

**Annual Management Report of Fund Performance***For the Year Ended March 31, 2011***Portfolio Management**

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*This Annual Management Report of Fund Performance contains financial highlights but does not contain the complete annual financial statements of the investment fund. You may obtain a copy of the annual financial statements, at no cost, by calling the toll-free number 1-800-387-0614, by writing to us at Mackenzie Financial Corporation, 180 Queen Street West, Toronto, Ontario M5V 3K1, by visiting our website at [www.mackenziefinancial.com](http://www.mackenziefinancial.com) or by visiting the SEDAR website at [www.sedar.com](http://www.sedar.com).*

*Securityholders may also contact us using one of these methods to request a copy of the investment fund's proxy voting policies and procedures, proxy voting disclosure record or quarterly portfolio disclosure. Every effort has been made to ensure that the information contained in this report is accurate as of the dates indicated in the report; however, the Fund cannot guarantee the accuracy or the completeness of this material. For more information, please refer to the Fund's Simplified Prospectus and Annual Information Form, which may also be obtained, at no cost, using any of the methods outlined above.*

*For the Fund's current net asset values per security and for more recent information on general market events, please visit our website.*

**A NOTE ON FORWARD-LOOKING STATEMENTS**

*This report may contain forward-looking statements that reflect our current expectations or forecasts of future events. Forward-looking statements include statements that are predictive in nature, depend upon or refer to future events or conditions, or include words such as "expects", "anticipates", "intends", "plans", "believes", "estimates", "preliminary", "typical" and other similar expressions. In addition, these statements may relate to future corporate actions, future financial performance of a fund or a security and their future investment strategies and prospects. Forward-looking statements are inherently subject to, among other things, risks, uncertainties and assumptions that could cause actual events, results, performance or prospects to differ materially from those expressed in, or implied by, these forward-looking statements. These risks, uncertainties and assumptions include, without limitation, general economic, political and market factors in North America and internationally, interest and foreign exchange rates, the volatility of global equity and capital markets, business competition, technological change, changes in government regulations, changes in tax laws, unexpected judicial or regulatory proceedings, catastrophic events and the ability of Mackenzie to attract or retain key employees. The foregoing list of important risks, uncertainties and assumptions is not exhaustive. Please consider these and other factors carefully and do not place undue reliance on forward-looking statements.*

*The forward-looking information contained in this report is current only as of the date of this report. There should not be an expectation that such information will in all circumstances be updated, supplemented or revised whether as a result of new information, changing circumstances, future events or otherwise.*

## Management Discussion of Fund Performance

May 30, 2011

This Management Discussion of Fund Performance presents the portfolio management team's view on the significant factors and developments as at and during the year ended March 31, 2011, that have affected the Fund's performance and outlook. For information on the Fund's longer-term performance, please refer to the *Past Performance* section of the report. In this report, "Mackenzie" refers to Mackenzie Financial Corporation, the manager of the Fund. In addition, net asset value ("NAV") refers to the value of the Fund as calculated for transaction purposes, on which the discussion of Fund performance is based.

### Investment Objective and Strategies

The Fund seeks long-term capital growth by investing primarily in U.S. equities. The Fund uses a value style of investing and usually invests in fewer companies than many other funds. It often uses derivatives to reduce the impact of fluctuations in the value of the U.S. dollar compared to the Canadian dollar.

### Risk

The risks of investing in the Fund remain as discussed in the Fund's Simplified Prospectus.

The Fund is suitable for investors seeking long-term capital growth who have an average tolerance for risk.

### Results of Operations

The Fund's NAV declined by 8.4% to \$34.8 million at March 31, 2011, from \$38.0 million at March 31, 2010. This change was composed primarily of \$2.9 million in net income (including dividend and interest income) from investment performance, after deducting fees and expenses, and \$6.1 million in net redemptions. The performance of the Fund's Series A securities is discussed below. The performance of all series is shown in the *Past Performance* section of the report. Where series returns differ, it is primarily because different levels of fees and expenses were charged to each series, or because securities of a series were not issued and outstanding for the entire reporting period. Please refer to the *Fund Formation and Series Information* section of this report for the varying management and administration fees payable by each series.

### Investment Performance

During the year, the Fund's Series A securities returned 10.2% (after deducting fees and expenses paid by the series). This compares with the S&P 500 Index return of 10.4%. All index and series returns are calculated on a total return basis in Canadian dollar terms. Investors cannot invest in the index without incurring fees, expenses and commissions, which are not reflected in the index returns.

The Fund performed in line with the index. Performance benefited from the Fund's overweight position and stock selections in energy, with its holdings outperforming the sector. Detrimental to performance was an underweight position in industrials and a relatively poor result from holdings in that sector, as well as weak relative performance from the Fund's information technology holdings. The portfolio managers use a bottom-up, deep-value investment style and therefore sector weights are driven by the stock selection process.

Given the U.S. dollar's depreciation relative to the Canadian dollar, the Fund's strategy of hedging its exposure to the U.S. dollar contributed positively to absolute performance.

### Fees and Expenses

The management expense ratio ("MER") for Series A of 2.53% during the year ended March 31, 2011, was slightly higher than the MER of 2.48% for the year ended March 31, 2010. The MERs (before and after waivers or absorptions) for each series are presented in the *Financial Highlights* section of this report.

The Governments of Ontario and British Columbia harmonized their provincial sales taxes with the federal goods and services tax effective July 1, 2010. Implementation of the harmonized sales tax increased the amount of taxes paid by the Fund on its expenses, including but not limited to management and administration fees, and therefore increased the Fund's MER during the year. Effective November 3, 2010, the administration fee for Series O securities was payable directly to Mackenzie by Series O investors, not by the Fund. Prior to this date, the administration fee was paid by the Fund. Consequently, the MER for Series O decreased during the year.

