**Important Notes:**
1. **Manulife Global Fund – Global Multi-Asset Diversified Income Fund (Manulife Global Multi-Asset Diversified Income Fund or the "Fund")** invests in a diversified portfolio of equity, equity-related, fixed income and fixed income-related securities of companies and/or governments globally (including emerging markets), which exposes investors to fixed income and equity (including REITs) market risk, and geographic concentration and currency risk.
2. The relevant distributing class of the Fund does not guarantee distribution of dividends, the frequency of distribution and the amount/rate of dividends. Dividends may be paid out of income, realized capital gains and/or out of capital of the Fund in respect of Inc share class(es). Dividends may be paid out of realized capital gains, capital and/or gross income while charging all or part of their fees and expenses to capital (i.e. payment of fees and expenses out of capital) in respect of MDIST (G) and R MDIST (G) share class(es). Dividends paid out of capital of the Fund amounts to a return or withdrawal of part of the amount of an investor's original investment or from any capital gains attributable to that original investment and may result in an immediate decrease in the net asset value per share in respect of such class(es) of the Fund.
3. The Fund invests in emerging markets, which may involve increased risks and special considerations not typically associated with investment in more developed markets, such as likelihood of a higher degree of volatility, lower liquidity of investments, political and economic uncertainties, legal and taxation risks, settlement risk, custody risks and currency risks/control.
4. The Fund's investment in fixed income and fixed income-related securities, as well as cash and cash equivalents, is subject to high yield bonds risk, credit/counterparty risk, interest rate risk, sovereign debt risk, valuation risk and credit rating and downgrading risk.
5. The Fund intends to use financial derivative instruments ("FDIs") for investment, efficient portfolio management and/or hedging purposes. The use of FDIs exposes the Fund to additional risks, including volatility risk, management risk, market risk, credit risk and liquidity risk.
6. Investment involves risk. The Fund may expose its investors to capital loss. Investors should not make decisions based on this material alone and should read the offering document for details, including the risk factors, charges and features of the Fund and its share classes.
7. Given RMB is currently not a freely convertible currency, payment of redemptions and/or dividend payment in RMB may be delayed due to the exchange controls and restrictions applicable to RMB. As offshore RMB (CNH) will be used for the valuation of RMB denominated Class(es), CNH rate may be at a premium or discount to the exchange rate for onshore RMB (CNY) and there may be significant bid and offer spreads and thus the value of the RMB denominated Class(es) will be subject to fluctuation. Any devaluation of RMB could adversely affect the value of investors' investments in the RMB denominated Class(es) of the Fund.

# Manulife Global Multi-Asset Diversified Income Fund

## Q&A with Fund Manager

August 2024

**John F. Addeo**

Global chief investment officer for Manulife Investment Management's fixed income strategies (public markets), as well as senior portfolio manager on the high yield and global credit products.

John is a value-oriented fundamental investor with over 30 years of experience investing across the entire capital structure and credit spectrum.

### Q: How did global markets perform in July?

A: In July, global equities saw positive performance, accompanied by a shift in market focus from mega-cap technology to small-cap and value sectors. Fixed income segments also displayed positive performance, with interest-rate sensitive sectors outperforming. Expectations of rate cuts by the Fed led to global government bonds driving the gains as Treasury yields fell. The market rotation was influenced by softer inflation, a weakening labour market, moderating economic growth in the U.S., which we believe increased the likelihood for multiple Fed rate cuts this year, starting from September, accompanied by an economic "soft landing".

Equities gained over the month of July with the MSCI ACWI up 1.64%. In US dollar terms, Developed Markets outperformed. Japan equities experienced high volatility during the period with the TOPIX index ended in negative territory at -0.5%, pressured by a strengthened Yen. Emerging Market equities lagged but managed to eke out 0.37% gains. Fixed income markets broadly gained over the month as bond yields fell on the expectations for Fed rate cuts in September. The US 10-year Treasury yield ended at 4.05% at the end of the month. The FTSE World Government Bond Index gained 2.86%. Global Investment-grade credits have been brighter spots over the month adding 2.76%, while global high-yield credits also had decent gains 1.96%[1].

### Q: What are key contributors to the Fund's yield income and investment performance?

A: The Fund continued its momentum delivering positive performance for July, driven by a strong performance in global equities and fixed income, whilst the option component also added to performance over the month. Equities in the portfolio benefited from some stock rotation earlier in the month into ex-US names which led to outperformance above the reference MSCI World index. Fixed Income returns were solid given the high yield exposure in the portfolio.

Income generation is expected to remain high and stable as opportunities to capture yield remain abundant and diversified. At the top level, contribution to yield by asset class for the month of July 2024 was around 42.5% from options, 46.3% from fixed income, 5.4% from Global Equity including REITs, and the remainder from cash/cash equivalents[2].

### Q: What is your view given the increasing expectations of a Sept cut?

A: The potential end of the global rate-hike cycle is supportive of our view of equity market, but an uncertain macroeconomic landscape is a potential headwind. Corporate earnings have generally remained strong, and consumers have remained resilient for the most part, albeit more recently that could be coming into question. Given the uncertainty surrounding several factors—among them monetary policy, geopolitical tensions, and recessionary risks—we are focusing on quality across equity assets.

Within fixed income, the team continues to position the portfolio towards a more defensive posture, while looking for opportunities to add income both through bottom-up selection among high yield corporate bonds and by finding opportunities across fixed income sectors.

1. Source: Bloomberg, as of July 31, 2024. Equity markets measured by MSCI indices. Performance of fixed income market sourced from Bloomberg, as of July 31, 2024.
2. Source: Manulife Investment Management, as of July 31, 2024. Fund performance applies only to AA (USD) MDIST (G) class. All the performance figures are on NAV to NAV basis, in base currency with dividend reinvested. Investment involves risk. Past Performance is not indicative of future performance. Performance of AA (USD) MDIST (G) class: 4.79% (3 months); 7.00% (6 months); 8.35% (year to date); 12.53% (1yr); 2.49% (3 year annualized), 3.83% (5 year annualized), 4.06% (since inception annualized). AA (USD) MDIST (G) class performance information for past five calendar years:12.63% (2023); -13.02% (2022), 9.85% (2021), -0.47% (2020), 6.27% (since inception to 31 Dec 2019). Inception date: 25 April 2019. Information about the asset allocation is historical and is not an indication of the future composition. The above yield do not represent the distribution yield of the Fund and is not an accurate reflection of the actual return that an investor will receive in all cases. A positive distribution yield does not imply a positive return. Dividend is not guaranteed.

Unless otherwise stated, all information sources are from Manulife Investment Management, as of July 31, 2024. Past performance is not indicative of future results. Diversification does not guarantee a profit nor protect against loss in any market. Information about the asset allocation is historical and is not indication of the future composition. The information in this material may contain projections or other forward-looking statements regarding future events, targets, management discipline or other expectations, and is only as current as of the date indicated. There is no assurance that such events will occur and may be significantly different than that shown here.

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