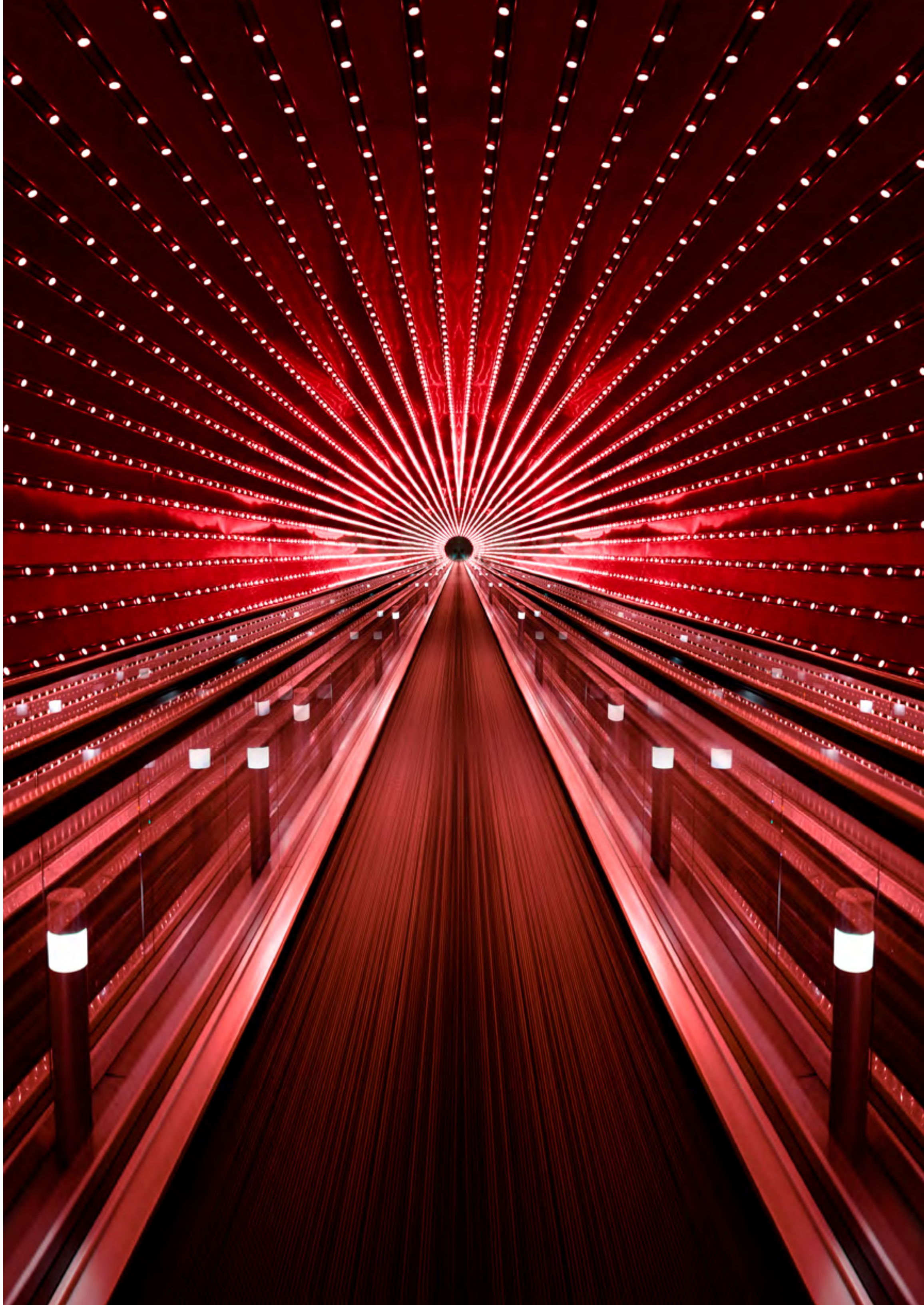
Manulife China Bank
LIFE ASSURANCE CORPORATION

Variable Unit-linked Funds

Annual Performance Report
as of December 31, 2019

2019



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 December 31, 2019, we had over **CAD 1.2 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 636 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

	2019 (in Php Thousands)	2018 (in Php Thousands)
USD Global Target Income Fund	**7,288,273**	**6,153,605**
Peso Target Distribution Fund	**6,288,187**	**6,035,021**
Peso Growth Fund	**5,502,406**	**5,477,552**
Powerhouse Fund	**5,247,025**	**4,172,248**
Peso Dynamic Allocation Fund	**3,825,625**	**3,805,642**
Peso Diversified Value Fund	**1,696,768**	**1,743,574**
Peso Secure Fund	**1,636,048**	**1,759,217**
USD Asia Pacific Property Income	829,028	-
USD ASEAN Growth Fund	589,651	670,219
PHP Asia Pacific Property Income	430,220	-
USD Secure Fund	414,215	529,469
Peso Wealth Optimizer 2026 Fund	218,808	193,950
Peso Target Income Fund	213,390	200,467
Peso Equity Fund	142,573	174,123
China Bank Dollar Fixed Income VUL Fund	101,793	150,530
USD Asia Pacific Bond Fund	98,402	141,000
USD Bond Fund	94,424	104,688
Peso Bond Fund	80,179	87,688
Peso Balanced Fund	64,989	71,369
Peso Stable Fund	48,158	55,111
Peso Wealth Optimizer 2031 Fund	45,232	43,460
USD Asia First Fund	31,745	11,041
Peso Wealth Optimizer 2036 Fund	23,417	25,766
Peso Cash Fund	10,570	29,228
Total	**34,921,126**	**31,634,968**

*Based on December 31, 2019 unaudited figures submitted to the Insurance Commission on *January 20, 2020*

Market Review and Outlook

Philippine *Equity*

Review

The local stock market index (PSEI) closed the year at 7,815, up by 4.7%, as inflation pressures subsided and interest rates declined. It was another volatile year for the Philippine stock market which started strong and peaked at 8,365 in July, translating to a 12% gain for the PSEI during the seven-month period. However, the market eventually succumbed to profit-taking amidst concerns over the US-China trade war and uncertainty regarding domestic policies.

Inflation woes dissipated on the back of favorable base effect and lower oil prices year-on-year. Inflation averaged 2.5%, lower than the 5.2% average in 2018. Bond yields also declined sharply amid waning inflation expectations, with the yield on 10-year peso government bond, settling below 5% after hitting 8% in 2018. With the benign inflation outlook, the Bangko Sentral ng Pilipinas (BSP) had plenty of room to ease monetary policy, cutting key policy rates three times for a total of 75 basis points to settle at 4%. Furthermore, the BSP also reduced reserve requirements for banks to 14% from 18%. The policy actions of the BSP were well-received by investors, as they were supportive of lifting economic expansion, which recorded an average of 5.8% for the first nine months. The less-than-stellar GDP growth was weighed down by the delayed passage of the national budget and the election ban on spending, which reduced fiscal contribution to economic growth in the first half of the year. The reserve requirement cuts are estimated to free up around PHP400bn of liquidity into the financial system which can help spur economic activity.

The escalation of U.S.-China trade war and concerns of a global growth slowdown rattled investors and destabilized markets for most of 2019. The trade conflict only saw signs of a possible truce during the latter part of the year with both the US and China hinting on a potential trade deal, which aims to halt planned tariff increases. Similar to the BSP, a number of central banks across the globe have been on a rate-cutting path in an effort to counteract the adverse effects of the trade war and stimulate economic growth.

The regulatory review of existing water concession contracts elevated regulatory risks, which exacerbated market weakness and contributed to the sharp drop in market value of the affected companies in the span of a month. Foreigners were net sellers of Philippine equities in the amount of US$173mn in December, making up the bulk of the US$240mn total foreign outflow for the year.

Philippine *Equity*

Outlook

The Philippines stock market's valuation has become more compelling with robust corporate earnings growth expectations of 16% for 2019. Looking forward to 2020, we are of the view that the Philippine economy would be less vulnerable to a global slowdown if trade war woes escalate. We expect economic growth to be supported by government spending recovery, resilient domestic consumption and infrastructure investment. Corporate earnings are likewise expected to deliver a healthy growth of 11%.

“However, due to the ***increased*** risk in regulated industries, the ***Philippines*** will likely have a higher country ***risk premium*** from a foreign investor standpoint. The ***higher*** risk premium may ***mitigate*** the effects of any future ***monetary*** easing which could result in muted foreign ***flows***.

Given these dynamics, the portfolio will tilt in favor of industries that are least likely to be affected by changes in regulations, particularly the consumer sector and the banking sector which are expected to continue to benefit from accommodative monetary policies.

Peso *Bond*

Review

The Philippine local bond market rallied last year, with yields falling by 250 to 300 basis points across the curve as inflation dropped from an average of 5.2% in 2018 to 2.5% in 2019. The 2019 average inflation is well within the target range (2%-4%) of the Bangko Sentral ng Pilipinas (BSP). Decline in global oil prices, as well the implementation of the Rice Tarrification Law, eased supply-side bottlenecks and were the main contributors to the rapid decline in inflationary pressure.

