

# MACKENZIE UNCONSTRAINED FIXED INCOME FUND

ANNUAL AUDITED FINANCIAL STATEMENTS | March 31, 2019

FIXED INCOME FUND

## MANAGEMENT REPORT

### Management's Responsibility for Financial Reporting

The accompanying financial statements have been prepared by Mackenzie Financial Corporation, as Manager of Mackenzie Unconstrained Fixed Income Fund (the "Fund"). The Manager is responsible for the integrity, objectivity and reliability of the data presented. This responsibility includes selecting appropriate accounting principles and making judgments and estimates consistent with International Financial Reporting Standards. The Manager is also responsible for the development of internal controls over the financial reporting process, which are designed to provide reasonable assurance that relevant and reliable financial information is produced.

The Board of Directors (the "Board") of Mackenzie Financial Corporation is responsible for reviewing and approving the financial statements and overseeing the Manager's performance of its financial reporting responsibilities. The Board is assisted in discharging this responsibility by an Audit Committee, which reviews the financial statements and recommends them for approval by the Board. The Audit Committee also meets regularly with the Manager, internal auditors and external auditors to discuss internal controls over the financial reporting process, auditing matters and financial reporting issues.

Deloitte LLP is the external auditor of the Fund. It is appointed by the Board. The external auditor has audited the financial statements in accordance with Canadian generally accepted auditing standards to enable it to express to the securityholders its opinion on the financial statements. Its report is set out below.

On behalf of Mackenzie Financial Corporation,  
Manager of the Fund



Barry McNerney  
President and Chief Executive Officer



Terry Rountes  
Chief Financial Officer, Funds

June 3, 2019

## INDEPENDENT AUDITOR'S REPORT

To the Securityholders of Mackenzie Unconstrained Fixed Income Fund (the "Fund")

### Opinion

We have audited the financial statements of the Fund, which comprise the statements of financial position as at March 31, 2019 and 2018, and the statements of comprehensive income, changes in financial position and cash flows for the periods then ended, as indicated in Note 1, and notes to the financial statements, including a summary of significant accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Fund as at March 31, 2019 and 2018, and its financial performance and its cash flows for the periods then ended, as indicated in Note 1, in accordance with International Financial Reporting Standards ("IFRS").

### Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Fund in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Other Information

Management is responsible for the other information which comprises the Management Report of Fund Performance.

Our opinion on the financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We obtained the Management Report of Fund Performance prior to the date of this auditor's report. If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact in this auditor's report. We have nothing to report in this regard.

### Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.



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## INDEPENDENT AUDITOR'S REPORT (cont'd)

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Fund's financial reporting process.

### Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



Chartered Professional Accountants  
Licensed Public Accountants  
Toronto, Ontario  
June 3, 2019



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# MACKENZIE UNCONSTRAINED FIXED INCOME FUND

ANNUAL AUDITED FINANCIAL STATEMENTS | March 31, 2019

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## STATEMENTS OF CHANGES IN FINANCIAL POSITION

For the periods ended March 31 (note 1)  
In thousands

	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018
	Series A		Series AR		Series D		Series F		Series F8	
	\$		\$		\$		\$		\$	
<b>NET ASSETS ATTRIBUTABLE TO SECURITYHOLDERS</b>										
Beginning of period	9,145	4,705	837	331	200	103	43,922	27,212	92	–
Increase (decrease) in net assets from operations	334	137	30	10	7	2	4,600	1,032	79	–
Distributions paid to securityholders:										
Investment income	(465)	(236)	(38)	(21)	(11)	(5)	(5,337)	(1,649)	(86)	(1)
Capital gains	–	(91)	–	(8)	–	(1)	–	(509)	–	–
Return of capital	–	–	–	–	–	–	–	–	(82)	(1)
Management fee rebates	–	–	–	–	–	–	(2)	–	(1)	–
Total distributions paid to securityholders	(465)	(327)	(38)	(29)	(11)	(6)	(5,339)	(2,158)	(169)	(2)
Security transactions:										
Proceeds from securities issued	13,885	6,783	1,009	511	182	301	203,294	41,935	4,327	207
Reinvested distributions	419	293	38	29	11	6	3,161	1,429	48	–
Payments on redemption of securities	(3,650)	(2,446)	(148)	(15)	(131)	(206)	(37,133)	(25,528)	(685)	(113)
Total security transactions	10,654	4,630	899	525	62	101	169,322	17,836	3,690	94
<b>Total increase (decrease) in net assets</b>	<b>10,523</b>	<b>4,440</b>	<b>891</b>	<b>506</b>	<b>58</b>	<b>97</b>	<b>168,583</b>	<b>16,710</b>	<b>3,600</b>	<b>92</b>
<b>End of period</b>	<b>19,668</b>	<b>9,145</b>	<b>1,728</b>	<b>837</b>	<b>258</b>	<b>200</b>	<b>212,505</b>	<b>43,922</b>	<b>3,692</b>	<b>92</b>

	Securities		Securities		Securities		Securities		Securities	
<b>Increase (decrease) in fund securities (note 7):</b>										
<b>Securities outstanding – beginning of period</b>	<b>923</b>	<b>461</b>	<b>84</b>	<b>32</b>	<b>20</b>	<b>10</b>	<b>4,400</b>	<b>2,649</b>	<b>6</b>	<b>–</b>
Issued	1,425	676	103	51	18	29	20,664	4,122	313	14
Reinvested distributions	43	29	4	3	1	1	322	142	4	–
Redeemed	(375)	(243)	(15)	(2)	(13)	(20)	(3,777)	(2,513)	(50)	(8)
<b>Securities outstanding – end of period</b>	<b>2,016</b>	<b>923</b>	<b>176</b>	<b>84</b>	<b>26</b>	<b>20</b>	<b>21,609</b>	<b>4,400</b>	<b>273</b>	<b>6</b>

	Series FB		Series FB5		Series IG		Series O		Series PW	
	\$		\$		\$		\$		\$	
<b>NET ASSETS ATTRIBUTABLE TO SECURITYHOLDERS</b>										
Beginning of period	630	584	1	1	368,650	–	9,994	4,029	16,556	4,391
Increase (decrease) in net assets from operations	12	16	–	–	21,295	1,132	430	267	1,421	277
Distributions paid to securityholders:										
Investment income	(18)	(24)	–	–	(29,654)	(1,570)	(574)	(387)	(1,642)	(472)
Capital gains	–	(8)	–	–	–	–	–	(116)	–	(168)
Return of capital	–	–	–	–	–	–	–	–	–	–
Management fee rebates	–	–	–	–	–	–	–	–	(2)	(2)
Total distributions paid to securityholders	(18)	(32)	–	–	(29,654)	(1,570)	(574)	(503)	(1,644)	(642)
Security transactions:										
Proceeds from securities issued	548	433	–	69	271,016	368,129	4,358	6,946	63,412	15,217
Reinvested distributions	18	32	–	–	29,654	1,570	566	493	1,512	587
Payments on redemption of securities	(741)	(403)	–	(69)	(71,074)	(611)	(2,569)	(1,238)	(7,711)	(3,274)
Total security transactions	(175)	62	–	–	229,596	369,088	2,355	6,201	57,213	12,530
<b>Total increase (decrease) in net assets</b>	<b>(181)</b>	<b>46</b>	<b>–</b>	<b>–</b>	<b>221,237</b>	<b>368,650</b>	<b>2,211</b>	<b>5,965</b>	<b>56,990</b>	<b>12,165</b>
<b>End of period</b>	<b>449</b>	<b>630</b>	<b>1</b>	<b>1</b>	<b>589,887</b>	<b>368,650</b>	<b>12,205</b>	<b>9,994</b>	<b>73,546</b>	<b>16,556</b>

	Securities		Securities		Securities		Securities		Securities	
<b>Increase (decrease) in fund securities (note 7):</b>										
<b>Securities outstanding – beginning of period</b>	<b>61</b>	<b>55</b>	<b>–</b>	<b>–</b>	<b>36,823</b>	<b>–</b>	<b>1,011</b>	<b>396</b>	<b>1,650</b>	<b>425</b>
Issued	53	41	–	4	27,169	36,727	448	689	6,424	1,490
Reinvested distributions	2	3	–	–	3,011	157	58	50	154	58
Redeemed	(72)	(38)	–	(4)	(7,208)	(61)	(264)	(124)	(782)	(323)
<b>Securities outstanding – end of period</b>	<b>44</b>	<b>61</b>	<b>–</b>	<b>–</b>	<b>59,795</b>	<b>36,823</b>	<b>1,253</b>	<b>1,011</b>	<b>7,446</b>	<b>1,650</b>

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



# MACKENZIE UNCONSTRAINED FIXED INCOME FUND

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

For the periods ended March 31 (note 1)  
In thousands

	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018
	Series PWF		Series PWF8		Series PWF8		Series PWF8		Series PWF8	
	\$		\$		\$		\$		\$	
<b>NET ASSETS ATTRIBUTABLE TO SECURITYHOLDERS</b>										
<b>Beginning of period</b>	<b>39,404</b>	<b>9,803</b>	<b>99</b>	<b>-</b>	<b>364</b>	<b>-</b>	<b>1</b>	<b>-</b>	<b>734</b>	<b>-</b>
Increase (decrease) in net assets from operations	35	830	1	1	46	6	-	-	40	9
Distributions paid to securityholders:										
Investment income	(227)	(1,297)	(3)	(3)	(60)	(12)	-	-	(61)	(17)
Capital gains	-	(428)	-	(2)	-	(4)	-	-	-	(9)
Return of capital	-	-	(5)	(3)	-	-	-	-	(73)	(22)
Management fee rebates	(2)	(4)	-	-	-	-	-	-	-	-
Total distributions paid to securityholders	(229)	(1,729)	(8)	(8)	(60)	(16)	-	-	(134)	(48)
Security transactions:										
Proceeds from securities issued	5,426	38,994	601	193	1,717	560	-	1	1,406	759
Reinvested distributions	144	1,112	1	4	60	16	-	-	99	32
Payments on redemption of securities	(44,780)	(9,606)	(694)	(91)	(207)	(202)	-	-	(366)	(18)
Total security transactions	(39,210)	30,500	(92)	106	1,570	374	-	1	1,139	773
<b>Total increase (decrease) in net assets</b>	<b>(39,404)</b>	<b>29,601</b>	<b>(99)</b>	<b>99</b>	<b>1,556</b>	<b>364</b>	<b>-</b>	<b>1</b>	<b>1,045</b>	<b>734</b>
<b>End of period</b>	<b>-</b>	<b>39,404</b>	<b>-</b>	<b>99</b>	<b>1,920</b>	<b>364</b>	<b>1</b>	<b>1</b>	<b>1,779</b>	<b>734</b>

	Securities		Securities		Securities		Securities		Securities	
<b>Increase (decrease) in fund securities (note 7):</b>										
<b>Securities outstanding – beginning of period</b>	<b>3,947</b>	<b>953</b>	<b>7</b>	<b>-</b>	<b>37</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>53</b>	<b>-</b>
Issued	546	3,830	42	13	179	56	-	-	105	52
Reinvested distributions	14	110	-	-	6	2	-	-	7	2
Redeemed	(4,507)	(946)	(49)	(6)	(22)	(21)	-	-	(28)	(1)
<b>Securities outstanding – end of period</b>	<b>-</b>	<b>3,947</b>	<b>-</b>	<b>7</b>	<b>200</b>	<b>37</b>	<b>-</b>	<b>-</b>	<b>137</b>	<b>53</b>

	Series PWX		Series PWX8		Series R		Series S		Series SC	
	\$		\$		\$		\$		\$	
<b>NET ASSETS ATTRIBUTABLE TO SECURITYHOLDERS</b>										
<b>Beginning of period</b>	<b>2,680</b>	<b>1,331</b>	<b>1</b>	<b>-</b>	<b>223,534</b>	<b>172,039</b>	<b>609,347</b>	<b>395,479</b>	<b>28,793</b>	<b>13,668</b>
Increase (decrease) in net assets from operations	106	75	-	-	9,324	7,539	22,570	17,942	991	492
Distributions paid to securityholders:										
Investment income	(141)	(106)	-	-	(12,493)	(10,875)	(31,328)	(23,883)	(1,315)	(808)
Capital gains	-	(29)	-	-	-	(2,876)	-	(7,856)	-	(301)
Return of capital	-	-	-	-	-	-	-	-	-	-
Management fee rebates	-	-	-	-	-	-	-	-	-	-
Total distributions paid to securityholders	(141)	(135)	-	-	(12,493)	(13,751)	(31,328)	(31,739)	(1,315)	(1,109)
Security transactions:										
Proceeds from securities issued	1,791	2,206	-	1	74,562	64,781	63,208	229,237	62,878	24,993
Reinvested distributions	119	112	-	-	1,150	4,891	31,328	31,739	1,156	984
Payments on redemption of securities	(1,159)	(909)	-	-	(9,267)	(11,965)	(41,414)	(33,311)	(40,321)	(10,235)
Total security transactions	751	1,409	-	1	66,445	57,707	53,122	227,665	23,713	15,742
<b>Total increase (decrease) in net assets</b>	<b>716</b>	<b>1,349</b>	<b>-</b>	<b>1</b>	<b>63,276</b>	<b>51,495</b>	<b>44,364</b>	<b>213,868</b>	<b>23,389</b>	<b>15,125</b>
<b>End of period</b>	<b>3,396</b>	<b>2,680</b>	<b>1</b>	<b>1</b>	<b>286,810</b>	<b>223,534</b>	<b>653,711</b>	<b>609,347</b>	<b>52,182</b>	<b>28,793</b>

