Manulife Investments

All data is as of 9/30/26

Quarterly update

Manulife All-in-One ETFs

MBND | MCAP | MBAP | MGAP | MEQP

(also available as mutual funds)

Key market themes in Q3

Central banks turned hawkish

- The Middle East conflict has had a profound impact on monetary policy
- Many central banks have begun to adopt a more hawkish tone as policymakers monitor the extent to which energy price disruptions could impact inflation
- Central banks in the United States, Europe, and Japan raised policy rates in September

Headwinds persist, but tailwinds dominate

- From geopolitical uncertainty to inflation to valuations, headline risks remain elevated
- Markets remain supported by strong underlying fundamentals, including resilient earnings, improving industrial activity, and a healthy consumer
- Absent a clear shift in fundamentals, we remain constructive on equities; diversification and active management remain critical

Geopolitical fragmentation

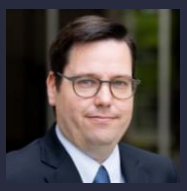
- Geopolitical uncertainty is likely to remain a structural market feature, elevating volatility without necessarily derailing growth
- In recent years, markets have been able to move past these events quickly, refocusing on corporate earnings and forward expectations
- Building resilient, well-diversified portfolios matters more than trying to time macro events

Quarter in review

- Overall, markets had a challenging Q3, led by weakness in fixed income; portfolios slightly lagged their benchmarks due to a combination of manager selection and asset allocation headwinds
- **What helped:** A handful of strategies added value, including Manulife Fundamental Equity, Manulife CQS Multi Asset Credit Fund, Manulife Smart Corporate Bond, and Manulife Strategic Income ETFs
- **What detracted:** An overweight in global-listed infrastructure and an underweight in U.S. equities detracted, while active equity managers outside of Canada underperformed. Most notably, the Manulife Smart U.S. Dividend ETF was a detractor
- **Long-term view:** Narrow market leadership has been a challenge for diversification and active management, but we expect it to eventually broaden

Portfolio changes

- Introduced S&P 500 E-mini futures in September
- Reduced fixed-income duration by trimming core Canadian bonds through Manulife Smart Core Bond ETF (BSKT) and increasing short-term bond exposure through Manulife Smart Short-Term Bond ETF (TERM) in August



Alexander M. Richard, CFA
Portfolio Manager



James (Jamie) Robertson
Senior Portfolio Manager
Head of Multi-Asset Solutions, Canada
Head of Tactical Asset Allocation



