



## INVESTMENT STRATEGY & HIGHLIGHTS

The Mackenzie Private Equity Replication Fund aims to reproduce the performance characteristics of direct U.S. leveraged buyout private equity investing using fully liquid publicly traded securities. The unique strategy implements industry tilts that match real-time private equity exposures supplemented by a proprietary security selection methodology in seeking to add alpha. After adding leverage representative of the U.S. leveraged buyout PE industry with the aim of enhancing returns and a downside mitigation strategy designed to provide an element of protection during equity bear markets, the Fund aims to deliver the average return of U.S. buyout PE over time and, by doing so, seeks to outperform the Russell 2500 Index over time with lower volatility.

### FUND SNAPSHOT (Series F)

| As of March 31, 2024   |               |
|------------------------|---------------|
| Inception              | Dec 17, 2020  |
| Benchmark              | Russell 2500  |
| AUM (All Series)       | \$40,920,624  |
| AUM (including SMAs)   | \$255,014,887 |
| Management Fee (F/A)   | 1.00% / 2.10% |
| MER (F/A)              | 1.30% / 2.68% |
| Performance Fee        | None          |
| Redemption Notice      | None          |
| Distribution Frequency | Quarterly     |
| Min. Investment        | \$500         |
| NAVPU                  | \$11.54       |
| Leverage <sup>1</sup>  | 1.4X          |

### PERFORMANCE DATA – SERIES F

| Monthly Performance Net of Fees (Series F, %) |       |       |       |       |       |       |      |      |       |       |       |       |       |           |
|---|-------|-------|-------|-------|-------|-------|------|------|-------|-------|-------|-------|-------|-----------|
| Year  | Jan   | Feb   | Mar   | Apr   | May   | Jun   | Jul  | Aug  | Sep   | Oct   | Nov   | Dec   | YTD   | SI (Ann.) |
| 2024  | 1.3%  | 1.6%  | 2.1%  |       |       |       |      |      |       |       |       |       | 5.0%  | 11.5%     |
| 2023  | 5.6%  | 1.0%  | -2.8% | 0.6%  | 0.4%  | 1.1%  | 2.0% | 1.0% | -2.6% | -2.1% | 5.0%  | 4.3%  | 14.0% | 10.6%     |
| 2022  | -4.4% | -0.8% | 1.3%  | -4.6% | -2.5% | -5.8% | 3.9% | 2.5% | -2.1% | 7.7%  | 3.9%  | -4.2% | -6.0% |           |
| 2021  | 2.2%  | 5.6%  | 3.9%  | 1.0%  | 1.3%  | 3.8%  | 1.7% | 1.3% | -0.3% | 0.3%  | -0.6% | 5.1%  | 28.1% |           |
| 2020  |       |       |       |       |       |       |      |      |       |       |       | -0.9% | -0.9% |           |

### Standard Performance Data Net of Fees (Series F, %)

|   | 1m   | 3m   | 1yr   | 2yr  | 3yr  | SI (Ann.) |
|---|------|------|-------|------|------|-----------|
| Mackenzie Private Equity Replication Fund F | 2.1% | 5.0% | 15.3% | 8.3% | 8.7% | 11.5%     |
| Russell 2500                                | 3.9% | 9.7% | 21.4% | 8.6% | 5.5% | 8.1%      |

### PORTFOLIO STATISTICS<sup>2</sup>

|                    | MPER   | Benchmark |
|--------------------|--------|-----------|
| Return             | 11.5%  | 8.1%      |
| Standard Deviation | 13.1%  | 20.3%     |
| Max Drawdown       | -19.2% | -25.3%    |
| Equity Beta        | 0.7    | 1.3       |
| Equity Correlation | 0.7    | 0.7       |
| Upside Capture     | 54.5   | 100       |
| Downside Capture   | 49.2   | 100       |
| Up/Down Ratio      | 1.1    | 1.0       |

