GLOBAL X
by Mirae Asset

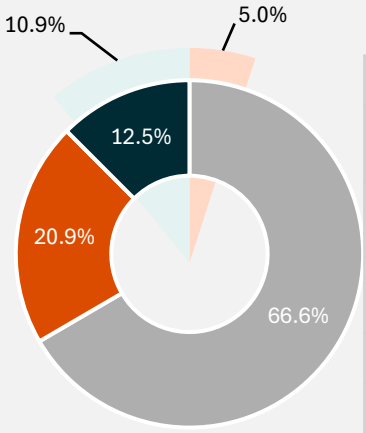
Premium Yield ETFs Monthly Report

OCTOBER 31, 2026

Premium Yield Treasuries

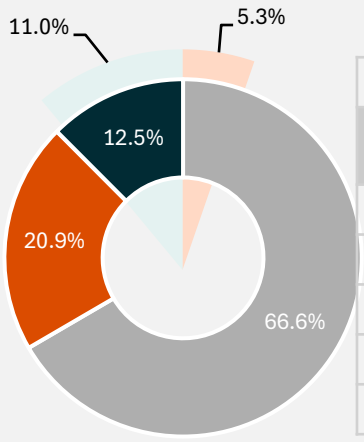
Short

Global X Short-Term U.S. Treasury Premium Yield ETF



SPAY/SPAY.U[1]	
Distribution Yield	**6.27%**
Duration	2.29
YTM	3.88%
Option Yield	3.80%
Call Yield	2.73%
Put Yield	1.06%

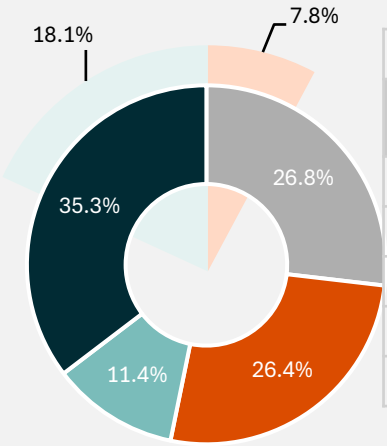
Global X Short-Term Government Bond Premium Yield ETF



PAYS	
Distribution Yield	**5.28%**
Duration	2.42
YTM	2.66%
Option Yield	3.75%
Call Yield	2.72%
Put Yield	1.03%

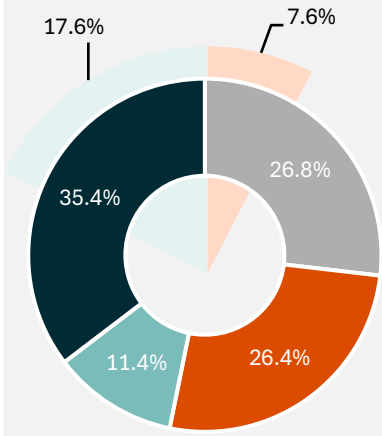
Mid

Global X Mid-Term U.S. Treasury Premium Yield ETF



MPAY/MPAY.U[1]	
Distribution Yield	**8.68%**
Duration	6.53
YTM	4.24%
Option Yield	6.44%
Call Yield	4.76%
Put Yield	1.68%

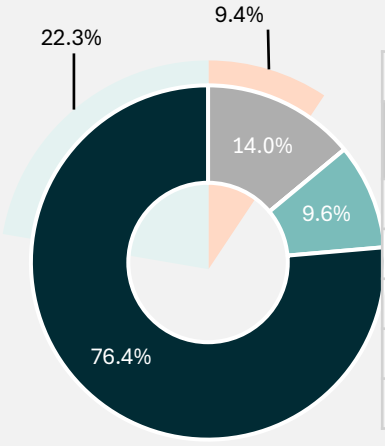
Global X Mid-Term Government Bond Premium Yield ETF