The MER for each series consists of the management fee, administration fee and other fund costs, as applicable to that series. Other fund costs include taxes (including but not limited to GST/HST, income tax and capital tax), interest and borrowing costs, fees and expenses of the Mackenzie Funds' Independent Review Committee ("IRC"), any fees related to external services that were not commonly charged in the Canadian mutual fund industry as at June 15, 2007, and the costs of complying with any new regulatory requirements after June 15, 2007.

### Recent Developments

Despite the strong rebound in U.S. equity prices over the year, the United States continues to add alarmingly to its debt burden and the budget process remains stalled while housing and employment are weak. The portfolio managers believe that pockets of sector undervaluation remain in areas like large U.S. banks and some large technology stocks, and that there are some company-specific undervaluations. They also believe that the list of stocks that could replace the Fund's fully valued holdings is long, but that in most cases the prices are still about 5% to 10% too high. As a result, if the market and the Fund's investments continue to appreciate faster than deeply discounted replacement ideas are found, the Fund's cash position is likely to drift higher.

At the time of writing, the U.S. dollar was trading below par relative to the Canadian dollar. Although the Fund's currency exposure continues to be hedged, the incremental value of this hedge is now regarded as negligible for long-term investors. As a result, the portfolio managers are considering the level at which to remove the hedge.

Effective September 1, 2010, the Fund's portfolio adviser, Mackenzie Cundill Investment Management Ltd., previously a subsidiary of Mackenzie, was amalgamated with Mackenzie. The amalgamation had no material effect on the management of the Fund as the portfolio management team continued with its existing mandate.

## Future Accounting Standards

As previously confirmed by the Canadian Accounting Standards Board (“AcSB”), most Canadian publicly accountable entities adopted International Financial Reporting Standards (“IFRS”), as published by the International Accounting Standards Board (“IASB”), on January 1, 2011. However, the AcSB has allowed most investment funds to defer adoption of IFRS until fiscal years beginning on or after January 1, 2013. Accordingly, the Fund will adopt IFRS for its fiscal period beginning April 1, 2013, and will issue its initial financial statements in accordance with IFRS, including comparative information, for the interim period ending September 30, 2013.

Mackenzie has identified the key differences between IFRS and Canadian generally accepted accounting principles (“GAAP”) that are expected to affect the Fund, and has developed an IFRS changeover plan, including a formal project governance structure, that addresses key elements of the conversion to IFRS. Elements of the plan include evaluating the impacts of the changeover on all business activities, accounting policies, information technology and data systems, internal controls over financial reporting, and disclosure controls and procedures. As the Fund’s changeover plans are implemented, requirements for financial reporting resources and training are being modified appropriately.

Based on Mackenzie’s current evaluation of the differences between GAAP and IFRS, the adoption of IFRS is not expected to have a significant impact on the calculation of NAV per security. IFRS is expected to affect the overall presentation of financial statements and result in additional disclosure in the accompanying notes. Mackenzie continues to monitor changes to IFRS proposed by the IASB and relevant amendments by the AcSB, and the current assessment and IFRS changeover plans may change if new standards are issued or interpretations of existing standards are revised.

## Related Party Transactions

The following arrangements result in fees paid by the Fund to Mackenzie or to companies affiliated with the Fund.

## Management and Administration Services

For each applicable series, the Fund paid management fees and administration fees, including any implementation period adjustments, to Mackenzie at the annual rates specified under *Fund Formation and Series Information* in this report and as more fully described in the Prospectus. In return for the administration fees, Mackenzie pays all costs and expenses (other than certain specified fund costs) required to operate the Fund that are not otherwise included in management fees. See also *Management Fees*.

## Other Related Party Transactions

The Fund did not rely on an IRC approval or positive recommendation because it did not engage in any related party transactions.

At March 31, 2011, Mackenzie had an investment of \$1,200 in the Fund (0.0% of the Fund’s NAV).

Mackenzie will rely on an approval issued by the IRC during the year in proceeding with the merger of Keystone Manulife U.S. Value Fund into the Fund in June 2011, subject to the receipt of any necessary regulatory approvals and the completion of the reorganizations in respect of the Keystone Portfolio Funds.

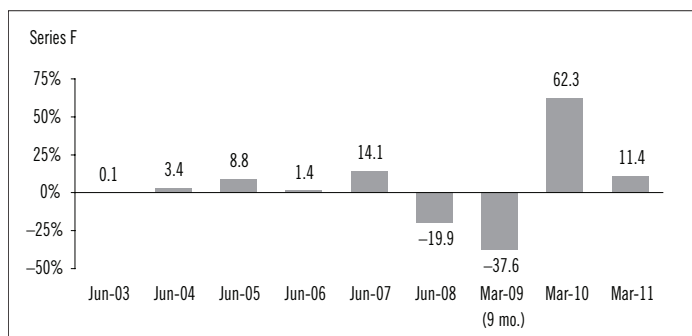
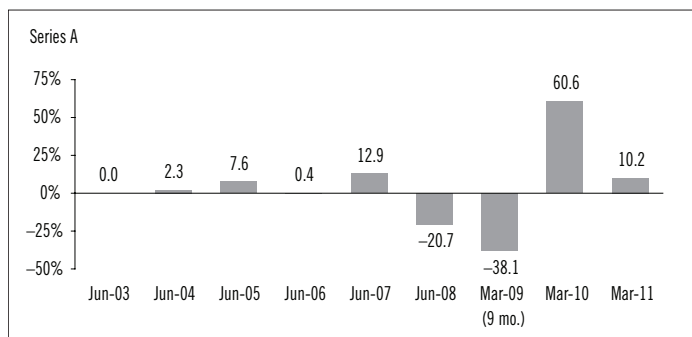
## Past Performance

The Fund’s past performance information is presented in the following charts and table. It assumes all distributions made by the Fund in the periods presented are reinvested in additional securities of the relevant series of the Fund. The charts and table do not take into account sales, redemption, distribution or optional charges, or income taxes payable by any investor that would have reduced returns. The past performance of the Fund is not necessarily an indication of how it will perform in the future.

