

## ***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 ETF. You may obtain a copy of the Interim MRFP, at no cost, by calling the toll-free number 1-800-387-0614, by writing to us at Mackenzie Financial Corporation, 180 Queen Street West, Toronto, Ontario M5V 3K1, by visiting our website at [www.mackenzieinvestments.com](http://www.mackenzieinvestments.com) or by visiting the SEDAR website at [www.sedar.com](http://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.*

*Unitholders may also contact us using one of these methods to request a copy of the ETF'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 ETF, appoints independent auditors to audit the ETF'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 ETF'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 MAXIMUM DIVERSIFICATION US INDEX ETF

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2018

STRATEGIC BETA INDEX ETF

## STATEMENTS OF FINANCIAL POSITION

*In thousands (except per unit figures)  
As at*

|   | Sep. 30<br>2018 | Mar. 31<br>2018<br>(Audited) |
|---|-----------------|------------------------------|
|   | \$              | \$                           |
| <b>ASSETS</b>   |                 |                              |
| <b>Current assets</b>   |                 |                              |
| Investments at fair value   | 124,043         | 53,484                       |
| Cash and cash equivalents   | 507             | 51                           |
| Dividends receivable  | 106             | 58                           |
| Accounts receivable for investments sold                          | –               | –                            |
| Accounts receivable for units issued                              | –               | –                            |
| Due from manager  | 12              | 19                           |
| <b>Total assets</b>   | <b>124,668</b>  | <b>53,612</b>                |
| <b>LIABILITIES</b>  |                 |                              |
| <b>Current liabilities</b>  |                 |                              |
| Accounts payable for investments purchased                        | –               | –                            |
| Accounts payable for units redeemed                               | –               | –                            |
| Distribution payable  | 312             | –                            |
| Due to manager  | 73              | 45                           |
| <b>Total liabilities</b>  | <b>385</b>      | <b>45</b>                    |
| <b>Net assets attributable to unitholders</b>                     | <b>124,283</b>  | <b>53,567</b>                |
| <b>Net assets attributable to unitholders per series (note 3)</b> |                 |                              |
| Series E  | 124,283         | 53,567                       |
| <b>Net assets attributable to unitholders per unit (note 3)</b>   |                 |                              |
| Series E  | 27.02           | 24.35                        |

## STATEMENTS OF COMPREHENSIVE INCOME

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

|   | 2018<br>\$   | 2017<br>\$   |
|---|--------------|--------------|
| <b>Income</b>   |              |              |
| Dividends   | 815          | 362          |
| Other changes in fair value of investments and other net assets                                 |              |              |
| Net realized gain (loss)  | 2,775        | 57           |
| Net unrealized gain (loss)  | 4,562        | (704)        |
| Securities lending income   | 4            | –            |
| <b>Total income (loss)</b>  | <b>8,156</b> | <b>(285)</b> |
| <b>Expenses (note 6)</b>  |              |              |
| Management fees   | 294          | 121          |
| Management fee rebates  | (108)        | (17)         |
| Commissions and other portfolio transaction costs   | 32           | 23           |
| Independent Review Committee fees   | –            | –            |
| <b>Expenses before amounts absorbed by Manager</b>  | <b>218</b>   | <b>127</b>   |
| Expenses absorbed by Manager  | 34           | 23           |
| <b>Net expenses</b>   | <b>184</b>   | <b>104</b>   |
| <b>Increase (decrease) in net assets attributable to unitholders from operations before tax</b> | <b>7,972</b> | <b>(389)</b> |
| Foreign withholding taxes   | 120          | 52           |
| Foreign income taxes paid (recovered)   | –            | –            |
| <b>Increase (decrease) in net assets attributable to unitholders from operations</b>            | <b>7,852</b> | <b>(441)</b> |
| <b>Increase (decrease) in net assets attributable to unitholders from operations per series</b> |              |              |
| Series E  | 7,852        | (441)        |
| <b>Increase (decrease) in net assets attributable to unitholders from operations per unit</b>   |              |              |
| Series E  | 2.35         | (0.28)       |

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



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# MACKENZIE MAXIMUM DIVERSIFICATION US INDEX ETF

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2018

STRATEGIC BETA INDEX ETF

## STATEMENTS OF CHANGES IN FINANCIAL POSITION

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

|   | 2018            | 2017          |
|---|-----------------|---------------|
|   | <b>Series E</b> |               |
| <b>NET ASSETS ATTRIBUTABLE TO UNITHOLDERS</b>     | <b>\$</b>       |               |
| <b>Beginning of period</b>                        | <b>53,567</b>   | <b>29,255</b> |
| Increase (decrease) in net assets from operations | 7,852           | (441)         |
| Distributions paid to unitholders:                |                 |               |
| Investment income                                 | (443)           | (164)         |
| Capital gains                                     | –               | –             |
| Management fee rebates                            | (108)           | (17)          |
| Total distributions paid to unitholders           | (551)           | (181)         |
| Unit transactions:                                |                 |               |
| Proceeds from units issued                        | 68,585          | 22,515        |
| Reinvested distributions                          | –               | –             |
| Payments on redemption of units                   | (5,170)         | (6,590)       |
| Total unit transactions                           | 63,415          | 15,925        |
| <b>Total increase (decrease) in net assets</b>    | <b>70,716</b>   | <b>15,303</b> |
| <b>End of period</b>                              | <b>124,283</b>  | <b>44,558</b> |
|   | <b>Units</b>    |               |
| <b>Increase (decrease) in units (note 7):</b>     |                 |               |
| <b>Units outstanding – beginning of period</b>    | <b>2,200</b>    | <b>1,300</b>  |
| Issued  | 2,600           | 1,000         |
| Reinvested distributions                          | –               | –             |
| Redeemed  | (200)           | (300)         |
| <b>Units outstanding – end of period</b>          | <b>4,600</b>    | <b>2,000</b>  |

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# MACKENZIE MAXIMUM DIVERSIFICATION US INDEX ETF

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2018

STRATEGIC BETA INDEX ETF

## STATEMENTS OF CASH FLOWS

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

|   | 2018         | 2017         |
|---|--------------|--------------|
|   | \$           | \$           |
| <b>Cash flows from operating activities</b>                                       |              |              |
| Net increase (decrease) in net assets attributable to unitholders from operations | 7,852        | (441)        |
| Adjustments for:  |              |              |
| Net realized loss (gain) on investments   | (2,775)      | (57)         |
| Change in net unrealized loss (gain) on investments                               | (4,562)      | 704          |
| Purchase of investments   | (20,342)     | (6,906)      |
| Proceeds from sale and maturity of investments                                    | 20,485       | 6,897        |
| Change in dividends receivable  | (48)         | (7)          |
| Change in due from manager  | 7            | (15)         |
| Change in due to manager  | 28           | 9            |
| <b>Net cash from operating activities</b>   | <b>645</b>   | <b>184</b>   |
| <b>Cash flows from financing activities</b>                                       |              |              |
| Proceeds from units issued  | 56           | 91           |
| Payments on redemption of units   | (7)          | (25)         |
| Distributions paid net of reinvestments   | (239)        | (181)        |
| <b>Net cash from financing activities</b>   | <b>(190)</b> | <b>(115)</b> |
| <b>Net increase (decrease) in cash and cash equivalents</b>                       | <b>455</b>   | <b>69</b>    |
| Cash and cash equivalents at beginning of period                                  | 51           | 2            |
| Effect of exchange rate fluctuations on cash and cash equivalents                 | 1            | 3            |
| <b>Cash and cash equivalents at end of period</b>                                 | <b>507</b>   | <b>74</b>    |
| Cash  | 507          | 74           |
| Cash equivalents  | —            | —            |
| <b>Cash and cash equivalents at end of period</b>                                 | <b>507</b>   | <b>74</b>    |
| <b>Supplementary disclosures on cash flow from operating activities:</b>          |              |              |
| Dividends received  | 767          | 355          |
| Foreign taxes paid  | 120          | 52           |
| Interest received   | —            | —            |
| Interest paid   | —            | —            |

