

Peso Secure 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 2009	Fund Size PHP 5.10 billion	Fund Currency Philippine peso	Dealing/Valuation Daily
Price (NAV/unit) PHP 1.745	Management Fee 1.75% per annum	Bloomberg Ticker MPPHSEC	

Performance Return (May 31, 2021)

Peso Secure Fund (net of management fee)	1 Month	YTD	1 Year	3 Years	5 Years	Since Inception
Absolute	0.46%	-1.30%	-0.23%	14.43%	8.12%	74.33%
Annualized	n.a.	n.a.	-0.23%	4.59%	1.57%	4.69%

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

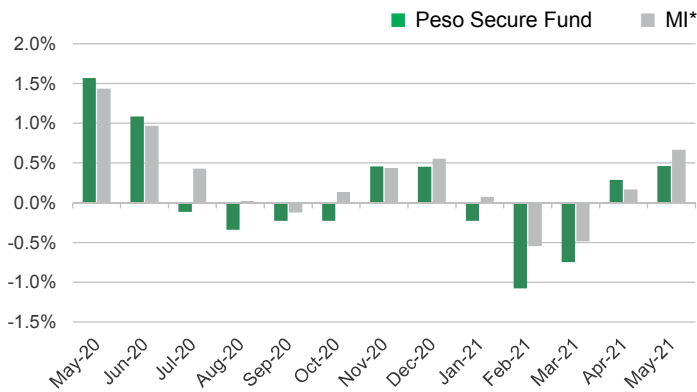


Top Five Holdings

Bond Pool		Short-Term Bond Pool	
FXTN 08/12/25	13.61%	Manulife Stable Income	
FXTN 02/11/23	9.93%	Fund Class I	36.09%
FXTN 03/09/24	8.01%	FXTN 02/11/23	12.02%
FXTN 09/09/25	7.94%	RTB 12/04/22	8.18%
RTB 12/04/22	7.73%	FXTN 04/21/23	6.99%
		FXTN 08/11/21	5.67%

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

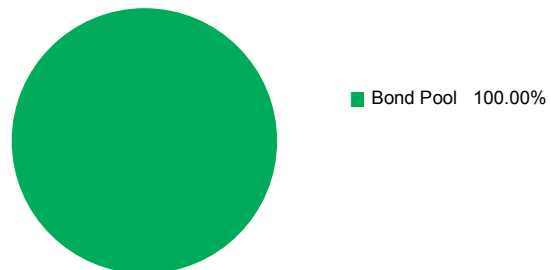
Monthly Performance



*Market Indicator = 10.0% Markit Iboxx ALBI Philippines Liquid + 90.0% Markit Iboxx ALBI Philippines 1-5

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.

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Market Review

After several months of above trend price increases, Philippine inflation is moderating with May print steady at 4.5%, flat vis-à-vis April and March. Inflationary pressures have eased following the improvement in supply side constraints, increased agricultural supply and limited domestic demand due to the lockdowns. Against this backdrop and the flush liquidity in the market, government bonds rallied for the month of May as investors deployed excess cash in the local bond market.

Outlook

While S&P affirmed the Philippines credit rating at BBB+ with a stable outlook, Moody's has recently lowered the GDP forecast for the country. Citing the slower than expected vaccine rollout, Moody's is projecting Philippines GDP for 2021 to grow by 5.3% from previous forecast of 6.3%. However, supply has increased with about 11 million Covid 19 vaccines expected to arrive in the country in June, providing optimism of an improvement in the vaccination of the Filipinos. Considering the improved inflation outlook, augmented vaccine supply and liquid market, we expect local bond yields to be well supported as demand for bonds increase.

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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