If you hold this Fund outside of a registered plan, income and capital gains distributions paid to you increase your income for tax purposes whether paid to you in cash or reinvested in additional securities of the Fund. The amount of reinvested taxable distributions is added to the adjusted cost base of the securities that you own. This would decrease your capital gain or increase your capital loss when you later redeem from the Fund, thereby ensuring that you are not taxed on this amount again. Please consult your tax adviser regarding your personal tax situation.

## Year-by-Year Returns

The following bar charts present the performance of each series of the Fund for the years ended March 31, 2011 and 2010, for the nine-month period ended March 31, 2009, and for each of the previous years ended June 30. The charts show, in percentage terms, how much an investment made on the first day of each fiscal period, or on the series inception or reinstatement date, as applicable, would have increased or decreased by the last day of the fiscal period presented. Series inception or reinstatement dates can be found under *Fund Formation and Series Information*.

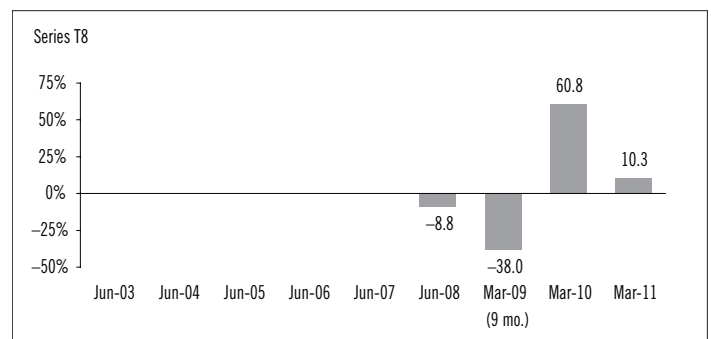
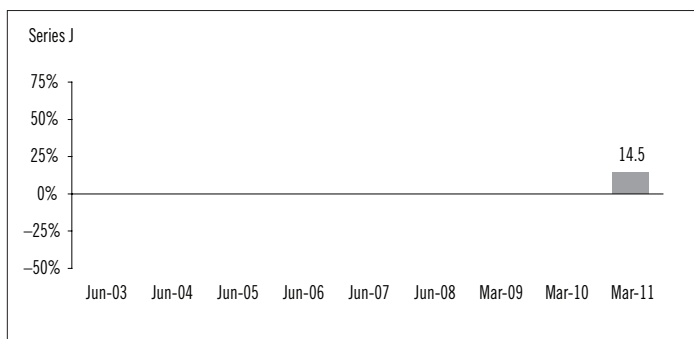
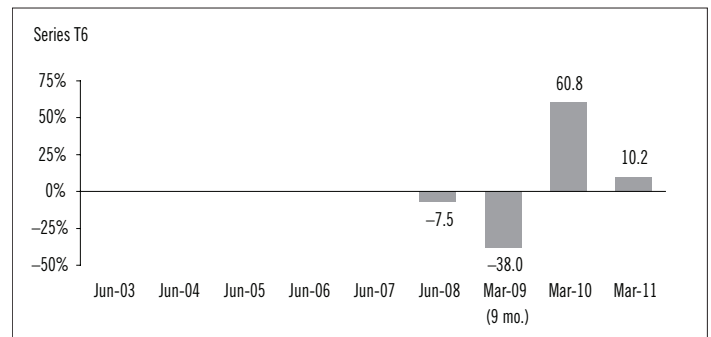
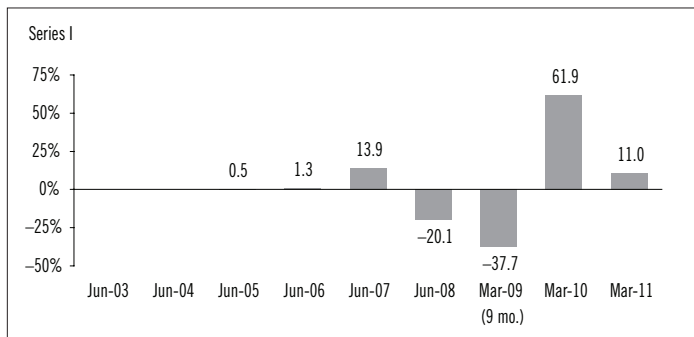
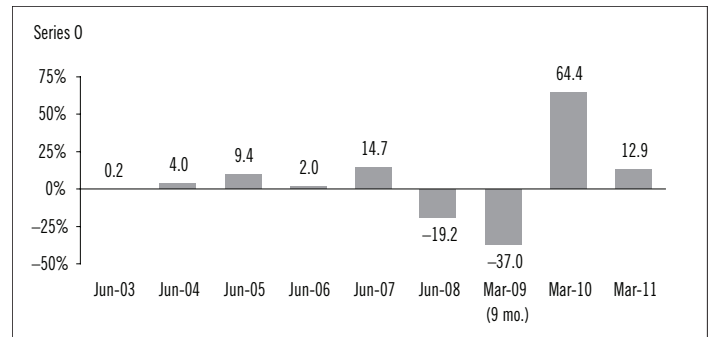
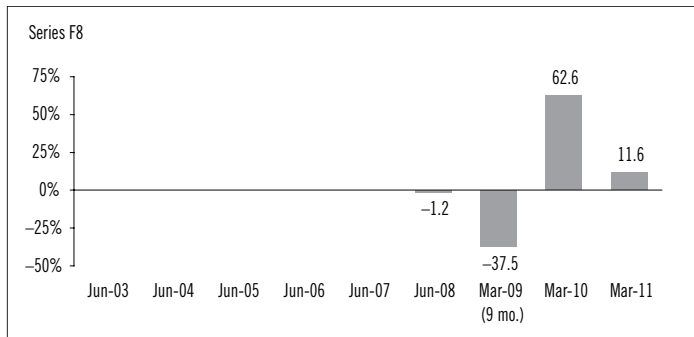


# MACKENZIE CUNDILL AMERICAN CLASS



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## Annual Compound Returns

The following table compares the historical annual compound total returns for each series of the Fund with the relevant index or indices shown below for each of the periods ended March 31, 2011. Investors cannot invest in an index without incurring fees, expenses and commissions, which are not reflected in these performance figures.

