



[The Manulife Investment Management logo appears on the screen]

Music plays softly throughout video

The words “Stock market and investing” appear on screen.

Voiceover says: “Welcome back for our fourth episode.”

Screen transitions to words the display: “how investing can help you reach your financial goals”

Voiceover says: “The first three episodes should have helped you understand how investing can help you reach your financial goals.”

Screen transitions to display the words:

“How-and why-your investments can increase and decrease in value, and what you can consider doing during a market downturn.”

Voiceover says: “Now we’ll talk about how—and why—your investments can increase and decrease in value, and what you can consider doing during market downturns.”

Screen transitions to an animation of an arial view of car driving down a winding road

Words on screen display: 1 what causes the ups and downs in the stock market?

Voiceover says: “What causes the ups and downs in the stock market?

The prices of individual stocks are constantly changing—some days they’re up and some they’re down.”

Transition into an animation of an arrow going upwards on a graph.

Words on screen display: Factors can include

- 1 Company performance
- 2 market sentiment
- 3 interest rates
- 4 market cycles
- 5 geopolitical developments

Voiceover says: “Many things can cause a stock’s price to fluctuate, including:

- Company performance
- Market sentiment
- Interest rates
- Market cycles
- Geopolitical developments”

Screen transitions to a clip of 3 people in a meeting

Words on screen display: “1 company performance. Along with an up and a down arrow icon.

The voiceover says: “When a company is performing well, such as increasing sales and expanding

operations, its stock price may go up.

If a company is unprofitable, closing locations, or going through layoffs, the stock price may decline in value.”

Screen transitions to a clip of a woman on computer.

Words on screen display: “2 Market Sentiment” with an up and down arrow icon.

Voiceover says: “Market sentiment describes how people feel about a company, an industry, or the stock market overall.

For example, when a stock index, such S&P /TSX composite Index”

“On the other hand, if an industry’s future is in question, as happened with many airlines and cruise lines early in the pandemic, the stock prices of some or all companies in the industry can decline even if they have a history of strong performance.”

Screen transitions to an icon of a building. Along with an icon of a down arrow and ‘percent symbol’

Words on screen display: “3 interest rates. Interest rates.”

Voiceover says: “Interest rates affect how much it costs for companies to borrow money in order to do things such as operate and expand their business.

Screen transitions to an up arrow and ‘percent symbol’

Lower interest rates mean lower interest payments, which may enable some companies to take on loans that help them to grow or improve their business.”

Image of a down arrow with a ‘percent symbol’ transitions to an up arrow with a ‘percent symbol’

Voiceover says: “: Likewise, higher interest rates may cause some companies to postpone expansion and improvement projects.

Interest rates can also have an impact on fixed income.”

Screen transition to show an animation of a graph. With words “fixed income” underneath.

Voiceover says: “As interest rates increase, fixed income tends to become more attractive as the interest - or yield - paid by fixed income may increase.

Screen transitions to an animation of a graph with the word “equities” underneath.

Screen transition to show an animation of a graph. With words “equities” underneath.

As a result, if investors start to favor fixed income over equities, prices of those equities may decline.”

Screen transitions to an animation of a screen with numbers and up and down arrows.

Voiceover says: “Stocks and industries tend to follow a four-phase market cycle.”

transitions to words on screen display: “4 market cycles.” “Accumulation” (along with a hand icon), “Markup” (Along with a up arrow icon), “Distributions” (along with 3 arrows that point out in different directions). Markdown (along with a down arrow icon)

voiceover says: “The four phases are accumulation, markup, distribution, and markdown.”

Screen transitions to a man scrolling on a smartphone. Icon of a hand

Words on screen display: "Market Cycles. Accumulation"

Voiceover says: During accumulation, many investors believe stock prices have reached their bottom, and may start to buy more shares for the long term.

Screen transitions into an animation of a line moving up on a line graph. Icon of up arrows.

The words on screen display: "Market cycles. Markup"

The voiceover says: The markup phase is when investors are more confident that the worst is behind them, and sentiment becomes more positive as stock prices rise.

The screen transitions to a closeup of a man looking at a computer screen. Along with an icon of 3 arrows pointing in different directions.

The words on screen display: "Market cycles. Distribution"

The voiceover says: "Next comes the distribution phase, when the investors who've made money on their investments may start to sell their shares.

This tends to be when most people start seeing the stock price as overvalued."

Screen transitions to an animation of a close-up of a hand scrolling on a smartphone. Along with an icon of down arrows.

Words on screen display: "Market cycles. Markdown"

Voiceover says: "Last is the markdown phase, when selling becomes more widespread, which can push the price down until some or most people see a buying opportunity to transition back into the accumulation phase."

Transition to a man looking at a computer screen. Icon of down arrows.

Words on screen display: "Market cycles. Markdown. How can you manage your retirement during market downturns?"

The voiceover says: "Market downturns, also called bear markets, don't last forever, but they do happen from time to time. There are ways to plan ahead."

Screen Transitions to an icon of a triangle with arrows at each point.

Words on screen display: "One strategy that can be considered helpful is diversification."

Voiceover says: "One strategy that can be considered helpful is diversification."

Screen transitions to an icon of a bear

Word on screen display: "Another strategy that could help you better prepare for a bear market is to consider keeping a couple years' worth of expenses available in cash or very conservative investments."

Voiceover says: "Another strategy that could help you better prepare for a bear market is to consider keeping a couple years' worth of expenses available in cash or very conservative investments.

This may offer you a buffer, so you aren't forced to sell a stock investment when its value

is low.”

Screen transitions to a clip of a man and woman sitting on a couch together. Icon of a down arrow.

Words on screen display: “Market cycles. Markdown”

Voiceover says: “If you still have time until you need your money, consider how long you have until retirement.