	Securities		Securities		Securities		Securities		Securities	
<b>Increase (decrease) in fund securities (note 7):</b>										
<b>Securities outstanding – beginning of period</b>	<b>250</b>	<b>120</b>	<b>-</b>	<b>-</b>	<b>22,257</b>	<b>16,635</b>	<b>60,316</b>	<b>38,178</b>	<b>2,835</b>	<b>1,308</b>
Issued	170	203	-	-	7,539	6,308	6,356	22,263	6,297	2,422
Reinvested distributions	11	10	-	-	118	488	3,152	3,121	116	96
Redeemed	(110)	(83)	-	-	(934)	(1,174)	(4,158)	(3,246)	(4,030)	(991)
<b>Securities outstanding – end of period</b>	<b>321</b>	<b>250</b>	<b>-</b>	<b>-</b>	<b>28,980</b>	<b>22,257</b>	<b>65,666</b>	<b>60,316</b>	<b>5,218</b>	<b>2,835</b>

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



# MACKENZIE UNCONSTRAINED FIXED INCOME FUND

ANNUAL AUDITED FINANCIAL STATEMENTS | March 31, 2019

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

For the periods ended March 31 (note 1)  
In thousands

	2019	2018	2019	2018	2019	2018
	Series S8		Series T8		Total	
	\$		\$		\$	
<b>NET ASSETS ATTRIBUTABLE TO SECURITYHOLDERS</b>						
<b>Beginning of period</b>	<b>1,523</b>	<b>436</b>	<b>1,319</b>	<b>110</b>	<b>1,357,826</b>	<b>634,222</b>
Increase (decrease) in net assets from operations	26	22	13	15	61,360	29,804
Distributions paid to securityholders:						
Investment income	(44)	(37)	(25)	(30)	(83,522)	(41,433)
Capital gains	–	(13)	–	(16)	–	(12,435)
Return of capital	(58)	(48)	(38)	(42)	(256)	(116)
Management fee rebates	–	–	–	–	(7)	(6)
Total distributions paid to securityholders	(102)	(98)	(63)	(88)	(83,785)	(53,990)
Security transactions:						
Proceeds from securities issued	933	1,648	317	1,335	774,870	805,239
Reinvested distributions	84	87	5	30	69,573	43,446
Payments on redemption of securities	(1,120)	(572)	(787)	(83)	(263,957)	(100,895)
Total security transactions	(103)	1,163	(465)	1,282	580,486	747,790
<b>Total increase (decrease) in net assets</b>	<b>(179)</b>	<b>1,087</b>	<b>(515)</b>	<b>1,209</b>	<b>558,061</b>	<b>723,604</b>
<b>End of period</b>	<b>1,344</b>	<b>1,523</b>	<b>804</b>	<b>1,319</b>	<b>1,915,887</b>	<b>1,357,826</b>
<b>Increase (decrease) in fund securities (note 7):</b>						
<b>Securities outstanding – beginning of period</b>	<b>120</b>	<b>32</b>	<b>104</b>	<b>8</b>		
Issued	77	125	27	100		
Reinvested distributions	7	7	–	2		
Redeemed	(91)	(44)	(63)	(6)		
<b>Securities outstanding – end of period</b>	<b>113</b>	<b>120</b>	<b>68</b>	<b>104</b>		

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



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# MACKENZIE UNCONSTRAINED FIXED INCOME FUND

ANNUAL AUDITED FINANCIAL STATEMENTS | March 31, 2019

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## STATEMENTS OF CASH FLOWS

For the periods ended March 31 (note 1)  
In thousands

	2019	2018
	\$	\$
<b>Cash flows from operating activities</b>		
Net increase (decrease) in net assets attributable to securityholders from operations	61,360	29,804
Adjustments for:		
Net realized loss (gain) on investments	(3,980)	5,030
Change in net unrealized loss (gain) on investments	(18,809)	23,647
Purchase of investments	(1,860,219)	(1,368,730)
Proceeds from sale and maturity of investments	1,410,035	759,303
Change in accrued interest receivable	(4,904)	(6,038)
Change in dividends receivable	(11)	(102)
Change in due from manager	(3)	(2)
Change in due to manager	(9)	9
Change in margin on derivatives	(1,371)	631
<b>Net cash from operating activities</b>	<b>(417,911)</b>	<b>(556,448)</b>
<b>Cash flows from financing activities</b>		
Proceeds from securities issued	661,291	786,175
Payments on redemption of securities	(221,073)	(80,822)
Distributions paid net of reinvestments	(14,212)	(10,544)
<b>Net cash from financing activities</b>	<b>426,006</b>	<b>694,809</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>8,095</b>	<b>138,361</b>
Cash and cash equivalents at beginning of period	209,056	70,690
Effect of exchange rate fluctuations on cash and cash equivalents	2	5
<b>Cash and cash equivalents at end of period</b>	<b>217,153</b>	<b>209,056</b>
Cash	6,720	8,398
Cash equivalents	210,433	200,658
<b>Cash and cash equivalents at end of period</b>	<b>217,153</b>	<b>209,056</b>
<b>Supplementary disclosures on cash flow from operating activities:</b>		
Dividends received	2,546	944
Foreign taxes paid	96	–
Interest received	78,828	32,899
Interest paid	7	9

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



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# MACKENZIE UNCONSTRAINED FIXED INCOME FUND

ANNUAL AUDITED FINANCIAL STATEMENTS | March 31, 2019

FIXED INCOME FUND

## SCHEDULE OF INVESTMENTS

As at March 31, 2019

	Country	Sector	Par Value/ No. of Shares/Units	Average Cost (\$ 000s)	Fair Value (\$ 000s)
<b>BONDS</b>					
407 International Inc. 3.14% 03-06-2030 Callable 2029	Canada	Corporate - Non Convertible	190,000	190	196
407 International Inc. 3.65% 09-08-2044 Callable MTN	Canada	Corporate - Non Convertible	380,000	382	398
407 International Inc. 3.72% 05-11-2048 Callable 2047	Canada	Corporate - Non Convertible	1,230,000	1,230	1,307
407 International Inc. 3.67% 03-08-2049 Callable 2048	Canada	Corporate - Non Convertible	450,000	449	474
AAC holdings Inc. Term Loan 1st Lien F/R 06-30-2023	United States	Term Loans	USD 1,908,974	2,397	2,359
Acproducts Inc. Term Loan 1st Lien F/R 02-14-2024	United States	Term Loans	USD 3,900,000	4,878	4,976
Adtalem Global Education Inc. Term Loan B 1st Lien F/R 04-09-2025	United States	Term Loans	USD 1,828,415	2,312	2,432
Advanced Micro Devices Inc. 7.50% 08-15-2022	United States	Corporate - Non Convertible	USD 1,420,000	2,085	2,120
Aegis Toxicology Sciences Corp. Term Loan B 1st Lien F/R 05-09-2025	United States	Term Loans	USD 726,350	920	943
AerCap Ireland Capital Designated Activity Co. 4.88% 01-16-2024 Callable 2023	Ireland	Corporate - Non Convertible	USD 3,500,000	4,738	4,861
AerCap Ireland Capital Designated Activity Co. 4.45% 10-01-2025 Callable 2025	Netherlands	Corporate - Non Convertible	USD 2,130,000	2,736	2,880
Al Ladder Luxembourg Term Loan B 1st Lien F/R 05-04-2025	United States	Term Loans	USD 1,958,239	2,436	2,576
AIMCo Realty Investors LP 3.04% 06-01-2028 Callable 2028	Canada	Corporate - Non Convertible	432,000	429	441
AL Midcoast Holdings LLC Term Loan B 1st Lien F/R 06-28-2025	United States	Term Loans	USD 1,124,350	1,476	1,499
Alcami Carolinas Corp. Term Loan 1st Lien F/R 07-06-2025	United States	Term Loans	USD 2,368,100	3,101	3,148
Alchemy US Holdco LLC Term Loan B 1st Lien F/R 10-01-2025	United States	Term Loans	USD 2,235,937	2,820	2,988
Algonquin Power & Utilities Corp. 4.65% 02-15-2022	Canada	Corporate - Non Convertible	4,680,000	5,068	4,923
Allegiant Travel Co. Term Loan B 1st Lien F/R 01-29-2024	United States	Term Loans	USD 3,300,000	4,295	4,401
Altice France SA Term Loan B13 1st Lien F/R 01-31-2026	France	Term Loans	USD 2,520,950	3,234	3,238
Altice SA 7.75% 05-15-2022 Callable 144A	Luxembourg	Corporate - Non Convertible	USD 3,630,000	4,808	4,857
AMC Entertainment Holdings Inc. 5.88% 11-15-2026 Callable	United States	Corporate - Non Convertible	USD 3,480,000	4,257	4,202
American Teleconferencing Services Ltd. Term Loan 1st Lien F/R 12-08-2021	United States	Term Loans	USD 1,567,060	2,068	1,374
Anheuser-Busch InBev Finance Inc. 2.60% 05-15-2024 Callable 2024	Belgium	Corporate - Non Convertible	1,200,000	1,148	1,185
Antero Resources Corp. 5.63% 06-01-2023 Callable	United States	Corporate - Non Convertible	USD 2,000,000	2,640	2,723
Antero Resources Corp. 5.00% 03-01-2025	United States	Corporate - Non Convertible	USD 2,080,000	2,680	2,746
Aramark Services Inc. 4.75% 06-01-2026 Callable 2021	United States	Corporate - Non Convertible	USD 2,000,000	2,544	2,681
Ardonagh Midco 3 PLC 8.63% 07-15-2023 Callable 2020	United Kingdom	Corporate - Non Convertible	USD 2,770,000	3,266	3,173
Aroundtown SA 4.63% 09-18-2025 Callable 2025	Germany	Corporate - Non Convertible	810,000	807	837
Artis Real Estate Investment Trust 3.68% 02-22-2021	Canada	Corporate - Non Convertible	440,000	440	444
Asian Development Bank 5.90% 12-20-2022	Supra - National	n/a	INR 129,870,000	2,504	2,436
AT&T Inc. 2.85% 05-25-2024	United States	Corporate - Non Convertible	660,000	655	651
AT&T Inc. 4.00% 11-25-2025 Callable 2025	United States	Corporate - Non Convertible	1,590,000	1,597	1,644
AT&T Inc. 4.10% 02-15-2028 Callable 2027	United States	Corporate - Non Convertible	USD 2,130,000	2,779	2,877
AT&T Inc. 4.35% 03-01-2029 Callable 2028	United States	Corporate - Non Convertible	USD 370,000	488	505
Atlantic Power Corp. 5.95% 06-23-2036	United States	Corporate - Non Convertible	857,000	668	698
Avolon Holdings Funding Ltd. 5.25% 05-15-2024 Callable 2024 144A	Ireland	Corporate - Non Convertible	USD 1,400,000	1,860	1,928
Ball Metalpack Finco LLC Term Loan B 1st Lien F/R 07-26-2025	United States	Term Loans	USD 1,855,975	2,414	2,478
Bank of America Corp. 3.23% 06-22-2022 Series MPLE	United States	Corporate - Non Convertible	44,000	44	45
Bank of America Corp. 3.30% 04-24-2024 Callable 2023	United States	Corporate - Non Convertible	940,000	940	960
Bank of America Corp. F/R 09-20-2025 Callable 2024	United States	Corporate - Non Convertible	143,000	142	147
Bank of Montreal 2.27% 07-11-2022	Canada	Corporate - Non Convertible	204,000	199	204



