

HARBOR COMMODITY ALL-WEATHER STRATEGY ETF

Quantix Commodities LP

Subadvisor Since 02/09/2022

Investment Philosophy

The Harbor Commodity All-Weather Strategy ETF (HGER) seeks to provide investment results that correspond, before fees and expenses, to the performance of the Quantix Commodity Index (the "Index"). The Index is composed of futures contracts on physical commodities and is constructed using Quantix's proprietary quantitative methodology, which considers a commodity's relative inflation sensitivity and the relative cost of holding a "rolling" futures position in the commodity (as described below).

Under normal market conditions, the Index contains at least 15 U.S. dollar-denominated commodity futures traded on exchanges in the United States and United Kingdom. A commodity futures contract is a legal agreement to buy or sell a particular commodity (for example, metals, oil or agricultural products) at a predetermined price at a specified time in the future.

Portfolio Managers



Matthew Schwab

Ticker: HGER
CUSIP: 41151J505
Net Expense Ratio: 0.68%
Gross Expense Ratio: 0.68%
Total Net Assets: \$207,414,568
Benchmark 1 Name: Quantix Commodity Total Return Index
Benchmark 2 Name: Bloomberg Commodity Index Total Return(SM)

PERFORMANCE

As of 09/30/2024

Average Annual Returns

	3 Months	YTD	1 Yr.	3 Yr.	5 Yr.	10 Yr.	Since Inception	Inception Date
Harbor Commodity All-Weather Strategy ETF (NAV)	0.49%	8.23%	5.66%	N/A	N/A	N/A	7.83%	02/09/2022
Harbor Commodity All-Weather Strategy ETF (Market)	0.49%	7.93%	5.55%	N/A	N/A	N/A	7.80%	02/09/2022
Quantix Commodity Total Return Index	0.66%	8.56%	6.25%	N/A	N/A	N/A	9.18%	02/09/2022
Bloomberg Commodity Index Total Return(SM)	0.68%	5.86%	0.96%	N/A	N/A	N/A	0.84%	02/09/2022

Performance data shown represents past performance and is no guarantee of future results. Past performance is net of management fees and expenses and reflects reinvested dividends and distributions. Investment returns and principal value will fluctuate and when redeemed may be worth more or less than their original cost. Returns for periods less than one year are not annualized. Current performance may be higher or lower and is available through the most recent month end at harborcapital.com or by calling 800-422-1050.

Shares are bought and sold at market price not net asset value (NAV). A fund's NAV is the sum of all its assets less any liabilities, divided by the number of shares outstanding. Market price returns are based upon the closing composite market price and do not represent the returns you would receive if you traded shares at other times.

WEIGHTS

As of 09/30/2024

Commodity Sector Weights				
Commodity Sector	Commodity	Ticker	Facility	Daily Weight %
Precious	Gold	GCZ4	CME	34.16
Petroleum	Gasoil	QSF5	ICE	10.93
Petroleum	Heating Oil	HOF5	CME	6.71
Petroleum	RBOB Gasoline	XBF5	CME	6.52
Softs	Sugar	SBH5	ICE	4.83
Petroleum	Brent Crude Oil	COF5	ICE	4.35
Grains And Soybean Products	Corn	C Z4	CME	3.81
Grains And Soybean Products	Soybeans	S F5	CME	3.22
Softs	Cocoa	CCZ4	ICE	2.66
Softs	Coffee	KCZ4	ICE	2.41
Natural Gas	Natural Gas	NGF25	CME	2.28
Industrial	Aluminum	LAF25	LME	2.11
Industrial	Comex Copper	HGZ4	CME	2.11
Industrial	Zinc	LXF5	LME	2.11
Grains And Soybean Products	Soymeal	SMF5	CME	2.04
Grains And Soybean Products	Bean Oil	BOF5	CME	2.02
Industrial	Nickel	LNF5	LME	1.98
Softs	Cotton	CTZ4	ICE	1.95
Grains And Soybean Products	Wheat	W Z4	CME	1.93
Grains And Soybean Products	Kansas Wheat	KWZ4	CME	1.89

Harbor Commodity All-Weather Strategy ETF



MANAGER COMMENTARY

As of 09/30/2024

"Heightened geopolitical tensions will also be closely monitored, particularly the potential impact on supply within the Energy sector."