Unless otherwise noted below, all index returns are calculated in Canadian dollars on a total return basis, meaning that all distributions are reinvested.

Percentage Return: <sup>1</sup>	1 Yr	3 Yr	5 Yr	10 Yr	Since Inception <sup>2</sup>
Series A	10.2	1.9	-0.2	n/a	1.1
Series F	11.4	3.0	0.8	n/a	2.1
Series F8	11.6	n/a	n/a	n/a	4.2
Series I	11.0	2.6	0.5	n/a	0.6
Series J	n/a	n/a	n/a	n/a	14.5
Series O	12.9	4.3	1.8	n/a	3.0
Series T6	10.2	2.0	n/a	n/a	0.5
Series T8	10.3	2.0	n/a	n/a	0.1
S&P 500 Index	10.4	0.4	-1.1	n/a	Note 3

*The S&P 500 Index is a market capitalization weighted index of 500 widely held securities, designed to measure broad U.S. equity performance.*

- (1) The percentage return differs for each series because the management fee rate and expenses differ for each series.
- (2) The return since inception for each series will differ when the inception date differs and is only provided when a series has been active for a period of less than 10 years.
- (3) The returns of the S&P 500 Index since inception for each applicable series are Series A 1.8%, Series F 1.8%, Series F8 1.9%, Series I 0.0%, Series J 5.3%, Series O 1.7%, Series T6 0.2%, Series T8 0.9%.



## Summary of Investment Portfolio at March 31, 2011

<b>Portfolio Allocation</b>	<b>% of NAV</b>
Equities.....	93.1%
Cash and equivalents.....	3.5%
Other assets (liabilities).....	3.4%

<b>Regional Allocation</b>	<b>% of NAV</b>
United States.....	88.9%
Canada.....	4.2%
Cash and equivalents.....	3.5%
Other assets (liabilities).....	3.4%

<b>Sector Allocation</b>	<b>% of NAV</b>
Financials.....	32.5%
Information technology.....	15.4%
Energy.....	13.7%
Consumer discretionary.....	13.2%
Consumer staples.....	7.4%
Industrials.....	5.7%
Health care.....	5.2%
Cash and equivalents.....	3.5%
Other assets (liabilities).....	3.4%

<b>Net Currency Exposure</b>	<b>% of NAV</b>
Canadian dollar.....	90.6%
U.S. dollar.....	9.4%

## Top 25 Holdings

<b>Issuer</b>	<b>% of NAV</b>
Chesapeake Energy Corp.	7.9%
Dell Inc.	6.1%
Aon Corp.	6.0%
Viacom Inc.	6.0%
ConocoPhillips	5.8%
FedEx Corp.	5.7%
Bank of America Corp.	5.7%
Pfizer Inc.	5.2%
Microsoft Corp.	5.1%
Willis Group Holdings PLC	5.0%
GameStop Corp.	4.4%
Wells Fargo & Co.	4.2%
Celestica Inc.	4.2%
JPMorgan Chase & Co.	3.9%
Citigroup Inc.	3.9%
Kraft Foods Inc.	3.8%
StanCorp Financial Group Inc.	3.7%
Walgreen Co.	3.5%
Cash and equivalents	3.5%
The Washington Post Co.	2.8%

**Top long positions as a percentage of total net asset value** **96.4%**

*The Fund held no short positions at the end of the period.*

*The investments and percentages may have changed since March 31, 2011, due to the ongoing portfolio transactions of the Fund. Quarterly updates of holdings are available within 60 days of the end of each quarter except for March 31, the Fund's fiscal year-end, when they are available within 90 days.*



**Financial Highlights**

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for each of the fiscal periods presented below. The fiscal period ended March 31, 2009, is a nine-month period and other fiscal periods are 12-month periods. However, if during the period a fund or series was established or reinstated, "period" represents the period from inception or reinstatement to the end of that fiscal period. Series inception or reinstatement dates can be found under *Fund Formation and Series Information*.

**THE FUND'S NET ASSETS PER SECURITY (\$)¹**

Series A	Mar. 31 2011	Mar. 31 2010	Mar. 31 2009	Jun. 30 2008	Jun. 30 2007
<b>Net assets, beginning of period²</b>	9.85	6.12	9.89	12.48	11.06
<b>Increase (decrease) from operations:</b>					
Total revenue	0.15	0.12	0.12	0.46	0.40
Total expenses	(0.24)	(0.21)	(0.14)	(0.28)	(0.30)
Realized gains (losses) for the period	1.02	1.11	(5.21)	0.63	0.06
Unrealized gains (losses) for the period	(0.10)	2.73	1.45	(3.37)	1.14
<b>Total increase (decrease) from operations³</b>	0.83	3.75	(3.78)	(2.56)	1.30
<b>Distributions:</b>					
From income (excluding dividends)	-	-	-	-	-
From dividends	-	-	-	-	-
From capital gains	-	-	-	-	-
Return of capital	-	-	-	-	-
<b>Total annual distributions⁴</b>	-	-	-	-	-
<b>Net assets, end of period</b>	10.85	9.85	6.12	9.89	12.49

