2020 Variable Unit-linked Funds

Annual Performance Report
as of December 31, 2020

Contents

About Manulife China Bank Life Assurance Corporation

Manulife China Bank Life Assurance Corporation (MCBL) is a strategic alliance between Manulife Philippines and China Bank. MCBL provides a wide range of innovative insurance products and services to China Bank and China Bank Savings customers. MCBL aims to ensure that every client receives the best possible solution to meet his or her individual financial and insurance needs. In 2014, China Bank raised its equity stake to 40% in MCBL.

Manulife Philippines opened its doors for business in 1907. Since then, it has grown to become one of the leading life insurance companies in the country. Manulife Philippines is a wholly-owned domestic subsidiary of Manulife Financial Corporation, which is among the world's largest life insurance companies by market capitalization. Manulife is a leading Canada-based financial services group with principal operations in Asia, Canada, and the United States. It provides strong, reliable, trustworthy and forward-thinking solutions for its customers' significant financial decisions. Manulife's international network of employees, agents, and distribution partners offers financial protection and wealth management products and services to millions of clients. As of September 30, 2020, Manulife had over CAD1.3 trillion (US$0.9 trillion) in assets under management and administration.

China Banking Corporation (China Bank), founded in 1920, is the country's first privately-owned local commercial bank. It was listed on the Philippine Stock Exchange in 1927 (PSE stock symbol: CHIB), became the first bank in Southeast Asia to process deposit accounts on-line in 1969, the first Philippine bank to offer phone banking in 1988, and acquired its universal banking license in 1991. It provides a full range of banking products and services to corporate, commercial, and retail customers through 631 branches to date, including 158 branches of its retail bank arm China Bank Savings (CBS), complemented by 1,022 ATMs nationwide (164 ATMS for CBS), as well as internet and mobile banking alternative channels and services. It also offers a wide range of allied financial services through its subsidiaries China Bank Capital Corp., China Bank Securities Corp., China Bank Insurance Brokers Inc., and affiliate Manulife China Bank Life Assurance Corp. With a century of enduring partnerships marked by quality service to its clients, with significant contribution to the country's financial landscape, China Bank remains to be one of the largest, most respected, trusted, and stable financial institutions in the country.

Variable Unit-linked Funds

Net Asset Value

	2020 (in PHP Thousands)	2019 (in PHP Thousands)
Peso Target Distribution	6,283,327	6,288,187
Peso Growth	5,634,232	5,502,406
Peso Dynamic Allocation	3,771,805	3,825,625
Peso Secure	1,617,887	1,636,048
Peso Diversified Value	1,814,535	1,696,768
Peso Equity	120,469	142,573
Peso Target Income	213,257	213,390
Peso Bond	76,854	80,179
Peso Balanced	57,395	64,989
Peso Stable	42,698	48,158
Peso Cash	17,602	10,570
Wealth Optimizer 2026	235,110	218,808
Wealth Optimizer 2031	47,299	45,232
Wealth Optimizer 2036	28,611	23,417
Global Target Income	9,950,610	7,288,273
USD ASEAN Growth	543,133	589,651
USD Secure	300,731	414,215
USD Asia Pacific Bond	90,982	98,402
USD Bond	82,870	94,424
USD Wealth Premier	-	-
Power House Fund	5,576,097	5,247,025
MC USD Asia First FD	42,710	31,745
MCBL Chinabank Dollar Fixed Income VUL Fund	101,793	101,793
MCBL PHP Asia Pacific Property Income Fund	430,220	430,220
MCBL USD Asia Pacific Property Income Fund	829,028	829,028
Total	**37,909,253**	**34,921,126**

Based on December 31, 2020 unaudited figures submitted to the Insurance Commission on January 20, 2021.

Market Review and Outlook

Philippine Equity
Review

The Philippine Stock Exchange (PSEi) Index ended 2020 at 7,139.71 points, losing 6.9% for the year, as the twin events of the Taal Volcano eruption in the first quarter and the COVID-19 pandemic in the next three quarters dominated the news flows. Volatility was again in play as the pandemic started to accelerate towards the first quarter of 2020, with investors heading for the exits to shield themselves from the then potential impact of the virus to the overall Philippine economy. In the first quarter alone, the market hit a low of 4,039.15 points, down almost half versus the end-2019 level, as Metro Manila and key cities in the country were placed under an Enhanced Community Quarantine (ECQ). The decline in mobility implied that economic activity was to grind to a halt, potentially stopping the country's multi-year economic expansion. The country's GDP contraction hit a low of 16.5% in 2Q20, amid weak domestic demand; while corporate earnings were down 70% y/y in the same period. Unemployment peaked at 17.7% by April 2020.

Fiscal and monetary support to the COVID-19 stricken economy helped the market bounce from its lows. The Bangko Sentral ng Pilipinas (BSP) delivered monetary stimulus in the form of a 200 bps rate cut for the year. It also cut banks' reserve requirements by 200 bps while setting a 24% p.a. interest ceiling on credit card financing charges to help restart loan growth and consequently economic activity. Meanwhile, Congress passed COVID-19 relief measures to boost the economy including social amelioration cash hand outs to help the marginalized sectors as well as loan moratoria to help small and medium enterprises. The private sector also chipped in, with rental waivers being given to office and mall tenants as consumer spending dwindled to historic lows with people keeping their wallets shut and staying home.

Equity markets continued its recovery in the second half of the year as the economy started to adjust to the "new normal". The economy gradually reopened, and mobility restrictions were loosened. Select non-essential industries such as malls and in-premise restaurant dining, among others started to operate again, albeit with restrictions on capacity and operating hours. The PSEi gained more than 21% in the fourth quarter on the economy's reopening. Advances on the vaccine front also helped the market sustain the gains from the lows seen in March 2020.

Outlook

"The pandemic will undoubtedly continue to cast a shadow in the market for 2021 but we believe that this will be more than offset by encouraging developments in the areas of vaccine deployment, infection containment, and continued fiscal and monetary support from the national government and the BSP. We expect the market to put the past behind it, as earnings are bound to recover this year, on the back of a sustained recovery in economic activity."

Congress was also able to pass the P4.5 trillion budget for 2021, which would help ensure that spending will continue to offset any weakness brought about by the lingering impact of the virus. We are also optimistic that additional reform measures would be passed this year including the reduction of corporate income taxes and a law to address the potential spike in loan defaults and bankruptcies to help the economy get back on its previous growth trajectory.

Given these, the portfolio will position in sectors that would benefit from the expected recovery and rebound, particularly the consumer discretionary space as well as those badly hit by the pandemic last year such as the banking and the property sectors. We will, however continue to maintain exposures in defensive sectors such as telecommunications and consumer staples to manage the risk should the pandemic linger and the economy's recovery take longer than our initial expectations.

Peso Bond
Review

Last year has been a very difficult year marred with unfortunate events such as the COVID pandemic, Taal eruption and typhoons, reversing the over 20-year trend of positive GDP growth. In fact, with the government's projected full-year contraction of 8.5-9.5%, 2020 could have exhibited the worst economic contraction in Philippine history.

With the hope of softening the economic collapse brought about by the COVID pandemic and the associated lockdowns imposed by the government, the Bangko Sentral ng Pilipinas (BSP) became one of the more aggressive central banks in the region as it tried to supplement the fiscal actions by the government. After cutting policy rate in three consecutive months from February to April as the pandemic deepened, it surprised the market with a 50bps rate cut in June and another 25bps rate cut in November, bringing full-year 2020 rate cuts to 200bps. Furthermore, as part of its unprecedented measures, the BSP has been purchasing bonds from banks in the secondary market since March and entered into six-month repurchase agreement with the government. As a result, the local bond market rallied with yields falling by 150 to 200bps for short to intermediate tenors, and by around 100bps for long-dated securities. The BSP also reduced the Reserve Requirement Ratio (RRR) by 200bps and allowed banks to use loans to comply with reserve requirements. However, despite the massive monetary stimulus by the BSP, it seems like the transmission mechanism to the broader economy remains impaired with loan growth sliding to multi-year lows.

Outlook

General risk aversion and fears of ballooning government debt weakened demand on long-dated government securities. As a result, the government refrained from issuing securities longer than five years for most part of last year. We also observed that the five-year and >15-year tenors of the yield curve offered relatively large yield premiums compared to historical levels.

"As the economy shows more signs of recovery in 2021, we expect risk appetite to improve and the yield curve to normalize."

While easy monetary policy, large government borrowing needs and a possible reflationary pressure may keep the yield curve steep, we expect to see more investor participation on longer tenors for yield pick-up.

"While we believe above 6% GDP growth to be feasible in 2021, partly due to base effects, downside risks remain, and we will unlikely be able to claw back in 2021 the output and employment lost to the pandemic. The gradual economic recovery will continue to urge the BSP to have a dovish inclination in monetary policy, especially as inflation is expected to remain benign and well within the BSP's target range of 2%-4%."

