

Mackenzie Bluewater Global Growth Fund

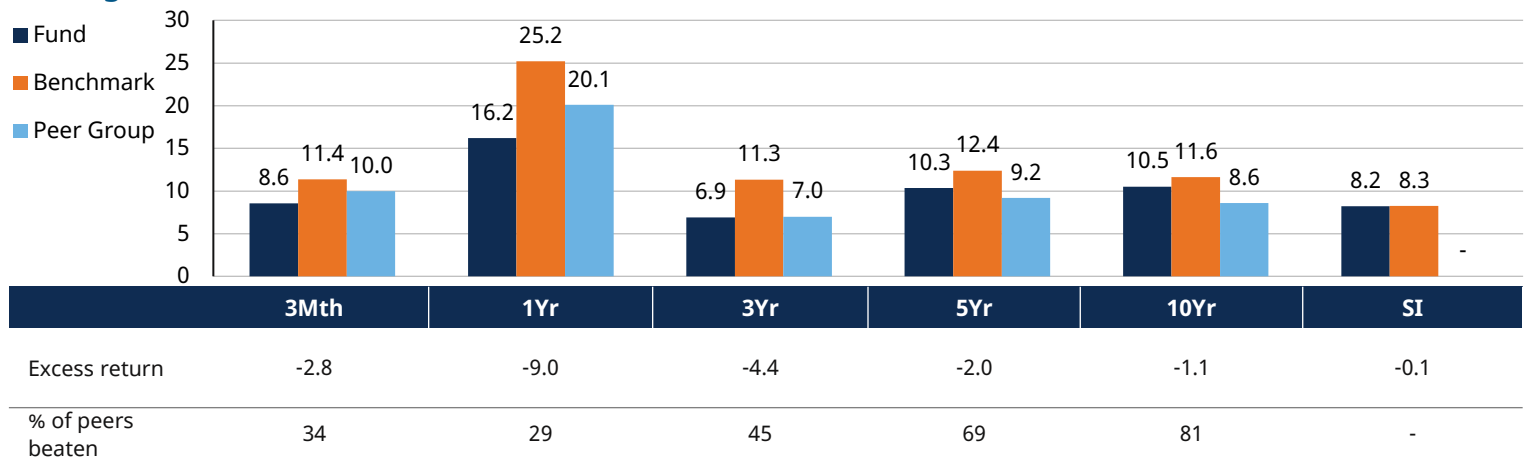
Strategy snapshot

Inception date	05/14/2004
AUM (millions in CAD)	1023.7
Management Fee	0.8%
MER	1.07%
Benchmark	MSCI World
CIFSC Category	Global Equity
Lead portfolio manager	Dina DeGeer, David Arpin
Investment exp. since	1985, 1995
Target # of holdings	40 - 45