PAYM	
Distribution Yield	**7.26%**
Duration	6.84
YTM	3.13%
Option Yield	5.81%
Call Yield	4.25%
Put Yield	1.57%

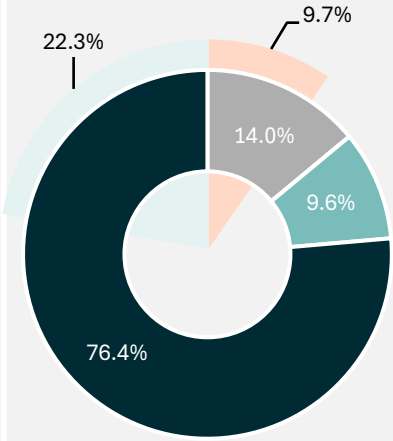
Long

Global X Long-Term U.S. Treasury Premium Yield ETF



LPAY/LPAY.U[1]	
Distribution Yield	**11.05%**
Duration	12.12
YTM	4.72%
Option Yield	7.91%
Call Yield	5.76%
Put Yield	2.15%

Global X Long-Term Government Bond Premium Yield ETF



PAYL	
Distribution Yield	**9.23%**
Duration	12.49
YTM	3.54%
Option Yield	7.72%
Call Yield	5.50%
Put Yield	2.22%

U.S./CA Ultra Short-Term | U.S./CA Short-Term | U.S./CA Long-Term | U.S./CA Mid-Term | Put Options | Call Options

GLOBAL X by Mirae Asset

Source: Global X Canada and Bloomberg. As at October 31, 2026.
[1] Trades in U.S. dollars

Balance of Risk

Current Market Expectations	Funding 0-3 M	Front 3M – 2Y	Mid 2Y – 10Y	Long 10Y+
Federal Reserve (Fed) (Monetary Policy) [1]	↑	↑	↔	↔

The Fed held rates unchanged at 3.75% - 4.00% at its October 28 meeting, with two dissents (by Governor Lisa Cook and Cleveland Fed President Beth Hammack) in favor of an immediate 25bp hike. Chair Kevin Warsh maintained the Fed's commitment to price stability, stopping short of pre-committing to a December move, while multiple regional Fed presidents called for additional tightening. The derivatives market continues to price a 25bp hike as the base case at the December meeting. In a structural development, Chair Warsh announced the Fed will begin phasing in a reduced rate-decision schedule, holding seven rate-setting votes across eight meetings in 2027, moving to six votes in 2028.

US Administration (non-Fed)	↔	↔	↔	↔

The FY2026 federal deficit widened to nearly $2 trillion, roughly 12% above the prior year. The Treasury continued its long-end buyback program at $6 billion per operation, even though the program drew political scrutiny. The midterm election delivered Democratic control of both the House and Senate, materially shifting the near-term fiscal landscape. The prospect of a renewed standoff over the debt ceiling and increased friction around the FY2027 budget process adds a new layer of uncertainty for long-end bondholders, on top of the structural supply and term premium pressures that have dominated the rate narrative throughout 2026.

Economic Data [2]	↑	↑	↑	↑

September's data was more mixed than August's uniformly strong readings. Total change in nonfarm payroll employment in September came in at just 29k (sharply lower the 90k consensus), though Q3 GDP advanced at a 3.4% annualized rate, the fastest pace in a year. Inflation remained elevated across all gauges, with the Beige Book noting intensifying price pressures in half of the Fed districts [1]. Consumer sentiment fell to a five-month low, reflecting the cumulative burden of higher prices and borrowing costs.

Global Macro / Bonds Sovereign / Govt Credit [3, 4]			↑	↑

The Iran conflict continued to drive energy market volatility, with Brent crude surging near $110 per barrel due to tanker disruptions in the Strait of Hormuz (subsequently trading lower, back below $100, after the US midterm results). At the IMF-World Bank Annual Meetings, the IMF (International Monetary Fund) characterized the global economy as "nearing the limits of its resilience," while the PBOC (People's Bank of China) flagged sovereign debt volatility and AI asset valuations as key risks. Meanwhile, foreign buyers of U.S. Treasuries have pulled back, leaving the long end of the treasury yield curve increasingly dependent on domestic investors who are more sensitive to price and yield levels.