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# MACKENZIE MAXIMUM DIVERSIFICATION US INDEX ETF

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2018

STRATEGIC BETA INDEX ETF

## SCHEDULE OF INVESTMENTS

As at September 30, 2018

|                                      | Country       | Sector                     | Par Value/<br>No. of<br>Shares/Units | Average<br>Cost<br>(\$ 000s) | Fair<br>Value<br>(\$ 000s) |
|--------------------------------------|---------------|----------------------------|--------------------------------------|------------------------------|----------------------------|
| <b>EQUITIES</b>                      |               |                            |                                      |                              |                            |
| 3M Co.                               | United States | Industrials                | 625                                  | 165                          | 170                        |
| AbbVie Inc.                          | United States | Health Care                | 5,466                                | 626                          | 668                        |
| Activision Blizzard Inc.             | United States | Information Technology     | 1,283                                | 109                          | 138                        |
| Advance Auto Parts Inc.              | United States | Consumer Discretionary     | 3,929                                | 645                          | 855                        |
| Advanced Micro Devices Inc.          | United States | Information Technology     | 39,514                               | 750                          | 1,578                      |
| AerCap Holdings NV                   | Ireland       | Industrials                | 457                                  | 33                           | 34                         |
| Aetna Inc.                           | United States | Health Care                | 1,182                                | 259                          | 310                        |
| Aflac Inc.                           | United States | Financials                 | 2,829                                | 162                          | 172                        |
| AGNC Investment Corp.                | United States | Financials                 | 22,974                               | 580                          | 553                        |
| Akamai Technologies Inc.             | United States | Information Technology     | 612                                  | 52                           | 58                         |
| Alaska Air Group Inc.                | United States | Industrials                | 456                                  | 38                           | 41                         |
| Albemarle Corp.                      | United States | Materials                  | 402                                  | 51                           | 52                         |
| Alexandria Real Estate Equities Inc. | United States | Real Estate                | 388                                  | 65                           | 63                         |
| Alexion Pharmaceuticals Inc.         | United States | Health Care                | 789                                  | 131                          | 142                        |
| Alkermes PLC                         | United States | Health Care                | 572                                  | 36                           | 31                         |
| Alleghany Corp.                      | United States | Financials                 | 54                                   | 42                           | 46                         |
| Allegion PLC                         | United States | Industrials                | 352                                  | 38                           | 41                         |
| Allergan PLC                         | United States | Health Care                | 1,261                                | 308                          | 310                        |
| Alliance Data Systems Corp.          | United States | Information Technology     | 175                                  | 53                           | 53                         |
| Allison Transmission Holdings Inc.   | United States | Industrials                | 482                                  | 26                           | 32                         |
| The Allstate Corp.                   | United States | Financials                 | 1,259                                | 146                          | 161                        |
| Ally Financial Inc.                  | United States | Financials                 | 1,564                                | 55                           | 53                         |
| Alnylam Pharmaceuticals Inc.         | United States | Health Care                | 6,586                                | 950                          | 745                        |
| Alphabet Inc. Class A                | United States | Information Technology     | 110                                  | 150                          | 172                        |
| Alphabet Inc. Class C                | United States | Information Technology     | 111                                  | 149                          | 171                        |
| Amazon.com Inc.                      | United States | Consumer Discretionary     | 734                                  | 1,316                        | 1,901                      |
| Amdocs Ltd.                          | United States | Information Technology     | 526                                  | 46                           | 45                         |
| American Express Co.                 | United States | Financials                 | 1,274                                | 157                          | 175                        |
| American Financial Group Inc.        | United States | Financials                 | 248                                  | 34                           | 36                         |
| American International Group Inc.    | United States | Financials                 | 3,306                                | 239                          | 228                        |
| American Tower Corp. Class A         | United States | Real Estate                | 2,376                                | 429                          | 446                        |
| American Water Works Co. Inc.        | United States | Utilities                  | 1,573                                | 171                          | 179                        |
| AmerisourceBergen Corp.              | United States | Health Care                | 592                                  | 67                           | 71                         |
| Anadarko Petroleum Corp.             | United States | Energy                     | 1,902                                | 151                          | 166                        |
| Annaly Capital Management Inc.       | United States | Financials                 | 78,388                               | 1,101                        | 1,037                      |
| Anthem Inc.                          | United States | Health Care                | 966                                  | 272                          | 342                        |
| Aon PLC                              | United States | Financials                 | 893                                  | 165                          | 178                        |
| Apache Corp.                         | United States | Energy                     | 1,421                                | 84                           | 88                         |
| Apple Inc.                           | United States | Information Technology     | 6,473                                | 1,406                        | 1,890                      |
| Aqua America Inc.                    | United States | Utilities                  | 660                                  | 30                           | 31                         |
| Aramark Corp.                        | United States | Consumer Discretionary     | 903                                  | 46                           | 50                         |
| Arch Capital Group Ltd.              | United States | Financials                 | 1,457                                | 54                           | 56                         |
| Archer-Daniels-Midland Co.           | United States | Consumer Staples           | 2,034                                | 119                          | 132                        |
| Arconic Inc.                         | United States | Industrials                | 1,598                                | 40                           | 45                         |
| Arista Networks Inc.                 | United States | Information Technology     | 192                                  | 58                           | 66                         |
| Arthur J. Gallagher & Co.            | United States | Financials                 | 537                                  | 52                           | 52                         |
| AT&T Inc.                            | United States | Telecommunication Services | 26,415                               | 1,202                        | 1,147                      |
| Athenahealth Inc.                    | United States | Health Care                | 2,278                                | 440                          | 393                        |
| Athene Holding Ltd.                  | United States | Financials                 | 585                                  | 40                           | 39                         |



**MACKENZIE**  
Investments

# MACKENZIE MAXIMUM DIVERSIFICATION US INDEX ETF

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2018

STRATEGIC BETA INDEX ETF

## SCHEDULE OF INVESTMENTS (cont'd)

As at September 30, 2018

|                                       | Country        | Sector                     | Par Value/<br>No. of<br>Shares/Units | Average<br>Cost<br>(\$ 000s) | Fair<br>Value<br>(\$ 000s) |
|---------------------------------------|----------------|----------------------------|--------------------------------------|------------------------------|----------------------------|
| <b>EQUITIES (cont'd)</b>              |                |                            |                                      |                              |                            |
| Atlassian Corp. PLC                   | United Kingdom | Information Technology     | 984                                  | 92                           | 122                        |
| Atmos Energy Corp.                    | United States  | Utilities                  | 409                                  | 47                           | 50                         |
| Autoliv Inc.                          | Sweden         | Consumer Discretionary     | 324                                  | 48                           | 36                         |
| Automatic Data Processing Inc.        | United States  | Information Technology     | 526                                  | 86                           | 102                        |
| AutoZone Inc.                         | United States  | Consumer Discretionary     | 575                                  | 506                          | 577                        |
| AvalonBay Communities Inc.            | United States  | Real Estate                | 513                                  | 117                          | 120                        |
| Avery Dennison Corp.                  | United States  | Materials                  | 324                                  | 46                           | 45                         |
| Axalta Coating Systems Ltd.           | United States  | Materials                  | 16,020                               | 645                          | 604                        |
| Baker Hughes a GE Co.                 | United States  | Energy                     | 9,709                                | 435                          | 425                        |
| Ball Corp.                            | United States  | Materials                  | 1,267                                | 65                           | 72                         |
| The Bank of New York Mellon Corp.     | United States  | Financials                 | 624                                  | 43                           | 41                         |
| BB&T Corp.                            | United States  | Financials                 | 1,823                                | 121                          | 114                        |
| Becton, Dickinson and Co.             | United States  | Health Care                | 788                                  | 225                          | 266                        |
| Berry Global Group Inc.               | United States  | Materials                  | 489                                  | 33                           | 31                         |
| Best Buy Co. Inc.                     | United States  | Consumer Discretionary     | 12,665                               | 1,075                        | 1,299                      |
| Biogen Inc.                           | United States  | Health Care                | 747                                  | 310                          | 341                        |
| BioMarin Pharmaceutical Inc.          | United States  | Health Care                | 308                                  | 37                           | 39                         |
| Bio-Rad Laboratories Inc. Class A     | United States  | Health Care                | 79                                   | 30                           | 32                         |
| Bluebird Bio Inc.                     | United States  | Health Care                | 259                                  | 59                           | 49                         |
| Booking Holdings Inc.                 | United States  | Consumer Discretionary     | 176                                  | 450                          | 451                        |
| Booz Allen Hamilton Holding Corp.     | United States  | Information Technology     | 517                                  | 27                           | 33                         |
| Boston Properties Inc.                | United States  | Real Estate                | 574                                  | 94                           | 91                         |
| Boston Scientific Corp.               | United States  | Health Care                | 401                                  | 20                           | 20                         |
| Bright Horizons Family Solutions Inc. | United States  | Consumer Discretionary     | 213                                  | 32                           | 32                         |
| Bristol-Myers Squibb Co.              | United States  | Health Care                | 13,636                               | 1,023                        | 1,094                      |
| Broadcom Inc.                         | United States  | Information Technology     | 1,107                                | 359                          | 353                        |
| Broadridge Financial Solutions Inc.   | United States  | Information Technology     | 261                                  | 45                           | 45                         |
| Brown & Brown Inc.                    | United States  | Financials                 | 866                                  | 31                           | 33                         |
| Brown-Forman Corp. Class B non-voting | United States  | Consumer Staples           | 1,026                                | 67                           | 67                         |
| Bunge Ltd.                            | United States  | Consumer Staples           | 10,459                               | 963                          | 929                        |
| Burlington Stores Inc.                | United States  | Consumer Discretionary     | 818                                  | 140                          | 172                        |
| C.H. Robinson Worldwide Inc.          | United States  | Industrials                | 1,070                                | 114                          | 135                        |
| Cabot Oil & Gas Corp.                 | United States  | Energy                     | 1,614                                | 50                           | 47                         |
| Caesars Entertainment Corp.           | United States  | Consumer Discretionary     | 2,261                                | 34                           | 30                         |
| Camden Property Trust                 | United States  | Real Estate                | 341                                  | 40                           | 41                         |
| Campbell Soup Co.                     | United States  | Consumer Staples           | 14,100                               | 777                          | 668                        |
| Cardinal Health Inc.                  | United States  | Health Care                | 1,375                                | 106                          | 96                         |
| Carlisle Companies Inc.               | United States  | Industrials                | 219                                  | 31                           | 34                         |
| CarMax Inc.                           | United States  | Consumer Discretionary     | 633                                  | 61                           | 61                         |
| Carnival Corp.                        | United States  | Consumer Discretionary     | 1,506                                | 117                          | 124                        |
| Choe Global Markets Inc.              | United States  | Financials                 | 4,436                                | 584                          | 550                        |
| CBS Corp. Class B non-voting          | United States  | Consumer Discretionary     | 1,251                                | 93                           | 93                         |
| CDK Global Inc.                       | United States  | Information Technology     | 480                                  | 42                           | 39                         |
| CDW Corp. of Delaware                 | United States  | Information Technology     | 557                                  | 58                           | 64                         |
| Celgene Corp.                         | United States  | Health Care                | 2,612                                | 316                          | 302                        |
| Centene Corp.                         | United States  | Health Care                | 742                                  | 107                          | 139                        |
| CenterPoint Energy Inc.               | United States  | Utilities                  | 1,570                                | 56                           | 56                         |
| CenturyLink Inc.                      | United States  | Telecommunication Services | 3,989                                | 102                          | 109                        |
| Cerner Corp.                          | United States  | Health Care                | 1,173                                | 95                           | 98                         |



