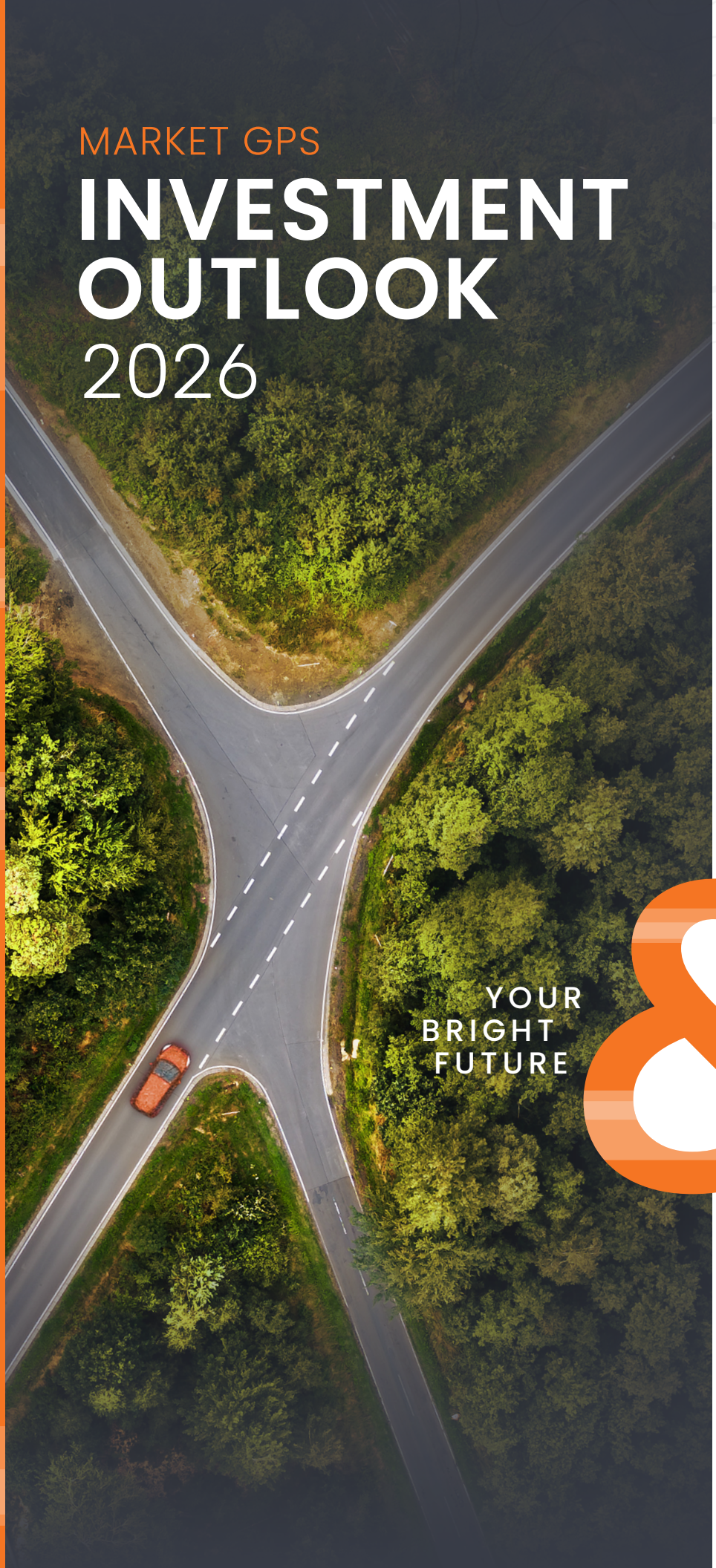
Janus Henderson
INVESTORS

MARKET GPS

INVESTMENT OUTLOOK 2026



YOUR BRIGHT FUTURE

&

OUR INVESTMENT EXPERTISE

Market GPS shares our thinking to help navigate the investment landscape and prepare for the route ahead.

WHAT'S INSIDE:

- **MACRO OVERVIEW**
- **PORTFOLIO TRENDS**
  - Equities
  - Fixed Income
  - Alternatives

A new opportunity set: AI, reform, and divergence

This economic and market environment is one of profound change and therefore presents a meaningful opportunity set for active investors. Sources of change include the revolution in artificial intelligence (AI), reform in Europe, geopolitical realignment, and global monetary policy continuing to diverge.

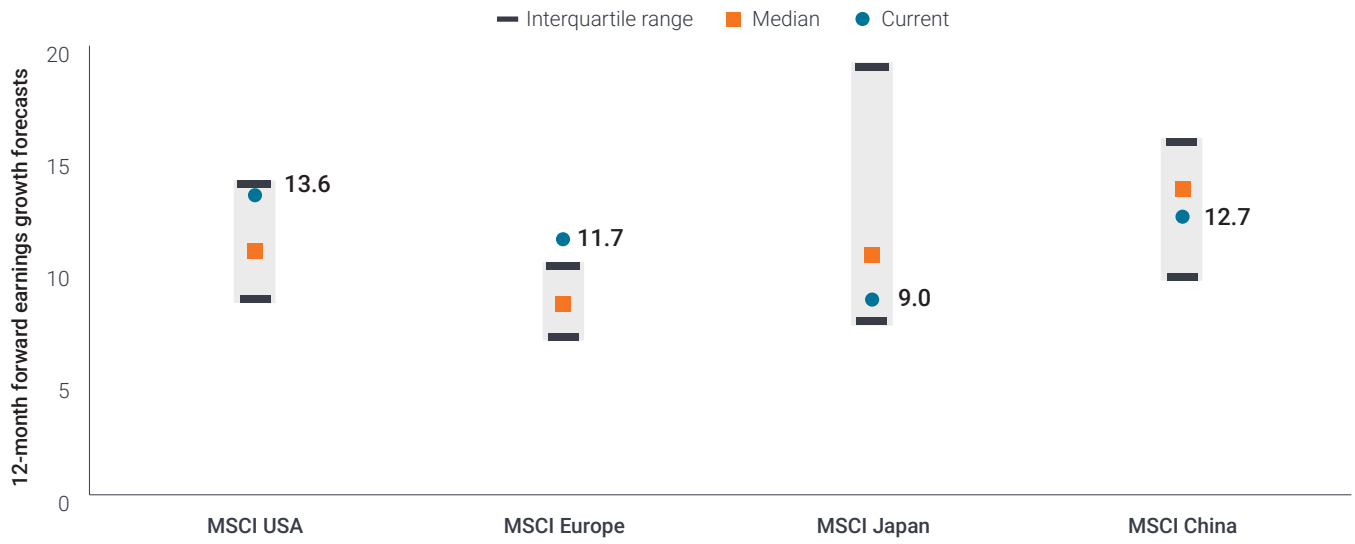
What does this mean for investors? The outcomes of these developments are far from settled. While there are many reasons for optimism, we believe investors should maintain a balanced approach to risk. Our **Market GPS Investment Outlook 2026** highlights six portfolio positioning trends for consideration. Read on for actionable takeaways to help navigate the route ahead.

