

Due Diligence

Portfolios **RE:** Constructed
with **Mackenzie**

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Mackenzie Monthly Income Portfolios

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Multi-Asset Strategies Team Co-lead

New risks retirees face

1

Inflation and market (capital)



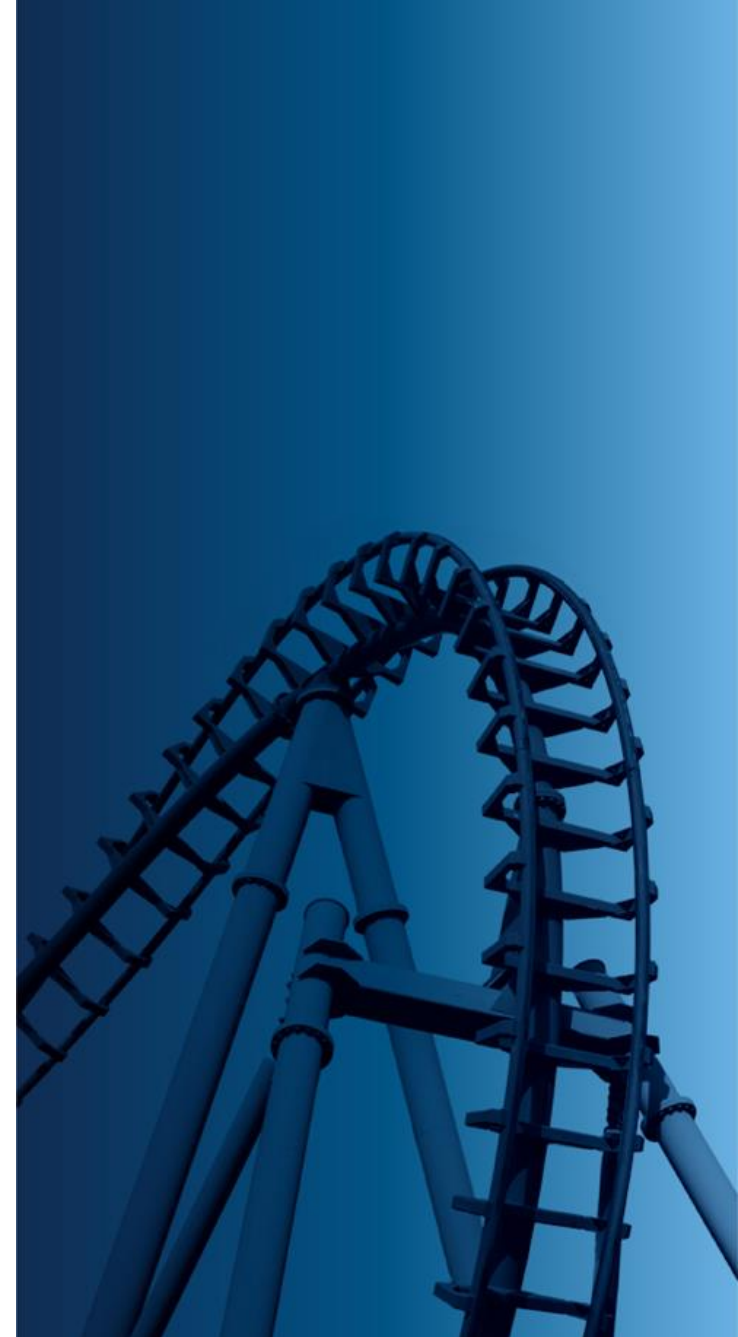
2

Sequence of returns (timing)

