



Variable Unit-linked Funds

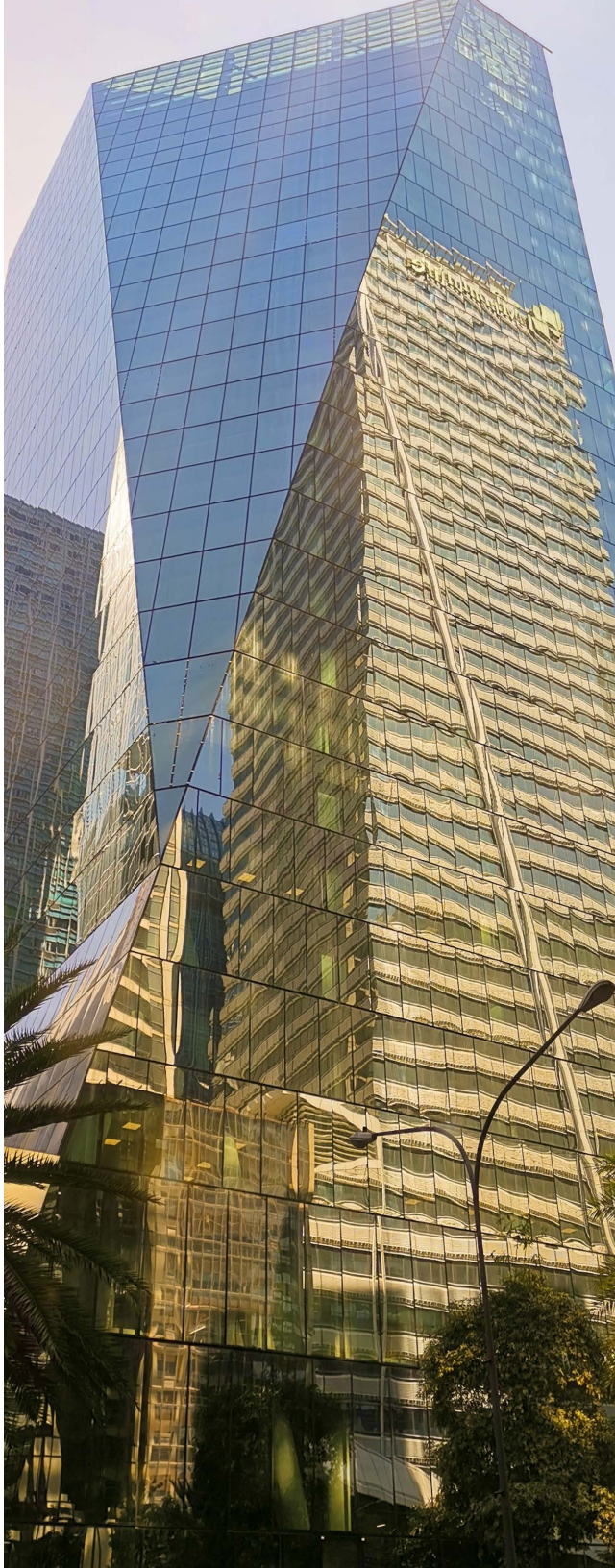
Annual Performance Report
as of December 31, 2018

18

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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 December 31, 2018, we had over **CAD 1.1 trillion (USD 794 billion)** 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 **621** branches to date, including **162** branches of its retail bank arm China Bank Savings (CBS), complemented by its ATM network nationwide and 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 nearly 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

*Based on December 31, 2018
unaudited figures submitted to
the Insurance Commission on
January 21, 2019

	2018 (in Php Thousands)	2017 (in Php Thousands)
Global Target Income	6,153,605	4,271,523
Peso Target Distribution	6,035,021	6,407,697
Peso Growth	5,477,552	5,875,909
Powerhouse Fund	4,172,248	1,974,335
Peso Dynamic Allocation	3,805,642	4,318,891
Peso Secure	1,759,217	2,415,984
Peso Diversified Value	1,743,574	2,073,336
Peso Target Income	200,467	202,301
Wealth Optimizer 2026	193,950	143,193
Peso Equity	174,123	222,275
MCBL China Bank Dollar Fixed Income VUL Fund	150,530	n/a
Peso Bond	87,688	117,160
Peso Balanced	71,369	93,416
Peso Stable	55,111	71,531
Wealth Optimizer 2031	43,460	16,351
Peso Cash	29,228	98,914
Wealth Optimizer 2036	25,766	11,019
USD ASEAN Growth	670,219	1,208,029
USD Secure	529,469	687,920
USD Asia Pacific Bond	141,000	200,005
USD Bond	104,688	122,907
USD Asia First Fixed Income	11,041	n/a
USD Wealth Premier	0	32,998
Total	31,634,968	30,565,692

An aerial, high-angle photograph of a busy city intersection. The scene is dominated by several large, white-striped crosswalks on a dark asphalt surface. Numerous pedestrians are captured in various stages of crossing the street, their shadows cast long and dark on the pavement, suggesting a low sun position. The overall composition is dynamic, with the geometric patterns of the crosswalks intersecting at different angles. The text 'Market Review and Outlook' is overlaid on the left side of the image, with 'Market' in a script font and 'Review and Outlook' in a bold, sans-serif font.