AI is a powerful secular trend with major investment implications. Productivity gains are emerging, but hyperscalers trade at high multiples. Success will largely hinge on whether earnings growth justifies valuations – a challenge we believe leading tech firms can meet.

Global equities are processing multiple positive catalysts. Ex-U.S. markets may gain from European fiscal reform and stronger Chinese stimulus, complementing U.S. stocks supported by a resilient consumer and lower rates. These trends provide a tailwind for cyclical, rate-sensitive small- and mid-caps. However, a slowing U.S. labor market and sticky inflation could hit real-income growth, threatening this momentum.

Equity opportunities outside of the U.S.

Outside of the U.S., expectations for earnings growth leave more room for improvement.



Source: Bloomberg, Janus Henderson Investors, as of 14 November 2025 Note: 12-month consensus forward EPS (earnings per share) growth forecasts and 20-year metrics. Interquartile range reflects the middle 50% of observations; it removes extremes by excluding the figures in the upper and lower quarter of observations.

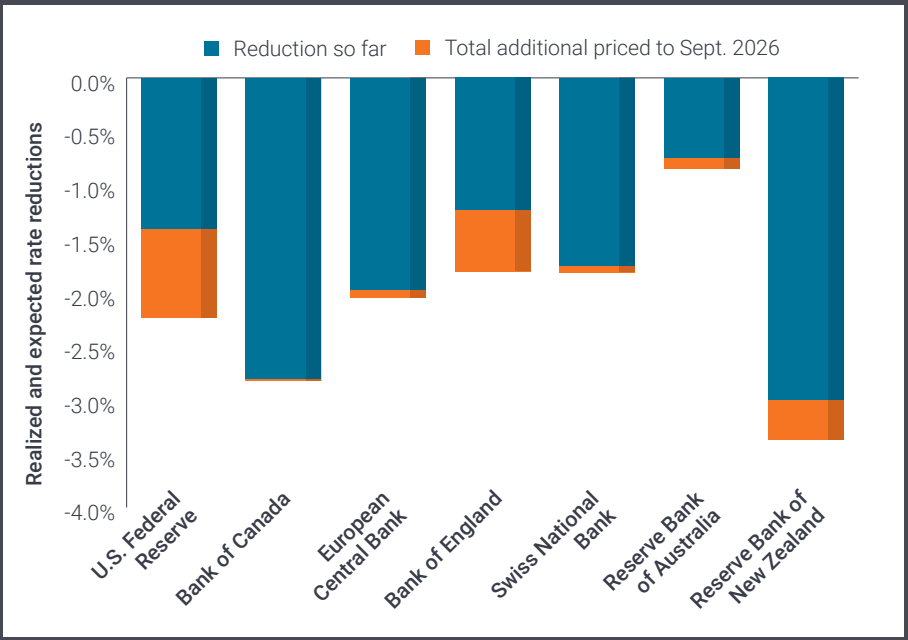
Within **fixed income,** central bank policy remains pivotal. Local bond outcomes hinge on whether economies extend the cycle or risk contraction — and how central banks react. In Europe, aggressive rate cuts to support jobs, combined with potential fiscal measures such as defense spending, could benefit cyclical and consumer-focused corporate credits.

A new opportunity set (CONTINUED)

In contrast, the U.S. Federal Reserve (Fed) has only recently resumed rate cuts, offering opportunity to extend U.S. duration if reductions follow consensus. Positioning within fixed income depends on whether easing addresses a soft patch (supporting corporate credit) or a contraction (favoring government bonds). Labor and services weakness could outweigh strong manufacturing and resilient consumers, while a collapse in U.S. consumption would ripple through the global economy.

Tactical fixed income

With policy now dictated by local conditions, bond investors might source duration in regions positioned for easing while adding risk in those that have taken steps to support their economies.



Source: Bloomberg, Janus Henderson Investors, as of 14 November 2025.

Loose financial conditions have boosted risk assets but left some fixed income segments expensive. Tight corporate bond spreads signal strong optimism but also make high-yield bonds more sensitive to economic conditions, whereas securitized credits offer better spread cushions and similar yields. As private credit finds greater uptake in portfolios, investors must assess borrower characteristics and concentration risks.

With geopolitics likely to continue to serve up surprises, investors must be mindful of risks and consider the benefits of actively positioned portfolios. **The following six themes highlight what we believe are investable opportunities for 2026** based on insight from our investment teams and Portfolio Construction & Strategy experts.