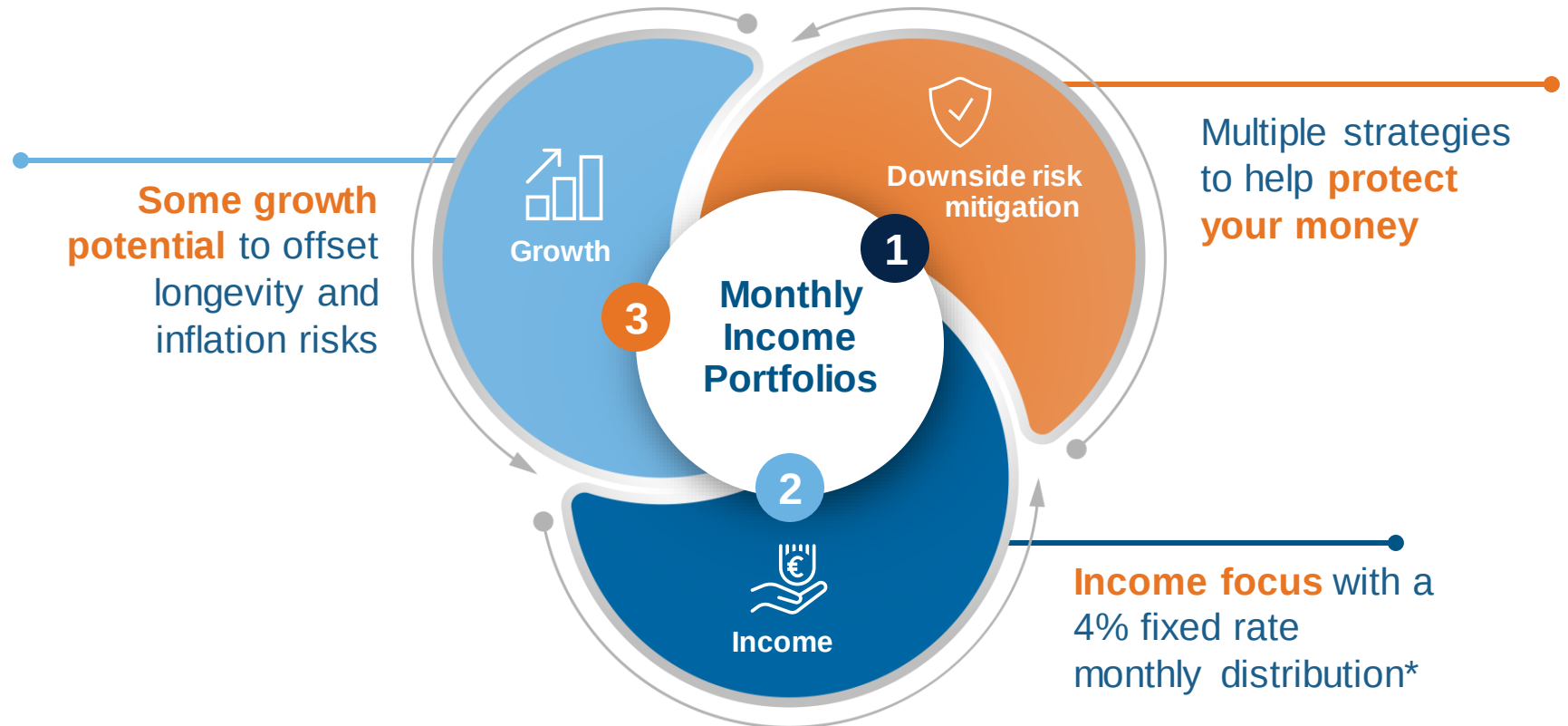


3

Longevity (outlasting)