We see a possibility for the BSP to cut policy rate and RRR in the first quarter should economic prints disappoint. Against this backdrop, we expect the macroeconomic environment to remain supportive of the local bond market. Any further decline in bond yields, however, will likely be muted compared to those experienced in the past two years. We will watch closely the Bureau of Treasury's issuance pattern as we continue to see bond supply risk as the dominant risk in the local bond market.

USD Bond

Review

In the US, Treasury yields fell over the period as the Federal Reserve (Fed) slashed its benchmark interest rate two times, signaled plans to keep interest rates near zero for years amid concerns over COVID-19 induced economic slowdown and pledged to continue its bond-buying programs. During the start of the period, global financial markets experienced indiscriminate sell-off as virus spread globally, raising concerns over both supply and demand shocks. Most global risk assets rebounded subsequently with economic stimulus programs. Towards the end of the period, Treasury yields fluctuated on the back of US election results, vaccine launches, congressional passage of a US$900billion COVID-19 relief package and mixed economic data. The 10-year US Treasury yield fell from 1.92% to 0.91% over the period. The Republic of Philippines (ROP) bonds also fell over the period, overall mainly tracking the US Treasury yield movement.

In the Eurozone, Governor Christine Lagarde repeated the line that the ECB doesn't target the exchange rate, but that it is a factor in inflation projections, and is something that they must monitor. ECB increased the size of the PEPP program by EUR500bn and kept rates on hold. In the UK, the Bank stated that policy would not be tightened until there was significant progress on the inflation goal, and that they would continue to monitor the situation closely and stand ready to adjust monetary policy accordingly. Towards the latter part of the period, a Brexit deal was finalized.

Asian credit markets posted positive returns for the period due to positive carry and lower US Treasury yields, which more than offset wider credit spreads. The J.P. Morgan Asian Investment Grade Corporate Bond Index increased by 6.34% in US dollar terms.

Outlook

Global growth remains challenged despite nascent signs of economic recovery over the last quarter as a select number of PMI data globally came in better than consensus expectations. Despite concerns over a potential COVID-19 "second wave" after the reopening of various economies, credit spreads tightened gradually in June driven by optimism over early signs of economic recovery and the continued economic support by the respective central banks and governments. In terms of valuation, spreads continued to retrace the sharp widening that happened in March, taking out more value from a credit market that has rallied well from the March lows.

"In this current environment, we remain cognizant of the uncertainties in the broader economy but will continue looking for attractive opportunities in putting on more credit risk on a more selective basis. We believe that bottom up fundamentals and credit selection will be vital in enhancing the performance of the portfolio given the risk of fallen angels as the global economy weathers the storm from the COVID-19 pandemic."

Asia Pacific Bond
Review

In the US, Treasury yields fell over the period as the Federal Reserve (Fed) slashed its benchmark interest rate two times, signaled plans to keep interest rates near zero for years amid concerns over COVID-19 induced economic slowdown and pledged to continue its bond-buying programs. During the start of the period, global financial markets experienced indiscriminate sell-off as virus spread globally, raising concerns over both supply and demand shocks. Most global risk assets rebounded subsequently with economic stimulus programs. Towards the end of the period, Treasury yields fluctuated on the back of US election results, vaccine launches, congressional passage of a US$900billion COVID-19 relief package and mixed economic data. The 10-year US Treasury yield fell from 1.92% to 0.91% over the period.

In China, economic data suggested its post-COVID recovery likely accelerated. Caixin's manufacturing Purchasing Managers' Index (PMI) hit record-low of 40.3 in March owing to the country's administrative lockdown against COVID-19 but rebounded to 54.9 in November. FTSE Russell confirmed that China Government Bonds (CGBs) will be included into the World Government Bond Index (WGBI) progressively from October 2021, subject to final confirmation in March 2021. This development was widely expected by the market and should provide support for China bonds over the medium term. Towards the end of the period, People's Bank of China injected 950 billion yuan of liquidity to ensure that market funding is adequate for year end. Overall, Chinese government bond yields range traded over the period. In India, government bond yields fell as Reserve Bank of India (RBI) cut its key interest rates three times. RBI also implemented an "Operation Twist" strategy of purchasing long-tenor bonds and selling short-term debt. In Indonesia, government bond yields declined as Bank Indonesia cut its benchmark interest rate five times over the period and maintained its triple intervention policy to stabilize its domestic financial market.

Asian investment grade credit markets posted positive returns for the period due to positive carry and lower US Treasury yields, which more than offset wider credit spreads. Credit spreads on the JP Morgan Asian Investment Grade Corporate Bond Index widened by 41bps. The J.P. Morgan Asian Investment Grade Corporate Bond Index increased by 6.34% in US dollar terms.

Most of the Asian currencies strengthened against the US dollar. Chinese renminbi was one of the better performing currencies against the US dollar buoyed by strong economic data and capital inflows. In contrast, Indian rupee was one of the weaker performing currencies on the back of RBI's dollar buying.

Outlook

North Asian economies demonstrated relatively better containment of COVID-19, which we believe is supportive for the region. Despite the implementation of large-scale vaccination program in major economies, we remained cautious of the wave of infections in Winter and viral mutations, as we see an increase in COVID-19 cases in US and Europe. Overall, we believe the accommodative monetary policies from global central banks are supportive for range bound US Treasury yields. We expect global and Asian credit markets to remain supported, though the pace and magnitude for further credit spread compression could ease given the rally from March last year. We believe Asia's resilient underlying fundamentals, strong government sponsorship in the corporate sector and relatively higher yields than developed bond markets, place Asian bonds in a unique position in the global context. Nonetheless, we believe fallen angel risk in Asia remains, as companies continue to navigate their way through the crisis, especially if much needed fiscal stimulus fails to materialize and if there is a negative turn in the COVID-19 vaccine developments.

"We continue to remain cognizant of both systemic and idiosyncratic risks while seeking out attractive opportunities and believe that bottom-up credit selection will be key in generating further returns in this low yielding environment. We favour markets such as China for its superior COVID-19 containment underpinning growth and relatively attractive yields in single-A space, and Indonesia for its compelling yields and credit rating resilience."

Asia Pacific REIT

Market Review

Asia-Pacific ex Japan REITs markets were lower on the year and can be characterised by pre- and post-COVID-19. With the gradual reopening of economies and government supportive measures in the region, Asia Pacific REITs continued to rebound in the second half of 2020. As of November, Australian REITs registered the largest gain since 30 June, bringing the year-to-date performance back to positive.

Sector-wise, gains were broad-based as specialised REITs outperformed on the robust demand for data centres attributable to greater data usage and storage needs. The harder-hit sectors like retail and hospitality saw a relief rally after the positive news on COVID-19 vaccines in November, narrowing down the year-to-date losses.

Retail sales across the region saw a sequential improvement since the third quarter with REIT managers in Singapore indicating a faster retail tenants' sales recovery than foot traffic.

There was a pick-up in asset acquisitions since September. Industrial REITs with secular growth exposure were particularly supported by the distribution per unit-accretive acquisitions amid the lower-for-longer interest rate environment.

Portfolio Review

The sub-Fund posted negative returns for the year given the negative impact from COVID-19 and ongoing concerns of the timing of a recovery. However, performance in the second half of the year showed an improvement as economies reopened and news of a vaccine led to optimism about a recovery in the areas that were hardest hit – such as retail, office, and hospitality. Singaporean and Australian industrial REITs with exposure to logistics warehousing and data centres were the standout this year as the impact of COVID-19 was minimal – in fact, COVID-19 accelerated the structural trends that would continue to support demand for these assets – such as e-commerce, work-from-home, 5G and internet-of-things development. For these assets, distributions were steady with little to no impact on rental collections. Additionally, in Australia, the sub-Fund's focus was on REITs that would benefit from an improved outlook as Australia was one of the first major REIT markets to re-open while a strong asset management business also contributed.

Detracting were names in the hardest hit sectors given the impact of COVID-19 pandemic and subsequent shutdowns particularly in Singapore and Hong Kong. Our focus will be leveraged towards suburban malls as we believe they will continue to outperform operationally given their defensive characteristics, but the near-term outlook will be dependent on how quickly COVID-19 gets under control.

Asia Pacific REIT

Outlook

2020 marked the year where COVID-19 exerted unprecedented influence across real estate markets, with industrial, logistics, data centres as key winners while retail and hospitality are the biggest losers. The pandemic's impact on the topline (i.e., rent, occupancy rate) should taper off in 2021, but the recovery in global economies would come with speed bumps (i.e., mutation of the virus, etc.).

