

# Emperor 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 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

<b>Inception Date</b> August 2018	<b>Fund Size</b> PHP 645.42 million	<b>Fund Currency</b> Philippine peso	<b>Dealing/Valuation</b> Daily
<b>Price (NAV/unit)</b> PHP 0.794	<b>Management Fee</b> 2.00% per annum	<b>Bloomberg Ticker</b> MPHEMPR	

## Performance Return (June 30, 2020)

Emperor Fund (net of management fee)	1 Month	YTD	1 Year	3 Years	5 Years	Since Inception
Absolute	5.31%	-21.70%	-23.43%	n.a.	n.a.	-20.60%
Annualized	n.a.	n.a.	-23.43%	n.a.	n.a.	-11.54%

*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.*

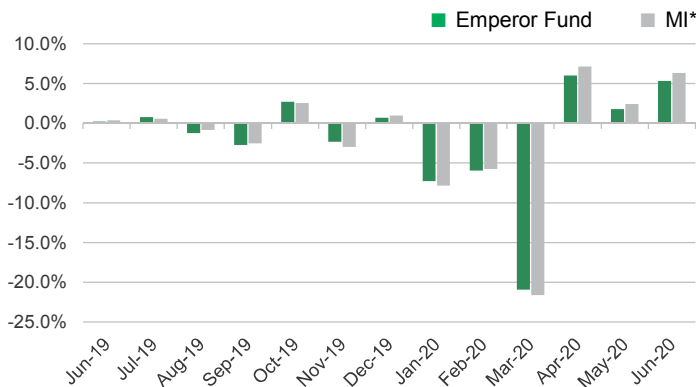
## Monthly Net Asset Value per Unit



## Top Five Holdings

SM INVESTMENTS CORPORATION	16.80%
SM PRIME HOLDINGS INC	10.41%
AYALA LAND INC	8.16%
BDO UNIBANK INC	6.50%
JG SUMMIT HOLDINGS INC	6.34%

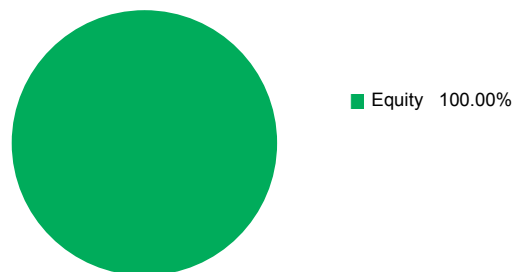
## Monthly Performance



\*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 Philippine stock market index (PSEi) closed June at 6,208, up 6.3% for the month. The market move was attributable to a series of positive news flow both local and abroad. Locally, Metro Manila loosened its quarantine restrictions from a Modified Enhance Community Quarantine (MECQ) to General Community Quarantine (GCQ), while Cebu City was reverted back to the strictest ECQ restrictions as public transportation are allowed to operate but at limited capacities. Restaurant dine-in services are now allowed but with 30% capacity limits as well. In the United States, jobs and retail sales data came in stronger-than-expected. The US Fed also boosted monetary support via additional asset purchases, which now includes corporate bonds.

In an unexpected move, the BSP lowered policy rates by another 50bps to 2.25%. BSP Governor Diokno said the cuts are necessary to boost the economy and market confidence. For the year, the BSP has already cut 175bps in policy rates. Meanwhile, inflation eased to 2.1% YoY in May from 2.2% in April, bringing the year-to-date inflation figure to 2.5%.

In the corporate front, two local banks were implicated in a financial accounting scandal involving a German payments company which is centered on a missing sum of EUR1.9Bn. Both banks denied the allegations and said that the missing funds never entered the Philippines.

## Outlook

As the economy continues to reopen and adjust towards a new normal, we expect cyclical linked sectors to take the front seat in terms of performance recovery for the remainder of the year. Our outlook for the market is still neutral as we expect heightened market volatility to remain as 2Q20 earnings downgrades continue to remain a possibility, having felt the blunt of the lockdown period. However, we are encouraged to see early signs of economic recovery through some leading economic indicators like electricity demand and auto sales which have been slowly picking up during the GCQ period. We are starting to look at opportunities in the more cyclical sectors like industrials and consumer discretionary that offer growth should the recovery pick up pace in the succeeding quarters.

---

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

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.