

Interim Unaudited Financial Statements

For the Six-Month Period Ended September 30, 2018

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

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

NOTICE OF NO AUDITOR REVIEW OF THE INTERIM FINANCIAL STATEMENTS

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

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



MACKENZIE FLOATING RATE INCOME FUND

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2018

FIXED INCOME FUND

STATEMENTS OF FINANCIAL POSITION

In thousands (except per security figures)
As at

	Sep. 30 2018	Mar. 31 2018 (Audited)		Sep. 30 2018	Mar. 31 2018 (Audited)
	\$	\$		\$	\$
ASSETS					
Current assets					
Investments at fair value	1,164,934	734,736	Series SC	133,706	137,385
Cash and cash equivalents	105,020	113,075	Series S6	2,931	2,751
Accrued interest receivable	8,636	6,567	Series T6	915	383
Dividends receivable	29	14	Quadrus Series	39,780	27,138
Accounts receivable for investments sold	2,142	37,324	H Series	1,473	1,732
Accounts receivable for securities issued	6,849	5,684	HW Series	943	–
Due from manager	5	30	L Series	25,194	16,318
Unrealized gains on derivative contracts	16,049	1,134	N Series	28,273	22,044
Total assets	1,303,664	898,564	QF Series	5,217	2,903
			QFW Series	406	–
LIABILITIES			Net assets attributable to securityholders		
Current liabilities			per security (note 3)		
Accounts payable for investments purchased	113,911	123,075	Series A	10.24	10.26
Accounts payable for securities redeemed	943	446	Series AR	10.08	10.09
Distribution payable	–	4	Series D	9.87	9.88
Due to manager	–	39	Series F	10.20	10.21
Liability for options written	3	–	Series F6	14.25	14.30
Unrealized losses on derivative contracts	–	14,783	Series F8	14.84	–
Total liabilities	114,857	138,347	Series FB	10.46	10.47
Net assets attributable to securityholders	1,188,807	760,217	Series FB5	15.48	15.45
			Series O	10.20	10.21
Net assets attributable to securityholders			Series O6	14.78	14.77
per series (note 3)			Series PW	10.08	10.09
Series A	45,696	36,567	Series PWF	–	10.09
Series AR	1,787	1,307	Series PWF6	–	15.02
Series D	1,851	1,135	Series PWF8	–	13.80
Series F	366,499	99,328	Series PWF8	10.13	10.14
Series F6	72,267	5,194	Series PWF8	15.16	15.14
Series F8	61	–	Series PWF8	14.84	14.94
Series FB	245	576	Series PWF8	12.49	12.69
Series FB5	1	1	Series PWF8	10.04	10.05
Series O	22,334	19,183	Series PWF8	13.85	13.98
Series O6	20	113	Series PWF8	10.09	10.10
Series PW	169,913	87,370	Series PWF8	10.25	10.26
Series PWF	–	114,030	Series PWF8	10.24	10.25
Series PWF6	–	1,961	Series PWF8	13.76	13.87
Series PWF8	–	26	Series PWF8	13.43	13.55
Series PWF8	–	26	Series PWF8	9.81	9.83
Series PWF8	1,705	909	Series PWF8	9.75	9.76
Series PWF8	26	26	Series PWF8	9.98	–
Series PWF8	2,682	649	Series PWF8	9.93	9.94
Series PWF8	649	573	Series PWF8	9.92	9.93
Series PWF8	5,320	3,065	Series PWF8	10.64	10.65
Series PWF8	237	234	Series PWF8	9.98	–
Series R	15,644	20,189			
Series S	243,032	157,127			

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



MACKENZIE
Investments

MACKENZIE FLOATING RATE INCOME FUND

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2018

FIXED INCOME FUND

STATEMENTS OF COMPREHENSIVE INCOME

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

	2018	2017		2018	2017
	\$	\$		\$	\$
Income			Series PWX8	6	6
Dividends	181	200	Series R	603	681
Interest income	31,086	16,494	Series S	6,113	2,084
Other changes in fair value of investments and other net assets			Series SC	3,065	1,997
Net realized gain (loss)	(28,448)	29,472	Series S6	66	35
Net unrealized gain (loss)	27,158	(32,016)	Series T6	15	12
Securities lending income	5	–	Quadrus Series	705	271
Total income (loss)	29,982	14,150	H Series	47	31
			HW Series	6	–
Expenses (note 6)			L Series	460	133
Management fees	3,815	2,406	N Series	780	386
Management fee rebates	(66)	(33)	QF Series	108	20
Administration fees	664	390	QFW Series	2	–
Interest charges	1	2			
Commissions and other portfolio transaction costs	29	21	Increase (decrease) in net assets attributable to securityholders from operations per security		
Independent Review Committee fees	2	1	Series A	0.21	0.16
Other	3	2	Series AR	0.21	0.16
Expenses before amounts absorbed by Manager	4,448	2,789	Series D	0.24	0.19
Expenses absorbed by Manager	–	–	Series F	0.26	0.20
Net expenses	4,448	2,789	Series F6	0.37	0.30
			Series F8	0.20	–
Increase (decrease) in net assets attributable to securityholders from operations before tax	25,534	11,361	Series FB	0.28	0.21
Foreign withholding taxes	–	22	Series FB5	0.40	0.33
Foreign income taxes paid (recovered)	–	–	Series O	0.31	0.26
Increase (decrease) in net assets attributable to securityholders from operations	25,534	11,339	Series O6	0.49	0.38
			Series PW	0.24	0.20
Increase (decrease) in net assets attributable to securityholders from operations per series			Series PWF	0.10	0.22
Series A	880	609	Series PWF6	0.11	0.36
Series AR	34	18	Series PWF8	0.14	0.32
Series D	37	11	Series PWFB	0.26	0.23
Series F	6,196	1,498	Series PWFB5	0.40	0.40
Series F6	1,103	105	Series PWT6	0.34	0.34
Series F8	1	–	Series PWT8	0.30	0.24
Series FB	10	13	Series PWX	0.31	0.26
Series FB5	–	–	Series PWX8	0.43	0.37
Series O	620	353	Series R	0.31	0.26
Series O6	1	3	Series S	0.31	0.26
Series PW	3,079	1,625	Series SC	0.23	0.17
Series PWF	1,262	1,326	Series S6	0.31	0.23
Series PWF6	125	28	Series T6	0.26	0.22
Series PWF8	–	–	Quadrus Series	0.21	0.16
Series PWFB	32	2	H Series	0.24	0.20
Series PWFB5	–	–	HW Series	0.12	–
Series PWT6	40	21	L Series	0.22	0.19
Series PWT8	15	16	N Series	0.30	0.25
Series PWX	123	55	QF Series	0.27	0.22
			QFW Series	0.10	–

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

MACKENZIE FLOATING RATE INCOME FUND

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2018

FIXED INCOME FUND

STATEMENTS OF CHANGES IN FINANCIAL POSITION

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

	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017
	Series A		Series AR		Series D		Series F		Series F6	
	\$		\$		\$		\$		\$	
NET ASSETS ATTRIBUTABLE TO SECURITYHOLDERS										
Beginning of period	36,567	41,782	1,307	973	1,135	447	99,328	83,524	5,194	5,154
Increase (decrease) in net assets from operations	880	609	34	18	37	11	6,196	1,498	1,103	105
Distributions paid to securityholders:										
Investment income	(953)	(787)	(35)	(22)	(39)	(12)	(6,871)	(1,823)	(1,321)	(139)
Capital gains	-	-	-	-	-	-	-	-	-	-
Return of capital	-	-	-	-	-	-	-	-	(12)	(8)
Management fee rebates	-	-	-	-	-	-	(5)	-	(9)	-
Total distributions paid to securityholders	(953)	(787)	(35)	(22)	(39)	(12)	(6,876)	(1,823)	(1,342)	(147)
Security transactions:										
Proceeds from securities issued	12,963	4,827	543	190	1,696	190	298,366	21,725	69,063	1,293
Reinvested distributions	754	654	35	22	39	11	3,759	822	163	118
Payments on redemption of securities	(4,515)	(11,279)	(97)	(23)	(1,017)	(117)	(34,274)	(32,509)	(1,914)	(1,559)
Total security transactions	9,202	(5,798)	481	189	718	84	267,851	(9,962)	67,312	(148)
Total increase (decrease) in net assets	9,129	(5,976)	480	185	716	83	267,171	(10,287)	67,073	(190)
End of period	45,696	35,806	1,787	1,158	1,851	530	366,499	73,237	72,267	4,964

Increase (decrease) in fund securities (note 7):	Securities		Securities		Securities		Securities		Securities	
Securities outstanding – beginning of period	3,565	4,109	130	97	115	46	9,729	8,258	363	359
Issued	1,264	476	54	19	172	19	29,188	2,151	4,832	91
Reinvested distributions	74	65	3	2	4	1	369	82	11	8
Redeemed	(440)	(1,111)	(10)	(2)	(103)	(12)	(3,353)	(3,219)	(134)	(109)
Securities outstanding – end of period	4,463	3,539	177	116	188	54	35,933	7,272	5,072	349

	Series F8		Series FB		Series FB5		Series O		Series O6	
	\$		\$		\$		\$		\$	
NET ASSETS ATTRIBUTABLE TO SECURITYHOLDERS										
Beginning of period	-	-	576	661	1	1	19,183	11,894	113	108
Increase (decrease) in net assets from operations	1	-	10	13	-	-	620	353	1	3
Distributions paid to securityholders:										
Investment income	(1)	-	(9)	(14)	-	-	(645)	(393)	(1)	(3)
Capital gains	-	-	-	-	-	-	-	-	-	-
Return of capital	(1)	-	-	-	-	-	-	-	-	-
Management fee rebates	-	-	-	-	-	-	-	-	-	-
Total distributions paid to securityholders	(2)	-	(9)	(14)	-	-	(645)	(393)	(1)	(3)
Security transactions:										
Proceeds from securities issued	104	-	369	67	-	-	5,112	3,261	-	-
Reinvested distributions	1	-	9	14	-	-	610	360	1	3
Payments on redemption of securities	(43)	-	(710)	(192)	-	-	(2,546)	(744)	(94)	(1)
Total security transactions	62	-	(332)	(111)	-	-	3,176	2,877	(93)	2
Total increase (decrease) in net assets	61	-	(331)	(112)	-	-	3,151	2,837	(93)	2
End of period	61	-	245	549	1	1	22,334	14,731	20	110

Increase (decrease) in fund securities (note 7):	Securities		Securities		Securities		Securities		Securities	
Securities outstanding – beginning of period	-	-	55	64	-	-	1,879	1,178	8	7
Issued	7	-	35	6	-	-	499	323	-	-
Reinvested distributions	-	-	1	1	-	-	60	36	-	-
Redeemed	(3)	-	(68)	(18)	-	-	(249)	(74)	(7)	-
Securities outstanding – end of period	4	-	23	53	-	-	2,189	1,463	1	7

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

MACKENZIE FLOATING RATE INCOME FUND

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2018

FIXED INCOME FUND

STATEMENTS OF CHANGES IN FINANCIAL POSITION (cont'd)

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

	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017
	Series PW		Series PWF		Series PWF6		Series PWF8		Series PWFB	
	\$		\$		\$		\$		\$	
NET ASSETS ATTRIBUTABLE TO SECURITYHOLDERS										
Beginning of period	87,370	42,713	114,030	39,890	1,961	–	26	1	909	–
Increase (decrease) in net assets from operations	3,079	1,625	1,262	1,326	125	28	–	–	32	2
Distributions paid to securityholders:										
Investment income	(3,448)	(1,968)	(1,005)	(1,577)	(224)	(31)	–	–	(39)	(3)
Capital gains	–	–	–	–	–	–	–	–	–	–
Return of capital	–	–	–	–	(36)	(5)	–	–	–	–
Management fee rebates	(15)	(22)	(27)	(6)	(5)	–	–	–	–	–
Total distributions paid to securityholders	(3,463)	(1,990)	(1,032)	(1,583)	(265)	(36)	–	–	(39)	(3)
Security transactions:										
Proceeds from securities issued	96,370	49,592	28,206	31,184	48,252	1,403	–	–	1,372	174
Reinvested distributions	2,979	1,712	531	813	25	31	–	–	39	3
Payments on redemption of securities	(16,422)	(8,027)	(142,997)	(6,254)	(50,098)	(99)	(26)	–	(608)	–
Total security transactions	82,927	43,277	(114,260)	25,743	(1,821)	1,335	(26)	–	803	177
Total increase (decrease) in net assets	82,543	42,912	(114,030)	25,486	(1,961)	1,327	(26)	–	796	176
End of period	169,913	85,625	–	65,376	–	1,327	–	1	1,705	176

