

Mackenzie ETF Portfolios

Portfolio snapshot

Lead Portfolio Managers Nelson Arruda
Gleb Sivitsky

Investment exp. since 2009
2014

Strategy overview

- Mackenzie ETF Portfolios are comprehensive, yet easy to implement solutions that combine active and traditional index ETFs in a unified investment experience.
- Applying institutional-grade processes and expertise, each ETF Portfolio is diversified and actively managed, aiming to deliver the highest return within a given risk tolerance.

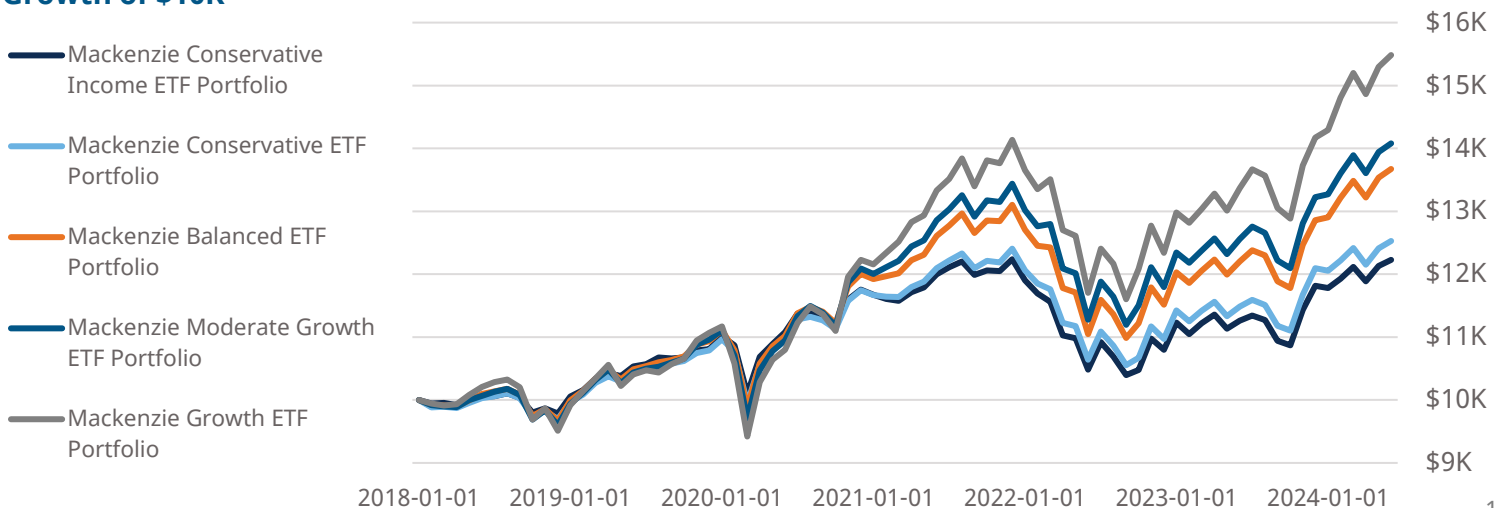
| | Inception date | MER | AUM (\$M) | Risk rating | CIFSC category |
|---|----------------|-------|-----------|-------------|------------------------------|
| Mackenzie Conservative Income ETF Portfolio | 01/29/2018 | 0.64% | 54.8 | Low | Global Fixed Income Balanced |
| Mackenzie Conservative ETF Portfolio | 01/29/2018 | 0.62% | 85.5 | Low | Global Fixed Income Balanced |
| Mackenzie Balanced ETF Portfolio | 01/29/2018 | 0.62% | 176.8 | Low-Med | Global Neutral Balanced |
| Mackenzie Moderate Growth ETF Portfolio | 01/29/2018 | 0.62% | 346.6 | Low-Med | Global Neutral Balanced |
| Mackenzie Growth ETF Portfolio | 01/29/2018 | 0.67% | 249.7 | Low-Med | Global Equity Balanced |