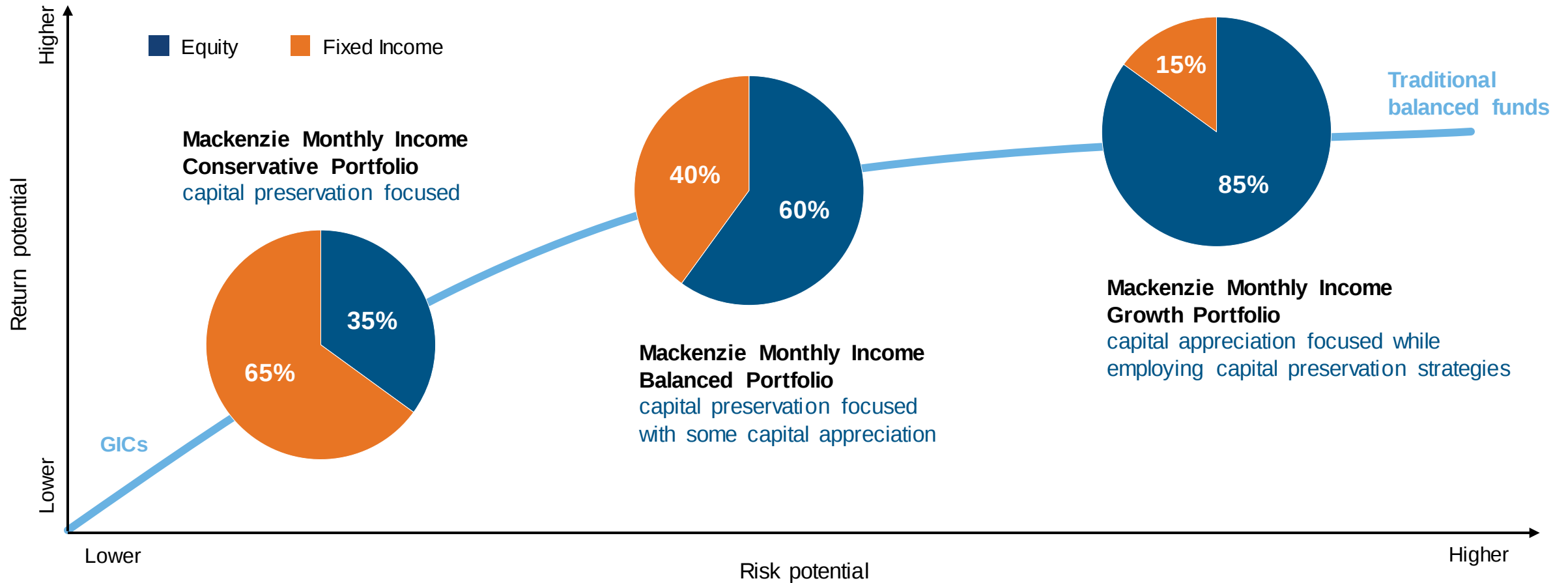


Three objectives



*Distribution consists of dividends, coupon income, capital gains and return of capital when needed.

