

Mackenzie Emerging Markets Fund

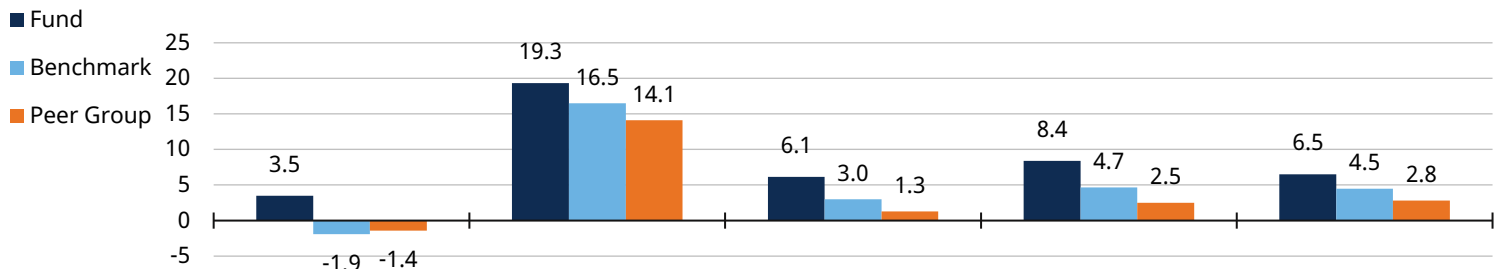
Fund snapshot

Inception date	06/05/2018
AUM (millions in CAD)	869.5
Management Fee	0.80%
MER	1.06%
Benchmark	MSCI Emerging Mkts IMI
CIFSC Category	Emerging Markets Equity
Risk Rating	Medium
Lead portfolio manager	Arup Datta
Investment exp. Since	1992
Target # of holdings	150

Strategy Overview

- The Fund seeks long-term capital growth by investing primarily in a portfolio of equity securities of companies in emerging markets.
- Employing a disciplined, risk-aware, systematic investment process, the Fund will focus its investments in those countries where the portfolio manager identifies strongly developing economies and in which the markets are becoming more sophisticated.
- The Fund seeks to outperform the MSCI Emerging Markets IMI Index by 3% over a full market cycle on an annualized basis (gross of fees), with a targeted tracking error of 4.5%

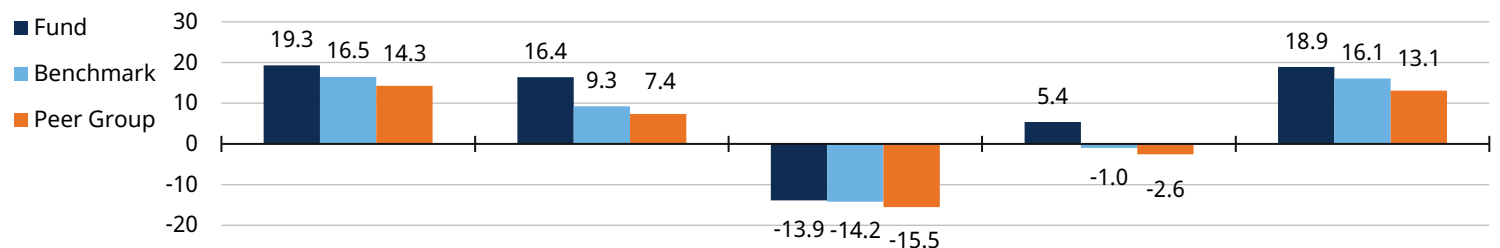
Trailing returns %



	3 Mth	1 Yr	3 Yr	5Yr	SI *
Excess return	5.4	2.8	3.1	3.7	1.9
% of peers beaten	98	91	95	98	96

*Since Inception: June 5, 2018

Calendar returns %



	2024	2023	2022	2021	2020
Excess return	2.8	7.1	0.3	6.4	2.8
% of peers beaten	91	94	66	91	79

Portfolio characteristics

	Portfolio	Benchmark
# of holdings	145	3,266
% top 10 holdings	30.5	22.7
Weighted average market cap	195,093.2	208,777.3
EPS growth (FY E)	18.8	16.4
Dividend yield	2.7	2.5
FCF margin	18.7	-56.1
P/E Trailing 12M	11.5	14.5
P/E (forecast)	11.0	13.3
Net debt/EBITDA	0.8	0.3
ROE (latest FY)	17.1	15.2

Performance metrics (3 year trailing)

Metrics	Portfolio	Benchmark
Standard Dev.	13.8	13.9
Sharpe Ratio	0.2	-0.1
Tracking Error	4.2	-
Information Ratio	0.8	-
Alpha	3.1	-
Beta	1.0	-
Upside Capture (%)	96.4	-
Downside Capture (%)	78.7	-

Regional breakdown

Region	Portfolio	Benchmark	Relative Weight
Emerging Markets	97.4	100.0	-2.6
International	0.3	-	0.3
Other	2.3	-	2.3

Sector allocation

Sector	Portfolio	Benchmark	Relative Weight
Financials	20.5	21.9	-1.4
Energy	2.5	4.2	-1.7
Materials	5.8	6.5	-0.7
Industrials	8.9	8.2	0.7
Information Technology	24.7	23.3	1.4
Communication Services	9.7	8.5	1.2
Utilities	4.3	2.8	1.5
Consumer Staples	3.3	5.0	-1.7
Consumer Discretionary	13.0	12.9	0.1
Real Estate	2.1	2.4	-0.3
Health Care	3.3	4.3	-1.0