Series F	Mar. 31 2011	Mar. 31 2010	Mar. 31 2009	Jun. 30 2008	Jun. 30 2007
<b>Net assets, beginning of period²</b>	10.59	6.51	10.44	13.03	11.43
<b>Increase (decrease) from operations:</b>					
Total revenue	0.16	0.13	0.13	0.49	0.41
Total expenses	(0.15)	(0.13)	(0.09)	(0.17)	(0.18)
Realized gains (losses) for the period	1.29	1.64	(5.66)	0.62	0.04
Unrealized gains (losses) for the period	(0.11)	2.89	1.53	(3.53)	1.17
<b>Total increase (decrease) from operations³</b>	1.19	4.53	(4.09)	(2.59)	1.44
<b>Distributions:</b>					
From income (excluding dividends)	-	-	-	-	-
From dividends	-	-	-	-	-
From capital gains	-	-	-	-	-
Return of capital	-	-	-	-	-
<b>Total annual distributions⁴</b>	-	-	-	-	-
<b>Net assets, end of period</b>	11.79	10.59	6.51	10.44	13.04

Series F8	Mar. 31 2011	Mar. 31 2010	Mar. 31 2009	Jun. 30 2008	Jun. 30 2007
<b>Net assets, beginning of period²</b>	12.96	8.56	14.80	15.00	n/a
<b>Increase (decrease) from operations:</b>					
Total revenue	0.20	0.16	0.18	0.01	n/a
Total expenses	(0.16)	(0.14)	(0.11)	-	n/a
Realized gains (losses) for the period	2.21	1.19	(7.52)	0.03	n/a
Unrealized gains (losses) for the period	(0.14)	3.73	2.10	(0.04)	n/a
<b>Total increase (decrease) from operations³</b>	2.11	4.94	(5.35)	-	n/a
<b>Distributions:</b>					
From income (excluding dividends)	-	-	-	-	n/a
From dividends	-	-	-	-	n/a
From capital gains	-	-	-	-	n/a
Return of capital	(0.98)	(0.82)	(0.79)	-	n/a
<b>Total annual distributions⁴</b>	(0.98)	(0.82)	(0.79)	-	n/a
<b>Net assets, end of period</b>	13.35	12.96	8.56	14.80	n/a

Series I	Mar. 31 2011	Mar. 31 2010	Mar. 31 2009	Jun. 30 2008	Jun. 30 2007
<b>Net assets, beginning of period²</b>	9.34	5.76	9.25	11.59	10.18
<b>Increase (decrease) from operations:</b>					
Total revenue	0.14	0.11	0.11	0.43	0.37
Total expenses	(0.17)	(0.13)	(0.09)	(0.18)	(0.18)
Realized gains (losses) for the period	0.89	1.04	(4.80)	0.35	(0.02)
Unrealized gains (losses) for the period	(0.10)	2.57	1.36	(3.13)	1.04
<b>Total increase (decrease) from operations³</b>	0.76	3.59	(3.42)	(2.53)	1.21
<b>Distributions:</b>					
From income (excluding dividends)	-	-	-	-	-
From dividends	-	-	-	-	-
From capital gains	-	-	-	-	-
Return of capital	-	-	-	-	-
<b>Total annual distributions⁴</b>	-	-	-	-	-
<b>Net assets, end of period</b>	10.37	9.34	5.76	9.25	11.60

- These calculations are prescribed by securities regulations and are not intended to be a reconciliation between opening and closing net assets per security. This information is derived from the Fund's audited annual financial statements. The net assets per security presented in the financial statements may differ from the net asset value per security calculated for fund pricing purposes. An explanation of these differences can be found in the *Notes to Financial Statements*.
- The Fund adopted CICA Handbook Section 3855, Financial Instruments – Recognition and Measurement, on July 1, 2007. The difference, if any, between the beginning of period net assets per security on July 1, 2007, and the end of period net assets per security at June 30, 2007, in the above table represents the impact of the initial adoption of this new accounting policy.
- Net assets and distributions are based on the actual number of securities outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of securities outstanding over the fiscal period.
- Distributions were paid in cash/reinvested in additional securities of the Fund, or both.

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## THE FUND'S NET ASSETS PER SECURITY (\$)¹ (cont'd)

Series J	Mar. 31 2011	Mar. 31 2010	Mar. 31 2009	Jun. 30 2008	Jun. 30 2007
<b>Net assets, beginning of period²</b>	<b>10.00</b>	n/a	n/a	n/a	n/a
<b>Increase (decrease) from operations:</b>					
Total revenue	0.07	n/a	n/a	n/a	n/a
Total expenses	(0.08)	n/a	n/a	n/a	n/a
Realized gains (losses) for the period	1.11	n/a	n/a	n/a	n/a
Unrealized gains (losses) for the period	(0.05)	n/a	n/a	n/a	n/a
<b>Total increase (decrease) from operations³</b>	<b>1.05</b>	n/a	n/a	n/a	n/a
<b>Distributions:</b>					
From income (excluding dividends)	–	n/a	n/a	n/a	n/a
From dividends	–	n/a	n/a	n/a	n/a
From capital gains	–	n/a	n/a	n/a	n/a
Return of capital	–	n/a	n/a	n/a	n/a
<b>Total annual distributions⁴</b>	<b>–</b>	n/a	n/a	n/a	n/a
<b>Net assets, end of period</b>	<b>11.44</b>	n/a	n/a	n/a	n/a

Series O	Mar. 31 2011	Mar. 31 2010	Mar. 31 2009	Jun. 30 2008	Jun. 30 2007
<b>Net assets, beginning of period²</b>	<b>11.16</b>	6.78	10.76	13.32	11.63
<b>Increase (decrease) from operations:</b>					
Total revenue	0.17	0.13	0.13	0.50	0.38
Total expenses	(0.01)	(0.01)	(0.01)	(0.08)	(0.12)
Realized gains (losses) for the period	1.08	1.25	(5.88)	0.68	(0.07)
Unrealized gains (losses) for the period	(0.12)	3.07	1.59	(3.63)	1.07
<b>Total increase (decrease) from operations³</b>	<b>1.12</b>	4.44	(4.17)	(2.53)	1.26
<b>Distributions:</b>					
From income (excluding dividends)	–	–	–	–	–
From dividends	–	–	–	–	–
From capital gains	–	–	–	–	–
Return of capital	–	–	–	–	–
<b>Total annual distributions⁴</b>	<b>–</b>	–	–	–	–
<b>Net assets, end of period</b>	<b>12.60</b>	11.16	6.78	10.76	13.33