Quantix Commodities

Market in Review

The third quarter of 2024 was characterized by heightened macroeconomic uncertainty. The upcoming U.S. election and the dynamic narrative around a U.S. Federal Reserve ("Fed") soft landing and its inflation implications were among the dominant themes. Conversations around China's stimulus plans ignited a strong rally in the country's equity markets into quarter-end, while U.S. dollar weakness broadly supported the commodities complex. Precious Metals were the main beneficiaries, as the anticipation of retail buying and continued de-dollarization of central bank reserves prompted Gold and Silver to trade to new all-time highs in late September.

The themes of artificial intelligence ("AI") and the energy transition continued to influence the medium- to longer-term trade sentiment on the fundamental front; this lent support to Copper prices in anticipation of infrastructure build-outs and was buoyed further by Chinese stimulus expectations. As previously discussed, the growing relevance of both themes continues to imply bullish support for the demand side of the equation.

The Bloomberg Commodity Index ("BCOM") was down 0.64% during the quarter. Losses in the Petroleum sector, which fell to year-to-date lows through expectations of weakening demand and increasing supply even in the face of increasing geopolitical risk, were mostly offset by gains in the Softs and Precious Metals sectors. In Softs, Sugar and Coffee posted gains of 12% and 18%, respectively, likely on the back of adverse weather conditions affecting crop yields. In Coffee, concerns about long-term dryer weather patterns in crucial producing regions of Brazil were the likely catalyst for it to hit all-time highs. The production risks likely served as a testament to the growing importance of climate change as an input to thinking about upper bounds for agricultural prices, notably for "tree crops" such as Orange Juice and Cocoa, which have a significantly longer production recovery period following adverse weather events.

Natural Gas flat price was up 12% on the quarter, continuing its second quarter rally despite more tempered production-cutting expectations and milder weather risk. Negative roll yield (the return from adjusting a futures position from one futures contract to a longer-dated contract) continued to act as a detractor from returns, with the BCOM Natural Gas subindex down ~11% on the quarter.

The Grains sector continued to trend lower, as a bearish World Agricultural Supply and Demand Estimates report signaled comfortable inventories and the row crops entered into a seasonal period of weakness amid farmer selling during the harvest period. Soybeans were down ~8% during the quarter, while Soybean Meal was down ~4%, which was somewhat offset by a modest recovery in Corn and Wheat.

Performance data shown represents past performance and is no guarantee of future results. Past performance is net of management fees and expenses and reflects reinvested dividends and distributions. Investment returns and principal value will fluctuate and when redeemed may be worth more or less than their original cost. Returns for periods less than one year are not annualized. Current performance may be higher or lower and is available through the most recent month end at harborcapital.com or by calling 800-422-1050.

Harbor Commodity All-Weather Strategy ETF



MANAGER COMMENTARY

As of 09/30/2024

Portfolio Performance

The Harbor Commodity All-Weather Inflation Focus ETF (“ETF”) is a passive ETF that aims to track the Quantix Commodity Index (“QCI”). For the third quarter, the ETF had a total return of 0.46% (NAV), tracking the QCI’s return of 0.66% after accounting for fees and expenses. The BCOM was up 0.68% during the quarter.

While the overall absolute return for the ETF was positive for the quarter due to cash management, the commodity returns were negative. The biggest impact was the weakness in the Petroleum Sector, particularly among Heating Oil, Gasoil, and Gasoline, as they underperformed during the quarter on demand concerns and a calm hurricane season. Gasoline was affected, as demand over the peak summer driving season was down even as the number of miles driven increased, likely due to the effect of electric vehicles.

These losses were partially offset by the continued rally in Gold, the biggest single holding and contributor to returns, leading Precious Metals to be the biggest sector contributor. The Softs sector also continued positively amid heightened weather risk premium in these crops.

On a relative basis to broad commodity indexes, the ETF underperformed BCOM, primarily in Petroleum by having a relatively higher weight across the sector, somewhat offset by the Precious Metals sector (in which the ETF was relatively overweight).

Contributors & Detractors

On a sector basis, the Precious Metals and Softs sectors both contributed positively, offset by Petroleum, which detracted from performance.

The biggest individual contributor to performance was the biggest individual position, Gold, as U.S. inflation continued to soften and prompted speculation about interest rate cuts. Other individual contributors included Coffee, Sugar, and Cocoa, as the market likely priced in weather risk premium in key producing regions for the Softs.