Country allocation

Country	Portfolio	Benchmark	RelativeWeight
China	27.6	25.2	2.4
Taiwan	20.1	19.9	0.2
India	18.2	21.0	-2.8
Korea	11.0	9.2	1.8
Saudi Arabia	2.8	4.1	-1.3
United Arab Emirates	2.8	1.3	1.5
Other	17.5	19.3	-1.8

Currency exposure

Region	Gross	Benchmark
CAD	1.4	-
USD	4.7	2.4
Other	94.0	97.6

Top 10 holdings

Security name	Country	Sector	Weight
Taiwan Semiconductor Manufacturing Co., Ltd.	Taiwan	Information Technology	10.2
Tencent Holdings Ltd.	China	Communication Services	5.0
Hon Hai Precision Industry Co., Ltd.	Taiwan	Information Technology	2.2
China Tower Corp. Ltd. Class H	China	Communication Services	1.8
Geely Automobile Holdings Limited	China	Consumer Discretionary	1.8
AAC Technologies Holdings Inc.	China	Information Technology	1.8
Sunny Optical Technology (Group) Co., Ltd.	China	Information Technology	1.8
Pop Mart International Group Limited	China	Consumer Discretionary	1.8
Kia Corporation	Korea	Consumer Discretionary	1.8
HD KOREA SHIPBUILDING & OFFSHORE ENGINEERING CO. LTD.	Korea	Industrials	1.7

Security level contributors and detractors

	Security	Average Relative Weight (%)	Total Effect (%)
Contributors	Pop Mart International Group Limited	1.6	1.0
	Sunny Optical Technology (Group) Co., Ltd.	1.7	0.5
	Geely Automobile Holdings Limited	1.7	0.5
Detractors	Mahanagar Gas Ltd	0.6	-0.4
	Xiaomi Corp	-0.6	-0.3
	Bharat Petroleum Corporation Limited	1.4	-0.3

Sector attribution relative to the benchmark

	Sector	Average Relative Weight (%)	Total Effect (%)
Contributors	Consumer Discretionary	1.2	1.8
	Financials	-1.7	1.0
	Consumer Staples	-1.5	0.7
Detractors	Utilities	1.5	-0.1
	Health Care	-1.0	-0.0

Commentary

Fund Performance

During Q4 2024, Mackenzie Emerging Markets Fund returned 4.02% (gross of fees), outperformed the MSCI Emerging Markets Investable Market index, which returned -1.91%.

Security contributors

From a geographic perspective, China, South Korea and United Arab Emirates were the primary contributors to relative performance. At sector level, communication services, financials and consumer staples were the strongest contributors to relative performance. At security level, overweight positions in Pop Mart International Group Limited, Sunny Optical Technology (Group) Co., Ltd. and Geely Automobile Holdings Limited were the key contributors to relative performance.

Security detractors

From a geographic perspective, Malaysia and Taiwan were the largest detractors to relative performance. At sector level, utilities and health care were the primary detractors to relative performance. At security level, overweight positions in Mahanagar Gas Ltd. and Bharat Petroleum Corporation Limited, as well as an underweight position in Xiaomi Corp. were the key detractors to relative performance.

Portfolio activities

For this period, our overall alpha and stock selection model were negative. Growth led, followed by Quality, while Value and Informed Investor were negative. Stock specific risk and our smaller size bias contributed.

Outlook & Positioning

Emerging markets delivered a mixed results in Q4 2024, with some economies benefiting from easing inflationary pressures supported by central banks policies, others faced headwinds from weak demand and external pressure.

Countries like India, experienced a decline of 5.6% (in CAD), attributed by broader market uncertainties and risk-off sentiment. Elevated valuations also prompted profit-taking among investors, which further contributed to the market pullback. South Korea faced several challenges that led to a notable decline of 14% (in CAD) this quarter. Major corporations in the technology sector such as Samsung Electronic reported earnings below expectations, and additionally, political instability led to currency depreciation and foreign capital outflows. Taiwan, at the other hand, posted solid gains in Q4, attributed by a recovery in global demand for semiconductors, and continued benefiting from AI and high-performance computing boom. Lastly, as the largest market in the MSCI EM index, China delivered a slight decline of 1.7% (in CAD) in the last quarter and returned 30% over the past year. Overall market sentiment remained cautious amid the announcement of the government stimulus package. Corporate profit declines, ongoing deflationary pressure, as well as the trade disputes and geopolitical uncertainties continued to weigh on investor sentiment. While challenges remained, China's proactive policy measures and focus on high-quality and growing industries such as green energy, electric vehicles and manufacturing are expected to boost its potential to rebound and drive economic growth.

Overall, emerging markets are trading at significant valuation discounts compared to developed markets and are expected to benefit if US central bank continues its rate cutting cycle. With the global tech cycle rebounds, Taiwan and South Korea are poised to benefit from increasing demand for semiconductors and AI technologies.

The investment team constructs the portfolio with a "core" focus, which aims to provide a balance among growth, value and quality characteristics and pick attractive stocks that are trading at cheap valuation, have higher growth prospects and quality metrics. The strategy is positioned and is managed to an "all weather core" policy that is intended to furnish a more consistent alpha as style biases move into, and out of favor.

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 December 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. Mutual funds are not guaranteed, their values change frequently and past performance may not be repeated. Index performance does not include the impact of fees, commissions, and expenses that would be payable by investors in the investment products that seek to track an index.

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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 Emerging Markets Equity category and reflect the performance of the Mackenzie Emerging Markets Fund for the 3-month, 1-, 3-, 5- and 10-year periods as of December 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 Emerging Markets Equity category funds for Mackenzie Emerging Markets Fund for each period are as follows: one year - 276 ; three years - 243 ; five years - 210 ; ten years - 117.

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