[The Manulife Investment Management logo appears on the screen]

Rates are rising, and because of that, it's pretty common for investors to proclaim that bonds are dead. But we'd disagree with them. Bonds aren't dead: they're just different.

In times like this, it's important to not get bogged down by the headlines. Remember, markets price in expectations for rising rates. So if these rate rises don't materialize as much as expected, we could see a reversal in the bond selloff.

And while we may now find ourselves in a rising rate environment, keep in mind that not all bonds are created equal. Investors have different options including government bonds in various countries; investment-grade and high-yield corporate bonds; different parts of the yield curve. All of these act differently, with some moving up or down more than others.

That's why we think that the best way to navigate the current scenario is to be nimble and to have as many tools as possible at your disposal. Being able to quickly shift into different types of rate instruments—whether it's moving up or down the yield curve, switching geographies, sectors or credit ratings, or adding or removing duration—that's how we believe investors can navigate these choppy waters.

In times like this, the key is to not limit yourself to just one or two types of bonds; the key is to be flexible in your fixed income. The more options you have in your toolbox, the better you can build a resilient portfolio.

[The Manulife Investment Management logo appears on the screen]

A widespread health crisis such as a global pandemic could cause substantial market volatility, exchange-trading suspensions and closures, and affect portfolio performance. For example, the novel coronavirus disease (COVID-19) has resulted in significant disruptions to global business activity. The impact of a health crisis and other epidemics and pandemics that may arise in the future could affect the global economy in ways that cannot necessarily be foreseen at the present time. A health crisis may exacerbate other preexisting political, social ,and economic risks. Any such impact could adversely affect the portfolio's performance, resulting in losses to your investment.

Manulife Investment Management

Manulife Investment Management is the global brand for the global wealth and asset management segment of Manulife Financial Corporation. We draw on more than a century of financial stewardship and the full resources of our parent company to serve individuals, institutions, and retirement plan members worldwide. Headquartered in Toronto, our leading capabilities in public and private markets are strengthened by an investment footprint that spans 18 geographies. We complement these capabilities by providing access to a network of unaffiliated asset managers from around the world. We're committed to investing responsibly across our businesses. We develop innovative global frameworks for sustainable investing, collaboratively engage with companies in our securities portfolios, and maintain a high standard of stewardship where we own and operate assets, and we believe in supporting financial well-being through our workplace retirement plans. Today, plan sponsors around the world rely on our retirement plan administration and investment expertise to help their employees plan for, save for, and live a better retirement.

PPM 554392

06/22 AODA