Slowing inflation and weaker-than-expected first half economic growth prompted the BSP to cut policy rates by a total of 75 basis points to 4%. The BSP also reduced the reserve requirement ratio (RRR) by 400 basis points, which allowed banks to use a larger proportion of these deposits for lending activities. Expansionary monetary policy both domestically and globally underpinned the bullish bond market environment last year.

Outlook

While accommodative domestic and global monetary policies as well as a healthy macroeconomic environment will continue to support the local bond market, bond yields may have limited scope to decline further next year. Inflation rates are skewed to move higher due to low base effects, but will likely stay well within the BSP's target range.

“In spite of sporadic global geopolitical tensions, lingering concerns over the U.S.-China trade dispute, and more recently, domestic calamities, we remain ***confident*** of local economic ***growth*** prospects as the government ***speeds*** up the ***implementation*** of its infrastructure programs and as the expansionary effects of the BSP's 75basis points-cut last year trickle down to the ***broader*** economy.

We expect the BSP to reduce its policy rate by 25-50 basis points and the RRR by 100-200 basis points next year. The largest risk to our generally positive outlook points to a potentially more aggressive bond issuance by the Bureau of Treasury. In this regard, we remain cognizant of the possible rise in volatility of peso bond yields.

USD *Bond*

Review

In the US, Treasury yields generally fell as the Federal Reserve slashed its benchmark interest rate three times, by 25 basis points each time amid increasing concerns over escalating China-US trade tensions and a potentially slowing global economic growth. Towards the end of the period, officials from both US and China confirmed that a phase one trade deal had been reached, which improved global investors sentiment. The 10-year US Treasury yield fell from 2.68% to 1.92% over the period. The Republic of Philippines (ROP) bonds also fell over the period, overall mainly tracking the US Treasury yield movement.

In Europe, the ECB cut its key interest rates to -0.50% and announced a tiering approach aimed at mitigating the negative effects of negative rates on the banks. Quantitative easing was restarted as well, at a lower than anticipated monthly rate of EUR 20 billion. The European Union and the UK government reached a deal on Brexit on October 17, but as negotiations stalled ahead of the UK general election, Prime Minister Johnson had to request an extension of Article 50 to the end of January 2020. The Bank of England held policy steady in December, with its key interest at 0.75%.

Overall, Asian credit markets posted positive returns for the period as credit spreads tightened and US Treasury yields fell. Credit spreads on the JP Morgan Asian Investment Grade Corporate Bond Index tightened by 11 basis points. The JP Morgan Asian Investment Grade Corporate Bond Index increased by 9.89% in US dollar terms.

Outlook

Moving into 2020, we expect the fundamentals of Asia, including Philippines to remain intact and for the region to grow faster than other areas of the world in the medium to longer term. Furthermore, Asia is one of the few regions that still boast the capacity for both monetary and fiscal stimulus. Interest rates in Asian markets are generally higher than in developed markets. We believe this provides room for further and effective monetary policy easing before a move towards fiscal policy. Overall, we believe Asian fixed income may continue to be a beneficiary of a favorable macro backdrop in 2020.

> “Amid an ***accommodative*** global monetary policy environment, we expect demand for ***high-quality*** Asian credits to remain buoyant in 2020. Furthermore, we do not expect refinancing issues in the Asian ***investment-grade*** space, which in turn should ***support*** credit spreads.

Asia Pacific *Bond*

Review

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In China, the Caixin's manufacturing purchasing managers' index temporary fell below the "50" mark (signaling economic contraction), before rebounding towards the end of the period. Market participants expected the People's Bank of China to maintain a neutral policy stance with only a slight easing bias as the central bank remains vigilant on credit expansion. Overall, Chinese government bond yields traded in a consistent range over the period. In India, government bond yields fell as Reserve Bank of India cut its key interest rates five times and headline inflation levels generally receded. Towards the end of the period, the Reserve Bank of India announced an "Operation Twist" strategy of purchasing long-tenor bonds and selling short-term debt to reduce term premiums and improve the transmission of earlier monetary easing. In Indonesia, government bond yields declined as Bank Indonesia cut its benchmark interest rate by four times over the period, and President Widodo reappointed the previous finance minister to the new cabinet, easing market concerns over a potential change in policy.

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The performance of Asian currencies was mixed against the US dollar. The Thai baht was one of the better performance currencies against the Singapore dollar as a result of the country's robust current account surplus. In contrast, South Korean won was one of the weaker performing currencies amid concerns over a peak in the global consumer electronics demand cycle.

Outlook

"Moving into *2020*, we expect the fundamentals of *Asia* to remain intact and for the region to grow *faster* than other areas of the world in the medium to *longer* term. Furthermore, Asia is one of the few regions that still *boast* the capacity for both *monetary* and *fiscal* stimulus.

Interest rates in Asian markets are generally higher than in developed markets. We believe this provides room for further and effective monetary policy easing before a move towards fiscal policy. Overall, we believe Asian fixed income may continue to be a beneficiary of a favorable macro backdrop in 2020. Amid an accommodative global monetary policy environment, we expect demand for high-quality Asian credits to remain buoyant in 2020. Furthermore, we do not expect refinancing issues in the Asian investment-grade space, which in turn should support credit spreads. We continue to remain constructive on fixed income opportunities in Indonesia given the country's compelling yields in a global context.

Asia *Pacific* REIT

Review

Asia-Pacific ex Japan REITs markets posted strong gains in 2019 despite volatility owing to Sino-US trade tensions. The global search for yield in an accommodative monetary policy environment was also a key factor for the strong performance of the REITs sector in Asia. On the policy front, major global and regional central banks, including the Federal Reserve and the ECB, switched from tightening into easing mode in the early 2019. Numerous central banks later further strengthened their accommodative monetary policies.

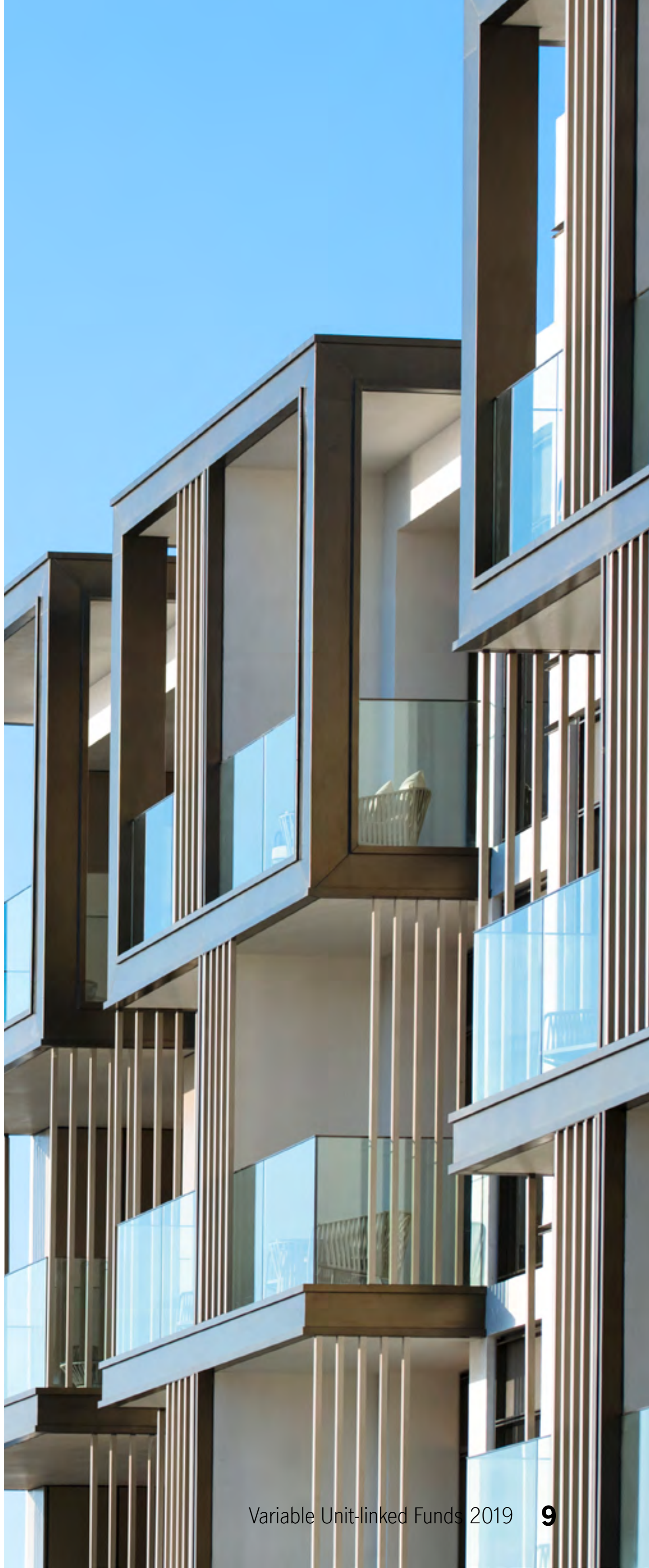
Within the major REIT markets, Singapore REITs performed well as supply/demand for most sectors remained healthy, results showed positive and rising rental reversions, and the Monetary Authority of Singapore announced that it was seeking to raise the gearing limit to 45%. Additionally, continued merger and acquisition activity helped support physical asset prices.

