

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 37.27 million	Fund Currency US dollar	Dealing/Valuation Daily
Price (NAV/unit) USD 1.442	Management Fee 2.25% per annum	Bloomberg Ticker MPUSAGF	

Performance Return (March 31, 2025)

USD ASEAN Growth Fund (net of management fee)	1 Month	YTD	1 Year	3 Years	5 Years	Since Inception
Absolute	0.56%	-5.26%	-4.57%	-9.37%	56.23%	44.20%
Annualized	n.a.	n.a.	-4.57%	-3.22%	9.33%	3.01%

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.

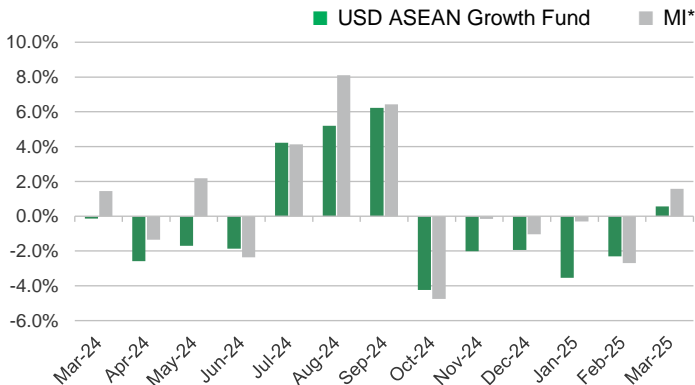
Monthly Net Asset Value per Unit



Top Five Holdings

DBS Group Holdings Ltd	9.85%
United Overseas Bank Limited	8.30%
Oversea-Chinese Banking Corporation Limited	6.11%
Public Bank Bhd	5.11%
PT Bank Central Asia Tbk	4.53%

Monthly Performance

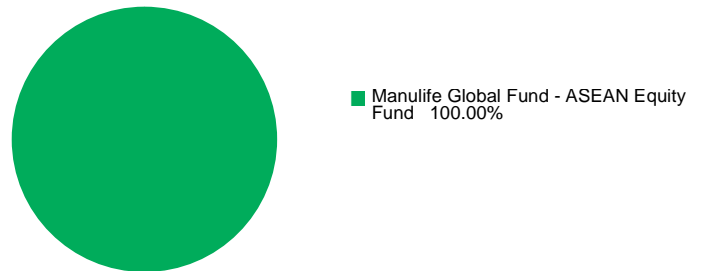


*Market Indicator = MSCI AC ASEAN NR USD Index

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)



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Market Review

ASEAN equities moved higher overall. Despite global macro concerns over US tariff impacts, several governments across ASEAN economies have been rolling out stimulus measures to support the domestic equities markets. During the month, Philippine equities performed well, while Thai equities lagged.

Indonesian equities posted gains for the month. Equities have been weighed by market concerns over weaker consumption in the near term on the back of the central government's efficiency program and spending cuts. However, markets reversed the losses towards the end of the month, as regulators eased share buyback rules among companies to support the stock market. Meanwhile, the central bank kept policy rate unchanged at 5.75% as expected to safeguard domestic foreign exchange.

Malaysian equities moved lower. Markets have seen net foreign outflows, given weaker sentiment over US tariffs and control over advanced chip technology transfers, which might impact the foreign investments and development of the region's artificial intelligence (AI)-related projects.

Philippine equities posted gains, supported by favorable overall earnings and lower-than-expected domestic inflation for February, which added confidence over the central bank's upcoming policy rate cut path.

Singapore equities extended the gains, fueled by optimism over favorable government policies in boosting the domestic equities market, including a launch of a SGD5-billion Equity Market Development Program to encourage local fund managers to broaden investment scope and improve research coverage of small and mid-cap stocks, as well as boosting IPO pipelines on the Singapore Stock Exchange.

Thai equities retreated on the back of tariff and growth concerns, as well as stock market suspension amid earthquake impact towards the end of the month. To support the stock market, the government is planning to roll out tax incentives to encourage domestic retail fund flows into equities.

Outlook

On April 2, 2025, President Trump announced sweeping tariff increases across the world. The move signifies the most significant unilateral shift in American trade policy since the Smoot-Hawley Tariff Act of 1930. The administration has abandoned the commitment to open markets. The move potentially marks the end of the rules-based trading system that has underpinned global commerce since World War II.

The fate of the open world trading system now rests with responses from officials in these major economies, whether they choose the path of managed recalibration of global trade through negotiations with the US or retaliate and prepare to decouple from the US.

The resulting uncertainty – around retaliation, recalculation, and redirection of trade flows – complicates decision-making and planning by international business. Elevated levels of policy uncertainty will weigh on corporate confidence and consequently capex and trade.

Over in Asia, we expect economists to lower growth forecasts for many Asian economies in response to the sharp tariff increases. This will be followed by cuts in earnings growth estimates for FY25e and FY26e as trade and investment activities slow down. In the months ahead, management of companies will be occupied with recalibrating, recalculating and repositioning their strategies to mitigate the impact and risk of significant disruption in global trades.

As the world resets and adjusts to a new trade order, we would position the portfolio towards the domestically driven companies and economies. The quality of management and balance sheet strength will feature prominently in our stock selection as we believe these factors are crucial for navigating around the challenges of deglobalization. With likely elevated market volatility near term, we think quality stocks with stronger balance sheets and stable growth could perform well in the coming months.

Southeast Asia is hit disproportionately under the new tariff regime, with Vietnam facing a staggering 46% additional tariff increase, Cambodia 49% and Thailand 36%. Tariff increases on this scale effectively upends "China+1" strategies and make Asian exports less attractive compared to production in Canada and Mexico. The shift in relative competitiveness may deter further foreign direct investments (FDIs) in Southeast Asia. Recalibration and redirection of production can potentially pose threat to employment and domestic consumption. Negotiations to lower import tariffs or reduce trade deficits with the US may reduce the flexibility of governments to invest in growth projects domestically. In the near term, we expect a more challenged outlook in Southeast Asia. In the longer term, we expect trade in the region will shift towards a more friendly bloc with free trade agreements such as the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP) and Regional Comprehensive Economic Partnership (RCEP).

Indonesia and Thailand are already reeling from weak domestic consumption and lack of well-coordinated domestic policies to support domestic growth and revive business confidence. The hit to export growth, particularly in Thailand, will add further challenges to economic recovery. Vietnam's 8% GDP (gross domestic product) growth target is at risk amid a punitive 46% tariff and any reprieve will depend on the outcome of the negotiation with the US. Malaysia and Singapore are at the lower end of the tariff spectrum and there are limited exemptions for semiconductors. However, Malaysia's export of finished electrical and electronic goods, furniture, recreational goods, rubber products and apparel will be affected by the tariffs. Singapore, with an open economy, is also vulnerable to an external slowdown. Growth will be dampened by slower trade, FDIs and economic growth in China and other Southeast Asian geographic regions. As a domestically driven economy, the Philippines is least affected by the tariffs. Thanks to resilient repatriation of income from foreign offshore workers and recovery in the tourism sector, there are signs of improvement in income growth domestic consumption. This is reinforced by the softening of inflation, which leaves room for the central bank to cut interest rates, which should bode well for supporting domestic demand. Overall, we expect domestically driven sectors in the consumer staple and healthcare sectors to perform well. We are turning more cautious on Southeast Asian banks, whose earnings are closely tied to economic growth cycles, which is expected to weaken in the near to medium term.

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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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