS

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

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

##### ii. Currency risk

The table below indicates currencies to which the Fund had significant exposure as at period end in Canadian dollar terms, including the underlying principal amount of any derivative instruments. Other financial assets and liabilities (including accrued interest and dividends receivable, and receivables/payables for investments sold/purchased) that are denominated in foreign currencies do not expose the Fund to significant currency risk.

Currency	September 30, 2018			
	Investments (\$)	Cash and Short-Term Investments (\$)	Derivative Instruments (\$)	Net Exposure* (\$)
U.S. dollar	216,469	21,647	(139,866)	98,250
Australian dollar	–	–	33,587	33,587
Euro	33,195	–	(986)	32,209
British pound	10,540	29	–	10,569
Swiss franc	9,476	–	–	9,476
Japanese yen	7,789	27	26	7,842
Hong Kong dollar	4,778	3	–	4,781
Danish krone	2,360	–	–	2,360
Taiwanese dollar	2,079	–	–	2,079
Chinese yuan	1,645	–	–	1,645
Norwegian krone	1,628	–	–	1,628
Brazilian real	1,559	16	–	1,575
Swedish krona	1,486	–	–	1,486
New Zealand dollar	7,527	–	(7,435)	92
Total	300,531	21,722	(114,674)	207,579
% of Net Assets	27.0	2.0	(10.3)	18.7



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## NOTES TO FINANCIAL STATEMENTS

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

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

ii. Currency risk (cont'd)

Currency	March 31, 2018			
	Investments (\$)	Cash and Short-Term Investments (\$)	Derivative Instruments (\$)	Net Exposure* (\$)
Euro	33,950	14	–	33,964
U.S. dollar	218,048	3,809	(206,577)	15,280
British pound	11,150	–	–	11,150
Swiss franc	10,020	–	–	10,020
Japanese yen	7,566	74	–	7,640
Hong Kong dollar	5,407	–	–	5,407
Brazilian real	2,873	–	–	2,873
Danish krone	2,460	29	–	2,489
Taiwanese dollar	2,448	–	–	2,448
Swedish krona	2,132	–	–	2,132
Chinese yuan	1,873	–	–	1,873
Norwegian krone	1,830	–	–	1,830
New Zealand dollar	8,170	–	(8,081)	89
Total	307,927	3,926	(214,658)	97,195
% of Net Assets	26.4	0.3	(18.4)	8.3

\* Includes both monetary and non-monetary financial instruments

As at September 30, 2018, had the Canadian dollar increased by 5% relative to all foreign currencies, with all other variables held constant, net assets would have decreased by approximately \$8,818 or 0.8% of total net assets (March 31, 2018 – \$8,533 or 0.8%). Similarly, had the Canadian dollar decreased by 5% relative to all foreign currencies, with all other variables held constant, net assets would have increased by approximately \$9,613 or 0.9% of the total net assets (March 31, 2018 – \$8,533 or 0.8%). In practice, the actual trading results may differ and the difference could be material.

iii. Interest rate risk

The table below summarizes the Fund's exposure to interest rate risks from its investments in bonds and derivative instruments by term to maturity.

Term to Maturity	September 30, 2018 (\$)		March 31, 2018 (\$)	
	Bonds	Derivative Instruments	Bonds	Derivative Instruments
Less than 1 year	3,082	(188,170)	4,138	(84,164)
1-5 years	113,140	–	133,238	–
5-10 years	363,895	–	304,907	–
Greater than 10 years	189,690	–	291,521	–
Total	669,807	(188,170)	733,804	(84,164)

As at September 30, 2018, had prevailing interest rates increased by 1%, assuming a parallel shift in the yield curve, with all other variables held constant, net assets would have decreased by approximately \$48,962 or 4.4% (March 31, 2018 – \$59,194 or 5.1%) of total net assets. Similarly, had prevailing interest rates decreased by 1%, with all other variables held constant, net assets would have increased by approximately \$49,281 or 4.4% (March 31, 2018 – \$59,338 or 5.1%) of total net assets. In practice, the actual trading results may differ and the difference could be material.

# MACKENZIE INCOME FUND

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## NOTES TO FINANCIAL STATEMENTS

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

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

##### iv. Other price risk

The Fund's most significant exposure to price risk arises from its investment in equity securities, exchange-traded funds/notes and mutual funds. As at September 30, 2018, 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 \$34,250 or 3.1% (March 31, 2018 – \$34,769 or 3.0%) of total net assets. In practice, the actual trading results may differ and the difference could be material.

##### v. Credit risk

The Fund's greatest concentration of credit risk is in debt securities, such as bonds. The fair value of debt securities includes consideration of the creditworthiness of the debt issuer. The maximum exposure to any one debt issuer as at September 30, 2018, was 9.2% of the net assets of the Fund (March 31, 2018 – 12.6%).

As at September 30, 2018 and March 31, 2018, debt securities by credit rating are as follows:

Bond Rating*	September 30, 2018	March 31, 2018
	% of Net Assets	% of Net Assets
AAA	12.9	17.0
AA	16.4	15.4
A	12.5	11.6
BBB	12.1	12.7
Less than BBB	5.9	5.7
Unrated	0.4	0.6
Total	60.2	63.0

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

#### (j) Fair Value Classification

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

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

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

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

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

	September 30, 2018				March 31, 2018			
	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
Bonds	–	669,807	–	669,807	–	733,804	–	733,804
Equities	338,082	–	–	338,082	275,968	67,372	–	343,340
Options	–	126	–	126	–	352	–	352
Exchange-traded funds/notes	14,040	–	–	14,040	14,128	–	–	14,128
Mutual funds	65,767	–	–	65,767	66,751	–	–	66,751
Derivative assets	1,684	2,582	–	4,266	–	960	–	960
Derivative liabilities	–	(2)	–	(2)	(1,976)	(1,542)	–	(3,518)
Short-term investments	–	21,132	–	21,132	–	10,778	–	10,778
Total	419,573	693,645	–	1,113,218	354,871	811,724	–	1,166,595



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## NOTES TO FINANCIAL STATEMENTS

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

#### (j) Fair Value Classification (cont'd)

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

In accordance with the Fund's valuation policy, the Fund applies fair value adjustment factors to the quoted market prices for non-North American equities when North American intraday stock market movements exceed pre-determined tolerances. The adjustment factors are applied in order to estimate the impact on fair values of events occurring between the close of the non-North American stock markets and the close of business for the Fund. If fair value adjustment factors are applied, non-North American equities are classified as Level 2. Consequently, during the period ended September 30, 2018, non-North American equities frequently transferred between Level 1 (unadjusted quoted market prices) and Level 2 (adjusted market prices).

As at September 30, 2018, these securities were classified as Level 1. As at March 31, 2018, fair value adjustments were applied to the majority of securities in non-North American markets (Level 2) that were closed on the last business day. The remaining non-North American securities were classified as Level 1. Other than as described above, there were no significant transfers between Level 1 and Level 2.

Other financial instruments classified as Level 2 investments are valued based on the prices provided by an independent reputable pricing services company who prices the securities based on recent transactions and quotes received from market participants and through incorporating observable market data and using standard market convention practices. Short-term investments classified as Level 2 investments are valued based on amortized cost plus accrued interest which closely approximates fair value.