Performance metrics (3 Yr trailing)*

| | Standard Deviation | Sharpe ratio | Down capture ratio | Up capture ratio | Alpha | Information ratio |
|---|--------------------|--------------|--------------------|------------------|-------|-------------------|
| Mackenzie Conservative Income ETF Portfolio | 8.4 | -0.3 | 105.0 | 106.8 | 0.4 | 0.1 |
| Mackenzie Conservative ETF Portfolio | 8.6 | -0.2 | 104.8 | 103.0 | -0.1 | -0.1 |
| Mackenzie Balanced ETF Portfolio | 9.7 | 0.0 | 108.4 | 104.7 | -0.3 | -0.3 |
| Mackenzie Moderate Growth ETF Portfolio | 10.3 | 0.0 | 109.8 | 101.1 | -1.1 | -0.9 |
| Mackenzie Growth ETF Portfolio | 11.9 | 0.2 | 116.3 | 109.0 | -0.9 | -0.3 |

*The blended benchmark for each Portfolio is used in calculation of their up and down capture ratios, alpha and information ratio.

Growth of \$10K



Trailing returns (%)

| | 3m | 6m | 1yr | 3yr | 5yr | SI | Inception Date |
|---|-----|-----|------|-----|-----|-----|----------------|
| Mackenzie Conservative Income ETF Portfolio | 0.9 | 3.5 | 8.6 | 0.6 | 3.0 | 3.2 | 01/29/2018 |
| Mackenzie Conservative ETF Portfolio | 0.9 | 3.6 | 9.1 | 1.2 | 3.6 | 3.6 | 01/29/2018 |
| Mackenzie Balanced ETF Portfolio | 1.4 | 6.3 | 12.1 | 2.7 | 5.5 | 5.0 | 01/29/2018 |
| Mackenzie Moderate Growth ETF Portfolio | 1.4 | 6.5 | 12.1 | 3.1 | 6.2 | 5.5 | 01/29/2018 |
| Mackenzie Growth ETF Portfolio | 1.9 | 9.3 | 15.8 | 5.1 | 8.3 | 7.0 | 01/29/2018 |

Calendar year returns (%)

| | YTD | 2023 | 2022 | 2021 | 2020 | 2019 |
|---|-----|------|-------|------|------|------|
| Mackenzie Conservative Income ETF Portfolio | 3.5 | 9.4 | -11.8 | 4.1 | 8.8 | 10.5 |
| Mackenzie Conservative ETF Portfolio | 3.6 | 10.3 | -11.6 | 5.6 | 8.9 | 11.2 |
| Mackenzie Balanced ETF Portfolio | 6.3 | 11.7 | -12.1 | 9.2 | 9.8 | 13.1 |
| Mackenzie Moderate Growth ETF Portfolio | 6.5 | 12.2 | -12.2 | 11.1 | 10.4 | 14.1 |
| Mackenzie Growth ETF Portfolio | 9.3 | 14.9 | -12.7 | 15.6 | 10.5 | 16.4 |

3 month market returns (%)*

| Fixed Income | Return (LCL) | Equity | Return (CAD) | Currency | Return |
|---------------------|--------------|--------|--------------|----------|--------|
| Canadian Government | 0.8 | Canada | -0.5 | USDCAD | 1.1 |
| Canadian Corporate | 1.1 | US | 4.3 | JPYCAD | -4.9 |
| Global Government | -1.5 | Intl | -0.2 | GBPCAD | 1.2 |
| Global Corporate | -0.3 | EM | 5.1 | EURCAD | 0.3 |
| High Yield | 1.1 | | | | |

*Indices used for the 3-month market return are as follows: FTSE Canada All Government Bond, FTSE Canada All Corp Bond, FTSE WBIG Govt/Govt Spnsd USD, FTSE WBIG Corp TR USD, ICE BofA US High Yield TR USD, S&P/TSX Composite TR, S&P 500 TR, MSCI EAFE GR, and MSCI EM GR.

