MACKENZIE DIVERSIFIED ALTERNATIVES FUND

MACKENZIE Investments

Series F | Monthly Commentary | February 2025

INVESTMENT STRATEGY & HIGHLIGHTS

The Fund seeks long-term capital appreciation and income by investing in a diversified portfolio of alternative asset classes, including non-traditional equities and fixed income, real estate, infrastructure, private equity, currencies, commodities, derivatives, and/or other asset classes of issuers located anywhere in the world. The Fund is designed to complement a traditional global balanced portfolio by providing additional diversification and potentially enhanced risk-adjusted returns.

FUND SNAPSHOT

As of February 28, 2025

Inception	October 27, 2015
AUM	$87,821,051
Management Fee	0.70%
MER	1.10%
Performance Fee	None
Redemption Notice	None
Min. Investment	$500
NAVPU	11.16

PERFORMANCE - Monthly Performance Net of Fees (Series F)

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD	SI (Ann.)
2025	1.9%	0.3%											2.2%	4.2%
2024	0.3%	1.4%	1.9%	-0.5%	1.1%	0.2%	2.0%	-0.4%	1.8%	0.4%	1.3%	0.5%	10.5%	
2023	3.3%	-2.6%	-0.7%	0.6%	-1.9%	0.6%	1.6%	-0.5%	-1.3%	-0.5%	2.2%	1.1%	1.8%	
2022	-1.9%	0.4%	2.6%	-2.1%	-1.3%	-4.7%	1.7%	-0.3%	-4.7%	2.9%	3.2%	-1.3%	-5.8%	
2021	-0.3%	0.4%	0.4%	1.8%	1.2%	0.6%	0.7%	1.4%	-2.5%	1.8%	0.2%	2.8%	8.8%	
2020	1.8%	-3.8%	-12.0%	4.8%	1.6%	0.8%	4.1%	0.1%	-0.9%	-0.6%	2.8%	2.4%	0.0%	
2019	2.9%	1.5%	1.3%	1.1%	-1.6%	1.3%	0.6%	-0.1%	0.1%	0.3%	0.6%	0.6%	8.9%	
2018	0.7%	-0.3%	0.7%	-0.7%	1.1%	0.3%	0.3%	0.7%	-1.0%	-2.8%	1.4%	-2.0%	-1.7%	
2017	0.1%	2.7%	1.0%	2.7%	-0.1%	-2.2%	-0.4%	0.2%	0.6%	2.0%	0.6%	-0.2%	7.1%	
2016	-0.9%	-1.0%	1.7%	-0.2%	1.7%	1.3%	3.3%	0.4%	0.5%	-0.4%	-0.7%	1.7%	7.6%	
2015											0.5%	1.3%	1.8%	

RISK TOLERANCE

Low | Moderate | High

RISK STATS (ANNUALIZED) – SINCE INCEPTION**

	Return	Std Dev	Sharpe Ratio	Down Capture***
Mackenzie Diversified Alternatives	4.2%	6.9%	0.4	33%
Reference Portfolio*	7.2%	11.4%	0.8	70%
Global Neutral Balanced Category Median	5.4%	7.3%	0.5	46%

*60%MSCI World + 40%ICE BofAML Global Broad Market (CAD Hedged) **Inception: Oct 27, 2015 ***Down capture with reference to MSCI World

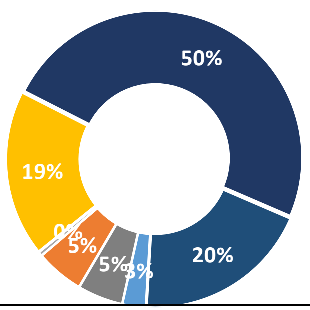
PORTFOLIO INFORMATION

As of February 28, 2025

Overall Portfolio Yield	2.9%
Dividend Yield	1.4%
Fixed Income Yield	5.4%
Duration	5.1
Average Credit Quality	BB

ASSET ALLOCATION & TOP SUB-ASSET CLASSES

As of February 28, 2025



Non-traditional Fixed Income	**49.9%**
Emerging-Market Debt	17.2%
Inflation-Linked Bonds	10.1%
Non-traditional Equity	**19.8%**
Emerging Market Equity	7.4%
Energy Equity	6.5%
Real Estate	**2.6%**
Private Real Estate	2.6%
U.S. Operating REITs	0.0%
Infrastructure	**5.1%**
Commodities	**5.4%**
Gold	2.0%
Currencies	**0.5%**
Alternative Strategies	**18.6%**

Fund and Market Highlights

The S&P 500 slid in February (-1.3%), as a barrage of executive orders from the new Trump administration amplified policy uncertainty and threatened to derail economic growth. Tech-adjacent stocks saw negative returns while defensive sectors rallied, as investors positioned for a slowdown. Meanwhile, Treasuries rallied in February — the yield on 10-year Treasuries dropped from 4.5% to 4.2% — outperforming most other global government bonds as weakish economic data combined with fears that government job cuts and tariff-related uncertainty weighed on forecasts.At the end of February, traders expected three Federal Reserve cuts in 2025, up from two in January.