The Petroleum sector was the biggest detractor, with the largest losses coming from Gasoil and Heating Oil as lower demand expectations in the face of weakening supply led to broader weakness in the Petroleum sector.

Gold was the largest holding in QCI during the third quarter, as the debasement (debasement refers to lowering the value of a currency) theme continues to be more important than the scarcity (scarcity is when the demand for a good or service is greater than the availability of the good or service) theme.

Buys & Sells

The ETF aims to track the QCI, which rebalances on a quarterly basis. During rebalances, the index methodology considers the latest inflation data and the cost to hold and roll (adjust a short-term contract into a longer-term contract) each commodity. It also considers whether inflation is more likely to come from a scarcity or debasement environment and adjusts the weight of Gold relative to consumable commodities accordingly.

In the second quarter 2024 rebalance (calculated in June 2024 and implemented in the roll in the first half of July 2024), the weights of the Base Metals, Softs, and Grains sectors decreased, while the weight of the Precious Metals sector increased. Natural Gas remained in the index as the cost of carry input continued to improve during the period

There was no change in the scarcity debasement indicator, as the signal continued to point to debasement.

Performance data shown represents past performance and is no guarantee of future results. Past performance is net of management fees and expenses and reflects reinvested dividends and distributions. Investment returns and principal value will fluctuate and when redeemed may be worth more or less than their original cost. Returns for periods less than one year are not annualized. Current performance may be higher or lower and is available through the most recent month end at harborcapital.com or by calling 800-422-1050.

Harbor Commodity All-Weather Strategy ETF



MANAGER COMMENTARY

As of 09/30/2024

Outlook

The QCI has a prescriptive, rules-based methodology and does not incorporate any discretionary views from Quantix.

We remain constructive on the key themes that drove commodity prices in the third quarter. We remain constructive on Gold, as it appears that official sector buying should continue to support the market. The more defined pathway to rate cuts by the Fed could attract the retail buyer back into Gold and Precious Metals more broadly, adding another catalyst for prices to potentially increase.

Overall, the broad themes of structurally higher inflation, the energy transition, and now AI continue to be the key driving forces that may create substantial investment opportunities. We believe the AI theme is more likely to have a near-term impact than a longer-term theme, such as the energy transition. The commodities that are necessary for AI (such as power, conducting metals, and fiber) will likely outperform those whose supply potentially benefits from using it (such as agriculture). Heightened geopolitical tensions will also be closely monitored, particularly the potential impact on supply within the Energy sector.

Finally, the approaching U.S. presidential election is likely to reverberate across asset classes, including commodity markets, and there is a risk for higher volatility until November.

Harbor Commodity All-Weather Strategy ETF



ATTRIBUTION

As of 09/30/2024

Commodity Attribution

Index	QCIER	BCOM ER
	6/28/2024	6/28/2024
Start		
End	9/30/2024	9/30/2024
WTI Crude Oil	0.00%	-0.96%
Brent Crude Oil	-0.67%	-1.01%
Heating Oil	-1.28%	-0.33%
Gasoil	-2.08%	-0.43%
Gasoline	-1.03%	-0.28%
Ethanol	0.00%	0.00%
Henry Hub	-0.24%	-0.74%
TTF Gas	0.00%	0.00%
UK Gas	0.00%	0.00%
Corn	0.05%	-0.02%
Wheat	-0.05%	-0.06%
Kansas Wheat	-0.07%	-0.05%
Soybeans	-0.14%	-0.21%
Soymeal	0.03%	0.05%
Beanoil	-0.03%	-0.04%
Cocoa	0.29%	0.00%
Cotton	0.02%	0.02%
Coffee	0.43%	0.72%
Sugar	0.41%	0.22%
Feeder Cattle	0.00%	0.00%
Live Cattle	0.00%	-0.04%
Lean Hogs	0.00%	0.20%
Aluminum	0.02%	0.07%
Nickel	-0.01%	-0.01%
Zinc	0.08%	0.10%
LME Copper	0.00%	0.00%
CME Copper	0.09%	0.15%
Lead	0.00%	-0.07%
Gold	3.50%	1.78%
Silver	0.00%	0.26%
Platinum	0.00%	0.00%
Palladium	0.00%	0.00%
CA Carbon	0.00%	0.00%
EU Carbon	0.00%	0.00%
INDEX RETURN	-0.68%	-0.68%

Commodity Sector Attribution

Index	QCIER	BCOM
	6/28/2024	6/28/2024
Start		
End	9/30/2024	9/30/2024
Petroleum	-5.05%	-3.00%
Natural Gas	-0.24%	-0.74%
Grains	-0.22%	-0.32%
Softs	1.16%	0.96%
Livestock	0.00%	0.16%
Ind. Metals	0.19%	0.25%
Pre. Metals	3.50%	2.05%
Emissions	0.00%	0.00%

QCIER – Quantix Commodity Index Excess Return

BCOM – Bloomberg Commodity Index

Exhibits above show Quantix Commodity Excess Return Index, reflecting commodity exposure of the index. Quantix Commodity Index Total Return would reflect commodity exposure plus the cash return.