Market **Review and Outlook**

Peso Bond

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“We remain *confident* on the *growth* prospects of the Philippine economy for 2019 as we expect the downtrend in inflation to buoy domestic demand and *support* economic expansion. As the *full impact* of the total *175bps* policy rate hike *advances* its way into the economy, we expect the BSP to *maintain* a *neutral* stance for the year.”

Review

The Philippine local bond market experienced a general uptrend in yields, averaging 221 basis points (bps) higher across the curve for the full year 2018. The upward shift of the yield curve was largely underpinned by the five consecutive rate hikes of the Bangko Sentral ng Pilipinas (“BSP”), as it sought to anchor elevated inflation expectations.

Inflation also pushed local bond yields higher as the supply side bottlenecks (specifically rice) and higher global oil prices lifted inflation pressures. As the current Administration implemented measures to stem the inflation uptick, October printed a peak of 6.7%, and subsequently tapered to 5.1% in December. The BSP revised its inflation forecasts several times and predicted the full year average of 5.2%. For 2019, the BSP expects that the measures undertaken by the government will keep inflation within its target range.

Outlook

We remain confident on the growth prospects of the Philippine economy as we expect the downtrend in inflation to buoy domestic demand and support economic expansion. As the full impact of the total 175bps policy rate hike advances its way into the economy, we expect the BSP to maintain a neutral stance for the year. Additionally, the BSP may reduce the reserve ratio requirement (“RRR”) of the banks once inflation stabilizes.

With the current Administration’s ambitious infrastructure plans, the Department of Budget and Management projects additional borrowings of PHP1.19 trillion for 2019. Factoring in the government’s maturing obligations, we expect that the new bond supply will not have a material impact on bond yields.

Given the prospect of a pause in Fed policy rate hikes amid a slowdown in global economic growth, we expect the local bond market to be more focused on domestic developments. The anticipated inflation downtrend is supportive of a lower bond yield environment for 2019, guiding us to add duration to the portfolio. Risks to our positive outlook include a possible more aggressive bond issuance by the Bureau of Treasury and potentially higher global oil prices. Hence, we shall maintain our bias in favor of bonds that provide enough risk premium to counter the impact of possible upward shift in bond yields.

USD *Bond*

Review

In the US, the Federal Reserve Board increased its federal funds target range four times over the year, each time by 25 basis points (bps), to the target rate range of 2.25% - 2.50%. US Treasury yields were volatile and trended higher amid rising inflation expectations, volatility in broad emerging markets, and rising US-China trade tensions. Towards the end of the year, US Treasury yields retraced to lower levels as post meeting comments were not as dovish as some market participants hoped for, which led to underperformance in risk assets and safe haven flows. Overall, the 10-year US Treasury yield rose from 2.41% to 2.68% over the period. The Republic of Philippines (ROP) bond yields also rose over the period, overall mainly tracking the US Treasury yield movement.

In Europe, German bund benefited from the safe haven flows amid the Turkey rout, concerns on Italy's budget deficit, and volatility in global financial markets. Towards the end of the year,

the European Central Bank (ECB) announced the formal end to quantitative purchases, as expected by most market participants. In the UK, the Brexit negotiations and wide range of potential outcomes continued to cloud the economy. The Bank of England (BoE) raised its key interest rate once by 25bps to 0.75%. More recently in the December meeting, the BoE kept a more cautious tone, noting that "Brexit uncertainties have intensified considerably" and the "slowing global economy is weighing on the near term outlook".

Outlook

Heading into 2019, we are more optimistic as we believe market repricing in Asian bonds is nearing its end. We may be approaching the end of the current cycle of interest rate increases. We believe the Fed may raise interest rates one more time in the first half of 2019, which is what the market is roughly pricing in. Based on a scenario of moderating US growth, we do not believe that long-term US interest rates are likely to rise sharply for a prolonged period. However, the direction of interest rates is less certain for the second half of 2019.

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“Heading into *2019*, we are *more optimistic* as we believe *market repricing* in *Asian bonds* is nearing its *end*. We may be approaching the end of the current cycle of interest rate increases. We believe the *Fed* may *raise interest rates* one more time in the *first half of 2019*, which is what the market is roughly pricing in.”

Philippine Equity



“Looking forward, we expect the market to *remain volatile* in 2019 given the *potential adverse impact* of the US-China trade war on global growth. However, inflation is likely to trend lower and may act as a *positive catalyst* for the PSEI. Furthermore, there could be *upside surprise* from corporate earnings *growth expectations* of 10% if inflation keeps its downward trend.”

Review

The local stock market index (PSEI) closed the year at 7,466, down by 12.76%, on the back of elevated inflation and rising interest rates. Several negative developments, both local and abroad, left the market prone to profit-taking following the strong market rally in 2017. The market managed to reach a record high of 9,059 in late January, on the back of enacted tax reforms, before declining for the most part of 2018.