Safe Haven / Risk-Off			↓	

October closed with a more nuanced safe-haven dynamic than September's risk-on environment. A combination of payrolls missing expectations, AI-driven equity disappointment, and pre-election uncertainty provided a floor of safe-haven demand for Treasuries into the month-end. The bond-equity correlation remains a key variable to monitor, particularly as the post-election fiscal outlook begins to take shape.

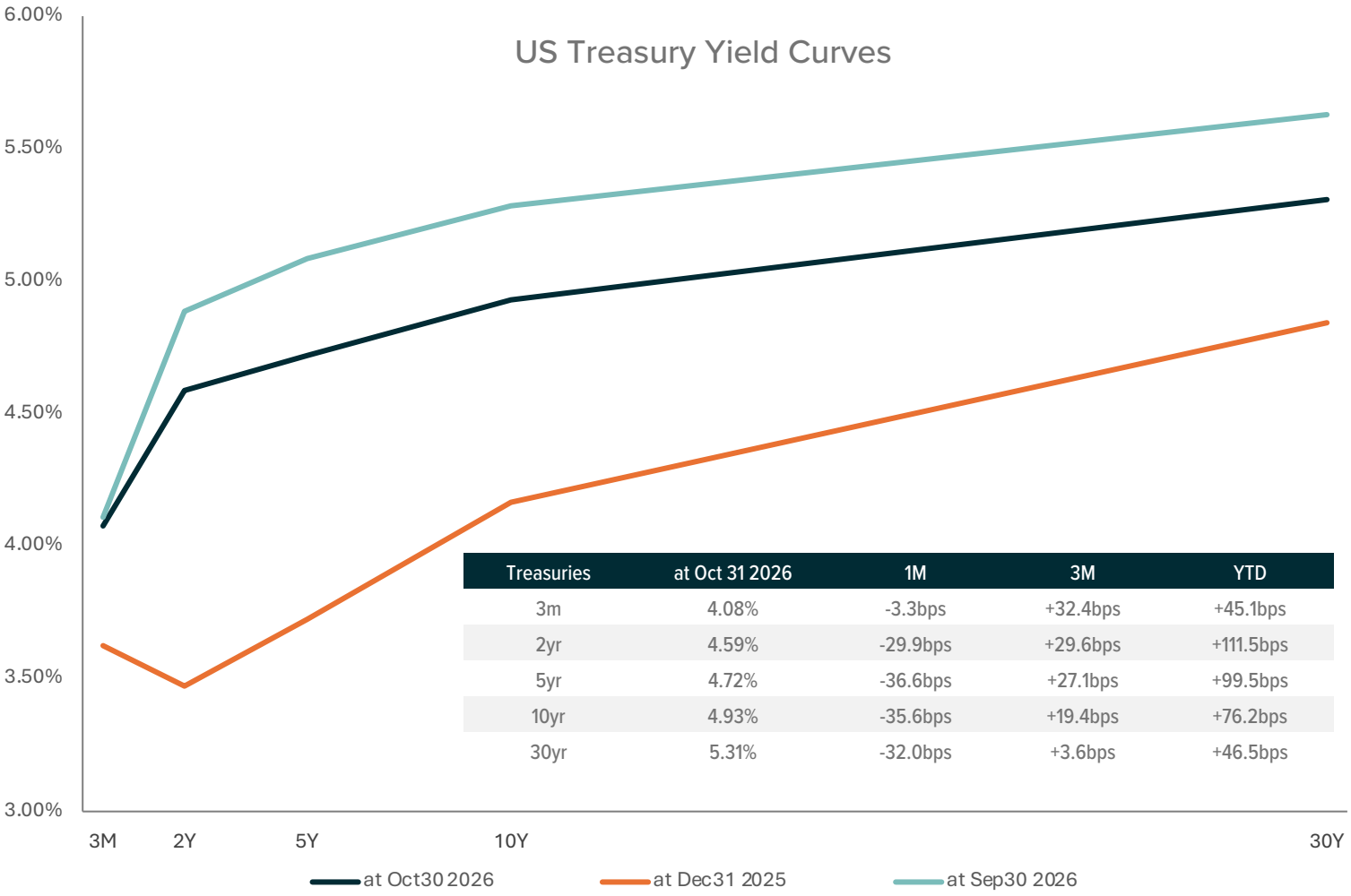
↑ **Supportive for Higher Yields** ↓ **Pressure for Lower Yields** ↔ **Mixed / Offsetting Forces**