Increase (decrease) in fund securities (note 7):	Securities		Securities		Securities		Securities		Securities	
Securities outstanding – beginning of period	8,657	4,268	11,297	3,987	131	–	2	–	90	–
Issued	9,535	4,962	2,789	3,121	3,202	94	–	–	134	18
Reinvested distributions	296	172	53	82	2	2	–	–	4	–
Redeemed	(1,627)	(804)	(14,139)	(626)	(3,335)	(7)	(2)	–	(60)	–
Securities outstanding – end of period	16,861	8,598	–	6,564	–	89	–	–	168	18

	Series PWF65		Series PWT6		Series PWT8		Series PWX		Series PWX8	
	\$		\$		\$		\$		\$	
NET ASSETS ATTRIBUTABLE TO SECURITYHOLDERS										
Beginning of period	26	–	649	–	573	808	3,065	1,739	234	197
Increase (decrease) in net assets from operations	–	–	40	21	15	16	123	55	6	6
Distributions paid to securityholders:										
Investment income	(1)	–	(50)	(22)	(15)	(19)	(129)	(56)	(7)	(7)
Capital gains	–	–	–	–	–	–	–	–	–	–
Return of capital	–	–	(7)	(8)	(9)	(14)	–	–	(2)	(2)
Management fee rebates	–	–	–	–	–	–	–	–	–	–
Total distributions paid to securityholders	(1)	–	(57)	(30)	(24)	(33)	(129)	(56)	(9)	(9)
Security transactions:										
Proceeds from securities issued	–	1	2,678	1,087	78	170	2,566	748	–	30
Reinvested distributions	1	–	17	10	11	12	126	56	6	5
Payments on redemption of securities	–	–	(645)	(52)	(4)	(156)	(431)	(186)	–	–
Total security transactions	1	1	2,050	1,045	85	26	2,261	618	6	35
Total increase (decrease) in net assets	–	1	2,033	1,036	76	9	2,255	617	3	32
End of period	26	1	2,682	1,036	649	817	5,320	2,356	237	229

Increase (decrease) in fund securities (note 7):	Securities		Securities		Securities		Securities		Securities	
Securities outstanding – beginning of period	2	–	43	–	45	62	305	175	17	14
Issued	–	–	180	72	6	13	255	76	–	2
Reinvested distributions	–	–	1	1	1	1	13	6	–	–
Redeemed	–	–	(43)	(3)	–	(12)	(43)	(19)	–	–
Securities outstanding – end of period	2	–	181	70	52	64	530	238	17	16

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

MACKENZIE FLOATING RATE INCOME FUND

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2018

FIXED INCOME FUND

STATEMENTS OF CHANGES IN FINANCIAL POSITION (cont'd)

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

	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017
	Series R		Series S		Series SC		Series S6		Series T6	
	\$		\$		\$		\$		\$	
NET ASSETS ATTRIBUTABLE TO SECURITYHOLDERS										
Beginning of period	20,189	27,599	157,127	67,713	137,385	145,462	2,751	2,811	383	761
Increase (decrease) in net assets from operations	603	681	6,113	2,084	3,065	1,997	66	35	15	12
Distributions paid to securityholders:										
Investment income	(600)	(736)	(6,478)	(2,149)	(3,162)	(2,512)	(68)	(45)	(17)	(16)
Capital gains	-	-	-	-	-	-	-	-	-	-
Return of capital	-	-	-	-	-	-	(17)	(16)	(5)	(4)
Management fee rebates	-	-	-	-	-	-	-	-	-	-
Total distributions paid to securityholders	(600)	(736)	(6,478)	(2,149)	(3,162)	(2,512)	(85)	(61)	(22)	(20)
Security transactions:										
Proceeds from securities issued	2,459	427	84,247	29,153	76,950	27,374	2,444	845	592	13
Reinvested distributions	-	-	6,478	2,149	2,724	2,167	15	10	5	7
Payments on redemption of securities	(7,007)	(2,575)	(4,455)	(1,718)	(83,256)	(57,017)	(2,260)	(1,227)	(58)	(240)
Total security transactions	(4,548)	(2,148)	86,270	29,584	(3,582)	(27,476)	199	(372)	539	(220)
Total increase (decrease) in net assets	(4,545)	(2,203)	85,905	29,519	(3,679)	(27,991)	180	(398)	532	(228)
End of period	15,644	25,396	243,032	97,232	133,706	117,471	2,931	2,413	915	533

Increase (decrease) in fund securities (note 7):	Securities		Securities		Securities		Securities		Securities	
Securities outstanding – beginning of period	1,999	2,763	15,308	6,687	13,400	14,324	198	201	28	55
Issued	244	43	8,194	2,875	7,501	2,700	177	60	44	1
Reinvested distributions	-	-	632	212	266	214	1	1	-	1
Redeemed	(693)	(257)	(434)	(169)	(8,107)	(5,623)	(163)	(88)	(4)	(18)
Securities outstanding – end of period	1,550	2,549	23,700	9,605	13,060	11,615	213	174	68	39

	Quadrus Series		H Series		HW Series		L Series		N Series	
	\$		\$		\$		\$		\$	
NET ASSETS ATTRIBUTABLE TO SECURITYHOLDERS										
Beginning of period	27,138	15,069	1,732	1,633	-	-	16,318	6,423	22,044	13,756
Increase (decrease) in net assets from operations	705	271	47	31	6	-	460	133	780	386
Distributions paid to securityholders:										
Investment income	(777)	(340)	(52)	(35)	(4)	-	(496)	(162)	(820)	(426)
Capital gains	-	-	-	-	-	-	-	-	-	-
Return of capital	-	-	-	-	-	-	-	-	-	-
Management fee rebates	(3)	(4)	(1)	(1)	-	-	-	-	-	-
Total distributions paid to securityholders	(780)	(344)	(53)	(36)	(4)	-	(496)	(162)	(820)	(426)
Security transactions:										
Proceeds from securities issued	19,838	6,353	974	393	947	-	11,096	3,312	8,930	3,970
Reinvested distributions	776	343	50	36	4	-	496	162	820	425
Payments on redemption of securities	(7,897)	(2,478)	(1,277)	(694)	(10)	-	(2,680)	(636)	(3,481)	(1,278)
Total security transactions	12,717	4,218	(253)	(265)	941	-	8,912	2,838	6,269	3,117
Total increase (decrease) in net assets	12,642	4,145	(259)	(270)	943	-	8,876	2,809	6,229	3,077
End of period	39,780	19,214	1,473	1,363	943	-	25,194	9,232	28,273	16,833

Increase (decrease) in fund securities (note 7):	Securities		Securities		Securities		Securities		Securities	
Securities outstanding – beginning of period	2,761	1,546	177	169	-	-	1,642	652	2,219	1,400
Issued	2,016	653	100	40	95	-	1,116	338	897	405
Reinvested distributions	79	35	5	4	-	-	50	17	83	43
Redeemed	(803)	(254)	(131)	(72)	(1)	-	(270)	(65)	(350)	(130)
Securities outstanding – end of period	4,053	1,980	151	141	94	-	2,538	942	2,849	1,718

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

MACKENZIE FLOATING RATE INCOME FUND

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2018

FIXED INCOME FUND

STATEMENTS OF CHANGES IN FINANCIAL POSITION (cont'd)

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

	2018	2017	2018	2017	2018	2017
	QF Series		QFW Series		Total	
	\$		\$		\$	
NET ASSETS ATTRIBUTABLE TO SECURITYHOLDERS						
Beginning of period	2,903	809	–	–	760,217	511,928
Increase (decrease) in net assets from operations	108	20	2	–	25,534	11,339
Distributions paid to securityholders:						
Investment income	(119)	(17)	(3)	–	(27,389)	(13,314)
Capital gains	–	–	–	–	–	–
Return of capital	–	–	–	–	(89)	(57)
Management fee rebates	(1)	–	–	–	(66)	(33)
Total distributions paid to securityholders	(120)	(17)	(3)	–	(27,544)	(13,404)
Security transactions:						
Proceeds from securities issued	3,041	817	404	–	779,660	188,599
Reinvested distributions	119	17	3	–	20,596	9,962
Payments on redemption of securities	(834)	(233)	–	–	(369,656)	(129,294)
Total security transactions	2,326	601	407	–	430,600	69,267
Total increase (decrease) in net assets	2,314	604	406	–	428,590	67,202
End of period	5,217	1,413	406	–	1,188,807	579,130
Increase (decrease) in fund securities (note 7):						
Securities outstanding – beginning of period	273	77	–	–		
Issued	284	77	41	–		
Reinvested distributions	11	2	–	–		
Redeemed	(78)	(22)	–	–		
Securities outstanding – end of period	490	134	41	–		

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



MACKENZIE
Investments

MACKENZIE FLOATING RATE INCOME FUND

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2018

FIXED INCOME FUND

STATEMENTS OF CASH FLOWS

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

	2018	2017
	\$	\$
Cash flows from operating activities		
Net increase (decrease) in net assets attributable to securityholders from operations	25,534	11,339
Adjustments for:		
Net realized loss (gain) on investments	(3,656)	(29,472)
Change in net unrealized loss (gain) on investments	(27,373)	32,016
Purchase of investments	(655,381)	(366,231)
Proceeds from sale and maturity of investments	252,523	284,935
Change in accrued interest receivable	(2,069)	(1,602)
Change in dividends receivable	(15)	(8)
Change in due from manager	25	–
Change in due to manager	(39)	–
Net cash from operating activities	(410,451)	(69,023)
Cash flows from financing activities		
Proceeds from securities issued	688,665	116,904
Payments on redemption of securities	(279,329)	(55,676)
Distributions paid net of reinvestments	(6,952)	(3,442)
Net cash from financing activities	402,384	57,786
Net increase (decrease) in cash and cash equivalents	(8,067)	(11,237)
Cash and cash equivalents at beginning of period	113,075	42,871
Effect of exchange rate fluctuations on cash and cash equivalents	12	3
Cash and cash equivalents at end of period	105,020	31,637
Cash	5,967	4,450
Cash equivalents	99,053	27,187
Cash and cash equivalents at end of period	105,020	31,637
Supplementary disclosures on cash flow from operating activities:		
Dividends received	166	192
Foreign taxes paid	–	22
Interest received	29,017	14,892
Interest paid	1	2