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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	1,160,000	1,160	1,186
Bank of Montreal 2.85% 03-06-2024	Canada	Corporate - Non Convertible	770,000	770	779
Bank of Montreal 2.70% 09-11-2024 DPNT	Canada	Corporate - Non Convertible	1,951,000	1,923	1,982
Bank of Montreal 3.32% 06-01-2026	Canada	Corporate - Non Convertible	2,170,000	2,241	2,205
Bank of Montreal 3.19% 03-01-2028	Canada	Corporate - Non Convertible	1,070,000	1,062	1,121
The Bank of Nova Scotia 2.36% 11-08-2022	Canada	Corporate - Non Convertible	1,489,000	1,481	1,491
The Bank of Nova Scotia 2.98% 04-17-2023	Canada	Corporate - Non Convertible	460,000	462	471
The Bank of Nova Scotia 2.29% 06-28-2024	Canada	Corporate - Non Convertible	29,000	28	29
Bausch Health Cos Inc. Term Loan B 1st Lien F/R 05-24-2025	United States	Term Loans	USD 1,424,500	1,825	1,893
Bausch Health Cos Inc. 8.50% 01-31-2027 Callable 2022 144A	United States	Corporate - Non Convertible	USD 1,670,000	2,267	2,371
Bausch Health Cos Inc. 5.75% 08-15-2027 Callable 2022 144A	United States	Corporate - Non Convertible	USD 1,670,000	2,195	2,290
Baytex Energy Corp. 5.63% 06-01-2024 Callable 2019 144A	Canada	Corporate - Non Convertible	USD 4,660,000	5,511	5,785
bcIMC Realty Corp. 3.00% 03-31-2027 Callable 2026	Canada	Corporate - Non Convertible	65,000	64	67
Beacon Escrow Corp. 4.88% 11-01-2025 Callable 2020 144A	United States	Corporate - Non Convertible	USD 3,590,000	4,239	4,548
Bell Canada 2.70% 02-27-2024 Callable	Canada	Corporate - Non Convertible	11,400,000	11,403	11,382
Bell Canada 3.80% 08-21-2028 Callable 2028	Canada	Corporate - Non Convertible	750,000	749	783
BMC Acquisition Inc. Term Loan 1st Lien F/R 12-15-2024	United States	Term Loans	USD 1,135,872	1,448	1,480
Boardriders Inc. Term Loan B 1st Lien F/R 03-21-2024	United States	Term Loans	USD 3,736,440	4,708	4,967
BP Capital Markets PLC 3.47% 05-15-2025	United Kingdom	Corporate - Non Convertible	1,940,000	1,964	2,020
Bright Bidco BV Term Loan B 1st Lien F/R 06-30-2024	Netherlands	Term Loans	USD 2,887,649	3,765	3,009
Brookfield Infrastructure Finance ULC 4.20% 09-11-2028 Callable 2028	Canada	Corporate - Non Convertible	990,000	990	1,021
Brookfield Renewable Partners ULC 4.25% 01-15-2029 Callable 2028	Canada	Corporate - Non Convertible	930,000	929	964
Bruce Power LP 3.97% 06-23-2026	Canada	Corporate - Non Convertible	450,000	463	470
Bulldog Purchaser Inc. Delayed Draw Term Loan 1st Lien F/R 08-31-2025	United States	Term Loans	USD 88,762	115	117
Bulldog Purchaser Inc. Term Loan B 1st Lien F/R 08-31-2025	United States	Term Loans	USD 2,235,635	2,929	2,952
Burger King Worldwide Inc. Term Loan B 1st Lien F/R 02-16-2024	Canada	Term Loans	USD 1,675,725	2,220	2,207
C&D Technologies Inc. Term Loan B 1st Lien F/R 12-13-2025	United States	Term Loans	USD 2,463,825	2,896	3,062
Calceus Acquisition Inc. Term Loan B1 1st Lien F/R 02-08-2025	United States	Term Loans	USD 3,450,000	4,520	4,592
Calfrac Holdings LP 8.50% 06-15-2026 Callable 2021 144A	Canada	Corporate - Non Convertible	USD 380,000	471	394
California Resources Corp. 8.00% 12-15-2022 Callable 2018 144A	United States	Corporate - Non Convertible	USD 8,300,000	8,772	8,737
Calpine Corp. 5.25% 06-01-2026 Callable 2021 144A	United States	Corporate - Non Convertible	USD 1,640,000	2,055	2,186
Calumet Specialty Products Partners LP 6.50% 04-15-2021 Callable 2017	United States	Corporate - Non Convertible	USD 1,670,000	2,176	2,191
Camelot Finance LP Term Loan 1st Lien F/R 10-03-2023	United States	Term Loans	USD 2,632,456	3,426	3,504
Camelot Finance SA 7.88% 10-15-2024 Callable 2019 144A	United States	Corporate - Non Convertible	USD 6,282,000	8,622	8,859
Can Am Construction Inc./Canada Term Loan B 1st Lien F/R 07-01-2024	Canada	Term Loans	USD 5,453,424	6,997	7,159
Canada Goose Inc. Term Loan 1st Lien F/R 12-22-2021	Canada	Term Loans	USD 2,981,000	3,738	3,963
Canada Housing Trust No. 1 F/R 09-15-2023	Canada	Federal Government	81,580,000	81,519	81,494
Canada Housing Trust No. 1 F/R 03-15-2024	Canada	Federal Government	78,700,000	78,622	78,498
Canada Housing Trust F/R 03-15-2022	Canada	Federal Government	79,000,000	79,771	79,646
Canada Housing Trust F/R 09-15-2022	Canada	Federal Government	79,000,000	79,639	79,554
Canadian Imperial Bank of Commerce 2.47% 12-05-2022	Canada	Corporate - Non Convertible	1,026,000	1,016	1,032
Canadian Imperial Bank of Commerce 2.97% 07-11-2023	Canada	Corporate - Non Convertible	2,840,000	2,840	2,911



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<b>BONDS (cont'd)</b>					
Canadian Imperial Bank of Commerce 3.29% 01-15-2024	Canada	Corporate - Non Convertible	1,510,000	1,519	1,555
Canadian Imperial Bank of Commerce 3.30% 05-26-2025	Canada	Corporate - Non Convertible	90,000	90	94
Canadian National Railway Co. 3.00% 02-08-2029 Callable 2028	Canada	Corporate - Non Convertible	1,410,000	1,420	1,444
Canadian National Railway Co. 3.60% 07-31-2048 Callable 2048	Canada	Corporate - Non Convertible	720,000	709	748
Canadian Natural Resources Ltd. 3.55% 06-03-2024	Canada	Corporate - Non Convertible	2,160,000	2,174	2,223
Canadian Pacific Railway Ltd. 3.15% 03-13-2029 Callable 2028	Canada	Corporate - Non Convertible	670,000	669	679
Canadian Western Bank 2.92% 12-15-2022	Canada	Corporate - Non Convertible	2,326,000	2,308	2,343
CareCentrix Inc. Term Loan 1st Lien F/R 03-22-2025	United States	Term Loans	USD 5,121,264	6,589	6,783
Careerbuilder LLC Term Loan 1st Lien F/R 07-31-2023	United States	Term Loans	USD 433,153	530	581
Casablanca US Holdings Inc. Term Loan 1st Lien F/R 03-31-2024	United States	Term Loans	USD 3,589,680	4,611	4,646
CBS Corp. 2.90% 01-15-2027 Callable 2026	United States	Corporate - Non Convertible	USD 2,130,000	2,543	2,658
CBS Corp. 4.20% 06-01-2029 Callable 2029	United States	Corporate - Non Convertible	USD 1,120,000	1,461	1,516
CCL Industries Inc. 3.86% 04-13-2028 Callable 2028	Canada	Corporate - Non Convertible	680,000	680	710
CCO Holdings LLC 4.00% 03-01-2023 Callable 2019 144A	United States	Corporate - Non Convertible	USD 800,000	1,007	1,069
CCO Holdings LLC 5.88% 04-01-2024 Callable 2019 144A	United States	Corporate - Non Convertible	USD 1,150,000	1,543	1,610
CCS-CMGC Holdings Inc. Term Loan 1st Lien F/R 09-25-2025	United States	Term Loans	USD 1,615,950	2,071	2,073
Celestica Inc. Term Loan B 1st Lien F/R 06-27-2025	Canada	Term Loans	USD 827,925	1,085	1,090
Centennial Resource Production LLC 5.38% 01-15-2026 Callable 2021 144A	United States	Corporate - Non Convertible	USD 930,000	1,187	1,191
Centennial Resource Production LLC 6.88% 04-01-2027 Callable 2022 144A	United States	Corporate - Non Convertible	USD 1,200,000	1,591	1,625
CenturyLink Inc. Term Loan B 1st Lien F/R 01-31-2025	United States	Term Loans	USD 2,316,851	3,022	3,041
CEVA Logistics Finance BV Term Loan B 1st Lien F/R 08-03-2025	United States	Term Loans	USD 2,920,000	3,723	3,782
Charter Communications Operating LLC Term Loan B 1st Lien F/R 04-15-2025	United States	Term Loans	USD 4,468,687	5,874	5,938
Charter Communications Operating LLC 4.50% 02-01-2024 Callable 2024	United States	Corporate - Non Convertible	USD 2,830,000	3,779	3,936
Charter Communications Operating LLC 5.05% 03-30-2029 Callable 2028	United States	Corporate - Non Convertible	USD 990,000	1,313	1,395
Chartwell Retirement Residences 3.79% 12-11-2023 Callable 2023	Canada	Corporate - Non Convertible	438,000	443	450
Chartwell Retirement Residences 4.21% 04-28-2025 Callable 2025	Canada	Corporate - Non Convertible	350,000	350	366
Chemtrade Logistics Income Fund 4.75% 05-31-2024 Conv. Callable 2022	Canada	Corporate - Convertible	2,150,000	2,153	1,836
Chloe Ox Parent LLC Term Loan 1st Lien F/R 12-19-2024	United States	Term Loans	USD 495,000	632	661
Choice Properties Real Estate Investment Trust 4.18% 03-08-2028 Callable 2027	Canada	Corporate - Non Convertible	1,280,000	1,280	1,336
Citadel LLC Term Loan B 1st Lien F/R 02-22-2026	United States	Term Loans	USD 8,330,000	10,896	11,144
Civitas Solutions Inc. Term Loan 1st Lien F/R 02-05-2026	United States	Term Loans	USD 1,158,070	1,506	1,555
Civitas Solutions Inc. Term Loan 1st Lien F/R 02-05-2026	United States	Term Loans	USD 71,930	94	97
Coeur Mining Inc. 5.88% 06-01-2024 Callable 2020	United States	Corporate - Non Convertible	USD 3,570,000	4,580	4,615
Comber Wind Financial Corp. 5.13% 11-15-2030	Canada	Corporate - Non Convertible	686,380	730	755
Commercial Vehicle Group Inc. Term Loan B 1st Lien F/R 03-30-2023	United States	Term Loans	USD 2,014,877	2,630	2,679
Commonwealth of Bahamas 5.75% 01-16-2024	Bahamas	Foreign Governments	USD 3,345,000	4,392	4,659
Commonwealth of Bahamas 6.00% 11-21-2028 Callable 2028	Bahamas	Foreign Governments	USD 4,961,000	6,417	6,994
Commonwealth of Bahamas 6.95% 11-20-2029	Bahamas	Foreign Governments	USD 220,000	326	323
CommScope Inc. Term Loan B2 1st Lien F/R 02-07-2026	United States	Term Loans	USD 2,350,000	3,094	3,143



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<b>BONDS (cont'd)</b>					
CommScope Technologies Finance LLC 8.25% 03-01-2027 Callable 2022 144A	United States	Corporate - Non Convertible	USD 2,010,000	2,673	2,800
CommScope Technologies LLC 5.00% 03-15-2027 Callable 2022 144A	United States	Corporate - Non Convertible	USD 2,050,000	2,362	2,438
Communications Sales & Leasing Inc. Term Loan B 1st Lien F/R 10-24-2022	United States	Term Loans	USD 14,080	17	18
Concrete Pumping Merger Sub Inc. Term Loan 1st Lien F/R 11-14-2025	United States	Term Loans	USD 2,580,000	3,313	3,352
Constellium NV 6.63% 03-01-2025 Callable 2020 144A	Netherlands	Corporate - Non Convertible	USD 2,300,000	3,064	3,141
Constellium NV 4.25% 02-15-2026 Callable 2020	Netherlands	Corporate - Non Convertible	EUR 800,000	1,195	1,225
Constellium NV 5.88% 02-15-2026 Callable 2020 144A	Netherlands	Corporate - Non Convertible	USD 3,940,000	5,042	5,190
Cook & Boardman Group LLC Term Loan 1st Lien F/R 10-12-2025	United States	Term Loans	USD 658,350	850	880
Cordelio Amalco GP I 4.09% 06-30-2034	Canada	Corporate - Non Convertible	620,000	620	650
Cordelio Amalco GP I 4.09% 09-30-2034	Canada	Corporate - Non Convertible	620,000	620	650
Corel Corp. Term Loan 1st Lien F/R 05-11-2024	Canada	Term Loans	USD 1,095,166	1,402	1,461
Credit Acceptance Corp. 6.63% 03-15-2026 Callable 2022	United States	Corporate - Non Convertible	USD 1,510,000	2,018	2,057
Crew Energy Inc. 6.50% 03-14-2024 Callable	Canada	Corporate - Non Convertible	2,680,000	2,667	2,370
Crombie Real Estate Investment Trust 4.80% 01-31-2025 Callable 2024	Canada	Corporate - Non Convertible	360,000	360	377
Crown Subsea Communications Holding Inc. Term Loan 1st Lien F/R 11-02-2025	United States	Term Loans	USD 3,535,250	4,545	4,676
CSC Holdings LLC 7.50% 04-01-2028 Callable 2023 144A	United States	Corporate - Non Convertible	USD 2,350,000	3,239	3,385
CSM Bakery Solutions LLC Term Loan 2nd Lien F/R 07-05-2021	United States	Term Loans	USD 550,000	658	689
CVR Partners LP 9.25% 06-15-2023 Callable 2019 144A	United States	Corporate - Non Convertible	USD 3,560,000	4,620	4,994
DaVita Healthcare Partners Inc. 5.00% 05-01-2025 Callable 2020	United States	Corporate - Non Convertible	USD 6,670,000	8,353	8,560
Dawn Acquisition LLC Term Loan 1st Lien F/R 10-25-2025	United States	Term Loans	USD 3,012,450	3,913	3,824
DHX Media Ltd. 5.88% 09-30-2024 Conv.	Canada	Corporate - Convertible	2,460,000	2,431	1,989
Diamond (BC) BV Term Loan 1st Lien F/R 09-06-2024	United States	Term Loans	USD 1,867,662	2,334	2,405
Digicert Holdings Inc. Term Loan 2nd Lien F/R 10-31-2025	United States	Term Loans	USD 310,400	383	407
DISH DBS Corp. 5.88% 11-15-2024	United States	Corporate - Non Convertible	USD 4,810,000	5,929	5,414
DMT Solutions Global Corp. Term Loan 1st Lien F/R 06-25-2024	United States	Term Loans	USD 808,500	1,043	1,048
Drax Group PLC 6.63% 11-01-2025 Callable 2021 144A	United Kingdom	Corporate - Non Convertible	USD 2,510,000	3,159	3,406
Eagle Credit Card Trust 3.04% 07-17-2023	Canada	Corporate - Non Convertible	400,000	400	410
EagleTree-Carbide Acquisition Corp. Term Loan 1st Lien F/R 08-28-2024	United States	Term Loans	USD 3,870,373	4,833	5,120
Eastern Power LLC Term Loan B 1st Lien F/R 10-02-2023	United States	Term Loans	USD 1,346,881	1,764	1,796
Electrical Components International Inc. Term Loan 1st Lien F/R 06-22-2025	United States	Term Loans	USD 2,848,475	3,742	3,701
Electrical Components International Inc. Term Loan 2nd Lien F/R 06-22-2026	United States	Term Loans	USD 520,000	649	672
Emera Inc. 2.90% 06-16-2023	Canada	Corporate - Non Convertible	980,000	951	981
EmployBridge LLC Term Loan B 1st Lien F/R 04-18-2025	United States	Term Loans	USD 449,273	562	599
Enbridge Inc. 5.37% 09-27-2077 Callable 2027	Canada	Corporate - Non Convertible	17,473,000	16,957	17,126
Enbridge Inc. F/R 04-12-2078 Callable 2028	Canada	Corporate - Non Convertible	3,170,000	3,170	3,367
ENC Holding Corp. Term Loan 1st Lien F/R 05-30-2025	United States	Term Loans	USD 1,042,575	1,341	1,376
Ensono LP Term Loan 1st Lien F/R 04-30-2025	United States	Term Loans	USD 2,441,550	3,105	3,243
Enterprise Merger Sub Inc. Term Loan 1st Lien F/R 09-28-2025	United States	Term Loans	USD 648,375	836	813
EnTrans International LLC Term Loan 1st Lien F/R 10-29-2025	United States	Term Loans	USD 2,580,688	3,352	3,414



