

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

July 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 June?

A: June was another robust month for global equities and fixed income despite mixed performance across regions and sectors, with U.S. and large-cap Technology names continuing to lead gains. This month saw slower inflation prints and continued Artificial Intelligence (AI) optimism driving the market rally. Fixed income markets were broadly positive as bond yields fell modestly.

Equities continued to edge higher over the month of June with the MSCI ACWI up 2.26%. Emerging Markets stood out at the forefront of the rankings gaining 4.01%. US and Asia Pacific ex Japan were two outperforming markets gaining 3.58% and 3.92%, respectively. Performances were mixed across regions with weaker performances across Europe and Chinese markets, while Latin America was the laggard underperforming other markets falling the most by 5.98%. Fixed income markets broadly gained over the month as bond yields fell slightly with the encouraging inflation data. The US 10-year Treasury yield ended at 4.37%. The FTSE World Government Bond Index returned a marginal negative 0.03%. US investment-grade and high-yield credits have been brighter spots over the month with positive returns¹.

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

A: The Fund continued its momentum delivering positive performance for June, driven by global equities and fixed income, whilst the option component also added to performance over the month. Equities and Fixed Income within the portfolio underperformed a broad MSCI World reference index and a broad ICE BofA US High Yield Index.

Income generation should 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 June 2024 was around 33.4% from options, 54.8% from fixed income, 6.6% from Global Equity, and the remainder from cash/cash equivalents².

Q: What is your investment outlook for the coming months?

A: Investors are entering uncharted territory as economic growth—as well as interest rates—diverge among developed nations. Broad market consensus so far is that the global economy is in the midst of a soft landing; however, we remain cautious and alert to potential risks to the downside. The first six months of 2024 have seen a resilient U.S. economy, robust consumer demand, and outperformance from U.S. mega-cap stocks. This has helped to drive U.S. risk assets higher and contributed toward growth—and now interest rate—divergence among developed nations. Against this backdrop, we're monitoring key opportunities that may present themselves later this year.

Looking ahead, our medium- to long-term outlook suggests that ultimately lower interest rates would be accommodative for economic growth with inflation coming down and resiliency in corporate earnings growth. However, geopolitical challenges and the upcoming U.S. Presidential election could pose challenges to investor sentiment. We expect short-term market volatility as growth and inflation data is likely to remain front and centre for the Fed, which would lead to higher than usual volatility around major data releases. Recent developments in respect the US elections is likely to result in further uncertainty around candidates and their policy impact to varying market sectors.

1. Source: Bloomberg, as of June 30, 2024. Equity markets measured by MSCI indices. Performance of fixed income market sourced from Bloomberg, as of June 30, 2024.
 2. Source: Manulife Investment Management, as of June 30, 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: 1.54% (3 months); 6.68% (6 months); 6.68% (year to date); 13.05% (1yr); 2.20% (3 year annualized), 3.72% (5 year annualized), 3.82% (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 June 30, 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.

Issued by Manulife Investment Management (Hong Kong) Limited.
 This material has not been reviewed by the Securities and Futures Commission (SFC).