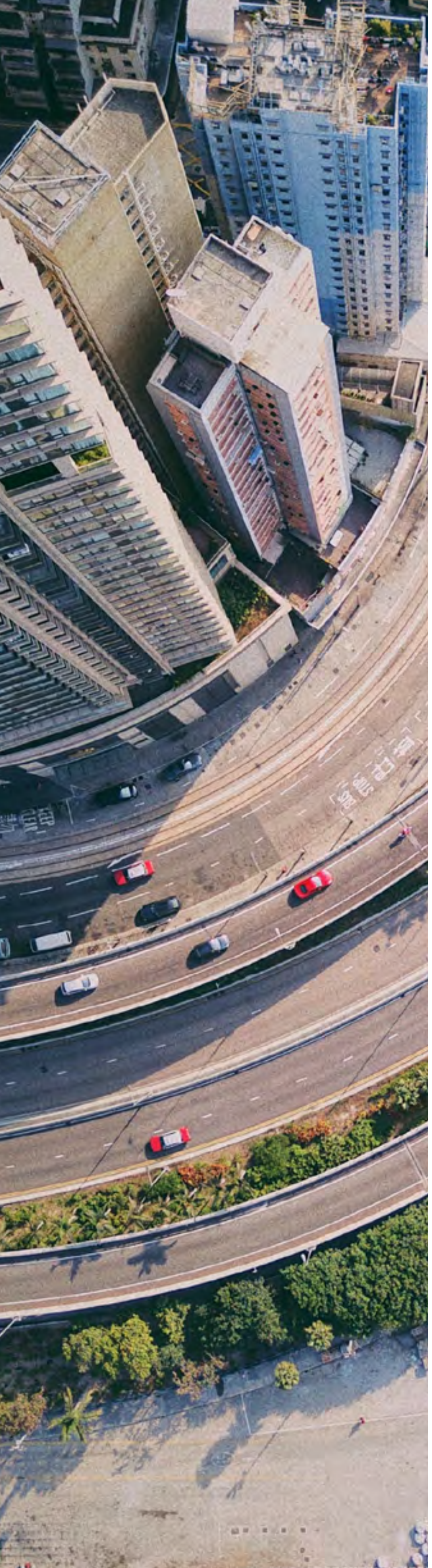
In Hong Kong, heightened social unrest weighed on REIT performance particularly within high end luxury and prime Central office space. However, necessity malls should prove to be defensive given the resilience in rental income.

In Australia, the RBA maintained a dovish stance for 2019 and cut rates three times which provided support for REIT valuations.

From a sector perspective, industrial REITs were the top contributor to regional performance as the demand for industrial assets continue to support higher occupancies and rental growth. Additionally, recent accretive M&A activities have provided a positive outlook for the sector.

The Fund generated positive returns for the period with contributions coming from all countries and sectors. Singapore was the largest contributor to performance with retail, industrial, office and specialized REITs driving performance. Increased acquisition activity in Singapore and good financial results were the key catalysts for the Fund's top performing positions. A Singapore-listed industrial REIT announced strong third quarter results and the acquisition of logistics assets in Malaysia, Vietnam and China. A Singapore-centric REIT showed YoY growth in its dividend per unit and announced the acquisition of an office and business park from its parent company.





Asia *Pacific* REIT

Review

Contributing positively was a Singapore-listed specialized REIT that announced an acquisition of two Singapore data centers that are expected to be accretive

Despite the ongoing geopolitical concerns in Hong Kong, the Fund generated positive returns on the back of the exposure to our necessity mall exposure. We continue to maintain our constructive view on necessity malls given the relatively defensiveness of this segment.

In Australia, the Fund's office exposure contributed positively. Supply and demand dynamics in Grade A Sydney office will continue to be tight. And with attractive valuations, the acquisition activity helped support physical property values.

Outlook

Going into 2020, global central banks are expected to maintain their accommodative monetary policy stance as the declining interest rate trend this year comes to a halt. US Federal Reserve Chairman has completed his insurance cuts and any further shifts in rates would require material reassessment of the economic outlook. Against this backdrop, there would be less room for sector-wide yield compression for Asia REITs in 2020.

> “Bottom-up stock picking would be ***key focus*** and the Fund would favor the REITs with ***potential*** for inorganic ***growth*** through accretive acquisitions and REITs which ***enjoy*** structural growth drivers.

ASEAN *Equity*

Review

The MSCI South East Asia Small Cap Index ('benchmark') returned 2.68% (in US dollar terms) in 2019 and experienced a volatile year. The Fed's progressively dovish tone gave Asian markets increased liquidity and rate policy space, particularly in SE Asia. Ongoing Sino-US trade talks showed progress, and while bilateral tariffs were not removed, they prevented further escalation, boosting market sentiment. Sino-US trade tensions as the two sides agreed to restart stalled negotiations in October. In addition, major global central banks strengthened their accommodative monetary policies, lifting global investor sentiment: The Federal Reserve cut its policy rate by a total of 75 basis points, while the ECB cut interest rates further into negative territory and restarted its program to purchase government bonds.

Diminishing Sino-US trade tensions resulted in the announcement of a phase-one trade deal in December, which indefinitely delayed planned tariffs and allowed for some tariff relief. In addition, accommodative monetary policies by the Federal Reserve and the EU gave Asian markets policy room to pursue both monetary and fiscal stimulus, with numerous markets cutting interest rates and boosting government spending. Finally, a weaker US dollar led many Asian currencies to strengthen.
Indonesia's equity markets posted gains on the back of improved market sentiment as President Joko Widodo won his reelection bid and unveiled new economic policies to boost domestic demand. The central bank cut rates by 100 basis points throughout the course of the year. To boost growth, the government announced that it would front-load fiscal stimulus in the first half of 2020, while the cabinet discussed raising the country's statutory fiscal deficit cap from its current limit of 3% of GDP.

In Malaysia, equity market was up for the year despite weak economic data. Moody's confirmed the government's current fiscal policy direction by affirming the country's sovereign credit profile at 'A3' in March. Bank Negara Malaysia unexpectedly lowered the Statutory Reserve Requirement (SRR) rate by 50 basis points in October to reduce lending costs and boost economic growth. In December, OPEC announced a coordinated cut in crude oil supply that boosted energy stocks, while the run up in palm oil prices to near-term highs propelled plantation equities higher.

In the Philippines, despite lower inflation expectations and a raft of positive policies, the market was lower during the year. Standard and Poor's upgraded the country's sovereign credit rating to "BBB+" at the end of April. The Philippines central bank slashed interest rates by a total of 75 basis points and bank reserve requirements by 200 basis points (implemented in three tranches), and a reduction in the country's corporate tax rate from 30% to 20% over a 10-year period.

Thailand's equity market was flat during the year given political stability, as the elected prime minister stated that the new government would form in mid-July, reducing political uncertainty and the country's political risk premium. However, over the course of the year, with economic fundamentals deteriorating, foreign investors became net sellers of equity. As a result, Thailand's central bank cut rates by 25 basis points in November.

In Singapore, despite continued negative economic news, the market moved higher as expectations grew that weak economic data would compel the Monetary Authority of Singapore to ease its foreign exchange rate-based monetary policy in October. The government released its 2019 budget that featured increased spending in health care and long-term care, projecting a modest fiscal deficit for the year.

ASEAN *Equity*

Outlook

Tailwinds are developing in South East Asia. On top of a more benign interest rate environment, the recovery of crude palm oil prices provided another leg of support to Indonesia. The palm oil sector is one of the biggest employers in Indonesia. High crude palm oil prices should drive income growth and provide a much needed support to domestic consumption in due course. We also look forward to the passing of an Omnibus Law covering the labour law reform (Employment Creation Act), Tax Reform (general taxation, income tax, value added tax) and SME Empowerment Act in 2020. This should create a more business friendly environment in Indonesia and pave the way to attracting foreign direct investments into the country in the future. These initiatives, if executed well should ease the pressure on the country's lingering current account balances.

> " Similarly, the Malaysian economy should also ***benefit*** from higher palm oil and crude oil prices. ***Petronas***, the national oil company has ***committed*** to outsource more jobs to domestic oil and gas service companies. The country has also been ***attracting*** foreign direct investments, which ***grew*** 6.5% to MYR66.3bn between January and September 2019.

