

# Manulife Global Multi-Asset Diversified Income Fund<sup>1</sup>

## Regular income from multiple sources\*

- 1** Broad investment universe that seeks to provide regular income and diversification
- 2** Flexible allocation across traditional and non-traditional asset classes
- 3** Potential yield enhancement and downside cushion through equity option strategies

<sup>1</sup> The full name of the fund is Manulife Global Fund - Global Multi-Asset Diversified Income Fund.

\*The intention of the Manager to make a monthly distribution and the distribution yield for the Fund is not guaranteed, and the Manager may review the distribution policy in future, depending on prevailing market conditions.

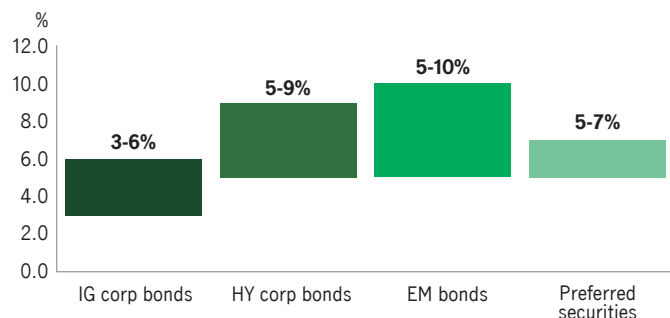
# A multi-asset income fund in a low yield environment

## Capture more income sources with a broad investment universe

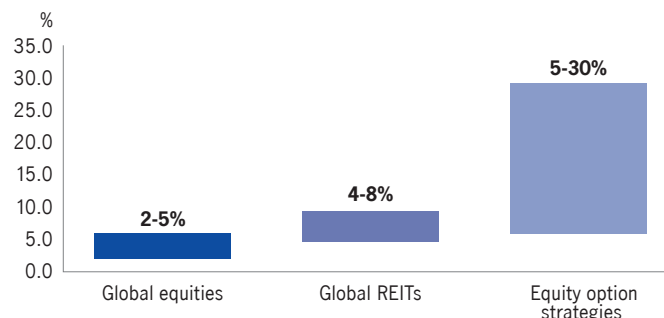
Performance and yields across asset classes can fluctuate in different economic cycles. Investors can broaden their investment universe within bonds and equities by diversifying across sectors and geographies, which can in turn provide low correlated income sources and also increase overall yield stability.

### Average yields of each income asset per annum over the past 15 years<sup>2</sup>

#### Fixed income



#### Equity and equity-related securities



Exposure to sustainable high income generating assets to drive asset allocation

Aims to generate stable income and balance portfolio risks

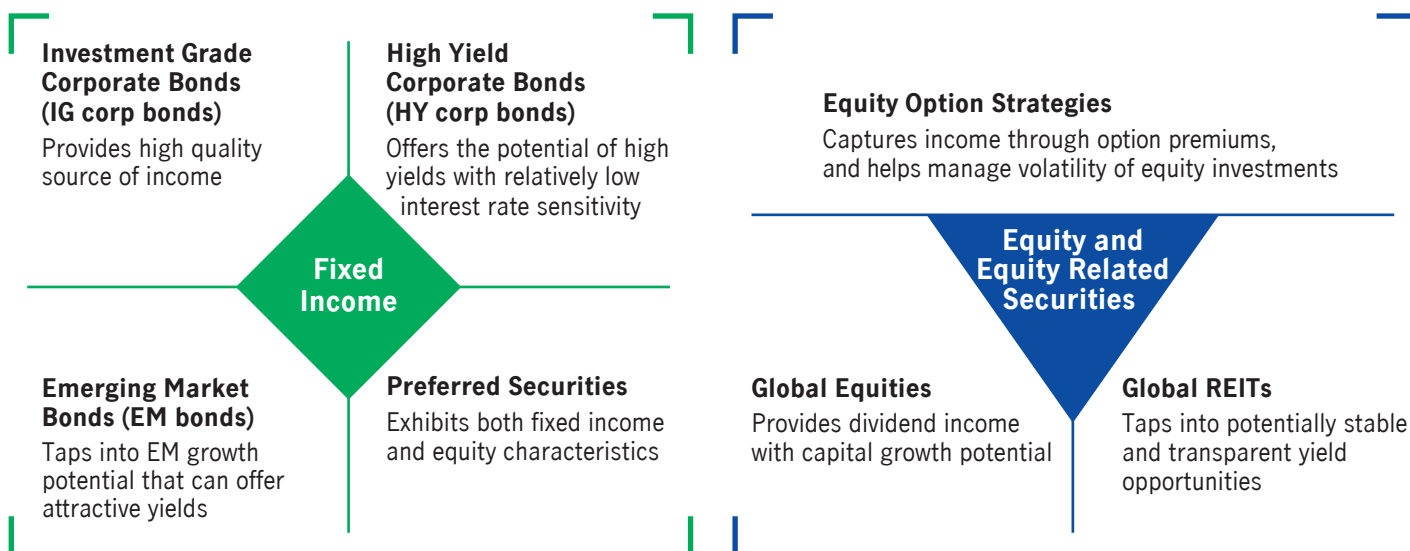
Pursue capital appreciation opportunities with equity option strategies aiming to gain income and manage downside risks

