

USD Bond Fund

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

Investment Objective

The Fund seeks to achieve long-term capital appreciation by investing in USD denominated sovereign and corporate debt securities and/or pooled fund/s that invest in these securities and other liquid instruments.

Fund Information

Inception Date November 2004	Fund Size USD 6.83 million	Fund Currency US dollar	Dealing/Valuation Daily
Price (NAV/unit) USD 2.165	Management Fee 1.75% per annum	Bloomberg Ticker MPUSBND	

Performance Return (March 31, 2024)

USD Bond Fund (net of management fee)	1 Month	YTD	1 Year	3 Years	5 Years	Since Inception
Absolute	0.70%	-1.72%	0.65%	-11.02%	-3.39%	116.50%
Annualized	n.a.	n.a.	0.65%	-3.82%	-0.69%	4.07%

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

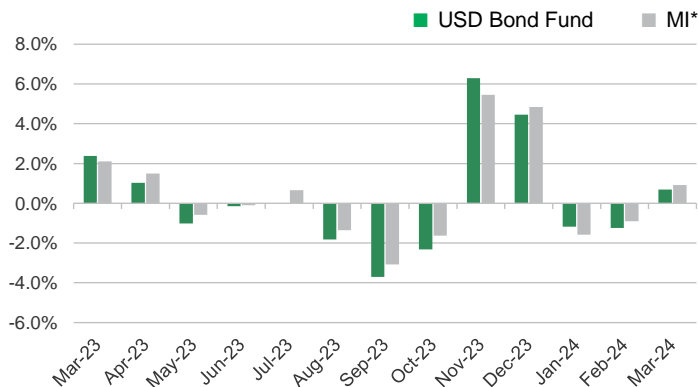


Top Five Holdings

ROP 06/10/31	12.92%
ROP 01/20/40	11.86%
ROP 02/02/30	8.42%
ROP 01/14/31	8.04%
ROP 10/23/34	7.15%

Notes:
ROP - Republic of the Philippines dollar-denominated bonds

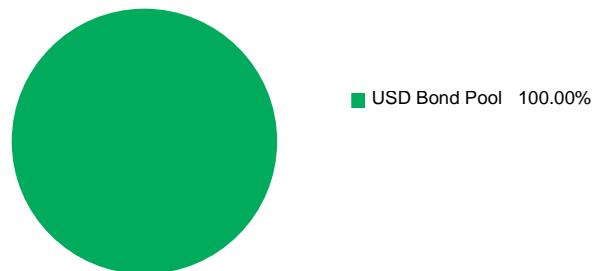
Monthly Performance



*Market Indicator = 100% Markit iBoxx ADBI Philippines Index

Portfolio Breakdown

Asset Allocation (at Market Value)



As per the fund's Investment Policy Statement, initial subscriptions are invested in fixed 100% USD Bond Pool. The investments of the USD Bond Pool consist of US\$ denominated bonds of the Republic of the Philippines, corporates and term deposits.

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Market Review

In the United States, the Federal Reserve (Fed) kept its interest rate unchanged at 5.25% to 5.50% and signaled they expect potentially three rate cuts in 2024. The personal consumption expenditure price index, the Fed's preferred measure of inflation, rose 2.5% year-on-year in February, in line with estimates. Labour market remained strong; non-farm payrolls increased by 275,000 in the same month. Over the period, the 10-year US Treasury yield fell from 4.25% to 4.20%, whilst the Philippine dollar-denominated (ROP) bond yield curve followed the US Treasury yields lower.

Asian investment grade (IG) credits posted positive performance for the month. Credit spreads on the J.P. Morgan Investment Grade Corporate Bond Index tightened by 5bps over the month; the J.P. Morgan Asian Investment Grade Corporate Bond Index increased by 0.86%. Credit spreads of Asian investment grade (IG) tightened as trading technical remains supportive while fundamentals of Hong Kong and China IG companies reported largely stable FY23 earnings results. Elsewhere, frontier sovereign space outperformed; Sri Lanka reached staff level agreement with IMF which signaled progress in debt restructuring. Pakistan sovereign bonds extended gains on progress on IMF funding.

Outlook

We believe the Fed and other global central banks transitioning to end their rate hike cycles in 2024, would help underpin global and Asian bond markets. In Asia ex-China region, we view Asian central banks, such as Indonesia, India and South Korea, have room to cut rates in 2024 amid benign inflationary environment. At National People's Congress, Chinese authorities kept its growth target of around 5% level, inflation target of around 3%, and fiscal deficit target at 3% for 2024. China also announced plans to issue one trillion yuan of ultra-long special government bonds to support the budget. We expect additional monetary policy easing and more targeted measures from authorities to support its economy.

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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