Knee-jerk reaction to the better-than-expected data from the US prompted a sell-off in stock markets across the globe as investors contemplated on potentially more abrupt rate hikes in the US. The weakening of the Philippine Peso and inflationary concerns due to rising commodity prices also weighed on the local stock market. Inflation breached the BSP's upper range estimate of 4%, averaging 5.2% for the full year and peaking at 6.7%. Global developments also turned sour as the US-China trade war escalated, with both countries applying a combined USD 360 billion worth of tariffs on each other's products, threatening to slow down global growth. These concerns triggered risk-off sentiment and resulted to foreigners being huge net sellers of Philippine equities, unloading USD 1.1 billion worth over the course of 2018. To alleviate concerns, the BSP gradually raised interest rates by a total of 175 basis points throughout 2018, lifting the benchmark policy rate to 4.75%. Higher interest rates, along with lower crude oil prices and amendments to the rice importation policy tamed inflation by the latter part of 2018. With easing inflationary pressures, the stock market rallied in the last two months of the year.

Outlook

The Philippine market's valuation has become more appealing following the decline in share prices despite corporate earnings growth of 11.6% and robust GDP growth of 6.3% year-on-year in the first nine months of 2018. Looking forward, we expect the market to remain volatile in 2019 given the potential adverse impact of the US-China trade war on global growth. However, inflation is likely to trend lower and may act as a positive catalyst for the PSEI. Furthermore, there could be upside surprise from corporate earnings growth expectations of 10% if inflation keeps its downward trend. In line with our expectations of a slowdown in inflation, we shall keep our bias in favor of companies that should benefit from improving consumer demand. Meanwhile, elevated interest rates may lead to better profits for the banking sector. Lastly, we shall keep an underweight position in capital intensive businesses that may be negatively impacted by higher cost of debt, as well as companies that could be hurt by policy reforms.

ASEAN *Equity*

Review

The MSCI South East Asia Small Cap Index ('benchmark') returned -2.94% (in US dollar terms) in 2018 and experienced a volatile year, as escalating Sino-US trade tensions, ongoing macro headwinds, and plunging global markets sent ASEAN markets lower. However, ASEAN was relatively immune to the carnage this year given the limited exposure to the tech sector. The central banks of these countries proactively defended their currencies by staying ahead of the Fed, with Indonesia and the Philippines hiking rates by 175bps each this year, Malaysia delivering its first rate hike since 2014, and Thailand since 2011.

Singapore 2018 GDP was in line with consensus estimates which saw a lower year-on-year growth from the manufacturing sector but witnessed an improvement in construction activity. Non-oil domestic exports, particularly electronics had negative year-on-year growth due to a high base in 2017.

In Indonesia, Moody's upgraded the country's long-term and senior unsecured ratings to 'Baa2' from 'Baa3' in the second quarter. The government also introduced a raft of policies to stabilize the economy and reduce the country's current account deficit, including taxes on imports to reduce demand.

Historic elections held in early May upended the existing political and market consensus, sending equity markets lower in the second quarter. The uncertainty and potential negative fiscal implications of the election, coupled with rising

trade tensions, led foreign investors to reprice risk in the market. However, in the third quarter, the government announced a delay or cancellation in several high profile infrastructure projects casting uncertainty over the government's fiscal policy direction. Moody's Investors Service's decision to affirm Malaysia's local and foreign currency issuer and senior unsecured debt ratings at "A3" with a stable outlook assuaged investors' concern over fiscal slippage and debt.

Thailand posted GDP growth of 4.8% in the first quarter, hitting a five-year high, on the back of strong domestic demand and government spending. Though Thailand had remained resilient when emerging markets were battered in the second and third quarter 2018, concerns over global growth and upcoming elections negatively affected the markets. Although elections are slated for late-February 2019, the lack of guidance over election campaigning rules has stifled election activities, which traditionally help boost domestic demand.

In the Philippines, the country's current account balance improved on the back of overseas remittances. The BSP implemented a series of interest rate hikes to reduce elevated inflationary pressures. However, an improving inflation outlook, guided by falling oil prices and changes to rice import policy, as well as better corporate earnings allowed the equity market to pare its losses.

Outlook

The pace of Fed tightening is expected to ease amid rising stress in corporate earnings and softer inflation expectation following the fall in oil prices. This is likely to deter the US Dollar from strengthening further. The combination of slower Fed rate hike, lower oil price, and weaker US Dollar offers a relief to emerging Asian economies. That said, the market still has to digest downward revision in corporate earnings on the back of softer economic growth in the region.

We see better opportunities in the South East Asian markets. Earnings risk is lower in the region as a lot of negatives have been priced in by the market, particularly in Indonesia and Malaysia. Lower oil prices and more benign interest rate and US Dollar trend should also support liquidity flow into the region. More importantly, the region plus India are relatively more insulated from the trade tension between China and the US because their economies are predominantly supported by domestic consumption. The trade tension has also driven foreign direct investments into Vietnam and Thailand as companies seek alternative production base.

“ We see *better opportunities* in the *South East Asian* markets. Earnings risk is lower in the region as a lot of negatives have been priced in by the market, particularly in *Indonesia* and *Malaysia*.



