



||| **Manulife** Investment Management

| Capital Markets Strategy |

2024 Q1 Macro & Markets Outlook

Insights from our Capital Markets Strategy team


Chartbook

Kevin Headland, CIM

Co-Chief Investment Strategist

Macan Nia, CFA

Co-Chief Investment Strategist

A person in silhouette stands on the edge of a rocky cliff, looking out over a vast landscape at sunset. The sky is filled with soft, golden light and scattered clouds. Below the cliff, a city with numerous lights is visible, along with rolling mountains in the distance. The overall mood is contemplative and serene.

“If you make the mistake of looking back too much, you aren’t focused enough on the road in front of you.”

– Brad Paisley

Capital Markets Strategy

The Capital Markets Strategy team has a range of responsibilities, from market and economic analysis to investor education. The team analyzes and interprets the economy and markets on behalf of Manulife Investment Management. They work with the portfolio management teams to provide clients and investment intermediaries with commentary on strategies and asset allocation weightings. Their expertise spans across multiple asset classes and geographic regions.

www.manulifeim.ca/cms



Macan Nia, CFA
Co-Chief Investment Strategist
Macan_Nia@Manulife.com



Kevin Headland, CIM
Co-Chief Investment Strategist
Kevin_Headland@Manulife.com

How to stay in touch with us



Market intelligence report

These semi-annual updates measure key investment markets—including Canadian equities, U.S. equities, international equities, and fixed income—for Canadian investors.

[Read the latest report.](#)



Investments Unplugged

Check out our insightful, lively podcast (over 23,000 listeners and over 54,000 downloads) for access to ideas from a range of experts who cover current market happenings, as well as investment trends and opportunities.

[Listen in.](#)



WYNTK monthly email

This opt-in monthly newsletter, with over 2200 subscribers, highlights top-of-mind topics—financial and economic activity that captures the Capital Markets Strategy team's attention—and the potential effects on markets and investors.

For advisor use only

Contact us directly to receive the newsletter.
kevin_headland@manulife.com
macan_nia@manulife.com



Investment notes

Looking for discussions of important market-related topics—inflation, recession, interest rates, equities, bonds, currencies, and much more—that relate to Canadian Investors?

[Search our articles.](#)



Chart Book

Do you like visual illustrations of market data? We use a collection of charts and tables to support our views and help answer questions that may come up in discussions.

For advisor use only

Contact your wholesaling team or email us for a copy.



LinkedIn

Want timely updates and snapshot views of the latest market and investment happenings? Follow us on LinkedIn.

[Kevin Headland](#)
[Macan Nia](#)

Economy

Market risks

Risk	From current level	Outlook
Economy	Risk to the downside	U.S. and global economic activity is slowing and continues to indicate an elevated risk of a recession. Is it going to be a mild or severe recession? We believe a resilient U.S. consumer; tight labour market and stable corporate balance sheets should result in a shallow recession.
Valuation	Neutral	The 2023 rally in global markets has been predominantly driven by PE multiple expansion. The direction of valuation from these levels will be dependent on why Central Banks are cutting rates. Is it normalization or in response to a severe slowdown?
Earnings	Neutral	Earnings growth will likely to be flat from an index level perspective globally. Focus should be on security selection with top line revenue growth vs. cost cutting.
Yields	Risk to the downside	The U.S. Federal Reserve is near the end of their rate hike cycle and the Bank of Canada has likely already ended their tightening. Yields across the curve may continue to fall as the market prices in an elevated risk of recession and central bank rate cuts in 2024.
Credit	Risk to the downside	Despite higher yields for both IG and HY, credit spreads have not yet widened to reflect the downside risk in the economy and earnings. While IG will likely remain stable, lower quality HY and floating rate may be at risk. Security selection still remains key for fixed income investing.
Oil prices	Neutral	While geopolitical risk and OPEC production policy may impact supply, a slower global economy will likely put pressure on demand. There is a tug of war between supply and demand that will likely create continued volatility in near term price movements.
Currency (CAD/USD)	Risk to the upside	The Canadian dollar is currently fairly valued relative to current oil prices and 2-year differential. CAD/USD remains in a tight trading range of US\$0.73-76 over the next 12 months.

Source: Manulife Investment Management, Capital Markets Strategy. As of December 31, 2023

Signs still point to a risk of a U.S. recession

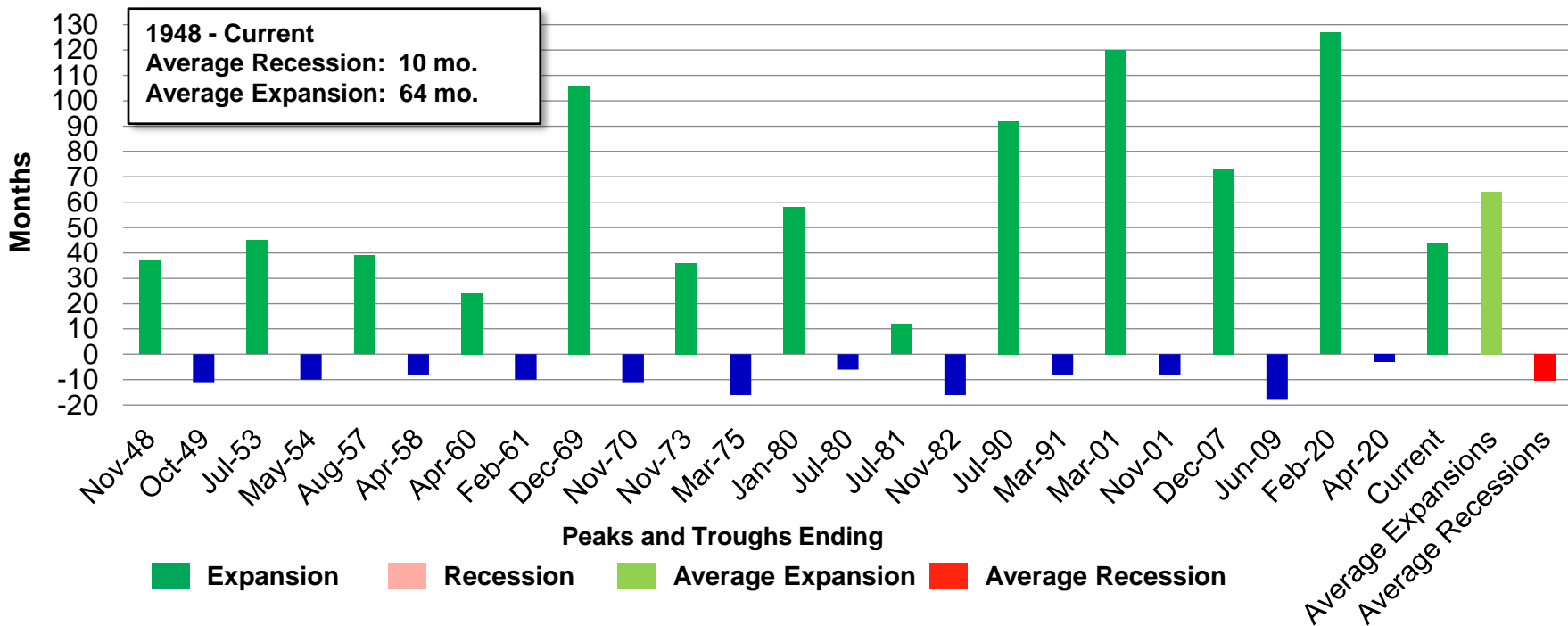
Leading		Coincident		Lagging	
Yield curve	✘	Consumer confidence	✘	Unemployment rate	✓
Senior loan officer survey C and I	✘	Housing starts	✓	Job openings (JOLTS)	✓
ISM new orders minus inventories	!	ISM manufacturing PMI	!	Inflation	✘
30-year mortgage rate	!	Industrial production	!		
New home sales	✓				
Investment-grade corporate spreads	✓				
Financial conditions	!				
Initial jobless claims	!				

Legend: ✓ Low risk ! Medium risk ✘ High risk

Source: Manulife Investment Management, Capital Markets Strategy. As of December 31, 2023

We are in the late stages of this economic cycle

U.S. economic expansions and contractions (1948 – current)



Source: Bloomberg, Manulife Investment Management, Capital Markets Strategy. As of December 31, 2023

Global manufacturing continues to slow

	Dec21	Jan-22	Feb-22	Mar-22	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23
JPMorgan Global PMI	54.3	53.2	53.7	52.9	52.3	52.3	52.2	51.1	50.3	49.8	49.4	48.8	48.7	49.1	49.9	49.6	49.6	49.5	48.7	48.6	49.0	49.2	48.8	49.3	49.0
United States	57.7	55.5	57.3	58.8	59.2	57.0	52.7	52.2	51.5	52.0	50.4	47.7	46.2	46.9	47.3	49.2	50.2	48.4	46.3	49.0	47.9	49.8	50.0	49.4	47.9
Canada	56.5	56.2	56.6	58.9	56.2	56.8	54.6	52.5	48.7	49.8	48.8	49.6	49.2	51.0	52.4	48.6	50.2	49.0	48.8	49.6	48.0	47.5	48.6	47.7	45.4
Mexico	49.4	46.1	48.0	49.2	49.3	50.6	52.2	48.5	48.5	50.3	50.3	50.6	51.3	48.9	51.0	51.0	51.1	50.5	50.9	53.2	51.2	49.8	52.1	52.5	52.0
U.K.	57.9	57.3	58.0	55.2	55.8	54.6	52.8	52.1	47.3	48.4	46.2	46.5	45.3	47.0	49.3	47.9	47.8	47.1	46.5	45.3	43.0	44.3	44.8	47.2	46.2
Eurozone	58.0	58.7	58.2	56.5	55.5	54.6	52.1	49.8	49.6	48.4	46.4	47.1	47.8	48.8	48.5	47.3	45.8	44.8	43.4	42.7	43.5	43.4	43.1	44.2	44.4
Germany	57.4	59.8	58.4	56.9	54.6	54.8	52.0	49.3	49.1	47.8	45.1	46.2	47.1	47.3	46.3	44.7	44.5	43.2	40.6	38.8	39.1	39.6	40.8	42.6	43.3
Holland	58.7	60.1	60.6	58.4	59.9	57.8	55.9	54.5	52.6	49.0	47.9	46.0	48.6	49.6	48.7	46.4	44.9	44.2	43.8	45.3	45.9	43.6	43.8	44.9	44.8
France	55.6	55.5	57.2	54.7	55.7	54.6	51.4	49.5	50.6	47.7	47.2	48.3	49.2	50.5	47.4	47.3	45.6	45.7	46.0	45.1	46.0	44.2	42.8	42.9	42.1
Italy	62.0	58.3	58.3	55.8	54.5	51.9	50.9	48.5	48.0	48.3	46.5	48.4	48.5	50.4	52.0	51.1	46.8	45.9	43.8	44.5	45.4	46.8	44.9	44.4	45.3
Spain	56.2	56.2	56.9	54.2	53.3	53.8	52.6	48.7	49.9	49.0	44.7	45.7	46.4	48.4	50.7	51.3	49.0	48.4	48.0	47.8	46.5	47.7	45.1	46.3	46.2
Ireland	58.3	59.4	57.8	59.4	59.1	56.4	53.1	51.8	51.1	51.5	51.4	48.7	48.7	50.1	51.3	49.7	48.6	47.5	47.3	47.0	50.8	49.6	48.2	50.0	48.9
Czech Republic	59.1	59.0	56.5	54.7	54.4	52.3	49.0	46.8	46.8	44.7	41.7	41.6	42.6	44.6	44.3	44.3	42.8	42.8	40.8	41.4	42.9	41.7	42.0	43.2	41.8
Poland	56.1	54.5	54.7	52.7	52.4	48.5	44.4	42.1	40.9	43.0	42.0	43.4	45.6	47.5	48.5	48.3	46.6	47.0	45.1	43.5	43.1	43.9	44.5	48.7	47.4
Greece	59.0	57.9	57.8	54.6	54.8	53.8	51.1	49.1	48.8	49.7	48.1	48.4	47.2	49.2	51.7	52.8	52.4	51.5	51.8	53.5	52.9	50.3	50.8	50.9	51.3
Australia	57.7	55.1	57.0	57.7	58.8	55.7	56.2	55.7	53.8	53.5	52.7	51.3	50.2	50.0	50.5	49.1	48.0	48.4	48.2	49.6	49.6	48.7	48.2	47.7	47.6
Japan	54.3	55.4	52.7	54.1	53.5	53.3	52.7	52.1	51.5	50.8	50.7	49.0	48.9	48.9	47.7	49.2	49.5	50.6	49.8	49.6	49.6	48.5	48.7	48.3	47.7
China (caixin)	50.9	49.1	50.4	48.1	46.0	48.1	51.7	50.4	49.5	48.1	49.2	49.4	49.0	49.2	51.6	50.0	49.5	50.9	50.5	49.2	51.0	50.6	49.5	49.4	49.0
South Korea	51.9	52.8	53.8	51.2	52.1	51.8	51.3	49.8	47.6	47.3	48.2	49.0	48.2	48.5	48.5	47.6	48.1	48.4	47.8	49.4	48.9	49.9	49.8	50.0	49.9
Taiwan	55.5	55.1	54.3	54.1	51.7	50.0	49.8	44.6	42.7	42.2	41.5	41.6	44.6	44.3	49.0	48.6	47.1	44.3	44.8	44.1	44.3	46.4	47.6	48.3	47.1
Vietnam	52.5	53.7	54.3	51.7	51.7	54.7	54.0	51.2	52.7	52.5	50.6	47.4	46.4	47.4	51.2	47.7	46.7	45.3	46.2	48.7	50.5	49.7	49.6	47.3	48.9
Indonesia	53.5	53.7	51.2	51.3	51.9	50.8	50.2	51.3	51.7	53.7	51.8	50.3	50.9	51.3	51.2	51.9	52.7	50.3	52.5	53.3	53.9	52.3	51.5	51.7	52.2
Malaysia	52.8	50.5	50.9	49.6	51.6	50.1	50.4	50.6	50.3	49.1	48.7	47.9	47.8	46.5	48.4	48.8	48.8	47.8	47.7	47.8	47.8	46.8	46.8	47.9	47.9
Singapore	50.7	50.6	50.2	50.1	50.3	50.4	50.3	50.1	50.0	49.9	49.7	49.8	49.7	49.8	50.0	49.9	49.7	49.5	49.7	49.8	49.9	50.1	50.2	50.3	50.5
India	55.5	54.0	54.9	54.0	54.7	54.6	53.9	56.4	56.2	55.1	55.3	55.7	57.8	55.4	55.3	56.4	57.2	58.7	57.8	57.7	58.6	57.5	55.5	56.0	54.9
Brazil	49.8	47.8	49.6	52.3	51.8	54.2	54.1	54.0	51.9	51.1	50.8	44.3	44.2	47.5	49.2	47.0	44.3	47.1	46.6	47.8	50.1	49.0	48.6	49.4	48.4
Turkey	52.1	50.5	50.4	49.4	49.2	49.2	48.1	46.9	47.4	46.9	46.4	45.7	48.1	50.1	50.1	50.9	51.5	51.5	51.5	49.9	49.0	49.6	48.4	47.2	47.4
South Africa	48.4	50.9	50.9	51.4	50.3	50.7	52.5	52.7	51.7	49.2	49.5	50.6	50.2	48.7	50.5	49.7	49.6	47.9	48.7	48.2	51.0	49.9	48.9	50.0	49.0
Saudi Arabia	53.9	53.2	56.2	56.8	55.7	55.7	57.0	56.3	57.7	56.6	57.2	58.5	56.9	58.2	59.8	58.7	59.6	58.5	59.6	57.7	56.6	57.2	58.4	57.5	57.5
Russia	51.6	51.8	48.6	44.1	48.2	50.8	50.9	50.3	51.7	52.0	50.7	53.2	53.0	52.6	53.6	53.2	52.6	53.5	52.6	52.1	52.7	54.5	53.8	53.8	54.6

■ High
■ Neutral
■ Low

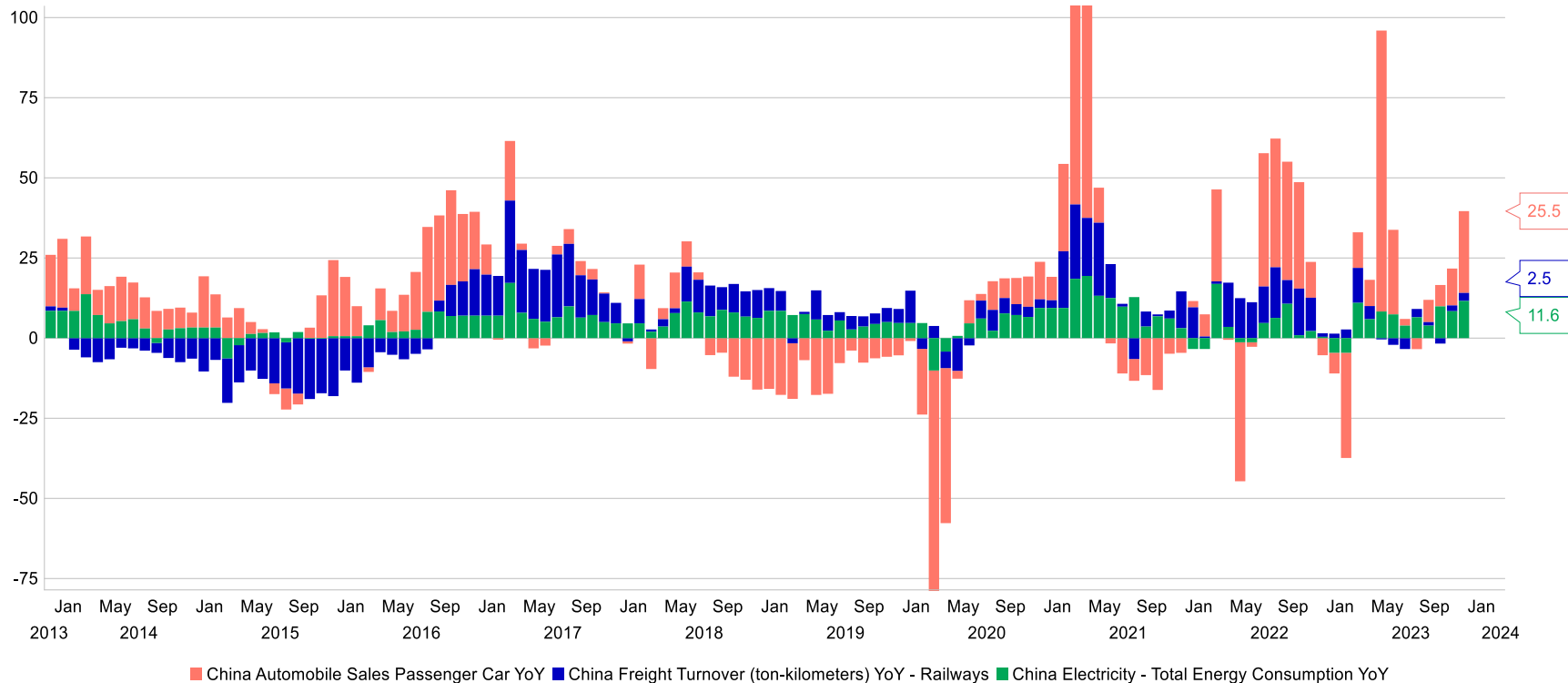
Source: Bloomberg, Manulife Investment Management, Capital Markets Strategy. As of December 31, 2023

Global services continues to slow

	Dec-21	Jan-22	Feb-22	Mar-22	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23
JPMorgan Global PMI	54.6	51.0	53.9	53.5	52.2	52.0	53.7	51.0	49.2	49.9	49.1	48.1	48.0	50.0	52.5	54.3	55.3	55.3	53.8	52.6	51.0	50.7	50.4	50.6	51.6
European Union	53.1	51.1	55.5	55.6	57.7	56.1	53.0	51.2	49.8	48.8	48.6	48.5	49.8	50.8	52.7	55.0	56.2	55.1	52.0	50.9	47.9	48.7	47.8	48.7	48.8
United States	57.6	51.2	56.5	58.0	55.6	53.4	52.7	47.3	43.7	49.3	47.8	46.2	44.7	46.8	50.6	52.6	53.6	54.9	54.4	52.3	50.5	50.1	50.6	50.8	51.4
China	53.1	51.4	50.2	42.0	36.2	41.4	54.5	55.5	55.0	49.3	48.4	46.7	48.0	52.9	55.0	57.8	56.4	57.1	53.9	54.1	51.8	50.2	50.4	51.5	52.9
Japan	52.1	47.6	44.2	49.4	50.7	52.6	54.0	50.3	49.5	52.2	53.2	50.3	51.1	52.3	54.0	55.0	55.4	55.9	54.0	53.8	54.3	53.8	51.6	50.8	51.5
Germany	48.7	52.2	55.8	56.1	57.6	55.0	52.4	49.7	47.7	45.0	46.5	46.1	49.2	50.7	50.9	53.7	56.0	57.2	54.1	52.3	47.3	50.3	48.2	49.6	49.3
France	57.0	53.1	55.5	57.4	58.9	58.3	53.9	53.2	51.2	52.9	51.7	49.3	49.5	49.4	53.1	53.9	54.6	52.5	48.0	47.1	46.0	44.4	45.2	45.4	45.7
UK	53.6	54.1	60.5	62.6	58.9	53.4	54.3	52.6	50.9	50.0	48.8	48.8	49.9	48.7	53.5	52.9	55.9	55.2	53.7	51.5	49.5	49.3	49.5	50.9	53.4
India	55.5	51.5	51.8	53.6	57.9	58.9	59.2	55.5	57.2	54.3	55.1	56.4	58.5	57.2	59.4	57.8	62.0	61.2	58.5	62.3	60.1	61.0	58.4	56.9	59.0
Brazil	53.6	52.8	54.7	58.1	60.6	58.6	60.8	55.8	53.9	51.9	54.0	51.6	51.0	50.7	49.8	51.8	54.5	54.1	53.3	50.2	50.6	48.7	51.0	51.2	50.5
Italy	53.0	48.5	52.8	52.1	55.7	53.7	51.6	48.4	50.5	48.8	46.4	49.5	49.9	51.2	51.6	55.7	57.6	54.0	52.2	51.5	49.8	49.9	47.7	49.5	49.8
Russia	49.5	49.8	52.1	38.1	44.5	48.5	51.7	54.7	49.9	51.1	43.7	48.3	45.9	48.7	53.1	58.1	55.9	54.3	56.8	54.0	57.6	55.4	53.6	52.2	56.2
Spain	55.8	46.6	56.6	53.4	57.1	56.5	54.0	53.8	50.6	48.5	49.7	51.2	51.6	52.7	56.7	59.4	57.9	56.7	53.4	52.8	49.3	50.5	51.1	51.0	51.5
Australia	55.1	46.6	57.4	55.6	56.1	53.2	52.6	50.9	50.2	50.6	49.3	47.6	47.3	48.6	50.7	48.6	53.7	52.1	50.3	47.9	47.8	51.8	47.9	46.0	47.1

Source: Bloomberg, Manulife Investment Management, Capital Markets Strategy. As of December 31, 2023

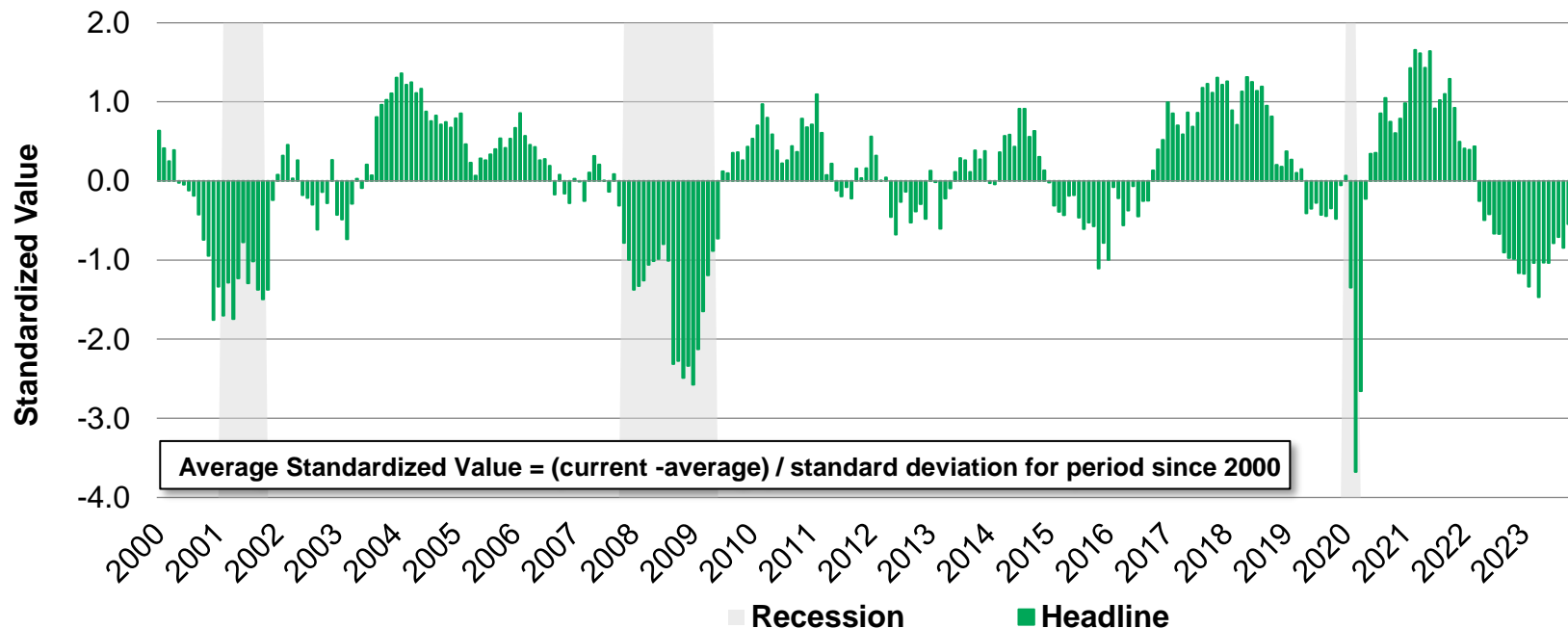
China's economy appears to be improving



Source: Bloomberg, Macrobond, Manulife Investment Management, as of 1/5/2024.

U.S. Manufacturing continues to point to a likely recession

U.S. manufacturing activity avg. standardized values: ISM (National, Chicago, Cincinnati) Fed manufacturing (Empire, Philadelphia, Richmond, Dallas) indices

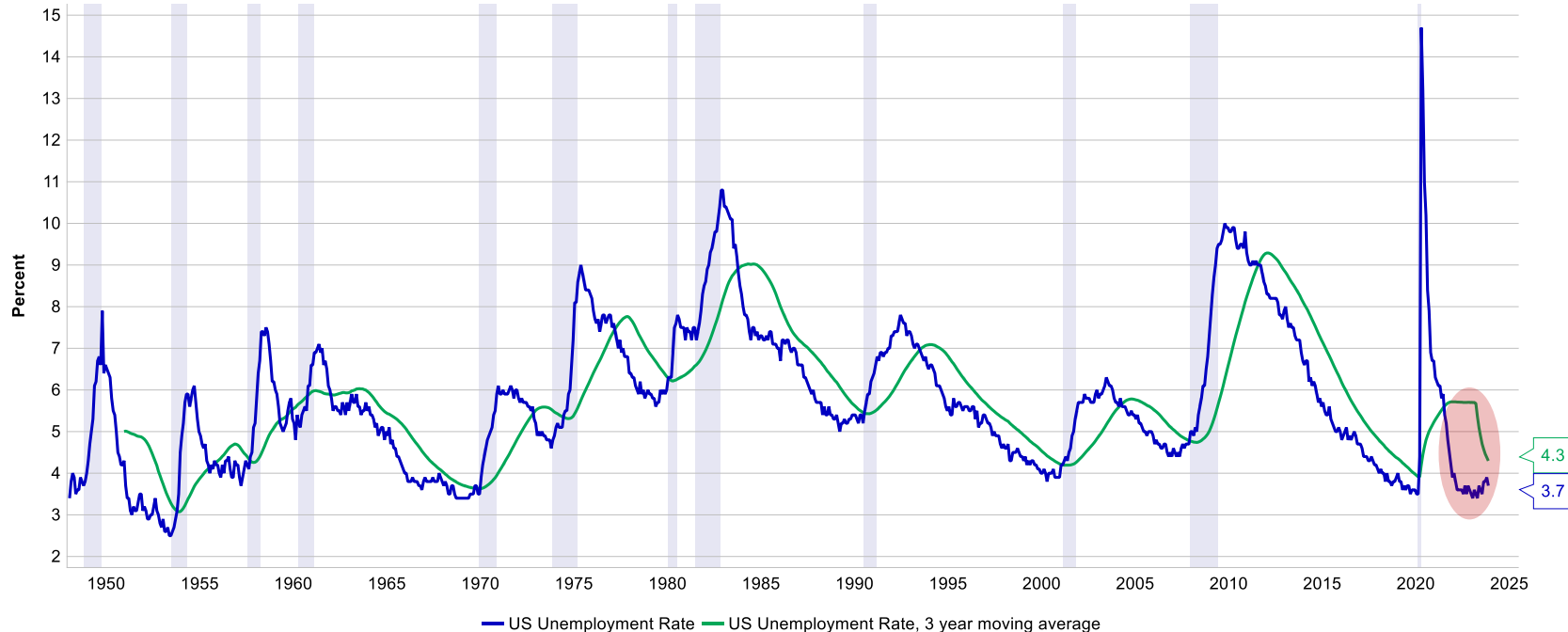


Source: Bloomberg, Manulife Investment Management, Capital Markets Strategy. As of December 31, 2023

U.S. unemployment - one of the few remaining areas of strength

At current levels, the U.S. unemployment rate is near 60-year lows. Looking ahead, we believe the labour market should soften but unemployment will likely remain below long-term averages. It also remains the last pillar of the U.S. economy that remains resilient.

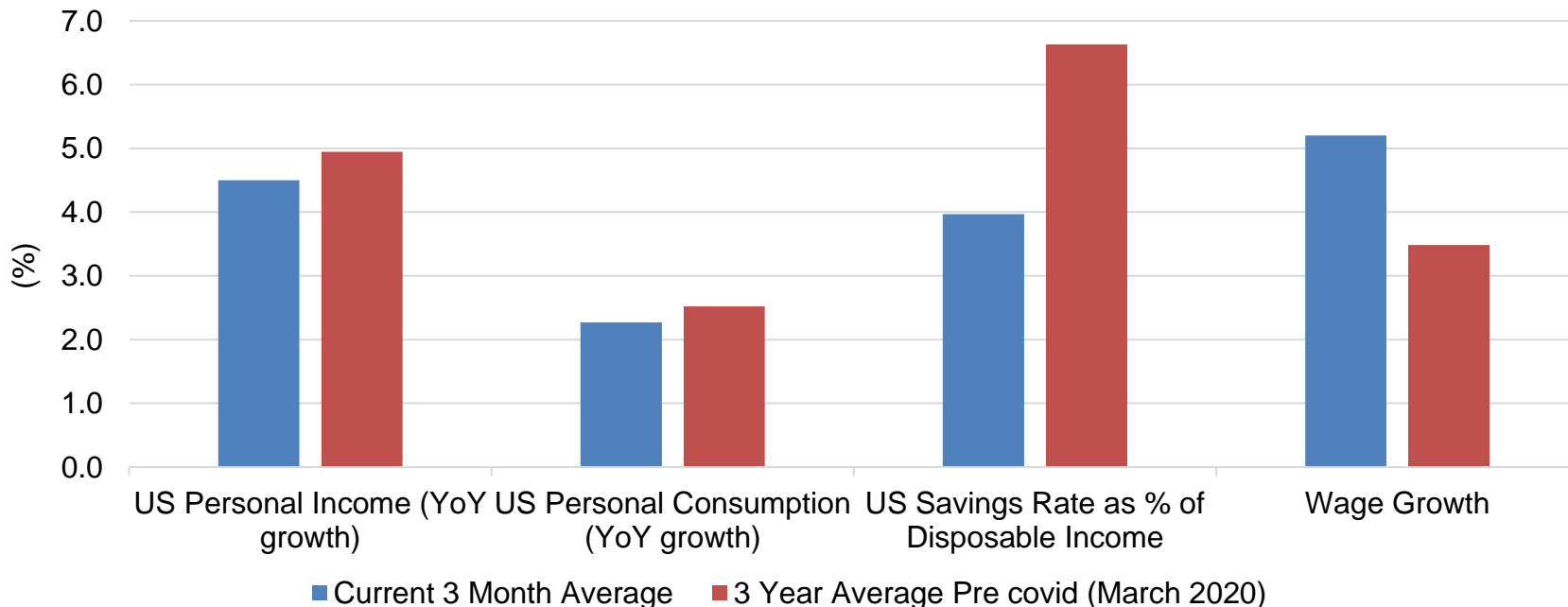
Recession Indicator - US Unemployment



Source: Bloomberg, Macrobond, Manulife Investment Management, as of 1/3/2024.

U.S. consumer remains resilient driven by wage growth, but savings rates are below average

U.S. consumer's potential pre-covid compared to now

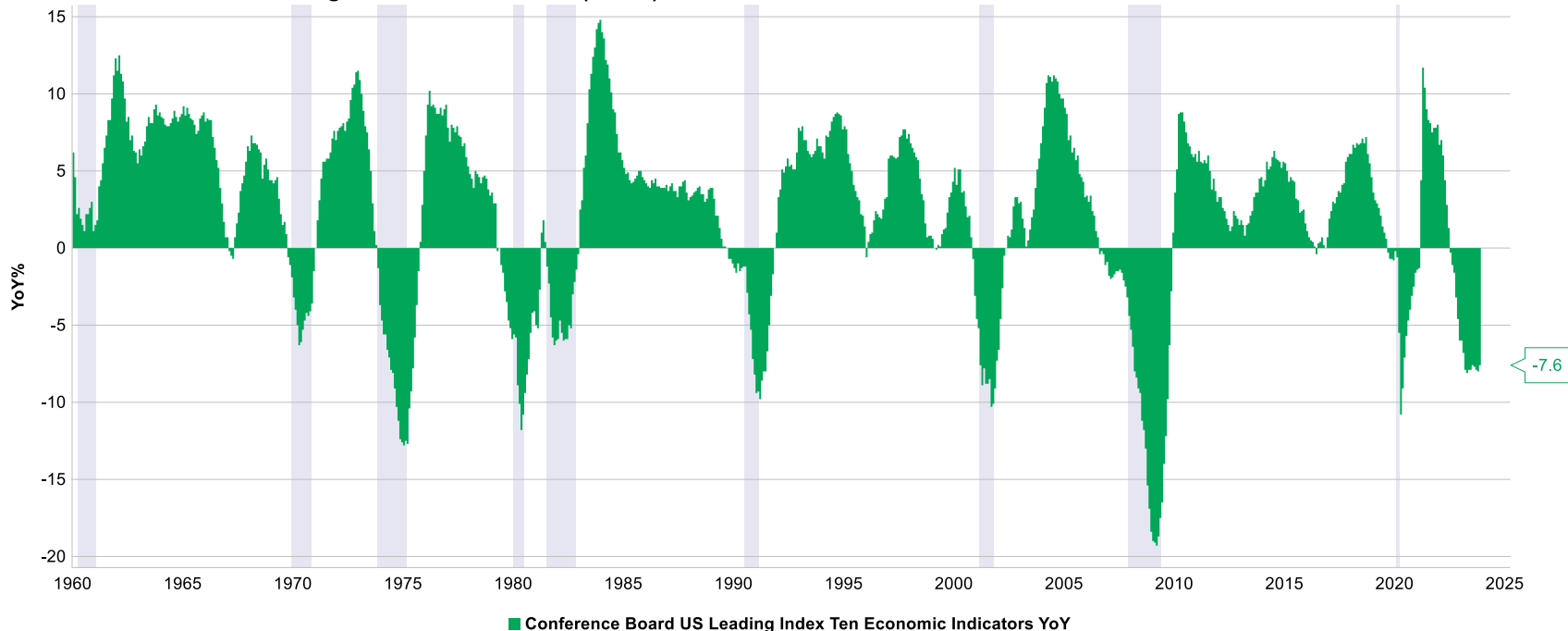


Source: Bloomberg, Manulife Investment Management, Capital Markets Strategy. As of November 30, 2023

Leading economic indicators would suggest that a recession is imminent

Historically, each time the LEI reached the current level, the economy was already in a recession.