### PORTFOLIO CHARACTERISTICS<sup>3</sup>

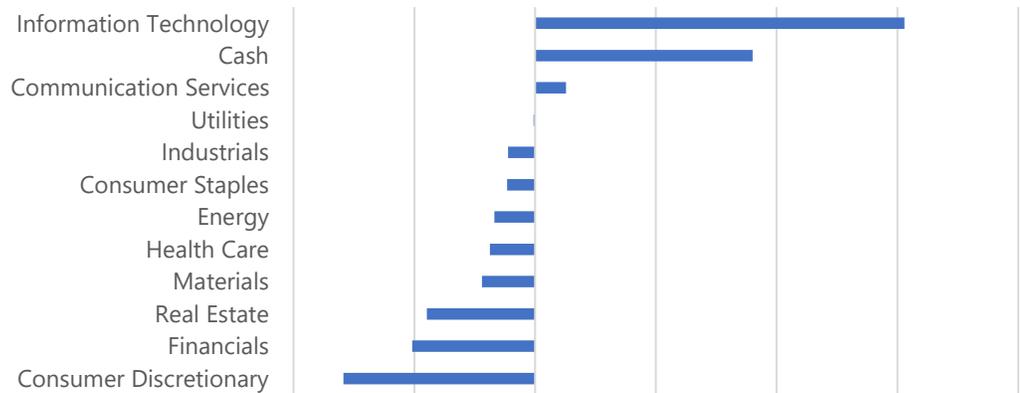
|                | MPER | Benchmark |
|----------------|------|-----------|
| Forward P/E    | 14.4 | 16.1      |
| P/B            | 3.4  | 2.9       |
| P/CF           | 8.7  | 10.1      |
| P/S            | 1.1  | 1.4       |
| Dividend Yield | 1.0  | 1.4       |
| ROE            | 9.3  | 6.0       |

### RISK TOLERANCE

|     |          |      |
|-----|----------|------|
| Low | Moderate | High |
|-----|----------|------|

### PORTFOLIO CHARACTERISTICS

Weight Difference MPER vs. Russell 2500, March 2024



### STRATEGY HIGHLIGHTS

- In Q1 2024, Mackenzie Private Equity Replication Fund returned 5.0% vs. the Russell 2500 return of 9.7%. Underperformance relative to the benchmark reflects ongoing strong performance for equities generally and the impact of integrated downside mitigation strategies in the PE Replication portfolio, which dampens upside capture during strong bull markets.
- Information Technology has been the most overweighted sector, and this allocation has significantly contributed to performance over time, though in Q1 the Fund's tech names lagged. The fund is most underweight in Consumer Discretionary, Financials and Real Estate. Our underweight and security selection in Consumer Discretionary dragged while our strong stock selection in Financials and Real Estate helped boost returns.
- The fund's utilization of leverage has been an effective and robust contributor to outperformance relative to the benchmark. Meanwhile, the options overlay mitigating downside risk was a detractor to performance because markets were up strongly in Q1.
- In the last twelve months, MPER returned 15.1%, a robust return yet short of the benchmark return of 21.4%.

1. Includes the notional value of index futures. It does not include explicit hedging positions

2. Since inception. Beta and correlation with reference to MSCI World

3. P/E, Price to Earnings; P/B, Price to Book; P/CF, Price to Cash Flow; P/S, Price to Sales; ROE, Return on Common Equity



## Manager Bio



**Arup Datta, MBA, CFA**  
Sr. VP and Head of  
Global Quantitative

Arup Datta is a Senior Vice President and Head of Mackenzie's Global Quantitative Equity Team.

Arup joined Mackenzie Investments in 2017. He began his career in quantitative equity investing in 1992. Between 1992 and 2012, he worked for Man Numeric as a Quantitative Analyst, Portfolio Manager, Director of US, and Director of Portfolio Management, where he managed capacity-constrained equity strategies (traditional long only, active extension and hedge funds) in all capitalization strata and regions of the world. In 2012, Arup founded Agriya Investors, a firm focused on global equities, which eventually became the global/international arm of AJO, a Philadelphia-based institutional quantitative equity firm. As Chief Investment Officer - International, Arup launched capacity-constrained equity strategies in emerging and developed markets.



**Nelson Arruda, MFin, MSc, CFA**  
Senior Vice-President,  
Portfolio Manager

Nelson Arruda is a Senior Vice President and Head of Mackenzie's Multi-Asset Strategies Team.