**MACKENZIE**  
Investments

# MACKENZIE MAXIMUM DIVERSIFICATION US INDEX ETF

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2018

STRATEGIC BETA INDEX ETF

## SCHEDULE OF INVESTMENTS (cont'd)

As at September 30, 2018

|  | Country        | Sector                 | Par Value/<br>No. of<br>Shares/Units | Average<br>Cost<br>(\$ 000s) | Fair<br>Value<br>(\$ 000s) |
|--|----------------|------------------------|--------------------------------------|------------------------------|----------------------------|
| <b>EQUITIES (cont'd)</b>               |                |                        |                                      |                              |                            |
| CF Industries Holdings Inc.            | United States  | Materials              | 9,784                                | 486                          | 688                        |
| Charter Communications Inc. Class A    | United States  | Consumer Discretionary | 766                                  | 307                          | 323                        |
| Check Point Software Technologies Ltd. | Israel         | Information Technology | 695                                  | 93                           | 106                        |
| Chenerie Energy Inc.                   | United States  | Energy                 | 827                                  | 62                           | 74                         |
| Chevron Corp.                          | United States  | Energy                 | 1,588                                | 249                          | 251                        |
| Chipotle Mexican Grill Inc.            | United States  | Consumer Discretionary | 2,042                                | 1,130                        | 1,200                      |
| Chubb Ltd.                             | United States  | Financials             | 1,598                                | 280                          | 276                        |
| Church & Dwight Co. Inc.               | United States  | Consumer Staples       | 2,635                                | 186                          | 202                        |
| Cigna Corp.                            | United States  | Health Care            | 903                                  | 198                          | 243                        |
| Cimarex Energy Co.                     | United States  | Energy                 | 1,193                                | 148                          | 143                        |
| Cincinnati Financial Corp.             | United States  | Financials             | 572                                  | 53                           | 57                         |
| CIT Group Inc.                         | United States  | Financials             | 417                                  | 29                           | 28                         |
| Citigroup Inc.                         | United States  | Financials             | 388                                  | 37                           | 36                         |
| The Clorox Co.                         | United States  | Consumer Staples       | 6,056                                | 1,042                        | 1,177                      |
| CME Group Inc.                         | United States  | Financials             | 1,261                                | 243                          | 277                        |
| CMS Energy Corp.                       | United States  | Utilities              | 7,182                                | 435                          | 455                        |
| The Coca-Cola Co.                      | United States  | Consumer Staples       | 14,197                               | 815                          | 848                        |
| Coca-Cola European Partners PLC        | United Kingdom | Consumer Staples       | 2,538                                | 139                          | 149                        |
| Cognex Corp.                           | United States  | Information Technology | 512                                  | 38                           | 37                         |
| Cognizant Technology Solutions Corp.   | United States  | Information Technology | 2,154                                | 209                          | 215                        |
| Colgate Palmolive Co.                  | United States  | Consumer Staples       | 4,747                                | 418                          | 411                        |
| Comcast Corp. Class A                  | United States  | Consumer Discretionary | 12,181                               | 565                          | 558                        |
| Commerce Bancshares Inc.               | United States  | Financials             | 356                                  | 32                           | 30                         |
| CommScope Holding Co. Inc.             | United States  | Information Technology | 14,065                               | 563                          | 559                        |
| ConAgra Brands Inc.                    | United States  | Consumer Staples       | 2,093                                | 100                          | 92                         |
| Concho Resources Inc.                  | United States  | Energy                 | 797                                  | 142                          | 157                        |
| ConocoPhillips                         | United States  | Energy                 | 4,324                                | 339                          | 433                        |
| Consolidated Edison Inc.               | United States  | Utilities              | 13,374                               | 1,361                        | 1,317                      |
| Constellation Brands Inc. Class A      | United States  | Consumer Staples       | 1,782                                | 466                          | 497                        |
| The Cooper Companies Inc.              | United States  | Health Care            | 182                                  | 55                           | 65                         |
| CoStar Group Inc.                      | United States  | Industrials            | 133                                  | 66                           | 72                         |
| Costco Wholesale Corp.                 | United States  | Consumer Staples       | 1,606                                | 400                          | 488                        |
| Coty Inc. Class A                      | United States  | Consumer Staples       | 32,084                               | 641                          | 521                        |
| Crown Castle International Corp.       | United States  | Real Estate            | 4,018                                | 558                          | 578                        |
| Crown Holdings Inc.                    | United States  | Materials              | 493                                  | 30                           | 31                         |
| CSX Corp.                              | United States  | Industrials            | 3,021                                | 230                          | 289                        |
| Cullen/Frost Bankers Inc.              | United States  | Financials             | 218                                  | 31                           | 29                         |
| Cummins Inc.                           | United States  | Industrials            | 206                                  | 40                           | 39                         |
| CVS Health Corp.                       | United States  | Health Care            | 3,780                                | 353                          | 385                        |
| D.R. Horton Inc.                       | United States  | Consumer Discretionary | 1,315                                | 72                           | 72                         |
| Darden Restaurants Inc.                | United States  | Consumer Discretionary | 1,147                                | 152                          | 165                        |
| DAVITA Inc.                            | United States  | Health Care            | 1,468                                | 133                          | 136                        |
| Deere & Co.                            | United States  | Industrials            | 599                                  | 104                          | 116                        |
| Dell Technologies Inc.                 | United States  | Information Technology | 740                                  | 82                           | 93                         |
| Dentsply Sirona Inc.                   | United States  | Health Care            | 3,824                                | 206                          | 187                        |
| Devon Energy Corp.                     | United States  | Energy                 | 1,842                                | 94                           | 95                         |
| DexCom Inc.                            | United States  | Health Care            | 6,428                                | 861                          | 1,188                      |
| Diamondback Energy Inc.                | United States  | Energy                 | 362                                  | 55                           | 63                         |
| Digital Realty Trust Inc.              | United States  | Real Estate            | 3,292                                | 473                          | 479                        |



**MACKENZIE**  
Investments

# MACKENZIE MAXIMUM DIVERSIFICATION US INDEX ETF

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2018

STRATEGIC BETA INDEX ETF

## SCHEDULE OF INVESTMENTS (cont'd)

As at September 30, 2018

|   | Country       | Sector                 | Par Value/<br>No. of<br>Shares/Units | Average<br>Cost<br>(\$ 000s) | Fair<br>Value<br>(\$ 000s) |
|---|---------------|------------------------|--------------------------------------|------------------------------|----------------------------|
| <b>EQUITIES (cont'd)</b>                    |               |                        |                                      |                              |                            |
| Discovery Communications Inc. Class C       | United States | Consumer Discretionary | 3,314                                | 114                          | 127                        |
| DISH Network Corp. Class A                  | United States | Consumer Discretionary | 966                                  | 50                           | 45                         |
| Dollar General Corp.                        | United States | Consumer Discretionary | 8,560                                | 1,001                        | 1,209                      |
| Dollar Tree Inc.                            | United States | Consumer Discretionary | 2,759                                | 309                          | 291                        |
| Dominion Resources Inc.                     | United States | Utilities              | 5,089                                | 472                          | 462                        |
| Domino's Pizza Inc.                         | United States | Consumer Discretionary | 244                                  | 74                           | 93                         |
| Donaldson Co. Inc.                          | United States | Industrials            | 479                                  | 29                           | 36                         |
| Dover Corp.                                 | United States | Industrials            | 331                                  | 38                           | 38                         |
| Duke Realty Corp.                           | United States | Real Estate            | 1,326                                | 49                           | 49                         |
| East West Bancorp Inc.                      | United States | Financials             | 227                                  | 18                           | 18                         |
| eBay Inc.                                   | United States | Information Technology | 3,459                                | 160                          | 148                        |
| Edison International                        | United States | Utilities              | 9,043                                | 788                          | 791                        |
| Edwards Lifesciences Corp.                  | United States | Health Care            | 3,691                                | 614                          | 831                        |
| Electronic Arts Inc.                        | United States | Information Technology | 3,840                                | 610                          | 598                        |
| Eli Lilly and Co.                           | United States | Health Care            | 3,987                                | 447                          | 553                        |
| Encompass Health Corp.                      | United States | Health Care            | 352                                  | 35                           | 35                         |
| EOG Resources Inc.                          | United States | Energy                 | 2,147                                | 312                          | 354                        |
| Equifax Inc.                                | United States | Industrials            | 866                                  | 140                          | 146                        |
| Equinix Inc.                                | United States | Real Estate            | 501                                  | 279                          | 280                        |
| Equity Residential                          | United States | Real Estate            | 1,351                                | 113                          | 116                        |
| Essex Property Trust Inc.                   | United States | Real Estate            | 378                                  | 119                          | 121                        |
| The Estée Lauder Companies Inc. Class A     | United States | Consumer Staples       | 824                                  | 141                          | 155                        |
| Everest Re Group Ltd.                       | United States | Financials             | 1,808                                | 544                          | 534                        |
| Evergy Inc.                                 | United States | Utilities              | 1,009                                | 73                           | 72                         |
| Eversource Energy                           | United States | Utilities              | 7,874                                | 610                          | 625                        |
| Exact Sciences Corp.                        | United States | Health Care            | 6,304                                | 519                          | 643                        |
| Exelixis Inc.                               | United States | Health Care            | 21,815                               | 605                          | 500                        |
| Exelon Corp.                                | United States | Utilities              | 11,778                               | 609                          | 665                        |
| Expedia Inc.                                | United States | Consumer Discretionary | 3,950                                | 652                          | 666                        |
| Expeditors International of Washington Inc. | United States | Industrials            | 645                                  | 55                           | 61                         |
| Extra Space Storage Inc.                    | United States | Real Estate            | 8,901                                | 1,049                        | 997                        |
| F5 Networks Inc.                            | United States | Information Technology | 226                                  | 46                           | 58                         |
| Facebook Inc.                               | United States | Information Technology | 6,456                                | 1,453                        | 1,372                      |
| FactSet Research Systems Inc.               | United States | Financials             | 140                                  | 38                           | 40                         |
| Fastenal Co.                                | United States | Industrials            | 1,065                                | 69                           | 80                         |
| Federal Realty Investment Trust             | United States | Real Estate            | 272                                  | 45                           | 44                         |
| Fidelity National Information Services Inc. | United States | Information Technology | 1,128                                | 146                          | 159                        |
| Fifth Third Bancorp                         | United States | Financials             | 2,473                                | 92                           | 89                         |
| First American Financial Corp.              | United States | Financials             | 399                                  | 29                           | 27                         |
| First Data Corp. Class A                    | United States | Information Technology | 2,035                                | 60                           | 64                         |
| First Horizon National Corp.                | United States | Financials             | 1,189                                | 29                           | 27                         |
| First Republic Bank                         | United States | Financials             | 599                                  | 77                           | 74                         |
| Fiserv Inc.                                 | United States | Information Technology | 251                                  | 25                           | 27                         |
| FleetCor Technologies Inc.                  | United States | Information Technology | 326                                  | 87                           | 96                         |
| Flextronics International Ltd.              | United States | Information Technology | 1,960                                | 37                           | 33                         |
| FLIR Systems Inc.                           | United States | Information Technology | 509                                  | 34                           | 40                         |
| Flowserve Corp.                             | United States | Industrials            | 486                                  | 28                           | 34                         |
| FMC Corp.                                   | United States | Materials              | 497                                  | 57                           | 56                         |
| FNF Group                                   | United States | Financials             | 980                                  | 49                           | 50                         |