Higher commodity prices and FDIs should translate into income growth in due course and this should drive improvement in domestic consumption, after a long period of softness. While overall economic growth remains soft in Thailand, we see opportunities in companies which are able to drive cost efficiency through automation. The growth outlook in the health care sector remains robust as hospitals continue to attract patients from the Middle East and China. In the Philippines, we see opportunities in the property development space. The Pasay City government recently approved a long-awaited 360-ha reclamation project. The project is expected to create thousands of job opportunities and contribute significantly to the country's economic growth.

In addition to the factors mentioned above, we are also looking for opportunities around the strong growth in South East Asia's Internet economy and the medical tourism sector.

Asian *Equity*

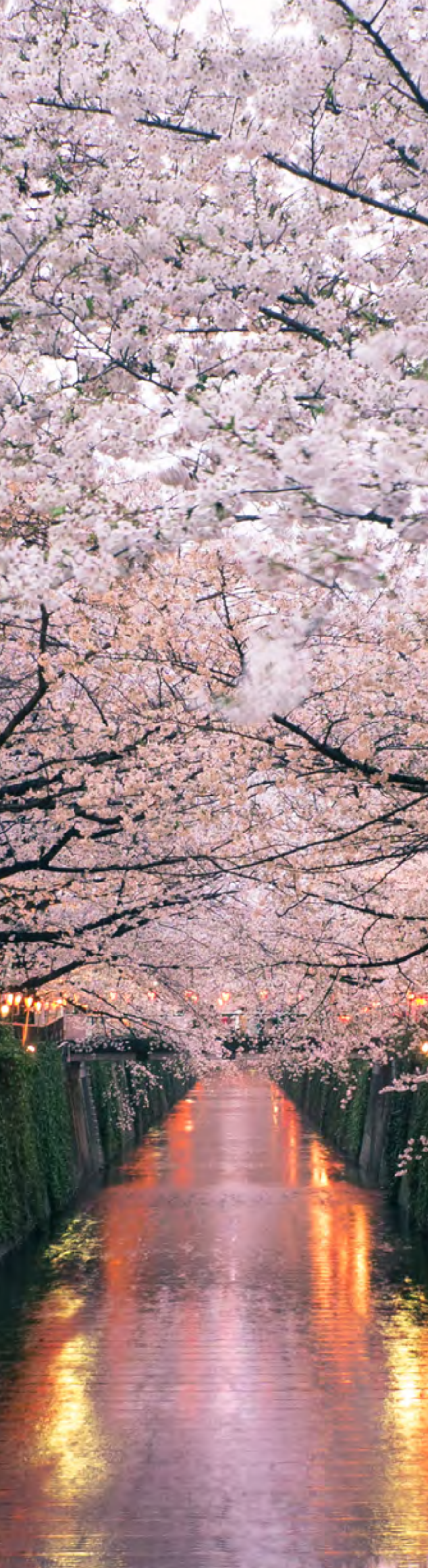
Review

Asia-Pacific ex Japan equity markets posted strong gains in 2019 amid volatility thanks to an improving macro backdrop, global risk-on sentiment and a recovery in the technology sector, with Sino-US trade tensions being the swing factor. Despite easing US-China tension in the beginning of the year, markets retreated later as US President Donald Trump announced the imposition of new tariffs and the placement of a prominent Chinese electronics manufacturer on a trade "blacklist".

Meanwhile, the Chinese government also announced retaliatory tariffs, dampening market sentiment. Towards the second half of the year, markets rebounded as the two sides agreed to restart stalled negotiations and announced the US China phase one trade deal, which delayed implementation of new tariffs and provided some relief from existing tariffs as well as further potential roll backs. On the policy front, major global and regional central banks, including the Federal Reserve and the ECB, switched from tightening into easing mode in the early 2019. Numerous central banks later further strengthened their accommodative monetary policies and many markets also introduced fiscal stimulus packages to counteract the effects of an economic slowdown, lifting global investor sentiment. Towards the end of the period, a recovery in the technology sector also boosted market performance. Positive indicators from the technology sector such as the continuous rebound in spot DRAM memory prices and growing demand for 5G and smartphone components also provide support to selective segments.

The fund delivered strong outperformance relative to the benchmark in 2019 on the back of stock selection at the country and sector level, as well as asset allocation decisions at the sector level. Asset allocation across countries, however, negatively impacted relative performance. Specifically, stock selection in China, India and Korea was the primary contributor, while stock selection in the Philippines, the overweight in Vietnam and the underweight in China detracted from performance.

The fund's holding in domestic China A-share white wine (baijiu) manufacturer was the top contributor, as it rallied on the back of its preannounced earnings that were higher than expected in the beginning of the period. The ramp up of its new sales channel model and strong sales momentum should result in continued earnings growth. Also contributing positively was a one of China's largest e-commerce operators. Its share price surged after the company announced quarter earnings that were higher than expected on margin expansion in early 2019. Its e-commerce segment surprised on the upside particularly as concerns from macro headwinds did not impact the business as much as the market had expected. Towards the later part of the year, markets reacted positively to its secondary listing in Hong Kong, which was expected to diversify political risks from the US-China tensions and strengthen the company's financial position.



Asian
Equity

Review

One of the main detractors was a Chinese manufacturer of railroad rolling stock. The company reported lower than expected margins and management also provided soft guidance for 2019. In addition, concerns over government spending on rail infrastructure emerged. We are aware of the changes in fundamentals and adjusted our exposure accordingly.

Another was a Hong Kong based textile and apparel manufacturer that reported second half fiscal 2019 results that were weaker than expected due to lower orders from a key customer. However, the company's customer mix diversification and a strong dividend yield should provide support for the company's share price.

Outlook

The Asia ex-Japan markets started the year on favourable macro backdrop. Central banks are expected to maintain accommodative monetary policies and the positive real rates in most countries provide more room for easing in the near to medium term. Fiscal impulse of governments around the region remains strong with some countries, e.g. Indonesia, Korea and India, preparing to raise their fiscal deficits. The completion of Phase One US-China trade deal and the US Fed's commitment to hold rate steady in 2020 are expected to at least keep US Dollar relatively steady against Asian currencies.

While stocks have performed well since 3Q2019 and valuations have caught up with earnings expectations, Asian stocks remained reasonably priced relative to US stocks. In fact, there are many undervalued stocks with structural growth potential in the region that have yet to gain the attention of investors.

In China, we continue to favour companies benefiting from China's localization of supply chain. We believe the Chinese government will accelerate the grooming of domestic companies to replace the country's dependence on foreign supplies. Sectors in focus include technology (semiconductor, artificial intelligence, cybersecurity) and electric vehicle.

Asian *Equity*

Outlook

Further, the finalization of US-China Phase One deal should also ease pricing pressure on the exporters following the reduction of trade tariffs on selected goods. We expect the supply chain diversification to continue. However, most of the moves are expected to be recaptured by countries within Asia, particularly, Taiwan, South East Asia and India.

In Korea and Taiwan, tech stocks have had a good run. We believe a lot of the excitements related to the 5G supply chain have been priced in. Therefore, we prefer to be more stringent in our stock selection. We continue to favour companies which have a wide exposure to the growth of various tech products and supply chain. We expect investments in server network and infrastructure to continue to grow in 2020. The introduction of 5G network should also unleash the development and advancement of technology like virtual reality, augmented reality and Industrial 4.0. While this may be a long dated process, we will monitor the development in this area closely and will capitalize on these opportunities when the time comes. We expect the ramp up of electric vehicles in Europe to gather pace in 2020 and this should bode well for EV battery makers in Korea.

Tailwinds are developing in South East Asia. On top of a more benign interest rate environment, the recovery of crude palm oil prices provided another leg of support to Indonesia. The palm oil sector is one of the biggest employers in Indonesia. High crude palm oil prices should drive income growth and provide a much needed support to domestic consumption in due course. We also look forward to the passing of an Omnibus Law covering the labour law reform (Employment Creation Act), tax reform (general taxation, income tax, value added tax) and SMEs Empowerment Act in 2020. This should create a more business friendly environment in Indonesia and pave the way to attracting foreign direct investments into the country in the future. These initiatives, if executed well should ease the pressure on the country's lingering current account balances.

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Asian *Equity*

Outlook

While overall economic growth remains soft in Thailand, we see opportunities in companies which are able to drive cost efficiency through automation. The growth outlook in the health care sector remains robust as hospitals continue to attract patients from the Middle East and China. In the Philippines, we see opportunities in the property development space. The Pasay City government recently approved a long-awaited 360-ha reclamation project. The project is expected to create thousands of job opportunities and contribute significantly to the country's economic growth.

> "In addition to the factors mentioned above, we are also looking for *opportunities* around the *strong growth* in South East Asia's Internet *economy* and the medical *tourism* sector.

In India, the government is working towards countering a moderation in economic growth. It has provided targeted fiscal stimulus and the RBI has cut rates and injected liquidity to the system. The government also has plans to privatize SOEs and redirect capital to supporting economic friendly policies, e.g. corporate and household tax cuts. The savings derived from the corporate tax cuts will be channeled into investment in new manufacturing capacities. Over time, we believe the impact of fiscal and monetary policy will flow through into the economic system.

