

# MACKENZIE CANADIAN BALANCED FUND

(Formerly Mackenzie Canadian Large Cap Balanced Fund)

BALANCED FUND

## **Annual Management Report of Fund Performance**

For the Year Ended March 31, 2018

*This Annual Management Report of Fund Performance contains financial highlights but does not contain the complete annual financial statements of the investment fund. You may obtain a copy of the annual financial statements, at no cost, by contacting us using one of the methods noted under Fund Formation and Series Information or by visiting the SEDAR website at [www.sedar.com](http://www.sedar.com).*

*Securityholders may also contact us using one of these methods to request a copy of the investment fund's interim financial report, proxy voting policies and procedures, proxy voting disclosure record or quarterly portfolio disclosure. Every effort has been made to ensure that the information contained in this report is accurate as of the dates indicated in the report; however, the Fund cannot guarantee the accuracy or the completeness of this material. For more information, please refer to the Fund's Simplified Prospectus, Annual Information Form and Fund Facts, which may also be obtained, at no cost, using any of the methods outlined above.*

*For the Fund's current net asset values per security and for more recent information on general market events, please visit our website.*

### **A NOTE ON FORWARD-LOOKING STATEMENTS**

*This report may contain forward-looking statements that reflect our current expectations or forecasts of future events. Forward-looking statements include statements that are predictive in nature, depend upon or refer to future events or conditions, or include words such as "expects", "anticipates", "intends", "plans", "believes", "estimates", "preliminary", "typical" and other similar expressions. In addition, these statements may relate to future corporate actions, future financial performance of a fund or a security and their future investment strategies and prospects. Forward-looking statements are inherently subject to, among other things, risks, uncertainties and assumptions that could cause actual events, results, performance or prospects to differ materially from those expressed in, or implied by, these forward-looking statements. These risks, uncertainties and assumptions include, without limitation, general economic, political and market factors in North America and internationally, interest and foreign exchange rates, the volatility of global equity and capital markets, business competition, technological change, changes in government regulations, changes in securities laws and regulations, changes in tax laws, unexpected judicial or regulatory proceedings, catastrophic events and the ability of Mackenzie to attract or retain key employees. The foregoing list of important risks, uncertainties and assumptions is not exhaustive. Please consider these and other factors carefully and do not place undue reliance on forward-looking statements.*

*The forward-looking information contained in this report is current only as of the date of this report. There should not be an 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.*



**MACKENZIE**  
Investments

# MACKENZIE CANADIAN BALANCED FUND

(Formerly Mackenzie Canadian Large Cap Balanced Fund)

ANNUAL MANAGEMENT REPORT OF FUND PERFORMANCE | For the Year Ended March 31, 2018

BALANCED FUND

## Management Discussion of Fund Performance

June 7, 2018

This Management Discussion of Fund Performance presents the portfolio management team's view on the significant factors and developments during the period ended March 31, 2018, that have affected the Fund's performance and outlook. If the Fund was established during the period, "period" represents the period from inception to the end of the fiscal period. For information on the Fund's longer-term performance, as applicable, please refer to the *Past Performance* section of the report. In this report, "Mackenzie" refers to Mackenzie Financial Corporation, the manager of the Fund. In addition, net asset value ("NAV") refers to the value of the Fund as calculated for transaction purposes, on which the discussion of Fund performance is based.

### Investment Objective and Strategies

The Fund seeks long-term capital growth by investing primarily in mid- to large-capitalization Canadian equities and fixed income securities. The Fund's asset mix will generally range between 40%–60% equities and 40%–60% fixed income securities and cash and cash equivalents. It may hold up to 40% of its assets in foreign investments.

### Risk

The risks of the Fund remain as discussed in the Fund's Simplified Prospectus.

The Fund is suitable for medium-term investors looking for a Canadian balanced fund to hold as part of their portfolio, who can handle the volatility of stock and bond markets, and who have a low to medium tolerance for risk.

### Results of Operations

#### Investment Performance

The performance of the Fund's Series A and Quadrus Series securities is discussed below. The performance of all series is shown in the *Past Performance* section of the report. Where series returns differ, it is primarily because different levels of fees and expenses were charged to each series, or because securities of a series were not issued and outstanding for the entire reporting period. Please refer to the *Fund Formation and Series Information* section of this report for the varying management and administration fees payable by each series.

During the year, the Fund's Series A securities returned 3.1%, and Quadrus Series securities returned 2.9% (after deducting fees and expenses paid by the series). This compares with a return of 1.6% for a blended index composed of a 57.5% weighting in the Fund's broad-based index, the S&P/TSX Composite Index (returned 1.7%), and a 42.5% weighting in the FTSE TMX Canada Universe Bond Index (returned 1.4%). All index and series returns are calculated on a total return basis in Canadian dollar terms. Investors cannot invest in the index without incurring fees, expenses and commissions, which are not reflected in the index returns.

Canadian equity markets were up slightly despite continued weak economic growth as measured by gross domestic product. Challenges included concerns about the renegotiation of the North American Free Trade Agreement. Although the West Texas Intermediate crude oil price ended the year higher, overall sentiment toward energy equities remained poor and their prices declined.

Within the S&P/TSX Composite Index, health care, information technology and consumer discretionary were the strongest sectors, while energy, materials and utilities were the weakest.

Outside of Canada, global equity markets advanced to record highs earlier in the year in response to accelerating synchronized global growth and low inflation. Market volatility remained low despite growing geopolitical tensions, specifically between the United States and North Korea, and a more aggressive tone from central banks around the world. However, market volatility returned in January as a result of concerns over global trade tensions, rising inflation and the removal of monetary stimulus.

The Canadian bond market lagged the broader global bond market during the year. After raising its policy rate three times in response to robust economic data, the Bank of Canada put further increases on hold amid uncertainty prompted by threatened U.S. tariffs and a slowdown in household borrowing. The Canadian yield curve flattened as yields on shorter- and medium-term bonds rose significantly relative to longer-term bonds.

The Fund outperformed the broad-based index primarily because of its exposure to non-Canadian equities. Given the Fund's mandate, the return of the blended index is a more meaningful comparison.

The Fund outperformed the blended index primarily because of the performance of its equity portfolio.

Within the equity portion of the Fund, exposure to the United States, China and the United Kingdom contributed to performance. At the sector level, an overweight position and stock selection in information technology and consumer discretionary contributed, as did stock selection in materials. Conversely, stock selection in Canada detracted from performance, as did stock selection in the industrials sector and an underweight position and stock selection in telecommunication services.

Within the fixed income portion of the Fund, security selection and yield curve positioning within federal and provincial bonds contributed to performance, while security selection in corporate bonds and floating-rate loans detracted.

The Fund partially hedged its U.S. dollar exposure, which contributed to absolute performance as the U.S. dollar depreciated relative to the Canadian dollar.

Over the year, portfolio activity and market effect resulted in decreased exposure to equities. At the country level, exposure to the United Kingdom increased and exposure to France was eliminated. Within the equity portion of the Fund, exposure to the consumer staples and energy sectors increased, while exposure to industrials, utilities and financials declined. Within the fixed income portion of the Fund, exposure to federal bonds increased, while exposure to corporate bonds, mortgage-backed securities and provincial bonds decreased.



**MACKENZIE**  
Investments

# MACKENZIE CANADIAN BALANCED FUND

(Formerly Mackenzie Canadian Large Cap Balanced Fund)

ANNUAL MANAGEMENT REPORT OF FUND PERFORMANCE | For the Year Ended March 31, 2018

BALANCED FUND

## Net Assets

The Fund's NAV declined by 1.5% to \$343.5 million at March 31, 2018, from \$348.6 million at March 31, 2017. This change was composed primarily of \$13.9 million in net income (including dividend and interest income) from investment performance, after deducting fees and expenses, \$18.4 million in net redemptions, and \$0.6 million in cash distributions.

See *Other Related Party Transactions* for the percentage of the Fund's NAV owned by Mackenzie, affiliates of Mackenzie and funds managed by Mackenzie. As a result of these investments, the Fund is subject to large transaction risk as discussed in the Prospectus. Mackenzie manages this risk to reduce the possibility of any adverse effect on the Fund or on its investors, through such processes as requiring advance notice of large redemptions. At March 31, 2018, Mackenzie had received no such notices.

## Fees and Expenses

The management expense ratio ("MER") for Series A of 2.28% during the year ended March 31, 2018, was unchanged from the MER for the year ended March 31, 2017. The MER for Quadrus Series of 2.46% during the year ended March 31, 2018, was slightly lower than the MER of 2.48% for the year ended March 31, 2017. The MERs (before and after waivers or absorptions, if any) for each series are presented in the *Financial Highlights* section of this report.

## Recent Developments

The equity portfolio management team has a two-pronged approach to stock selection that uses a combination of fundamental analysis and systematic factor analysis. Metrics such as earnings growth, price-earnings ratio, free cash flow variability and industry sales trends are used in quantitative models that rank the broad stock universe according to expected return. As such, the team does not generate market expectations nor move the portfolio according to any macroeconomic forecast.

With U.S. economic growth likely to remain solid, the fixed income portfolio management team believes the U.S. Federal Reserve will increase the federal funds rate two or three more times in 2018 unless volatility increases or economic data is disappointing. In Canada, the team believes growing business confidence strengthens the case for another policy rate increase in July. If more rate increases occur in either the United States or Canada, the team expects the yield curve to continue flattening as shorter-term yields rise.

Effective September 29, 2017, the Fund was renamed Mackenzie Canadian Balanced Fund.

Effective June 1, 2018, Series PWF securities were consolidated into Series F securities.

## Related Party Transactions

The following arrangements result in fees paid by the Fund to Mackenzie or to companies affiliated with the Fund.

## Management and Administration Services

For each applicable series, the Fund paid management fees and administration fees to Mackenzie at the annual rates specified under *Fund Formation and Series Information* in this report and as more fully described in the Prospectus. In return for the administration fees, Mackenzie pays all costs and expenses (other than certain specified fund costs) required to operate the Fund that are not otherwise included in management fees. See also *Management Fees*.

## Other Related Party Transactions

Mackenzie is wholly owned by IGM Financial Inc. ("IGM"). IGM is a subsidiary of Power Financial Corp., which in turn is a subsidiary of Power Corp. of Canada. Companies related to Power Financial Corp. are therefore considered affiliates of Mackenzie. At March 31, 2018, the Fund held the following investment(s) in companies affiliated with Mackenzie: \$2.0 million invested in securities issued by Power Corp. of Canada. The investment(s) represented 0.6% of the Fund's NAV. In making the investment(s), Mackenzie relied on the approval of the Mackenzie Funds' Independent Review Committee. The Independent Review Committee issued the approval on the basis that the investment(s) would be made in compliance with Mackenzie's policies. Mackenzie's policies are designed to ensure that the related party transaction (i) is made free from any influence by an entity related to Mackenzie and without taking into account any considerations relevant to an entity related to Mackenzie; (ii) represents the business judgment of Mackenzie, uninfluenced by considerations other than the best interests of the Fund; and (iii) achieves a fair and reasonable result for the Fund.

Investment funds managed by Mackenzie invest in Series R securities of the Fund on a prospectus-exempt basis in accordance with the investment objectives of those funds. Series S securities are also issued on a prospectus-exempt basis to London Life Insurance Company, The Great-West Life Assurance Company and The Canada Life Assurance Company (collectively, the "Related Insurance Companies"), all of which are companies affiliated with Mackenzie. At March 31, 2018, the Related Insurance Companies owned 43.4% of the Fund's NAV, and funds managed by Mackenzie owned less than 0.1% of the Fund's NAV. All related party transactions are based on the NAV per security on each transaction day.

At March 31, 2018, Mackenzie had an investment of \$13,506 in the Fund (less than 0.1% of the Fund's NAV).



**MACKENZIE**  
Investments

# MACKENZIE CANADIAN BALANCED FUND

(Formerly Mackenzie Canadian Large Cap Balanced Fund)

ANNUAL MANAGEMENT REPORT OF FUND PERFORMANCE | For the Year Ended March 31, 2018

BALANCED FUND

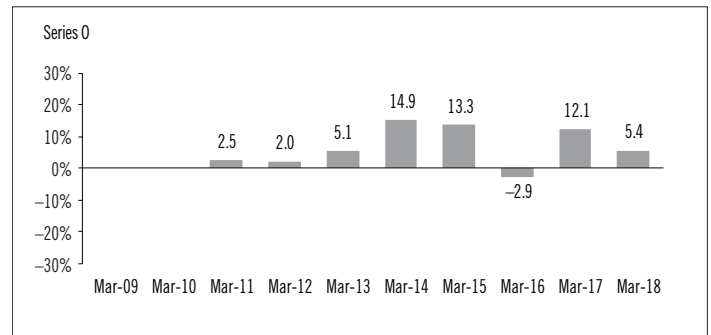
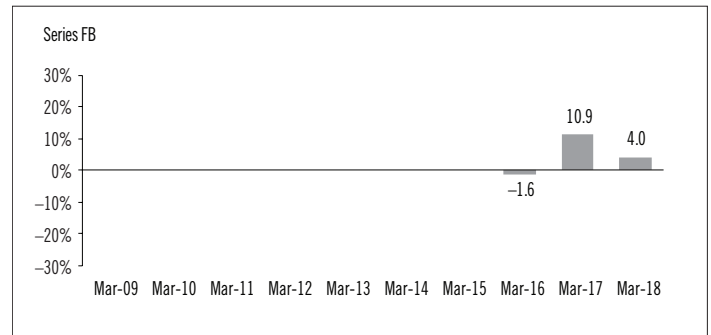
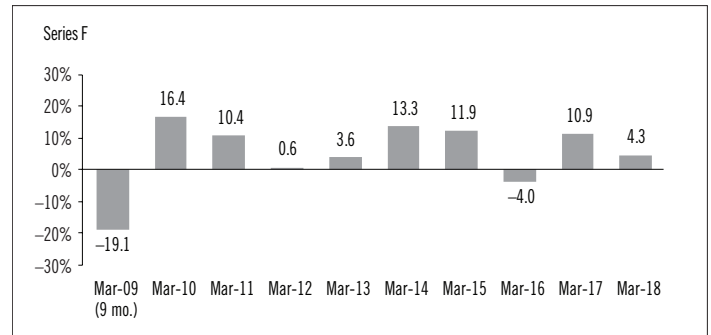
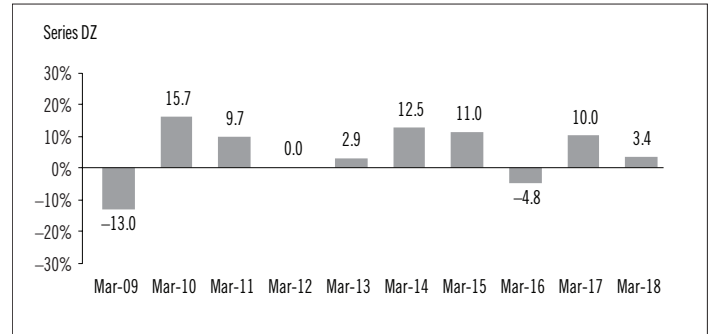
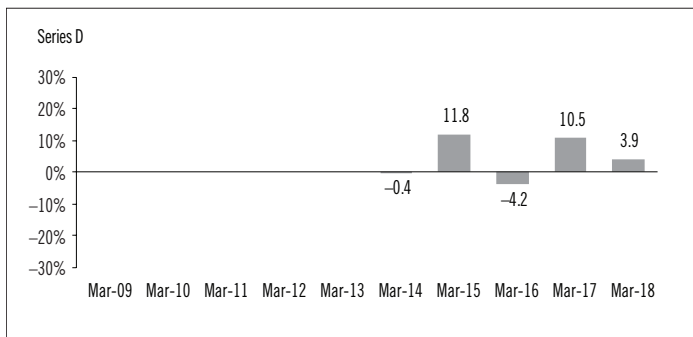
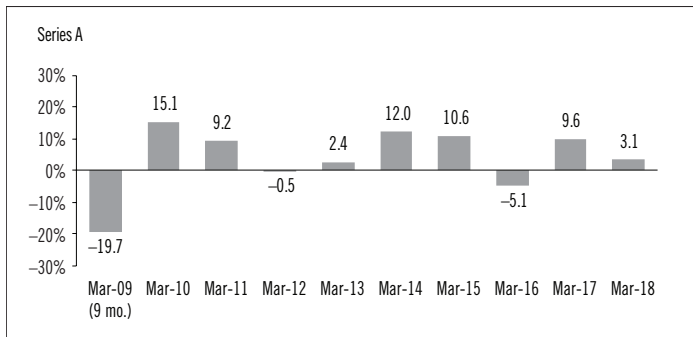
## Past Performance

The Fund's past performance information is presented in the following charts and table. It assumes all distributions made by the Fund in the periods presented are reinvested in additional securities of the relevant series of the Fund. The charts and table do not take into account sales, redemption, distribution or optional charges, or income taxes payable by any investor that would have reduced returns. The past performance of the Fund is not necessarily an indication of how it will perform in the future.