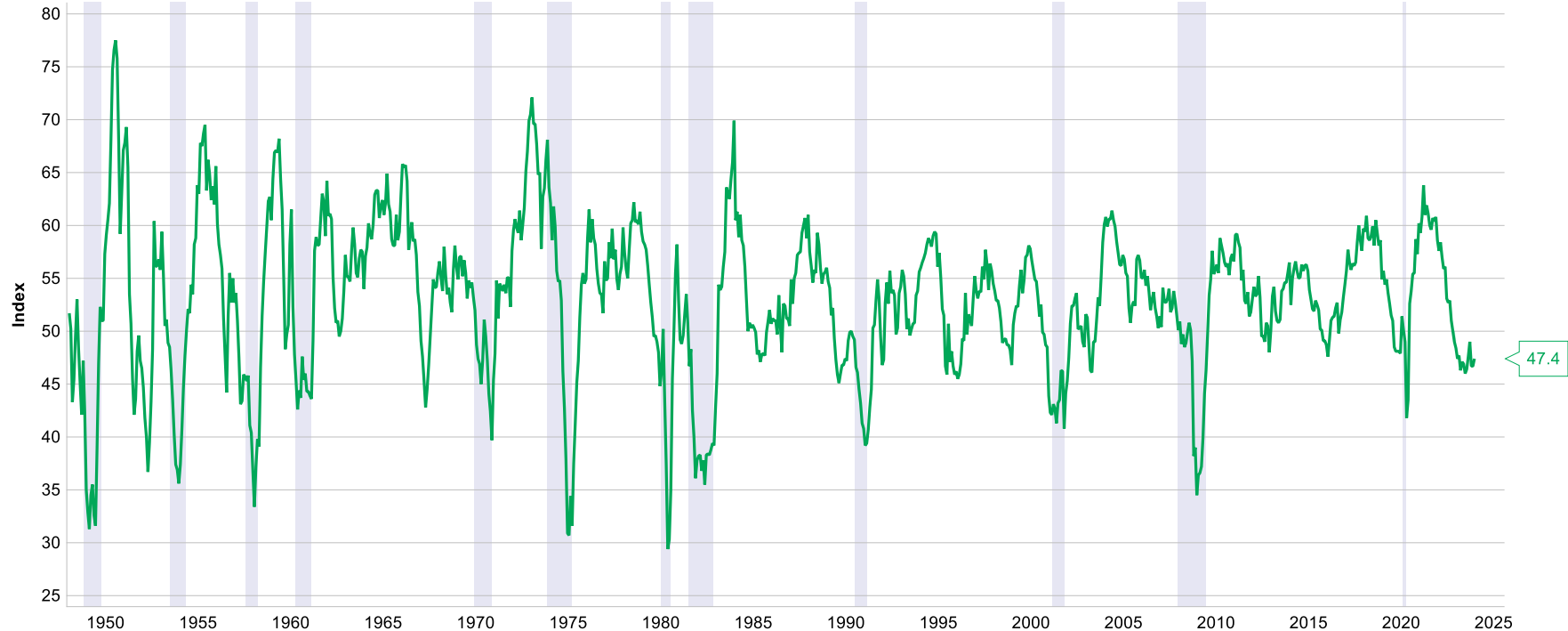
Conference Board US Leading Economic Indicators (YoY%)



Source: Bloomberg, Macrobond, Manulife Investment Management, as of 11/2023.

PMI rebounding but recession is still likely on the horizon

United States, Business Surveys, ISM, Report on Business, Manufacturing, Purchasing Managers', SA, Index

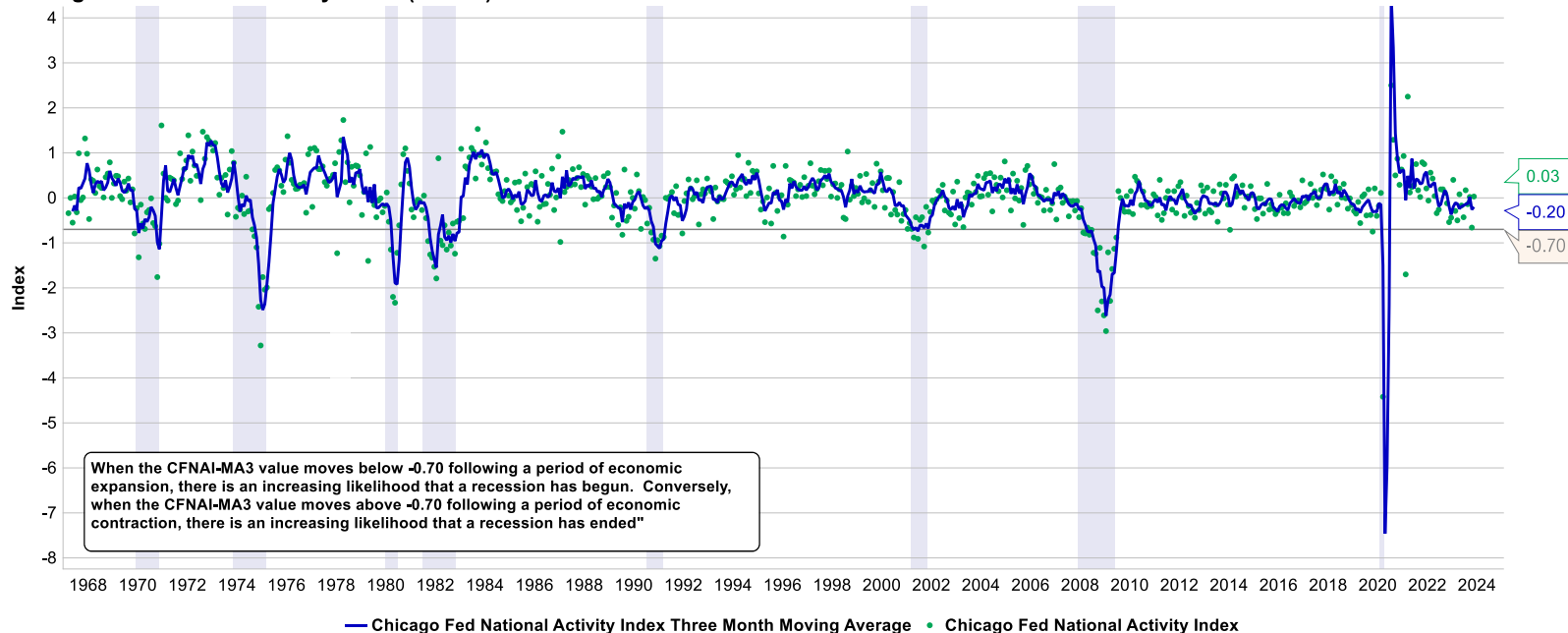


Source: ISM, Macrobond, Manulife Investment Management, as of 12/2023.

A preferred Fed measure of the economy remains resilient

When the CFNAI 3mma value moves below **-0.70** following a period of economic expansion, there is an increasing likelihood that a recession has begun. Conversely, when the CFNAI 3mma value moves above **-0.70** following a period of economic contraction, there is an increasing likelihood that a recession has ended

Chicago Fed National Activity Index (CFNAI)

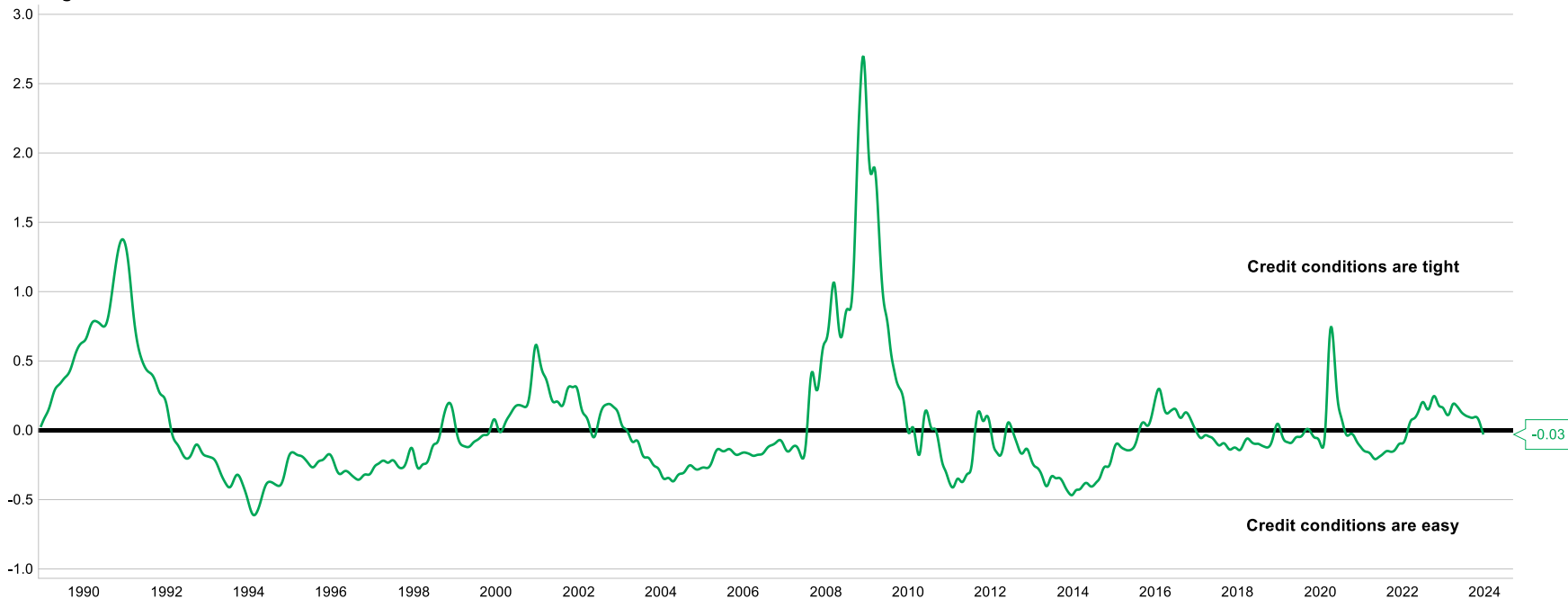


Source: Bloomberg, Macrobond, Manulife Investment Management, as of 11/2023.

Financial conditions have not tightened materially despite Fed rate hikes

The Chicago Fed's provides a weekly measure on the U.S. financial conditions in money markets, debt, and equity markets within the traditional and shadow banking system. The credit sub-index measures household and non-financial business credit conditions.

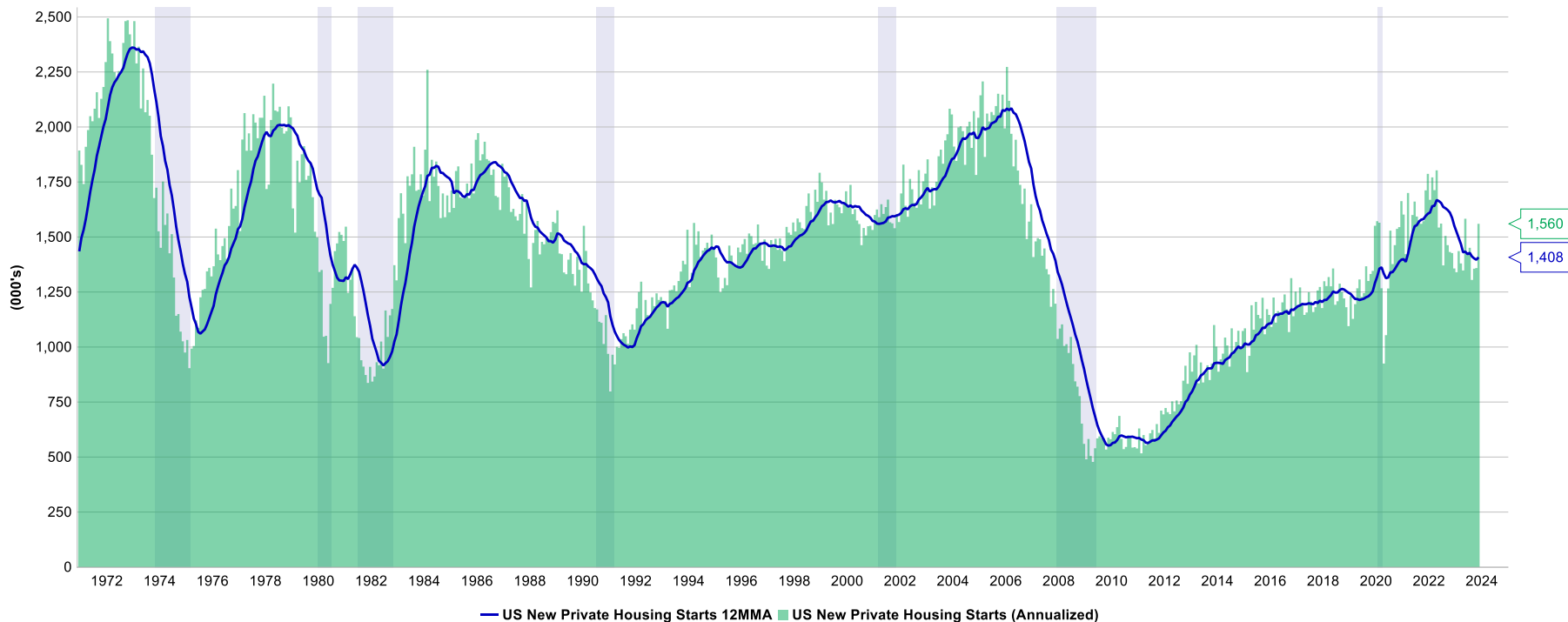
Chicago Fed National Financial Conditions Credit Subindex



Source: Bloomberg, Macrobond, Manulife Investment Management, as of 1/3/2024.

U.S. housing is beginning to soften

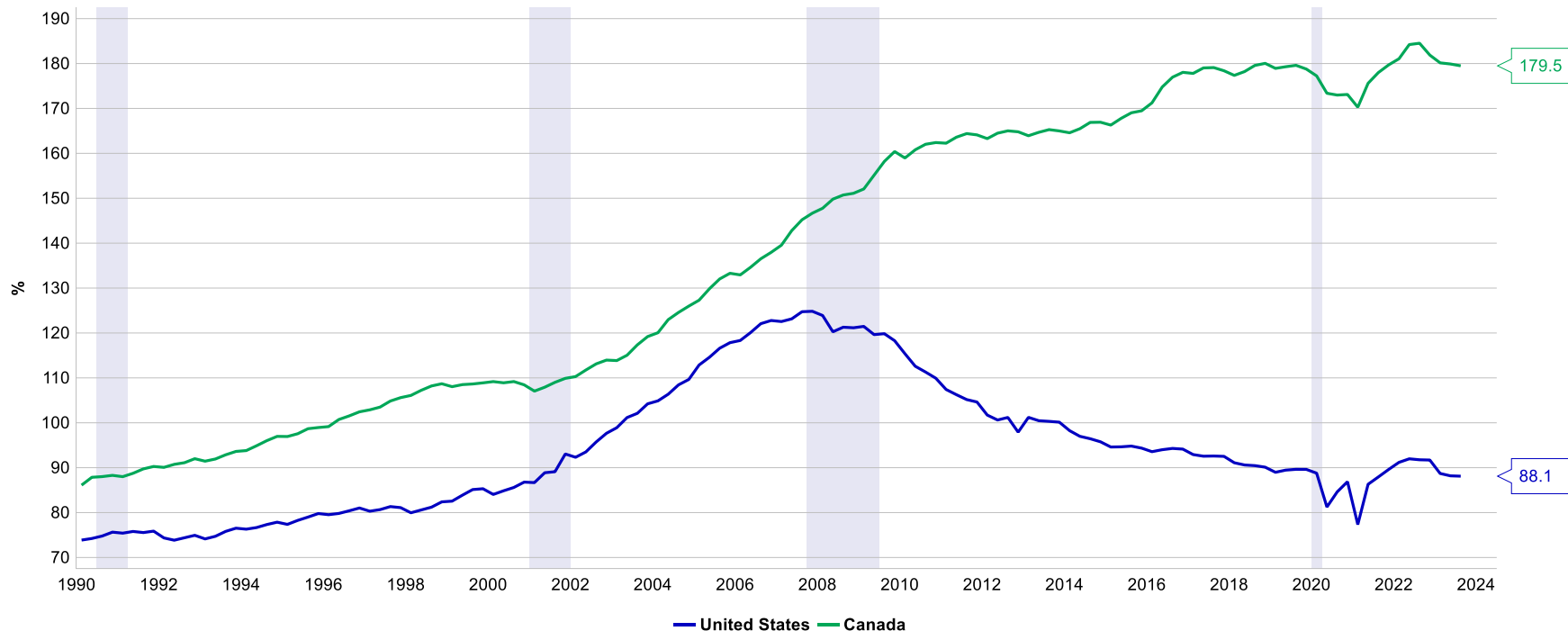
U.S. New Private Housing Starts vs. Recessions



Source: Bloomberg, Macrobond, Manulife Investment Management, as of 11/2023.

Household indebtedness

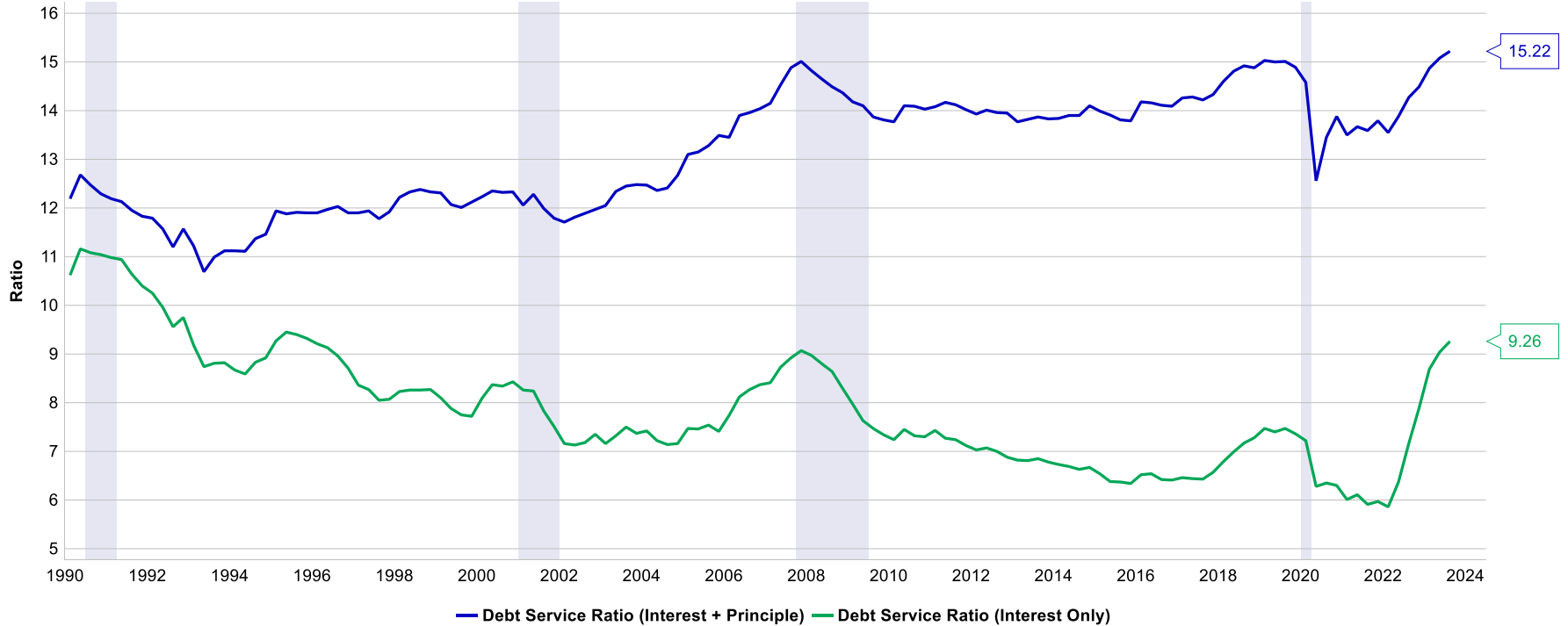
Household Debt-to-Income Ratio



Source: MacrobondStatCan, Fed, Macrobond, Manulife Investment Management, as of 2023 Q3.

Canadian household indebtedness

Canada Debt Service Ratio



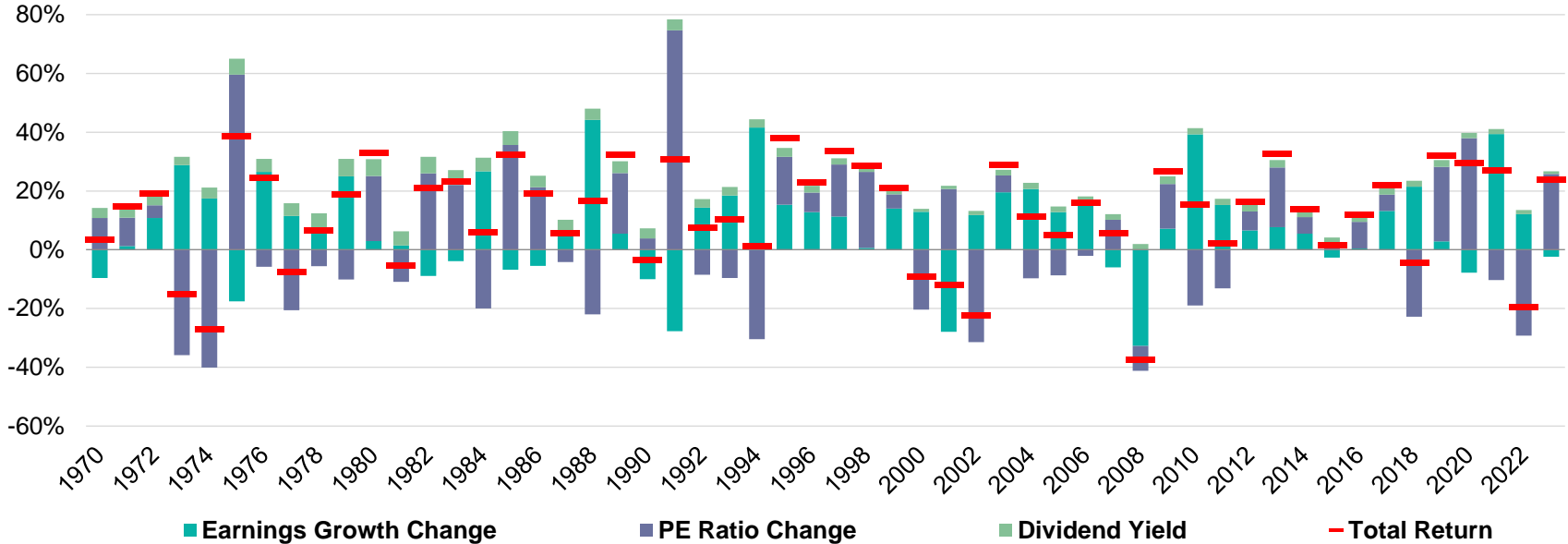
Source: MacrobondStatCan, Macrobond, Manulife Investment Management, as of 2023 Q3.

Equities

2023 returns was all PE expansion

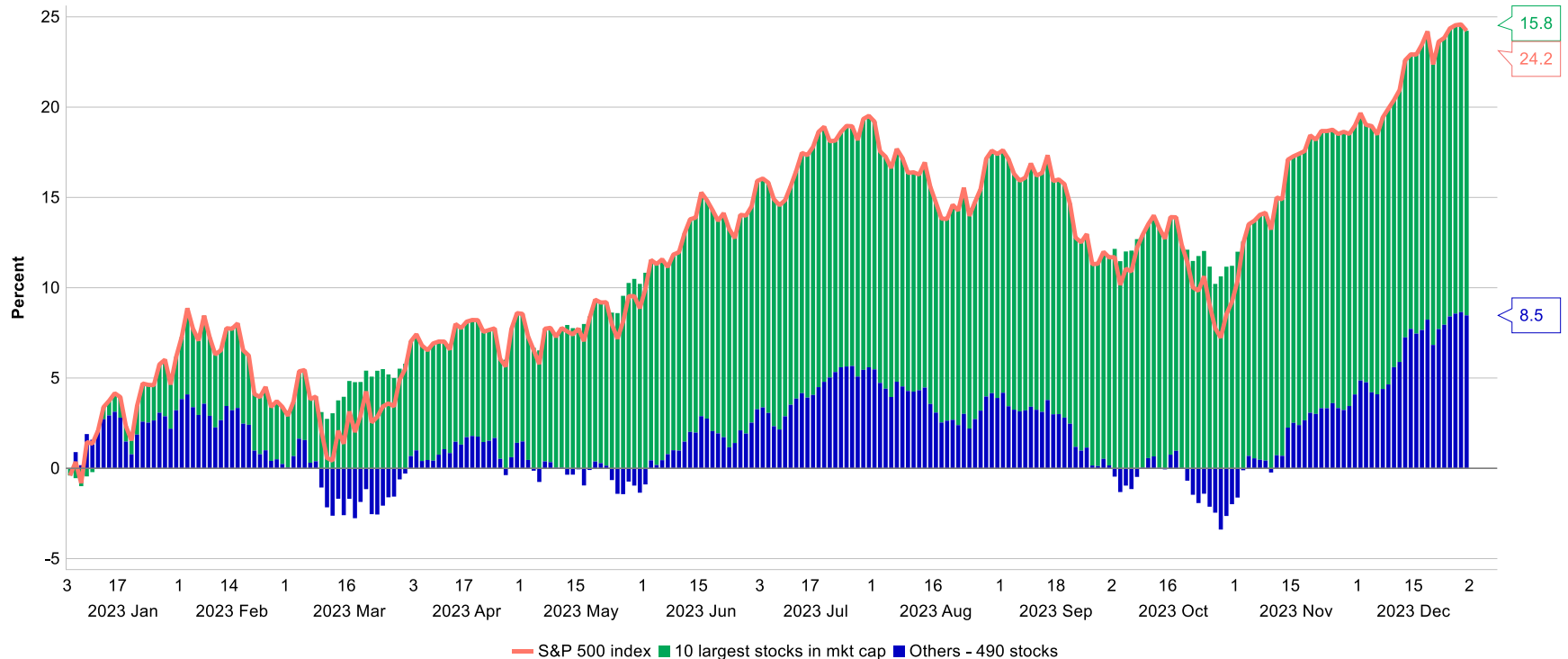
In any given year, the returns for the S&P 500 Index can be broken down by earnings growth, change in valuation and dividends. Year-by-year however, the composition of returns can vary widely. We note the best years tend to be driven by a valuation expansion while years driven by earnings tend to be more average.

Contribution to return by Earnings Growth, PE Ratio and Dividends (1970 – Current)



Source: Bloomberg, Manulife Investment Management, Capital Markets Strategy. As of December 31, 2023

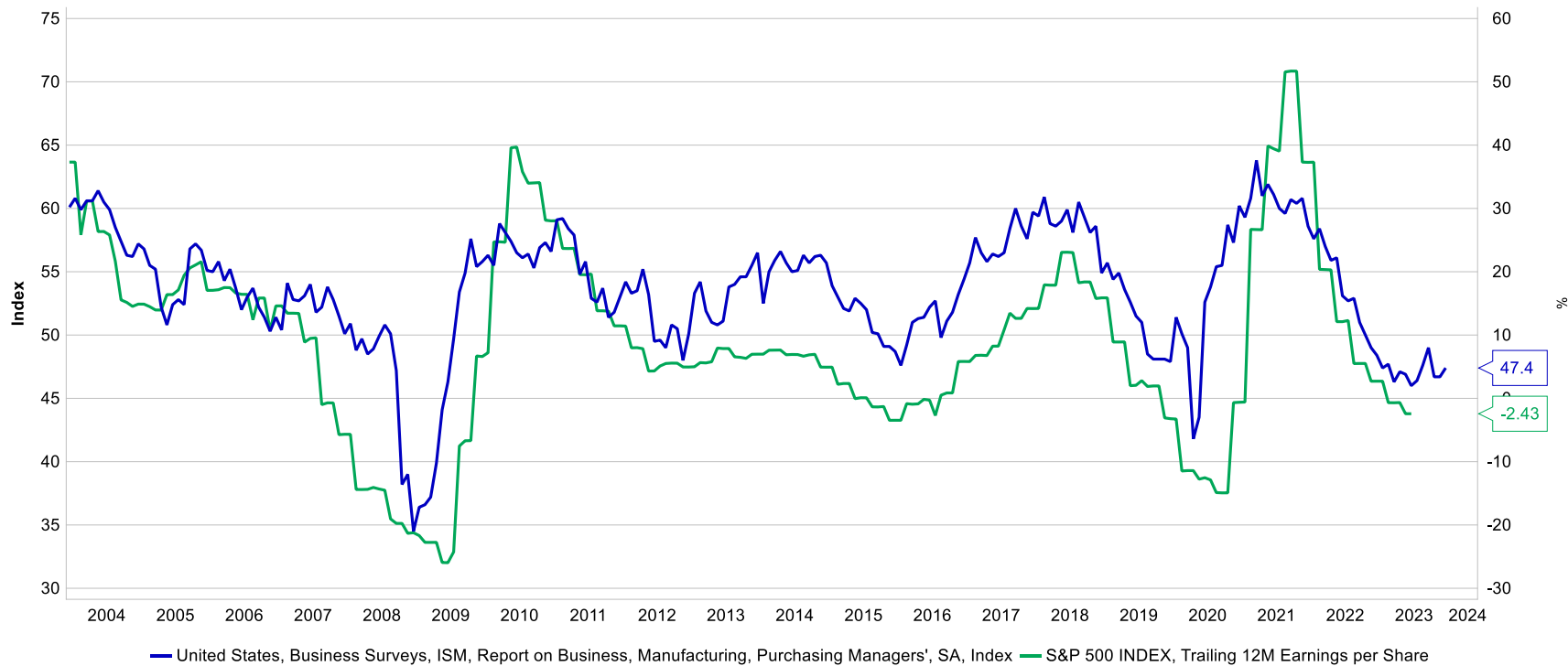
S&P 500 breadth improved going into 2024



Source: S&P Global, Macrobond, Manulife Investment Management, as of 12/29/2023.

Earnings growth may begin to improve in Q2 2024

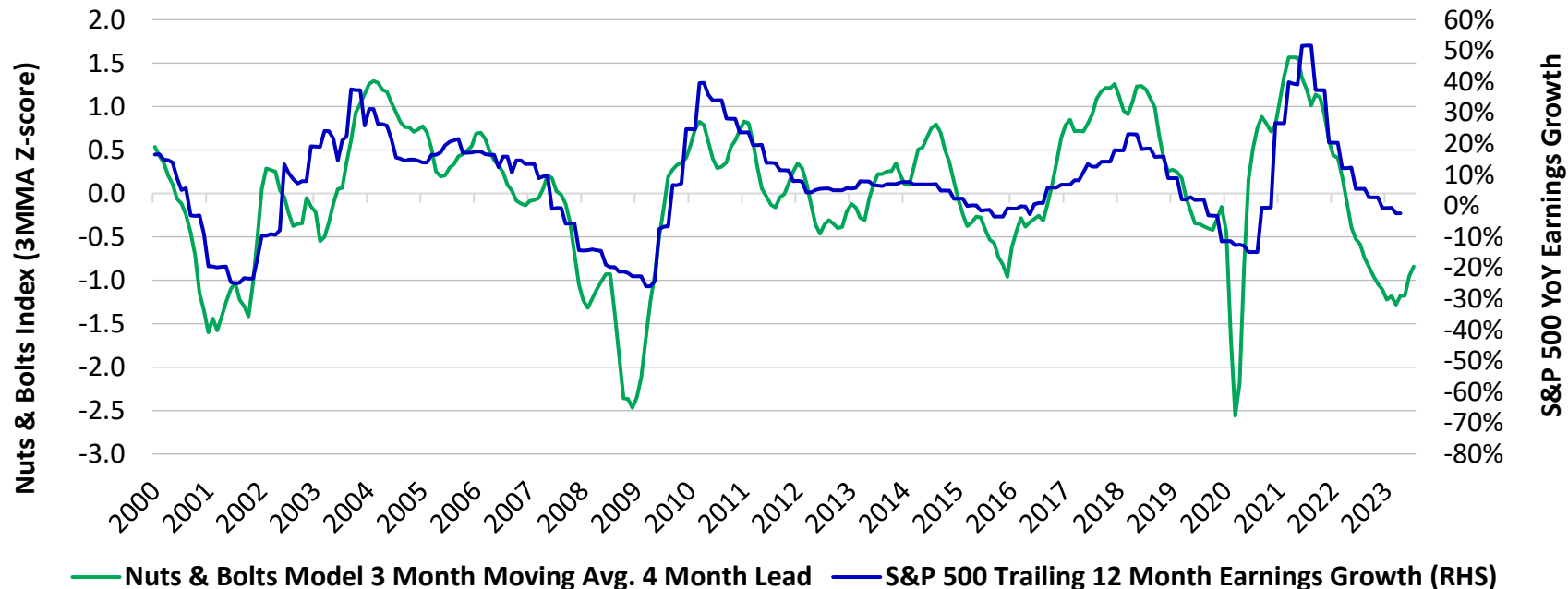
US Manufacturing PMI vs S&P 500 Trailing 12 months YoY earnings growth (advanced 6 months)



Source: ISM, Macrobond, Manulife Investment Management, as of 12/2023.

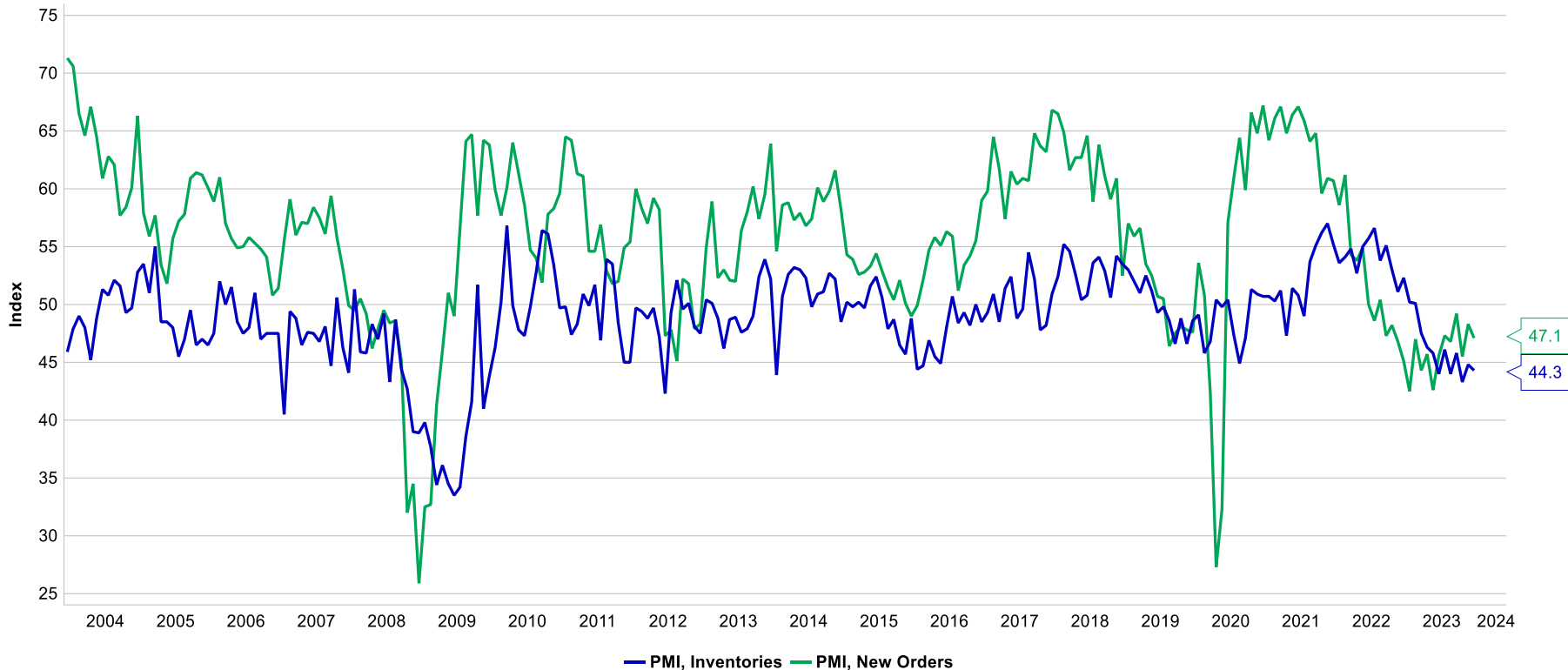
Manufacturing pointing to improving earnings environment in Q2 2024

Nuts & Bolts Model vs. S&P 500 Trailing 12 Month Earnings Growth



Source: Bloomberg, Manulife Investment Management, Capital Markets Strategy, as of December 31, 2023. The Nuts & Bolts Model is a proprietary model that tries to forecast S&P 500 Index earnings growth (four months out) by comparing its relationship to the three-month moving average of the average z-score of the regional U.S. Federal Reserve regions.