Asia Pacific Bond

Review

In the US, the Federal Open Market Committee (FOMC) increased its federal funds target range four times over the year, each time by 25 basis points, to 2.25% - 2.50%. US Treasury yields were volatile and trended higher amid rising inflation expectations, volatility in broad emerging markets, and rising US-China trade tensions. Towards the end of the year, US Treasury yields retraced to lower levels as post FOMC meeting comments were not as dovish as some market participants hoped for, which led to underperformance in risk assets and safe haven flows. Overall, the 10-year US Treasury yield rose from 2.41% to 2.68% over the period.

In China, the economy showed further signs of deceleration amid continued China-US trade tensions. China's gross domestic product growth slowed to 6.5% in the third quarter, missing market expectations and registering the weakest year-over-year quarterly growth rate since 2009. China government bonds yields fell over the period as market participants expect the People's Bank of China to lean towards a monetary policy easing bias. In India, the Reserve Bank of India (RBI) is expected to take a more dovish stance following the resignation of RBI Governor Urjit Patel. In Indonesia, Bank Indonesia raised its key interest rate six times to defend its currency and stabilize its financial market. The Indonesian government also planned to introduce measures that will reduce imports in a bid to improve the country's external position. Indonesian government bond yields rose over the period amid foreign investors selling.

Asian corporate credit markets saw small gains amid a volatile US Treasury yield environment. The JP Morgan Asian Investment Grade Corporate Bond Index returned 0.24% in US dollar terms.

The majority of Asian currencies weakened against the US dollar amid a strong US dollar environment and Fed interest rate hikes. The Indian rupee was one of the worst performing currencies amid resurgent oil prices and a widening trade deficit.

Outlook

Heading into 2019, we are more optimistic as we believe market repricing in Asian bonds is nearing its end. We may be approaching the end of the current cycle of interest rate increases. We believe that the Fed may raise interest rates one more time in the first half of 2019, which is what the market is roughly pricing in. Based on a scenario of moderating US growth, we do not believe that long-term US interest rates are likely to rise sharply for a prolonged period. However, the direction of interest rates is less certain for the second half of 2019.

We expect Asian bonds to benefit from a moderating US growth trend, as investors who left the Asian region for US assets may return as US growth rate slows and the interest rate differential with Asia narrows. From a regional perspective, Asian central banks may generally take a more moderate stance as the focus may shift from external factors, such as US interest rate increases and volatility in broad emerging markets, to domestic factors, such as inflation and growth. We believe that the combination of strong fundamentals in Asia and the repricing of Asian bonds in 2018 provide ample opportunities in Asian rates, credit, and currencies in 2019.

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Global Assets

“

“Overall, the *MSCI World Index* registered a return of *-8.20%* in USD terms during the period while the *Bloomberg Barclays Global Aggregate* Index registered a return of *-1.20%* in USD terms.”

Review

2018 was the worst year for U.S. stocks since 2008 and only the second year in the past decade that both the Dow Jones Industrial Average and the S&P 500® Index declined. December was particularly difficult, recording its worst showing for that month since 1931, when the market was careening toward the lows of the Great Depression. As represented by the S&P 500 Index, U.S. stocks fell 4.50% during the period. Foreign stocks in developed markets finished the year considerably behind their U.S. counterparts. A stronger U.S. dollar, especially in the second quarter, was a headwind for the group. Slowing economic growth in some key countries and the prospect of less accommodative monetary policy by the European Central Bank also hampered returns. As represented by the MSCI EAFE Index, this group fell 13.36% in 2018. Despite outperforming developed market stocks in the fourth quarter, emerging market equities fared relatively poorly for 2018 overall amid rising U.S. interest rates, unfavorable currency movements, and weakening economic growth in China. As represented by the MSCI EM Index, emerging market stocks fell 14.25%. Within fixed income, economic strength led to four Fed funds rate hikes within the U.S. The US 10-year treasury ended the period at 2.68%, after peaking above 3%. Corporate credit trailed government debt during the period, reflecting rising risk-aversion amongst market participants. Overall, the MSCI World Index registered a return of -8.20% in USD terms during the period while the Bloomberg Barclays Global Aggregate Index registered a return of -1.20% in USD terms.

During the trailing one-year period, the Fund experienced negative performance. The Fund benefited from exposure to various sector positions within U.S. equity including a technology position early in 2018 and a telecommunications position as markets turned more defensive. The Fund was hurt by exposure to broad equity, with European and U.S. equities and Emerging Market Debt being the top detractors.

During the period, the Fund substantially increased exposure to U.S. assets in both equity and fixed income as during most of the year U.S. assets experienced substantial positive price momentum relative to other region's assets.



Global *Assets*

Outlook

While the US stock market's fourth quarter swoon may not have pushed it officially into bear market territory, it did blunt the momentum of US stocks. Although US economic activity has shown some signs of slowing from recent elevated levels, most measures do not suggest a recession. And, while China has struggled to maintain desired growth levels and European debt and political dynamics have kept a lid on growth there, the primary drivers of market moves have had more to do with concerns over Fed policy and trade rift. While we do not believe the US has entered into a recession, the lagged effects of the Fed's policy moves and weakness in global growth could put pressure on corporate revenues.