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<b>BONDS (cont'd)</b>					
EPCOR Utilities Inc. 3.55% 11-27-2047 Callable 2047	Canada	Corporate - Non Convertible	548,000	545	565
EPR Properties 4.95% 04-15-2028 Callable 2028	United States	Corporate - Non Convertible	USD 600,000	753	835
Exela Intermediate LLC Term Loan B 1st Lien F/R 07-12-2023	United States	Term Loans	USD 1,089,192	1,407	1,455
Exela Intermediate LLC 10.00% 07-15-2023 Callable 2020 144A	United States	Corporate - Non Convertible	USD 2,460,000	3,174	3,352
FAGE International SA/FAGE USA Dairy Industry Inc. 5.63% 08-15-2026 Callable 2021 144A	Luxembourg	Corporate - Non Convertible	USD 4,910,000	5,876	5,348
Fairfax Financial Holdings Ltd. 5.84% 10-14-2022	Canada	Corporate - Non Convertible	1,755,000	1,925	1,921
Fairfax Financial Holdings Ltd. 4.50% 03-22-2023	Canada	Corporate - Non Convertible	9,269,000	9,564	9,741
Fairfax Financial Holdings Ltd. 8.30% 04-15-2026	Canada	Corporate - Non Convertible	USD 588,000	893	941
Fairfax Financial Holdings Ltd. 4.25% 12-06-2027 Callable 2027	Canada	Corporate - Non Convertible	1,150,000	1,143	1,164
Federation des Caisses Desjardins du Quebec 3.06% 09-11-2023	Canada	Corporate - Non Convertible	1,520,000	1,520	1,565
Financial & Risk US Holdings Inc. 8.25% 11-15-2026 Callable 2021 144A	United States	Corporate - Non Convertible	USD 1,060,000	1,376	1,395
First Eagle Holdings Inc. Term Loan B 1st Lien F/R 12-01-2024	United States	Term Loans	USD 3,012,450	3,936	4,015
First Quantum Minerals Ltd. 7.25% 04-01-2023 Callable 2019 144A	Zambia	Corporate - Non Convertible	USD 4,590,000	6,025	6,016
Forming Machining Industries Holdings LLC Term Loan 1st Lien F/R 10-03-2025	United States	Term Loans	USD 2,037,678	2,625	2,627
Fortified Trust 2.56% 03-23-2024	Canada	Corporate - Non Convertible	970,000	970	977
Fortress Transportation and Infrastructure Investors LLC 6.75% 03-15-2022 Callable 2020 144A	United States	Corporate - Non Convertible	USD 3,790,000	4,971	5,156
Fortress Transportation and Infrastructure Investors LLC 6.50% 10-01-2025 Callable 2021 144A	United States	Corporate - Non Convertible	USD 4,490,000	5,766	5,924
Foundation Building Materials LLC Term Loan B 1st Lien F/R 05-11-2025	United States	Term Loans	USD 1,326,675	1,688	1,743
Frontera Generation Holdings LLC Term Loan B 1st Lien F/R 04-25-2025	United States	Term Loans	USD 2,481,250	3,171	3,289
Fusion Connect Inc. Term Loan B 1st Lien F/R 05-03-2023	United States	Term Loans	USD 1,031,093	1,272	1,267
FXI Holdings Inc. 7.88% 11-01-2024 Callable 2020 144A	United States	Corporate - Non Convertible	USD 4,385,000	5,616	5,468
Garda World Security Corp. Term Loan B 1st Lien F/R 05-26-2024	Canada	Term Loans	225,280	225	222
Garda World Security Corp. 7.25% 11-15-2021 Callable 144A	Canada	Corporate - Non Convertible	USD 930,000	1,081	1,245
Gateway Casinos & Entertainment Ltd. Term Loan B 1st Lien F/R 03-13-2025	Canada	Term Loans	USD 3,201,925	4,162	4,272
Gateway Casinos & Entertainment Ltd. 8.25% 03-01-2024 Callable 2020 144A	Canada	Corporate - Non Convertible	USD 2,520,000	3,359	3,536
The GEO Group Inc. 5.88% 01-15-2022 Callable 2020	United States	Corporate - Non Convertible	USD 1,570,000	2,059	2,061
GFL Environmental Inc. Term Loan B 1st Lien F/R 05-31-2025	Canada	Term Loans	USD 4,047,324	5,252	5,241
GFL Environmental Inc. 5.38% 03-01-2023 Callable 2020 144A	Canada	Corporate - Non Convertible	USD 4,760,000	5,922	6,037
GFL Environmental Inc. 7.00% 06-01-2026 Callable 2021 144A	Canada	Corporate - Non Convertible	USD 4,720,000	5,976	5,982
Gibson Energy Inc. 5.25% 07-15-2021 Conv. Callable 2020	Canada	Corporate - Convertible	1,485,000	1,520	1,678
Gibson Energy Inc. 5.25% 07-15-2024 Callable 2020 REGS	Canada	Corporate - Non Convertible	17,519,000	17,525	17,869
Glacier Credit Card Trust 3.14% 09-20-2023	Canada	Corporate - Non Convertible	690,000	690	710
The Goldman Sachs Group Inc. 2.43% 04-26-2023 Callable	United States	Corporate - Non Convertible	10,459,000	10,152	10,336
Government of Canada 1.00% 09-01-2022	Canada	Federal Government	340,000	334	334
Government of Canada 1.50% 06-01-2026	Canada	Federal Government	130,000	130	129
Government of Canada 1.00% 06-01-2027	Canada	Federal Government	220,000	210	210
Government of Canada 2.25% 06-01-2029	Canada	Federal Government	71,340,000	73,883	75,386
Government of Canada 2.75% 12-01-2048	Canada	Federal Government	28,990,000	34,668	34,559
Government of Ireland 1.00% 05-15-2026	Ireland	Foreign Governments	EUR 2,740,000	3,968	4,353



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<b>BONDS (cont'd)</b>					
Government of Mexico 7.50% 06-03-2027	Mexico	Foreign Governments	MXN 29,000,000	1,919	1,935
Gray Escrow Inc. 7.00% 05-15-2027 Callable 2022 144A	United States	Corporate - Non Convertible	USD 500,000	656	712
H&R Real Estate Investment Trust 2.92% 05-06-2022	Canada	Corporate - Non Convertible	290,000	284	290
H&R Real Estate Investment Trust 3.42% 01-23-2023 Callable 2022	Canada	Corporate - Non Convertible	540,000	540	546
H&R Real Estate Investment Trust 3.37% 01-30-2024 Callable 2023	Canada	Corporate - Non Convertible	134,000	131	135
Hadrian Merger Sub Inc. 8.50% 05-01-2026 Callable 2021 144A	United States	Corporate - Non Convertible	USD 9,443,000	12,124	11,674
Halo Buyer Inc. Delayed Draw Term Loan 1st Lien F/R 06-28-2025	United States	Term Loans	USD 376,482	495	495
Halo Buyer Inc. Term Loan 1st Lien F/R 06-28-2025	United States	Term Loans	USD 893,985	1,163	1,177
HCA Holdings Inc. 5.25% 06-15-2026 Callable 2025	United States	Corporate - Non Convertible	USD 3,010,000	3,869	4,316
HCA Inc. 6.50% 02-15-2020 Callable	United States	Corporate - Non Convertible	USD 5,000,000	6,769	6,874
HCA Inc. 5.88% 02-01-2029 Callable 2028	United States	Corporate - Non Convertible	USD 2,120,000	2,815	3,052
Heartland Dental LLC Delay Draw Term Loan 1st Lien F/R 04-17-2025	United States	Term Loans	USD 57,705	76	75
Heartland Dental LLC Term Loan 1st Lien F/R 04-17-2025	United States	Term Loans	USD 2,578,506	3,266	3,352
Heathrow Funding Ltd. 3.25% 05-21-2025	United Kingdom	Corporate - Non Convertible	124,000	124	126
Heathrow Funding Ltd. 3.40% 03-08-2028	United Kingdom	Corporate - Non Convertible	1,032,000	1,030	1,044
Heathrow Funding Ltd. 3.79% 09-04-2030 Callable 2030	United Kingdom	Corporate - Non Convertible	900,000	900	923
Hillman Group Inc. Term Loan B 1st Lien F/R 05-21-2025	United States	Term Loans	USD 2,241	3	3
Horizon Pharma Financing Inc. 6.63% 05-01-2023 Callable 2018 144A	United States	Corporate - Non Convertible	USD 7,150,000	9,298	9,873
Hornblower Sub LLC Term Loan 1st Lien F/R 04-27-2025	United States	Term Loans	USD 1,850,000	2,467	2,473
Hornblower Sub LLC Term Loan 1st Lien F/R 04-28-2025	United States	Term Loans	USD 2,520,232	3,240	3,359
HSBC Bank Canada 3.25% 09-15-2023	Canada	Corporate - Non Convertible	940,000	940	969
HSBC Holdings PLC 3.20% 12-05-2023	United Kingdom	Corporate - Non Convertible	5,147,000	5,117	5,225
Hub International Ltd. Term Loan B 1st Lien F/R 04-25-2025	United States	Term Loans	USD 1,043,222	1,317	1,350
Hydro One Inc. 2.97% 06-26-2025 Callable 2025	Canada	Corporate - Non Convertible	400,000	400	409
Hyster-Yale Group Inc. Term Loan B 1st Lien F/R 05-30-2023	United States	Term Loans	USD 430,889	581	572
IEA Energy Services LLC Term Loan 1st Lien F/R 11-02-2024	United States	Term Loans	USD 3,773,250	4,795	4,802
Innovative Water Care Global Corp. Term Loan 1st Lien F/R 02-27-2026	United States	Term Loans	USD 3,420,000	4,272	4,375
Institutional Shareholder Services Inc. Term Loan 1st Lien F/R 02-26-2026	United States	Term Loans	USD 2,930,000	3,860	3,895
Integro Ltd. United States Term Loan B1 1st Lien F/R 10-31-2022	United States	Term Loans	USD 226,856	286	302
Inter Pipeline Ltd. F/R 03-26-2079 Callable 2029	Canada	Corporate - Non Convertible	8,258,000	8,258	8,416
Interior Logic Group Holdings IV LLC Term Loan B 1st Lien F/R 05-21-2025	United States	Term Loans	USD 1,323,350	1,695	1,741
Intermedia Holdings Inc. Term Loan B 1st Lien F/R 07-13-2025	United States	Term Loans	USD 1,067,325	1,390	1,430
International Finance Corp. 7.00% 07-20-2027	Supra - National	n/a	MXN 55,060,000	3,486	3,531
iQor US Inc. Term Loan 2nd Lien F/R 04-01-2022	United States	Term Loans	USD 1,507,000	1,751	1,628
iQor US Inc. Term Loan B 1st Lien F/R 04-01-2021	United States	Term Loans	USD 875,365	1,023	1,102
Iron Mountain Canada Operations ULC 5.38% 09-15-2023 Callable 2019	United States	Corporate - Non Convertible	870,000	912	885
Isagenix International LLC Term Loan 1st Lien F/R 04-26-2025	United States	Term Loans	USD 4,177,250	5,326	5,009
Itron Inc. 5.00% 01-15-2026 Callable 2021 144A	United States	Corporate - Non Convertible	USD 1,920,000	2,430	2,526
Ivanhoe Cambridge II Inc. 2.91% 06-27-2023 Callable 2023	Canada	Corporate - Non Convertible	470,000	470	480