EQUITIES

- **AI:** A sustainable catalyst
- **Small cap:** Biotech innovation and M&A
- **Ex-U.S.:** Opportunity in Europe

FIXED INCOME

- **Securitized:** Yield potential and resilience
- **Multi-sector:** Beyond the benchmark

ALTERNATIVES

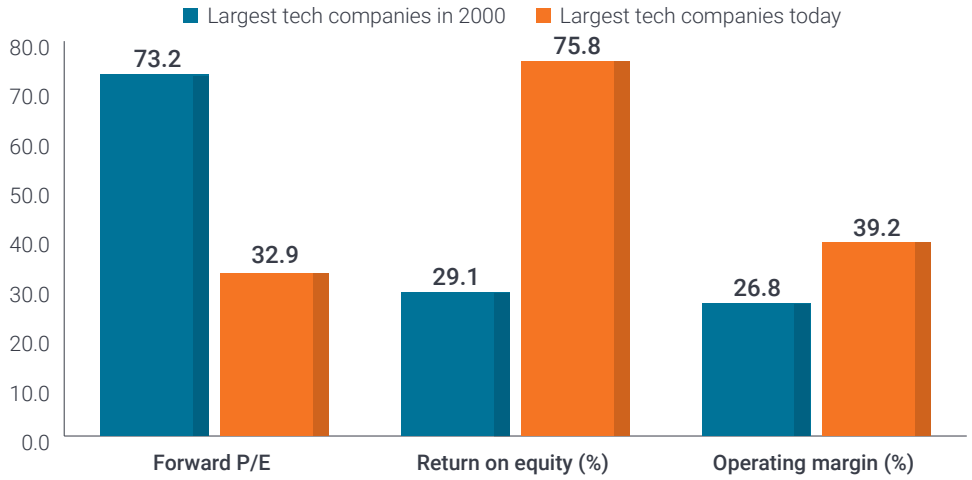
- **Private credit:** Structure as a strategy

AI: A sustainable catalyst

Much of the current equities rally has been driven by the promise of AI unleashing an unprecedented wave of productivity gains across the global economy. Given the length of the rally and the valuations commanded by major players in the AI ecosystem, some wonder whether these stocks have entered bubble territory. The answer, in our view, is a resounding no. AI-related valuations are a fraction of the multiples commanded during the dot-com era. Furthermore, the potential for AI hyperscalers (large-scale cloud computing providers) to compound earnings as other industrial sectors – and sovereigns – recognize the necessity of procuring access to this technology means many tech companies are well positioned to grow into their valuations. In fact, AI earnings growth has often been inhibited by capacity constraints, not soft demand. This imbalance is driving the historic investment in AI infrastructure. And unlike the unused bandwidth seen during the 1990s, every AI chip produced has a queue of eager buyers. While short-term corrections are inevitable, AI's trajectory points to enduring long-term growth.

This is not dot-com 2.0

Current valuations and profitability of leading tech companies demonstrate the difference between now and the dot-com bubble.



Source: FactSet, as of 14 November 2025. Largest in 2000 are based on the S&P 500 Information Technology sector as of 1 January 2000. Largest companies today are based on the seven largest companies in the S&P 500 Information Technology sector plus Amazon, Alphabet, and Meta as of 14 November 2025.

Investor implications

- **The rally has left investors who had been underweight tech even less exposed to AI.** Our data indicate that the average portfolio globally has a 24% allocation to technology while the MSCI World Index has a 28% allocation.[1]
- Even with a diversified approach, investors might still consider increasing exposure to the companies that provide foundational infrastructure for the AI era – particularly those demonstrating resilient margins, earnings visibility, and disciplined capital deployment. **These characteristics have historically outperformed in late-cycle environments and are central to the current wave of AI-driven innovation,** which is reflected in an increasing share of aggregate earnings growth.
- We believe **passively investing in AI carries meaningful risk.** Almost half of technology exposure in portfolios currently comes from passive management.[1] In our view, the next phase of AI deployment is likely to result in highly efficient winners, as well as losers whose businesses or entire industries are disintermediated. Active management will be key to differentiating between the two.

[1]Source: Janus Henderson, PCS Edge, as of 31 October 2025. Average portfolio globally defined as the average portfolio sourced from all moderate portfolios (50%-70% equity exposure) collected by the Janus Henderson Portfolio Construction and Strategy Team in 2025.

Small cap: Biotech innovation and M&A

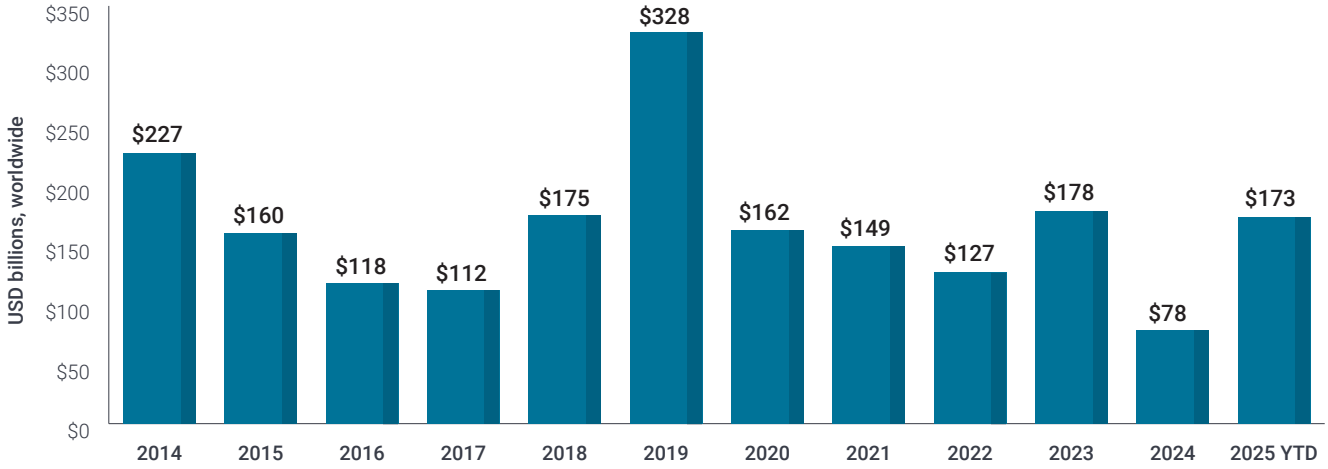
In our mid-year outlook, we highlighted opportunity in small caps, a view that still stands, particularly in healthcare and biotech. After a prolonged downturn, **optimism is returning to the healthcare sector, with biotech and biopharma leading the charge.** The recovery has been fueled by confidence in regulatory oversight in the U.S., clarity on drug pricing, and rising M&A activity.