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



MACKENZIE
Investments

MACKENZIE FLOATING RATE INCOME FUND

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2018

FIXED INCOME FUND

SCHEDULE OF INVESTMENTS

As at September 30, 2018

	Country	Sector	Par Value/ No. of Shares/Units	Average Cost (\$ 000s)	Fair Value (\$ 000s)
BONDS					
AAC holdings Inc. Term Loan 1st Lien F/R 06-30-2023	United States	Term Loans	USD 3,723,863	4,666	4,885
Acisure LLC Term Loan B 1st Lien F/R 11-22-2023	United States	Term Loans	USD 465,300	592	605
Adtalem Global Education Inc. Term Loan B 1st Lien F/R 04-09-2025	United States	Term Loans	USD 3,481,275	4,402	4,538
Advisor Group Inc. Term Loan 1st Lien F/R 08-09-2025	United States	Term Loans	USD 4,890,000	6,420	6,375
Aegis Sciences Corp. Term Loan B 1st Lien F/R 05-09-2025	United States	Term Loans	USD 1,630,000	2,065	2,057
Al Ladder Luxembourg Term Loan B 1st Lien F/R 05-04-2025	United States	Term Loans	USD 5,740,000	7,141	7,462
Air Medical Group Holdings Inc. Term Loan B 1st Lien F/R 09-26-2024	United States	Term Loans	USD 406,925	492	525
Air Newco LLC Term Loan B 1st Lien F/R 05-31-2024	United States	Term Loans	USD 390,000	505	509
AL Midcoast Holdings LLC B Term Loan 1st Lien F/R 06-28-2025	United States	Term Loans	USD 5,000,000	6,564	6,488
Alcami Carolinas Corp. Term Loan 1st Lien F/R 07-06-2025	United States	Term Loans	USD 4,350,000	5,697	5,664
Alera Group Intermediate Holdings Inc. Term Loan B 1st Lien F/R 07-27-2025	United States	Term Loans	USD 1,765,575	2,300	2,316
Alpha 3 BV Term Loan B1 1st Lien F/R 01-31-2024	United Kingdom	Term Loans	USD 1,559,664	2,033	2,030
Altice France SA Term Loan B13 1st Lien F/R 01-31-2026	France	Term Loans	USD 6,680,000	8,569	8,583
Altice SA 7.75% 05-15-2022 Callable 144A	Luxembourg	Corporate - Non Convertible	USD 200,000	265	251
AMC Entertainment Holdings Inc. 5.88% 11-15-2026 Callable	United States	Corporate - Non Convertible	USD 280,000	338	347
American Dental Partners Inc. Term Loan 1st Lien F/R 08-30-2021	United States	Term Loans	USD 371,978	472	481
American Teleconferencing Services Ltd. Term Loan 1st Lien F/R 12-08-2021	United States	Term Loans	USD 3,093,480	4,099	3,870
Amneal Pharmaceuticals LLC Term loan B 1st Lien F/R 03-23-2025	United States	Term Loans	USD 8,765,994	11,244	11,449
APCO Holdings Inc. Term Loan B 1L F/R 06-06-2025	United States	Term Loans	USD 1,119,136	1,435	1,459
Arch Merger Sub Inc. 8.50% 09-15-2025 Callable 2020 144A	United States	Corporate - Non Convertible	USD 3,240,000	4,122	3,954
Artis Real Estate Investment Trust F/R 02-07-2020	Canada	Corporate - Non Convertible	2,130,000	2,130	2,135
ASP AMC Merger Sub Inc. 8.00% 05-15-2025 Callable 2020 144A	United States	Corporate - Non Convertible	USD 2,700,000	3,600	2,660
ATS Consolidated Inc. Term Loan B 1st Lien F/R 02-23-2025	United States	Term Loans	USD 2,587,000	3,257	3,364
Avolon Holdings Funding Ltd. 5.13% 10-01-2023 Callable 2023 144A	Ireland	Corporate - Non Convertible	USD 510,000	670	665
Ball Metalpack Finco LLC Term Loan B 1st Lien F/R 07-26-2025	United States	Term Loans	USD 3,511,200	4,567	4,591
Bausch Health Cos Inc. Term Loan B 1st Lien F/R 05-28-2025	United States	Term Loans	USD 2,535,000	3,247	3,296
Bausch Health Cos Inc. 5.63% 12-01-2021 Callable 144A	United States	Corporate - Non Convertible	USD 830,000	1,017	1,071
Baytex Energy Corp. 5.625% 06-01-2024 Callable 2019 144A	Canada	Corporate - Non Convertible	USD 620,000	733	767
Beacon Escrow Corp. 4.88% 11-01-2025 Callable 2020 144A	United States	Corporate - Non Convertible	USD 260,000	311	311
Beasley Mezzanine Holdings LLC Term Loan 1st Lien F/R 11-16-2023	United States	Term Loans	USD 98,210	125	128
Bellatrix Exploration Ltd. 8.50% 05-15-2020 Callable 144A	Canada	Corporate - Non Convertible	USD 410,000	465	339
BMC Acquisition Inc. Term Loan 1st Lien F/R 12-15-2024	United States	Term Loans	USD 1,994,925	2,541	2,597
Boardriders Inc. Term Loan B 1st Lien F/R 03-21-2024	United States	Term Loans	USD 7,371,525	9,288	9,651
Bright Bidco BV Term Loan B 1st Lien F/R 06-30-2024	Netherlands	Term Loans	USD 7,201,776	9,288	9,215
Bulldog Purchaser Inc. Delayed Draw Term Loan 1st Lien F/R 08-31-2025	United States	Term Loans	USD 1,589,238	2,045	2,046
Bulldog Purchaser Inc. Term Loan B 1st Lien F/R 08-31-2025	United States	Term Loans	USD 2,920,762	3,758	3,772
Burger King France SAS F/R 05-01-2023 Callable 2018	France	Corporate - Non Convertible	EUR 1,090,000	1,534	1,660
BWAY Holding Co. 7.25% 04-15-2025 144A	United States	Corporate - Non Convertible	USD 960,000	1,279	1,213
California Resources Corp. 8.00% 12-15-2022 Callable 2018 144A	United States	Corporate - Non Convertible	USD 290,000	295	358
Calpine Corp. 5.25% 06-01-2026 Callable 2021 144A	United States	Corporate - Non Convertible	USD 440,000	555	528
Camelot Finance SA 7.88% 10-15-2024 Callable 2019 144A	United States	Corporate - Non Convertible	USD 890,000	1,181	1,147
Can Am Construction Inc./Canada Term Loan B 1st Lien F/R 07-01-2024	Canada	Term Loans	USD 10,035,513	12,861	13,099
Canada Goose Inc. Term Loan 1st Lien F/R 12-22-2021	Canada	Term Loans	USD 5,351,316	6,703	6,916



MACKENZIE
Investments

MACKENZIE FLOATING RATE INCOME FUND

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2018

FIXED INCOME FUND

SCHEDULE OF INVESTMENTS (cont'd)

As at September 30, 2018

	Country	Sector	Par Value/ No. of Shares/Units	Average Cost (\$ 000s)	Fair Value (\$ 000s)
BONDS (cont'd)					
Canada Housing Trust No 1 F/R 09-15-2023	Canada	Federal Government	1,350,000	1,348	1,350
CareCentrix Inc. Term Loan 1st Lien F/R 03-22-2025	United States	Term Loans	USD 7,435,875	9,566	9,585
Careerbuilder LLC Term Loan 1st Lien F/R 07-31-2023	United States	Term Loans	USD 5,937,589	7,277	7,688
Casablanca US Holdings Inc. Term Loan 1st Lien F/R 03-31-2024	United States	Term Loans	USD 8,885,350	11,412	11,353
CCO Holdings LLC 4.00% 03-01-2023 Callable 2019 144A	United States	Corporate - Non Convertible	USD 50,000	63	62
CCO Holdings LLC 5.13% 05-01-2027 Callable 2022 144A	United States	Corporate - Non Convertible	USD 30,000	37	37
CCS-CMGC Holdings Inc. Term Loan 1st Lien F/R 09-25-2025	United States	Term Loans	USD 3,380,000	4,332	4,313
Celestica Inc. Term Loan B 1st Lien F/R 06-21-2025	Canada	Term Loans	USD 7,320,000	9,546	9,460
Centennial Resource Production LLC 5.38% 01-15-2026 Callable 2021 144A	United States	Corporate - Non Convertible	USD 190,000	242	245
CenturyLink Inc. Term Loan B 1st Lien F/R 01-31-2025	United States	Term Loans	USD 5,974,850	7,919	7,677
CEVA Logistics Finance BV Term Loan B 1st Lien F/R 07-25-2025	United States	Term Loans	USD 3,110,000	4,045	4,045
CEVA Logistics Finance BV 5.25% 08-01-2025 Callable 2021	United States	Corporate - Non Convertible	EUR 300,000	457	443
Chemtrade Logistics Income Fund 4.75% 05-31-2024 Conv. Callable 2022	Canada	Corporate - Convertible	320,000	320	309
Chloe Ox Parent LLC Term Loan 1st Lien F/R 12-19-2024	United States	Term Loans	USD 2,587,000	3,297	3,356
Coeur Mining Inc. 5.88% 06-01-2024 Callable 2020	United States	Corporate - Non Convertible	USD 330,000	446	410
Comfort Holding LLC Term Loan 1st Lien F/R 02-05-2024	United States	Term Loans	USD 6,784,374	8,667	8,490
Comfort Holding LLC Term Loan 2nd Lien F/R 02-03-2025	United States	Term Loans	USD 1,640,000	2,050	2,051
Commercial Vehicle Group Inc. Term Loan B 1st Lien F/R 03-30-2023	United States	Term Loans	USD 3,381,801	4,417	4,398
Commonwealth of Bahamas 5.75% 01-16-2024	Bahamas	Foreign Governments	USD 230,000	250	304
Commonwealth of Bahamas 6.95% 11-20-2029	Bahamas	Foreign Governments	USD 70,000	104	97
Communications Sales & Leasing Inc. Term Loan B 1st Lien F/R 10-24-2022	United States	Term Loans	USD 3,606,168	4,379	4,466
Conn's Inc. 7.25% 07-15-2022 Callable	United States	Corporate - Non Convertible	USD 30,000	30	39
Corel Corp. Term Loan 1st Lien F/R 05-11-2024	Canada	Term Loans	USD 4,020,000	5,147	5,228
Coronado Australian Holdings Pty Ltd. Term Loan B 1st Lien F/R 03-21-2025	United States	Term Loans	USD 3,462,338	4,330	4,530
Coronado Australian Holdings Pty Ltd. Term Loan C 1st Lien F/R 03-21-2025	United States	Term Loans	USD 946,641	1,184	1,239
Crew Energy Inc. 6.50% 03-14-2024 Callable	Canada	Corporate - Non Convertible	420,000	420	382
CryoLife Inc. Term Loan B 1st Lien F/R 11-15-2024	United States	Term Loans	USD 1,826,200	2,319	2,390
CSC Holdings LLC Term Loan B 1st Lien F/R 01-12-2026	United States	Term Loans	USD 2,832,900	3,515	3,680
CSM Bakery Solutions LLC Term Loan 2nd Lien F/R 07-05-2021	United States	Term Loans	USD 1,300,000	1,385	1,621
CSM NV Term Loan B F/R 07-03-2020	United States	Term Loans	USD 1,874,469	2,331	2,350
CTI Foods Holding Co. LLC Term Loan 1st Lien F/R 06-29-2020	United States	Term Loans	USD 280,545	284	303
CTI Foods Holding Co. LLC Term Loan 2nd Lien F/R 06-28-2021	United States	Term Loans	USD 300,000	301	165
CVR Partners LP 9.25% 06-15-2023 Callable 2019 144A	United States	Corporate - Non Convertible	USD 880,000	1,131	1,212
Daseke Inc. Term Loan 1st Lien F/R 02-27-2024	United States	Term Loans	USD 5,528,305	7,104	7,207
DBRS Ltd. Term Loan 1st Lien F/R 03-04-2022	Canada	Term Loans	USD 3,700,323	4,671	4,800
Deerfield Holdings Corp. Term Loan B 1st Lien F/R 12-06-2024	United States	Term Loans	USD 2,049,700	2,616	2,654
DHX Media Ltd. 5.88% 09-30-2024 Conv.	Canada	Corporate - Convertible	210,000	197	168
Diamond (BC) BV Term Loan 1st Lien F/R 09-06-2024	United States	Term Loans	USD 5,267,076	6,713	6,697
Digicert Holdings Inc. Term Loan 1st Lien F/R 09-20-2024	United States	Term Loans	USD 1,915,200	2,433	2,485
Digicert Holdings Inc. Term Loan 2nd Lien F/R 10-31-2025	United States	Term Loans	USD 780,000	957	1,007
DMT Solutions Global Corp. Term Loan 1st Lien F/R 06-25-2024	United States	Term Loans	USD 1,471,375	1,898	1,887
Dole Food Co. Inc. Term Loan B 1st Lien F/R 04-06-2024	United States	Term Loans	USD 858,000	1,140	1,110
Dollarama Inc. F/R 03-16-2020	Canada	Corporate - Non Convertible	2,500,000	2,502	2,509



MACKENZIE
Investments

MACKENZIE FLOATING RATE INCOME FUND

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2018

FIXED INCOME FUND

SCHEDULE OF INVESTMENTS (cont'd)