Global *Assets*

Review

2019 saw US stocks achieving some of the best returns in a decade, despite slowing macro growth fundamentals, trade war and Fed uncertainty as well as geopolitics. Markets handled these uncertainties, placing more emphasis on the realisation that global central banks would commit to ensuring market liquidity which supported risk assets, particularly in the final quarter of 2019.

Risk asset returns across both Developed and Emerging Markets Equities were positive for the 2019 year. MSCI World gained +27.3% with MSCI Emerging Markets +18.9%. The S&P gained +31.5%.

Sectorally within MSCI World, growth equities outperformed value with Info Tech +48.2%, followed by Industrials +28.5% and Communications Services +27.9% in 2019. Energy and Utilities were the underperformers gaining only +12.5% and +23.6% respectively.

Within Fixed Income, the Barclays Global Aggregate gained +6.9% and the Merill Lynch High Yield Master +14.4%. Gold had a positive year +17.7% whilst commodities, particularly in the latter part of the year rallied, with Oil +35.9% for the FY19.

Emerging Markets (EM) currencies were mixed against the US dollar as the CNY, an anchor currency for EM, fell -1.8%. Within EM and Asia, the Brazilian Real fell -3.6% and the Korean Won depreciated -3.5% respectively. Within Developed Markets the GBP gained +3% post the Conservative Party election win and a lower probability of a hard Brexit.

Key global capital market drivers remain the Fed, Trade and China. Trade tensions remained less elevated into year end and markets became more optimistic towards risk assets as a Phase 1 deal became widely accepted as a reasonable first step. Global macro PMI's, particularly on the manufacturing side deteriorated throughout the year, some below the 50 threshold implying contraction, whilst services have remained relatively immune – for now. Despite slowing macro growth and rising geopolitics, risk assets continued to make new highs into year-end as recessionary risks, for now, abated.

Global *Assets*

Outlook

The 2019 calendar year was an interesting period for investors. Despite an inverted yield curve, concerns of a recession and a large volume of negative-yielding debt, global equities rebounded, with U.S. stocks posting some of their best returns in decades as the result of three Fed rate cuts. Posturing between the U.S. and China on trade issues moved markets, defying underlying fundamental concerns.

While a recession doesn't seem imminent, the MSCI World Index continues to trade at close to 15-year highs. The market to a large degree appears to be basing the high valuations we have been experiencing on perpetually low rates, as 2019's gains were almost all based on multiple expansion as earnings growth was only 0.1%. In addition, profitability levels measured by earnings-before-interest-and-taxes margins continue to be at historic highs, although this is starting to decline. It is our view that we remain in a high-margin, high-debt, low-growth market with high multiples to match.

Going into 2020, we are finding attractively valued opportunities outside the U.S., as the U.S. still trades at a 15-year peak relative multiple compared to international markets. While the profitability of international corporations is cyclically high, it still remains well below its U.S. equivalent on average. We are comfortable with our overweight in equities overall – at least, for the time being.

At the margin, sentiment has improved more recently towards risk assets, as markets continue to push towards new highs due to heightened probability of a partial phase one trade deal focused around US agricultural goods, higher probability of a no-deal Brexit off the table and central banks adding liquidity. Cyclically markets are looking better as some risks are alleviated, however the structural slow-down in global growth, earnings, a lack of higher inflationary pressures and geopolitics will remain as the backdrop and keep markets volatile.

Global *Assets*

Outlook

Currencies, in particular the USD, will be key, as global central banks race to pre-empt Fed rate cuts by cutting their policy rates in order to support export growth and boost inflation. As a result, rate cuts across EM are supporting local equity and debt markets. Significantly, when these are coupled with material market and economic reforms in important markets such as Brazil and India, we find ourselves remaining constructive on the EM asset class, which remains attractively valued from a medium to longer term perspective. However, near term has been challenged by slowing global manufacturing and uncertainty on global trade.

The Fed, China and Trade will remain key market drivers, whilst other growing risks such as pockets of recessionary risks in Europe, UK trade deal with the EU by the end of 2020, Hong Kong protests and Iranian headlines have added to investors' concerns. Given the Fed's three 25 basis point reductions, we think one more cut will come through in March 2020. Central banks, globally, are signaling they are committed to positive growth support for economies, which should bode well for risk and higher yielding assets. Bouts of volatility however should be expected across currencies, spreads and equities on trade, Fed and earnings uncertainty.

Any further easing from China could produce stabilization, rather than the kind of V-shaped recovery we saw in 2016. Nevertheless, even this more limited stimulus should help Chinese markets and overall global trade. A more prolonged trade discussion could continue to impact sentiment as well as adjustments seen in the CNY, which could also add pressure to the rest of EM currencies assets.

On the margin, we are reducing risk by selling winners in U.S. stocks to buy non-U.S. equities, and by taking profits in investment-grade corporate bonds in developed markets, but sticking with emerging market debt.

“Longer term, rates should edge ***higher*** if we are right about global economic growth improving later into the year. High yield bonds could remain an ***attractive*** asset class if, as we expect, the environment for stocks remains broadly ***favorable***. From a total-return perspective, emerging-market credit is one of our most ***preferred*** positions in the portfolio and remains a focal point for ***income-seeking*** investors. We continue our search for ***opportunities*** and will remain nimble in our asset allocation decision making into 2020.

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	**8.78%**
Since Inception	
Absolute	**4.83%**
Annualized	**1.33%**

Fund Information

Jun 2016

Inception Date

US$ 143.94 million

Fund size

US$ 0.894

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 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	7.87%
Since Inception	
Absolute	1.33%
Annualized	0.25%

Fund Information

Apr 2014

Inception Date

Php 6.29 billion

Fund size

Php 0.872

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 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	**3.35%**
Since Inception	
Absolute	**224.30%**
Annualized	**11.61%**

Fund Information

Apr 2009

Inception Date

Php 5.50 billion

Fund size

Php 3.243

Price (Nav/Unit)

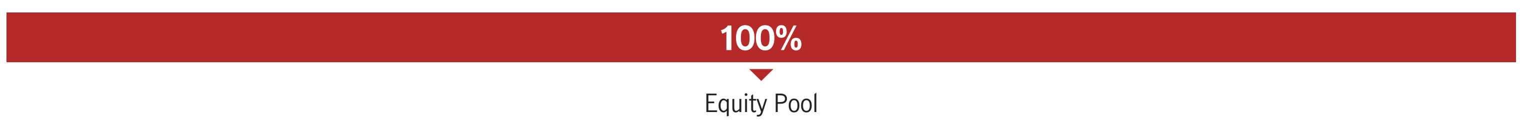
2.25% per annum

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)



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	**1.56%**
Since Inception	
Absolute	**4.30%**
Annualized	**1.48%**

Fund Information

Feb 2017

Inception Date

Php 5.25 billion

Fund size

Php 1.043

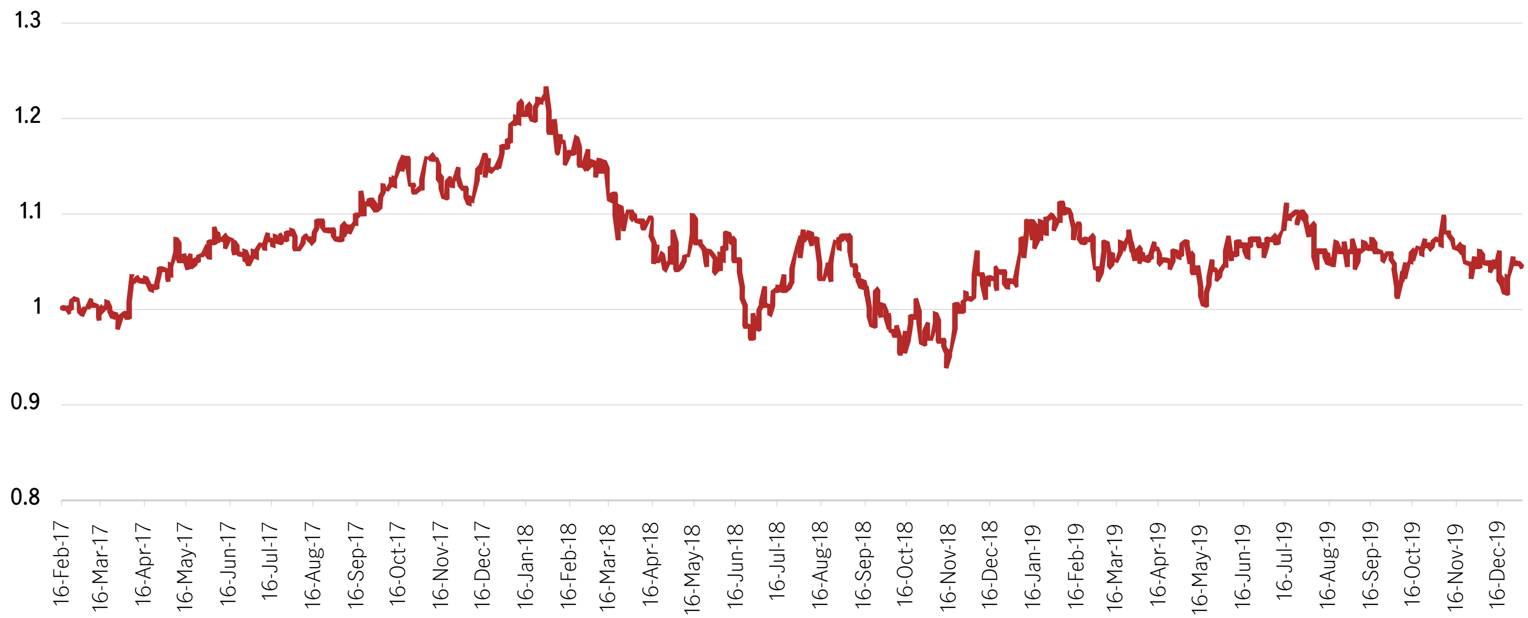
Price (Nav/Unit)