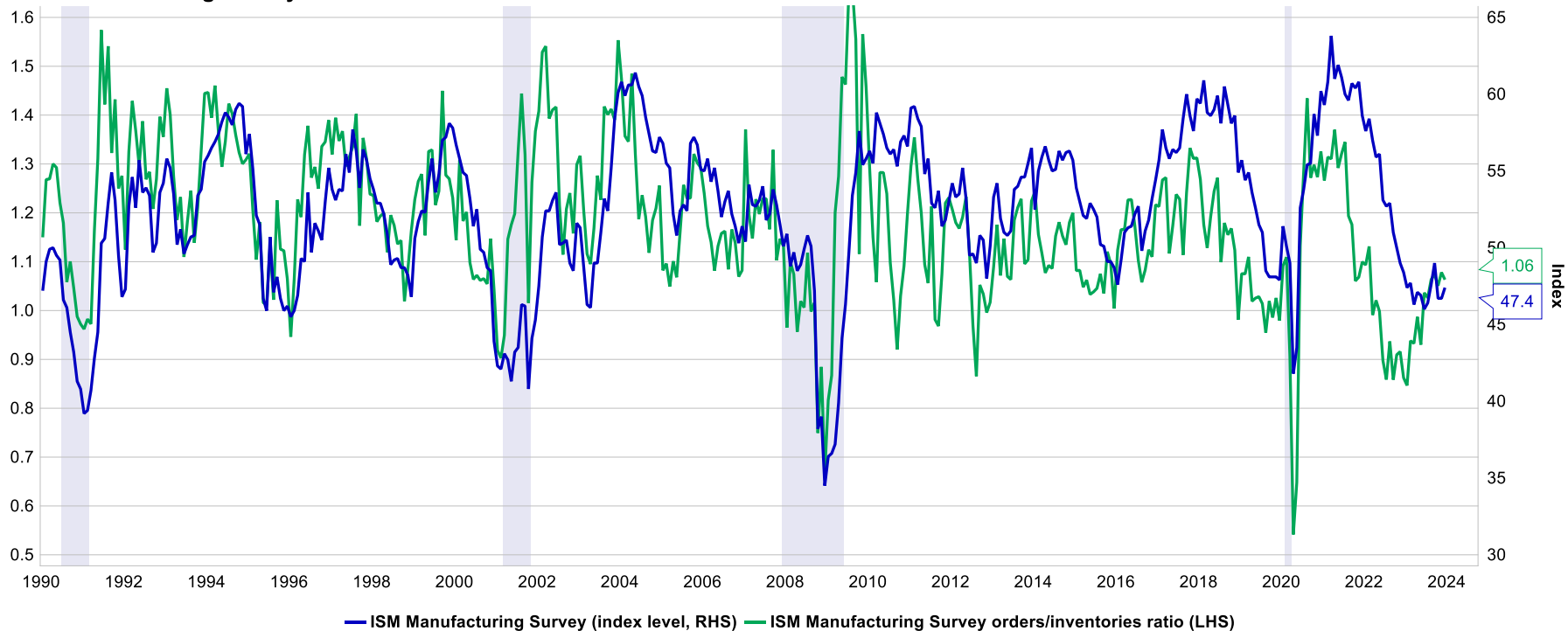
New orders and inventories continue to be in contraction territory



Source: Macrobond/ISM, Macrobond, Manulife Investment Management, as of 12/2023.

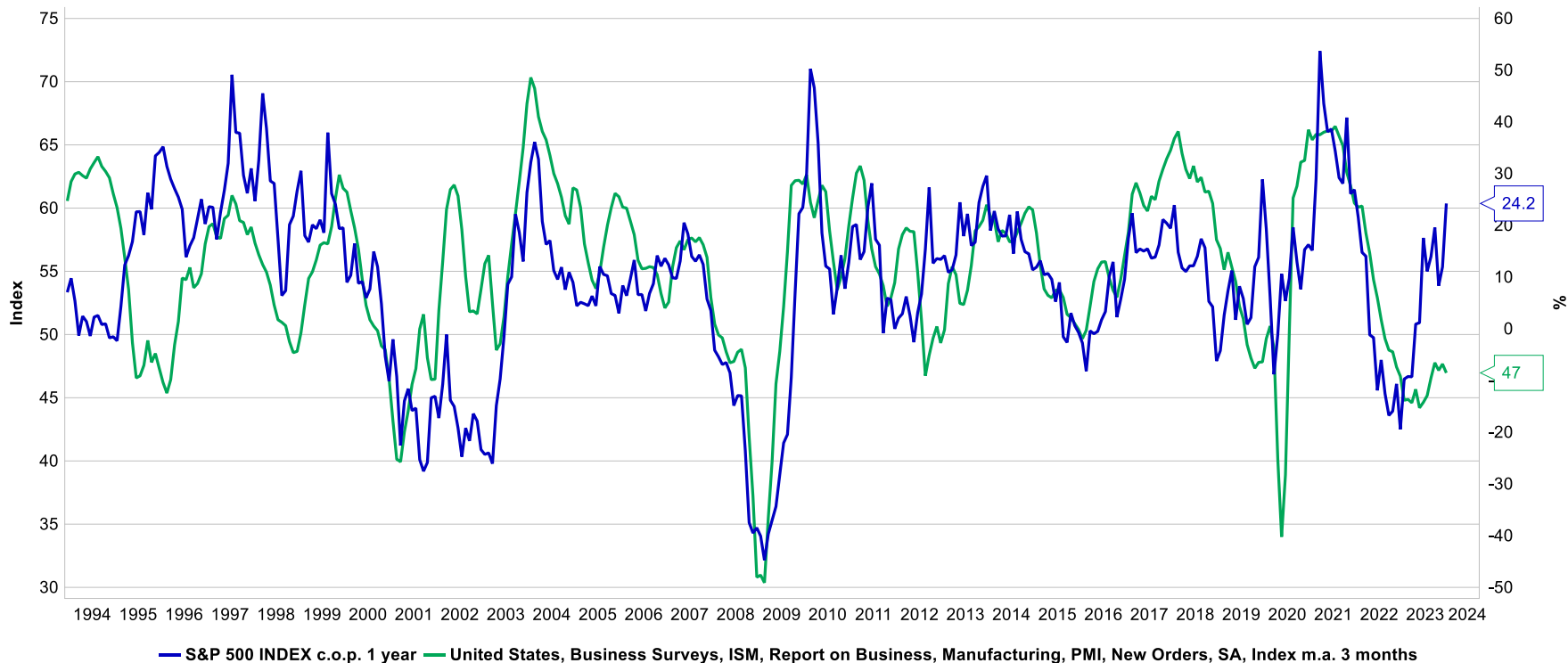
Manufacturing may have bottomed

ISM Manufacturing Survey vs. orders/inventories ratio



Source: MacrobondISM, Fed, BEA, Macrobond, Manulife Investment Management, as of 12/2023.

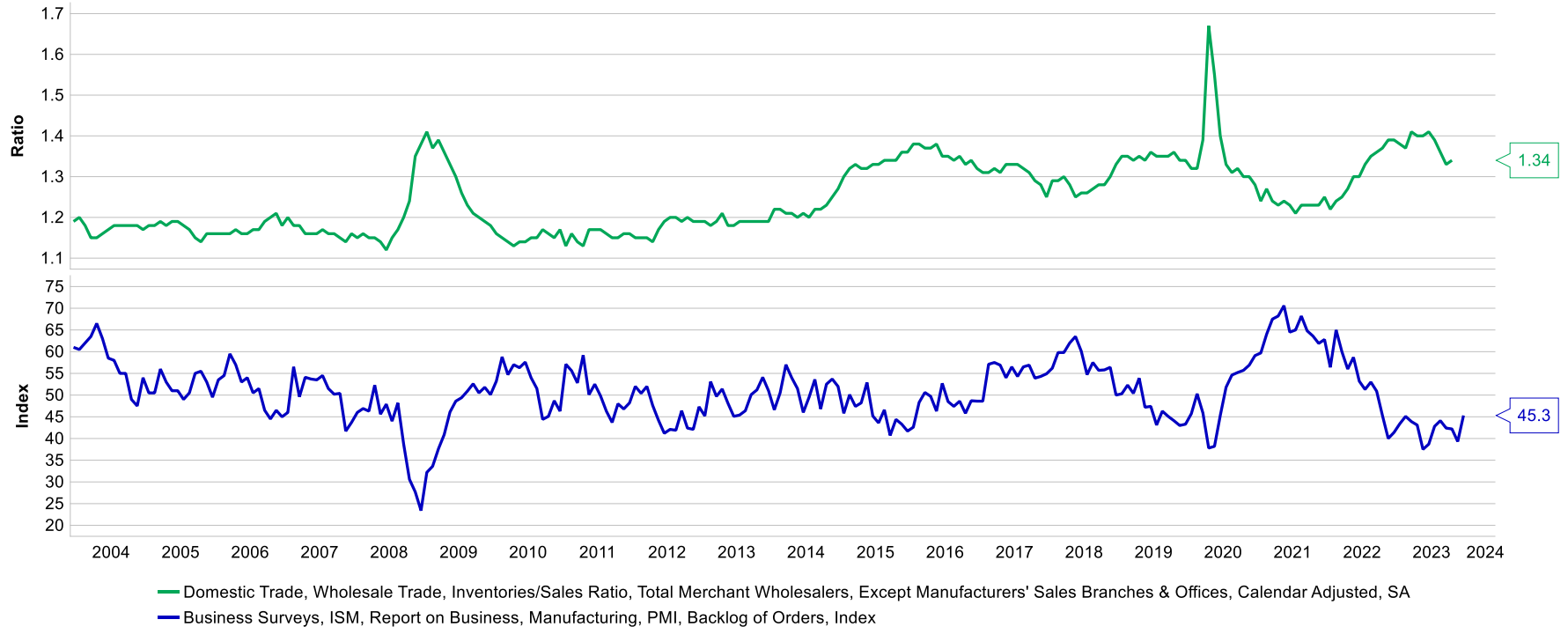
Dislocation remains between S&P 500 and Manufacturing New Orders



Source: Macrobond, BloombergISM, Macrobond, Manulife Investment Management, as of 12/2023.

The backlog of new orders and inventories have stabilized

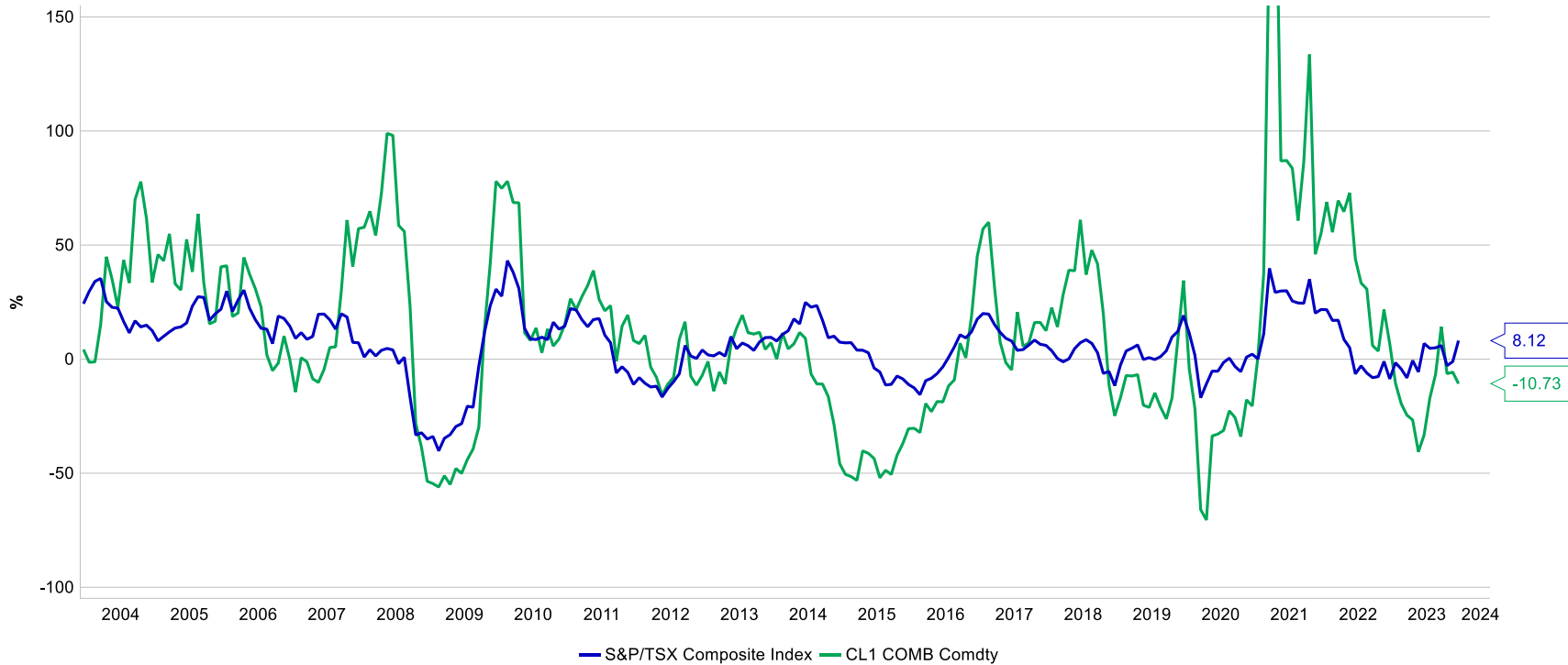
United States



Source: U.S. Census Bureau, ISM, Macrobond, Manulife Investment Management, as of 1/3/2024.

Oil is unlikely to be a positive catalyst for the S&P/TSX in the near term

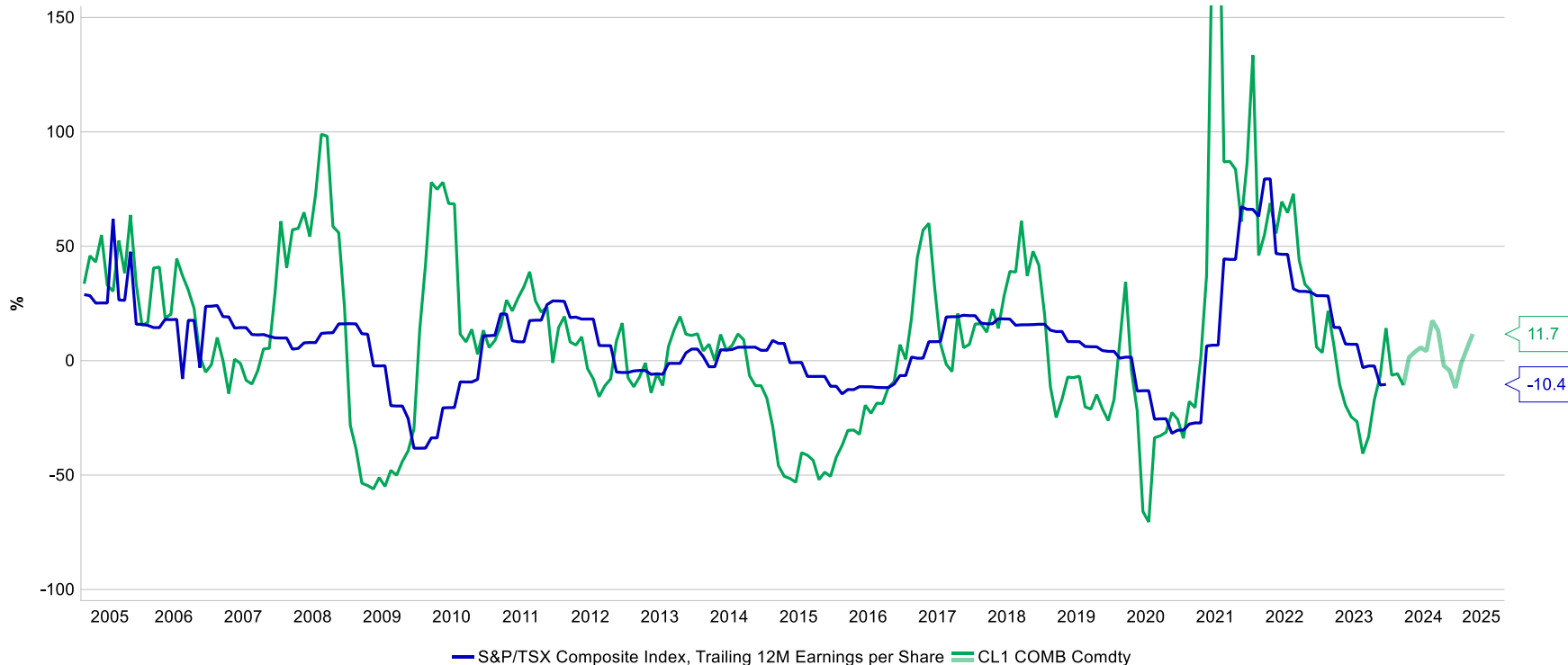
YoY Change in WTI (USD) vs. change in S&P/TSX



Source: Bloomberg, Macrobond, Manulife Investment Management, as of 1/3/2024.

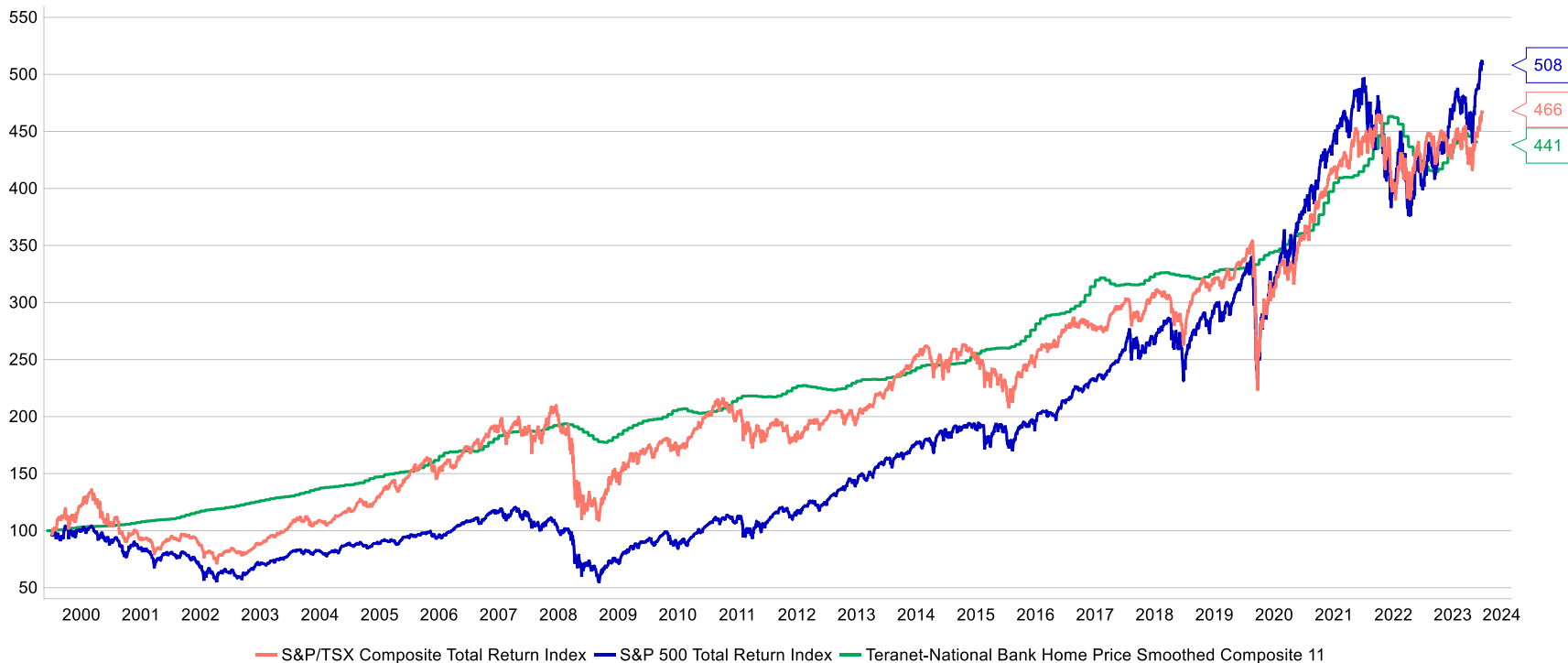
Earnings are likely to be volatile for the S&P/TSX in the near term

Forecast for WTI is \$80/bbl



Source: Bloomberg, Macrobond, Manulife Investment Management, as of 1/3/2024.

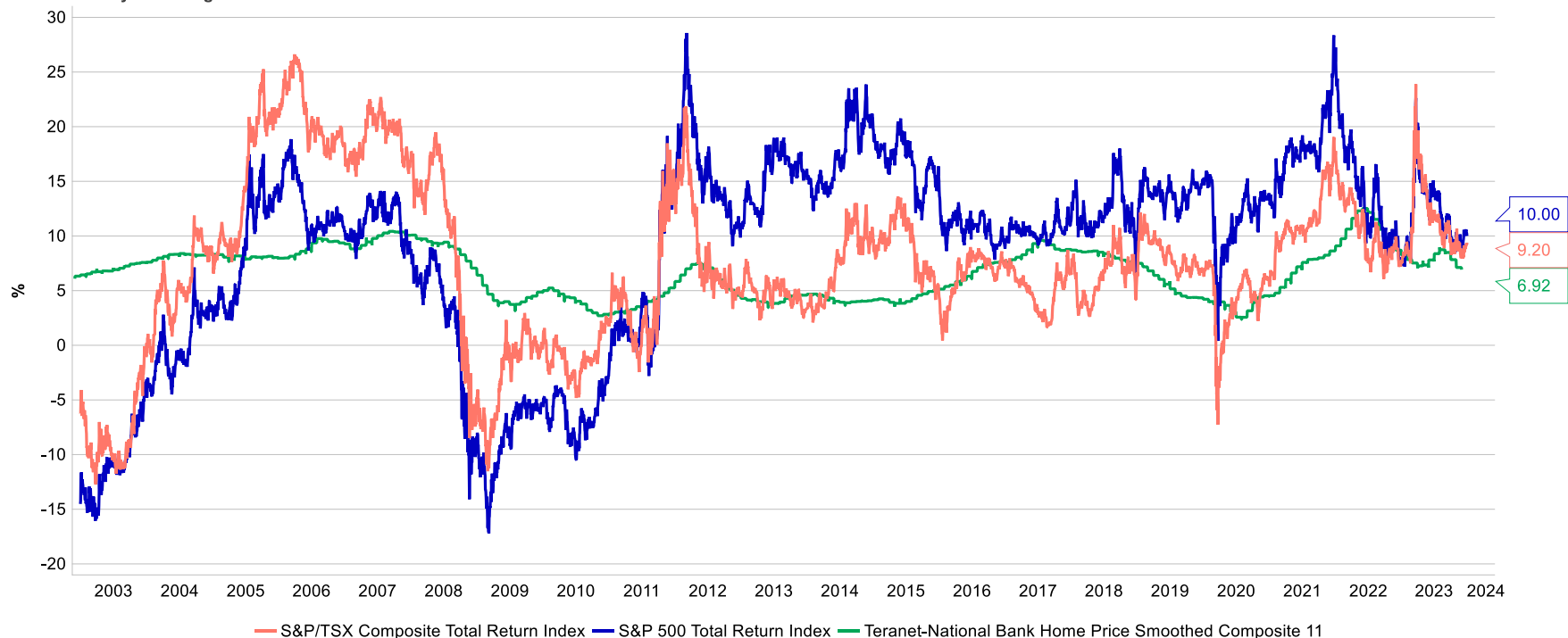
Housing and equity markets have both historically added value



Source: Bloomberg, Macrobond, Manulife Investment Management, as of 1/3/2024.

Equities tend to outperform Canadian home prices but are more volatile

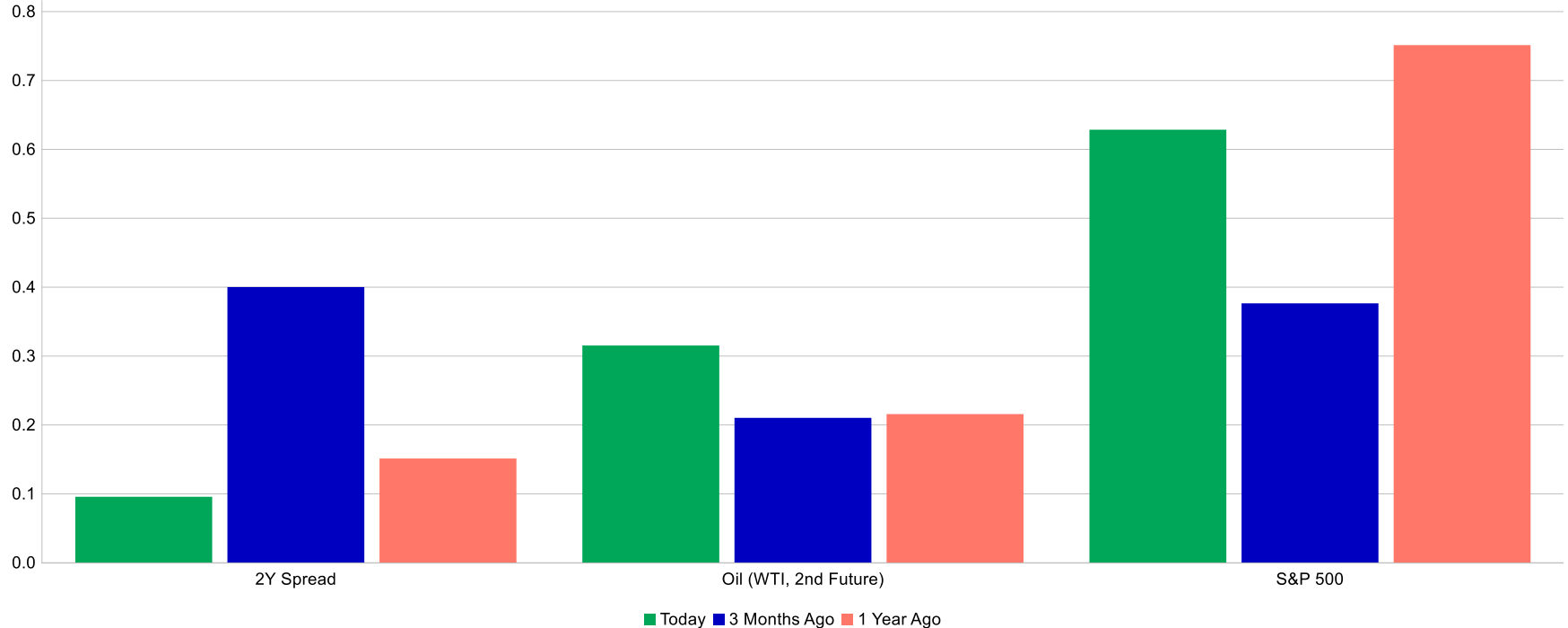
Annualized 3-year rolling returns



Source: Bloomberg, Macrobond, Manulife Investment Management, as of 1/3/2024.

CAD correlation to yield spreads, crude and S&P 500

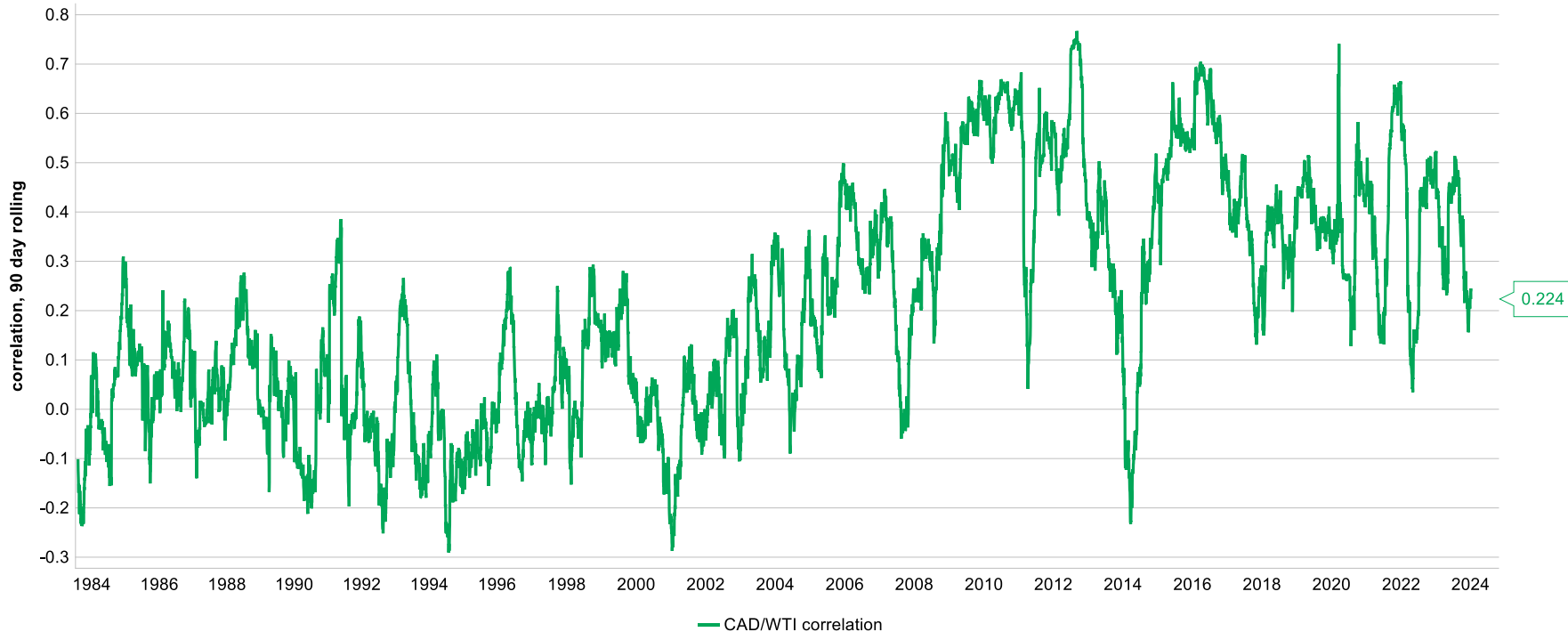
CAD Correlation to Yield Spreads, Crude, and SPX



Source: Bloomberg, Macrobond, Manulife Investment Management, as of 1/5/2024.

Canadian dollar correlation to oil prices hasn't been as strong recently

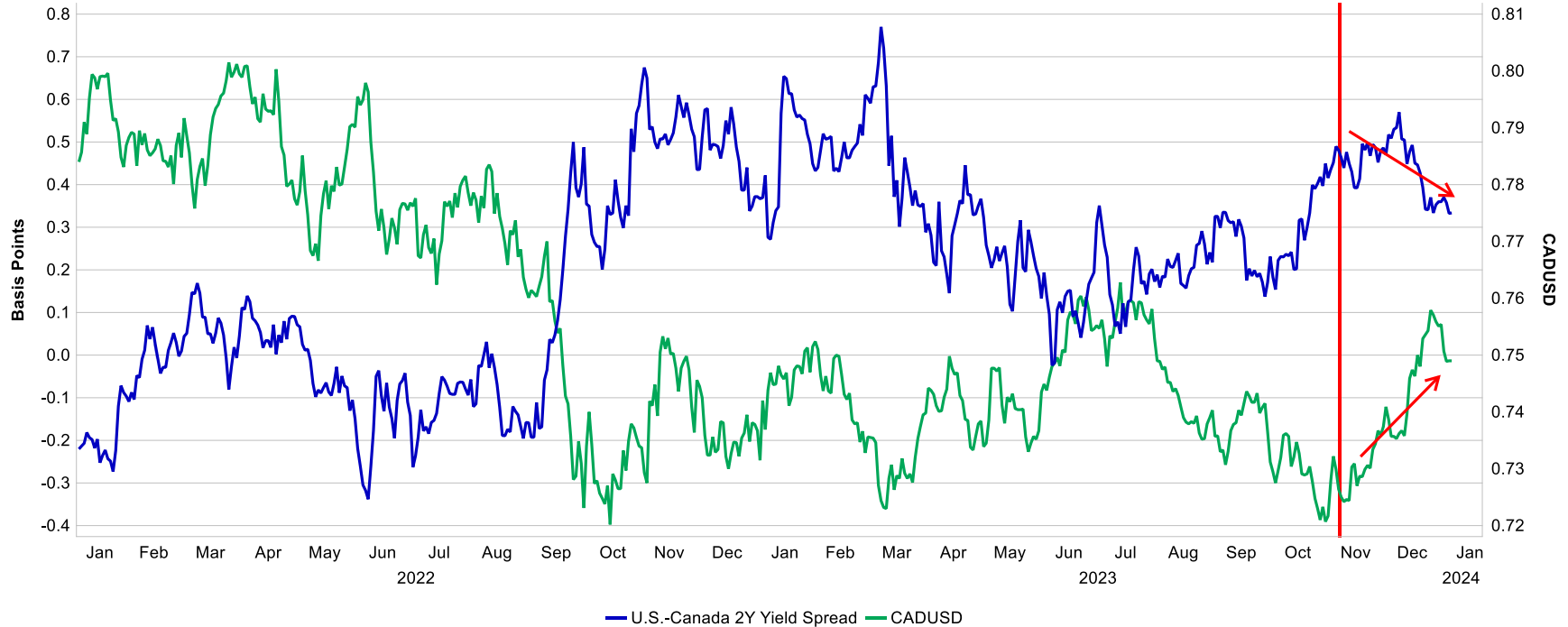
CAD/WTI Correlation



Source: Bloomberg, Macrobond, Manulife Investment Management, as of 1/3/2024.

Less dovish Fed has put downside pressure on CADUSD

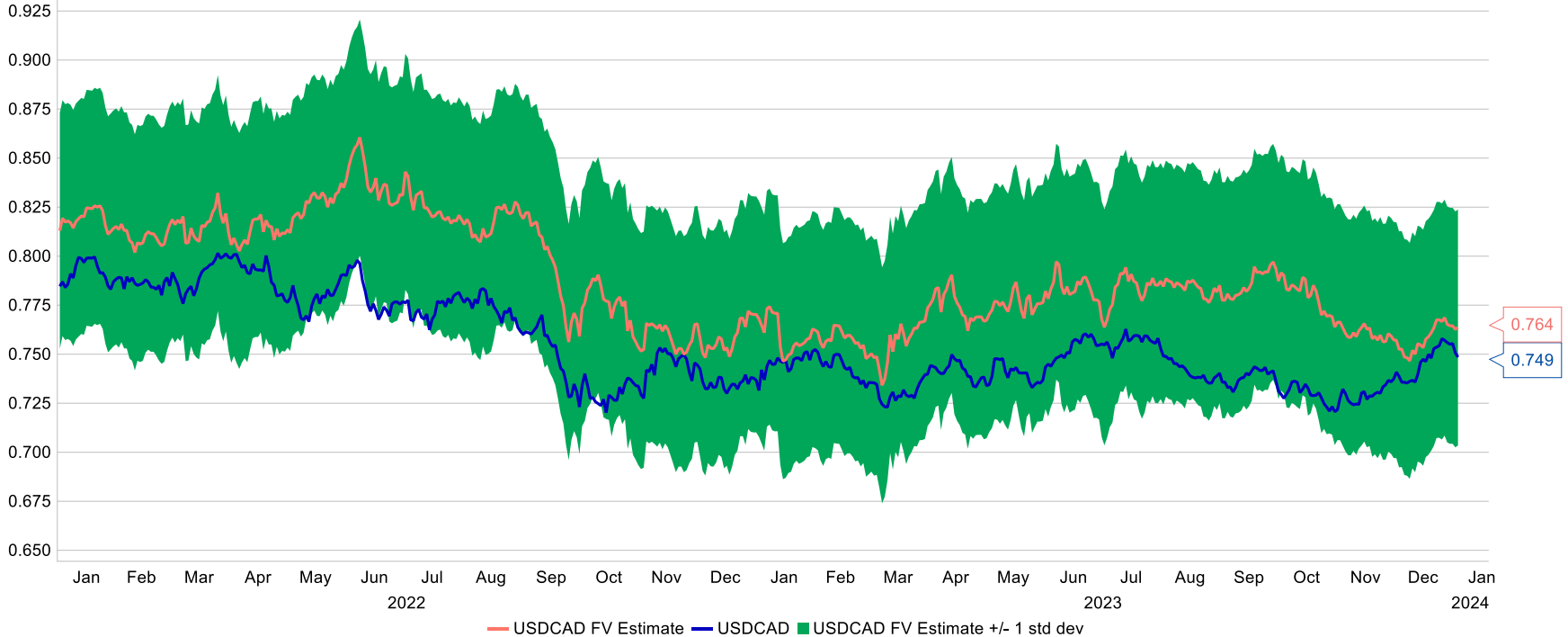
CADUSD vs. U.S.-Canada 2Y Yield Spread



Source: Bloomberg, Macrobond, Manulife Investment Management, as of 1/5/2024.

