

Peso Growth 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 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

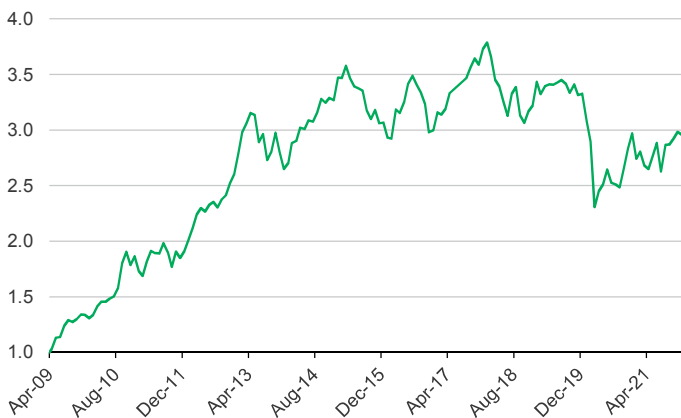
Inception Date April 2009	Fund Size PHP 18.26 billion	Fund Currency Philippine peso	Dealing/Valuation Daily
Price (NAV/unit) PHP 2.957	Management Fee 2.25% per annum	Bloomberg Ticker MPPHGRW	

Performance Return (December 31, 2021)

Peso Growth Fund (net of management fee)	1 Month	YTD	1 Year	3 Years	5 Years	Since Inception
Absolute	-0.90%	-0.40%	-0.40%	-8.14%	-1.37%	196.89%
Annualized	n.a.	n.a.	-0.40%	-2.79%	-0.28%	8.94%

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.

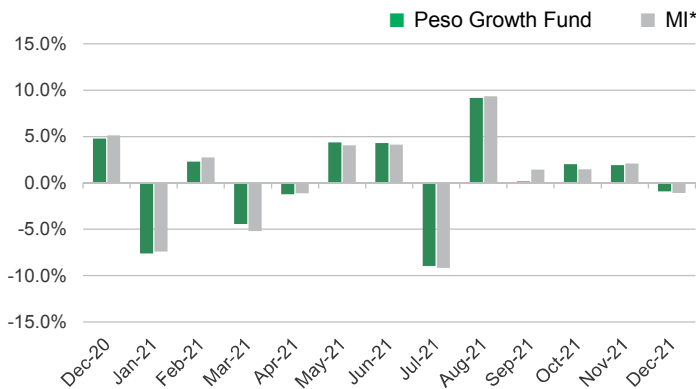
Monthly Net Asset Value per Unit



Top Five Holdings

SM INVESTMENTS CORPORATION	11.90%
Manulife Equity Wealth Fund Class I	10.01%
SM PRIME HOLDINGS INC	8.46%
AYALA LAND INC	7.16%
INTERNATIONAL CONTAINER TERMINAL SERVICES INC	6.81%

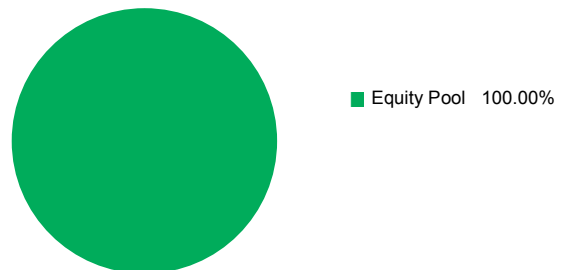
Monthly Performance



*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.

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Market Review

The Philippine market was down 1% for the month, closing at 7,122. For 2021, the PSEi had a total return of 1.6%. Throughout the year the economy tried to reopen but was hampered by COVID-related challenges. Although below than initial expectations, overall corporates still saw a stark improvement in earnings in 2021.

Mobility has significantly improved in December in light of the low COVID-19 daily cases during the period. This brought a significant rise in foot traffic in retail areas such as shopping malls and restaurants, implying an improvement in consumer spending. However, the steady increase in COVID-19 cases in the latter parts of December raised concerns on a potential lockdown in Metro Manila. This has caused the weakness in the equity markets in the last week of December.

Macroeconomic data continues to support further improvement in the economy. Inflation has decelerated to around 3.6% in December on easing food prices. Earlier in the year inflation was a concern as it was around 5% due to high food prices. Meanwhile, industry commercial loans continued to improve throughout the year, reaching 4% YoY as of November from being down earlier in the year. Improvement in loan activity was driven mostly due by commercial activity as corporates ramp up capital expenditure to expand businesses in 2021.

Outlook

We remain optimistic that the economy will further reopen in 2022 despite the recent surge in COVID-19 cases due to Omicron variant. The availability of COVID-19 vaccines should be able to help reduce the impact of COVID-19 to the economy. Meanwhile, the upcoming elections and subsequent campaign spending could potentially provide a boost in corporate earnings. However, this could also bring volatility as a significant change in the political environment could bring into question previous government policies made by the current administration.

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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