Market-based measures have quickly flipped from suggesting that the investing world expects rate hikes in 2019 to now expecting possible rate cuts. Statements from Fed officials, including Chair Jerome Powell following the December hike, indicate that deteriorating financial conditions could push the Fed to a more accommodative stance. Trade policy is a wild card that could dampen corporate investment and disrupt global supply chains. However, administration hard liners could take a back seat if President Trump feels that he needs to make a deal. Clear shifts in either Fed policy or trade tensions could trigger a return to risk-seeking which would likely drive prices for assets like stocks and corporate bonds higher.

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“Although *US economic activity* has shown some signs of slowing from recent elevated levels, most measures do not suggest a recession. And, while China has struggled to maintain desired growth levels and European debt and political *dynamics* have *kept a lid on growth* there, the *primary drivers* of market moves have had more to do with concerns over Fed *policy* and *trade rift*.”



USD Global Target Income Fund

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.

Historical Yield

Year-to-Date

Absolute **-8.91%**

Since Inception

Absolute **-3.63%**

Annualized **-1.43%**

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



Fund Information

06 Jun 2016

Inception Date

US\$ 116.50 million

Net Asset Value

US\$ 0.855

Price (Nav/Unit)

2.25% per annum
(of which approximately 0.60% will go to the Manager)

Price (Nav/Unit)

* The target payout is not guaranteed.
Distribution may be made out of principal investment.

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 **-5.77 %**

Since Inception

Absolute **-6.07%**

Annualized **-1.43%**

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



Fund Information

Apr 2014

Inception Date

Php 6.04 billion

Net Asset Value

Php 0.833

Price (Nav/Unit)

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

Price (Nav/Unit)

* The 3% per annum payout rate is not guaranteed.

Peso Growth *Fund*

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.

Historical Yield

Year-to-Date

Absolute **-13.70%**

Since Inception

Absolute **213.80%**

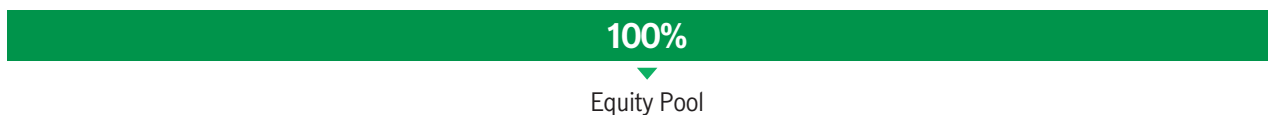
Annualized **12.49%**

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Fund Performance



Asset Allocation



Fund Information

Apr 2009

Inception Date

Php 5.48 billion

Net Asset Value

Php 3.138

Price (Nav/Unit)

2.25% per annum

Price (Nav/Unit)

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 **-12.52%**

Since Inception

Absolute **2.70%**

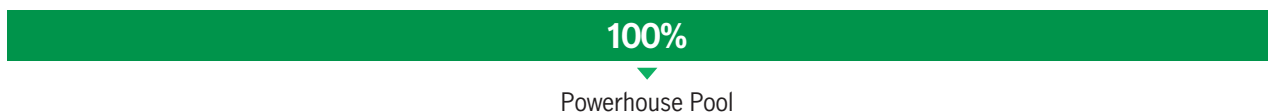
Annualized **1.43%**

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



Fund Information

Feb 2017

Inception Date

Php 4.17 billion

Net Asset Value

Php 1.027

Price (Nav/Unit)

2.00% per annum

Price (Nav/Unit)

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 **-10.16%**

Since Inception

Absolute **-0.10%**

Annualized **-0.02%**

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



Fund Information

Jul 2013

Inception Date

Php 3.81 billion

Net Asset Value

Php 0.999

Price (Nav/Unit)

2.25% per annum

Price (Nav/Unit)

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 **-3.71%**

Since Inception

Absolute **48.10%**

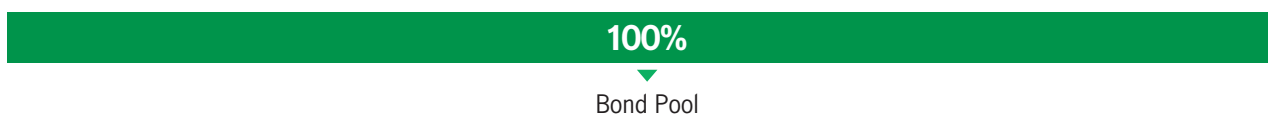
Annualized **4.13%**

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



Fund Information

Apr 2009

Inception Date

Php 1.76 billion

Net Asset Value

Php 1.481

Price (Nav/Unit)

1.75% per annum

Price (Nav/Unit)

Peso Diversified Value Fund

Investment Objective

The Fund seeks to achieve 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 **-5.85%**

Since Inception

Absolute **70.70%**

Annualized **5.66%**

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



Fund Information

Apr 2009

Inception Date

Php 1.74 billion

Net Asset Value

Php 1.707

Price (Nav/Unit)

2.00% per annum

Price (Nav/Unit)

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 **-5.70%**

Since Inception

Absolute **-4.93%**

Annualized **-1.16%**

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Fund Performance



Asset Allocation



Fund Information

Apr 2014

Inception Date

Php 200.47 million

Net Asset Value

Php 0.841

Price (Nav/Unit)

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

Price (Nav/Unit)

* The 3% per annum payout rate is not guaranteed.