As at September 30, 2018

	Country	Sector	Par Value/ No. of Shares/Units	Average Cost (\$ 000s)	Fair Value (\$ 000s)
BONDS (cont'd)					
Drax Group PLC 6.63% 11-01-2025 Callable 2021 144A	United Kingdom	Corporate - Non Convertible	USD 330,000	415	436
Drive DeVilbiss Healthcare Ltd. Term Loan 1st Lien F/R 01-03-2023	United States	Term Loans	USD 5,624,170	6,844	6,737
Dynamic Energy Services International LLC Term Loan B 1st Lien F/R 03-06-2018	United States	Term Loans	USD 3,308,274	3,073	898
EagleTree-Carbide Acquisition Corp. Term Loan 1st Lien F/R 08-28-2024	United States	Term Loans	USD 3,956,096	4,925	5,125
Eastern Power LLC Term Loan B 1st Lien F/R 10-02-2023	United States	Term Loans	USD 2,690,000	3,523	3,476
Electrical Components International Inc. Term Loan 1st Lien F/R 06-22-2025	United States	Term Loans	USD 5,067,300	6,658	6,606
Electrical Components International Inc. Term Loan 2nd Lien F/R 06-22-2026	United States	Term Loans	USD 910,000	1,135	1,111
Elo Touch Solutions Inc. Term Loan B 1st Lien F/R 10-25-2023	United States	Term Loans	USD 3,697,112	4,734	4,829
EmployBridge LLC Term Loan B 1st Lien F/R 04-10-2025	United States	Term Loans	USD 3,762,375	4,707	4,914
ENC Holding Corp. Delayed Draw Term Loan 1st Lien F/R 05-30-2025	United States	Term Loans	USD 100,571	129	130
ENC Holding Corp. Term Loan 1st Lien F/R 05-30-2025	United States	Term Loans	USD 1,659,429	2,134	2,150
Ensono LP Term Loan 1st Lien F/R 04-30-2025	United States	Term Loans	USD 4,688,250	5,994	6,127
Enterprise Merger Sub Inc. Term Loan 1st Lien F/R 09-28-2025	United States	Term Loans	USD 5,460,000	7,038	7,038
Enterprise Merger Sub Inc. 8.75% 10-15-2026 Callable 2021	United States	Corporate - Non Convertible	USD 420,000	535	535
Exela Intermediate LLC Term Loan B 1st Lien F/R 07-12-2023	United States	Term Loans	USD 4,438,361	5,705	5,821
Exela Intermediate LLC 10.00% 07-15-2023 Callable 2020 144A	United States	Corporate - Non Convertible	USD 3,030,000	3,946	4,176
Fastener Acquisition Inc. Term Loan 1st Lien F/R 03-28-2025	United States	Term Loans	USD 2,577,050	3,300	3,343
Financial & Risk US Holdings Inc. Term Loan B 1st Lien F/R 10-01-2025	United States	Term Loans	USD 9,500,000	12,295	12,277
Financial & Risk US Holdings Inc. 8.25% 11-15-2026 Callable 2021 144A	United States	Corporate - Non Convertible	USD 4,970,000	6,452	6,389
Fortress Transportation and Infrastructure Investors LLC 6.75% 03-15-2022 Callable 2020 144A	United States	Corporate - Non Convertible	USD 490,000	645	651
Fortress Transportation and Infrastructure Investors LLC 6.50% 10-01-2025 Callable 2021 144A	United States	Corporate - Non Convertible	USD 870,000	1,117	1,119
Foundation Building Materials LLC Term Loan B 1st Lien F/R 05-11-2025	United States	Term Loans	USD 2,090,000	2,659	2,718
Frontera Generation Holdings LLC. Term Loan B 1st Lien F/R 04-25-2025	United States	Term Loans	USD 7,980,000	10,212	10,396
Fusion Connect Inc. Term Loan B 1st Lien F/R 05-03-2023	United States	Term Loans	USD 3,871,000	4,777	4,765
FXI Holdings Inc. 7.88% 11-01-2024 Callable 2020 144A	United States	Corporate - Non Convertible	USD 860,000	1,103	1,061
Garda World Security Corp. Term Loan B 1st Lien F/R 05-26-2024	Canada	Term Loans	1,752,813	1,735	1,759
Garda World Security Corp. 7.25% 11-15-2021 Callable 144A	Canada	Corporate - Non Convertible	USD 700,000	778	903
Gateway Casinos & Entertainment Ltd. Term Loan B 1st Lien F/R 03-13-2025	Canada	Term Loans	USD 4,897,725	6,345	6,372
Gateway Casinos & Entertainment Ltd. 8.25% 03-01-2024 Callable 2020 144A	Canada	Corporate - Non Convertible	USD 1,150,000	1,516	1,583
Gentiva Health Services Inc. Term Loan 1st Lien F/R 06-21-2025	United States	Term Loans	USD 3,714,027	4,892	4,863
Genworth Holdings Inc. Term Loan 1st Lien F/R 02-28-2023	United States	Term Loans	USD 3,052,350	3,898	4,043
GFL Environmental Inc. 5.38% 03-01-2023 Callable 2020 144A	Canada	Corporate - Non Convertible	USD 530,000	648	647
GFL Environmental Inc. 7.00% 06-01-2026 Callable 2021 144A	Canada	Corporate - Non Convertible	USD 810,000	1,022	1,013
Gibson Energy Inc. 5.25% 07-15-2024 Callable 2020 REGS	Canada	Corporate - Non Convertible	1,660,000	1,660	1,664
G-III Apparel Group Ltd. Term Loan B 1st Lien F/R 12-01-2022	United States	Term Loans	USD 2,888,571	3,691	3,784



MACKENZIE
Investments

MACKENZIE FLOATING RATE INCOME FUND

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2018

FIXED INCOME FUND

SCHEDULE OF INVESTMENTS (cont'd)

As at September 30, 2018

	Country	Sector	Par Value/ No. of Shares/Units	Average Cost (\$ 000s)	Fair Value (\$ 000s)
BONDS (cont'd)					
Global Business Travel Holdings Ltd. Term B 1st Lien F/R 07-20-2025	United States	Term Loans	USD 1,150,000	1,493	1,500
Government of Canada 2.00% 06-01-2028	Canada	Federal Government	320,000	312	309
Great Canadian Gaming Corp. 6.625% 07-25-2022 Callable 144A	Canada	Corporate - Non Convertible	1,090,000	1,147	1,118
Green Plains Inc. Term Loan B 1st Lien F/R 08-29-2023	United States	Term Loans	USD 4,935,125	6,156	6,465
Greenhill & Co. Inc. Term Loan B 1st Lien F/R 10-12-2022	United States	Term Loans	USD 2,569,875	3,207	3,356
Hadrian Merger Sub Inc. 8.50% 05-01-2026 Callable 2021 144A	United States	Corporate - Non Convertible	USD 2,002,000	2,570	2,474
Halo Buyer Inc. Delayed Draw Term Loan 1st Lien F/R 06-28-2025	United States	Term Loans	USD 696,296	915	893
Halo Buyer Inc. Term Loan 1st Lien F/R 06-28-2025	United States	Term Loans	USD 1,653,704	2,151	2,121
Hearthside Group Holdings LLC 1st Lien F/R 05-17-2025	United States	Term Loans	USD 2,014,950	2,573	2,599
Heartland Dental LLC Delay Draw Term Loan 1st Lien F/R 04-17-2025	United States	Term Loans	USD 882,391	1,117	1,142
Heartland Dental LLC Term Loan 1st Lien F/R 04/17/2025	United States	Term Loans	USD 5,867,902	7,428	7,596
Hillman Group Inc. Term Loan B 1st Lien F/R 05-21-2025	United States	Term Loans	USD 3,562,039	4,539	4,559
Hornblower Sub LLC Term Loan 1st Lien F/R 04-28-2025	United States	Term Loans	USD 2,596,950	3,339	3,369
Hub International Ltd. Term Loan B 1st Lien F/R 04-25-2025	United States	Term Loans	USD 2,553,600	3,224	3,311
Hub International Ltd. 7.00% 05-01-2026 Callable 2021 144A	United States	Corporate - Non Convertible	USD 90,000	114	117
Hudson River Trading LLC Term Loan 1st Lien F/R 03-20-2025	United States	Term Loans	USD 4,547,150	5,889	5,928
Hyster-Yale Group Inc. Term Loan B 1st Lien F/R 05-30-2023	United States	Term Loans	USD 5,328,618	7,158	6,908
I-Logic Technologies Bidco Ltd. Term Loan B 1st Lien F/R 12-20-2024	United States	Term Loans	USD 3,341,168	4,265	4,310
Imagine! Print Solutions Inc. Term Loan 1st Lien F/R 06-21-2022	United States	Term Loans	USD 5,253,256	6,733	6,398
Impala Private Holdings II LLC Term Loan 1st Lien F/R 11-10-2024	United States	Term Loans	USD 2,796,293	3,533	3,628
Indivior Finance SARL Term Loan B 1st Lien F/R 12-14-2022	United Kingdom	Term Loans	USD 982,863	1,247	1,266
Integro Ltd. United States Term Loan B1 1st Lien F/R 10-31-2022	United States	Term Loans	USD 3,747,690	4,658	4,855
Interior Logic Group Holdings IV LLC Term Loan B 1st Lien F/R 05-21-2025	United States	Term Loans	USD 6,620,000	8,481	8,576
Intermedia Holdings Inc. Term Loan B 1st Lien F/R 07-13-2025	United States	Term Loans	USD 4,350,000	5,666	5,648
International Equipment Solutions LLC Term Loan B F/R 08-15-2022	United States	Term Loans	USD 3,610,566	4,026	4,683
International Textile Group Inc. Term Loan 1st Lien F/R 04-19-2024	United States	Term Loans	USD 5,813,438	7,377	7,541
International Textile Group Inc. Term Loan 2nd Lien F/R 04-19-2025	United States	Term Loans	USD 670,000	829	868
Invenergy Thermal Operating I LLC Term Loan 1st Lien F/R 06-25-2025	United States	Term Loans	USD 2,180,000	2,892	2,851
iQor US Inc. Term Loan 2nd Lien F/R 04-01-2022	United States	Term Loans	USD 3,600,000	4,008	3,726
iQor US Inc. Term Loan B 1st Lien F/R 04-01-2021	United States	Term Loans	USD 10,980,045	13,656	13,338
Isagenix International LLC Term Loan 1st Lien F/R 04-26-2025	United States	Term Loans	USD 4,917,750	6,270	6,371
Itron Inc. 5.00% 01-15-2026 Callable 2021 144A	United States	Corporate - Non Convertible	USD 290,000	370	360
JBS USA Lux SA Term Loan B 1st Lien F/R 10-30-2022	Brazil	Term Loans	USD 4,228,256	5,476	5,484
Keane Group Holdings LLC Term Loan B 1st Lien F/R 05-18-2025	United States	Term Loans	USD 6,470,000	8,284	8,309
KEMET Corp. Term Loan B 1st Lien F/R 04-26-2024	United States	Term Loans	USD 5,135,982	6,727	6,770
Kestrel Acquisition LLC Term Loan B 1st Lien F/R 05-02-2025	United States	Term Loans	USD 2,842,875	3,643	3,726
Keystone Peer Review Organization Holdings Inc. Term Loan 1st Lien F/R 05-01-2024	United States	Term Loans	USD 2,094,480	2,802	2,725
The KeyW Holding Corp/The Term Loan 1st Lien F/R 05-04-2024	United States	Term Loans	USD 3,117,907	3,989	4,057
Kindred Healthcare Inc. Term Loan B 1st Lien F/R 06-21-2025	United States	Term Loans	USD 3,380,000	4,452	4,395
Kronos Acquisition Holdings Inc. 9.00% 08-15-2023 144A	Canada	Corporate - Non Convertible	USD 710,000	858	866



MACKENZIE
Investments

MACKENZIE FLOATING RATE INCOME FUND

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2018

FIXED INCOME FUND

SCHEDULE OF INVESTMENTS (cont'd)

