

# USD Global Preferred Securities Income Fund

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

## Investment Objective

The Fund aims to maximize total return by investing substantially all of its assets in one or more collective investment schemes which aims to provide income generation with potential long-term capital appreciation by investing primarily in preferred securities listed or traded on any regulated market in the world.

## Fund Information

<b>Inception Date</b> May 2021	<b>Fund Size</b> USD 5.95 million	<b>Fund Currency</b> US dollar	<b>Dealing/Valuation</b> Daily
<b>Price (NAV/unit)</b> USD 0.768	<b>Management Fee</b> 2.25% per annum	<b>Bloomberg Ticker</b> PHBAUGP	

## Performance Return (March 31, 2026)

USD Global Preferred Securities Income Fund (net of management fee)	1 Month	YTD	1 Year	3 Years	5 Years	Since Inception
Absolute	-2.54%	-1.42%	2.79%	17.69%	n.a.	-0.71%
Annualized	n.a.	n.a.	2.79%	5.58%	n.a.	-0.14%

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.

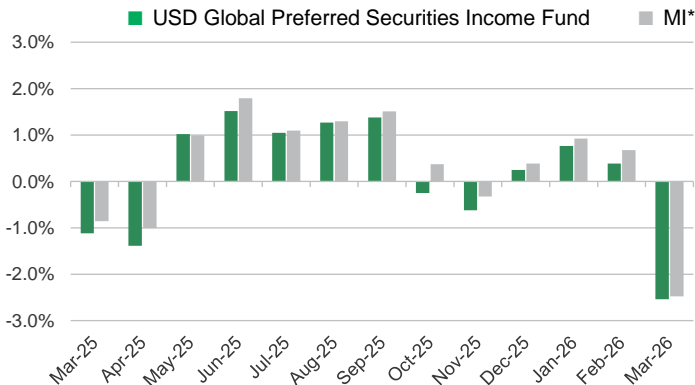
## Monthly Net Asset Value per Unit



## Top Five Holdings

GLOBAL ATLANTIC FIN CO 7.95% 10/15/2054	1.61%
VISTRA CORP 8.875% Perpetual	1.53%
T-MOBILE USA INC 6.25% 09/01/2069	1.53%
ALTAGAS LTD 7.2% 10/15/2054	1.53%
ATHENE HOLDING LTD 6.625% 10/15/2054	1.51%

## Monthly Performance



\*Market Indicator = 50% BoFA Merrill Lynch Fixed Rate Preferred Securities Index and 50% BoFA Merrill Lynch US Capital Securities 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 Preferred Income Feeder Fund and/or Manulife Global Fund Preferred Securities Income Fund 100.00%

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## Market Review

US bonds declined in March amid a sharp increase in market volatility sparked by escalating conflict in the Middle East. Prices for energy and other commodities spiked higher, stoking concerns about rising inflation. The US Federal Reserve (Fed) held short-term interest rates steady at its policy meeting in March, but the geopolitical uncertainty led to dramatic changes in expectations for Fed interest-rate policy going forward. Instead of anticipating one or two interest-rate cuts later in 2026, investors took that off the table and began pricing in an interest rate increase before year-end.

Reflecting the increased inflationary concerns, bond yields moved sharply higher in March, with intermediate-term bond yields rising the most. On a sector basis, shorter-term sectors of the market, such as asset-backed securities and commercial mortgage-backed securities, held up the best, while investment-grade corporate bonds and US Treasury securities declined the most due to their greater interest-rate sensitivity.

## Outlook

Preferred security new issuance has been strong, and we expect that to continue throughout 2026. Given recent geopolitical tensions, the investment team maintains its balanced approach of diversification among preferred security types and sectors, with an emphasis on defensive sectors. Defensive sectors such as regulated electric utilities and natural gas are key to managing through economic slowdowns and geopolitical events. Preferreds still offer wider credit spreads when compared to traditional fixed income, which creates healthy valuations for investors seeking yield without compromising credit quality.

The team continues to monitor current market risks such as inflation persistence, tariff-driven instability, and interest-rate volatility relating to shifting Fed expectations. With tight spreads across most of fixed income, the team continues to emphasize high-quality companies.

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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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