

USD ASEAN Growth Fund

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

Investment Objective

The Fund aims to generate long-term capital growth by investing substantially all of its assets in a collective investment scheme that invests primarily in equity and equity-related securities of companies listed or incorporated in countries which are members of ASEAN as well as companies incorporated outside ASEAN but with material exposure to ASEAN markets. The Fund may also hold cash and fixed income instruments for liquidity management purposes.

Fund Information

Inception Date November 2012	Fund Size USD 38.65 million	Fund Currency US dollar	Dealing/Valuation Daily
Price (NAV/unit) USD 1.468	Management Fee 2.25% per annum	Bloomberg Ticker MPUSAGF	

Performance Return (January 31, 2025)

USD ASEAN Growth Fund (net of management fee)	1 Month	YTD	1 Year	3 Years	5 Years	Since Inception
Absolute	-3.55%	-3.55%	-3.55%	-4.80%	15.23%	46.80%
Annualized	n.a.	n.a.	-3.55%	-1.63%	2.88%	3.20%

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.

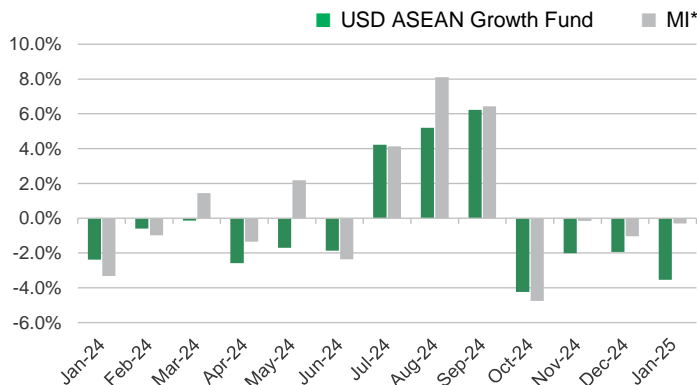
Monthly Net Asset Value per Unit



Top Five Holdings

DBS Group Holdings Ltd	9.51%
United Overseas Bank Limited	8.04%
Oversea-Chinese Banking Corporation Limited	5.84%
PT Bank Central Asia Tbk	5.50%
Public Bank Bhd	4.95%

Monthly Performance



*Market Indicator = MSCI AC ASEAN NR USD 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 Global Fund - ASEAN Equity Fund 100.00%

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Market Review

ASEAN equities posted losses overall for the month. Although expected tariffs were not immediately placed on US trading partners after the inauguration of President Trump, the announcement of a new artificial intelligence (AI) model in China at arguably a lower cost and greater efficiency led to a sell-off among most tech shares (particularly AI infrastructure and chip manufacturers) in the region. ASEAN markets demonstrated a mixed performance for the month, with Singapore performing well while the Philippines lagging.

Indonesian equities were flat. Bank Indonesia unexpectedly cut the policy rate by 25 basis points (bps) to 5.75%, promoting growth over currency stability. On the economic front, Q4 2024 GDP (gross domestic product) growth were better than expected at 5.02% year-on-year (YoY).

Malaysian equities posted negative performance. On the economic front, Q4 2024 GDP growth slowed to 4.8% YoY, below market expectations.

Philippine equities posted losses, weighted by weaker economic data and a major domestic index rebalancing. On the economic front, Q4 2024 GDP growth was lower than expected at 5.2% YoY. On the technical front, the rebalancing of the Philippine Stock Exchange Index led to a sell-off as the new entrants had a much higher free-float-weighted market cap than those replaced, putting selling pressure on other index constituents.

Singapore equities gained as the Monetary Authority of Singapore eased monetary policy for the first time in nearly five years, by “slightly” reducing the slope of the Singapore dollar NEER (nominal effective exchange rate) policy band. On the economic front, Q4 2024 GDP expanded by 4.3% YoY, beating estimates.

Thai equities posted losses due to macro headwinds and concerns over a decrease in Chinese tourists' arrivals.

Outlook

The US Federal Reserve (Fed)'s easing cycle has reduced pressure on interest rates in the ASEAN region, particularly in Indonesia and the Philippines. The anticipation of an interest cut by the US Fed also led to the appreciation of local currencies against the USD within the region since July. It also drove key stock indices higher. However, this trend has reversed amid a change in interest rate expectations following the confirmation of a second Trump presidency. Surprisingly, stock prices have not reacted correspondingly with the weakness in local currencies.

From market perspective, we tend to be more cautious about Indonesia as it passes through a leadership transition. While it is widely expected that there will be continuity in policies after the transition, we prefer to err on the side of caution as history has proven that new leadership and administration tend to create disruptions to economic and business activities. That said, a more benign macroeconomic environment, i.e., easing inflation, should provide some relief to domestic consumption. In such circumstances, companies with solid business models and strong management are expected to perform well.

Malaysia' GDP (gross domestic product) growth surprised on the upside. The government is determined to implement reforms to strengthen the government's fiscal position and attract foreign direct investments (FDIs), particularly from data centers. We believe the effect of successful implementation will be felt eventually and this bodes well for the economy and future earnings growth of corporates in Malaysia.

We like stocks in the Philippines. There is ample room for the Bangko Sentral ng Pilipinas (BSP) to lower interest rate as inflation eased. Additionally, The BSP also cut the reserve requirement ratio for banks, providing a conducive environment for credit growth. This should bode well for domestic consumption going forward. The prospect of growth in the Philippines is supported by valuations, which do not appear excessive at current levels.

In Thailand, a downward spiral in the Thai economy has caused severe pessimism and skepticism among local and foreign investors. However, we are hopeful that that the outlook of Thai equities will begin to improve, as the government implements the digital wallet scheme and the launch of state-backed Vayupak fund to help stabilize domestic consumption and the stock market. For longer-term plans, the government is working towards resolving the structural issue of high household debt. It is also moving quickly on the plan to legalize casinos and build an Entertainment City as ways to boost tax receipts, tourism and domestic economic growth. FDI trend remains healthy as industrial land estates are seeing inquiries from data center operators. Most stocks in Thailand appear oversold relative to their long-term fundamentals and we believe the market presents attractive investment opportunities.

On a structural growth perspective, we believe ASEAN economies benefit not only from domestic reform initiatives, but also from closer economic ties with China. There are concerns around the implementation of US trade tariffs affecting investment appetite and the China+1 strategy in the region. While investment decisions may be deferred amid heightened uncertainties, the advantage of investing and building production capacities in the ASEAN region remains supported by the lower tariff relative to China, if imposed, and lower cost base. That said, we remain vigilant on risks related to geopolitical tensions and changes in trade policies. Our strategy is to construct a diversified portfolio capturing growth opportunities from domestic demand, FDIs and geographical market expansion through exports. We would be mindful about paying a reasonable price for growth in a world of growing uncertainties.

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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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