Fixed-income fund Quarterly commentary

John Hancock Bond Fund

A: JHNBX C: JHCBX I: JHBIX R2: JHRBX R4: JBFRX R6: JHBSX

Objective
High current income consistent with a prudent level of risk

Use for
Diversifying income holdings

Morningstar category
Intermediate Core-Plus Bond

Quarterly commentary

Highlights

- The Bloomberg U.S. Aggregate Bond Index, the fund's benchmark, returned 1.21% in the second quarter, raising its year-to-date return to 4.02%.
- The fund delivered a positive total return and outperformed the index.
- Asset allocation, security selection, and yield curve positioning all made modest contributions to relative performance.

Market review and outlook

The second quarter began with a shock to the markets: a U.S. tariff policy announcement that turned out to be markedly more aggressive than investors had been expecting. Volatility spiked in response, as markets viewed the tariff policy as a headwind for future economic growth. Yields declined across the curve on the news, while credit spreads widened off of historically low levels. Less than a week after the initial announcement, the U.S. administration changed tack and placed a 90-day pause on new tariffs. The decision provided a much-needed reprieve for the markets, leading to rising U.S. Treasury yields and causing credit spreads to return near their previous lows by the end of June.

Despite their early weakness, credit-oriented market segments outperformed over the full quarter. High-yield bonds, investment-grade corporates, asset-backed securities (ABS), and commercial mortgage-backed securities (CMBS) outpaced the index. On the other hand, U.S. Treasuries and agency mortgage-backed securities (MBS)—while positive in absolute terms—lagged.

The U.S. Federal Reserve (Fed) remained on hold at its meetings in May and June. Although the Fed acknowledged declining inflation and a stable, but perhaps cooling, labor market, the potential impact of tariffs on future inflation prompted the central bank to take a wait-and-see approach.

Contributors and detractors

Asset allocation made the largest contribution to performance in the quarter. We benefited from an overweight in high-yield bonds, together with smaller overweights in investment-grade corporates and other credit sectors. However, a sizable overweight in MBS detracted. Security selection made a small contribution, with the majority of the positive impact occurring in corporates. Yield curve positioning was a further contributor due to an overweight in intermediate-term issues (those with 5- to 10-year maturities).

Portfolio changes

The trade issue is likely to remain a source of uncertainty as investors attempt to assess the effect of tariffs on inflation, economic growth, and Fed policy. We believe the Fed will remain cautious with respect to rate cuts since inflation is still above the central bank's target and the longer-term impact of tariffs on inflation remains unknown. Given that near-term sentiment is highly fluid and subject to sudden shifts, our strategy is to maintain a steady, long-term outlook.

We increased the fund's allocation to securitized assets during the quarter. We primarily added to agency MBS, with smaller additions in ABS and CMBS. We funded these moves by reducing the portfolio's weightings in investment-grade corporates and U.S. Treasuries. In terms of yield curve positioning, we reduced duration (interest rate sensitivity) from a slight overweight to neutral in response to heightened market volatility, and we maintained an overweight in intermediate-term debt.

Agency MBS continued to be a significant overweight based on our view that the category offered compelling relative value and a source of higher quality. Our holdings have been focused on the middle of the coupon stack (i.e., 4.0% to 5.5% coupons), which features higher income and protection from prepayment risk. Within investment-grade corporates, we continued to emphasize yield and security selection. With valuations rich and uncertainty likely to remain in place, we chose not to add risk in this area. We remained overweight in financials, which we believe are still attractive on a relative basis. We also maintained an emphasis on noncyclicals and utilities, as well as a focus on intermediate-term maturities.

Managed by

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Howard C. Greene, CFA
On the fund since 2002.
Investing since 1979

Spencer Godfrey, CFA
On the fund since 2025.
Investing since 2003

Pranay Sonalkar, CFA
On the fund since 2021.
Investing since 2007

Connor Minnaar, CFA
On the fund since 2022.
Investing since 2002

Jeffrey N. Given, CFA
On the fund since 2006.
Investing since 1993

Average annual total returns[1,2]

%

	Qtd	Ytd	1 yr	3 yr	5 yr	10 yr	Since inception	Inception date
Class I without sales charge	1.41	4.16	6.42	3.56	0.20	2.40	6.64	11/9/73
Class A without sales charge	1.34	4.00	6.11	3.25	-0.10	2.10	6.46	11/9/73
Class A with sales charge (Maximum initial sales charge 4.00%)	-2.70	-0.12	1.83	1.85	-0.91	1.68	6.38	11/9/73
Bloomberg U.S. Aggregate Bond Index	1.21	4.02	6.08	2.55	-0.73	1.76	—	—
Intermediate core-plus bond category	1.06	3.67	5.97	3.15	0.11	2.04	—	—

Expense ratios[3]	Gross	Net (what you pay)	Contractual through
Class I	0.48%	0.47%	7/31/2026
Class A	0.78%	0.77%	7/31/2026

The performance data shown represents past performance, which does not guarantee future results. Returns for periods shorter than one year are cumulative, and results for other share classes will vary. Shares will fluctuate in value and, when redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than the performance cited. Performance figures assume that all distributions are reinvested. For the most recent month-end performance, visit jhinvestments.com.

10 largest issuers[4]

%

1.	Federal National Mortgage Association	22.62	6.	Ford Motor Credit Company LLC	0.84
2.	United States of America	18.16	7.	JPMorgan Chase & Company	0.82
3.	Federal Home Loan Mortgage Corp.	13.45	8.	Wells Fargo & Company	0.59
4.	Government National Mortgage Association	0.98	9.	Energy Transfer LP	0.57
5.	Bank of America Corp.	0.84	10.	United Airlines, Inc.	0.53

What you should know before investing

Fixed-income investments are subject to interest-rate and credit risk; their value will normally decline as interest rates rise or if an issuer is unable or unwilling to make principal or interest payments. Investments in higher-yielding, lower-rated securities include a higher risk of default. Foreign investing, especially in emerging markets, has additional risks, such as currency and market volatility and political and social instability. Mortgage- and asset-backed securities may be sensitive to changes in interest rates, and may be subject to early repayment and the market's perception of issuer creditworthiness. Liquidity—the extent to which a security may be sold or a derivative position closed without negatively affecting its market value, if at all—may be impaired by reduced trading volume, heightened volatility, rising interest rates, and other market conditions. The use of hedging and derivatives could produce disproportionate gains or losses and may increase costs. Fund distributions generally depend on income from underlying investments and may vary or cease altogether in the future. Please see the fund's prospectus for additional risks.

The Bloomberg U.S. Aggregate Bond Index tracks the performance of U.S. investment-grade bonds in government, asset-backed, and corporate debt markets. It is not possible to invest directly in an index.

Request a prospectus or summary prospectus from your financial professional, by visiting jhinvestments.com, or by calling us at 800-225-5291. The prospectus includes investment objectives, risks, fees, expenses, and other information that you should read and consider carefully before investing.

1 11/9/73 is the inception date for the oldest class of shares, Class A shares. Class I shares were first offered on 9/4/01; returns prior to this date are those of Class A shares and have not been adjusted for expenses; otherwise, returns would vary. **2** It is not possible to invest in an index. Index definitions can be found within the "What you should know before Investing" section on the last page of this fact sheet. **3** "Net (what you pay)" represents the effect of a contractual fee waiver and/or expense reimbursement and is subject to change. **4** Listed holdings reflect the largest portions of the fund's total and may change at any time. They are not recommendations to buy or sell any security. Data is expressed as a percentage of net assets and excludes cash and cash equivalents.

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