If you hold this Fund outside of a registered plan, income and capital gains distributions paid to you increase your income for tax purposes whether paid to you in cash or reinvested in additional securities of the Fund. The amount of reinvested taxable distributions is added to the adjusted cost base of the securities that you own. This would decrease your capital gain or increase your capital loss when you later redeem from the Fund, thereby ensuring that you are not taxed on this amount again. Please consult your tax adviser regarding your personal tax situation.

### Year-by-Year Returns

The following bar charts present the performance of each series of the Fund for each of the fiscal periods shown. The charts show, in percentage terms, how much an investment made on the first day of each fiscal period, or on the series inception or reinstatement date, as applicable, would have increased or decreased by the last day of the fiscal period presented. Series inception or reinstatement dates can be found under *Fund Formation and Series Information*.

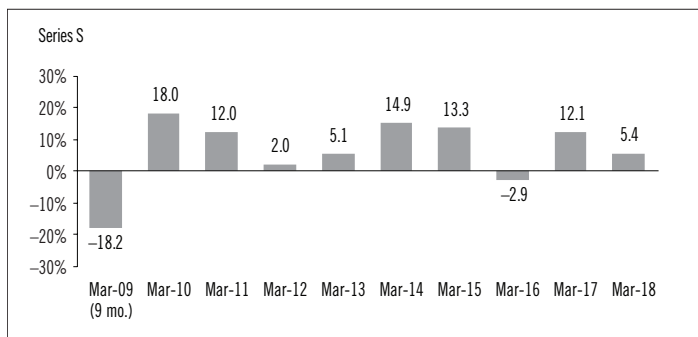
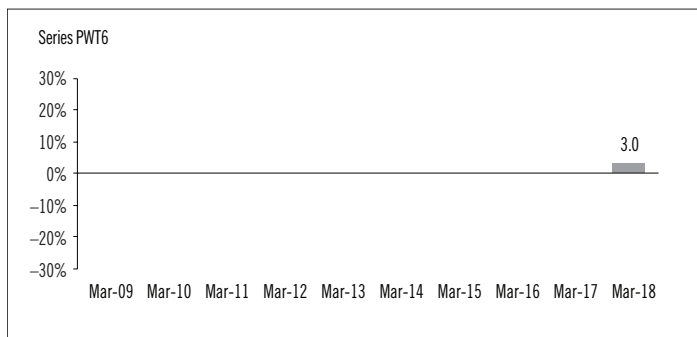
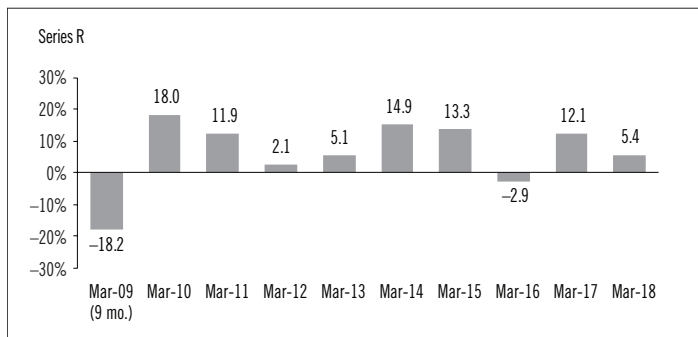
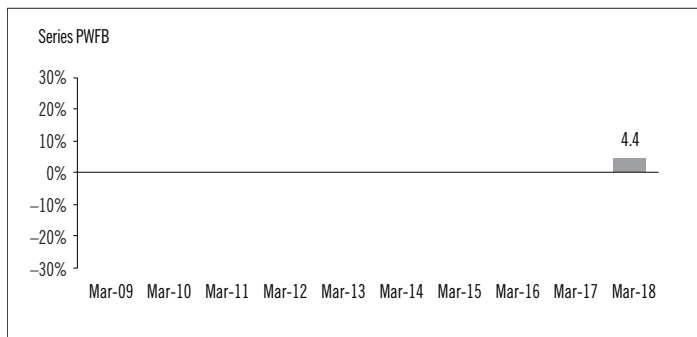
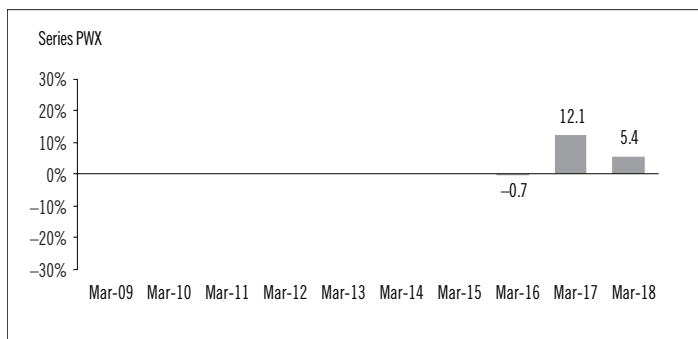
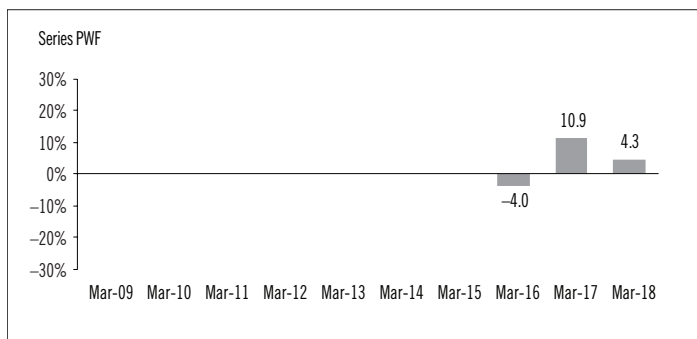
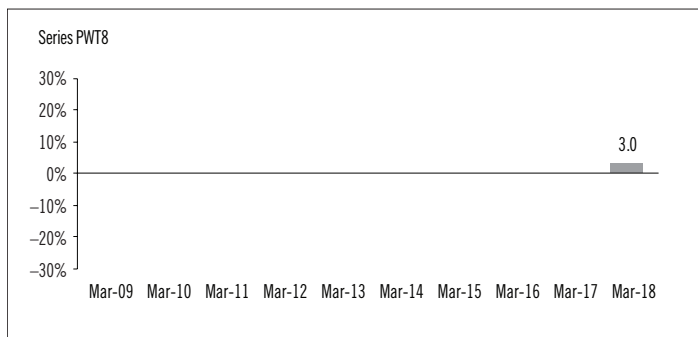
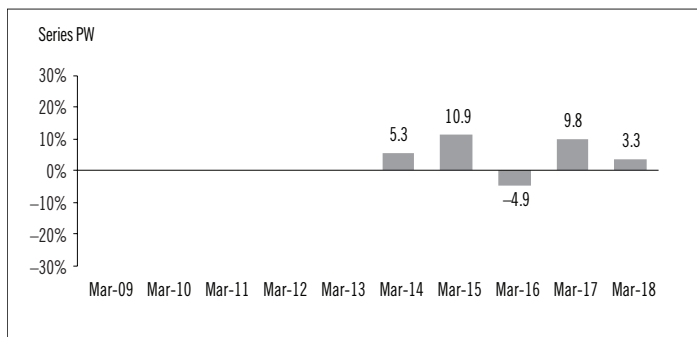


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ANNUAL MANAGEMENT REPORT OF FUND PERFORMANCE | For the Year Ended March 31, 2018

BALANCED FUND

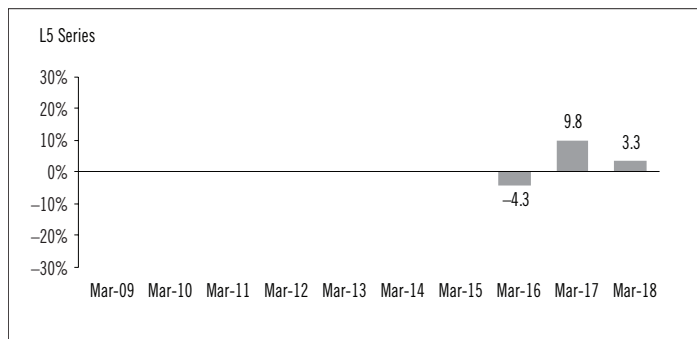
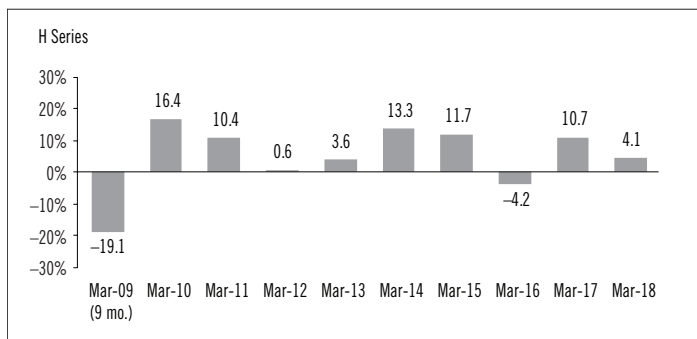
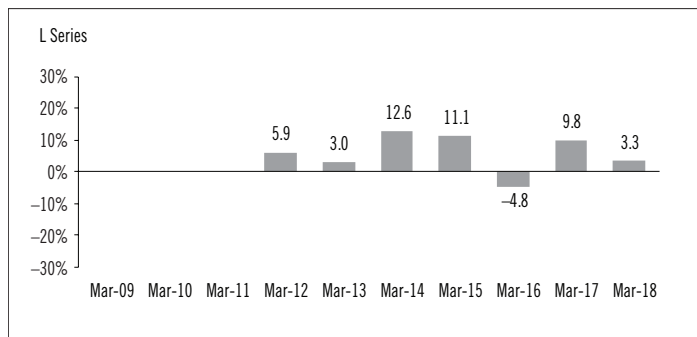
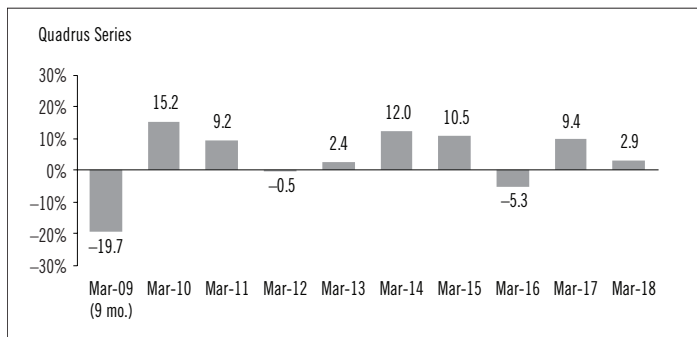
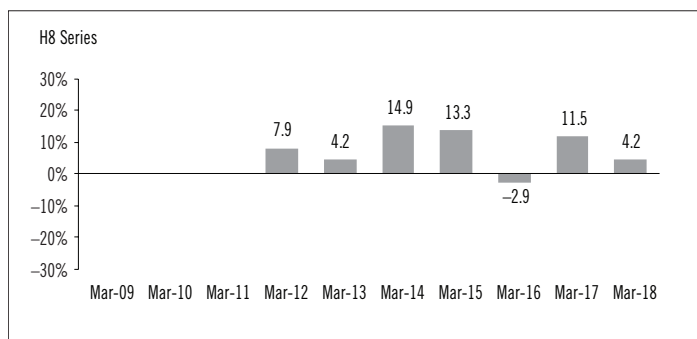
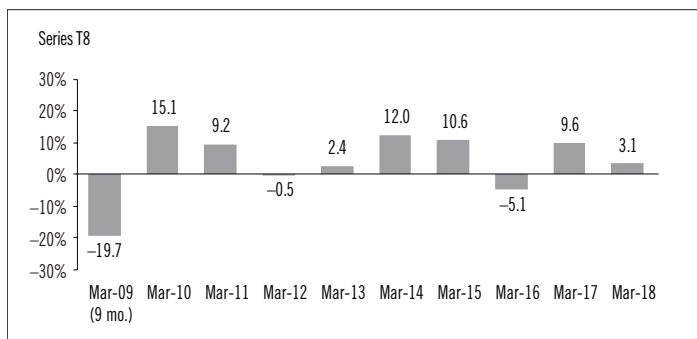
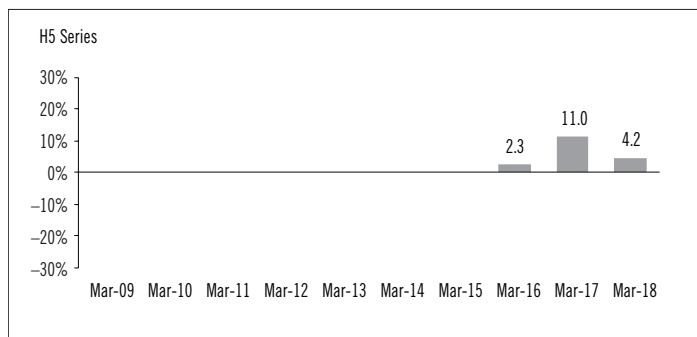
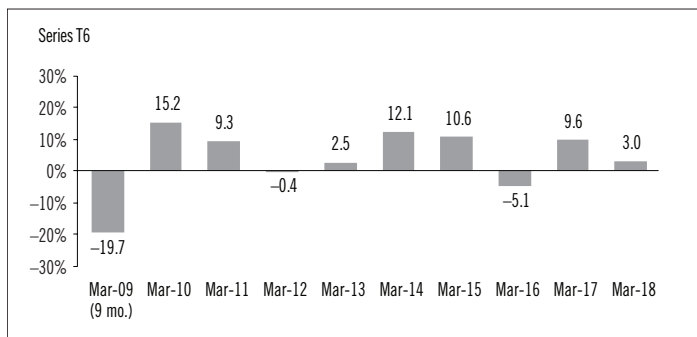


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(Formerly Mackenzie Canadian Large Cap Balanced Fund)