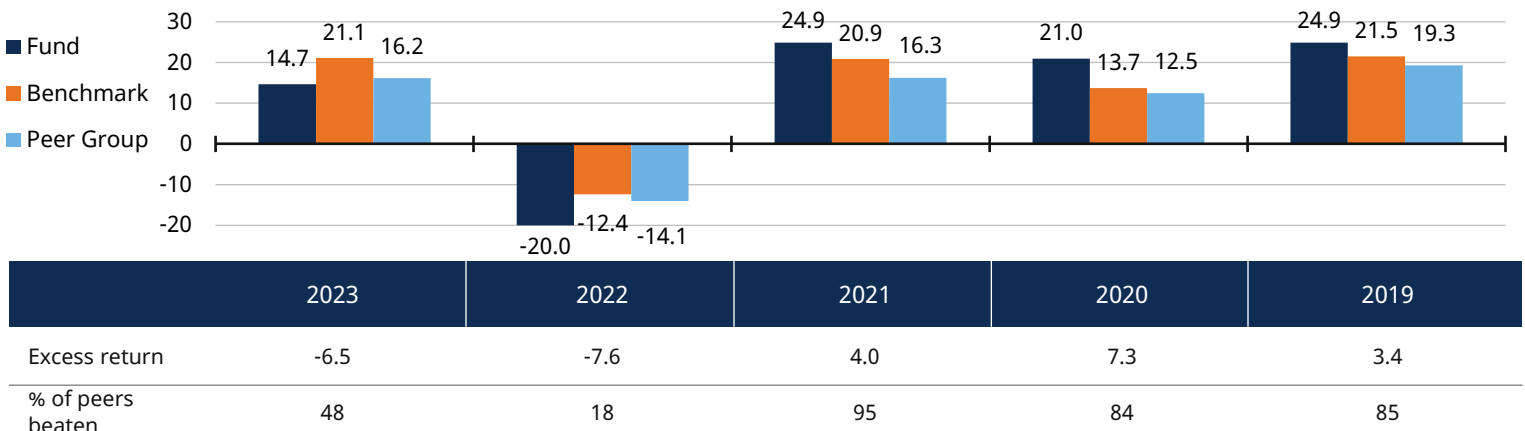
Strategy Overview

- The Fund seeks capital growth over the longer term by investing primarily in a broad range of global equity securities.
- The investment approach follows a company-focused investment style, seeking companies with strong management, good growth prospects and a solid financial position.
- Emphasis is placed on paying reasonable prices for the free cashflow growth that companies in the portfolio are expected to achieve.

Trailing returns %



Calendar returns %



Portfolio characteristics

	Portfolio	Benchmark
# of holdings	44	1,465
% top 10 holdings	36.8	21.5
Weighted average market cap	555,596	768,959
EPS growth (FY E)	11.4	43.3
Dividend yield	0.9	1.8
FCF margin	20.2	17.9
P/E Trailing 12M	36.6	22.0
P/E (forecast)	29.6	19.4
Net debt/EBITDA	0.9	1.1
ROE (latest FY)	21.9	18.7

Performance metrics (3 year trailing)

Metrics	Portfolio	Benchmark
Standard Dev.	16.7	12.9
Sharpe Ratio	0.3	0.7
Tracking Error	6.4	-
Information Ratio	-0.7	-
Alpha	-6.3	-
Beta	1.2	-
Upside Capture (%)	105.3	-
Downside Capture (%)	137.1	-

Regional breakdown

Region	Weight	Relative weight
United States	71.7	0.8
International	25.9	-0.1
Canada	-	-3.1

Sector allocation

Sector	Weight	Relative weight
Communication Services	3.4	-4.1
Consumer Discretionary	9.9	-0.8
Consumer Staples	5.7	-0.8
Energy	0.0	-4.5
Financials	12.5	-2.9
Health Care	11.2	-0.8
Industrials	18.3	7.1
Information Technology	30.3	6.6
Materials	6.0	2.1
Real Estate	0.0	-2.3
Utilities	0.0	-2.4

Country allocation

Country	Weight	Relative weight
United States	71.3	0.8
France	10.9	7.7
Netherlands	4.7	3.4
Switzerland	3.9	1.5
Sweden	3.3	2.5
Italy	2.2	1.4
Other	20.6	82.7

Currency exposure

Region	Gross	Benchmark
CAD	24.6	3.1
USD	57.2	71.1
Other	18.2	25.8

Top 10 holdings

Security name	Country	Sector	Weight
Microsoft Corporation	United States	Information Technology	4.6
Aon Plc Class A	United States	Financials	4.4
Roper Technologies, Inc.	United States	Information Technology	4.0
Linde plc	United States	Materials	4.0
Schneider Electric SE	France	Industrials	4.0
Accenture Plc Class A	United States	Information Technology	3.5
Trane Technologies plc	United States	Industrials	3.5
Thermo Fisher Scientific Inc.	United States	Health Care	3.1
Alcon AG	Switzerland	Health Care	2.9
Progressive Corporation	United States	Financials	2.9

Security level contributors and detractors

	Security	Average Relative weight (%)	Allocation Effect (%)	% contribution to return
Contributors	Trane Technologies plc	3.1	0.4	0.8
	Progressive Corporation	2.4	0.4	0.8
	ASML Holding NV ADR	2.6	0.4	0.7
Detractors	NIKE, Inc. Class B	1.1	-0.3	-0.2
	ON Semiconductor Corporation	0.4	-0.2	-0.2
	Apple Inc.	-1.7	0.4	-0.3

Sector attribution relative to the benchmark

	Sector	Average Relative Allocation Effect weight (%)	Selection Effect (%)	Total Effect (%)
Contributors	Industrials	6.2	0.4	0.5
	Utilities	-2.5	0.0	0.2
	Real Estate	-2.3	0.0	0.2
Detractors	Information Technology	7.1	-2.5	-2.2

Commentary

QFR Highlights

The U.S. Stock market had a great start to 2024 as optimism over the economy and interest rate cuts along with exuberance about business prospects in Artificial intelligence favoured positive momentum. The big economic backdrop question facing markets at this point is whether we are at the dawn of a new economic cycle, with a multi-year period of strong, synchronized global GDP growth ahead of us. We continue to believe that this favourable set-up is highly unlikely, as most major economies have yet to reset from the prior cycle.