Source: Manulife Investment Management, Bloomberg, MSCI, as at 31 December 2021. This information is for illustration purposes only, and does not guarantee future returns. Positive distribution yields do not imply positive returns. Average yield per annum is based on historical yields over the past 15 years, with the exception of equity option strategies, which is based on proprietary research since 2008 with data from Manulife Investment Management.

## Flexible and diversified allocation by blending traditional and non-traditional income sources

The flexible and unconstrained allocation approach of the Fund provides diversification benefits by integrating traditional and non-traditional asset classes which have moderately low correlation and consequently provide potentially better risk-adjusted returns compared to single asset class. Non-traditional asset classes such as REITs and preferred securities not only provide alternative sources of income but can add value to an investor's portfolio as they provide relatively higher yields compared to traditional asset classes while having moderately low correlation.

### Traditional and non-traditional asset classes



## Traditional and non-traditional income sources tend to be less correlated\*

Traditional income source	Non-traditional income source		
	Global REITs	Preferred securities	Equity option strategies
Investment grade corporate bonds	Relatively low	Relatively low	Relatively low
High yield corporate bonds	Moderate	Moderate	Moderate
Emerging market USD bonds	Moderate	Relatively low	Moderate
Global equities	Relatively high	Moderate	Relatively high

■ Relatively low correlation   
 ■ Moderate correlation   
 ■ Relatively high correlation

Source: Bloomberg. Correlation coefficient is calculated based on weekly performance from December 2006 to December 2021. Relatively low correlation refers to correlation coefficients with absolute value equal to or smaller than 0.5, moderate correlation refers to correlation coefficients with absolute value between 0.5 and 0.75 (inclusive), and relatively high correlation refers to correlation coefficients with absolute value above 0.75.

## Potential downside buffer through option strategies

The use of option strategies can potentially increase the overall yield of an investor's portfolio, as well as provide downside buffer during periods of market downturn. This can be achieved through the writing (or sale) of call and/or put options.

### 1. Enhancing yield

The premiums collected from option writing can act as an additional source of income for investors.

### 2. Providing downside protection

The call premiums can help to cushion or even offset falling equity prices, effectively acting as a partial hedge.

During several market corrections since 2000, equity option strategies have proven to provide a downside buffer with lower drawdowns than the broad US equity market (refer to the chart is on the right). This has become an important and popular risk management tool and has been widely adopted by many institutional investors.

### Performance during market volatility

	S&P 500 Index	Equity option strategies
<b>Net/dot.com bubble – 9/11 attacks</b> (09/04/2000 – 10/09/2002)	-47.41%	-31.01%
<b>Global financial crisis</b> (10/09/2007 – 03/09/2009)	-55.25%	-36.80%
<b>COVID-19</b> (19/02/2020 - 23/03/2020)	-33.79%	-29.58%

Source: Bloomberg, Morningstar. Equity option strategies refer to 50% CBOE S&P 500 BuyWrite Index and 50% CBOE S&P 500 PutWrite Index. No investment strategy or risk management technique can guarantee returns or eliminate risk in any market environment.

## Manulife's investment expertise

Manulife Investment Management has more than a hundred years' history of investing assets for Manulife's insurance business since 1860s.

**26 years**

Average investment experience of management team

**600+**<sup>a</sup>

investment experts across asset classes

**USD 165 billion**<sup>b</sup>

in AUM of multi-asset solutions

<sup>a</sup> Source: Manulife Investment Management, as of 31 December 2021. Total investment professionals is comprised of individuals from Manulife Investment Management, Manulife-TEDA Fund Management Co. LTD., a 49% joint venture between Manulife Financial and Northern International Trust, part of the Tianjin TEDA Investment Holding Co. Ltd. (TEDA), and Mahindra Manulife Investment Management Private Limited, a 49% joint venture of Manulife and Mahindra AMC. Total also includes investment professionals in private market asset classes of Agriculture/Timberland, Infrastructure Equity and Real Estate Equity.

