

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 19.20 billion	Fund Currency Philippine peso	Dealing/Valuation Daily
Price (NAV/unit) PHP 2.726	Management Fee 2.25% per annum	Bloomberg Ticker MPPHGRW	

Performance Return (February 28, 2025)

Peso Growth Fund (net of management fee)	1 Month	YTD	1 Year	3 Years	5 Years	Since Inception
Absolute	2.98%	-6.77%	-10.03%	-10.39%	-5.97%	173.69%
Annualized	n.a.	n.a.	-10.03%	-3.59%	-1.22%	6.55%

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	12.94%
INTERNATIONAL CONTAINER TERMINAL SERVICES INC	10.50%
BDO UNIBANK INC	10.03%
BANK OF THE PHILIPPINE ISLANDS	9.68%
Manulife Equity Wealth Fund Class I	9.59%

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

In February, the Philippine Stock Exchange Index (PSEi) rose by 2.35%, reducing the year-to-date decline to -8.07%. The index hit a low of 5,862 due to outflows from regional index rebalancing. Despite this recovery, the market remains down 18% from its October 2024 peak. Full-year 2024 earnings reports show most companies met consensus expectations.

February's Consumer Price Index increased by 2.1% year-on-year, down from 2.9% in January. Easing food prices, particularly for rice and vegetables, offset the rise in meat prices, contributing to the CPI deceleration. The Bangko Sentral ng Pilipinas has reduced reserve requirements: universal and commercial banks to 5%, thrift banks to 0%, and digital banks to 2.5%.

Outlook

We remain cautiously optimistic about Philippine equities for the first quarter of 2025 due to a lack of strong positive catalysts. However, lower-than-expected February CPI suggests inflation risks are largely accounted for. Stable inflation figures might allow the BSP to cut policy rates within the first half of the year, potentially supporting weak markets seen in early 2025. With the PSEi trading at a P/E ratio of around 9.5x, we remain selectively cautious on stocks until more positive catalysts emerge, possibly in the second half of 2025.

Key developments to watch include a recovery in domestic demand and peso stability relative to the U.S. dollar. Additionally, we are watchful of crucial developments, such as mid-term elections and how new set of lawmakers will support the current administration's growth agenda. We expect continued emphasis on inclusive long-term growth and positioning the country as a prime investment destination in ASEAN, with priority sectors likely including mining, infrastructure, and manufacturing.

The investment fund option for The Manufacturers Life Insurance Company'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.

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