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<b>BONDS (cont'd)</b>					
Janus International Group LLC Term Loan 1st Lien F/R 02-15-2025	United States	Term Loans	USD 1,930,000	2,482	2,584
Jefferies Finance LLC 6.88% 04-15-2022 Callable	United States	Corporate - Non Convertible	USD 2,120,000	2,721	2,841
JP Intermediate B LLC Term Loan 1st Lien F/R 10-19-2025	United States	Term Loans	USD 1,481,250	1,923	1,874
Keane Group Holdings LLC Term Loan B 1st Lien F/R 05-18-2025	United States	Term Loans	USD 2,034,625	2,606	2,626
Kestrel Acquisition LLC Term Loan B 1st Lien F/R 05-02-2025	United States	Term Loans	USD 3,566,906	4,626	4,756
Keystone Peer Review Organization Holdings Inc. Term Loan 1st Lien F/R 05-01-2024	United States	Term Loans	USD 1,064,146	1,420	1,386
The KeyW Holding Corp. Term Loan 1st Lien F/R 05-04-2024	United States	Term Loans	USD 1,906,977	2,440	2,558
Kindred Healthcare Inc. Term Loan B 1st Lien F/R 06-21-2025	United States	Term Loans	USD 1,910,400	2,516	2,508
Kruger Products LP 6.00% 04-24-2025 Callable 2021	Canada	Corporate - Non Convertible	4,090,000	4,090	3,939
L&W Inc. Term Loan 1st Lien F/R 05-17-2025	United States	Term Loans	USD 2,072,833	2,655	2,742
Lamb Weston Holdings Inc. 4.63% 11-01-2024 Callable 2021 144A	United States	Corporate - Non Convertible	USD 3,400,000	4,393	4,607
Lamb Weston Holdings Inc. 4.88% 11-01-2026 Callable 2021 144A	United States	Corporate - Non Convertible	USD 2,100,000	2,681	2,848
Lannett Co. Inc. Term Loan B 1st Lien F/R 11-25-2022	United States	Term Loans	USD 705,851	896	883
Laurentian Bank of Canada 3.00% 09-12-2022	Canada	Corporate - Non Convertible	360,000	350	361
LBM Borrower LLC Term Loan 1st Lien F/R 08-20-2022	United States	Term Loans	USD 1,043,625	1,349	1,343
Lee Enterprises Inc. 9.50% 03-15-2022 Callable 2018 144A	United States	Corporate - Non Convertible	USD 1,550,000	2,063	2,123
LifeMiles Ltd. Term Loan B 1st Lien F/R 08-18-2022	Colombia	Term Loans	USD 2,299,812	2,951	3,100
LifeScan Global Corp. Term Loan 1st Lien F/R 06-19-2024	United States	Term Loans	USD 4,352,475	5,530	5,605
LifeScan Global Corp. Term Loan 2nd Lien F/R 06-19-2025	United States	Term Loans	USD 1,290,000	1,610	1,569
Lions Gate Capital Holdings LLC 6.38% 02-01-2024 Callable 2021 144A	United States	Corporate - Non Convertible	USD 740,000	988	1,038
Logibec Groupe Informatique Ltd. Term Loan 1st Lien F/R 12-31-2018	Canada	Term Loans	1,434,666	1,362	1,362
Manulife Bank of Canada 2.84% 01-12-2023	Canada	Corporate - Non Convertible	725,000	723	736
Manulife Financial Corp. F/R 05-09-2028 Callable 2023	Canada	Corporate - Non Convertible	470,000	470	480
Manulife Financial Corp. F/R 08-20-2029 Callable 2024	Canada	Corporate - Non Convertible	132,000	129	133
Mattamy Group Corp. 6.50% 10-01-2025 Callable 2020	Canada	Corporate - Non Convertible	2,220,000	2,249	2,184
Mattamy Group Corp. 6.50% 10-01-2025 Callable 2020 144A	Canada	Corporate - Non Convertible	USD 1,010,000	1,261	1,335
Matterhorn Merger Sub LLC 8.50% 06-01-2026 Callable 2021 144A	United States	Corporate - Non Convertible	USD 7,411,000	9,487	8,606
McDonald's Corp. 3.13% 03-04-2025 Callable 2025	United States	Corporate - Non Convertible	1,300,000	1,297	1,325
McDonald's Corp. 3.80% 04-01-2028 Callable 2028	United States	Corporate - Non Convertible	USD 2,146,000	2,835	2,963
MEG Energy Corp. Term Loan B 1st Lien F/R 12-31-2023	Canada	Term Loans	USD 525,600	696	703
MEG Energy Corp. 6.38% 01-30-2023 Callable 144A	Canada	Corporate - Non Convertible	USD 2,390,000	2,875	2,958
MEG Energy Corp. 7.00% 03-31-2024 Callable 2018 144A	Canada	Corporate - Non Convertible	USD 3,052,000	3,508	3,803
Mercer International Inc. 7.38% 01-15-2025 Callable 2021 144A	United States	Corporate - Non Convertible	USD 2,170,000	2,887	3,048
Meredith Corp. Term Loan B 1st Lien F/R 01-31-2025	United States	Term Loans	USD 4,207,366	5,417	5,616
Meredith Corp. 6.88% 02-01-2026 Callable 2021	United States	Corporate - Non Convertible	USD 4,780,000	6,204	6,746
Millar Western Forest Products Ltd. 9.50% 06-20-2023 Callable 2020	Canada	Corporate - Non Convertible	1,960,000	1,960	1,986
Minotaur Acquisition Inc. Term Loan 1st Lien F/R 02-27-2026	United States	Term Loans	USD 3,810,000	4,910	5,030
Mondelez International Inc. 4.13% 05-07-2028 Callable 2028	United States	Corporate - Non Convertible	USD 2,130,000	2,846	2,972
Morgan Stanley 3.00% 02-07-2024	United States	Corporate - Non Convertible	11,140,000	10,927	11,222
National Bank of Canada 1.96% 06-30-2022	Canada	Corporate - Non Convertible	124,000	120	123



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	Country	Sector	Par Value/ No. of Shares/Units	Average Cost (\$ 000s)	Fair Value (\$ 000s)
<b>BONDS (cont'd)</b>					
National Bank of Canada 2.98% 03-04-2024	Canada	Corporate - Non Convertible	270,000	270	274
Neenah Foundry Co. Term Loan B 1st Lien F/R 12-08-2022	United States	Term Loans	USD 957,769	1,220	1,267
New Red Finance Inc. 5.00% 10-15-2025 Callable 2020 144A	Canada	Corporate - Non Convertible	USD 6,700,000	8,309	8,835
Newell Brands Inc. 4.20% 04-01-2026 Callable 2026	United States	Corporate - Non Convertible	USD 2,500,000	3,161	3,190
Nine Energy Service Inc. 8.75% 11-01-2023 Callable 2020 144A	United States	Corporate - Non Convertible	USD 1,080,000	1,420	1,507
NMN Holdings III Corp. Term Loan Delayed Draw 1st Lien F/R 10-26-2025	United States	Term Loans	USD 278,250	363	369
NMN Holdings III Corp. Term Loan 1st Lien F/R 10-26-2025	United States	Term Loans	USD 1,308,719	1,706	1,736
Nouvelle Autoroute 30 Financement Inc. 4.11% 03-31-2042	Canada	Corporate - Non Convertible	659,850	660	714
Nova Scotia Power Inc. 3.57% 04-05-2049 Callable 2048	Canada	Corporate - Non Convertible	490,000	491	488
NRG Yield Operating LLC 5.38% 08-15-2024 Callable	United States	Corporate - Non Convertible	USD 4,020,000	5,036	5,374
Numericable-SFR 7.38% 05-01-2026 Callable 2021 144A	France	Corporate - Non Convertible	USD 3,250,000	4,183	4,261
NuVista Energy Ltd. 6.50% 03-02-2023 Callable 2020	Canada	Corporate - Non Convertible	1,990,000	1,993	1,967
NVA Holdings Inc. 6.88% 04-01-2026 Callable 2021	United States	Corporate - Non Convertible	USD 1,210,000	1,566	1,604
OCI Beaumont LLC Term Loan B 1st Lien F/R 02-16-2025	United States	Term Loans	USD 2,061,180	2,588	2,754
Office Depot Inc. Term Loan B 1st Lien F/R 11-08-2022	United States	Term Loans	USD 1,753,517	2,182	2,393
OMERS Realty Corp. 3.24% 10-04-2027 Callable 2027	Canada	Corporate - Non Convertible	1,300,000	1,301	1,354
OMERS Realty Corp. 3.63% 06-05-2030 Callable 2030	Canada	Corporate - Non Convertible	1,150,000	1,150	1,233
Ontario Power Generation Inc. 3.32% 10-04-2027 Callable 2027	Canada	Corporate - Non Convertible	750,000	751	770
Ontario Power Generation Inc. 4.25% 01-18-2049 Callable 2048	Canada	Corporate - Non Convertible	400,000	403	439
Osteon Merger Sub Inc. Term Loan B 1st Lien F/R 02-06-2025	United States	Term Loans	USD 874,420	1,091	1,167
Owens & Minor Inc. Term Loan B 1st Lien F/R 05-01-2025	United States	Term Loans	USD 3,552,150	4,476	3,625
Panther BF Aggregator 2 LP Term B 1st Lien F/R 03-18-2026	United States	Term Loans	USD 2,990,000	3,950	3,955
Panther BF Aggregator 2 LP 4.38% 05-15-2026 Callable 2022	United States	Corporate - Non Convertible	EUR 640,000	968	979
Panther BF Aggregator 2 LP 6.25% 05-15-2026 144A	United States	Corporate - Non Convertible	USD 3,120,000	4,202	4,258
Panther BF Aggregator 2 LP 8.50% 05-15-2027 Callable 2022 144A	United States	Corporate - Non Convertible	USD 1,110,000	1,481	1,487
Par Pharmaceutical Inc. 7.50% 04-01-2027 Callable 2022 144A	United States	Corporate - Non Convertible	USD 1,300,000	1,739	1,765
Park Aerospace Holdings Ltd. 5.25% 08-15-2022 144A	Ireland	Corporate - Non Convertible	USD 1,060,000	1,428	1,450
Parkland Fuel Corp. 5.75% 09-16-2024 Callable 2019	Canada	Corporate - Non Convertible	4,940,000	4,988	4,996
Parkland Fuel Corp. 6.00% 04-01-2026 Callable 2021 144A	Canada	Corporate - Non Convertible	USD 8,280,000	10,823	11,183
The Pasha Group Term Loan B 1st Lien F/R 12-13-2022	United States	Term Loans	USD 1,438,621	1,803	1,938
Pembina Pipeline Corp. 3.54% 02-03-2025 Callable	Canada	Corporate - Non Convertible	1,420,000	1,416	1,462
Petroleos De Venezuela SA 6.00% 05-16-2024	Venezuela	Corporate - Non Convertible	USD 2,303,000	732	719
Pisces Midco Inc. 8.00% 04-15-2026 Callable 2021 144A	United States	Corporate - Non Convertible	USD 3,090,000	3,926	3,732
PLH Group Inc. Term Loan 1st Lien F/R 08-06-2023	United States	Term Loans	USD 1,489,904	1,878	1,971
Prairie ECI Acquiror LP Term Loan 1st Lien F/R 03-07-2026	United States	Term Loans	USD 1,970,000	2,633	2,643
Premier Dental Services Inc. Term Loan B 1st Lien F/R 06-30-2023	United States	Term Loans	USD 1,449,068	1,902	1,902
Premier Foods Finance PLC 6.25% 10-15-2023 Callable 2020	United Kingdom	Corporate - Non Convertible	GBP 2,230,000	3,870	3,984
Project Leopard Holdings Inc. Term Loan 1st Lien F/R 07-07-2023	United States	Term Loans	USD 3,501,225	4,510	4,634
Prospect Medical Holdings Inc. Term Loan B 1st Lien F/R 02-15-2024	United States	Term Loans	USD 3,075,881	3,792	3,757
Province of Newfoundland 3.70% 10-17-2048	Canada	Provincial Governments	1,965,000	2,155	2,201
Province of Ontario 2.90% 06-02-2049	Canada	Provincial Governments	6,720,000	6,276	6,922
PS HoldCo LLC Term Loan 1st Lien F/R 03-02-2025	United States	Term Loans	USD 1,502,450	1,928	2,005
PSC Industrial Outsourcing LP Term Loan 2nd Lien F/R 10-05-2025	United States	Term Loans	USD 598,000	740	763



