

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 6.70 million	Fund Currency US dollar	Dealing/Valuation Daily
Price (NAV/unit) USD 2.109	Management Fee 1.75% per annum	Bloomberg Ticker MPUSBND	

Performance Return (November 30, 2023)

USD Bond Fund (net of management fee)	1 Month	YTD	1 Year	3 Years	5 Years	Since Inception
Absolute	6.30%	0.14%	0.62%	-17.03%	0.29%	110.90%
Annualized	n.a.	n.a.	0.62%	-6.03%	0.06%	4.00%

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

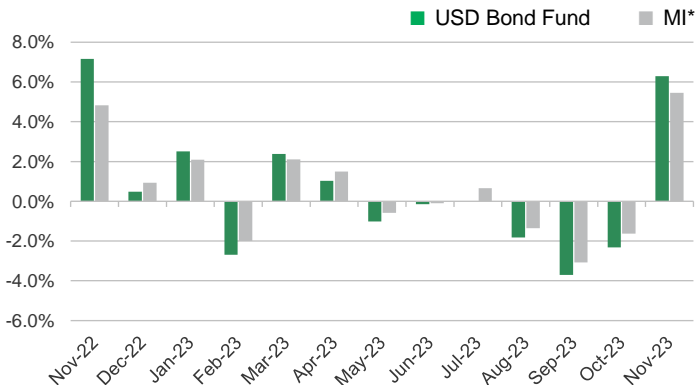


Top Five Holdings

ROP 06/10/31	12.46%
ROP 01/20/40	11.37%
ROP 02/02/30	8.23%
ROP 01/14/31	7.86%
ROP 10/23/34	6.91%

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

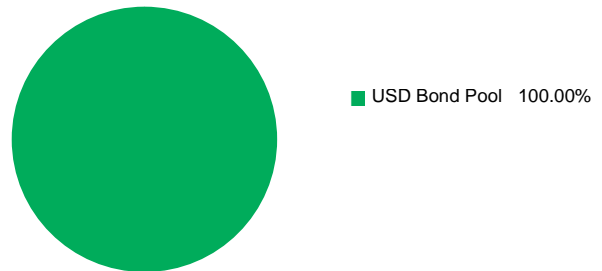
Monthly Performance



*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, US Treasury yields plummeted as the Federal Reserve held rates on pause for a second consecutive meeting and data indicated softening inflation and economic conditions. The consumer price index rose 3.2% in October (year-on-year) but was flat on a sequential basis. Retail sales fell by 0.1% (month-on-month) for the same month, the first contraction registered in seven months. Over the month, the 10-year US Treasury yield fell from 4.93% to 4.33%, 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 amid lower US Treasury yields and positive investors sentiment globally. Credit spreads on the J.P. Morgan Investment Grade Corporate Bond Index tightened by 14bps over the month; the J.P. Morgan Asian Investment Grade Corporate Bond Index increased by 3.11%. Asian higher beta markets such as India and Indonesia outperformed. China technology, media and telecom (TMT) credits generally traded sideways, despite the selloff in equity markets following weaker than expected earnings. Moody's two-notch downgrade of a Chinese investment grade (IG) property developer from Baa2 to Ba1 surprised the market, with bond rating dropping into high yield territory and triggered moderate selling by some IG bond mandates. New issue activities picked up as issuers took advantage of lower yields to complete their USD refinancing plans for the year. Philippines sovereign, China and Australia financials were major issuers for the month, with several South Korean issuers in the pipeline.

Outlook

We believe the path of Fed policy will be increasingly data dependent going forward and view that US Treasury yields offer increasingly attractive valuations. In Asia ex-China region, we believe most Asian central banks, such as Indonesia and India, are close to the end of its monetary tightening cycle amid downward inflation trend environment; the increased foreign investment will likely drive sustained economic growth in this region. In China, we have seen signals of the central government's commitment to contain systematic risk, particularly related to the Local Government Financing Vehicle (LGFV). While we are not expecting the policymaker to roll out a massive stimulus by leveraging the nation's balance sheet, we expect more similar measures to contain systematic risk and provide ongoing support to other important economic drivers such as consumption and infrastructure to stabilize growth. With the property sector, we believe the measures will likely to be piecemeal and require time to gradually resolve the structural issues, such as oversupply of residential housing and weak funding access by non-state-owned developers. We expect policies to continue to center in stimulating demand by lowering the borrowing cost and rebuilding homebuyer's confidence, which in turn stabilizes primary home sales gradually.

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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