

Peso Equity Fund

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

Investment Objective

The Fund seeks to achieve long-term capital appreciation by investing in stocks listed on the Philippine Stock Exchange, government securities and/or pooled fund/s that invest in these securities and other liquid instruments.

Fund Information

Inception Date September 2007	Fund Size PHP 989.67 million	Fund Currency Philippine peso	Dealing/Valuation Daily
Price (NAV/unit) PHP 1.822	Management Fee 2.00% per annum	Bloomberg Ticker MPPHEQT	

Performance Return (April 30, 2020)

Peso Equity Fund (net of management fee)	1 Month	YTD	1 Year	3 Years	5 Years	Since Inception
Absolute	6.36%	-26.23%	-27.90%	-25.84%	-28.32%	82.20%
Annualized	n.a.	n.a.	-27.90%	-9.49%	-6.44%	4.86%

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.

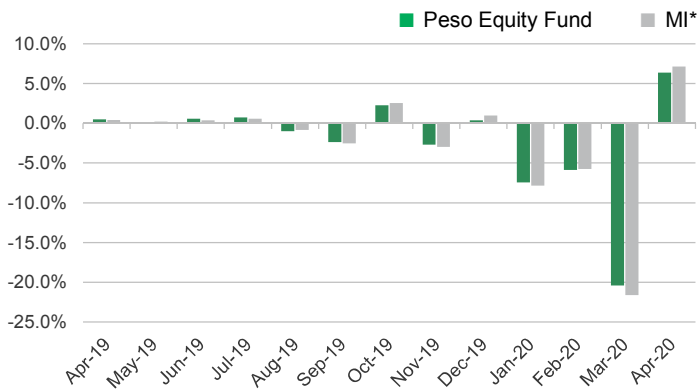
Monthly Net Asset Value per Unit



Top Five Holdings

SM INVESTMENTS CORPORATION	14.97%
Manulife Equity Wealth Fund Class I	11.89%
SM PRIME HOLDINGS INC	9.80%
AYALA LAND INC	7.60%
BDO UNIBANK INC	6.68%

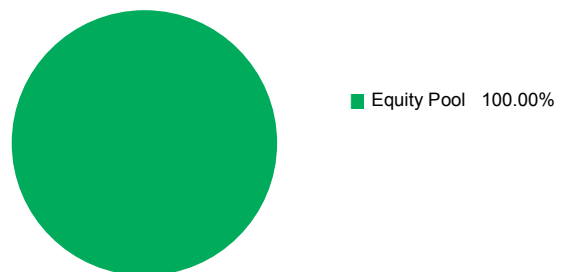
Monthly Performance



*Market Indicator = 100% 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.

Peso Equity Fund

Market Review

The Philippine stock market index (PSEi) closed at 5,701 in April, up 7.1% for the month and -27% year-to-date. The market slumped as much as 41% year-to-date after the announcement of the lockdown but has since recovered around 23% from the lows. Continued increase in COVID-19 cases and fears of a second wave of infections led to the government extending the enhanced community quarantine to May 15 in selected areas, including Metro Manila. Meanwhile, other areas in Luzon where the infections are not as severe were adjusted to a more relaxed form of quarantine. Globally, economic activity continues to wane with commodity prices declining sharply amidst lack of demand. WTI Oil price futures plunged briefly below zero USD per barrel as storage concerns for the commodity mounted, amidst lack of demand globally.

The Bangko Sentral ng Pilipinas (BSP) cut policy rates by another 50bps to 2.75%, its lowest level, in an off-cycle meeting in an effort to strongly encourage lending across different sectors of the economy amid the COVID-19 pandemic. The expectation is that the BSP may cut another 200bps in reserve requirement to 12%. BSP Governor Diokno signaled that the BSP stands ready to further ease monetary conditions in response to the current crisis. Additionally, Finance Sec. Carlos Dominguez said that the government is thinking of providing extra stimulus measures that includes wage subsidies and loan guarantees to SMEs critical to this crisis. The new stimulus program is now at P1.45Tn which includes new measures like P120Bn provisions for SME credit guarantees and P51Bn wage subsidy for displaced workers.

Outlook

In the near term, market recovery may be muted as investors look to slowing economies globally as evidenced by the recent collapse of oil prices. Locally, the market will take its cue from the upcoming 1Q20 earnings results for concerns around potentially severe earnings deterioration and impact to this year's GDP performance brought about by the pandemic. Moving forward, we also expect companies to trim their previous capex guidance and spending plans for the rest of the year as most companies go into cash preservation mode. Companies are likely to focus on maintenance works of existing facilities, lesser store openings in the retail space, and slower residential and office project completions. The "new normal" will also push companies to rethink operations and leverage on technology in light of social distancing practices. On a positive note, the Philippines will be a beneficiary of lower oil prices as lower oil imports may help offset the potential impact of lower dollar flows from remittances and BPO revenues.

We are beginning to position the portfolio in anticipation of better market conditions from a gradual loosening of the Enhanced Community Quarantine in Luzon by May 15. We look to enhance our portfolio positioning by capitalizing on regional market trends that have emerged from the pandemic earlier and redeploy excess cash positions on any stock price weakness.

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.

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 Manulife Philippines 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.