Manulife

September 30, 2019

PHP Asia Pacific Property Income Fund

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

Investment Objective

The Fund is Feeder Fund that invests in the Asia Pacific REIT Fund of Fund of Manulife Asset Management and Trust Corporation. The target fund is a unit-paying fund of funds that seeks to achieve long-term capital appreciation and to generate income by investing primarily in a diversified portfolio of exchange-listed real estate investment trusts (REITs) in the Asia Pacific region and other allowable investments.

Fund Information

Inception Date
May 2019

Fund Size
PHP 707.63 million

Fund Currency
Philippine peso

Dealing/Valuation
Daily

Price (NAV/unit)
PHP 1.021

Management Fee
2.25% per annum

Bloomberg Ticker
PHEQPPF

Performance Return (September 30, 2019)

PHP Asia Pacific Property Income Fund (net of management fee)	1 Month	YTD	1 Year	3 Years	5 Years	Since Inception
Absolute	-0.49%	n.a.	n.a.	n.a.	n.a.	2.72%
Annualized	n.a.	n.a.	n.a.	n.a.	n.a.	2.72%

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

Not enough data available

Top Five Holdings

Link Real Estate Investment Trust	9.0%
CapitaLand Mall Trust	7.3%
CapitaLand Commercial Trust	4.9%
Mapletree Logistics Trust	4.4%
Mapletree Commercial Trust	4.2%

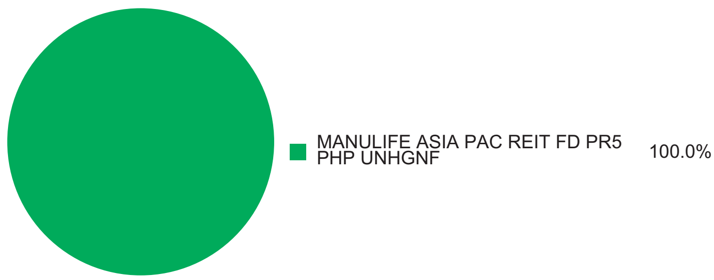
Monthly Performance

Not enough data available

**Market Indicator = Manulife Investment Asia REIT ex-Japan Index*

Portfolio Breakdown

Asset Allocation (at Market Value)



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Market Review

Asia Pacific REIT markets delivered a mixed performance in the month of September. During the month, the European Central Bank rejoined the Bank of Japan in adding liquidity through asset purchases. As widely expected, the US Federal Open Market Committee cut the fed funds rate by 25 basis points as Chairman Powell pointed to additional signs of weakness abroad and a resurgence in trade tensions against the backdrop of muted inflationary pressures as reasons for the cut.

Australian REITs underperformed the region with the market closing lower in September. Profit-taking was seen on the back of a slight rise in Australian 10-year bond yields. In particular, Goodman Group was sold-off by passive funds after it was removed from a global real estate index. On the macro side, the Reserve Bank of Australia remains in a dovish mode as the "wealth effect" from the recent recovery in housing prices and tax cuts have yet to be felt across the rest of the economy. Diversified developer, Lendlease, outperformed on reports that the group is close to finalising a buyer for its services and engineering division.

Hong Kong REITs continued to languish in the red as there has been no breakthrough in the stand-off between local pro-democracy protestors and the Hong Kong government. Investors continued to stay away from the market on fears that the street chaos could get worse as China approached its 70-year anniversary celebrations on 1 October. However, residential property sales remained fairly resilient and the Hong Kong government is looking to relax the mortgage insurance programme in order to help young individuals and families purchase their first homes.

The Singapore REITs market was the bright spot with meaningful gains seen in REITs which announced major asset acquisitions. The market saw vibrant secondary equity fundraising exercises that saw strong demand from institutional and private wealth funds. Hospitality REITs also outperformed on reports of stronger bookings in July-August as local hotels benefited from a diversion of travel from the ongoing Hong Kong street protests.

Outlook

Trade tensions between the US and China showed no signs of abating with the Trump administration reportedly considering radical new financial pressure tactics such as the possibility of delisting Chinese companies from US stock exchanges. The risk appetite of investors is expected to be subdued ahead of a new round of high-level talks between the world's two largest economies on 10-11 October. The outcome of US-China trade talks will set the tone for equity markets for October and possibly the rest of the year.