Misbah N. Lalani, CFA
Senior Investment Analyst

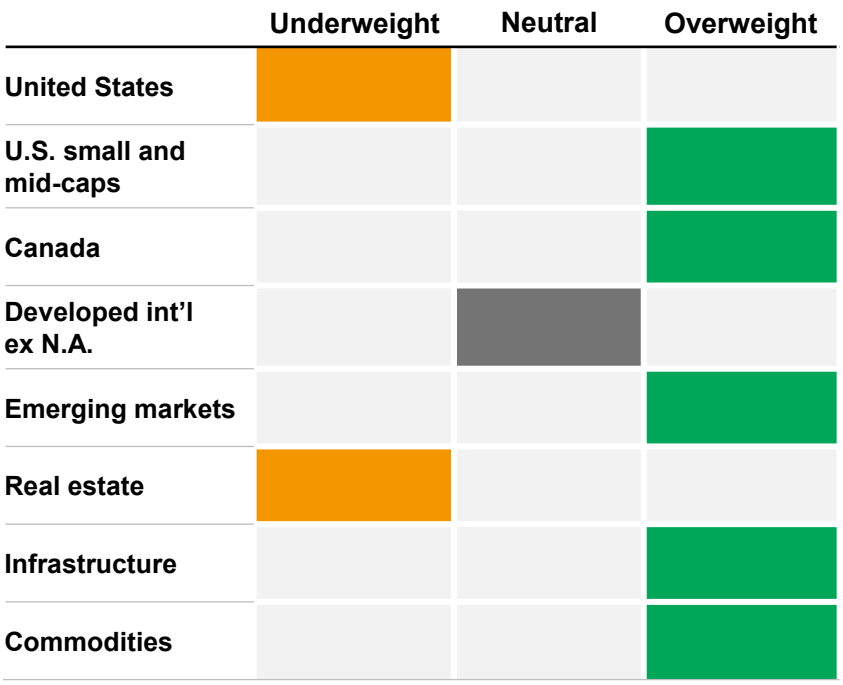
Active at the core

Flexible, actively managed allocation

Low-cost, single-ticket

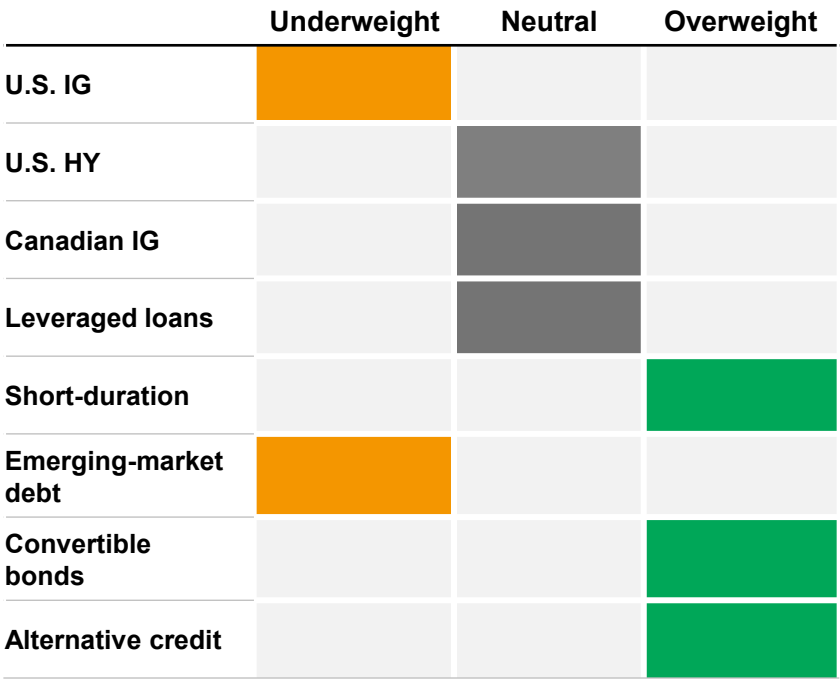
Market outlook: equities

- Robust fundamentals are priced into U.S. valuations; a growing concern as the equity premium goes negative
- We're overweight U.S. small and mid-caps, driven by technical support, valuations, and earnings growth
- We remain overweight Canadian equities, driven by the underlying sector makeup of the economy, with tailwinds supporting cyclical sectors including materials, industrials, and energy
- EM equities are supported by the semiconductor upcycle, which is unlikely to peak this year, but global energy and food prices remain a key risk
- In commodities, we have a preference for base metals such as aluminum and copper, supported by strong demand from the AI infrastructure buildout. Oil also remains supported by geopolitically-driven constraints and resilient global growth.



Market outlook: fixed income

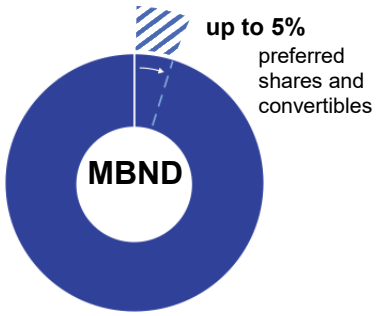
- We remain underweight U.S. investment grade (IG) overall, driven primarily by tight spreads
- We're neutral on U.S. high yield (HY), but continue to favor HY relative to leveraged loans
- We're neutral on Canadian IG as strong investor demand continues to absorb new supply, and the market may be overpricing future rate hikes
- We're overweight short-duration bonds and biased toward higher yields as resilient growth, sticky inflation, elevated borrowing needs, and a higher term premia imply long-term rates will stay above pre-COVID levels
- We believe alternative credit assets, such as collateralized loan obligations, offer attractive yields at minimal duration at a time when credit spreads remain tight due to resilient economic growth, supported by strong capex and elevated fiscal spending