"It remains to be seen how the lockdown accelerates trends in online retail and working from home in Asia would alter corporates' long-term real estate strategies and consumers' shopping behaviour. The focus remains investing in quality real estate/REITs which can hold their capital values and cashflows in a world of continued low rates and search for yield."

ASEAN Equity

Review

ASEAN Small Cap Equities (MSCI South East Asia Small Cap Index) returned 6.96% (in US dollar terms) in 2020 in a year that can be described as pre and post COVID, the volatility that immediately followed, the fiscal and monetary stimulus from governments and central banks, and the subsequent expectations of a global economic rebound in 2021.

All ASEAN markets were lower in the first quarter as governments were imposing mass lockdowns. In response to the slowing growth, central banks all took action to ease monetary policy and announced various forms of fiscal support. A wave of redemptions triggered by liquidity squeeze in the high yield market and money market funds triggered an indiscriminate selling in ASEAN markets. However, stocks recovered after the Fed and central banks injected ample liquidity to the system to ease tension in the market.

Post the March low, all ASEAN markets moved higher in the second quarter as governments and central banks were providing fiscal and monetary policy support in order to combat the negative impact of the pandemic on their economies. However, with increased fiscal spend leading to higher fiscal deficits, credit ratings agencies have revised their credit outlook for a number of ASEAN countries

During the third quarter, nearly all ASEAN markets were lower during the quarter. Further social distancing curbs and government shutdowns impacted the Indonesian and the Philippines equity markets. Thailand was lower as political instability impacted investor sentiment at the end of the quarter due to numerous large protests in Bangkok calling for broad political reforms. Singapore's equity market posted losses as the territory entered a technical recession as second-quarter GDP growth plunged by roughly 13% (year-on-year). Malaysia equity markets were higher as parliament raised the government's fiscal debt ceiling to 60 percent of GDP (from the previous 55% of GDP) until 2022 to allow for more fiscal room to bolster the economy.

In the fourth quarter, ASEAN markets were higher rejuvenated by hopes of demand recovery. Additionally, the signing of the Regional Comprehensive Economic Partnership (RCEP) free trade agreement offered a new lease on life for the ASEAN region. The expectations of less combative policy under a Biden presidency has also been a key driver for ASEAN equities.

Outlook

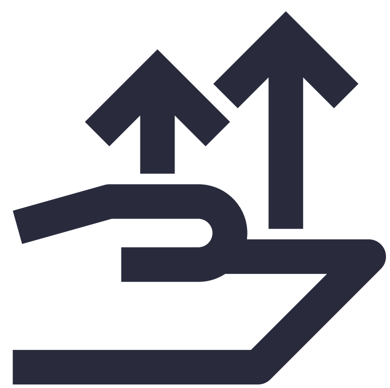
On Nov 15, China and 14 other countries signed the Regional Comprehensive Economic Partnership (RCEP), which accounts for 30% of the world population and 30% of global GDP making it the world's largest trading region. The RCEP is a key milestone for South East Asian countries to advance as a global manufacturing hub. It will eliminate c. 92% of import tariffs and clear up various hurdles such as the Rules of Origins, promoting the shift of manufacturing to ASEAN amid the persisting US-China tension. As estimated by the World Bank, South East Asian countries would see their GDP to expand by 0.1- 0.8% and exports to expand by 0.3-4.7% higher than baseline in 2030. The increase in manufacturing jobs is a key driver for income growth and urbanization, creating further opportunities for consumers sectors.

> "We see each South East Asian country attracting FDIs based on what they can offer in terms of their competitive and comparative advantages."

Thailand has a strong automotive supply chain and a well-established food manufacturing industry. Malaysia has an advantage in the manufacturing of electronic and electrical products, rubber gloves and wooden furniture. Philippines provides great service in terms of business process outsourcing (BPO) and Indonesia is offering itself as the hub for electric vehicle supply chain. Vietnam has established a niche in the manufacturing of smartphones and Vietnam and Cambodia offers the advantage of textile and apparel manufacturing. Singapore serves as the key financial hub supporting capital investments in the region.

In order to attract FDIs, governments in this region have invested in improving transport and logistic infrastructure over the years. They have also passed laws and simplify processes to create a business-friendly environment for foreign investors. For example, the long-awaited Omnibus law was approved by the Indonesian parliament on 5th October 2020. One of the main points addressed in this reform is the reduction of corporate severance payment liability from a previous maximum of 32 months to 19 months (with an additional 6 months paid by the Government). The law would also ease restrictions in critical areas, including labor law, capital investment, licensing, corporate tax, and land acquisition. This set the stage for global manufacturers to establish operations in Indonesia.

Tourism sector in South East Asia were badly affected by COVID-19. As vaccination work through its way, we believe the recovery of tourism industry should help revive economic growth in the region. If all goes well, we expect to see a more meaningful recovery to occur towards the latter half of 2021.



Asian Equity
Market Review

The year in Asia ex Japan equities can be described as pre and post-Covid-19, the volatility that immediately followed, the fiscal and monetary stimulus from governments and central banks, and the subsequent expectations of a global economic rebound in 2021. Asia ex Japan equity markets moved significantly lower in the first quarter due to the global spread of covid-19 and investors' flight to safety. In January, some regional equity markets posted losses as the Chinese government ordered a lockdown of Hubei province to stem the spread of Covid-19. In February, markets negatively reacted as the virus turned into a global pandemic, spreading to Asia, the Middle East, Europe, and the United States. Governments responded by locking down cities and quarantining entire regions, stopping economic activity and raising economic uncertainty. In March, amplified volatility resulted in steep losses as the specter of closed economies and a price war between Russia and Saudi Arabia over crude oil supply further roiled markets.

The second quarter was characterised by Asia ex Japan equity market gains on the back of global risk-on sentiment and unprecedented fiscal and monetary stimulus. In April, global and regional markets moved higher as central banks and governments across the globe introduced stimulus to combat the loss in economic activity due to Covid-19. Sino-US tensions rose in May as the US Congress government passed and US Congress examined measures to limit financial and economic ties with China. However, the two sides met in Hawaii in June for the first time since January, reaffirming their joint commitment to the first-phase trade deal.

Asia ex-Japan equity markets continued its move higher in the third quarter due to a raft of better-than-expected technology third quarter earnings in the US and Europe, as well as dovish monetary policy and robust fiscal stimulus. In late August, the US Federal Reserve Board introduced a new policy framework that empowers the central bank to allow inflation to stay above the current 2% target for a sustained period before increasing interest rates, which markets broadly interpreted as a signal of "lower for longer" interest rates that fueled bullish sentiment. In September, many Asian markets followed developed markets lower on a cocktail of worries: rising US-China tensions, a potential contested US presidential election in November, and stalled fiscal stimulus in key markets.

Asia ex Japan equity markets closed the year on a high note and posted strong gains for the quarter. In October, global markets seesawed on the back of optimism over a potential "blue wave" (Democratic President and Congress) in the US presidential election, potentially unlocking stimulus and a weaker US dollar, and a pronounced spike in Covid-19 cases in the US and Europe. The US presidential election took centre stage in November with the election of Joe Biden and a split US Congress pending run-off elections in January. The result triggered risk-on sentiment that spurred capital inflows to emerging markets and Asia, with many lagging ASEAN markets posting banner months. In December, markets rose on the back of numerous positive catalysts such as the beginning of the Covid-19 vaccination rollout in many countries, the US Congress passing a US$900 billion stimulus bill, and the United Kingdom reaching a last-minute Brexit deal with the EU. Overall, a positive macro backdrop, coupled with a weaker US dollar, led to all Asian currencies strengthening against the greenback and all regional equity markets posting gains for the quarter.

Asian Equity

Portfolio Review

During the year, the Fund performed positively on the back of stock selection at the country and sector level and asset allocation decisions at sector level. Asset allocation decisions at the country level partially offset the outperformance. Stock selection in Taiwan, South Korea, Hong Kong, Malaysia and India were the primary drivers of outperformance. The overweight to Australia and Taiwan and the underweight to Thailand and India also contributed positively. Detracting from performance was the underweight to China and the overweight to Indonesia and stock selection in Thailand and Indonesia.

Contributing positively was a South Korean electric vehicle (EV) battery manufacturer and energy storage solutions provider as the growth potential remains intact despite Covid-19. In fact, the outbreak is accelerating the transition to EVs and renewable energy. The company benefited from a tight battery supply amid over demand recovery and new battery technology ramp. Also contributing was a Taiwanese electronic component maker as it reported stronger than expected second quarter results and guided positively about gross profit margins due to strong momentum in PCs and tablets in addition to continued product demand amidst growing data traffic and higher transmissions speeds.