Three options



Mackenzie Income Portfolios use multiple levels of risk mitigation

Implicit RISK MANAGEMENT



Diversification across asset classes, regions



Tactical movements in the Mackenzie Unconstrained Fixed Income Fund



Strategic USD overweight

Explicit RISK MANAGEMENT



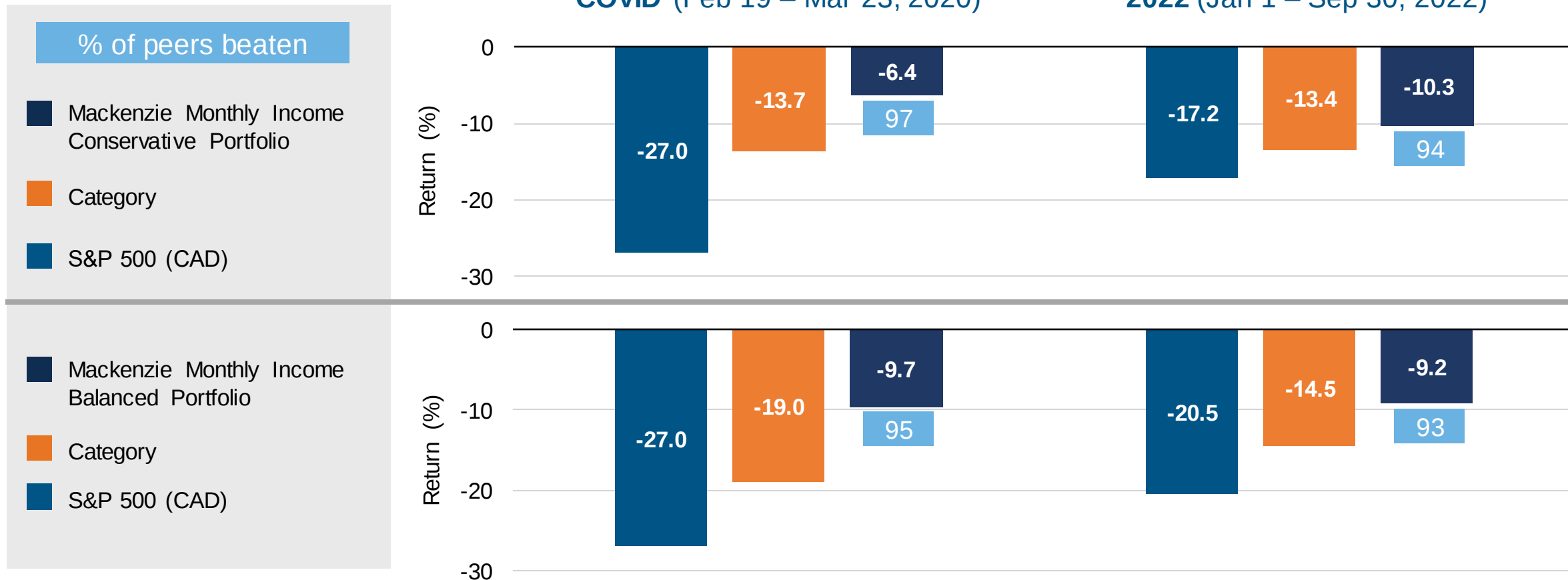
Options

- Equities: Continuous collar strategy
- Fixed Income: Puts with tactical management

Less extreme outcomes than market

Market condition	Expected portfolio performance	Our average competitors
Strong, rising equity market	+	++
Large, rapid equity market downturn	-	--

Substantially less drawdown during extreme market stress



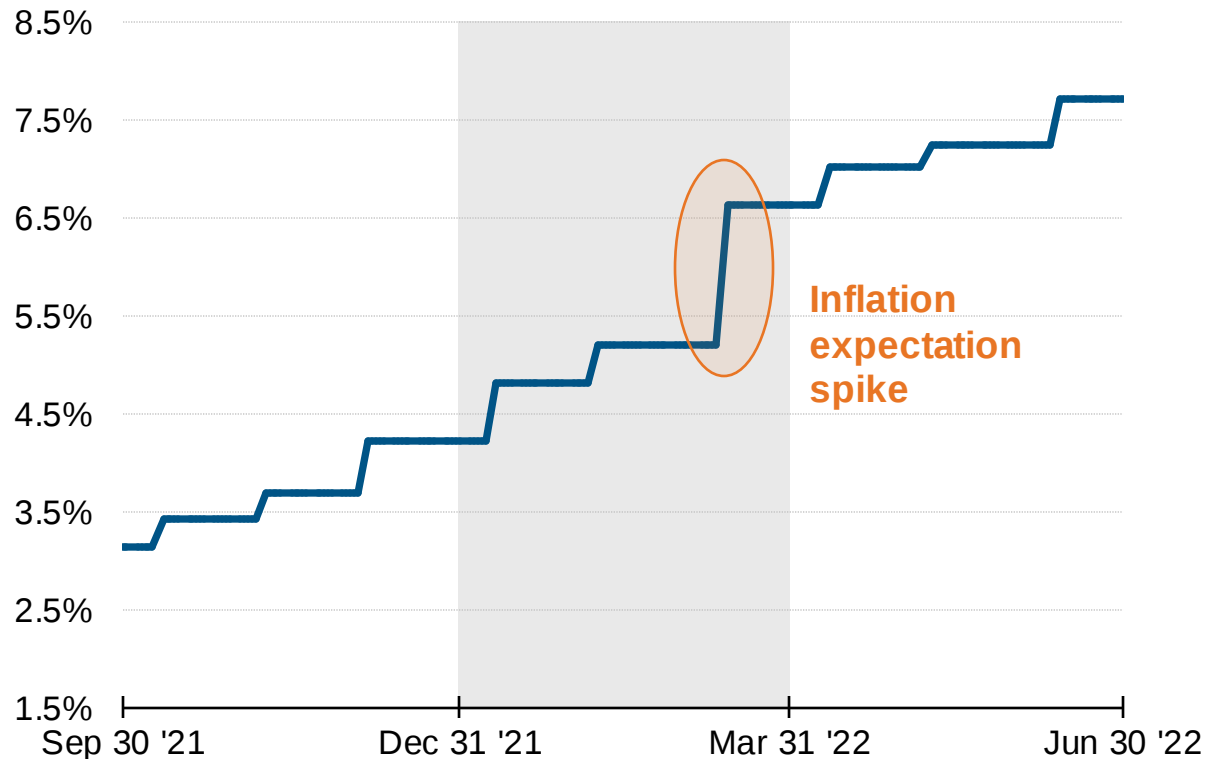
Source: Morningstar. Mackenzie fund returns are series F