**MACKENZIE**  
Investments



# MACKENZIE MAXIMUM DIVERSIFICATION US INDEX ETF

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2018

STRATEGIC BETA INDEX ETF

## SCHEDULE OF INVESTMENTS (cont'd)

As at September 30, 2018

|  | Country       | Sector                 | Par Value/<br>No. of<br>Shares/Units | Average<br>Cost<br>(\$ 000s) | Fair<br>Value<br>(\$ 000s) |
|--|---------------|------------------------|--------------------------------------|------------------------------|----------------------------|
| <b>EQUITIES (cont'd)</b>                   |               |                        |                                      |                              |                            |
| Foot Locker Inc.                           | United States | Consumer Discretionary | 8,607                                | 536                          | 567                        |
| Ford Motor Co.                             | United States | Consumer Discretionary | 1,516                                | 19                           | 18                         |
| Fortinet Inc.                              | United States | Information Technology | 536                                  | 40                           | 64                         |
| The Gap Inc.                               | United States | Consumer Discretionary | 11,079                               | 416                          | 413                        |
| Garmin Ltd.                                | United States | Consumer Discretionary | 454                                  | 37                           | 41                         |
| Gartner Inc.                               | United States | Information Technology | 257                                  | 47                           | 53                         |
| General Electric Co.                       | United States | Industrials            | 32,057                               | 577                          | 468                        |
| General Mills Inc.                         | United States | Consumer Staples       | 2,769                                | 176                          | 154                        |
| General Motors Co.                         | United States | Consumer Discretionary | 4,683                                | 236                          | 204                        |
| Genuine Parts Co.                          | United States | Consumer Discretionary | 297                                  | 35                           | 38                         |
| Gilead Sciences Inc.                       | United States | Health Care            | 4,600                                | 444                          | 459                        |
| The Goodyear Tire & Rubber Co.             | United States | Consumer Discretionary | 879                                  | 28                           | 27                         |
| GrubHub Inc.                               | United States | Information Technology | 6,721                                | 987                          | 1,204                      |
| Guidewire Software Inc.                    | United States | Information Technology | 299                                  | 35                           | 39                         |
| H&R Block Inc.                             | United States | Consumer Discretionary | 15,227                               | 498                          | 507                        |
| Halliburton Co.                            | United States | Energy                 | 3,053                                | 182                          | 160                        |
| Hanesbrands Inc.                           | United States | Consumer Discretionary | 2,380                                | 63                           | 57                         |
| Harley-Davidson Inc.                       | United States | Consumer Discretionary | 618                                  | 38                           | 36                         |
| The Hartford Financial Services Group Inc. | United States | Financials             | 1,328                                | 90                           | 86                         |
| Hasbro Inc.                                | United States | Consumer Discretionary | 2,805                                | 366                          | 381                        |
| HCA Holdings Inc.                          | United States | Health Care            | 3,729                                | 466                          | 671                        |
| HCP Inc.                                   | United States | Real Estate            | 10,820                               | 370                          | 368                        |
| HD Supply Holdings Inc.                    | United States | Industrials            | 656                                  | 34                           | 36                         |
| Helmerich & Payne Inc.                     | United States | Energy                 | 1,169                                | 101                          | 104                        |
| Henry Schein Inc.                          | United States | Health Care            | 560                                  | 53                           | 62                         |
| The Hershey Co.                            | United States | Consumer Staples       | 1,421                                | 188                          | 187                        |
| Hess Corp.                                 | United States | Energy                 | 1,044                                | 77                           | 97                         |
| Hewlett Packard Enterprise Co.             | United States | Information Technology | 4,795                                | 102                          | 101                        |
| Hexcel Corp.                               | United States | Industrials            | 322                                  | 29                           | 28                         |
| Hilton Inc.                                | United States | Consumer Discretionary | 439                                  | 47                           | 46                         |
| HollyFrontier Corp.                        | United States | Energy                 | 1,623                                | 133                          | 147                        |
| Hologic Inc.                               | United States | Health Care            | 1,005                                | 53                           | 53                         |
| Hormel Foods Corp.                         | United States | Consumer Staples       | 1,004                                | 47                           | 51                         |
| Host Hotels & Resorts Inc.                 | United States | Real Estate            | 2,722                                | 76                           | 74                         |
| Hubbell Inc. Class B                       | United States | Industrials            | 203                                  | 31                           | 35                         |
| Humana Inc.                                | United States | Health Care            | 4,249                                | 1,509                        | 1,859                      |
| Huntington Bancshares Inc.                 | United States | Financials             | 3,694                                | 72                           | 71                         |
| IAC/InterActiveCorp                        | United States | Information Technology | 285                                  | 52                           | 80                         |
| ICON PLC                                   | United States | Health Care            | 200                                  | 32                           | 40                         |
| IHS Markit Ltd.                            | United States | Industrials            | 1,256                                | 79                           | 88                         |
| Illinois Tool Works Inc.                   | United States | Industrials            | 111                                  | 21                           | 20                         |
| Illumina Inc.                              | United States | Health Care            | 399                                  | 123                          | 189                        |
| Incyte Corp.                               | United States | Health Care            | 660                                  | 67                           | 59                         |
| Ingredion Inc.                             | United States | Consumer Staples       | 261                                  | 40                           | 35                         |
| Intercontinental Exchange Inc.             | United States | Financials             | 2,111                                | 189                          | 204                        |
| International Business Machines Corp.      | United States | Information Technology | 3,396                                | 656                          | 664                        |
| International Flavors & Fragrances Inc.    | United States | Materials              | 294                                  | 49                           | 53                         |
| The Interpublic Group of Companies Inc.    | United States | Consumer Discretionary | 1,420                                | 40                           | 42                         |
| Intuitive Surgical Inc.                    | United States | Health Care            | 1,695                                | 891                          | 1,258                      |



**MACKENZIE**  
Investments

# MACKENZIE MAXIMUM DIVERSIFICATION US INDEX ETF

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2018

STRATEGIC BETA INDEX ETF

## SCHEDULE OF INVESTMENTS (cont'd)

As at September 30, 2018

|   | Country        | Sector                 | Par Value/<br>No. of<br>Shares/Units | Average<br>Cost<br>(\$ 000s) | Fair<br>Value<br>(\$ 000s) |
|---|----------------|------------------------|--------------------------------------|------------------------------|----------------------------|
| <b>EQUITIES (cont'd)</b>                        |                |                        |                                      |                              |                            |
| Invitation Homes Inc.                           | United States  | Real Estate            | 1,101                                | 34                           | 33                         |
| Ionis Pharmaceuticals Inc.                      | United States  | Health Care            | 3,594                                | 223                          | 240                        |
| IPG Photonics Corp.                             | United States  | Information Technology | 341                                  | 82                           | 69                         |
| IQVIA Holdings Inc.                             | United States  | Health Care            | 601                                  | 83                           | 101                        |
| Iron Mountain Inc.                              | United States  | Real Estate            | 1,041                                | 48                           | 46                         |
| J.B. Hunt Transport Services Inc.               | United States  | Industrials            | 323                                  | 48                           | 50                         |
| J.M. Smucker Co.                                | United States  | Consumer Staples       | 2,061                                | 307                          | 273                        |
| Jack Henry & Associates Inc.                    | United States  | Information Technology | 286                                  | 59                           | 59                         |
| Jazz Pharmaceuticals PLC                        | United States  | Health Care            | 218                                  | 45                           | 47                         |
| Jefferies Financial Group Inc.                  | United States  | Financials             | 1,070                                | 33                           | 30                         |
| JetBlue Airways Corp.                           | United States  | Industrials            | 1,159                                | 31                           | 29                         |
| Johnson & Johnson                               | United States  | Health Care            | 4,819                                | 811                          | 861                        |
| Johnson Controls International PLC              | United States  | Industrials            | 1,943                                | 94                           | 88                         |
| Jones Lang LaSalle Inc.                         | United States  | Real Estate            | 168                                  | 37                           | 31                         |
| Juniper Networks Inc.                           | United States  | Information Technology | 1,256                                | 44                           | 49                         |
| Kansas City Southern                            | United States  | Industrials            | 378                                  | 54                           | 55                         |
| KAR Auction Services Inc.                       | United States  | Industrials            | 497                                  | 36                           | 38                         |
| Kellogg Co.                                     | United States  | Consumer Staples       | 2,067                                | 189                          | 187                        |
| KeyCorp   | United States  | Financials             | 2,216                                | 57                           | 57                         |
| Keysight Technologies Inc.                      | United States  | Information Technology | 694                                  | 55                           | 59                         |
| Kimberly-Clark Corp.                            | United States  | Consumer Staples       | 1,440                                | 212                          | 212                        |
| Kimco Realty Corp.                              | United States  | Real Estate            | 21,315                               | 463                          | 461                        |
| Kohl's Corp.                                    | United States  | Consumer Discretionary | 6,112                                | 485                          | 589                        |
| The Kraft Heinz Co.                             | United States  | Consumer Staples       | 2,316                                | 213                          | 165                        |
| The Kroger Co.                                  | United States  | Consumer Staples       | 44,255                               | 1,587                        | 1,665                      |
| L Brands Inc.                                   | United States  | Consumer Discretionary | 7,362                                | 319                          | 288                        |
| Laboratory Corp. of America Holdings            | United States  | Health Care            | 250                                  | 56                           | 56                         |
| Lamb Weston Holdings Inc.                       | United States  | Consumer Staples       | 542                                  | 44                           | 47                         |
| Las Vegas Sands Corp.                           | United States  | Consumer Discretionary | 1,454                                | 132                          | 112                        |
| Liberty Broadband Corp.                         | United States  | Consumer Discretionary | 1,101                                | 114                          | 120                        |
| Liberty Global PLC Series C                     | United Kingdom | Consumer Discretionary | 3,911                                | 148                          | 142                        |
| Liberty Interactive Corp. QVC Group             | United States  | Consumer Discretionary | 1,578                                | 47                           | 45                         |
| Liberty Media Corp. Liberty Formula One Class C | United States  | Consumer Discretionary | 733                                  | 35                           | 35                         |
| Liberty Media Corp. Liberty SiriusXM            | United States  | Consumer Discretionary | 616                                  | 36                           | 35                         |
| Liberty Property Trust                          | United States  | Real Estate            | 547                                  | 31                           | 30                         |
| LKQ Corp.                                       | United States  | Consumer Discretionary | 1,103                                | 48                           | 45                         |
| Lowe's Companies Inc.                           | United States  | Consumer Discretionary | 2,241                                | 260                          | 333                        |
| Lululemon Athletica Inc.                        | United States  | Consumer Discretionary | 7,264                                | 939                          | 1,526                      |
| M&T Bank Corp.                                  | United States  | Financials             | 453                                  | 99                           | 96                         |
| The Macerich Co.                                | United States  | Real Estate            | 521                                  | 40                           | 37                         |
| Macy's Inc.                                     | United States  | Consumer Discretionary | 13,736                               | 590                          | 617                        |
| Marathon Oil Corp.                              | United States  | Energy                 | 17,828                               | 407                          | 536                        |
| Markel Corp.                                    | United States  | Financials             | 50                                   | 72                           | 77                         |
| MarketAxess Holdings Inc.                       | United States  | Financials             | 1,410                                | 364                          | 325                        |
| Marsh & McLennan Companies Inc.                 | United States  | Financials             | 1,876                                | 205                          | 201                        |
| Martin Marietta Materials Inc.                  | United States  | Materials              | 233                                  | 69                           | 55                         |
| Mattel Inc.                                     | United States  | Consumer Discretionary | 25,439                               | 574                          | 516                        |
| Maxim Integrated Products Inc.                  | United States  | Information Technology | 232                                  | 19                           | 17                         |
| McCormick & Co. Inc. non-voting                 | United States  | Consumer Staples       | 448                                  | 64                           | 76                         |