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<b>BONDS (cont'd)</b>					
PSC Industrial Outsourcing LP Term Loan B 1st Lien F/R 10-05-2024	United States	Term Loans	USD 2,136,490	2,670	2,828
Quad/Graphics Inc. Term Loan B 1st Lien F/R 06-30-2026	United States	Term Loans	USD 3,760,000	4,915	5,030
Quad/Graphics Inc. 7.00% 05-01-2022	United States	Corporate - Non Convertible	USD 1,315,000	1,486	1,762
Quebecor Media Inc. 6.63% 01-15-2023 144A	Canada	Corporate - Non Convertible	1,422,000	1,483	1,520
Queensland Treasury Corp. 2.75% 08-20-2027	Australia	Foreign Governments	AUD 12,650,000	12,174	12,526
R.R. Donnelley & Sons Co. Term Loan B 1st Lien F/R 01-04-2024	United States	Term Loans	USD 1,221,938	1,568	1,633
R1 RCM Inc. Term Loan B 1st Lien F/R 05-02-2025	United States	Term Loans	USD 2,411,775	3,013	3,206
Rackspace Hosting Inc. 8.63% 11-15-2024 Callable 2019 144A	United States	Corporate - Non Convertible	USD 10,560,000	13,987	12,708
Reliance Intermediate Holdings LP 6.50% 04-01-2023 Callable 2018 144A	Canada	Corporate - Non Convertible	USD 3,020,000	4,049	4,169
Renfro Corp. Term Loan B 1st Lien F/R 03-31-2021	United States	Term Loans	USD 591,950	743	767
Research Now Group Inc. Term Loan 1st Lien F/R 12-20-2024	United States	Term Loans	USD 2,620,320	3,209	3,488
Research Now Group Inc. Term Loan 2nd Lien F/R 12-20-2025	United States	Term Loans	USD 772,000	921	1,007
Resolute Forest Products Inc. 5.88% 05-15-2023	United States	Corporate - Non Convertible	USD 170,000	179	227
Resolute Investment Managers Inc. Term Loan 2nd Lien F/R 04-30-2023	United States	Term Loans	USD 97,000	124	130
Rite Aid Corp. 6.13% 04-01-2023 Callable 2018 144A	United States	Corporate - Non Convertible	USD 3,625,000	4,127	4,000
Rite Aid Corp. 7.70% 02-15-2027	United States	Corporate - Non Convertible	USD 4,050,000	4,557	3,358
Royal Bank of Canada F/R 11-05-2019	Canada	Corporate - Non Convertible	21,000,000	21,000	21,003
Royal Bank of Canada 3.30% 09-26-2023	Canada	Corporate - Non Convertible	510,000	510	526
Russel Metals Inc. 6.00% 03-16-2026 Callable 2021	Canada	Corporate - Non Convertible	2,960,000	2,960	3,013
Russell Investments US Institutional Holdings Term Loan B 1st Lien F/R 06-01-2023	United States	Term Loans	USD 1,455,038	1,863	1,921
Russian Federal Bond - OFZ 7.05% 01-19-2028	Russia	Foreign Governments	RUB 473,400,000	9,267	9,017
Savage Enterprises LLC Term Loan B 1st Lien F/R 07-02-2025	United States	Term Loans	USD 2,540,983	3,275	3,408
Sea to Sky Highway Investment LP 2.63% 08-31-2030	Canada	Corporate - Non Convertible	278,147	271	276
Shaw Communications Inc. 4.40% 11-02-2028 Callable 2028	Canada	Corporate - Non Convertible	1,690,000	1,712	1,807
Sigma Bidco BV Term Loan B 1st Lien F/R 03-07-2025	Netherlands	Term Loans	EUR 2,820,000	4,471	4,180
Sigma US Corp. Term Loan B 1st Lien F/R 03-06-2025	Netherlands	Term Loans	USD 886,125	1,137	1,151
SIRVA Worldwide Inc. Term Loan 1st Lien F/R 07-31-2025	United States	Term Loans	USD 2,727,844	3,493	3,563
SIWF Holdings Inc. Term Loan 1st Lien F/R 05-25-2025	United States	Term Loans	USD 1,558,225	2,001	2,061
SMI Acquisition Inc. Term Loan 1st Lien F/R 10-27-2024	United States	Term Loans	USD 828,708	1,062	983
SoftBank Group Corp. 5.38% 07-30-2022 Callable 2022	Japan	Corporate - Non Convertible	USD 1,500,000	1,945	2,068
SoftBank Group Corp. 6.13% 04-20-2025 Callable 2025	Japan	Corporate - Non Convertible	USD 1,010,000	1,267	1,401
Sorenson Communications LLC Term Loan 1st Lien F/R 03-14-2024	United States	Term Loans	USD 1,600,000	2,049	2,119
Source Energy Services Canada LP 10.50% 12-15-2021 Callable 2018 144A	Canada	Corporate - Non Convertible	7,301,000	7,460	7,242
Spirit AeroSystems Inc. 3.95% 06-15-2023 Callable 2023	United States	Corporate - Non Convertible	USD 430,000	551	586
Sprint Corp. 7.88% 09-15-2023	United States	Corporate - Non Convertible	USD 1,160,000	1,602	1,626
Sprint Corp. 7.13% 06-15-2024	United States	Corporate - Non Convertible	USD 4,420,000	5,855	6,003
SRS Distribution Inc. Term Loan B 1st Lien F/R 05-17-2025	United States	Term Loans	USD 1,855,388	2,383	2,373
SS&C Technologies Inc. Term Loan B5 1st Lien F/R 04-16-2025	United States	Term Loans	USD 1,721,209	2,247	2,283
St. Joseph Energy Center LLC Term Loan 1st Lien F/R 04-06-2025	United States	Term Loans	USD 2,364,723	3,011	3,160
Staples Inc. Term Loan 1st Lien F/R 08-15-2024	United States	Term Loans	USD 5,378,479	6,924	7,141
Star West Generation LLC Term Loan B 1st Lien F/R 03-13-2020	United States	Term Loans	USD 1,214,128	1,367	1,576
Starfruit US Holdco LLC 8.00% 10-01-2026 Callable 2021 144A	Netherlands	Corporate - Non Convertible	USD 990,000	1,260	1,328



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# MACKENZIE UNCONSTRAINED FIXED INCOME FUND

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FIXED INCOME FUND

## SCHEDULE OF INVESTMENTS (cont'd)

As at March 31, 2019

	Country	Sector	Par Value/ No. of Shares/Units	Average Cost (\$ 000s)	Fair Value (\$ 000s)
<b>BONDS (cont'd)</b>					
Stars Group Holdings BV Term Loan B 1st Lien F/R 07-10-2025	Canada	Term Loans	USD 1,350,000	1,802	1,804
Stars Group Holdings BV 7.00% 07-15-2026 Callable 2021 144A	Canada	Corporate - Non Convertible	USD 1,640,000	2,175	2,287
Storm King Funding F/R 09-19-2019	Canada	Corporate - Non Convertible	33,800,000	33,800	33,800
Sun Life Financial Inc. F/R 11-23-2027 Callable 2022	Canada	Corporate - Non Convertible	545,000	543	549
Sun Life Financial Inc. F/R 09-19-2028 Callable 2023	Canada	Corporate - Non Convertible	112,000	111	114
Superior Plus LP 5.25% 02-27-2024 Callable 2020	Canada	Corporate - Non Convertible	6,750,000	6,803	6,626
Superior Plus LP 5.13% 08-27-2025 Callable 2021	Canada	Corporate - Non Convertible	1,780,000	1,691	1,700
Superior Plus LP 7.00% 07-15-2026 Callable 2021 144A	Canada	Corporate - Non Convertible	USD 5,440,000	7,214	7,396
Syniverse Holdings Inc. Term Loan 1st Lien F/R 02-09-2023	United States	Term Loans	USD 2,022,570	2,567	2,489
Sysco Canada Inc. 3.65% 04-25-2025 Callable 2025	United States	Corporate - Non Convertible	950,000	951	986
Talen Energy Supply LLC 9.50% 07-15-2022 Callable 2020 144A	United States	Corporate - Non Convertible	USD 5,020,000	6,512	7,265
Telenet Finance Luxembourg Notes Sarl 5.50% 03-01-2028 Callable 2022 144A	Belgium	Corporate - Non Convertible	USD 800,000	1,029	1,056
TELUS Corp. 3.30% 05-02-2029 Callable 2029	Canada	Corporate - Non Convertible	470,000	466	469
Tenet Healthcare Corp. 6.75% 06-15-2023	United States	Corporate - Non Convertible	USD 4,010,000	4,968	5,529
Tenet Healthcare Corp. 6.25% 02-01-2027 Callable 2022 144A	United States	Corporate - Non Convertible	USD 2,560,000	3,419	3,560
Tensar International Corp. Term Loan 2nd Lien F/R 07-09-2022	United States	Term Loans	USD 112,000	115	135
TerraForm Power Operating LLC 5.00% 01-31-2028 Callable 2027 144A	United States	Corporate - Non Convertible	USD 7,190,000	8,965	9,355
Teva Pharmaceutical Industries Ltd. 2.20% 07-21-2021	Israel	Corporate - Non Convertible	USD 1,938,000	2,422	2,468
Teva Pharmaceutical Industries Ltd. 2.80% 07-21-2023	Israel	Corporate - Non Convertible	USD 1,702,000	1,994	2,036
Thor Industries Inc. Term Loan B 1st Lien F/R 11-01-2025	United States	Term Loans	USD 4,703,808	6,064	6,012
Titan Acquisition Ltd. 7.75% 04-15-2026 Callable 2021 144A	United Kingdom	Corporate - Non Convertible	USD 6,990,000	9,151	8,068
T-Mobile USA Inc. 6.50% 01-15-2026 Callable 2026	United States	Corporate - Non Convertible	USD 2,260,000	3,106	3,229
TMX Group Ltd. 2.30% 12-11-2024 Callable 2024	Canada	Corporate - Non Convertible	299,000	298	303
TMX Group Ltd. 3.78% 06-05-2028 Callable 2028	Canada	Corporate - Non Convertible	390,000	392	410
The Toronto-Dominion Bank 3.01% 05-30-2023	Canada	Corporate - Non Convertible	760,000	760	782
The Toronto-Dominion Bank 1.91% 07-18-2023 DPNT	Canada	Corporate - Non Convertible	5,455,000	5,225	5,369
The Toronto-Dominion Bank 2.85% 03-08-2024	Canada	Corporate - Non Convertible	1,270,000	1,277	1,287
TransCanada PipeLines Ltd. 3.69% 07-19-2023	Canada	Corporate - Non Convertible	80,000	82	83
TransCanada Pipelines Ltd. 3.39% 03-15-2028 Callable 2027	Canada	Corporate - Non Convertible	350,000	342	358
TransCanada Trust F/R 05-18-2077 Callable 2027	Canada	Corporate - Non Convertible	1,092,000	1,078	1,033
Transurban Finance Co. Pty. Ltd. 4.56% 11-14-2028 Callable 2028	Australia	Corporate - Non Convertible	1,600,000	1,601	1,728
Travelport Finance Luxembourg Sarl Term Loan 1st Lien F/R 03-18-2026	Luxembourg	Term Loans	USD 5,960,000	7,794	7,754
Treasury Corp. of Victoria 3.00% 10-20-2028	Australia	Foreign Governments	AUD 7,875,000	7,908	7,984
Trico Group LLC. Term Loan 1st Lien F/R 02-02-2024	United States	Term Loans	USD 497,132	599	629
Uber Technologies Inc. Term Loan B 1st Lien F/R 07-13-2023	United States	Term Loans	USD 6,420,264	8,391	8,534
Uber Technologies Inc. 8.00% 11-01-2026 Callable 2021 144A	United States	Corporate - Non Convertible	USD 10,880,000	14,161	15,443
Ultra Clean Holdings Inc. Term Loan B 1st Lien F/R 08-27-2025	United States	Term Loans	USD 4,433,875	5,695	5,717
Unimin Corp. Term Loan 1st Lien F/R 05-21-2025	United States	Term Loans	USD 2,246,338	2,743	2,573
Union Gas Ltd. 3.59% 11-22-2047 Callable 2047	Canada	Corporate - Non Convertible	603,000	600	621
United States Treasury 2.25% 11-15-2027	United States	Foreign Governments	USD 13,093,000	15,746	17,312
Vancouver Airport Authority 3.66% 11-23-2048 Callable 2048	Canada	Corporate - Non Convertible	850,000	850	940
Ventas Canada Finance Ltd. 2.55% 03-15-2023 Callable 2023	United States	Corporate - Non Convertible	5,290,000	5,246	5,252
VeriFone Systems Inc. Term Loan 1st Lien F/R 08-09-2025	United States	Term Loans	USD 1,815,450	2,355	2,394
VeriSign Inc. 4.75% 07-15-2027 Callable 2022	United States	Corporate - Non Convertible	USD 3,910,000	5,135	5,212



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## SCHEDULE OF INVESTMENTS (cont'd)