The Fund's exposure to Indonesia negatively impacted performance during the year as the impact from Covid-19 was relatively greater in the Southeast Asia nation than other parts of Asia. Given the government response to mitigate the impact of the pandemic, we felt that the growth prospects and outlook, at that time, had changed and subsequently took down our Indonesia exposure. An Indonesia real estate developer that was sold down on concerns around slower presales and a weaker Indonesian rupiah and an Indonesian bank, sold-off with the sector on expectations of lower loan growth and anticipation of higher credit costs from the impact of Covid-19.

Outlook

During the onset of the Covid-19 outbreak, Asia ex-Japan economies managed to avert a severe shock to the system thanks to the swift fiscal response from governments. Looking ahead, consensus estimates show that Asia ex-Japan economies will grow at a rate of 6.3% year-over-year in 2021. Overall, we expect the economic recovery in the region to be gradual and uneven. The economic stress felt in 2020 may have to work its way through 2021 and we expect to see a deterioration of loan asset quality along the way, particularly in sectors with prolonged earnings weakness. Instead of applying a broad-brush optimism over a swift recovery, we would rather focus on the key structural trends that would gather interest in 2021.

In the 14th Five Year Plan, one of the principles that would guide China's next phase of development is the "dual circulation" strategy in which the government aims to boost tech innovation and push Chinese firms up the global value chain, globalising China's home-grown companies, boosting household incomes, and in turn, stimulating domestic demand. We expect the will to boost domestic consumption to continue to support earnings growth of consumer companies.

South Korea is one of the markets in Asia with the biggest exposure to cyclical sectors, i.e., automobiles, chemicals and petrochemicals, construction and shipbuilding. As global economies recover from Covid-19, the cyclical recovery can be played through South Korea. In addition, Taiwan's technology supply chain is expected to continue to play an important role in supporting technology innovations in China and the US.

"On 15 November, China and 14 other countries signed the Regional Comprehensive Economic Partnership (RCEP), which accounts for 30% of the world population and 30% of global gross domestic product making it the world's largest trading region. The RCEP is a key milestone for Southeast Asian countries to advance as a global manufacturing hub."

India, on the other hand, is positioned for a recovery in domestic consumption (private vehicles) and a recovery in banks' earnings as credit costs turned out to be much lower than initially expected.

Global Assets

Review

Risk-on sentiment continued in December amid positive developments around a COVID-19 vaccine, a supportive Fed, positive fiscal stimulus headlines and the earnings outlook of Q121 expected to be better vs the low base last year in Q120.

Develop market equities EAFE and emerging markets outperformed the US markets, although small caps were also well bid into year end. MSCI ACWI gained +4.7%, the S&P 500 +3.8%, MSCI EM +7.4% driven by a strong MSCI LatAM +12% and APAC +6.7%

Full year gains for global MSCI ACWI equities were +16.8%

Looking at the sectors within MSCI World for December, all of them rallied on the back of better global risk sentiment. Tech maintained its longer-term market leadership gaining +5.7%, Materials +5.9% and Consumer Discretionary +5.5% whilst Utilities gained +2%.

Oil and Gold also rallied over the month, gaining +6.5% and 6.4% respectively.

Fixed Income also delivered positive gains for the month. Riskier assets rallied as shown by Barclays Global High Yield (+2.5%%) and Merrill Lynch High Yield Master II (+1.9%). Barclays US Aggregate (+0.14%) and Barclays Global Treasury (+1.5%) were relatively muted. The US Treasury 10yr yield increased from 0.84% to 0.92% by year end.

Non-USD FX performed strongly with the AUD (+4.7%) and the Brazilian Real (+3.7%) leading the way, while Asian currencies such as the Japanese Yen (+1%) the Taiwan Dollar (+1.4%) and Korean Won (+1.9%) also strengthened against the USD.

Governments and Central banks continue to demonstrate readiness to stand-in with monetary and fiscal tools to mitigate the risk of economic damage arising from the pandemic. Further escalation of US China tensions particularly around technology and tariff negotiation under the new US government is likely to bring further tit for tat reaction from both sides.

Outlook

Markets have reacted positively to the election outcome and vaccine news. Global economies however are firmly in a Phase 2 recovery stage, where we see a stall-out in markets and a pick-up in the credit default cycle in certain pockets of the market. Recent US job data was weak for November, and December could see that trend continue – nevertheless US markets continue to push towards record highs.

Corporate fundamentals are varied across sectors, with defensive business models holding up relatively well and cyclical and commodity businesses facing significant challenges. Markets remain sensitive to a host of factors including COVID-19, slowing global growth and fears of prolonged recession. We expect global stimulus efforts to remain a focus as central banks globally and the United States Congress rush to fill any liquidity gaps and pressure points. We are closely monitoring direct and indirect impacts of COVID-19 to avoid issuers with liquidity concerns

US High-yield markets rapidly repriced credit risk in the first quarter and we believe the outlook remains balanced. We expect uncertainty to remain high in the coming months but believe investors are generally being compensated for these risks. We feel that defaults have peaked and trailing 12-month default rates will decline in 2021. Our fundamental analysis and stress testing give us confidence in our ability to navigate these challenges.

All indications point to an extended period of low interest rates and continued government support to put the global economy back on a positive trajectory. However, the pace of recovery into 2021 and beyond is difficult to project given the sheer number of variables to consider. Economic data has been better than expected overall, although short term could be weakening again as COVID cases rage. The massive volatility in indicator readings makes the positive signs less reassuring, and we believe that the level to which data eventually normalises will be more important.

With the shift in seasons, reopening of schools, a loosening of initial response restrictions and/or lockdown compliance fatigue, the rising number of COVID-19 cases globally seems inevitable. Europe is already seeing rising case counts, attributed to a more virulent COVID variant.

Within equities, we're focused on ramifications on anti-trust legislation for big tech, public option healthcare strategies, higher corporate and personal taxes to help pay for large stimulus packages, US-China and global geopolitical relations, renewable energy investments, and impact of any changes on the USD. Sectors that potentially could be favorably impacted by a Biden administration would be infrastructure, construction, semiconductors, renewables, and materials while big tech, healthcare, and energy could be most negatively impacted.

"Multiple questions remain on the potential impact of a vaccine, including probable timelines, safety, efficacy, distribution priority and global availability. A vaccine will be a game-changer for the economies of Latin America, Indonesia and India - however a medical solution is unlikely to drive a robust, rapid economic solution. Fiscal stimulus is unlikely to be enough for a rapid economic recovery, as getting back to pre-COVID growth rates is likely to be pushed into 2022. The lasting impact of COVID-19 on the global economy is not the only factor to monitor. Rising geopolitical tensions, decelerating growth rates, supply chain disruptions and a general deglobalization trend all raise questions about the future trajectory of global debt and equity markets."

USD Global Target Income Fund

Historical Yield

Year-to-Date	
Absolute	6.40%
Since Inception	
Absolute	11.54%
Annualized	2.42%

Investment Objective

The Fund seeks to deliver periodic distribution of up to 4.75%* p.a. while providing the potential for capital appreciation and limiting the risk of capital erosion. The Fund will invest primarily in a diversified portfolio of collective investment schemes (including exchange-traded funds (ETFs), real estate investment trusts (REITs) and cash and cash equivalents.

Fund Information

6 Jun 2016
Inception date

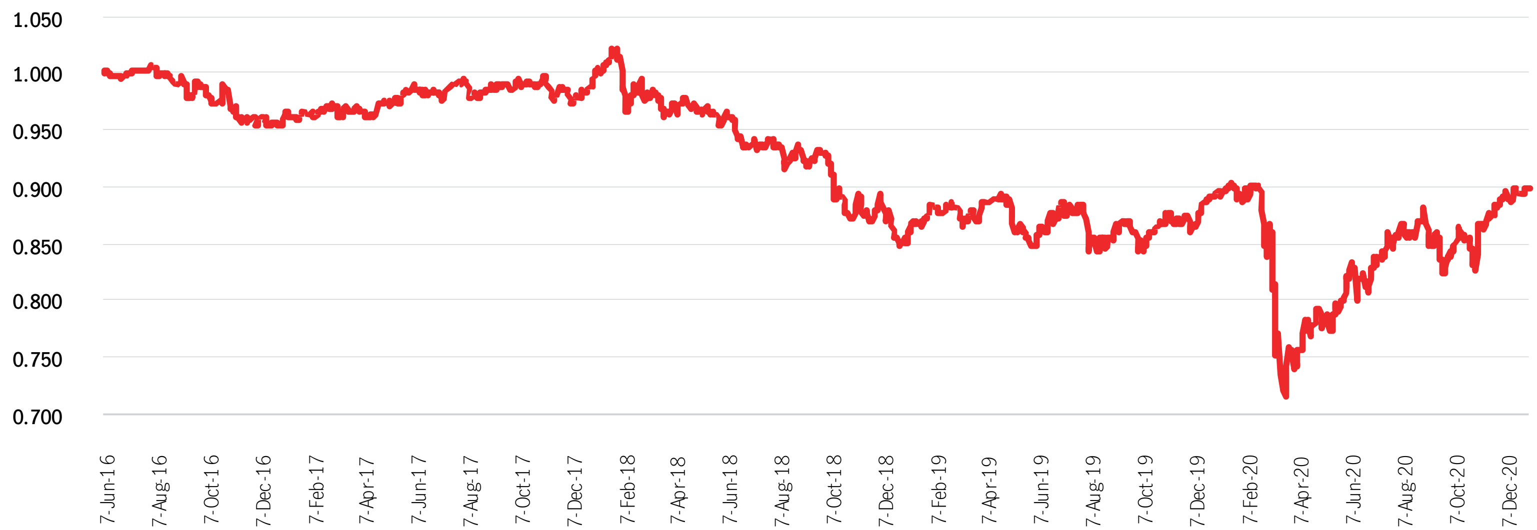
US$ 207.21 million
Fund size

US$ 0.904
Price (NAV/Unit)

2.25% per annum
(of which approximately 0.60% will go to the manager)
Management fee

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.