**MACKENZIE**  
Investments

# MACKENZIE MAXIMUM DIVERSIFICATION US INDEX ETF

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2018

STRATEGIC BETA INDEX ETF

## SCHEDULE OF INVESTMENTS (cont'd)

As at September 30, 2018

|  | Country        | Sector                 | Par Value/<br>No. of<br>Shares/Units | Average<br>Cost<br>(\$ 000s) | Fair<br>Value<br>(\$ 000s) |
|--|----------------|------------------------|--------------------------------------|------------------------------|----------------------------|
| <b>EQUITIES (cont'd)</b>               |                |                        |                                      |                              |                            |
| McDonald's Corp.                       | United States  | Consumer Discretionary | 2,887                                | 571                          | 624                        |
| McKesson Corp.                         | United States  | Health Care            | 772                                  | 145                          | 132                        |
| Medtronic PLC                          | United States  | Health Care            | 2,745                                | 304                          | 349                        |
| MercadoLibre Inc.                      | Argentina      | Information Technology | 149                                  | 66                           | 66                         |
| Merck & Co. Inc.                       | United States  | Health Care            | 9,895                                | 792                          | 907                        |
| MetLife Inc.                           | United States  | Financials             | 2,415                                | 146                          | 146                        |
| MGM Resorts International              | United States  | Consumer Discretionary | 1,816                                | 72                           | 66                         |
| Michael Kors Holdings Ltd.             | United States  | Consumer Discretionary | 10,611                               | 803                          | 940                        |
| Micron Technology Inc.                 | United States  | Information Technology | 1,860                                | 129                          | 109                        |
| Mid-America Apartment Communities Inc. | United States  | Real Estate            | 421                                  | 55                           | 55                         |
| Middleby Corp.                         | United States  | Industrials            | 2,210                                | 345                          | 370                        |
| Mohawk Industries Inc.                 | United States  | Consumer Discretionary | 231                                  | 61                           | 52                         |
| Molina Healthcare Inc.                 | United States  | Health Care            | 1,797                                | 354                          | 345                        |
| Molson Coors Brewing Co. Class B       | United States  | Consumer Staples       | 648                                  | 65                           | 52                         |
| Mondelez International Inc.            | United States  | Consumer Staples       | 5,316                                | 295                          | 295                        |
| Monster Beverage Corp.                 | United States  | Consumer Staples       | 3,365                                | 239                          | 253                        |
| Mylan NV                               | United States  | Health Care            | 1,811                                | 90                           | 86                         |
| Nasdaq Inc.                            | United States  | Financials             | 423                                  | 46                           | 47                         |
| National Instruments Corp.             | United States  | Information Technology | 460                                  | 27                           | 29                         |
| National Oilwell Varco Inc.            | United States  | Energy                 | 2,064                                | 110                          | 115                        |
| National Retail Properties Inc.        | United States  | Real Estate            | 581                                  | 32                           | 34                         |
| Nektar Therapeutics                    | United States  | Health Care            | 12,720                               | 1,009                        | 1,002                      |
| Netflix Inc.                           | United States  | Consumer Discretionary | 2,344                                | 883                          | 1,134                      |
| Neurocrine Biosciences Inc.            | United States  | Health Care            | 3,483                                | 420                          | 554                        |
| Newell Brands Inc.                     | United States  | Consumer Discretionary | 17,648                               | 601                          | 463                        |
| Newfield Exploration Co.               | United States  | Energy                 | 739                                  | 28                           | 28                         |
| Newmont Mining Corp.                   | United States  | Materials              | 37,355                               | 1,761                        | 1,458                      |
| NextEra Energy Inc.                    | United States  | Utilities              | 3,575                                | 727                          | 774                        |
| Nielsen Holdings PLC                   | United States  | Industrials            | 13,430                               | 484                          | 480                        |
| Nike Inc. Class B                      | United States  | Consumer Discretionary | 4,684                                | 409                          | 513                        |
| NiSource Inc.                          | United States  | Utilities              | 1,346                                | 45                           | 43                         |
| Noble Energy Inc.                      | United States  | Energy                 | 3,169                                | 132                          | 128                        |
| Nordson Corp.                          | United States  | Industrials            | 191                                  | 32                           | 34                         |
| Nordstrom Inc.                         | United States  | Consumer Discretionary | 434                                  | 30                           | 34                         |
| Norwegian Cruise Line Holdings Ltd.    | United States  | Consumer Discretionary | 747                                  | 50                           | 55                         |
| Nutanix Inc. Class A                   | United States  | Information Technology | 467                                  | 28                           | 26                         |
| NVIDIA Corp.                           | United States  | Information Technology | 1,407                                | 375                          | 511                        |
| NVR Inc.                               | United States  | Consumer Discretionary | 35                                   | 137                          | 112                        |
| Occidental Petroleum Corp.             | United States  | Energy                 | 2,838                                | 280                          | 301                        |
| Omnicom Group Inc.                     | United States  | Consumer Discretionary | 1,121                                | 108                          | 99                         |
| ONEOK Inc.                             | United States  | Energy                 | 1,523                                | 129                          | 133                        |
| Oracle Corp.                           | United States  | Information Technology | 1,672                                | 107                          | 111                        |
| O'Reilly Automotive Inc.               | United States  | Consumer Discretionary | 543                                  | 186                          | 244                        |
| Owens Corning Inc.                     | United States  | Industrials            | 407                                  | 35                           | 29                         |
| Palo Alto Networks Inc.                | United States  | Information Technology | 1,957                                | 459                          | 570                        |
| Parsely Energy Inc. Class A            | United States  | Energy                 | 6,318                                | 238                          | 239                        |
| PayPal Holdings Inc.                   | United States  | Information Technology | 1,755                                | 166                          | 199                        |
| Pentair PLC                            | United Kingdom | Industrials            | 603                                  | 35                           | 34                         |
| People's United Financial Inc.         | United States  | Financials             | 762                                  | 18                           | 17                         |



**MACKENZIE**  
Investments

# MACKENZIE MAXIMUM DIVERSIFICATION US INDEX ETF

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2018

STRATEGIC BETA INDEX ETF

## SCHEDULE OF INVESTMENTS (cont'd)

As at September 30, 2018

|                                      | Country       | Sector                 | Par Value/<br>No. of<br>Shares/Units | Average<br>Cost<br>(\$ 000s) | Fair<br>Value<br>(\$ 000s) |
|--------------------------------------|---------------|------------------------|--------------------------------------|------------------------------|----------------------------|
| <b>EQUITIES (cont'd)</b>             |               |                        |                                      |                              |                            |
| PepsiCo Inc.                         | United States | Consumer Staples       | 5,252                                | 743                          | 759                        |
| Perrigo Co. PLC                      | United States | Health Care            | 7,439                                | 761                          | 681                        |
| Pfizer Inc.                          | United States | Health Care            | 14,409                               | 691                          | 821                        |
| PG&E Corp.                           | United States | Utilities              | 26,351                               | 1,643                        | 1,567                      |
| Pinnacle Foods Inc.                  | United States | Consumer Staples       | 440                                  | 35                           | 37                         |
| Pinnacle West Capital Corp.          | United States | Utilities              | 703                                  | 74                           | 72                         |
| Pioneer Natural Resources Co.        | United States | Energy                 | 629                                  | 141                          | 142                        |
| PNC Financial Services Group Inc.    | United States | Financials             | 526                                  | 95                           | 93                         |
| Polaris Industries Inc.              | United States | Consumer Discretionary | 216                                  | 31                           | 28                         |
| Polo Ralph Lauren Corp. Class A      | United States | Consumer Discretionary | 203                                  | 36                           | 36                         |
| PPL Corp.                            | United States | Utilities              | 2,604                                | 104                          | 98                         |
| The Procter & Gamble Co.             | United States | Consumer Staples       | 9,262                                | 992                          | 996                        |
| The Progressive Corp.                | United States | Financials             | 2,156                                | 150                          | 198                        |
| ProLogis Inc.                        | United States | Real Estate            | 2,328                                | 201                          | 204                        |
| Public Service Enterprise Group Inc. | United States | Utilities              | 2,273                                | 148                          | 155                        |
| Public Storage                       | United States | Real Estate            | 2,625                                | 738                          | 684                        |
| PulteGroup Inc.                      | United States | Consumer Discretionary | 964                                  | 33                           | 31                         |
| PVH Corp.                            | United States | Consumer Discretionary | 285                                  | 51                           | 53                         |
| Qorvo Inc.                           | United States | Information Technology | 465                                  | 49                           | 46                         |
| Qualcomm Inc.                        | United States | Information Technology | 5,269                                | 405                          | 491                        |
| Quest Diagnostics Inc.               | United States | Health Care            | 416                                  | 59                           | 58                         |
| Realty Income Corp.                  | United States | Real Estate            | 2,495                                | 181                          | 183                        |
| Red Hat Inc.                         | United States | Information Technology | 200                                  | 35                           | 35                         |
| Regency Centers Corp.                | United States | Real Estate            | 592                                  | 49                           | 49                         |
| Regeneron Pharmaceuticals Inc.       | United States | Health Care            | 298                                  | 144                          | 156                        |
| Regions Financial Corp.              | United States | Financials             | 4,089                                | 88                           | 97                         |
| Reinsurance Group of America Inc.    | United States | Financials             | 236                                  | 45                           | 44                         |
| Republic Services Inc.               | United States | Industrials            | 476                                  | 41                           | 45                         |
| ResMed Inc.                          | United States | Health Care            | 283                                  | 40                           | 42                         |
| Ross Stores Inc.                     | United States | Consumer Discretionary | 1,372                                | 139                          | 176                        |
| Royal Caribbean Cruises Ltd.         | United States | Consumer Discretionary | 616                                  | 86                           | 103                        |
| Sage Therapeutics Inc.               | United States | Health Care            | 3,368                                | 722                          | 615                        |
| Salesforce.com Inc.                  | United States | Information Technology | 1,052                                | 160                          | 216                        |
| Sarepta Therapeutics Inc.            | United States | Health Care            | 2,373                                | 452                          | 495                        |
| SBA Communications Corp. Class A     | United States | Real Estate            | 1,699                                | 355                          | 353                        |
| Schlumberger Ltd.                    | United States | Energy                 | 5,149                                | 468                          | 405                        |
| Seagate Technology                   | United States | Information Technology | 1,800                                | 119                          | 110                        |
| Sealed Air Corp.                     | United States | Materials              | 584                                  | 33                           | 30                         |
| Seattle Genetics Inc.                | United States | Health Care            | 394                                  | 33                           | 39                         |
| Sempra Energy                        | United States | Utilities              | 3,736                                | 555                          | 549                        |
| Service Corp. International          | United States | Consumer Discretionary | 648                                  | 32                           | 37                         |
| ServiceMaster Global Holdings        | United States | Consumer Discretionary | 1,953                                | 134                          | 157                        |
| The Sherwin-Williams Co.             | United States | Materials              | 186                                  | 93                           | 109                        |
| Signature Bank                       | United States | Financials             | 199                                  | 34                           | 30                         |
| Simon Property Group Inc.            | United States | Real Estate            | 1,322                                | 292                          | 302                        |
| Sirius XM Holdings Inc.              | United States | Consumer Discretionary | 4,392                                | 37                           | 36                         |
| SL Green Realty Corp.                | United States | Real Estate            | 322                                  | 43                           | 41                         |
| Snap Inc.                            | United States | Information Technology | 41,854                               | 495                          | 459                        |
| Snap-On Inc.                         | United States | Industrials            | 208                                  | 43                           | 49                         |



