Wellington Multi-Asset High Income Fund

WELLINGTON MANAGEMENT®

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MARKET REVIEW

- Global equities rose in September. Stocks fell sharply at the beginning of the month after declines in some mega-cap technology stocks and signs of a cooling US economy rippled across the globe and stoked concerns about the state of the global economy. However, stocks rebounded following a sizable 50 basis points (bps) interest-rate cut by the US Federal Reserve (Fed) and a more forceful Chinese stimulus that bolstered market sentiment. Lower energy prices helped to ease inflationary pressures, and resilient labor markets in the US, Europe, and Japan reinforced the view that the global economy could achieve a soft landing. However, some key economic indicators were mixed across many developed nations as services purchasing managers' indices (PMIs) remained in expansionary territory, while manufacturing PMIs exhibited sustained weakness. In China, markets were encouraged by more substantial policy support from the People's Bank of China (PBOC), which aimed to revitalize the country's economic recovery. Politics garnered greater attention amid a close US presidential race and leadership changes in other countries; Shigeru Ishiba was elected as Japan's prime minister, Michael Barnier became France's prime minister, and Claudia Sheinbaum was sworn in as Mexico's first female president. Geopolitical risks intensified, with escalating conflict in the Middle East threatening to ignite a broader regional war after Israeli forces killed Hezbollah leader Hassan Nasrallah in Beirut.

FUND PERFORMANCE AND ATTRIBUTION

- The Multi-Asset High Income Fund ended September with positive absolute returns, led by allocations to both equities and fixed income. Within equities, our US covered call writing strategy was a key contributor. Economic indicators suggested that the US economy remained healthy and markets were further propped up by an oversized 50 basis points rate cut from the Fed. Our allocation to Asia also added to performance, driven by Chinese stocks which benefitted from monetary stimulus by the PBOC. Gains from fixed income allocations were driven by short duration US investment grade credit. Short-dated yields declined as the Fed joined other central banks in cutting policy rates, benefitting the allocation. Risk management detracted slightly, as a result of equity and currency hedging activities.

- The Fund continues to pay out an 8% p.a. current income in USD terms, as of 30th September 2024[1].

FUND POSITIONING AND OUTLOOK

- In our view, the global economic outlook indicates a period of deceleration, with growth momentum slowing across major economies. This slowdown has prompted expectations of numerous interest rate cuts in the upcoming year as central banks attempt to stimulate economic activity. Despite these measures, we think there is uncertainty regarding their effectiveness in revitalizing growth, particularly in light of persistent structural challenges. The International Monetary Fund projects global growth to remain steady at 3.1% in 2024, with a slight increase to 3.2% in 2025, suggesting a cautious optimism tempered by the need for careful policy sequencing to maintain price stability and economic resilience.

- Within equities, the outlook going into the final quarter of 2024 presents a complex but cautiously optimistic picture. Despite a backdrop of softer economic data, profit growth remains robust which suggests resilience in corporate performance. This robustness is particularly noteworthy as it comes amidst a landscape where lower interest rates are generally supportive of equity markets, encouraging investment and spending. We anticipate the potential impact of the US elections on the stock market to be a focal point for investors, as the outcome could influence market sentiment and policy directions, with implications for trade, taxation, and regulatory environments. While election years have historically seen heightened market volatility, long-term influence of election results on market performance has been minimal. However, we

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[1]**INCOME MAY FLUCTUATE IN ACCORDANCE WITH MARKET CONDITIONS AND IS NOT GUARANTEED.** Data for the Wellington Multi Asset High Income Fund USD S Dist Unhedged share class. The Fund aims to pay dividends between 5-10% of the Fund's Net Asset Value in USD on an annual basis. Income will be declared and paid as described in the section of the Prospectus entitled Distribution Policy and, where there is insufficient income in a given month, may be distributed before the deduction of fees and expenses, so in order to deliver a regular income the potential for capital growth may be reduced and capital may be eroded in the long term. Share classes in other currencies may be impacted by changes in currency conversion rates.