Loonie is trading near fair value

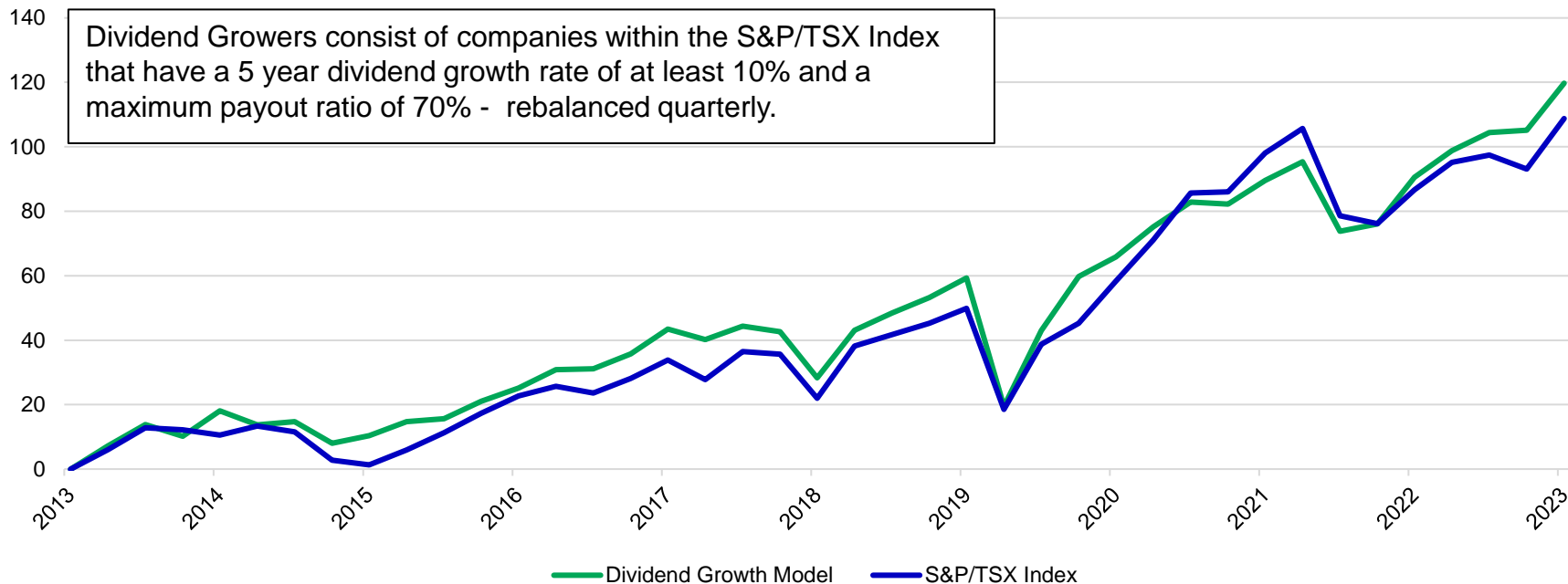
CADUSD FV estimate using WTI and 2Y spread



Source: Bloomberg, Macrobond, Manulife Investment Management, as of 1/3/2024.

Dividend growers historically have outperformed the S&P/TSX Index

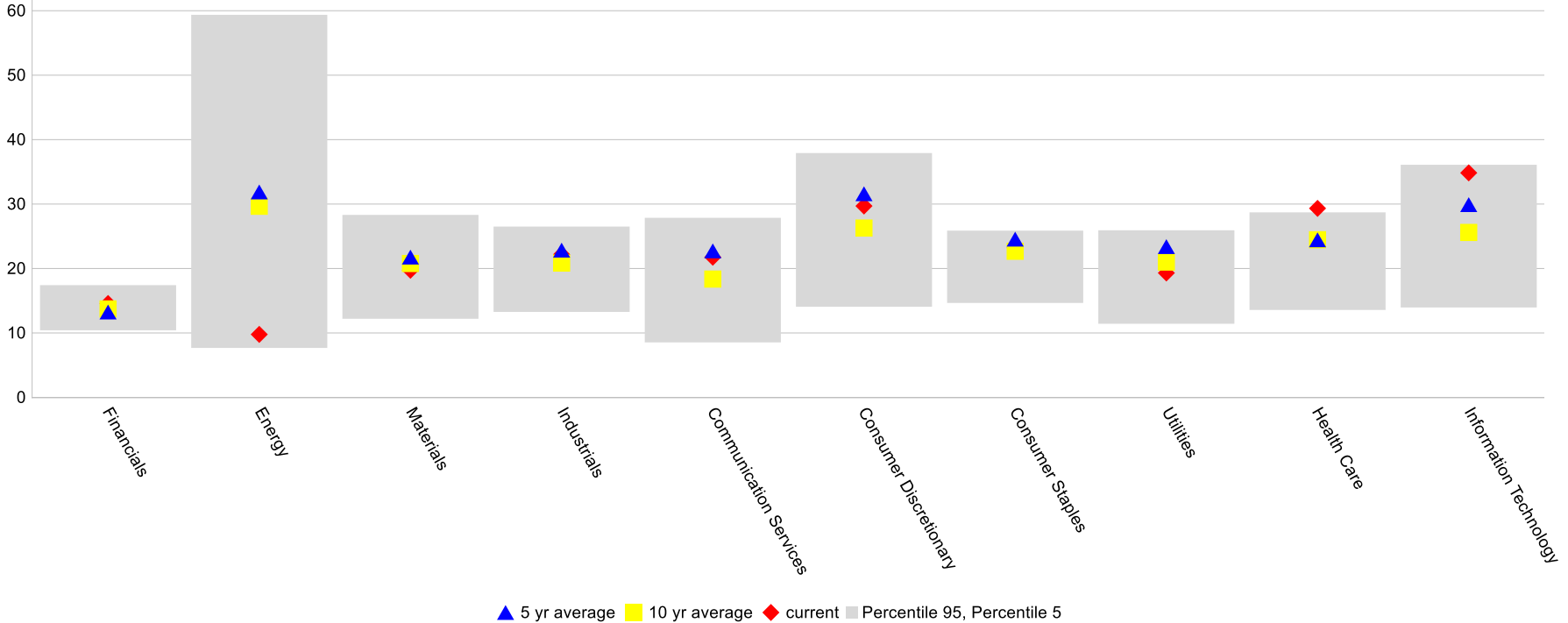
Capital Markets Strategy Dividend Growth Model vs. S&P /TSX Composite Index Cumulative Return (Last 10 years)



Source: Bloomberg, Manulife Investment Management, Capital Markets Strategy. As of December 31, 2023

Valuation varies materially across sectors

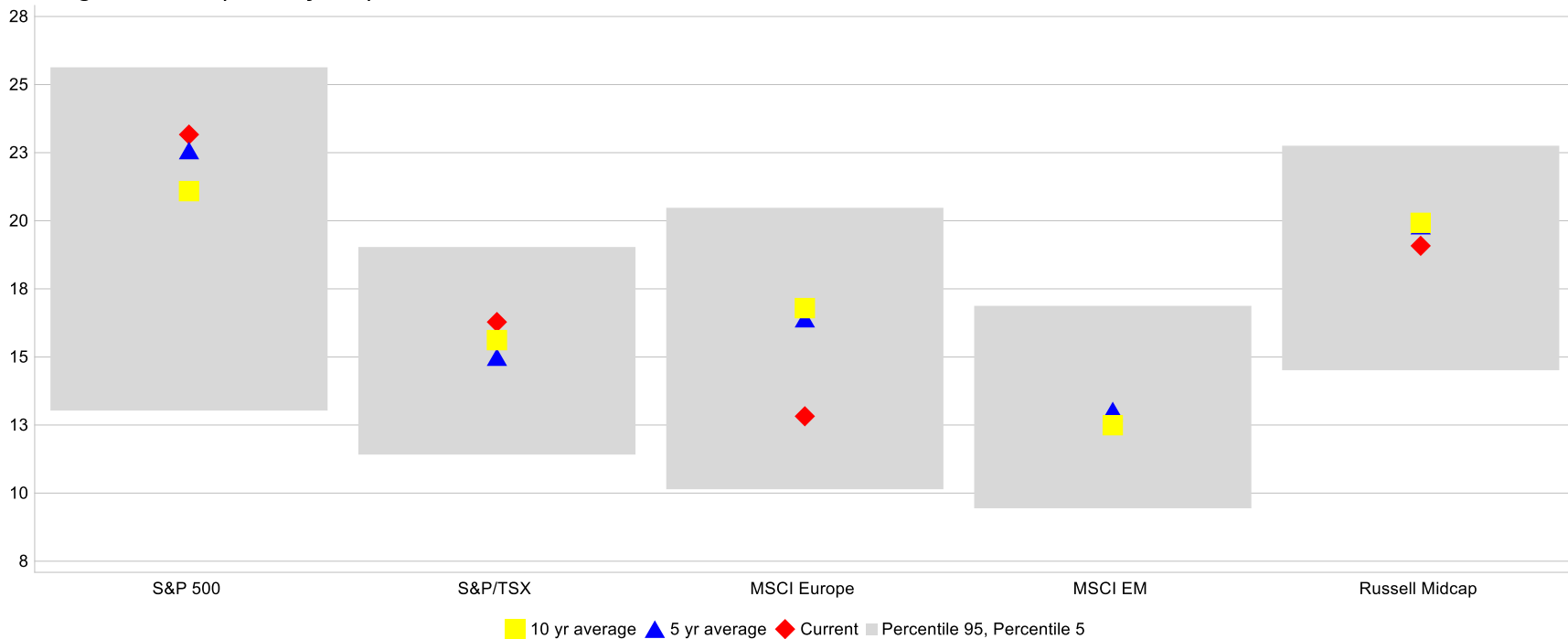
S&P 500 Sector Trailing PE (trailing 20 years)



Source: Bloomberg, Macrobond, Manulife Investment Management, as of 1/3/2024.

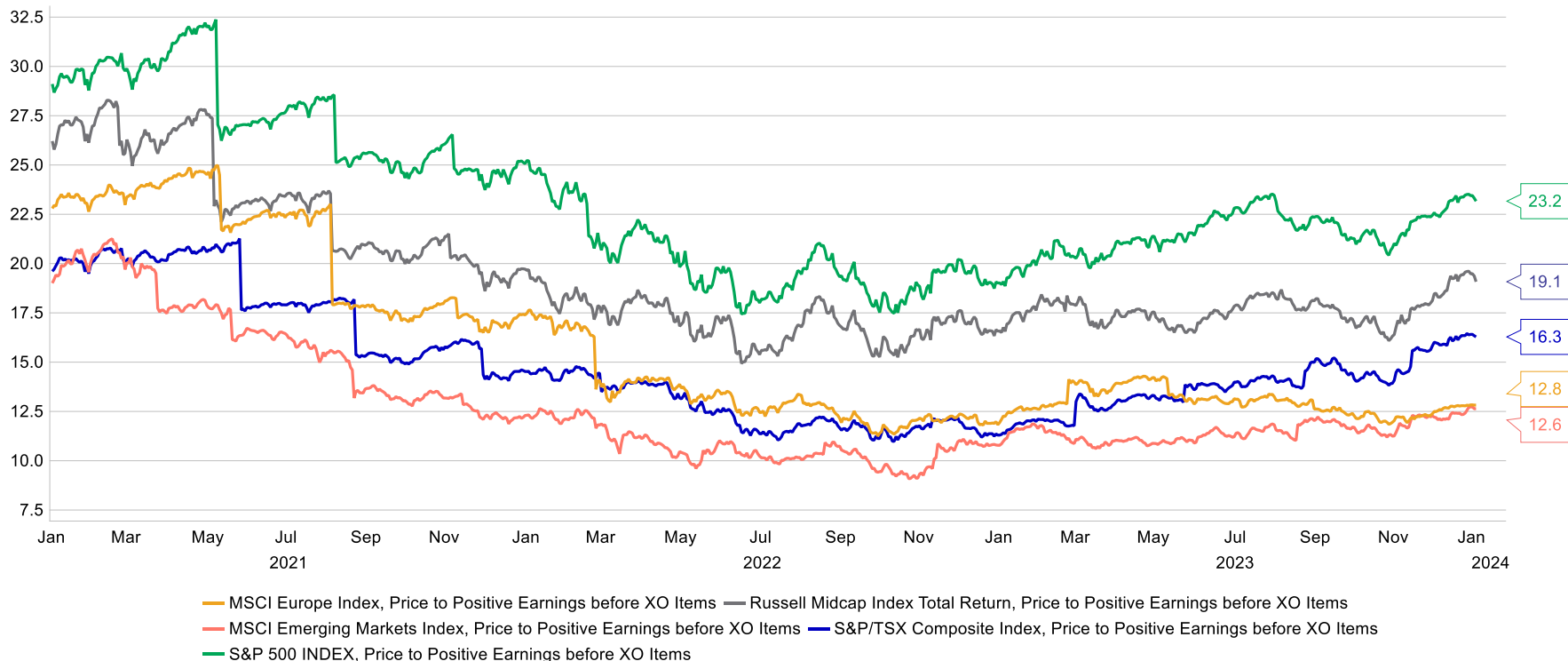
Global equity markets are mostly near their long-term averages

Trailing P/E Ratios (last 20 years)



Source: Bloomberg, Macrobond, Manulife Investment Management, as of 1/3/2024.

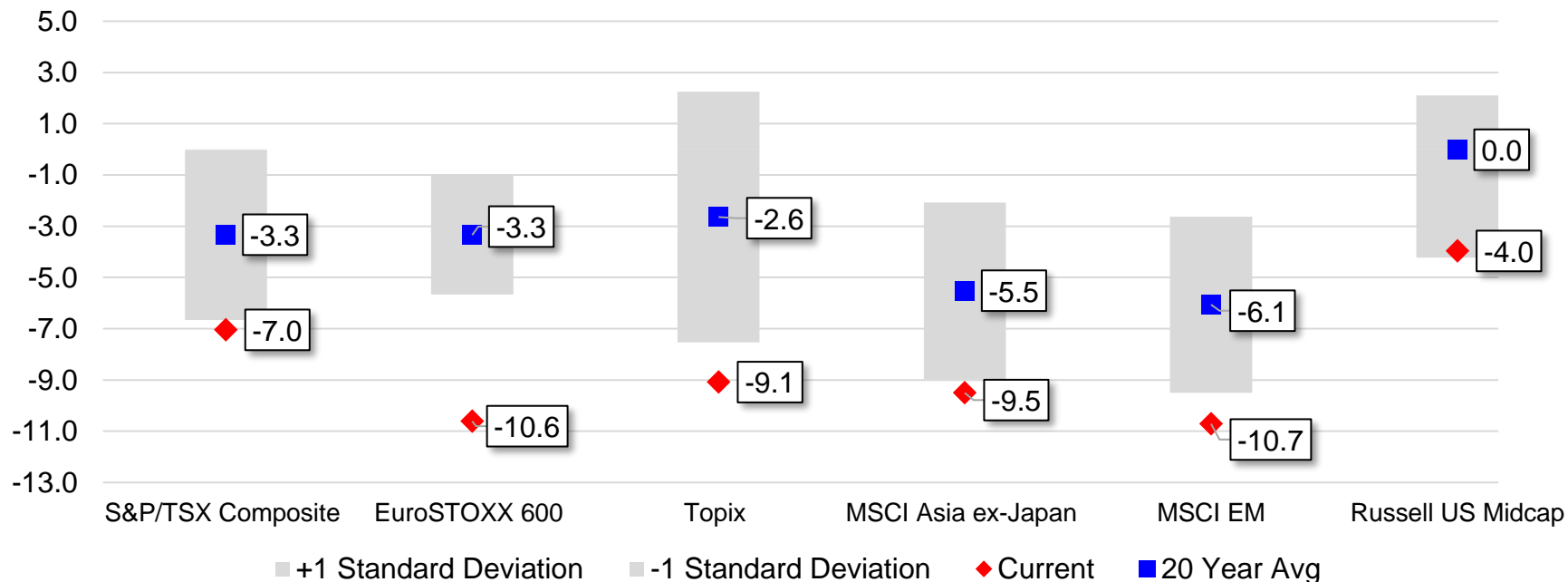
Markets are trading within a tight valuation range



Source: Bloomberg, Macrobond, Manulife Investment Management, as of 1/3/2024.

Relative valuations do not necessarily reflect the near-term investment opportunity

Relative value of global indices to the S&P 500 trailing 12-month P/E ratios (adjusted for + earnings)

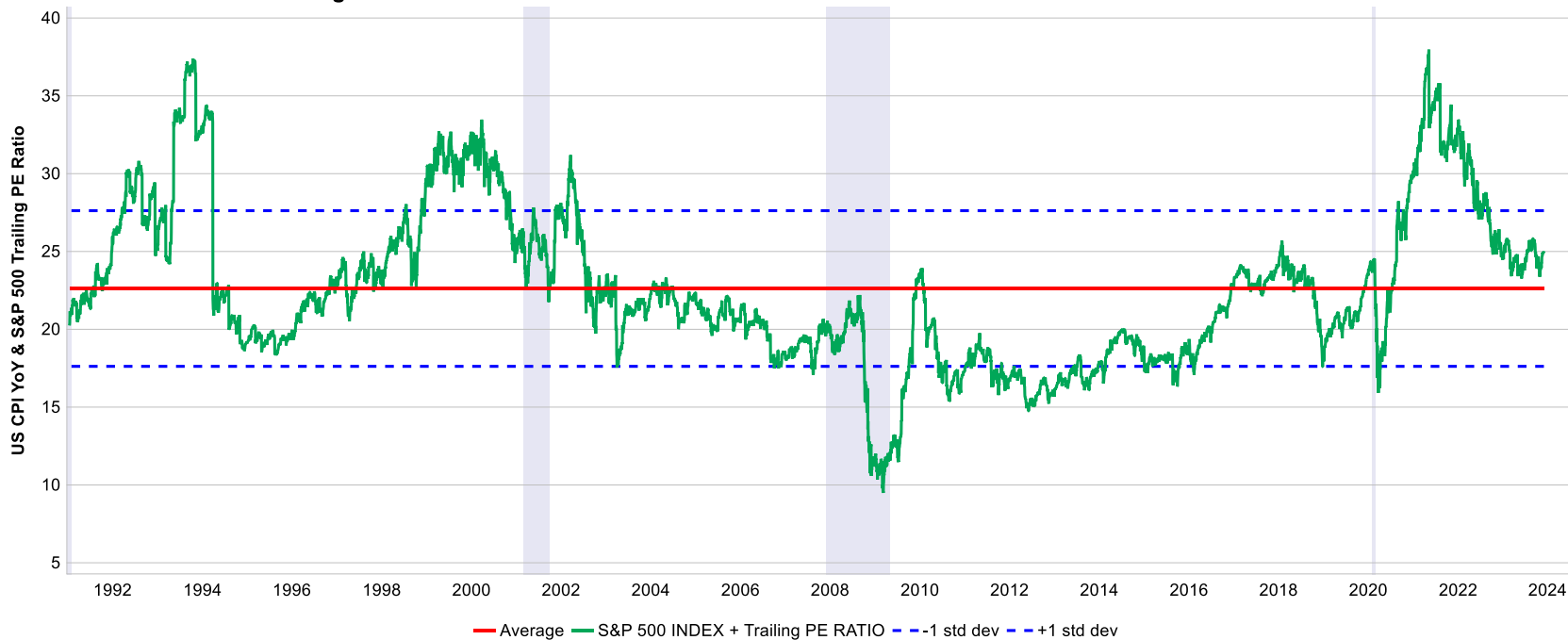


Source: Bloomberg, Manulife Investment Management, Capital Markets Strategy As of December 31, 2023

U.S. equity valuations relative to inflation are now in fair value territory

The Rule of 20 states that the stock market is valued when the sum of the average price-earnings ratio and the rate of inflation is equal to 20.

US CPI YoY & S&P 500 Trailing PE Ratio

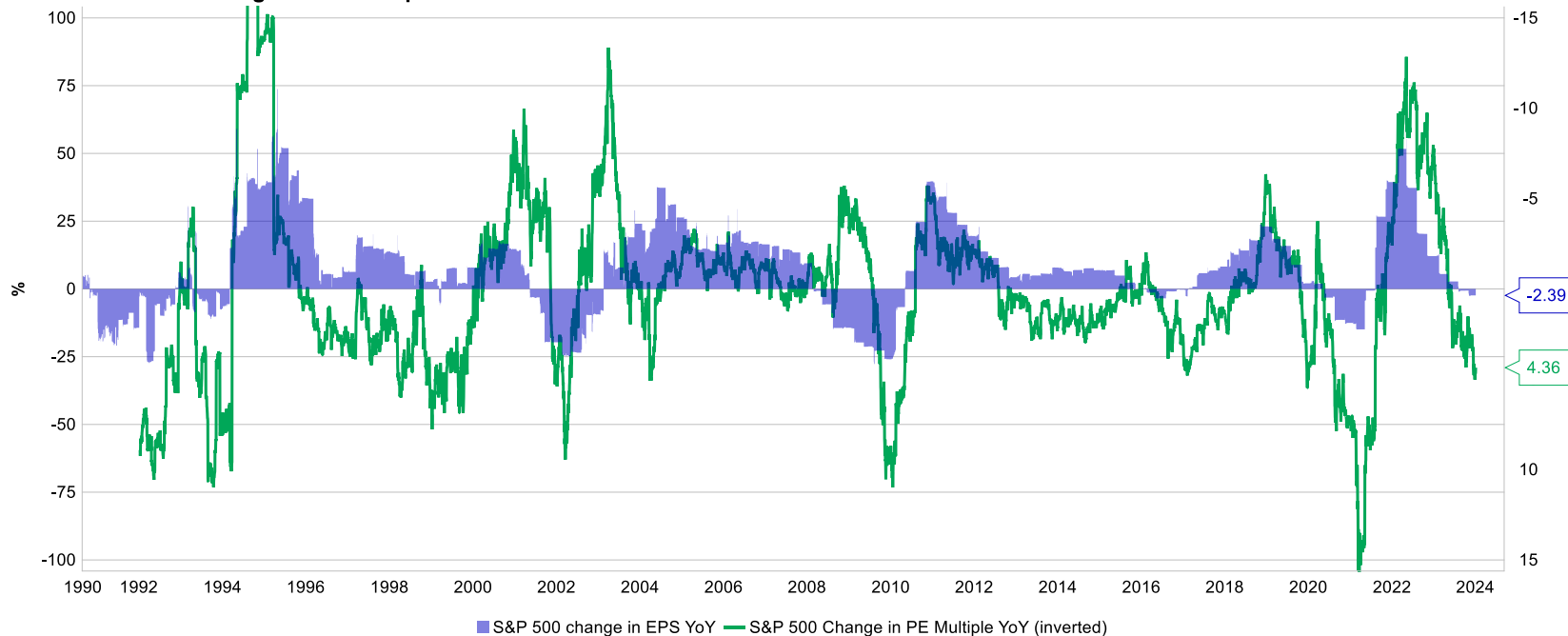


Source: Bloomberg, Macrobond, Manulife Investment Management, as of 1/3/2024.

Slight multiple contraction is possible in a flat earnings environment

During periods when earnings growth is between 0% and 10% on a year-over-year basis (as we believe it will be over the next 12 months), the average PE contraction is 1 multiple point, and the average 12-month returns for the S&P 500 Index is 12.0%.

S&P 500 EPS vs. change in PE multiple YoY

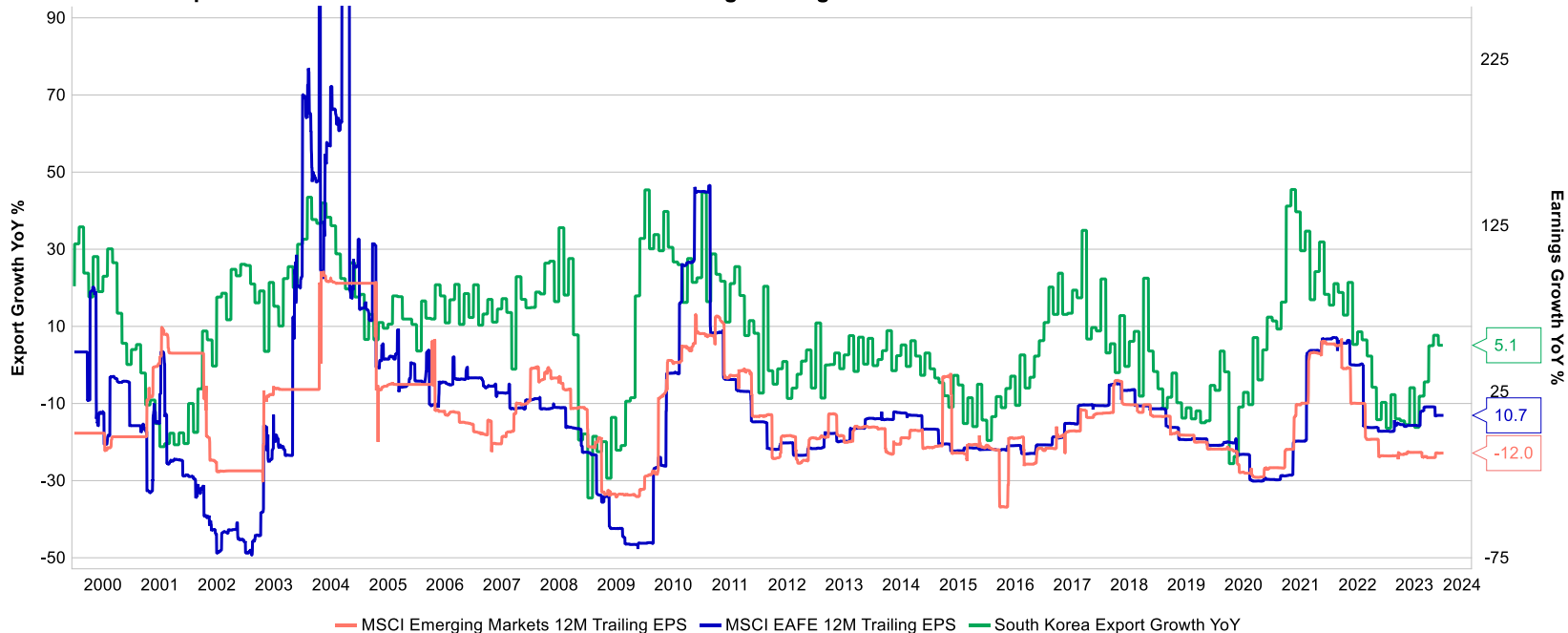


Source: Bloomberg, Macrobond, Manulife Investment Management, as of 1/3/2024.

South Korean export growth indicates a weaker earnings growth environment

South Korean export growth has historically led earnings growth for the developed and emerging markets. The improvements in South Korean exports may signal a bottoming in earnings growth weakness.

South Korean Exports YoY vs. MSCI EM and MS EAFE 12M Trailing Earnings

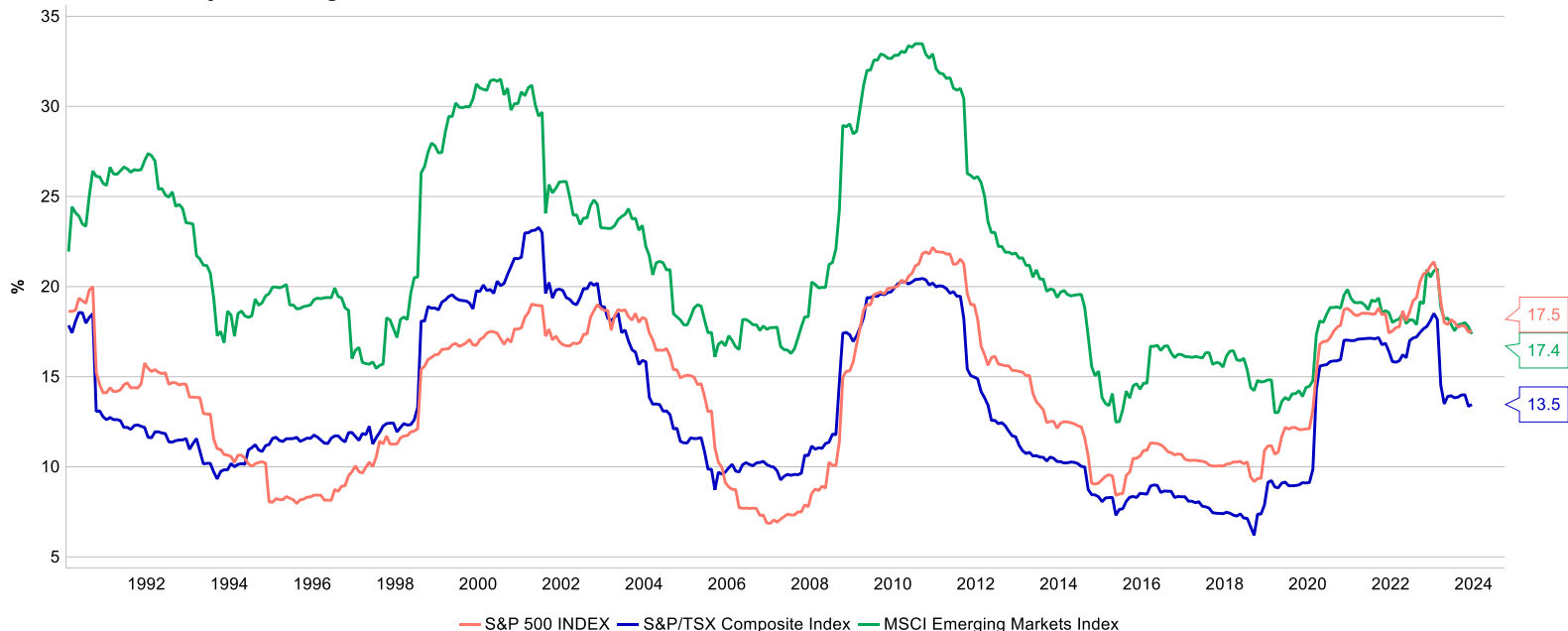


Source: Bloomberg, Macrobond, Manulife Investment Management, as of 1/3/2024.

Emerging Market volatility similar to North America

Historically, emerging market equities have exhibited higher volatility (measured as 3-year annualized standard deviation of returns) than U.S. or Canadian equities. However, what we have noticed over the last couple of years is that overall volatility has been more like the S&P 500 and S&P/TSX Indices.

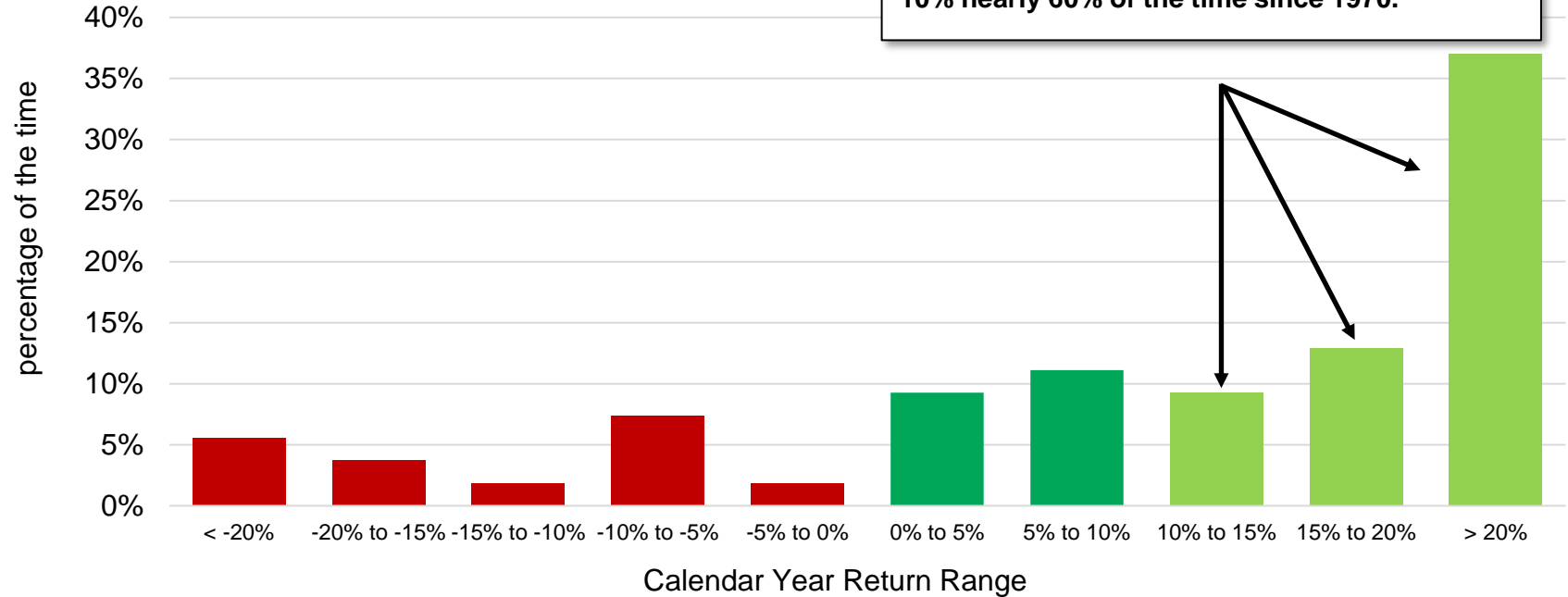
Annualized Three-year Rolling Standard Deviation



Source: Bloomberg, Macrobond, Manulife Investment Management, as of 1/3/2024.

The market tends to produce above average returns

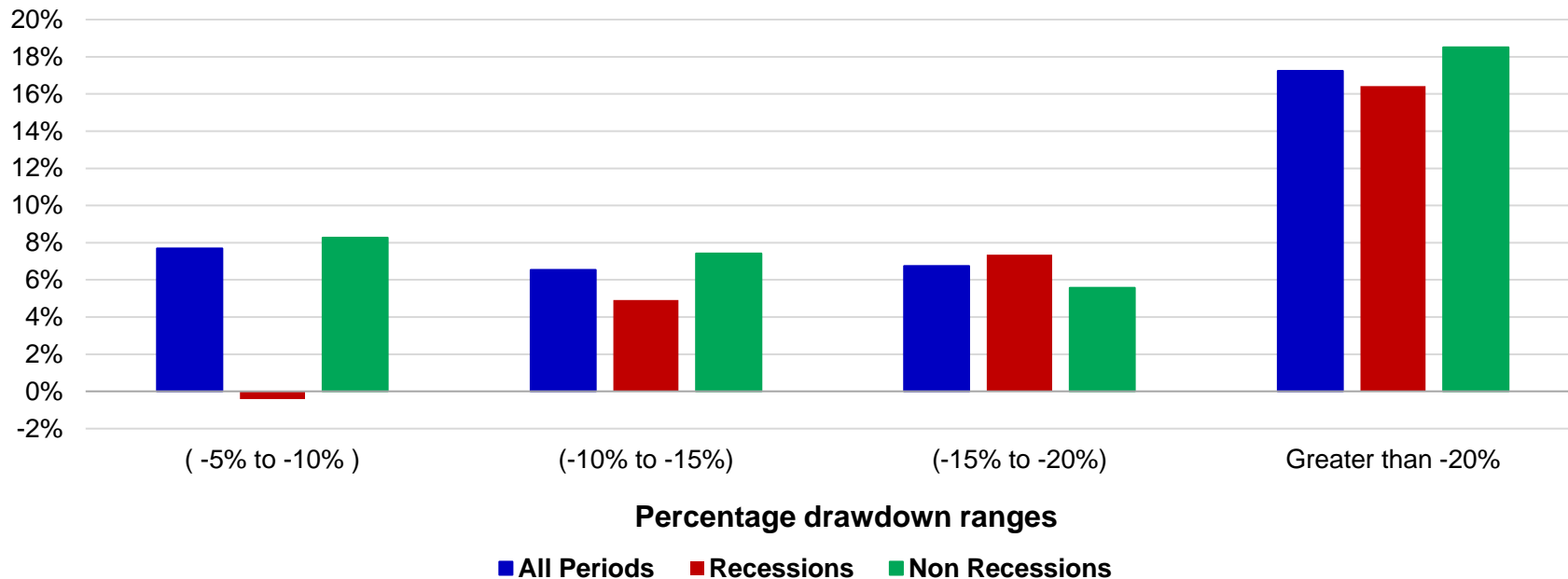
S&P 500 Index - Frequency of Calendar Year Price Returns
1970 - 2023



Source: Bloomberg, Manulife Investment Management, Capital Markets Strategy. As of December 31, 2023

Investors are rewarded by buying when the market sells off

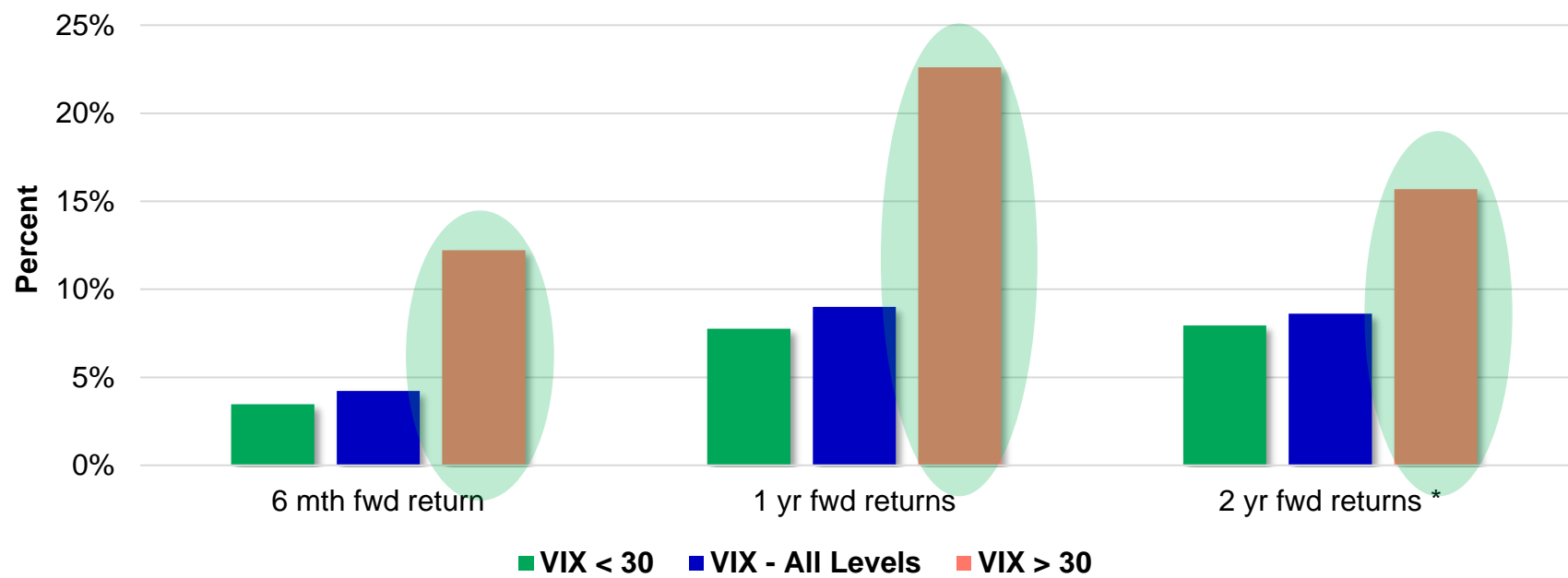
S&P 500 Price Index 1-year forward returns after selloffs from 52-week peak (1970 - current)



Source: Bloomberg, Manulife Investment Management, Capital Markets Strategy. As of December 31, 2023

When others are fearful.....what should you do?