Performance data shown represents past performance and is no guarantee of future results.

Harbor Commodity All-Weather Strategy ETF



IMPORTANT INFORMATION

Risks

Investing involves risk, principal loss is possible. Unlike mutual funds, ETFs may trade at a premium or discount to their net asset value. Harbor ETFs are new and have limited operating history to judge.

There is no guarantee that the investment objective of the Fund will be achieved. Stock markets are volatile and equity values can decline significantly in response to adverse issuer, political, regulatory, market and economic conditions. A non-diversified Fund may invest a greater percentage of its assets in securities of a single issuer, and/or invest in a relatively small number of issuers, it is more susceptible to risks associated with a single economic, political or regulatory occurrence than a more diversified portfolio.

Commodity Risk: The Fund has exposure to commodities through its and/or the Subsidiary's investments in commodity linked derivative instruments.

Authorized Participant Concentration/Trading Risk: Only authorized participants ("APs") may engage in creation or redemption transactions directly with the Fund.

Commodity- Linked Derivatives Risk: The Fund's investments in commodity-linked derivative instruments (either directly or through the Subsidiary) and the tracking of an Index comprised of commodity futures may subject the Fund to significantly greater volatility than investments in traditional securities.

Benchmarks

The Quantix Commodity Total Return Index ("QCI") is calculated on a total return basis, which combines the returns of the futures contracts with the returns on cash collateral invested in 13-week U.S. Treasury Bills. This unmanaged index does not reflect fees and expenses and is not available for direct investment. The Quantix Commodity Index was developed by Quantix Commodities LP and is owned by Quantix Commodities Indices LLC.

The Bloomberg Commodity Index measures the performance of future contracts on physical commodities which traded on US exchanges and London Metal Exchange. The commodity weightings are based on production and liquidity, subject to weighting restrictions applied annually. This unmanaged index does not reflect fees and expenses and is not available for direct investment.

Disclosures

Expense ratio information is as of the Fund's current prospectus, as supplemented. Gross expenses are the Fund's total annual operating expense.

This information should not be considered as a recommendation to purchase or sell a particular security. The weightings, holdings, industries, sectors, countries, and returns mentioned may change at any time and may not represent current or future investments.

As a result of changing market conditions, total net asset levels, expenses and other statistics may change at any time and may differ from those shown.

The total amount shown for sector, industries, or country holdings may be greater than 100% because of the inclusion of derivatives and the collateral securities supporting those instruments.

Views expressed herein are drawn from commentary provided to Harbor by the subadvisor and may not be reflective of their current opinions or future actions, are subject to change without prior notice, and should not be considered investment advice.

Quantix derives a Quality Score for each commodity based on Inflation Sensitivity and Roll Yield Return. The Quality Score is determined based on the sensitivity of a commodity futures contract to inflation. The Quality Scores rank higher those commodity futures contracts in the Eligible Universe that show a higher sensitivity to inflation or a lower cost of holding a rolling futures position using a proprietary Quality Score framework.

Investors should carefully consider the investment objectives, risks, charges and expenses of a fund before investing. To obtain a summary prospectus or prospectus for this and other information, visit harborcapital.com or call 800-422-1050. Read it carefully before investing.

Quantix Commodities LP ("Quantix") is a third-party subadvisor to the Harbor Commodity All-Weather Strategy ETF.

Forside Fund Services, LLC is the Distributor of the Harbor ETFs.

Definitions

Roll is adjusting a short-term contract into a longer-term contract.

Scarcity is when the demand for a good or service is greater than the availability of the good or service.

Debasement refers to lowering the value of a currency.

Backwardation is when the current price of an underlying asset is higher than prices trading in the futures market.

Roll yield is the return from adjusting a futures position from one futures contract to a longer-dated contract.