AGF Multi-Asset Growth and Income Portfolio^

Fund Commentary

Q1 | 2026

Morningstar Category

Global Equity Balanced

Inception Date

July 16, 1996 (Series MF)
January 14, 2000 (Series F)

Portfolio Managers

AGF Investments Inc.
David Stonehouse, Head of North American & Specialty Investments & Portfolio Manager
Stephen Duench, VP & Portfolio Manager
Tom Nakamura, VP, Head of Fixed Income & Currencies & Portfolio Manager

Market Overview

Global bond markets posted negative returns in the first quarter of 2026, driven by rising U.S. Treasury yields, amid heightened inflation pressures. Widening fiscal deficits, rising energy prices, and the U.S. Federal Reserve's (Fed's) commitment to a data-dependent policy stance all contributed to rising yields. Rate sensitive categories underperformed high yield bonds and investment grade corporate bonds. Convertible bonds delivered positive returns despite broad losses in U.S. equity markets, due to their lower sensitivity to rising interest rates, and the index's exposure to materials and energy, which outperformed during the period. Floating rate loans were the second-best performing category in relative terms, despite losses.

The U.S-Iran conflict drove up energy prices, putting upward pressure on inflation and causing credit spreads to widen broadly. Market positioning unwound from the "AI-Growth" trade and rotated away from large-cap technology stocks to defensive and commodity-linked exposures.

U.S. GDP growth rate stood at 0.5% in the fourth quarter of 2025, falling from the previous quarter and reflecting softer consumption spending as well as a fall in government expenditure and exports. The annual consumer inflation rate rose to 3.3% in March, underscoring new inflationary pressures. Personal Consumption Expenditure inflation, however, was steady at 2.8% in February. The Fed paused its easing cycle and held the federal funds rate in the 3.5%–3.75% range in its January and March meetings, emphasizing caution amid mixed labor market signals and higher prices, due to energy shocks. The U.S. Dollar Index temporarily reversed its downward trend on safe-haven flows, further tightening financial conditions.

The headline inflation in Canada rose to 2.4% in March from 1.8% in February. Core inflation also rose to 2.5% in March. The unemployment rate was 6.7% in March. The Bank of Canada held its policy rate unchanged at 2.25% through March due to the inflation anticipated from U.S.-Iran conflict and signaled a prolonged pause in the months ahead, but remains ready to act if inflation becomes more entrenched, or in the case of further economic deterioration.

^Effective June 30, 2023, AGF Multi-Asset Growth and Income Portfolio investment objective was changed to provide long-term capital growth and income with moderate risk by using an asset allocation approach. It invests primarily in a diversified mix of funds and ETFs that provide exposure to global equity and fixed-income securities. Performance prior to this date would have been different had the current objective been in effect.

5432420

Fund Overview | March 31, 2026

Annualized Performance in CAD, Net of Fees	3 Mo.	1 Yr.	3 Yr.	5 Yr.	10 Yr.	PSD+
AGF Multi-Asset Growth and Income Portfolio - Series MF^	0.1%	11.5%	8.4%	6.1%	5.5%	5.0%
AGF Multi-Asset Growth and Income Portfolio - Series F^	0.5%	13.1%	10.1%	7.7%	7.1%	6.3%
Benchmark*	0.8%	18.5%	14.3%	9.6%	8.6%	7.5%

Source: AGF Investments. One cannot invest directly in an index. **Past performance is not indicative of future results.** ^Effective September 30, 2025, AGF Global Strategic Income Fund was renamed to AGF Multi-Asset Growth and Income Portfolio. AGF Tactical Income Fund merged into AGF Multi-Asset Growth and Income Portfolio (formally AGF Global Strategic Income Fund) ("the Fund") on May 15, 2020. AGF Traditional Income Fund merged into the Fund on August 3, 2018. The merger may have material effect on the performance of the fund. *40% S&P/TSX Composite Index/20% MSCI All Country World (NR) Index/16% BBG Global High Yield Index (hedged CAD)/16% BBG Emerging Markets Bond Index (hedged CAD)/8% BBG Global Aggregate Bond Index. Effective June 30, 2023, AGF Multi-Asset Growth and Income Portfolio ('the Fund') benchmark was changed from a blended index of 60% S&P/TSX Composite Index / 40% Bloomberg Canada Aggregate Index to a blended index of 40% S&P/TSX Composite Index, 20% MSCI All Country World Index, 16% Bloomberg Global High Yield Total Return Index, 16% Bloomberg Emerging Markets USD Aggregate Total Return Index, and 8% Bloomberg Global Aggregate Index. During the period of September 1, 2019, to June 29, 2023, the Fund's benchmark was a blended index of 60% S&P/TSX Composite Index / 40% Bloomberg Canada Aggregate Index. Prior to that, the Fund's benchmark was a blended index of 60% S&P/TSX Composite Index / 40% FTSE Canada Universe Index. In all cases, the benchmark changes were applied from that date forward. Series MF MER: 2.66%, Series F MER: 1.08%, as of September 30, 2025. +Performance Start Date (PSD): December 17, 2001 (Series MF); December 17, 2001 (Series F). Benchmark PSD reflects the PSD of Series MF.