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[1] U.S. Federal Reserve. As at October, 2026. [2] U.S. Bureau of Labor Statistics. As at October 2, 2026. [3] IMF World Economic Outlook. As at October 12, 2026. [4] PBOC Official Statement to the International Monetary and Financial Committee (IMFC). As at October 16, 2026.

Source: Global X Canada and Bloomberg. As at October 31, 2026.

Yield Curve



Treasuries	at Oct 31 2026	1M	3M	YTD
3m	4.08%	-3.3bps	+32.4bps	+45.1bps
2yr	4.59%	-29.9bps	+29.6bps	+111.5bps
5yr	4.72%	-36.6bps	+27.1bps	+99.5bps
10yr	4.93%	-35.6bps	+19.4bps	+76.2bps
30yr	5.31%	-32.0bps	+3.6bps	+46.5bps

Market Overview

The US Treasury curve rallied broadly in October, partially reversing September's sharp selloff. The 10-year yield fell approximately 36 basis points from 5.29% to 4.93%, while the 30-year declined roughly 32 basis points from 5.63% to 5.31%. The 2-year yield fell nearly 30 basis points from 4.89% to 4.59%. The shift was broadly parallel, leaving the 2s30s spread nearly unchanged at approximately 72 bps at month-end. This has flattened significantly from start of the year when it was around 140bps. We have seen some consolidation of 2s30s spreads which could potentially indicate a re-steepening going forward.

Even as TLT* posted a positive monthly return, volatility remained a defining feature throughout October. Implied volatility (the market's expectation of future price fluctuations) opened the month at 16.3%, well above the 10.7% realized volatility (actual historical price fluctuations) that ultimately prevailed. That gap of roughly 6 points compressed to about 2 points by month-end, as the payrolls miss and the Fed hold resolved more benignly than feared. Realized volatility remains elevated relative to the 7–9% range seen through late 2025 and early 2026, but it is well below the ~24–25% peaks of the 2022 rate shock and the October 2023 selloff. With a December hike as the base case, realized volatility in TLT is unlikely to return to the lows seen earlier in the year.

*iShares 20+ Year Treasury Bond ETF

Source: Global X Canada and Bloomberg. As at October 31, 2026.