2.00% per annum

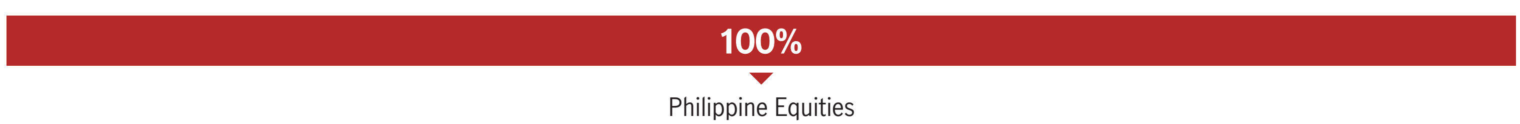
Management fee

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)



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	7.71%
Since Inception	
Absolute	7.60%
Annualized	1.13%

Fund Information

Jul 2013

Inception Date

Php 3.83 billion

Fund size

Php 1.076

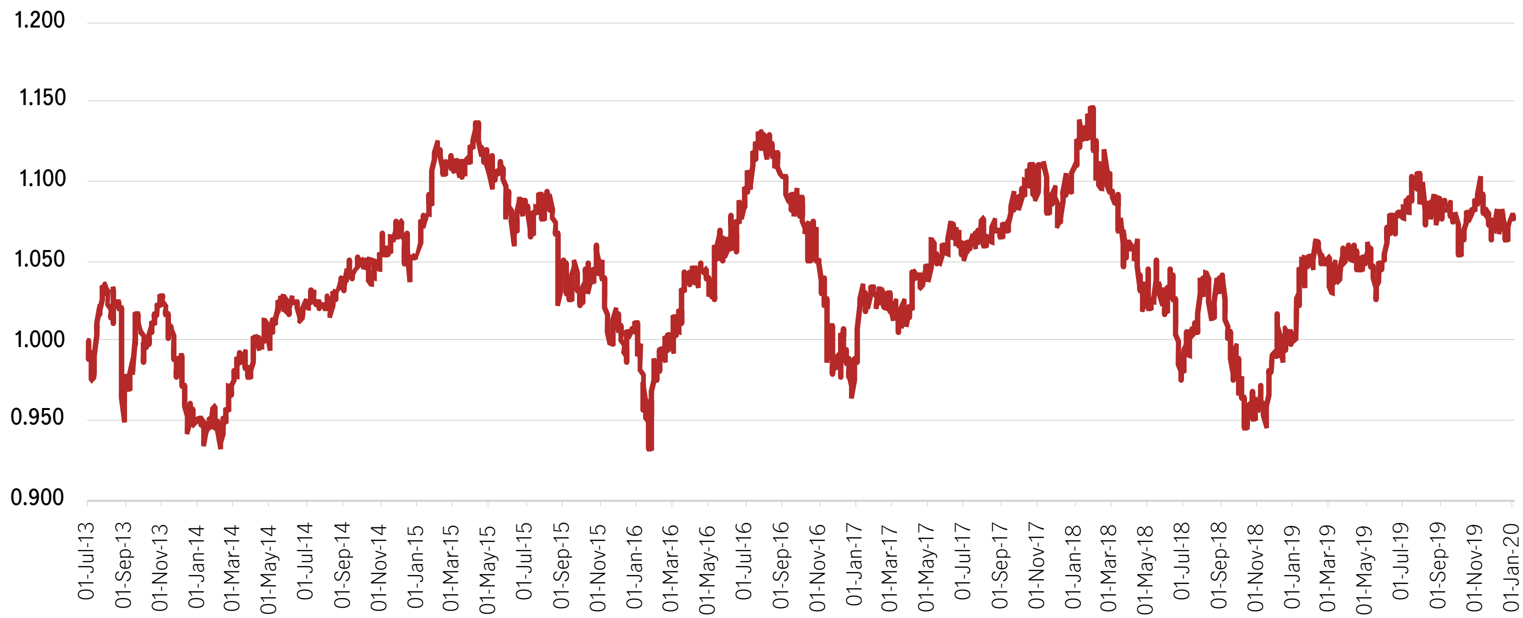
Price (Nav/Unit)

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 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	**10.13%**
Since Inception	
Absolute	**88%**
Annualized	**6.07%**

Fund Information

Apr 2009
Inception Date

Php 1.70 billion
Fund size

Php 1.880
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	Short Term Bond Pool
59.3%	20.1%	20.6%

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	**13.57%**
Since Inception	
Absolute	**68.20%**
Annualized	**4.97%**

Fund Information

Apr 2009

Inception Date

Php 1.64 billion

Fund size

Php 1.682

Price (Nav/Unit)

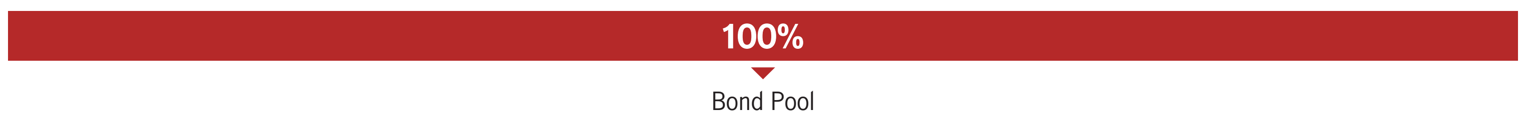
2.00% per annum

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)



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 trusts (REITs) in the Asia Pacific region and other allowable investments.

Historical Yield

Year-to-Date	
Absolute	**N.A.**
Since Inception	
Absolute	**5.90%**
Annualized	**5.90%**

Fund Information

Feb 2019

Inception Date

US$ 29.36 million

Fund size

US$ 1.059

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)

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	**13.57%**
Since Inception	
Absolute	**30.60%**
Annualized	**3.52%**

Fund Information

Nov 2012

Inception Date

US$ 11.65 million

Fund size

US$ 1.306

Price (Nav/Unit)

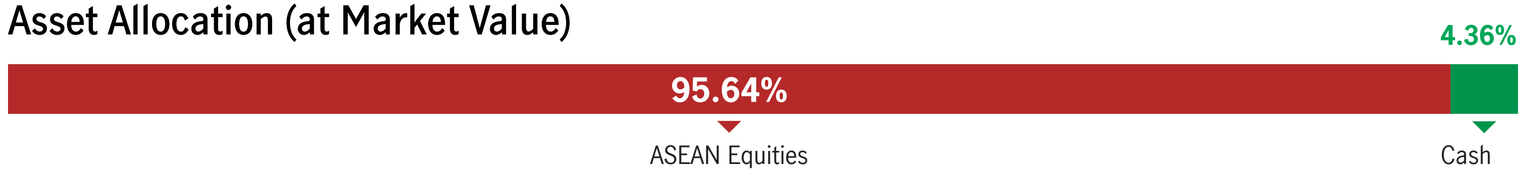
2.25% per annum

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)



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 trusts (REITs) in the Asia Pacific region and other allowable investments

Historical Yield

Year-to-Date	
Absolute	**N.A.**
Since Inception	
Absolute	**1.6%**
Annualized	**1.6%**

Fund Information

May 2019
Inception Date

Php 1.01 billion
Fund size

Php 1.016
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)

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	**11.12%**
Since Inception	
Absolute	**66.90%**
Annualized	**4.90%**

Fund Information

Apr 2009
Inception Date

US$ 8.18 million
Fund size

US$ 1.669
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)

100%
USD Bond Pool

Peso Wealth Optimizer *2026 Fund*

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 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	**6.61%**
Since Inception	
Absolute	**-3.20%**
Annualized	**-0.95%**