ANNUAL MANAGEMENT REPORT OF FUND PERFORMANCE | For the Year Ended March 31, 2018

BALANCED FUND



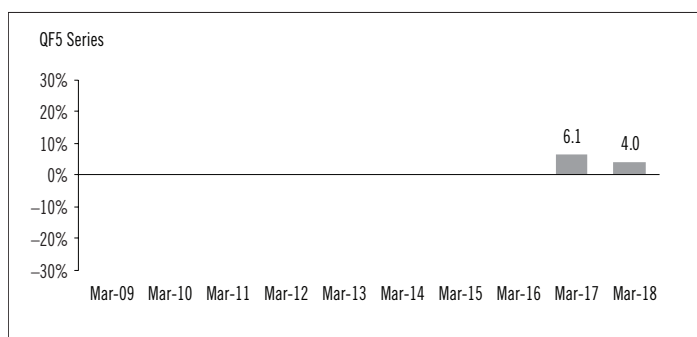
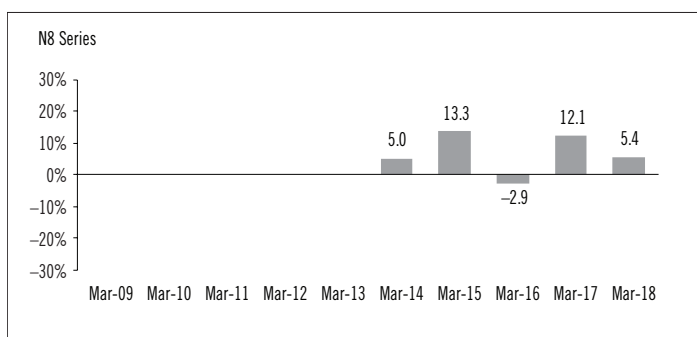
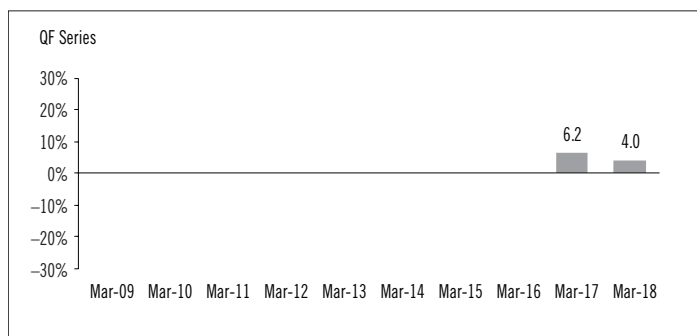
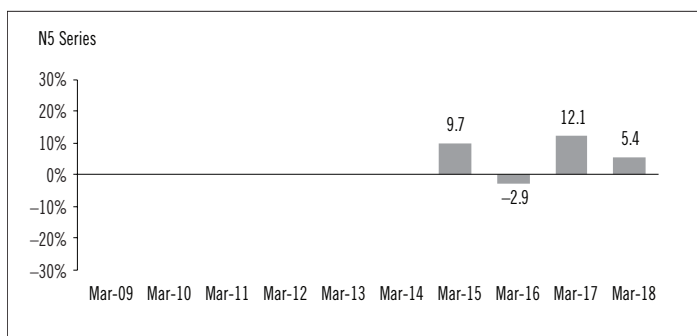
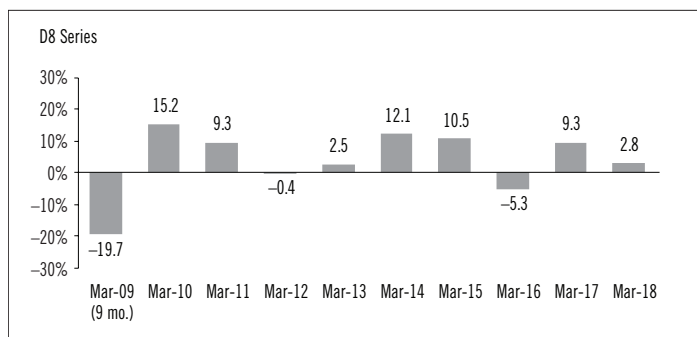
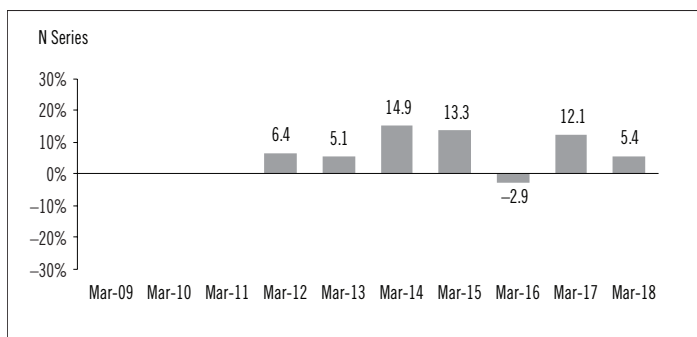
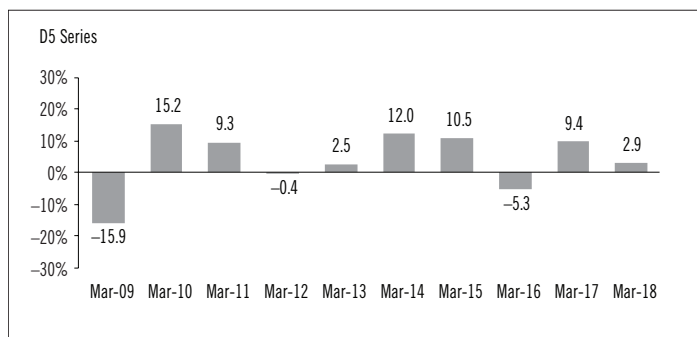
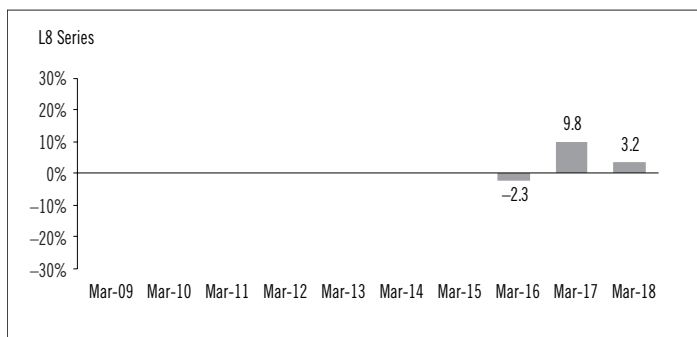
**MACKENZIE**  
Investments

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(Formerly Mackenzie Canadian Large Cap Balanced Fund)

ANNUAL MANAGEMENT REPORT OF FUND PERFORMANCE | For the Year Ended March 31, 2018

BALANCED FUND



**MACKENZIE**  
Investments

# MACKENZIE CANADIAN BALANCED FUND

(Formerly Mackenzie Canadian Large Cap Balanced Fund)

ANNUAL MANAGEMENT REPORT OF FUND PERFORMANCE | For the Year Ended March 31, 2018

BALANCED FUND

## Annual Compound Returns

The following table compares the historical annual compound total returns for each series of the Fund with the relevant index or indices shown below for each of the periods ended March 31, 2018. Investors cannot invest in an index without incurring fees, expenses and commissions, which are not reflected in these performance figures.

All index returns are calculated in Canadian dollars on a total return basis, meaning that all distributions are reinvested.

Percentage Return: <sup>1</sup>	1 Yr	3 Yr	5 Yr	10 Yr	Since Inception <sup>2</sup>
Series A	3.1	2.3	5.8	3.6	n/a
Series D	3.9	3.3	n/a	n/a	5.2
Series DZ	3.4	2.7	6.2	n/a	4.6
Series F	4.3	3.5	7.1	4.8	n/a
Series FB	4.0	n/a	n/a	n/a	5.4
Series O	5.4	4.7	8.4	n/a	7.1
Series PW	3.3	2.6	n/a	n/a	5.5
Series PWF	4.3	n/a	n/a	n/a	3.6
Series PWFB	n/a	n/a	n/a	n/a	4.4
Series PWT6	n/a	n/a	n/a	n/a	3.0
Series PWT8	n/a	n/a	n/a	n/a	3.0
Series PWX	5.4	n/a	n/a	n/a	6.5
Series R	5.4	4.7	8.4	6.1	n/a
Series S	5.4	4.7	8.3	6.1	n/a
Series T6	3.0	2.3	5.8	3.7	n/a
Series T8	3.1	2.4	5.8	3.6	n/a
Quadrus Series	2.9	2.1	5.7	3.5	n/a
H Series	4.1	3.3	6.9	4.7	n/a
H5 Series	4.2	n/a	n/a	n/a	7.9
H8 Series	4.2	4.1	8.0	n/a	8.0
L Series	3.3	2.6	6.2	n/a	6.4
L5 Series	3.3	n/a	n/a	n/a	3.1
L8 Series	3.2	n/a	n/a	n/a	4.1
N Series	5.4	4.7	8.4	n/a	8.5
N5 Series	5.4	4.7	n/a	n/a	6.8
N8 Series	5.4	4.7	n/a	n/a	7.6
D5 Series	2.9	2.1	5.7	n/a	3.8
D8 Series	2.8	2.1	5.7	3.6	n/a
QF Series	4.0	n/a	n/a	n/a	6.0
QF5 Series	4.0	n/a	n/a	n/a	5.9
Blended Index	1.6	2.9	5.3	4.7	Note 3
S&P/TSX Composite Index*	1.7	4.1	6.9	4.5	Note 4
FTSE TMX Canada Universe Bond Index	1.4	1.2	2.9	4.4	Note 5

\* Broad-based index

The blended index is composed of 57.5% S&P/TSX Composite Index and 42.5% FTSE TMX Canada Universe Bond Index.

The S&P/TSX Composite Index is a capitalization weighted index that represents some of the largest float adjusted stocks trading on the Toronto Stock Exchange.

The FTSE TMX Canada Universe Bond Index is a broad measure of Canadian bonds with terms to maturity of more than one year. It includes federal, provincial, municipal and corporate bonds rated "BBB" or higher.

- (1) The percentage return differs for each series because the management fee rate and expenses differ for each series.
- (2) The return since inception for each series will differ when the inception date differs and is only provided when a series has been active for a period of less than 10 years.
- (3) The return of the blended index since inception for each applicable series is as follows: Series D 4.3%, Series DZ 5.4%, Series FB 5.4%, Series O 4.7%, Series PW 5.4%, Series PWF 2.4%, Series PWFB 1.3%, Series PWT6 1.3%, Series PWT8 1.3%, Series PWX 5.9%, H5 Series 9.0%, H8 Series 5.8%, L Series 5.7%, L5 Series 4.5%, L8 Series 5.4%, N Series 5.7%, N5 Series 3.9%, N8 Series 5.3%, D5 Series 5.0%, QF Series 3.7%, QF5 Series 3.7%.
- (4) The return of the S&P/TSX Composite Index since inception for each applicable series is as follows: Series D 4.8%, Series DZ 5.6%, Series FB 7.7%, Series O 4.9%, Series PW 6.5%, Series PWF 3.1%, Series PWFB 1.5%, Series PWT6 1.5%, Series PWT8 1.5%, Series PWX 8.9%, H5 Series 14.9%, H8 Series 7.5%, L Series 7.7%, L5 Series 6.7%, L8 Series 8.0%, N Series 7.7%, N5 Series 4.6%, N8 Series 6.3%, D5 Series 5.0%, QF Series 6.5%, QF5 Series 6.5%.
- (5) The return of the FTSE TMX Canada Universe Bond Index since inception for each applicable series is as follows: Series D 3.4%, Series DZ 4.7%, Series FB 2.1%, Series O 4.0%, Series PW 3.8%, Series PWF 1.4%, Series PWFB 1.0%, Series PWT6 1.0%, Series PWT8 1.0%, Series PWX 1.9%, H5 Series 1.5%, H8 Series 3.3%, L Series 3.0%, L5 Series 1.5%, L8 Series 1.9%, N Series 3.0%, N5 Series 2.8%, N8 Series 3.8%, D5 Series 4.4%, QF Series -0.1%, QF5 Series -0.1%.



**MACKENZIE**  
Investments



# MACKENZIE CANADIAN BALANCED FUND

(Formerly Mackenzie Canadian Large Cap Balanced Fund)

ANNUAL MANAGEMENT REPORT OF FUND PERFORMANCE | For the Year Ended March 31, 2018

BALANCED FUND

## Summary of Investment Portfolio at March 31, 2018

<b>Portfolio Allocation</b>	<b>% of NAV</b>
Equities	61.1
Bonds	33.7
<i>Bonds</i>	<i>33.8</i>
<i>Purchased options*</i>	<i>0.0</i>
<i>Short futures**</i>	<i>(0.1)</i>
Mutual funds	2.9
Cash and short-term investments	1.9
Exchange-traded funds/notes	0.7
Other assets (liabilities)	(0.3)
<b>Regional Allocation</b>	<b>% of NAV</b>
Canada	61.0
United States	23.6
United Kingdom	4.0
Japan	2.2
Cash and short-term investments	1.9
Germany	1.1
Australia	0.9
China	0.8
South Korea	0.8
Zambia	0.8
Other	0.7
Brazil	0.6
Netherlands	0.6
Italy	0.6
Bermuda	0.4
Belgium	0.3
Other assets (liabilities)	(0.3)
<b>Sector Allocation</b>	<b>% of NAV</b>
Corporate bonds	15.8
Financials	14.6
Information technology	8.9
Consumer discretionary	7.9
Federal bonds	7.4
Energy	7.3
Materials	6.9
Provincial bonds	6.0
Industrials	6.0
Consumer staples	4.8
Other	3.3
Mutual funds	2.9
Term loans	2.7
Health care	2.4
Cash and short-term investments	1.9
Foreign government bonds	1.5
Other assets (liabilities)	(0.3)
<b>Net Currency Exposure</b>	<b>% of NAV</b>
Canadian dollar	79.6
U.S. dollar	11.2
Other	3.4
Japanese yen	2.2
British pound	2.0
Euro	1.6
<b>Bonds by Credit Rating<sup>†</sup></b>	<b>% of NAV</b>
AAA	9.2
AA	8.3
A	6.3
BBB	6.5
Less than BBB	3.1
Unrated	0.4

## Top 25 Long Holdings

<b>Issuer/Underlying Fund</b>	<b>% of NAV</b>
Government of Canada 2.00% 06-01-2028	3.5
Province of Quebec 3.50% 12-01-2045	2.1
Mackenzie Global Credit Opportunities Fund Series R	2.1
Royal Bank of Canada	2.0
The Toronto-Dominion Bank	2.0
Cash and short-term investments	1.9
Canadian National Railway Co.	1.7
Dollarama Inc.	1.7
The Bank of Nova Scotia	1.6
Government of Canada 2.75% 12-01-2048	1.5
Government of Canada 1.25% 12-01-2047 Real Return	1.2
Lear Corp.	1.2
Apple Inc.	1.1
T. Rowe Price Group Inc.	1.1
Alimentation Couche-Tard Inc.	1.1
Constellation Software Inc.	1.1
The Berkeley Group Holdings PLC	1.1
Rogers Communications Inc.	1.1
CGI Group Inc.	1.1
Sun Life Financial Inc.	1.0
Enerplus Corp.	1.0
Tourmaline Oil Corp.	1.0
Manulife Financial Corp.	0.9
Canfor Corp.	0.9
National Bank of Canada	0.9

**Top long positions as a percentage of total net asset value** **35.9**

## Top 25 Short Holdings

<b>Issuer</b>	<b>% of NAV</b>
U.S. Treasury Note 10-Year Futures**	(0.0)
CME Ultra Long-Term U.S. Treasury Bond Futures**	(0.1)

**Top short positions as a percentage of total net asset value** **(0.1)**

\* Notional principal values represent 0.9% of NAV for purchased options.

\*\* Notional principal values represent -3.5% of NAV for U.S. Treasury Note 10-Year Futures and -1.6% of NAV for CME Ultra Long-Term U.S. Treasury Bond Futures.

† Credit ratings and rating categories are based on ratings issued by a designated rating organization. This table includes only bonds directly held by the Fund.