**MACKENZIE**  
Investments

# MACKENZIE MAXIMUM DIVERSIFICATION US INDEX ETF

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2018

STRATEGIC BETA INDEX ETF

## SCHEDULE OF INVESTMENTS (cont'd)

As at September 30, 2018

|  | Country       | Sector                     | Par Value/<br>No. of<br>Shares/Units | Average<br>Cost<br>(\$ 000s) | Fair<br>Value<br>(\$ 000s) |
|--|---------------|----------------------------|--------------------------------------|------------------------------|----------------------------|
| <b>EQUITIES (cont'd)</b>                 |               |                            |                                      |                              |                            |
| Southwest Airlines Co.                   | United States | Industrials                | 1,917                                | 137                          | 155                        |
| Spirit Aerosystems Holdings Inc. Class A | United States | Industrials                | 393                                  | 41                           | 47                         |
| Splunk Inc.                              | United States | Information Technology     | 534                                  | 74                           | 83                         |
| Square Inc. Class A                      | United States | Information Technology     | 171                                  | 12                           | 22                         |
| SS&C Technologies Holdings Inc.          | United States | Information Technology     | 773                                  | 54                           | 57                         |
| Starbucks Corp.                          | United States | Consumer Discretionary     | 4,882                                | 343                          | 359                        |
| Stericycle Inc.                          | United States | Industrials                | 6,312                                | 570                          | 479                        |
| Stryker Corp.                            | United States | Health Care                | 208                                  | 42                           | 48                         |
| SVB Financial Group                      | United States | Financials                 | 98                                   | 40                           | 39                         |
| Symantec Corp.                           | United States | Information Technology     | 35,302                               | 980                          | 971                        |
| Synchrony Financial                      | United States | Financials                 | 1,754                                | 76                           | 70                         |
| Sysco Corp.                              | United States | Consumer Staples           | 1,770                                | 146                          | 168                        |
| Tableau Software Inc. Class A            | United States | Information Technology     | 257                                  | 35                           | 37                         |
| Take-Two Interactive Software Inc.       | United States | Information Technology     | 418                                  | 57                           | 75                         |
| Tapestry Inc.                            | United States | Consumer Discretionary     | 1,069                                | 64                           | 69                         |
| Targa Resources Corp.                    | United States | Energy                     | 819                                  | 52                           | 60                         |
| Target Corp.                             | United States | Consumer Discretionary     | 2,134                                | 197                          | 243                        |
| TD Ameritrade Holding Corp.              | United States | Financials                 | 1,043                                | 72                           | 71                         |
| Teleflex Inc.                            | United States | Health Care                | 170                                  | 59                           | 58                         |
| Tesla Inc.                               | United States | Consumer Discretionary     | 475                                  | 188                          | 163                        |
| Tiffany & Co.                            | United States | Consumer Discretionary     | 1,471                                | 243                          | 245                        |
| The TJX Companies Inc.                   | United States | Consumer Discretionary     | 2,153                                | 244                          | 312                        |
| Total System Services Inc.               | United States | Information Technology     | 358                                  | 39                           | 46                         |
| Tractor Supply Co.                       | United States | Consumer Discretionary     | 3,142                                | 287                          | 369                        |
| TransDigm Group Inc.                     | United States | Industrials                | 181                                  | 73                           | 87                         |
| TransUnion                               | United States | Industrials                | 682                                  | 62                           | 65                         |
| The Travelers Companies Inc.             | United States | Financials                 | 993                                  | 162                          | 166                        |
| Twitter Inc.                             | United States | Information Technology     | 40,453                               | 1,701                        | 1,488                      |
| Tyler Technologies Inc.                  | United States | Information Technology     | 106                                  | 31                           | 34                         |
| Tyson Foods Inc. Class A                 | United States | Consumer Staples           | 12,665                               | 1,082                        | 975                        |
| UDR Inc.                                 | United States | Real Estate                | 984                                  | 48                           | 51                         |
| UGI Corp.                                | United States | Utilities                  | 642                                  | 42                           | 46                         |
| Ulta Beauty Inc.                         | United States | Consumer Discretionary     | 1,883                                | 608                          | 687                        |
| Union Pacific Corp.                      | United States | Industrials                | 1,163                                | 197                          | 245                        |
| United Continental Holdings Inc.         | United States | Industrials                | 803                                  | 75                           | 92                         |
| United Parcel Service Inc. (UPS) Class B | United States | Industrials                | 2,336                                | 338                          | 353                        |
| UnitedHealth Group Inc.                  | United States | Health Care                | 3,087                                | 884                          | 1,062                      |
| Universal Health Services Inc. Class B   | United States | Health Care                | 2,299                                | 350                          | 380                        |
| Unum Group                               | United States | Financials                 | 811                                  | 41                           | 41                         |
| US Foods Holding Corp.                   | United States | Consumer Staples           | 806                                  | 40                           | 32                         |
| Vail Resorts Inc.                        | United States | Consumer Discretionary     | 148                                  | 48                           | 52                         |
| Valero Energy Corp.                      | United States | Energy                     | 936                                  | 115                          | 138                        |
| Varian Medical Systems Inc.              | United States | Health Care                | 340                                  | 51                           | 49                         |
| Veeva Systems Inc. Class A               | United States | Health Care                | 446                                  | 47                           | 63                         |
| Ventas Inc.                              | United States | Real Estate                | 5,825                                | 438                          | 409                        |
| VEREIT Inc.                              | United States | Real Estate                | 3,584                                | 37                           | 34                         |
| Verisk Analytics Inc.                    | United States | Industrials                | 156                                  | 23                           | 24                         |
| Verizon Communications Inc.              | United States | Telecommunication Services | 15,383                               | 1,005                        | 1,062                      |
| Vertex Pharmaceuticals Inc.              | United States | Health Care                | 562                                  | 108                          | 140                        |