Prior to joining Mackenzie Investments, Nelson held various roles over several years at the Canada Pension Plan Investment Board (CPPIB) – including 3 years as Lead PM of the Commodities Strategy in the Global Tactical Asset Allocation Group. Nelson was involved in multi-asset research, portfolio management, tactical asset allocation, active commodities, and active currencies. Prior to joining the CPPIB, Nelson was a Financial Engineer working on liability modelling at State Street based in Toronto for pension plan clients in the EU and across North America.

## PORTFOLIO TOP HOLDINGS

| Mackenzie Private Equity Replication Fund  |       | Russell 2500                       |      |
|--|-------|------------------------------------|------|
| Number of Holdings                         | 398   | Number of Holdings                 | 2441 |
| Manhattan Associates, Inc.                 | 4.1%  | Super Micro Computer, Inc.         | 0.8% |
| Nutanix, Inc. Class A                      | 4.0%  | Vertiv Holdings Co. Class A        | 0.4% |
| Amdocs Limited.                            | 2.8%  | PulteGroup, Inc.                   | 0.4% |
| CACI International Inc Class A             | 1.7%  | Builders FirstSource, Inc.         | 0.4% |
| Robert Half Inc.                           | 1.7%  | MicroStrategy Incorporated Class A | 0.4% |
| Dropbox, Inc. Class A                      | 1.7%  | Vistra Corp.                       | 0.4% |
| Kyndryl Holdings Incorporation             | 1.3%  | Deckers Outdoor Corporation        | 0.4% |
| Universal Health Services, Inc. Class B    | 1.3%  | Hubbell Incorporated               | 0.4% |
| Reinsurance Group of America, Incorporated | 1.2%  | Axon Enterprise Inc                | 0.4% |
| Tenet Healthcare Corporation               | 1.2%  | PTC Inc.                           | 0.3% |
| Top 10 Total                               | 21.1% | Top 10 Total                       | 4.3% |

## PERFORMANCE ATTRIBUTION

| 2024 YTD          | Port. Avg. Weight | Port. Total Return | Bench. Avg. Weight | Bench. Total Return | Allocation Effect | Selection Effect | Currency Effect | Total Effect |
|-------------------|-------------------|--------------------|--------------------|---------------------|-------------------|------------------|-----------------|--------------|
| Comm. Services    | 3.9               | 0.7                | 2.6                | -3.9                | -0.2              | 0.2              | 0.0             | 0.0          |
| Consumer Discret. | 5.1               | 11.2               | 12.8               | 12.0                | -0.2              | 0.0              | 0.0             | -0.3         |
| Consumer Staples  | 2.2               | 12.6               | 3.2                | 11.0                | 0.0               | 0.0              | 0.0             | 0.0          |
| Energy            | 3.7               | 12.1               | 4.8                | 13.6                | -0.1              | 0.0              | 0.0             | -0.1         |
| Financials        | 10.9              | 11.8               | 16.3               | 5.8                 | 0.2               | 0.7              | 0.0             | 0.9          |
| Health Care       | 10.2              | 11.4               | 12.2               | 8.3                 | 0.1               | 0.3              | 0.0             | 0.3          |
| Industrials       | 19.5              | 11.2               | 19.9               | 14.5                | -0.1              | -0.6             | 0.0             | -0.7         |
| Information Tech  | 30.5              | 7.8                | 13.5               | 10.8                | 0.4               | -1.0             | 0.0             | -0.5         |
| Materials         | 3.2               | 12.1               | 5.4                | 8.0                 | 0.0               | 0.1              | 0.0             | 0.2          |
| Real Estate       | 1.9               | 4.3                | 6.6                | 0.2                 | 0.5               | 0.1              | 0.0             | 0.6          |
| Utilities         | 2.6               | 28.7               | 2.6                | 10.7                | 0.0               | 0.4              | 0.0             | 0.4          |
| Cash              | 6.2               | 6.4                | 0.0                | 0.0                 | -0.7              | 0.0              | -0.1            | -0.8         |
| <b>Total</b>      |                   | 9.4                |                    | 9.4                 | 0.0               | 0.1              | -0.1            | 0.0          |

## FUND CODES

| Series A | Series F | Series FB | Series O | Series PW | Series PWFB | Series PWX |
|----------|----------|-----------|----------|-----------|-------------|------------|
| MFC 8196 | MFC 8197 | MFC 8198  | MFC 8199 | MFC 8200  | MFC 8201    | MFC 8202   |

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