Series T6	Mar. 31 2011	Mar. 31 2010	Mar. 31 2009	Jun. 30 2008	Jun. 30 2007
<b>Net assets, beginning of period²</b>	<b>12.00</b>	7.87	13.50	15.00	n/a
<b>Increase (decrease) from operations:</b>					
Total revenue	0.18	0.15	0.16	0.25	n/a
Total expenses	(0.28)	(0.26)	(0.18)	(0.14)	n/a
Realized gains (losses) for the period	1.11	0.43	(6.18)	0.13	n/a
Unrealized gains (losses) for the period	(0.12)	3.46	1.94	(1.85)	n/a
<b>Total increase (decrease) from operations³</b>	<b>0.89</b>	3.78	(4.26)	(1.61)	n/a
<b>Distributions:</b>					
From income (excluding dividends)	–	–	–	–	n/a
From dividends	–	–	–	–	n/a
From capital gains	–	–	–	–	n/a
Return of capital	(0.68)	(0.57)	(0.58)	(0.38)	n/a
<b>Total annual distributions⁴</b>	<b>(0.68)</b>	(0.57)	(0.58)	(0.38)	n/a
<b>Net assets, end of period</b>	<b>12.46</b>	12.00	7.87	13.50	n/a

Series T8	Mar. 31 2011	Mar. 31 2010	Mar. 31 2009	Jun. 30 2008	Jun. 30 2007
<b>Net assets, beginning of period²</b>	<b>11.25</b>	7.52	13.20	15.00	n/a
<b>Increase (decrease) from operations:</b>					
Total revenue	0.18	0.14	0.15	0.24	n/a
Total expenses	(0.27)	(0.23)	(0.15)	(0.14)	n/a
Realized gains (losses) for the period	1.68	1.96	(5.19)	(0.69)	n/a
Unrealized gains (losses) for the period	(0.12)	3.20	1.85	(1.76)	n/a
<b>Total increase (decrease) from operations³</b>	<b>1.47</b>	5.07	(3.34)	(2.35)	n/a
<b>Distributions:</b>					
From income (excluding dividends)	–	–	–	–	n/a
From dividends	–	–	–	–	n/a
From capital gains	–	–	–	–	n/a
Return of capital	(0.85)	(0.72)	(0.77)	(0.50)	n/a
<b>Total annual distributions⁴</b>	<b>(0.85)</b>	(0.72)	(0.77)	(0.50)	n/a
<b>Net assets, end of period</b>	<b>11.45</b>	11.25	7.52	13.20	n/a



## RATIOS AND SUPPLEMENTAL DATA

Series A	Mar. 31 2011	Mar. 31 2010	Mar. 31 2009	Jun. 30 2008	Jun. 30 2007
Total net asset value (\$000) <sup>1, 2</sup>	<b>31,793</b>	33,630	23,710	40,470	48,322
Securities outstanding (000) <sup>1</sup>	<b>2,928</b>	3,413	3,866	4,087	3,869
Management expense ratio (%) <sup>3</sup>	<b>2.53</b>	2.48	2.47	2.47	2.48
Management expense ratio before waivers or absorptions (%) <sup>3</sup>	<b>2.53</b>	2.48	2.47	2.47	2.48
Trading expense ratio (%) <sup>4</sup>	<b>0.14</b>	0.18	0.25	0.08	0.10
Portfolio turnover rate (%) <sup>5</sup>	<b>44.71</b>	55.75	41.49	46.27	52.48
Net asset value per security (\$) <sup>2</sup>	<b>10.86</b>	9.85	6.13	9.90	n/a

Series F	Mar. 31 2011	Mar. 31 2010	Mar. 31 2009	Jun. 30 2008	Jun. 30 2007
Total net asset value (\$000) <sup>1, 2</sup>	<b>626</b>	652	1,036	2,578	1,503
Securities outstanding (000) <sup>1</sup>	<b>53</b>	62	159	247	115
Management expense ratio (%) <sup>3</sup>	<b>1.46</b>	1.45	1.42	1.42	1.42
Management expense ratio before waivers or absorptions (%) <sup>3</sup>	<b>1.46</b>	1.45	1.42	1.42	1.45
Trading expense ratio (%) <sup>4</sup>	<b>0.14</b>	0.18	0.25	0.08	0.10
Portfolio turnover rate (%) <sup>5</sup>	<b>44.71</b>	55.75	41.49	46.27	52.48
Net asset value per security (\$) <sup>2</sup>	<b>11.80</b>	10.59	6.52	10.45	n/a

(1) This information is provided as at the end of the fiscal period shown.

(2) The net asset value figures presented in this table are used for fund pricing and calculating returns by series. As a result of the requirements under CICA Handbook Section 3855, Financial Instruments – Recognition and Measurement, these net asset values may differ from the figures in the financial statements, and the net asset value per security in this table may differ from the end of period figure in The Fund's Net Assets per Security table in this section. Figures for periods prior to the change in reporting requirements are not presented because they are consistent with the financial statements and The Fund's Net Assets per Security table above.

(3) Management expense ratio is based on total expenses (excluding commissions and other portfolio transaction costs) for the stated period and is expressed as an annualized percentage of daily average net asset value during the period. If in the period a series was established or reinstated, the management expense ratio is annualized from the date of inception or reinstatement. Mackenzie may waive or absorb operating expenses at its discretion and stop waiving or absorbing such expenses at any time without notice.

(4) The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period.