As at March 31, 2019

	Country	Sector	Par Value/ No. of Shares/Units	Average Cost (\$ 000s)	Fair Value (\$ 000s)
<b>BONDS (cont'd)</b>					
Vertex Aerospace Services Corp. Term Loan B 1st Lien F/R 06-14-2025	United States	Term Loans	USD 1,517,714	1,977	2,034
Vesta Energy Corp. 8.13% 07-24-2023 Callable 2020 144A	Canada	Corporate - Non Convertible	2,730,000	2,724	2,582
ViaSat Inc. 5.63% 04-15-2027 Callable 2022 144A	United States	Corporate - Non Convertible	USD 1,510,000	2,005	2,063
Videotron Ltd./Videotron Ltee. 5.13% 04-15-2027 Callable 2022 144A	Canada	Corporate - Non Convertible	USD 3,967,000	5,423	5,434
Videotron Ltee 5.63% 06-15-2025 Callable 2025	Canada	Corporate - Non Convertible	470,000	486	499
Videotron Ltee 5.75% 01-15-2026 Callable 2020	Canada	Corporate - Non Convertible	4,990,000	5,246	5,260
Vistage Worldwide Inc. Term Loan 1st Lien F/R 02-01-2025	United States	Term Loans	USD 705,193	882	935
Vodafone Group PLC 3.75% 01-16-2024	United Kingdom	Corporate - Non Convertible	USD 350,000	445	474
VRX Escrow Corp. 6.13% 04-15-2025 Callable 2020 144A	United States	Corporate - Non Convertible	USD 4,030,000	5,108	5,343
VVC Holding Corp. Term Loan B 1st Lien F/R 02-07-2026	United States	Term Loans	USD 5,270,000	6,867	6,962
Vyair Medical Inc. Term Loan B 1st Lien F/R 04-06-2025	United States	Term Loans	USD 1,419,275	1,713	1,674
W/S Packaging Holdings Inc. 9.00% 04-15-2023 Callable 2020 144A	United States	Corporate - Non Convertible	USD 9,480,000	12,249	13,379
WellDyneDx Inc. Term Loan 1st Lien F/R 08-16-2022	United States	Term Loans	USD 3,029,675	3,855	4,028
Wells Fargo & Co. 3.19% 02-08-2024 Callable 2024	United States	Corporate - Non Convertible	1,620,000	1,623	1,648
Welltower Inc. 4.25% 04-15-2028 Callable 2028	United States	Corporate - Non Convertible	USD 460,000	589	635
Welltower Inc. 4.13% 03-15-2029 Callable 2028	United States	Corporate - Non Convertible	USD 650,000	859	886
Werner FinCo LP Term Loan 1st Lien F/R 06-23-2024	United States	Term Loans	USD 2,024,100	2,608	2,620
The William Carter Co. 5.63% 03-15-2027 Callable 2022 144A	United States	Corporate - Non Convertible	USD 1,270,000	1,670	1,758
Williams Scotsman International Inc. 7.88% 12-15-2022 Callable 2019 144A	United States	Corporate - Non Convertible	USD 3,570,000	4,605	4,927
Yak Access LLC Term Loan B 1st Lien F/R 06-26-2025	United States	Term Loans	USD 4,078,375	5,203	4,659
YRC Worldwide Inc. Term Loan 1st Lien F/R 07-21-2022	United States	Term Loans	USD 1,159,895	1,444	1,532
Zotec Partners LLC Term Loan 1st Lien F/R 02-09-2024	United States	Term Loans	USD 2,152,217	2,686	2,843
<b>Total bonds</b>				<b>1,680,892</b>	<b>1,703,348</b>
<b>EQUITIES</b>					
AltaGas Ltd. Pfd. Series K	Canada	Energy	147,400	3,696	2,927
Brookfield Asset Management Inc. Pfd. Series 46	Canada	Real Estate	20,106	507	513
Brookfield Asset Management Inc. Pfd. Series 48	Canada	Real Estate	87,989	2,247	2,112
Brookfield Renewable Partners LP Pfd. Series 11	Canada	Utilities	88,040	2,214	1,899
Brookfield Renewable Partners LP Pfd. Series 13	Canada	Utilities	131,200	3,280	2,787
Husky Energy Inc. 4.45% 12-31-2049 Pfd. Series 1	Canada	Energy	296,155	4,948	3,708
Manulife Financial Corp. Pfd. Series 13	Canada	Financials	96,000	1,998	1,879
Shaw Communications Inc. Pfd Series A	Canada	Consumer Discretionary	237,007	3,906	3,432
Source Energy Services Ltd.	Canada	Energy	24,759	233	33
TransAlta Corp. Pfd. Series A	Canada	Utilities	181,115	2,421	2,309
TransCanada Corp. Pfd. Series 15	Canada	Energy	75,567	1,924	1,932
Westcoast Energy Inc. 5.20% Cum. Red. First Pfd. Series 12	Canada	Utilities	31,657	798	815
<b>Total equities</b>				<b>28,172</b>	<b>24,346</b>



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# MACKENZIE UNCONSTRAINED FIXED INCOME FUND

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## SCHEDULE OF INVESTMENTS (cont'd)

As at March 31, 2019

	Country	Sector	Par Value/ No. of Shares/Units	Average Cost (\$ 000s)	Fair Value (\$ 000s)
<b>OPTIONS</b>					
Options purchased (see schedule of options purchased)				9,373	4,840
<b>Total options</b>				<b>9,373</b>	<b>4,840</b>
<b>EXCHANGE-TRADED FUNDS/NOTES</b>					
iShares J.P. Morgan USD Emerging Markets Bond ETF	United States	Exchange-Traded Funds/Notes	123,544	17,639	18,168
Mackenzie US Investment Grade Corporate Bond Index ETF (CAD-Hedged)	Canada	Exchange-Traded Funds/Notes	220,564	21,890	21,717
VanEck Vectors J.P. Morgan EM Local Currency Bond ETF	United States	Exchange-Traded Funds/Notes	386,536	17,549	17,229
<b>Total exchange-traded funds/notes</b>				<b>57,078</b>	<b>57,114</b>
<b>MUTUAL FUNDS</b>					
Mackenzie Credit Absolute Return Fund Series R	Canada	Mutual Funds	3,678,000	36,780	37,208
<b>Total mutual funds</b>				<b>36,780</b>	<b>37,208</b>
Transaction costs				(425)	—
<b>Total investments</b>				<b>1,811,870</b>	<b>1,826,856</b>
Derivative instruments (see schedule of derivative instruments)					(7,705)
Cash and cash equivalents					217,153
Other assets less liabilities					(120,417)
<b>Total net assets</b>					<b>1,915,887</b>



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# MACKENZIE UNCONSTRAINED FIXED INCOME FUND

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## SUMMARY OF INVESTMENT PORTFOLIO

March 31, 2019	
Portfolio Allocation	% of NAV
Bonds	89.2
<i>Bonds</i>	88.9
<i>Purchased options</i>	0.3
<i>Short futures</i>	(0.0)
Cash and short-term investments	11.3
Exchange-traded funds/notes	3.0
Mutual funds	1.9
Equities	1.3
Other assets (liabilities)	(6.7)

Regional Allocation	
	% of NAV
Canada	45.4
United States	39.9
Cash and short-term investments	11.3
Other	2.4
United Kingdom	1.5
Australia	1.2
Netherlands	1.2
Luxembourg	0.9
Ireland	0.7
Bahamas	0.6
Russia	0.5
France	0.4
Zambia	0.3
Israel	0.2
Japan	0.2
Other assets (liabilities)	(6.7)

Sector Allocation	
	% of NAV
Corporate bonds	40.3
Federal bonds	22.4
Term loans	22.0
Cash and short-term investments	11.3
Foreign government bonds	3.4
Exchange-traded funds/notes	3.0
Mutual funds	1.9
Energy	0.6
Provincial bonds	0.5
Utilities	0.5
Other	0.3
Supra-national bonds	0.3
Financials	0.2
Other assets (liabilities)	(6.7)

March 31, 2018	
Portfolio Allocation	% of NAV
Bonds	87.0
<i>Bonds</i>	86.7
<i>Purchased options</i>	0.3
<i>Short futures</i>	(0.0)
Cash and short-term investments	15.4
Equities	1.9
Exchange-traded funds/notes	1.6
Other assets (liabilities)	(5.9)

Regional Allocation	
	% of NAV
United States	43.2
Canada	34.4
Cash and short-term investments	15.4
United Kingdom	3.0
Netherlands	1.6
Australia	1.5
Other	1.2
Brazil	1.2
Bahamas	1.2
France	0.8
Russia	0.5
Luxembourg	0.4
Italy	0.4
Ireland	0.4
Aruba	0.4
Turkey	0.3
Other assets (liabilities)	(5.9)

Sector Allocation	
	% of NAV
Corporate bonds	36.7
Term loans	24.8
Cash and short-term investments	15.4
Federal bonds	14.7
Foreign government bonds	8.6
Exchange-traded funds/notes	1.6
Supra-national bonds	1.0
Provincial bonds	0.9
Energy	0.8
Utilities	0.5
Other	0.3
Consumer discretionary	0.3
Financials	0.3
Other assets (liabilities)	(5.9)



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# MACKENZIE UNCONSTRAINED FIXED INCOME FUND

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## SCHEDULE OF OPTIONS PURCHASED

As at March 31, 2019

Underlying Interest	Number of Contracts	Option Type	Expiration Date	Strike Price \$	Premium Paid (\$ 000s)	Fair Value (\$ 000s)
Invesco Senior Loan ETF	8,740	Put	Apr. 18, 2019	USD 22.00	358	27
iShares iBoxx \$ High Yield Corporate Bond ETF	10,286	Put	Apr. 18, 2019	USD 85.00	635	216
iShares Barclays Capital TB ETF	6,500	Put	Jun. 21, 2019	USD 117.00	506	146
iShares iBoxx \$ High Yield Corporate Bond ETF	7,980	Put	Jun. 21, 2019	USD 82.00	1,821	294
iShares iBoxx \$ High Yield Corporate Bond ETF	16,164	Put	Jun. 21, 2019	USD 84.00	1,571	1,087
iShares Barclays Capital TB ETF	2,100	Put	Sep. 20, 2019	USD 116.00	270	168
iShares Barclays Capital TB ETF	2,100	Put	Sep. 20, 2019	USD 117.00	260	168
iShares iBoxx \$ High Yield Corporate Bond ETF	14,307	Put	Sep. 20, 2019	USD 84.00	3,952	2,734
<b>Total options</b>					<b>9,373</b>	<b>4,840</b>



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# MACKENZIE UNCONSTRAINED FIXED INCOME FUND

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## SCHEDULE OF DERIVATIVE INSTRUMENTS

As at March 31, 2019

### Schedule of Futures Contracts

Number of Contracts	Type of Contract	Expiration Date	Average Rate of Contracts (\$)	Notional Value* (\$ 000s)	Unrealized (Losses) (\$ 000s)
(149)	10 Year Canadian Government Bond Futures June 2019	Jun. 19, 2019	136.31 CAD	(20,717)	(406)
(372)	10 Year United States Treasury Note Futures June 2019	Jun. 19, 2019	124.00 USD	(61,743)	(109)
Unrealized (Losses)				(82,460)	(515)
<b>Total futures contracts</b>				<b>(82,460)</b>	<b>(515)</b>

\*Notional value represents the exposure to the underlying instruments as at March 31, 2019

### Schedule of Forward Currency Contracts

Counterparty Credit Rating	Bought (\$ 000s)	Sold (\$ 000s)	Settlement Date	Contract Cost (\$ 000s)	Current Fair Value (\$ 000s)	Unrealized Gains (Losses) (\$ 000s)
A	4,567 Canadian dollar	(3,033) Euro	Apr. 5, 2019	(4,567)	(4,549)	18
A	985 Canadian dollar	(650) Euro	Apr. 5, 2019	(985)	(975)	10
A	220 Canadian dollar	(3,200) Mexican peso	Apr. 5, 2019	(220)	(220)	–
AA	923 Canadian dollar	(690) U.S. dollar	Apr. 5, 2019	(923)	(922)	1
AA	77,517 Canadian dollar	(57,810) U.S. dollar	Jun. 7, 2019	(77,517)	(77,117)	400
AA	103,052 Canadian dollar	(76,860) U.S. dollar	Jun. 7, 2019	(103,052)	(102,528)	524
AA	950 Canadian dollar	(710) U.S. dollar	Jun. 14, 2019	(950)	(947)	3
A	126,580 Canadian dollar	(94,650) U.S. dollar	Jun. 14, 2019	(126,580)	(126,239)	341
AA	4,000 Canadian dollar	(2,270) British pound	Jun. 19, 2019	(4,000)	(3,959)	41
Unrealized Gains						1,338
A	18,701 Canadian dollar	(19,915) Australian dollar	Apr. 3, 2019	(18,701)	(18,894)	(193)
A	188 Canadian dollar	(200) Australian dollar	Apr. 3, 2019	(188)	(190)	(2)
A	4,722 Canadian dollar	(72,470) Mexican peso	Apr. 5, 2019	(4,722)	(4,982)	(260)
AA	134,987 Canadian dollar	(102,170) U.S. dollar	Apr. 5, 2019	(134,987)	(136,495)	(1,508)
AA	24,470 U.S. dollar	(32,692) Canadian dollar	Apr. 5, 2019	32,692	32,691	(1)
AA	99,393 Canadian dollar	(74,940) U.S. dollar	Apr. 12, 2019	(99,393)	(100,103)	(710)
AA	285 Canadian dollar	(300) Australian dollar	May 1, 2019	(285)	(285)	–
AA	516 Canadian dollar	(550) Australian dollar	May 1, 2019	(516)	(522)	(6)
AA	5,040 Canadian dollar	(3,358) Euro	May 10, 2019	(5,040)	(5,046)	(6)
A	2,219 Canadian dollar	(122,800) Indian rupee	May 17, 2019	(2,219)	(2,340)	(121)
AA	4,350 Canadian dollar	(220,750) Russian ruble	May 17, 2019	(4,350)	(4,455)	(105)
AA	137,785 Canadian dollar	(105,120) U.S. dollar	May 17, 2019	(137,785)	(140,302)	(2,517)
AA	90,423 Canadian dollar	(68,960) U.S. dollar	May 17, 2019	(90,423)	(92,040)	(1,617)
AA	220,750 Russian ruble	(4,515) Canadian dollar	May 17, 2019	4,515	4,456	(59)
AA	81,656 Canadian dollar	(62,093) U.S. dollar	Jun. 14, 2019	(81,656)	(82,816)	(1,160)
AA	88,351 Canadian dollar	(66,440) U.S. dollar	Jun. 14, 2019	(88,351)	(88,614)	(263)
AA	102 Canadian dollar	(1,500) Mexican peso	Jun. 21, 2019	(102)	(102)	–
Unrealized (Losses)						(8,528)
<b>Total forward currency contracts</b>						<b>(7,190)</b>
<b>Total derivative instruments at fair value</b>						<b>(7,705)</b>



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# MACKENZIE UNCONSTRAINED FIXED INCOME FUND

ANNUAL AUDITED FINANCIAL STATEMENTS | March 31, 2019

FIXED INCOME FUND

## NOTES TO FINANCIAL STATEMENTS

### 1. Fiscal Periods and General Information

The information provided in these financial statements and notes thereto is for the periods ended or as at March 31, 2019 and 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 audited annual financial statements ("financial statements") have been prepared in accordance with International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board ("IASB"). 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 June 3, 2019.