Note 1: Mackenzie Monthly Income Conservative Portfolio Category = Global Fixed Income Balanced; Mackenzie Monthly Income Balanced Portfolio = Global Neutral Balanced Category

Note 2: Mackenzie Monthly Income Growth Portfolio data not shown due to a history of less than 1 year

Downside risk mitigation in action: 2022, a tale of two fears: Q1 – inflation

2022 US inflation forecast (%)



Source: Consensus Economics, average CPI forecasts as of June 30, 2022

2022 Q1	Drawdown	
	Fund	Peer group*
ICE BofA Canada Broad Market Bond Index	-6.8%	—
S&P 500	-5.7%	—
Mackenzie Monthly Income Conservative Port, series F	-3.7%	-5.1%
Mackenzie Monthly Income Balanced Port, series F	-2.8%	-5.0%

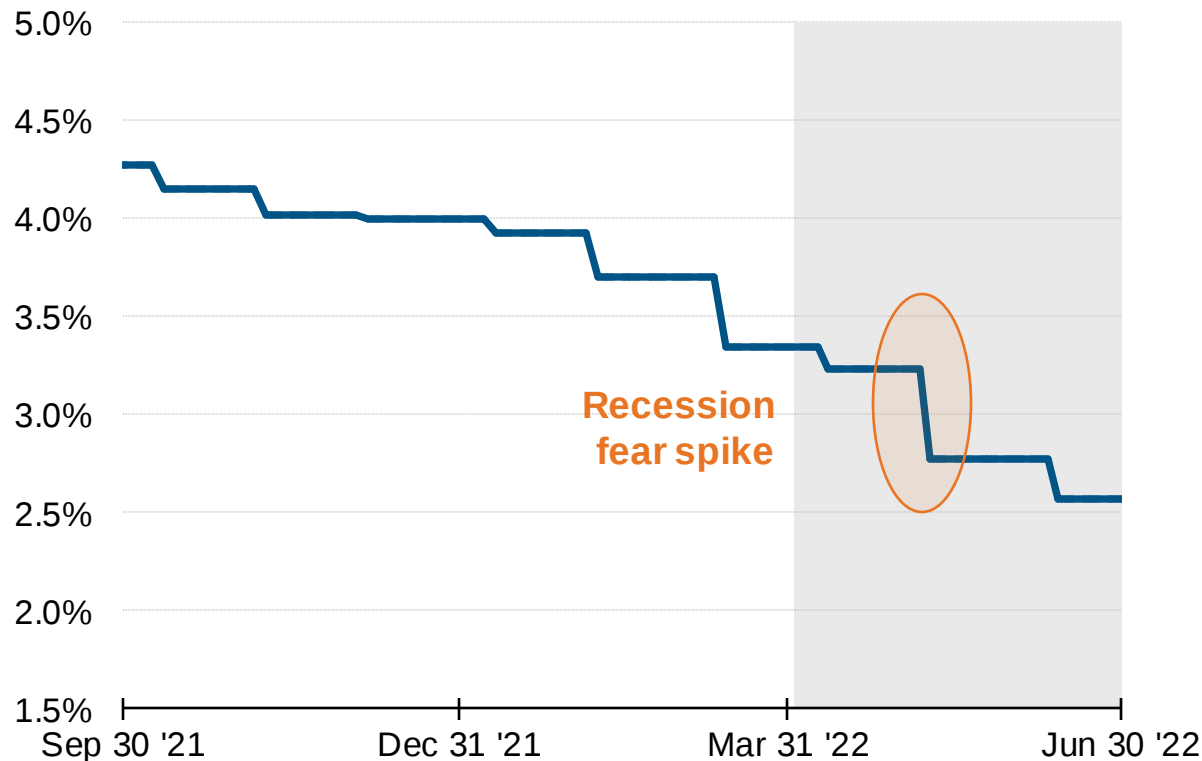
Source: Morningstar, Mackenzie Investments.