Fund Information

Aug 2016
Inception Date

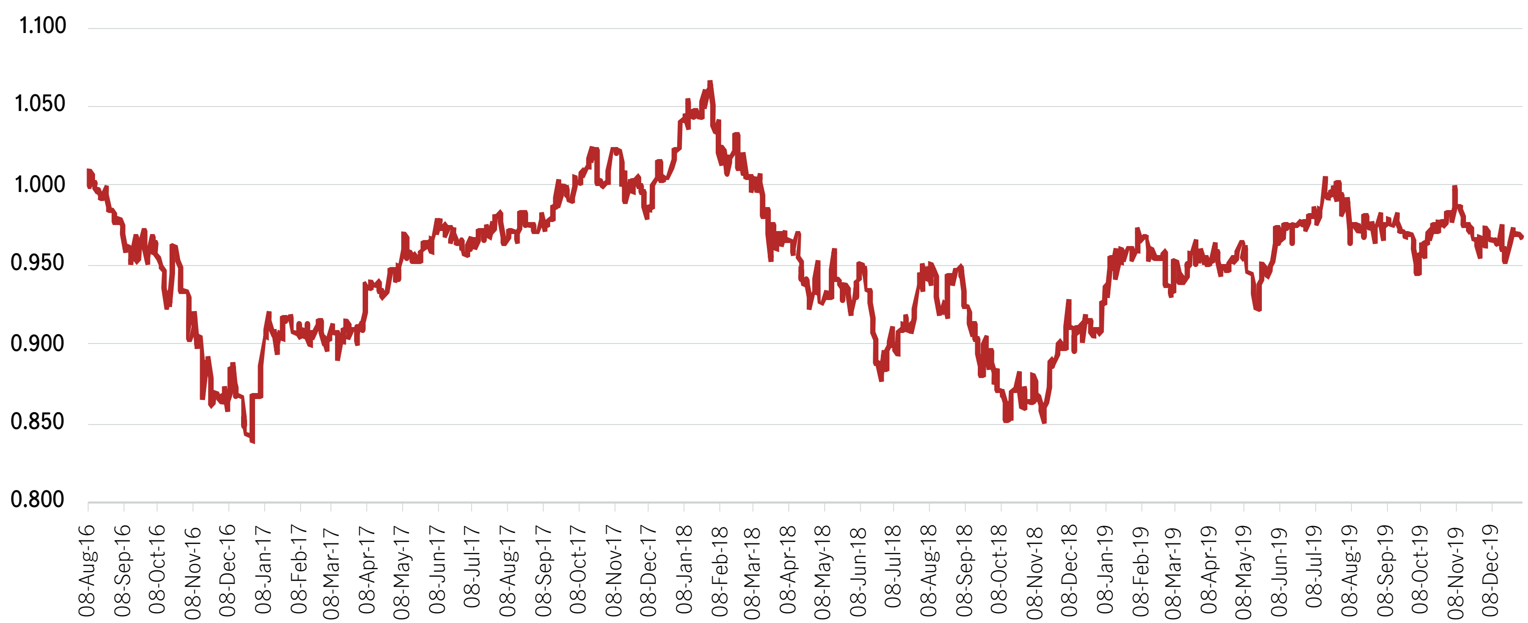
Php 218.81 million
Fund size

Php 0.968
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 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	**8.19%**
Since Inception	
Absolute	**2.86%**
Annualized	**0.53%**

Fund Information

Apr 2014
Inception Date

Php 213.39 million
Fund size

Php 0.883
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	Short Term Bond Pool
50%	29.6%	20.4%

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	3.57%
Since Inception	
Absolute	123.20%
Annualized	6.78%

Fund Information

Oct 2007

Inception Date

Php 142.57 million

Fund size

Php 2.232

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)

China Bank Dollar Fixed Income
VUL Fund

Performance Returns

Year-to-Date	
-8.56%	
Since Inception	
Absolute	**9.10%**
Annualized	**N/A**

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.

Fund Information

Apr 2018

Inception Date

USD 2.01 million

Fund size as of
December 31, 2019

USD 1.091

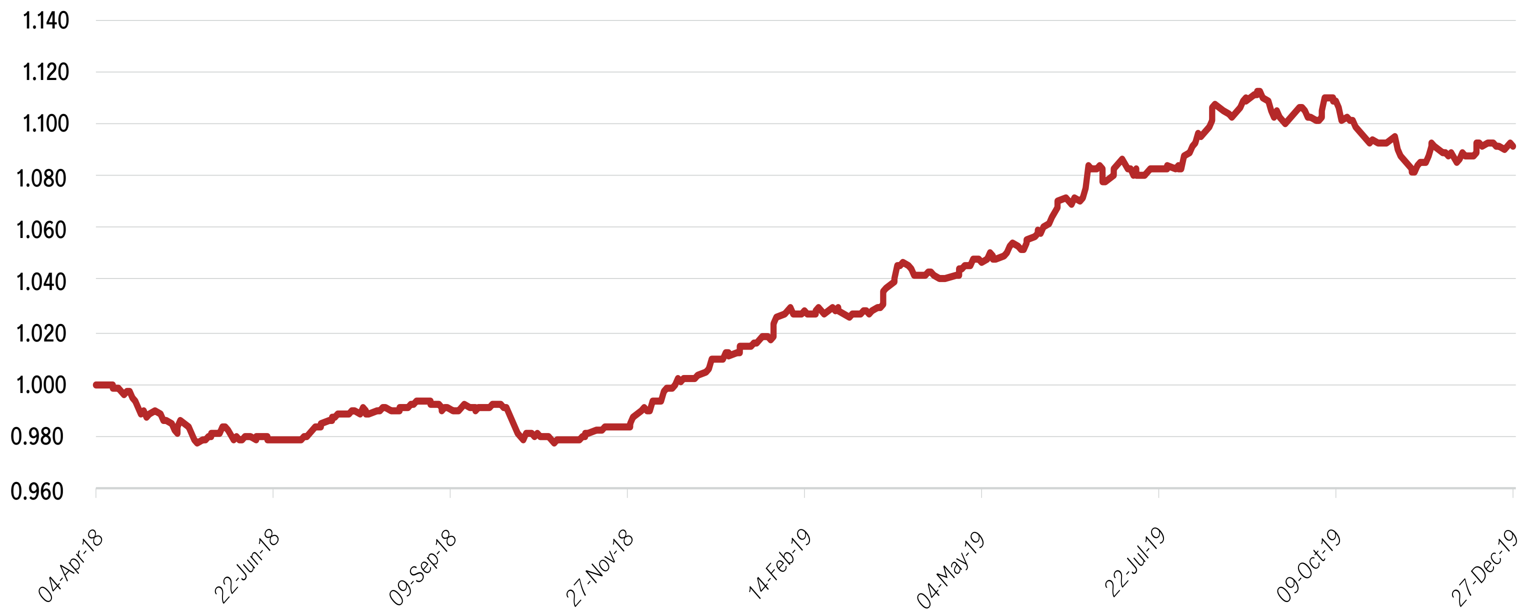
Price (Nav/Unit) as of
December 31, 2018

2.00% per annum

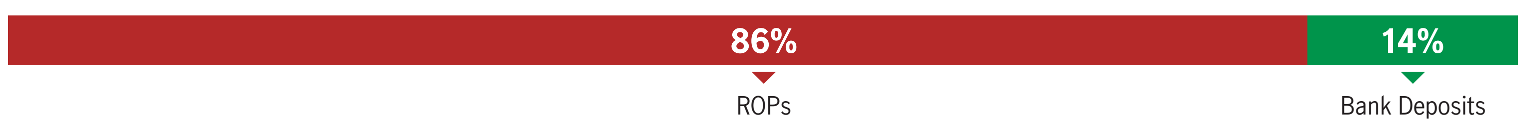
Management fee

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)



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	**8.20%**
Since Inception	
Absolute	**9.50%**
Annualized	**1.15%**

Fund Information

Oct 2011

Inception Date

US$ 1.94 million

Fund size

US$ 1.095

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)

Government & Government-Related	Corporate	Cash
77.21%	15.28%	7.51%

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	**11.33%**
Since Inception	
Absolute	**73.90%**
Annualized	**4.62%**

Fund Information

Oct 2007

Inception Date

US$ 1.86 million

Fund size

US$ 1.739

Price (Nav/Unit)

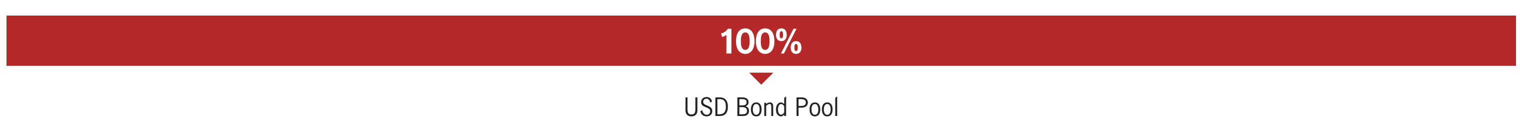
1.75% per annum

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 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	13.74%
Since Inception	
Absolute	97.90%
Annualized	5.73%

Fund Information

Oct 2007

Inception Date

Php 80.18 million

Fund size

Php 1.979

Price (Nav/Unit)

1.50% 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 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 rish/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	7.82%
Since Inception	
Absolute	8.90%
Annualized	1.32%

Fund Information

Jul 2013

Inception Date

Php 64.99 million

Fund size

Php 1.089

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
45.8%	54.2%

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	**10.24%**
Since Inception	
Absolute	**91.60%**
Annualized	**5.45%**

Fund Information

Oct 2007
Inception Date

Php 48.16 million
Fund size

Php 1.916
Price (Nav/Unit)

1.75% 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 *2031 Fund*

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.