S&P 500 Index – 6 months, 1 year and 2 years (CAGR) forward returns (1990 – Current)

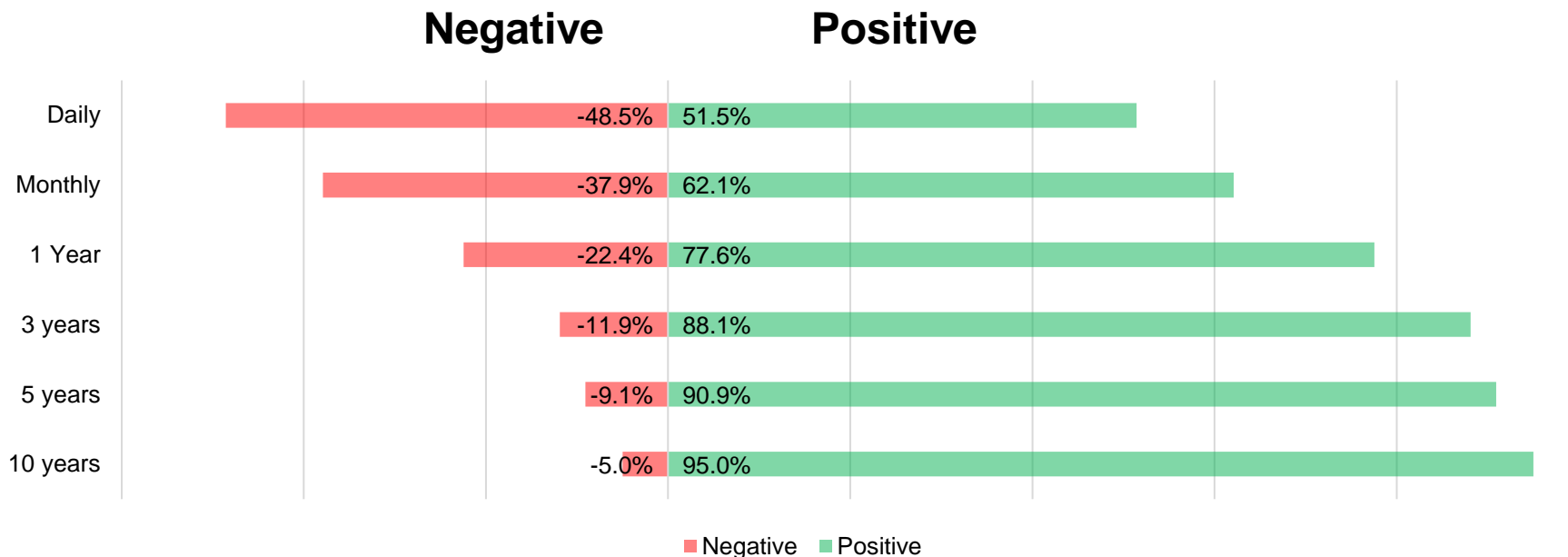


Source: Bloomberg, Manulife Investment Management, Capital Markets Strategy. As of December 31, 2023

Markets are positive more often than negative

Although it comes down to a coin flip daily, over the long term the S&P 500 generates positive returns more often than negative ones. When it comes to investing in equities it is more about time in the market than timing the market.

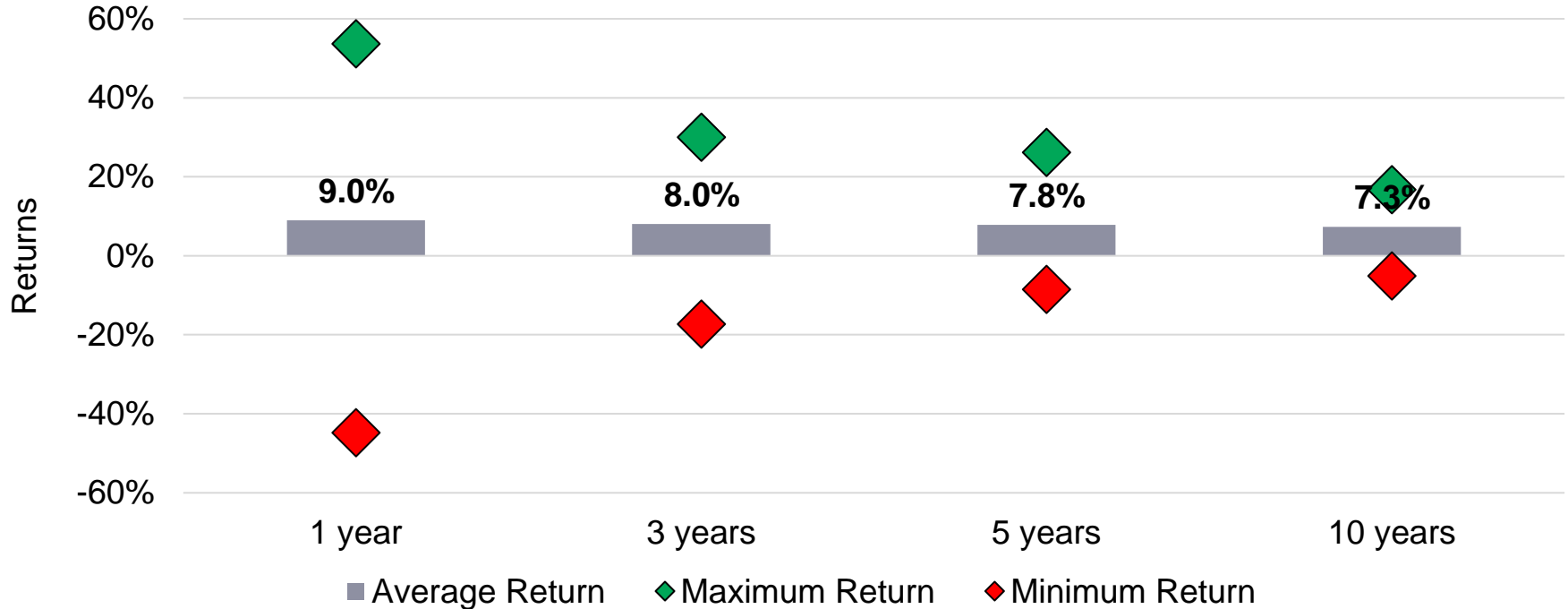
S&P 500 Returns* last 50 years



Source: Bloomberg, Manulife Investment Management, Capital Markets Strategy. As of December 31, 2023. * Price index before 1988. Total return index after due to availability of data

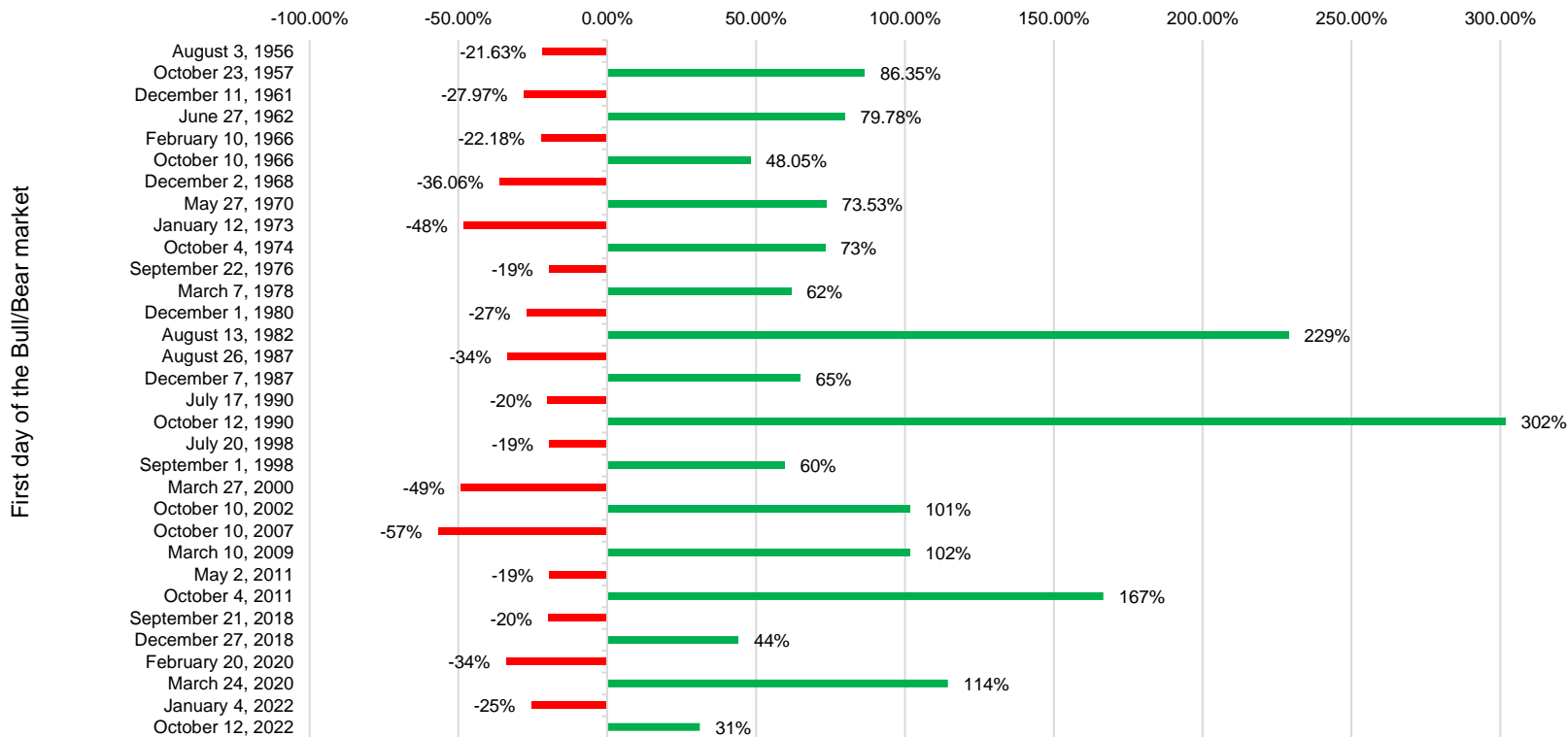
Longer time frame leads to less variability in returns

S&P 500 Index Historical Returns based on time frame (since 1950)



Source: Bloomberg, Manulife Investment Management, Capital Markets Strategy. As of December 31, 2023

S&P 500 Index Price Returns Bull and Bear Markets (1956 – current)

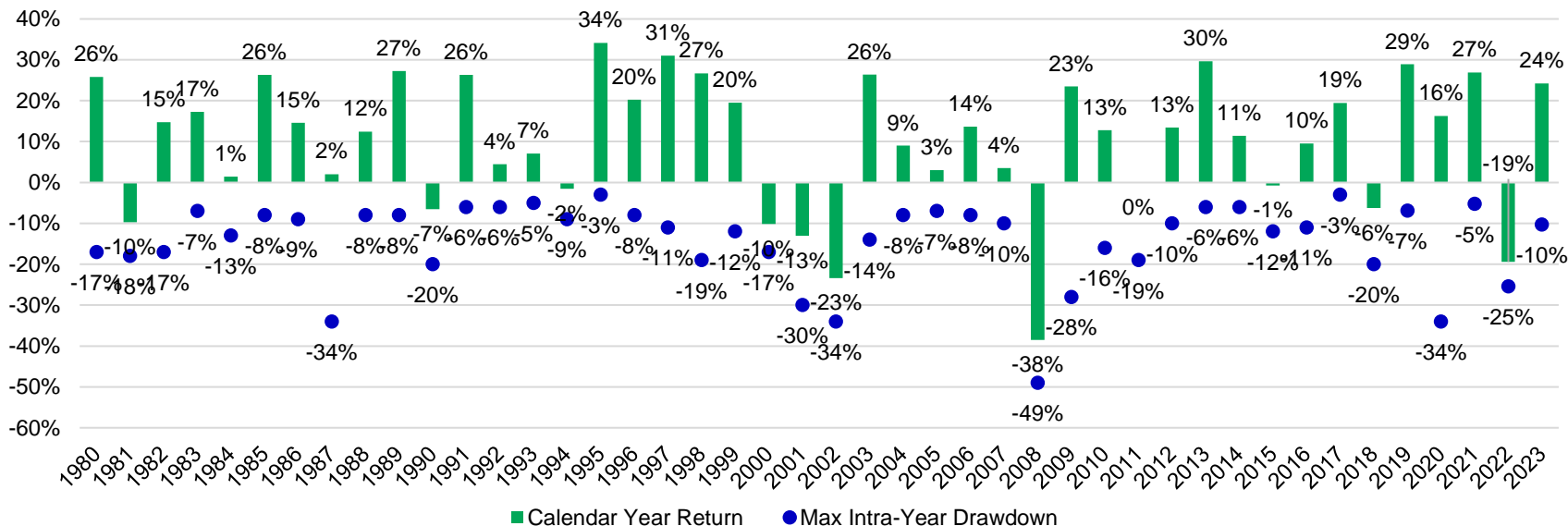


Source: Bloomberg, Manulife Investment Management, Capital Markets Strategy. As of December 31, 2023

Corrections are normal

Stock market corrections are very common and very difficult to predict. Since 1980, the S&P 500 index has fallen an average of ~14.0% in any given calendar year but is positive 75% of the time with an average return of ~10.0%

S&P 500 Index - Calendar Year and Max Intra - Year Returns (1980 - current)



Source: Bloomberg, Manulife Investment Management, Capital Markets Strategy. As of December 31, 2023

Table of returns in recession, pre and post since 1970

	S&P 500	US Gov't Bonds	US IG Bonds	US High Yield Bonds*	CADUSD
Recession - 24 months**	8.3%	6.1%	3.2%	4.6%	0.8%
Recession - 12 months	5.5%	6.3%	2.6%	1.7%	1.2%
Recession Period	-7.7%	12.5%	11.0%	0.6%	-3.1%
Equity Peak to Trough	-36.4%	13.3%	6.9%	-16.7%	-6.4%
Trough + 1 Yr	44.1%	9.1%	17.1%	45.8%	7.6%
Recession + 12 months	8.8%	6.9%	9.0%	17.3%	0.5%
Recession + 24 months **	6.2%	8.5%	10.8%	17.9%	1.0%
*High Yield since 1990					
** CAGR (Compound Annual Growth Rate)					

US Government Bonds - Bloomberg US Treasury Index, US IG Bonds - Bloomberg US Corporate Bond Index, US High Yield Bonds - Bloomberg US Corporate High Yield Bond Index

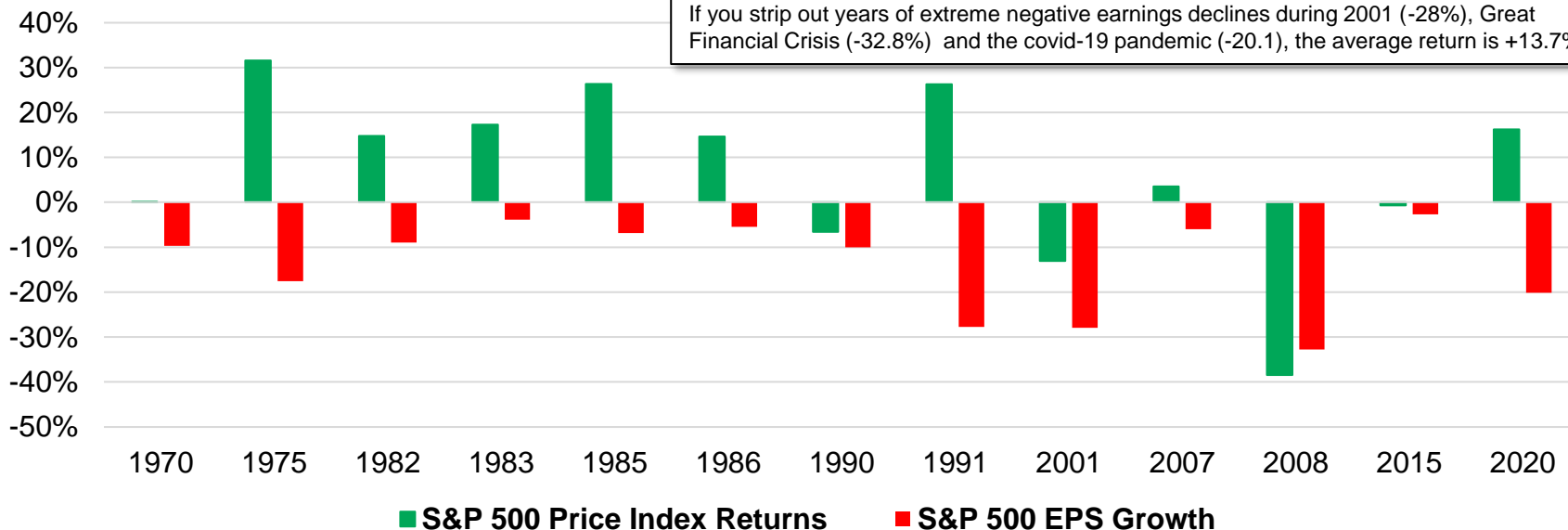
Source: Bloomberg, Manulife Investment Management, Capital Markets Strategy. As of December 31, 2023

What are S&P 500 returns when earnings are negative?

S&P 500 Index vs. S&P 500 Earnings

Since 1970, the S&P 500 has negative earnings growth in 13 calendar years. Of those 13 years, markets returns were positive 9 years (70%). On average in these 13 years, the S&P 500 return is 7.1%.

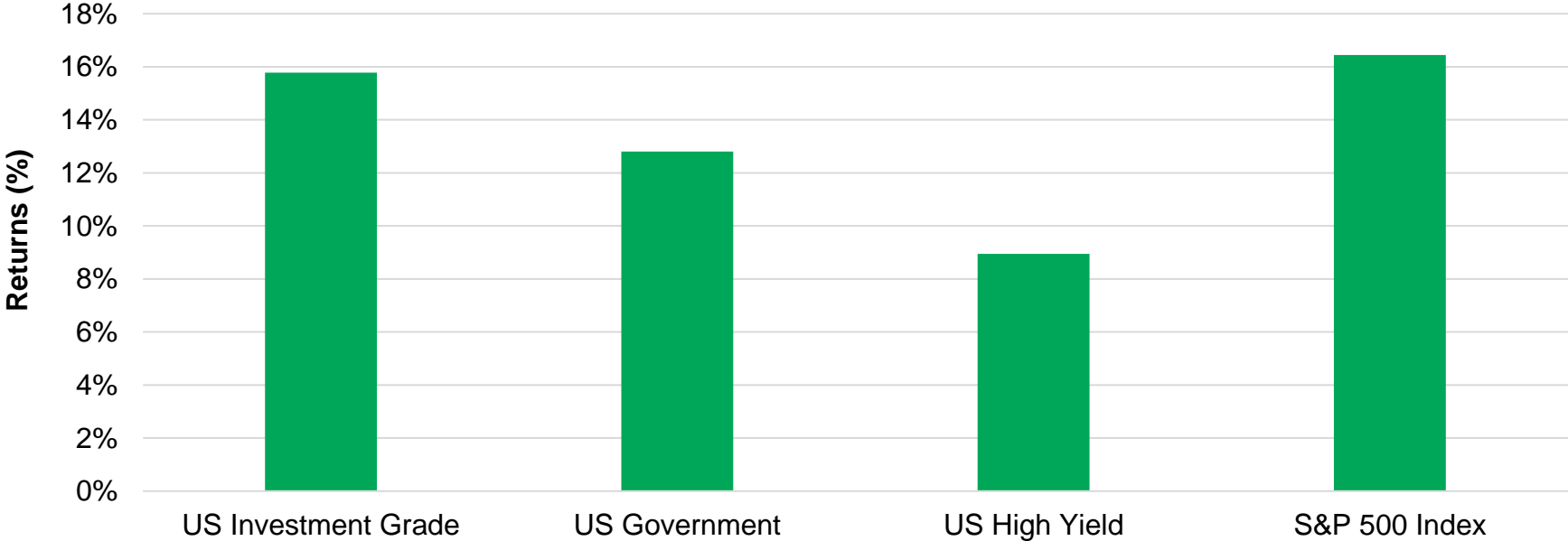
If you strip out years of extreme negative earnings declines during 2001 (-28%), Great Financial Crisis (-32.8%) and the covid-19 pandemic (-20.1), the average return is +13.7%



Source: Bloomberg, Capital Market Strategy. As of December 31, 2023

The index is unmanaged and cannot be purchased directly by investors.

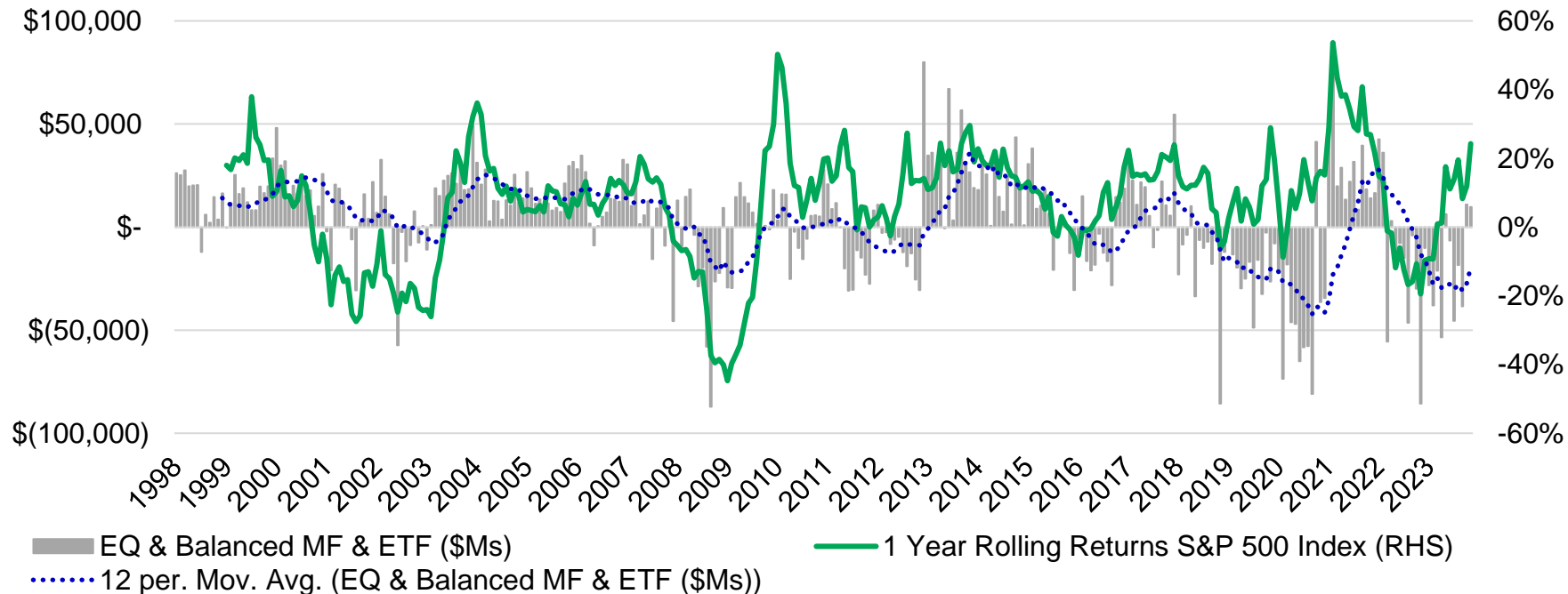
1 year forward returns after the US Federal Reserve pauses



US Government - Bloomberg US Treasury Index, US Investment Grade - Bloomberg US Corporate Bond Index, US High Yield- Bloomberg US Corporate High Yield Bond Index
Source: Bloomberg, Manulife Investment Management, Capital Markets Strategy. As of December 31, 2023

Retail investors are following same old habits, selling after the drop

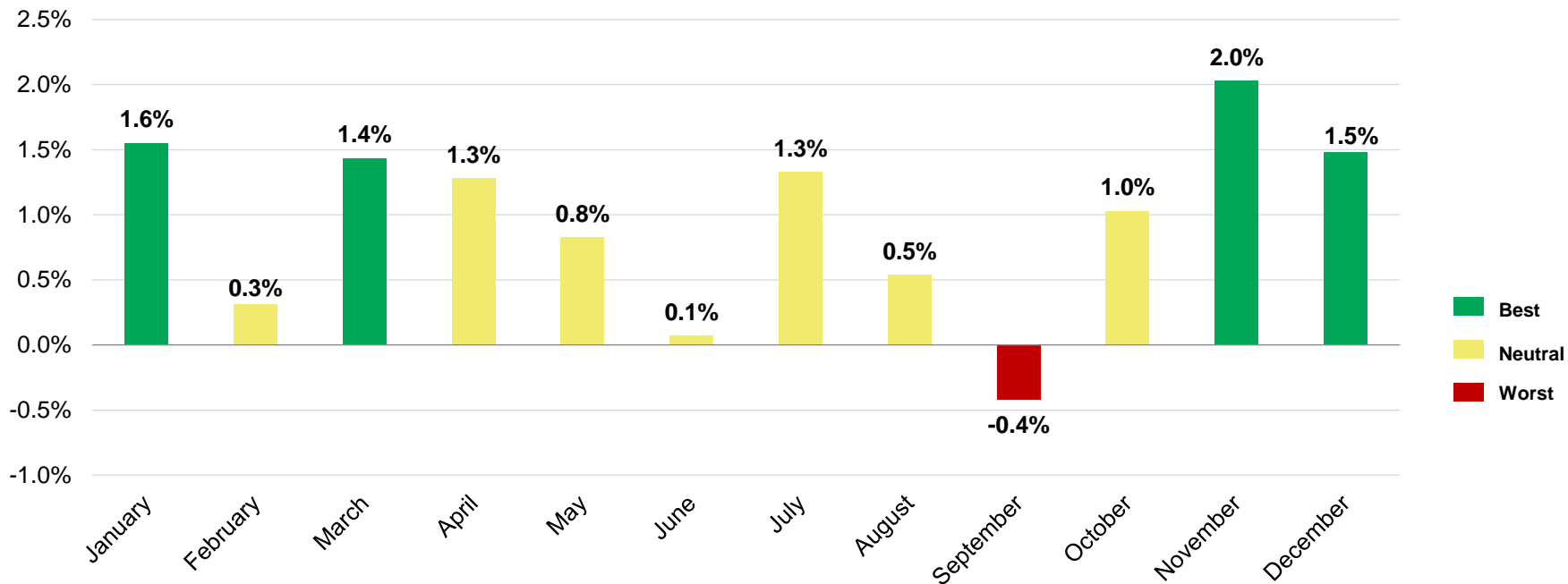
Net Mutual Fund and ETF Flows vs 1-Year S&P 500 Return - 1998-Current



Source: Bloomberg, Manulife Investment Management, Capital Markets Strategy. As of December 31, 2023

We are in a historically positive period for S&P 500 returns

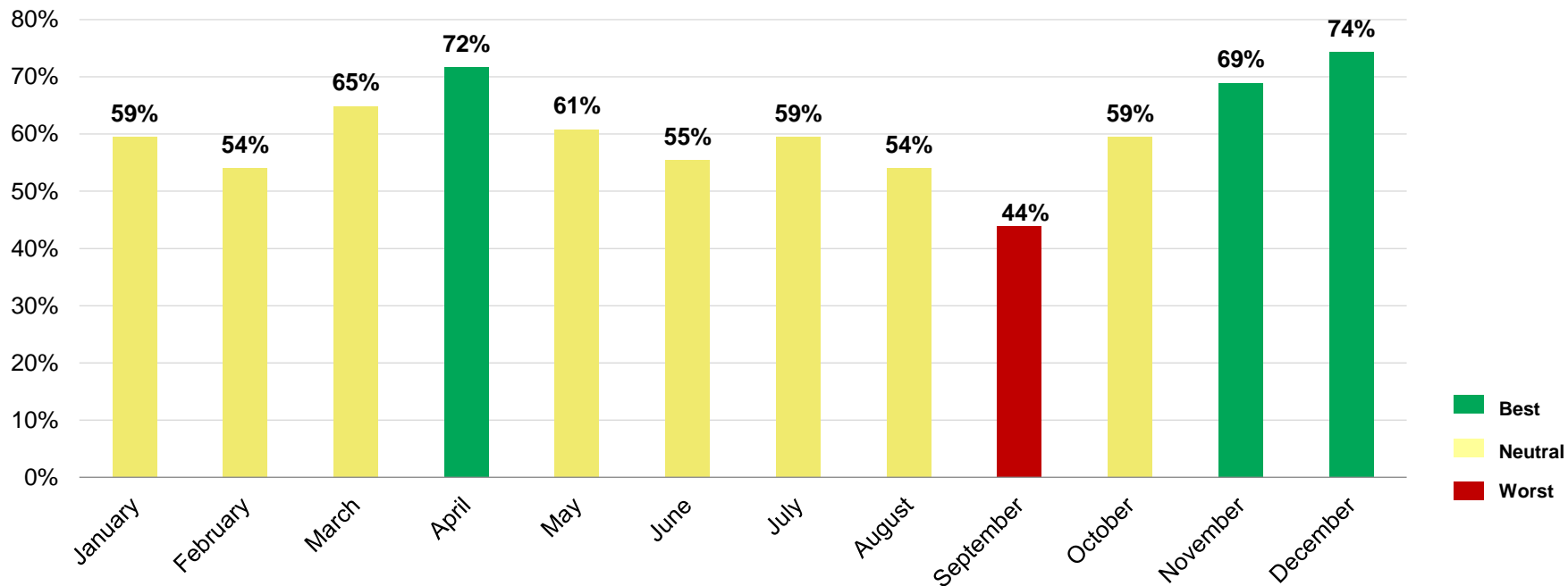
S&P 500 - Median Monthly Returns (1950 - 2023)



Source: Bloomberg, Manulife Investment Management, Capital Markets Strategy. As of December 31, 2023

We are in a historically positive period for S&P 500 returns

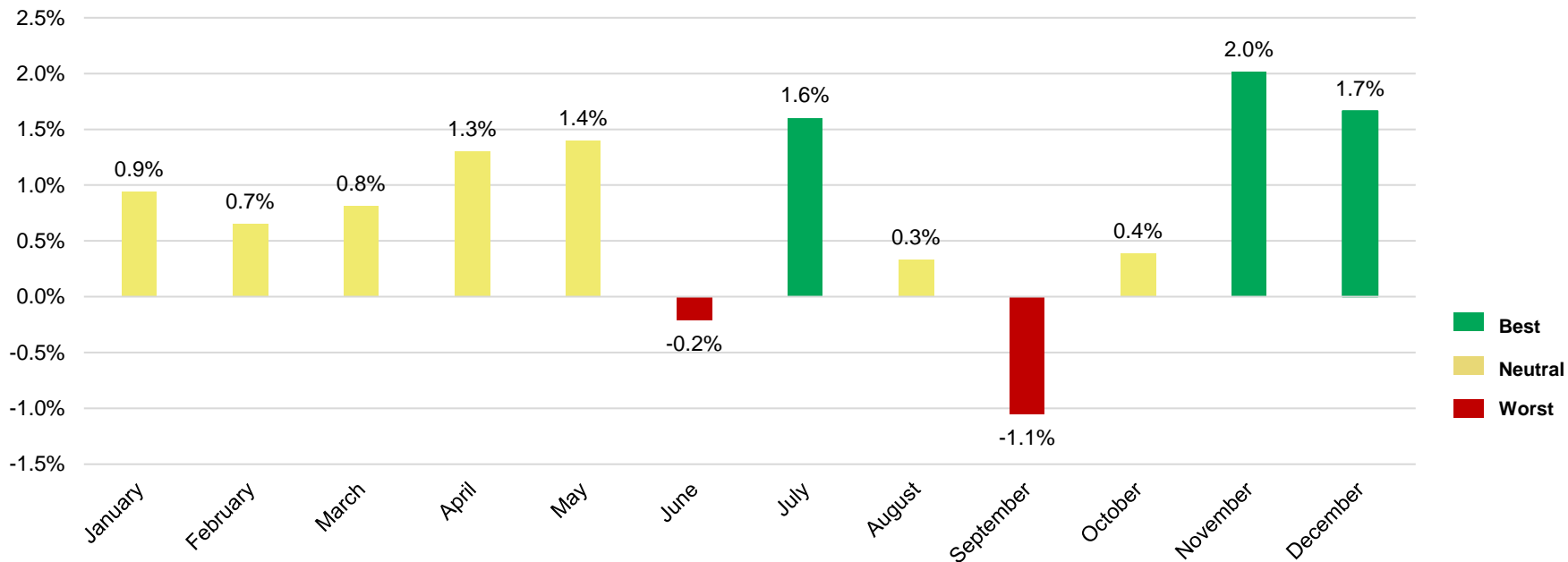
S&P 500 - odds of a positive monthly return (1950 - 2023)



Source: Bloomberg, Manulife Investment Management, Capital Markets Strategy. As of December 31, 2023

We are in a historically positive period for S&P/TSX returns

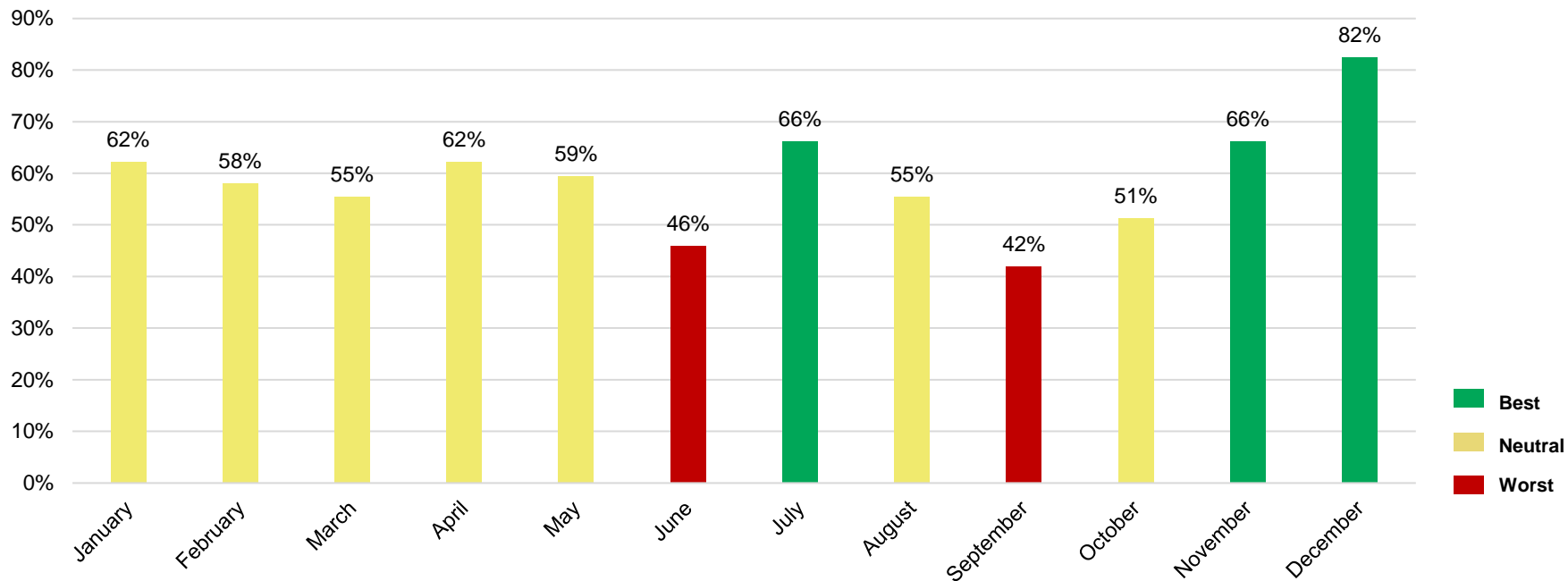
S&P/TSX - Median Monthly Returns (1950 - 2023)