Peso Wealth Optimizer Fund 2026

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 Philippines Stock Exchange, and /or pooled funds that invest in these securities and other liquid fixed income instruments.

Historical Yield

Year-to-Date

Absolute **-11.41%**

Since Inception

Absolute **-9.20%**

Annualized **-3.94%**

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.

Fund Performance



Asset Allocation



Fund Information

Aug 2016

Inception Date

Php 193.95 million

Net Asset Value

Php 0.908

Price (Nav/Unit)

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

Price (Nav/Unit)

Peso Equity *Fund*

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.

Historical Yield

Year-to-Date

Absolute **-13.49%**

Since Inception

Absolute **115.50%**

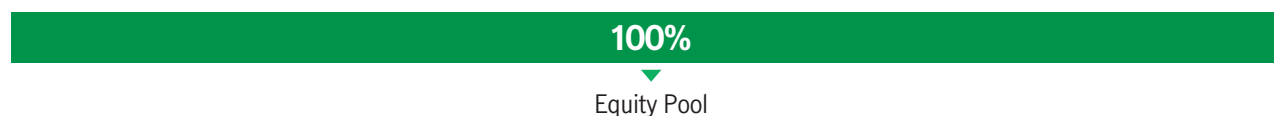
Annualized **7.06%**

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



Fund Information

Oct 2007

Inception Date

Php 174.12 million

Net Asset Value

Php 2.155

Price (Nav/Unit)

2.00% per annum

Price (Nav/Unit)

MCBL 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 **n.a.**

Since Inception

Absolute **0.50%**

Annualized **n.a.**

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Fund Performance



Asset Allocation



Fund Information

April 2018

Inception Date

US\$ 2.87 million

Net Asset Value

US\$ 1.005

Price (Nav/Unit)

2.00% per annum

Price (Nav/Unit)

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 **-3.55%**

Since Inception

Absolute **74.00%**

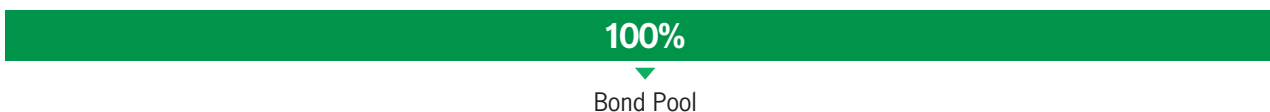
Annualized **5.05%**

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Fund Performance



Asset Allocation



Fund Information

Oct 2007

Inception Date

Php 87.69 million

Net Asset Value

Php 1.740

Price (Nav/Unit)

1.50% per annum

Price (Nav/Unit)

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 income 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 assets.

Historical Yield

Year-to-Date

Absolute **-10.06%**

Since Inception

Absolute **1.00%**

Annualized **0.18%**

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Fund Performance



Asset Allocation



Fund Information

Jul 2013

Inception Date

Php 71.37 million

Net Asset Value

Php 1.010

Price (Nav/Unit)

2.00% per annum

Price (Nav/Unit)

Peso Stable *Fund*

Investment Objective

The Fund seeks to achieve 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 -5.80%

Since Inception

Absolute 73.80%

Annualized 5.04%

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



Fund Information

Oct 2007

Inception Date

Php 55.11 million

Net Asset Value

Php 1.738

Price (Nav/Unit)

1.75% per annum

Price (Nav/Unit)

Peso Wealth Optimizer Fund 2031

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 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.

Historical Yield

Year-to-Date

Absolute -13.06%

Since Inception

Absolute -8.80%

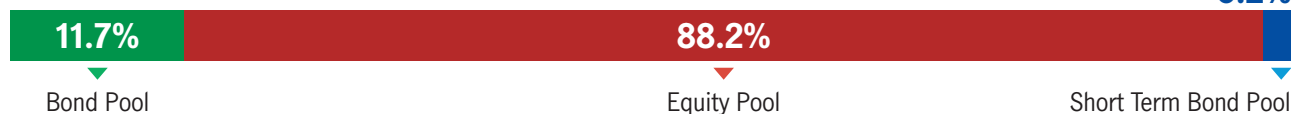
Annualized -3.76%

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.

