

# USD Asia Pacific Property Income Fund

An investment fund option for variable life insurance products of **The Manufacturers Life Insurance Co., (Phils), Inc.**

## Investment Objective

The Fund is Feeder Fund that invests in the Asia Pacific REIT Fund of Fund of Manulife Asset Management and Trust Corporation. The target fund is a unit-paying fund of funds that seeks to achieve long-term capital appreciation and to generate income by investing primarily in a diversified portfolio of exchange-listed real estate investment trusts (REITs) in the Asia Pacific region and other allowable investments.

## Fund Information

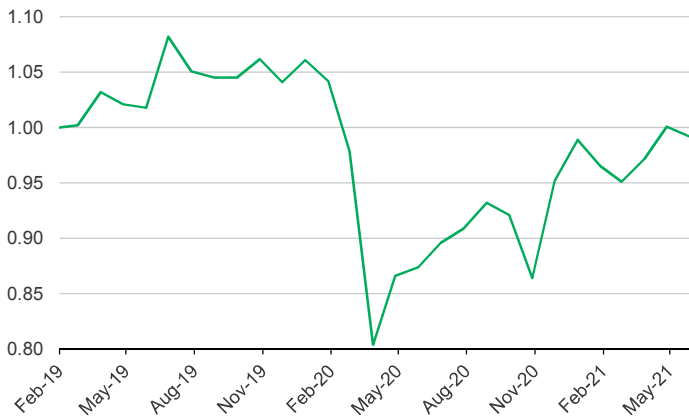
<b>Inception Date</b> February 2019	<b>Fund Size</b> USD 57.20 million	<b>Fund Currency</b> US dollar	<b>Dealing/Valuation</b> Daily
<b>Price (NAV/unit)</b> USD 0.992	<b>Management Fee</b> 2.25% per annum	<b>Bloomberg Ticker</b> PHEQPIF	

## Performance Return (May 31, 2021)

USD Asia Pacific Property Income Fund (net of management fee)	1 Month	YTD	1 Year	3 Years	5 Years	Since Inception
Absolute	-0.90%	1.94%	16.54%	n.a.	n.a.	3.26%
Annualized	n.a.	n.a.	16.54%	n.a.	n.a.	1.39%

Past performance is not an indication of future results. Information about the portfolio's holdings, asset allocation, or country diversification is historical and is not an indication of future portfolio composition, which will vary.

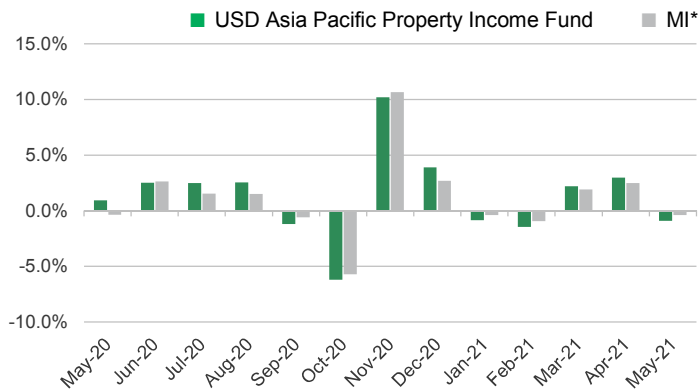
## Monthly Net Asset Value per Unit



## Top Five Holdings

Link Real Estate Investment Trust	7.81%
CapitaLand Integrated Commercial Trust	7.40%
Ascendas Real Estate Investment Trust	7.18%
Mapletree Logistics Trust	5.05%
Frasers Logistics & Commercial Trust	4.58%

## Monthly Performance

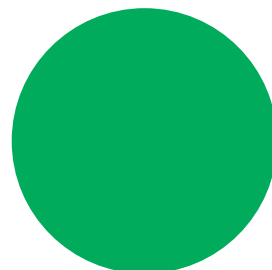


\*Market Indicator = Manulife Investment Asia REIT ex-Japan Index

This is not a deposit product. Earnings are not assured and principal amount invested is exposed to risk of loss. This product cannot be sold to you unless its benefits and risks have been thoroughly explained. If you do not fully understand this product, do not purchase or invest in it.

## Portfolio Breakdown

### Asset Allocation (at Market Value)



MANULIFE ASIA PAC REIT FD PR2 USD NF 100.00%

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## Market Review

Major Asia ex Japan REITs delivered a mixed performance in May. Australian and Hong Kong markets continued to recover while the Singapore market corrected on news of a new wave of Covid-19 community cases. A regional surge in Covid-19 infections and the slow pace of vaccinations are stalling reopening plans across many Asian cities. Global yields remained in a holding pattern as the US Federal Reserve Board reiterated its expectations for price pressures to be transitory and not lasting.

Australia's REITs market continued to build on gains in May as Australian 10-year government bond yields retraced from their recent highs. By sub-sector, residential, specialised and industrial/office performed best, while retail performed worst. Mergers and acquisitions also continued, with Dexus Group entering into a scheme implementation to acquire fund manager APN Property Group. According to local press, the Australian government has promised enough Pfizer vaccines to inoculate the whole population by the end of 2020.

Hong Kong's REITs market outperformed the region as sentiment remained positive with the Covid-19 situation under control. The territory has not seen any local infection cases for close to a month. Retail REITs in particular, Fortune REIT, fared well in anticipation of a recovery in retail sales and less rental relief for tenants. There were no major corporate news flows in the month. The Chinese property management sector enjoyed a rally on fund inflows as more names in the sector were added to commercial indices.

Singapore's REITs market fell in the month of May, as the country returned to a quasi-lockdown mode to contain a new wave of community cases caused by new variants of concern. An 800 million Singaporean dollar support package that includes enhanced wage subsidies and rental relief will be rolled out to help businesses and workers cope with the impact of tightened measures. Reopening plays bore most of the selling while industrial REITs held up relatively better. Industrial REITs stayed active on the mergers and acquisitions front with a few big asset acquisitions announced in the month.

## Outlook

The vaccination rollout in Asia has become increasingly critical to reopening borders and creating fewer negative reactions to virus transmission risks. We view the recent wave of Covid infections in Singapore as a temporary setback to the re-opening theme and do not expect the economic growth recovery to be derailed as most economic sectors remain functional. As such, we believe any selloff is a buying opportunity as the vaccination rate continues to progress well and the local government is targeting most eligible Singaporeans to get at least one dose of the vaccine by National Day on 9 August 2021.

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The investment fund option for The Manufacturers Life Insurance Company's variable life insurance product is managed by Manulife Asset Management and Trust Corporation.

The Fund mentioned in this document is specific to variable life insurance contracts and is not considered a mutual fund. Yields depend on interest and foreign exchange rate levels, both of which may fluctuate. Other factors that affect yield include changes in the credit standing of the issuers and changes in the value of the stocks and dividends received. Further, investments of the Fund may provide that their values be determined based on prices or yields of other securities, instruments or foreign currencies, and such provisions may result in negative fluctuations in the value of these investments and, in turn, the Fund's yields. Thus, the performance of the separate account(s) is not guaranteed and the value of the policy could be less than the capital invested. THE VARIABLE LIFE POLICYHOLDER SHALL BEAR ALL INVESTMENT RISKS. Past performance of the Fund is not necessarily indicative of future performance. Yields are not guaranteed.

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