**MACKENZIE**  
Investments

# MACKENZIE MAXIMUM DIVERSIFICATION US INDEX ETF

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2018

STRATEGIC BETA INDEX ETF

## SCHEDULE OF INVESTMENTS (cont'd)

As at September 30, 2018

|                                   | Country       | Sector                     | Par Value/<br>No. of<br>Shares/Units | Average<br>Cost<br>(\$ 000s) | Fair<br>Value<br>(\$ 000s) |
|-----------------------------------|---------------|----------------------------|--------------------------------------|------------------------------|----------------------------|
| <b>EQUITIES (cont'd)</b>          |               |                            |                                      |                              |                            |
| VF Corp.                          | United States | Consumer Discretionary     | 1,208                                | 116                          | 146                        |
| Viacom Inc. Class B               | United States | Consumer Discretionary     | 26,243                               | 1,042                        | 1,145                      |
| Vistra Energy Corp.               | United States | Utilities                  | 1,531                                | 47                           | 49                         |
| VMware Inc. Class A               | United States | Information Technology     | 281                                  | 47                           | 57                         |
| Vornado Realty Trust              | United States | Real Estate                | 645                                  | 62                           | 61                         |
| Voya Financial Inc.               | United States | Financials                 | 596                                  | 35                           | 38                         |
| Vulcan Materials Co.              | United States | Materials                  | 491                                  | 83                           | 71                         |
| W. R. Berkley Corp.               | United States | Financials                 | 349                                  | 33                           | 36                         |
| W.W. Grainger Inc.                | United States | Industrials                | 1,849                                | 705                          | 854                        |
| Wabtec Corp.                      | United States | Industrials                | 319                                  | 36                           | 43                         |
| Walgreens Boots Alliance Inc.     | United States | Consumer Staples           | 3,144                                | 292                          | 296                        |
| The Walt Disney Co.               | United States | Consumer Discretionary     | 5,249                                | 721                          | 793                        |
| Waste Management Inc.             | United States | Industrials                | 1,230                                | 128                          | 144                        |
| Wayfair Inc. Class A              | United States | Consumer Discretionary     | 507                                  | 88                           | 97                         |
| WellCare Health Plans Inc.        | United States | Health Care                | 638                                  | 178                          | 264                        |
| Wells Fargo & Co.                 | United States | Financials                 | 3,439                                | 245                          | 234                        |
| Welltower Inc.                    | United States | Real Estate                | 2,783                                | 230                          | 231                        |
| West Pharmaceutical Services Inc. | United States | Health Care                | 271                                  | 34                           | 43                         |
| Western Digital Corp.             | United States | Information Technology     | 987                                  | 105                          | 75                         |
| The Western Union Co.             | United States | Information Technology     | 1,656                                | 41                           | 41                         |
| WEX Inc.                          | United States | Information Technology     | 159                                  | 37                           | 41                         |
| Weyerhaeuser Co.                  | United States | Real Estate                | 2,462                                | 112                          | 103                        |
| Whirlpool Corp.                   | United States | Consumer Discretionary     | 239                                  | 48                           | 37                         |
| The Williams Companies Inc.       | United States | Energy                     | 4,503                                | 164                          | 158                        |
| Willis Towers Watson PLC          | United States | Financials                 | 485                                  | 99                           | 88                         |
| Worldpay Inc.                     | United States | Information Technology     | 1,118                                | 116                          | 146                        |
| WPX Energy Inc.                   | United States | Energy                     | 1,551                                | 37                           | 40                         |
| Wyndham Hotels & Resorts Inc.     | United States | Consumer Discretionary     | 364                                  | 29                           | 26                         |
| Wynn Resorts Ltd.                 | United States | Consumer Discretionary     | 7,315                                | 1,441                        | 1,201                      |
| Xerox Corp.                       | United States | Information Technology     | 820                                  | 30                           | 29                         |
| Xylem Inc.                        | United States | Industrials                | 666                                  | 63                           | 69                         |
| Yum China Holdings Inc.           | China         | Consumer Discretionary     | 1,364                                | 68                           | 62                         |
| Yum! Brands Inc.                  | United States | Consumer Discretionary     | 1,180                                | 127                          | 139                        |
| Zayo Group Holdings Inc.          | United States | Telecommunication Services | 4,228                                | 200                          | 190                        |
| Zebra Technologies Corp. Class A  | United States | Information Technology     | 197                                  | 38                           | 45                         |
| Zendesk Inc.                      | United States | Information Technology     | 383                                  | 33                           | 35                         |
| Zillow Group Inc.                 | United States | Information Technology     | 3,158                                | 224                          | 181                        |
| Zimmer Biomet Holdings Inc.       | United States | Health Care                | 756                                  | 113                          | 128                        |
| Zions Bancorporation              | United States | Financials                 | 715                                  | 47                           | 46                         |
| <b>Total equities</b>             |               |                            |                                      | <b>116,480</b>               | <b>124,043</b>             |
| Transaction costs                 |               |                            |                                      | (6)                          | —                          |
| <b>Total investments</b>          |               |                            |                                      | <b>116,474</b>               | <b>124,043</b>             |
| Cash and cash equivalents         |               |                            |                                      |                              | 507                        |
| Other assets less liabilities     |               |                            |                                      |                              | (267)                      |
| <b>Total net assets</b>           |               |                            |                                      |                              | <b>124,283</b>             |



**MACKENZIE**  
Investments

# MACKENZIE MAXIMUM DIVERSIFICATION US INDEX ETF

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2018

STRATEGIC BETA INDEX ETF

## SUMMARY OF INVESTMENT PORTFOLIO

| September 30, 2018              |          |
|---------------------------------|----------|
| Portfolio Allocation            | % of NAV |
| Equities                        | 99.8     |
| Cash and short-term investments | 0.4      |
| Other assets (liabilities)      | (0.2)    |

| Regional Allocation             |          |
|---------------------------------|----------|
| Regional Allocation             | % of NAV |
| United States                   | 99.2     |
| United Kingdom                  | 0.4      |
| Israel                          | 0.1      |
| Argentina                       | 0.1      |
| Cash and short-term investments | 0.4      |
| Other assets (liabilities)      | (0.2)    |

| Sector Allocation               |          |
|---------------------------------|----------|
| Sector Allocation               | % of NAV |
| Consumer discretionary          | 22.8     |
| Health care                     | 19.9     |
| Information technology          | 14.0     |
| Consumer staples                | 10.7     |
| Utilities                       | 6.5      |
| Financials                      | 6.2      |
| Real estate                     | 5.9      |
| Industrials                     | 4.9      |
| Energy                          | 4.2      |
| Materials                       | 2.7      |
| Telecommunication services      | 2.0      |
| Cash and short-term investments | 0.4      |
| Other assets (liabilities)      | (0.2)    |

| March 31, 2018                  |          |
|---------------------------------|----------|
| Portfolio Allocation            | % of NAV |
| Equities                        | 99.7     |
| Cash and short-term investments | 0.1      |
| Exchange-traded funds/notes     | 0.1      |
| Other assets (liabilities)      | 0.1      |

| Regional Allocation             |          |
|---------------------------------|----------|
| Regional Allocation             | % of NAV |
| United States                   | 98.8     |
| Bermuda                         | 0.3      |
| United Kingdom                  | 0.3      |
| Cash and short-term investments | 0.1      |
| Israel                          | 0.1      |
| China                           | 0.1      |
| Other assets (liabilities)      | 0.1      |
| Sweden                          | 0.1      |
| Argentina                       | 0.1      |

| Sector Allocation               |          |
|---------------------------------|----------|
| Sector Allocation               | % of NAV |
| Consumer discretionary          | 21.4     |
| Health care                     | 19.5     |
| Information technology          | 15.4     |
| Consumer staples                | 11.9     |
| Financials                      | 6.1      |
| Real estate                     | 5.5      |
| Utilities                       | 5.2      |
| Energy                          | 4.8      |
| Industrials                     | 4.3      |
| Materials                       | 3.8      |
| Telecommunication services      | 1.8      |
| Cash and short-term investments | 0.1      |
| Exchange-traded funds/notes     | 0.1      |
| Other assets (liabilities)      | 0.1      |



**MACKENZIE**  
Investments

## 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 an exchange-traded fund (“the ETF”) is established, ‘period’ represents the period from inception to the period end of that fiscal year. Refer to Note 10 for the formation date of the ETF.

The ETF 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 ETF’s registered office is 180 Queen Street West, Toronto, Ontario, Canada. The ETF is authorized to issue an unlimited number of units for sale under a Prospectus. The units of the ETF are listed on the Toronto Stock Exchange/Aequitas NEO Exchange (“the Exchange”).

Mackenzie Financial Corporation (“Mackenzie”) is the manager of the ETF and is wholly owned by IGM Financial Inc., a subsidiary of Power Financial Corporation, which itself is a subsidiary of Power Corporation of Canada. Investments in companies within the Power Group of companies held by the ETF 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 ETF’s most recent audited annual financial statements for the year ended March 31, 2018. A summary of the ETF’s significant accounting policies under IFRS is presented in Note 3.

These financial statements are presented in Canadian dollars, which is the ETF’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 ETF 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 ETF 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 ETF has transferred substantially all risks and rewards of ownership. Financial liabilities are derecognized when the obligation is discharged, cancelled or 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 ETF’s redeemable units are held by different types of unitholders that are entitled to different redemption rights. Unitholders may redeem units of the ETF at a redemption price per unit equal to 95% of the closing price of the units on the Exchange on the effective day of the redemption, subject to a maximum redemption price of the applicable NAV per unit. These different redemption features create equally subordinate but not identical units of the ETF which therefore meet the criteria for classification as financial liabilities under IAS 32, *Financial Instruments: Presentation*. The ETF’s obligation for net assets attributable to unitholders is presented at the redemption amount. Refer to Note 7 for details of subscriptions and redemptions of the ETF’s units.

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

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





## NOTES TO FINANCIAL STATEMENTS

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

#### (a) Financial instruments (cont'd)

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

The ETF 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 ETF invests, does 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 ETF 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 ETF 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 ETF 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 ETF's portfolio manager(s), provided that the use of the derivative is consistent with the ETF's investment objectives. Any use of derivatives will comply with Canadian mutual fund laws, subject to the regulatory exemptions granted to the ETF, 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 ETF 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 ETF 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.

## 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 or realized gains (losses) on sale of investments, as appropriate.

(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 10. The value of certain proprietary services provided by brokers cannot be reasonably estimated. Mackenzie may reimburse the ETF for certain commissions and other portfolio transaction costs. Mackenzie may make these reimbursements at its discretion and stop these reimbursements at any time without notice. Any such reimbursements are included in expenses absorbed by Manager in the Statement of Comprehensive Income.

(e) Securities lending, repurchase and reverse repurchase transactions

The ETF is permitted to enter into securities lending, repurchase and reverse repurchase transactions as set out in the ETF's 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 10 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 ETF 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 10 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 ETF.

(g) Foreign currency

The functional and presentation currency of the ETF 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 unitholders per unit

Net assets attributable to unitholders per unit is computed by dividing the net assets attributable to unitholders on a business day by the total number of units outstanding on that day.

(i) Net asset value per unit

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 unitholders (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 10 for the ETF's NAV per unit.

(j) Increase (decrease) in net assets attributable to unitholders from operations per unit

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

## NOTES TO FINANCIAL STATEMENTS

### 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 ETF 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 ETF.

#### Use of Judgments

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

In classifying and measuring financial instruments held by the ETF, Mackenzie is required to make significant judgments in order to determine the most appropriate classification in accordance with IFRS 9. Mackenzie has assessed the ETF'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 ETF's financial instruments.

##### *Functional currency*

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

##### *Structured entities and associates*

In determining whether an unlisted open-ended investment fund or an exchange-traded fund in which the ETF 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 ETF does not have contracts or financing arrangements with these underlying funds and the ETF 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 ETF 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 unitholders as at the end of the taxation year. It is the intention of the ETF to distribute all of its net income and sufficient net realized capital gains so that the ETF will not be subject to income taxes other than foreign withholding taxes, if applicable.

Losses of the ETF cannot be allocated to investors and are retained in the ETF 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 10 for the ETF's loss carryforwards.

### 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 and making brokerage arrangements relating to the purchase and sale of the investment portfolio. The management fee is calculated as a fixed annual percentage of the daily net asset value of the units of the ETF.

In addition to the applicable management fee, the operating expenses payable by the ETF include interest and borrowing costs, brokerage expenses and related transaction fees, fees and expenses relating to the operation of the Mackenzie ETFs' Independent Review Committee (IRC), fees under any derivative instrument used by the ETF, cost of complying with the regulatory requirement to produce summary documents, ETF facts or other similar disclosure documents, the costs of complying with governmental or regulatory requirements introduced after the date of the most recently filed prospectus, including, without limitation, any new fees or increases in fees, the fees related to external services that are not commonly charged in the Canadian exchange-traded fund industry after the date of the most recently filed prospectus, fees paid to external service providers associated with tax reclaims, refunds or the preparation of foreign tax reports on behalf of the ETFs, fees paid to external legal counsel and/or others in connection with corporate or other actions affecting the portfolio holdings of the ETF, and any applicable taxes, including income, withholding or other taxes and also including G.S.T. or H.S.T. on expenses.