Innovation is strong, particularly within biotech, which drives about two-thirds of the industry's pipeline.[2] The industry now has more tools than ever for breakthrough treatments. This innovation is not just scientific; it's commercially viable, leading to more blockbuster therapies.

With large pharmaceutical companies facing a significant "patent cliff" as exclusivity rights expire, pipelines must be replenished. We expect the recent surge in deal-making to continue, with the industry holding an estimated US$1.2 trillion in cash and debt capacity,[3] providing substantial firepower for acquisitions.

Biopharma M&A deals more than doubled in 2025

Year-to-date in 2025, the biopharma sector is annualizing over US$170 billion in total deal value.



Source: S&P CapitalIQ, as of 30 September 2025.

Investor considerations

- There is an estimated US$300 billion in branded prescription drug sales coming off patent in the next three to five years.[4] This means large pharma will be searching for undervalued biotechs to replenish pipelines and accelerate growth. **Historically, M&A resurgence has catalyzed recoveries from biotech downturns,** especially for active stock selectors that can identify the right opportunities, often in the small-cap area of the market.
- With the **healthcare sector trading at discounted valuations and key policy concerns easing,** it may be an opportune time to rebuild exposure, especially with expectations for lower interest rates. We remain particularly optimistic about biotech's prospects, favoring early commercial-stage companies as well as clinically derisked late-stage firms, which can often control their own destiny and represent attractive acquisition targets.
- Moreover, **healthcare has offered a compelling growth story and innovation engine beyond tech.** While innovation such as medical devices and healthcare services spans the sector, most breakthroughs are coming from therapeutics. Biotech is emerging as a powerful beneficiary of AI in drug discovery and personalized medicine.

[2]Source: Food and Drug Administration, as of 31 December, 2024.
[3]Source: Stifel, S&P Capital IQ, as of September 2025. Note: Data aggregated for a cohort of 18 large-cap pharmaceutical companies.
[4]Source: Evaluate Pharma and Bernstein Research, per the Financial Times article "Big pharma's scramble over patent cliff will be costly," 28 October 2025.

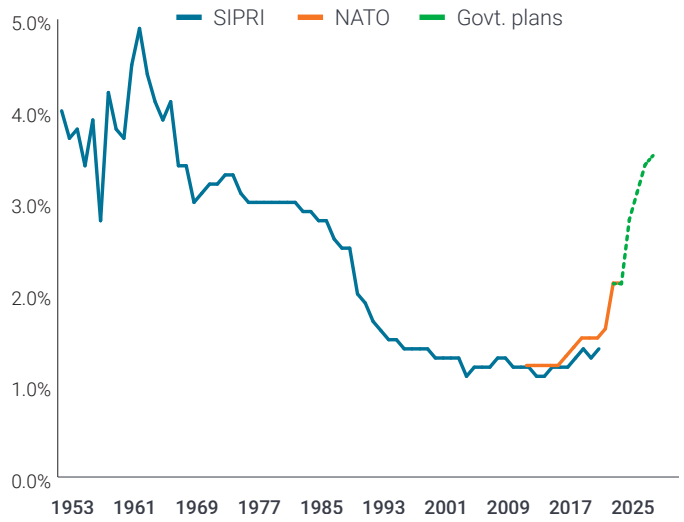
Ex-U.S.: Opportunity in Europe

Europe ex-UK is the second-largest component of the MSCI All Country World Index, behind the U.S, and is often underweighted in portfolios. **With a new pro-growth agenda, it offers an attractive alternative to the U.S.**

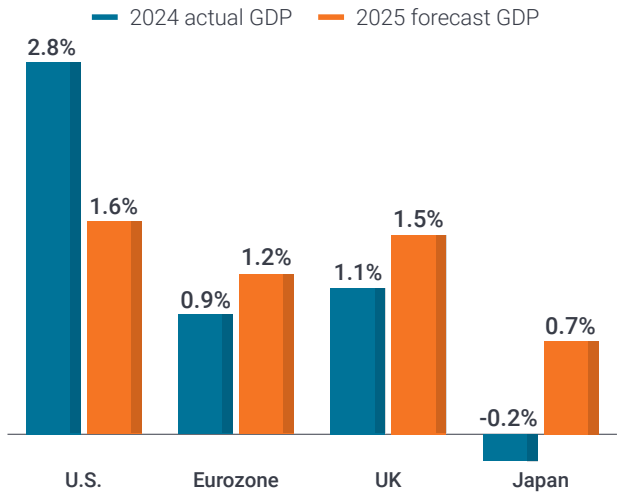
There have been headwinds for Europe: Geopolitical tensions, energy supply disruptions, and the "America First" agenda have fueled concerns over security and trade conflict. However, Europe has responded positively with proposed large-scale structural reforms. These include cutting bureaucracy, boosting productivity, and delivering the biggest fiscal stimulus since post-World War II. This comes alongside new policies to reduce dependence on traditional energy sources and accelerate investment in clean energy.

Planned defense upgrades and major infrastructure investments, especially from Germany's US$500 billion Special Infrastructure Fund, bode well for competitiveness. While economic progress remains muted, Europe's growth forecast for 2025 looks attractive compared to other regions.

Germany's budget plans more than double defense spending



Rising growth forecast for Europe in 2025



Source, LHS: UBS, North Atlantic Treaty Organization (NATO), Stockholm International Peace Research Institute (SIPRI). Note: The blue line refers to SIPRI data, the orange line is NATO data, which began in 2014. Both use slightly different definitions to categorize spending. The green dotted line is Germany's forecasted defense budget spending to 2029. There is no guarantee that past trends will continue, or forecasts will be realized. RHS: Bloomberg, as of 18 November 2025.

