

# 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

<b>Inception Date</b> April 2004	<b>Fund Size</b> PHP 647.64 million	<b>Fund Currency</b> Philippine peso	<b>Dealing/Valuation</b> Daily
<b>Price (NAV/unit)</b> PHP 3.062	<b>Management Fee</b> 1.50% per annum	<b>Bloomberg Ticker</b> MPPHBND	

## Performance Return (October 31, 2024)

Peso Bond Fund (net of management fee)	1 Month	YTD	1 Year	3 Years	5 Years	Since Inception
Absolute	-0.52%	3.94%	7.10%	4.29%	8.85%	206.20%
Annualized	n.a.	n.a.	7.10%	1.41%	1.71%	5.59%

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

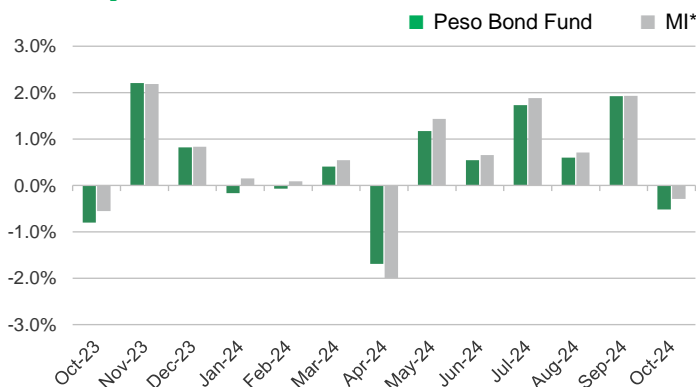


## Top Five Holdings

Bond Pool	Percentage	Short-Term Bond Pool	Percentage
FXTN 07/19/31	6.29%	Manulife Stable Income Fund Class I	41.72%
Manulife Income Builder Fund Class I	6.26%	Manulife Money Market Fund Class I	8.81%
FXTN 02/28/29	6.09%	FXTN 04/08/26	7.01%
FXTN 09/15/32	5.98%	FXTN 03/04/27	6.51%
FXTN 03/04/27	5.15%	FXTN 02/28/29	6.09%

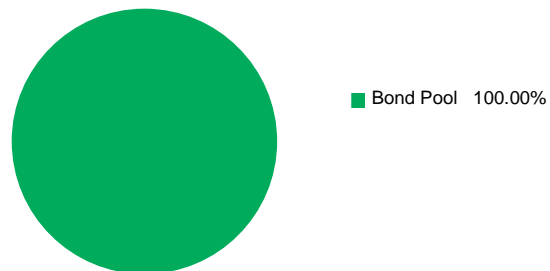
Notes:  
 FXTN - Fixed Treasury Notes or Peso-denominated debts of the Philippine Government  
 RTB - Retail Treasury Bonds of the Philippine Government

## 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

# Peso Bond Fund

## Market Review

Local bond yields rose in October and the curve generally steepened as the sell-off in U.S. Treasuries spilled over to local markets. Nevertheless, government bond spreads over U.S. Treasuries have substantially narrowed as the market weighs between a dovish Bangko Sentral ng Pilipinas (BSP) and uncertainties from a Trump presidency in the U.S. While outlook on local inflation remains benign, it quickened to 2.3% YoY in October as recent strong typhoons hit domestic agricultural production. As expected, domestic output was also affected, with GDP growth decelerating to 5.2% in 3Q from 6.4% in 2Q.

## Outlook

We expect global market developments to continue to drive the local market in the short-term. Looking ahead, while the weaker-than-expected GDP growth may urge the BSP to continue easing monetary policy, there is a risk of the cut being delayed if a weaker Peso persists following a Trump win. Consequently, we change our outlook from positive to slight positive over the medium-term, while recognizing heightened volatility in the short-term as the market digests the implications of another Trump regime.

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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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