Top contributors & detractors

| | Security | 3-month return (%) |
|--------------|--|--------------------|
| Contributors | Mackenzie US Large Cap Equity Index ETF (QUU) | 5.3 |
| | Mackenzie Global High Yield Fixed Income ETF (MHYB) | 1.1 |
| | Mackenzie Core Plus Canadian Fixed Income ETF (MKB) | 0.6 |
| Detractors | iShares Core S&P Small-Cap ETF (IJR) | -2.1 |
| | Mackenzie Canadian Equity Index ETF (QCN) | -0.5 |
| | Mackenzie US Investment Grade Corporate Bond Index ETF (CAD-Hedged) (QUIG) | -0.2 |

* The top contributors and detractors are based on the average contribution across all ETF Portfolios, excluding the all-equity portfolio.

| Mackenzie ETF Portfolios | | | | | |
|--------------------------|--------------|----------|-----------------|--------|--|
| Conservative Income | Conservative | Balanced | Moderate Growth | Growth | |

Portfolio characteristics

| | | | | | |
|------------------------|-----|-----|-----|-----|-----|
| Portfolio Yield (%) | 3.8 | 3.5 | 3.2 | 3.1 | 2.5 |
| Dividend Yield (%) | 2.2 | 2.2 | 2.1 | 2.1 | 2.1 |
| Bond Yield (%) | 5.5 | 5.4 | 5.6 | 5.6 | 5.9 |
| Average Duration | 6.2 | 7.1 | 5.6 | 6.2 | 6.0 |
| Average Credit Quality | A | A | BBB | BBB | BBB |

Asset mix

| | | | | | |
|--------------|------|------|------|------|------|
| Equity | 33.1 | 37.7 | 55.3 | 59.7 | 82.3 |
| Fixed Income | 62.2 | 57.2 | 40.9 | 36.6 | 15.4 |
| Cash | 4.6 | 5.0 | 3.8 | 3.6 | 2.2 |

Total portfolio geographic allocation

| | | | | | |
|------------------|------|------|------|------|------|
| Canada | 44.1 | 43.1 | 37.0 | 36.1 | 28.2 |
| United States | 31.9 | 34.1 | 39.9 | 39.9 | 48.3 |
| International | 10.9 | 10.7 | 12.3 | 13.7 | 15.8 |
| Emerging Markets | 8.5 | 7.0 | 6.9 | 6.5 | 5.3 |

Top 10 holdings

| | | | | | |
|--|-------|-------|-------|-------|-------|
| Mackenzie US Large Cap Equity Index ETF (QUU) | 26.4% | 13.5% | 15.9% | 40.2% | 26.6% |
| Mackenzie Core Plus Canadian Fixed Income ETF (MKB) | 18.4% | 35.1% | 25.6% | 3.7% | 15.5% |
| Mackenzie Canadian Equity Index ETF (QCN) | 14.9% | 10.1% | 10.9% | 20.5% | 16.6% |
| Mackenzie International Equity Index ETF (QDX) | 8.6% | 6.3% | 6.8% | 13.8% | 10.4% |
| Mackenzie Global High Yield Fixed Income ETF (MHYB) | 8.2% | 9.7% | 9.1% | 4.8% | 7.8% |
| Mackenzie US Investment Grade Corporate Bond Index ETF (CAD-Hedged) (QUIG) | 6.6% | 10.6% | 7.3% | 2.3% | 5.2% |
| Mackenzie EM Bond Index (CAD-Hedged) ETF (QEBH) | 4.2% | 6.5% | 3.8% | 1.8% | 3.6% |
| iShares Core S&P Small-Cap ETF (IJR) | 1.7% | 0.9% | 1.1% | 3.1% | 1.9% |
| Mackenzie Canadian Ultra Short Bond Index ETF (QASH) | 4.0% | 3.0% | 4.7% | 0.9% | 3.5% |
| Mackenzie Global Dividend ETF (MGDV) | 1.6% | 0.1% | 2.0% | 3.6% | 2.4% |