### 3. Significant Accounting Policies

#### (a) Financial instruments

Financial instruments include financial assets and liabilities such as debt and equity securities, open-ended investment funds and derivatives. The 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 derivatives. Any change in the variation margin requirement is settled daily.

Premiums received from writing options are included in the Statement of Financial Position as a liability and subsequently adjusted daily to fair value. If a written option expires unexercised, the premium received is recognized as a realized gain. If a written call option is exercised, the difference between the proceeds of the sale plus the value of the premium, and the cost of the security is recognized as a realized gain or loss. If a written put option is exercised, the cost of the security acquired is the exercise price of the option less the premium received.

Refer to the Schedule of Derivative Instruments and Schedule of Options Purchased/Written, as applicable, included in the Schedule of Investments for a listing of derivative and options positions as at March 31, 2019.

## NOTES TO FINANCIAL STATEMENTS

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

(c) Income recognition

Interest income from interest bearing investments is recognized using the effective interest method. Dividends are accrued as of the ex-dividend date. Realized gains or losses on the sale of investments, including foreign exchange gains or losses on such investments, are calculated on an average cost basis. Distributions received from an underlying fund are included in interest income, dividend income, 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 March 31, 2019 and 2018 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 March 31, 2019, 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.

# MACKENZIE UNCONSTRAINED FIXED INCOME FUND

ANNUAL AUDITED FINANCIAL STATEMENTS | March 31, 2019

FIXED INCOME FUND

## NOTES TO FINANCIAL STATEMENTS

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

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

Date of Formation November 24, 2014

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 and Series T8 securities are offered to retail investors investing a minimum of \$500 (\$5,000 for Series T8) under the redemption charge and low-load purchase options. Investors in Series T8 securities also want to receive a monthly cash flow of 8% per year.

Series AR securities are offered to retail investors in a Registered Disability Savings Plan offered by Mackenzie.

Series D securities are offered to retail investors investing a minimum of \$500 through a discount brokerage or other account approved by Mackenzie.

Series F 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 F8 securities also want to receive a monthly cash flow of 8% per year.

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.

Series IG securities are offered exclusively to mutual funds managed by I.G. Investment Management, Ltd.

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.

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

Series PWR securities are offered through our Private Wealth Solutions to certain high net worth investors who invest a minimum of \$100,000 in a Registered Disability Savings Plan offered by Mackenzie.

Series PWX 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.

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 SC and Series S8 securities are offered to retail investors investing a minimum of \$500 (\$5,000 for Series S8) under the sales charge purchase option. Investors in Series S8 securities also want to receive a monthly cash flow of 8% per year.

Series FB5, Series PWFB5 and Series PWX8 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.

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 and various low-load purchase options. 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.

# MACKENZIE UNCONSTRAINED FIXED INCOME FUND

ANNUAL AUDITED FINANCIAL STATEMENTS | March 31, 2019

FIXED INCOME 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	Inception/ Reinstatement Date	Management Fees	Administration Fees	Net Asset Value per Security (\$)	
				Mar. 31, 2019	Mar. 31, 2018
Series A	December 1, 2014	1.40% <sup>(4)</sup>	0.17%	9.75	9.91
Series AR	March 31, 2015	1.40% <sup>(4)</sup>	0.20%	9.79	9.94
Series D	December 1, 2014	0.85%	0.15%	9.92	10.08
Series F	December 3, 2014	0.55% <sup>(6)</sup>	0.15%	9.83	9.98
Series F8	October 16, 2017	0.55% <sup>(6)</sup>	0.15%	13.54	14.34
Series FB	October 26, 2015	0.60%	0.17%	10.15	10.31
Series FB5	October 26, 2015	0.60%	0.17%	14.46	14.86
Series IG	January 2, 2018	— *	— *	9.86	10.01
Series O	May 11, 2015	— <sup>(1)</sup>	— *	9.74	9.88
Series PW	January 9, 2015	1.05%	0.15%	9.88	10.03
Series PWF	None issued <sup>(7)</sup>	0.55%	0.15%	—	9.98
Series PWF8	None issued <sup>(8)</sup>	0.55%	0.15%	—	14.36
Series PWFB	April 3, 2017	0.55%	0.15%	9.58	9.72
Series PWFB5	April 3, 2017	0.55%	0.15%	13.99	14.35
Series PWR	None issued	1.05%	0.15%	—	—
Series PWT8	April 3, 2017 <sup>(3)</sup>	1.05%	0.15%	12.99	13.83
Series PWX	January 12, 2016	— <sup>(2)</sup>	— <sup>(2)</sup>	10.58	10.73
Series PWX8	October 16, 2017	— <sup>(2)</sup>	— <sup>(2)</sup>	13.70	14.40
Series R	December 3, 2014	— *	— *	9.90	10.04
Series S	May 8, 2015	— <sup>(1)</sup>	0.02%	9.95	10.10
Series SC	December 11, 2014	1.10% <sup>(5)</sup>	0.17%	10.00	10.15
Series S8	February 17, 2015	1.10% <sup>(5)</sup>	0.17%	11.86	12.64
Series T8	December 29, 2014	1.40% <sup>(4)</sup>	0.17%	11.86	12.67

\* 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) The series' original start date was September 10, 2015. All securities in the series were redeemed on November 23, 2015. The series was reinstated at a price of \$15.00 per security on April 3, 2017.

(4) Prior to April 3, 2017, the management fee for this series was charged to the Fund at a rate of 1.45%.

(5) Prior to April 3, 2017, the management fee for this series was charged to the Fund at a rate of 1.25%.

(6) Prior to June 1, 2018, the management fee for this series was charged to the Fund at a rate of 0.60%.

(7) The series' original start date was December 11, 2014. All securities in the series were consolidated into Series F on June 1, 2018.

(8) The series' original start date was October 16, 2017. All securities in the series were consolidated into Series F8 on June 1, 2018.

# MACKENZIE UNCONSTRAINED FIXED INCOME FUND

ANNUAL AUDITED FINANCIAL STATEMENTS | March 31, 2019

FIXED INCOME FUND

## NOTES TO FINANCIAL STATEMENTS

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

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

As at March 31, 2019, Mackenzie, other funds managed by Mackenzie, Related Insurance Companies and funds managed by I.G. Investment Management, Ltd. had an investment of \$2,067, \$286,810, \$653,711 and \$589,887 (2018 – \$758, \$223,534, \$609,347 and \$368,650), respectively, in the Fund.

#### (c) Loss Carryforwards

As at the last taxation year-end, the Fund has capital losses of \$39,745 which may be carried forward indefinitely to reduce future realized capital gains.

There were no 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 March 31, 2019 and 2018, were as follows:

	March 31, 2019	March 31, 2018
	(\$)	(\$)
Value of securities loaned	176,400	–
Value of collateral received	185,427	–

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 March 31, 2019 and 2018 is as follows:

	2019		2018	
	(\$)	(%)	(\$)	(%)
Gross securities lending income	214	100.0	–	–
Tax withheld	(39)	(18.2)	–	–
	175	81.8	–	–
Payments to Securities Lending Agent	(44)	(20.6)	–	–
Securities lending income	131	61.2	–	–

#### (e) 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 March 31, 2019, none of the Commitment Amounts were funded (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
March 31, 2019	–	–	–	–	–
March 31, 2018	40,570	3	9,929 - 17,151	0.750	June 18, 2018 - August 21, 2018



**MACKENZIE**  
Investments



# MACKENZIE UNCONSTRAINED FIXED INCOME FUND

ANNUAL AUDITED FINANCIAL STATEMENTS | March 31, 2019

FIXED INCOME FUND

## NOTES TO FINANCIAL STATEMENTS

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

#### (f) 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.

	March 31, 2019			
	Gross amount of assets/liabilities (\$)	Amount available for offset (\$)	Margin (\$)	Net amount (\$)
Unrealized gains on derivative contracts	400	–	–	400
Unrealized losses on derivative contracts	(1,489)	–	2,083	594
Liability for options written	–	–	–	–
Total	(1,089)	–	2,083	994

	March 31, 2018			
	Gross amount of assets/liabilities (\$)	Amount available for offset (\$)	Margin (\$)	Net amount (\$)
Unrealized gains on derivative contracts	441	(236)	–	205
Unrealized losses on derivative contracts	(4,228)	236	712	(3,280)
Liability for options written	–	–	–	–
Total	(3,787)	–	712	(3,075)

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

##### i. Risk exposure and management

The Fund seeks a positive total return, regardless of market conditions over a market cycle, by investing primarily in global fixed income and derivative instruments.

##### 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	March 31, 2019			
	Investments (\$)	Cash and Short-Term Investments (\$)	Derivative Instruments (\$)	Net Exposure* (\$)
U.S. dollar	954,045	33,641	(915,541)	72,145
Russian ruble	9,017	–	–	9,017
Australian dollar	20,510	–	(19,890)	620
Euro	10,737	–	(10,570)	167
Mexican peso	5,466	2	(5,304)	164
Indian rupee	2,436	–	(2,340)	96
British pound	3,984	–	(3,959)	25
Total	1,006,195	33,643	(957,604)	82,234
% of Net Assets	52.5	1.8	(50.0)	4.3



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# MACKENZIE UNCONSTRAINED FIXED INCOME FUND

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## NOTES TO FINANCIAL STATEMENTS

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

(g) 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* (\$)
U.S. dollar	734,522	43,461	(650,280)	127,703
Brazilian real	9,394	–	–	9,394
Indian rupee	7,157	–	–	7,157
Russian ruble	6,242	–	–	6,242
Euro	11,717	–	(5,697)	6,020
Turkish lira	3,909	–	–	3,909
Australian dollar	19,950	–	(19,691)	259
British pound	13,696	–	(13,490)	206
Mexican peso	6,514	–	(6,415)	99
Swedish krona	–	426	(15,825)	(15,399)
Total	813,101	43,887	(711,398)	145,590
% of Net Assets	59.9	3.2	(52.4)	10.7

\* Includes both monetary and non-monetary financial instruments

As at March 31, 2019, had the Canadian dollar increased or decreased by 5% relative to all foreign currencies, with all other variables held constant, net assets would have decreased or increased by approximately \$4,112 or 0.2% of total net assets (2018 – \$7,280 or 0.5%). 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	March 31, 2019		March 31, 2018 (\$)	
	Bonds	Derivative Instruments	Bonds	Derivative Instruments
Less than 1 year	63,253	(82,460)	1,317	(18,306)
1-5 years	678,849	–	284,909	–
5-10 years	796,325	–	790,385	–
Greater than 10 years	164,921	–	101,108	–
Total	1,703,348	(82,460)	1,177,719	(18,306)

As at March 31, 2019, 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 \$22,328 or 1.2% (2018 – \$53,620 or 3.9%) 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 \$46,752 or 2.4% (2018 – \$56,253 or 4.1%) of total net assets. In practice, the actual trading results may differ and the difference could be material.

iv. Other price risk

As at March 31, 2019 and 2018, the Fund did not have a significant exposure to price risk.

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 March 31, 2019, was 22.4% of the net assets of the Fund (2018 – 14.7%).

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## NOTES TO FINANCIAL STATEMENTS

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

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

*v. Credit risk (cont'd)*

As at March 31, 2019 and 2018, debt securities by credit rating are as follows:

Bond Rating*	March 31, 2019	March 31, 2018
	% of Net Assets	% of Net Assets
AAA	23.3	19.1
AA	5.5	3.6
A	2.4	2.4
BBB	9.9	6.2
BB	14.4	16.1
B	26.0	29.4
Less than B	4.7	6.6
Unrated	2.7	3.3
Total	88.9	86.7

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

(h) 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.

	March 31, 2019				March 31, 2018			
	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
Bonds	1,836	1,701,512	–	1,703,348	4,066	1,173,653	–	1,177,719
Equities	24,346	–	–	24,346	26,441	–	–	26,441
Options	3,967	873	–	4,840	–	4,605	–	4,605
Exchange-traded funds/notes	57,114	–	–	57,114	21,679	–	–	21,679
Mutual funds	37,208	–	–	37,208	–	–	–	–
Derivative assets	–	1,338	–	1,338	–	1,649	–	1,649
Derivative liabilities	(515)	(8,528)	–	(9,043)	(215)	(12,654)	–	(12,869)
Short-term investments	–	210,433	–	210,433	–	200,658	–	200,658
Total	123,956	1,905,628	–	2,029,584	51,971	1,367,911	–	1,419,882

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.

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

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.

(i) Comparative Amounts

Certain prior period comparative amounts have been reclassified to conform to the current period's presentation.