Annualized Performance
As at October 31, 2026

ETF Name	Ticker	6 Month (%)	YTD (%)	1 YR (%)	3 YR (%)	5 YR (%)	SIR[1] (%)	Inception Date	Annualized Distribution Yield (%)
Global X Short-Term U.S. Treasury Premium Yield ETF	SPAY	3.56	3.67	1.68	4.23	-	4.47	2023-10-04	6.27
Global X Short-Term U.S. Treasury Premium Yield ETF	SPAY.U[2]	0.71	1.87	2.10	3.98	-	3.92	2023-10-04	6.27
Global X Mid-Term U.S. Treasury Premium Yield ETF	MPAY	1.90	1.68	-1.11	3.96	-	3.87	2023-10-04	8.68
Global X Mid-Term U.S. Treasury Premium Yield ETF	MPAY.U[2]	-0.90	-0.08	-0.70	3.71	-	3.32	2023-10-04	8.67
Global X Long-Term U.S. Treasury Premium Yield ETF	LPAY	0.26	0.05	-3.82	3.80	-	3.18	2023-10-04	11.05
Global X Long-Term U.S. Treasury Premium Yield ETF	LPAY.U[2]	-2.50	-1.69	-3.42	3.55	-	2.64	2023-10-04	11.05
Global X Short-Term Government Bond Premium Yield ETF	PAYS	-0.04	0.60	0.40	-	-	1.92	2024-05-21	5.28
Global X Mid-Term Government Bond Premium Yield ETF	PAYM	-1.35	-0.73	-2.19	-	-	0.10	2024-11-06	7.26
Global X Long-Term Government Bond Premium Yield ETF	PAYL	-2.73	-1.99	-4.99	-	-	-1.66	2024-11-06	9.23

Source: Global X Investments Canada Inc. as at October 31, 2026. [1] Since Inception Return. | [2] Trades in U.S. dollars.

The indicated rates of return are the historical annual compounded total returns including changes in per 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. The rates of return shown in the table are not intended to reflect future values of the Global X Funds or returns on investment in the Global X Funds. Only the returns for periods of one year or greater are annualized returns.

Definitions

Annualized Distribution Yield
The most recent regular distribution (excluding additional year end distributions) annualized for frequency, divided by current NAV.

Duration
Is a measure of the Fund's sensitivity to changes in interest rates, calculated as of the last business day of the month according to the portfolio construction methodology.

YTM (Yield-To-Maturity)
The portfolio's weighted average* annualized yield-to-maturity of the underlying assets.

Option Yield
The annualized portfolio's weighted average* call + put option yield, based on trades completed during the month.

Call Yield
The annualized portfolio's weighted average* call option yield, based on trades completed during the month.

Put Yield
The annualized portfolio's weighted average* put option yield, based on trades completed during the month.

Target Allocations
The allocations noted below are for informational purposes only and indicate the strategic targets for each fund. The actual portfolio composition may vary from this target (within a certain range) based on market conditions.

*3-month trailing average

Portfolio Weights

ETF Name	Targets		SPAY	PAYS	MPAY	PAYM	LPAY	PAYL
iShares 20+ Year Treasury Bond ETF	TLT US	Long Term*	9.5%	10.6%	12.3%	13.8%	16.6%	15.9%
BMO Long Federal Bond Index ETF	ZFL CN	Long Term				20.3%		50.8%
Global X 20+ Year U.S. Treasury Bond Index ETF	TLTX/F CN	Long Term		1.9%		1.3%		9.7%
Global X 20+ Year U.S. Treasury Bond Index ETF	TLTX/U CN	Long Term	3.0%		23.1%		59.8%	
Global X 3-10 Year U.S. Treasury Bond Index ETF	TMTX/F CN	Mid Term				11.4%		9.6%
Global X 3-10 Year U.S. Treasury Bond Index ETF	TMTX/U CN	Mid Term			11.4%		9.6%	
BMO Short Federal Bond Index ETF	ZFS CN	Short Term		14.4%		16.2%		
Global X 1-3 Year U.S. Treasury Bond Index ETF	TSTX/F CN	Short Term		6.5%		10.2%		
Global X 1-3 Year U.S. Treasury Bond Index ETF	TSTX/U CN	Short Term	20.9%		26.4%			
Global X 0-3 Month T-bill ETF	CBIL CN	Ultra-Short Term		66.6%		26.8%		14.0%
Global X 0-3 Month U.S. T-bill ETF	UBIL/U CN	Ultra-Short Term	66.6%		26.8%		14.0%	

*Reflects target allocation to TLT US and percentage of call coverage and put coverage.

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