## NOTES TO FINANCIAL STATEMENTS

### 6. Management Fees and Operating Expenses (cont'd)

Mackenzie may waive or absorb management fees and operating expenses at its discretion and stop waiving or absorbing such fees at any time without notice. Mackenzie may charge a reduced management fee rate with respect to investments in the ETF by large investors, including other funds managed by Mackenzie or affiliates of Mackenzie. An amount equal to the difference between the fee otherwise chargeable and the reduced fee will be distributed in cash to those unitholders by the ETF as a management fee distribution. Refer to Note 10 for the management fee rates charged to units of the ETF.

### 7. Units and Unit Transactions

Mackenzie, on behalf of the ETF, has entered into a designated broker agreement with one or more designated brokers pursuant to which the designated broker has agreed to perform certain duties relating to the ETF including, without limitation: (i) to subscribe for a sufficient number of units to satisfy the Exchange's original listing requirements; (ii) to subscribe for units on an ongoing basis in connection with any rebalancing event, as applicable, and when cash redemptions of units occur; and (iii) to post a liquid two-way market for the trading of units on the Exchange. In accordance with the designated broker agreement, Mackenzie may from time to time require the designated broker to subscribe for units of the ETF for cash.

The number of units issued for subscription orders (the "Prescribed Number of Units") is determined by Mackenzie. On any trading day, a designated broker may place a subscription or redemption order for an integral multiple of the Prescribed Number of Units of the ETF based on the NAV per unit determined on the applicable trading day. A trading day is each day on which the Exchange is opened for business.

Generally, all orders to purchase units directly from an ETF must be placed by a designated broker or a dealer. The ETF reserves the absolute right to reject any subscription order placed by a designated broker or a dealer. No fees will be payable by the ETF to a designated broker or a dealer in connection with the issuance of units. On the issuance of units, an amount may be charged to a designated broker or a dealer to offset the expenses incurred in issuing the units.

For each Prescribed Number of Units issued, a dealer must deliver payment consisting of: (i) a basket of securities and cash equal to the aggregate NAV per unit of the Prescribed Number of Units next determined following the receipt of the subscription order; (ii) cash in an amount equal to the aggregate NAV per unit of the Prescribed Number of Units next determined following the receipt of the subscription order; or (iii) a combination of securities and cash, as determined by Mackenzie, in an amount sufficient so that the value of the securities and cash received is equal to the aggregate NAV per unit of the Prescribed Number of Units next determined following the receipt of the subscription order.

### 8. ETF's Capital

The capital of the ETF is comprised of the net assets attributable to unitholders. The units outstanding for the ETF as at September 30, 2018 and 2017 and units issued, reinvested and redeemed for the periods are presented in the Statement of Changes in Financial Position. Mackenzie manages the capital of the ETF in accordance with the investment objectives as discussed in Note 10.

### 9. Financial Instruments Risk

#### i. Risk exposure and management

The ETF's investment activities expose it to a variety of financial risks, as defined in IFRS 7 *Financial Instruments: Disclosures* ("IFRS 7"). The ETF'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 ETF's performance by employing professional, experienced portfolio advisors, by monitoring the ETF's positions and market events daily, by diversifying the investment portfolio within the constraints of the ETF'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 ETF's investment activities and monitors compliance with the ETF's stated investment strategy, internal guidelines, and securities regulations.

#### ii. Liquidity risk

Liquidity risk arises when the ETF encounters difficulty in meeting its financial obligations as they come due. The ETF is exposed to liquidity risk due to potential daily cash redemptions of redeemable units. In accordance with securities regulations, the ETF must maintain at least 90% of its assets in liquid investments (i.e., investments that can be readily sold). The ETF also has the ability to borrow up to 5% of its net assets for the purposes of funding redemptions and an additional 5% of its net assets for the purpose of funding distributions paid to its investors.

## NOTES TO FINANCIAL STATEMENTS

### 9. Financial Instruments Risk (cont'd)

#### 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 ETF's reporting currency, fluctuates due to changes in exchange rates. Note 10 summarizes the ETF's exposure, if applicable and significant, to currency risk.

#### 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 ETF to significant amounts of interest rate risk. Note 10 summarizes the ETF'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 ETF 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 ETF. This risk is mitigated by ensuring that the ETF 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 10 summarizes the ETF'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 ETF. Note 10 summarizes the ETF'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 ETF 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 ETFs

The ETF may invest in underlying ETFs 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 ETFs. Note 10 summarizes the ETF's exposure, if applicable and significant, to these risks from underlying ETF.



# MACKENZIE MAXIMUM DIVERSIFICATION US INDEX ETF

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2018

STRATEGIC BETA INDEX ETF

## NOTES TO FINANCIAL STATEMENTS

### 10. ETF Specific Information *(in '000s, except for (a))*

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

Date of Formation June 3, 2016

The ETF may issue an unlimited number of units. The number of issued and outstanding units is disclosed in the Statements of Changes in Financial Position.

Series E units were listed on the TSX under the symbol MUS on June 21, 2016. The closing market price, or the midpoint of the bid and ask prices in the absence of a closing market price, at September 30, 2018 was \$27.03 (March 31, 2018 – \$24.38).

The management fee rate for Series E units is 0.45%.

As at September 30, 2018, the ETF's NAV per unit was \$27.03 (March 31, 2018 – \$24.38) and its Net Assets per unit calculated in accordance with IFRS was \$27.02 (March 31, 2018 – \$24.35).

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

As at September 30, 2018, other funds managed by Mackenzie had an investment of \$74,492 (March 31, 2018 – \$13,179) in the ETF.

#### (c) Loss Carryforwards

As at the last taxation year-end, there were no capital and non-capital losses available to carry forward for tax purposes.

#### (d) Securities Lending

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

|                              | September 30, 2018 | March 31, 2018 |
|------------------------------|--------------------|----------------|
|                              | (\$)               | (\$)           |
| Value of securities loaned   | 6,143              | 917            |
| Value of collateral received | 6,505              | 960            |

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 ETF for the periods ended September 30, 2018 and 2017 is as follows:

|                                      | 2018 |        | 2017 |     |
|--------------------------------------|------|--------|------|-----|
|                                      | (\$) | (%)    | (\$) | (%) |
| Gross securities lending income      | 5    | 100.0  | –    | –   |
| Tax withheld                         | –    | –      | –    | –   |
|                                      | 5    | 100.0  |      |     |
| Payments to Securities Lending Agent | (1)  | (20.0) | –    | –   |
| Securities lending income            | 4    | 80.0   | –    | –   |

#### (e) Offsetting of Financial Assets and Liabilities

As at September 30, 2018 and March 31, 2018, there were no amounts subject to offsetting.

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

##### *i. Risk exposure and management*

The ETF seeks to replicate, to the extent reasonably possible and before fees and expenses, the performance of the TOBAM Maximum Diversification USA Index, or any successor thereto. It invests primarily in U.S. equity securities.

# MACKENZIE MAXIMUM DIVERSIFICATION US INDEX ETF

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2018

STRATEGIC BETA INDEX ETF

## NOTES TO FINANCIAL STATEMENTS

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

#### (f) Risks Associated with Financial Instruments (cont'd)

##### ii. Currency risk

The table below indicates currencies to which the ETF 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 ETF to significant currency risk.

| September 30, 2018 |                  |                                      |                             |               |
|--------------------|------------------|--------------------------------------|-----------------------------|---------------|
| Currency           | Investments (\$) | Cash and Short-Term Investments (\$) | Derivative Instruments (\$) | Net Exposure* |
| U.S. dollar        | 124,043          | –                                    | –                           | 124,043       |
| Total              | 124,043          | –                                    | –                           | 124,043       |
| % of Net Assets    | 99.8             | –                                    | –                           | 99.8          |

| March 31, 2018  |                  |                                      |                             |               |
|-----------------|------------------|--------------------------------------|-----------------------------|---------------|
| Currency        | Investments (\$) | Cash and Short-Term Investments (\$) | Derivative Instruments (\$) | Net Exposure* |
| U.S. dollar     | 53,484           | 12                                   | –                           | 53,496        |
| Total           | 53,484           | 12                                   | –                           | 53,496        |
| % of Net Assets | 99.8             | –                                    | –                           | 99.8          |

\* Includes both monetary and non-monetary financial instruments

As at September 30, 2018, had the Canadian dollar increased or decreased by 5% relative to all foreign currencies, with all other variables held constant, net assets would have decreased or increased by approximately \$ 6,202 or 5.0% of total net assets (March 31, 2018 – \$2,675 or 5.0%). In practice, the actual trading results may differ and the difference could be material.

##### iii. Interest rate risk

As at September 30, 2018 and March 31, 2018, the ETF did not have a significant exposure to interest rate risk.

##### iv. Other price risk

The ETF's most significant exposure to price risk arises from its investment in equity securities and exchange-traded funds/notes. As at September 30, 2018, had the prices on the respective stock exchanges for these securities increased or decreased by 10%, with all other variables held constant, net assets would have increased or decreased by approximately \$12,404 or 10.0% of total net assets (March 31, 2018 – \$5,348 or 10.0%). In practice, the actual trading results may differ and the difference could be material.

##### v. Credit risk

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



**MACKENZIE**  
Investments

# MACKENZIE MAXIMUM DIVERSIFICATION US INDEX ETF

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2018

STRATEGIC BETA INDEX ETF

## NOTES TO FINANCIAL STATEMENTS

### 10. ETF Specific Information *(in '000s, except for (a)) (cont'd)*

#### (g) Fair Value Classification

The table below summarizes the fair value of the ETF'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<br>(\$)    | Level 2<br>(\$) | Level 3<br>(\$) | Total<br>(\$) | Level 1<br>(\$) | Level 2<br>(\$) | Level 3<br>(\$) | Total<br>(\$) |
| Equities                    | 124,043            | –               | –               | 124,043       | 53,451          | –               | –               | 53,451        |
| Exchange-traded funds/notes | –                  | –               | –               | –             | 33              | –               | –               | 33            |
| Total                       | 124,043            | –               | –               | 124,043       | 53,484          | –               | –               | 53,484        |

The ETF'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.



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