The US dollar depreciated in February, especially against the currencies of those countries that are not prime targets in Trump's tariff hunt such as the Japanese yen. The month started off with a bang in currency markets as Trump imposed, then postponed, tariffs on Mexico and Canada. The Canadian dollar appreciated at the start of February amid tariff relief but reversed those gains in the second half of the month with the new (postponed) deadline approaching. Oil prices dropped in February (-3.8%) amid global growth concerns and rumblings that OPEC might ease its ongoing supply cuts. Gold continued on its impressive run, gaining 1.3% in the month.

MDAF gained 0.3% after Series F fees. In contrast, the 60/40 reference portfolio declined -0.3% in February. Recall MDAF is designed to be a completion portfolio that does not hold the traditional stocks and bonds present in the global 60/40 and is meant to be a diversifier to a traditional portfolio.

MDAF's non-traditional equity allocations declined 1% in February and detracted -0.2% to returns. MDAF's non-traditional fixed income holdings gained 1.2%, and due to being held at a 50% weight in the fund, contributed 0.6% to total return. Fixed income was the key contributor but MDAF's commodity exposure also contributed with an overall gain of 0.5% in February and a 0.1% contribution to total return. MDAF's infrastructure and Real Estate equity exposures were both flat in February, while the fund's unhedged currency exposure contributed another 0.2%. The Alternative Strategies pool declined by 0.2% but the contribution to total return was not material in February.

MACKENZIE DIVERSIFIED ALTERNATIVES FUND

MACKENZIE Investments

Portfolio Managers

Nelson Arruda,
Mfin., MSc., CFA

Senior Vice President,
Portfolio Manager
Head of Team
Mackenzie Multi-Asset Strategies Team
Investment experience since 2010

Andrea Hallett,
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Vice President,
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Mackenzie Multi-Asset Strategies Team
Investment experience since 1998

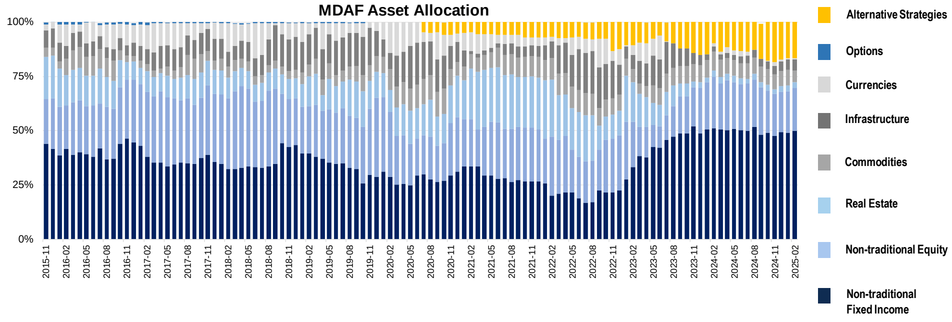
Gleb Sivitstky,
Mfin., MSc., CFA

Vice President,
Portfolio Manager
Mackenzie Multi-Asset Strategies Team
Investment experience since 2014

FUND CODES

SERIES C$	PREFIX	FE	BE	LL1	LL2
A	MFC	4855	4856	7251	4857
F	MFC	4859	–	–	–
T5	MFC	4864	4855	7252	4866

Additional fund series available at
mackenzieinvestments.com/fund code



Within non-traditional fixed income, major wins were scored by allocations to inflation-linked bonds (+2.3%) and emerging market government debt (+1.6%) and EM corporates (+1.3%). EM debt has been a consistent source of gains for MDAF over recent months. Smaller contributions were seen from special situations credit (a custom fixed income strategy designed for MDAF that invests in semi-distressed credit that has a potential path back to investment grade) with a gain of 0.5%; private debt (MDAF holds the maximum percentage in private assets permitted in 81-102 mutual funds) with a gain of 0.5%, and from floating rate loans (+0.4%).

Within the various non-traditional equity categories, everything was down in February except for MDAF's thematic position in energy equity, which gained 0.1%. MDAF invests in EM equity, thematic equity (including broad themes such as energy transition, population aging etc and expressed through baskets of related equities), and smalll- and micro-cap equities, positions largely absent from traditional portfolios.

MDAF's global infrastructure equity allocation was flat. Real estate exposure was also flat. This small (3%) exposure is held in a private real estate sleeve managed by Cortland Credit.

Commodities were again a bright spot for MDAF: our 7% allocation to commodities gained another 0.5% after rising over 8% in December and January, driven by outsized gains in gold. In February gold rose another 1.4% while our broad commodity index strategy retreated 0.4%.

In addition to its ability to hold the maximum allocation to private assets and commodities that's permitted under National Instrument 81-102 regulations, MDAF also holds an allocation to alternative strategies, and we usually spend some time discussing how that category is designed to produce positive returns at times when traditional assets struggle.

In December, MDAF's alternative strategies were collectively down 0.2%, in line with the negative returns posted by a traditional balanced portfolio. Mackenzie's Global Macro Fund was up 1.5% but our market-neutral equity strategy was down 0.9%.