In general, the further you are from retiring, the less reason there may be to react to a downturn today.”

Screen transitions to a clip of people in a meeting room discussing business.

Words on screen display: “5 geopolitical developments”

Voiceover says: “Geopolitical risk is the influence of geopolitical factors—such as election outcomes, military actions, or trade agreements that have an impact on market behavior.”

Screen transitions to a clip of a ship sailing through the ocean.

Words on screen display: “5 geopolitical developments”

Voiceover says: “For example, if the Canadian government makes its laws or policies for trading with a certain country or region more strict, companies in those locations could suffer.

But at the same time, companies within Canada could benefit from less competition and their equities could rise”

Screen transitions to a woman looking at a computer screen.

The words on screen display: “One of the reasons to consider staying in the market as values fluctuate is a strategy called dollar cost averaging”

voiceover says: “One of the reasons to consider staying in the market as values fluctuate is a strategy called dollar cost averaging, an example of how you can use this strategy is when you contribute to your retirement plan.”

Screen transitions to a graph with the words “more shares” underneath and the words “less shares” above

The words on screen display: “When you invest the same amount regularly, as you do with your retirement plan, your money can buy more shares when stock prices decline.”

Voiceover says: “When you invest the same amount regularly, as you do with your retirement plan, your money can buy more shares when stock prices decline. Then if stock prices increase again, owning those additional shares might help the value of your retirement account increase.”

Screen transitions to a with the words “selling low” underneath and the words “selling high” above

Words on screen display: “If you sell when prices decline, you’re selling low, which may hurt your ability to make back that money in the long term.”

Voiceover says: “If you sell when prices decline, you’re selling low, which may hurt your ability to make back that money in the long term. Consider sticking to your investment strategy and holding on to the investments you have,

even in a bear market.”

Transition to an image of a dollar cost averaging example.

Month	Investment price	\$250 invested	Units purchased
January	\$8	↑	25.0
February	\$4	↑	31.0
March	\$7	↑	62.5
April	\$11	↑	35.7
May	\$12	↑	22.7
June	\$12	↑	20.8
July	\$9	↑	20.8
August	\$5	↑	27.8
September	\$6	↑	50.0
October	\$10	↑	41.7
November	\$11	↑	25.0
December	\$10	↑	22.7
	\$8.75 average	\$3000 total	386.0 total

Words on screen display: “June \$12. July \$12. March \$4. September \$5”

“you invest \$250 every month, buying the same investment no matter its price. When the price is high, you buy fewer units; when the price is low, you buy more units.”

Voiceover says: “Here’s a hypothetical example to help make sense of this.

Let’s say you invest \$250 every month, buying the same investment no matter its price.

Each month, you buy a different number of units depending on the price.

When the price is high, as it is in June and July, you buy fewer units; when the price is low, such as in March and September, you buy more units.”

Screen transitions to a table

Month	Investment price
January	\$8
February	\$4
March	\$7
April	\$11
May	\$12
June	\$12
July	\$9
August	\$5
September	\$6
October	\$10
November	\$11
December	\$10

Words on screen display: “you’ve accumulated 386 units and your investment had an average monthly price of \$8.75. \$8.75 average”

Voiceover says: “When you look back at a year’s worth of investing, you’ve accumulated 386 units and your investment had an average monthly price of \$8.75.”

screen transitions into a table:

	\$250 invested	Units purchased
January	\$250.00	25.0
February	\$250.00	31.0
March	\$250.00	62.5
April	\$250.00	35.7
May	\$250.00	22.7
June	\$250.00	20.8
July	\$250.00	20.8
August	\$250.00	27.8
September	\$250.00	50.0
October	\$250.00	41.7
November	\$250.00	25.0
December	\$250.00	22.7
	\$3000 total	386.0 total

Words on screen display: “your actual average cost came out to only \$7.77—that’s the potential benefit of staying invested and taking advantage of dollar cost averaging. $\$3,000 / 386 \text{ units} = \7.77 ”

voiceover says: “But your actual average cost came out to only \$7.77—that’s the potential benefit of staying invested and taking advantage of dollar cost averaging.

Also, at the end of the year, your \$3,000 investment is worth \$4,246 based on these hypothetical price changes.”

Screen transitions to icon of a question mark

Words displayed on screen: “what’s next in our series?”

Voiceover says: “Our next episode will complete our series.

Screen transitions to words that display: “how you can put investing concept to work for your retirement savings goal”

Voiceover says: “We’ll discuss how you can put investing concepts to work for your retirement savings goal—which, for many people, is their largest financial goal.”

Screen transitions to words that display:

“1 different types of retirement accounts

2 how you can manage your investments throughout your career and as retirement approaches”

3 ways you can research your investments”

Voiceover says: “We’ll cover:

- Different types of retirement accounts,
- How you can manage your investments throughout your career and as retirement approaches, and
- Ways you can research your investments”

[The Manulife logo appears on the screen]

The commentary in this publication is for general information only and should not be considered legal, financial or tax advice to any party. Individuals should seek the advice of professionals to ensure that any action taken with respect to this information is appropriate to their specific situation.

The Manufactures Life Insurance Company

Manulife Group Retirement products and services are offered by the Manufactures Life Insurance Company (Manulife), Manulife & Stylized m Design, and Stylized M Design are trademarks of The Manufactures Life Insurance Company and are used by it, and its affiliates under license.

Accessible formats and communication support are available upon request. Visit [Manulife.ca/accessibility](https://www.manulife.ca/accessibility) for more information.

© 2024 The Manufacturers Life Insurance Company. All rights reserved.

Manulife, PO Box 396, Waterloo, ON N2J 4A9.

3601194

9/24 AODA