Active at the core • Built to adapt • TCR-ready by design

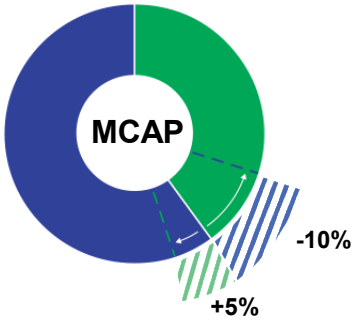
Manulife All-Fixed Income ETF Portfolio

Fixed income: 100%



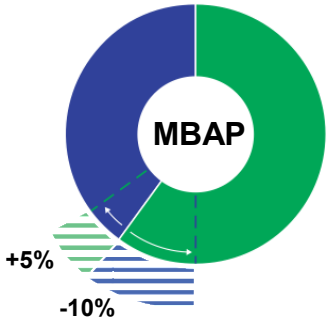
Manulife Conservative ETF Portfolio

Equity: 40%
Fixed income: 60%



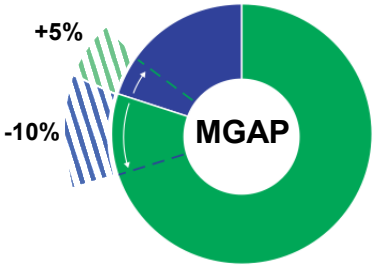
Manulife Balanced ETF Portfolio

Equity: 60%
Fixed income: 40%



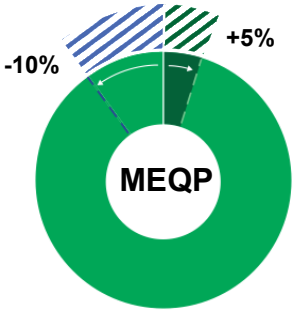
Manulife Growth ETF Portfolio

Equity: 80%
Fixed income: 20%



Manulife All-Equity ETF Portfolio

Equity: 100%
Equity leverage: +5%



Tickers/fund codes and fees

Name	Series	Ticker/ fund code	Management fee (%)
Manulife All-Fixed Income ETF Portfolio	ETF	**MBND**	0.35
	F	**MMF2446**	0.00[1]
	Advisor	**MMF2046**	0.50[1]
Manulife Conservative ETF Portfolio	ETF	**MCAP**	0.35
	F	**MMF2438**	0.00[1]
	Advisor	**MMF2038**	0.75[1]
Manulife Balanced ETF Portfolio	ETF	**MBAP**	0.35
	F	**MMF2440**	0.00[1]
	Advisor	**MMF2040**	1.00[1]
Manulife Growth ETF Portfolio	ETF	**MGAP**	0.35
	F	**MMF2442**	0.00[1]
	Advisor	**MMF2042**	1.00[1]
Manulife All-Equity ETF Portfolio	ETF	**MEQP**	0.35
	F	**MMF2444**	0.00[1]
	Advisor	**MMF2044**	1.00[1]

Source: Manulife Investments, as of October 29, 2026.

To learn more, visit manulifeim.ca/all-in-one-etfs

1 It is expected that the effective indirect fee from the underlying fund will be approximately 0.35% in addition to the stated management fee shown in the table. This fee is an estimate based on the weightings of the portfolio of the underlying fund. As a result, the total estimated management fees, including indirect fees, will be 0.85% for Advisor Series and Series T of Manulife All-Fixed Income ETF Portfolio Fund; 1.10% for Advisor Series and Series T of Manulife Conservative ETF Portfolio Fund; 1.35% for Advisor Series and Series T of Manulife Balanced ETF Portfolio Fund, Manulife Growth ETF Portfolio Fund and Manulife All-Equity ETF Portfolio Fund; and 0.35% for Series F and FT of each fund. Actual effective indirect fees may be higher or lower based on the performance of the underlying ETFs, rebalancing events initiated by the portfolio management team and changes to the strategic allocation, which may include the removal or addition of underlying ETFs. Actual indirect fees will be reflected in the MER (in addition to sales tax, fixed admin fees, commissions, portfolio transaction costs and other expenses, as applicable). See the simplified prospectus of the applicable fund for more information.

Manulife Investments

Commissions, fees and expenses may be associated with investment funds. Please read the prospectus before investing. Please read the prospectus before investing. Mutual funds and ETFs are not guaranteed, their values change frequently, and past performance may not be repeated..

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