*Peer Group selected: Balanced – Canada Fund Global Neutral Balanced, Conservative – Canada Fund Global Fixed Income Balanced.

Note: Mackenzie Monthly Income Growth Portfolio data not shown due to a history of less than 1 year.

Downside risk mitigation in action: 2022, a tale of two fears: Q2 – recession

2022 US growth forecast (%)



Source: Consensus Economics, average GDP forecasts as of June 30, 2022

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2022 Q2	Drawdown	
	Fund	Peer group*
ICE BofA Canada Broad Market Bond Index	-5.5%	—
S&P 500	-13.4%	—
Mackenzie Monthly Income Conservative Port, series F	-5.9%	-7.7%
Mackenzie Monthly Income Balanced Port, series F	-6.5%	-9.2%

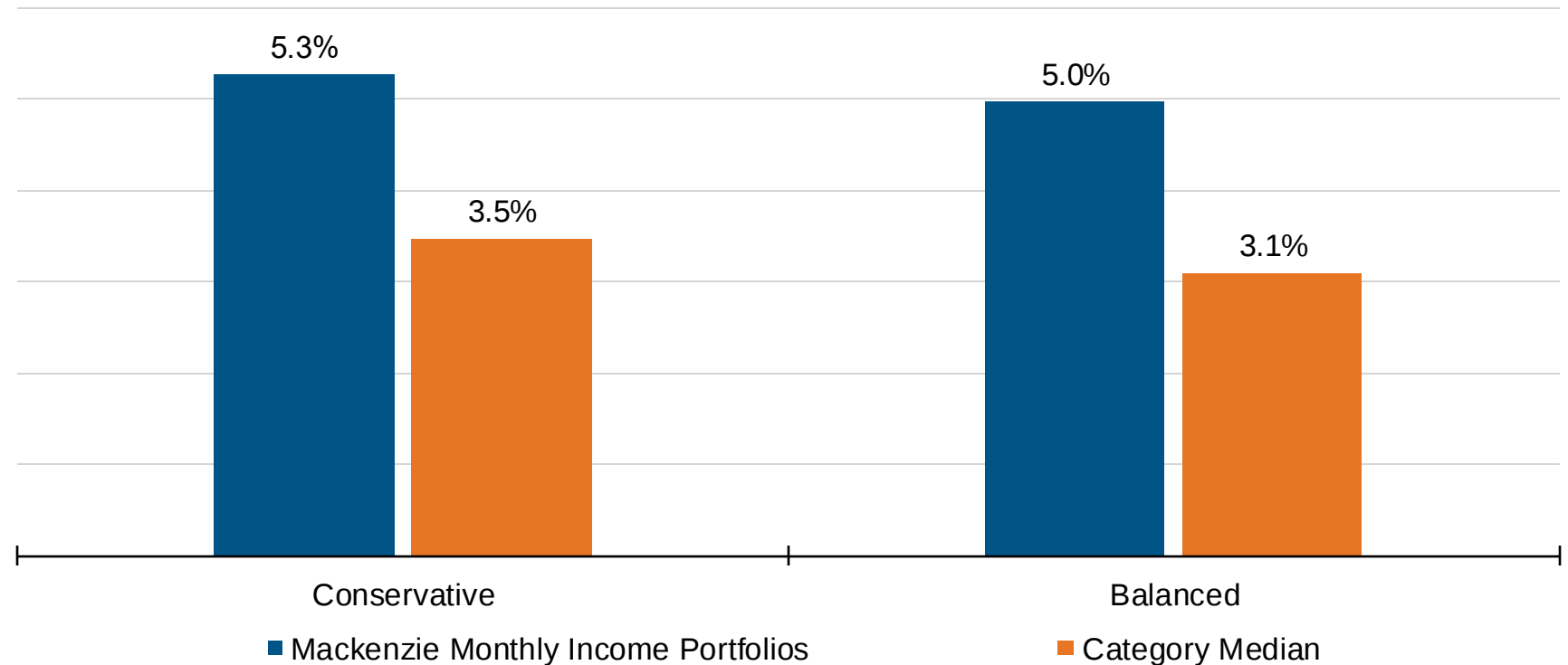
Source: Morningstar, Mackenzie Investments.