For the prospectus and other information about the underlying fund(s) held in the portfolio, visit [www.mackenzieinvestments.com](http://www.mackenzieinvestments.com) or [www.sedar.com](http://www.sedar.com).

The investments and percentages may have changed since March 31, 2018, due to the ongoing portfolio transactions of the Fund. Quarterly updates of holdings are available within 60 days of the end of each quarter except for March 31, the Fund's fiscal year-end, when they are available within 90 days.



**MACKENZIE**  
Investments

# MACKENZIE CANADIAN BALANCED FUND

(Formerly Mackenzie Canadian Large Cap Balanced Fund)

ANNUAL MANAGEMENT REPORT OF FUND PERFORMANCE | For the Year Ended March 31, 2018

BALANCED FUND

## Financial Highlights

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for each of the fiscal periods presented below. If during the period a fund or series was established or reinstated, "period" represents the period from inception or reinstatement to the end of that fiscal period. Series inception or reinstatement dates can be found under *Fund Formation and Series Information*.

### THE FUND'S NET ASSETS PER SECURITY (\$)¹

Series A	Mar. 31 2018	Mar. 31 2017	Mar. 31 2016	Mar. 31 2015	Mar. 31 2014
<b>Net assets, beginning of period</b>	14.15	13.33	15.66	14.55	13.06
<b>Increase (decrease) from operations:</b>					
Total revenue	0.37	0.38	0.42	0.39	0.34
Total expenses	(0.35)	(0.34)	(0.35)	(0.37)	(0.35)
Realized gains (losses) for the period	0.68	0.79	1.42	1.22	0.67
Unrealized gains (losses) for the period	(0.27)	0.43	(2.28)	0.27	0.85
<b>Total increase (decrease) from operations²</b>	<b>0.43</b>	<b>1.26</b>	<b>(0.79)</b>	<b>1.51</b>	<b>1.51</b>
<b>Distributions:</b>					
From net investment income (excluding dividends)	(0.04)	(0.03)	(0.01)	(0.01)	–
From dividends	(0.04)	(0.07)	(0.11)	(0.10)	(0.07)
From capital gains	(0.33)	(0.34)	(1.44)	(0.30)	–
Return of capital	–	–	–	–	–
<b>Total annual distributions³</b>	<b>(0.41)</b>	<b>(0.44)</b>	<b>(1.56)</b>	<b>(0.41)</b>	<b>(0.07)</b>
<b>Net assets, end of period</b>	<b>14.17</b>	<b>14.15</b>	<b>13.33</b>	<b>15.66</b>	<b>14.55</b>

Series D	Mar. 31 2018	Mar. 31 2017	Mar. 31 2016	Mar. 31 2015	Mar. 31 2014
<b>Net assets, beginning of period</b>	9.77	9.27	10.81	9.96	10.00
<b>Increase (decrease) from operations:</b>					
Total revenue	0.25	0.27	0.29	0.27	0.01
Total expenses	(0.15)	(0.15)	(0.15)	(0.14)	(5.99)
Realized gains (losses) for the period	0.75	0.54	0.97	0.86	5.92
Unrealized gains (losses) for the period	(0.18)	0.30	(1.58)	0.18	0.02
<b>Total increase (decrease) from operations²</b>	<b>0.67</b>	<b>0.96</b>	<b>(0.47)</b>	<b>1.17</b>	<b>(0.04)</b>
<b>Distributions:</b>					
From net investment income (excluding dividends)	(0.04)	(0.04)	(0.03)	(0.02)	–
From dividends	(0.08)	(0.12)	(0.12)	(0.09)	(0.01)
From capital gains	(0.25)	(0.29)	(0.97)	(0.19)	–
Return of capital	–	–	–	–	–
<b>Total annual distributions³</b>	<b>(0.37)</b>	<b>(0.45)</b>	<b>(1.12)</b>	<b>(0.30)</b>	<b>(0.01)</b>
<b>Net assets, end of period</b>	<b>9.78</b>	<b>9.77</b>	<b>9.27</b>	<b>10.81</b>	<b>9.96</b>

Series DZ	Mar. 31 2018	Mar. 31 2017	Mar. 31 2016	Mar. 31 2015	Mar. 31 2014
<b>Net assets, beginning of period</b>	11.75	11.09	13.08	12.19	10.90
<b>Increase (decrease) from operations:</b>					
Total revenue	0.31	0.32	0.35	0.33	0.29
Total expenses	(0.25)	(0.24)	(0.25)	(0.26)	(0.24)
Realized gains (losses) for the period	0.56	0.65	1.18	1.02	0.56
Unrealized gains (losses) for the period	(0.22)	0.36	(1.91)	0.22	0.71
<b>Total increase (decrease) from operations²</b>	<b>0.40</b>	<b>1.09</b>	<b>(0.63)</b>	<b>1.31</b>	<b>1.32</b>
<b>Distributions:</b>					
From net investment income (excluding dividends)	(0.04)	(0.03)	(0.02)	(0.01)	–
From dividends	(0.06)	(0.09)	(0.11)	(0.12)	(0.07)
From capital gains	(0.29)	(0.31)	(1.26)	(0.30)	–
Return of capital	–	–	–	–	–
<b>Total annual distributions³</b>	<b>(0.39)</b>	<b>(0.43)</b>	<b>(1.39)</b>	<b>(0.43)</b>	<b>(0.07)</b>
<b>Net assets, end of period</b>	<b>11.76</b>	<b>11.75</b>	<b>11.09</b>	<b>13.08</b>	<b>12.19</b>

Series F	Mar. 31 2018	Mar. 31 2017	Mar. 31 2016	Mar. 31 2015	Mar. 31 2014
<b>Net assets, beginning of period</b>	14.49	13.76	16.16	14.94	13.31
<b>Increase (decrease) from operations:</b>					
Total revenue	0.38	0.39	0.44	0.41	0.35
Total expenses	(0.18)	(0.18)	(0.18)	(0.20)	(0.21)
Realized gains (losses) for the period	0.63	0.84	1.47	1.32	0.63
Unrealized gains (losses) for the period	(0.27)	0.44	(2.35)	0.27	0.87
<b>Total increase (decrease) from operations²</b>	<b>0.56</b>	<b>1.49</b>	<b>(0.62)</b>	<b>1.80</b>	<b>1.64</b>
<b>Distributions:</b>					
From net investment income (excluding dividends)	(0.06)	(0.07)	(0.04)	(0.02)	(0.01)
From dividends	(0.16)	(0.20)	(0.22)	(0.18)	(0.11)
From capital gains	(0.36)	(0.47)	(1.52)	(0.33)	–
Return of capital	–	–	–	–	–
<b>Total annual distributions³</b>	<b>(0.58)</b>	<b>(0.74)</b>	<b>(1.78)</b>	<b>(0.53)</b>	<b>(0.12)</b>
<b>Net assets, end of period</b>	<b>14.53</b>	<b>14.49</b>	<b>13.76</b>	<b>16.16</b>	<b>14.94</b>

- (1) These calculations are prescribed by securities regulations and are not intended to be a reconciliation between opening and closing net assets per security. This information is derived from the Fund's audited annual financial statements. The net assets per security presented in the financial statements may differ from the net asset value per security calculated for fund pricing purposes. An explanation of these differences can be found in the *Notes to Financial Statements*.
- (2) Net assets and distributions are based on the actual number of securities outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of securities outstanding over the fiscal period.
- (3) Distributions were paid in cash/reinvested in additional securities of the Fund, or both.



**MACKENZIE**  
Investments

# MACKENZIE CANADIAN BALANCED FUND

(Formerly Mackenzie Canadian Large Cap Balanced Fund)

ANNUAL MANAGEMENT REPORT OF FUND PERFORMANCE | For the Year Ended March 31, 2018

BALANCED FUND

## THE FUND'S NET ASSETS PER SECURITY (\$)¹ (cont'd)

Series FB	Mar. 31 2018	Mar. 31 2017	Mar. 31 2016	Mar. 31 2015	Mar. 31 2014
<b>Net assets, beginning of period</b>	9.28	8.83	10.00	n/a	n/a
<b>Increase (decrease) from operations:</b>					
Total revenue	0.24	0.25	0.12	n/a	n/a
Total expenses	(0.14)	(0.12)	(0.05)	n/a	n/a
Realized gains (losses) for the period	0.44	0.53	0.43	n/a	n/a
Unrealized gains (losses) for the period	(0.17)	0.28	(0.64)	n/a	n/a
<b>Total increase (decrease) from operations²</b>	0.37	0.94	(0.14)	n/a	n/a
<b>Distributions:</b>					
From net investment income (excluding dividends)	(0.04)	(0.05)	(0.02)	n/a	n/a
From dividends	(0.09)	(0.14)	(0.06)	n/a	n/a
From capital gains	(0.24)	(0.30)	(0.95)	n/a	n/a
Return of capital	–	–	–	n/a	n/a
<b>Total annual distributions³</b>	(0.37)	(0.49)	(1.03)	n/a	n/a
<b>Net assets, end of period</b>	9.29	9.28	8.83	n/a	n/a

Series O	Mar. 31 2018	Mar. 31 2017	Mar. 31 2016	Mar. 31 2015	Mar. 31 2014
<b>Net assets, beginning of period</b>	11.15	10.67	12.44	11.54	10.24
<b>Increase (decrease) from operations:</b>					
Total revenue	0.29	0.31	0.34	0.31	0.27
Total expenses	(0.02)	(0.02)	(0.01)	(0.01)	(0.01)
Realized gains (losses) for the period	0.54	0.63	1.14	1.00	0.55
Unrealized gains (losses) for the period	(0.21)	0.34	(1.82)	0.21	0.68
<b>Total increase (decrease) from operations²</b>	0.60	1.26	(0.35)	1.51	1.49
<b>Distributions:</b>					
From net investment income (excluding dividends)	(0.06)	(0.09)	(0.04)	(0.04)	(0.01)
From dividends	(0.20)	(0.24)	(0.21)	(0.21)	(0.20)
From capital gains	(0.32)	(0.45)	(1.17)	(0.35)	–
Return of capital	–	–	–	–	–
<b>Total annual distributions³</b>	(0.58)	(0.78)	(1.42)	(0.60)	(0.21)
<b>Net assets, end of period</b>	11.17	11.15	10.67	12.44	11.54

Series PW	Mar. 31 2018	Mar. 31 2017	Mar. 31 2016	Mar. 31 2015	Mar. 31 2014
<b>Net assets, beginning of period</b>	10.46	9.88	11.49	10.53	10.00
<b>Increase (decrease) from operations:</b>					
Total revenue	0.27	0.28	0.31	0.29	0.08
Total expenses	(0.23)	(0.22)	(0.23)	(0.23)	(0.07)
Realized gains (losses) for the period	0.52	0.58	1.10	1.03	0.33
Unrealized gains (losses) for the period	(0.20)	0.32	(1.68)	0.19	0.19
<b>Total increase (decrease) from operations²</b>	0.36	0.96	(0.50)	1.28	0.53
<b>Distributions:</b>					
From net investment income (excluding dividends)	(0.03)	(0.03)	(0.01)	(0.01)	–
From dividends	(0.05)	(0.08)	(0.09)	(0.06)	–
From capital gains	(0.25)	(0.26)	(0.97)	(0.11)	–
Return of capital	–	–	–	–	–
<b>Total annual distributions³</b>	(0.33)	(0.37)	(1.07)	(0.18)	–
<b>Net assets, end of period</b>	10.47	10.46	9.88	11.49	10.53

Series PWF	Mar. 31 2018	Mar. 31 2017	Mar. 31 2016	Mar. 31 2015	Mar. 31 2014
<b>Net assets, beginning of period</b>	9.07	8.56	10.00	n/a	n/a
<b>Increase (decrease) from operations:</b>					
Total revenue	0.24	0.24	0.26	n/a	n/a
Total expenses	(0.11)	(0.11)	(0.10)	n/a	n/a
Realized gains (losses) for the period	0.45	0.51	0.83	n/a	n/a
Unrealized gains (losses) for the period	(0.17)	0.27	(1.40)	n/a	n/a
<b>Total increase (decrease) from operations²</b>	0.41	0.91	(0.41)	n/a	n/a
<b>Distributions:</b>					
From net investment income (excluding dividends)	(0.04)	(0.04)	(0.02)	n/a	n/a
From dividends	(0.10)	(0.09)	(0.12)	n/a	n/a
From capital gains	(0.24)	(0.28)	(0.91)	n/a	n/a
Return of capital	–	–	–	n/a	n/a
<b>Total annual distributions³</b>	(0.38)	(0.41)	(1.05)	n/a	n/a
<b>Net assets, end of period</b>	9.08	9.07	8.56	n/a	n/a



**MACKENZIE**  
Investments

# MACKENZIE CANADIAN BALANCED FUND

(Formerly Mackenzie Canadian Large Cap Balanced Fund)

ANNUAL MANAGEMENT REPORT OF FUND PERFORMANCE | For the Year Ended March 31, 2018

BALANCED FUND

## THE FUND'S NET ASSETS PER SECURITY (\$)¹ (cont'd)

	Mar. 31 2018	Mar. 31 2017	Mar. 31 2016	Mar. 31 2015	Mar. 31 2014
<b>Series PWFB</b>					
<b>Net assets, beginning of period</b>	10.00	n/a	n/a	n/a	n/a
<b>Increase (decrease) from operations:</b>					
Total revenue	0.26	n/a	n/a	n/a	n/a
Total expenses	(0.09)	n/a	n/a	n/a	n/a
Realized gains (losses) for the period	0.45	n/a	n/a	n/a	n/a
Unrealized gains (losses) for the period	(0.19)	n/a	n/a	n/a	n/a
<b>Total increase (decrease) from operations²</b>	0.43	n/a	n/a	n/a	n/a
<b>Distributions:</b>					
From net investment income (excluding dividends)	(0.05)	n/a	n/a	n/a	n/a
From dividends	(0.13)	n/a	n/a	n/a	n/a
From capital gains	(0.27)	n/a	n/a	n/a	n/a
Return of capital	–	n/a	n/a	n/a	n/a
<b>Total annual distributions³</b>	(0.45)	n/a	n/a	n/a	n/a
<b>Net assets, end of period</b>	9.98	n/a	n/a	n/a	n/a

	Mar. 31 2018	Mar. 31 2017	Mar. 31 2016	Mar. 31 2015	Mar. 31 2014
<b>Series PWT6</b>					
<b>Net assets, beginning of period</b>	15.00	n/a	n/a	n/a	n/a
<b>Increase (decrease) from operations:</b>					
Total revenue	0.38	n/a	n/a	n/a	n/a
Total expenses	(0.31)	n/a	n/a	n/a	n/a
Realized gains (losses) for the period	0.73	n/a	n/a	n/a	n/a
Unrealized gains (losses) for the period	(0.27)	n/a	n/a	n/a	n/a
<b>Total increase (decrease) from operations²</b>	0.53	n/a	n/a	n/a	n/a
<b>Distributions:</b>					
From net investment income (excluding dividends)	(0.05)	n/a	n/a	n/a	n/a
From dividends	(0.05)	n/a	n/a	n/a	n/a
From capital gains	(0.35)	n/a	n/a	n/a	n/a
Return of capital	(0.85)	n/a	n/a	n/a	n/a
<b>Total annual distributions³</b>	(1.30)	n/a	n/a	n/a	n/a
<b>Net assets, end of period</b>	14.15	n/a	n/a	n/a	n/a