As at September 30, 2018

	Country	Sector	Par Value/ No. of Shares/Units	Average Cost (\$ 000s)	Fair Value (\$ 000s)
BONDS (cont'd)					
Kruger Products LP 6.00% 04-24-2025 Callable 2021	Canada	Corporate - Non Convertible	540,000	540	544
L&W Inc. Term Loan 1st Lien F/R 05-17-2025	United States	Term Loans	USD 6,164,550	7,897	8,059
Lanai Holdings III Inc. Term Loan B 1st Lien F/R 08-14-2022	United States	Term Loans	USD 923,875	1,197	1,152
Lannett Co. Inc. Term Loan B 1st Lien F/R 11-25-2022	United States	Term Loans	USD 4,070,673	5,061	4,642
Lantheus Medical Imaging Inc. Term Loan B 1st Lien F/R 06-30-2022	United States	Term Loans	USD 229,866	306	297
LBM Borrower LLC Term Loan 1st Lien F/R 08-20-2022	United States	Term Loans	USD 5,257,849	6,792	6,848
LD Intermediate Holdings Inc. Term Loan B 1st Lien F/R 12-09-2022	United States	Term Loans	USD 3,810,964	4,479	4,777
Lee Enterprises Inc. 9.50% 03-15-2022 Callable 2018 144A	United States	Corporate - Non Convertible	USD 400,000	455	538
LifeMiles Ltd. Term Loan B 1st Lien F/R 08-18-2022	Colombia	Term Loans	USD 4,067,538	5,168	5,348
LifeScan Global Corp. Term Loan 1L F/R 06-19-2024	United States	Term Loans	USD 12,740,000	16,409	16,326
LifeScan Global Corp. Term Loan 2nd Lien F/R 06-19-2025	United States	Term Loans	USD 2,290,000	2,919	2,841
Lifetime Brands Inc. Term Loan B 1st Lien F/R 03-31-2025	United States	Term Loans	USD 756,200	947	981
Livingston International Inc. Term Loan 1st Lien F/R 03-18-2020	Canada	Term Loans	USD 1,205,573	1,484	1,560
Livingston International Inc. Term Loan 1st Lien F/R 03-18-2020	Canada	Term Loans	3,179,870	3,008	3,021
Livingston International Inc. Term Loan 2nd Lien F/R 04-17-2020	Canada	Term Loans	USD 1,516,205	1,602	1,861
Logibec Groupe Informatique Ltd. Term Loan 1st Lien F/R 12-31-2018	Canada	Term Loans	3,171,350	3,011	3,011
MacDonald, Dettwiler & Associates Ltd. Term Loan B 1st Lien F/R 10-04-2024	Canada	Term Loans	USD 8,452,299	10,840	10,768
Marcel LUX IV SARL Term Loan B 1st Lien F/R 09-27-2025	Netherlands	Term Loans	USD 1,550,000	2,019	2,013
Marriott Ownership Resorts Inc. Term Loan B 1st Lien F/R 08-09-2025	United States	Term Loans	USD 5,070,000	6,589	6,618
Mastronardi Produce Ltd. Term Loan B 1st Lien F/R 04-18-2025	Canada	Term Loans	USD 2,547,200	3,216	3,321
Mattamy Group Corp. 6.50% 10-01-2025 Callable 2020	Canada	Corporate - Non Convertible	760,000	769	755
Mattamy Group Corp. 6.50% 10-01-2025 Callable 2020 144A	Canada	Corporate - Non Convertible	USD 460,000	574	579
Matterhorn Merger Sub LLC 8.50% 06-01-2026 Callable 2021 144A	United States	Corporate - Non Convertible	USD 2,684,000	3,436	3,392
McAfee LLC Term Loan 2nd Lien F/R 09-29-2025	United States	Term Loans	USD 4,000,000	5,000	5,286
McAfee LLC Term Loan B 1st Lien F/R 09-30-2024	United States	Term Loans	USD 3,672,826	4,574	4,791
McDermott Escrow 1 Inc. 10.63% 05-01-2024 Callable 2021 144A	United States	Corporate - Non Convertible	USD 3,340,000	4,041	4,624
McDermott Technology Americas Inc. Term Loan B 1st Lien F/R 04-05-2025	United States	Term Loans	USD 6,736,150	8,404	8,834
MEG Energy Corp. Term Loan B 1st Lien F/R 12-31-2023	Canada	Term Loans	USD 904,650	1,197	1,175
Meredith Corp. Term Loan B 1st Lien F/R 01-18-2025	United States	Term Loans	USD 8,287,736	10,449	10,788
Meredith Corp. 6.88% 02-01-2026 Callable 2021 144A	United States	Corporate - Non Convertible	USD 220,000	275	292
Micron Technology Inc. Term Loan B 1st Lien F/R 04-26-2022	United States	Term Loans	USD 1,187,347	1,525	1,542
Milk Specialties Co. Term Loan 1st Lien F/R 08-16-2023	United States	Term Loans	USD 4,065,551	5,188	5,274
Millar Western Forest Products Ltd. 9.50% 06-20-2023 Callable 2020	Canada	Corporate - Non Convertible	330,000	330	337
Mission Broadcasting Inc. Term Loan 1st Lien F/R 01-17-2024	United States	Term Loans	USD 248,078	322	322
Neenah Foundry Co. Term Loan B 1st Lien F/R 12-08-2022	United States	Term Loans	USD 3,157,000	4,021	4,059
New Arclin US Holding Corp. Term Loan 1st Lien F/R 02-14-2024	United States	Term Loans	USD 1,519,853	1,969	1,984
New Red Finance Inc. 5.00% 10-15-2025 Callable 2020 144A	Canada	Corporate - Non Convertible	USD 1,330,000	1,633	1,647
Nexstar Broadcasting Inc. Term Loan B 1st Lien F/R 01-17-2024	United States	Term Loans	USD 1,768,859	2,296	2,299
Numericable-SFR 7.38% 05-01-2026 Callable 2021 144A	France	Corporate - Non Convertible	USD 370,000	482	479
NWH Escrow Corp. 7.50% 08-01-2021 Callable 144A	United States	Corporate - Non Convertible	USD 2,306,000	2,593	2,734
OCI Beaumont LLC Term Loan B 1st Lien F/R 02-16-2025	United States	Term Loans	USD 3,572,050	4,479	4,691
Office Depot Inc. Term Loan B 1st Lien F/R 11-08-2022	United States	Term Loans	USD 4,064,782	5,031	5,397
OpenLink International Inc. Term Loan B 1st Lien F/R 03-21-2025	United States	Term Loans	USD 3,043,650	3,918	3,951



MACKENZIE
Investments

MACKENZIE FLOATING RATE INCOME FUND

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2018

FIXED INCOME FUND

SCHEDULE OF INVESTMENTS (cont'd)

As at September 30, 2018

	Country	Sector	Par Value/ No. of Shares/Units	Average Cost (\$ 000s)	Fair Value (\$ 000s)
BONDS (cont'd)					
Osteon Merger Sub Inc. Term Loan B 1st Lien F/R 02-06-2025	United States	Term Loans	USD 2,179,050	2,714	2,830
Owens & Minor Inc. Term Loan B 1st Lien F/R 05-01-2025	United States	Term Loans	USD 8,440,000	10,636	10,334
Oxbow Carbon LLC Term Loan B 1st Lien F/R 12-18-2022	United States	Term Loans	USD 1,963,500	2,520	2,568
Oxbow Carbon LLC Term Loan B 2nd Lien F/R 12-18-2023	United States	Term Loans	USD 1,790,000	2,280	2,371
OZ Management LP Term Loan 1st Lien F/R 04-04-2023	United States	Term Loans	USD 4,704,000	5,962	6,125
Paradigm Acquisition Corp. Term Loan 1st Lien F/R 10-11-2024	United States	Term Loans	USD 1,962,275	2,455	2,542
Parkland Fuel Corp. 6.00% 04-01-2026 Callable 2021 144A	Canada	Corporate - Non Convertible	USD 890,000	1,165	1,156
The Pasha Group Term Loan B 1st Lien F/R 12-13-2022	United States	Term Loans	USD 5,788,599	7,319	7,588
Petroleos De Venezuela SA 6.00% 05-16-2024	Venezuela	Corporate - Non Convertible	USD 2,647,000	846	751
PetSmart Inc. Term Loan B2 1st Lien F/R 03-10-2022	United States	Term Loans	USD 922,697	999	1,044
Pisces Midco Inc. Term Loan B 1st Lien F/R 03-29-2025	United States	Term Loans	USD 9,975	13	13
PLH Group Inc. Term Loan 1st Lien F/R 08-06-2023	United States	Term Loans	USD 5,280,000	6,655	6,721
PM Merger Sub Inc. Term Loan B 1st Lien F/R 03-07-2025	United States	Term Loans	USD 2,179,050	2,773	2,812
PNI Canada Acquireco Corp. Term Loan B 1st Lien F/R 08-23-2022	Canada	Term Loans	USD 3,595,189	4,271	4,664
Polar US Borrower LLC Term Loan 1st Lien F/R 08-21-2025	United States	Term Loans	USD 6,850,000	8,618	8,908
Propulsion Acquisition LLC Term Loan 1st Lien F/R 07-13-2021	United States	Term Loans	USD 2,901,361	3,570	3,712
Prospect Medical Holdings Inc. Term Loan B 1st Lien F/R 02-15-2024	United States	Term Loans	USD 5,084,450	6,284	6,677
Province of Newfoundland 3.00% 06-02-2026	Canada	Provincial Governments	40,000	40	40
Province of Ontario 2.60% 09-08-2023	Canada	Provincial Governments	20,000	20	20
PS HoldCo LLC Term Loan 1st Lien F/R 03-02-2025	United States	Term Loans	USD 1,895,250	2,432	2,458
PSC Industrial Outsourcing LP Term Loan 2nd Lien F/R 10-05-2025	United States	Term Loans	USD 1,180,000	1,454	1,525
PSC Industrial Outsourcing LP Term Loan B 1st Lien F/R 10-05-2024	United States	Term Loans	USD 4,208,200	5,237	5,486
Q Holding Co. Term Loan B 1st Lien F/R 12-17-2021	United States	Term Loans	USD 2,055,262	2,718	2,689
Quad Graphics Inc. 7.00% 05-01-2022	United States	Corporate - Non Convertible	USD 560,000	615	736
R1 RCM Inc. Term Loan B 1st Lien F/R 05-02-2025	United States	Term Loans	USD 3,390,000	4,235	4,392
Rackspace Hosting Inc. Term Loan B 1st Lien F/R 11-03-2023	United States	Term Loans	USD 11,839,647	15,207	15,126
Rackspace Hosting Inc. 8.63% 11-15-2024 Callable 2019 144A	United States	Corporate - Non Convertible	USD 3,280,000	4,233	4,131
Red Ventures LLC Term Loan B 1st Lien F/R 11-08-2024	United States	Term Loans	USD 3,139,200	3,873	4,110
Reliance Intermediate Holdings LP 6.50% 04-01-2023 Callable 2018 144A	Canada	Corporate - Non Convertible	USD 540,000	724	726
Renfro Corp. Term Loan B 1st Lien F/R 03-31-2021	United States	Term Loans	USD 7,433,413	9,204	9,612
REP WWEX Acquisition Parent LLC Term Loan 1st Lien F/R 01-02-2025	United States	Term Loans	USD 4,189,317	5,319	5,438
Research Now Group Inc. Term Loan 1st Lien F/R 12-20-2024	United States	Term Loans	USD 10,019,051	12,461	13,029
Research Now Group Inc. Term Loan 2nd Lien F/R 12-20-2025	United States	Term Loans	USD 1,350,000	1,615	1,694
Resolute Forest Products Inc. 5.875% 05-15-2023	United States	Corporate - Non Convertible	USD 40,000	39	53
Resolute Investment Managers Inc. Term Loan 2nd Lien F/R 04-30-2023	United States	Term Loans	USD 750,000	939	984
Restaurant Technologies Inc. Term Loan 2nd Lien F/R 09-24-2026	United States	Term Loans	USD 490,000	631	641
Rite Aid Corp. 6.125% 04-01-2023 Callable 2018 144A	United States	Corporate - Non Convertible	USD 120,000	143	139
Rite Aid Corp. 7.70% 02-15-2027	United States	Corporate - Non Convertible	USD 160,000	211	162
Robertshaw US Holding Corp. Term Loan 1st Lien F/R 02-15-2025	United States	Term Loans	USD 1,562,150	1,945	2,007
Russel Metals Inc. 6.00% 03-16-2026 Callable 2021	Canada	Corporate - Non Convertible	360,000	360	363
Russell Investments US Institutional Holdings Term Loan B 1st Lien F/R 06-01-2023	United States	Term Loans	USD 2,546,972	3,262	3,312
Savage Enterprises LLC Term Loan B 1st Lien F/R 07-02-2025	United States	Term Loans	USD 5,104,375	6,579	6,697