*Peer Group selected: Balanced – Canada Fund Global Neutral Balanced, Conservative – Canada Fund Global Fixed Income Balanced.

Note: Mackenzie Monthly Income Growth Portfolio data not shown due to a history of less than 1 year.

Monthly Income Portfolios aim to produce higher income levels

Internal portfolio yield



Source: Mackenzie, Morningstar, Bloomberg, at October 18, 2022.

Category portfolio yields are estimates. The fund yield = Equity Allocation * Equity Dividend Yield + Bond Allocation * Yield to Maturity.

Category Medians: Mackenzie Monthly Income Conservative Portfolio – Global Fixed Income Balanced; Mackenzie Monthly Income Balanced Portfolio – Global Neutral Balanced

Performance

Series F performance	Return ¹					5 Yr		
	YTD	1 yr	3 yr	5 yr	SI ²	Std dev	Max drawdown	Sharpe ratio
Mackenzie Monthly Income Conservative Port	-10.3%	-8.2%	0.0%	2.0%	2.8%	4.5	-10.3	0.45
Global Fixed Income Balanced Category	-13.0%	-11.1%	-0.7%	1.1%	1.3%	6.3	-13.0	0.17
% peers beaten	94	95	82	87	92			
Mackenzie Monthly Income Balanced Port	-10.3%	-7.1%	1.3%	2.9%	4.1%	5.6	-10.3	0.52
Global Neutral Balanced Category	-14.7%	-11.6%	0.8%	2.4%	3.2%	8.3	-14.7	0.29
% peers beaten	94	93	64	67	72			
Mackenzie Monthly Income Growth Port ³	—	—	—	—	—	—	—	—
Global Equity Balanced Category								
% peers beaten	—	—	—	—	—	—	—	—

Source: Mackenzie Investments, Morningstar, at September 30, 2022

Notes:

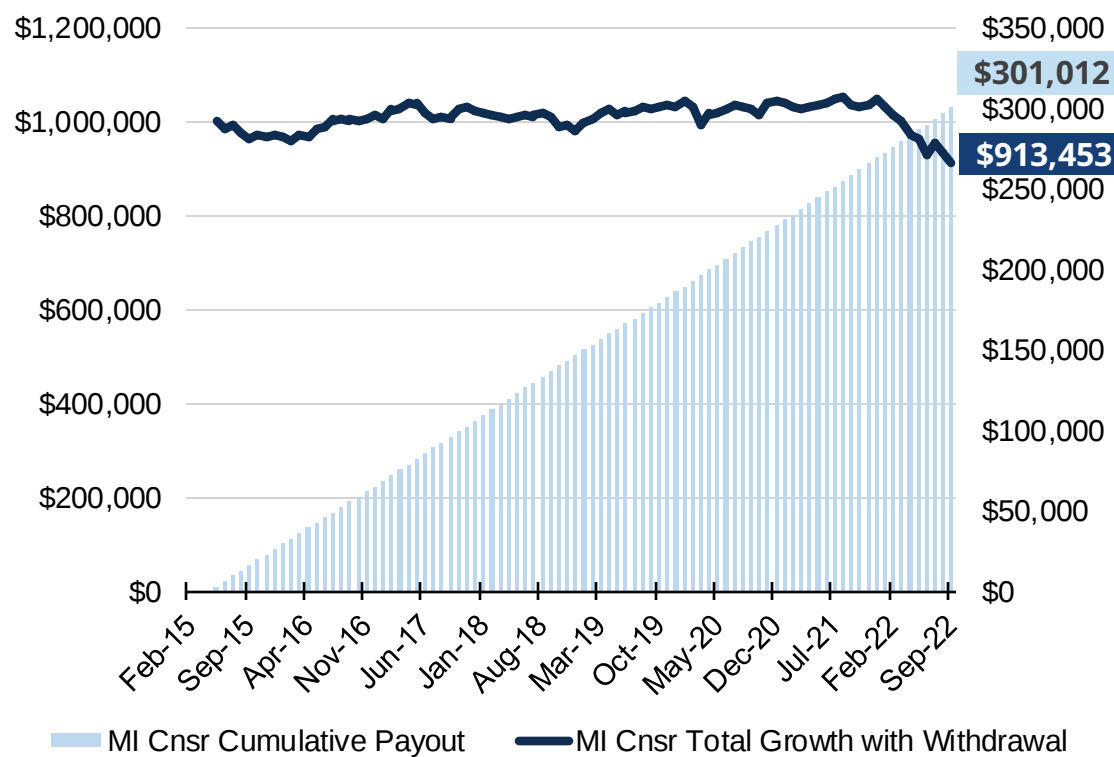
1. Annualized returns for periods greater than 1 year.

