

MACKENZIE DIVERSIFIED ALTERNATIVES FUND

Series F | Monthly Commentary | March 2025



MACKENZIE
Investments

INVESTMENT STRATEGY & HIGHLIGHTS

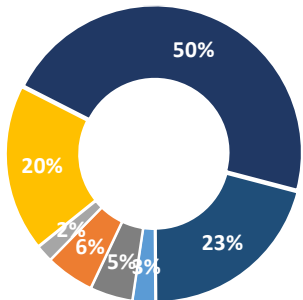
The Fund seeks long-term capital appreciation and income by investing in a diversified portfolio of alternative asset classes, including non-traditional equities and fixed income, real estate, infrastructure, private equity, currencies, commodities, derivatives, and/or other asset classes of issuers 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 March 31, 2025	
Inception	October 27, 2015
AUM	\$85,533,646
Management Fee	0.70%
MER	1.10%
Performance Fee	None
Redemption Notice	None
Min. Investment	\$500
NAVPU	11.14

RISK TOLERANCE			
Low	Moderate	High	

PORTFOLIO INFORMATION	
As of March 31, 2025	
Overall Portfolio Yield	3.0%
Dividend Yield	1.6%
Fixed Income Yield	5.3%
Duration	5.3
Average Credit Quality	BB

ASSET ALLOCATION & TOP SUB-ASSET CLASSES	
As of March 31, 2025	



Non-traditional Fixed Income	50.4%
Emerging-Market Debt	17.1%
Inflation-Linked Bonds	10.2%
Non-traditional Equity	22.5%
Emerging Market Equity	8.7%
Energy Equity	8.0%
Real Estate	2.7%
Private Real Estate	2.7%
U.S. Operating REITs	0.0%
Infrastructure	5.1%
Commodities	5.8%
Gold	2.2%
Currencies	2.0%
Alternative Strategies	19.8%

PERFORMANCE - Monthly Performance Net of Fees (Series F)													
Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2025	1.9%	0.3%	0.1%										2.3%
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 STATS (ANNUALIZED) – SINCE INCEPTION**				
	Return	Std Dev	Sharpe Ratio	Down Capture***
Mackenzie Diversified Alternatives	4.2%	6.9%	0.4	33%
Reference Portfolio*	6.8%	11.4%	0.8	69%
Global Neutral Balanced Category Median	5.2%	7.3%	0.5	46%

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

Fund and Market Highlights

The S&P 500 slid for the second month in a row, returning -5.3% in March. The sharp rise in economic uncertainty and early hints of a slowdown in economic growth impacted stocks in the US. The US was one of the worst-performing stock markets globally, with Japan and many Emerging Markets notable outperformers. Meanwhile, Treasuries round tripped in March. 10-year yields rose from 4.21% to 4.36% before dropping back to 4.21% at month-end. The yield curve steepened, indicating rising medium-term recession risks in the US. European bonds.

The US dollar depreciated aggressively in the first week of March, negatively impacted by underperformance in US equities and hoovering of capital towards European assets following the announcement of the German fiscal plan. Non-euro European currencies lead the way globally, most notably the Swedish krona, Norwegian krone, and Polish zloty.

Oil prices declined amid the risk-off shock in the first week of March, before climbing back in the second half of the month, closing March up 2.5%. Gold took out another all time high in March, ending the month up 9.6%.

For the second month in a row, MDAF gained ground while the 60/40 portfolio declined. MDAF gained 0.1% after Series F fees in March; in contrast, the 60/40 reference portfolio declined -3.2%. Recall MDAF is designed to be a completion portfolio that does not feature the traditional stocks and bonds present in the global 60/40 and is meant to be a diversifier to a traditional portfolio.

MDAF's commodity exposure was a standout in March, returning 4.3%. MDAF's non-traditional equity allocations rose 1.2% in March as global equities struggled. Also on the positive side of the ledger, MDAF's infrastructure equity holdings gained 1.6%. Real estate equity was flat in the month, while MDAF's non-traditional fixed income holdings declined by 0.7%. The Alternative Strategies pool declined by 6.2%,dragged down by the trend-following CTA strategy that typically struggles during sharp turning points in major asset classes.

MACKENZIE DIVERSIFIED ALTERNATIVES FUND



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,
CFA

Vice President,
Portfolio Manager
Mackenzie Multi-Asset Strategies Team
Investment experience since 1998



Gleb Sivitsky,
Mfin., MSc., CFA

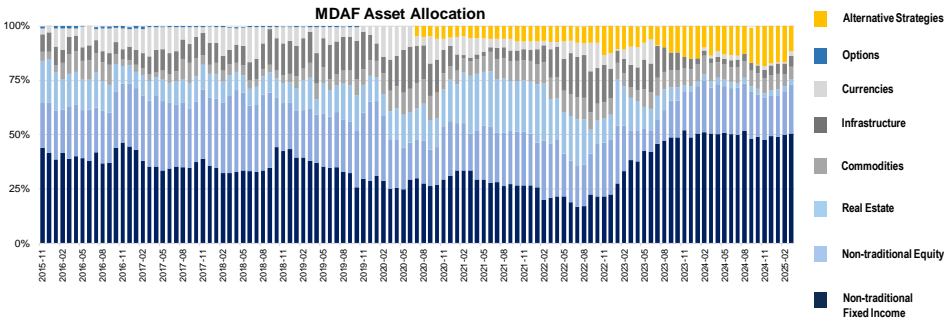
Vice President,
Portfolio Manager
Mackenzie Multi-Asset Strategies Team
Investment experience since 2014

FUND CODES					
SERIES CS	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

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Within the various non-traditional equity categories it was a mixed bag. The fund's largest equity position is in EM equity, which gained 1% (outpacing the EM equity benchmark, which was flat). Energy equity was up 5% and that is an 8% position in the fund. MDAF's micro- and small-cap equity allocation was down 3.4%, but again outpacing the segment's benchmark which was down 7.4%. This is a small 4% position. Finally, thematic equity (including broad themes such as energy transition, population aging etc and expressed through baskets of related equities) declined by 2.3%.

Within non-traditional fixed income's 0.7% monthly decline, virtually all categories lost ground in March. In order of importance to fund returns, EM debt was down 1.7%, special situations credit (semi-distressed credit that has a potential path back to investment grade) was down 1.5%, floating rate bank loans were down 0.4% and both high yield and EM corporate debt were down 0.1%. After gaining 2.3% in February, MDAF's 10% position in inflation-linked bonds was up another 0.6%. Finally, MDAF's private debt position (MDAF holds the maximum percentage in private assets permitted in 81-102 mutual funds) gained 0.5% for the 2nd consecutive month.

MDAF's 5.1% global infrastructure equity allocation was up 1.6%, but the fund's 2.6% real estate exposure was flat. This small (2.7%) exposure is a private real estate sleeve managed by Cortland Credit and doesn't fluctuate much.

Commodities were again a bright spot for MDAF: our 5.8% allocation to commodities gained another 4.3% in March after rising over 8.5% since December, driven by outsized gains in gold. In March MDAF's gold holdings rose 8.6% while our broad commodity index strategy gained 1.7%.

MDAF holds an allocation to alternative strategies designed to produce positive returns at times when traditional assets struggle. However, the mix of strategies can have some difficult months and March was one of those. While our 4.6% position in Mackenzie's Global Macro Fund was up 4.5%, our market-neutral equity strategy was down 0.6% and the trend-following CTA strategy lost a whopping 28.2% in March. During turning points (such as the sharp drop in equities), trend-following strategies are simply not designed to switch horses fast enough and tend to lose ground for a bit before a new trend is validated.