

# Powerhouse 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 a concentrated portfolio of companies with significant economic exposure to or derive a significant portion of earnings from the Philippines. 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> January 2017	<b>Fund Size</b> PHP 5.10 billion	<b>Fund Currency</b> Philippine peso	<b>Dealing/Valuation</b> Daily
<b>Price (NAV/unit)</b> PHP 0.901	<b>Management Fee</b> 2.00% per annum	<b>Bloomberg Ticker</b> MPPHPWR	

## Performance Return (December 31, 2020)

Powerhouse Fund (net of management fee)	1 Month	YTD	1 Year	3 Years	5 Years	Since Inception
Absolute	3.92%	-13.53%	-13.53%	-23.06%	n.a.	-9.90%
Annualized	n.a.	n.a.	-13.53%	-8.37%	n.a.	-2.60%

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.

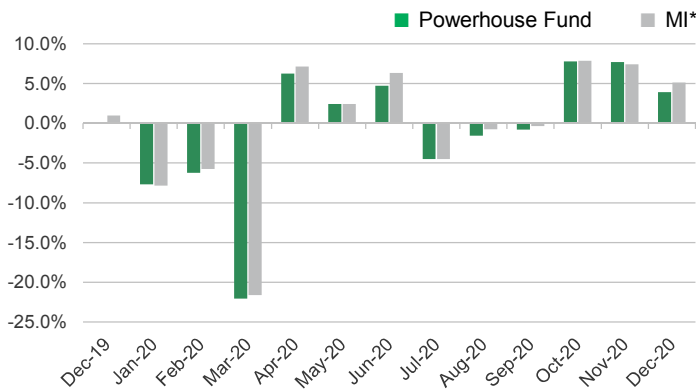
## Monthly Net Asset Value per Unit



## Top Five Holdings

SM INVESTMENTS CORPORATION	16.16%
SM PRIME HOLDINGS INC	10.74%
AYALA LAND INC	9.68%
AYALA CORPORATION	9.50%
METROPOLITAN BANK AND TRUST	8.51%

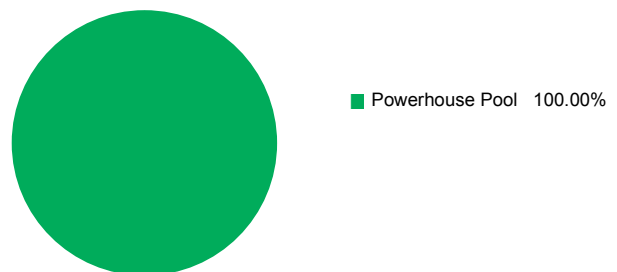
## Monthly Performance



\*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% Powerhouse Pool. The investments of these pools consist of the following:  
- Powerhouse Pool: Various stocks listed on the PSE and term deposits

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## Market Review

The Philippine Stock Exchange Index was up 5.21% for December as encouraging developments on the COVID vaccine continued to lift market sentiment. Major market proxies in cyclical sectors like industrials, real estate and banks led the rally as domestic investors continue to deploy excess liquidity positions despite continued net foreign selling activity which have breached \$2.5 billion in 2020.

The Ayala Corporation announced a further shuffling of its senior leadership team by splitting the Chairman and CEO roles. Jaime Augusto Zobel de Ayala will take on solely the role of Chairman of the Board while Fernando Zobel de Ayala will be appointed CEO. Additionally, Globe Telecom's current Chief Commercial Officer, Alberto Larrazabal will succeed TG Limcaoco as Ayala Corp's CFO. On the other hand, TG Limcaoco will be replacing Cezar Consing as President and CEO of BPI upon his retirement in April 2021.

Metro Pacific Investments Corporation (MPI) sold its remaining 56% stake in Global Business Power to component company Meralco at a valuation of P22 Billion. The transaction will consolidate the group's power assets under Meralco. This transaction is expected to be completed by the first quarter of 2021.

## Outlook

2021 will be a rebound year for equities to be led by cyclical sectors like real estate, banks and industrials. We expect the local growth story to finally turn more positive in 2021 as GDP growth recovers at the fastest pace versus its neighbors on the back of additional economic reform measures, increased government spending on infrastructure, and a recovery in consumer sentiment.

We expect the market's earnings to rebound in 2021 following a collapse in 2020 which could further sustain the re-rating of local equities. Admittedly, COVID-19 will remain an overhang in 2021 but with daily infections and healthcare capacity at manageable levels vis-à-vis expectations of a vaccine deployment towards mid-year, we expect mobility restrictions to further ease up, leading to a more sustained recovery in economic activity.

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The investment fund option for The Manufacturers Life Insurance Company's variable life insurance product is managed by Manulife Asset Management and Trust Corporation.

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