

# Peso 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 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 2009	<b>Fund Size</b> PHP 5.09 billion	<b>Fund Currency</b> Philippine peso	<b>Dealing/Valuation</b> Daily
<b>Price (NAV/unit)</b> PHP 1.764	<b>Management Fee</b> 1.75% per annum	<b>Bloomberg Ticker</b> MPPHSEC	

## Performance Return (January 31, 2021)

Peso Secure Fund (net of management fee)	1 Month	YTD	1 Year	3 Years	5 Years	Since Inception
Absolute	-0.23%	-0.23%	5.88%	14.47%	14.10%	76.22%
Annualized	n.a.	n.a.	5.88%	4.61%	2.67%	4.92%

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

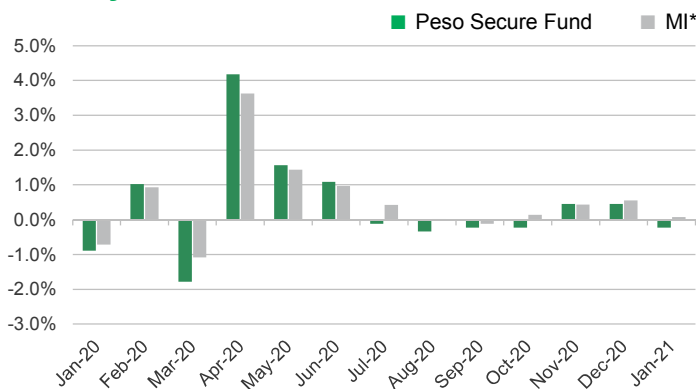


## Top Five Holdings

Bond Pool		Short-Term Bond Pool	
FXTN 08/12/25	16.17%	Manulife Stable Income	
FXTN 02/11/23	10.85%	Fund Class I	38.03%
FXTN 03/12/24	10.13%	FXTN 02/11/23	12.80%
FXTN 09/09/25	7.69%	RTB 12/04/22	11.87%
RTB 12/04/22	7.56%	FXTN 04/21/23	7.43%
		FXTN 09/10/23	5.82%

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

The Philippines' fourth quarter GDP declined by 8.3%, bringing full year 2020 GDP to a contraction of 9.5%, marking the economy's largest contraction on record. The weakness in the fourth quarter was led by weak household consumption as the increase in government spending failed to offset the weakness in the Philippine economy. For 2021, we expect a gradual economic recovery as the government-imposed lockdown relaxes and economic activity improves.

## Outlook

Philippine bond yields trended higher in January as statements from Banko Sentral ng Pilipinas (BSP) Governor Diokno indicated that there will be no policy action for the first half of 2021. In addition, the recently released February auction schedule which surprised with a 10-year bond auction, coupled with a possible Retail Treasury Bond (RTB) issuance in the first quarter, led to a slight sell-off in government bonds. Against this backdrop we will keep a slightly shorter duration positioning vis-à-vis the benchmark, while we wait for clear direction from the Bureau of Treasury on a possible RTB issuance.

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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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