(5) The Fund's portfolio turnover rate indicates how actively the Fund's portfolio adviser manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the period. The higher a fund's portfolio turnover rate in a period, the greater the trading costs payable by the fund in the period, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of a fund. The portfolio turnover rate is not provided when the Fund is less than one year old. The value of any trades to realign the Fund's portfolio after a fund merger, if any, is excluded from the portfolio turnover rate.

(6) The management fee for Series O securities is negotiable by the investor and is payable directly to Mackenzie by Series O investors, not by the Fund. Effective November 3, 2010, the administration fee for Series O securities is payable directly to Mackenzie by Series O investors, not by the Fund. Prior to this date, the administration fee rate for Series O securities was 0.15%, which was paid by the Fund.

Series F8	Mar. 31 2011	Mar. 31 2010	Mar. 31 2009	Jun. 30 2008	Jun. 30 2007
Total net asset value (\$000) <sup>1, 2</sup>	<b>4</b>	2	1	1	n/a
Securities outstanding (000) <sup>1</sup>	<b>0.30</b>	0.14	0.07	0.07	n/a
Management expense ratio (%) <sup>3</sup>	<b>1.40</b>	1.34	1.34	1.47	n/a
Management expense ratio before waivers or absorptions (%) <sup>3</sup>	<b>1.40</b>	1.34	1.34	1.47	n/a
Trading expense ratio (%) <sup>4</sup>	<b>0.14</b>	0.18	0.25	0.08	n/a
Portfolio turnover rate (%) <sup>5</sup>	<b>44.71</b>	55.75	41.49	46.27	n/a
Net asset value per security (\$) <sup>2</sup>	<b>13.36</b>	12.96	8.57	14.82	n/a

Series I	Mar. 31 2011	Mar. 31 2010	Mar. 31 2009	Jun. 30 2008	Jun. 30 2007
Total net asset value (\$000) <sup>1, 2</sup>	<b>490</b>	613	568	668	672
Securities outstanding (000) <sup>1</sup>	<b>47</b>	66	98	72	58
Management expense ratio (%) <sup>3</sup>	<b>1.81</b>	1.71	1.73	1.74	1.60
Management expense ratio before waivers or absorptions (%) <sup>3</sup>	<b>1.81</b>	1.71	1.73	1.74	1.68
Trading expense ratio (%) <sup>4</sup>	<b>0.14</b>	0.18	0.25	0.08	0.10
Portfolio turnover rate (%) <sup>5</sup>	<b>44.71</b>	55.75	41.49	46.27	52.48
Net asset value per security (\$) <sup>2</sup>	<b>10.37</b>	9.34	5.77	9.26	n/a

Series J	Mar. 31 2011	Mar. 31 2010	Mar. 31 2009	Jun. 30 2008	Jun. 30 2007
Total net asset value (\$000) <sup>1, 2</sup>	<b>277</b>	n/a	n/a	n/a	n/a
Securities outstanding (000) <sup>1</sup>	<b>24</b>	n/a	n/a	n/a	n/a
Management expense ratio (%) <sup>3</sup>	<b>2.21</b>	n/a	n/a	n/a	n/a
Management expense ratio before waivers or absorptions (%) <sup>3</sup>	<b>2.21</b>	n/a	n/a	n/a	n/a
Trading expense ratio (%) <sup>4</sup>	<b>0.14</b>	n/a	n/a	n/a	n/a
Portfolio turnover rate (%) <sup>5</sup>	<b>44.71</b>	n/a	n/a	n/a	n/a
Net asset value per security (\$) <sup>2</sup>	<b>11.45</b>	n/a	n/a	n/a	n/a

Series O	Mar. 31 2011	Mar. 31 2010	Mar. 31 2009	Jun. 30 2008	Jun. 30 2007
Total net asset value (\$000) <sup>1, 2</sup>	<b>1,270</b>	2,874	1,670	3,400	4,071
Securities outstanding (000) <sup>1</sup>	<b>101</b>	257	246	316	305
Management expense ratio (%) <sup>3, 6</sup>	<b>0.11</b>	0.16	0.18	0.61	0.95
Management expense ratio before waivers or absorptions (%) <sup>3, 6</sup>	<b>0.11</b>	0.16	0.18	0.62	0.95
Trading expense ratio (%) <sup>4</sup>	<b>0.14</b>	0.18	0.25	0.08	0.10
Portfolio turnover rate (%) <sup>5</sup>	<b>44.71</b>	55.75	41.49	46.27	52.48
Net asset value per security (\$) <sup>2</sup>	<b>12.61</b>	11.17	6.79	10.78	n/a

**RATIOS AND SUPPLEMENTAL DATA (cont'd)**

<b>Series T6</b>	<b>Mar. 31 2011</b>	<b>Mar. 31 2010</b>	<b>Mar. 31 2009</b>	<b>Jun. 30 2008</b>	<b>Jun. 30 2007</b>
Total net asset value (\$000) <sup>1, 2</sup>	104	117	36	19	n/a
Securities outstanding (000) <sup>1</sup>	8	10	5	1	n/a
Management expense ratio (%) <sup>3</sup>	2.51	2.40	2.42	2.45	n/a
Management expense ratio before waivers or absorptions (%) <sup>3</sup>	2.51	2.40	2.42	2.45	n/a
Trading expense ratio (%) <sup>4</sup>	0.14	0.18	0.25	0.08	n/a
Portfolio turnover rate (%) <sup>5</sup>	44.71	55.75	41.49	46.27	n/a
Net asset value per security (\$) <sup>2</sup>	12.47	12.00	7.88	13.52	n/a