* The top holdings are based on the average contribution across all ETF Portfolios, excluding the all-equity portfolio.

| Mackenzie ETF Portfolios | | | | |
|--------------------------|--------------|----------|-----------------|--------|
| Conservative Income | Conservative | Balanced | Moderate Growth | Growth |

Fixed income exposure summary

Geographic allocation

| | | | | | |
|------------------|------|------|------|------|------|
| Canada | 53.6 | 54.7 | 51.7 | 50.4 | 43.7 |
| United States | 28.3 | 31.2 | 29.3 | 31.2 | 34.6 |
| International | 7.0 | 6.1 | 7.6 | 7.4 | 8.6 |
| Emerging Markets | 11.0 | 8.0 | 11.4 | 11.0 | 13.1 |

Sector allocation

| | | | | | |
|----------------------------|------|------|------|------|------|
| Canadian Government | 15.8 | 20.3 | 13.8 | 15.8 | 14.5 |
| Foreign Government | 12.0 | 15.6 | 11.6 | 14.5 | 16.1 |
| Investment Grade Corporate | 58.6 | 51.1 | 58.7 | 53.1 | 46.9 |
| High Yield | 13.3 | 12.9 | 15.8 | 16.5 | 22.3 |
| Other | 0.2 | 0.1 | 0.1 | 0.1 | 0.1 |

Equity exposure summary

Total portfolio geographic allocation

| | | | | | |
|------------------|------|------|------|------|------|
| Canada | 32.1 | 31.0 | 28.6 | 29.5 | 26.1 |
| United States | 43.2 | 43.2 | 50.8 | 47.8 | 52.3 |
| International | 19.8 | 19.3 | 16.6 | 18.5 | 17.7 |
| Emerging Markets | 4.9 | 6.4 | 4.0 | 4.2 | 4.0 |

Sector allocation

| | | | | | |
|------------------------|------|------|------|------|------|
| Communication Services | 6.2 | 6.2 | 6.5 | 6.3 | 6.5 |
| Consumer Discretionary | 8.2 | 8.3 | 8.4 | 8.4 | 8.6 |
| Consumer Staples | 5.7 | 5.7 | 5.7 | 5.7 | 5.7 |
| Energy | 9.0 | 8.8 | 8.4 | 8.5 | 8.0 |
| Financials | 20.4 | 20.3 | 19.5 | 19.8 | 19.2 |
| Health Care | 7.9 | 7.9 | 8.3 | 8.2 | 8.6 |
| Industrials | 12.4 | 12.3 | 12.0 | 12.2 | 12.1 |
| Information Technology | 18.1 | 18.4 | 19.8 | 19.1 | 20.0 |
| Materials | 6.8 | 6.8 | 6.3 | 6.5 | 6.2 |
| Real Estate | 2.2 | 2.2 | 2.2 | 2.2 | 2.3 |
| Utilities | 3.1 | 3.0 | 2.9 | 2.9 | 2.8 |

Performance Commentary

The quarter began on a challenging note for equity and fixed income markets, as hopes for interest rate cuts by the Federal Reserve dwindled amid persistent inflation concerns, putting pressure on both assets. However, as the quarter drew to a close, there was a notable improvement in sentiment as inflation cooled, increasing investor confidence that the central bank could potentially lower rates as early as September. Despite the Federal Reserve's indication of expecting only one rate cut this year, risk assets stabilized and regained lost ground from earlier in the quarter, benefitting from continued economic growth and strong performance in mega-cap information technology companies. In this context, all of the Mackenzie ETF Portfolios delivered solid positive results.

