

Holistic approach to fixed-income investing helps manage risk

Why invest?

Mackenzie Investments seeks the best fixed-income opportunities by credit quality, duration, interest rate environment and sector. By actively managing the length of time they hold the securities and the securities' credit rating through a market cycle, they pursue maximum returns and reduced risk.

Investment objective

To enhance returns across a broad spectrum of fixed-income assets, while maintaining the risk profile of a high-quality, core bond portfolio.

Investment philosophy: balancing risks and returns

To better understand risk, Mackenzie uses qualitative and quantitative research to form views on interest rates, currencies and credit risk. They couple that information with rigorous fundamental credit analysis to identify companies with stable earnings and strong cash flow. They also assess company risks and asset values to manage down-side risk during every stage of the credit cycle.

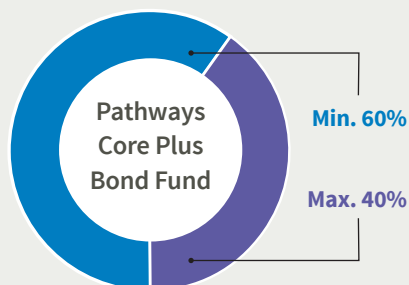
This fund balances risk and returns. It holds at least 60% investment grade, low-risk securities for stable, long-term growth – the “core assets.” To target higher returns, the fund can hold up to 40% higher-yield investments – the “plus assets.” The fund also has the flexibility to invest up to 30% in foreign securities.

Core assets:

Canadian and global, investment-grade government, corporate and securitized bonds

Plus assets:

Global high-yield bonds, floating rate loans, global sovereign bonds, emerging market sovereign and corporate debt.



MACKENZIE
Investments

Firm name:

Mackenzie Investments

Risk rating:



Asset category:

Fixed income

Competitive advantages

- The team is highly collaborative when developing portfolios, sharing research daily, which allows team members to be nimble and timely in their decisions. They're also more active than a traditional active manager because of their team structure and the application of their investment philosophy
- Their active strategy balances credit risks. For example, if they add high yield bond exposure (one of the “plus assets”), which may result in increased credit risk, then they might keep that security in the portfolio a little longer, to balance that risk
- With their strategy, the “Plus assets” give them a greater range to find attractive assets in high yield bonds and loans – all to help provide yield for investors' portfolios

Pathways Core Plus Bond Fund

Meet the manager



Steve Locke, MBA, CFA

Steve's career in the investment industry began in 1995. He joined Howson Tattersall Investment Counsel in 2003, and the company became part of Mackenzie Investments in 2008. Before 2003, Steve's spent five years managing insurance, pension and retail segregated fund portfolios in Canada, as well as several years as a credit analyst and bond trader.

The Mackenzie Investments story

Part of IGM Financial (a subsidiary of the Power Financial Group of Companies), Mackenzie Investments is one of the largest independent asset managers in Canada, managing \$66.37 billion in mutual fund assets as of February 28, 2019.

For more than 50 years, Mackenzie Investments has taken a holistic approach to offering innovative investment solutions and expertise in mutual funds, exchange traded funds (ETFs), alternative investments, private wealth pools and managed solutions.

A description of the key features of the segregated fund policy is contained in the information folder. Any amount allocated to a segregated fund is invested at the risk of the policyowner and may increase or decrease in value. This fund is available through a segregated funds policy issued by Canada Life.

Canada Life and design are trademarks of The Canada Life Assurance Company.
70-0040-5/19