For the quarter ended March 31, 2026, AGF Multi-Asset Growth and Income Portfolio underperformed its blended benchmark on a net-of-fees basis. The underperformance was mainly due to fees. Relative to the benchmark, the Portfolio maintained an overweight exposure to equities, an underweight to fixed income and an overweight to cash.

Allocation contribution, which reflects the effectiveness of asset-class positioning, was an overall contributor to performance over the period. Selection contribution, which measures the impact of underlying fund selection, was also an overall contributor to performance. The Portfolio's allocation to North American equities was a major contributor, while its allocation to Global Equities was a major detractor.

The Portfolio's selection of AGF Global Dividend Fund and AGF Enhanced U.S. Equity Income Fund were among the top contributors to performance, whereas AGF North American Dividend Income Fund and Kensington Private Equity Fund were the main detractors from performance.

Market Outlook

Our positioning continues to be anchored in fiscal expansion and selective deregulation, which are driving capital investment across manufacturing, infrastructure, and AI-enabled industries. Markets are increasingly focused on headline risks, including energy-driven cost pressures, geopolitical uncertainty, and elevated concentration within mega-cap technology equities. Opportunities remain compelling in Materials, supported by infrastructure demand, while defense spending remains robust amid heightened geopolitical risk. AI adoption continues to generate measurable productivity gains.

Elevated yields relative to historical norms continue to offer a more attractive total return profile, enabling bonds to contribute more to portfolio returns. Corporate debt with prudent leverage and disciplined capital allocation continues to reinforce investor confidence, supported by financial discipline, transparency, and reliable income and attractive relative value across investment-grade and select high-yield sectors, despite recent volatility. Further monetary easing from the Fed in 2026 is possible only if inflation pressures remain anchored. Fixed income continues to provide a partial hedge against equity risk, despite volatility in developed markets. The Fund Manager remains vigilant of the impact of rising sovereign debt along with the potential for further escalation of geopolitical tensions.

Series F securities can be purchased under the simplified prospectus only through a registered dealer who has obtained consent of AGF to offer Series F securities.

Commissions, trailing commissions, management fees and expenses all may be associated with mutual fund investments. Please read the prospectus before investing. The indicated rates of return are the historical annual compounded total returns including changes in share or unit value and reinvestment of all dividends or distributions and do not take into account sales, redemption, distribution or optional charges or income taxes payable by any securityholder that would have reduced returns. Mutual funds are not guaranteed, their values change frequently and past performance may not be repeated.

MER as of September 30, 2025. AGFI may, in its discretion, temporarily waive some or all of the expenses of the Fund, which will result in a reduction in the MER. AGFI may cease to offer any such waiver at any time without notice.

The commentaries contained herein are provided as a general source of information based on information available as of March 31, 2026. It is not intended to address the needs, circumstances, and objectives of any specific investor. The content of this commentary is not to be used or construed as investment advice, as an offer to buy or sell any securities, and is not intended to suggest taking or refraining from any course of action. Every effort has been made to ensure accuracy in these commentaries at the time of publication, however, accuracy cannot be guaranteed. Market conditions may change and AGF Investments Inc. accepts no responsibility for individual investment decisions arising from the use or reliance on the information contained herein.

This document may contain forward-looking information that reflects our current expectations or forecasts of future events. Forward-looking information is inherently subject to, among other things, risks, uncertainties and assumptions that could cause actual results to differ materially from those expressed herein.

Holdings are subject to change and do not represent all of the securities purchased, sold or recommended for the portfolio. It should not be assumed that investments in the securities identified were or will be profitable and should not be considered an endorsement or recommendation by AGF Investments.

AGF Investments is a group of wholly owned subsidiaries of AGF Management Limited, a Canadian reporting issuer. The subsidiaries included in AGF Investments are AGF Investments Inc. (AGFI), AGF Investments LLC (AGFUS) and AGF International Advisors Company Limited (AGFIA). The term AGF Investments may refer to one or more of these subsidiaries or to all of them jointly. This term is used for convenience and does not precisely describe any of the separate companies, each of which manages its own affairs. AGF Investments entities only provide investment advisory services or offers investment funds in the jurisdiction where such firm and/or product is registered or authorized to provide such services. AGF Investments Inc. is a wholly-owned subsidiary of AGF Management Limited and conducts the management and advisory of mutual funds in Canada.

Published: May 6, 2026.