Fund Performance



Asset Allocation (at Market Value)

Peso Target Distribution Fund

Investment Objective

The Fund aims to provide periodic payouts of up to 3% per annum* while providing the potential for capital appreciation and limiting the risk of capital erosion by investing in a diversified portfolio of fixed income and equity investments based on an active asset allocation strategy.

Historical Yield

Year-to-Date	
Absolute	0.81%
Since Inception	
Absolute	2.91%
Annualized	0.45%

Fund Information

April 2014
Inception date

PHP 6.28 billion
Fund size

PHP 0.853
Price (NAV/Unit)

2.25% per annum
(of which 0.2% will go to the investment advisor, MIM Hong Kong, Ltd.)
Management fee

Fund Performance

Asset Allocation (at Market Value)

Bond Pool	Equity Pool	Short Term Bond Pool
49.16%	36.08%	14.76%

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.

Peso Growth Fund

Historical Yield

Year-to-Date	
Absolute	-10.76%
Since Inception	
Absolute	189.40%
Annualized	9.49%

Investment Objective

The Fund seeks to achieve a 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

April 2009
Inception date

PHP 5.63 billion
Fund size

PHP 2.894
Price (NAV/Unit)

2.25% per annum
Management fee

Fund Performance

Asset Allocation (at Market Value)

100%

Equity Pool

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.

Powerhouse Fund

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.

Historical Yield

Year-to-Date

Absolute	-13.52%

Since Inception

Absolute	-9.80%
Annualized	-2.63%

Fund Information

February 2017
Inception date

PHP 5.58 billion
Fund size

PHP 0.902
Price (NAV/Unit)

2.00% per annum
Management fee

Fund Performance

Asset Allocation (at Market Value)

100%

Powerhouse Pool

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.

Peso Dynamic Allocation Fund

Investment Objective

The Fund seeks to achieve long-term capital growth through investments in diversified portfolios of peso-denominated fixed income securities and securities listed on the Philippine Stock Exchange, and/or pooled fund/s that invest in these securities and other liquid fixed income instruments. It generally maintains a balanced allocation between fixed income and equity investments and may shift asset allocation between the two as risk/reward dynamics warrant but in no case will the fund's equity or fixed income allocation exceed 70% of its assets.

Historical Yield

Year-to-Date	
Absolute	-3.44%
Since Inception	
Absolute	3.90%
Annualized	0.51%

Fund Information

July 2013
Inception date

PHP 3.77 billion
Fund size

PHP 1.039
Price (NAV/Unit)

2.25% per annum
Management fee

Fund Performance

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.

Asset Allocation (at Market Value)

Bond Pool	Equity Pool
45.34%	54.66%

Peso Diversified Value Fund

Historical Yield

Year-to-Date	
Absolute	1.97%
Since Inception	
Absolute	91.70%
Annualized	5.71%

Investment Objective

The Fund seeks to achieve a long-term growth by investing in government securities and/or high quality corporate debt securities, stocks listed on the Philippine Stock Exchange and/or in pooled fund/s that invest in these securities and other liquid fixed income instruments.

Fund Information

April 2009
Inception date

PHP 1.81 billion
Fund size

PHP 1.917
Price (NAV/Unit)

2.00% per annum
Management fee

Fund Performance

Asset Allocation (at Market Value)

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.

Peso Secure Fund

Investment Objective

The Fund seeks to achieve a stable and long-term growth by investing in government securities and/or high quality corporate debt securities and/or pooled fund/s that invest in these securities and other liquid fixed income instruments.

Historical Yield

Year-to-Date	
Absolute	5.05%
Since Inception	
Absolute	76.70%
Annualized	4.98%

Fund Information

April 2009
Inception date

PHP 1.62 billion
Fund size

PHP 1.767
Price (NAV/Unit)

1.75% per annum
Management fee

Fund Performance

Asset Allocation (at Market Value)

100%

Bond Pool

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.

USD Asia Pacific Property Income Fund

Investment Objective

The Fund is Feeder Fund that invests in the Asia Pacific REIT Fund of Fund of Manulife Asset Management and Trust Corporation. The target fund is a unit-paying fund of funds that seeks to achieve long-term capital appreciation and to generate income by investing primarily in a diversified portfolio of exchange-listed real estate investment trust (REITs) in the Asia Pacific region and other allowable investments.

Historical Yield

Year-to-Date	
Absolute	-5.40%
Since Inception	
Absolute	0.49%
Annualized	0.26%

Fund Information

February 2019
Inception date

US$ 43.43 million
Fund size

US$ 0.992
Price (NAV/Unit)

2.25% per annum
Management fee

Fund Performance

Asset Allocation (at Market Value)

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.

USD ASEAN Growth Fund

Investment Objective

The objective of this Fund is to generate long-term capital growth through investments in equity and equity-related securities of companies incorporated in countries which are members of ASEAN as well as companies incorporated outside ASEAN but with material exposure to ASEAN markets. The Fund may hold cash and fixed income instruments for liquidity management purposes.

Historical Yield

Year-to-Date	
Absolute	4.64%
Since Inception	
Absolute	37.60%
Annualized	4.02%

Fund Information

26 Nov 2012
Inception date

US$ 11.31 million
Fund size

US$ 1.376
Price (NAV/Unit)

2.25% per annum
(of which 0.9% will go to the manager)
Management fee

Fund Performance

Asset Allocation (at Market Value)

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.

PHP Asia Pacific Property Income Fund

Investment Objective

The Fund is Feeder Fund that invests in the Asia Pacific REIT Fund of Fund of Manulife Asset Management and Trust Corporation. The target fund is a unit-paying fund of funds that seeks to achieve long-term capital appreciation and to generate income by investing primarily in a diversified portfolio of exchange-listed real estate investment trust (REITs) in the Asia Pacific region and other allowable investments.

Historical Yield

Year-to-Date	
Absolute	-9.90%
Since Inception	
Absolute	-8.46%
Annualized	-5.41%

Fund Information

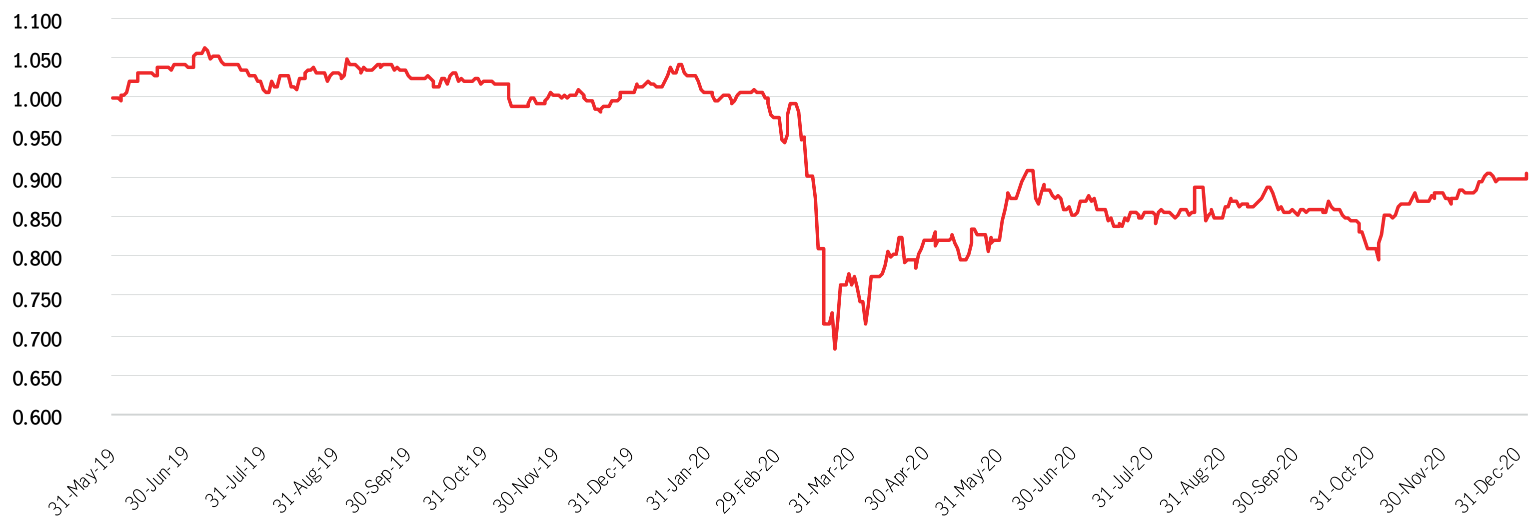
May 2019
Inception date

PHP 1.73 billion
Fund size

PHP 0.905
Price (NAV/Unit)

2.25% per annum
Management fee

Fund Performance



Asset Allocation (at Market Value)

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.