	Mar. 31 2018	Mar. 31 2017	Mar. 31 2016	Mar. 31 2015	Mar. 31 2014
<b>Series PWT8</b>					
<b>Net assets, beginning of period</b>	15.00	n/a	n/a	n/a	n/a
<b>Increase (decrease) from operations:</b>					
Total revenue	0.37	n/a	n/a	n/a	n/a
Total expenses	(0.32)	n/a	n/a	n/a	n/a
Realized gains (losses) for the period	0.72	n/a	n/a	n/a	n/a
Unrealized gains (losses) for the period	(0.27)	n/a	n/a	n/a	n/a
<b>Total increase (decrease) from operations²</b>	0.50	n/a	n/a	n/a	n/a
<b>Distributions:</b>					
From net investment income (excluding dividends)	(0.04)	n/a	n/a	n/a	n/a
From dividends	(0.06)	n/a	n/a	n/a	n/a
From capital gains	(0.34)	n/a	n/a	n/a	n/a
Return of capital	(1.14)	n/a	n/a	n/a	n/a
<b>Total annual distributions³</b>	(1.58)	n/a	n/a	n/a	n/a
<b>Net assets, end of period</b>	13.85	n/a	n/a	n/a	n/a

	Mar. 31 2018	Mar. 31 2017	Mar. 31 2016	Mar. 31 2015	Mar. 31 2014
<b>Series PWX</b>					
<b>Net assets, beginning of period</b>	9.24	8.84	10.00	n/a	n/a
<b>Increase (decrease) from operations:</b>					
Total revenue	0.24	0.26	0.15	n/a	n/a
Total expenses	(0.01)	(0.02)	(0.01)	n/a	n/a
Realized gains (losses) for the period	0.43	0.79	0.59	n/a	n/a
Unrealized gains (losses) for the period	(0.17)	0.29	(0.82)	n/a	n/a
<b>Total increase (decrease) from operations²</b>	0.49	1.32	(0.09)	n/a	n/a
<b>Distributions:</b>					
From net investment income (excluding dividends)	(0.04)	(0.07)	(0.03)	n/a	n/a
From dividends	(0.17)	(0.20)	(0.07)	n/a	n/a
From capital gains	(0.27)	(0.37)	(0.99)	n/a	n/a
Return of capital	–	–	–	n/a	n/a
<b>Total annual distributions³</b>	(0.48)	(0.64)	(1.09)	n/a	n/a
<b>Net assets, end of period</b>	9.26	9.24	8.84	n/a	n/a



**MACKENZIE**  
Investments

# MACKENZIE CANADIAN BALANCED FUND

(Formerly Mackenzie Canadian Large Cap Balanced Fund)

ANNUAL MANAGEMENT REPORT OF FUND PERFORMANCE | For the Year Ended March 31, 2018

BALANCED FUND

## THE FUND'S NET ASSETS PER SECURITY (\$)¹ (cont'd)

Series R	Mar. 31 2018	Mar. 31 2017	Mar. 31 2016	Mar. 31 2015	Mar. 31 2014
<b>Net assets, beginning of period</b>	<b>9.62</b>	9.21	10.85	10.10	8.98
<b>Increase (decrease) from operations:</b>					
Total revenue	<b>0.25</b>	0.26	0.29	0.27	0.24
Total expenses	<b>(0.01)</b>	(0.02)	(0.01)	–	(0.01)
Realized gains (losses) for the period	<b>0.46</b>	0.56	1.01	0.85	0.44
Unrealized gains (losses) for the period	<b>(0.18)</b>	0.29	(1.59)	0.19	0.59
<b>Total increase (decrease) from operations²</b>	<b>0.52</b>	1.09	(0.30)	1.31	1.26
<b>Distributions:</b>					
From net investment income (excluding dividends)	<b>(0.04)</b>	(0.07)	(0.05)	(0.04)	(0.01)
From dividends	<b>(0.18)</b>	(0.21)	(0.22)	(0.20)	(0.20)
From capital gains	<b>(0.28)</b>	(0.39)	(1.07)	(0.33)	–
Return of capital	–	–	–	–	–
<b>Total annual distributions³</b>	<b>(0.50)</b>	(0.67)	(1.34)	(0.57)	(0.21)
<b>Net assets, end of period</b>	<b>9.64</b>	9.62	9.21	10.85	10.10

Series S	Mar. 31 2018	Mar. 31 2017	Mar. 31 2016	Mar. 31 2015	Mar. 31 2014
<b>Net assets, beginning of period</b>	<b>14.20</b>	13.59	15.86	14.76	13.09
<b>Increase (decrease) from operations:</b>					
Total revenue	<b>0.37</b>	0.39	0.43	0.40	0.35
Total expenses	<b>(0.02)</b>	(0.03)	(0.02)	(0.01)	(0.01)
Realized gains (losses) for the period	<b>0.68</b>	0.81	1.44	1.24	0.71
Unrealized gains (losses) for the period	<b>(0.27)</b>	0.43	(2.32)	0.27	0.86
<b>Total increase (decrease) from operations²</b>	<b>0.76</b>	1.60	(0.47)	1.90	1.91
<b>Distributions:</b>					
From net investment income (excluding dividends)	<b>(0.07)</b>	(0.10)	(0.05)	(0.05)	(0.02)
From dividends	<b>(0.26)</b>	(0.31)	(0.32)	(0.28)	(0.24)
From capital gains	<b>(0.41)</b>	(0.57)	(1.46)	(0.47)	–
Return of capital	–	–	–	–	–
<b>Total annual distributions³</b>	<b>(0.74)</b>	(0.98)	(1.83)	(0.80)	(0.26)
<b>Net assets, end of period</b>	<b>14.22</b>	14.20	13.59	15.86	14.76

Series T6	Mar. 31 2018	Mar. 31 2017	Mar. 31 2016	Mar. 31 2015	Mar. 31 2014
<b>Net assets, beginning of period</b>	<b>9.67</b>	9.64	12.03	11.80	11.17
<b>Increase (decrease) from operations:</b>					
Total revenue	<b>0.24</b>	0.27	0.32	0.31	0.29
Total expenses	<b>(0.23)</b>	(0.24)	(0.27)	(0.29)	(0.29)
Realized gains (losses) for the period	<b>0.44</b>	0.55	1.10	0.97	0.47
Unrealized gains (losses) for the period	<b>(0.18)</b>	0.30	(1.71)	0.21	0.71
<b>Total increase (decrease) from operations²</b>	<b>0.27</b>	0.88	(0.56)	1.20	1.18
<b>Distributions:</b>					
From net investment income (excluding dividends)	<b>(0.02)</b>	(0.03)	(0.01)	–	–
From dividends	<b>(0.03)</b>	(0.04)	(0.08)	(0.08)	(0.07)
From capital gains	<b>(0.22)</b>	(0.23)	(1.08)	(0.23)	–
Return of capital	<b>(0.55)</b>	(0.56)	(0.63)	(0.65)	(0.60)
<b>Total annual distributions³</b>	<b>(0.82)</b>	(0.86)	(1.80)	(0.96)	(0.67)
<b>Net assets, end of period</b>	<b>9.14</b>	9.67	9.64	12.03	11.80

Series T8	Mar. 31 2018	Mar. 31 2017	Mar. 31 2016	Mar. 31 2015	Mar. 31 2014
<b>Net assets, beginning of period</b>	<b>8.15</b>	8.30	10.60	10.62	10.27
<b>Increase (decrease) from operations:</b>					
Total revenue	<b>0.20</b>	0.23	0.28	0.28	0.26
Total expenses	<b>(0.19)</b>	(0.20)	(0.23)	(0.26)	(0.27)
Realized gains (losses) for the period	<b>0.38</b>	0.47	0.93	0.84	0.50
Unrealized gains (losses) for the period	<b>(0.15)</b>	0.26	(1.49)	0.19	0.65
<b>Total increase (decrease) from operations²</b>	<b>0.24</b>	0.76	(0.51)	1.05	1.14
<b>Distributions:</b>					
From net investment income (excluding dividends)	<b>(0.02)</b>	(0.02)	(0.01)	(0.01)	–
From dividends	<b>(0.02)</b>	(0.04)	(0.07)	(0.07)	(0.06)
From capital gains	<b>(0.18)</b>	(0.20)	(0.96)	(0.21)	–
Return of capital	<b>(0.63)</b>	(0.65)	(0.75)	(0.79)	(0.76)
<b>Total annual distributions³</b>	<b>(0.85)</b>	(0.91)	(1.79)	(1.08)	(0.82)
<b>Net assets, end of period</b>	<b>7.54</b>	8.15	8.30	10.60	10.62



**MACKENZIE**  
Investments

# MACKENZIE CANADIAN BALANCED FUND

(Formerly Mackenzie Canadian Large Cap Balanced Fund)

ANNUAL MANAGEMENT REPORT OF FUND PERFORMANCE | For the Year Ended March 31, 2018

BALANCED FUND

## THE FUND'S NET ASSETS PER SECURITY (\$)¹ (cont'd)

	Mar. 31 2018	Mar. 31 2017	Mar. 31 2016	Mar. 31 2015	Mar. 31 2014
<b>Quadrus Series</b>					
<b>Net assets, beginning of period</b>	13.89	13.06	15.34	14.25	12.79
<b>Increase (decrease) from operations:</b>					
Total revenue	0.36	0.37	0.41	0.39	0.34
Total expenses	(0.36)	(0.36)	(0.38)	(0.38)	(0.35)
Realized gains (losses) for the period	0.66	0.78	1.40	1.19	0.68
Unrealized gains (losses) for the period	(0.26)	0.42	(2.24)	0.26	0.84
<b>Total increase (decrease) from operations²</b>	0.40	1.21	(0.81)	1.46	1.51
<b>Distributions:</b>					
From net investment income (excluding dividends)	(0.05)	(0.02)	(0.01)	–	–
From dividends	(0.02)	(0.05)	(0.09)	(0.09)	(0.07)
From capital gains	(0.32)	(0.31)	(1.40)	(0.29)	–
Return of capital	–	–	–	–	–
<b>Total annual distributions³</b>	(0.39)	(0.38)	(1.50)	(0.38)	(0.07)
<b>Net assets, end of period</b>	13.91	13.89	13.06	15.34	14.25

	Mar. 31 2018	Mar. 31 2017	Mar. 31 2016	Mar. 31 2015	Mar. 31 2014
<b>H Series</b>					
<b>Net assets, beginning of period</b>	13.55	12.83	14.95	13.88	12.36
<b>Increase (decrease) from operations:</b>					
Total revenue	0.35	0.37	0.40	0.38	0.33
Total expenses	(0.17)	(0.20)	(0.20)	(0.20)	(0.20)
Realized gains (losses) for the period	0.58	0.71	1.78	1.24	0.68
Unrealized gains (losses) for the period	(0.26)	0.41	(2.18)	0.25	0.81
<b>Total increase (decrease) from operations²</b>	0.50	1.29	(0.20)	1.67	1.62
<b>Distributions:</b>					
From net investment income (excluding dividends)	(0.05)	(0.06)	(0.03)	(0.02)	–
From dividends	(0.14)	(0.16)	(0.16)	(0.17)	(0.10)
From capital gains	(0.35)	(0.41)	(1.32)	(0.35)	–
Return of capital	–	–	–	–	–
<b>Total annual distributions³</b>	(0.54)	(0.63)	(1.51)	(0.54)	(0.10)
<b>Net assets, end of period</b>	13.56	13.55	12.83	14.95	13.88

	Mar. 31 2018	Mar. 31 2017	Mar. 31 2016	Mar. 31 2015	Mar. 31 2014
<b>H5 Series</b>					
<b>Net assets, beginning of period</b>	15.40	15.15	15.00	n/a	n/a
<b>Increase (decrease) from operations:</b>					
Total revenue	0.39	0.43	0.10	n/a	n/a
Total expenses	(0.15)	(0.18)	(0.04)	n/a	n/a
Realized gains (losses) for the period	0.72	0.87	0.80	n/a	n/a
Unrealized gains (losses) for the period	(0.28)	0.48	(0.52)	n/a	n/a
<b>Total increase (decrease) from operations²</b>	0.68	1.60	0.34	n/a	n/a
<b>Distributions:</b>					
From net investment income (excluding dividends)	(0.06)	(0.07)	(0.03)	n/a	n/a
From dividends	(0.19)	(0.20)	(0.03)	n/a	n/a
From capital gains	(0.40)	(0.51)	–	n/a	n/a
Return of capital	(0.57)	(0.57)	(0.13)	n/a	n/a
<b>Total annual distributions³</b>	(1.22)	(1.35)	(0.19)	n/a	n/a
<b>Net assets, end of period</b>	14.82	15.40	15.15	n/a	n/a

	Mar. 31 2018	Mar. 31 2017	Mar. 31 2016	Mar. 31 2015	Mar. 31 2014
<b>H8 Series</b>					
<b>Net assets, beginning of period</b>	12.77	12.83	15.96	15.75	14.84
<b>Increase (decrease) from operations:</b>					
Total revenue	0.32	0.35	0.42	0.42	0.38
Total expenses	(0.15)	(0.18)	(0.02)	(0.01)	(0.01)
Realized gains (losses) for the period	0.62	0.58	1.44	1.31	0.81
Unrealized gains (losses) for the period	(0.23)	0.39	(2.27)	0.28	0.95
<b>Total increase (decrease) from operations²</b>	0.56	1.14	(0.43)	2.00	2.13
<b>Distributions:</b>					
From net investment income (excluding dividends)	(0.05)	(0.07)	(0.06)	(0.05)	(0.02)
From dividends	(0.13)	(0.21)	(0.21)	(0.27)	(0.17)
From capital gains	(0.32)	(0.36)	(1.43)	(0.46)	–
Return of capital	(0.87)	(0.83)	(0.99)	(0.99)	(1.00)
<b>Total annual distributions³</b>	(1.37)	(1.47)	(2.69)	(1.77)	(1.19)
<b>Net assets, end of period</b>	11.92	12.77	12.83	15.96	15.75



**MACKENZIE**  
Investments

# MACKENZIE CANADIAN BALANCED FUND

(Formerly Mackenzie Canadian Large Cap Balanced Fund)

ANNUAL MANAGEMENT REPORT OF FUND PERFORMANCE | For the Year Ended March 31, 2018

BALANCED FUND

## THE FUND'S NET ASSETS PER SECURITY (\$)¹ (cont'd)

L Series	Mar. 31 2018	Mar. 31 2017	Mar. 31 2016	Mar. 31 2015	Mar. 31 2014
<b>Net assets, beginning of period</b>	11.85	11.20	13.11	12.12	10.83
<b>Increase (decrease) from operations:</b>					
Total revenue	0.31	0.32	0.35	0.33	0.29
Total expenses	(0.26)	(0.26)	(0.25)	(0.25)	(0.23)
Realized gains (losses) for the period	0.56	0.66	1.35	1.21	0.61
Unrealized gains (losses) for the period	(0.22)	0.36	(1.90)	0.22	0.71
<b>Total increase (decrease) from operations²</b>	<b>0.39</b>	<b>1.08</b>	<b>(0.45)</b>	<b>1.51</b>	<b>1.38</b>
<b>Distributions:</b>					
From net investment income (excluding dividends)	(0.03)	(0.04)	(0.01)	(0.01)	–
From dividends	(0.05)	(0.10)	(0.11)	(0.10)	(0.06)
From capital gains	(0.28)	(0.29)	(1.18)	(0.22)	–
Return of capital	–	–	–	–	–
<b>Total annual distributions³</b>	<b>(0.36)</b>	<b>(0.43)</b>	<b>(1.30)</b>	<b>(0.33)</b>	<b>(0.06)</b>
<b>Net assets, end of period</b>	<b>11.88</b>	<b>11.85</b>	<b>11.20</b>	<b>13.11</b>	<b>12.12</b>