MACKENZIE
Investments

MACKENZIE FLOATING RATE INCOME FUND

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2018

FIXED INCOME FUND

SCHEDULE OF INVESTMENTS (cont'd)

As at September 30, 2018

	Country	Sector	Par Value/ No. of Shares/Units	Average Cost (\$ 000s)	Fair Value (\$ 000s)
BONDS (cont'd)					
Scientific Games International Inc. Term Loan B5 1st Lien F/R 08-14-2024	United States	Term Loans	USD 865,650	1,072	1,118
SciQuest Inc. Term Loan 1st Lien F/R 12-29-2024	United States	Term Loans	USD 2,104,100	2,667	2,719
Securus Technologies Holdings Inc. Delayed Draw Term Loan 1st Lien F/R 11-01-2024	United States	Term Loans	USD 3,096,000	3,953	4,008
Securus Technologies Holdings Inc. Term Loan 1st Lien F/R 11-01-2024	United States	Term Loans	USD 772,060	986	1,001
Sequel Merger Sub II LLC B Term Loan 1st Lien F/R 07-02-2025	United States	Term Loans	USD 2,300,000	3,020	3,002
Shuttefly Inc. Term Loan B2 1st Lien F/R 08-17-2024	United States	Term Loans	USD 2,184,525	2,780	2,839
Sigma Bidco BV Term Loan B 1st Lien F/R 03-07-2025	Netherlands	Term Loans	EUR 4,850,000	7,689	7,268
Sigma US Corp. Term Loan B 1st Lien F/R 03-06-2025	Netherlands	Term Loans	USD 3,220,000	4,131	4,171
SIRVA Worldwide Inc. Term Loan 1st Lien F/R 07-31-2025	United States	Term Loans	USD 5,310,000	6,800	6,888
SIWF Holdings Inc. Term Loan 1st Lien F/R 05-25-2025	United States	Term Loans	USD 3,670,800	4,750	4,791
SMI Acquisition Inc. Term Loan 1st Lien F/R 10-27-2024	United States	Term Loans	USD 1,588,000	2,032	1,967
SMI Acquisition Inc. Term Loan 2nd Lien F/R 10-27-2025	United States	Term Loans	USD 470,000	597	562
Solenis International LP Term Loan 1st Lien F/R 12-18-2023	United States	Term Loans	USD 1,986,023	2,596	2,591
Source Energy Services Canada LP 10.50% 12-15-2021 Callable 2018 144A	Canada	Corporate - Non Convertible	2,007,000	2,044	2,137
Springs Window Fashion Holdings Inc. Term Loan 2nd Lien F/R 05-24-2026	United States	Term Loans	USD 250,000	308	313
Sprint Capital Corp. 6.875% 11-15-2028	United States	Corporate - Non Convertible	USD 420,000	569	546
Sprint Corp. 7.875% 09-15-2023	United States	Corporate - Non Convertible	USD 130,000	178	181
Sprint Corp. 7.125% 06-15-2024	United States	Corporate - Non Convertible	USD 120,000	159	161
SRS Distribution Inc. Term Loan B 1st Lien F/R 05-17-2025	United States	Term Loans	USD 6,180,000	7,937	7,942
SRS Distribution Inc. 8.25% 07-01-2026 Callable 2021 144A	United States	Corporate - Non Convertible	USD 1,686,000	2,158	2,131
SS&C Technologies Inc. Term Loan B5 1st Lien F/R 04-16-2025	United States	Term Loans	USD 3,450,000	4,529	4,467
St. Joseph Energy Center LLC Term Loan 1st Lien F/R 04-06-2025	United States	Term Loans	USD 5,084,767	6,548	6,633
Staples Inc. Term Loan 1st Lien F/R 08-15-2024	United States	Term Loans	USD 5,275,113	6,709	6,828
Star West Generation LLC Term Loan B 1st Lien F/R 03-13-2020	United States	Term Loans	USD 11,427,681	13,414	14,500
Starfruit US Holdco LLC Term Loan B 1st Lien F/R 09-2025	United States	Term Loans	USD 6,600,000	8,475	8,567
Stars Group Holdings BV 7.00% 07-15-2026 Callable 2021 144A	Canada	Corporate - Non Convertible	USD 870,000	1,154	1,163
Stepstone Group LP Term Loan B 1st Lien F/R 03-19-2025	United States	Term Loans	USD 2,433,900	3,135	3,173
Superior Industries International Inc. Term Loan B 1st Lien F/R 03-22-2024	United States	Term Loans	USD 3,782,398	4,956	4,937
Superior Plus LP 7.00% 07-15-2026 Callable 2021 144A	Canada	Corporate - Non Convertible	USD 930,000	1,233	1,212
Syniverse Holdings Inc. Term Loan 1st Lien F/R 02-09-2023	United States	Term Loans	USD 1,930,300	2,404	2,507
Talen Energy Supply LLC 9.50% 07-15-2022 Callable 2020 144A	United States	Corporate - Non Convertible	USD 890,000	1,161	1,153
Talen Energy Supply LLC 10.50% 01-15-2026 Callable 2022 144A	United States	Corporate - Non Convertible	USD 330,000	412	387
Team Health Holdings Inc. 6.38% 02-01-2025 Callable 2020 144A	United States	Corporate - Non Convertible	USD 520,000	649	591
Technimark LLC Term Loan 1st Lien F/R 08-08-2025	United States	Term Loans	USD 2,680,000	3,475	3,475
Tenet Healthcare Corp. 6.75% 06-15-2023	United States	Corporate - Non Convertible	USD 960,000	1,199	1,239
Tensar International Corp. Term Loan 2nd Lien F/R 07-09-2022	United States	Term Loans	USD 818,118	865	983
Terex Corp. Term Loan 1st Lien F/R 01-31-2024	United States	Term Loans	USD 589,500	773	766
TerraForm Power Operating LLC 5.00% 01-31-2028 Callable 2027 144A	United States	Corporate - Non Convertible	USD 690,000	886	832
Teva Pharmaceutical Finance Netherlands III BV 3.15% 10-01-2026 Callable	Israel	Corporate - Non Convertible	USD 156,000	162	168
Teva Pharmaceutical Industries Ltd. 2.80% 07-21-2023	Israel	Corporate - Non Convertible	USD 460,000	539	530
Titan Acquisition Ltd. Term Loan 1st Lien F/R 03-16-2025	United Kingdom	Term Loans	USD 13,144,496	16,903	16,539



MACKENZIE
Investments

MACKENZIE FLOATING RATE INCOME FUND

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2018

FIXED INCOME FUND

SCHEDULE OF INVESTMENTS (cont'd)

As at September 30, 2018

	Country	Sector	Par Value/ No. of Shares/Units	Average Cost (\$ 000s)	Fair Value (\$ 000s)
BONDS (cont'd)					
Titan Acquisition Ltd. 7.75% 04-15-2026 Callable 2021 144A	United Kingdom	Corporate - Non Convertible	USD 1,460,000	1,911	1,647
The Toronto-Dominion Bank F/R 07-25-2029 Callable 2024	Canada	Corporate - Non Convertible	90,000	90	88
Tortoise Borrower LLC Term Loan 1st Lien F/R 11-20-2024	United States	Term Loans	USD 1,900,450	2,422	2,487
Tortoise Borrower LLC Term Loan 1st Lien F/R 01-31-2025	United States	Term Loans	USD 470,000	613	607
Traverse Midstream Partners LLC Term Loan B 1st Lien F/R 09-21-2024	United States	Term Loans	USD 4,440,000	5,620	5,789
Trico Products Corp. Term Loan 1st Lien F/R 02-02-2024	United States	Term Loans	USD 2,932,875	3,526	3,814
U.S. Renal Care Inc. Term Loan 1st Lien F/R 12-31-2022	United States	Term Loans	USD 8,825,795	11,209	11,142
Uber Technologies Inc. Term Loan 1st Lien F/R 03-21-2025	United States	Term Loans	USD 7,012,425	9,014	9,134
Uber Technologies Inc. Term Loan B 1st Lien F/R 07-13-2023	United States	Term Loans	USD 7,394,489	9,322	9,604
Ultra Clean Holdings Inc. Term Loan B 1st Lien F/R 08-27-2025	United States	Term Loans	USD 9,440,000	12,125	12,108
Unimin Corp. Term Loan 1st Lien F/R 05-21-2025	United States	Term Loans	USD 5,187,000	6,678	6,357
VeriFone Systems Inc. Term Loan 1st Lien F/R 08-09-2025	United States	Term Loans	USD 5,600,000	7,297	7,292
Verra Mobility Corp. Term Loan B 1st Lien F/R 03-01-2025	United States	Term Loans	USD 260,000	344	338
Vertex Aerospace Services Corp. Term Loan B 1st Lien F/R 06-14-2025	United States	Term Loans	USD 2,693,250	3,509	3,519
Vesta Energy Corp. 8.13% 07-24-2023 Callable 2020 144A	Canada	Corporate - Non Convertible	450,000	449	446
VIP Cineman Holdings Inc. Term Loan 1st Lien F/R 03-01-2023	United States	Term Loans	USD 1,415,250	1,878	1,842
Vistage Worldwide Inc. Term Loan 1st Lien F/R 02-01-2025	United States	Term Loans	USD 912,415	1,139	1,186
VVC Holding Corp. Term Loan 1st Lien F/R 07-03-2025	United States	Term Loans	USD 6,050,000	7,790	7,730
Yvair Medical Inc. Term Loan B 1st Lien F/R 04-06-2025	United States	Term Loans	USD 4,239,375	5,117	5,396
W/S Packaging Holdings Inc. 9.00% 04-15-2023 Callable 2020 144A	United States	Corporate - Non Convertible	USD 1,980,000	2,558	2,648
WellDyneDx Inc. Term Loan 1st Lien F/R 08-16-2022	United States	Term Loans	USD 504,867	629	648
Werner FinCo LP Term Loan 1st Lien F/R 06-23-2024	United States	Term Loans	USD 4,818,351	6,203	6,231
Western Dental Services Inc. Term Loan B 1st Lien F/R 06-23-2023	United States	Term Loans	USD 2,001,650	2,604	2,600
WeWork Companies Inc. 7.88% 05-01-2025 144A	United States	Corporate - Non Convertible	USD 320,000	409	402
Williams Scotsman International Inc. 7.88% 12-15-2022 Callable 2019 144A	United States	Corporate - Non Convertible	USD 660,000	846	883
Wind Tre SPA 5.00% 01-20-2026 Callable 2020	Italy	Corporate - Non Convertible	USD 190,000	213	211
Windstream Services LLC Term Loan B6 1st Lien F/R 03-16-2021	United States	Term Loans	USD 2,817,766	3,511	3,491
Wirepath Home Systems LLC Term Loan 1st Lien F/R 07-27-2024	United States	Term Loans	USD 990,019	1,227	1,287
Yak Access LLC Term Loan B 1st Lien F/R 06-26-2025	United States	Term Loans	USD 8,640,000	11,023	10,803
Yak Access LLC Term Loan B 2nd Lien F/R 06-29-2026	United States	Term Loans	USD 940,000	1,150	1,160
YRC Worldwide Inc. Term Loan 1st Lien F/R 07-21-2022	United States	Term Loans	USD 3,484,793	4,325	4,590
Zotec Partners LLC Term Loan 1st Lien F/R 02-09-2024	United States	Term Loans	USD 4,157,375	5,178	5,386
Total bonds				1,146,424	1,157,150
EQUITIES					
AltaGas Ltd. Pfd. Series K	Canada	Energy	44,940	1,124	1,093
Brookfield Asset Management Inc. Pfd. Series 46	Canada	Real Estate	35,910	898	931
Brookfield Asset Management Inc. Pfd. Series 48	Canada	Real Estate	29,760	744	762
Brookfield Renewable Partners LP Pfd. Series 11	Canada	Utilities	65,010	1,625	1,622
Source Energy Services Ltd.	Canada	Energy	15,474	145	65
TransAlta Corp. Pfd. Series A	Canada	Utilities	57,353	761	898
TransCanada Corp. Pfd. Series 15	Canada	Energy	72,360	1,809	1,887
Westcoast Energy Inc. 5.20% Cum. Red. First Pfd. Series 12	Canada	Utilities	14,700	370	377
Total equities				7,476	7,635