<b>Series T8</b>	<b>Mar. 31 2011</b>	<b>Mar. 31 2010</b>	<b>Mar. 31 2009</b>	<b>Jun. 30 2008</b>	<b>Jun. 30 2007</b>
Total net asset value (\$000) <sup>1, 2</sup>	258	82	242	17	n/a
Securities outstanding (000) <sup>1</sup>	22	7	32	1	n/a
Management expense ratio (%) <sup>3</sup>	2.49	2.40	2.41	2.44	n/a
Management expense ratio before waivers or absorptions (%) <sup>3</sup>	2.49	2.40	2.41	2.44	n/a
Trading expense ratio (%) <sup>4</sup>	0.14	0.18	0.25	0.08	n/a
Portfolio turnover rate (%) <sup>5</sup>	44.71	55.75	41.49	46.27	n/a
Net asset value per security (\$) <sup>2</sup>	11.46	11.26	7.53	13.22	n/a

**Management Fees**

The management fee for each applicable series is calculated daily as a percentage of its NAV. The Fund's management fees were used by Mackenzie to pay for the costs of managing the investment portfolio, providing investment analysis and recommendations, making investment decisions, making brokerage arrangements for the purchase and sale of the investment portfolio, and providing other services. Mackenzie also used the management fees to fund sales commissions, trailing commissions and any other compensation (collectively "distribution-related payments") to registered dealers and brokers whose clients invest in the Fund.

The following dealers affiliated with Mackenzie may be entitled to distribution-related payments from Mackenzie on the same basis as unrelated registered brokers and dealers: IPC Securities Corporation, Investors Group Securities Inc., M.R.S. Securities Services Inc., IPC Investment Corporation, Investors Group Financial Services Inc., M.R.S. Inc., M.R.S. Correspondent Corporation and Partners in Planning Financial Services Ltd.

Mackenzie used approximately 40% of the total management fee revenues received from all Mackenzie funds during the year to fund distribution-related payments to registered dealers and brokers. In comparison, such distribution-related payments for the Fund represented on average 36% of the management fees paid by all applicable series of the Fund during the year. The actual percentage for each series may be higher or lower than the average depending on the level of trailing commissions and sales commissions paid for that series.

## Fund Formation and Series Information

The Fund may have undergone a number of changes, such as a reorganization or a change in manager, mandate or name. A history of the major changes affecting the Fund in the last 10 years can be found in the Fund's Annual Information Form.

Date of Formation May 26, 2003

The Fund may issue an unlimited number of securities of each series. The number of issued and outstanding securities of each series is disclosed in *Financial Highlights*.

Series A securities are offered to retail investors investing a minimum of \$500.

Series E securities are offered to investors who are enrolled in a dealer-sponsored fee-for-service or wrap program, who are subject to an asset-based fee rather than commissions on each transaction and who invest a minimum of \$250,000.

Series F securities are offered to investors who are enrolled in a dealer-sponsored fee-for-service or wrap program, who are subject to an asset-based fee rather than commissions on each transaction and who invest at least \$500; they are also available to employees of Mackenzie and its subsidiaries, and directors of Mackenzie.

Series F8 securities are offered to investors who are enrolled in a dealer-sponsored fee-for-service or wrap program, who are subject to an asset-based fee rather than commissions on each transaction, who invest at least \$5,000 and who want to receive a regular monthly cash flow of 8% per year.

Series I securities are no longer available for sale.

Series J securities are offered to investors investing a minimum of \$250,000.

Series O securities are offered to investors investing a minimum of \$500,000 who have entered into a Series O account agreement with Mackenzie, and also available to certain qualifying employees of Mackenzie and its subsidiaries. Mackenzie may waive the minimum investment amount for certain employees of Mackenzie and its subsidiaries, and for investors in the Portfolio Architecture Service and the Open Architecture Service.

Series R securities are offered only to other affiliated funds and certain institutional investors in connection with fund-of-fund arrangements.

Series T6 securities are offered to retail investors investing a minimum of \$5,000 who want to receive a regular monthly cash flow of 6% per year.

Series T8 securities are offered to retail investors investing a minimum of \$5,000 who want to receive a regular monthly cash flow of 8% per year.

An investor in the Fund may choose among different purchase options that are available under each series. These purchase options are a sales charge purchase option, a redemption charge purchase option and a low-load purchase option. The charges under the sales charge purchase option are negotiated by investors with their dealers. The charges under the redemption charge and low-load purchase options are paid to Mackenzie if an investor redeems securities of the Fund during specific periods. Not all purchase options are available under each series of the Fund, and the charges for each purchase option may vary among the different series. For further details on these purchase options, please refer to the Fund's Simplified Prospectus.



## Fund Formation and Series Information (cont'd)

Series	Inception/ Reinstatement Date	Management Fees	Administration Fees*	Net Asset Value per Security (\$)	
				Mar. 31, 2011	Mar. 31, 2010
Series A	May 26, 2003	2.00%	0.28%	10.86	9.85
Series E	None issued	0.85%	0.25%	—	—
Series F	May 26, 2003	1.00%	0.28%	11.80	10.59
Series F8	June 26, 2008	1.00%	0.28%	13.36	12.96
Series I	March 14, 2005	1.35%	0.28%	10.37	9.34
Series J	December 1, 2010	1.75%	0.25%	11.45	—
Series O	May 28, 2003	— <sup>(1)</sup>	— <sup>(1)</sup>	12.61	11.17
Series R	None issued	— <sup>(2)</sup>	— <sup>(2)</sup>	—	—
Series T6	February 19, 2008	2.00%	0.28%	12.47	12.00
Series T8	February 11, 2008	2.00%	0.28%	11.46	11.26

\* Does not include any operating expense adjustment, as applicable.

- (1) The management fee for Series O securities is negotiable by the investor and is payable directly to Mackenzie by Series O investors, not by the Fund. Effective November 3, 2010, the administration fee for Series O securities is payable directly to Mackenzie by Series O investors, not by the Fund. Prior to this date, the administration fee rate for Series O securities was 0.15%, which was paid by the Fund.
- (2) No management fees or administration fees are charged to the investor or the Fund in respect of the Series R securities.