

USD Asia Pacific Property Income Fund

An investment fund option for **Affluence Gold**, **Affluence Max Gold** and **Affluence Max Elite** 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

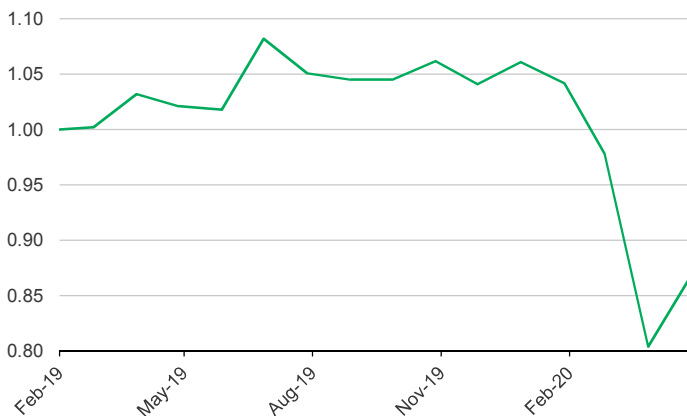
Inception Date February 2019	Fund Size USD 27.28 million	Fund Currency US dollar	Dealing/Valuation Daily
Price (NAV/unit) USD 0.866	Management Fee 2.25% per annum	Bloomberg Ticker PHEQPIF	

Performance Return (April 30, 2020)

USD Asia Pacific Property Income Fund (net of management fee)	1 Month	YTD	1 Year	3 Years	5 Years	Since Inception
Absolute	7.71%	-17.42%	-14.19%	n.a.	n.a.	-12.39%
Annualized	n.a.	n.a.	-14.19%	n.a.	n.a.	-10.16%

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.

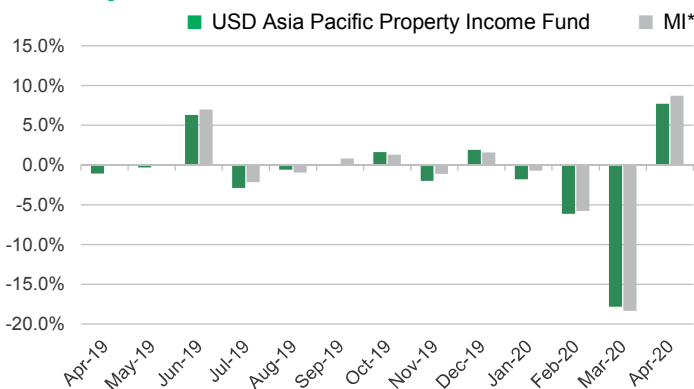
Monthly Net Asset Value per Unit



Top Five Holdings

Link Real Estate Investment Trust	8.39%
Ascendas Real Estate Investment Trust	6.25%
CapitaLand Mall Trust	5.43%
Mapletree Logistics Trust	5.39%
Frasers Logistics & Commercial Trust	4.12%

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

The Asian REITs markets recovered some lost ground in April on the back of news that Covid-19 infection curves have flattened across the worst hit European countries, i.e. Spain, Italy. Sentiment lifted after Austria was the first among European countries to re-open its economy in early April without seeing a resurgence in infection cases in recent weeks. Through April, global central bankers continued to expand their stimuli packages to save jobs and small companies as lockdowns were extended in many countries to help contain the spread of the virus.

In local currency terms, the Australian REITs market outperformed the region in April. Discretionary retail REITs outperformed after being sold-off aggressively year-to-date. The Australian government formed a mandatory code of conduct to govern tenant-landlord negotiations. The code is based on the principle that there should be "proportionality" between the reduction in smaller tenants' turnover and the rent relief provided by landlords. There were a few share equity issuances within the Australian real estate sector to beef up balance sheets and war chests despite healthy gearing levels.

Hong Kong REITs underperformed the region in April as the market has held up relatively better in the prior month. With Covid-19 infection rates being well contained, Hong Kong is looking to reopen government offices and some public facilities in early May. Quarantine restrictions would also be eased for some arrivals from mainland China. Nevertheless, the market could still face challenges with the return of the protests as the country eases social distancing restrictions.

Singapore REITs managed to close higher despite experiencing a resurgence in Covid-19 infection cases, mainly from the foreign workers dormitories. During the month, the Ministry of Law passed a new bill to allow tenants badly affected by the Covid-19 outbreak to seek rent deferment from landlords. For the first quarter 2020 reporting season, selected SREITs, especially retail REITs, retained part of their distributable income to conserve cash due to rental rebates to be given to tenants over the circuit breaker period from April to 1 June. The Monetary Authority of Singapore announced an increase in the gearing limit for SREITs to 50% (from 45%), reducing the risk of dilutive fundraising exercises.

Outlook

Investors' attention is expected to shift towards the relaxation of lockdown measures as many economies are passing or are near infection peaks. Key countries in Europe as well as states in the US are looking to reopen their economies from May and it would be pertinent to watch out for a second wave of infections which could derail recent improvements in sentiment. The global pandemic is not yet under control and as such, anti-epidemic measures would only be repealed very slowly and gradually unless an effective vaccine is widely available. The Fund remains focused on REITs with well diversified tenant bases and strong capital management to ride through this market volatility.

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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