MACKENZIE
Investments

MACKENZIE FLOATING RATE INCOME FUND

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2018

FIXED INCOME FUND

SCHEDULE OF INVESTMENTS (cont'd)

As at September 30, 2018

	Country	Sector	Par Value/ No. of Shares/Units	Average Cost (\$ 000s)	Fair Value (\$ 000s)
OPTIONS					
Options purchased (see schedule of options purchased)				533	149
Total options				533	149
Transaction costs				(71)	—
Total investments				1,154,362	1,164,934
Derivative instruments (see schedule of derivative instruments)					16,049
Liability for options written (see schedule of options written)					(3)
Cash and cash equivalents					105,020
Other assets less liabilities					(97,193)
Total net assets					1,188,807



MACKENZIE
Investments

MACKENZIE FLOATING RATE INCOME FUND

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2018

FIXED INCOME FUND

SUMMARY OF INVESTMENT PORTFOLIO

September 30, 2018	
Portfolio Allocation	% of NAV
Bonds	97.3
<i>Bonds</i>	97.3
<i>Purchased options</i>	0.0
Cash and short-term investments	8.8
Equities	0.7
Purchased currency options	0.0
Written currency options	(0.0)
Other assets (liabilities)	(6.8)

Regional Allocation	
	% of NAV
United States	82.8
Canada	9.4
Cash and short-term investments	8.8
Netherlands	1.9
United Kingdom	1.8
France	0.9
Brazil	0.5
Colombia	0.4
Venezuela	0.1
Israel	0.1
Ireland	0.1
Other assets (liabilities)	(6.8)

Sector Allocation	
	% of NAV
Term loans	89.5
Cash and short-term investments	8.8
Corporate bonds	7.7
Energy	0.4
Utilities	0.2
Financials	0.1
Federal bonds	0.1
Other assets (liabilities)	(6.8)

March 31, 2018	
Portfolio Allocation	% of NAV
Bonds	95.7
<i>Bonds</i>	95.6
<i>Purchased options</i>	0.1
Cash and short-term investments	14.9
Equities	0.9
Other assets (liabilities)	(11.5)

Regional Allocation	
	% of NAV
United States	80.3
Cash and short-term investments	14.9
Canada	9.5
Netherlands	2.6
United Kingdom	1.9
Colombia	0.8
Other	0.7
Brazil	0.4
France	0.4
Other assets (liabilities)	(11.5)

Sector Allocation	
	% of NAV
Term loans	86.4
Cash and short-term investments	14.9
Corporate bonds	8.9
Other	0.9
Energy	0.4
Other assets (liabilities)	(11.5)



MACKENZIE
Investments

MACKENZIE FLOATING RATE INCOME FUND

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2018

FIXED INCOME FUND

SCHEDULE OF OPTIONS PURCHASED

As at September 30, 2018

Underlying Interest	Number of Contracts	Option Type	Expiration Date	Strike Price \$	Premium Paid (\$ 000s)	Fair Value (\$ 000s)
Currency Call Option AUD/USD	30,787,000	Call	Oct. 02, 2018	USD 0.73	41	2
Currency Call Option AUD/USD	23,090,000	Call	Oct. 02, 2018	USD 0.74	23	–
Currency Call Option USD/CAD	31,340,000	Call	Oct. 05, 2018	CAD 1.33	90	1
Currency Call Option USD/CAD	10,450,000	Call	Oct. 05, 2018	CAD 1.33	29	1
iShares iBoxx \$ High Yield Corporate Bond ETF	1,602	Put	Nov. 16, 2018	USD 84.00	119	34
Currency Call Option EUR/NOK	8,660,000	Call	Dec. 14, 2018	NOK 9.30	120	56
iShares iBoxx \$ High Yield Corporate Bond ETF	832	Put	Jan. 18, 2019	USD 84.00	111	55
Total options					533	149

SCHEDULE OF OPTIONS WRITTEN

As at September 30, 2018

Underlying Interest	Number of Contracts	Option Type	Expiration Date	Strike Price \$	Premium Received (\$ 000s)	Fair Value (\$ 000s)
Currency Written Call Option EUR/NOK	(8,660,000)	Written Call	Dec. 14, 2018	NOK 8.90	(17)	(3)
Total options					(17)	(3)



MACKENZIE
Investments

MACKENZIE FLOATING RATE INCOME FUND

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2018

FIXED INCOME FUND

SCHEDULE OF DERIVATIVE INSTRUMENTS

As at September 30, 2018

Schedule of Forward Currency Contracts

Counterparty Credit Rating	Bought (\$ 000s)		Sold (\$ 000s)		Settlement Date	Contract Cost (\$ 000s)	Current Fair Value (\$ 000s)	Unrealized Gains (\$ 000s)
AA	32,875	Canadian dollar	(25,000)	U.S. dollar	Oct. 5, 2018	(32,875)	(32,298)	577
AA	27,581	Canadian dollar	(21,100)	U.S. dollar	Oct. 5, 2018	(27,581)	(27,260)	321
AA	59,884	Canadian dollar	(45,060)	U.S. dollar	Oct. 5, 2018	(59,884)	(58,214)	1,670
A	87,541	Canadian dollar	(67,103)	U.S. dollar	Oct. 19, 2018	(87,541)	(86,639)	902
AA	2,377	Canadian dollar	(1,790)	U.S. dollar	Oct. 19, 2018	(2,377)	(2,311)	66
AA	15,935	Canadian dollar	(12,000)	U.S. dollar	Oct. 19, 2018	(15,935)	(15,494)	441
AA	54,492	Canadian dollar	(41,220)	U.S. dollar	Oct. 26, 2018	(54,492)	(53,206)	1,286
A	7,436	Canadian dollar	(4,803)	Euro	Nov. 2, 2018	(7,436)	(7,217)	219
A	54,932	Canadian dollar	(42,010)	U.S. dollar	Nov. 2, 2018	(54,932)	(54,217)	715
AA	47,650	Canadian dollar	(36,540)	U.S. dollar	Nov. 9, 2018	(47,650)	(47,151)	499
AA	428	Canadian dollar	(280)	Euro	Nov. 9, 2018	(428)	(421)	7
AA	1,694	Canadian dollar	(1,100)	Euro	Nov. 9, 2018	(1,694)	(1,654)	40
AA	47,388	Canadian dollar	(35,880)	U.S. dollar	Nov. 9, 2018	(47,388)	(46,299)	1,089
AA	60,612	Canadian dollar	(46,143)	U.S. dollar	Nov. 9, 2018	(60,612)	(59,543)	1,069
AA	85,874	Canadian dollar	(65,328)	U.S. dollar	Nov. 30, 2018	(85,874)	(84,265)	1,609
AA	69,789	Canadian dollar	(53,853)	U.S. dollar	Nov. 30, 2018	(69,789)	(69,464)	325
AA	92,489	Canadian dollar	(70,495)	U.S. dollar	Nov. 30, 2018	(92,489)	(90,929)	1,560
AA	35,140	Canadian dollar	(27,000)	U.S. dollar	Dec. 7, 2018	(35,140)	(34,820)	320
AA	4,769	Canadian dollar	(3,660)	U.S. dollar	Dec. 7, 2018	(4,769)	(4,720)	49
AA	37,510	Canadian dollar	(28,900)	U.S. dollar	Dec. 7, 2018	(37,510)	(37,270)	240
AA	2,337	Canadian dollar	(1,790)	U.S. dollar	Dec. 7, 2018	(2,337)	(2,309)	28
AA	23,034	Canadian dollar	(17,490)	U.S. dollar	Dec. 7, 2018	(23,034)	(22,556)	478
AA	82,792	Canadian dollar	(63,496)	U.S. dollar	Dec. 14, 2018	(82,792)	(81,870)	922
AA	88,330	Canadian dollar	(67,253)	U.S. dollar	Dec. 14, 2018	(88,330)	(86,713)	1,617
Unrealized Gains								16,049
Total forward currency contracts								16,049
Total derivative instruments at fair value								16,049



MACKENZIE
Investments

MACKENZIE FLOATING RATE INCOME FUND

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2018

FIXED INCOME FUND

NOTES TO FINANCIAL STATEMENTS

1. Fiscal Periods and General Information

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

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

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

2. Basis of Preparation and Presentation

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

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

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

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

3. Significant Accounting Policies

(a) Financial instruments

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

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

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

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

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

MACKENZIE FLOATING RATE INCOME FUND

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2018

FIXED INCOME FUND

NOTES TO FINANCIAL STATEMENTS

3. Significant Accounting Policies (cont'd)

(a) Financial instruments (cont'd)

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

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

(b) Fair value measurement

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

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

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

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

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

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

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

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

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

Refer to the Schedule of Derivative Instruments and Schedule of Options Purchased/Written, as applicable, included in the Schedule of Investments for a listing of derivative and options positions as at September 30, 2018.

MACKENZIE FLOATING RATE INCOME FUND

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2018

FIXED INCOME FUND

NOTES TO FINANCIAL STATEMENTS

3. Significant Accounting Policies (cont'd)

(c) Income recognition

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

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

(d) Commissions and other portfolio transaction costs

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

(e) Securities lending, repurchase and reverse repurchase transactions

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

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

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

(f) Offsetting

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

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

(g) Foreign currency

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

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

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

(h) Net assets attributable to securityholders per security

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

(i) Net asset value per security

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

NOTES TO FINANCIAL STATEMENTS

3. Significant Accounting Policies (cont'd)

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

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

(k) Mergers

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

4. Critical Accounting Estimates and Judgments

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

Use of Estimates

Fair value of securities not quoted in an active market

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

Use of Judgments

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

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

Functional currency

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

Structured entities and associates

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

5. Income Taxes

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

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

NOTES TO FINANCIAL STATEMENTS

6. Management Fees and Operating Expenses

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

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

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

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

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

7. Fund's Capital

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

8. Financial Instruments Risk

i. Risk exposure and management

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

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

ii. Liquidity risk

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

iii. Currency risk

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

MACKENZIE FLOATING RATE INCOME FUND

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2018

FIXED INCOME FUND

NOTES TO FINANCIAL STATEMENTS

8. Financial Instruments Risk (cont'd)

iv. Interest rate risk

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

v. Other price risk

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

vi. Credit risk

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

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

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

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

vii. Underlying funds

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



MACKENZIE
Investments

MACKENZIE FLOATING RATE INCOME FUND

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2018

FIXED INCOME FUND

NOTES TO FINANCIAL STATEMENTS

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

(a) Fund Formation and Series Information

Date of Formation April 30, 2013

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

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

Series A and Series T6 securities are offered to retail investors investing a minimum of \$500 (\$5,000 for Series T6) under the redemption charge and low-load purchase options. Investors in Series T6 securities also want to receive a regular monthly cash flow of 6% per year.

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

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

Series F, Series F6 and Series F8 securities are offered to investors who are enrolled in a dealer-sponsored fee-for-service or wrap program, who are subject to an asset-based fee rather than commissions on each transaction and who invest at least \$500 (\$5,000 for Series F6 and Series F8); they are also available to employees of Mackenzie and its subsidiaries, and directors of Mackenzie. Investors in Series F6 and Series F8 securities also want to receive a regular monthly cash flow of 6% and 8% per year, respectively.

Series FB and Series FB5 securities are offered to retail investors investing a minimum of \$500. Investors are required to negotiate their advisor service fee, which cannot exceed 1.50%, with their financial advisor. Investors in Series FB5 securities also want to receive a monthly cash flow of 5% per year.

Series O and Series O6 securities are offered only to investors investing a minimum of \$500,000 who are enrolled in Mackenzie Portfolio Architecture Service or Open Architecture Service; certain institutional investors; and certain qualifying employees of Mackenzie and its subsidiaries. Investors in Series O6 securities also want to receive a monthly cash flow of 6% per year.

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 PWFB and Series PWFB5 securities are offered through our Private Wealth Solutions to certain high net worth investors who invest a minimum of \$100,000. Investors are required to negotiate their advisor service fee, which cannot exceed 1.50%, with their financial advisor. Investors in Series PWFB5 securities also want to receive a monthly cash flow of 5% per year.

Series PWX and Series PWX8 securities are offered through our Private Wealth Solutions to certain high net worth investors who invest a minimum of \$100,000. Investors are required to negotiate their advisor service fee, which cannot exceed 1.50%, with their financial advisor. Investors in Series PWX8 securities also want to receive a monthly cash flow of 8% per year.