Investor considerations

- For global equity investors, the new phase for European equities merits consideration. While the planned EU initiatives may not quite meet the additional 19.6% of total European GDP forecast, **the ambition clearly marks a departure from the austerity era, with governments now actively investing in growth and security.**
- European equities continue to trade close to record discounts compared to U.S. equities, while many **global investors remain underexposed.** We think these factors should provide a margin of stability during periods of macro volatility. The tailwinds for Europe should also, in our view, support broader earnings growth and re-rating potential for undervalued sectors – especially industrials and banks.
- From a diversification perspective, **Europe is less concentrated than the U.S. at a sector level, while it could also provide greater income opportunity.** The dividend yield on the MSCI Europe Index is 3.3% versus 1.2% for the S&P 500® Index. History shows that a higher dividend can result in higher real returns. Over a five-year period, the median return for stocks yielding above 3% outperformed stocks yielding less than 2% by a minimum of 189 basis points (bps), on average.[5]

[5]Source: Deutsche Bank Long-Term Asset Return Study, 27 October 2025. **There is no guarantee that past trends will continue, or forecasts will be realized.**

Securitized: Yield potential with resilience

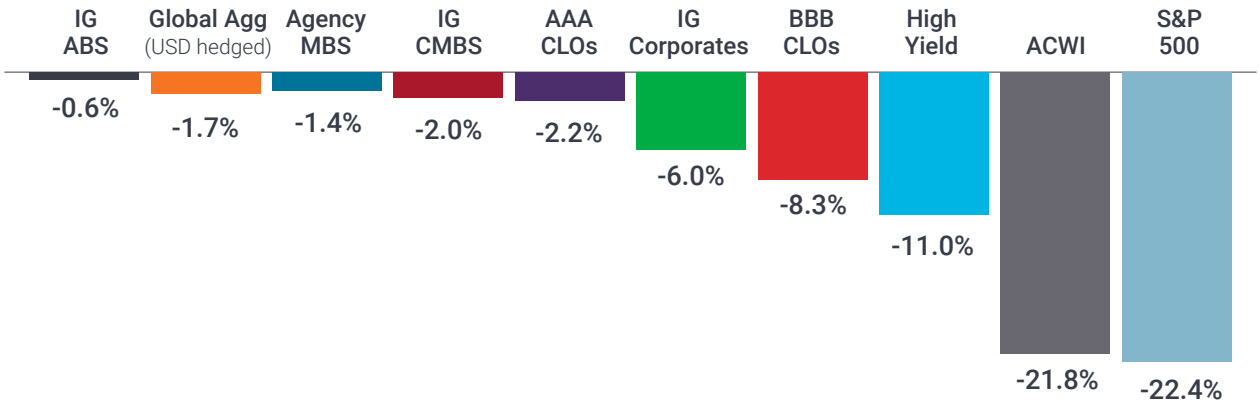
Securitized fixed income's high credit quality and low correlation to equities have historically provided a cushion during credit-spread-widening events, **helping portfolios absorb shocks more effectively than lower-rated corporate credits.**

As a result, securitized sectors have outperformed corporate bonds through the five most recent U.S. equity corrections and bear markets. Combined with attractive current yields, we believe these defensive traits could make a compelling case for a strategic allocation to securitized sectors.

The securitized market has also provided a diverse toolbox for navigating the uncertainty surrounding the future path of interest rates. Floating-rate collateralized loan obligations (CLOs) have potential to help mitigate elevated rate volatility. Longer-duration mortgage-backed securities (MBS) offer possible ballast during equity market selloffs. Asset-backed securities (ABS) may aid in improving portfolio credit quality while concurrently reducing portfolio duration compared to traditional benchmark levels.

Low correlations and high-quality profiles have paid off

Average peak-to-trough return through the five most recent U.S. equity market corrections/bear markets, with corresponding returns for fixed income sectors.



Source: Bloomberg, J.P. Morgan, as of 14 November 2025. Asset class descriptions and indices used to represent them as per disclosures on page 11. Returns represent the average peak-to-trough return for the five most recent corrections and bear markets on the S&P 500 Index, with corresponding returns for fixed income sectors over the same time period. **Past performance does not predict future returns.**

Investor considerations

- With corporate credit spreads hovering around historically tight levels, investors might **consider focusing on maximizing carry, or income,** per unit of risk while also **seeking out idiosyncratic opportunities** to add value.
- We believe the **attractive relative valuations, strong credit quality, and defensive traits within securitized sectors** support a constructive view on the asset class and tie into our themes of maximizing carry and mitigating downside risk.
- While often underrepresented in portfolio allocations, securitized assets have proven to be a valuable diversifier in multi-asset strategies. In our proprietary database of client portfolios, **those with higher securitized exposure have generated greater yield** than those with less securitized exposure than the average portfolio.[6]

[6]Source: Janus Henderson, PCS Edge, as of 31 October 2025. Average portfolio globally defined as the average portfolio sourced from all moderate portfolios (50%-70% equity exposure) collected by the Janus Henderson Portfolio Construction and Strategy Team in 2025.

Any risk management process discussed includes an effort to monitor and manage risk which should not be confused with and does not imply low risk or the ability to control certain risk factors. **There is no guarantee that past trends will continue, or forecasts will be realized.**

Multi-sector: Beyond the benchmark

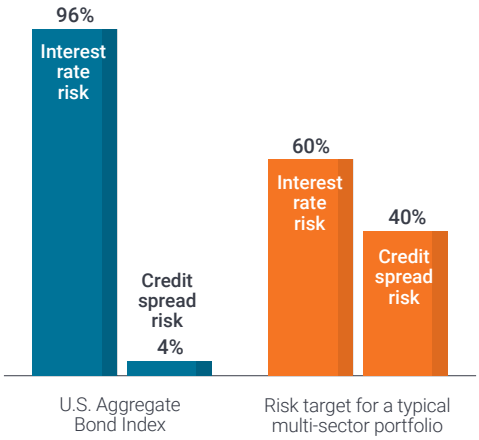
Traditional core bond strategies can be constrained in their sector, duration, and credit quality exposures and may provide limited access to the broad investable universe.