Fund Performance



Asset Allocation



Fund Information

Aug 2016

Inception Date

Php 43.46 million

Net Asset Value

Php 0.912

Price (Nav/Unit)

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

Price (Nav/Unit)

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 rebalancing 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 **-13.51%**

Since Inception

Absolute **-9.10%**

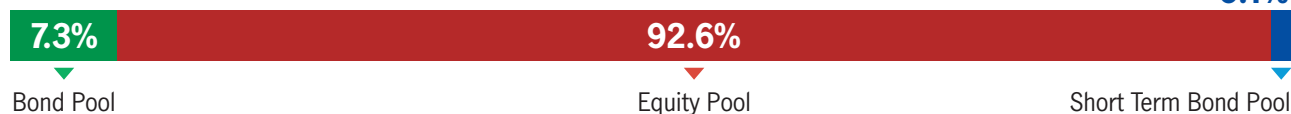
Annualized **-3.89%**

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



Fund Information

Aug 2016

Inception Date

Php 25.76 million

Net Asset Value

Php 0.909

Price (Nav/Unit)

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

Price (Nav/Unit)

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 -9.62%

Since Inception

Absolute 15.50%

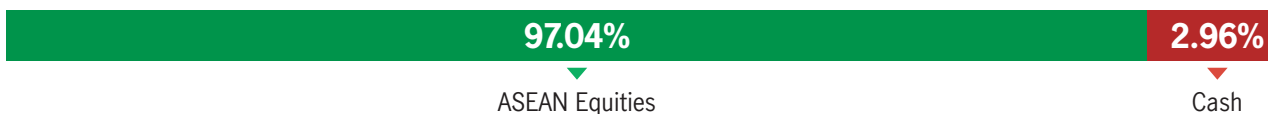
Annualized 2.39%

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Fund Performance



Asset Allocation



Fund Information

26 Nov 2012

Inception Date

US\$ 12.69 million

Net Asset Value

US\$ 1.150

Price (Nav/Unit)

2.25% per annum
(of which 0.9% will go to the Manager)

Price (Nav/Unit)

USD Secure *Fund*

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.

Historical Yield

Year-to-Date

Absolute **-2.85%**

Since Inception

Absolute **50.20%**

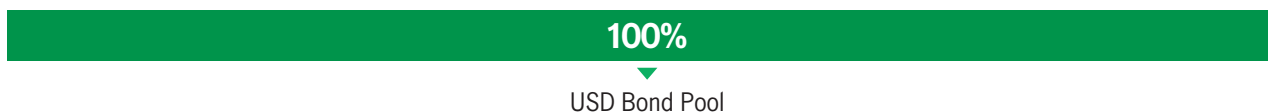
Annualized **4.28%**

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



Fund Information

Apr 2009

Inception Date

US\$ 10.07 million

Net Asset Value

US\$ 1.502

Price (Nav/Unit)

2.00% per annum

Price (Nav/Unit)

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 **-5.49%**

Since Inception

Absolute **1.50%**

Annualized **0.21%**

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



Fund Information

Oct 2011

Inception Date

US\$ 2.67 million

Net Asset Value

US\$ 1.012

Price (Nav/Unit)

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

Price (Nav/Unit)

USD Bond *Fund*

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.

Historical Yield

Year-to-Date

Absolute **-2.68%**

Since Inception

Absolute **56.20%**

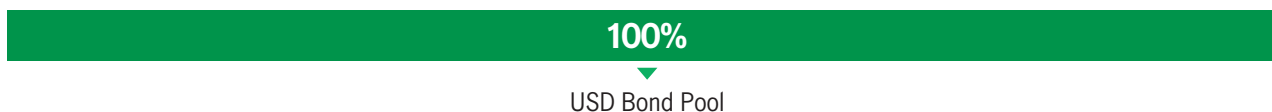
Annualized **4.04%**

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Fund Performance



Asset Allocation



Fund Information

Oct 2007

Inception Date

US\$ 1.99 million

Net Asset Value

US\$ 1.562

Price (Nav/Unit)

1.75% per annum

Price (Nav/Unit)