USD Secure Fund

Historical Yield

Year-to-Date	
Absolute	6.05%
Since Inception	
Absolute	77.0%
Annualized	4.99%

Investment Objective

The Fund seeks to achieve long-term capital appreciation by investing in USD denominated sovereign and corporate debt securities and/or pooled fund/s that invest in these securities and other liquid instruments.

Fund Information

April 2009
Inception date

US$ 6.26 million
Fund size

US$ 1.770
Price (NAV/Unit)

2.00% per annum
Management fee

Fund Performance

Asset Allocation (at Market Value)

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.

Peso Wealth Optimizer Fund 2026

Historical Yield

Year-to-Date	
Absolute	-5.17%
Since Inception	
Absolute	-8.20%
Annualized	-1.92%

Investment Objective

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

Fund Information

August 2016
Inception date

PHP 235.11 million
Fund size

PHP 0.918
Price (NAV/Unit)

2.25% per annum
(of which 0.18% will go to the investment advisor, MIM Hong Kong, Ltd.)
Management fee

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.

Fund Performance

Asset Allocation (at Market Value)

Bond Pool
Equity Pool
Short Term Bond Pool **1.39%**

Peso Target Income Fund

Investment Objective

The Fund aims to provide periodic payouts of up to 3% per annum while providing the potential for capital appreciation and limiting the risk of capital erosion by investing in a diversified portfolio of fixed income and equity investments based on an active asset allocation strategy.

Historical Yield

Year-to-Date

Absolute	1.07%

Since Inception

Absolute	4.48%
Annualized	0.69%

Fund Information

April 2014
Inception date

PHP 213.26 million
Fund size

PHP 0.866
Price (NAV/Unit)

2.00% per annum
(of which 0.2% will go to the investment advisor, MIM Hong Kong, Ltd.)
Management fee

Fund Performance

Asset Allocation (at Market Value)

Bond Pool	Equity Pool	Short Term Bond Pool
49.15%	36.09%	14.76%

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.

Peso Equity Fund

Historical Yield

Year-to-Date	
Absolute	-10.57%
Since Inception	
Absolute	99.60%
Annualized	5.36%

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

October 2007
Inception date

PHP 120.47 million
Fund size

PHP 1.996
Price (NAV/Unit)

2.00% per annum
Management fee

Fund Performance

Asset Allocation (at Market Value)

100%
Equity Pool

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.

China Bank Dollar Fixed Income VUL Fund

Investment Objective

The Fund seeks to achieve long-term capital appreciation by investing primarily in USD-denominated Philippine sovereign debt securities, as well as other liquid instruments, including bank deposits.

Historical Yield

Year-to-Date

Absolute	4.95%

Since Inception

Absolute	14.50%
Annualized	5.06%

Fund Information

April 2018
Inception date

US$ 3.88 million
Fund size

US$ 1.145
Price (NAV/Unit)

2.00% per annum
Management fee

Fund Performance

Asset Allocation (at Market Value)

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.

USD Asia Pacific Bond Fund

Investment Objective

The Fund seeks to maximize returns from a combination of capital appreciation and income generation. The Fund primarily invests in diversified portfolio of fixed income securities, issued by governments, agencies supra, and corporate issuers in the Asia Pacific region.

Historical Yield

Year-to-Date	
Absolute	7.73%
Since Inception	
Absolute	18.30%
Annualized	1.85%

Fund Information

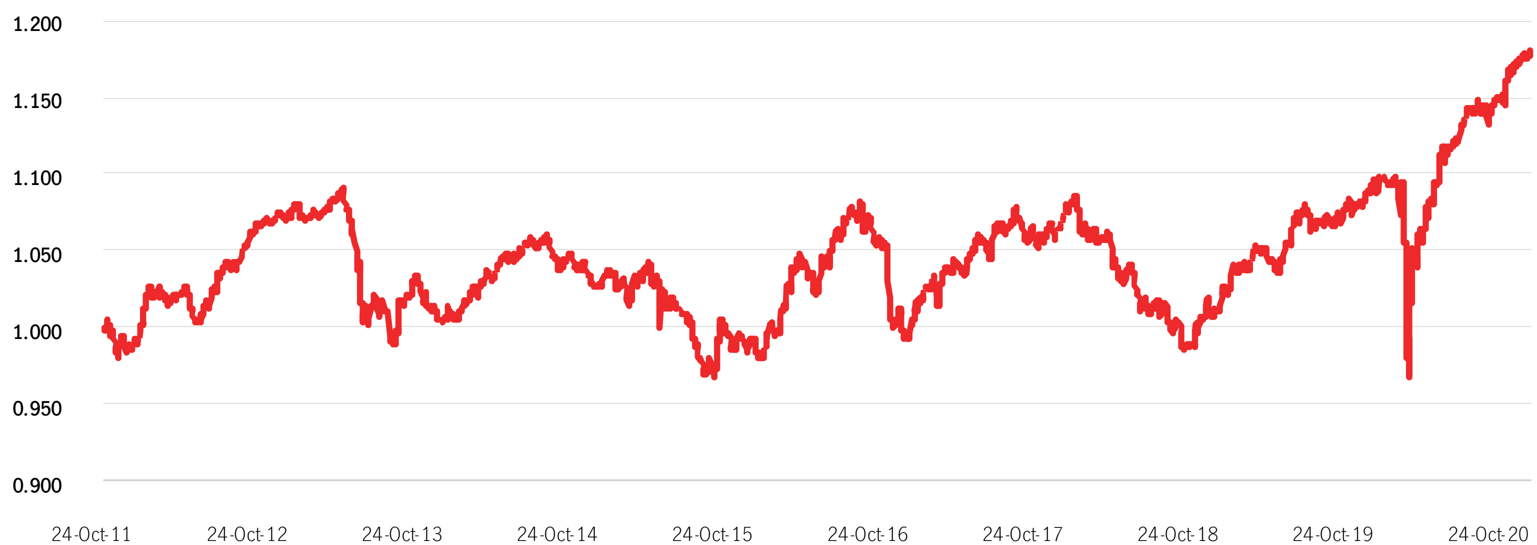
October 2011
Inception date

US$ 1.89 million
Fund size

US$ 1.183
Price (NAV/Unit)

2.00% per annum
(of which 0.6% will go to the investment manager)
Management fee

Fund Performance



Asset Allocation (at Market Value)

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.

USD Bond Fund

Historical Yield

Year-to-Date	
Absolute	6.21%
Since Inception	
Absolute	84.70%
Annualized	4.74%

Investment Objective

The Fund seeks to achieve long-term capital appreciation by investing in USD denominated sovereign and corporate debt securities and/or pooled fund/s that invest in these securities and other liquid instruments.

