

Canada Life Global Small-Mid Cap Growth Fund



February 28, 2025

The fund seeks long-term capital growth by investing primarily in equities of global small- to mid-capitalization companies, either directly or through other investment funds.

Is this fund right for you?

- Are looking for a global equity fund to hold as part of their portfolio.
- Want a medium- to long-term investment.
- Can handle the volatility of the stock market.

RISK RATING



Fund category

Global Small/Mid Cap Equity

Inception date

September 09, 2020

Management

expense ratio (MER)

1.08%

(September 30, 2024)

Fund management

Mackenzie Investments

How is the fund invested? (as of November 30, 2024)



Asset allocation (%)

US Equity	63.2
International Equity	29.9
Cash and Equivalents	4.8
Canadian Equity	2.2
Other	-0.1



Geographic allocation (%)

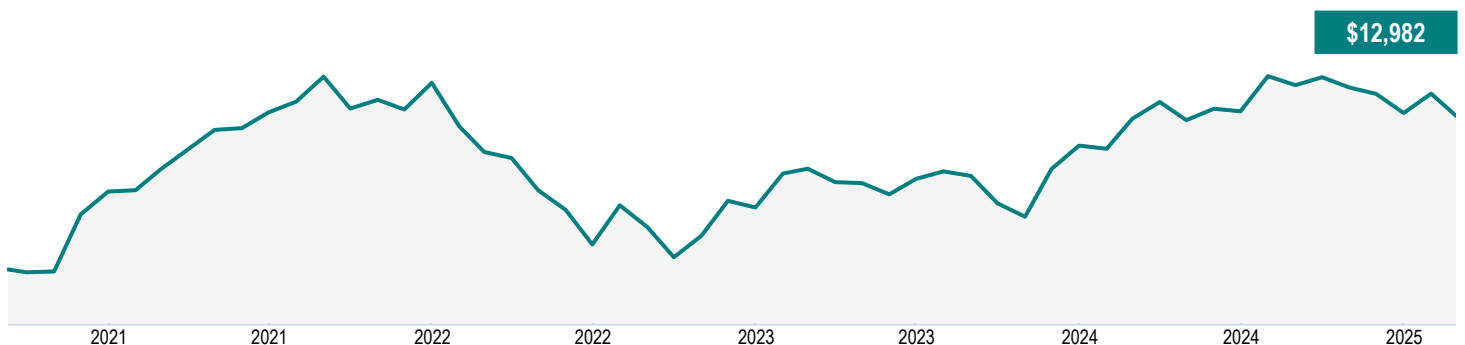
United States	63.2
Canada	7.0
Bermuda	5.0
Japan	4.8
United Kingdom	3.9
Singapore	2.6
Israel	2.3
Australia	1.2
Italy	1.2
Other	8.8



Sector allocation (%)

Financial Services	26.0
Technology	15.6
Industrial Services	11.6
Industrial Goods	10.1
Basic Materials	7.9
Cash and Cash Equivalent	4.8
Consumer Goods	4.6
Consumer Services	3.2
Real Estate	2.9
Other	13.3

Growth of \$10,000 (since inception)



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Fund details (as of November 30, 2024)

Top holdings	%
Cash and Cash Equivalents	4.8
Kyndryl Holdings Inc	2.8
Academy Sports and Outdoors Inc	2.5
Assured Guaranty Ltd	2.3
International General Insurance Holdings Ltd	2.3
Kulicke and Soffa Industries Inc	2.2
Advance Auto Parts Inc	2.1
Barrett Business Services Inc	2.0
Hackett Group Inc	2.0
Healthcare Services Group Inc	2.0
Total allocation in top holdings	25.0

Portfolio characteristics	
Standard deviation	12.9%
Dividend yield	1.7%
Average market cap (million)	\$5,483.4

Net assets (million)

\$54.7

Price

\$10.30

Number of holdings

117

Minimum initial investment

\$500

Fund codes

NL – MAX8211

Understanding returns

Annual compound returns (%)