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

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

Series SC and Series S6 securities are offered to retail investors investing a minimum of \$500 (\$5,000 for Series S6) under the sales charge purchase option. Investors in Series S6 securities also want to receive a regular monthly cash flow of 6% per year.

Series PWF, Series PWF6 and Series PWF8 securities are no longer available for sale. Effective June 1, 2018, Series PWF, Series PWF6 and Series PWF8 securities were consolidated into Series F, Series F6 and Series F8 securities, respectively.

MACKENZIE FLOATING RATE INCOME FUND

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2018

FIXED INCOME FUND

NOTES TO FINANCIAL STATEMENTS

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

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

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

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

Quadrus Series securities are offered to investors investing a minimum of \$500.

H 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.

HW Series securities are offered to high net worth investors investing a minimum of \$100,000 and who have eligible minimum total holdings of \$500,000, who are enrolled in a Quadrus-sponsored fee-for-service or wrap program and who are subject to an asset-based fee.

L Series securities are offered to investors investing a minimum of \$100,000 and who have eligible minimum total holdings of \$500,000.

N 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.

QF 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.

QFW Series securities are offered to high net worth investors investing a minimum of \$100,000 and who have eligible minimum total holdings of \$500,000. Investors are required to negotiate their advisor service fee, which cannot exceed 1.25%, with their financial advisor.

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 FLOATING RATE INCOME FUND

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2018

FIXED INCOME FUND

NOTES TO FINANCIAL STATEMENTS

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

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

Series	Inception/ Reinstatement Date	Management Fees	Administration Fees	Net Asset Value per Security (\$)	
				Sep. 30, 2018	Mar. 31, 2018
Series A	May 6, 2013	1.55% ⁽³⁾	0.20%	10.24	10.23
Series AR	October 21, 2013	1.55% ⁽³⁾	0.23%	10.08	10.07
Series D	March 19, 2014	1.00%	0.15%	9.87	9.86
Series F	May 9, 2013	0.65% ⁽⁷⁾	0.15%	10.20	10.19
Series F6	July 8, 2013	0.65% ⁽⁷⁾	0.15%	14.25	14.27
Series F8	June 1, 2018	0.65%	0.15%	14.84	–
Series FB	October 26, 2015	0.75%	0.20%	10.46	10.45
Series FB5	October 26, 2015	0.75%	0.20%	15.48	15.42
Series O	June 7, 2013	– ⁽¹⁾	– *	10.20	10.19
Series O6	September 23, 2013	– ⁽¹⁾	– *	14.78	14.74
Series PW	October 16, 2013	1.15%	0.15%	10.08	10.07
Series PWF	None issued ⁽⁸⁾	0.65%	0.15%	–	10.07
Series PWF6	None issued ⁽⁹⁾	0.65%	0.15%	–	14.99
Series PWF8	None issued ⁽¹⁰⁾	0.65%	0.15%	–	13.77
Series PWFB	April 3, 2017	0.65%	0.15%	10.13	10.12
Series PWFB5	April 3, 2017	0.65%	0.15%	15.16	15.11
Series PWT6	April 3, 2017	1.15%	0.15%	14.84	14.91
Series PWT8	October 30, 2013	1.15%	0.15%	12.49	12.67
Series PWX	December 9, 2013	– ⁽²⁾	– ⁽²⁾	10.04	10.02
Series PWX8	May 25, 2015	– ⁽²⁾	– ⁽²⁾	13.86	13.95
Series R	August 27, 2013	– *	– *	10.09	10.08
Series S	January 13, 2015	– ⁽¹⁾	0.02%	10.25	10.24
Series SC	May 7, 2013	1.25% ⁽⁴⁾	0.20%	10.24	10.23
Series S6	June 26, 2013	1.25% ⁽⁴⁾	0.20%	13.77	13.84
Series T6	May 29, 2013	1.55% ⁽³⁾	0.20%	13.43	13.52
Quadrus Series	July 7, 2014	1.55% ⁽⁵⁾	0.20%	9.81	9.81
H Series	July 7, 2014	0.75% ⁽⁶⁾	0.15%	9.75	9.74
HW Series	August 7, 2018	0.55%	0.15%	9.98	–
L Series	August 12, 2014	1.30%	0.15%	9.93	9.92
N Series	July 23, 2014	– ⁽¹⁾	– ⁽¹⁾	9.92	9.91
QF Series	July 12, 2016	0.75% ⁽⁶⁾	0.20%	10.64	10.63
QFW Series	August 7, 2018	0.55%	0.15%	9.98	–

* Not applicable.

- (1) This fee is negotiable and payable directly to Mackenzie by investors in this series.
- (2) This fee is payable directly to Mackenzie by investors in this series through redemptions of their securities.
- (3) Prior to April 3, 2017, the management fee for this series was charged to the Fund at a rate of 1.60%.
- (4) Prior to April 3, 2017, the management fee for this series was charged to the Fund at a rate of 1.40%.
- (5) Prior to February 28, 2018, the management fee for Quadrus Series was charged to the Fund at a rate of 1.60%.
- (6) Prior to February 28, 2018, the management fee for this series 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 0.75%.
- (8) The series' original start date was October 16, 2013. All securities in the series were consolidated into Series F on June 1, 2018.
- (9) The series' original start date was April 3, 2017. All securities in the series were consolidated into Series F6 on June 1, 2018.
- (10) The series' original start date was July 19, 2014. All securities in the series were consolidated into Series F8 on June 1, 2018.



MACKENZIE
Investments

MACKENZIE FLOATING RATE INCOME FUND

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2018

FIXED INCOME FUND

NOTES TO FINANCIAL STATEMENTS

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

(b) Investments by Mackenzie and Affiliates

As at September 30, 2018, Mackenzie, other funds managed by Mackenzie and Related Insurance Companies had an investment of \$1,131, \$15,644 and \$243,032 (March 31, 2018 – \$1,093, \$20,189 and \$157,127), respectively, in the Fund.

(c) Loss Carryforwards

As at the last taxation year-end, the Fund has capital losses of \$2,008 which may be carried forward indefinitely to reduce future realized capital gains.

(d) Securities Lending

The value of securities loaned and collateral received from securities lending at September 30, 2018 and March 31, 2018, were as follows:

	September 30, 2018	March 31, 2018
	(\$)	(\$)
Value of securities loaned	2,562	–
Value of collateral received	2,711	–

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

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

	2018		2017	
	(\$)	(%)	(\$)	(%)
Gross securities lending income	10	100.0	–	–
Tax withheld	(3)	(30.0)	–	–
	7	70.0	–	–
Payments to Securities Lending Agent	(2)	(20.0)	–	–
Securities lending income	5	50.0	–	–

(e) Unfunded Credit Agreements

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

	Total Unfunded Commitment Amount (US\$)	Total Number of Commitments	Range of Unfunded Commitment Amounts (US\$)	Range of Commitment Fee Rates (%)	Range of Commitment Period End Date
September 30, 2018	29,160	3	1,680 - 18,250	0.750	December 17, 2018 - May 18, 2019
March 31, 2018	8,510	3	2,072 - 3,578	0.750	June 18, 2018 - August 21, 2018



MACKENZIE
Investments

MACKENZIE FLOATING RATE INCOME FUND

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2018

FIXED INCOME FUND

NOTES TO FINANCIAL STATEMENTS

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

(f) Offsetting of Financial Assets and Liabilities

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

	September 30, 2018			
	Gross amount of assets/liabilities (\$)	Amount available for offset (\$)	Margin (\$)	Net amount (\$)
Unrealized gains on derivative contracts	5,410	–	–	5,410
Unrealized losses on derivative contracts	–	–	–	–
Liability for options written	–	–	–	–
Total	5,410	–	–	5,410

	March 31, 2018			
	Gross amount of assets/liabilities (\$)	Amount available for offset (\$)	Margin (\$)	Net amount (\$)
Unrealized gains on derivative contracts	110	(110)	–	–
Unrealized losses on derivative contracts	(5,718)	110	–	(5,608)
Liability for options written	–	–	–	–
Total	(5,608)	–	–	(5,608)

(g) Risks Associated with Financial Instruments

i. Risk exposure and management

The Fund seeks current income by investing primarily in floating-rate debt obligations and other floating-rate debt instruments of issuers anywhere in the world.

ii. Currency risk

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

Currency	September 30, 2018			
	Investments (\$)	Cash and Short-Term Investments (\$)	Derivative Instruments (\$)	Net Exposure* (\$)
U.S. dollar	1,125,405	40,586	(993,868)	172,123
Australian dollar	–	–	50,326	50,326
Euro	9,426	–	(9,295)	131
Total	1,134,831	40,586	(952,837)	222,580
% of Net Assets	95.5	3.4	(80.2)	18.7



MACKENZIE
Investments

MACKENZIE FLOATING RATE INCOME FUND

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2018

FIXED INCOME FUND

NOTES TO FINANCIAL STATEMENTS

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

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

ii. Currency risk (cont'd)

Currency	March 31, 2018			
	Investments (\$)	Cash and Short-Term Investments (\$)	Derivative Instruments (\$)	Net Exposure* (\$)
U.S. dollar	696,490	47,558	(654,977)	89,071
Euro	9,383	–	(1,801)	7,582
Total	705,873	47,558	(656,778)	96,653
% of Net Assets	92.8	6.3	(86.4)	12.7

* Includes both monetary and non-monetary financial instruments

As at September 30, 2018, had the Canadian dollar increased by 5% relative to all foreign currencies, with all other variables held constant, net assets would have decreased by approximately \$8,431 or 0.7% of total net assets (March 31, 2018 – \$4,833 or 0.6%). Similarly, had the Canadian dollar decreased by 5% relative to all foreign currencies, with all other variables held constant, net assets would have increased by approximately \$9,593 or 0.8% of the total net assets (March 31, 2018 – \$4,833 or 0.6%). In practice, the actual trading results may differ and the difference could be material.

iii. Interest rate risk

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

Bonds	September 30, 2018	March 31, 2018
	(\$)	(\$)
Less than 1 year	3,909	3,011
1-5 years	304,123	233,772
5-10 years	848,387	489,047
Greater than 10 years	731	694
Total	1,157,150	726,524

As at September 30, 2018, had prevailing interest rates increased by 1%, assuming a parallel shift in the yield curve, with all other variables held constant, net assets would have decreased by approximately \$4,937 or 0.4% (March 31, 2018 – \$4,072 or 0.5%) of total net assets. Similarly, had prevailing interest rates decreased by 1%, with all other variables held constant, net assets would have increased by approximately \$5,325 or 0.4% (March 31, 2018 – \$4,005 or 0.5%) of total net assets. In practice, the actual trading results may differ and the difference could be material.

iv. Other price risk

As at September 30, 2018 and March 31, 2018, the Fund did not have a significant exposure to price risk.



MACKENZIE
Investments

MACKENZIE FLOATING RATE INCOME FUND

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2018

FIXED INCOME FUND

NOTES TO FINANCIAL STATEMENTS

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

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

v. Credit risk

The Fund's greatest concentration of credit risk is in debt securities, such as bonds. The fair value of debt securities includes consideration of the creditworthiness of the debt issuer. The maximum exposure to any one debt issuer as at September 30, 2018, was 1.6% of the net assets of the Fund (March 31, 2018 – 2.6%).

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

Bond Rating*	September 30, 2018	March 31, 2018
	% of Net Assets	% of Net Assets
AAA	0.1	0.2
AA	–	–
A	–	–
BBB	1.9	1.9
BB	21.4	15.6
B	65.2	63.3
Less than B	5.2	5.7
Unrated	3.5	8.9
Total	97.3	95.6

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

(h) Fair Value Classification

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

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

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

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

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

	September 30, 2018				March 31, 2018			
	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
Bonds	309	1,156,841	–	1,157,150	315	726,209	–	726,524
Equities	7,635	–	–	7,635	7,699	–	–	7,699
Options	–	149	–	149	–	513	–	513
Derivative assets	–	16,049	–	16,049	–	1,134	–	1,134
Derivative liabilities	–	(3)	–	(3)	–	(14,783)	–	(14,783)
Short-term investments	–	99,053	–	99,053	–	98,688	–	98,688
Total	7,944	1,272,089	–	1,280,033	8,014	811,761	–	819,775

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

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

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