Fund Information

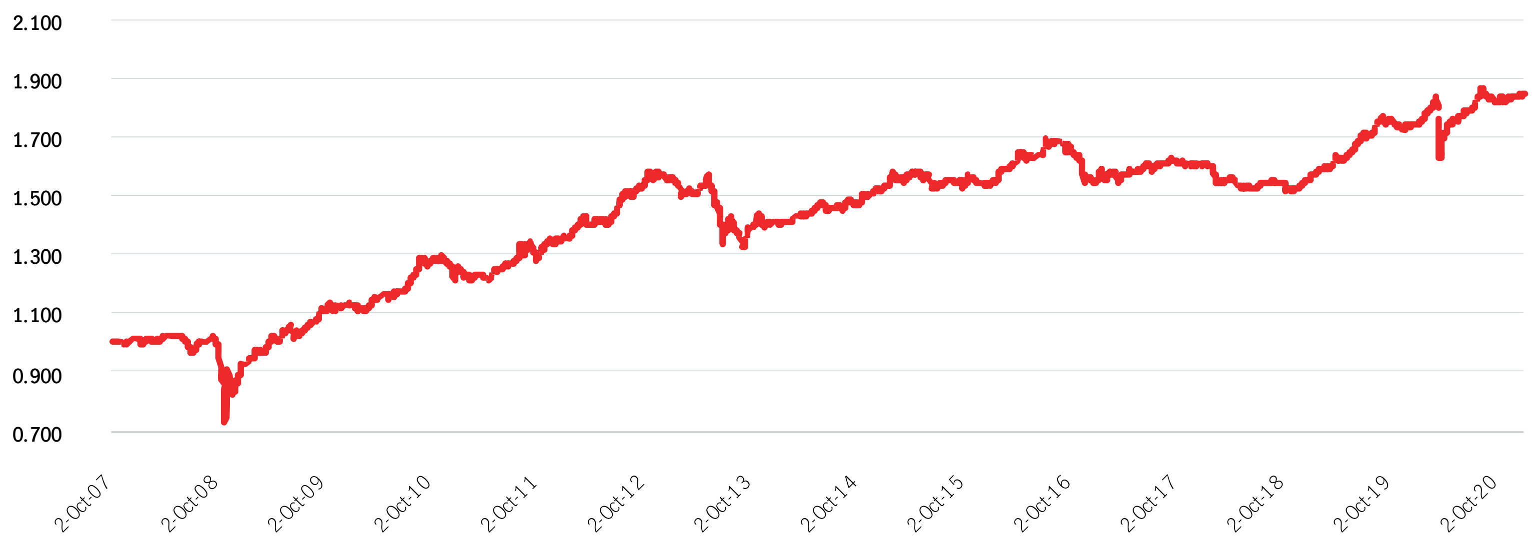
October 2007
Inception date

US$ 1.73 million
Fund size

US$ 1.847
Price (NAV/Unit)

1.75% per annum
Management fee

Fund Performance



Asset Allocation (at Market Value)

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.

Peso Bond Fund

Investment Objective

The Fund seeks to achieve a stable and long-term growth by investing in government securities and/or high quality corporate debt securities and/or pooled fund/s that invest in these securities and other liquid fixed income instruments.

Historical Yield

Year-to-Date

Absolute	5.26%

Since Inception

Absolute	108.30%
Annualized	5.70%

Fund Information

October 2007
Inception date

PHP 76.85 million
Fund size

PHP 2.083
Price (NAV/Unit)

1.50% per annum
Management fee

Fund Performance

Asset Allocation (at Market Value)

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.

Peso Balanced Fund

Investment Objective

The Fund seeks to achieve long-term capital growth through investments in diversified portfolios of peso-denominated fixed income securities and securities listed on the Philippine Stock Exchange and/or pooled fund/s that invest in these securities and other liquid fixed instruments. It shall generally maintain a balanced allocation between fixed income and equity investments and may shift asset allocation between the two as risk/reward dynamics warrant but in no case shall the fund's equity or fixed income allocation exceed 70% of its asset.

Historical Yield

Year-to-Date

Absolute	-3.31%

Since Inception

Absolute	5.30%
Annualized	0.69%

Fund Information

July 2013
Inception date

PHP 57.39 million
Fund size

PHP 1.053
Price (NAV/Unit)

2.00% per annum
Management fee

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.

Fund Performance

Asset Allocation (at Market Value)

Bond Pool	Equity Pool
45.34%	54.66%

Peso Stable Fund

Investment Objective

The Fund seeks to achieve a long-term growth by investing in government securities and/or high quality corporate debt securities, stocks listed on the Philippine Stock Exchange and/or in pooled fund/s that invest in these securities and other liquid fixed income instruments.

Historical Yield

Year-to-Date	
Absolute	1.98%
Since Inception	
Absolute	95.40%
Annualized	5.19%

Fund Information

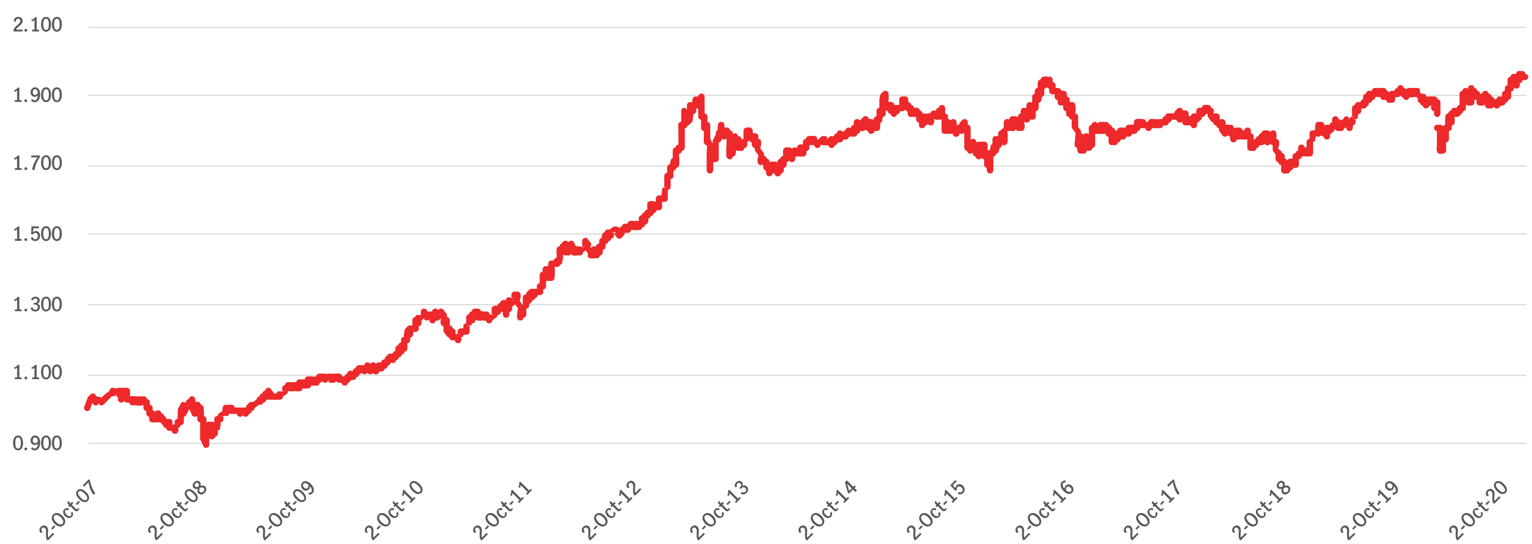
October 2007
Inception date

PHP 42.70 million
Fund size

PHP 1.954
Price (NAV/Unit)

1.75% per annum
Management fee

Fund Performance



Asset Allocation (at Market Value)

Bond Pool	Equity Pool	Short Term Bond Pool
58.44%	22.07%	19.49%

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.

Peso Wealth Optimizer Fund 2031

Historical Yield

Year-to-Date

Absolute	-8.39%

Since Inception

Absolute	-12.70%
Annualized	-3.04%

Investment Objective

The Funds seeks to maximize long-term capital growth while managing the risk of capital erosion as the target date approaches through a dynamic re-balancing 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

August 2016
Inception date

PHP 47.30 million
Fund size

PHP 0.873
Price (NAV/Unit)

2.25% per annum
(of which 0.18% will go to the investment advisor, MIM Hong Kong, Ltd.)
Management fee

Fund Performance

Asset Allocation (at Market Value)

Bond Pool	Equity Pool	Short Term Bond Pool
17.19%	82.47%	0.34%

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.

USD Asia First Fund

Investment Objective

The target fund seeks to achieve capital growth by investing primarily in a diversified portfolio of securities of companies listed on stock markets in and/or incorporated in and/or with significant business interests in Asia including Australia, Hong Kong, Indonesia, Malaysia, New Zealand, the PRC, Philippines, Singapore, South Korea, Taiwan, Thailand, Vietnam and Pakistan, but not in Japan.