1 MO	3 MO	YTD	1 YR	3 YR	5 YR	10 YR	INCEPTION
-3.2	-3.2	-0.4	0.5	1.9	-	-	6.0

Calendar year returns (%)

2024	2023	2022	2021	2020	2019	2018	2017
5.1	10.7	-17.8	18.3	-	-	-	-

Range of returns over five years

Best return	Best period end date	Worst return	Worst period end date	Average Return	% of periods with positive returns	Number of positive periods	Number of negative periods
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Data not available based on date of inception

Contact information

Customer service centre

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Corporate website:
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Q4 2024 Fund Commentary

Market commentary

Although the U.S. Federal Reserve Board cut interest rates in the fourth quarter, long-term yields rose towards the end of the quarter. Yields were supported by a relatively healthy economy, high inflation expectations, and anticipation of new policies from the incoming U.S. administration.

A steepening U.S. Treasury yield curve and strong U.S. dollar were negative for Southeast Asian equity markets because of higher borrowing costs and risks to capital outflows. (When the yield curve steepens, long-term yields rise more quickly than short-term yields.) The threat of higher tariffs negatively affected exporters and trade-dependent countries in Asia.

The Chinese government announced stronger fiscal support but without the details investors were seeking. Chinese equities fell from their early October peak, although A-shares were more resilient than Hong Kong listed stocks.

Geopolitical uncertainty weighed on European economies. Weakness in German manufacturing and a lost vote of confidence in the German Chancellor put pressure on Europe's largest economy. Moody's downgraded France's sovereign credit rating as it expects the country's incoming government to struggle with tackling its deficit.

Performance

The Fund's relative exposure to ExlService Holdings Inc. had the most positive impact on performance. The company performed well because of its role in artificial intelligence and strong client engagements.

Relative exposure to Cirrus Logic Inc. had a negative impact on performance because of the stock's sensitivity to reports on Apple iPhone sales.

At the sector level, stock selection in health care had a positive impact on performance. Underweight exposure to the materials sector and overweight exposure to information technology were also positive. However, stock selection in information technology and financials, and overweight exposure to health care, had a negative impact on performance.

Regionally, stock selection in China was positive for performance, while stock selection in Japan and the U.S. was negative.

The sub-advisor increased the Fund's exposure to Mackenzie European Small-Mid Cap Fund and Mackenzie Asian Small-Mid Cap Fund. The sub-advisor decreased exposure to Mackenzie US Mid Cap Opportunities Fund.

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Outlook

In the U.S., the Fund maintains overweight exposure to health care, non-cyclical industrials and information technology because these sectors offer more sustainable growth. The sub-advisor believes many of the Fund's U.S. holdings offer high-value-added products and services with reasonable pricing power in inflationary periods. Also, in 2022 and 2023, spending in the drug life sciences and supply chain industry slowed from the pandemic-related surge of 2020 and 2021. This period of destocking may be close to an end in the sub-advisor's view.

In Europe, geopolitical uncertainty remains a concern. The European Central Bank appears to be in a favourable position to continue to cut interest rates. In the U.K., the sub-advisor feels it's unclear how much easing the Bank of England can undertake while inflation remains elevated.

The Fund remains overweight in Japan and South Korea, which are implementing programs to increase corporate profitability and shareholder returns. The Fund has underweight exposure to India because of weaker earnings growth and high valuations, despite an attractive long-term outlook.

The sub-advisor has a positive outlook on technology sectors in South Korea and Japan and expects capital expenditure related to artificial intelligence to continue. In the sub-advisor's view, large U.S. technology companies can't afford to lose any advantage in this transformational period. The Fund has underweight exposure to consumer discretionary and industrials given the pressure on consumers and high interest rates that could suppress industrial activity.

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[^]Deferred Sales Charge (DSC) and Low Load Deferred Sales Charge (LSC) purchase options is closed to new investments given regulatory bans put in place for these purchase options that came into effect June 1, 2022.

[†]Soft capped - Contributions are no longer accepted to new investors., [‡]Hard capped - Contributions are no longer accepted.

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