L5 Series	Mar. 31 2018	Mar. 31 2017	Mar. 31 2016	Mar. 31 2015	Mar. 31 2014
<b>Net assets, beginning of period</b>	12.62	12.47	15.00	n/a	n/a
<b>Increase (decrease) from operations:</b>					
Total revenue	0.32	0.35	0.27	n/a	n/a
Total expenses	(0.28)	(0.29)	(0.19)	n/a	n/a
Realized gains (losses) for the period	0.58	0.66	0.97	n/a	n/a
Unrealized gains (losses) for the period	(0.23)	0.39	(1.45)	n/a	n/a
<b>Total increase (decrease) from operations²</b>	<b>0.39</b>	<b>1.11</b>	<b>(0.40)</b>	<b>n/a</b>	<b>n/a</b>
<b>Distributions:</b>					
From net investment income (excluding dividends)	(0.04)	(0.04)	(0.02)	n/a	n/a
From dividends	(0.05)	(0.11)	(0.11)	n/a	n/a
From capital gains	(0.29)	(0.34)	(1.37)	n/a	n/a
Return of capital	(0.58)	(0.54)	(0.41)	n/a	n/a
<b>Total annual distributions³</b>	<b>(0.96)</b>	<b>(1.03)</b>	<b>(1.91)</b>	<b>n/a</b>	<b>n/a</b>
<b>Net assets, end of period</b>	<b>12.06</b>	<b>12.62</b>	<b>12.47</b>	<b>n/a</b>	<b>n/a</b>

L8 Series	Mar. 31 2018	Mar. 31 2017	Mar. 31 2016	Mar. 31 2015	Mar. 31 2014
<b>Net assets, beginning of period</b>	12.43	12.65	15.00	n/a	n/a
<b>Increase (decrease) from operations:</b>					
Total revenue	0.31	0.35	0.21	n/a	n/a
Total expenses	(0.27)	(0.29)	(0.16)	n/a	n/a
Realized gains (losses) for the period	0.55	0.69	0.87	n/a	n/a
Unrealized gains (losses) for the period	(0.23)	0.39	(1.16)	n/a	n/a
<b>Total increase (decrease) from operations²</b>	<b>0.36</b>	<b>1.14</b>	<b>(0.24)</b>	<b>n/a</b>	<b>n/a</b>
<b>Distributions:</b>					
From net investment income (excluding dividends)	(0.03)	(0.04)	(0.01)	n/a	n/a
From dividends	(0.05)	(0.10)	(0.07)	n/a	n/a
From capital gains	(0.25)	(0.32)	(1.41)	n/a	n/a
Return of capital	(0.94)	(0.94)	(0.54)	n/a	n/a
<b>Total annual distributions³</b>	<b>(1.27)</b>	<b>(1.40)</b>	<b>(2.03)</b>	<b>n/a</b>	<b>n/a</b>
<b>Net assets, end of period</b>	<b>11.55</b>	<b>12.43</b>	<b>12.65</b>	<b>n/a</b>	<b>n/a</b>

N Series	Mar. 31 2018	Mar. 31 2017	Mar. 31 2016	Mar. 31 2015	Mar. 31 2014
<b>Net assets, beginning of period</b>	11.95	11.43	13.44	12.36	10.95
<b>Increase (decrease) from operations:</b>					
Total revenue	0.31	0.33	0.36	0.34	0.29
Total expenses	(0.02)	(0.02)	(0.02)	(0.01)	(0.01)
Realized gains (losses) for the period	0.57	0.67	1.27	1.16	0.68
Unrealized gains (losses) for the period	(0.23)	0.37	(1.96)	0.23	0.73
<b>Total increase (decrease) from operations²</b>	<b>0.63</b>	<b>1.35</b>	<b>(0.35)</b>	<b>1.72</b>	<b>1.69</b>
<b>Distributions:</b>					
From net investment income (excluding dividends)	(0.07)	(0.09)	(0.04)	(0.04)	(0.02)
From dividends	(0.22)	(0.26)	(0.24)	(0.19)	(0.19)
From capital gains	(0.34)	(0.48)	(1.35)	(0.30)	–
Return of capital	–	–	–	–	–
<b>Total annual distributions³</b>	<b>(0.63)</b>	<b>(0.83)</b>	<b>(1.63)</b>	<b>(0.53)</b>	<b>(0.21)</b>
<b>Net assets, end of period</b>	<b>11.96</b>	<b>11.95</b>	<b>11.43</b>	<b>13.44</b>	<b>12.36</b>



**MACKENZIE**  
Investments

# MACKENZIE CANADIAN BALANCED FUND

(Formerly Mackenzie Canadian Large Cap Balanced Fund)

ANNUAL MANAGEMENT REPORT OF FUND PERFORMANCE | For the Year Ended March 31, 2018

BALANCED FUND

## THE FUND'S NET ASSETS PER SECURITY (\$)¹ (cont'd)

	Mar. 31	Mar. 31	Mar. 31	Mar. 31	Mar. 31
N5 Series	2018	2017	2016	2015	2014
<b>Net assets, beginning of period</b>	13.37	13.15	15.91	15.00	n/a
<b>Increase (decrease) from operations:</b>					
Total revenue	0.34	0.37	0.42	0.19	n/a
Total expenses	(0.02)	(0.02)	(0.02)	–	n/a
Realized gains (losses) for the period	0.64	0.76	1.47	1.11	n/a
Unrealized gains (losses) for the period	(0.25)	0.42	(2.28)	0.13	n/a
<b>Total increase (decrease) from operations²</b>	0.71	1.53	(0.41)	1.43	n/a
<b>Distributions:</b>					
From net investment income (excluding dividends)	(0.06)	(0.08)	(0.04)	(0.02)	n/a
From dividends	(0.22)	(0.19)	(0.21)	(0.05)	n/a
From capital gains	(0.40)	(0.54)	(1.51)	(0.12)	n/a
Return of capital	(0.44)	(0.50)	(0.56)	(0.32)	n/a
<b>Total annual distributions³</b>	(1.12)	(1.31)	(2.32)	(0.51)	n/a
<b>Net assets, end of period</b>	12.96	13.37	13.15	15.91	n/a

	Mar. 31	Mar. 31	Mar. 31	Mar. 31	Mar. 31
N8 Series	2018	2017	2016	2015	2014
<b>Net assets, beginning of period</b>	12.37	12.55	15.62	15.45	14.76
<b>Increase (decrease) from operations:</b>					
Total revenue	0.31	0.35	0.41	0.41	0.12
Total expenses	(0.02)	(0.02)	(0.02)	(0.01)	–
Realized gains (losses) for the period	0.60	0.78	1.37	1.60	0.11
Unrealized gains (losses) for the period	(0.23)	0.39	(2.22)	0.28	0.29
<b>Total increase (decrease) from operations²</b>	0.66	1.50	(0.46)	2.28	0.52
<b>Distributions:</b>					
From net investment income (excluding dividends)	(0.06)	(0.08)	(0.05)	(0.05)	(0.01)
From dividends	(0.22)	(0.25)	(0.25)	(0.27)	(0.07)
From capital gains	(0.34)	(0.51)	(1.41)	(0.47)	–
Return of capital	(0.75)	(0.77)	(0.93)	(0.97)	(0.22)
<b>Total annual distributions³</b>	(1.37)	(1.61)	(2.64)	(1.76)	(0.30)
<b>Net assets, end of period</b>	11.66	12.37	12.55	15.62	15.45

D5 Series	Mar. 31	Mar. 31	Mar. 31	Mar. 31	Mar. 31
	2018	2017	2016	2015	2014
<b>Net assets, beginning of period</b>	11.54	11.38	14.05	13.61	12.77
<b>Increase (decrease) from operations:</b>					
Total revenue	0.29	0.32	0.37	0.36	0.33
Total expenses	(0.28)	(0.31)	(0.34)	(0.35)	(0.34)
Realized gains (losses) for the period	0.55	0.61	1.23	1.14	0.79
Unrealized gains (losses) for the period	(0.21)	0.36	(2.02)	0.24	0.82
<b>Total increase (decrease) from operations²</b>	0.35	0.98	(0.76)	1.39	1.60
<b>Distributions:</b>					
From net investment income (excluding dividends)	(0.03)	(0.02)	(0.01)	(0.01)	–
From dividends	(0.02)	(0.03)	(0.08)	(0.07)	(0.06)
From capital gains	(0.27)	(0.25)	(1.25)	(0.23)	–
Return of capital	(0.56)	(0.57)	(0.62)	(0.63)	(0.58)
<b>Total annual distributions³</b>	(0.88)	(0.87)	(1.96)	(0.94)	(0.64)
<b>Net assets, end of period</b>	10.99	11.54	11.38	14.05	13.61

D8 Series	Mar. 31	Mar. 31	Mar. 31	Mar. 31	Mar. 31
	2018	2017	2016	2015	2014
<b>Net assets, beginning of period</b>	7.89	8.03	10.20	10.13	9.80
<b>Increase (decrease) from operations:</b>					
Total revenue	0.20	0.22	0.27	0.27	0.25
Total expenses	(0.19)	(0.22)	(0.24)	(0.26)	(0.25)
Realized gains (losses) for the period	0.38	0.47	0.87	0.93	0.49
Unrealized gains (losses) for the period	(0.14)	0.25	(1.44)	0.18	0.62
<b>Total increase (decrease) from operations²</b>	0.25	0.72	(0.54)	1.12	1.11
<b>Distributions:</b>					
From net investment income (excluding dividends)	(0.02)	(0.01)	(0.01)	–	–
From dividends	(0.07)	(0.02)	(0.05)	(0.04)	(0.05)
From capital gains	(0.18)	(0.18)	(0.85)	(0.13)	–
Return of capital	(0.56)	(0.65)	(0.74)	(0.77)	(0.74)
<b>Total annual distributions³</b>	(0.83)	(0.86)	(1.65)	(0.94)	(0.79)
<b>Net assets, end of period</b>	7.27	7.89	8.03	10.20	10.13



**MACKENZIE**  
Investments



# MACKENZIE CANADIAN BALANCED FUND

(Formerly Mackenzie Canadian Large Cap Balanced Fund)

ANNUAL MANAGEMENT REPORT OF FUND PERFORMANCE | For the Year Ended March 31, 2018

BALANCED FUND

## THE FUND'S NET ASSETS PER SECURITY (\$)¹ (cont'd)

QF Series	Mar. 31 2018	Mar. 31 2017	Mar. 31 2016	Mar. 31 2015	Mar. 31 2014
<b>Net assets, beginning of period</b>	10.11	10.00	n/a	n/a	n/a
<b>Increase (decrease) from operations:</b>					
Total revenue	0.26	0.20	n/a	n/a	n/a
Total expenses	(0.14)	(0.11)	n/a	n/a	n/a
Realized gains (losses) for the period	0.44	0.52	n/a	n/a	n/a
Unrealized gains (losses) for the period	(0.19)	0.22	n/a	n/a	n/a
<b>Total increase (decrease) from operations²</b>	0.37	0.83	n/a	n/a	n/a
<b>Distributions:</b>					
From net investment income (excluding dividends)	(0.04)	(0.04)	n/a	n/a	n/a
From dividends	(0.10)	(0.11)	n/a	n/a	n/a
From capital gains	(0.26)	(0.34)	n/a	n/a	n/a
Return of capital	–	–	n/a	n/a	n/a
<b>Total annual distributions³</b>	(0.40)	(0.49)	n/a	n/a	n/a
<b>Net assets, end of period</b>	10.12	10.11	n/a	n/a	n/a

QF5 Series	Mar. 31 2018	Mar. 31 2017	Mar. 31 2016	Mar. 31 2015	Mar. 31 2014
<b>Net assets, beginning of period</b>	14.73	15.00	n/a	n/a	n/a
<b>Increase (decrease) from operations:</b>					
Total revenue	0.38	0.29	n/a	n/a	n/a
Total expenses	(0.22)	(0.17)	n/a	n/a	n/a
Realized gains (losses) for the period	0.68	0.44	n/a	n/a	n/a
Unrealized gains (losses) for the period	(0.27)	0.33	n/a	n/a	n/a
<b>Total increase (decrease) from operations²</b>	0.57	0.89	n/a	n/a	n/a
<b>Distributions:</b>					
From net investment income (excluding dividends)	(0.05)	(0.04)	n/a	n/a	n/a
From dividends	(0.13)	(0.14)	n/a	n/a	n/a
From capital gains	(0.37)	(0.51)	n/a	n/a	n/a
Return of capital	(0.60)	(0.46)	n/a	n/a	n/a
<b>Total annual distributions³</b>	(1.15)	(1.15)	n/a	n/a	n/a
<b>Net assets, end of period</b>	14.16	14.73	n/a	n/a	n/a

## RATIOS AND SUPPLEMENTAL DATA

Series A	Mar. 31 2018	Mar. 31 2017	Mar. 31 2016	Mar. 31 2015	Mar. 31 2014
Total net asset value (\$000)¹	63,148	71,008	71,962	85,261	85,538
Securities outstanding (000)¹	4,457	5,018	5,399	5,443	5,880
Management expense ratio (%)²	2.28	2.28	2.28	2.41	2.54
Management expense ratio before waivers or absorptions (%)²	2.28	2.28	2.28	2.41	2.54
Trading expense ratio (%)³	0.14	0.17	0.12	0.05	0.05
Portfolio turnover rate (%)⁴	88.69	129.43	133.89	92.26	57.81
Net asset value per security (\$)	14.17	14.15	13.33	15.66	14.55

Series D	Mar. 31 2018	Mar. 31 2017	Mar. 31 2016	Mar. 31 2015	Mar. 31 2014
Total net asset value (\$000)¹	29	8	8	1	1
Securities outstanding (000)¹	3	1	–	0.10	0.10
Management expense ratio (%)²	1.43	1.43	1.43	1.54	1.68
Management expense ratio before waivers or absorptions (%)²	1.43	1.43	1.43	1.54	1.68
Trading expense ratio (%)³	0.14	0.17	0.12	0.05	0.05
Portfolio turnover rate (%)⁴	88.69	129.43	133.89	92.26	57.81
Net asset value per security (\$)	9.79	9.77	9.27	10.81	9.96

Series DZ	Mar. 31 2018	Mar. 31 2017	Mar. 31 2016	Mar. 31 2015	Mar. 31 2014
Total net asset value (\$000)¹	1,536	1,831	1,985	2,614	3,237
Securities outstanding (000)¹	131	156	179	200	266
Management expense ratio (%)²	1.93	1.93	1.93	2.01	2.09
Management expense ratio before waivers or absorptions (%)²	1.93	1.93	1.93	2.01	2.09
Trading expense ratio (%)³	0.14	0.17	0.12	0.05	0.05
Portfolio turnover rate (%)⁴	88.69	129.43	133.89	92.26	57.81
Net asset value per security (\$)	11.77	11.75	11.09	13.08	12.19

- (1) This information is provided as at the end of the fiscal period shown.
- (2) Management expense ratio is based on total expenses (excluding commissions and other portfolio transaction costs) for the stated period and is expressed as an annualized percentage of daily average net asset value during the period. If in the period a series was established or reinstated, the management expense ratio is annualized from the date of inception or reinstatement. Mackenzie and Quadrus may waive or absorb operating expenses at their discretion and stop waiving or absorbing such expenses at any time without notice.
- (3) The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period.
- (4) The Fund's portfolio turnover rate indicates how actively the Fund's portfolio advisor manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the period. The higher a fund's portfolio turnover rate in a period, the greater the trading costs payable by the fund in the period, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of a fund. The portfolio turnover rate is not provided when the Fund is less than one year old. The value of any trades to realign the Fund's portfolio after a fund merger, if any, is excluded from the portfolio turnover rate.