Historical Yield

Year-to-Date	
Absolute	**4.50%**
Since Inception	
Absolute	**-4.70%**
Annualized	**-1.40%**

Fund Information

Aug 2016
Inception Date

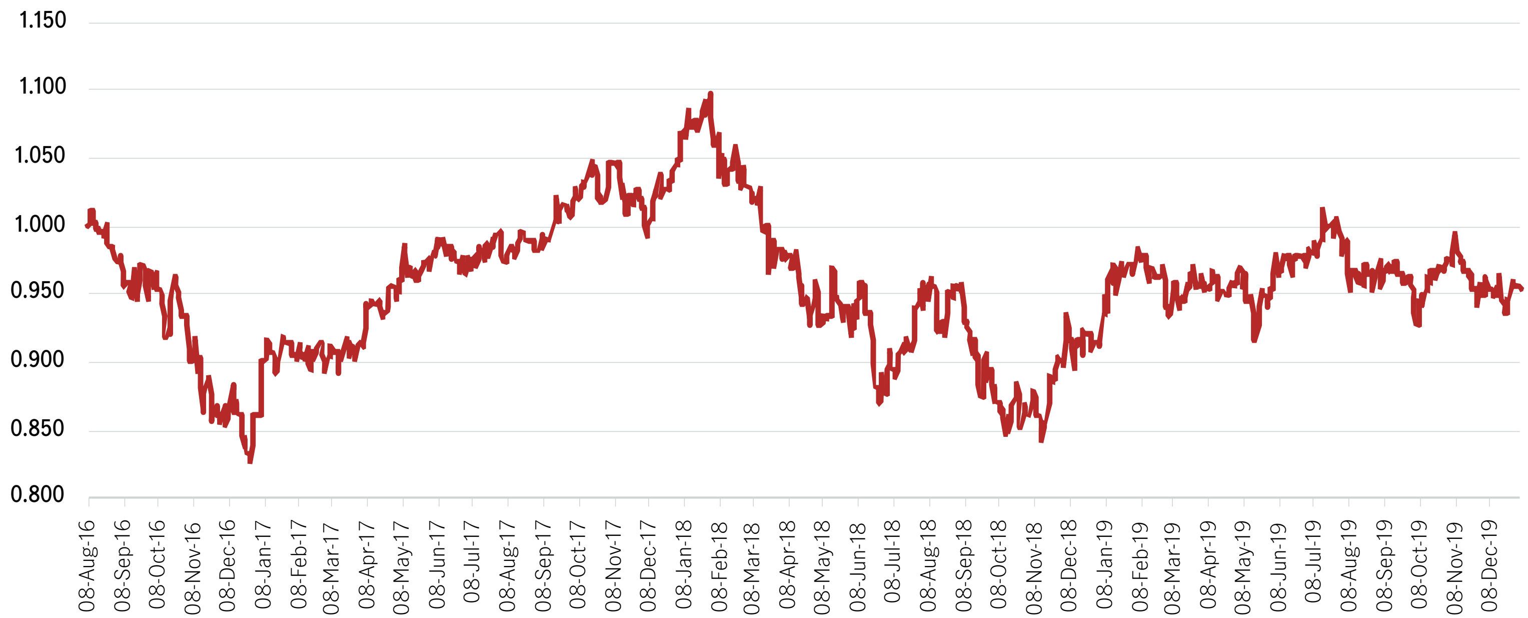
Php 45.23 million
Fund size

Php 0.953
Price (Nav/Unit)

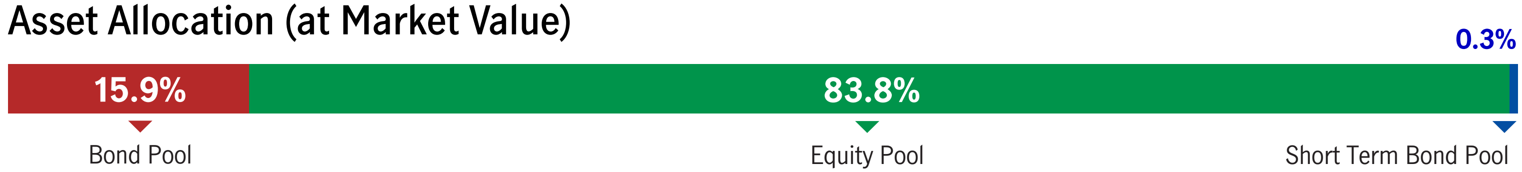
2.25% per annum
Management fee

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)



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	**16.92%**
Since Inception	
Absolute	**15.40%**
Annualized	**13.56%**

Fund Information

Nov 2018
Inception Date

US$ 0.627 million
Fund size

US$ 1.154
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)

100%
Manulife Asia Best Select Equity Fund

Peso Wealth Optimizer *2036 Fund*

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	3.74%
Since Inception	
Absolute	-5.70%
Annualized	-1.71%

Fund Information

Aug 2016
Inception Date

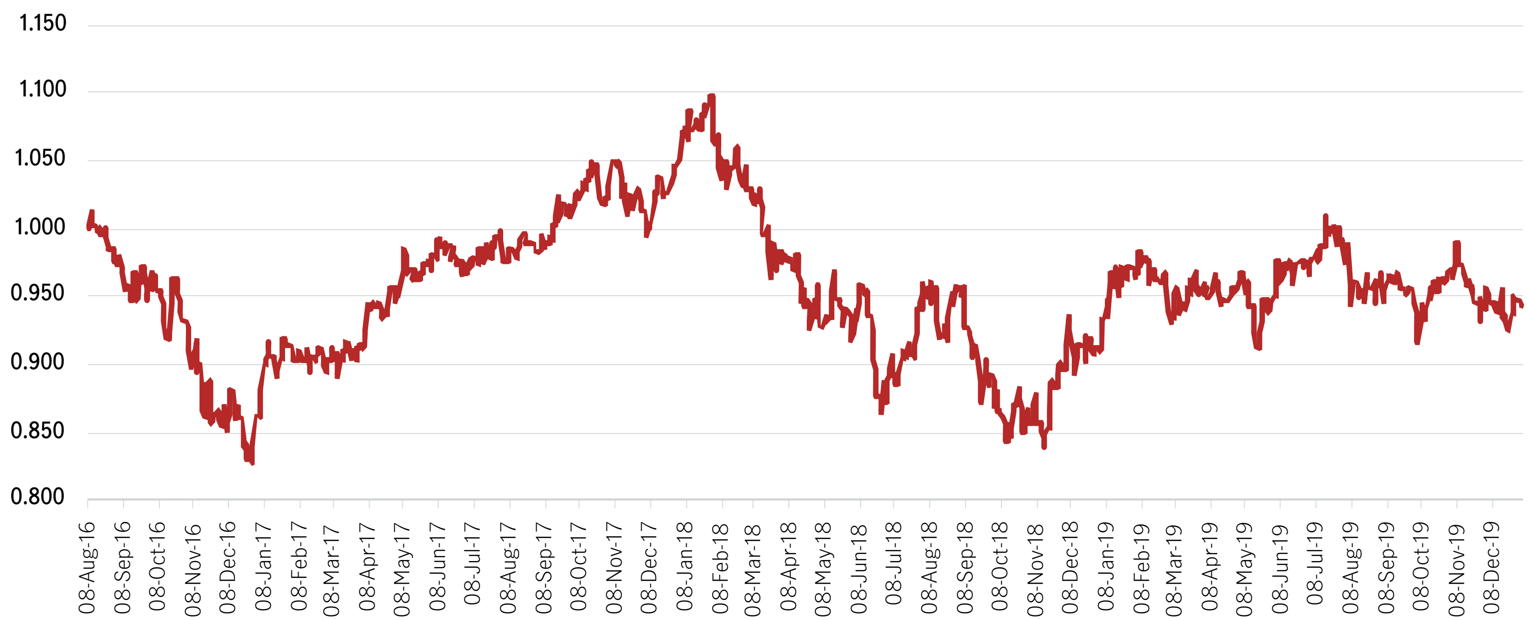
Php 23.42 million
Fund size

Php 0.943
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)

Bond Pool	Equity Pool	Short Term Bond Pool
8.2%	91.7%	0.1%

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Manulife China Bank
LIFE ASSURANCE CORPORATION

Manulife China Bank Life Assurance Corporation

NEX Tower, 6786 Ayala Avenue, Makati, 1229
Customer Care Hotline: (63-2) 8884-7000
phcustomercare@manulife.com
www.manulife-chinabank.com.ph