Within equities, the Mackenzie US Large Cap Equity Index ETF (QUU), returning 5.3%, was the top contributor to portfolio returns. As the top allocated equity fund, it reflected another stronger quarter for U.S. equities, which was driven by industry-leading information technology and communication services companies. Following this, the Mackenzie Emerging Markets Equity Index ETF (QEE), with a 4.7% gain, was the second-largest contributor. The strong performance in this fund was fueled by stocks in India, China, and Taiwan, benefiting from robust domestic investment, supportive government policies, and significant involvement in AI technology development, respectively. The Mackenzie International Equity Index ETF (QDX), which gained 0.7%, ranked as the third-largest contributor to portfolio returns. This performance was driven mainly by strong results in the U.K., where inflation trended lower, and Japan, where corporate earnings exceeded expectations. The Mackenzie Canadian Equity Index ETF (QCN), with a return of -0.5%, was the only slight detractor as Canadian equities generally lagged other developed markets.

Within fixed income, the Mackenzie Core Plus Canadian Fixed Income ETF (MKB), with a 0.6% gain, was the largest fixed income allocation and the top fixed income contributor to portfolio returns. This actively managed fund focuses on corporate credit, and its performance was bolstered by active duration management. However, the fund slightly underperformed its benchmark due to currency volatility from Mexican government bonds, stemming from surprise election results. The Mackenzie Global High Yield Fixed Income ETF (MHYB), which posted a 1.1% gain, was the second-largest contributor. High-yield bonds performed well in a risk-on market environment, driving this fund's returns. There were no notable fixed income detractors over the period.

During the period, currency activities detracted from portfolio returns as the portfolio's active overweight to the Japanese yen detracted as it fell against the Canadian dollar. A notable contributor to the yen's weakness stems from the continued gap between domestic and foreign interest rates, with rates sitting near 0% in Japan while most other major central banks have rates around 5%.

Portfolio Management Activities and Outlook

During the period, the team added the actively managed Mackenzie Global Dividend ETF, managed by Darren McKiernan and the Mackenzie Global Equity & Income Team, to the portfolios. The Multi-Asset Strategies Team believes that the allocation will be additive to investor outcomes, citing strong alpha generation potential and the defensive characteristics of the strategy as complementary to the composition of the rest of the portfolios.

The team continues to prefer equities to fixed income in this market due to strong fundamentals and positive sentiment. Though global equity markets appear expensive, the team believes that positive macroeconomic and technical factors outweigh stretched valuations. Solid corporate earnings growth, the likely end of rate hikes by the Federal Reserve, low U.S. recession risk, economic rebound in Europe and China, and optimism from artificial intelligence themes contribute to this view. Rather than derisk from "expensive" equities, the team advocates diversifying towards cheaper markets with positive economic catalysts, like Italy and Japan. Japanese companies are investing after years of hoarding cash and benefiting from artificial intelligence and advanced manufacturing trends. Italian companies are seeing windfalls from the European Central Bank's implicit backing of national debt and Italy's recent continent-leading economic growth.

The team remains cautious on bonds in the near term, particularly U.S. government bonds. U.S. interest rates likely remain elevated as the Federal Reserve continues to monitor inflation and economic data before committing to any rate reduction policy.

The team is negative on the Canadian dollar against major world currencies. Canadian growth has stalled, and the team expects the Bank of Canada to implement more rate cuts than the Federal Reserve in 2024, which should lead to headwinds against the CAD. The team remains overweight the Japanese yen as the discount to its long-term fair value is extremely attractive. They expect that the Bank of Japan will slowly normalize monetary policy over the coming quarters, benefitting the yen.

Commissions, trailing commissions, management fees, and expenses all may be associated with mutual fund investments. Please read the prospectus before investing. The indicated rates of return are the historical annual compounded total returns as of June 30, 2024 including changes in share value and reinvestment of all distributions and does not take into account sales, redemption, distribution, or optional charges or income taxes payable by any security holder that would have reduced returns. Mutual funds are not guaranteed, their values change frequently and past performance may not be repeated. Index performance does not include the impact of fees, commissions, and expenses that would be payable by investors in the investment products that seek to track an index.