Historical Yield

Year-to-Date

Absolute	26.34%

Since Inception

Absolute	45.80%
Annualized	19.40%

Fund Information

November 2018
Inception date

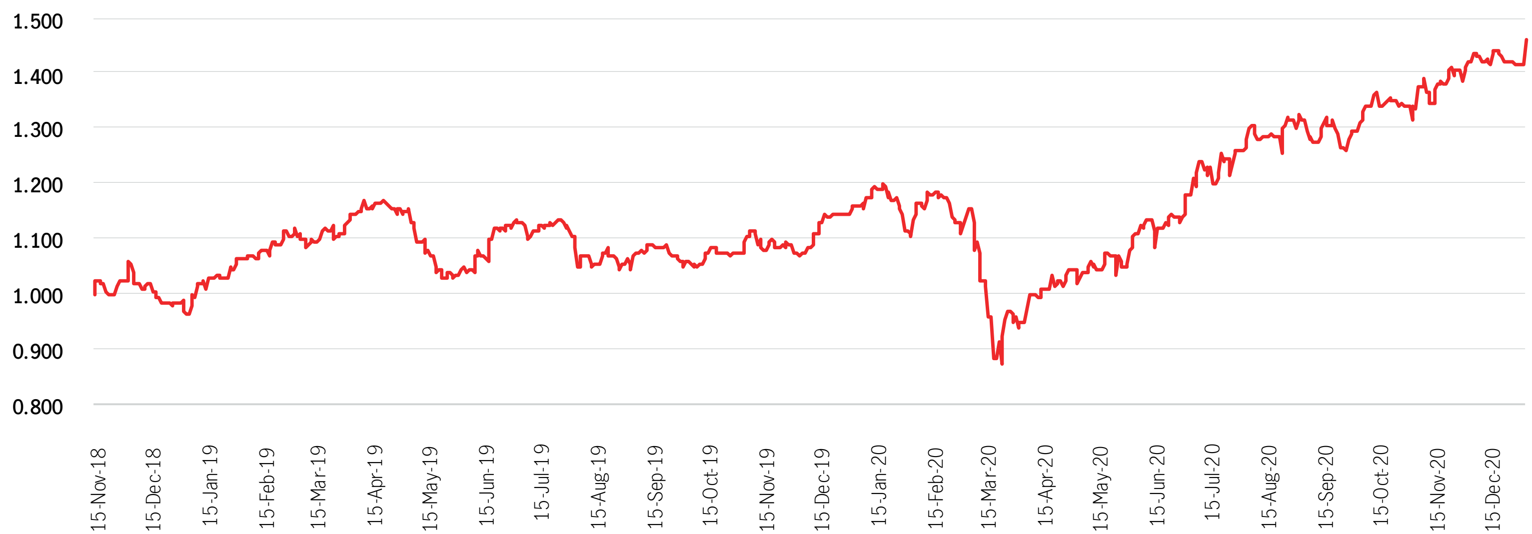
US$ 0.889 million
Fund size

US$ 1.458
Price (NAV/Unit)

2.25% per annum
Management fee

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.

Fund Performance



Asset Allocation (at Market Value)

Peso Wealth Optimizer Fund 2036

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 re-balancing of exposure to diversified portfolios of peso-denominated fixed income securities and securities listed on the Philippines Stock Exchange, and /or pooled funds that invest in these securities and other liquid fixed income instruments.

Historical Yield

Year-to-Date

Absolute	-9.76%

Since Inception

Absolute	-14.90%
Annualized	-3.60%

Fund Information

August 2016
Inception date

PHP 28.61 million
Fund size

PHP 0.851
Price (NAV/Unit)

2.25% per annum
(of which 0.18% will go to the investment advisor, MIM Hong Kong, Ltd.)
Management fee

Fund Performance

Asset Allocation (at Market Value)

Bond Pool	Equity Pool	Short Term Bond Pool
7.32%	92.59%	0.09%

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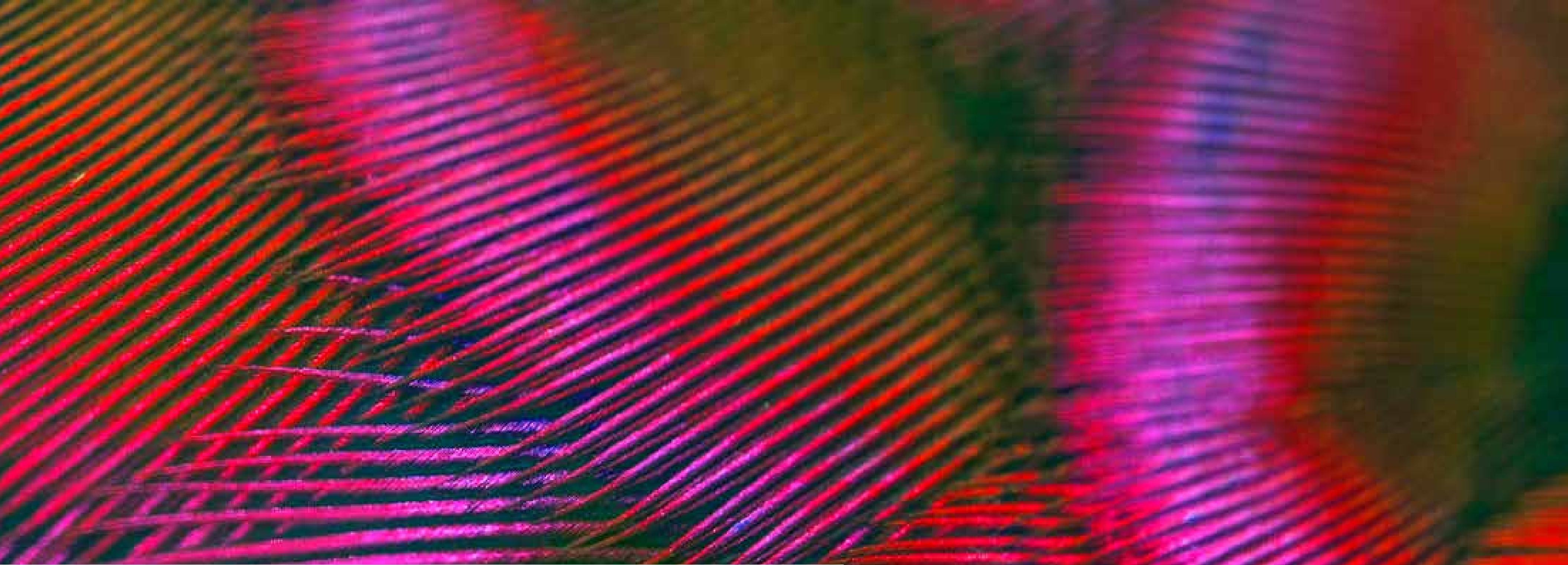

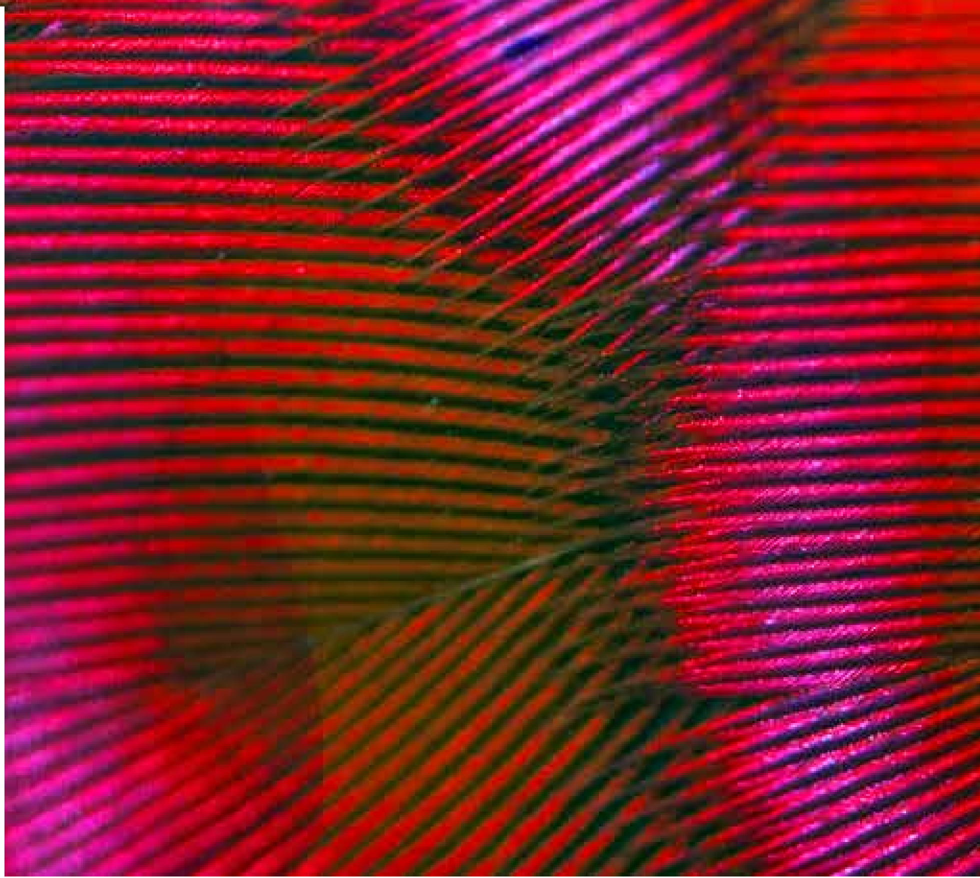

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