PAST PERFORMANCE DOES NOT PREDICT FUTURE RETURNS. AN INVESTMENT CAN LOSE VALUE.

Fund performance is based on USD S M4 Dist share class and are net of fees and expenses. Other share class performance may differ.| Index used in the calculation of attribution data: Non-benchmark Relative Strategy.| Fund performance is net of actual (but not necessarily maximum) withholding and capital gains tax but are not otherwise adjusted for the effects of taxation and assume reinvestment of dividends and capital gains.| If an investor's own currency is different from the currency in which the fund is denominated, the investment return may increase or decrease as a result of currency fluctuations.| The views expressed are in the context of the investment objective of the Fund only and should not be considered a recommendation or advice.

advise investors to remain vigilant as shifts in geopolitical factors and economic conditions could swiftly alter the market dynamics. As such, we retain conviction in our global defensive equities basket which focuses on quality and stable stocks.

- From a fixed income perspective, we foresee markets being shaped by a confluence of factors, including the trajectory of interest rates and the broader economic environment. Lower interest rates have historically acted as tailwinds for bonds, providing a conducive backdrop for strong market momentum. This is further supported by weaker economic growth which tends to lead to a flight to quality and a preference for the relative safety of fixed income securities. However, the upcoming US elections could add another layer of complexity, with potential policy changes that could influence deficits, debt levels, and the yield curve. Overall, it is important for investors to monitor these developments closely as they will play a critical role in shaping the bond market's trajectory through 2024.

RISKS

BELOW INVESTMENT GRADE: Lower rated or unrated securities may have a significantly greater risk of default than investment grade securities, can be more volatile, less liquid, and involve higher transaction costs. **CAPITAL:** Investment markets are subject to economic, regulatory, market sentiment and political risks. All investors should consider the risks that may impact their capital, before investing. The value of your investment may become worth more or less than at the time of the original investment. The Fund may experience a high volatility from time to time. **CREDIT:** The value of a bond may decline, or the issuer/guarantor may fail to meet payment obligations. Typically lower-rated bonds carry a greater degree of credit risk than higher-rated bonds. **CURRENCY:** The value of the Fund may be affected by changes in currency exchange rates. Unhedged currency risk may subject the Fund to significant volatility. **DERIVATIVES (D+E) (MKT):** Derivatives may provide more market exposure than the money paid or deposited when the transaction is entered into (sometimes referred to as Leverage). Market movements can therefore result in a loss exceeding the original amount invested. Derivatives may be difficult to value. Derivatives may also be used for efficient risk and portfolio management, but there may be some mismatch in exposure when derivatives are used as hedges. The use of derivatives forms an important part of the investment strategy. **EMERGING MARKETS:** Emerging markets may be subject to custodial and political risks, and volatility. Investment in foreign currency entails exchange risks. **EQUITIES:** Investments may be volatile and may fluctuate according to market conditions, the performance of individual companies and that of the broader equity market. **HEDGING:** Any hedging strategy using derivatives may not achieve a perfect hedge. **INTEREST RATES:** The value of bonds tends to decline as interest rates rise. The change in value is greater for longer term than shorter term bonds. **LEVERAGE:** The use of leverage can provide more market exposure than the money paid or deposited when the transaction is entered into. Losses may therefore exceed the original amount invested. **SHORT SELLING:** A short sale exposes the Fund to the risk of an increase in market price of a security sold short; this could result in a theoretically unlimited loss. **SMALL AND MID-CAP COMPANY:** Small and mid-cap companies' valuations may be more volatile than those of large cap companies. They may also be less liquid. **SUSTAINABILITY:** A Sustainability Risk can be defined as an environmental, social or governance event or condition that, if it occurs, could cause an actual or potential material negative impact on the value of an investment.

DISCLOSURE