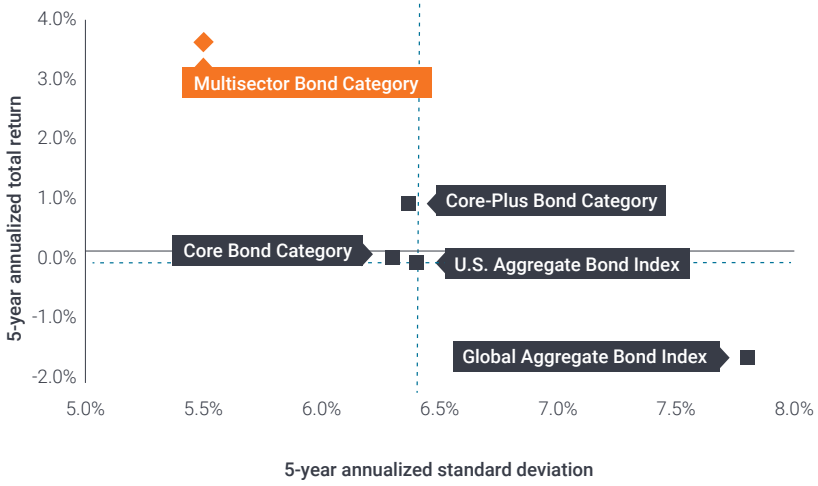
The multi-sector bond category breaks free from this rigidity, offering diversified fixed income exposure and a potentially better balance of interest-rate and credit-spread risk. Over the past five years, the multi-sector category has generated strong excess risk-adjusted returns relative to traditional core strategies. In our view, this outperformance speaks to the benefit of diversified income streams and a better balance of risk.

Choosing a multi-sector fund enables investors to delegate the task of continually adjusting their fixed income asset mix due to changing market conditions. Active managers can adjust levers across sectors, credit quality, and duration in an effort to navigate rapid market swings and potentially capitalize on dislocations.

Multi-sector portfolios break free from the constraints of traditional benchmarks

A more balanced mix of risk within the multi-sector category has translated into better risk-adjusted returns in the past five years.





Source, LHS: Bloomberg, Morningstar, Janus Henderson Investors as of 31 October 2025. RHS: Bloomberg, Janus Henderson Investors, as of 31 October 2025. Data represents Morningstar multisector bond, core bond, and core-plus bond categories. **Past performance is no guarantee of future results.**

Investor considerations

- Amid a backdrop of elevated macro uncertainty, **flexible asset allocation and careful security selection could be used as levers to generate performance.** Multi-sector managers may pivot between sectors and across various maturities as they seek to balance duration and credit quality based on evolving market signals.
- While fundamentals and technicals for credit remain strong, **historically tight spread levels warrant a prudent approach to seeking yield.** Rather than concentrating in a single sector to generate yield, diversified multi-sector approaches may help investors navigate spread moves, duration shifts, and macro surprises.
- **As pockets of fragility emerge beneath strong headline data, deep research and disciplined portfolio construction are essential.** Within credit markets, multi-sector strategies may offer selective exposure to resilient areas while steering clear of stressed segments. Within sovereign markets, multi-sector strategies have the potential to capture defensiveness and carry offered at the front end of the curve while tactically deploying longer-term duration as a hedge against economic uncertainty.

There is no assurance that the investment process will consistently lead to successful investing.

Private credit: Structure as a strategy

The private credit market has grown dramatically over the past decade, but as credit conditions tighten, investors must assess the level of risk they are taking.

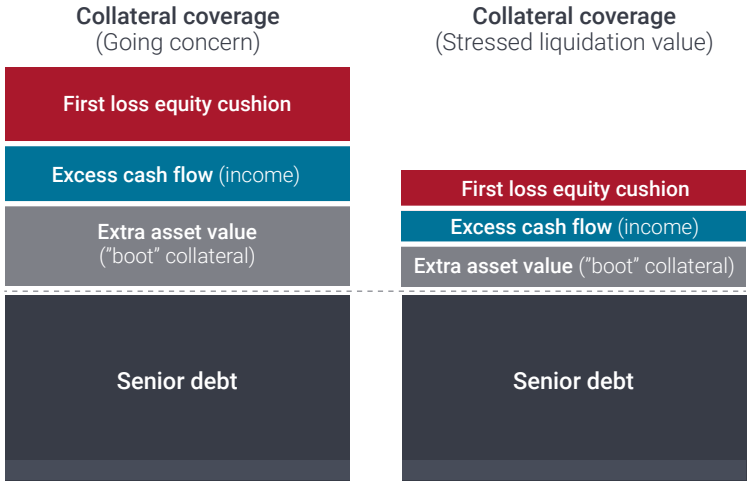
The answer lies not in the market's scale, but in the structure of deals. In private credit, structure is strategy, determining resilience and performance. Investors can access a wide spectrum of risk profiles and protection levels, which depend on how deals are built. Equally important is transparency – how data is collected, controlled, monitored, and reported – shaping an investor's ability to price and manage risk.

Early growth in private credit was fueled by direct lending, which offers attractive yields but relies heavily on a borrower's operational success – a less-certain proposition in more challenging environments. By contrast, **asset-backed finance (ABF) ties loans to tangible or financial assets** such as receivables, inventory, or real estate. In stressed conditions, these assets can be liquidated to support repayment. ABF's emphasis on frequent and independently verifiable data creates a more transparent view of collateral performance – a foundation for active management.

Resilience does not come from yield alone; it also comes from deal structures. Deals can be layered or "stacked" with equity cushions, excess cash flow, and additional ("boot") collateral to absorb losses before senior debt is at risk. Rigorous structuring and stress testing can potentially preserve senior debt even as asset values decline. In short: **The stack matters.** Combined with transparency into collateral flows, data integrity, and real-time reporting, it enables managers to actively intervene when early indicators shift – a meaningful differentiator in today's environment.

Deal structure has provided protection for senior debt

In stressed market conditions, other parts of the collateral stack bear initial losses.



Source: Victory Park Capital. For illustrative purposes only.

Investor considerations

- As investors continue to look for opportunities in private credit, **robust deal structuring should be top of mind.** Considerations such as senior secured positions, dynamic borrowing bases, and strong covenants can help preserve capital and provide resilience against rising delinquencies and market volatility.
- As economic and regulatory complexity grows, **transparency via active monitoring and real-time insight** into underlying assets are essential. We believe managers with **disciplined reporting, direct borrower relationships, and ongoing asset testing** are best positioned to manage risk dynamically.
- Private credit spans a wide spectrum of structures, durations, and collateral types. **Tailoring exposures to objectives** by aligning these elements with liquidity, yield, and capital-preservation goals is a critical step in allocation to the asset class. **Short-duration collateral and strong borrower liquidity offer potentially enhanced flexibility** and resilience as deal flow broadens across sectors.

