

# Peso Wealth Optimizer Fund 2036

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

## Investment Objective

The Fund seeks to maximize long-term capital growth while managing the risk of capital erosion as the target date approaches through a dynamic rebalancing of exposure to diversified portfolios of peso-denominated fixed income securities and securities listed on the Philippine Stock Exchange and/or pooled funds that invest in these securities and other liquid fixed income instruments.

## Fund Information

<b>Inception Date</b> June 2016	<b>Fund Size</b> PHP 253.70 million	<b>Fund Currency</b> Philippine peso	<b>Dealing/Valuation</b> Daily
<b>Price (NAV/unit)</b> PHP 0.845	<b>Management Fee</b> 2.25% per annum (of which 0.18% will go to the Investment advisor, Manulife Investment Management (HK) Limited.)		<b>Bloomberg Ticker</b> MPPHWTY

## Performance Return (April 30, 2026)

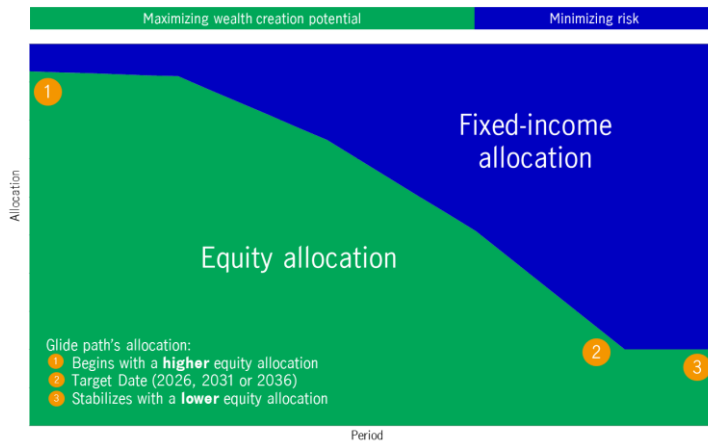
Peso Wealth Optimizer Fund 2036 (net of management fee)	1 Month	YTD	1 Year	3 Years	5 Years	Since Inception
Absolute	-1.52%	-3.32%	-6.84%	-4.95%	2.67%	-15.50%
Annualized	n.a.	n.a.	-6.84%	-1.68%	0.53%	-1.69%

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.

## Why Peso Wealth Optimizer Funds?

Investing through a target date approach simplifies asset allocation for an average investor. The asset mix changes over time, becoming more conservative as the investor's financial milestone draws closer.

The change in asset allocation over time is called the **glide path** which Manulife designed specifically for these funds.



The glide path's objectives include:

- To maximize wealth accumulation prior to target date
- To minimize risk as the target date approaches
- To make wealth last long enough to support any financial needs beyond the chosen target date

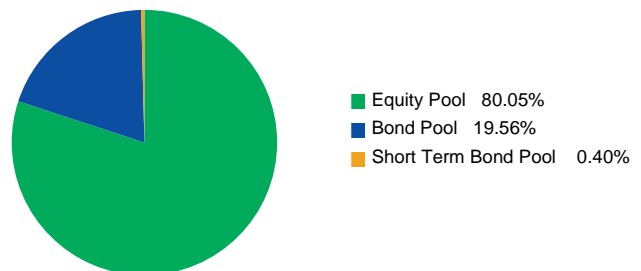
## Top Five Holdings

Bond Pool		Short-Term Bond Pool	
Manulife Income Builder Fund Class I	7.19%	Manulife Stable Income Fund Class I	43.94%
FXTN 02/28/29	5.96%	Manulife Money Market Fund Class I	13.63%
FXTN 04/28/35	4.71%	FXTN 03/04/27	6.51%
FXTN 09/15/32	4.63%	FXTN 04/22/28	5.64%
Manulife Money Market Fund Class I	4.57%	FXTN 06/02/27	5.25%
Equity Pool			
INTERNATIONAL CONTAINER TERMINAL SERVICES INC	21.16%		
Manulife Equity Wealth Fund Class I	10.22%		
SM INVESTMENTS CORPORATION	9.11%		
MANILA ELECTRIC CO	8.12%		
BDO UNIBANK INC	6.88%		