<sup>b</sup> Source: Manulife Investment Management. Data as of 31 December 2021. Diversification does not guarantee a profit nor protect against loss in any market.

## Fund details

Class <sup>^</sup>	AA (SGD Hedged) MDIST (G)	AA (USD) MDIST (G)
<b>Investment objective</b>	The Fund aims to achieve income generation by investing primarily in a diversified portfolio of equity, equity-related, fixed income and fixed income-related securities of companies and/or governments (which include agencies and supnationals in respect of fixed income and fixed income-related securities) globally (including emerging markets from time to time).	
<b>Inception date</b>	25-04-2019	
<b>ISIN code</b>	LU1935043536	LU1935043023
<b>Bloomberg ticker</b>	MLADASM LX	MLADAUM LX
<b>Base currency</b>	USD	
<b>Mode of subscription</b>	Cash and SRS	Cash
<b>Minimum initial investment</b>	USD 1,000 (or the equivalent in any other major currency)	
<b>Distribution frequency</b>	Monthly	
<b>Management fee</b>	1.50% of NAV p.a.	
<b>Initial sales charge</b>	Up to 5%	
<b>Dealing frequency</b>	Daily	
<b>Investment manager</b>	Manulife Investment Management (US) LLC	
<b>Fund size</b>	USD 584.40 million (as of 28 February 2022) <sup>^</sup> Please refer to the Prospectus for details on other available classes.	

2 Investment grade corporate bonds are represented by JPMorgan US Investment Grade Index, high yield corporate bonds by JPMorgan Global High Yield Index, emerging market bonds by JPMorgan EMBI Global Index, preferred securities by ICE BofAML Fixed Rate Preferred Securities Index, global equities by MSCI World Index, global REITs by FTSE EPRA/NAREIT Index, equity option strategies by CBOE S&P 500 30 Delta BuyWrite Index and CBOE S&P 500 PutWrite Index.

3 Global REITs are represented by FTSE EPRA/NAREIT Global REIT Index, preferred securities by ICE BofAML Fixed Rate Preferred Securities Index, covered call by CBOE S&P 500 BuyWrite Index; put writing by CBOE S&P 500 PutWrite Index, IG corp bond by Bloomberg Global Agg Corp Index, HY corp bond by Bloomberg Global High Yield Corp Index, EM USD bond by JPMorgan EMBI Index and global equities by MSCI AC World Index.

### Important notes:

Manulife Global Fund (the "Company") is an open-ended investment company registered in the Grand Duchy of Luxembourg. The Manulife Global Fund – Global Multi-Asset Diversified Income Fund (the "Fund") is recognised under the Securities and Futures Act of Singapore for retail distribution. The Company has appointed Manulife Investment Management (Singapore) Pte. Ltd. as its Singapore Representative and agent for service of process in Singapore. The information provided herein does not constitute financial advice, an offer or recommendation with respect to the Fund.

Opinions, forecasts and estimates on the economy, financial markets or economic trends of the markets mentioned herein are not necessarily indicative of the future or likely performance of the Fund. **The Fund may use financial derivative instruments for efficient portfolio management and/or hedging.** Investments in the Fund are not deposits in, guaranteed or insured by the Manager and involve risks. Past performance of the manager or sub-manager is not necessarily indicative of its future performance. The value of units in the Fund and any income accruing to them may fall or rise. Past performance of the Fund is not necessarily indicative of future performance. Investors should read the Singapore prospectus, and seek advice from a financial adviser before deciding whether to purchase units in the Fund. A copy of the Singapore prospectus and the product highlights sheet can be obtained from Manulife or its distributors. In the event an investor chooses not to seek advice from a financial adviser, he should consider whether the Fund is suitable for him.

**Distributions are not guaranteed.** Investors should refer to the Singapore prospectus for the distribution policy of the Fund. The Directors of the Company shall have the absolute discretion to determine whether a distribution is to be made in respect of the Fund as well as the rate and frequency of distributions to be made. Distributions may be made out of (a) income, or (b) net capital gains, or (c) capital of the Fund, or (d) gross income while charging all or part of the fees and expenses to capital, or (e) any combination of (a), (b), (c) and/or (d). Past distribution yields and payments are not necessarily indicative of future distribution yields and payments. Any payment of distributions by the Fund is expected to result in an immediate decrease in the net asset value per share of the Fund.

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