

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

Inception Date February 2019	Fund Size USD 26.44 million	Fund Currency US dollar	Dealing/Valuation Daily
Price (NAV/unit) USD 0.760	Management Fee 2.25% per annum	Bloomberg Ticker PHEQPIF	

Performance Return (June 30, 2023)

USD Asia Pacific Property Income Fund (net of management fee)	1 Month	YTD	1 Year	3 Years	5 Years	Since Inception
Absolute	0.00%	-3.35%	-7.38%	-6.96%	n.a.	-15.48%
Annualized	n.a.	n.a.	-7.38%	-2.37%	n.a.	-3.75%

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.

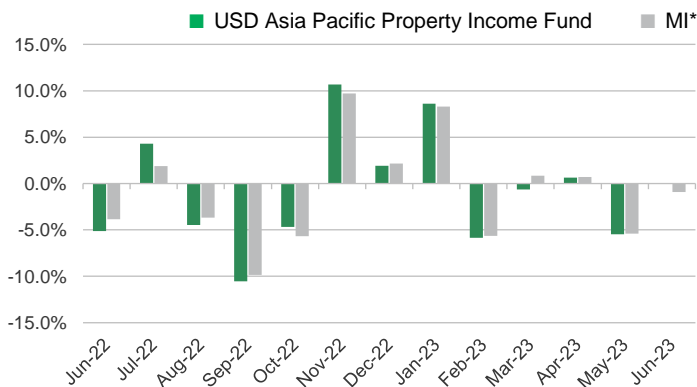
Monthly Net Asset Value per Unit



Top Five Holdings

CapitaLand Ascendas REIT	9.69%
CapitaLand Integrated Commercial Trust	9.08%
Link Real Estate Investment Trust	8.74%
Frasers Logistics & Commercial Trust	6.07%
Mapletree Logistics Trust	5.75%

Monthly Performance

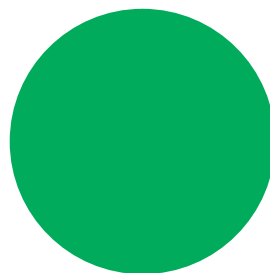


*Market Indicator = Manulife Investment Asia REIT ex-Japan Index

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

Regional Asia REITs were marginally lower in June as markets repriced REITs lower on higher-than-expected terminal interest rates. Investors were disappointed with the US Federal Reserve Board's (Fed) "hawkish pause" instead of a pivot. The Fed paused in June but guided for two more rate hikes to 5.6%. Buying sentiment was weak as most other developed markets' central banks have also shifted more hawkish during the month, pointing to sticky services inflation as an issue.

Australia's REIT market closed flat in total returns basis in June, as most REITs went ex-dividend for the financial year closing June 30. The Reserve Bank of Australia surprised markets with a 25 bps hike in June. Ten-year government bond yields went back up above 4% level, weighing on sector performance. Locally, regulators approved a 5.75% lift to the minimum wage, raising concerns that high inflation expectations were becoming embedded.

Hong Kong's REIT market stayed as the laggard in the region. The index was weighed down by a Chinese-centric REIT which declined sharply after the sponsor distributed part of its stake in the REIT to its shareholders as dividends in specie.

Singapore's REIT market closed the month marginally lower with disparate performance across the sectors. Hospitality REITs performed well on healthy tourism outlook as Singapore continues to be the preferred entertainment destination with major concerts by global artists.

Outlook

Recent US economic data has stayed resilient, pushing out timing expectations of an interest rate pivot. The bar for central banks to cut rates remains high as we are still a distance away from their inflation targets. Asian REIT markets are likely to stay range-bound as they navigate through the tail-end of interest rate hikes in the second half 2023 (2H2023). Entering in a potential global economic slowdown, the Fund focuses on REITs with lower leases renewal risks and strong balance sheet to ride through this uncertainty.

The investment fund option for The Manufacturers Life Insurance Company's variable life insurance product is managed by Manulife Investment 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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