

USD Secure Fund

An investment fund option for **Affluence Max, Affluence Max Gold, Affluence Builder Series, Horizons** and **FlexiSure** 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 29.08 million	Fund Currency US dollar	Dealing/Valuation Daily
Price (NAV/unit) USD 1.639	Management Fee 2.00% per annum	Bloomberg Ticker MPUSSEC	

Performance Return (June 30, 2019)

USD Secure Fund (net of management fee)	1 Month	YTD	1 Year	3 Years	5 Years	Since Inception
Absolute	1.86%	8.47%	10.89%	1.30%	14.54%	63.90%
Annualized	n.a.	n.a.	10.89%	0.43%	2.75%	4.96%

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

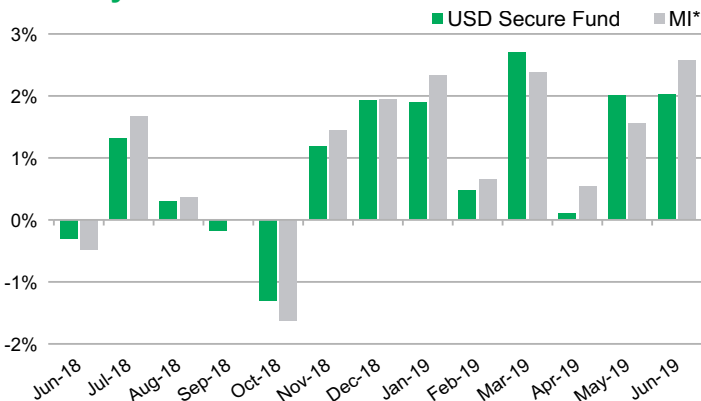


Top Five Holdings

BANK OF PHILIPPINE ISLAN SER EMTN (REG) (REG S) 4.25% 04SEP2023% 09/04/23	7.3%
ROP 02/02/30	7.2%
ROP 01/14/31	6.4%
BDO UNIBANK INC SER MTN (REG S) 2.95% 06MAR2023% 03/06/23	5.8%
ROP 10/23/34	5.7%

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

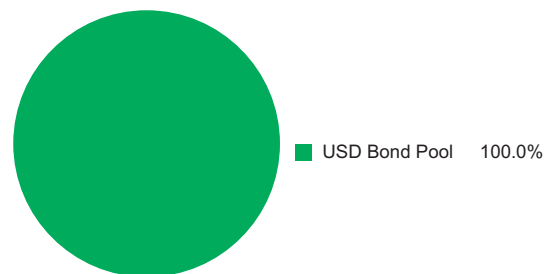
Monthly Performance



*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 US, Treasury yields were lower due to building expectations of Fed interest rate cuts. At the June FOMC meeting, the Federal Reserve released a statement holding the fed funds rate steady, but opened the door for future rate cuts if economic conditions deteriorate. The 10-year US Treasury yield fell from 2.13% to 2.00% over the period; Philippine dollar-denominated (ROP) bond yields also fell, tracking the US Treasury yield movement.

Overall, the outcomes from the G20 meeting were positive. The re-engagement in trade talks between China and the US means tensions are not escalating further and decreasing the likelihood of significant economic deterioration scenario, which is positive for investors' sentiment. Furthermore, US agreed to partially remove restrictions against Huawei (China's leading telecommunications equipment maker), which indicates that slightly cooler heads are starting to prevail.

Outlook

Developments of the Sino-US trade tensions are likely to take the limelight of financial markets. Asian economies face external headwinds arising from softer global demand and potential for a widening trade war. High quality Asian bonds are likely to be well supported during periods of uncertainty, whilst we also favor Asia bond markets with supportive economic fundamentals and attractive yields. We believe the potential negative economic repercussion from the trade tariffs on the US economy and lower US yield environment reduces the scope for broad US dollar strength. From a regional perspective, Asian central banks including Bangko Sentral ng Pilipinas are likely to adopt accommodative monetary policies to offset impact from trade tensions and amid lower domestic inflation conditions, which is a supportive backdrop for Asian and ROP bond markets.

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.

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