Investing together for a brighter future

The themes in this outlook are based on **insight gained from partnering with clients around the world.** Janus Henderson's Global Portfolio Construction and Strategy (PCS) Team has consulted with **nearly 7,000 investment professionals and analyzed more than 25,000 model portfolios.**



Expert perspective

Advanced tools allow our investment and PCS teams to uncover hidden risks and opportunities.



Genuine partnership

Our dedicated specialists provide personalized guidance and strategies to keep financial goals on track.



Practical insights

We produce timely, research-based insights to help support informed financial decisions.

To further explore **Janus Henderson's insights** on the themes driving markets, visit **janushenderson.com.**

Definitions, indices, and risks

Yield potential with resilience: Securitized (from page 7) Indices used to represent asst classes: IG ABS = Bloomberg US Aggregate Asset-Backed Securities Index, Agency MBS = Bloomberg U.S. Mortgage-Backed Securities Index, IG CMBS = Bloomberg US Commercial Mortgage-Backed Securities Investment Grade Index, AAA CLOs = J.P. Morgan AAA CLO Index, IG corporates = Bloomberg U.S. Corporate Bond Index, BBB CLOs = J.P. Morgan BBB CLO Index, High yield = Bloomberg U.S. Corporate High Yield Bond Index, Global bonds = Bloomberg Global Aggregate Bond Index, S&P 500 = S&P 500 Index, MSCI ACWI = MSCI All Country World Index.

DEFINITIONS

Agency mortgage-backed securities (MBS): A security which is secured (or 'backed') by a collection of mortgages. Investors receive periodic payments derived from the underlying mortgages, similar to the coupon on bonds.

Asset-backed securities (ABS): A financial security that is 'backed' (or collateralized) with existing assets (such as loans, credit card debts or leases), usually ones that generate some form of income (cash flow) over time.

Basis point (bp) equals 1/100 of a percentage point. 1 bp = 0.01%, 100 bps = 1%.

Blockbuster therapy: a drug with annual sales of at least $1 billion.

Bubble: a rapid rise in the price of an asset that is significantly above its fundamental value. The **dot.com bubble** was a rapid rise in U.S. technology stock valuations fueled by investments in internet-based companies in the late 1990s.

Carry: Excess income earned from holding a higher yielding security relative to another.

Collateralized loan obligations (CLOs): A bundle of generally lower quality leveraged loans to companies that are grouped together into a single security, which generates income (debt payments) from the underlying loans.

Commercial mortgage-backed securities (CMBS): Fixed-income securities backed by a pool of commercial mortgage loans.

Core bond portfolios, as defined by Morningstar, invest primarily in investment-grade US fixed-income issues including government, corporate, and securitized debt and hold less than 5% in below-investment-grade exposures.

Core plus bond portfolios, as defined by Morningstar, invest primarily in investment-grade US fixed-income issues including government, corporate, and securitized debt. They generally have greater flexibility than core offerings to hold corporate high yield, bank loan, emerging-markets debt, and non-US currency exposures.

Correlation measures the degree to which two variables move in relation to each other. A value of 1.0 implies movement in parallel, -1.0 implies movement in opposite directions, and 0.0 implies no relationship.

Credit spread is the difference in yield between securities with similar maturity but different credit quality. Widening spreads generally indicate deteriorating creditworthiness of corporate borrowers and narrowing indicate improving.

Curve/Yield curve: A yield curve plots the yields (interest rate) of bonds with equal credit quality but differing maturity dates.

Cyclical stocks: Companies that sell discretionary consumer items (such as cars), or industries highly sensitive to changes in the economy (eg. mining).

Dividend yield: The annual dividend per share divided by the current share price, this metric indicates the potential annual income from a stock's dividends.

Duration measures a bond price's sensitivity to changes in interest rates. The longer a bond's duration, the higher its sensitivity to changes in interest rates.

Earnings growth rate refers to the annualized rate of growth of earnings for a stock or stocks in a portfolio over a given forward looking or trailing period.

Economic cycle: The fluctuation of the economy between expansion (growth) and contraction (recession), commonly measured in terms of gross domestic product.

Equity cushion: The value of a property or asset that is in excess of that owed to a secured creditor. This excess value can provide a financial buffer that protects the creditor's interest from potential losses if the property's value decreases.

Fiscal policy: Government policy relating to setting tax rates and spending levels.

Fundamentals: Information that contributes to the valuation of a security, such as a company's earnings or the evaluation of its management team.

Monetary policy: Policies of a central bank, including setting interest rates and controlling the supply of money, aimed at influencing the level of inflation and growth in an economy. **Stimulus/easing** refers to a central bank increasing the supply of money and lowering borrowing costs. **Tightening** refers to central bank activity aimed at curbing inflation and slowing growth by raising interest rates and reducing the supply of money.

Multisector bond portfolios, as defined by Morningstar, seek income by diversifying their assets among several fixed-income sectors, usually U.S. government obligations, U.S. corporate bonds, foreign bonds, and high-yield U.S. debt securities.

Price-to-earnings (P/E) ratio measures share price compared to earnings per share for a stock or stocks in a portfolio.

Return on equity (ROE): A company's annual return (net income) divided by the value of its total shareholders' equity, expressed as a percentage. The number represents the profits made for each dollar from shareholders' equity.

Risk assets: Securities that may be subject to significant price movements (i.e., greater risk), including equities, commodities, property, lower-quality bonds, and some currencies.

Secular themes: Long-term investment themes with strong growth potential, such as climate change, AI, clean energy, or changing demographics.

Volatility measures risk using the dispersion of returns for a given investment.

Yield: Income on a bond over a set period, expressed as a percentage.
Current yield: The annual income (interest) divided by the current bond price.