Source: Bloomberg, Manulife Investment Management, Capital Markets Strategy. As of December 31, 2023

We are in a historically positive period for S&P/TSX returns

S&P/TSX - odds of a positive monthly return (1950 - 2023)



Source: Bloomberg, Manulife Investment Management, Capital Markets Strategy. As of December 31, 2023

Various equity indices annual returns by calendar year

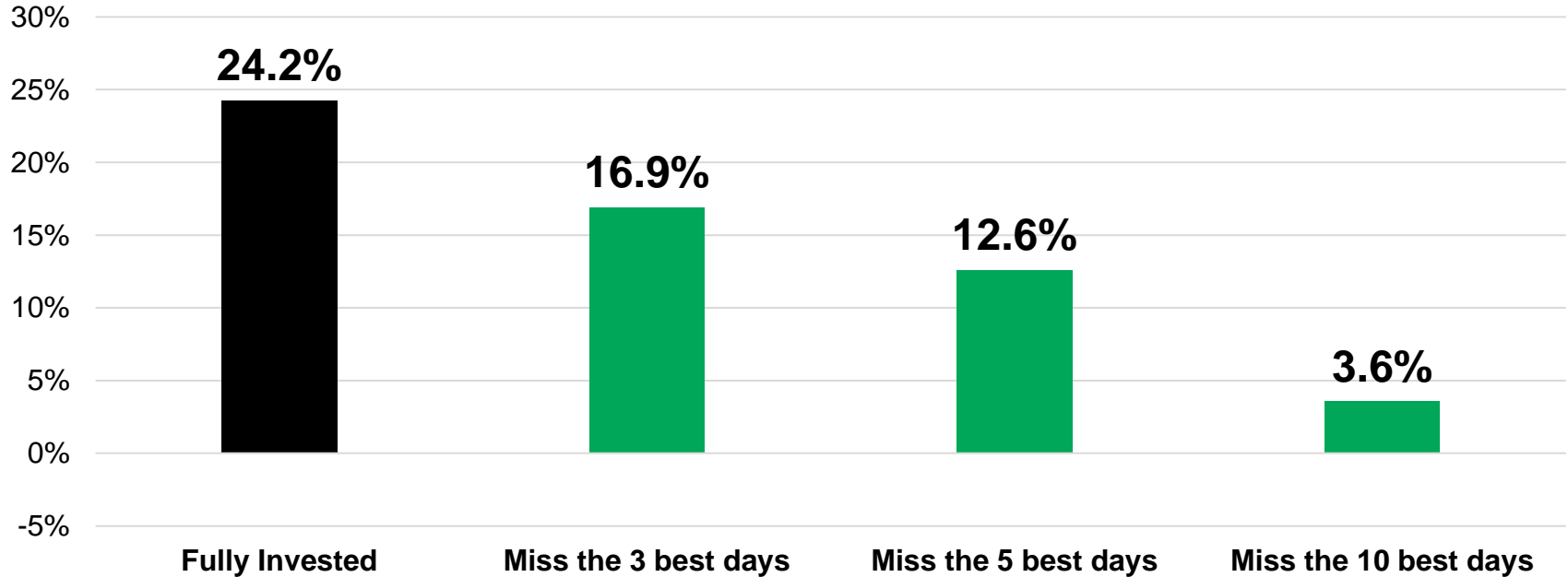
2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
56.7%	15.9%	9.1%	45.0%	38.7%	-1.6%	35.2%	43.6%	55.0%	6.7%	43.4%
38.3%	13.4%	5.7%	19.5%	28.2%	-3.9%	34.5%	25.1%	27.2%	-0.3%	28.2%
37.0%	11.4%	5.5%	17.5%	21.8%	-4.7%	28.9%	22.5%	26.9%	-3.7%	24.2%
29.6%	9.0%	0.1%	9.5%	19.1%	-6.2%	23.7%	18.4%	22.4%	-8.7%	15.1%
19.4%	7.4%	-0.7%	8.2%	19.4%	-11.6%	23.1%	16.3%	21.7%	-9.4%	15.0%
16.4%	7.1%	-3.3%	8.1%	15.6%	-12.1%	22.2%	16.0%	21.4%	-11.9%	13.1%
10.3%	4.1%	-5.7%	7.5%	13.5%	-12.2%	21.8%	5.4%	13.7%	-16.8%	12.7%
9.6%	3.5%	-10.4%	5.0%	13.1%	-13.1%	19.1%	2.2%	8.8%	-19.4%	10.9%
7.2%	2.2%	-11.1%	2.9%	12.5%	-13.2%	18.4%	-5.4%	8.4%	-21.5%	8.1%
4.4%	-1.4%	-11.3%	0.4%	11.4%	-16.1%	18.3%	-8.2%	4.9%	-21.6%	3.6%
0.7%	-7.3%	-14.6%	-0.5%	7.3%	-16.4%	18.2%	-8.7%	-3.6%	-24.4%	2.5%
-28.3%	-45.9%	-30.5%	-1.9%	6.0%	-24.8%	15.4%	-20.5%	-6.4%	-33.1%	-10.7%

S&P 500	Nasdaq	Russell 2000
S&P TSX	MSCI Europe	MSCI EAFE
MSCI Asia x Japan	Oil Commodity	Gold Commodity
Nikkei	FTSE Global Developed REIT	S&P Global Infrastructure

Source: Bloomberg, Manulife Investment Management, Capital Markets Strategy. As of December 31, 2023

2023 S&P 500 Price Index

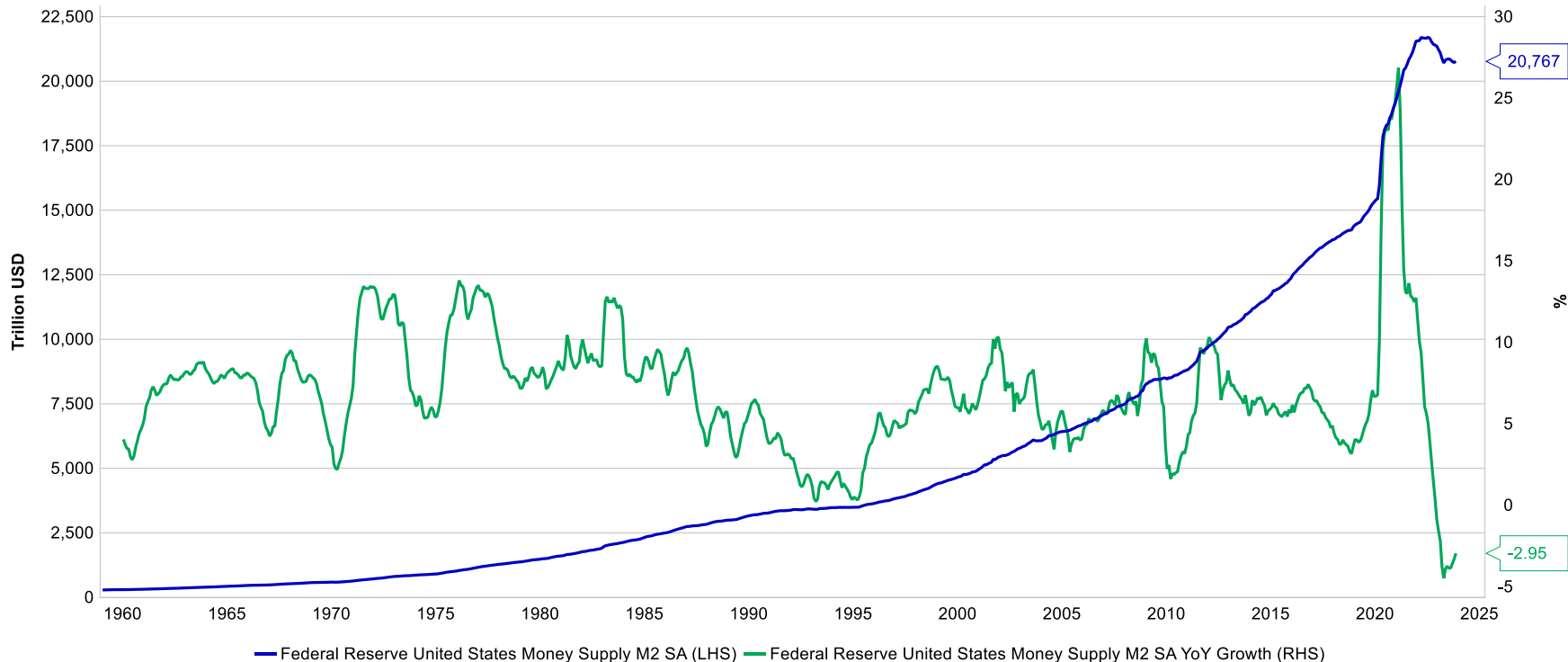
Fully Invested vs. missing the best days



Source: Bloomberg, Manulife Investment Management, Capital Market Strategy. As of December 31, 2023

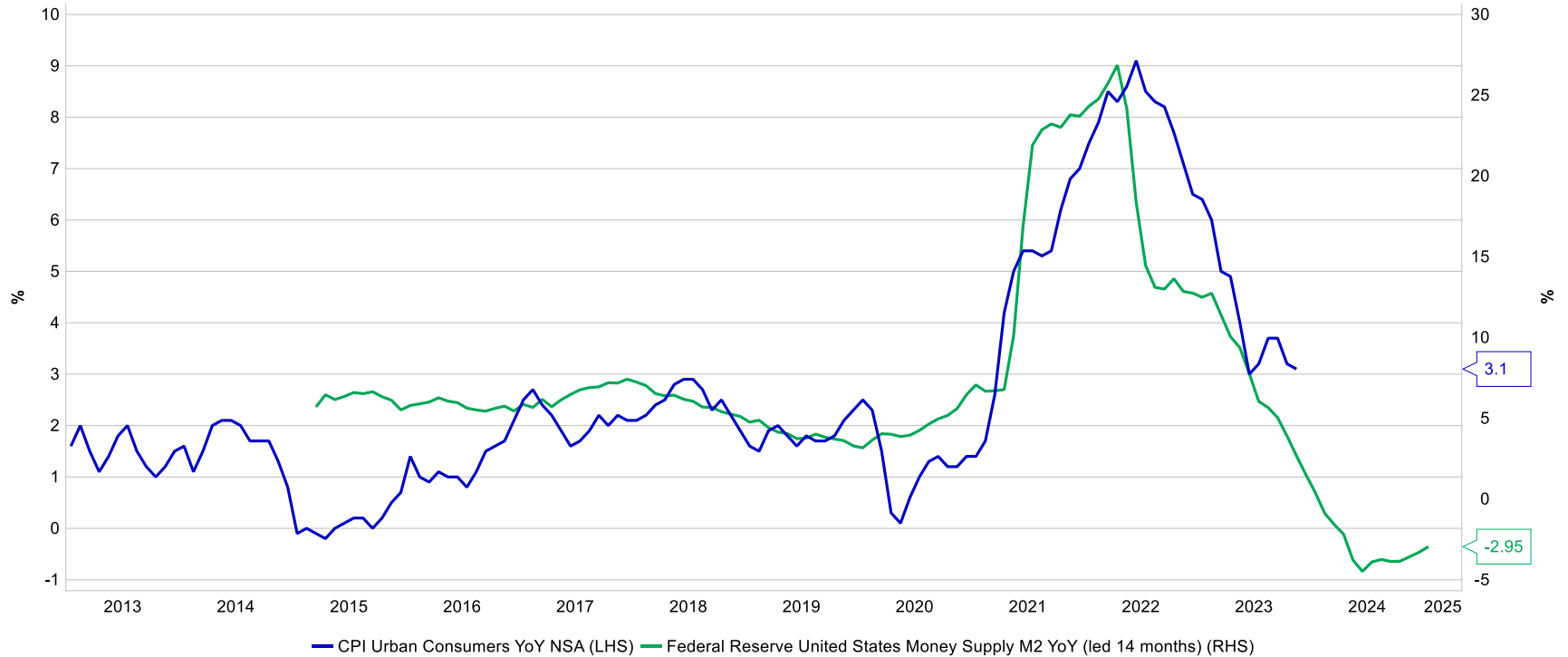
Fixed Income

M2 Money supply growth has fallen off a cliff



Source: Bloomberg, Macrobond, Manulife Investment Management, as of 1/3/2024.

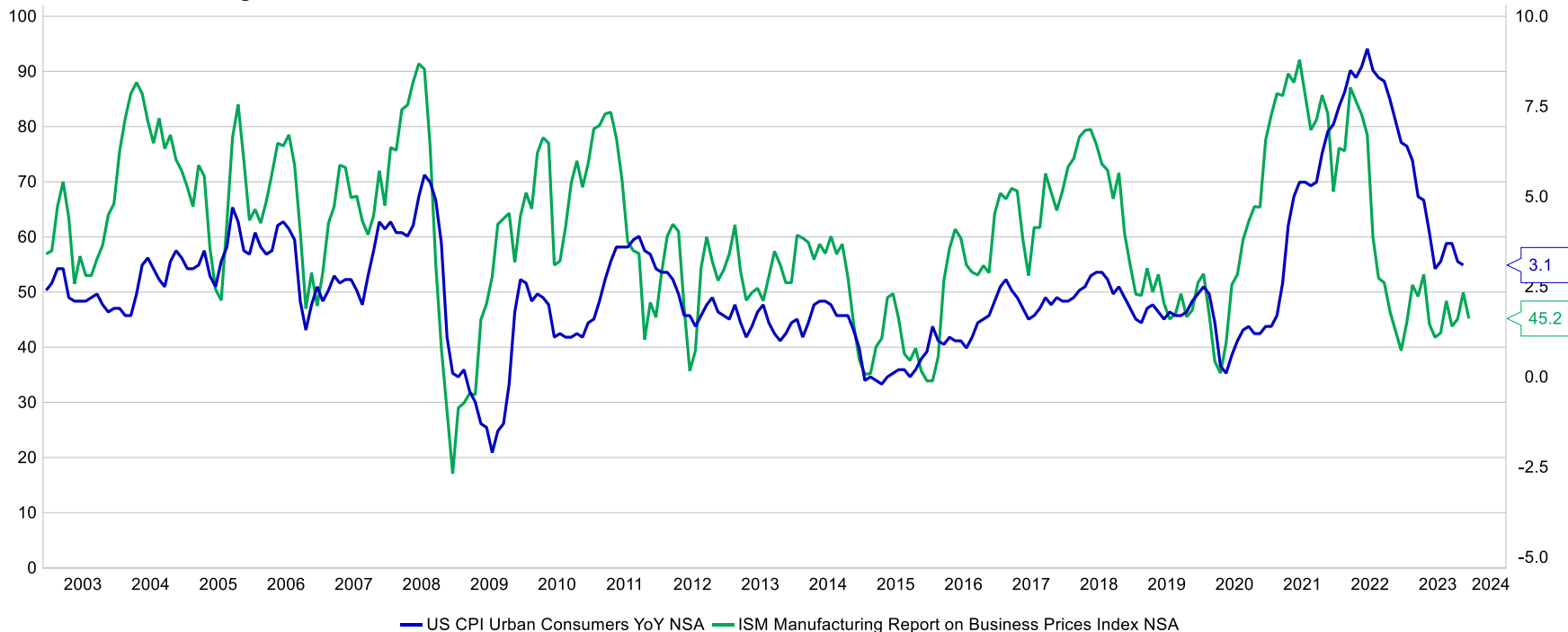
A decrease in money supply growth should be a reprieve for inflation



Source: , Macrobond, Manulife Investment Management, as of 1/3/2024.

Falling input costs could be a positive signal for inflation

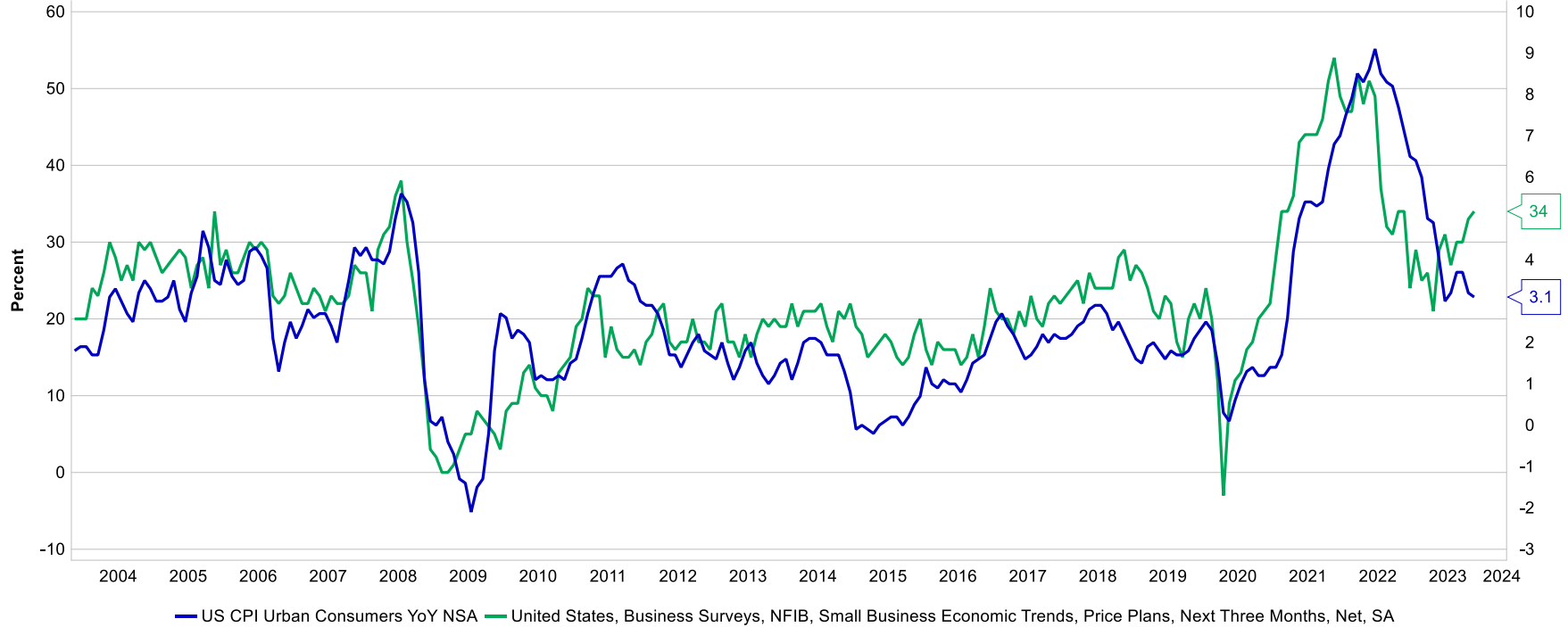
US ISM Manufacturing Prices Paid Index vs. US CPI YoY



Source: , Macrobond, Manulife Investment Management, as of 1/4/2024.

Businesses are more likely to raise prices

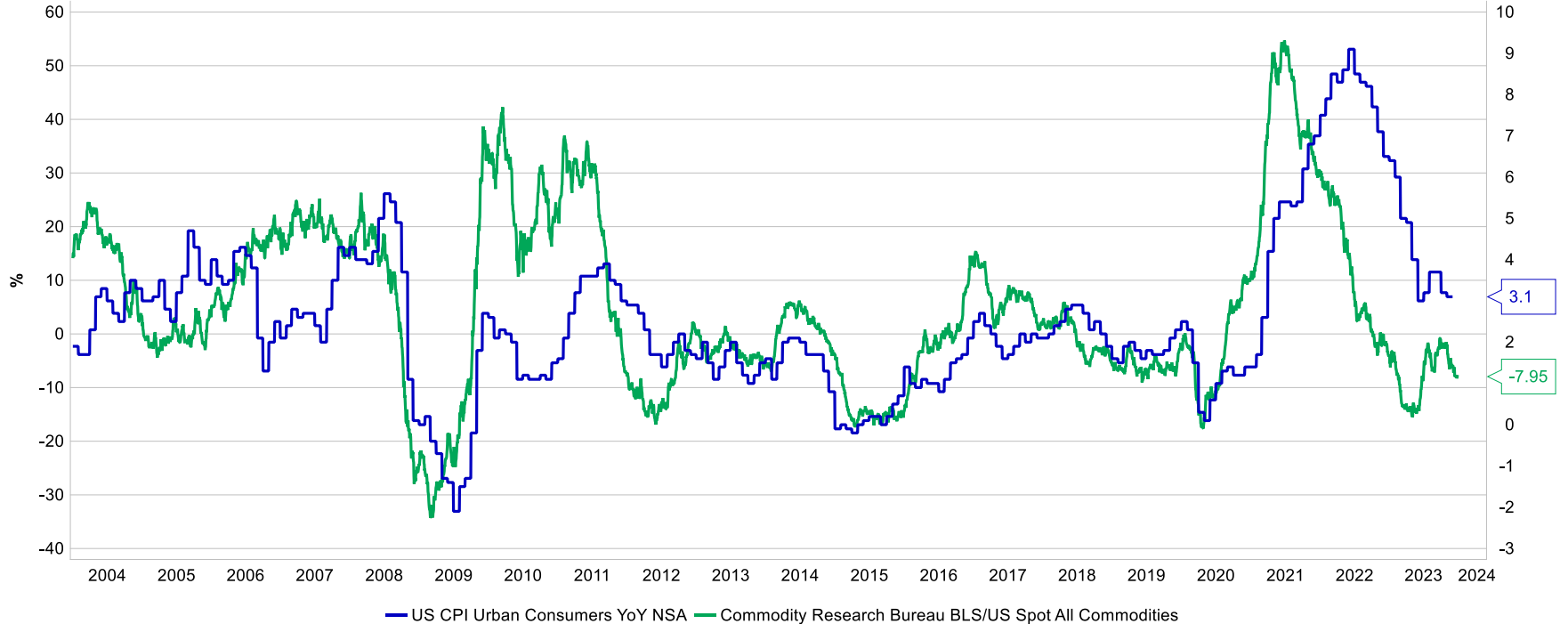
NFIB Small Business Raising Prices vs. US CPI YoY



Source: NFIB, Macrobond, Manulife Investment Management, as of 1/3/2024.

Commodity prices could add to disinflation

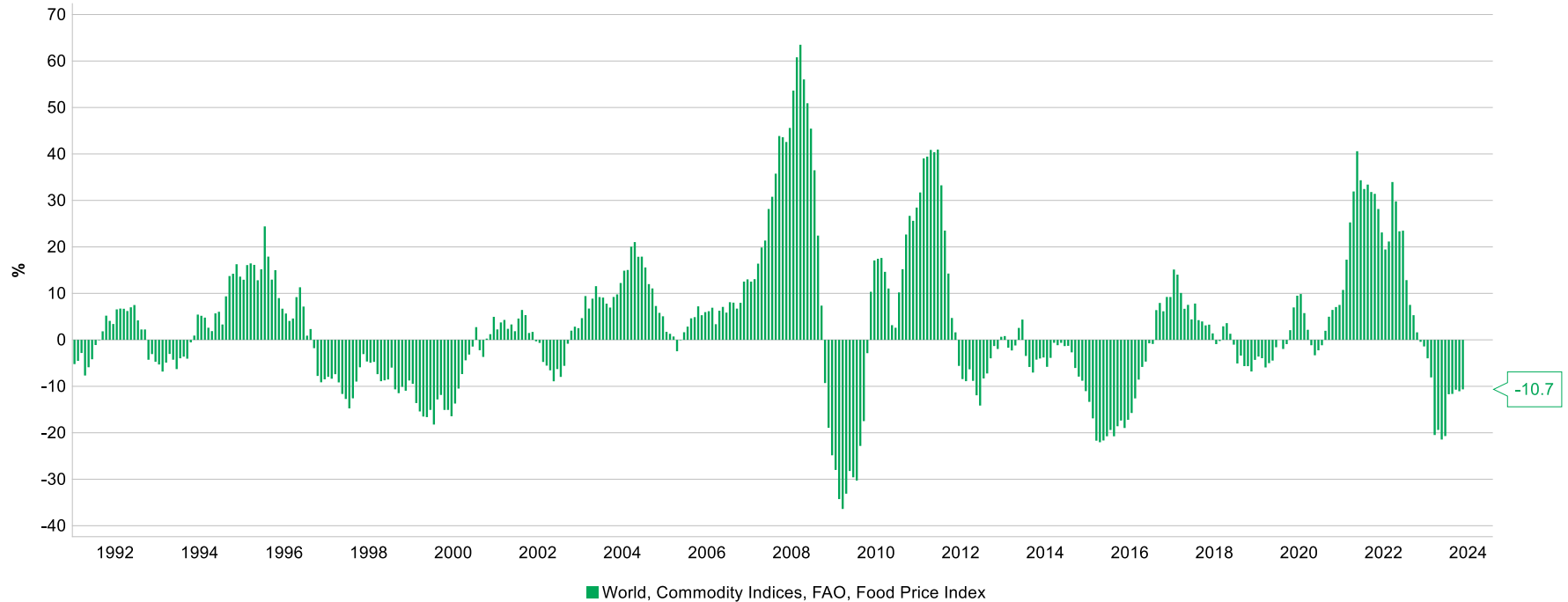
Commodity Price Change YoY vs. US CPI YoY



Source: , Macrobond, Manulife Investment Management, as of 1/3/2024.

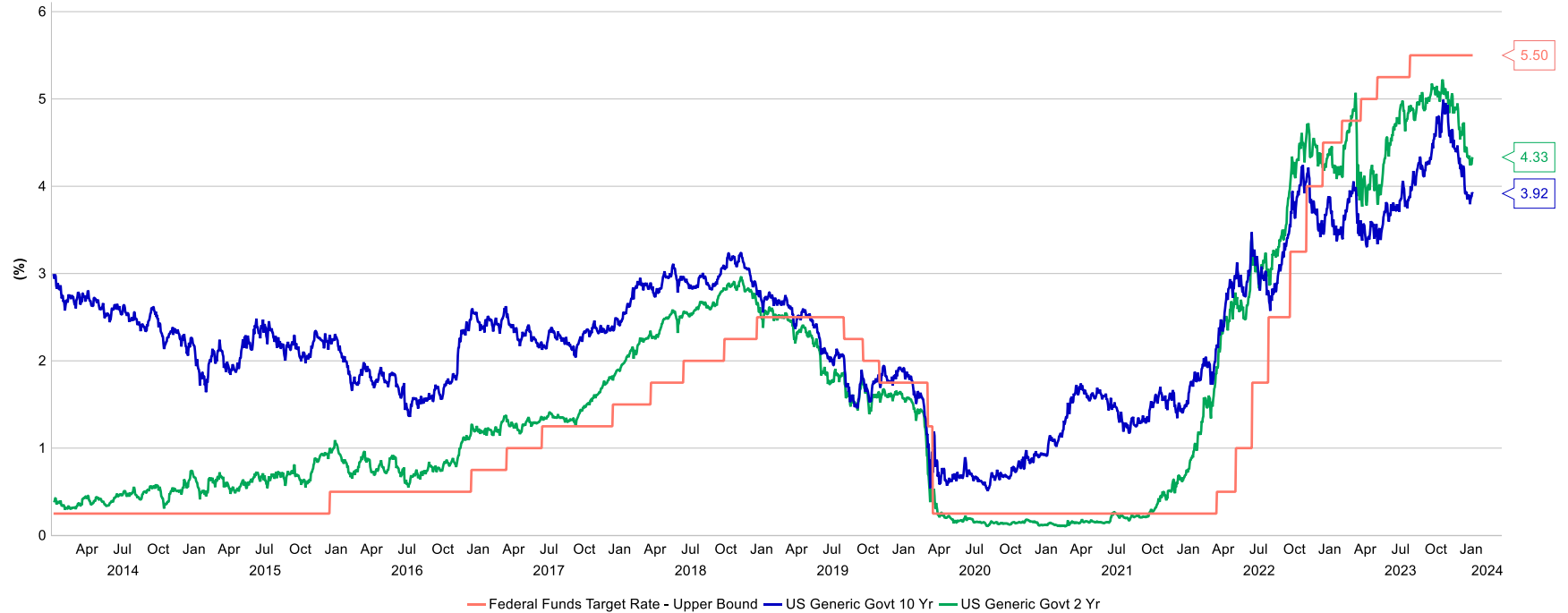
Food price inflation is likely to ease

UN World Food Price Index



Source: FAO, Macrobond, Manulife Investment Management, as of 1/3/2024.

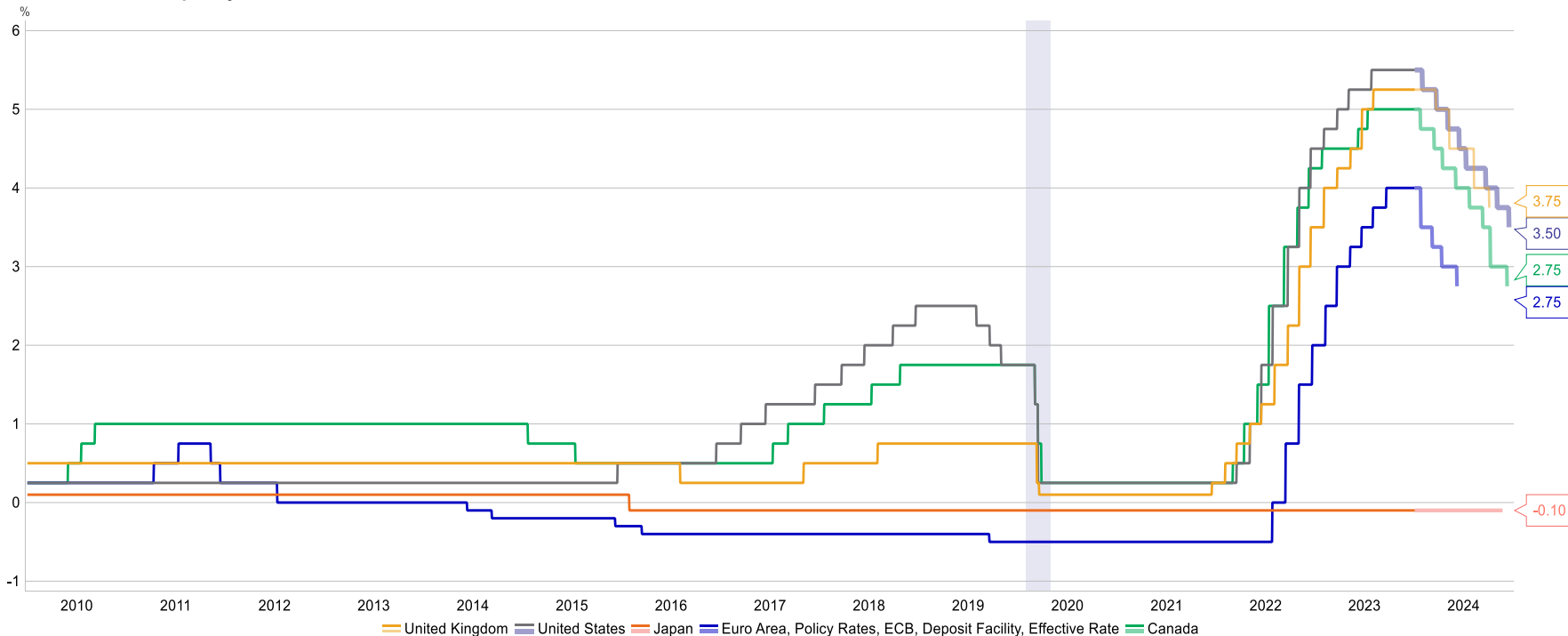
We believe the bond market is starting to price in Fed cuts



Source: Bloomberg, Macrobond, Manulife Investment Management, as of 1/3/2024.

Central Banks have hit peak rates and market is starting to price in cuts

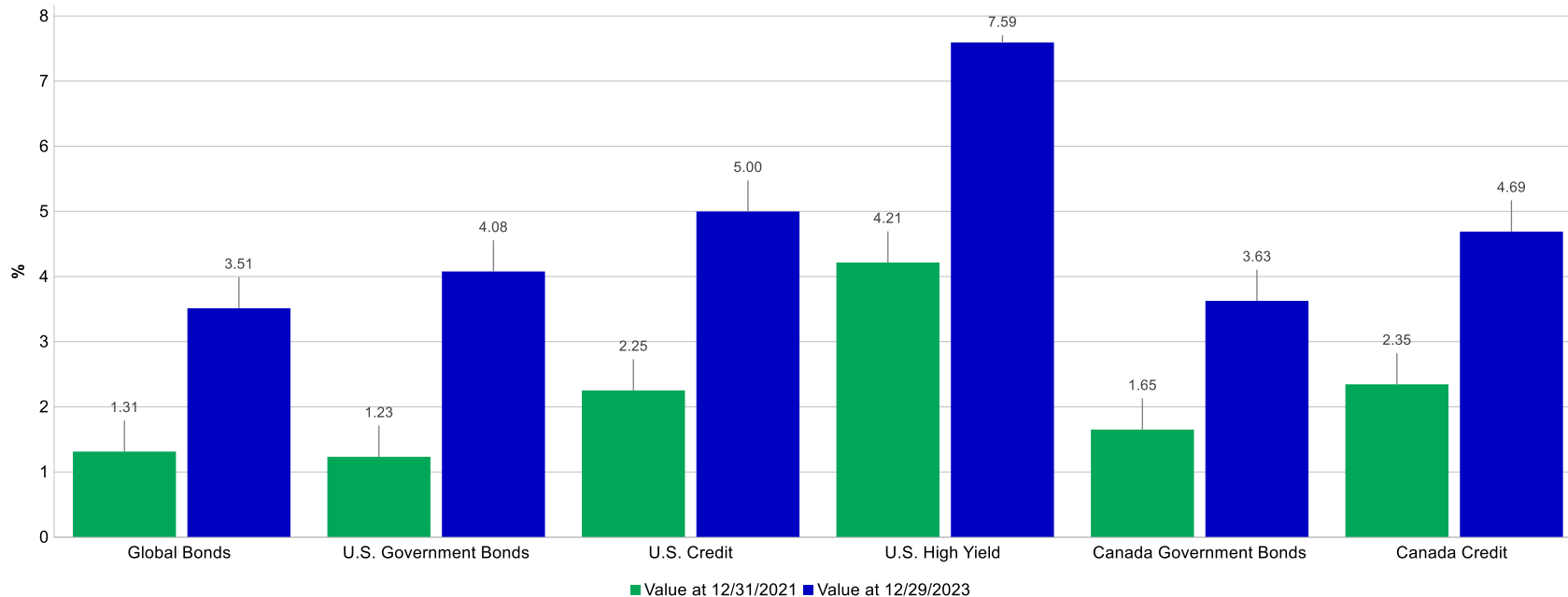
Central bank main policy rates



Source: Fed, BoC, ECB, BOJ, BoE, RBA, Riksbanken, Macrobond, Manulife Investment Management, as of 1/3/2024.