This document may contain forward-looking information which reflect our or third party current expectations or forecasts of future events. Forward-looking information is inherently subject to, among other things, risks, uncertainties and assumptions that could cause actual results to differ materially from those expressed herein. These risks, uncertainties and assumptions include, without limitation, general economic, political and market factors, interest and foreign exchange rates, the volatility of equity and capital markets, business competition, technological change, changes in government regulations, changes in tax laws, unexpected judicial or regulatory proceedings and catastrophic events. Please consider these and other factors carefully and not place undue reliance on forward-looking information. The forward-looking information contained herein is current only as of June 30, 2024. There should be no expectation that such information will in all circumstances be updated, supplemented or revised whether as a result of new information, changing circumstances, future events or otherwise.

The content of this commentary (including facts, views, opinions, recommendations, descriptions of or references to, products or securities) is not to be used or construed as investment advice, as an offer to sell or the solicitation of an offer to buy, or an endorsement, recommendation or sponsorship of any entity or security cited. Although we endeavour to ensure its accuracy and completeness, we assume no responsibility for any reliance upon it.

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

Percentile rankings are from Morningstar Research Inc., an independent research firm, based on the Canada Fund Global Neutral Balanced, Canada Fund Global Fixed Income Balanced, and Canada Fund Global Equity Balanced category and reflect the performance of the Mackenzie Conservative Income ETF Portfolio, Mackenzie Conservative ETF Portfolio, Mackenzie Balanced ETF Portfolio, Mackenzie Moderate Growth ETF Portfolio, and Mackenzie Growth ETF Portfolio for the 3-month, 1-, 3-, 5- and 10-year periods as of June 30, 2024. The percentile rankings compare how a fund has performed relative to other funds in a particular category and are subject to change monthly. The number of Canada Fund Global Neutral Balanced category funds for Mackenzie Conservative Income ETF Portfolio and Mackenzie Conservative ETF Portfolio for each period are as follows: one year - 1555 ; three years - 1346 ; five years - 1167 ; ten years - 654. The number of Canada Fund Global Fixed Income Balanced category funds for Mackenzie Balanced ETF Portfolio and Mackenzie Moderate Growth ETF Portfolio for each period are as follows: one year - 848; three years - 766 ; five years - 682 ; ten years - 306. The number of Canada Fund Global Equity Balanced category funds for Mackenzie Growth ETF Portfolio for each period are as follows: one year - 1176 ; three years - 1022 ; five years - 918 ; ten years - 487.

© 2024 Morningstar. All Rights Reserved. The information contained herein: (1) is proprietary to Morningstar and/or its content providers; (2) may not be copied or distributed; and (3) is not warranted to be accurate, complete or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information. Past performance is no guarantee of future results.

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

All information is historical and not indicative of future results. Current performance may be lower or higher than the quoted past performance, which cannot guarantee results. Share price, principal value, and return will vary, and you may have a gain or a loss when you sell your shares. Performance assumes reinvestment of distributions and does not account for taxes. Performance may not reflect any expense limitation or subsidies currently in effect. Short-term trading fees may apply. To obtain the most recent month-end performance, visit Morningstar.com.

This material is for informational and educational purposes only. It is not a recommendation of any specific investment product, strategy, or decision, and is not intended to suggest taking or refraining from any course of action. It is not intended to address the needs, circumstances, and objectives of any specific investor. Mackenzie Investments, which earns fees when clients select its products and services, is not offering impartial advice in a fiduciary capacity in providing this sales and marketing material. This information is not meant as tax or legal advice. Investors should consult a professional advisor before making investment and financial decisions and for more information on tax rules and other laws, which are complex and subject to change.