2. Since inception dates: Mackenzie Monthly Income Conservative Portfolio – Apr 21, 2015; Mackenzie Monthly Income Balanced Portfolio – Jan 13, 2015; Mackenzie Monthly Income Growth Portfolio – Oct 19, 2021

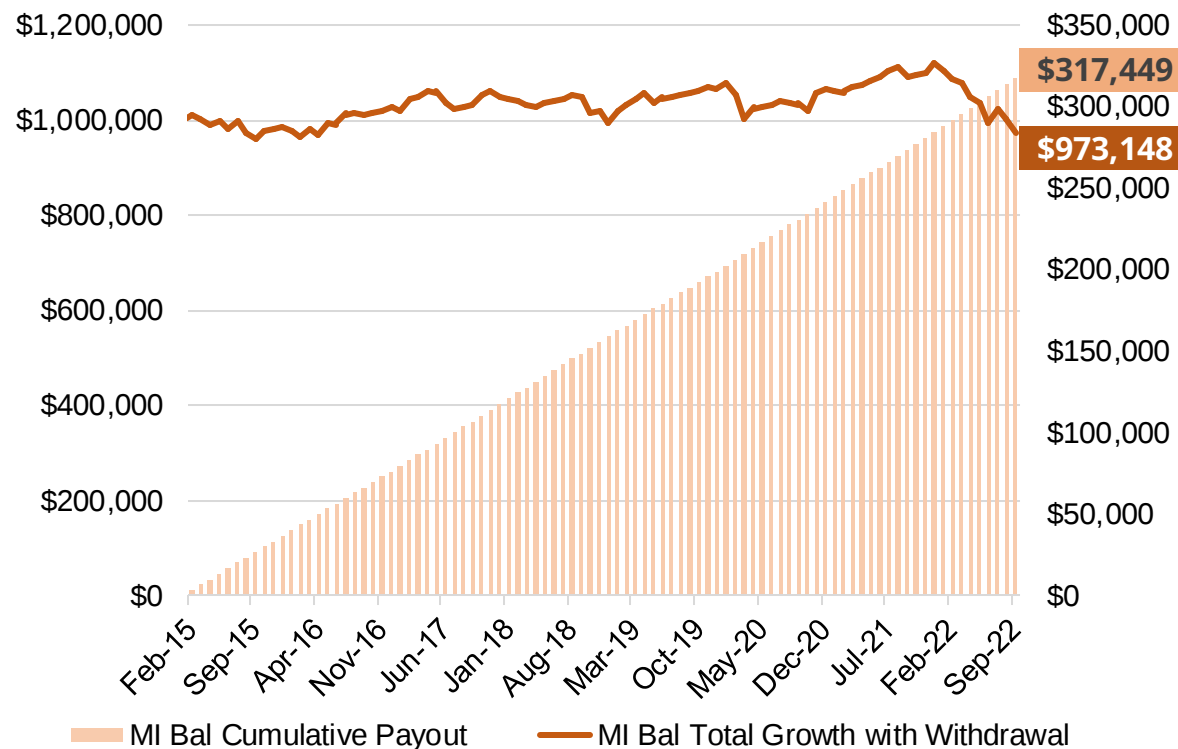
3. Performance is not available for funds with a history of less than one year

Sample investor experience with Monthly Income Portfolios

Monthly Income Conservative



Monthly Income Balanced



Source: Morningstar, as of September 30, 2022

Calculated using series F historical monthly returns since inception. Mackenzie Monthly Income Conservative Portfolio – May 1, 2015; Mackenzie Monthly Income Balanced Portfolio – Feb 1, 2015



Inflation



Market
volatility



Clients

RE: Think



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