Bond yields are more attractive than they were at the beginning of last year

Global Fixed Income Indices - Yield-to-worst

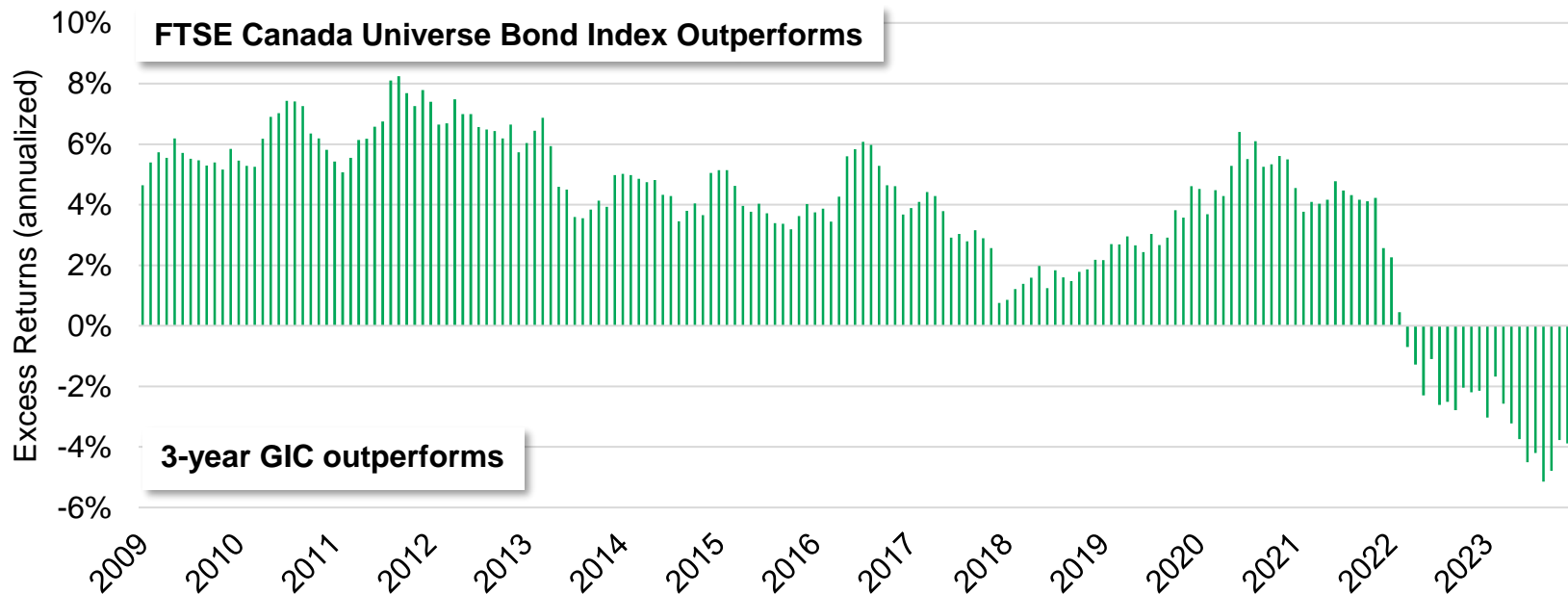


Source: Bloomberg, Macrobond, Manulife Investment Management, as of 12/31/2023.

Proxies that represent these asset classes: Global Bonds- Bloomberg Global Aggregate Bond Index, Canadian Credit- Bloomberg Canada Aggregate Credit Index, Canadian Government Bonds- Bloomberg Canada Aggregate – Government Index, US Government- Bloomberg US Treasury Index, US Credit- Bloomberg US Credit Index, US High Yield- Bloomberg US Corporate High Yield Index.

Bonds outperform GICs nearly 80% percent of the time

Relative outperformance of 3-year annualized returns for Canadian FTSE Universal Bond Index vs. Bank of Canada 3-year GIC rates



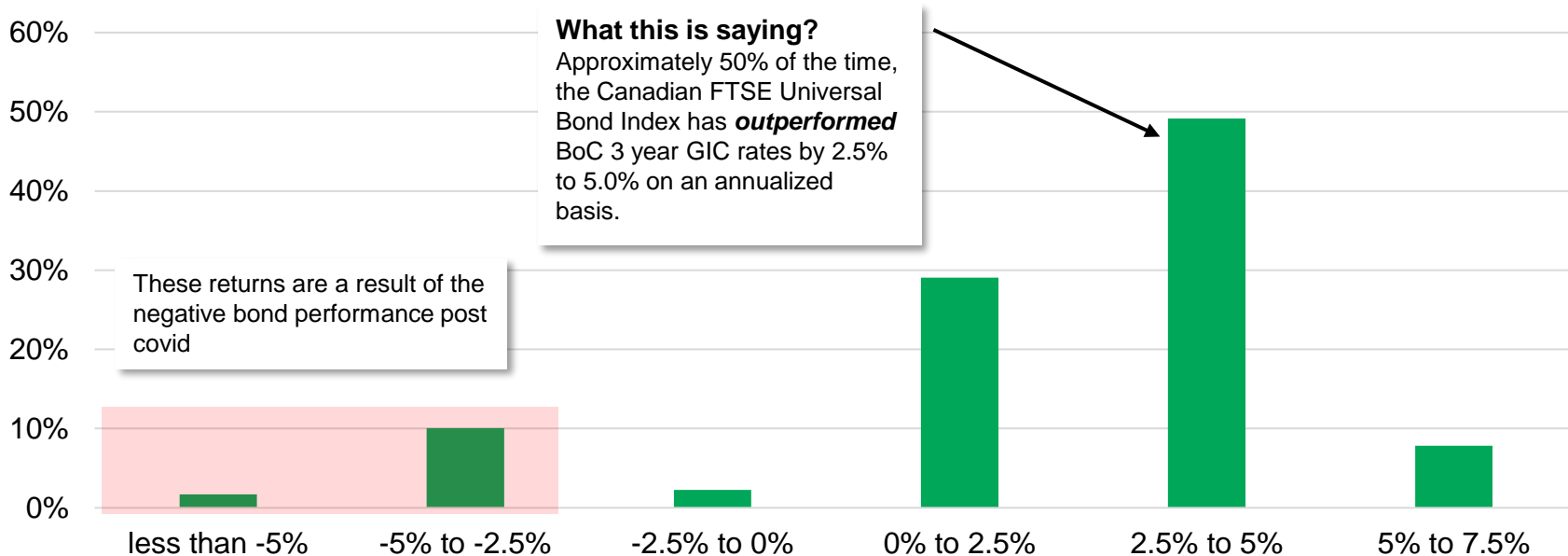
Source: Bloomberg, Manulife Investment Management, Capital Markets Strategy. As of December 31, 2023

The FTSE 3 Year Rollings returns have been lagged to illustrate the GIC rate at that time. Indices are unmanaged and cannot be purchased directly by investors.

Past performance is not indicative of future results.

The FTSE Universe Bond Index can provide outperformance vs. GICs

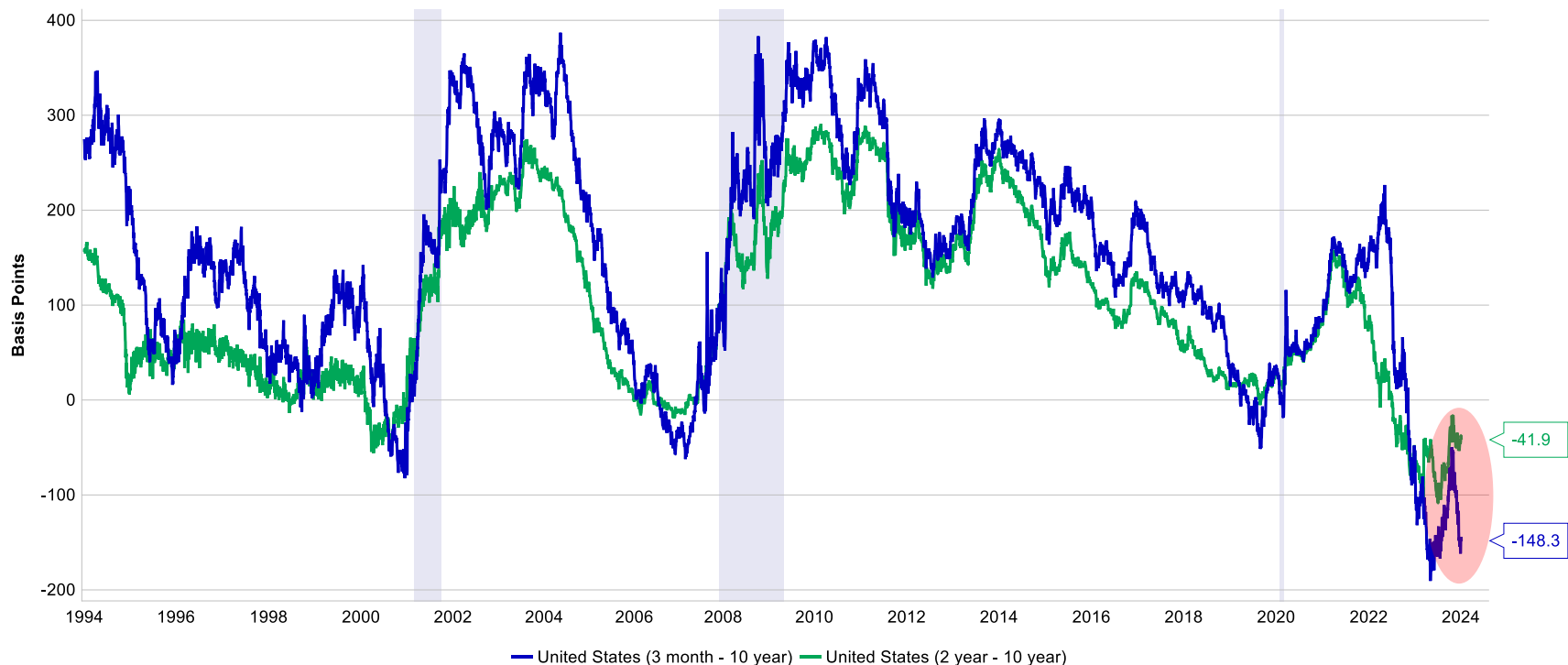
Relative outperformance of 3-year annualized returns of Canadian FTSE Universal Bond Index vs. Bank of Canada 3-year GIC rates



Source: Bloomberg, Manulife Investment Management, Capital Markets Strategy. As of December 31, 2023
Indices are unmanaged and cannot be purchased directly by investors. Past performance is not indicative of future results.
Inception date December 31, 2005

Shape of yield curve will be important to watch

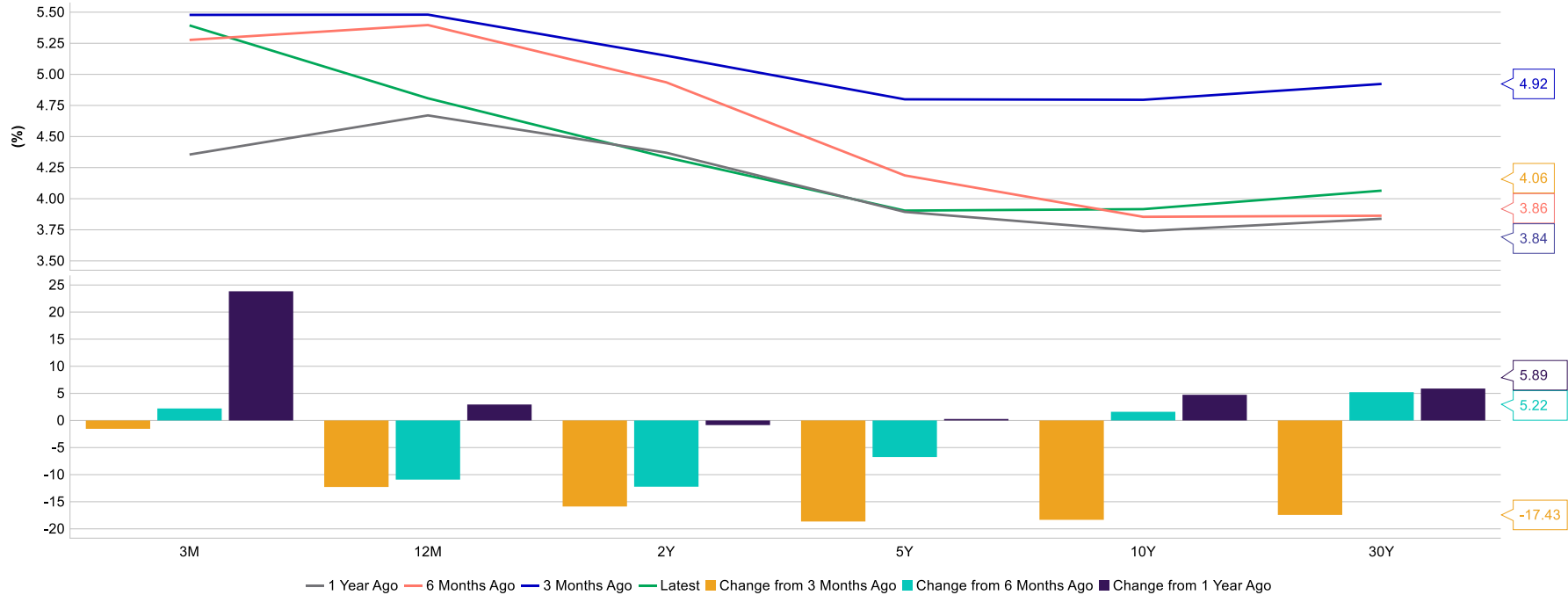
The yield curve tends to de-invert just prior to recession



Source: Bloomberg, Macrobond, Manulife Investment Management, as of 1/3/2024.

The mid to long end of the yield curve has likely peaked

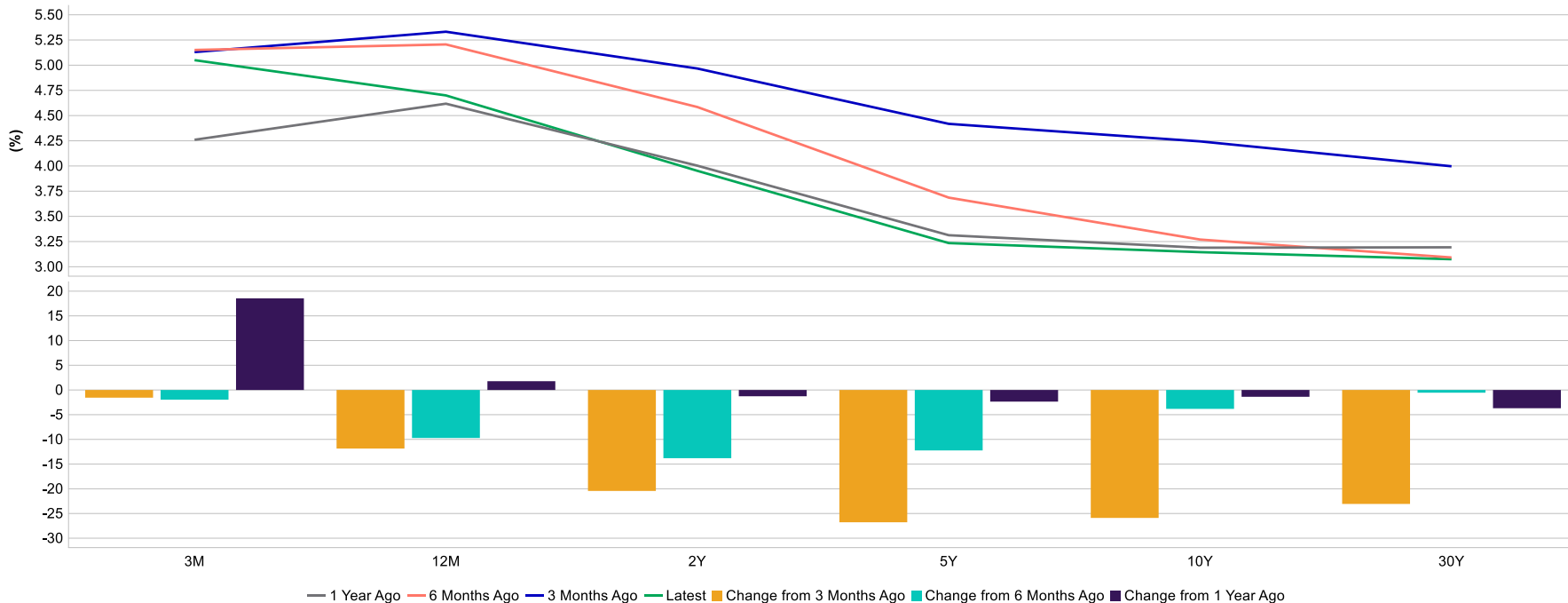
U.S. Treasury Yields Curve



Source: Bloomberg, Macrobond, Manulife Investment Management, as of 1/3/2024.

Canadian yields across the curve have likely peaked

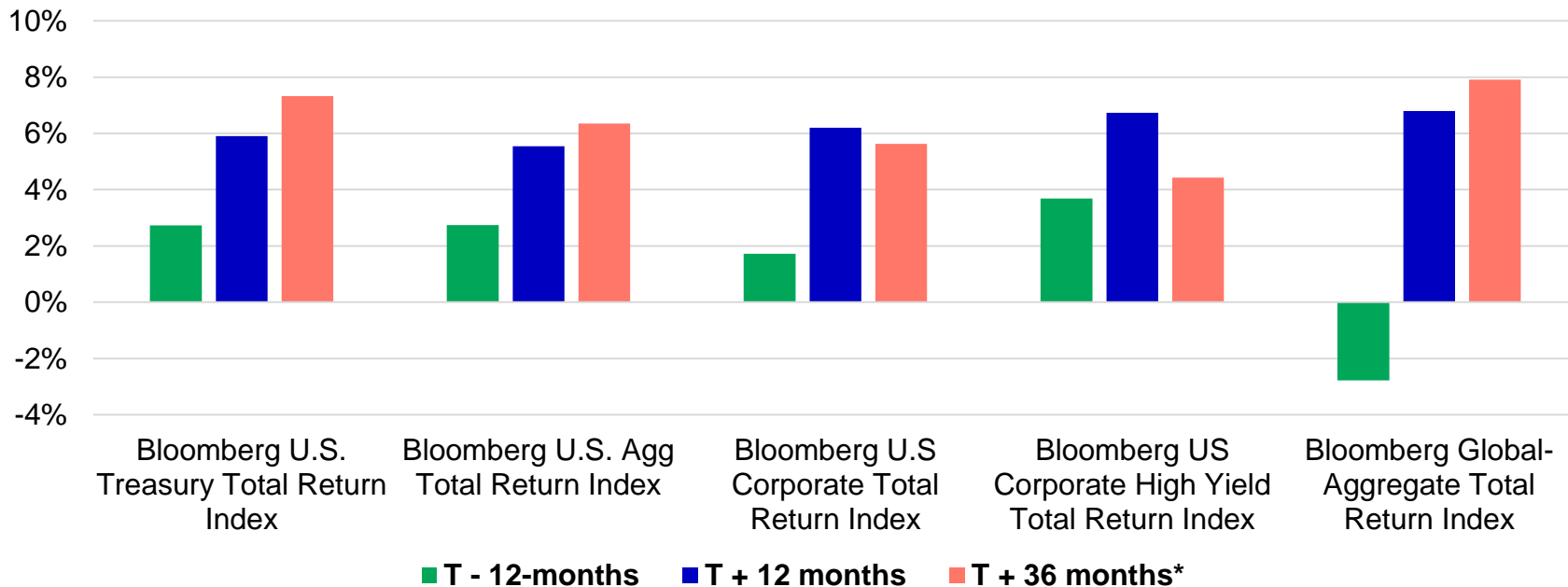
Canada Government Bond Yields Curve



Source: Bloomberg, Macrobond, Manulife Investment Management, as of 1/3/2024.

Bonds typically perform better after yield curve inversion

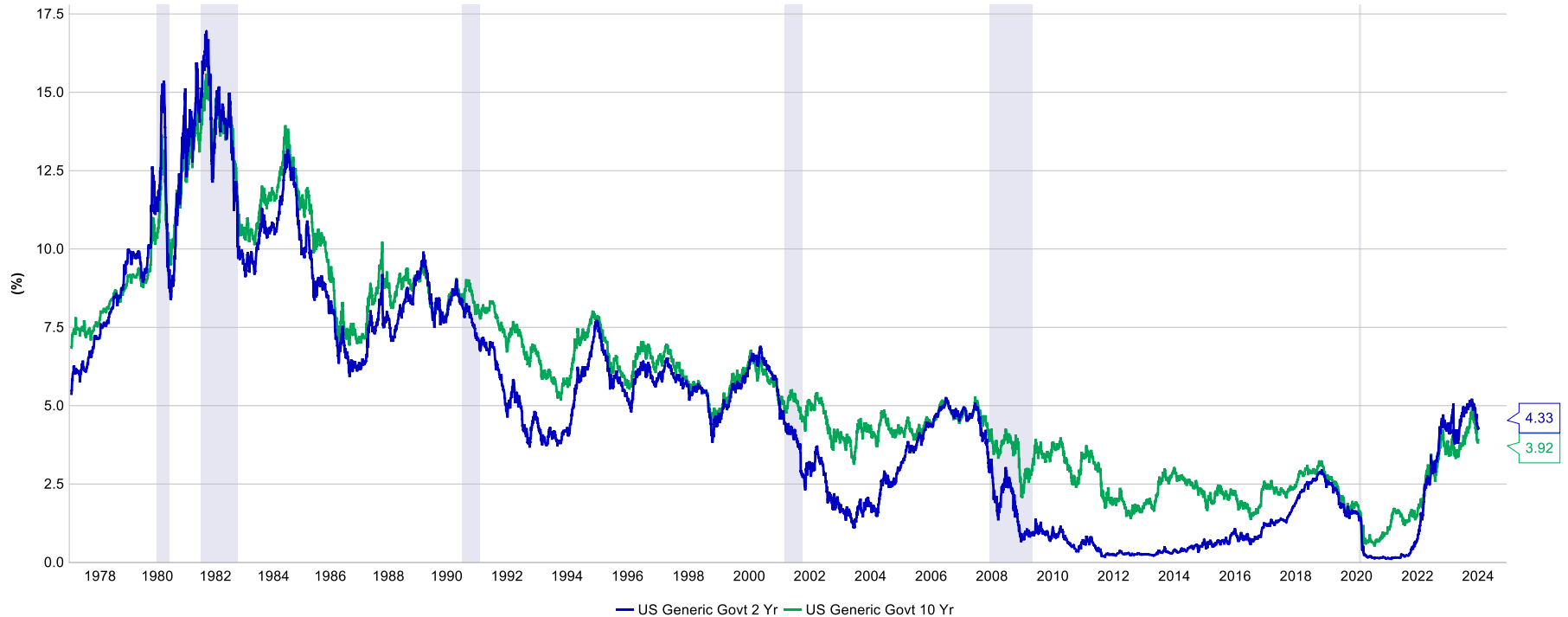
Fixed Income Returns Pre and Post Yield Curve Inversion



*Annualized. T = 10/2 yield curve inversion for 3 consecutive months

Source: Bloomberg, Manulife Investment Management, Capital Markets Strategy. As of December 31, 2023

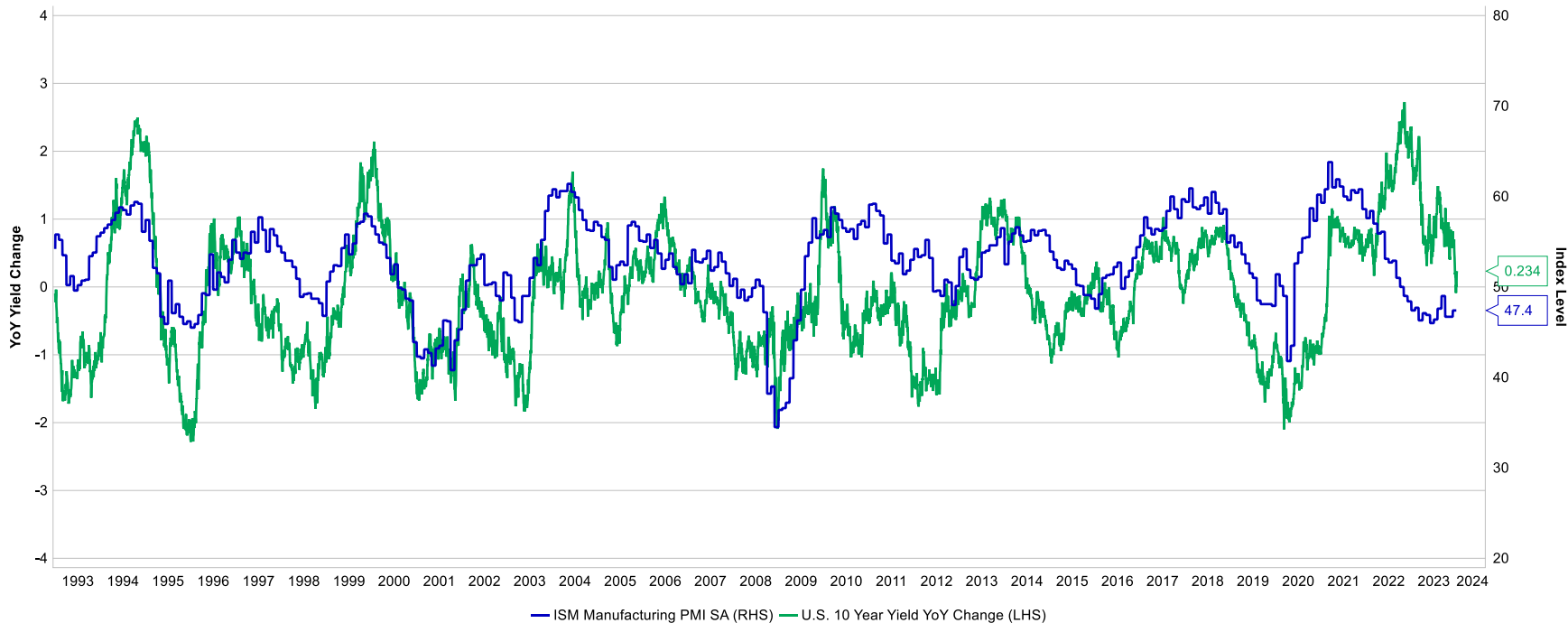
Government bond yields tend to fall materially during recessions



Source: , Macrobond, Manulife Investment Management, as of 1/3/2024.

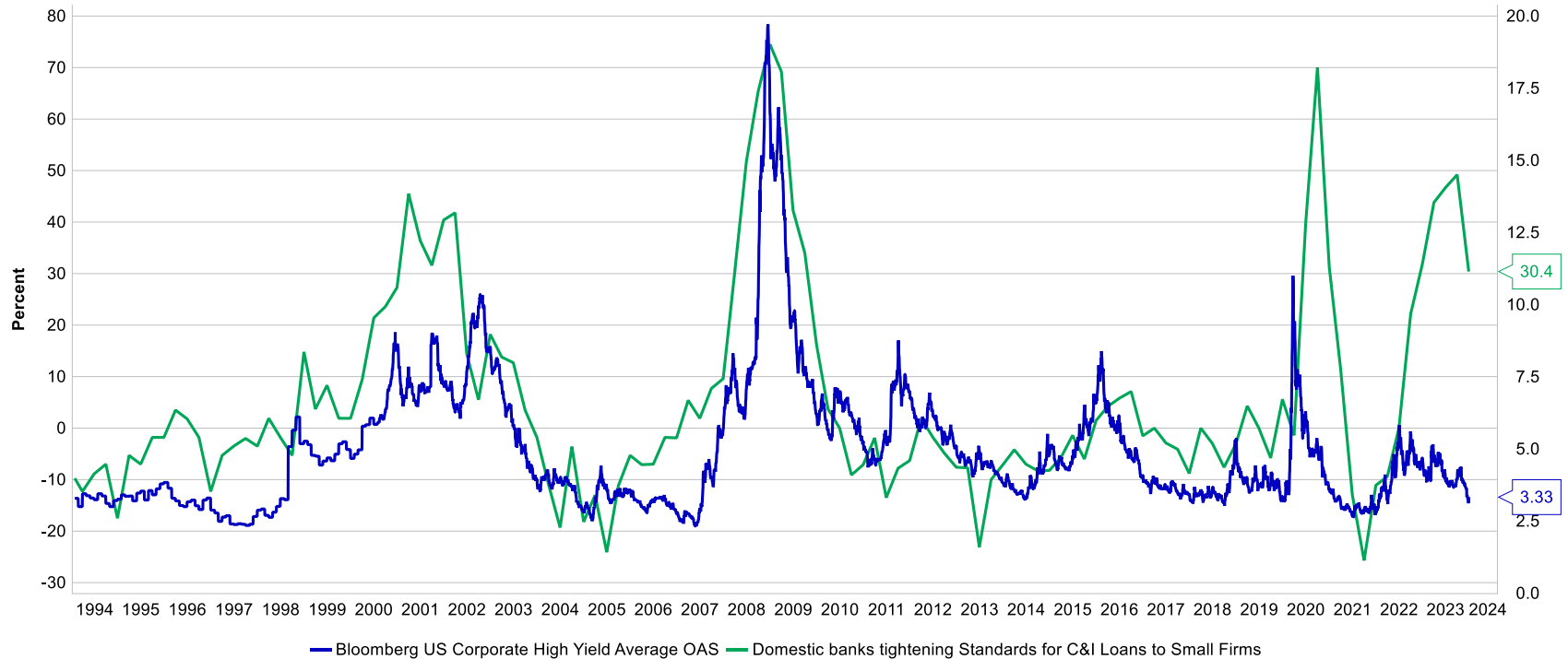
Weaker PMI should indicate falling 10-year yields

Manufacturing strength has historically had a strong relationship with the move in 10-year-yields. With the ISM PMI now below 50, the 10-year Treasury yields should be falling.



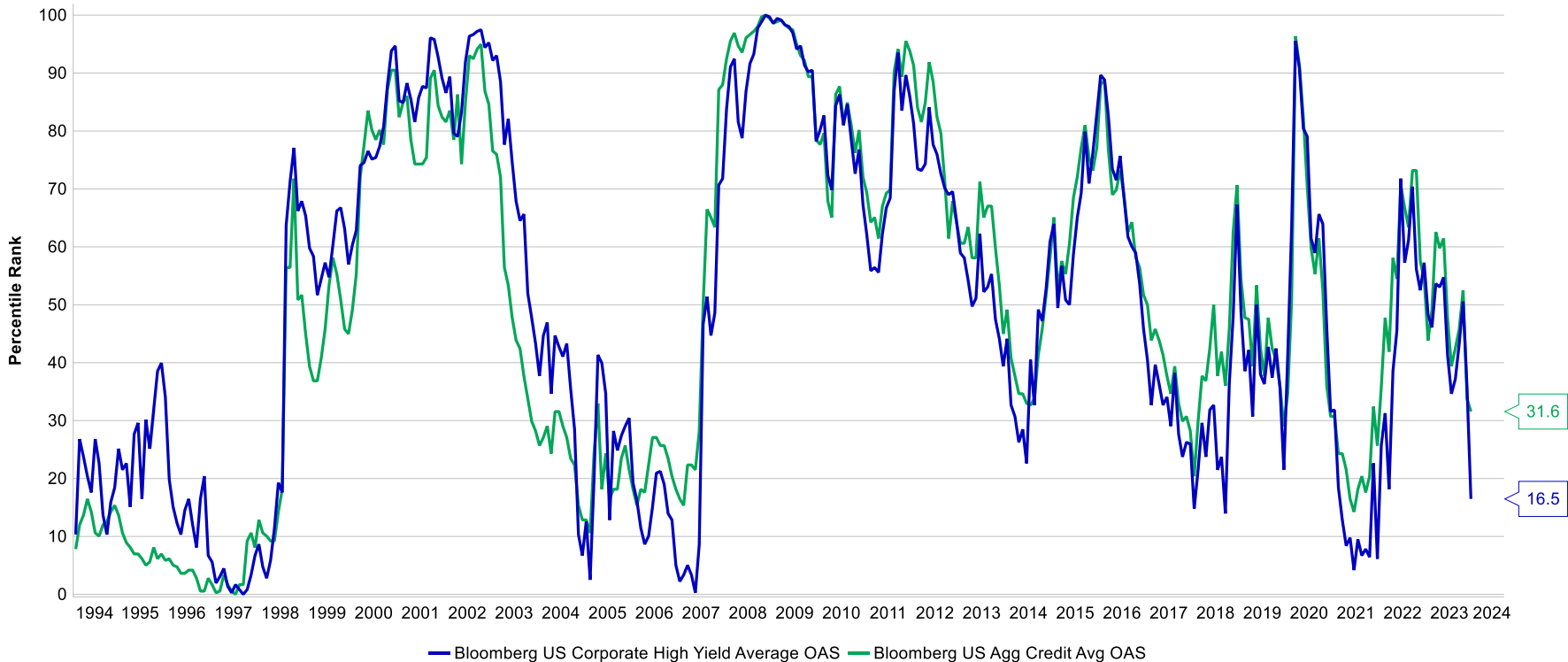
Source: , Macrobond, Manulife Investment Management, as of 1/3/2024.

Tightening standard for C&I loans historically leads to jump in HY spreads



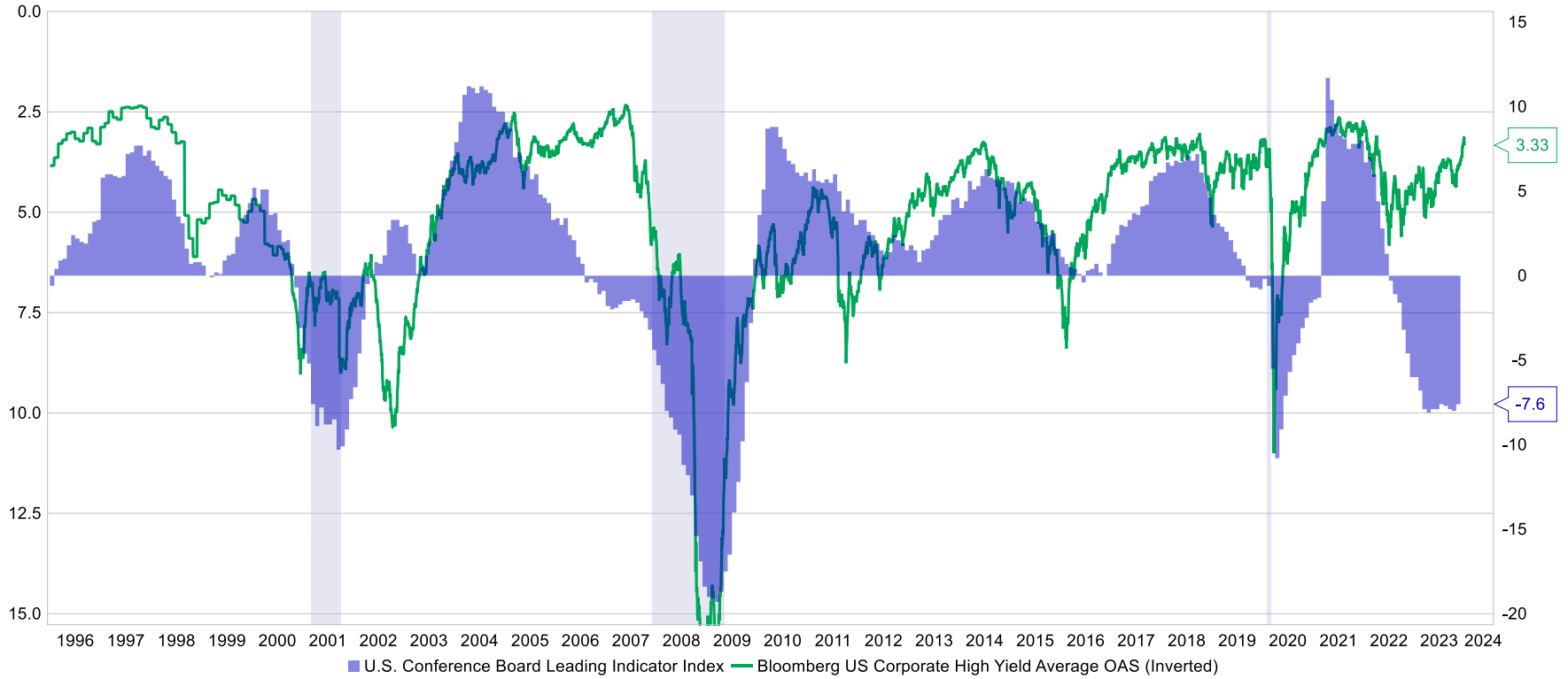
Source: Fed, Macrobond, Manulife Investment Management, as of 1/3/2024.

HY Credit spreads are not pricing recession risks



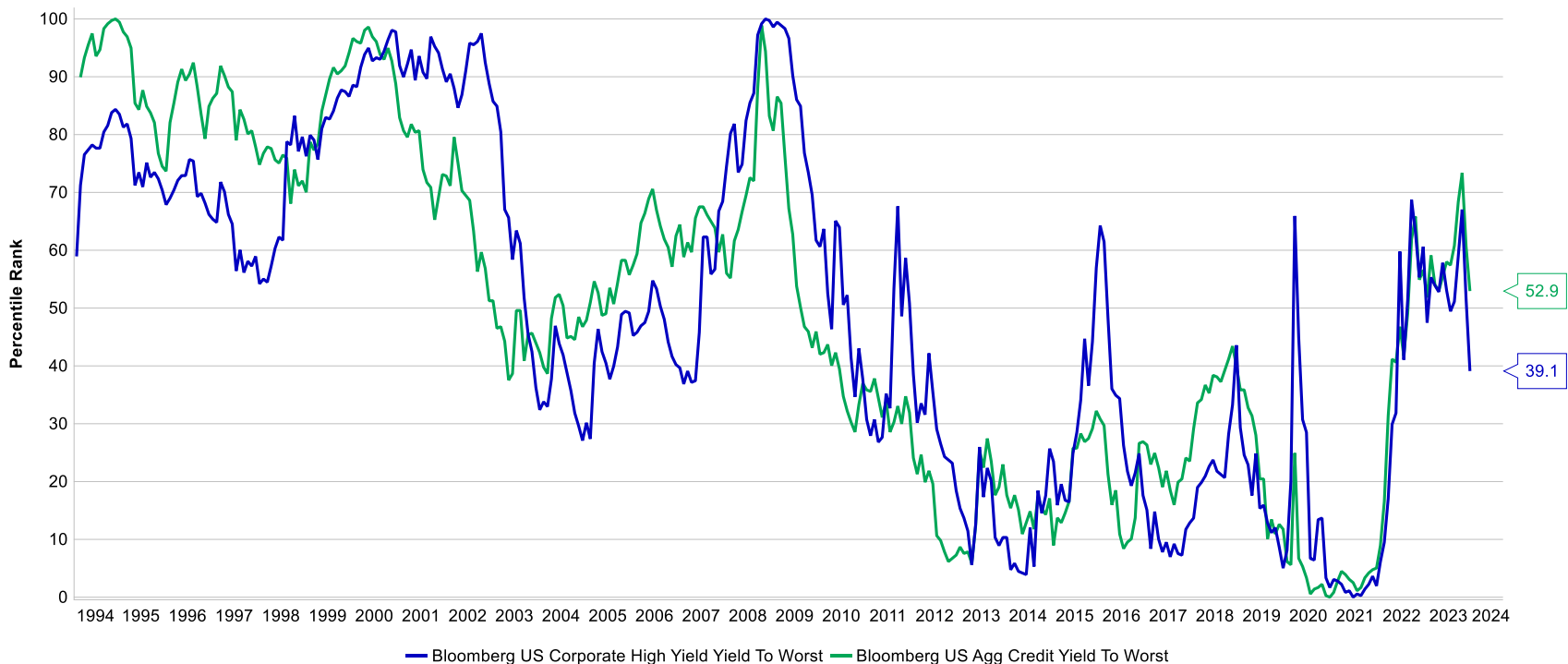
Source: Bloomberg, Macrobond, Manulife Investment Management, as of 1/3/2024.