**MACKENZIE**  
Investments

# MACKENZIE CANADIAN BALANCED FUND

(Formerly Mackenzie Canadian Large Cap Balanced Fund)

ANNUAL MANAGEMENT REPORT OF FUND PERFORMANCE | For the Year Ended March 31, 2018

BALANCED FUND

## RATIOS AND SUPPLEMENTAL DATA (cont'd)

Series F	Mar. 31 2018	Mar. 31 2017	Mar. 31 2016	Mar. 31 2015	Mar. 31 2014
Total net asset value (\$000) <sup>1</sup>	989	846	832	613	407
Securities outstanding (000) <sup>1</sup>	68	58	60	38	27
Management expense ratio (%) <sup>2</sup>	1.11	1.11	1.11	1.24	1.42
Management expense ratio before waivers or absorptions (%) <sup>2</sup>	1.11	1.11	1.11	1.24	1.42
Trading expense ratio (%) <sup>3</sup>	0.14	0.17	0.12	0.05	0.05
Portfolio turnover rate (%) <sup>4</sup>	88.69	129.43	133.89	92.26	57.81
Net asset value per security (\$)	14.53	14.49	13.76	16.16	14.94

Series FB	Mar. 31 2018	Mar. 31 2017	Mar. 31 2016	Mar. 31 2015	Mar. 31 2014
Total net asset value (\$000) <sup>1</sup>	1	1	1	n/a	n/a
Securities outstanding (000) <sup>1</sup>	–	–	–	n/a	n/a
Management expense ratio (%) <sup>2</sup>	1.20	1.20	1.17	n/a	n/a
Management expense ratio before waivers or absorptions (%) <sup>2</sup>	1.20	1.20	1.17	n/a	n/a
Trading expense ratio (%) <sup>3</sup>	0.14	0.17	0.12	n/a	n/a
Portfolio turnover rate (%) <sup>4</sup>	88.69	129.43	133.89	n/a	n/a
Net asset value per security (\$)	9.29	9.28	8.83	n/a	n/a

Series O	Mar. 31 2018	Mar. 31 2017	Mar. 31 2016	Mar. 31 2015	Mar. 31 2014
Total net asset value (\$000) <sup>1</sup>	114	116	104	106	94
Securities outstanding (000) <sup>1</sup>	10	10	10	9	8
Management expense ratio (%) <sup>2</sup>	–	–	–	0.01	–
Management expense ratio before waivers or absorptions (%) <sup>2</sup>	–	–	–	0.01	–
Trading expense ratio (%) <sup>3</sup>	0.14	0.17	0.12	0.05	0.05
Portfolio turnover rate (%) <sup>4</sup>	88.69	129.43	133.89	92.26	57.81
Net asset value per security (\$)	11.17	11.15	10.67	12.44	11.54

Series PW	Mar. 31 2018	Mar. 31 2017	Mar. 31 2016	Mar. 31 2015	Mar. 31 2014
Total net asset value (\$000) <sup>1</sup>	5,160	840	656	440	48
Securities outstanding (000) <sup>1</sup>	493	80	66	38	5
Management expense ratio (%) <sup>2</sup>	2.10	2.06	2.05	2.12	2.14
Management expense ratio before waivers or absorptions (%) <sup>2</sup>	2.10	2.06	2.05	2.12	2.14
Trading expense ratio (%) <sup>3</sup>	0.14	0.17	0.12	0.05	0.05
Portfolio turnover rate (%) <sup>4</sup>	88.69	129.43	133.89	92.26	57.81
Net asset value per security (\$)	10.48	10.46	9.88	11.49	10.53

Series PWF	Mar. 31 2018	Mar. 31 2017	Mar. 31 2016	Mar. 31 2015	Mar. 31 2014
Total net asset value (\$000) <sup>1</sup>	469	229	34	n/a	n/a
Securities outstanding (000) <sup>1</sup>	52	25	4	n/a	n/a
Management expense ratio (%) <sup>2</sup>	1.07	1.08	1.06	n/a	n/a
Management expense ratio before waivers or absorptions (%) <sup>2</sup>	1.07	1.08	1.06	n/a	n/a
Trading expense ratio (%) <sup>3</sup>	0.14	0.17	0.12	n/a	n/a
Portfolio turnover rate (%) <sup>4</sup>	88.69	129.43	133.89	n/a	n/a
Net asset value per security (\$)	9.08	9.07	8.56	n/a	n/a

Series PWF8	Mar. 31 2018	Mar. 31 2017	Mar. 31 2016	Mar. 31 2015	Mar. 31 2014
Total net asset value (\$000) <sup>1</sup>	1	n/a	n/a	n/a	n/a
Securities outstanding (000) <sup>1</sup>	–	n/a	n/a	n/a	n/a
Management expense ratio (%) <sup>2</sup>	1.08	n/a	n/a	n/a	n/a
Management expense ratio before waivers or absorptions (%) <sup>2</sup>	1.08	n/a	n/a	n/a	n/a
Trading expense ratio (%) <sup>3</sup>	0.14	n/a	n/a	n/a	n/a
Portfolio turnover rate (%) <sup>4</sup>	88.69	n/a	n/a	n/a	n/a
Net asset value per security (\$)	9.99	n/a	n/a	n/a	n/a

Series PWT6	Mar. 31 2018	Mar. 31 2017	Mar. 31 2016	Mar. 31 2015	Mar. 31 2014
Total net asset value (\$000) <sup>1</sup>	116	n/a	n/a	n/a	n/a
Securities outstanding (000) <sup>1</sup>	8	n/a	n/a	n/a	n/a
Management expense ratio (%) <sup>2</sup>	2.06	n/a	n/a	n/a	n/a
Management expense ratio before waivers or absorptions (%) <sup>2</sup>	2.06	n/a	n/a	n/a	n/a
Trading expense ratio (%) <sup>3</sup>	0.14	n/a	n/a	n/a	n/a
Portfolio turnover rate (%) <sup>4</sup>	88.69	n/a	n/a	n/a	n/a
Net asset value per security (\$)	14.15	n/a	n/a	n/a	n/a

Series PWT8	Mar. 31 2018	Mar. 31 2017	Mar. 31 2016	Mar. 31 2015	Mar. 31 2014
Total net asset value (\$000) <sup>1</sup>	1,226	n/a	n/a	n/a	n/a
Securities outstanding (000) <sup>1</sup>	89	n/a	n/a	n/a	n/a
Management expense ratio (%) <sup>2</sup>	2.14	n/a	n/a	n/a	n/a
Management expense ratio before waivers or absorptions (%) <sup>2</sup>	2.14	n/a	n/a	n/a	n/a
Trading expense ratio (%) <sup>3</sup>	0.14	n/a	n/a	n/a	n/a
Portfolio turnover rate (%) <sup>4</sup>	88.69	n/a	n/a	n/a	n/a
Net asset value per security (\$)	13.85	n/a	n/a	n/a	n/a



**MACKENZIE**  
Investments

# MACKENZIE CANADIAN BALANCED FUND

(Formerly Mackenzie Canadian Large Cap Balanced Fund)

ANNUAL MANAGEMENT REPORT OF FUND PERFORMANCE | For the Year Ended March 31, 2018

BALANCED FUND

## RATIOS AND SUPPLEMENTAL DATA (cont'd)

	Mar. 31 2018	Mar. 31 2017	Mar. 31 2016	Mar. 31 2015	Mar. 31 2014
<b>Series PWX</b>					
Total net asset value (\$000) <sup>1</sup>	300	289	40	n/a	n/a
Securities outstanding (000) <sup>1</sup>	32	31	5	n/a	n/a
Management expense ratio (%) <sup>2</sup>	—	—	—	n/a	n/a
Management expense ratio before waivers or absorptions (%) <sup>2</sup>	—	—	—	n/a	n/a
Trading expense ratio (%) <sup>3</sup>	0.14	0.17	0.12	n/a	n/a
Portfolio turnover rate (%) <sup>4</sup>	88.69	129.43	133.89	n/a	n/a
Net asset value per security (\$)	9.26	9.24	8.84	n/a	n/a

	Mar. 31 2018	Mar. 31 2017	Mar. 31 2016	Mar. 31 2015	Mar. 31 2014
<b>Series R</b>					
Total net asset value (\$000) <sup>1</sup>	127	164	123	137	168
Securities outstanding (000) <sup>1</sup>	13	17	13	13	17
Management expense ratio (%) <sup>2</sup>	—	—	—	—	—
Management expense ratio before waivers or absorptions (%) <sup>2</sup>	—	—	—	—	—
Trading expense ratio (%) <sup>3</sup>	0.14	0.17	0.12	0.05	0.05
Portfolio turnover rate (%) <sup>4</sup>	88.69	129.43	133.89	92.26	57.81
Net asset value per security (\$)	9.64	9.62	9.21	10.85	10.10

	Mar. 31 2018	Mar. 31 2017	Mar. 31 2016	Mar. 31 2015	Mar. 31 2014
<b>Series S</b>					
Total net asset value (\$000) <sup>1</sup>	149,143	148,868	144,825	168,305	167,326
Securities outstanding (000) <sup>1</sup>	10,485	10,480	10,658	10,609	11,339
Management expense ratio (%) <sup>2</sup>	0.03	0.03	0.03	0.03	0.03
Management expense ratio before waivers or absorptions (%) <sup>2</sup>	0.03	0.03	0.03	0.03	0.03
Trading expense ratio (%) <sup>3</sup>	0.14	0.17	0.12	0.05	0.05
Portfolio turnover rate (%) <sup>4</sup>	88.69	129.43	133.89	92.26	57.81
Net asset value per security (\$)	14.22	14.20	13.59	15.86	14.76

	Mar. 31 2018	Mar. 31 2017	Mar. 31 2016	Mar. 31 2015	Mar. 31 2014
<b>Series T6</b>					
Total net asset value (\$000) <sup>1</sup>	635	667	660	928	1,010
Securities outstanding (000) <sup>1</sup>	70	69	68	77	86
Management expense ratio (%) <sup>2</sup>	2.30	2.28	2.29	2.40	2.49
Management expense ratio before waivers or absorptions (%) <sup>2</sup>	2.30	2.28	2.29	2.40	2.49
Trading expense ratio (%) <sup>3</sup>	0.14	0.17	0.12	0.05	0.05
Portfolio turnover rate (%) <sup>4</sup>	88.69	129.43	133.89	92.26	57.81
Net asset value per security (\$)	9.14	9.67	9.64	12.03	11.80

	Mar. 31 2018	Mar. 31 2017	Mar. 31 2016	Mar. 31 2015	Mar. 31 2014
<b>Series T8</b>					
Total net asset value (\$000) <sup>1</sup>	2,523	3,952	4,223	5,401	5,511
Securities outstanding (000) <sup>1</sup>	334	485	508	510	519
Management expense ratio (%) <sup>2</sup>	2.26	2.26	2.27	2.40	2.53
Management expense ratio before waivers or absorptions (%) <sup>2</sup>	2.26	2.26	2.27	2.40	2.53
Trading expense ratio (%) <sup>3</sup>	0.14	0.17	0.12	0.05	0.05
Portfolio turnover rate (%) <sup>4</sup>	88.69	129.43	133.89	92.26	57.81
Net asset value per security (\$)	7.55	8.15	8.30	10.60	10.62

	Mar. 31 2018	Mar. 31 2017	Mar. 31 2016	Mar. 31 2015	Mar. 31 2014
<b>Quadrus Series</b>					
Total net asset value (\$000) <sup>1</sup>	84,402	85,077	80,775	104,393	101,375
Securities outstanding (000) <sup>1</sup>	6,070	6,125	6,184	6,803	7,115
Management expense ratio (%) <sup>2</sup>	2.46	2.48	2.48	2.51	2.56
Management expense ratio before waivers or absorptions (%) <sup>2</sup>	2.46	2.48	2.48	2.51	2.56
Trading expense ratio (%) <sup>3</sup>	0.14	0.17	0.12	0.05	0.05
Portfolio turnover rate (%) <sup>4</sup>	88.69	129.43	133.89	92.26	57.81
Net asset value per security (\$)	13.91	13.89	13.06	15.34	14.25

	Mar. 31 2018	Mar. 31 2017	Mar. 31 2016	Mar. 31 2015	Mar. 31 2014
<b>H Series</b>					
Total net asset value (\$000) <sup>1</sup>	784	668	484	928	830
Securities outstanding (000) <sup>1</sup>	58	49	38	62	60
Management expense ratio (%) <sup>2</sup>	1.27	1.30	1.31	1.38	1.46
Management expense ratio before waivers or absorptions (%) <sup>2</sup>	1.27	1.30	1.31	1.38	1.46
Trading expense ratio (%) <sup>3</sup>	0.14	0.17	0.12	0.05	0.05
Portfolio turnover rate (%) <sup>4</sup>	88.69	129.43	133.89	92.26	57.81
Net asset value per security (\$)	13.56	13.55	12.83	14.95	13.89

	Mar. 31 2018	Mar. 31 2017	Mar. 31 2016	Mar. 31 2015	Mar. 31 2014
<b>H5 Series</b>					
Total net asset value (\$000) <sup>1</sup>	1	1	1	n/a	n/a
Securities outstanding (000) <sup>1</sup>	—	—	—	n/a	n/a
Management expense ratio (%) <sup>2</sup>	1.21	1.22	1.29	n/a	n/a
Management expense ratio before waivers or absorptions (%) <sup>2</sup>	1.21	1.22	1.29	n/a	n/a
Trading expense ratio (%) <sup>3</sup>	0.14	0.17	0.12	n/a	n/a
Portfolio turnover rate (%) <sup>4</sup>	88.69	129.43	133.89	n/a	n/a
Net asset value per security (\$)	14.82	15.40	15.15	n/a	n/a



**MACKENZIE**  
Investments

# MACKENZIE CANADIAN BALANCED FUND

(Formerly Mackenzie Canadian Large Cap Balanced Fund)

ANNUAL MANAGEMENT REPORT OF FUND PERFORMANCE | For the Year Ended March 31, 2018

BALANCED FUND

## RATIOS AND SUPPLEMENTAL DATA (cont'd)

	Mar. 31 2018	Mar. 31 2017	Mar. 31 2016	Mar. 31 2015	Mar. 31 2014
<b>H8 Series</b>					
Total net asset value (\$000) <sup>1</sup>	139	196	–	0.10	0.13
Securities outstanding (000) <sup>1</sup>	12	15	–	0.01	0.01
Management expense ratio (%) <sup>2</sup>	1.21	1.22	1.22	1.27	1.33
Management expense ratio before waivers or absorptions (%) <sup>2</sup>	1.21	1.22	1.22	1.27	1.33
Trading expense ratio (%) <sup>3</sup>	0.14	0.17	0.12	0.05	0.05
Portfolio turnover rate (%) <sup>4</sup>	88.69	129.43	133.89	92.26	57.81
Net asset value per security (\$)	11.92	12.77	12.83	15.96	15.75
<b>L Series</b>					
Total net asset value (\$000) <sup>1</sup>	18,375	18,549	16,225	1,913	1,168
Securities outstanding (000) <sup>1</sup>	1,547	1,565	1,449	146	96
Management expense ratio (%) <sup>2</sup>	2.07	2.06	2.00	1.98	2.02
Management expense ratio before waivers or absorptions (%) <sup>2</sup>	2.07	2.06	2.00	1.98	2.02
Trading expense ratio (%) <sup>3</sup>	0.14	0.17	0.12	0.05	0.05
Portfolio turnover rate (%) <sup>4</sup>	88.69	129.43	133.89	92.26	57.81
Net asset value per security (\$)	11.88	11.85	11.20	13.11	12.12
<b>L5 Series</b>					
Total net asset value (\$000) <sup>1</sup>	664	659	949	n/a	n/a
Securities outstanding (000) <sup>1</sup>	55	52	76	n/a	n/a
Management expense ratio (%) <sup>2</sup>	2.09	2.09	2.01	n/a	n/a
Management expense ratio before waivers or absorptions (%) <sup>2</sup>	2.09	2.09	2.01	n/a	n/a
Trading expense ratio (%) <sup>3</sup>	0.14	0.17	0.12	n/a	n/a
Portfolio turnover rate (%) <sup>4</sup>	88.69	129.43	133.89	n/a	n/a
Net asset value per security (\$)	12.06	12.62	12.47	n/a	n/a
<b>L8 Series</b>					
Total net asset value (\$000) <sup>1</sup>	3,568	3,258	2,493	n/a	n/a
Securities outstanding (000) <sup>1</sup>	309	262	197	n/a	n/a
Management expense ratio (%) <sup>2</sup>	2.12	2.12	2.07	n/a	n/a
Management expense ratio before waivers or absorptions (%) <sup>2</sup>	2.12	2.12	2.07	n/a	n/a
Trading expense ratio (%) <sup>3</sup>	0.14	0.17	0.12	n/a	n/a
Portfolio turnover rate (%) <sup>4</sup>	88.69	129.43	133.89	n/a	n/a
Net asset value per security (\$)	11.55	12.43	12.65	n/a	n/a