Yield cushion, defined as a security's yield divided by duration. The yield cushion potentially helps mitigate losses from falling bond prices if yields were to rise.

INDICES

Bloomberg Global Aggregate Bond Index is a broad-based measure of the global investment grade fixed-rate debt markets.

Bloomberg US Aggregate Bond Index is a broad-based measure of the investment grade, U.S. dollar-denominated, fixed-rate taxable bond market.

Bloomberg US Aggregate Asset-Backed Securities Index measures the investment grade, U.S.-dollar denominated, fixed-rate taxable bond market

Bloomberg US Commercial Mortgage-Backed Securities Investment Grade Index measures the market of U.S. Agency and U.S. Non-Agency conduit and fusion CMBS deals with a minimum current deal size of US$300 million.

Bloomberg US Corporate Bond Index measures the investment grade, U.S.-dollar denominated, fixed-rate, taxable corporate bond market.

Bloomberg US Corporate High Yield Bond Index measures the U.S.-dollar denominated, high-yield, fixed-rate corporate bond market.

Bloomberg US Mortgage Backed Securities (MBS) Index measures the performance of U.S. fixed-rate agency mortgage-backed pass-through securities.

J.P. Morgan AAA CLO Index tracks the market for AAA rated U.S.-dollar denominated broadly syndicated arbitrage CLOs.

J.P. Morgan BBB CLO Index tracks the market for BBB rated U.S.-dollar denominated broadly syndicated arbitrage CLOs.

MSCI All Country World ex USA Index℠ reflects the equity market performance of global developed and emerging markets, excluding the U.S.

MSCI All Country World Index℠ reflects the equity market performance of global developed and emerging markets.

MSCI China Index captures large and mid-cap representation across China A shares, H shares, B shares, Red chips, P chips and foreign listings (e.g. ADRs).

MSCI Emerging Markets Index℠ reflects the equity market performance of emerging markets.

MSCI Europe Index℠ reflects the equity market performance of developed markets in Europe.

MSCI Japan Index is designed to measure the performance of the large and mid-cap segments of the Japanese market.

MSCI USA Index is designed to measure the performance of the large and mid-cap segments of the US market.

MSCI World Index captures large- and mid-cap representation across Developed Markets countries. The index covers approximately 85% of the free float-adjusted market capitalization in each country.

S&P 500® Index reflects U.S. large-cap equity performance and represents broad U.S. equity market performance.

S&P 500 Information Technology comprises those companies included in the S&P 500 that are classified as members of the GICS information technology sector.

RISKS

Past performance does not predict future returns. Investing involves risk, including the possible loss of principal and fluctuation of value.

Actively managed portfolios may fail to produce the intended results. No investment strategy can ensure a profit or eliminate the risk of loss.

Active and passive investments may both lose value when valuations fall and market and economic conditions change.

Alternative investments include, but are not limited to, commodities, real estate, currencies, hedging strategies, futures, structured products, and other securities intended to be less correlated to the market. They are typically subject to increased risk and are not suitable for all investors.

Artificial intelligence ("AI") focused companies, including those that develop or utilize AI technologies, may face rapid product obsolescence, intense competition, and increased regulatory scrutiny. These companies often rely heavily on intellectual

property, invest significantly in research and development, and depend on maintaining and growing consumer demand. Their securities may be more volatile than those of companies offering more established technologies and may be affected by risks tied to the use of AI in business operations, including legal liability or reputational harm.

Asset-backed lending involves loans secured by assets, where the loan value is based on the value of the collateral offered. Asset backed lending carries risks such as collateral depreciation, borrower default, and potential liquidity constraints during market downturns.

Collateralized Loan Obligations (CLOs) are debt securities issued in different tranches, with varying degrees of risk, and backed by an underlying portfolio consisting primarily of below investment grade corporate loans. The return of principal is not guaranteed, and prices may decline if payments are not made timely or credit strength weakens. CLOs are subject to liquidity risk, interest rate risk, credit risk, call risk and the risk of default of the underlying assets.

Diversification neither assures a profit nor eliminates the risk of experiencing investment losses.

Equity securities are subject to risks including market risk. Returns will fluctuate in response to issuer, political and economic developments.

Fixed income securities are subject to interest rate, inflation, credit and default risk. The bond market is volatile. As interest rates rise, bond prices usually fall, and vice versa. The return of principal is not guaranteed, and prices may decline if an issuer fails to make timely payments or its credit strength weakens.

Foreign securities are subject to risks including currency fluctuations, political and economic uncertainty, increased volatility, lower liquidity and differing financial and information reporting standards, all of which are magnified in emerging markets. **Healthcare industries** are subject to government regulation and reimbursement rates, as well as government approval of products and services, which could have a significant effect on price and availability and can be significantly affected by rapid obsolescence and patent expirations.

Interest rate movements will affect a fund's share price and yield.

Private credit refers to direct lending or debt financing outside of traditional banking, typically involving non-publicly traded companies, and comes with increased risk including limited liquidity, reliance on the borrower's financial health, and less regulatory oversight compared to traditional bank lending.

Securitized products, such as mortgage- and asset-backed securities, are more sensitive to interest rate changes, have extension and prepayment risk, and are subject to more credit, valuation and liquidity risk than other fixed-income securities.

Senior secured loans, including first and second lien positions, are backed by collateral and rank higher in the capital structure, but they are not immune to loss. Collateral may decline in value, be difficult to liquidate, or prove insufficient in distressed scenarios. Subordination to other creditors and deterioration in borrower financial condition can impair recovery, even when a loan is secured.

Smaller-capitalization securities may be less stable and more susceptible to adverse developments and may be more volatile and less liquid than larger capitalization securities.

Sovereign debt securities are subject to the additional risk that, under some political, diplomatic, social or economic circumstances, some developing countries that issue lower-quality debt securities may be unable or unwilling to make principal or interest payments as they come due.

Technology industries can be significantly affected by obsolescence of existing technology, short product cycles, falling prices and profits, competition from new market entrants, and general economic conditions. A concentrated investment in a single industry could be more volatile than the performance of less concentrated investments and the market as a whole.

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