Weaker economic data could lead to wider high yield spreads



Source: , Macrobond, Manulife Investment Management, as of 1/3/2024.

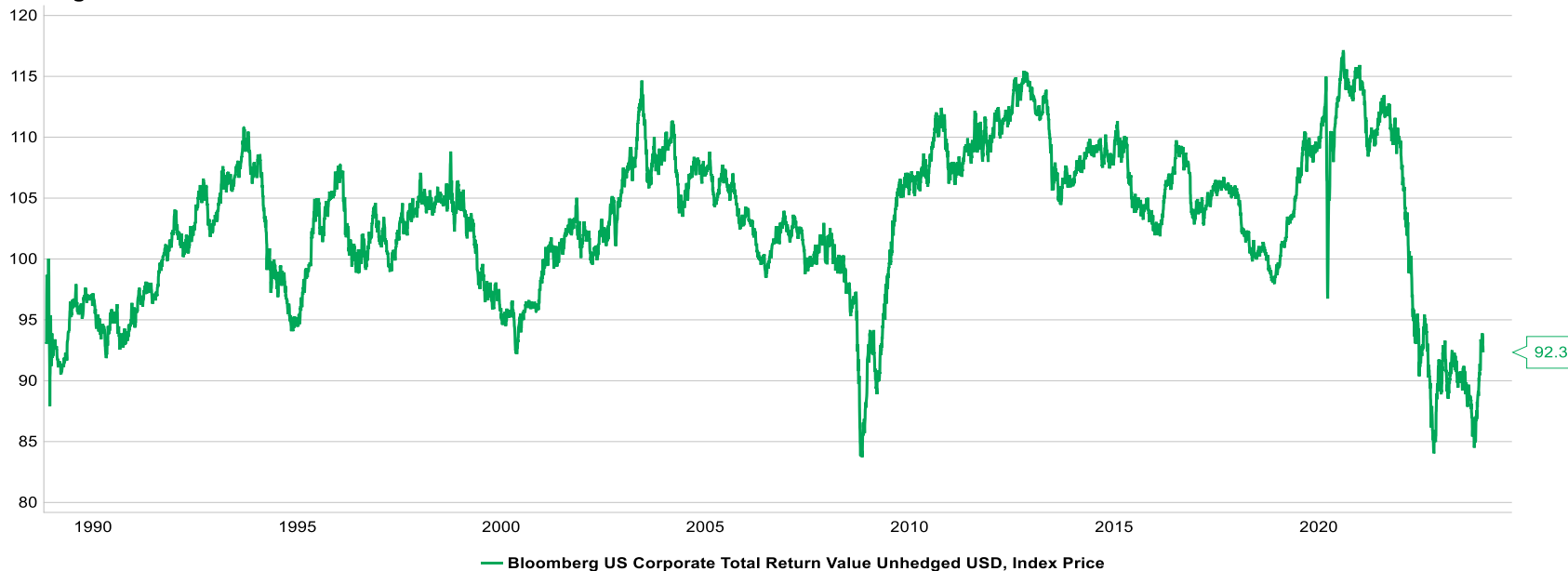
Credit yields remain selectively attractive



Source: Bloomberg, Macrobond, Manulife Investment Management, as of 1/3/2024.

U.S. investment grade corporate credit prices have rallied materially

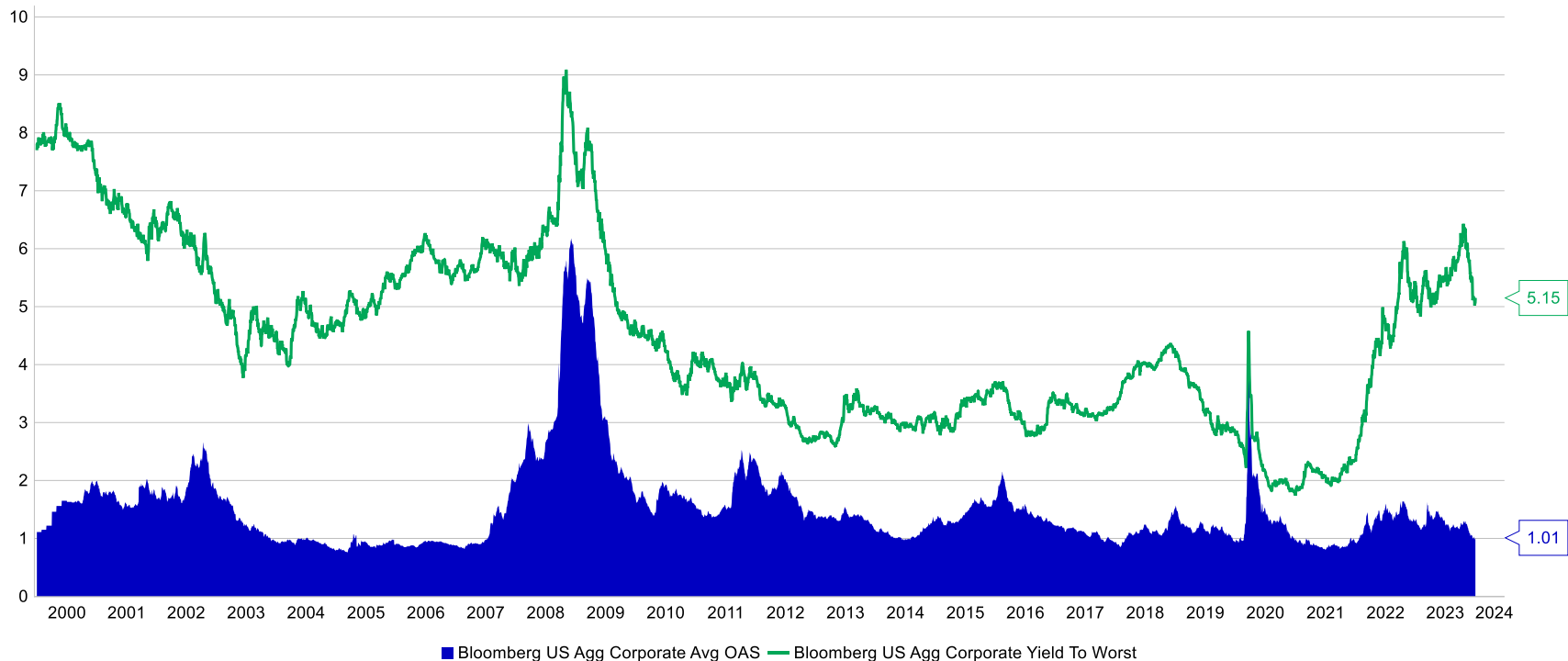
Average Price for U.S. Investment Grade Bonds



Source: Bloomberg, Macrobond, Manulife Investment Management, as of 1/5/2024.

Investment grade spread near long term average, while yield is higher

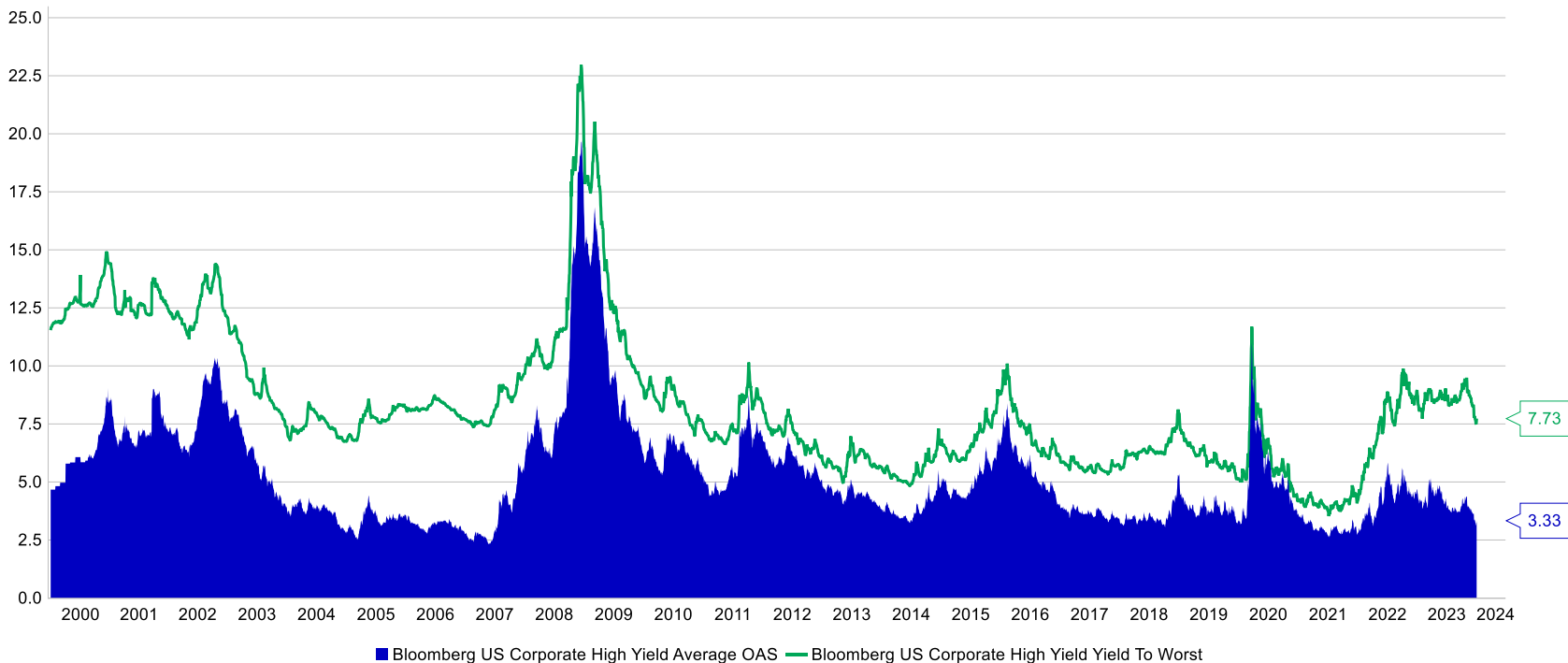
U.S. Investment Grade Corporate Bonds, spreads (OAS) and yield



Source: Bloomberg, Macrobond, Manulife Investment Management, as of 1/3/2024.

High yield spreads not reflecting recession risk

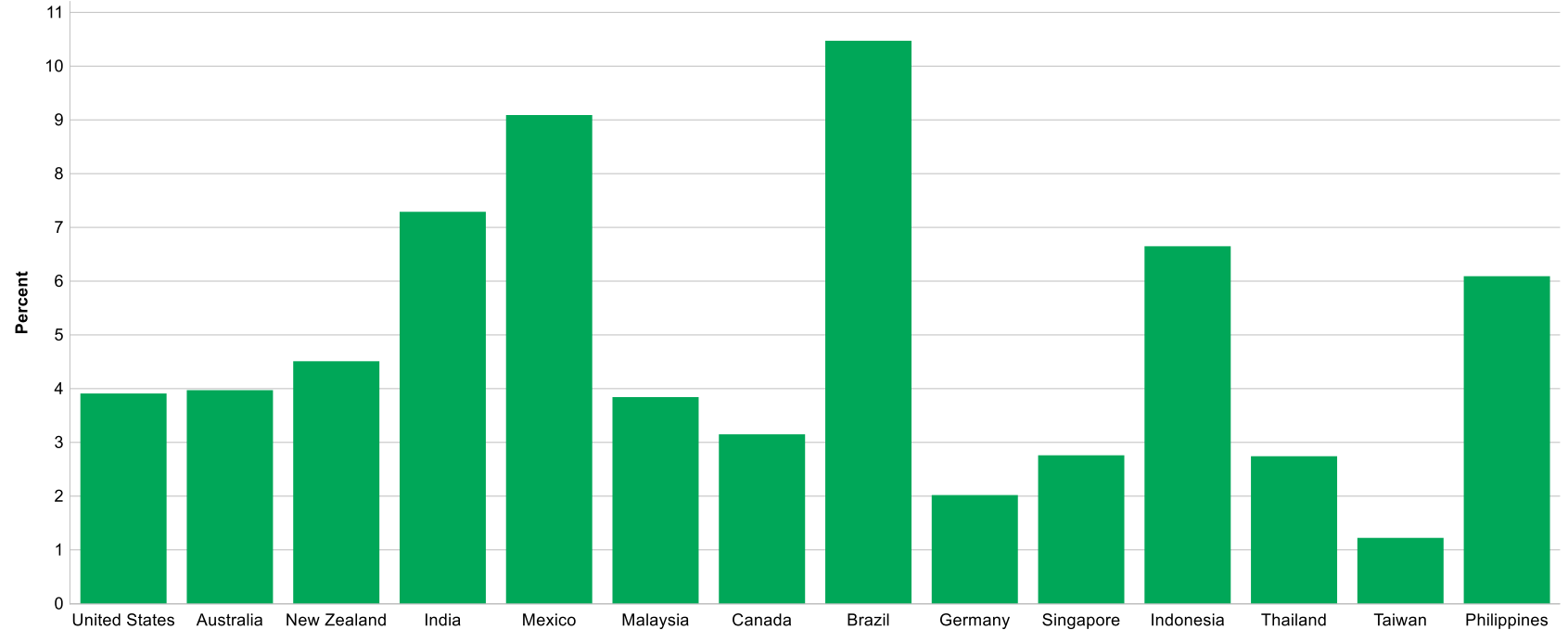
U.S. High Yield, spreads (OAS) and yield



Source: Bloomberg, Macrobond, Manulife Investment Management, as of 1/3/2024.

Sovereign bond yields are selectively attractive

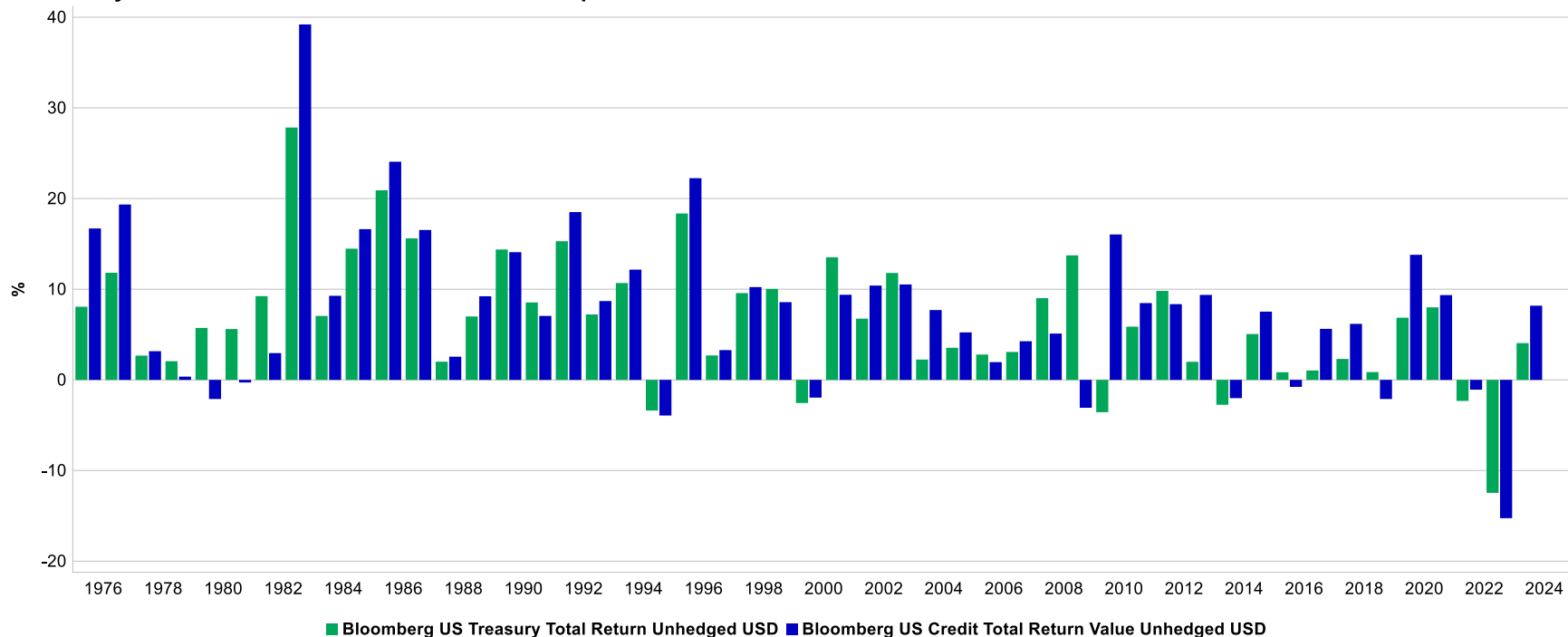
Global Government 10-year yields



Source: U.S. Department of Treasury, RBA, RBNZ, Macrobond, MAS, IDX, Thai Bond Market Association, GTSM, Philippine Dealing & Exchange Corp., Manulife Investment Management, as of 1/5/2024.

It's rare to have 2 consecutive years of negative returns for bonds

Calendar year returns for US Treasuries and US Corporate Credit



Source: Bloomberg, Macrobond, Manulife Investment Management, as of 1/4/2024.

Various Fixed Income Asset Class Annual Yearly Returns

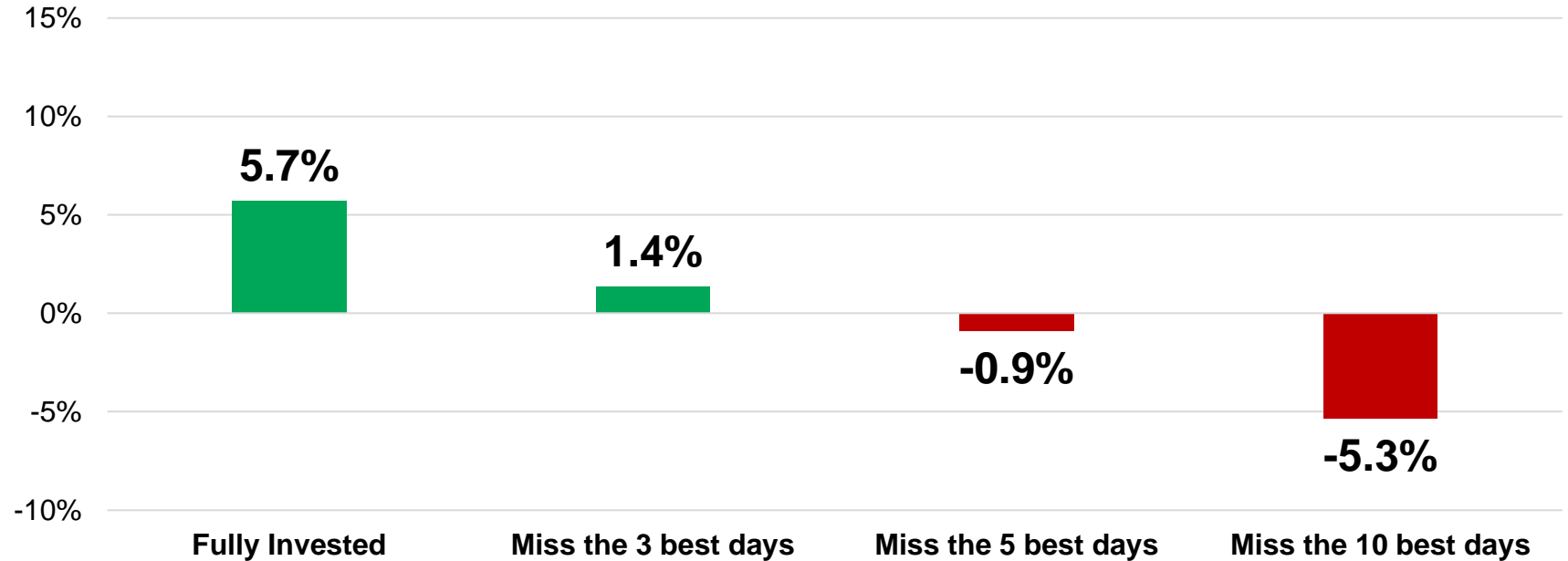
2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
11.8%	9.5%	13.7%	57.5%	15.2%	9.8%	18.5%	7.4%	8.8%	3.7%	17.5%	9.3%	2.4%	14.4%	9.4%	5.4%	-0.6%	13.5%
9.9%	9.0%	11.5%	51.6%	12.0%	9.7%	15.6%	5.3%	7.6%	3.5%	10.2%	7.5%	1.9%	14.4%	9.2%	5.2%	-4.0%	13.3%
6.7%	7.0%	8.6%	28.2%	10.1%	8.5%	9.7%	1.7%	7.5%	2.7%	10.2%	7.4%	1.4%	13.8%	8.7%	-0.9%	-9.3%	10.4%
6.6%	6.3%	6.4%	16.3%	8.5%	8.4%	9.4%	0.8%	6.9%	2.6%	5.6%	6.2%	1.1%	8.7%	8.7%	-1.1%	-9.9%	8.4%
4.4%	5.1%	5.2%	16.0%	7.3%	8.4%	6.2%	-1.2%	6.0%	1.2%	3.7%	4.1%	0.9%	8.6%	8.0%	-1.3%	-11.2%	8.2%
4.3%	4.6%	4.8%	6.9%	6.7%	8.2%	4.3%	-1.5%	5.5%	0.8%	2.6%	3.5%	0.4%	8.1%	7.5%	-1.5%	-11.7%	6.7%
4.3%	4.1%	0.2%	5.9%	6.5%	7.8%	4.2%	-2.0%	5.1%	0.5%	2.1%	3.4%	0.0%	6.9%	7.3%	-1.5%	-12.5%	5.7%
4.1%	3.7%	-3.1%	5.4%	5.9%	5.6%	3.6%	-2.0%	3.1%	-0.7%	1.7%	2.5%	-1.2%	6.9%	6.2%	-2.3%	-13.0%	5.5%
4.0%	2.2%	-10.9%	4.5%	5.5%	4.7%	2.1%	-2.6%	2.5%	-0.8%	1.0%	2.3%	-2.1%	6.8%	5.9%	-2.5%	-15.3%	5.0%
3.6%	2.1%	-26.4%	-0.2%	5.4%	4.4%	2.0%	-2.7%	1.6%	-3.2%	1.0%	0.1%	-2.3%	3.7%	5.3%	-2.6%	-16.2%	5.0%
3.1%	1.8%	-29.1%	-3.6%	3.6%	1.5%	2.0%	-6.6%	0.6%	-4.6%	0.0%	0.1%	-4.6%	3.1%	3.1%	-4.7%	-16.5%	4.1%

Fixed Income Asset Classes			
Global Bonds	US Aggregate	US Treasury	US Credit
US High Yield Bonds	US Floating Rate	Canadian Bond Universe	Canadian Government Bonds
Canadian Corporate Bond	Canadian Short Term Bonds	Emerging Market Debt	

Source: As of December 31, 2023. Floating Rate (S&P/LSTA Leveraged Loan Index), Canada Bond Universe (DEX Universe Bond), Canada Inv. Corporate Bonds (DEX Corporate Bond), Canadian Government Bond (DEX Federal Universe Bond), Canadian Short Term Bonds (DEX Short Term Bond), Global Bonds (Barclays Global Aggregate), US High Yield (BofA ML US High Yield Master II Unconstrained), Emerging Market Debt (JPM EMBI Global)

Source: Bloomberg, Manulife Investment Management, Capital Markets Strategy. As of December 31, 2023

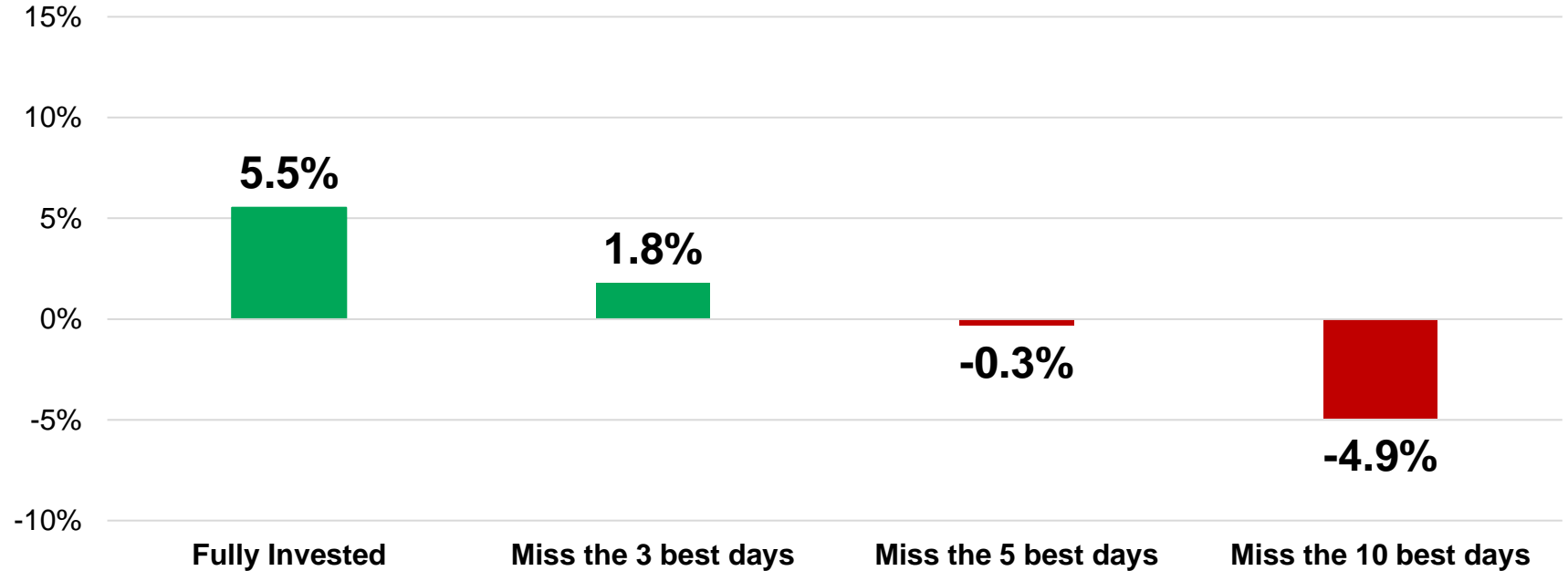
2023 Global Bond Index Fully Invested vs. missing the best days



Source: Bloomberg, Manulife Investment Management, Capital Market Strategy. As of December 31, 2023

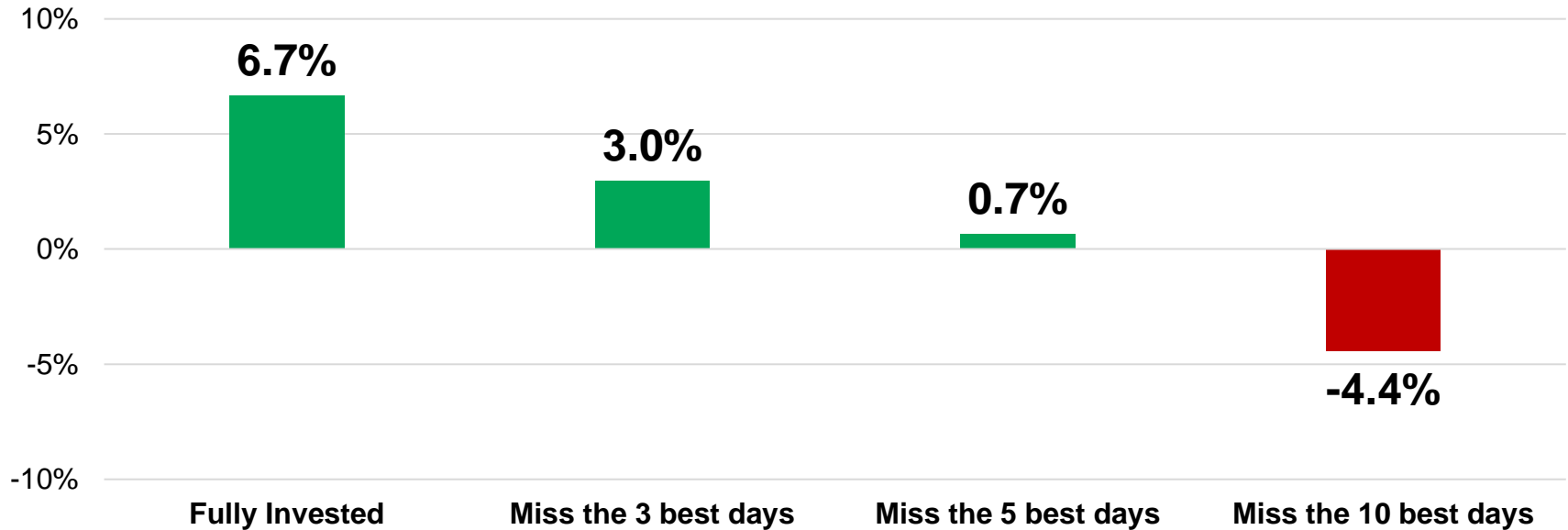
2023 U.S. Bond Index

Fully Invested vs. missing the best days



Source: Bloomberg, Manulife Investment Management, Capital Market Strategy. As of December 31, 2023

2023 Canada Bond Index Fully Invested vs. missing the best days

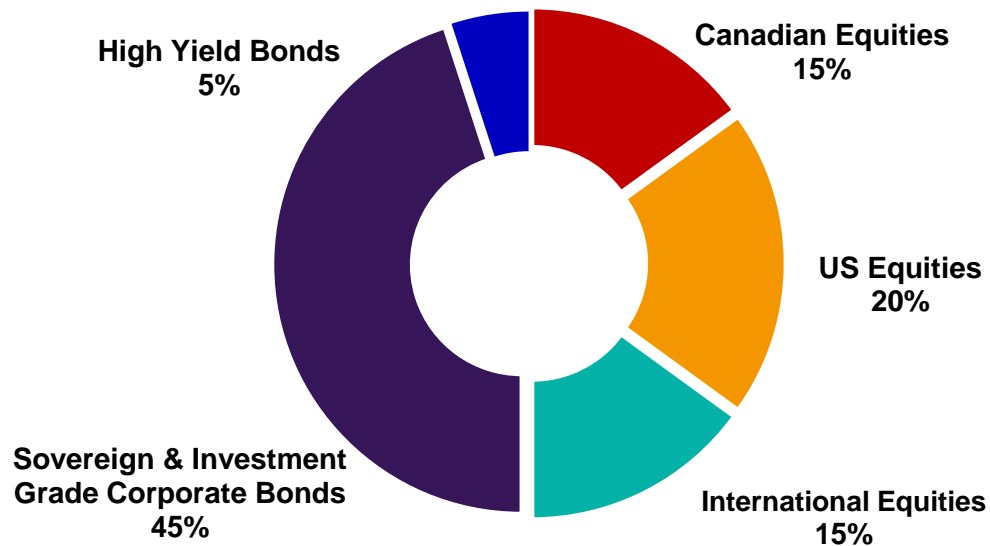


Source: Bloomberg, Manulife Investment Management, Capital Market Strategy. As of December 31, 2023

Capital Markets Strategy Illustrative Portfolio

The Capital Markets Strategy Illustrative Portfolios (the “Illustrative Portfolios”) are hypothetical portfolios comprised of various asset classes and Manulife Investment Management’s funds. They are designed to illustrate an approach in general terms and are not for specific investors. The Illustrative Portfolios and the related information do not constitute and are not to be construed as, investment advice. Any investment or allocation decisions by an investor should be made with the advice of a qualified investment professional with respect to individual circumstances, preferences, risk tolerance, and after reading the relevant fund facts and prospectuses. Manulife Investment Management Limited shall not have any liability, contingent or otherwise, to any person or entity for the quality, accuracy, timeliness and/or completeness of information in, or related to, the Illustrative Portfolios, or for delays, omissions or interruptions in the delivery of such information. Manulife Investment Management Limited makes no warranty, express or implied, as to the results to be obtained by any person or entity in connection with any use of the Illustrative Portfolios and any data related thereto, or any components thereof and is not liable for any action or decision made by you or an investor in reliance on the information contained therein.

Capital Market Strategy Illustrative Asset Mix



Source: Manulife Investment Management, Capital Markets Strategy As of December 31, 2023

Important Information

Investing involves risks, including the potential loss of principal. Financial markets are volatile and can fluctuate significantly in response to company, industry, political, regulatory, market, or economic developments. These risks are magnified for investments made in emerging markets. Currency risk is the risk that fluctuations in exchange rates may adversely affect the value of a portfolio's investments.

The information provided does not take into account the suitability, investment objectives, financial situation, or particular needs of any specific person. You should consider the suitability of any type of investment for your circumstances and, if necessary, seek professional advice. The views expressed are those of Manulife Investment Management as of September 30, 2023, and are subject to change based on market and other conditions. All overviews and commentary are intended to be general in nature and for current interest. While helpful, these overviews are no substitute for professional tax, investment or legal advice. Clients and prospects should seek professional advice for their particular situation. Neither Manulife Investment Management, nor any of its affiliates or representatives (collectively Manulife Investment Management) is providing tax, investment or legal advice.

This material is intended for the exclusive use of recipients in jurisdictions who are allowed to receive the material under their applicable law. The opinions expressed are those of the author(s) and are subject to change without notice. Our investment teams may hold different views and make different investment decisions. These opinions may not necessarily reflect the views of Manulife Investment Management. The information and/or analysis contained in this material has been compiled or arrived at from sources believed to be reliable, but Manulife Investment Management does not make any representation as to their accuracy, correctness, usefulness, or completeness and does not accept liability for any loss arising from the use of the information and/or analysis contained. 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 current as of the date indicated. The information in this document, including statements concerning financial market trends, are based on current market conditions, which will fluctuate and may be superseded by subsequent market events or for other reasons. Manulife Investment Management disclaims any responsibility to update such information.

Neither Manulife Investment Management or its affiliates, nor any of their directors, officers or employees shall assume any liability or responsibility for any direct or indirect loss or damage or any other consequence of any person acting or not acting in reliance on the information contained here.

All overviews and commentary are intended to be general in nature and for current interest. While helpful, these overviews are no substitute for professional tax, investment or legal advice. Clients should seek professional advice for their particular situation. Neither Manulife, Manulife Investment Management, nor any of their affiliates or representatives is providing tax, investment or legal advice. This material was prepared solely for informational purposes, does not constitute a recommendation, professional advice, an offer or an invitation by or on behalf of Manulife Investment Management to any person to buy or sell any security or adopt any investment strategy, and is no indication of trading intent in any fund or account managed by Manulife Investment Management. No investment strategy or risk management technique can guarantee returns or eliminate risk in any market environment. Diversification or asset allocation does not guarantee a profit or protect against the risk of loss in any market. Unless otherwise specified, all data is sourced from Manulife Investment Management. Past performance does not guarantee future results.

The Capital Markets Strategy team has a range of responsibilities, from market and economic analysis to investor education. The team analyzes and interprets the economy and markets on behalf of Manulife Investment Management. They work with the portfolio management teams to provide clients and investment intermediaries with commentary on strategies and asset allocation weightings. Their expertise spans across multiple asset classes and geographic regions. The output of the team's work is via written reports, audio and video recordings, conference calls, and webcasts. The team regularly contributes to Manulife Investment Management publications. Team members often speak at industry conferences, are frequent guests on BNN and are regularly quoted in the press.

This material has not been reviewed by, is not registered with any securities or other regulatory authority, and may, where appropriate, be distributed by Manulife Investment Management Limited. Manulife, Manulife Investment Management, Stylized M Design, and Manulife Investment Management & Stylized M Design are trademarks of The Manufacturers Life Insurance Company and are used by it, and by its affiliates under license.