

USD Secure 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 April 2009	Fund Size USD 25.19 million	Fund Currency US dollar	Dealing/Valuation Daily
Price (NAV/unit) USD 1.623	Management Fee 2.00% per annum	Bloomberg Ticker MPUSSEC	

Performance Return (February 28, 2022)

USD Secure Fund (net of management fee)	1 Month	YTD	1 Year	3 Years	5 Years	Since Inception
Absolute	-3.22%	-6.29%	-6.13%	5.25%	5.94%	62.30%
Annualized	n.a.	n.a.	-6.13%	1.72%	1.16%	3.83%

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

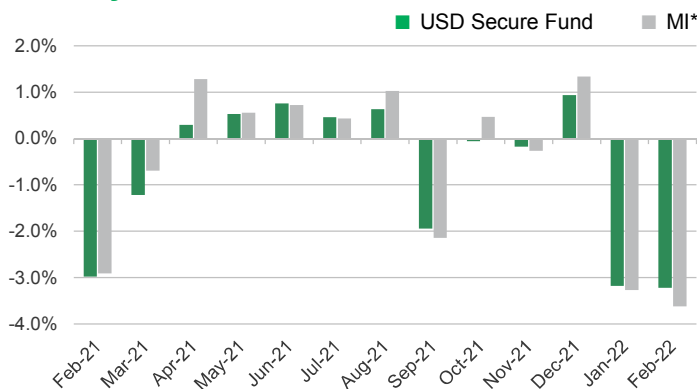


Top Five Holdings

ROP 06/10/31	10.57%
ROP 01/20/40	10.10%
ROP 02/02/30	7.26%
ROP 01/14/31	6.86%
ROP 10/23/34	6.11%

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

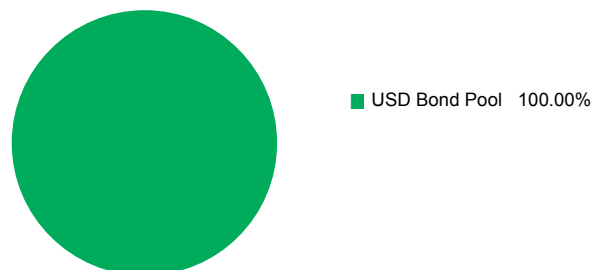
Monthly Performance



*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.

USD Secure Fund

Market Review

In the United States, Treasury yields moved higher early in the month on the back of stronger-than-expected economic data and heightened inflationary pressure. On the economic data front, consumer price inflation remained elevated at 7.5% year-on-year in January, driven primarily by surging energy and food prices, while nonfarm payrolls increased by 467k jobs in January, well ahead of market expectations of 150k. Later in the month, the Russian-Ukraine conflict halted the climb in US bond yields as safe-haven buying accelerated. Over the month, the 10-year Treasury yield trended higher from 1.78% to 1.83%, and Philippine dollar-denominated (ROP) bond yields also followed US Treasury yield higher.

Asian investment grade (IG) credit markets posted negative returns over the month owing to higher US Treasury yields and wider credit spreads. Credit spreads on the JP Morgan Asian Investment Grade Corporate Bond Index widened by 24bps; the J.P. Morgan Asian Investment Grade Corporate Bond Index decreased by 1.61% in US dollar terms. As Ukraine situation escalated, there was some knee-jerk weakening in global credit markets, though overall selling activities was relatively contained as investors stayed on the side-lines awaiting further developments. Within the Asian credit space, issuers generally do not have direct exposure to Ukraine or surrounding areas therefore direct impact is limited. Primary market remained relatively quiet with deals coming from China and Korea after the Chinese lunar new year holidays. Asian investment grade supply mainly came from China financials and local government financing vehicles (LGFVs) with tenors in the 3 to 5 years space, as market participants looked for high new issue premium for long end bonds amid rising rates expectation.

Outlook

The escalation of the current brinkmanship observed in the Russia-Ukraine situation would see mostly indirect impact on Asia fixed income. We believe Asia's credit fundamentals remain largely intact and supported by strengthened local and international investor base. Having said that, in the near term, investment sentiment should remain driven by global risk appetite and further geopolitical developments. North Asian economies have generally fared better in terms of economic recovery compared to South Asian counterparts in 2021. Increasingly more South Asian economies are adopting a coexisting approach with COVID-19, reopening borders with higher vaccination rates and could be positive for their growth trajectories. However, the widespread of Omicron variant remains an uncertainty. In China, the property sector was heavily sold off last year due to negative news flow and concerns about rising defaults. This year, we are likely to see greater consolidation in the sector and believe the market has priced in excessive default risks. Many quality companies are now being offered at compelling valuations; we see it an opportune time and environment for active investors to navigate the cycle, as market weakness is likely to bring out value opportunities in fundamentally strong issuers. Overall, we remain cognizant of both systemic and idiosyncratic risks while seeking out attractive opportunities and believe that bottom-up credit selection will be key in generating further returns going forward.

The investment fund option for The Manufacturers Life Insurance Company's variable life insurance product is managed by Manulife Asset 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.

The information and/or analysis contained in this material have been compiled or arrived at from sources believed to be reliable but The Manufacturers Life Insurance Co. (Phils.), Inc. ("Manulife Philippines") does not make any representation as to their accuracy, correctness, usefulness or completeness and does not accept liability for any loss arising from the use hereof or the information and/or analysis contained herein. 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. Neither Manulife Philippines or its affiliates, nor any of their directors, officers or employees shall assume any liability or responsibility for any direct or indirect loss or damage or any other consequence of any person acting or not acting in reliance on the information contained herein.

The information in this material may contain projections or other forward-looking statements regarding future events, targets, management discipline or other expectations, and is only as current as of the date indicated. There is no assurance that such events will occur, and may be significantly different than that shown here. The information in this material including statements concerning financial market trends, are based on current market conditions, which will fluctuate and may be superseded by subsequent market events or for other reasons. This material was prepared solely for informational purposes and does not constitute a recommendation, professional advice, an offer, solicitation or an invitation by or on behalf of Manulife Philippines to any person to buy or sell any security. This material should not be viewed as a current or past recommendation or a solicitation of an offer to buy or sell any investment products or to adopt any investment strategy. Nothing in this material constitutes investment, legal, accounting or tax advice, or a representation that any investment or strategy is suitable or appropriate to your individual circumstances, or otherwise constitutes a personal recommendation to you. Past performance is not an indication of future results.

Manulife and the block design are registered service marks and trademarks of The Manufacturers Life Insurance Company and used by it and its affiliates including Manulife Financial Corporation.