

# MIQE

## Mackenzie International Equity ETF

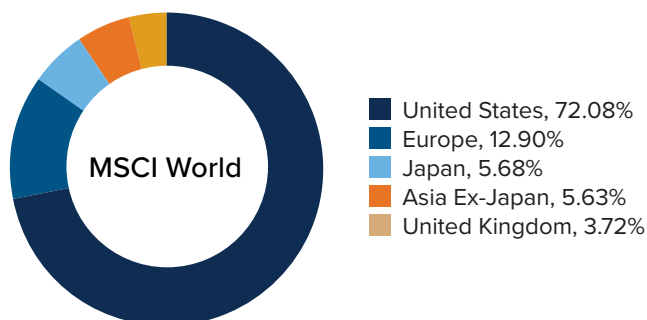
### Seeking purer international equity investments

International equity investing offers a unique and compelling opportunity for investors who seek to diversify their portfolios beyond the US-dominated global equity markets.

The following are some benefits of investing in international equities:

- Access to companies with strong fundamentals, good growth prospects and high quality, in developed countries outside of the US and Canada.
- Investment opportunities within sectors and industries that are underrepresented in North America, providing a broader and more diversified sector mix.
- An attractive investment opportunity due to record-high valuation spreads compared to US equities.

We believe international equities can enhance portfolio diversification and serve as a complement to US core or growth-oriented portfolios.



### Why invest?

1. **Diversify portfolio exposure** by accessing international equities that allow investors to go beyond US-dominated portfolios.
2. **An attractive investment opportunity** that shows record-high valuation spreads compared to US equities.
3. **An active fundamental quantitative approach** leverages computing power and cutting-edge techniques to help harvest the best opportunities across developed countries.

### Managed by

**Mackenzie Global Quantitative Equity Team**

## Sophisticated and nimble

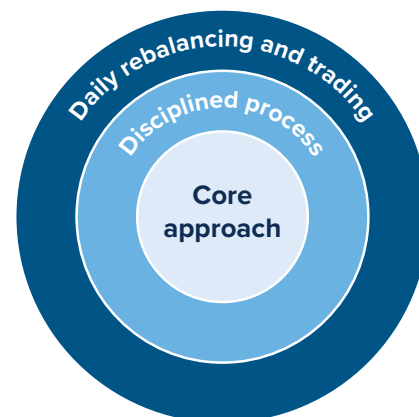
With a quantitative bottom-up core approach that analyzes an investable universe of over 5,000 international equities, the Mackenzie International Equity ETF seeks to outperform the MSCI EAFE Index across a variety of market conditions.

Leveraging proprietary models, the team optimizes stock selection, portfolio construction and transactional costs to generate alpha. Each stock is evaluated against more than 20 metrics, broadly grouped into four “super factors”:

- **Value:** revenues and cash flow management.
- **Quality:** capital allocation, operating efficiency and ESG.
- **Growth:** analyst earnings revisions, long-term growth and innovation.
- **Informed investor:** activity of informed market participants.

We rank the investment universe daily by incorporating the latest information. With strict AUM capacity limits, we can stay nimble and invest in new opportunities as early as possible. Additionally, we implement cutting-edge techniques, such as machine learning and natural language processing, to help us uncover hidden patterns and find valuable investment insights.

With a disciplined investment strategy, we go beyond convention to build a style-agnostic, high-alpha, risk-aware global equity portfolio.



## Investment process

Our core all-weather approach, disciplined investment process and daily stock ranking and trading enable us to identify opportunities or daily pricing inefficiencies in the international universe. A human overlay is applied when necessary, whether that means adjusting the model’s geographic exposure to avoid conflict regions or tilting toward value when world events create valuation disparity opportunities.

**Initial investment universe:** we construct an investable universe of 1,100 large and mid-cap companies across developed markets in Asia ex-Japan, Japan and Europe and 11 GICS sectors.

**Stock selection process:** we leverage our proprietary alpha model to rank stock against its peer universe on a daily basis, through a multi-factor lens.

**Portfolio construction process:** we combine a proprietary stock selection model with a risk-constrained optimizer to maximize the expected return of the portfolio, while considering the transaction cost impacts and different risk constraints, including sector, country, currency, market capitalization, size, etc.

The portfolio targets around 120 holdings with individual positions ranging from 30bps to 150bps. Country weights are limited to +/- 4% relative to the benchmark and sector weights are limited to +/- 4% relative to the benchmark. The expected tracking error is 4.5%, and the expected turnover is 150%.



## Portfolio Managers

### Mackenzie Global Quantitative Equity Team

Arup Datta, MBA, CFA  
SVP, Portfolio Manager,  
Head of Team  
Industry start: 1992

Nicholas Tham, MA, CFA  
VP, Portfolio Manager  
Industry start: 2009

Denis Suvorov, MSc, MBA, CFA  
VP, Portfolio Manager  
Industry start: 2001

Haijie Chen, PhD, CFA  
VP, Portfolio Manager  
Industry start: 2011

### MANAGEMENT FEES

ETF name	Ticker	Mgmt fee
Mackenzie International Equity ETF	MIQE	0.80%

To learn more about the [Mackenzie International Equity ETF](#), speak to your Mackenzie sales team.

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