

Emperor Fund

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

Investment Objective

The Fund aims to achieve long-term capital appreciation by investing in equity or equity-linked securities of a diversified portfolio of Philippine listed companies with bias towards companies with Filipino-Chinese heritage and companies with potential to become industry leaders. The Fund may also invest in pooled funds that invest in similar securities and other liquid fixed income instruments.

Fund Information

Inception Date August 2018	Fund Size PHP 1.47 billion	Fund Currency Philippine peso	Dealing/Valuation Daily
Price (NAV/unit) PHP 0.848	Management Fee 2.00% per annum	Bloomberg Ticker MPHEMPR	

Performance Return (August 31, 2022)

Emperor Fund (net of management fee)	1 Month	YTD	1 Year	3 Years	5 Years	Since Inception
Absolute	5.74%	-6.40%	-2.42%	-17.83%	n.a.	-15.20%
Annualized	n.a.	n.a.	-2.42%	-6.34%	n.a.	-3.99%

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.

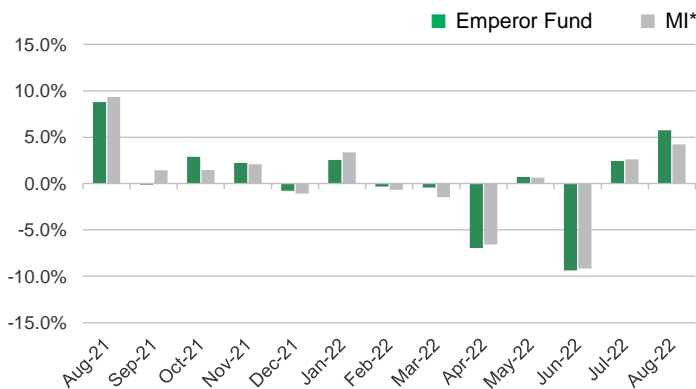
Monthly Net Asset Value per Unit



Top Five Holdings

SM INVESTMENTS CORPORATION	11.97%
SM PRIME HOLDINGS INC	9.13%
AYALA LAND INC	8.92%
BDO UNIBANK INC	8.75%
BANK OF THE PHILIPPINE ISLANDS	6.82%

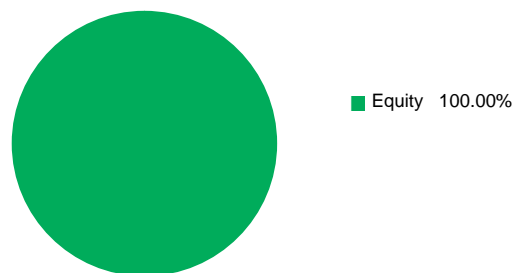
Monthly Performance



*Market Indicator = Philippine Stock Exchange Index

Portfolio Breakdown

Asset Allocation (at Market Value)



As per the fund's Investment Policy Statement, initial subscriptions are invested in fixed 100% Equity Pool. The investments of the Equity Pool consist of stocks listed on the Philippine Stock Exchange and term deposits.

Emperor Fund

Market Review

The PSEi continued to rally in August, rising by 4.2% month on month, fueled by the encouraging 2Q22 corporate earnings results and abating concerns over inflation given the correction in global commodity prices.

Inflation dropped to 6.3% in August, a slight improvement from the 6.4% inflation in the prior month. Falling prices of key global commodities such as crude oil, wheat, and building materials helped ease inflation concerns. For example, retail pump prices of gasoline dropped by around 12% in Manila in July and another 2% in August. In addition, the Bangko Sentral ng Pilipinas mentioned that inflation could peak by 4Q22. Meanwhile, the aggressive rate hiking cycle could be over after the BSP raised policy rates by 50bps this August then stating they will be raising rates at 25bps clips going forward if any.

The second quarter earnings reporting season ended in August on a positive note. Majority of corporates reported strong second quarter earnings results. What was evident was the strong consumer spending brought by the full reopen of the economy, pushing revenues significantly higher. Consequently, majority of consumer companies, especially in the discretionary segment, saw both strong topline growth that was able to offset margins. Indirectly, the shopping mall segment performed well to the point that the leaders in this space have removed all rental concessions last July. In addition, the financial industry saw an acceleration in loan growth coupled by net interest margin expansion. On the other hand, the sectors that performed poorly were the broadband segment as it was hit by high churn, companies with high commodity exposure in their input cost such as the leading instant noodles provider, and companies with high dollar debt exposure due to the weakness in the local currency.

Outlook

We have a positive view towards Philippine equities given the improving macroeconomic picture. This is reinforced by the positive 2Q22 corporate earnings results that showed sustained domestic consumption recovery from the pandemic. Meanwhile, we are cognizant that the risks are not entirely gone as inflation remains high and global central banks are still hiking interest rates albeit at a slower pace. There are also concerns over the health of the global economy with the risk of recession in the West, possibly triggering a risk aversion towards equities. However, the valuations of the Philippine equity market remain attractive with the index trading at 13.5x forward price to earnings, a discount from the historical average of 16x.

The investment fund option for Manulife China Bank Life Assurance Corporation'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.

The information and/or analysis contained in this material have been compiled or arrived at from sources believed to be reliable but The Manufacturers Life Insurance Co. (Phils.), Inc. ("Manulife Philippines") does not make any representation as to their accuracy, correctness, usefulness or completeness and does not accept liability for any loss arising from the use hereof or the information and/or analysis contained herein. 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. Neither Manulife Philippines or its affiliates, nor any of their directors, officers or employees shall assume any liability or responsibility for any direct or indirect loss or damage or any other consequence of any person acting or not acting in reliance on the information contained herein.

The information in this material may contain projections or other forward-looking statements regarding future events, targets, management discipline or other expectations, and is only as current as of the date indicated. There is no assurance that such events will occur, and may be significantly different than that shown here. The information in this material including statements concerning financial market trends, are based on current market conditions, which will fluctuate and may be superseded by subsequent market events or for other reasons. This material was prepared solely for informational purposes and does not constitute a recommendation, professional advice, an offer, solicitation or an invitation by or on behalf of MCBL to any person to buy or sell any security. This material should not be viewed as a current or past recommendation or a solicitation of an offer to buy or sell any investment products or to adopt any investment strategy. Nothing in this material constitutes investment, legal, accounting or tax advice, or a representation that any investment or strategy is suitable or appropriate to your individual circumstances, or otherwise constitutes a personal recommendation to you. Past performance is not an indication of future results.

Manulife and the block design are registered service marks and trademarks of The Manufacturers Life Insurance Company and used by it and its affiliates including Manulife Financial Corporation.