

Peso 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 a stable and long-term growth by investing in government securities and/or high quality corporate debt securities and/or pooled fund/s that invest in these securities and other liquid fixed income instruments.

Fund Information

Inception Date April 2004	Fund Size PHP 636.47 million	Fund Currency Philippine peso	Dealing/Valuation Daily
Price (NAV/unit) PHP 3.075	Management Fee 1.50% per annum	Bloomberg Ticker MPPHBND	

Performance Return (March 31, 2025)

Peso Bond Fund (net of management fee)	1 Month	YTD	1 Year	3 Years	5 Years	Since Inception
Absolute	0.26%	1.12%	4.20%	6.81%	9.86%	207.50%
Annualized	n.a.	n.a.	4.20%	2.22%	1.90%	5.50%

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

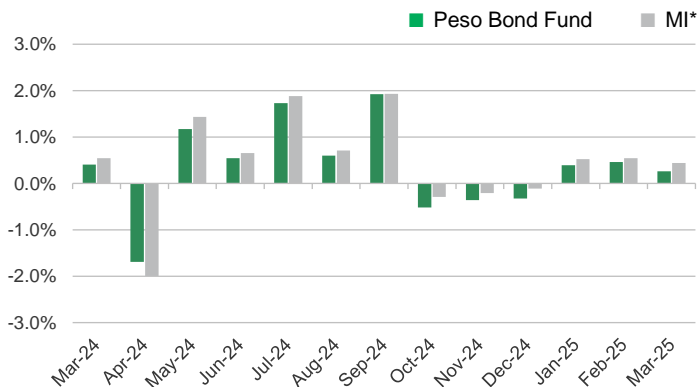


Top Five Holdings

Bond Pool	Percentage	Short-Term Bond Pool	Percentage
FXTN 07/19/31	6.67%	Manulife Stable Income Fund Class I	41.49%
Manulife Income Builder Fund Class I	6.18%	Manulife Money Market Fund Class I	11.43%
FXTN 09/15/32	5.95%	FXTN 04/08/26	6.89%
FXTN 02/28/29	5.50%	FXTN 03/04/27	6.36%
FXTN 03/04/27	5.01%	FXTN 05/04/27	5.13%

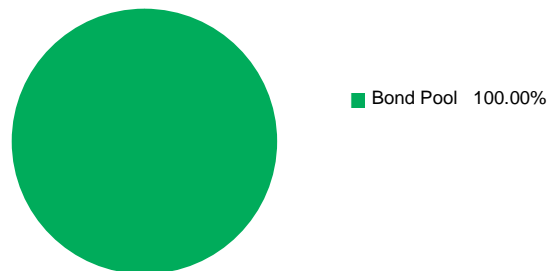
Notes:
 FXTN - Fixed Treasury Notes or Peso-denominated debts of the Philippine Government
 RTB - Retail Treasury Bonds of the Philippine Government

Monthly Performance



Portfolio Breakdown

Asset Allocation (at Market Value)



As per the fund's Investment Policy Statement, initial subscriptions are invested in fixed 90% Bond Pool and 10% Short-Term Bond Pool. The investments of these pools consist of the following:
 -Peso Bond Pool: Peso-denominated bonds of the Republic of the Philippines and term deposits.
 -Short Term Bond Pool: Peso-denominated bonds of the Republic of the Philippines with a term of up to three years and term deposits.

* Market Indicator = 95.0% BBG Philippine Sov Bond Agg Net Tax Formula + 5.0% Philippines 91 Day T-Bill Auction Avg Yield 20% WHT

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Market Review

The yield curve for local bonds steepened in March, with yields declining for short and intermediate tenors, as the market priced in the Bangko Sentral ng Pilipinas' (BSP) 25bps rate cut for April. Contraction in rice prices continued to push down the local inflation rate, with March inflation rate down to 1.8% from 2.1% in February. The BSP also cut inflation forecast to 2.3% from 3.5% this year, and to 3.3% from 3.7% in 2026.

Given the benign inflation outlook, April began with local yields initially following U.S. yields lower after U.S. President Trump's announcement of reciprocal tariffs. However, the succeeding days saw wild swings in rates, with U.S. 10-year yields surging over 60bps as on fears of U.S. stagflation and the U.S. losing its appeal as safe haven. The sell-off trickled to local bond markets, with yields for the liquid intermediate securities rising over 20bps MTD. The Bureau of Treasury's jumbo 10-year FXTN issuance this month also added to the selling pressure.

Outlook

While the U.S.' announcement of tariff exemptions and a temporary reduction in tariff rates slightly calmed markets over the past few days, we expect risk sentiment to remain fragile and for tariff headlines to continue driving markets in the short-term. Over the medium-term, a benign inflation outlook and rising growth risks with U.S. tariffs make the case for the BSP to stay on an easing path this year.

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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