**Notes:**  
 FXTN - Fixed Treasury Notes or Peso-denominated debts of the Philippine Government  
 RTB - Retail Treasury Bonds of the Philippine Government

## Portfolio Breakdown

### Asset Allocation (at Market Value)



As per the fund's Investment Policy Statement, initial subscriptions are invested in fixed 93.32% Equities, 6.6% Long term bonds, 0.08% Short term bonds. The investments of these pools consist of the following:  
 -Peso Bond Pool: Peso-denominated bonds of the Republic of the Philippines and term deposits.  
 -Short Term Bond Pool: Peso-denominated bonds of the Republic of the Philippines with a term of up to three years and term deposits.

# Peso Wealth Optimizer Fund 2036

## Market Review

The PSEi fell by 1.66 percent in April to 5,834, marking its second straight month of decline. Market sentiment stayed weak due to ongoing tensions between the US and Iran. The peso also weakened, reaching 61.73, reflecting external risks and concerns about rising inflation. As of end April 2026, the market is down around 2 percent year to date.

Inflation rose sharply to 7.2 percent in April from 4.1 percent in March, mainly due to higher food and fuel prices. General price increases were seen across many essential goods, putting pressure on household spending. In response, the BSP raised interest rates by 25 basis points in April, its first hike since October 2023, and increased its inflation forecast for 2026 to 6.3 percent, well above its 2 to 4 percent target range.

Meanwhile, economic growth remained modest, with first quarter GDP expanding by 2.8%, below expectations of 3.3% and compared with the prior quarter's 3%. The soft GDP results were evident across industry, agriculture, and investment components. Household consumption expenditure also grew by a modest 3% year on year.

Local bond yield movements were mixed in April with the short end of the curve declining by 26bps and the belly to the long end of the curve rising by 8-9bps. Market participants took cues from the March inflation print of 4.1%, the BSP's inflation forecast of 5.5% (released late March), and the start of negotiations between US and Iran. Investors flocked to shorter securities and cash as they de-risked their intermediate to long dated securities leading to a steepening of the yield curve for the month of April.

The BSP's Monetary Board reconvened on April 23 where it was decided that a 25bp policy rate hike to 4.5% was appropriate. The Board also revised its inflation expectations for 2026 to 6.3% and indicated that it may raise interest rates further to achieve price stability.

On the macro front, headline inflation accelerated further to 7.2% YoY in April, significantly above market forecast of 5.5% suggesting that second round effects are beginning to trickle down from the spike in fuel prices. 1Q26 GDP growth moderated to 2.8% from 3.0% led by government underspending and a slowdown in consumer spending.

## Outlook

First quarter 2026 earnings are starting to reflect the impact of higher energy costs. Property developers are reporting weaker residential sales and delays in projects, pointing to softer demand. Banks are becoming more cautious and are increasing provisions due to rising credit risks. The consumer sector is also under pressure from higher costs and weaker discretionary spending.

Overall, weaker earnings and a more challenging environment, especially with rising inflation, could lead to further cuts in GDP growth forecasts. The BSP's tighter policy stance may likely limit near term upside for equities. In addition, oil price above 100 dollars may further weigh on household consumption.

Given these conditions, positioning remains defensive, with a focus on dividend-paying stocks and higher cash levels to help manage market volatility and protect capital, while providing flexibility to reposition once geopolitical risks begin to de-escalate.

Geopolitical developments remain in focus, particularly the ongoing negotiations between the US and Iran in hopes of more a lasting peace/ceasefire. Points of discussion mainly revolve around the ongoing issues surrounding the Strait of Hormuz and the future of Iran's nuclear enrichment program.

Given the constantly evolving landscape, we maintain a cautious and defensive stance, focusing on shorter-duration, more liquid securities while we closely monitor developments both domestically and globally.

---

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.

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.