

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 45.45 million | Fund Currency US dollar | Dealing/Valuation Daily |
| Price (NAV/unit) USD 1.654 | Management Fee 2.25% per annum | Bloomberg Ticker MPUSAGF | |

Performance Return (September 30, 2024)

| USD ASEAN Growth Fund (net of management fee) | 1 Month | YTD | 1 Year | 3 Years | 5 Years | Since Inception |
|--|---------|-------|--------|---------|---------|-----------------|
| Absolute | 6.23% | 6.09% | 8.96% | 4.55% | 26.26% | 65.40% |
| Annualized | n.a. | n.a. | 8.96% | 1.49% | 4.77% | 4.34% |

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.

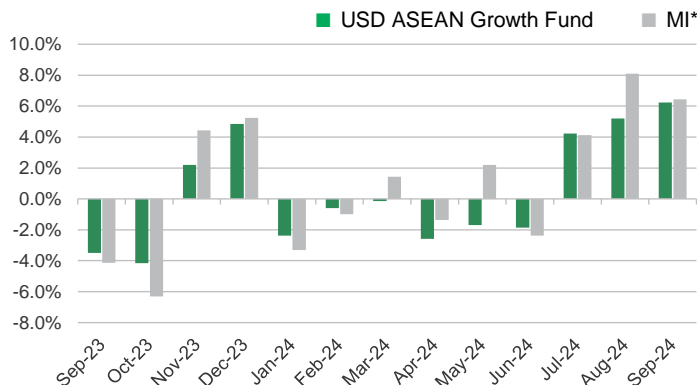
Monthly Net Asset Value per Unit



Top Five Holdings

| | |
|---|-------|
| DBS Group Holdings Ltd | 6.93% |
| United Overseas Bank Limited | 5.88% |
| PT Bank Central Asia Tbk | 5.67% |
| Public Bank Bhd | 4.81% |
| Oversea-Chinese Banking Corporation Limited | 4.79% |

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 moved higher for the month. The US Federal Reserve Board (Fed) delivered a greater-than-expected 50-bps rate cut, which helped boost global markets higher. ASEAN markets continued to benefit from a weaker US dollar, with the added catalysts of regional central banks starting their rate cut cycles. All ASEAN markets moved higher for the month, with Thailand performing well while Indonesia lagged.

Indonesian equities posted gains as the central bank unexpectedly cut rates by 25 bps to 6.00%. Significant foreign inflows (USD1.4 billion) also helped to boost the market. On the economic front, August export growth and trade balance came in better than expected.

Malaysian equities extended the rally. A successful initial public offering (IPO) by a mini-mart operator boosted market sentiment, posting as the largest IPO in approximately seven years. Foreign inflows (USD110 million) also contributed to the market performance of equities.

Philippine equities posted gains. Markets benefited from expectation over further interest rate cuts as the central bank head stated that two 25 bps cuts were possible over the next two meetings.

Singapore equities moved higher for the month, led by communication services. On the economic front, August industrial production came in above estimates.

Thai equities recorded strong gains. Stocks rallied as the new prime minister promised to release greater fiscal stimulus measures, and the first phase of the long-awaited payouts for consumers from the “digital wallet” stimulus commenced.

Outlook

Southeast Asia performed well year-to-date. The US Fed’s easing cycle has reduced pressure on interest rates in the 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. We are beginning to spot a disconnect between stock valuations and fundamentals. This is evidenced by earnings disappointment from companies in the tech sector, property developers and industrial sector with subdued forward-looking guidance from the management. Storytelling and wishful thinking are overshadowing reality. We are thus more cautious when selecting stocks in the region, preferring companies who benefit directly from growth in the region as well as overseas markets, and trading on reasonable valuations.

From a market perspective, we tend to be more cautious about Indonesia as the country passes through its 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 – lower interest rate and 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’s GDP (gross domestic product) growth has 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 corporations in Malaysia.

We like stocks in the Philippines. The Banko Sentral Pilipinas (BSP) is expected to follow the US Fed’s path of interest rate easing cycle. Combined with the easing rate of inflation, consumers are expected to feel less pressure going forward. The BSP also cut the reserve requirement ratio for banks, providing a conducive environment for credit growth. 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 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. The 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 and global multinationals’ China+1 strategy, making the region a preferred destination of FDIs.

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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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