

**U.S. equity fund** Quarterly commentary

# John Hancock Fundamental Large Cap Core Fund

A: TAGRX C: JHLVX I: JLVIX R2: JLCYX R4: JLCFX R5: JLCVX R6: JLCWX

<b>Objective</b> Long-term capital appreciation	<b>Use for</b> Core large-cap holding	<b>Morningstar category</b> Large Blend
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## Quarterly commentary

### Highlights

- The U.S. stock market declined in the quarter, hurt by tariff concerns, sweeping federal government workforce cuts, and the U.S. Federal Reserve's decision to hold its target interest rate steady.
- For the quarter, the fund returned –5.95%, lagging the –4.27% result of the broad-based benchmark S&P 500 Index.
- Stock picks in the financials sector, an overweight in the consumer discretionary sector, and an underweight in the healthcare sector hindered the fund's relative performance, while security selection in the information technology and real estate sectors helped.

### Market review and outlook

The U.S. stock market started the new year on a strong note, buoyed by postelection euphoria, better-than-expected corporate earnings, and economic resilience. Volatility, however, later increased amid mounting uncertainty around trade tariffs, sweeping federal government layoffs, stalled interest rates, and increased competition from a new artificial intelligence model in China. Recession fears and risk aversion increased, with value stocks outperforming growth stocks. Within the S&P 500 Index, the growth-oriented consumer discretionary and information technology sectors notably declined, while the energy sector delivered a sizable gain.

Although the U.S. stock market may remain volatile in the near term, we continue to be encouraged about its prospects, given low unemployment levels, solid consumer spending trends, and favorable expectations for technology spending and corporate earnings growth.

### Contributors and detractors

Security selection in the financials sector notably detracted from the fund's result versus the S&P 500 Index during the quarter. A large overweight—and investment choices—in the consumer discretionary sector plus an underweight and stock picks in the healthcare sector also pressured relative performance. The biggest individual detractor was private equity company KKR & Co., Inc., which was hurt by investor concern that capital market softness would delay the monetization of some of the company's portfolio holdings. In the consumer discretionary sector, shares of large U.S. homebuilder Lennar Corp. declined as higher-for-longer interest rates hampered affordability for home buyers. Elsewhere, the stock of Google parent company Alphabet Inc. sank amid news of the company's plans to spend heavily on AI in 2025. Each of these positions was a sizable overweight.


Conversely, stock picks in the information technology and real estate sectors boosted relative performance. Avoiding leading semiconductor company and large index component NVIDIA Corp. helped most, as the stock plunged due to growing risk aversion and profit taking. Elsewhere, a nonindex stake in liquefied natural gas (LNG) company Chenière Energy, Inc. rallied, thanks to expectations of increased LNG demand in the United States and Europe plus news that the company's expansion projects were on budget and ahead of schedule. Elsewhere, a nonindex position in Belgium-based global brewer Anheuser-Busch InBev SA/NA surged, as revenue and earnings growth and debt reduction efforts benefited the company's profit margin. An investor shift toward non-U.S. and value stocks also helped.

### Portfolio changes

The fund ended the period with decreases in its consumer staples allocation and cash position. Conversely, we boosted the fund's information technology and communication services exposure, as we found opportunities to invest in what we believe are competitively advantaged businesses with compelling long-term earnings growth prospects at attractive or reasonable valuations in both sectors.


This commentary reflects the views of the portfolio managers named and is subject to change as market and other conditions warrant. No forecasts are guaranteed. This commentary is provided for informational purposes only and is not an endorsement of any security, mutual fund, sector, or index. The subadvisor, the advisor (John Hancock Investment Management LLC), and their affiliates, employees, and clients, may hold or trade the securities mentioned in this commentary. Diversification does not guarantee a profit or eliminate the risk of a loss.

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**Emory W. (Sandy) Sanders, Jr., CFA**  
On the fund since 2011.  
Investing since 1996



**Jonathan T. White, CFA**  
On the fund since 2015.  
Investing since 1997

Average annual total returns <sup>1,2</sup>								%
	Qtd	Ytd	1 yr	3 yr	5 yr	10 yr	Since inception	Inception date
Class I without sales charge	-6.15	-6.15	6.19	6.76	18.76	11.26	8.16	3/2/01
Class A without sales charge	-6.20	-6.20	5.92	6.50	18.46	10.98	10.75	10/1/84
Class A with sales charge (Maximum initial sales charge 5.00%)	-10.89	-10.89	0.63	4.69	17.26	10.41	10.61	10/1/84
S&P 500 Index	-4.27	-4.27	8.25	9.06	18.59	12.50	8.51	—
Large blend category	-3.78	-3.78	5.70	7.49	16.54	10.23	—	—
Expense ratios <sup>3</sup>			Gross		Net (what you pay)		Contractual through	
Class I			0.78%		0.77%		7/31/2026	
Class A			1.03%		1.02%		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](https://www.jhinvestments.com).

10 largest holdings <sup>4</sup>				%	
1.	Amazon.com, Inc.	8.19	6.	Microsoft Corp.	4.28
2.	Apple, Inc.	7.76	7.	Workday, Inc.	3.92
3.	Cheniere Energy, Inc.	5.78	8.	KKR & Company, Inc.	3.79
4.	Alphabet, Inc., Class A	4.96	9.	Morgan Stanley	3.36
5.	Lennar Corp.	4.31	10.	Adobe, Inc.	2.95

**What you should know before investing**  
*Large company stocks could fall out of favor, and value stocks may decline in price. Foreign investing, especially in emerging markets, has additional risks, such as currency and market volatility and political and social instability. The use of hedging and derivatives could produce disproportionate gains or losses and may increase costs. Please see the fund's prospectus for additional risks.*

The S&P 500 Index tracks the performance of 500 of the largest publicly traded companies in the United States. It is not possible to invest directly in an index.

**Request a prospectus or summary prospectus from your financial professional, by visiting [jhinvestments.com](https://www.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.**

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**1** The fund was incepted on 10/4/49. Performance prior to 9/30/84 is not available for Class A shares. **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.