	Mar. 31 2018	Mar. 31 2017	Mar. 31 2016	Mar. 31 2015	Mar. 31 2014
<b>N Series</b>					
Total net asset value (\$000) <sup>1</sup>	3,057	2,720	1,798	940	447
Securities outstanding (000) <sup>1</sup>	255	228	157	70	36
Management expense ratio (%) <sup>2</sup>	–	–	–	–	–
Management expense ratio before waivers or absorptions (%) <sup>2</sup>	–	–	–	–	–
Trading expense ratio (%) <sup>3</sup>	0.14	0.17	0.12	0.05	0.05
Portfolio turnover rate (%) <sup>4</sup>	88.69	129.43	133.89	92.26	57.81
Net asset value per security (\$)	11.96	11.95	11.43	13.44	12.36
<b>N5 Series</b>					
Total net asset value (\$000) <sup>1</sup>	83	80	72	49	n/a
Securities outstanding (000) <sup>1</sup>	6	6	5	3	n/a
Management expense ratio (%) <sup>2</sup>	–	–	–	–	n/a
Management expense ratio before waivers or absorptions (%) <sup>2</sup>	–	–	–	–	n/a
Trading expense ratio (%) <sup>3</sup>	0.14	0.17	0.12	0.05	n/a
Portfolio turnover rate (%) <sup>4</sup>	88.69	129.43	133.89	92.26	n/a
Net asset value per security (\$)	12.96	13.37	13.15	15.91	n/a
<b>N8 Series</b>					
Total net asset value (\$000) <sup>1</sup>	194	81	270	105	45
Securities outstanding (000) <sup>1</sup>	17	7	22	7	3
Management expense ratio (%) <sup>2</sup>	–	–	–	–	–
Management expense ratio before waivers or absorptions (%) <sup>2</sup>	–	–	–	–	–
Trading expense ratio (%) <sup>3</sup>	0.14	0.17	0.12	0.05	0.05
Portfolio turnover rate (%) <sup>4</sup>	88.69	129.43	133.89	92.26	57.81
Net asset value per security (\$)	11.66	12.37	12.55	15.62	15.45
<b>D5 Series</b>					
Total net asset value (\$000) <sup>1</sup>	534	568	523	1,068	711
Securities outstanding (000) <sup>1</sup>	49	49	46	76	52
Management expense ratio (%) <sup>2</sup>	2.47	2.48	2.49	2.51	2.52
Management expense ratio before waivers or absorptions (%) <sup>2</sup>	2.47	2.48	2.49	2.51	2.52
Trading expense ratio (%) <sup>3</sup>	0.14	0.17	0.12	0.05	0.05
Portfolio turnover rate (%) <sup>4</sup>	88.69	129.43	133.89	92.26	57.81
Net asset value per security (\$)	10.99	11.54	11.38	14.05	13.61



**MACKENZIE**  
Investments

# MACKENZIE CANADIAN BALANCED FUND

(Formerly Mackenzie Canadian Large Cap Balanced Fund)

ANNUAL MANAGEMENT REPORT OF FUND PERFORMANCE | For the Year Ended March 31, 2018

BALANCED FUND

## RATIOS AND SUPPLEMENTAL DATA (cont'd)

	Mar. 31 2018	Mar. 31 2017	Mar. 31 2016	Mar. 31 2015	Mar. 31 2014
<b>D8 Series</b>					
Total net asset value (\$000) <sup>1</sup>	5,379	7,450	7,579	9,751	2,355
Securities outstanding (000) <sup>1</sup>	740	945	943	956	232
Management expense ratio (%) <sup>2</sup>	2.51	2.51	2.50	2.49	2.51
Management expense ratio before waivers or absorptions (%) <sup>2</sup>	2.51	2.51	2.50	2.49	2.51
Trading expense ratio (%) <sup>3</sup>	0.14	0.17	0.12	0.05	0.05
Portfolio turnover rate (%) <sup>4</sup>	88.69	129.43	133.89	92.26	57.81
Net asset value per security (\$)	7.27	7.89	8.03	10.20	10.13
<b>QF Series</b>					
Total net asset value (\$000) <sup>1</sup>	814	477	n/a	n/a	n/a
Securities outstanding (000) <sup>1</sup>	80	47	n/a	n/a	n/a
Management expense ratio (%) <sup>2</sup>	1.34	1.36	n/a	n/a	n/a
Management expense ratio before waivers or absorptions (%) <sup>2</sup>	1.34	1.36	n/a	n/a	n/a
Trading expense ratio (%) <sup>3</sup>	0.14	0.17	n/a	n/a	n/a
Portfolio turnover rate (%) <sup>4</sup>	88.69	129.43	n/a	n/a	n/a
Net asset value per security (\$)	10.12	10.11	n/a	n/a	n/a
<b>QF5 Series</b>					
Total net asset value (\$000) <sup>1</sup>	1	1	n/a	n/a	n/a
Securities outstanding (000) <sup>1</sup>	–	–	n/a	n/a	n/a
Management expense ratio (%) <sup>2</sup>	1.26	1.27	n/a	n/a	n/a
Management expense ratio before waivers or absorptions (%) <sup>2</sup>	1.26	1.27	n/a	n/a	n/a
Trading expense ratio (%) <sup>3</sup>	0.14	0.17	n/a	n/a	n/a
Portfolio turnover rate (%) <sup>4</sup>	88.69	129.43	n/a	n/a	n/a
Net asset value per security (\$)	14.16	14.73	n/a	n/a	n/a

## Management Fees

The management fee for each applicable series is calculated and accrued daily as a percentage of its NAV. The Fund's management fees were used by Mackenzie to pay for the costs of managing the investment portfolio, providing investment analysis and recommendations, making investment decisions, making brokerage arrangements for the purchase and sale of the investment portfolio, and providing other services. Mackenzie also used the management fees to fund sales commissions, trailing commissions and any other compensation (collectively "distribution-related payments") to registered dealers and brokers whose clients invest in the Fund.

Quadrus Investment Services Ltd. ("Quadrus"), an affiliate of Mackenzie, is the principal distributor for the Quadrus series securities of the Fund (as listed under *Fund Formation and Series Information*) and receives a portion of the management fees that the Fund pays to Mackenzie. Under this arrangement, Quadrus was entitled to approximately 79% of the total management fees that Mackenzie received from the Quadrus Group of Funds during the year. As the principal distributor of the Quadrus series securities of the Fund, Quadrus is responsible for paying certain administrative costs and all distribution-related payments to registered dealers whose clients invest in those securities of the Fund.

The following dealers affiliated with Mackenzie may be entitled to distribution-related payments from Mackenzie on the same basis as unrelated registered brokers and dealers: IPC Securities Corporation, Investors Group Securities Inc., IPC Investment Corporation and Investors Group Financial Services Inc.

Mackenzie used approximately 43% of the total management fee revenues received from all Mackenzie funds during the year to fund distribution-related payments to registered dealers and brokers. In comparison, such distribution-related payments for the Fund represented on average 42% of the management fees paid by all applicable series of the Fund during the year. The actual percentage for each series may be higher or lower than the average depending on the level of trailing commissions and sales commissions paid for that series.



**MACKENZIE**  
Investments

# MACKENZIE CANADIAN BALANCED FUND

(Formerly Mackenzie Canadian Large Cap Balanced Fund)

ANNUAL MANAGEMENT REPORT OF FUND PERFORMANCE | For the Year Ended March 31, 2018

BALANCED FUND

## Fund Formation and Series Information

The Fund may have undergone a number of changes, such as a reorganization or a change in manager, mandate or name. A history of the major changes affecting the Fund in the last 10 years can be found in the Fund's Annual Information Form.

Date of Formation January 14, 1988

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 *Financial Highlights*.

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

Series A, Series T6 and Series T8 securities are offered to retail investors investing a minimum of \$500 (\$5,000 for Series T6 and Series T8). Investors in Series T6 and Series T8 securities also want to receive a regular monthly cash flow of 6% or 8% per year, respectively.

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

Series DZ securities were created specifically for the purpose of implementing mergers affecting the Fund and are not available for sale. Before November 13, 2013, Series DZ securities were known as Series D.

Series F 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; they are also available to employees of Mackenzie and its subsidiaries, and directors of Mackenzie.

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 O securities are offered only to investors investing a minimum of \$500,000 who have an account with Mackenzie Private Wealth Counsel; certain institutional investors; and certain qualifying employees of Mackenzie and its subsidiaries.

Series PW, Series PWT6 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 PWT6 and Series PWT8 securities also want to receive a monthly cash flow of 6% or 8% per year, respectively.

Series PWF securities are offered through our Private Wealth Solutions to certain high net worth 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 \$100,000. Effective June 1, 2018, Series PWF securities were consolidated into Series F securities.

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 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 Distributed by Quadrus Investment Services Ltd.** (255 Dufferin Ave., London, Ontario, N6A 4K1; 1-888-532-3322; [www.quadrusgroupoffunds.com](http://www.quadrusgroupoffunds.com))

Quadrus Investment Services Ltd. ("Quadrus") is the principal distributor of the series of securities listed below:

Quadrus Series, D5 Series and D8 Series securities are offered to investors investing a minimum of \$500. Investors in D5 Series and D8 Series securities also want to receive a regular monthly cash flow of 5% or 8% per year, respectively.

H Series, H5 Series and H8 Series securities are offered to investors investing a minimum of \$500, who are enrolled in a Quadrus-sponsored fee-for-service or wrap program and who are subject to an asset-based fee. Investors in H5 Series and H8 Series securities also want to receive a monthly cash flow of 5% or 8% per year, respectively.

L Series, L5 Series and L8 Series securities are offered to investors investing a minimum of \$100,000 and who have eligible minimum total holdings of \$500,000. Investors in L5 Series and L8 Series securities also want to receive a regular monthly cash flow of 5% or 8% per year, respectively.

N Series, N5 Series and N8 Series securities are offered to investors investing a minimum of \$100,000, who have eligible minimum total holdings of \$500,000, and who have entered into an N type series account agreement with Mackenzie and Quadrus. Investors in N5 Series and N8 Series securities also want to receive a regular monthly cash flow of 5% or 8% per year, respectively.

QF Series and QF5 Series securities are offered to retail investors investing a minimum of \$500. Investors are required to negotiate their advisor service fee, which cannot exceed 1.25%, with their financial advisor. Investors in QF5 Series securities also want to receive a monthly cash flow of 5% per year.

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



**MACKENZIE**  
Investments

# MACKENZIE CANADIAN BALANCED FUND

(Formerly Mackenzie Canadian Large Cap Balanced Fund)

ANNUAL MANAGEMENT REPORT OF FUND PERFORMANCE | For the Year Ended March 31, 2018

BALANCED FUND

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

Series	Inception/ Reinstatement Date	Management Fees	Administration Fees	Net Asset Value per Security (\$)	
				Mar. 31, 2018	Mar. 31, 2017
Series A	January 14, 1988	1.85%	0.21%	14.17	14.15
Series D	March 19, 2014	1.10%	0.16%	9.79	9.77
Series DZ	September 26, 2008	1.50%	0.24%	11.77	11.75
Series F	September 23, 2004	0.70% <sup>(6)</sup>	0.15% <sup>(9)</sup>	14.53	14.49
Series FB	October 26, 2015	0.85%	0.21%	9.29	9.28
Series O	January 19, 2011	— <sup>(1)</sup>	— *	11.17	11.15
Series PW	December 9, 2013	1.70% <sup>(7)</sup>	0.15%	10.48	10.46
Series PWF	April 21, 2015	0.80%	0.15%	9.08	9.07
Series PWFB	April 3, 2017	0.70% <sup>(8)</sup>	0.15%	9.99	—
Series PWT6	April 3, 2017	1.70% <sup>(7)</sup>	0.15%	14.15	—
Series PWT8	April 3, 2017	1.70% <sup>(7)</sup>	0.15%	13.85	—
Series PWX	September 14, 2015	— <sup>(2)</sup>	— <sup>(2)</sup>	9.26	9.24
Series R	July 3, 2007	— *	— *	9.64	9.62
Series S	January 1, 2001	— <sup>(1)</sup>	0.025%	14.22	14.20
Series T6	September 5, 2007	1.85%	0.21%	9.14	9.67
Series T8	February 17, 2003	1.85%	0.21%	7.55	8.15
Quadrus Series	January 14, 1988	1.85% <sup>(4)</sup>	0.21%	13.91	13.89
H Series	January 8, 2001	0.85% <sup>(5)</sup>	0.16%	13.56	13.55
H5 Series	January 15, 2016	0.85% <sup>(5)</sup>	0.16%	14.82	15.40
H8 Series	September 29, 2011	0.85% <sup>(5)</sup>	0.16%	11.92	12.77
L Series	December 16, 2011	1.70%	0.15%	11.88	11.85
L5 Series	July 27, 2015	1.70%	0.15%	12.06	12.62
L8 Series	September 18, 2015	1.70%	0.15%	11.55	12.43
N Series	December 16, 2011	— <sup>(1)</sup>	— <sup>(1)</sup>	11.96	11.95
N5 Series	October 7, 2014	— <sup>(1)</sup>	— <sup>(1)</sup>	12.96	13.37
N8 Series	December 23, 2013 <sup>(3)</sup>	— <sup>(1)</sup>	— <sup>(1)</sup>	11.66	12.37
D5 Series	September 5, 2008	1.85% <sup>(4)</sup>	0.21%	10.99	11.54
D8 Series	July 30, 2007	1.85% <sup>(4)</sup>	0.21%	7.27	7.89
QF Series	July 12, 2016	0.85% <sup>(5)</sup>	0.21%	10.12	10.11
QF5 Series	July 12, 2016	0.85% <sup>(5)</sup>	0.21%	14.16	14.73

\* 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 20, 2012. All securities in the series were redeemed on April 15, 2013. The series was reinstated at a price of \$15.00 per security on December 23, 2013.

(4) Prior to February 28, 2018, the management fee for this series was charged to the Fund at a rate of 2.00%.

(5) Prior to February 28, 2018, the management fee for this series was charged to the Fund at a rate of 1.00%.

(6) Prior to June 1, 2018, the management fee for Series F was charged to the Fund at a rate of 0.85%.

(7) Prior to June 1, 2018, the management fee for this series was charged to the Fund at a rate of 1.80%.

(8) Prior to June 1, 2018, the management fee for Series PWFB was charged to the Fund at a rate of 0.80%.

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



**MACKENZIE**  
Investments