Fund Performance

The fund returned 8.9% over the quarter compared its benchmark which returned 11.4%. Stock selection in Industrials and Materials contributed to returns whereas stock selection in Information technology and Consumer discretionary with no allocation to NVIDIA detracted from performance. . From a geographic standpoint, security selection in Italy contributed to performance while security selection in the U.S. detracted from relative performance.

Security contributors

There were a few holdings in the Financial and Industrial sector that added meaningful returns to the fund.

Aon is a global professional service firm in the area of insurance and risk mitigation. It provides advice and solutions to clients focused on risk, retirement and healthcare. The company is a low risk capital compounder, grows top line at 5%-6% with margin expansion.

Trane technologies offers a wide range of HVAC offerings. Its strong performance is attributed to robust organic bookings signalling growth across all segments.

Progressive Corporation is one of the largest motor insurance carrier in the U.S. The company insures passenger vehicles, motorcycles, RVs, trailers, boats, PWC, and commercial vehicles. The company has delivered double digit revenue and strong Free cash flow growth.

Security detractors

Although the overall market rose, a few holdings declined. Apple , Nike and ON Semi Conductor detracted from performance.

Portfolio activities

We exited our position in Synopsys and ON Semi Conductor Corp and added new positions in Communication Services and Information technology

Market overview

Markets started 2024 strongly as the rally that began in the fourth quarter of 2023 continued into the new year. Equity markets have been buoyed by optimism that the Central Bank tightening cycle is behind us, and monetary policy easing is beginning. At this point, the degree of monetary easing continues to be highly uncertain. From a global GDP standpoint, economic growth continues to be uneven, with the United States stronger, while Canada, Europe, and Asia are generally softer. The economic strength seen in the United States also suggests that monetary easing will be slower than markets expect, as the Federal Reserve, in particular, sees no pressing need to cut rates to stimulate growth.

Commentary

Outlook, Positioning

During the quarter the fund has held positions in companies that have demonstrated resilience to economic slowdown and have underlying growth drivers. Our largest sector underweight was Energy (-4.5%) and our largest overweight positions were in Industrials (7.1%) during the period. We added a position in Information technology and Communication services during the quarter.

Investment-wise, while AI offers promising prospects, in many cases the businesses attached to it carry inherent risks within rapidly evolving landscapes. The team's investment approach hinges on identifying key change enablers, businesses that are software and services focussed with a level of recurring revenue that avoids the cyclicality typically associated with hardware type businesses.

Stock Stories

Aon Plc :Aon is a professional services firm in the areas of insurance and risk mitigation for corporate clients. It is one of two large companies who can service clients on a global basis..The company is a low risk capital compounder, grows top line at 5%-6% with margin expansion.

Accenture represents one of the best ways to invest in the roll out of AI and digital transformation, as it is virtually impossible to implement any of these strategies without the assistance of sophisticated technology consultants and implementation teams. With decades of accumulated intellectual property and significant investments in AI --Accenture has widened its moat over consulting peers and is set to benefit as businesses digitize in almost all respects in the coming decade.

Trane technologies offers a wide range of HVAC offerings. It provides building technology and energy solutions for commercial and industrial applications. Its strong performance is attributed to robust organic bookings signalling growth across all segments. The company has been allocating significantly to research and development initiatives, continuing its commitment to innovation.

Commissions, trailing commissions, management fees, and expenses all may be associated with mutual fund investments. Please read the prospectus before investing. The indicated rates of return are the historical annual compounded total returns as of March 31, 2024 including changes in share value and reinvestment of all distributions and does not take into account sales, redemption, distribution, or optional charges or income taxes payable by any security holder that would have reduced returns.

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

Percentile rankings are from Morningstar Research Inc., an independent research firm, based on the Canada Fund Global Equity category and reflect the performance of the Mackenzie Global Growth Fund for the 3-month, 1-, 3-, 5-, and 10-year periods as of March 31, 2024. The percentile rankings compare how a fund has performed relative to other funds in a particular category and are subject to change monthly. The number of Canada Fund Global Equity funds for Mackenzie Global Growth Fund for each period are as follows: one year – 1694; three years – 1427; five years – 1258; ten years – 609.

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