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 **n.a.**

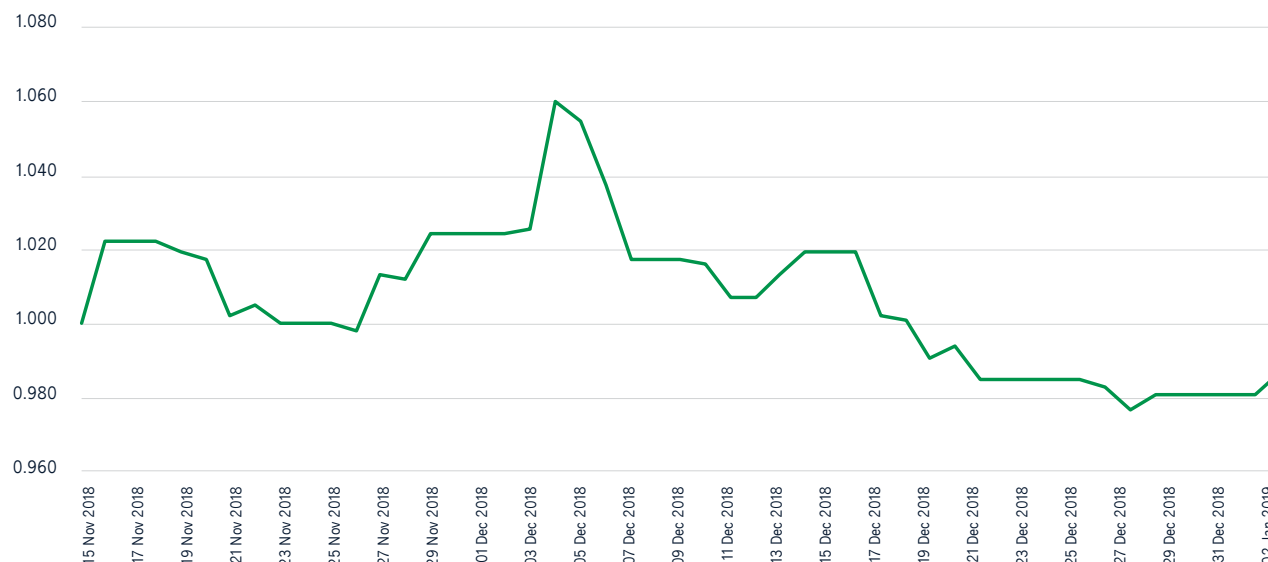
Since Inception

Absolute **-1.3%**

Annualized **n.a.**

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



Fund Information

Nov 2018

Inception Date

US\$ 0.209 million

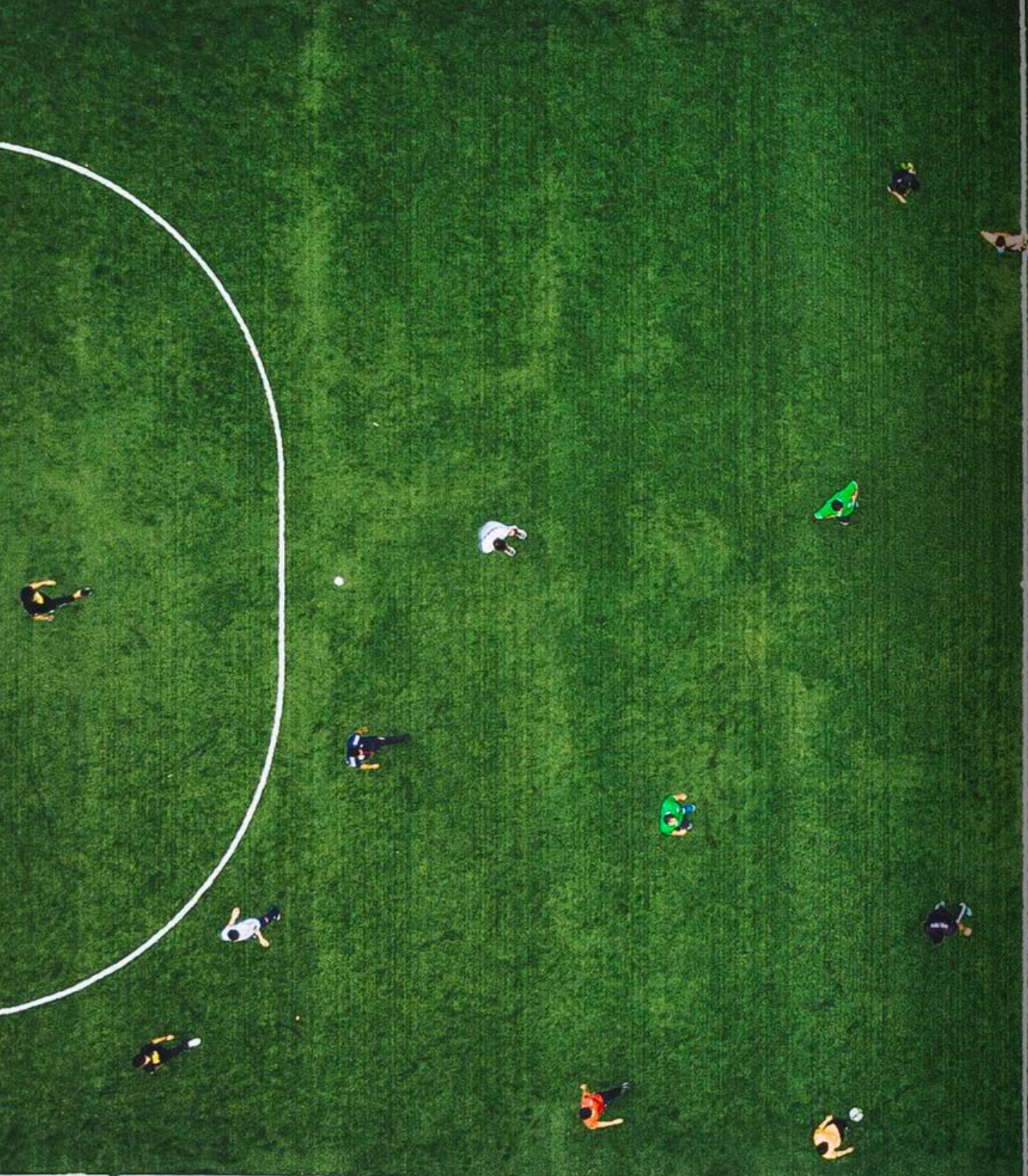
Net Asset Value

US\$ 0.987

Price (Nav/Unit)

2.25% per annum

Price (Nav/Unit)



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