

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 29.51 million	Fund Currency US dollar	Dealing/Valuation Daily
Price (NAV/unit) USD 1.644	Management Fee 2.00% per annum	Bloomberg Ticker MPUSSEC	

Performance Return (March 31, 2020)

USD Secure Fund (net of management fee)	1 Month	YTD	1 Year	3 Years	5 Years	Since Inception
Absolute	-5.46%	-1.50%	3.98%	7.59%	6.89%	64.40%
Annualized	n.a.	n.a.	3.98%	2.47%	1.34%	4.64%

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

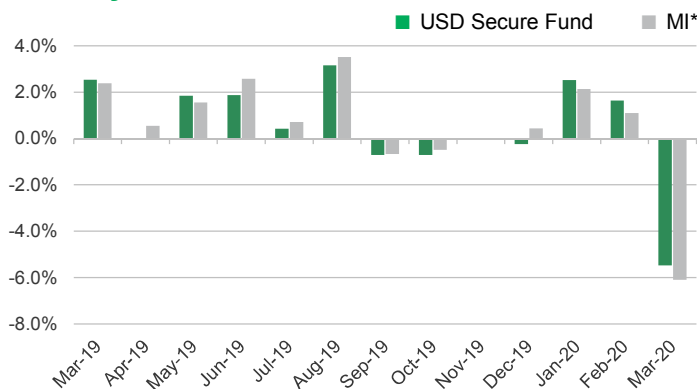


Top Five Holdings

ROP 02/02/30	6.91%
BANK OF PHILIPPINE ISLAN SER EMTN (REG) (REG S) 4.25% 04SEP2023 09/04/23	6.67%
ROP 01/14/31	6.17%
ROP 10/23/34	5.52%
ROP 01/20/40	5.34%

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

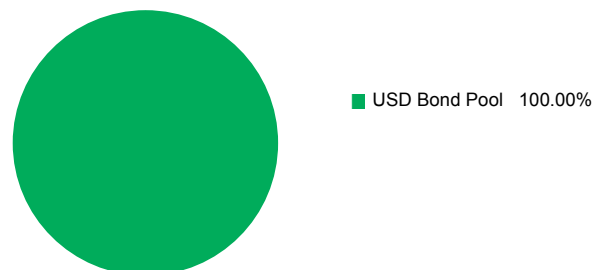
Monthly Performance



*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

The severe spread of COVID-19 across the globe, notably in US and Europe, intensified concerns for a potential global slowdown and sparked another wave of indiscriminate selling by global investors. Oil prices declined sharply to around US\$20 a barrel, as Saudi Arabia unexpectedly increased supply and initiated a price war with Russia, which introduced further volatility to global financial markets. In response, the Federal Reserve slashed the fed funds rate by a total of 150 bps, to a target range of 0.0%-0.25%, in two emergency announcements and launched a new quantitative easing programme to purchase US Treasuries, mortgage-backed securities and corporate bonds. The 10-year US Treasury yield fell from 1.15% to 0.67% over the period, benefiting from safe haven flows. The Philippine dollar-denominated (ROP) bond yields rose over the period amid heightened global market volatility. Asian investment grade credit markets posted negative returns for the month due to significantly wider Asian credit spreads, which more than offset lower US Treasury yields and positive carry. Credit spreads of the JP Morgan Asian Investment Grade Corporate Bond Index widened by 92bps. Chinese credit outperformed in spreads terms, supported by expectations of a relatively faster recovery from COVID-19 and resilient demand from domestic investors. Commodity related credit generally underperformed due to the oil shock and increased concerns of a global slowdown. The JP Morgan Asian Investment Grade Corporate Bond Index declined by -3.18% in US dollar terms.

Outlook

Global economic activity is expected to face pressure from the pandemic and containment measures. Within Asia, we believe the Chinese government and other Asian economies will introduce additional monetary easing and fiscal support as counter-cyclical measures, which should provide a positive backdrop for the high-quality Asian fixed income segment. Our base case for Asian credit is a gradual broad stabilization in credit spreads, while sectors such as energy will require close monitoring for credit risk. Overall, we believe the impact on Chinese credits is manageable in the near term, underpinned by strong government tie. We continue to monitor the situation carefully and remain cautiously optimistic in the medium term. We have made some idiosyncratic adjustments in credit and added selective high quality Southeast Asian state-owned enterprises aim to benefit from a gradual recovery in attractively valued companies. We expect the current market dislocation, combined with global monetary and fiscal stimulus, to trigger compelling long-term buying opportunities in fundamentally sound Asian credits and currencies.

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.